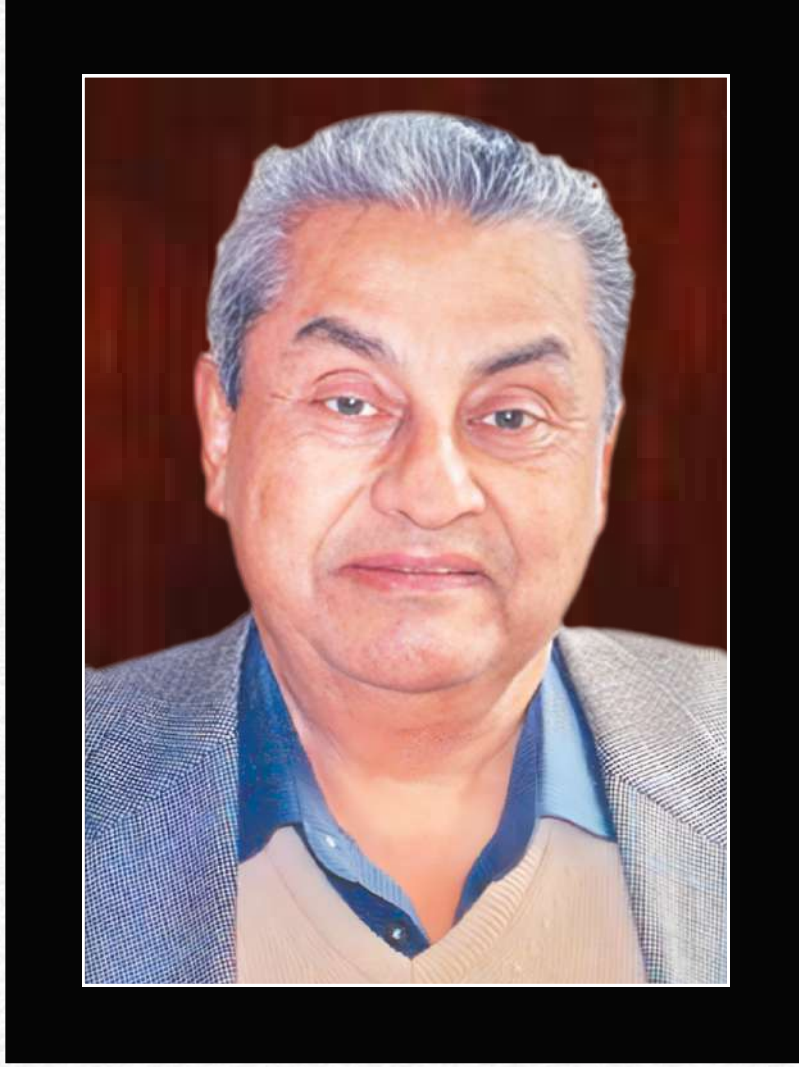


2022



Republic Insurance Company Limited
রিপাবলিক ইনস্যুরেন্স কোম্পানী লিমিটেড



HEDAYET HOSSAIN CHOWDHURY

(1931-2014)

Founder Chairman



Republic Insurance Company Limited

রিপাবলিক ইনস্যুরেন্স কোম্পানী লিমিটেড



আপনার অস্পন্দের অর্বাধিক নিরাপত্তার প্রতিশ্রুতি

Republic Insurance Company Limited

VISION & MISSION

Our Vision

Our vision is to create a meaningful organization with sustainable growth. We aim to achieve new heights in the world of competitiveness in insurance. We believe in qualitative growth balanced with market profitability. Our constant endeavour is to achieve customer satisfaction with consistent quality service and with exemplary responsibility.



Our Mission

Our mission is to maximize long term Shareholders' value, through clients' contentment and employees' commitment to excellence.



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LETTER OF TRANSMITTAL

All Shareholders,
Bangladesh Securities and Exchange Commission (BSEC),
Insurance Development and Regulatory Authority (IDRA),
Registrar of Joint Stock Companies & Firms (RJSC),
Dhaka Stock Exchange Limited (DSE), and
Chattogram Stock Exchange Limited (CSE)

Subject: **Annual Report for the year ended December 31, 2022.**

Dear Sir(s):

Enclosed please find a copy of the Annual Report along with Directors' Report, Audited Financial Statements which comprises of Statement of Financial Position as at December 31, 2022 and the related Fire, Marine Cargo, Marine Hull, Motor and Miscellaneous Insurance Revenue Accounts as well as Statement of Profit or Loss and other Comprehensive Income, Profit and Loss Appropriation Account, Statement of Cash Flows and Statement of Changes in Equity for the year ended December 31, 2022 along with notes thereon of Republic Insurance Company Limited for kind information and record.

Best regards,

Yours sincerely,



(Sajan Kumar Basak)
DMD & Company Secretary

NOTICE FOR THE 23RD ANNUAL GENERAL MEETING

Notice is hereby given that the 23rd Annual General Meeting (AGM) of Republic Insurance Company Limited will be held virtually by using digital platform through the link <https://republicinsurance.bdvirtualagm.com> on Monday, June 19, 2023 at 11:00 A.M. to transact the following business:

01. To receive, consider and adopt the Directors' Report, the Audited Accounts for the year ended December 31, 2022 and the Auditors' Report thereon.
02. To declare Dividend for the year 2022 as recommended by the Board.
03. To elect Directors in place of retiring Directors from sponsors "Group-A", to elect Directors in place of retiring Directors from the public shareholders "Group-B" and to elect Independent Directors of the Company.
04. To appoint Statutory Auditors for the year 2023 and fix their remuneration.
05. To appoint Compliance Auditor for the year 2023 and fix their remuneration.

Dated: Dhaka
29th May, 2023

By Order of the Board of Directors



(Sajan Kumar Basak)
DMD & Company Secretary

NOTES:

- (i) The "Record Date" is fixed on May 25, 2023. The Shareholders, whose names will appear in the Share register of the Company at the close of business on the record date, will be eligible to attend the meeting and dividend.
- (ii) Pursuant to the Bangladesh Securities & Exchange Commission's Order No. SEC/SRMIC/04-231/932 dated: March 24, 2020, the AGM will be virtual meeting of the Members, which will be conducted via live webcast by using zoom digital platform. The detailed procedures to attend the meeting will be communicated to the shareholder's E-mail ID in due course and it will also be available on the Company's website at www.riclbd.com.
- (iii) For login to the system, the Members need to put their 16-digit Beneficial Owners (BO) ID Number and other credentials as proof of their identity by visiting the link <https://republicinsurance.bdvirtualagm.com> The Members will be able to submit their questions/comments electronically 24 hours before commencement of the AGM and during the AGM.
- (iv) The Members are encouraged to login to the system prior to the meeting at 11:00 A.M. on Monday, June 19, 2023. The webcast will start at 11:00 AM and Members may contact Mobile no. +8801721047904 for any IT related guidance in accessing the virtual meeting and/or share related issue.
- (v) Pursuant to the Bangladesh Securities and Exchange Commission (BSEC) Notification No. BSEC/CMRRCD /2006-158/208/Admin/81 dated June 20, 2018, the soft copy of the Annual Report-2022 has already been sent to the E-mail address of the Members available in their Beneficial Owners (BO) accounts maintained with the depository. These are also available in the Company's website at www.riclbd.com.
- (vi) A member eligible to attend the Annual General Meeting may appoint a proxy to attend and vote on his/her behalf. No person shall act as proxy unless he/she is entitled to be present and vote in his/her own right. The "Proxy Form" duly filled, signed and stamped at BDT 20/- must be sent through E-mail to Republic Insurance Company Limited share department at share@riclbd.com no later than 48 hours before commencement of the AGM.
- (vii) Members are requested to notify their changes of address, if any.

COMPANY'S INFORMATION

Republic Insurance Company Limited is a third generation private sector in non-life insurance company. It is a well known, trusted and leading name in the general insurance sector of the country. Republic Insurance Company Limited was incorporated as a public limited company on May 18, 2000 under Companies Act, 1994. It obtained registration from Insurance Development & Regulatory Authority (IDRA) (The then Chief Controller of Insurance, Government of the People's Republic of Bangladesh) on May 30, 2000.

The Company is listed with Dhaka Stock Exchange Ltd. (DSE) and Chattogram Stock Exchange Ltd. (CSE) as a publicly traded company. The Company carries its insurance activities through 36 (Thirty Six) online branches spread across the country.

Registered Name of the Company	Republic Insurance Company Limited
Nature of the Business	Non-Life Insurance business
Legal Form	Public Limited Company
Company's Registration Number	C-40290 (2258)/2000
Certificate of Incorporation	May 18, 2000
Obtained Certificate for Commencement of Business	May 18, 2000
Date of License Issued by the office of the Chief Controller of Insurance	May 31, 2000
Date of Publication of Prospectus (IPO)	August 4, 2008
Agreement Signed with CDBL	August 10, 2008
Listed with Chattogram Stock Exchange Ltd. (CSE)	January 7, 2009
Listed with Dhaka Stock Exchange Ltd. (DSE)	January 14, 2009
Trading of shares on DSE	January 18, 2009
Trading of shares on CSE	January 18, 2009
Issuance of First Bonus Share	July 27, 2010
Tax Identification Number (TIN)	1900015982557 (LTU Tax)
BIN/VAT Registration Number	2017552-0208
Number of Branch	36
Authorized Capital	100 Crore
Paid up Capital	52.10 Crore
Credit Rating for the year 2022-2023	AA- (Long term) & ST-2 (Short term)

Head Office:

HR Bhaban (6th & 9th Floor), 26/1, Kakrail,
Dhaka-1000, Bangladesh
Telephone : +88 02 58313334-8
Hotline : +88 09606 101101
Fax : +88 02 48318060
E-mail : info@riclbd.com
Web : www.riclbd.co

Auditors:

Malek Siddiqui Wali
Chartered Accountants
9-G, Motijheel C/A (2nd Floor), Dhaka-1000

Corporate Governance Compliance Auditor:

T. Hussain & Co., Chartered Accountants
HB Tower (1st Floor), 23/G/1, Free School Street,
Pahthapath, Dhaka, Bangladesh

Legal Consultant:

Barrister Tanjibul Alam
Advocate, Bangladesh Supreme Court
BSEC Bhaban (Level 11), 102 Kazi Nazrul Islam
Avenue, Karwan Bazar, Dhaka-1205, Bangladesh

Legal Adviser:

Mr. Hasan Ur Rashid Tutul
P & H Associates
Property Plaza (Suite # 05), 66 New
Circular Road, Mouchak, Dhaka-1217

CREDIT RATING

AlphaRating

05 September, 2022

**Chief Executive Officer
Republic Insurance Company Limited
HR Bhaban (6th & 9th Floor), 26/1, Kakrail, Dhaka-1000**

Subject: Credit Rating of Republic Insurance Company Limited

Dear Sir,

We are pleased to inform you that Alpha Credit Rating Limited (AlphaRating) has assigned the following rating to Republic Insurance Company Limited.

Date of Declaration	Valid from	Valid Till	Rating Action	Long Term Rating	Short Term Rating	Outlook
05 September, 2022	26 August, 2022	25 August, 2023	Surveillance	AA-	ST-2	Stable

The rating may be changed or revised prior to expiry, if warranted by extraordinary circumstances in the management, operations and/or performance of the entity rated.

We, Alpha Credit Rating Limited, while assigning this rating to Republic Insurance Company Limited, hereby solemnly declare that:

- (i) We, Alpha Credit Rating Limited as well as the analysts of the rating have examined, prepared, finalized and issued this report without compromising with the matters of our conflict of interest, if there be any; and
- (ii) We have complied with all the requirements, policy and procedures of these rules as prescribed by the Bangladesh Securities and Exchange Commission in respect of this rating.

We hope the rating will serve the intended purpose of your organization.

With kind regards,



Pranabesh Roy, FCCA
Chief Strategy Officer

This letter forms an integral part of the credit rating report

Alpha Credit Rating Rating Limited, Sadharan Bima Bhaban-2 (2nd & 8th floor), 139 Motijheel C/A, Dhaka-1000
Tel: +880-2223353025, 2223353026, 2223353027, 2223353028, www.alpharating.com.bd, E-mail: info@alpharating.com

OUR PRODUCTS



PROPERTY INSURANCE

- Fire and Allied Perils Insurance
- Industrial All Risks Insurance (IAR)
- Business Interruption/Loss of Profit/Consequential Loss Insurance
- Power Plant Operational Package Insurance
- Hotel Owner's All Risks Insurance (HOAR)



MARINE CARGO INSURANCE (EXPORT, IMPORT, AND INLAND)

- Transit by Steamer or Powered vessel
- Transit by Road/Rail
- Transit by Air



MARINE HULL INSURANCE

- Inland Marine Hull Insurance (TC Hull)
- Inland Marine Hull Insurance (Total Loss only)
- Machinery & Hull Insurance



MOTOR COMPREHENSIVE INSURANCE

- Commercial Vehicle
- Private Vehicle
- Motor Cycle/Scooter



AVIATION INSURANCE

- Aircraft Insurance
- Hull Insurance
- Aircraft Liabilities Insurance



ENGINEERING INSURANCE

- Machinery Breakdown (MBD)
- Contractor's All Risks (CAR)
- Electronic Equipment Insurance (EEI)
- Deterioration of Stock in Cold Storage (D.O.S)
- Erection All Risks (EAR)
- Boiler and Pressure Vessel (BPV) Insurance



MISCELLANEOUS INSURANCE

- Burglary Insurance
- Lift Insurance
- Cash-in-Transit Insurance
- Cattle and Livestock Insurance
- Employer's Liability Insurance
- Professional Indemnity Liability Insurance
- Commercial General Liability (CGL)
- Goods in Transit Insurance (GTI)
- Automobile Liability Insurance
- Money Insurance
- Rubber Plantation Insurance
- Bangbandhu Suraksha Bima
- Agent Banking Insurance Policy
- Bangabandhu Sportsmen's Comprehensive Insurance Policy
- Householder's All Risks Insurance
- Cash on Counter & Cash in Safe Insurance
- Fidelity Guarantee Insurance
- Workmen's Compensation Insurance
- Plate Glass Insurance
- Peoples Personal Accident Insurance (PPA)
- Personal Accident Insurance
- Product & Public Liability Insurance
- Safe Deposit Box (Bank Lockers) All Risk Insurance
- Hajj and Umrah Insurance
- Overseas Mediclaim Insurance (OMP)
- All Risks Insurance

BRANCH'S INFORMATION

DHAKA DIVISION

Name of Branch	Head of Branch	Address
Principal Branch	Mr. Md. Ziaur Rahman (Miron) Deputy Managing Director	HR Bhaban (6th Floor), 26/1, Kakrail, Dhaka, Phone: +88 02 48319108, Cell: 01712674197, E-mail: elephantroad4@gmail.com
Palton Branch	Mr. Md. Shamsuddin Deputy Managing Director	Ibrahim Mansion (4th Fl), 11, Purana Palton, Dhaka, Ph: 02 223390882, Cell: 01911385686, E-mail: riclpalton@gmail.com
Local Office	Mr. Md. Rukunuzzaman Deputy Managing Director	HR Bhaban (6th Floor), 26/1, Kakrail, Dhaka, Ph: 02 48315153, Cell: 01913392464, E-mail: riclocaloffice@gmail.com
Vip Road Branch	Md. Abdul Jabbar Mridha Assistant Managing Director	Ally's Center (8th Fl), 40, Bijoyagar, Dhaka, Ph: 02 48312498, Cell: 01711221501, E-mail: riclviproad@gmail.com
Motijheel Branch	Mr. T.M. Mahabub Rashid Assistant Managing Director	Ali Bhaban (7th Fl), 9 Rajuk Avenue, Motijheel/CA, Dhaka, Ph: 02 223390837, Cell: 01711443308, E-mail: motijheel@riclbd.com
Elephant Road Branch	Mr. Md. Nazim Uddin Assistant Managing Director	Iris Norjehan (3rd Floor, A-3), 104, Kakrail, Dhaka, Ph: 02 48313074, Cell: 01816048971, E-mail: nazimuddin.ele@riclbd.com
Hatkhola Branch	Mr. Md. Mobarak Hossain Senior Executive Vice President	Rahman Mansion (2nd Fl), 161, Motijheel C/A, Dhaka, Ph: 02 223356198, Cell: 01830122869, E-mail: riclhb@gmail.com
Head Office Cell	Mr. Md. Abu Kawsar Bhuiyan Senior Executive Vice President	HR Bhaban (6th Floor), 26/1, Kakrail, Dhaka, Ph: 02 22223331, Cell: 01552406359, E-mail: riclkawsar@gmail.com
Malibagh Branch	Mr. Md. Romen Ahammed Senior Executive Vice President	Halimunnasas Court (3rd Floor), 23, Kakrail, Dhaka, Ph: 02 48316073, Cell: 01716293916, E-mail: riclmalibagh@gmail.com
Motijheel Corporate Branch	Mr. Hafez Md. Nazmul Huda Senior Executive Vice President	1/B, D.I.T Avenue (5th Fl), Room # 504, Motijheel C/A, Dhaka, Ph: 02 223355497, Cell: 01817016417, E-mail: mcb@riclbd.com
BB Avenue Branch	Mr. Md. Abul Hossain Senior Executive Vice President	212, Akram Center (3rd Floor), D-Block, Shaheed Syed Nazrul Islam Sarani, Purana Palton, Dhaka, Cell: 01733123998, E-mail: riclbba@gmail.com
Kakrail Branch	Mr. Habibur Rahman Senior Executive Vice President	HR Bhaban (6th Floor), 26/1, Kakrail, Dhaka Cell: 01780128434, E-mail: ricl.kakrail@gmail.com
Savar Branch	Mst. Hamida Begum Senior Executive Vice President	S.R.A Center (2nd Floor), Dendabor, Polibiddut, Ashulia, Savar, Dhaka, Cell: 01911758179, E-mail: riclsvr@gmail.com
Farmgate Branch	Ms. Fatama Begum Senior Executive Vice President	Dhaka Trade Center (5th Floor) ,99, Kazi Nazrul Islam Avenue, Dhaka Ph: 02 55013244, Cell: 01718780987, E-mail: riclfarmgate@gmail.com
Rampura Branch	Mr. Mamun Ahmed Muqtada Executive Vice President	Shahjalal Bannijik Complex (4th Fl), 80/A, Siddeswari Circular Road, Dhaka, Ph: 02 48319711, Cell: 01819299945, E-mail: riclrampura@gmail.com
Dilkusha Branch	Mr. Mahbulul Alam Vice President	15, Dilkusha C/A, Zahed Ali Tower, (8th Floor), Dhaka, Ph: 02 223358794, Cell: 01818997457, E-mail: ricldilkusha123@gmail.com
Gazipur Branch		45, Bepari Mansion (2nd Floor), Dattapara Road, Tongi, Gazipur, Ph: 02 9294289, E-mail: Gazipur@riclbd.com
Imamgonj Branch	Mrs. Selina Akhter Vice President	AGI. Business Center, (4th Floor), 81/B-1, Chankharpool, Dhaka, Ph: 02 57300229, Cell: 01723044230, E-mail: ricl.imamgonj@gmail.com

CHATTOGRAM DIVISION

Khatungonj Branch	Mr. Md. Mosharraf Hossain Assistant Managing Director	K.N. Tower (3rd Fl), 18, Agrabad C/A, Badamtoli More, Chattogram Ph: 333316543, Cell: 01819351116, E-mail: republicktg17@yahoo.com
Jubilee Road Branch	Mr. Md. Salim Uddin Senior Executive Vice President	Well-Bing Ltd., (6th Floor), 263, Jubilee Road, Chattogram, Ph: 02 333354838, Cell: 01818921350, E-mail: riclrbctg@yahoo.com
Agrabad Branch	Mr. Mohammed Nasir Uddin Senior Executive Vice President	K.N. Tower (3rd Fl), 18, Agrabad C/A, Badamtoli Mor, Chattogram, Ph: 333319319, Cell: 01815926830, E-mail: riclagra@gmail.com
Laldighi Branch	Mr. Diponkar Das Senior Vice President	Mitali Traders (1st Floor), 80 Kahatungonj, Chattogram, Cell: 01998659051, E-mail: badrukhani258@gmail.com
Chowmuhuni Branch	Mr. Md. Omar Faruque Senior Vice President	Mia Bari, Singer Road, Korimpur, Begumgonj, Chowmuhuni, Noakhali, Cell: 01718113152, E-mail: mgr.chowmuhani.bd@gmail.com

BRANCH'S INFORMATION

RAJSHAHI DIVISION

Name of Branch	Head of Branch	Address
Chapai Nawabgonj Branch	Mr. Md. Rafiqul Islam (Tutul) Executive Vice President	Smriti Plaza, Boro Indra Mor, Chapainawabgonj Ph: 588892938, Cell: 01712822038, E-mail: rafiqultutul@gmail.com
Rajshahi Branch	Mr. Md. Ziaul Islam Assistant Vice President	House # 595, Sheroeel, Ghoramara-6100, Boalia, Rajshahi, Cell: 01727 226728, E-mail: ziaulislam606@gmail.com
Bogura Branch	Mr. Mir Md. Mehedi Hasan Assistant Vice President	M.A. Khan Lane, Dr. Anisul Haque Building (3rd Fl), Sathmatha, Bogura, Ph: 589905168, Cell: 01716303641, E-mail: riclbogra.bd@gmail.com
Naogaon Branch	Mr. Md. Shah Alam Executive Officer	Shorma Shopping Center, Vill- Tula Patti, Naogaon, Ph: 0741 62901, Cell: 01642619840, E-mail: riclnaogaon@gmail.com

KHULNA DIVISION

Kushtia Branch	Mr. Md. Robiul Islam (Dolon) Senior Vice President	55/1, Lovely Tower (9th Floor), N.S. Road, Kushtia, Ph: 477782396, Cell: 01715211525, E-mail: kushtia22ricl@gmail.com
Jashore Branch	Mr. Khalekuzzaman Ripon Vice President	M.S Orchid Center (6th Fl), 44, M.K. Road, Kotwali, Jashore, Ph: 02477764469, Cell: 01711316558, E-mail: ricljessore@gmail.com
Satkhira Branch	Mr. Khan Mahfuzur Rahman Assistant Vice President	Kaman Nagar, Itagacha Bazar Mor, Satkhira Ph: 02 77741557, Cell: 01711228549, E-mail: riclsatkhira@gmail.com
Khulna Branch		10, Puraton Jashore Road, Hazi Mahtab Chamber (2nd Fl), Khulna, Ph: 024 4110847, Cell: 01717584767, E-mail: riclkhulna@gmail.com

RANGPUR DIVISION

Dinajpur Branch	Mr. Md. Sohel Imteaz Vice President	Vill: Basuniapotti, Alam Plaza (2nd Floor), Post: Dinajpur, Thana: Sadar, District: Dinajpur, Cell: 01716076480, E-mail: sohelimteaz@gmail.com
Rangpur Branch		Karnaphuli Bhaban (1st Fl), 90, Station Road, Rangpur, E-mail: rangpur@riclbd.com

OTHER DIVISION

Sylhet Branch	Mr. Md. Mahbubur Rahman Chowdhury, Senior Vice President	Salim Mansion (1st Floor), Mendibagh, Sylhet Ph: 0821 726702, Cell: 01715860842, E-mail: riclsylhet@gmail.com
Mymensingh Branch	Mr. Md. Amran Ali Senior Vice President	34, Chuto Bazar, Exim Bank Bhaban(3rd Fl), Mymensingh Sadar, Mymensingh Cell: 01724738371, E-mail: riclmymensingh@gmail.com
Barishal Branch	Mr. Md. Sumon Senior Manager	Talukder Mansion (5th Floor), Sadar Road, Barisal, E-mail: barisal@riclbd.com

COMPOSITION OF THE BOARD AND COMMITTEES

BOARD OF DIRECTORS

SPONSOR DIRECTORS

Mr. Mohd. Hanif Chowdhury
Chairman

Mr. S.M. Shafiul Hoque
Vice Chairman

Mrs. Hasina Gazi

Mrs. Khurshida Rahman

Mr. Sadeque Hossain Chowdhury

Mr. Saber Hossain Chowdhury, MP

Mrs. Shahin Haider

Mr. Mahboob Ur Rahman

DIRECTORS (From Public Shareholders)

Mr. Feroz U. Haider

Mrs. Rehana Chowdhury

Mrs. Shahella Rashid Chowdhury
(Nominated by Cove Investment Ltd.)

Mr. Mohammad Arif, FCA, FCMA
(Nominated by Unitex LP Gas Ltd.)

INDEPENDENT DIRECTORS

Mr. Md. Abdur Rouf

Mr. Md. Shafiqul Islam, FCA

Dr. Suborna Barua

CHIEF EXECUTIVE OFFICER (CEO)

Dr. A K M Sarwar Jahan Zamil

BOARD COMMITTEES

EXECUTIVE COMMITTEE

Mrs. Rehana Chowdhury Chairman

Mr. S.M. Shafiul Hoque Member

Mrs. Khurshida Rahman Member

Mrs. Shahella Rashid Chowdhury Member

Mr. Mahboob Ur Rahman Member

Mr. Md. Abdur Rouf Member

Dr. A K M Sarwar Jahan Zamil Member

AUDIT COMMITTEE

Mr. Md. Abdur Rouf Chairman

Mrs. Khurshida Rahman Member

Mr. Md. Shafiqul Islam, FCA Member

Dr. Suborna Barua Member

NOMINATION AND REMUNERATION COMMITTEE (NRC)

Mr. Md. Abdur Rouf Chairman

Mr. Feroz U. Haider Member

Mrs. Rehana Chowdhury Member

Mrs. Shahella Rashid Chowdhury Member

Mr. Mahboob Ur Rahman Member

Dr. Suborna Barua Member

CLAIMS COMMITTEE

Mr. Mohammad Arif, FCA, FCMA Chairman

Mrs. Khurshida Rahman Member

Mrs. Shahella Rashid Chowdhury Member

Mr. Md. Abdur Rouf Member

Dr. Suborna Barua Member

Dr. A K M Sarwar Jahan Zamil Member

INVESTMENT COMMITTEE

Mr. Md. Shafiqul Islam, FCA Chairman

Mr. Md. Abdur Rouf Member

Mr. Mahboob Ur Rahman Member

Dr. A K M Sarwar Jahan Zamil Member

PROFILE OF THE BOARD OF DIRECTORS

MR. MOHD. HANIF CHOWDHURY
CHAIRMAN



Mr. Mohd. Hanif Chowdhury is a renowned businessman of the country. He obtained his B.Sc degree under Chattogram University in 1976. He started his business career in 1980 in Garments sector. Then he explored his business in Textile sector. Presently he is the Group Chairman of Unitex Group. He is the Chairman of Unitex Spinning Ltd. (Unit-1, Unit-2 & Unit-3), Unitex Composite Mills Ltd., HS Composite Textile Ltd., Unitex LPG Ltd., Unitex Synthetic Ltd. Unitex Steel Mills Ltd., Unitex Petroleum Ltd., Unitex Pvt. Ltd. and Unitex Lubricant Ltd. He was the Director of Bangladesh Commerce Bank Ltd. He was the Vice Chairman of NRB Global Bank Ltd. Mr. Chowdhury is involved in various social activities in the country. He is the founder of Al-Madrasatul Islamia Jamiatul Ulom Bhingrol.

PROFILE OF THE BOARD OF DIRECTORS



MR. S.M. SHAFIUL HOQUE
VICE CHAIRMAN

Mr. S.M. Shafiul Hoque is a renowned businessman who after obtaining graduation started his business career. He has been engaged mostly in Garments & Textile business. He is the Chairman of Integral Apparels Ltd., Director of Combined Texwear Ltd. and Mission Apparels Industries Ltd. Mr. Hoque is the former Vice President of Chattogram Chamber of Commerce & Industries (CCCI). Mr. Shafiul Hoque was the Chairman of Bangladesh Garments Manufacturers and Exporters Association (BGMEA) airport cell, Chattogram. He is carrying out duties as a Vice Chairman for Projonmo Chattogram regional board as well as active member of BSCIC Shilpo Malik Samity, Kalurghat, Chattogram, Bangladesh.

MRS. HASINA GAZI
DIRECTOR

Mrs. Hasina Gazi is one of the Sponsors of the Company. She completed graduation from the University of Dhaka. She is a successful entrepreneur who on completion of her education started business. She is also the Director of Gazi Rim, Gazi Fan, Gazi Plastic, Gazi Rubber Industries and Gazi Kitchenware. She is the proprietor of Pappa Traders. She is also Director of Gazi Group of Industries and wife of Mr. Golam Dastagir Gazi (Bir Protik) MP, Managing Director of Gazi Group of Industries. She is the President and donor member of different Schools and Colleges in Rupgonj, Narayanganj and Jamalpur. She is actively involved in social welfare of working women in different zones in Rupgonj, Narayanganj. She is the Mayor at Tarabo Pourasava, Rupgonj Narayanganj.



PROFILE OF THE BOARD OF DIRECTORS

MRS. KHURSHIDA RAHMAN
DIRECTOR

Mrs. Khurshida Rahman is a renowned entrepreneur who after completion of her education started business. She has been engaged in business since long. She is the Director of Business King Limited and owner of Kashfia Plaza. She is one of the Sponsors of the Company. She is involved in various social activities in the Country.



MR. SADEQUE HOSSAIN CHOWDHURY
DIRECTOR

Mr. Sadeque Hossain Chowdhury is a successful businessman of the country. He obtained his B.Sc (Engineering) Degree from the University of London, UK and MBA Degree from the University of Aston, Birmingham, UK. He has been engaged in business in different sectors. He is the Managing Director of Multidrive Ltd., Multidrive Electronics Ltd., Multidrive Industries Ltd., Motodrive Ltd., Motodrive Industries Ltd., Medidrive Ltd., Travelscene Ltd. and he is also the Director of K & T Logistics Ltd., Regensea Lines Ltd., Container & Terminal Services Ltd., Finvest Services Ltd., Smart Ltd. and British Motors Bangladesh Ltd. He is the member of the Institute of Electrical Engineers (IEE), UK, American Management Association (AMA) and Kurmitola Golf Club, Dhaka.

PROFILE OF THE BOARD OF DIRECTORS



MR. SABER HOSSAIN CHOWDHURY, MP
DIRECTOR

Mr. Saber Hossain Chowdhury, MP is a Director of Republic Insurance Company Ltd. Mr. Chowdhury holds Bachelor degree in Political Science and Economics from London University and L.L.B from Westminster University, London. He is also the Vice Chairman of GSP Finance Company (Bangladesh) Limited representing Karnaphuli Industries Limited. He was elected as Member of 7th Jatio Sangsad (National Assembly), 9th Jatio Sangsad, 10th Jatio Sangsad and again he has been elected as Member of 11th Jatio Sangsad. He is the Chairman of Standing Committee on Ministry of Environment, Forest and Climate Change of 11th Jatio Sangsad, Government of the People's Republic of Bangladesh. He was Deputy Minister of Shipping of the Govt. of the People's Republic of Bangladesh from December 1996 to March 1998 and thereafter acted as Deputy Minister of Local Government & Rural Development (LGRD) till July 2001. He was also a Member of the Parliamentary Committee for the Ministry of Sports and Cultural Affairs for the term of 1996-2001. During his tenure as the Member of the Parliament and also as the Deputy Minister, he was widely acclaimed as having acted with honesty and integrity, thereby holding high image of his Constitutional Positions. He is also the Managing Director of Karnaphuli Group of Companies and HR Lines Ltd., one of the ocean going vessels of Shipowners companies in Bangladesh. He is also a Director of K&T Logistic Limited. He was also a Director of Mercantile Bank Ltd. He was the 28th President of Inter-Parliamentary Union (IPU). He has again been elected to the same position on October 16, 2014 for a term of 3 years. He has been awarded by Russian President Mr. Putin, 'The Order of Friendship' the highest award of Russia. He is the first Bangladeshi to have been elected to this highest office of global parliamentary leadership. At present Mr. Saber Hossain Chowdhury, MP is the Honorary President of Inter-Parliamentary Union (IPU).

PROFILE OF THE BOARD OF DIRECTORS

MRS. SHAHIN HAIDER
DIRECTOR

Mrs. Shahin Haider obtained Degree in Home Economics from Croydon Technical College, Croydon, London, UK and is engaged in business in different sectors. She is a Director of S.F. Haider Foundation Ltd. She is the wife of Mr. Feroz U. Haider, Chairman of GSP Finance Company (Bangladesh) Limited.



MR. MAHBOOB UR RAHMAN
DIRECTOR

Mr. Mahboob Ur Rahman is an innovative entrepreneur running four leading companies in entertainment, hospitality, construction and information technology sector in Bangladesh. Educated in the United States of America in Information Technology and trained as an Executive MBA from Helsinki School of Economics in Finland. Mr. Rahman is leading changes and creating values with innovative business ideas and technologies in Bangladesh. Mr. Rahman is the Founder Chairman of Show Motions Limited, the first modern multiplex cinema theater in Bangladesh under the STAR Cineplex brand. He is a founder Member of BASE Ltd., a leading ITES firm render service to information technology solutions, consulting services in management and finance and technical training to enterprises and government in Bangladesh. In Finland Mr. Rahman co-founded IT Services Company and assisted the Finnish companies to set up an offshore development center in Bangladesh. Since 1999, in the capacity of Managing Director, Mr. Rahman has been leading GasMin Limited, one of the largest Gas Pipeline Construction firm in the country completing many large projects in Gas Pipeline, Drill Pad Development and Civil Structures. Mr. Rahman is the founder of Sayeman Holding Limited with a vision to build, operate and own several destination resorts in Bangladesh. He is also the Managing Director of Sayeman Beach Resort Limited the most remarkable beachfront hotel in Cox's Bazar, Bangladesh.

PROFILE OF THE BOARD OF DIRECTORS



MR. FEROZ U. HAIDER
DIRECTOR

Mr. Feroz U. Haider is a renowned international banker with experience in very senior positions in financial institutions in South East Asia. He started his banking career in 1967 with United Bank Limited (now Janata Bank) after his graduation from University of Dhaka and worked till 1975. From 1976 to 1978 he was the General Manager of Gulf Finance Company Limited, Hong Kong. He was the Managing Director of GSP Finance Company Limited, Hong Kong and GSP International Bank Limited, Vanuatu. From 1989 to 1996 he was the Chairman of GSP International Bank Limited, Vanuatu, and President of Thai Prasit Insurance Company Limited, Hong Kong (now Mittare Insurance Co. Ltd.). From the date of incorporation (October 29, 1995) of GSP Finance Company (Bangladesh) Limited, he served as Chairman and Managing Director of the Company, since 2008 he has elected as Chairman of the Board of Directors of the Company.

MRS. REHANA CHOWDHURY
DIRECTOR &
Chairman, Executive Committee

Mrs. Rehana Chowdhury is the Director and Chairman Executive Committee of Republic Insurance Company Limited. She completed graduation from Dhaka University. She is the wife of Mr. Saber Hossain Chowdhury, MP. She is the Director of Karnaphuli Group of Companies. She is also the Director of Regen Sea Lines Ltd., Container & Terminal Services Ltd., Marco Shipping Company Ltd., Easy Fly Ltd., Voice Tel Ltd., HR Holding Ltd. and HR Lines Ltd., one of the ocean going vessels of Ship-owners companies in Bangladesh. She is involved in various social activities in the country.



PROFILE OF THE BOARD OF DIRECTORS

MRS. SHAHELLA RASHID CHOWDHURY DIRECTOR

Mrs. Shahella Rashid Chowdhury is the Director of Republic Insurance Company Limited nominated by Cove Investment Limited. She was born in a respected Muslim family in 1964 at Chattogram. She completed graduate degree from Chattogram Govt. Women College in 1984. She is the wife of Mr. Mohd. Hanif Chowdhury, Chairman of Unitex Group and Republic Insurance Company Limited. She was the Director of Jaansco Garments Industries Ltd. from 1984 to 2001. She was also the Director of Jaansco Canada Incorporation in 2001. At present Mrs. Shahella Rashid Chowdhury is the Managing Director of HS Composite Textiles Ltd. She is involved in various social activities in the country.



MR. MOHAMMAD ARIF, FCA, FCMA DIRECTOR & Chairman, Claims Committee

Mr. Mohammad Arif FCA, FCMA is the Director and Chairman, Claims Committee of Republic Insurance Company Limited nominated by Unitex LP Gas Limited. He was born in a respected Muslim Family in 1981 at Chattogram. He completed M.Com degree in 2004 under National University. He is the Group CFO (Chief Financial Officer) of Unitex Group which is one of the best industries in Bangladesh. He completed CA from Hoda Vasi Chowdhury & Co., Chartered Accounts, Chattogram. He is the fellow Member of the Institute of Chartered Accountants of Bangladesh (ICAB) and the Institute of Cost & Management Accounts of Bangladesh (ICMAB). Mr. Arif was the Chief Financial Officer of BSRM Steels Limited. He was also the Senior Manager- Group Accounts & Finance and Company Secretary of Mostafa Group of Industries. He was the Chairman of Chattogram Branch Council of ICMAB for 2021 and he also Chairman of Chattogram Regional Committee of ICAB for 2023. Mr. Arif is involved in various social activities in the Country.

PROFILE OF THE BOARD OF DIRECTORS



MR. MD. ABDUR ROUF

INDEPENDENT DIRECTOR &
Chairman, Nomination and Remuneration Committee (NRC) and
Audit Committee

Mr. Md. Abdur Rouf is the Independent Director and Chairman, Nomination and Remuneration Committee (NRC) and Audit Committee of Republic Insurance Company Limited. He was born in 1958 at Barishal. He Completed M.Com (Management) in 1983 under University of Dhaka. He had served in different Government Organizations. Mr. Rouf was the Managing Director of Karmasangsthan Bank and Chief Executive Officer (CEO) of BD Finance Securities Limited & ICB Capital Management Ltd. He was also the Deputy Managing Director of Sonali Bank Ltd. and General Manager of Investment Corporation of Bangladesh (ICB). Mr. Rouf was the Nominee Director of Standard Bank Securities Ltd., The Acme Laboratories Ltd., Golden Son Ltd., Navana CNG Ltd., Armit Ltd. and Energypac Ltd. He is the lifetime Member of the Institute of Bankers Bangladesh (IBB) and Barishal Zila Samity. He participated various seminars and training programs like Financial Management, Anti-Money Laundering and Human Behavior & Discipline at outside and inside the country. At present Mr. Rouf is the Chairman, Governing Body, Khilgaon Model College, Dhaka. Mr. Rouf is also involved in various social activities.

PROFILE OF THE BOARD OF DIRECTORS

MR. MD. SHAFIQL ISLAM, FCA
INDEPENDENT DIRECTOR &
Chairman, Investment Committee

Mr. Md. Shafiqul Islam, FCA is the Independent Director and Chairman, Investment Committee of Republic Insurance Company Limited. He is one of the Managing Partners of Shafiq Basak & Co., Chartered Accountants Firm. He was born in January 08, 1958 at Comilla District. He passed B. Com (Hons) in Accounting in the year 1978 from Chittagong University and M. Com in Accounting in the year 1979 from the same University. He is a Professionally Qualified Chartered Accountant and Passed the course from the Institute of Chartered Accountants of Bangladesh in the year 1989. He was the past Chairman of the Chittagong Regional Committee of the Institute of Chartered Accountants of Bangladesh. He has long experience in Audit, Valuation reporting , Income Tax and VAT advisory services, Representing the assessment /Appeal of multinational, local corporate assessee, foreign national and local individual assessee, Company law Advisory and Secretarial services. Audit of accounts of large number of Public & Private Companies, NGO, Sector Corporation, Govt. & Semi Govt. Organizations. He is one of the life members of Chittagong Lions Foundation, Chittagong Ma-O Shishu Hospital and SHAHIC of Chattogram.



PROFILE OF THE BOARD OF DIRECTORS



DR. SUBORNA BARUA
INDEPENDENT DIRECTOR

Dr. Suborna Barua is the Independent Director of Republic Insurance Company Limited. He is a Professor at the Department of International Business, University of Dhaka and a part-time Research Fellow at Bangladesh Institute of Capital Market. Dr. Barua holds a blended experience of teaching courses in economics and finance at both local and foreign universities, delivering professional training on financial modeling, financial markets, financial management and project management, and working in cross-border research projects funded by institutions such as the World Bank, UNDP, and DFID-UK. He has so far led and managed more than twelve research projects funded by industry and the government. In addition, he has a long track of serving in financial and management consultant and advisory roles at over ten local and multinational corporations. Dr. Barua's publication portfolio includes books, book chapters, and over thirty five articles published in high-impact factor journals. He has presented at more than twelve international conferences. He is Managing Editor of the Journal of Financial Markets and Governance and an Academic Editor of PLOS Climate. His current research and consulting areas are financial technology (Fintech) and sustainable finance and investment.

PROFILE OF THE BOARD OF DIRECTORS

DR. A K M SARWAR JAHAN ZAMIL
CHIEF EXECUTIVE OFFICER (CEO)

Dr. A K M Sarwar Jahan Zamil is the Chief Executive Officer (CEO) of Republic Insurance Company Limited. He was born in 1966 at Sandwip, Chattogram. He completed M.com in Accounting under University of Dhaka. He also completed LLB and LLM from Uttara University and Prime University respectively. Mr. Zamil awarded PhD Degree from California Southern University Atlanta, USA. He started his career with Karnaphuli Insurance Company Ltd. as Manager in 1988. He had served his service tenure mainly at Meghna Insurance Company Ltd. in senior positions. He was the Chief Executive Officer of Meghna Insurance Company Ltd. from July 2016 to January 2020. He obtained Insurance Diploma under Bangladesh Insurance Academy. He also participated in different training and workshops under Bangladesh Insurance Academy. He worked in various departments like Claims & Re-Insurance, Underwriting, Branch Control & Corporate Compliance, Business Development and Administrative Operations. Mr. Zamil is involved in various social activities. He is a Chartered Member of Lions Club International and life member of Bangladesh Lions foundation. He is also a life member of Bangladesh Red Crescent Society and Dhaka University Alumni Association. Recently Mr. Sarwar has been elected as 2nd Vice District Governor of District 315 B1 Bangladesh for the Lionstic year 2023-24. He is a life long registered Graduate, Dhaka University. He is also a member, Chartered Insurance Institute, (U/K) and Associate Bangladesh Insurance Academy. He was the Member of Executive Committee, Bangladesh Insurance Forum.



MANAGEMENT TEAM

MANAGEMENT TEAM

CHIEF EXECUTIVE OFFICER	: Dr. A K M Sarwar Jahan Zamil
ADDITIONAL MANAGING DIRECTOR	: Mr. Md. Sirajul Islam Bhuiyan
DEPUTY MANAGING DIRECTORS	: Mr. Sajan Kumar Basak (Company Secretary) Mr. Md. Anwarul Islam Mr. Md. Shamsuddin Mr. Md. Ziaur Rahman (Miron) Mr. Md. Rukunuzzaman
ASSISTANT MANAGING DIRECTORS	: Mr. T.M. Mahabub Rashid Mr. Md. Abdul Jabbar Mridha Mr. Md. Mosharaf Hossain Mr. Md. Nazim Uddin
SENIOR EXECUTIVE VICE PRESIDENTS	: Mr. Mohammed Nasir Uddin Mr. Md. Abu Kawsar Bhuiyan Mr. Hafez Md. Nazmul Huda Mr. Md. Salim Uddin Mr. Md. Romen Ahmmed Mr. Md. Mobarak Hossain Mr. Md. Abul Hossain Mrs. Hamida Begum Mr. Habibur Rahman Ms. Fatama Begum
EXECUTIVE VICE PRESIDENTS	: Mr. Mamun Ahmed Muqtada Mr. Md. Rafiqul Islam (Tutul)
SENIOR VICE PRESIDENTS	: Mr. Mohammad Moshfiqur Rahman Mr. Md. Mahbubur Rahman Chowdhury Mr. Md. Robiul Islam (Dolon) Mr. Diponkar Das Mr. Md. Omar Faruque Mr. Md. Amran Ali
VICE PRESIDENTS	: Mr. Mansur Alam Sikder Mr. Sayed Enietul Haque Mr. Md. Numan Abedin Mr. Md. Moniruzzaman Dulal Mrs. Selina Akhter Mr. Khalekuzzaman Ripon Mr. Md. Sohel Imteaz Mr. Mahbub Alam
ASSISTANT VICE PRESIDENTS	: Mr. Khan Mahfuzur Rahman Mr. Mir Md. Mehedi Hasan Mr. Md. Ziaul Islam

CORPORATE MANAGEMENT TEAM



Dr. A K M Sarwar Jahan Zamil
Chief Executive Officer



Mr. Md. Sirajul Islam Bhuiyan
Additional Managing Director



Mr. Sajan Kumar Basak
Deputy Managing Director
and Company Secretary



Mr. Md. Anwarul Islam
Deputy Managing Director and
Head of Claims & Re-insurance



**Mr. Mohammad Moshfiqur
Rahman**
Senior Vice President & CFO



Mr. Mansur Alam Sikder
Vice President and
Head of Underwriting



Mr. Sayed Enietul Haque
Vice President and
Head of Admin



Mr. Md. Numan Abedin
Vice President and
Head of HR & MIS



**Mr. Md. Moniruzzaman
Dulal**, Vice President,
Underwriting & BCD

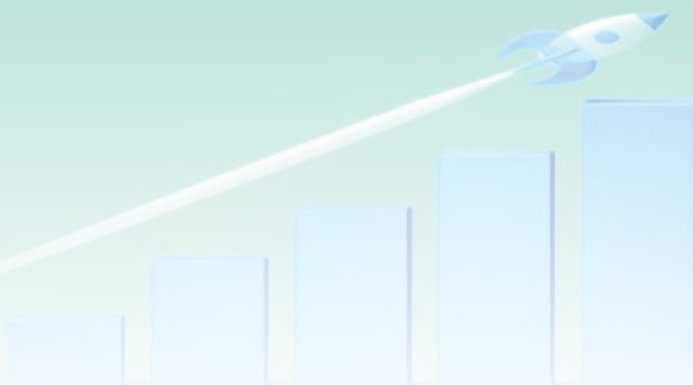


Mr. Md. Jahidul Islam
Manager and
Head of IT



Mr. Md. Saiful Islam
Deputy Manager and
Head of Internal Audit

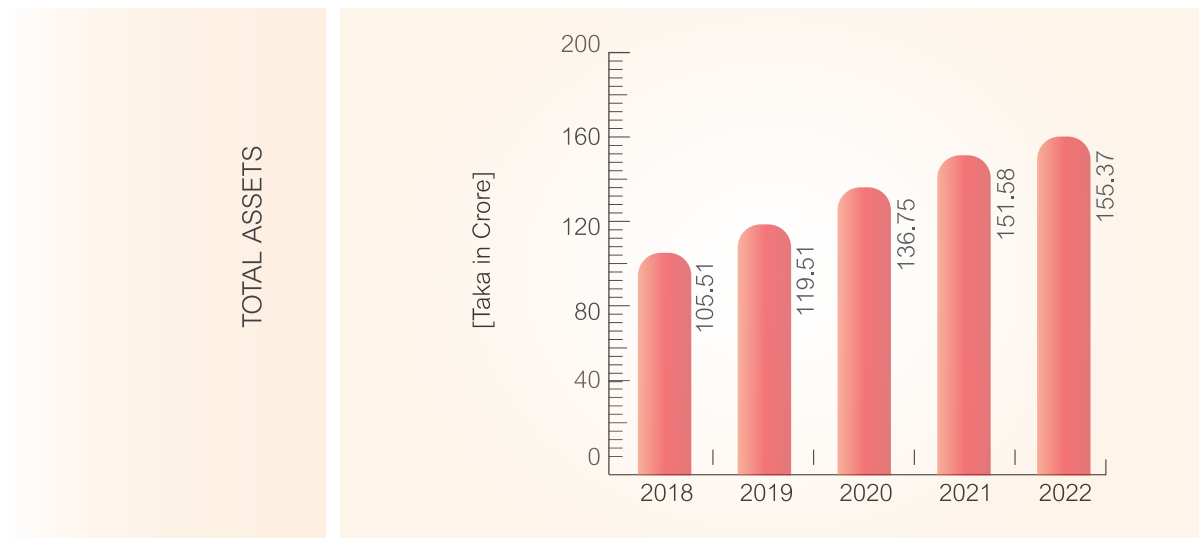
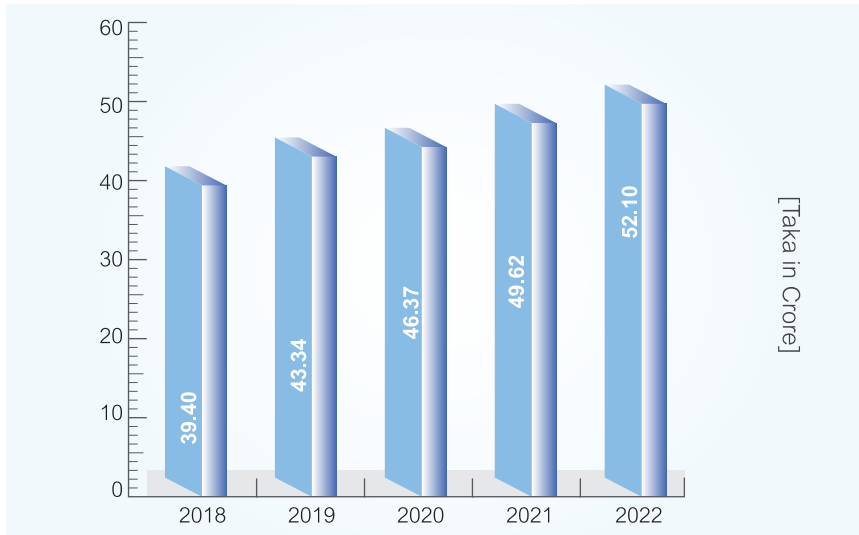
FINANCIAL HIGHLIGHTS



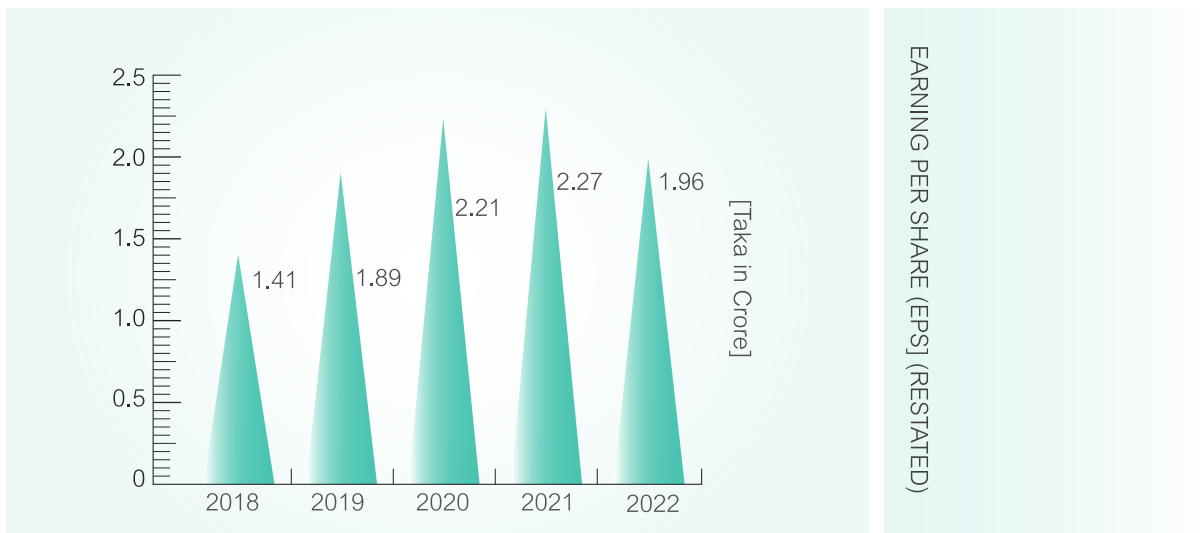
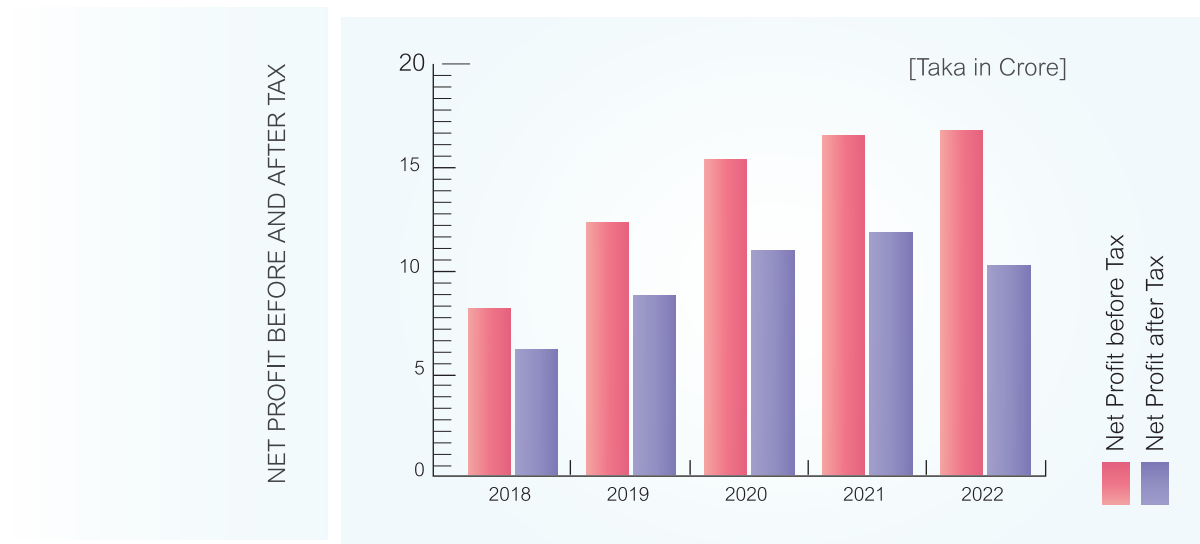
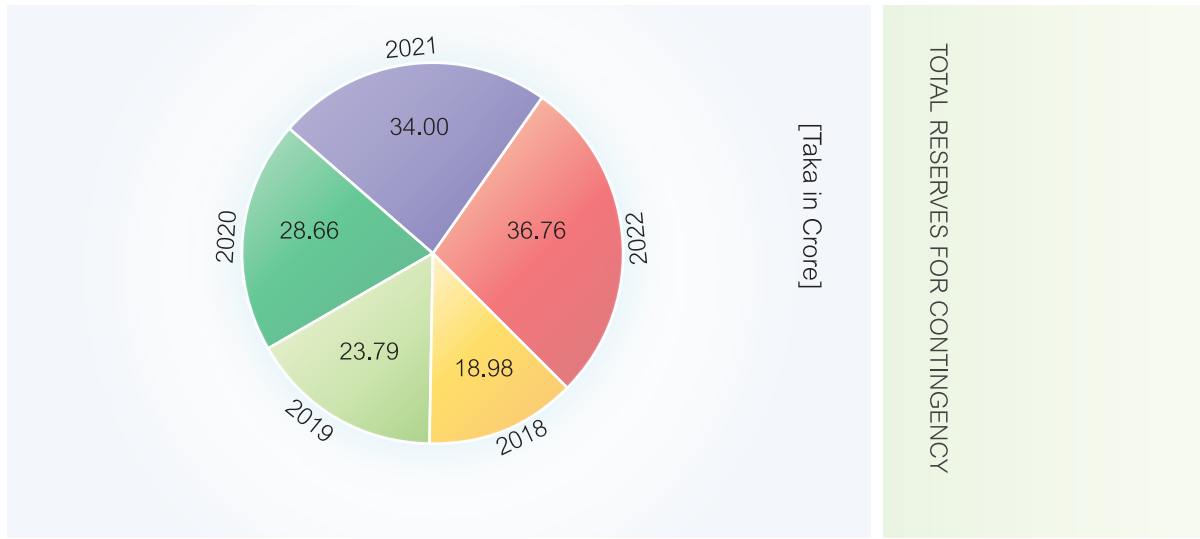
BDT in crore except NAVPS, EPS & Dividend item

Particulars	2022	2021	2020	2019	2018
Paid up Capital	52.10	49.62	46.37	43.34	39.40
Gross Premium Income	83.83	74.84	78.00	68.03	53.44
Net Premium Income	50.32	41.15	50.64	41.96	35.50
Net Claims Paid	2.16	1.68	4.41	4.13	8.98
Interest & Other Income	3.85	4.07	4.49	3.15	2.68
Underwriting Profit	15.85	16.05	14.24	12.81	8.10
Net Profit before Tax	16.80	16.56	15.41	12.33	8.10
Net Profit after Tax	10.21	11.82	10.95	8.75	6.12
Total Assets	155.37	151.58	136.75	119.51	105.51
Total Reserves for Contingency	36.76	34.00	28.66	23.79	18.98
Cash & Bank Balances	7.66	8.66	11.25	6.40	2.99
Investments	64.12	58.63	52.72	47.41	43.50
Shareholder's Equity	88.86	83.62	75.04	67.12	58.38
Net Asset value per Share (NAVPS)	17.06	16.85	16.18	15.49	14.82
Earnings per Share (Restated)	1.96	2.27	2.21	1.89	1.41
Stock Dividend	-	5%	7%	7%	10%
Cash Dividend	10.50%	10%	7%	7%	-

FINANCIAL HIGHLIGHTS



FINANCIAL HIGHLIGHTS



KEY RATIOS

PERTAINING TO INSURANCE BUSINESS OF REPUBLIC INSURANCE COMPANY LIMITED

BDT in Crore except ratios

Particulars	2022		2021		Growth %
	(BDT Cr.)	Ratio	(BDT Cr.)	Ratio	
Gross Premium Income	83.83	-	74.84	-	12.00%
Net Premium Income	50.32	-	41.15	-	22.29%
Re-insurance Premium Ceded as % of Gross Premium Income	33.51	39.97%	33.70	45.02%	(0.55)%
Net Re-insurance Commission Earned as % of Gross Premium Income	5.57	6.65%	5.78	7.72%	(3.57)%
Net Re-insurance Commission Earned as % of Net Premium Income	5.57	11.07%	5.78	14.04%	(3.57)%
Management Expenses Allocated as % of Gross Premium Income	28.83	34.39%	24.46	32.68%	17.88%
Management Expenses allocated as % of Net Premium Income	28.83	57.29%	24.46	59.44%	17.88%
Gross Claims Paid as % of Gross Premium Income	3.42	4.08%	6.64	8.88%	(48.47)%
Gross Claims Paid as % of Net Premium Income	3.42	6.80%	6.64	16.14%	(48.47)%
Net Claims Paid as % of Gross Premium Income	2.16	2.58%	1.68	2.25%	28.35%
Net Claims Paid as % of Net Premium Income	2.16	4.29%	1.68	4.09%	28.35%
Operating Income as % of Gross Premium Income	15.85	18.91%	16.05	21.45%	(1.27)%
Operating Income as % of Net Premium Income	15.85	31.50%	16.05	39.01%	(1.27)%
Net Profit before Tax as % of Gross Premium Income	16.80	20.04%	16.56	22.12%	1.47%
Net Profit after Tax as % of Gross Premium Income	10.21	12.18%	11.82	15.80%	(13.66)%

MESSAGE FROM THE CHAIRMAN



MR. MOHD. HANIF CHOWDHURY
Chairman

Bismillahir Rahmanir Rahim

As-Salaamu-Alaikum

Dear Honorable Shareholders,

It is with great pleasure I welcome you all to the 23rd Annual General Meeting (AGM) of Republic Insurance Company Limited (RICL).

I also thank everyone today for joining the AGM through the digital platform. I hope you and your family are all safe and keeping well. It is my pleasure to place before you the Financial Statements of 2022 of the Company along with its performance. I would like to start with a brief overview of the performance and strategy of our company. In 2022 Republic Insurance Company Limited stepped into the 23rd year of the Company's business operation with its commitment to maintaining superior corporate governance and balancing of growth, profitability, and risk.

Dear Shareholders, the Annual Accounts of the Company for the year 2022 is being presented

herewith, from which you will observe that due to fluctuation of US dollar exchange rate and despite global financial crisis, the Company has completed another successful year. Even in the midst of various adversities, during the year the Company attained a gross premium income of Taka 83.83 crore and pre-tax operating profit of Tk. 16.80 crore. The profit was contributed by both underwriting and investment incomes, and in particular the underwriting profit stood at Taka 15.85 crore in 2022.

Dear Shareholders, in light of Insurance Act 2010 and directives of Insurance Development and Regulatory Authority (IDRA), non-life insurance services to be dispersed to the rural areas as well as to the social sector. And as part of its, RICL has been providing insurance coverage to the insured by underwriting small and medium enterprise (SME) business through its branch network at the remote areas of the country. The Company has also been diversifying its business portfolio by increasing segments of medium and smaller clients and thus achieving a desirable spread of business which is fundamental to insurance sector.

We are very much confident that the Company will maintain its momentum in achieving growth in business and profitability in the years to come. We are greatly appreciative of the continued support and patronage from our clients and Shareholders and would look forward to continuation of the same.

Dear Shareholders, based on the operation profits for 2022, Board of Directors have proposed 10.5% cash dividend to the Shareholders of the Company.

Dear Shareholders, to conceive in prudent underwriting RICL follows all applicable Rules, Regulations and Orders of IDRA meticulously. RICL has been sending information about policies to the Unified Messaging Platform (UMP) regularly at the end of every day's business.

Dear Shareholders, with a view to making the securities market lively in the interest of the general investors, the BSEC constituted the Capital Market Stabilization Fund (CMSF) with the unclaimed or undistributed or unsettled cash or stock dividend or non refunded public subscription money or un-allotted rights shares from the issuer of listed securities lying with them for more than three years. The Company being a listed issuer, has transferred the required amount of unclaimed dividend to the said Fund in compliance with the rules of the Fund.


We with sincere gratitude always remember our clients and shareholders for their tremendous support and trust reposed on us. We would like to extend our sincere thanks to Banks and financial institutions with whom we have extensive daily dealings along with the Regulators, Dhaka Stock Exchange Ltd, Chattogram Stock Exchange Ltd, BAPLC, NBR, FRC, BSEC, IDRA, Sadharan Bima Corporation, related Government bodies and stakeholders for their persistent co-operation and support.

I would like to extend my wholehearted thanks to the honourable members of the Board for their continuous co-operation and valuable advices to administer the affairs of the company smoothly and also to the different Sub- Committees of the Board for performing their defined roles.

I also humbly seek forgiveness of departed soul of late Hedayet Hossain Chowdhury Founder Chairman of the Company.

On behalf of the Board of Directors, I would like to take the opportunity to express our sincere thanks to the Chief Executive Officer, management team, Branch Managers and members of the staff of the Company for their commendable performance in adhering to company's vision. I am very much confident and hopeful that they will continue to be steadfast in the face of adversity and achieve better results in the years to come.

May Allah keep us in peace and bless of all.



(Mohd. Hanif Chowdhury)
Chairman

MESSAGE FROM THE CHIEF EXECUTIVE OFFICER



DR. A K M SARWAR JAHAN ZAMIL
Chief Executive Officer

Bismillahir Rahmanir Rahim

As-Salaamu-Alaikum

Dear Honorable Shareholders,

It is my great pleasure to welcome you all to the 23rd Annual General Meeting (AGM) of Republic Insurance Company Limited. I convey my sincere thanks to all for joining in the AGM of the Company virtually through digital platform.

I would like to express my heartfelt gratitude to Almighty Allah for keeping us safe and successfully closing the year 2022 despite of all economies challenges. With continued patronage and support, the Company has completed another successful but rushing year 2022 amid stiff pressure from the market dynamics whether it be financial or regulatory on the face of hard reinsurance market worldwide due to major catastrophic losses in the North American region.

Despite fluctuation of US dollar exchange rate and

slowdown of economic activities in the post covid scenario along with war-stricken world, we strived for maintaining the status quo.

Dear Shareholders, we are happy to announce that the Company was able to perform well and has registered a growth in 2022. Our gross premium income stood at Tk. 83.83 crore in 2022 corresponding to Tk. 74.84 crore in 2021 which constitutes a growth of 12 percent. Summarized position of the financial indicators is as under:

BDT in Crore

Particulars	Year		Growth
	2022	2021	
Gross premium income	83.83	74.84	12%
Gross claims paid	34.23	66.43	(48)%
Net profit before tax	16.80	16.55	(1)%
Total Investment	64.12	58.63	9%

Dear Shareholders, our top priority is to comply the rules and regulations imposed by "Insurance Development and Regulatory Authority (IDRA)". Our aim is to facilitate good corporate governance, and

adequate service levels, bringing sustainability. We also comply with the regulatory changes made by Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange Ltd. and Chattogram Stock Exchange Ltd.

Furthermore underwriting income of the Company has been increasing and it is in a stable position compared to market scenario. Our most premium generating portfolios are Fire, Marine, Motor and Miscellaneous. With a view to generate significant premium, we have already introduced some new portfolios for the clients and also trying our level best making use of our underwriting capabilities.

We try to settle every valid claim in a shorter span of time. We attempt to improve our core competency in claims management. During the year 2022 the Company has settled gross claims amounting to Tk. 34.23 crore.

Dear Shareholders, digital marketing in insurance is the process of engaging with the prospects to create awareness and drive action. In order to modernize and digitalize the insurance services, the Insurance Development Regulatory Authority (IDRA) had been launched Unified Messaging Platform (UMP) and for which, whenever a policy is issued a SMS automatically sent to respective customer's Mobile. IDRA also monitor all activities of the Companies through UMP. Recently IDRA has added E-money receipt portal in UMP. We hope that in future through UMP we will able provide better service to the insured and bring transparency to the insurance industry.

The Company greatly appreciates the support of its clients under a very competitive environment and it continues to attach the highest importance in providing top class services to its clients aimed at ensuring long term business relationship.

Dear Shareholder, since human resource is the back bone of the Company, it has been continuously striving to ensure availability of skilled and experienced manpower through proper recruitment and training of its existing staff, within the country as well as in abroad. Likewise development of information technology facilities has been given high priority in order to ensure efficient functioning of the Company.

Dear Shareholders, it is our wish that Republic Insurance will continue its endeavours to maintain its position and reputation as a sound insurance provider with adequate financial security. we are very much hopeful that, as before, you will continue to extend your support to the Company and we assure that we will make all efforts to honour your

trust by running the Company with the highest regards for ethics, integrity and honesty.

Dear Shareholders, I would like to thank Honorable Chairman and Honorable Board of Directors for their wise counsel, which has been particularly valuable in these times of Financial and social stress. I would also like to thank all esteemed stakeholders, well-wishers, Ministry of Finance, Insurance Development and Regulatory Authority (IDRA), Bangladesh Bank, Bangladesh Insurance Association (BIA), Bangladesh Insurance Forum, Bangladesh Securities and Exchange Commission (BSEC), Dhaka Stock Exchange Ltd, Chattogram Stock Exchange Ltd, Co-insurer and re-insurer for their patronage support.

Finally, I would like to thank Management Team, Branch Managers and staff members for their sincere dedication, commitment and extreme hard work throughout the year.

Thank you and best wishes to you and your family.



(Dr. A K M Sarwar Jahan Zamil)
Chief Executive Officer



DIRECTORS' REPORT

TO THE SHAREHOLDERS OF REPUBLIC INSURANCE COMPANY LIMITED

Bismillahir Rahmanir Rahim

Dear Shareholders,

As-salamu Alaikum,

The Board of Directors of Republic Insurance Company Limited (herein after 'the Company' or RICL) takes this opportunity to welcome you all to the 23rd Annual General Meeting (AGM) of the Shareholders and present before you the Annual Report of the Company along with the Audited Financial Statements and Auditor's Report for the year ended on December 31, 2022, for consideration and approval. The Audited Financial Statements were approved by the 143rd Meeting of the Board of Directors held on April 27, 2023.

We prepared this Annual Report in compliance with the Companies Act 1994, Insurance Act 2010 and guidelines issued by Bangladesh Securities and Exchange Commission (BSEC), Insurance Development & Regulatory Authority (IDRA) and other Regulatory Authorities from time to time.

GLOBAL ECONOMY

Global economic activity is experiencing a broad-based and sharper-than-expected slowdown, with inflation higher than seen in several decades. The cost-of-living crisis, tightening financial conditions in most regions, Russia's invasion of Ukraine, and the lingering COVID-19 pandemic all weigh heavily on the outlook. Global growth is forecast to slow from 6.0 percent in 2021 to 3.2 percent in 2022 and 2.7 percent in 2023. This is the weakest growth profile since 2001 except for the global financial crisis and the acute phase of the COVID-19 pandemic. Global inflation is forecast to rise from 4.7 percent in 2021 to 8.8 percent in 2022 but to decline to 6.5 percent in 2023 and to 4.1 percent by 2024. Monetary policy should stay the course to restore price stability, and fiscal policy should aim to alleviate the cost-of-living pressures while maintaining a sufficiently tight stance aligned with monetary policy. Structural reforms can further support the fight against inflation by improving productivity and easing supply constraints, while multilateral cooperation is necessary for fast-tracking the green energy transition and preventing fragmentation.

The global economy is experiencing several turbulent challenges. Inflation higher than seen in several decades, tightening financial conditions in most regions, Russia's invasion of Ukraine, and the lingering COVID-19 pandemic all weigh heavily on the outlook. Normalization of monetary and fiscal policies that delivered unprecedented support during the pandemic is cooling demand as policymakers aim to lower inflation back to target. But a growing share of economies are in a growth slowdown or outright contraction. The global economy's future health rests critically on the successful calibration of monetary policy, the course of the war in Ukraine, and the possibility of further pandemic-related supply-side disruptions, for example, in China.

Global growth is forecast to slow from 6.0 percent in 2021 to 3.2 percent in 2022 and 2.7 percent in 2023. This is the weakest growth profile since 2001 except for the global financial crisis and the acute phase of the COVID-19 pandemic and reflects significant slowdowns for the largest economies: a US GDP contraction in the first half of 2022, a euro area contraction in the second half of 2022, and prolonged COVID-19 outbreaks and lockdowns in China with a growing property sector crisis. About a third of the world economy faces two consecutive quarters of negative growth. Global inflation is forecast to rise from 4.7 percent in 2021 to 8.8 percent in 2022 but to decline to 6.5 percent in 2023 and to 4.1 percent by 2024. Upside inflation surprises have been most widespread among advanced economies, with greater variability in emerging markets and developing economies.

(Source: International Monetary Fund (report, October 2022)

BANGLADESH ECONOMY

"Bangladesh's gross domestic product (GDP) is expected to grow by 5.3% in fiscal year (FY) 2023". The slower growth forecast reflects subdued domestic demand and weaker export expansion due to slow global growth following the Russian invasion of Ukraine. Inflation is forecast to accelerate from 6.2% in FY2022 to 8.7% in FY2023. The current account deficit is anticipated to narrow from 4.1% of GDP in FY2022 to 1.6% of GDP in FY2023 as imports loosen and remittances grow. The main risk to this growth projection is a greater economic slowdown in Bangladesh's major export destinations driven by global uncertainty over the prolonged political tensions.

"The government is managing relatively well against the impact of external adversities and has embarked on the reform programs as precautionary

measures," said ADB Country Director for Bangladesh Edimon Ginting. "Accelerating key reforms during these difficult times would help the country sustain higher growth in the medium term. These reforms include strengthening public financial management and domestic resource mobilization, deepening the financial sector, and enhancing competitiveness to promote the creation of productive jobs in the private sector," Mr. Ginting said. "This is also a high time for enhancing resilience against the global energy market volatility by creating an enabling environment for rapid expansion of domestic renewable energy supply to reduce dependence on fossil fuels in line with the country's climate agenda."

The ADO April 2023 states that private investment growth will be lower because of energy shortages and higher production costs. With a shortfall in revenue collection, austerity measures, and depleting foreign exchange reserves, public investment growth will also be slower.

Inflation is expected to accelerate from 6.2% in FY2022 to 8.7% in FY2023 as price pressures increase due to the upward adjustment of domestic-administered prices for fuel oil, gas, and electricity, and higher global commodity prices.

In its 50-year partnership with Bangladesh, ADB has mobilized over \$50 billion in loans and grants, including cofinancing, to improve infrastructure, public services, and social development for the country's people. ADB's current sovereign portfolio in Bangladesh has 50 projects worth about \$11.9 billion.

ADB is committed to achieving a prosperous, inclusive, resilient, and sustainable Asia and the Pacific while sustaining its efforts to eradicate extreme poverty. Established in 1966, it is owned by 68 members-49 from the region.

[Source: Asian Development Outlook (ADO) April 2023]

GLOBAL INSURANCE MARKET

According to the Swiss Re Institute report sigma No. 4/2022, for insurers, the main inflation impact will show in rising claims costs, more in non-life than life insurance in which policy benefits are defined at inception. Motor and liability lines of business will likely be most immediately impacted. Accident, and motor and general liability will also be impacted, with inflation feeding into bodily injury claims.

Swiss Re estimates strong 6.1% nominal growth in total premiums (non-life and life) in 2022. Nevertheless, in nominal terms we expect total premium

DIRECTORS' REPORT

mobilization will exceed the USD 7 trillion mark this year for the first time in the history of the country. Swiss Re bases its estimation on strong market recovery from pandemic-induced lows, continued rate hardening in non-life, and stronger premium growth in emerging markets in particular.

For non-life insurance, Swiss Re expects inflation of exposure values and rate hardening will boost global premium growth. Commercial lines (including workers' compensation) will continue to expand more than personal lines (including health). It estimates a 1.1% increase in commercial premiums in 2022, and a 3.1% gain in 2023, supported by rate hardening. Personal lines insurance premiums will expand by an estimated 0.5% in 2022, mainly on account of stagnation in advanced markets.

(Source: Swiss-Re, sigma 4/2022)

INSURANCE MARKET IN BANGLADESH

Bangladesh's non-life insurance industry continues to operate as one of the smallest position in the world. Just after the Liberation of Bangladesh in 1971, Sadharan Bima Corporation (SBC) and Jiban Bima Corporation (JBC) have been established under the Insurance Corporation Act 1973 as state-owned organizations to deal with non-life and

life insurances respectively. SBC and JBC are state-owned reinsurance service providers. Thereafter permission was given to private insurance companies to operate in accordance with the provisions of the Insurance (Amendment) Ordinance, 1984.

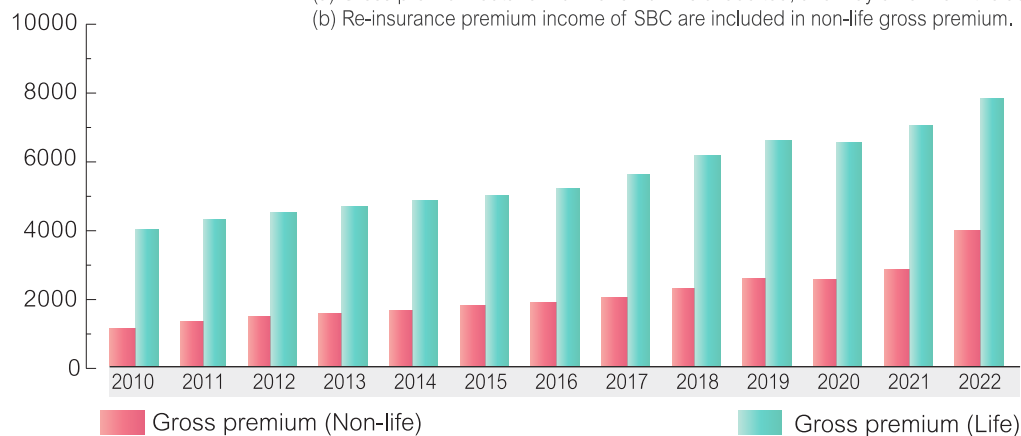
The Economy of Bangladesh has rapidly been shifting from the agricultural to the services sector. The role so played by the service sector is burgeoning as well. Insurance is one of the ingredients of the financial services industry and has a lot to play if it is promoted properly. In this comprehensive and ultimate guide on the insurance sector of Bangladesh, we will walk you through the itineraries of the market.

Insurance companies assume the risk of life and property of customers against insurance premiums. An analysis of the growth in premium income shows that the insurance sector has been consistently improving since independence. The total premium income in the country in 1973 was Tk. 11.90 crore. In 2008, the total premium income in the insurance sector was Tk. 5317.08 crore, which stood at Tk. 16,812.65 crore in 2022. The growth of premium income from 2008-2022 is about 216.20 percent i.e. annual average growth is 15.44 percent.

The comparative premium position from 2010 to 2022 is as follows:

Gross Premium in BDT Crore													
Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Non-life	1658	1967	2167	2293	2446	2643	2773	2981	3394	3790	3743	4147	5813
Life	5835	6255	6587	6840	7076	7316	7588	8198	8989	9600	9528	10260	11402
Total	7493	8222	8754	9133	9522	9959	10361	11179	12383	13390	13271	14407	17215
Growth (%)		9.74	6.47	4.32	4.27	4.59	4.04	7.9	10.76	8.13	-0.89	8.57	16.71

NB: (a) Gross premium data for 2021 and 2022 is unaudited, and may differ from the audited data
(b) Re-insurance premium income of SBC are included in non-life gross premium.



[Source: IDRA Souvenir, published on March 01, 2023]

COMPANY'S BUSINESS ACTIVITIES AND PERFORMANCE REVIEW

GROSS PREMIUM

Dear Shareholders, private sector investment was slow during the last couple of years, and due to this, RICL's business in the private sector segment has gained moderately. Globally, Bangladesh also faces some other challenges. To overcome all these, the Govt. has been trying to maintain improvement in all sectors of the economy of Bangladesh, especially in import, export & investment in the industrial sector. We know that the general insurance business depends on import, export, investment in the industrial sector, and coverage of security of all kinds of assets. Due to the Russia and Ukraine Wars and the fluctuation of the US dollar exchange rate the overall business, i.e. import, export, and investment in industrialization were slower than the previous year 2021. However, despite of these RICL has been able to achieve its target. At present a large number of insurance companies in Bangladesh are certainly not commensurate with the size of the market which has led to aggressive competition which has been detrimental to the industry as a whole.

Considering all difficulties, the Management Team of the Company paid proper attention on time professionally, and due to the attention the Company able to earn gross premium of Tk. 838,323,190 in 2022.

The last five years gross premium income of the Company is as under:

Year	BDT in Crore
2022	83.83
2021	74.84
2020	78.00
2019	68.03
2018	53.44

PRODUCT PERFORMANCE ANALYSIS

FIRE INSURANCE

The Fire insurance business constitutes 36.25% of the total portfolio of the Company. During the year, the Company has underwritten a gross premium of Tk. 303,906,797 whereas it was Tk. 283,098,685 in 2021.

MARINE AND MARINE HULL INSURANCE

This class of business constitutes 46.86% of the total portfolio. The Company has underwritten a gross premium of Tk. 392,870,698 in the current year as compared to Tk. 341,750,647 in the previous year of 2021.

MOTOR INSURANCE

This class of business constitutes 5% of the total portfolio. During the year, the Company has underwritten a gross premium of Tk. 41,846,837.

MISCELLANEOUS INSURANCE

The Miscellaneous class of business constitutes 11.89% of the total portfolio. During the year, the Company has underwritten a gross premium of Tk. 99,698,858.

The following table shows the segment-wise underwriting performance of the Company in the last five years:

Class of insurance	BDT in Crore				
	2022	2021	2020	2019	2018
Fire	30.39	28.31	36.85	32.12	23.05
Marine & Hull	39.29	34.18	29.55	19.89	16.19
Motor	4.18	3.34	4.67	6.24	5.59
Miscellaneous	9.97	9.01	6.93	9.78	8.61
Total	83.83	74.84	78.00	68.03	53.44

POSITION OF PAID-UP CAPITAL AND RESERVES

AUTHORIZED CAPITAL

The authorized capital of the Company is Tk. 100 crore divided into 100,000,000 ordinary shares of Tk.10/- each.

PAID-UP CAPITAL

Dear Shareholders, RICL has been increasing its business volume gradually. For this, it requires increasing the Paid-up Capital size and accordingly, the Board of Directors decided to enhance the Paid up Capital gradually to meet compliance with the Insurance Development and Regulatory Authority.

The position of Paid up Capital of the Company is as under:

2009	IPO Tk. 9 crore	Tk. 150,000,000
2010	10% stock dividend	Tk. 165,000,000

DIRECTORS' REPORT

2011	10% stock dividend	Tk. 181,500,000
2012	10% stock dividend	Tk. 199,650,000
2013	12% stock dividend	Tk. 223,608,000
2014	12.50% stock dividend	Tk. 251,559,000
2015	10% stock dividend	Tk. 276,714,900
2016	13% stock dividend	Tk. 312,687,830
2017	12.% stock dividend	Tk. 350,210,370
2018	12.50% stock dividend	Tk. 393,986,650
2019	10 % stock dividend	Tk. 433,385,310
2020	7% stock dividend	Tk. 463,722,280
2021	7% stock dividend	Tk. 496,182,830
2022	5% stock dividend	Tk. 520,991,970

RESERVE FUND

Dear Shareholders, to protect the risk factors of the Company, it is required to build up a reasonable amount of reserve funds for the Company. We have planned to build up a good amount as reserve funds, so that we can settle any financial requirements from the reserve fund. The position of Reserve for the last five years is shown below:

Year	BDT in Crore
2022	36.76
2021	34.00
2020	28.66
2019	23.79
2018	18.98

CLAIMS

Dear Shareholders, Republic Insurance Company Limited is always committed to settling insurance claims on time. We believe that our commitment is the satisfaction of our customers and their satisfaction is our Company's goodwill. The Board of Directors of the Company delegates the power to the Claims Committee for settling any amount of claim in the quickest time. During 2022, the Company paid a net amount of Tk. 21,589,326 against claims which helped the customer to recover their losses. The last five years breakup of net claims paid is enumerated below:

Year	BDT in Crore
2022	2.16
2021	1.68
2020	4.41
2019	4.13
2018	8.98

RE-INSURANCE

Dear Shareholders, the Company underwrites a large number of policies with a wide range of risks for various classes of insurance, which involves billions of taka. Every insurance company has limited capital, which is not sufficient to pay a small percentage of catastrophic loss or a single big loss. To protect the interest of the Company as well as the policyholders every company retains a small percentage of risk in their own share and shifts a major portion of risk to other re-insurer companies.

RICL has arranged adequate protection through the reinsurance arrangement with the state-owned organization of Sadharan Bima Corporation (SBC). Republic Insurance has a full coverage insurance risk and sufficient catastrophe cover to protect against any national disaster. The Board of Directors is always aware of the customer's insurance risks and ensures the protection of its liability by reinsurance arrangement. During 2022, the Company has paid re-insurance premium to the extent of Tk. 335,094,983 to protect the risk covered by the Company. Republic Insurance Company Limited is fully equipped with technical expertise. Our present reinsurance arrangement is well secured to protect the interest of the Company as well as the policyholders in the event of any consequences.

EARNINGS PER SHARE (EPS)

Dear Shareholders, during the year 2022, the Company's EPS is Tk. 1.96 but it had been restated to Tk. 2.27 in 2021.

STATEMENT OF PROFIT & LOSS AND OTHER COMPREHENSIVE INCOME

Dear Shareholders, The Board of Directors is always committed to protect the interest of our valued shareholders. Under the active guidance and supervision by the Board, the Management performs its responsibility for achieving the financial goal of the Company. The Company earned a net profit before tax of Tk. 168,000,252 compared to the last year, it reflects that during the year the Company could not earn expected profit due to payment of agency commission, management expenses and prior year income tax provision which affected the profitability of the Company significantly. The breakup of the funds available for distribution is as follows:

Particulars	BDT in Crore	
	2022	2021
Net Profit Before Tax	16.80	16.56
Less: Provision for Income Tax & Deferred Tax	6.59	4.73
Net Profit After Tax	10.21	11.83
Add: Balance brought forward of previous years retained earnings	8.61	7.47
Less: Reserve for Exceptional Losses	5.03	4.11
Less: Issuance of Bonus Shares for the 2021	2.48	3.25
Less: Cash dividend paid for the 2021	4.96	3.25
Less: General Reserve	0.08	0.08
Funds available for distribution	6.27	8.61

INVESTMENT

Insurance is a kind of risk management activity primarily used as a hedge against the risk of a contingent or an uncertain loss. To meet the uncertain loss, the Company keeps the amount in the form of investment. On the other hand, a good investment is also a major tool for sustaining and improving the Company's profitability. Republic Insurance Company earns investment profits at a large scale. Due to this, the Board expects to increase the investment figure of the Company. Our aim is to earn more profit from the Company's investment. For the greater interest of the Company as well as Shareholders, we ensure the maximum utilization of the fund and in this connection, we have invested the fund properly. The last five years' investment breakup of the Company is furnished below:

Year	BDT in Crore
2022	64.12
2021	58.63
2020	52.72
2019	47.41
2018	43.50

DIVIDEND

Dear Shareholders, it is a great pleasure for the Board of Directors of the Company to recommend a 10.5 percent cash dividend for each share @ Tk. 10 for the year ended December 31, 2022 subject to the approval of the Shareholders in the 23rd Annual General Meeting. The Shareholders, whose names would be recorded in the 'Depository Register' on the record date, i.e., on the May 25, 2023, shall be entitled to the dividend.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Dear Shareholders, Republic Insurance Company

Limited recognizes the importance of CSR in the social and economic development of the Country. Through the process of implementing CSR, it focuses on the quality work environment, the well-being of the workforce and their families as well as society at large. RICL has also been participating in contributing financial support to the Fund, formed by Insurance Development and Regulatory Authority (IDRA), Bangladesh Insurance Association (BIA), Bangladesh Insurance Forum (BIF), and other Regulatory Authorities for sponsoring various state programs and for the help of victims affected by natural hazards.

BOARD COMMITTEES

Republic Insurance Company (RICL) has several sub-committee under the Board. In the Board meeting the sub-committees are being formed. In the sub-committee there is one Chairman and rests are members. After fulfillment of the tenure of the committees, the members of the committees were replaced from within the Board members. Every sub-committee has a separate scope of working and the Board approves the terms of references. The sub-committees are independent and responsible to provide their expertise and opinion to the Board on relevant matters and the Board has the final authority to decide on the matters and opinions presented. At present, there are 5 (five) Sub-committees of the Company for performing their duties on behalf of the Board. The name of the committees is as under:

- (a) Executive Committee
- (b) Audit Committee
- (c) Nomination & Remuneration Committee (NRC)
- (d) Claims Committee
- (e) Investment Committee

DIRECTORS' REPORT

DIRECTORS

A. SPONSOR GROUP: A

In terms of the provisions of clauses 96 & 97 of the Articles of Association of the Company, the following Directors from the sponsor shareholders' group i.e. group "A" shareholders will retire in this AGM:

01. Mr. Mohd. Hanif Chowdhury
02. Mr. Mahboob Ur Rahman
03. Mr. Saber Hossain Chowdhury, MP

Being eligible, all the above directors have offered themselves for re-election.

Brief Resume and other information of the Directors as per clause 1.5 (xxiv) of BSEC Corporate Governance Code on 03 June 2018 disclosed in this Annual report on pages 13, 16 & 17.

B. PUBLIC SHAREHOLDERS GROUP: B

Under the same provisions of the Articles of Association mentioned above, the following Directors from Group B shareholders will retire in this AGM, and being eligible they offered themselves for re-election:

01. Mrs. Rehana Chowdhury
02. Mr. Mohammad Arif, FCA, FCMA
(Nominated by Unitex LP Gas Ltd.)

C. INDEPENDENT DIRECTORS

To comply with the Corporate Governance Code notification no. BSEC/CMRRCD/2006- 158/207/Admin/80, dated: June 03, 2018, issued by BSEC the Board of Republic Insurance Company Limited re-structured its Board size and appointed the required number of the following distinguished and experienced persons as Independent Directors on the Board subject to the approval of Shareholders in the 23rd AGM:

01. Mr. Md. Shafiqul Islam, FCA
02. Dr. Suborna Barua, Professor, University of Dhaka

The BSEC had given consent for their appointment as Independent Directors of the Company vide letter no. BSEC/CFD/4:32/2009/Part-iii/1100, dated: October 17, 2022. If the appointment is approved then it would be effective from July 18, 2022.

In Compliance with Bangladesh Securities and Exchange Commission (BSEC) Corporate Governance Notification No. SEC/CMRRCD/2006-158/

207/Admin/80, dated: June 03, 2018, at present the Company has 3 (three) Independent Directors out of 16 (sixteen) Board of Directors. In compliance with the said notification, the Board is searching for another competent and qualified person for appointment as the Independent Director of the Company.

REMUNERATION PAID TO DIRECTORS INCLUDING INDEPENDENT DIRECTORS

The Company has paid Tk. 1,200,000 as directors' fee to the directors including Independent Directors for attending committee and Board meetings in 2022, which has been mentioned in the company's profit and loss accounts. The Company has not paid any amount as remuneration to the directors in the year 2022.

CREDIT RATING

Republic Insurance Company Limited has been awarded "AA-" (pronounced AA minus) in the long term and "ST-2" in the short term and rated by Alpha Credit Rating (AlphaRating). The rating reflects RICL's established track record, improved underwriting performance, GPW, and net income. The rating also draws strength from the improved risk absorption capacity with an improved equity base, financial strength, and premium solvency ratio. The rating is however; constrained by a decline in ROA and reserve solvency ratio, moderate liquidity position, dependence on investment returns, and moderate systems and processes.

LEVERAGING TECHNOLOGY

We follow, adopt, and update necessary technologies based on the latest changes in the industry. The IT department of RICL has successfully implemented a Wide Area Network (WAN) to connect all the Branch Offices in the country on a real-time basis, thereby providing seamless connectivity and prompt customer service. All Branches are working under IT software. Presently IT system generates almost 200 MIS reports which help the management to take decisions properly and timely, controlling business procurement through Computer Integrated Insurance System (CIIS) software and quickly accessing the underwriting documents through CIIS for departmental integration with Underwriting, Claims & Re-Insurance, and Accounts department. By this time, the Company has introduced a lot of IT facilities for our shareholders and customers.

We are trying to set up technology-based products such as Card Protection Insurance, Online Motor

Insurance, etc. in a way to settle every valid claim in a shorter period, we attempt to improve our core competency in claims management because we want to reflect in our every dealing that insurers must be the ones who are in the business of indemnifying policyholders when misfortunes do strike.

INTERNAL CONTROL

The Board is responsible for ensuring an adequate and effective control system. Although no system of internal financial control can provide absolute assurance against material misstatement or loss. The company's internal control systems have been designed to provide the Directors with reasonable assurance that assets are safeguarded against unauthorized use by the employees or management and or third parties. Transactions are authorized and properly recorded and material errors and irregularities are either prevented or detected within a reasonable period. A Properly designed management structure, clearly defined responsibilities, delegation or authorities, establishment of accountability at each level, and a system of periodic reporting and monitoring performance are the key elements of the internal control framework employed in Republic Insurance Company Limited.

AUDITORS

A. STATUTORY AUDITORS

The Company's Statutory Auditor Malek Siddiqui Wali, Chartered Accountants will retire in the 23rd Annual General Meeting. Being eligible under Section 212 of the Company's Act 1994, the Auditors have expressed their willingness to continue for the year 2023 at existing fee. The Auditors have completed their 2nd year of audit and hence are eligible for reappointment. The Board of Directors of the Company recommended approval of the appointment of Malek Siddiqui Wali, Chartered Accountants as Auditors of the Company for the year 2023 with a fee of Tk. 3,85,000.00 (including VAT & Tax) subject to the approval of Shareholders in the 23rd AGM.

B. COMPLIANCE AUDITOR

As per Corporate Governance Code No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 the Board in its 143rd Meeting has re-appointed T. HUSSAIN & CO., Chartered Accountant for obtaining a certificate of compliance of Corporate Governance for the year 2023 subject to approval in the 23rd Annual General Meeting (AGM).

CORPORATE GOVERNANCE

Corporate governance is the system of rules, practices and processes by which a company is directed and controlled. Corporate governance essentially involves balancing the interests of a company's many stakeholders such as Shareholders, Management, Customers, Suppliers, Financiers, Government and the community. Corporate governance facilities are the rules & regulations to work in the best interest of stakeholders. The Board of Directors firmly believes that the practice of good corporate governance is essential to ensuring a disciplined and sustainable national economy. The Management strictly adheres to two basic principles of Corporate Governance i.e. transparency and disclosure. Since the inception of the Company the Board of Directors has been fully committed to building a strong and empowered Management Team. This helped RICL to maintain Good Corporate Governance. Status of compliance with the conditions imposed by Bangladesh Securities and Exchange Commission's Notification No. SEC/CM-MRRCD/2006-158/ 207/Admin/80, dated June 03, 2018, along with a certificate from a practicing Chartered Accountant have been presented on page no. 55 & 58-70 in this report.

RISK REPORTING

The corporate disclosure of relevant information is very important for effective decision-making by investors and other stakeholders. RICL maintains informative, transparent, and consistent risk reporting for its valued clients, Stakeholders, and the industry itself. It has been internationally accepted that substantial narrative reporting, including the disclosure of risk, is important to promote investor protection.

The Standard disclosure of risk reporting may include the followings:

- Presents relevant information;
- Comparable among insurers;
- Provided on a timely basis.

It is important for standard setters and policymakers to consider the reporting and disclosure in the context of investor experiences and other matters which include the following:

- Emerging trends in technology and connectivity;
- The inability of the existing model to provide investors with sufficient decision-useful information in a new economy;

DIRECTORS' REPORT

- The lack of a measurement framework that can inform the disclosures necessary to make such measurements meaningful.

To ensure proper disclosure, the Company clears the terms and conditions of each new policy issue. For new and valued Clients of RICL renders this service through surveyors reporting to the potential insured. The main principle of insurance, utmost good faith demands that both the insurer and the potential insured shall disclose the material facts to each other. If there is any excess/deductible for a particular policy, that fact should be disclosed to the insured. Moreover, the potential insured shall further provide material facts about his property, to the best of his knowledge and belief, to the insurer before underwriting the risk, including the ownership, position and value of his property, so that the insurer may inspect the insurable property to provide consistent services to the potential insured including competitive figure and necessary advice. There is a growing agreement among users, producers, and advisers that risk reporting needs to improve better risk registration is an integral part of good governance.

It is to confirm that a generic risk report serves the interest of both shareholders and stakeholders with better information. Despite the insurance industry's critical and growing role in the global allocation of risk, there is a little authentic guidance concerning the form and content of risk reporting in general due to growing terrorist activities in the world. Significant anti-money laundering and combating the financing of terrorism regimes are essential to recovering the

wholeness of markets and of the global financial framework as they help mitigate the factors that facilitate financial abuse. Bangladesh Bank and IDRA have given priority to Anti Money Laundering (AML) and Combat Terrorist Financing (CFT) issues. RICL cautiously underwrites its insurance business through all its branches; if there is any suspicious transaction, it reports to the Bangladesh Financial Intelligence Unit (BFIU) of Bangladesh Bank in the prescribed format of a Suspicious Transaction Report (STR).

BOARD MEETING

The Board members sometimes review the activities of the Company and decide the topics relating to policy and accordingly, monitor the progress of the Company. As per the Companies Act 1994 and the Articles of Association the Board meetings are being held.

Board meetings are normally held to discuss and decide on major corporate, strategic, and operational issues as well as to evaluate major investment opportunities. At the Meetings, the Chairperson of the Board allocated sufficient time for the directors to consider each agenda prudently and allowed them to freely discuss, enquire and express opinions on the items of interest so that they can fulfill their duties to the best of their abilities. 7 (seven) Meetings of the Board were held in 2022, wherein policies and major business and strategic decisions were taken. On invitation of the Board Members, the senior management person thereof attended Board Meetings to participate in discussions.

COST OF SERVICE AND PROFIT MARGIN

The overall cost of services increased during the year. The profit margin of the Company during the year is as under:

Particulars	BDT in Crore
Net Sales/ Turnover/ Receipts/Premium earned	83.83
Cost of Sales /Re-insurance premium ceded	33.51
Gross Profit /Net premium earned	50.32
Other operating income/Balance of fund account at the beginning of the year	22.70
Selling & Marketing expenses/Claims under policies less re-insurance/Agency commission/Expenses of management/ Balance of fund account at the end of the year	57.00
Other operating expenses/insurance stamps consumed	0.17
Profit from operation	15.85
Financial expenses/Expenses of management/Expenses for WPPF	2.90
Any other business income	3.85
Profit before tax	16.80

RELATED PARTY TRANSACTIONS

As per International Accounting Standard (IAS) 24 "Related Party Disclosures" parties are considered to be related if one of the parties can control the other party or exercise significant influence over the other party in making financial and operating decisions. The Company carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with its related parties. Related party disclosures have been given in Notes: 37.00.

ENTITLEMENT OF DIVIDEND

Shareholders whose names shall appear in the Members Register of the Company or the Depository Register of CDBL on the 'Record Date' of the respective year's AGM will receive the entitled dividend.

PROCESS OF DISTRIBUTION OF CASH DIVIDEND

Cash dividend shall be paid directly to the bank account within 15 days and not more than 30 (thirty) days from the date of approval by the Shareholders in the AGM and the date of the Board's approval in case of interim Dividend subject to compliance of circulars/directives of BSEC or Bangladesh Bank or other regulatory authority from time to time.

PROCEDURE OF STOCK DIVIDEND DISTRIBUTION

The stock dividend is being credited within 30 (thirty) days of approval subject to the clearance of the regulatory requirement. Process for settling unpaid dividends unpaid or unclaimed cash dividends and stock dividends shall be settled as per instructions of the BSEC or other regulatory authority from time to time.

DECLARATION ON THE FINANCIAL STATEMENTS

The Directors are responsible for the governance of the Company and, as part of the preparation and presentation of the financial statements for the year ended December 31, 2022, of Republic Insurance Company Limited, the Directors confirm, to the best of their knowledge that:

- (i) The financial statements, prepared by the Management of the Company, which were duly scrutinized by the external auditors, present fairly its state of affairs, the result of its operations, cash flows, and changes in equity.

- (ii) Proper books of account of the Company have been maintained.
- (iii) Appropriate accounting policies have been consistently applied in the preparation of the Financial Statements and the accounting estimates are based on reasonable and prudent judgments.
- (iv) The International Accounting Standards (IAS) and/or IFRS as applicable in Bangladesh, have been followed in the 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 is no doubt, whatsoever, upon the Company's ability to continue as a going concern.
- (vii) The CEO and CFO have certified to the Board that they have reviewed the financial statements and affirmed that these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
- (viii) The CEO and CFO have certified to the Board that they have reviewed the financial statements and affirmed that these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- (ix) The CEO and CFO have further certified to the Board that there are, to the best of their knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct. The CEO and CFO have further certified to the Board that there are, to the best of their knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.
- (x) The declaration of the CEO & CFO of the Board of Directors is shown of page 54 of this report.

OTHER REGULATORY DISCLOSURES

Pursuant to the BSEC Notification on 'Code of Corporate Governance' (CGC) dated June 03, 2018, the Directors of RICL also report that:

DIRECTORS' REPORT

- (a) The Company is aware of its various risks and concerns. The financial risk management has been disclosed under Note 2.20 of the financial statements;
- (b) All transactions with related parties have been made on a commercial basis and the details of related parties and transactions have been disclosed under note 37 of the financial statements;
- (c) Appropriate accounting policies have been followed in the preparation of the financial statements and the accounting estimates are based on reasonable and prudent judgment;
- (d) The financial statements are prepared in accordance with IAS/IFRS and any departure there from has been adequately disclosed;
- (e) The Company's IPO was made in 2008.
- (f) From inception, the financial results of the Company have continued to grow as reflected in the yearly financial statements of the Company;
- (g) No extraordinary gain or loss has been recognized in the financial statements of the Company;
- (h) No significant variations have occurred between the quarterly and final financial results of the Company during 2022;
- (i) During the year, the Company has paid a total amount of Tk. 1,200,000 as Board meeting attendance fees;
- (j) All significant deviations from the previous year in the operating results of the Company have been highlighted and the reasons thereof have been explained;
- (k) The key operating and financial data for the last five years have been disclosed on page# 51 of this report;
- (l) The Company has proposed a cash dividend for the year 2022;
- (m) During 2022, 7 (seven) Board Meetings were held, which met the regulatory requirements. The attendance records of the Directors are shown on page 53 of this report;
- (n) Rights and interests of the minority Shareholders have been duly protected by means of transparent operations and proper disclosure of material information of the Company;
- (o) No bonus or stock dividend has been declared or an interim dividend declared during the year;
- (p) A statement of 'Management Discussion and Analysis' has been presented on pages 48-50 in this report;
- (q) The Shareholding pattern of the Company as on December 31, 2022, is shown on page 71 of this report; and
- (r) Directors' profiles have been included in the Annual Report as per BSEC Guidelines.

FINANCIAL STATEMENTS

The Board of Directors of Republic Insurance Company Limited would like to inform you that the Financial Statements containing the audited accounts for the year ended December 31, 2022, conform with the requirements of the Companies Act, 1994, IAS, and IFRS as adopted and applicable, Securities & Exchange Rules-1987 and the listing regulations of the Dhaka and Chattogram Stock Exchanges, and believes that the financial statements reflect fairly the form and substance of all transactions carried out during the year under review and reasonably accurately present the Company's financial condition and results of its operations.

CODE OF CONDUCT FOR THE CHAIRPERSON, OTHER BOARD MEMBERS, AND CHIEF EXECUTIVE OFFICER

The Company has prepared a Code of Conduct Policy for the Chairperson, other Board members, and Chief Executive Officer and approved by the Board. The Code of Conduct for the Chairperson, other Board Members, and Chief Executive Officer is disclosed on pages 81-84 of this report.

DIVIDEND DISTRIBUTION POLICY

The dividend policy outlines the amount of cash that will be distributed to the Shareholders every year as dividend out of after-tax profit of the Company. The dividend policy is based on balancing the value expectations of Shareholders and ensuring funds availability for future expansion plans. The Board of Directors of the Company has approved the Dividend Distribution Policy as per applicable Acts and regulatory directives issued by the Bangladesh Securities and Exchange Commission. The Dividend Distribution Policy of the Company is disclosed on pages 85-87 of this report.

RISKS AND CONCERNS

Without risk, no business can be presumed whether it is small or large. The insurance business deals with the risks of other business organizations and also the personal properties of individuals. As a non-life insurer, RICL deals with different types and numbers of risks, i.e., underwriting risks of Fire, Marine cargo and Hull, Motor vehicle and Miscellaneous risks like burglary, personal accident policy, engineering, crop insurance, etc. High risks under different scenarios are identified, assessed, and monitored through regular analysis by our specialist risk assessment team including professionals of insurance as well as engineers. Further, the main strategic risks identified by the company and the high-valued clientele are regularly monitored by the Senior Management including any mitigating actions. Insurance risks are classified as strategic risks, underwriting risks, reinsurance risks, reserving risks, investment risks, liquidity risks, and socio-politico-economic risks. Republic Insurance monitors those risks continuously and takes appropriate measures in dealing with risks of high magnitude.

RISK MANAGEMENT AND MITIGATION METHODOLOGY

RISK MANAGEMENT

An organization needs to analyze and comprehend critically the risks to which it is exposed and the possible quantum of loss associated with such risks. After obtaining a clear understanding of the risk and consequences thereof, the management of an organization can make decisions about the acceptability or otherwise in relation to those exposures. Risk management thus enables the management to effectively deal with uncertainty and its associated risks along with the opportunity for capacity building. The fundamental objective of risk management is the preservation of assets and earning power from potential loss or destruction.

The role of risk management in the operation of an insurance company, especially, in the case of non-life insurance organizations, is of immense importance. This is because enterprises prefer to transfer their risk to the insurer as a transfer mechanism which is part of their overall risk management and the insurer has to manage the acquired risks in a competent way to operate their business with profitability even after adequately settling claims to retain customer confidence as a trusted insurer. There lies the operational challenge for risk management on the part of a non-life insurance company, like Republic Insurance Company.

BUSINESS RISK

RICL controls its business risks arising from different types of underwriting policies through underwriting professionals at the branch level with the help of guidelines of IDRA. The Company has decentralized its underwriting functions and delegated powers to its zonal offices and branches for rendering prompt, efficient, and effective services to the clients. Risks involved with policies are assessed by underwriting officers of the respective branch for underwriting policies up to a specific limit of the sum insured, beyond which risk assessment of different policies is done by the internal Risk Inspection Team.

The Company mainly concentrated on the Marine & Hull insurance business in FY 2022 and gross premium received business represented 46.86% of total gross premium. Another significant business sector is the Fire insurance business which represented 36.25% of the total gross premiums while Motor & Miscellaneous insurance held only 5% & 11.89% of the total gross premium respectively.

INSURANCE RISK

RICL reduces this risk with the help of its experienced professionals who undertakes pre-insurance surveys of large and complicated risk. Risk management ensures a proper understanding of the right level of risk acceptance, risk control, and risk-related expenditure. RICL also takes reinsurance coverage from SBC.

HUMAN RESOURCE RISK

We know that the insurance industry of Bangladesh needs to transform. Lack of frequent training from developed nations' results in an information gap and under development of the sector.

To retain its position as the market leader, RICL needs to recruit employees with relevant qualifications. Not only that, the company needs to arrange proper training inside and outside the country for its staff force. It will help the company to cope with the latest business trend in the industry and also enable the corporation to introduce new products. All of these are expected to boost the business of the company.

MARKET RISK

The insurance sector in Bangladesh has immense potential. The sector is likely to flourish as the country is heading towards a middle-income country. Govt. is planning to bring more people under the

DIRECTORS' REPORT

insurance facility. For all these reasons, the industry is very lucrative. The number of insurance companies is increasing day by day. Competition amongst the insurance companies is increasing day by day which may badly affect the profitability of the company.

Despite increased competition, RICL enables it to maintain positive revenue growth. Also, high entry and exit barriers in the industry provide comfort to the existing companies in the market against the threat of new entrants.

REGULATORY RISK

Previously, insurance companies were regulated by the insurance act of 1938, this act was replaced by 'Insurance Act-2010'. The preceding act was introduced to regulate the insurance industry more strictly, protect the policy holders' interest and establish fair and healthy competition within the industry. The government also established Insurance Development Regulatory Authority (IDRA) as a regulatory body of the industry. IDRA closely monitors the industry and proposes draft regulations to design a more effective regulatory system. At present regulatory requirements has been introduced to make the market more reliable and uniform such as regulation on claim settlement to protect the right of policy holder and insurance companies are required to set up a special fund named as "Policyholders' Protection Fund"; For further enhancing the solvency position, paid up capital for non-life insurance companies have been raised to BDT 17,215 Crore. As per the circular issued by IDRA, agents will be paid a commission at a maximum rate of 15%. RICL has complied with the Rules & Regulations, Circulars and directives currently introduced by IDRA.

INTEREST RISK

The Volatility of the money market has great influence over the interest rate structure of funds held by RICL. Income from FDR accounts is a significant portion of total income. Income from fixed and other deposits may fall due to reduction of interest rate of commercial banks.

To ease up interest rate exposure the company can invest in mutual funds to secure their revenue and also generate capital gains. However, this source has also its own drawback. If the overall capital market position falls, then the performance of the mutual fund will also decline. Thus, the Company should concentrate in its core business.

INTERNAL CONTROL RISK

Internal control risk arises from non-compliance with rules and regulations, which ultimately puts a negative impact on overall business performance.

The internal control system of the company has been designed to provide the directors with reasonable assurance that assets are safeguarded against unauthorized use. The company has placed a rigorous internal control system. However, maintaining an effective internal control system is a continuous process. Therefore, the management should routinely check whether the internal control system is adequate and relevant to the present operational process of the company, failure to which could disrupt the operation and hamper the overall profitability.

LIQUIDITY RISK

Liquidity is the risk that, a firm though solvent, either does not have sufficient financial resources available to enable it to meet its obligations as they fall due, or can secure them only at excessive cost. The major liquidity risk confronting the company is the daily calls on its available cash resources in respect of claims arising from insurance contracts and the maturity of investment securities. Liquidity risk also occurs more generally in relation to the ability to buy and sell investments. This is a function of the size of RICL holding relative to the availability of counter parties willing to buy or sell these holdings at any given time. RICL sets a limit on the minimum portion of maturing funds available to meet such calls to cover claims at unexpected levels of demand.

RISK MITIGATION AND TRANSFER

Physical loss preventive measures include compliance with several safety rules guided by the Factories Act, Building Code, etc. Installation of proper fire-fighting equipment, checking performance of that equipment and applying improvements wherever required, conducting fire drills at regular intervals with a proper record, Maintenance of clean, wholesome, and apparently risk-free environment for the workers as well as for the overall workplace.

Risk financing tools include decisions regarding partial risk retention with acceptance limit and spreading /transfer of the remaining portion of the risk.

An insurer must take different steps to lessen the

DIRECTORS' REPORT

risk associated with its business. These include the purchase of adequate reinsurance protection, securitization of a portion of its asset or liability portfolio, hedging of financial guarantees using derivative instruments, use of product design to pass on the risk to policyholders as well for active risk management to the extent that these measures effectively reduce a company's risk. Appropriate attention and recognition should be given to the calculation of a company's required capital. The difficulty lies in properly assessing the actual degree of risk with regard to short-term and long-term economic, technical, and regulatory changes that have been transferred from the insurance company in these arrangements.

FUTURE PROSPECT

It is a matter of optimism that the Insurance Development and Regulatory Authority (IDRA) has rightly identified the obstacles in insurance industries and is trying to resolve those problems. Notable steps already taken are the prohibition of undertaking risk with a premium rate lower than the tariff rate and stopping the tendency of issuing insurance documents without receiving a premium. Insurance Companies and Bangladesh Insurance Association (BIA) have come forward in implementing the steps adopted by IDRA with sincerity. By this insurance companies are being benefited and they are advancing gradually toward prosperity. We are strengthening our marketing and other departments to increase our gross premium income substantially by maintaining the rules and regulations of IDRA and hoping to generate higher returns for the shareholders' against their investment in the years to come.

CONCLUSION

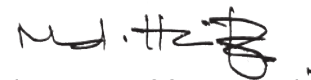
The Board of Directors of the Company takes the opportunity to express gratitude to the shareholders, valued clients, patrons, and well-wishers for their appreciation and continued support and co-operation. The Company is indebted to its clients, shareholders, the Government Authorities, particularly the Ministry of Finance, the Ministry of Commerce, the Insurance Development & Regulatory Authority, Registrar of Joint Stock Companies & Firms, Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange Ltd., Chattogram Stock Exchange Ltd., Central Depository Bangladesh Limited (CDBL), Sadharan Bima Corporation, Bangladesh Bank, Commercial Banks, Bangladesh Insurance Association and Bangladesh Insurance Forum for their continued support towards the growth of the Company. The Board of Directors also expresses deep appreciation to the management and all members of staff who were called upon to face some major challenges while at the same time maintaining the highest standards of service to our clients. We thank each and all of them for their performance.

We always solicit continued support, cooperation, and valuable advice all the stakeholders of the Company in the years to come.

May Allah bless us all

Allah Hafez

On behalf of the Board of Directors



(Mohd. Hanif Chowdhury)
Chairman

MANAGEMENT DISCUSSION AND ANALYSIS

As per condition no. 1(5) (xxv) of the Corporate Governance Code 2018 issued by BSEC, the Management's Discussion and Analysis are as follows:

(a) Accounting policies and estimation for preparation of financial statements

The Company follows International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS) in preparing financial statements. Disclosure and rules as required by Insurance Act 2010 have been complied with while preparing financial statements and also in compliance with the Companies Act 1994. In addition, the Bangladesh Securities and Exchange Commission Rules 1987, Listing Regulations of Dhaka Stock Exchange Ltd. and Chattogram Stock Exchange Ltd. Detailed description of accounting policies and estimation used for preparation of the financial statements of the company are disclosed in the note 2 of the financial statements.

(b) Changes in accounting policies and estimation

The Company has been following consistent policies and estimation in preparing its financial statements. However, IFRS 9 replaces IAS 39 previous year and any changes due to such replacement incorporated in the accounts accordingly.

(c) Comparative analysis of financial performance or results and financial position as well as cash flows for current financial year with immediately preceding five years

The Company consistently maintained attractive earnings growth for the last five years, the key operating and financial performances and financial position as well as cash flows for immediate preceding five years are as follows:

Figures are in BDT Crore except EPS, NOCFPS & NAVPS item

Particulars	Amount				
	2022	2021	2020	2019	2018
Gross premium	83.83	74.85	78.00	68.03	53.44
Net premium	50.32	41.15	50.64	41.96	35.50
Underwriting profit	15.85	16.05	14.24	12.81	8.10
Interest & other income	3.85	4.07	4.49	3.15	2.68
Net profit before tax	16.80	16.56	15.41	12.33	8.10
Net profit after tax	10.20	11.82	10.95	8.75	6.12
Paid-up capital	52.10	49.62	46.37	43.34	39.40
Shareholders' equity	88.87	83.62	75.04	67.12	58.38
Total assets	155.36	151.58	136.75	119.51	105.51
EPS	1.96	2.27	2.21	1.89	1.41
NOCFPS	1.69	1.78	2.95	2.24	(0.28)
NAVPS	17.06	16.85	16.18	15.49	14.82

Few figures of previous year have been restated after giving effect to declaration of stock dividend for the year 2021.

MANAGEMENT DISCUSSION AND ANALYSIS

(d) Comparison of such financial performance or results and financial position as well as cash flows with the peer industry scenario

Major areas of financial performances and financial position as well as cash flows with peer industry scenario for the year 2021 was as follows:

Figures are in BDT Crore except NAVPS, EPS & NOCFPS item

Particulars	Republic Insurance Co. Ltd.	Sonar Bangla Insurance Ltd.	Prime Insurance Ltd.	Karnaphuli Insurance Co. Ltd.	Standard Insurance Ltd.
Gross Premium	74.85	72.47	71.57	52.04	56.74
Net Premium	41.15	46.97	32.71	34.04	33.33
Underwriting profit	16.05	9.71	12.50	9.53	4.68
Investment	58.63	59.14	21.47	108.06	124.14
Net profit before tax	16.56	12.54	9.25	14.41	12.08
Net profit after tax	11.82	9.89	8.21	10.64	9.93
Paid up Capital	49.62	40.04	40.88	44.88	43.30
Shareholder's equity	83.62	80.08	76.15	90.60	85.92
Total assets	151.58	114.53	174.84	165.78	151.87
NAVPS	16.85	20.00	18.63	20.19	19.84
Earning per Share (EPS)	2.27	2.08	2.01	2.37	2.29
NOCFPS	1.78	3.16	4.12	4.60	4.12

Source: Published Annual Report 2021 of the mentioned companies

(e) Financial and economic scenario of the country and the globe

As the global economy gaining slow momentum in 2021 after the COVID-19 pandemic then came geo-political tensions centering on Russia-Ukraine war in 2022 and its spillover effects reflected through global supply chain disruptions, record high inflation and depreciation of local currency against USD and depletion of FCY reserve mostly in developing countries. According to IMF, global economic growth slowed down to 3.40% in 2022 and is expected to further fall up to 2.80% in 2023 before rising modestly to 3.0% in 2024. Global inflation, on the other hand, is projected to soften from 8.70% in 2022 to 7.0% in 2023. Recent stress in financial markets following the collapse of a few global banks is adding concerns and fueling the projection that the global economy is poised to slow this year.

Bangladesh has a strong track record of growth and development, even in times of elevated global uncertainty. According to the Bangladesh Bureau of Statistics (BBS) per capita income increased by US\$ 233 to US\$ 2,824 during FY22. Bangladesh GDP growth forecast to 6.1% for FY22-23, which was 6.4% in Fy 2021-2022 as per world bank estimates.

The year 2022 was a milestone in the development

of Bangladesh's infrastructure, Padma bridge & Dhaka residents got their first chance to use the metro rail when a section from Uttara to Agargaon inaugurated in 2022, and the 'Karnaphuli tunnel', which aims to increase connectivity throughout the country, is to be inaugurated soon. Bangladesh bank credit policies and programs were directed to channeling adequate credit flows for productive purpose, especially to women enterprise, agriculture and SME sector.

The invasion of Ukraine by Russia in 2022 has plunged the global economy once again into chaos. It has particularly affected the energy sector as oil and gas prices are rising exponentially due to sanctions against Russia. Uninterrupted natural gas supply is vital for the ceramics industry. Additionally, the ceramics industry of Bangladesh is under further stress and facing major challenges due to the global recession and inflation and the higher cost of imported raw materials. However, we want to keep an optimistic outlook on our business as every crisis leads to opportunity.

(f) Risks and concerns issues related to the financial statements, explaining such risk and concern mitigation plan of the company

The Company has exposures to underwriting risk,

MANAGEMENT DISCUSSION AND ANALYSIS

credit risk, market risk and liquidity risk relating to the financial statements. The detail explanation along with the Risk management are disclosed in Directors' Report.

(g) Future plan or projection or forecast for company's operation, performance and financial position

Although the year 2022 was exceedingly difficult for all of us, Republic Insurance Company Limited believe in its underlying strengths and resilience to deliver optimum service to its customers. The Company finds new pathway of providing services. It will continuously take diversified business approach and invest in building capabilities for further entrenching the leadership position in the market and continuing with the successful operations of the company for foreseeable future.



(Dr. A K M Sarwar Jahan Zamil)
Chief Executive Officer

KEY OPERATING & FINANCIAL HIGHLIGHTS 2018-2022

[Taka are in Crore except ratios]

Particulars	Terms	2022	2021	2020	2019	2018
Financial Position						
Total assets	Taka	155.37	151.58	136.75	119.51	105.51
Investments	Taka	64.12	58.63	52.72	47.41	43.50
Current assets	Taka	135.97	126.20	110.96	101.45	92.52
Non- current assets	Taka	19.40	16.73	14.54	11.66	10.00
Cash & cash equivalents	Taka	7.67	8.66	11.25	6.40	2.99
Net asset	Taka	88.86	83.62	75.04	67.12	58.38
Current liabilities	Taka	66.51	67.97	61.71	52.38	47.13
Total Reserve for contingency	Taka	36.76	34.00	28.67	23.79	18.98
Operating Performance						
Gross premium	Taka	83.83	74.85	78.00	68.03	53.44
Net premium	Taka	50.32	41.15	50.64	41.96	35.50
Net claims	Taka	2.16	1.68	4.41	4.13	8.98
Underwriting profit	Taka	15.85	16.05	14.24	12.81	8.10
Profit before tax	Taka	16.80	16.56	15.41	12.33	8.10
Net profit after tax	Taka	10.21	11.82	10.95	8.75	6.12
Interest & other income	Taka	3.85	4.07	4.49	3.15	2.68
Cash flow from operating activities	Taka	8.83	8.85	13.70	9.73	(1.09)
Net operating cash flow per share	Taka	1.69	1.78	2.95	2.24	(0.28)
Financial Ratios						
Stock Dividend	%	-	5%	7%	7%	10%
Cash Dividend	Taka	10.50%	10%	7%	7%	-
Earnings per share (Restated)	Taka	1.96	2.27	2.21	1.89	1.41
Return on shareholders' fund	%	11.49	14.14	14.59	13.03	10.48
Return on capital employed	%	18.91	19.80	20.54	18.36	13.87
Return on assets	%	6.57	7.80	8.00	7.32	5.80
Claim ratio	%	4.29	4.09	8.71	9.85	25.29
Surplus ratio	%	56.63	49.21	67.49	62.51	60.81
Solvency ratio	Times	3.86	3.97	3.50	3.62	3.47
Debt equity ratio	%	74.84	81.29	82.24	78.04	80.74
Price earnings ratio	Times	17.04	23.35	25.57	13.33	17.87
Current ratio	Taka	2.04	1.86	1.80	1.94	1.96
Underwriting/Gross profit ratio	Taka	31.50	39.01	28.12	30.53	22.82
Dividend payout ratio	Taka	53.57	44.05	31.67	37.04	-
Dividend yield	Taka	3.14	1.89	1.24	2.78	-
Equity status						
Paid-up capital	Taka	52.10	49.62	46.37	43.34	39.40
Shareholders' equity	Taka	88.86	83.62	75.04	67.12	58.38
Market value per share	Taka	33.40	53.00	56.50	25.20	25.20
Net assets value per share	Taka	17.06	16.85	16.18	15.49	14.82

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 shareholders fund. Methods of valuations of assets and liabilities of an insurer are prescribed in the insurance regulations. The regulations stipulate the minimum solvency margin, which an insurer must maintain at all times. The solvency of 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 measures when making a decision on the risk of reward capability of a company to return dividends to stockholders. In Bangladesh regulation for solvency margin for non-life insurance Companies has been prepared by Insurance Development and Regulatory Authority (IDRA) but not yet been approved by concerned ministry thereby not yet promulgated through official gazette.

During 2022, solvency margin of the Company was above the required level. RICL's required solvency was Tk. 212,691,131 whereas the Company's available solvency margin was Tk. 820,713,341 which means the value of assets had been more than the liabilities in that particular period. Therefore, the available solvency was Tk. 3.86 times of required solvency margin.

Amount in BDT Crore except ratio

Description	2022 (Amount)	2021 (Amount)
Available Solvency (ASM)	82.07	74.18
Required Solvency (RSM)	21.27	18.67
Solvency ratio ASM/ RSM (times)	3.86	3.97

DIRECTORS' MEETING AND ATTENDANCE 2022

Name of Board Members	Board of Directors (BOD)			Executive Committee (EC) Meeting			Audit Committee (AC) Meeting			Nomination & Remuneration Committee (NRC) Meeting		Claims Committee (CC) Meeting			Investment Committee (IC) Meeting			
	Total BOD Meeting held 2022	Meeting attended	Attendance as % of total meeting held	Total EC Meeting held 2022	Meeting attended	Attendance as % of total meeting held	Total AC Meeting held 2022	Meeting attended	Attendance as % of total meeting held	Total NRC Meeting held 2022	Meeting attended	Attendance as % of total meeting held	Total CC Meeting held 2022	Meeting attended	Attendance as % of total meeting held	Total IC Meeting held 2022	Meeting attended	Attendance as % of total meeting held
Mr. Mohd. Hanif Chowdhury Chairman	7	7	100%															
Mr. S.M. Shafiqul Hoque Vice Chairman	7	7	100%	4	3	100%	4	3	100%				7	6	86%			
Mrs. Hasina Gazi Director	7	-	0%															
Mrs. Khurshida Rahman Director	7	7	100%	4	4	100%	4	4	100%				7	6	86%			
Mr. Sadeque Hossain Chowdhury Director	7	6	86%															
Mr. Mahboob-ur-Rahman Director	7	4	57%							4	4	100%						
Mrs. Shahin Haider Director	7	7	100%															
Mr. Saber Hossain Chowdhury, MP; Director	7	7	100%															
Mr. Ferroz U. Haider Director	7	7	100%							4	1	25%						
Mrs. Rehana Chowdhury Director	7	7	100%							4	3	75%						
Mrs. Shahella Rashid Chowdhury Director	7	3	100%										7	1	100%			
Mr. Mohammad Arif, FCA, FCMA Director	7	3	100%										7	1	100%			
Mr. Md. Abdur Rouf Independent Director	7	7	100%	4	4	100%	4	4	100%	4	4	100%	7	7	100%			
Mr. Dr. Suborna Barua Independent Director	7	2	100%										7	1	100%			
Mr. Md. Shafiqul Islam, FCA Independent Director	7	2	100%	4	1	100%	4	1	100%									

NB: Directors Mrs. Shahella Rashid Chowdhury and Mr. Mohammad Arif, FCA, FCMA was appointed on June 27, 2022 and Independent Directors Mr. Dr. Suborna Barua and Mr. Md. Shafiqul Islam, FCA was appointed on July 18, 2022. The Board Committees was reformed on July 18, 2022.

DECLARATION BY CEO & CFO

The Board of Directors
Republic Insurance Company Limited,
HR Bhaban (6th & 9th Floor),
26/1 Kakrail, Dhaka-1000,
Bangladesh

Subject: **CEO & CFO's Declaration to the Board of Directors.**

Dear Sir(s),

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/ CMRRCD/2006-158/ 207/ Admin/80, dated: June 03, 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

- (1) The Financial Statements of Republic Insurance Company Limited for the year ended on December 31, 2022 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
- (2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- (3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- (4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- (5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- (6) The management's use of the going concerns basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:-

- (a) We have reviewed the financial statements for the year ended on December 31, 2022 and that to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and
 - (ii) these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- (b) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.



(Dr. A K M Sarwar Jahan Zamil)
Chief Executive Officer



(Mohammad Moshfiqur Rahman)
Chief Financial Officer (CFO)



টি, হোসেন এন্ড কোং
T. HUSSAIN & CO.
Chartered Accountants

Independent member firm of Clarkson Hyde Global Limited

**Report to the Shareholders of
Republic Insurance Company Limited
on
Compliance Certificate on the Corporate Governance Code**

We have examined the compliance status to the Corporate Governance Code by **Republic Insurance Company Limited** for the year ended on December 31, 2022. This Code relates to the Notification No. BSEC/CMRRC-D/2006-158/207/Admin/80 dated June 03, 2018 of the Bangladesh Securities and Exchange Commission.

Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

- (a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission;
- (b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- (c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws; and
- (d) The Governance of the company is satisfactory.

Place: Dhaka
Dated: May 18, 2023

Mohammad Abu Kawsar, FCA
Partner
T. Hussain & Co.
Chartered Accountants,
DVC: 2305181497CC868902

REPORT OF THE AUDIT COMMITTEE

Republic Insurance Company Limited established an audit committee as a sub-committee of the Board of Directors. The Committee supports the Board in fulfilling its oversight responsibilities.

The Audit Committee of Republic Insurance Company Limited Comprises of the following Board members:

Mr. Md. Abdur Rouf Independent Director	Chairman
Mrs. Khurshida Rahman Director	Member
Mr. Md. Shafiqul Islam, FCA Independent Director	Member
Mr. Dr. Suborna Barua Independent Director	Member

TERMS OF REFERENCE:

The terms of reference of the Committee has been agreed upon as follows:

- (a) To review all internal and external audit report;
- (b) To recommend the statutory annual audited financial statements to the Board of Directors for approval;
- (c) To review the finding of the internal and external auditors;
- (d) To review and approve the Annual Audit Plan of the Internal Audit Department;
- (e) To monitor the implementation of the recommendations of the Internal and External auditors;
- (f) To review the performance of the external auditors and make recommendations to the Board regarding their appointment and fees;
- (g) To review the quarterly, half yearly and annual financial statements before submission to the Board for approval;
- (h) To review the company's statement on internal control systems prior to endorsement by the Board; and
- (i) Company secretary shall be the secretary of the audit committee.

ACTIVITIES:

- (i) The financial statements of the first quarter, half year, third quarter and the full year were reviewed by the committee and subsequently recommended to the Board for consideration and approval;
- (ii) The Committee also reviewed the work of the internal audit department and made suggestions for improvement; and
- (iii) The Committee recognized the observation of the internal audit department regarding internal control and suggestions made to improve operational systems and procedures and their implementation.

RECOMMENDATION:

01. The Financial Statements for the year ended December 31, 2022 may be approved;
02. Malek Siddiqui Wali, Chartered Accountants may be appointed as the statutory auditor of the Company for the year ended December 31, 2023 at existing fees of Tk. 3,85,000/- (including VAT & Tax) subject to approval of the Shareholders at the 23rd Annual General Meeting of the Company; and
03. T. Hussain & Co., Chartered Accountants may be appointed as the compliance auditor of the Company for the year ended December 31, 2023 at existing fees of Tk. 50,000/- (including VAT & Tax) subject to approval of the Shareholders at the 23rd Annual General Meeting of the Company.



(Md. Abdur Rouf)
Chairman
Audit Committee

REPORT OF THE NOMINATION AND REMUNERATION COMMITTEE (NRC)

Republic Insurance Company Limited (RICL) has its Nomination and Remuneration Committee (NRC) in compliance with the Corporate Governance Code by Bangladesh Securities and Exchange Commission (BSEC) and the Chairman of the NRC is an Independent Director. Composition of the NRC is as following:

Mr. Md. Abdur Rouf Independent Director	Chairman
Mr. Feroz U. Haider Director	Member
Mrs. Rehana Chowdhury Director	Member
Mr. Mahboob Ur Rahman Director	Member
Mrs. Shahella Rashid Chowdhury Director	Member
Mr. Dr. Suborna Barua Independent Director	Member

The Nomination and Remuneration Committee of RICL operates in accordance with the Terms of Reference in compliance with the Code-6 of the Securities and Exchange Commission's Corporate Governance Code Notification No. BSEC/CMRRC-D/2006-158/207/Admin/80 dated June 03, 2018.


Nomination and Remuneration Committee of the Board of RICL had five meetings during the year 2021 and the following recommendations were adopted and placed before the Board:

- To discuss about the appointment of Dr. AKM Sarwar Jahan Zamil as Chief Executive Officer (CEO) of the Company and to place before the Board for recommendation;
- To discuss about the appointment of Md. Sirajul Islam Bhuiyan, Deputy Managing Director as Chief Executive Officer (CEO), Current Charge and to place before the Board for recommendation;
- To discuss and recast the proposed Organogram of the Company as per suggestion by the Board and to place before the Board for recommendation;
- To review the Code of Conduct of the Chairman, Board Member and CEO of the Company and recommended to the Board;
- To discuss about the promotion of 3 Branch Incharges of RICL to the rank of Deputy Managing Director and to place before the Board for recommendation;

- To discuss about promotion of Mr. Md. Sirajul Islam Bhuiyan, Deputy Managing Director and Branch Incharge, Hatkhola Branch to the rank of Additional Managing Director of the Company and to place before the Board for recommendation;
- To discuss and approve yearly increments and promotion of the employees of RICL for the year 2022 and to inform the Board;
- To discussed about the recruitment of officers in the rank of Deputy Managing Director, Head of Claims & Re-insurance and to review, scrutinize the Bio-Datum of the candidates and to place before the Board for recommendation;
- To discuss and review the Dividend Distribution Policy and to place before the Board for recommendation;
- To discuss for preparing a Policy of "Contractual Appointment" of the Company and to place before the Board for recommendation;
- To discuss about the selection of Mrs. Shahella Rashid Chowdhury, Nominated by Cove Investment Ltd. and Mr. Mohammad Arif, FCA, FCAM, Nominated by Unitex LP Gas Ltd. for appointment as Director from public shareholders Group-B of the Company and to place before the Board for recommendation;
- To discuss about the selection of Mr. Dr. Suborna Barua, Associate Professor, University of Dhaka and Mr. Md. Shafiqul Islam, FCA for appointment as Independent Directors of the Company and to place before the Board for recommendation.

The Nomination and Remuneration Committee focuses on the selection of individuals with suitable skills and experience to develop the human resources pool of the Company and recommend to the Board for the appointment.

The Chairman of Nomination and Remuneration Committee, on behalf of all the members of the Committee extends gratitude to all the Stakeholders, Management Team and especially the Board of Directors of Republic Insurance Company Limited for their continued support & guidance during the year 2021 and sought cooperation in the years to come.


(Md. Abdur Rouf)
Chairman, NRC

COMPLIANCE REPORT ON BSEC'S NOTIFICATION

Annexure-C
[As per condition No. 1(5)(xxvii)]

Status of compliance with the conditions of Corporate Governance Code as imposed by Bangladesh Securities and Exchange Commission (BSEC) by the Notification no. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018 issued under section 2CC of The Bangladesh Securities and Exchange Ordinance, 1969:

(Report under Condition No.9.00)

Condition No.	Title	Status		Remarks
		Complied	Not Complied	
1.0				
1(1)	Board's Size: The number of the Board members of the company shall not be less than 5 (five) and more than 20 (twenty).	√		The RICL Board is comprised of 16 Directors.
1.2	Independent Directors			
1(2)(a)	At least one fifth(1/5) of the total number of directors in the company's board shall be independent directors.		√	Mr. Md. Rouf has been appointed as independent director on May 25, 2021 and approved in 22ndAGM. Board of Directors has been appointed D. Suborno Barua, Professor, Dhaka University and Mr. Md. Shafiqul Islam, FCA as independent director subject to approval in 23rd AGM. Recruitment of another independent director is under process.
1(2)(b)(i)	The independent director 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	√		The Independent directors have declared their compliances. Status of shareholding of independent directors: 1. Mr. Md. Rouf 0.0% 2. D. Suborno Barua 0.0%, 3. Md. Shafiqul Islam, FCA 0.0%
1(2)(b)(ii)	The independent director is not a sponsor of the company and is not connected with the company's any sponsor or director or shareholder who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship. His/her family members also should not hold above mentioned shares in the company:	√		Complied
1(2)(b)(iii)	Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members.	√		
1(2)(b)(iv)	Who has not been an executive of the company in immediately preceding 2 (two) financial years The independent director does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated companies.	√		

COMPLIANCE REPORT ON BSEC'S NOTIFICATION

Condition No.	Title	Status		Remarks
		Complied	Not Complied	
1(2)(b)(v)	Independent Directors are not the members or TREC holder, directors or officers of any stock exchange.	√		Complied
1(2)(b)(vi)	Who is not the shareholder, directors excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market.	√		
1(2)(b)(vii)	The independent director is not a partner or an executive or was not a Partner or an executive during the preceding 3(three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code.	√		
1(2)(b)(viii)	The independent director shall not be an independent director in more than 5(five)listed companies.	√		
1(2)(b)(ix)	The independent director 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)(b)(x)	The independent director has not been convicted for a criminal offence involving moral turpitude.	√		
1(2)(c)	The independent director(s) shall be appointed by the board of directors and approved by the shareholders in the Annual General Meeting (AGM).	√		Mr. D. Suborno Barua, and Mr. Md. Shafiqul Islam, FCA has been appointed by the board to fulfill the vacancy and will be approved by shareholders in 23rd AGM.
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days.		√	Post of one independent director is vacated more than 90 days.
1(2)(e)	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.	√		Mr. Md. Abdur Rouf, D. Suborno Barua, and Mr. Md. Shafiqul Islam, FCA have been continuing their position for the first term
1.3	Qualification of Independent Director(ID)			
1(3)(a)	Independent Director shall be knowledgeable individual with integrity	√		The qualification justify their abilities as such
1(3)(b)(i)	Business leader who is or was a promoter or director of an unlisted company having minimum paid up capital of Tk. 100 million or any listed company or a member of any national or international chamber of commerce or business association	N/A		
1(3)(b)(ii)	Corporate leader who is or was a top level executive not lower than CEO or MD or DMD or CFO or Head of Finance or Accounts or compa-	√		Mr. Md. Abdur Rouf is a corporate leader holding position of CEO/COO/

COMPLIANCE REPORT ON BSEC'S NOTIFICATION

Condition No.	Title	Status		Remarks
		Complied	Not Complied	
	ny secretary or head of internal audit and compliance or head of legal service or a candidate with equivalent position of an unlisted company having minimum paid up capital of 100 million or of a listed company.			Consultant of different organizations and having experience over 12 years.
1(3)(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th grade of the national pay scale (at least bachelor degree in economics or commerce or business or law)	N/A		
1(3)(b)(iv)	University teacher who has an educational background in economics or commerce or business studies or law.	√		D. Suborno Barua, Professor in Business Administration, Dhaka University having more than 11 years teaching experiences
1(3)(b)(v)	Professional or who is or was an advocate practicing at least in the high court division of supreme court or a CA or CMA or CFA or CCA or CPA or CMA or CS or equivalent position.	√		Md. Shafiqul Islam, FCA is qualified Chartered accountants having more than 34 years of auditing, accounting and valuation experiences.
1(3)(c)	The Independent Director shall have at least 10 years of experience in any field mentioned in clause (b)	√		Independent Directors are former business and corporate leader, university teacher and professional accountant having more than 12 years of experience.
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.	N/A		
1.4	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer			
1(4)(a)	The Chairman of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) shall be different individuals;	√		Chairman of Board and Managing Director are different individuals.
1(4)(b)	The MD and/or CEO of a listed company shall not hold the same in another listed company;	√		The Managing Director does not hold the same position in any other listed company
1(4)(c)	The Chairman of the board shall be elected from among the non-executive Directors of the company;	√		The chairman is elected from among non-executive directors.
1(4)(d)	The board shall clearly define respective roles & responsibilities of chairperson and MD or CEO;	√		The roles and responsibilities of the chairperson and MD are clearly defined.
1(4)(e)	In the absence of chairperson of the board, remaining members may elect one of themselves from non-executive directors as chairperson & the reason of absence shall be duly recorded in the minutes.	√		In practice
1.5	The Director's Report to Shareholders			
1(5)(i)	Industry outlook and possible future developments in the industry.	√		The Directors report complies with the guideline.
1(5)(ii)	Segment-wise or product-wise performance Risk and Concern including external & internal	√		

COMPLIANCE REPORT ON BSEC'S NOTIFICATION

Condition No.	Title	Status		Remarks
		Complied	Not Complied	
1(5)(iii)	risk factors threat to sustainability & negative impact on environment, if any	√		The Directors report complies with the guideline.
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.	√		Basis of Transactions and a statement of all related party transactions are disclosed under notes to the financial statements no. 2.27 and Note 37
1(5)(vii)	Utilization of proceeds from public issues, rights issues and/ or through any others instruments.	√		No such issue made in 2022.
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		
1(5)(x)	Remuneration to directors including independent directors.	√		Disclosed directors report & Statement of Profit & Loss and Other Comprehensive Income
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 inequity.	√		Discussed under Directors Report, CEO& CFO declaration & Notes to the Financial Statements Notes 2.00
1(5)(xii)	Proper books of accounts 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)/ International Financial Reporting Standard (IFRS) as applicable in Bangladesh have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed.	√		
1(5)(xv)	The system of internal control is sound in design and has been effectively implemented and monitored.	√		
1(5)(xvi)	Minority shareholders have been protected.	√		
1(5)(xvii)	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)(xviii)	Significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof should be explained.	√		

COMPLIANCE REPORT ON BSEC'S NOTIFICATION

Condition No.	Title	Status		Remarks
		Complied	Not Complied	
1(5)(xix)	Key operating and financial data of at least preceding 5 (five) years shall be summarized.	√		Discussed at Directors Report
1(5)(xx)	If the issuer company has not declared dividend (cash or stock) for the year, the reasons thereof shall be given.	√		The Board of RICL has recommended 10.50% cash dividend for the year 2022.
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend.	N/A		
1(5)(xxii)	The number of Board meetings held during the year and attendance by each director shall be disclosed.	√		7 Board Meeting were held during the year and discussed under Directors Meeting Attendance 2022
1(5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name wise details where stated below) held by:			
1(5)(xxiii)(a)	Parent/Subsidiary/Associated Companies and other related parties (name wise details)	N/A		
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details).	√		Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children do not hold any shares of the company.
1(5)(xxiii)(c)	Executives.	√		Executives or managers do not hold any shares of the company.
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details).	√		Stated in Notes to the Financial Statements no. 3.3
1(5)(xxiv)	In case of appointment/re-appointment of a Director the company shall disclose the following information to the shareholders			
1(5)(xxiv)(a)	A brief resume of the director;	√		Stated in the profile of directors in the annual report
1(5)(xxiv)(b)	Nature of his/her expertise in specific functional areas.	√		
1(5)(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the board.	√		
1(5)(xxv)	A management discussion and analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statement, among others focusing on:	√		Disclosed in the annual report under management discussion and analysis captioned
1(5)(xxv)(a)	Accounting policies & estimation for preparation of financial statements.	√		Stated in Directors Report, Management Discussion Analysis and Notes to the Financial Statements Notes 2.00
1(5)(xxv)(b)	Changes in accounting policies & estimation, if any clearly describing the effect on financial performance or results and financial position as well as cash flows in the absolute figures.	√		
1(5)(xxv)(c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows in the absolute figures.	√		

COMPLIANCE REPORT ON BSEC'S NOTIFICATION

Condition No.	Title	Status		Remarks
		Complied	Not Complied	
(5)(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario.	√		Management Discussion Analysis and Notes to the Financial Statements Notes 2.00
1(5)(xxv)(e)	Briefly explain the financial and economic scenario of the country and the globe.	√		
1(5)(xxv)(f)	Risks & concerns issued related to the financial statements, explaining such risk and concerns mitigation plan of the company.	√		
1(5)(xxv)(g)	Future plan or projection or forecast for company's operation, performance and financial position, with jurisdiction thereof, i.e. actual position shall be explained to the shareholders in the next AGM.	√		
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the board as required under condition No.3(3) shall be disclosed as per (Annexure-A).	√		Stated in annual report under CEO and CFO declaration
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of the code as required under condition No.9 shall be disclosed as per Annexure C	√		The certificate regarding the compliance of conditions is disclosed in the annual report.
1(6)	The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with Bangladesh Secretarial Standards as adopted by the Institute of Chartered Secretaries of Bangladesh.	√		Company maintains a minute's book for Board Meeting Minutes as per the provision of Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB)
1.7	Code of conduct for the chairperson, other Board members and Chief Executive Officer			
1(7)(a)	The board shall lay down a code of conduct , based on the recommendation of the NRC at condition No.6 for the chairperson of the board, other board members & CEO of the company.	√		A code of conduct set for chairmen of the Board, other members of the Board and Chief Executive Officer of the company based on the recommendation of the Nomination and Remuneration Committee (NRC)
1(7)(b)	The code of conduct as determined by the NRC shall be posted in the website of the company among others prudent conduct & behavior; confidentiality; conflict of interest; compliance with laws , rules & regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.	√		Posted in the website and visible for all stakeholders.
2.00	Governance of Board of Directors of Subsidiary Company			
2(a)	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.	N/A		RICL does not have any subsidiary company
2(b)	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.	N/A		

COMPLIANCE REPORT ON BSEC'S NOTIFICATION

Condition No.	Title	Status		Remarks
		Complied	Not Complied	
2(c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company.	N/A		RICL does not have any subsidiary company
2(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also.	N/A		
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary Company.	N/A		
3.0	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS)			
3.1	Appointment			
3(1)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC).	√		The Company has appointed MD, CFO, CS and Head of Internal Audit
3(1)(b)	The positions of the MD or CEO, CS, CFO and HIAC shall be filled by different individuals.	√		The MD, CFO, CS and Head of Internal Audit are four different individuals.
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time.	√		In practice
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS.	√		The roles, responsibilities and duties of MD, CFO, CS and HIAC are clearly defined which have been approved by the Board as per requirement of BSEC notification
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	√		In Practice
3(2)	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board. Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters.	√		
3.3	Duties of Managing Director or Chief executive Officer and Chief Financial Officer			
3(3)(a)	The MD or CEO and CFO shall certify to the board that they have reviewed financial statements	√		In Practice
3(3)(a)(i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.	√		
3(3)(a)(ii)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.	√		

COMPLIANCE REPORT ON BSEC'S NOTIFICATION

Condition No.	Title	Status		Remarks
		Complied	Not Complied	
3(3)(b)	The certification of the MD or CEO and CFO that no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members.	√		In Practice
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the annual report	√		Disclosed in Annual Report
4.0	Board of Directors' Committee			
4(i)	The Board shall have an Audit Committee as a sub-committee of the Board.	√		In Practice
4(ii)	The Board shall have a Nomination & Remuneration Committee as a sub-committee of the Board.	√		
5.0	Audit Committee			
5.1	Responsibility to the Board of Directors			
5(1)(a)	Audit Committee shall be the sub-committee of the Board of Directors.	√		TOR is available The audit committee duly
5(1)(b)	The 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.	√		discharged its responsibilities.
5(1)(c)	The Audit Committee shall be responsible to the Board of Directors. The duties of the Audit Committee shall be clearly set forth in writing.	√		In Practice
5.2	Constitution of the Audit Committee			
5(2)(a)	The Audit Committee shall be composed of at least three members.	√		The Audit Committee is comprised of 4 (Four) members
5(2)(b)	Board shall appoint members of Audit Committee from non-executive directors except chairperson including one independent director.	√		The members of the Audit Committee are appointed by the Board who are Non-Executive Directors and which includes one Independent Director
5(2)(c)	All members of the audit committee should be financially literate and at least one member shall have accounting or related financial management experience and ten years of such experience.	√		Based on the academic qualifications and professional experiences, the Board reviewed and considered that all the existing members of the Audit Committee are 'financially literate' and they have 'related financial management experience' as per codes of BSEC. The members have also given their declarations
5(2)(d)	When the terms of service of any committee member expires or there is any circumstances causing any committee member to be unable to hold before expiration of terms of service where number of Committee members falls short than the prescribed number the board shall fill the	√		Such situation not arise during the year

COMPLIANCE REPORT ON BSEC'S NOTIFICATION

Condition No.	Title	Status		Remarks
		Complied	Not Complied	
	vacancy immediately or not later than 1 one month from the date of vacancy.			
5(2)(e)	The company secretary shall act as the secretary of the committee.	√		In Practice
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least one independent director.	√		
5.3	Chairperson of the Audit Committee			
5(3)(a)	Chairman of the Audit Committee shall be an Independent Director appointed by the Board.	√		Mr. Abdur Rouf has been appointed as Chairman of Audit Committee who is an Independent Director.
5(3)(b)	In the absence of the chairperson of the audit committee remaining members may elect one of themselves as Chairperson for that particular meeting.	√		In Practice
5(3)(c)	Presence of Chairman of the Audit Committee in the Annual General Meeting	√		
5.4	Meeting of the Audit Committee			
5(4)(a)	Frequency of Meeting of the Audit Committee.	√		4 Audit committee meeting has been held during the year
5(4)(b)	Quorum of the Audit Committee Meeting.	√		In Practice
5.5	Role of Audit Committee shall include the following			
5(5)(a)	Oversee the financial reporting process.	√		In Practice
5(5)(b)	Monitor choice of accounting policies and principles.	√		
5(5)(c)	Monitor internal audit and compliance process, approval of internal audit and compliance plan and review of these reports.	√		
5(5)(d)	Oversee hiring and performance of external auditors.	√		
5(5)(e)	Hold meeting with external auditors for review of annual financial statements before submission to the board.	√		
5(5)(f)	Review along with the management, the annual financial statements before submission to the board for approval.	√		
5(5)(g)	Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval.	√		
5(5)(h)	Review the adequacy of internal audit function.	√		
5(5)(i)	Review the Management's discussion and analysis before disclosing in the annual report.	√		
5(5)(j)	Review statement of all related party transactions submitted by the management.	√		
5(5)(k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors.	N/A		

COMPLIANCE REPORT ON BSEC'S NOTIFICATION

Condition No.	Title	Status		Remarks
		Complied	Not Complied	
5(5)(l)	Oversee the determination of audit fees and others for effective audit and evaluate performance of external auditors.	√		In Practice
5(5)(m)	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 and annual basis.	√		There was no IPO/R-PO/Rights Issue in 2022 or in recent past.
5.6	Reporting of the Audit Committee			
5(6)(a)	Reporting to the Board of Directors			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board of Directors.	√		In Practice
5(6)(a)(ii)	The Audit Committee shall immediately report to the Board of Directors on the followings, if any			
5(6)(a)(ii)(a)	Report on conflicts of interests;	N/A		Such situation didn't occur
5(6)(a)(ii)(b)	Suspected or presumed fraud or irregularity or material defect in the internal audit & compliance process or in the financial statement.	N/A		There was no such issue arise during the year
5(6)(a)(ii)(c)	Suspected infringement of laws, including securities related law, rules and regulations.	N/A		
5(6)(a)(ii)(d)	Any other matter which shall be disclosed to the Board of Directors immediately.	N/A		
5(6)(b)	Reporting to the Authorities: If the Audit Committee has reported to the Board of Directors about anything which has material impact on the financial condition and results of operation and has discussed with the Board of Directors and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board of Directors for three times or completion of the period of 6 (six) months from the date of first reporting to the Board of Directors, whichever is earlier.	N/A		
5(7)	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 condition 5.6.a(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.	√		Activity of AC has disclosed in the Annual Report
6.00	Nomination and Remuneration Committee (NRC)			
6.1	Responsibility to the board of directors			
6(1)(a)	The company shall have a NRC as a sub-committee of the board.	√		Already in place. The TOR is available
6(1)(b)	NRC shall assist the board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and	√		The NRC duly discharged its responsibilities

COMPLIANCE REPORT ON BSEC'S NOTIFICATION

Condition No.	Title	Status		Remarks
		Complied	Not Complied	
	independence of directors & top level executives as well as considering remuneration of directors, top level executive.	√		
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing.	√		In practice. The Terms of Reference is clearly set forth in writing covering all relevant areas as stated in the code
6.2	Constitution Of the NRC			
6(2)(a)	The committee shall comprise of at least 3 members including an independent director.	√		The Committee is comprised of 6 members including an Independent Director
6(2)(b)	All members of the committee shall be non-executive directors.	√		In Practice
6(2)(c)	Members of the committee shall be nominated and appointed by the board.	√		The NRC members are appointed by the Board
6(2)(d)	The board shall have authority to remove and appoint any member of the committee.	√		In Practice
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the committee or any other cases of vacancies, the board shall fill the vacancy within 180 days (one hundred eighty) of occurring such vacancy.	N/A		Such situation not arise during the year
6(2)(f)	The chairperson of the committee may appoint or co-opt any external expert or members of staff to committee who shall be non-voting member.	N/A		The Committee didn't appoint or co-opt any external expert or member
6(2)(g)	Company secretary shall act as the secretary of the committee.	√		In Practice
6(2)(h)	Quorum of the NRC shall not constitute without attendance of at least an independent director.	√		
6(2)(i)	No member of the NRC shall receive any remuneration other than Directors' fees or honorarium from the company.	√		
6.3	Chairperson of the NRC			
6(3)(a)	The board shall select one member of the NRC to be chairperson of the committee who shall be an independent director.	√		Mr. Abdur Rouf has been appointed as chairman of NRC by the Board. He is an Independent Director
6(3)(b)	In the absence of chairperson of NRC, the remaining members may elect one of themselves as chairman of the meeting.	√		In Practice
6(3)(c)	The chairperson of NRC shall attend the AGM and in the absence of regular chairperson, any member from the NRC shall be selected to attend in AGM.	√		
6.4	Meeting of the NRC			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year.	√		4 NRC meeting has been held during the year.
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC.	√		To be complied if needed
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee,	√		In Practice

COMPLIANCE REPORT ON BSEC'S NOTIFICATION

Condition No.	Title	Status		Remarks
		Complied	Not Complied	
	whichever is higher, where presence of an independent director is must.			
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	√		In Practice
6.5	Role of the NRC			
6(5)(a)	NRC shall be independent and responsible or accountable to the board and shareholders.	√		In Practice
6(5)(b)	NRC shall oversee among others, the following matters and make report with recommendation to the Board:			
6(5)(b)(i)	Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:	√		In Practice
6(5)(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully.	√		
6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks;	√		
6(5)(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of company and its goals;	√		
6(5)(b)(ii)	A policy on boards diversity considering age, gender, experience, ethnicity, educational background & nationality;	√		
6(5)(b)(iii)	Identifying persons who are qualified to become directors and top level executive in accordance with the criteria laid down and recommend their appointment and removal to the board;	To be Complied		
6(5)(b)(iv)	Formulating the criteria for evaluation of independent directors and the board;	√		In Practice
6(5)(b)(v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement or promotion criteria;	√		
6(5)(b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies;	√		
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	√		The criteria, policy and activities of NRC has been prepared and disclosed in the Annual Report
7.0	External or Statutory Auditors			
7(1)(i)	Non-engagement in Appraisal or valuation services or fairness opinions.	√		In Practice
7(1)(ii)	Non-engagement in designing and implementation of Financial Information System.	√		

COMPLIANCE REPORT ON BSEC'S NOTIFICATION

Condition No.	Title	Status		Remarks
		Complied	Not Complied	
7(1)(iii)	Non-engagement in Book-keeping or other services related to the accounting records or financial statements.	√		In Practice
7(1)(iv)	Non-engagement Broker-dealer services.	√		
7(1)(v)	Non-engagement in Actuarial services.	√		
7(1)(vi)	Non-engagement in Internal audit or special audit services.	√		
7(1)(vii)	Non-engagement in any other service determined by the Audit Committee.	√		
7(1)(viii)	Non-engagement in audit or certification services on compliance of corporate governance as required under condition: 9(1).	√		
7(1)(ix)	Any other service that creates conflict of interest.	√		
7(2)	No partner or employees and family members 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.	√		
7(3)	Representative of external or statutory auditors shall remain present in the shareholders meeting (AGM or EGM) to answer the queries of the shareholders.	√		
8.0	Maintaining Website by the Company			
8(1)	The company shall have an official website linked with the websites of the stock exchange.	√		Website is there which is linked with those of the stock exchanges
8(2)	The company shall keep the website functional from the date of listing.	√		In Practice
8(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	√		
9.0	Reporting and Compliance of Corporate Governance			
9(1)	Obtaining Certificate from a professional accountant/ Secretary other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and disclose it in the Annual Report.	√		The company obtained the certificate from M/s. T. Hussain & Co. Chartered Accountants regarding compliance of conditions of Corporate Governance of the Commission and such certificate is disclosed in the Annual Report
9(2)	The professional who will provide the certificate on compliance of the Corporate Governance Code shall be appointed by the shareholders in AGM.	√		The compliance auditor T.Hussain & Co. Chartered Accountants is duly re-appointed by the shareholders at AGM
9(3)	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.	√		

COMPLIANCE REPORT ON BSEC'S NOTIFICATION

Compliance of condition no. 1(5)(xxiii)

The pattern of shareholding as at December 31, 2022

- i) Parent/Subsidiary/Associated companies and other related parties N/A
 ii) Directors, Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO), Head of Internal Auditor (IA) and their spouses and minor children:

SI	Name of Directors & Executives	Status	No. of Share held	Share held by the Spouse/Children	Remarks
(a)	Mr. Mohd. Hanif Chowdhury	Chairman	1071392	-	
	Mr. S.M. Shafiu Hoque	Vice Chairman	1233418	-	
	Mrs. Hasina Gazi	Director	1578760	157500	Spouse
	Mr. Sadeque Hossain Chowdhury	Director	1062189	1044316	Spouse
	Mr. Saber Hossain Chowdhury, MP	Director	1157472	1506604	Spouse
	Mrs. Shahin Haider	Director	1041983	1042370	Spouse
	Mrs. Khurshida Rahman	Director	1736635	-	
	Mr. Mahboob Ur Rahman	Director	1585933	-	
	Mr. Feroz U. Haider	Director	1042370	1041983	Spouse
	Mrs. Rehana Chowdhury	Director	1506604	1157472	Spouse
	Mrs, Shahella Rashid Chowdhury	Director (Nominated by Cove Investment Ltd.)	1529921	-	
	Mr. Mohammad Arif, FCA, FCMA	Director (Nominated by Unitex LP Gas Ltd.)	1816245	-	
	Mr. Md. Abdur Rouf	Independent Director	Nil	-	
	Dr. Suborna Barua	Independent Director	Nil	-	
	Mr. Md. Shafiqul Islam, FCA	Independent Director	Nil	-	
(b)	Dr. A K M Sarwar Jahan Zamil	CEO	Nil	-	
(c)	Mr. Sajjan Kumar Basak	DMD & CS	Nil	-	
(d)	Mr. Md. Moshfiqur Rahman	SVP & CFO	Nil	-	
(e)	Mr. Md. Saiful Islam	Dy. Manager (IA)	Nil	-	

- iii) Executive (top five Salaried Employees of the Company), other than the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer and Head of Internal Audit.

Name	Designation	Share
Mr. Md. Sirajul Islam Bhuiyan	Additional Managing Director, Head Office, Dhaka	Nil
Mr. Md. Anwarul Islam	Deputy Managing Director, Head Office, Dhaka	Nil
Mr. Md. Shamsuddin	DMD & Branch Incharge, Paltan Branch, Dhaka	Nil
Mr. Ziaur Rahman (Miron)	DMD & Branch Incharge, Principal Branch, Dhaka	Nil
Mr. Mohammed Rukunuzzaman	DMD & Branch Incharge, Local Office, Dhaka	Nil

- iv) Shareholders holding 10% or more voting interest in the Company.

Name	Designation	Share
Nil	Nil	Nil

REPORT ON CORPORATE GOVERNANCE CODE [CGC]

CORPORATE GOVERNANCE

Bangladesh Securities and Exchange Commission (BSEC) rationalized the Corporate Governance Code (CGC) and repealed the existing corporate governance guideline on June 3, 2018 in order to enhance the corporate governance in the interest of the investors and the capital market. Listed Companies shall comply in accordance with the condition stipulated in the code.

Republic Insurance Company Limited (RICL) is the 3rd generation private sector non-life Insurance Companies in Bangladesh that complying full phase corporate governance code. The company is proactive in terms of quality business that helps for better future of the insurance industry in Bangladesh. RICL believe corporate governance for all i.e. investor, customers/clients, insured's, re-insurer, employees, staffs, suppliers and other stakeholders.

Corporate Governance refers to the system by which corporations are directed and controlled. Corporate governance structure specifies the distribution of rights and responsibilities among different participants such as the Board of Directors, Managers, Shareholders, Creditors, Regulators and other Stakeholders and specifies the rules and procedures for making decisions in corporate affairs. Corporate governance provides structure through which corporations /companies set and pursue their objectives. Corporate governance is a mechanism for monitoring the actions, policies and decisions of companies. It involves alignment of interests among the Shareholders.

RICL has given the key priority over the corporate governance practice. Corporate governance is practiced in all levels of the management of the Company i.e. from Directors to the junior level employees. It is the Board of Directors' responsibilities to implement corporate governance system in the Company and the Board of Directors in RICL is doing so applying their best knowledge and expertise complying with the rules laid down by the BSEC notification no. SEC/CMRRCD/2006-158/207/Admin/80, dated: June 3, 2018.

BOARD OF DIRECTORS

Board Size

The Board comprising of 16 (sixteen) Directors out of which 15 (fifteen) are Non-Executive Directors and 1 (one) is Executive Directors who is the Chief Executive Officer (CEO) of the Company. Out of 15 (fifteen) Non-Executive Directors one is the Chairman who has been elected from the Board Members. The composition of the Board complies with the Rules of Insurance Development & Regulatory Authority (IDRA) & notification of Bangladesh Securities and Exchange Commission (BSEC). Directors of the Company have talent, required skills and well experience in providing prudent guidance in respect to the operation of the insurance business. The Chairman and the Chief Executive Officer of the Company are different bodies with separate functions and responsibilities of each.

Board Meetings

The meetings of the Board of Directors of RICL are normally held at the Registered and Corporate Head Office of the Company. The meetings are held frequently to discharge its responsibilities and functions as mentioned above. Meeting is scheduled well in advance and the notice of each Board Meeting is given, in writing, to each Director by the Company Secretary.

The Company Secretary prepares the detailed agenda for the meeting. The Board papers comprising the agenda, explanatory notes and proposed regulations are circulated to the directors in advance for their review. The Members of the Board have complete access of all information of the company enabling them to work efficiently. The Members of the Board are also free to recommend inclusion of any matter in the agenda for discussion. The Company Secretary and the Chief Financial Officer always attends the Board Meeting and other senior management is invited to attend Board Meeting to provide additional inputs to the items being discussed by the Board and make necessary presentations. Properly designed management structure, clearly defined responsibilities, delegation or authorities, establishment of accountability at each level and system of periodic reporting and monitoring performance are the key elements of the internal control framework employed in RICL.

REPORT ON CORPORATE GOVERNANCE CODE [CGG]

Appointment of Directors

As per Articles of Association of RICL, Articles no. 107 and every subsequent year, one-third of the Directors representing sponsor shareholders, inclusive of co-opted Directors for the time being and one-third of the Directors from public subscribers, if their (be it sponsor shareholders group or public shareholders group) number is not three or a multiple of three, then the number nearest to one-third shall retire from office.

Provided that retiring sponsors Directors shall be eligible for re-election and be re-elected by the sponsor shareholders while retiring Directors from Public subscribers shall also be eligible for re-election and be re-elected for by the public subscribers. The Company at the General Meeting at which a Director retires in manner aforesaid may fill up the vacant office by electing a person thereto.

Any new appointment to the Board requires information to the Insurance Development & Regulatory Authority, the BSEC and Stock Exchanges. As per বীমাকারীর মূলধন ও শেয়ার ধারণ বিধিমালা ২০১৬ এর প্রজ্ঞাপন এস.আর.ও. নং-২৮৮-আইন/২০১৬, তারিখঃ ১৯/০৯/২০১৬, Shareholders are eligible to appointment as Directors minimum holding 2% shares of total paid-up capital.

Under section 15B(3); the date, time, place and other particulars of election and the number of Directors to be elected shall be circulated sixty days before such election by advertisement in at least two national daily newspapers. According to the notification nomination in the prescribed form is invited from the eligible shareholders expressing his/her willingness to contest the election of Directors from the public shareholders in the AGM. Elected Public Directors will be appointed for the next term.

INDEPENDENT DIRECTORS

To comply with the requirements of Corporate Governance as per BSEC Notification, the Board of Directors appointed 3 (three) qualified and experienced person as Independent Director of the Company.

Qualification of the Independent Directors

Independent Director are qualified and well experienced and able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business. At present the Company has 3 (three) Independent Directors as below:

Name : Mr. Md. Abdur Rouf
Quantification : M.com (Management)
Experience : Above 35 years (banking & investment)

Name : Dr. Suborna Barua
Quantification : MBA
Experience : Professor at the Department of International Business, University of Dhaka and Experience of teaching courses in economics and finance at both local and foreign universities, delivering professional training on financial modelling, financial markets, financial management and project management, and working in cross-border research projects funded by institutions such as the World Bank, UNDP, and DFID-UK

Name : Mr. Md. Shafiqul Islam, FCA
Quantification : B. Com (Hons) in Accounting
Experience : Long experience in Audit, Valuation reporting, Income Tax and VAT advisory services, Representing the assessment /Appeal of multinational, local corporate assessee, foreign national and local individual assessee, Company law Advisory and Secretarial services in Public & Private Companies

BOARD COMMITTEES

RICL has several Sub-committees under the Board. The Board members in their meeting appoint the members for the Sub committees including the Chairman of committee. After fulfillment of the tenure of the committee, the members of committee change within the Board members. Every sub-committee has separate scope of work and the Board approve the terms of references. The Sub-committees are independent and responsible to provide their expertise opinion to the Board. At present, the following Committees are performing their duties on behalf of the Board:

1. Audit committee
2. Nomination and Remuneration Committee (NRC)
3. Executive Committee
4. Claims Committee
5. Investment Committee

AUDIT COMMITTEE

Composition of Audit Committee

Audit committee of Republic Insurance Company Limited is the Sub-Committee of the Board of Directors. Audit Committee comprises 4 (four) Directors

REPORT ON CORPORATE GOVERNANCE CODE [CGC]

nominated by the Board of Directors. The committee is headed by a Director who is an Independent Director of the company. The Chief internal Audit & Control officer has direct access to the Committee and the Committee is directly reportable to the Board. It operates according to the Terms of Reference approved by the Board and in compliance with the Section 5 of the Securities and Exchange Commission's Notification NO. SEC/CMRRC-D/2006-158/207/Admin/80, dated June 03, 2018.

Role of Audit Committee

According to the Terms of Reference in compliance with code 5(5) of the Bangladesh Securities and Exchange Commission Notification No. BSEC/CMR-RCD/2006-158 /207/Admin/80 dated 03 June 2018, the role of the Committee is as follows:

- (i) Oversee the financial reporting process;
- (ii) Monitor choice of accounting policies and principles;
- (iii) Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;
- (iv) Oversee hiring and performance of external auditors;
- (v) Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;
- (vi) Review along with the management, the annual financial statements before submission to the Board for approval;
- (vii) Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;
- (viii) Review the adequacy of internal audit function;
- (ix) Review the Management's Discussion and Analysis before disclosing in the Annual Report;
- (x) Review statement of all related party transactions submitted by the management;
- (xi) Review Management Letters or Letter of Internal Control weakness issued by statutory auditors;
- (xii) Oversee the determination of audit fees based

on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors;

- (xiii) Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission;
- (xiv) When money is raised through 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.

Meeting and Attendance of Audit Committee

During the year 2022 4 (four) meeting were held. Detail of the meeting and record of attendance of the members are as follows:

Mr. Md. Abdur Rouf Independent Director	Chairman	4/4
Mr. S.M. Shafiul Hoque Vice Chairman	Member	3/3
Mrs. Khurshida Rahman Director	Member	4/4
Mr. Md. Shafiqul Islam, FCA Independent Director	Member	1/1
Dr. Suborna Barua Independent Director	Member	1/1

Internal Control and Risk Management

Although the Board of Directors is ultimately responsible for ensuring that adequate and effective internal control and risk management systems are place but Audit committee of the Board has a vital role to play. Although no system of internal financial control can provide absolute assurance against material misstatement or financial loss, the company's internal control system have been designed to provide the Directors with reasonable assurance that assets are safeguarded against unauthorized use by the employees / or management and / or third parties, transactions are authorized and properly recorded and material error and irregulari-

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ties are either prevented or detected within a reasonable period of time.

NOMINATION AND REMUNERATION COMMITTEE (NRC)

NRC Committee of Republic Insurance Company Limited comprises 6 (six) Non-Executive Directors. The Committee is headed by a director who is an Independent Director of the Company. Members are NRC committee is as under:

Mr. Md. Abdur Rouf Independent Director	Chairman
Mr. Feroz U. Haider Director	Member
Mrs. Rehana Chowdhury Director	Member
Mr. Mahboob Ur Rahman Director	Member
Mrs. Shahella Rashid Chowdhury Director	Member
Dr. Suborna Barua Independent Director	Member

Terms of reference (ToR) of NRC committee in line with the corporate governance Condition no.6 (1) and other compliance as per 6(2) to 6 (5) of BSEC notification no. BSEC/CMRRCD/2006-158/207/Ad-min/80 dated June 03, 2018 is as follows:

Responsibility to the Board of Directors

- The Company has a Nomination and Remuneration Committee (NRC) as a Sub-committee of the Board;
- The NRC assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;
- The Terms of Reference (ToR) of the NRC clearly set forth in writing covering the areas stated at the condition No. 6(5).

Constitution of The NRC

- The Committee comprise of three members including an independent director;
- All members of the Committee are non-executive directors;

- Members of the Committee is nominated and appointed by the Board;
- The Board has authority to remove and appoint any member of the Committee;
- In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;
- The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff is required or valuable for the Committee;
- The Company Secretary is act as the secretary of the Committee;
- No member of the NRC receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.

Chairperson of the NRC

- The Board select 1 (one) member of the NRC to be Chairperson of the Committee, who is an independent director;
- In the absence of the Chairperson of the NRC, the remaining members elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;
- The Chairperson of the NRC attend the annual general meeting (AGM) to answer the queries of the Shareholders;

Meeting of the NRC

- The NRC was conducting 4 (four) meetings in the financial year 2022;
- The Chairperson of the NRC convene emergency meeting upon request by any member of the NRC;
- Fulfill the quorum of the meeting of the NRC under condition No. 6(2)(h);
- Meeting of the NRC duly be recorded in the

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minutes and such minutes shall be confirmed in the next meeting of the NRC.

Role of the NRC

- (a) NRC are independent and responsible or accountable to the Board and to the Shareholders;
- (b) NRC oversee, among others, the following matters and make report with recommendation to the Board:
- (c) formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:
- (d) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;
- (e) the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- (f) remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long- term performance objectives appropriate to the working of the company and its goals.
- (g) devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;
- (h) identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;
- (i) formulating the criteria for evaluation of performance of independent directors and the Board;
- (j) identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;
- (k) developing, recommending and reviewing annually the company's human resources and training policies;

The company disclose the nomination and remuneration

policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.

OTHER COMMITTEES OF THE BOARD

In addition to the Audit Committee and NRC committee of the Board, there are another sub-committee of the Board namely Executive Committee, Claims Committee and Investment Committee. The main purpose and members of the Committees are as under:

Executive Committee

Executive Committee looks after the management reports of the branches performance with the proposals and recommendations of each employee's performance in the Company and also confirms appointment, incentive bonus and other facilities. The Executive Committee also enhances the pay scale of the employees time to time with the support of the management requirements. The members of Executive Committee is as under:

Mrs. Rehana Chowdhury Director	Chairman
Mr. S.M. Shafiul Hoque Vice Chairman	Member
Mrs. Khurshida Rahman Director	Member
Mr. Mahboob Ur Rahman Director	Member
Mrs. Shahella Rashid Chowdhury Director	Member
Mr. Md. Abdur Rouf Independent Director	Member
Dr. A K M Sarwar Jahan Zamil Chief Executive Officer	Member

Claims Committee

Claim or loss handling is one of the major functions of insurance, it is the actual "product" paid. Claims filed by insured directly and the managements classify the loss on the basis of the documents & papers with their knowledge and experience. The surveyors of the Claim undertake an investigation of each claim, usually with close cooperation of the insured, determine coverage under the terms of the insurance contract, and if so, the surveyors submit reports on their survey to the Chief Executive Officer (CEO) along with their detailed comments. CEO on going through surveyors' reports and others relevant documents place the same with his opinion/

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advice for necessary decision before the claims committee. The members of Claims Committee is as under:

Mr. Mohammad Arif, FCA, FCMA Director	Chairman
Mrs. Khurshida Rahman Director	Member
Mr. Md. Abdur Rouf Independent Director	Member
Mrs. Shahella Rashid Chowdhury Director	Member
Dr. Suborna Barua Independent Director	Member
Dr. A K M Sarwar Jahan Zamil Chief Executive Officer	Member

Investment Committee

The Investment Committee shall provide assistance to the Board of Directors in fulfilling their oversight responsibility to the shareholders, potential shareholders, the investment community, and others relating to the Company's contemplated investments and portfolio companies and investments. The members of Investment Committee is as under:

Mr. Md. Shafiqul Islam, FCA Independent Director	Chairman
Mr. Md. Abdur Rouf Independent Director	Member
Mr. Mahboob Ur Rahman Director	Member
Dr. A K M Sarwar Jahan Zamil Chief Executive Officer	Member

MANAGEMENT COMMITTEE

To look after the Management position and assist their performance with a proper guidance, the Chief Executive Officer (CEO) calls different Management Meetings to assist in order to perform appropriately the activities of the Company. The CEO regularly discusses with high officials and concerned departmental Heads about the important issues before implementing the decisions. The overall functions of the company are being carried out by the following 10 departments:

01. Board affairs
02. Administration department
03. Human resources & MIS department
04. Branch control department
05. Claims & Re-Insurance department
06. Internal Audit department

07. Shares department
08. Information technology department
09. Underwriting department
10. Accounts department

The Meetings have been operating their activities to boost up the performance of employees. The branch heads also confirm the profitability by applying all the rules and regulations. The various activities of the above mentioned Committees are presented to the Chairman for his consideration and confirmation.

RESPONSIBILITY OF THE COMPANY SECRETARY, CHIEF FINANCIAL OFFICER AND HEAD OF INTERNAL AUDIT

In accordance with Corporate Governance Code Notification No. SEC/CMRRCD/2006-158/207/Admin/ 80, dated: June 03, 2018 the Responsibility the Company Secretary, Chief Financial Officer (CFO) and Head of Internal Audit are as follows:

Responsibilities of the Company Secretary

Company Secretary is the chief administrative officer of the Company, responsible for the efficient administration of the Company, particularly with regard to ensuring compliance with statutory and regulatory requirements and for ensuring that decisions of the Board of Directors are implemented. The Corporate Governance Guidelines issued by the BSEC also requires a full-fledged Company Secretary as distinct from other managers of the Company. The Company Secretary ensures that an organization complies with relevant legislation and regulation, and keeps Board Members informed of their legal responsibilities. The Company Secretary is the Company's named representative on legal documents and it is his responsibility that the Company and its shareholders operate within the law. It is also his responsibility to register and communicate with the shareholders, to ensure that dividends are paid and to maintain company's records, such as, lists of Directors and shareholders, and annual accounts. The other major responsibilities of Company Secretary are:-

- a) Serving the Notice, Conducting Board Meeting and Annual General Meeting (AGM) & EGM;
- (b) Serving Notice, Conducting all Board Committees Meeting;
- (c) Serving Notice, Conducting Branches conference;
- (d) Preparation of Minutes & Directors Reports;

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- (e) Coordinating with Regulatory Bodies-like SEC, DSE, CSE, RJSC, etc.;
- (f) Controlling Share Department and maintaining all share related Registers;
- (g) Submission of Annual Return and other necessary Forms & Statements to the Registrar of Joint Stock Companies & Firms;
- (h) Maintaining all necessary formalities with SEC, DSE and CSE as required by Law;
- (i) Liaison with CDBL, Bangladesh Bank and Investment Corporation of Bangladesh (ICB) and etc.;
- (j) Conduct AGM, EGM and maintain the relation with Public Shareholders.

Responsibilities of the Chief Financial Officer

In accordance with Corporate Governance Code under condition no. 3(1)(d) the Responsibility of the Chief Financial Officer (CFO) are:

- (a) To prepare Monthly, Quarterly and Annual Accounts, finalize the payroll, business analysis, various bill checking, prepare Bank reconciliation statement, fund management, developing & implement the International Accounting Standard, Companies Act, Insurance Act, Income Tax Act, VAT Act, BSEC, DSE and CSE Rules and Regulations;
- (b) To make statements for Insurance Development & Regulatory Authority (IDRA) asked by IDRA as per their requirements from time to time;
- (c) To prepare, examine, and analyze accounting records, financial statements, and other financial reports to assess accuracy, completeness, and conformance to reporting and procedural standards;
- (d) To analyze business operations, trends, costs, revenues, financial commitments, and obligations, to project future revenues and expenses or to provide advice;
- (e) To develop, maintain, and analyze budgets, preparing periodic reports that compare budgeted costs to actual costs;
- (f) To develop, implement, modify, and document record keeping and accounting systems, making use of current computer technology;

- (g) To prepare forms and manuals for accounting and book keeping personnel, and direct their work activities;
- (h) To survey operations to ascertain accounting needs and to recommend, develop, and the maintain solutions to business and financial problems;
- (i) To advise management about issues such as resource utilization, tax strategies, and the assumptions underlying Revenue budget forecasts;
- (j) To appraise, evaluate, and inventory real property and equipment, recording information such as the property's description, value, and location;
- (k) To check and control branches accounts;
- (l) To conduct the Internal, External, Special Audit, VAT Audit and Tax Audit of the Company.

Responsibilities of the Head of Internal Audit

In accordance with Corporate Governance Code under condition no. 3(1)(d) the Responsibility of the Head of Internal Audit are:

- (a) To check Bill, Voucher, Petty Cash Book, Salary Statement, cancelation Cover Note & Refund premium, Bank Deposit Slip with Bank through Online Banking, Agent Commission, Stamp & Challan register, daily expenditures Vouchers, Requisition and daily transactions and to monitor day to day Business Collection;
- (b) To Conduct Internal Audit of the Branches as per guidelines of the Management and prepare Report;
- (c) To perform Audit Procedures according to ISA;
- (d) To verify fixed assets and inventory and review purchase register;
- (e) To identify control gap and opportunities for improvement;
- (f) Planning and conducting audit applying techniques tests and sampling method.

COMMUNICATION WITH SHAREHOLDERS AND STAKEHOLDERS

The Company provides a balanced level of communication between the Company and its Stakeholders. The Company has Board affairs department to communicate with the stakeholders. Shareholders

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may communicate with this department at any time for any sort of information and query. The Company provides updated information in its website for all the Shareholders of the Company. The Company disseminates its all price sensitive information (PSI) within 30 minutes of the decision to the BSEC and the stock exchanges under the signature of CEO or Company Secretary through fax/ E-mail and by special messenger, and through courier services in special cases and immediately publishes the same in 2 widely circulated Newspapers, one in Bangla and the other in English, and also in one online news portal. The Shareholders are provided routine services by the Company Secretary in the matters of transfer of shares, replacement in case of damage of shares, payment of dividend, reissue of dividend warrant when warrants expires in the hand of shareholders, issue of certificates on tax deduction from dividend etc. The Company also publishes its quarterly reports and annual reports within the time as stipulated in the listing rules of stock exchanges and also arranges necessary publications, and dispatches those accordingly. The annual report covers all the notes for current financial year, business performance, future plan, strategy and other key corporate information and disclosures. The Board of Directors regards the annual general meeting (AGM) and other general meetings as an important opportunity for direct communication with the honorable shareholders. To make the AGM more participatory, the Company declares the date of AGM well ahead of time, circulates annual reports and other documents in time, manages AGM in a well-located place at convenient time, which allows the shareholders to attend and speak in the AGM freely. The Company values their proposals and suggestions which are certainly pertinent and for the development and progress of the Company. In the last AGM of RICL a large number of shareholders attended the meeting and participated in the discussions and made different queries and suggestions on different subjects. The Company is fully committed to protect the interest of its shareholders. The Directors and Senior Management also attend the annual general meeting (AGM) where they are available to respond to shareholders' questions. All Shareholders have the right to vote at general meetings. The number of Shareholders is increasing gradually which shows their constant faith on the company.

The Website of the Company also contains corporate information, which is updated on a regular basis. The Website serves as a source of business, financial, and other relevant information on the company with easy access. Press releases, interim and annual reports and other information of interest

of shareholders are regularly uploaded to company's Website. In addition, from time to time, the company publishes newsletters/ information brochures which set out specific aspects of the company's operations for the general public/clients.

HUMAN CAPITAL

Despite uncertainty in the market, organizations continue to look at global growth, mergers and acquisitions, evolving technology, regulatory change, and risk management. The landscape is also being shaped by trends including an aging workforce with multiple generations and the reality of distributed work in the cloud. Republic Insurance Company Limited, believes that organizations can do better jobs at getting their human capital to drive business growth by leveraging advanced analytics to develop talent in management and business driven HR strategies to deliver results today and prepare for tomorrow. Republic Insurance Company Limited views its employees as the most valuable capital of the organization with the potential to bring superior results if inspired, led, trained and tasked with the responsibilities in the right way. To achieve the long cherished objectives by following the principle of merit based recruitment, Republic Insurance Company Limited has formulated its HR policy manual for recruitment and Development of Human Resources duly approved by the Board which is being followed up meticulously to ensure right manpower for right position and developing them.

POLICY TO PROTECT THE ENVIRONMENT

Human activities can have harmful effects on ecological system, climate and public health. Recognizing these, RICL fully supports the principles of its commitment for promoting good environmental practice and sustainability of its activities. We have the commitment to provide quality service in a manner that ensures a safe & healthy workplace for our employees protecting the environment, conserving energy and natural resources. With these policies in view, we believe that we can achieve a healthy and safe environment by taking the following measures:

- (a) Integrate the consideration of environmental concerns and impacts into our decision making and activities;
- (b) Develop and improve operations and technologies to minimize waste and other pollution, minimize health and safety risks, and dispose of waste safely and responsibly;
- (c) Minimize energy and water use within our prem-

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ises and processes in order to conserve supplies and minimize the consumption of natural resources;

- (d) Try as far as possible to identify and purchase preferable products, supplies and services for all our daily operational needs that do the least damage to the environment;
- (e) Comply with all applicable environmental regulations;
- (f) Established procedures to ensure that all employees are knowledgeable in coupling with all applicable environmental laws and regulations. Train all our employees on our environmental program and empower them to contribute and participate;
- (g) Communicate our environmental commitment to our clients, contractors, suppliers and the community;
- (h) Strive to continually improve RICL environmental management system and performance & implement corrective actions.

ETHICS AND COMPLIANCE

Republic Insurance Company Limited (RICL) provides due importance to the moral concerns in order to make the right ethical decisions in every aspects of its operation. RICL believes that upholding the interest of the customers, employees, regulators and all others stakeholders are very crucial for economic stability of any country. Enforcing a corporate code of ethics requires understanding and active participation by everyone in the Company since the code spells out the expected standards of behavior and sets the operating principles to be followed. Every official ensures that the Company, at all times, maintains high ethical standards and adequate internal control measures are in place to safeguard against unethical practices and irregularities. The Board of Directors of the Company has already introduced high level of Code of Conduct of the Board members. It also monitors strict compliance of the same and record it annually. The Company follows AML & CFT program as per the Guidelines of Bangladesh Bank to prevent fraud and corruption. All tiers of employees are continually trained on the issues.

MANAGEMENT REVIEW AND RESPONSIBILITIES

The Management of the company is responsible for planning, organizing, staffing, directing, and controlling in order to accomplish the Company's strategic goals. A sound corporate management needs a range of skills and understanding to be able to deal with various business issues. It needs to be of sufficient size and have an appropriate level of commitment to fulfill its responsibilities and duties. The Management is responsible for managing and controlling the company's business and day-today operations with the aim of securing significant and sustained increase in the value of the company for its shareholders. The Management also has to ensure that the company's operations are in compliance with the laws and regulations.

It is the Management of who is responsible for establishing and maintaining proper internal control system, the Management having designed such control or caused such control to be designed under its supervision. The Management also has to evaluate the effectiveness of the Company's internal control system and satisfy that the internal control system were effective as of the end of the period under review.

CODE OF CONDUCT OF THE CHAIRMAN, MEMBERS OF THE BOARD AND CHIEF EXECUTIVE OFFICER OF REPUBLIC INSURANCE COMPANY LIMITED

1.1 CODE OF CONDUCT OF THE CHAIRMAN, MEMBERS OF THE BOARD AND CHIEF EXECUTIVE OFFICER)

- 1.1.a) The Chairperson, other Board members and Chief Executive Officer of the Company shall act within the authority conferred upon them by the Board in the best interest of the Company and observe the following;
- 1.1.b) The Chairperson, other Board members and Chief Executive Officer shall act honestly, ethically, in good faith and in the best interest of the Company;
- 1.1.c) Whilst carrying out the duties, the Chairperson, other Board members and Chief Executive Officer shall ensure that it is executed in terms of the authorization granted and within the limits prescribed under the relevant policies, codes, guidelines and other directives issued by the Board of Directors of the Company from time to time;
- 1.1.d) Prudent conduct and behavior;
- 1.1.e) The Chairperson, other Board members and Chief Executive Officer shall refrain from indulging in any discriminatory practice or behavior based on race, colour, sex, age, religion, ethnic or national origin, disability or any other unlawful basis;
- 1.1.f) The Chairperson, other Board members and Chief Executive Officer shall use the Company's assets, property, proprietary information and intellectual rights for business purposes of the Company and not for any personal benefits or gains;
- 1.1.g) The Chairperson, other Board members and Chief Executive Officer shall conduct themselves in a professional, courteous and respectful manner and shall not take any improper advantage of their position.

1.2 CONFLICT OF INTEREST

- 1.2.a) The Chairperson, other Board members and Chief Executive Officer shall not enter into

any transaction which is or may likely to have a conflict with the interest of the Company;

- 1.2.b) The Chairperson, other Board members and Chief Executive Officer should disclose to the board whether they directly, indirectly or on behalf of third parties have a material interest in any transaction or matter directly affecting the Company;
- 1.2.c) All transactions having conflict of interest should be carried out in accordance with law and disclosed to the Board of Directors in advance of any such transactions.

1.3 CONFIDENTIALITY

- 1.3.a) The Chairperson, other Board members and Chief Executive Officer should conduct themselves so as to meet the expectations of operational transparency of the stakeholders while at the same time maintaining confidentiality of information in order to foster a culture conducive to good decision making. "Confidential information" includes, amongst others, all information of the Company not authorized by the management of the Company for public dissemination;
- 1.3.b) All confidential information must be held in confidence, unless authorized by the Board or otherwise permissible in accordance with this Code; or the same is part of the public domain at the time of disclosure; or is required to be disclosed in accordance with applicable laws.

1.4 COMPLIANCE WITH LAWS, RULES AND REGULATIONS

The Chairperson, other Board members and Chief Executive Officer shall ensure compliance with the various legal/regulatory requirements as applicable to the business of the Company and endeavor that before any directions are given or decisions taken, relevant legal/regulatory requirements are taken into account.

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1.5 PROHIBITION OF INSIDER TRADING

- 1.5.a) The Chairperson, other Board members and Chief Executive Officer shall comply with all laws, rules, and regulations governing trading in the shares of the Company and the Company's Code of Conduct for Prohibition of Insider Trading in dealing with the securities of the Company which, inter alia, prohibits buying or selling of the Company's securities on the basis of any unpublished price sensitive information and prohibits disclosure of such information to any other person (including relatives) where such information may be used by such person for his or her personal benefit or gain;
- 1.5.b) The Chairperson, other Board members and Chief Executive Officer should comply with the provision of the Companies Act, 1994 and applicable rules and regulations issued by the Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange Ltd. and Chattogram Stock Exchange Ltd. in so far as they relate to prohibitions on insider trading.

1.6 RELATIONSHIP WITH EMPLOYEES

- 1.6.a) The Chairperson, other Board members and Chief Executive Officer should strive for causing the Company to maintain cordial employee relations;
- 1.6.b) The Chairperson, other Board members and Chief Executive Officer should cause the Company to build competency based human resource systems and maintain human resource policies that have been directed at managing the growth of the organization efficiently;
- 1.6.c) The Chairperson, other Board members and Chief Executive Officer should assist the Company in further aligning its human resource policies, processes and initiatives to meet its business needs.

1.7 RELATIONSHIP WITH ENVIRONMENT

- 1.7.a) The Chairperson, other Board members and Chief Executive Officer should cause the Company to strive to provide a safe and healthy working environment and comply, in the conduct of the business affairs of the Company, with all regulations regarding the preservation of the environment of the industry it operates in;

- 1.7.b) The Company should be committed to prevent the wasteful use of natural resources and minimize any hazardous impact of the development, production, use and disposal any of its products and services on the ecological environment in accordance with the applicable laws.

1.8 RELATIONSHIP WITH CUSTOMERS

- 1.8.a) The Chairperson, other Board members and Chief Executive Officer should ensure that Company will properly engage in product advertising, publicity, and sales promotion activities to avoid misleading the customers;
- 1.8.b) The Chairperson, other Board members and Chief Executive Officer should ensure that the Company will engage in free and open competition with competitors to maintain its stance as a company trusted by customers and society.

1.9 RELATIONSHIP WITH SUPPLIERS

- 1.9.a) This Code contains general requirements applicable to all suppliers to Company. Particular supplier contracts may contain more specific provisions addressing some of these same issues. Nothing in this Code is meant to supersede any specific provision in a particular contract, and to the extent there is any inconsistency between this Code and any other provision of a particular contract, the other provision will prevail;
- 1.9.b) The Chairperson, other Board members and Chief Executive Officer should act in the best interest of the Company. Accordingly, the Chairperson, other Board members and Chief Executive Officer should have no relationship, financial or otherwise, with any supplier that might conflict, or appear to conflict, with the Chairperson, other Board members and Chief Executive Officer's obligation to act in the best interest of Company.

1.10 INDEPENDENCY

- 1.10.a) The Chairperson, other Board members and Chief Executive Officer should remain independent in all material respects;
- 1.10.b) The Chairperson, other Board members and Chief Executive Officer should act impartial to the Employees, Customers, Suppliers, Shareholders and other Stakeholders.

2. THE ROLES AND RESPONSIBILITIES OF THE CHAIRMAN

The primary function of the Chairman of the Company is Chairing the meeting of the Board of Directors and Shareholders of the Company. In particular, he will:

- 2.a) Establish good corporate governance practices and procedures and promotes the highest standards of integrity, probity and corporate governance throughout the Company and particularly at the Board level;
- 2.b) Ensure that all Board committees are properly established, composed and operated;
- 2.c) Ensures that there is effective communication with shareholders and that each Director develops and maintains an understanding of the shareholders' views;
- 2.d) Sets, in consultation with the Chief Executive Officer, the Board meeting schedule and agenda to take full account of the important issues facing the Company and ensures that adequate time is available for through discussion of critical and strategic issues;
- 2.e) Ensures that the Board is properly briefed on issues arising at Board meetings and receives, in a timely manner, adequate information which must be accurate, clear, complete and reliable, to fulfill its duties, such as reports on the Company's performance, the issues, challenges and opportunities facing the Company, and matters reserved to it for decision;
- 2.f) Ensures that the strategies and policies agreed by the Board are effectively implemented by the Chief Executive Officer and the management of the Company;
- 2.g) Support the Chief Executive Officer in the development of strategy and, more broadly, to support and advise the Chief Executive Officer;
- 2.h) In consult with the CEO, to determine the date, time and location of the annual meeting of shareholders and to develop the agenda for the meeting;
- 2.i) Review and sign minutes of Board meetings.

3. THE ROLES AND RESPONSIBILITIES OF THE BOARD

- 3.1) The Board is committed to the company seeking to achieve superior financial performance and long term prosperity, while meeting stakeholder's expectations of sound corporate governance practice. The Board determines the corporate governance arrangements for the company. As with all its business activities, the Board is proactive in respect of corporate governance and puts in all place those arrangements which it consider are in the best interest of the company and its shareholders, and consistent with its responsibilities to other stakeholders;
- 3.2) The Board of Directors is in full control of the company's affairs and is also fully accountable to the shareholders. They firmly believe that the success of the company largely depends on the credible corporate governance practices adopted by the Company. Taking this into consideration, the Board of Directors of RICL set out its strategic focus and oversees the business and related affairs of the company. The Board also formulates the strategic objectives and policy framework for the company. In discharging the above responsibilities, the Board carries out, the following functions as per the charter of the Board:
 - 3.2.a) Determine, monitor and evaluate strategies, policy, management performance criteria and business plan;
 - 3.2.b) Periodic and timely reporting to the shareholders on the affairs, progress and performance of the company;
 - 3.2.c) Ensuring proper decision making and accountability structure throughout the Company so that the staff down the line is fully accountable to the corporate management;
 - 3.2.d) Delegation to Board Committees and management and approval of transactions in excess of delegated level;
 - 3.2.e) Approval of annual budgets including major capital expenditure proposals;
 - 3.2.f) Critical evaluation of all proposals which require Board's approval and/or directives;
 - 3.2.g) Regular review of financial performance and overdue situation;

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- 3.2.h) Appointment and evaluation of the performance of the top management positions;
- 3.2.i) Ensuring that the senior management team has the necessary skill and experience to perform their function effectively, in the best interest of the Company;
- 3.2.j) Monitoring the adequacy, appropriateness and operation of internal controls.

4. THE ROLES AND RESPONSIBILITIES OF THE CHIEF EXECUTIVE OFFICER

Chief Executive Officer shall subject to direction, supervision and control of the Board of Directors, have the following roles and responsibilities in addition to the responsibilities defined in the Articles of Association of the Company:

- 4(i) Develop a strategic plan to advance the company's mission and vision and to promote revenue, profitability, and growth as an organization;
- 4(ii) Conducts the affairs of the Company in accordance with the practices and procedures adopted by the Board and promotes the highest standards of integrity, probity and corporate governance within the Company;
- 4(iii) Recommends yearly budget for Board approval and prudently manages organization's resources within those budget guidelines according to current laws and regulations;
- 4(iv) Ensure that the Company conducts all of its business activities in compliance with legal, regulatory and Company policy, controls and standards;
- 4(v) Review activity reports and financial statements to determine progress and status in attaining objectives and revise objectives and plans in accordance with prevailing conditions;
- 4(vi) Leads the management in the day-to-day running of the Company's business in accordance with the business plans and within the budgets;
- 4(vii) Implements, with the support of the management, the strategies and policies as approved by the Board and its committees in pursuit of the Company's objectives;
- 4(vii) Maintains regular dialogue with the Chairman on important and strategic issues facing the Company and ensures bringing these issues to the Board's attention;

- 4(viii) Ensures that the management gives appropriate priority to providing reports to the Board which contains relevant, accurate, timely and clear information necessary for the Board to fulfill its duties;
- 4(ix) Leads the communication program with the shareholder;
- 4(x) The CEO shall along with CFO certify the Board that:
 - 4(xi) They have reviewed financial statements for the year and that to the best of their knowledge and belief;
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;
 - (iii) 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.
 - 4(xii) Evaluate performance of top executives of the Company for compliance with established policies and objectives of the company and contributions in attaining objectives;
 - 4(xiii) Effectively manages the human resources of the organization according to authorized personnel policies and procedures that fully conform to current laws and regulations;
 - 4(xiv) Putting in place adequate operational planning and financial control systems;
 - 4(xv) Representing the company to major customers and professional associations;
 - 4(xvi) Promote the company to local and international communities;
 - 4(xvii) Taking remedial action where necessary and informing the board of significant changes;
 - 4(xviii) Other roles and responsibilities as assigned by the Board of Directors.

"The Primary duty and responsibilities of the Chairman, Members of the Board and Chief Executive Officer (CEO) is to ensure the perform the activities with sincerely and transferency in favour of the Company for ensuring the interest of the Shareholders".

DIVIDEND DISTRIBUTION POLICY OF REPUBLIC INSURANCE COMPANY LIMITED

1.00 PRELIMINARY

This policy is introduced by Board of Directors (“the Board”) of Republic Insurance Company Limited (“the Company”) in respect of distribution to the shareholders in form of dividend in return of their investment to the company. To maintain this confidence, reduce shareholders expectation gap and same with transparency, the Board of the Company, has adopted the Dividend Distribution Policy (“the Policy”). This policy will ensure the adequate balance between dividend paid and profits retained in the business for various purposes. This dividend policy is just covered dividend payment for ordinary shareholders of the company.

This Policy has been prepared under the guideline of the Bangladesh Securities and Exchange Commission (BSEC) Directive No. BSEC/CMRRC-D/2021-386/03, dated: 14th January 2021, the Companies Act, 1994 & Income Tax Ordinance, 1984 and other applicable laws and regulations.

The Board may amend, abrogate, modify or revise any or all provisions of this Policy. However, amendments in the Act or in the Listing Regulations shall be binding even if not incorporated in this Policy.

2.00 DEFINITIONS

- (a) “the Act” means the Companies Act, 1994
- (b) “the Ordinance” means Income Tax Ordinance, 1984.
- (c) “the ITO, 1984” means Income Tax Ordinance, 1984.
- (d) “the BSEC Rules” means Bangladesh Securities and Exchange Commission directive no. BSEC/CMRRC-D/2021-386/03, dated: January 14, 2021.
- (e) “the Policy” means dividend policy.
- (f) “the Company” means Republic Insurance Company Limited.
- (g) “AGM” means Annual General Meeting of the Company.
- (h) “Board” means Board of Directors of Republic Insurance Company Limited.
- (i) “Shareholders” means Members whose name is registered in the Member Register of the Company.
- (j) “Directors” means the Board Directors of the Company.
- (k) “Shares” means Ordinary Equity Shares.
- (l) “Dividend” represents both Cash and Bonus (stock) dividend.
- (m) “the BEFTN” means Bangladesh Electronic Funds Transfer Network.

- (n) “the BO” means Beneficiary Owners Account. “the CDBL” means Central Depository Bangladesh Limited.

3.00 Purposes of the Policy

The prime objective of the Company is to maximize shareholders’ wealth in the Company through various means. The Company believes that driving growth creates maximum shareholder value. Thus, the Company would first utilize its profits for working capital requirements, capital expenditure to meet expansion needs, reducing debt at optimize level from its books of accounts, earmarking reserves for inorganic growth opportunities and thereafter declare and distribute profits in the form of Dividend to the shareholders.

4.00 Considerations before dividend declaration

The Company’s dividend will be determined based on available financial resources, investment requirements, long term growth strategies, internal and external factors and taking into account optimal shareholder return.

Dividend shall be declared on per share basis on the Ordinary shares of the Company. Presently, the Authorized Share Capital of the Company is divided into equity/ordinary shares of face value BDT 10 each. The Board also consider the internal and external factored before declaring dividend, which are describe below.

4.01 INTERNAL CONSIDERATION

- (i) Profits earned (Net profit after tax) during the financial year by the Company;
- (ii) Availability and Liquidity of Funds;
- (iii) Working capital requirements;
- (iv) Capital Expenditure needs for the existing businesses;
- (v) Fund required for Expansion/Modernization of the business;
- (vi) Resources required to fund acquisitions/investment in new businesses, subsidiaries/as-sociates of the Company;
- (viii) Cost of raising funds from alternate sources for the Company;

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- (viii) Cost of servicing outstanding debts;
- (ix) Cash flow required to meet contingencies;
- (x) Past Dividend Trends of the Company.

4.02 EXTERNAL CONSIDERATION

- (a) Adverse Economic environment;
- (b) Market conditions and market outlook for the Company;
- (c) Expected changes in government policy and regulation;
- (d) Regulatory requirements or guidelines;
- (e) Natural digester;
- (f) Market trend for the dividend payout.

4.03 LEGAL CONSIDERATION

- (a) The requirement of the companies act, 1994 in respect of dividend declaration;
- (b) The requirement of the Income Tax Ordinance, 1984 to reduce the tax burden both shareholders and the Company, hence maximize the shareholders wealth;
- (c) The requirement of the BSEC rules in respect of dividend declaration and payment or transfer to the designated fund as directed by BSEC issuing directive time to time;

5.00 TYPES OF DIVIDENDS DECLARATION

In terms of timing of dividend declaration, the Company may be declared dividend (cash or bonus) in two types- Final and Interim.

5.01 INTERIM DIVIDEND

The Interim Dividend is the dividend declared by the Board based on interim profit of the Company during a financial year. The Act authorizes the Board to declare interim dividend during any financial year out of the profits for the financial year in which the dividend is sought to be declared and/or out of the surplus in the profit and loss account. While declaring interim dividend, the Company must not declare any stock dividend, only cash dividend can be declared. The interim (quarterly) financial statements, on which dividend interim dividend shall be declared, shall be audited by the Company's auditor.

5.02 FINAL DIVIDEND

The Final dividend is paid once in a financial year after the annual accounts are prepared and adopted by the shareholders of the Company. The Board of Directors of the Company has the power to recommend the payment of Final Dividend subject to the approval by the shareholders in the Company's Annual General Meeting. The dividend approval by the shareholders in the company's Annual General Meeting and subsequent payment dividend shall not exceeded dividend recommended by directors in board meeting. Before declaring bonus (stock) dividend, the Company must obtain regulatory approval, where applicable.

6.00 PROCEDURE FOR DECLARATION OF DIVIDEND

In accordance with the guidelines of Bangladesh Securities and Exchange Commission, the Company shall distribute dividends in the following manner:

- (i) Pay-off interim/final dividends (cash/stock) to all shareholders within the statutory time after approval in the Annual General Meeting, subject to any additional permission of regulatory bodies as may be applicable;
- (ii) Before recommending dividend by the directors in the Company's board meeting, the board of directors shall obtain recommendation in written from Chief Executive Officer regarding maximum fund available for declaring dividend;
- (iii) The dividend recommendation, if possible, may not be less than 30% of concerned period profit and stock dividend may not exceed the cash dividend declaration;
- (iv) The recommendation of dividend by the Board can be approved by the shareholders full or amend the recommendation in the AGM. The amendment shall not be exceeded the dividend recommended by the Board.

7.00 PAYMENT/DISTRIBUTION OF DIVIDEND

The declared dividend kept in separate and designated bank account and transfer (Bank Transfer) to the shareholders within Thirty days from the record date and stock dividend are transferred to the relevant BO account.

DIVIDEND DISTRIBUTION POLICY

7.01 CASH DIVIDEND

- (i) Within 10 days of recommendation of cash dividend by the Board, an amount equivalent to the declared cash dividend payable to the designated dividend payment bank account;
- (ii) The dividend shall be pay-off directly to entitled shareholders bank account as available in the respective shareholder's BO account, or stock broker or portfolio manager or merchant banker bank account, through BEFTN;
- (iii) Applicable tax shall be deducted as per Ordinance before paying out or transferring cash dividend to the respective shareholders bank account;
- (iv) Inform the shareholders through SMS to the mobile numbers or email regarding payment of dividend;
- (v) Issuance of withholding Tax certificate, where applicable;
- (vi) If someone couldn't get his/ her cash or stock dividend they can contract with Company's share department, they will assess the accuracy of the claim and disburse the dividend within 15 days.

7.02 STOCK DIVIDEND

The Company shall credit stock dividend directly to the beneficiary BO account within 30 days of declaration or approval or record date and CDBL.

8.00 MAINTENANCE OF RECORD

The Company must maintain detail record in respect of "to whom dividend is paid", "payment of tax deduction record", "to whom dividend is payable" and so on as applicable.

9.00 UNPAID OR UNCLAIMED DIVIDEND

Pursuant to the Directive No. BSEC/CMRRCD/2021-386/03 dated 14.01.2021, the Company shall maintain a Bank Account namely "Unclaimed Dividend Account", where unpaid or unclaimed Dividend shall be kept for a period of 3 (three) years from the date of declaration or approval date or record date. After elapse of the afore-mentioned period, if any Dividend remains unpaid or unclaimed or unsettled, such Dividend along with accrued interest shall be transferred to a Fund maintained by Bangladesh Securities Exchange Commission.

The Company maintains a record of unpaid or unclaimed Dividend. Summary of such record shall be available in the Annual Report and in the Quarterly Financial Statements. The Company shall also publish such record in its website in accordance with the Directive No. BSEC/CMRRCD/2021-386/03 dated 14.01.2021.

10. COMPLIANCE REPORT

The Company shall submit a compliance report to the Commission and the Stock Exchanges in a specified formatted mentioned in BSEC Rules. This report shall also be published in the Company's website.

11. PUBLICATION OF INFORMATION

This policy and yearly dividend declaration and distribution compliance report shall be published in the Company's website.

NOMINATION AND REMUNERATION POLICY

PREAMBLE

This Nomination & Remuneration Policy (NRP) has been designed and formulated with a view to enhance the aspirations of Human Resources consistent with the vision, mission and goals of Republic Insurance Company Limited (RICL) and also to comply with the rules and regulations imposed by Bangladesh Securities and Exchange Commission (BSEC) through the Corporate Governance Code with consideration of Companies Act, 1994 and other regulatory requirements. This NRP provides directions and guidelines to determine attributes and qualifications for appointment as well as appropriate pay package for the Board Members and Top Executives of the Company.

RICL recognizes Human Resources as the most important asset of the Company as they ultimately take the organization forward. The Company also acknowledges that a diverse Board and Top Management with respect to experience and expertise will help us to achieve our vision and strategic objectives efficiently.

OBJECTIVE, PURPOSE AND SCOPE OF THE POLICY

RICL seeks to attract the right people who are high-performing individuals and who deliver the Company's vision and strategies in accordance with its values.

The Policy applies to all members of the Board, Key Managerial Personnel and Other Senior Executives of the Company.

Therefore, the key objectives of this NRP are to -

- (i) Frame criteria for determining qualifications, attributes, expertise, experience and independence for recommendation of appointment/removal of Directors;
- (ii) Ensure appropriate remuneration package to attract, retain and motivate Directors;
- (iii) Device Policy on performance evaluation of Directors;
- (iv) Formulate criteria for determining qualifications, expertise and experience for appointment of top management and make recommendations for their remuneration;
- (v) Identify the Company's need for human resources at different levels and determine the selection, transfer, and promotion criteria and annually develop, recommend and review Company's human resources and training Policy.

RESPONSIBILITY FOR THIS POLICY

The Board is ultimately responsible for setting this Policy with the assistance of the Nomination & Remuneration Committee. This Policy shall be reviewed and amended by the Committee as and when required and appropriate recommendations shall be made to the Board to update this Policy based on the changes that may be brought about due to any regulatory amendments or otherwise.

DEFINITIONS

- (a) "Achievement Report" means a yearly individual performance status report detailing achievements against the established goals during a given time period and also provides specific information related to how the achievements contribute to the Company's overall performance.
- (b) "Board" means the Board of Republic Insurance Company Limited. "Company" Republic Insurance Company Limited (RICL) . "Corporate Governance Code" means Notification no. BSEC/CMRRCD/2006 158/ 207/Admin/80 issued by Bangladesh Securities and Exchange Commission on June 3, 2018 and any amendment thereon by the BSEC from time to time.
- (c) "Executive Director" means a member of the Board of Directors who is appointed under Section 104 of the Companies Act, 1994, is involved to execute specific functions of management and administration consigned by the BOD and is responsible for strategic planning and working with the Board of Directors for carrying out the Board's decisions.
- (d) "Independent Director" means a Director referred to the condition no. 1.2 and 1.3 of Corporate Governance Code.
- (e) 'Incentive Pay' means a monetary or other gift(s) provided to a Director, top level Executive, employees based on performance with a view to encourage them to continue delivering

NOMINATION AND REMUNERATION POLICY

- (f) positive results. Incentive may come in the form of incentive bonus, profit sharing or commission.
- (g) “Key Managerial Personnel” (KMP) means: Managing Director and/ or Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit & Compliance and Any other personnel as may be assigned by the Board or prescribed in regulatory rules and regulations from time to time.
- (h) “Managing Director and/ or Chief Executive Officer” means a Director as defined in the Insurance Act, 1994, the Corporate Governance Code and any other applicable rules and regulations.
- (i) “Non-Executive Director” means a member of the Company’s Board who is not part of the executive team, does not engage in the day-to-day management of the organization but is involved in Policy making and planning exercises, monitors the executive Director and acts in the interest of the Company’s stakeholders.
- (j) “Nomination and Remuneration Committee” means a sub-committee of the Board of the Company, constituted in accordance with the Condition No. 6 of Corporate Governance Code.
- (k) “Other Senior Executives” mean the members of core management team (excluding the KMP) and the Functional Heads of the Company.
- (l) “Policy” means Nomination and Remuneration Policy (NRP).
- (m) “Remuneration” means any cash or benefits in kind given to the persons under this Policy for services rendered by them and includes salary as defined under the Income-Tax Ordinance 1984 under section 2(58).
- (n) “Service Rules and HR Policy Manual” means Policy framed by Management applicable to all employees of RICL.

FORMATION OF THE POLICY

This Nomination and Remuneration Policy consists of 3 (three) parts:

Part I: Matters to be dealt with, pursued and recommended to the Board by the Committee;

- Part II: The criteria of nomination, appointment, performance evaluation and removal of Directors, KMP and Other Senior Executives; and
- Part III: The remuneration structure for Directors, KMP and Other Senior Executives.

PART - I

MATTERS TO BE DEALT WITH, PURSUED AND RECOMMENDED TO THE BOARD BY THE COMMITTEE

The Committee shall be responsible and make recommendations to the Board to deal with the following matters:

- (i) Assist Board in Formulation of Nomination Criteria and Determining Qualification of Directors;
- (ii) The Committee shall assist the Board in formulating the nomination criteria frame Policy for determining qualifications, positive attributes, experiences and independence of Directors, identify persons who are qualified to become Directors in accordance with the criteria laid down and recommend candidates to the Board as and when required;
- (iii) Assist Board in Formulating Nomination Criteria and Determining Qualification of KMP and Other Senior Executives;
- (iv) The Committee shall assist and recommend the Board to formulate the criteria determining qualifications and positive attributes of KMP and Other Senior Executives, identify persons who are qualified to become KMP and Other Senior Executives in accordance with the criteria laid down and recommend candidates to the Board as and when required.

BOARD’S DIVERSITY

The Committee shall device a Policy on Board’s diversity and make assessments along with recommendations in maintaining a proper mix of Executive, Non-executive and Independent Directors. The Committee recognizes and embraces the benefits of having a diverse Board to enhance the quality of its performance as a diverse Board helps to realize the strategic objectives and go for sustainable development. The Committee shall periodically review the balance in its composition in regards to gender, age, and educational background, ethnicity, professional experience, skills, knowledge and any other factor deemed relevant and applicable.

NOMINATION AND REMUNERATION POLICY

PERFORMANCE EVALUATION OF THE BOARD

The Committee shall oversee and make report with recommendation to the Board in evaluating performance of all Directors as well as the Board as a whole. The NRC shall be responsible for regular performance evaluation of overall as well as individual Board members towards achieving the strategic goals of the organization with a view to identifying areas of governance improvement.

HR DEVELOPMENT AND SUCCESSION PLANNING

The Committee shall identify the Company's need, as determined by the management, for KMP and Other Senior Executives as well as the employees at different level and review the succession plan so that potential individuals are ready with proper skills, experience, ownership and engagement to fill gaps when necessary. The Committee shall also determine selection, transfer, replacement, promotion criteria as well as develop, recommend and review HR and training policies for future leaders.

RECOMMEND TO FORMULATE CRITERIA FOR REMUNERATION FRAMEWORK FOR BOARD

The Committee shall recommend the Board to determine appropriate remuneration payable to the Directors and recommend any revision thereof on the basis of financial condition of the Company and performance of the Director. The Committee will also periodically review the level and composition of remuneration, as well as their incentive pay, to ensure they are maintained in line with market expectations.

RECOMMEND TO FORMULATE CRITERIA FOR REMUNERATION FRAMEWORK OF KMP AND OTHER SENIOR EXECUTIVES

The Committee shall assist the Board in determining appropriate remuneration payable to the KMP and Other Senior Executives based on role, responsibility and complexity along with the need to maintain market competitiveness. The NRC shall periodically review the remuneration package to ensure it has proper balance motivating short and long term performance objectives as per Company goals.

PART - II

THE CRITERIA OF NOMINATION, APPOINTMENT, PERFORMANCE EVALUATION AND REMOVAL OF DIRECTORS, KMP AND OTHER SENIOR EXECUTIVES

NOMINATION AND APPOINTMENT CRITERIA OF DIRECTORS

The Committee shall recognize and assess whether the individual possess adequate, qualification, expertise, and experience for being appointed as the Director including Executive, Non-Executive and Independent Director and accordingly recommend the appointment to the Board. The Board shall seek approval of the appointment, where applicable, from shareholders at the General Meeting.

Apart from being qualified and experienced, the individual shall be a person who upholds ethical standards of integrity and probity, acts objectively and constructively, carry outs responsibilities to contribute to the Company's growth and in a manner for the best interest of the Company as well as the stakeholders, provides adequate time and attention to assist the Board in informed and balanced decision making and directs the Company in implementing the best corporate governance practices. The Committee shall exercise its discretion to decide whether qualification, expertise, experience and attributes possessed by an individual are sufficient/ satisfactory for the position of Director of the Company. Along with consideration of the Committee's guidelines, the nomination and appointment of Directors shall be governed by the followings:

(a) Executive and Non-Executive Director

Applicable laws, rules and regulations:

- (i) Insurance Act 2010;
- (ii) Companies Act, 1994;
- (iii) Corporate Governance Code of BSEC;
- (iv) Memorandum and Articles of RICL.

(b) Independent Director

Applicable laws, rules and regulations:

- (i) Corporate Governance Code of BSEC;
- (ii) Insurance Act 2010.

NB: Other relevant laws, rules and regulations are applicable for all the above.

NOMINATION AND APPOINTMENT CRITERIA OF KMP

Regarding the appointment of KMP according to the Company's requirement, the Committee, in consultation with the management and with the support from HRD, shall ascertain the identified individual's integrity, qualification, expertise, experi-

NOMINATION AND REMUNERATION POLICY

ence and the ability to give insight in respective sector/ areas through the Company's internal recruitment process. The Committee shall also evaluate the adequacy of the qualitative factors and accordingly recommend the appointment of KMP to the Board.

Along with consideration of the Committee's guidelines, the nomination and appointment of KMP shall be governed by the Companies Act, 1994, Memorandum and Articles of Association of the Company, Corporate Governance Code of BSEC, Service Rules and HR Policy Manual, Other relevant laws, rules and regulations.

NOMINATION AND APPOINTMENT CRITERIA OF OTHER SENIOR EXECUTIVES

The Committee shall assess the individual's qualification, skill, experience for the position of Other Senior Executives through the Company's internal recruitment process with consultation of management and support from HRD. The Committee shall also evaluate the adequacy of the qualitative factors and accordingly recommend the appointment of Other Senior Executives to the HRD. Along with consideration of the Committee's guidelines, the nomination and appointment of Other Senior Executives shall be governed by the Service Rules and HR Policy Manual and Other relevant laws, rules and regulations.

TERM /TENURE

The term / tenure of holding office of the Managing Director/ of Chief Executive Officer (CEO)/ or Director/ or KMP/ or Other Senior Executive shall be in compliance with the Companies Act, 1994/ Corporate Governance Code of BSEC/ Regulations of IDRA/ Service Rules of the Company/ and HR Policy Manual.

(a) Term/Tenure of Managing Director (MD)/or Chief Executive Officer

In compliance with Insurance Companies (appointment and re-appointment) Regulation 2012 of Insurance Act 2010, the Company shall appoint as its MD/or CEO for a term not exceeding 3 (three) years at a time. After expiry of the 3(three) years, he / she may be re-appointed by the consent of the Insurance Development and Regulatory Authority (IDRA).

(b) Term/Tenure of Independent Director

In conformity with condition no 1.2 of Corporate Governance Code of BSEC, The tenure of office

of an independent Director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only. However, the Committee may consider the reappointment of a former independent Director for another tenure after a time gap of one tenure, i.e., three years from his or her completion of consecutive two tenures (i.e. six years).

(c) Removal

The Committee may recommend to the Board the removal of a Director and /or KMP with reasons in writing for any disqualification mentioned in the Companies Act, 1994, Corporate Governance Code of BSEC, Company Memorandum and Articles of Association and any other applicable laws, rules and regulation. The Committee may also recommend the removal of Other Senior Executives to HRD as per the Service Rules and HR Policy Manual of the Company as prevalent at that time.

(d) Retirement

Other than the MD/or CEO, all the Executive and Non-Executive members of the Board shall retire by rotation as per the provision of the Companies Act 1994. Such retirement by rotation shall not be applicable for the Independent Director. However, the KMP and Other Senior Executives shall retire as per the prevailing Service Rules and HR Policy Manual of the Company.

EVALUATION CRITERIA OF DIRECTORS

The Committee shall assist and recommend the Board to set out evaluation criteria for the Directors including the Independent Directors and shall carry out evaluation of performance of every Non-Executive, Executive and Independent Director at the end of each calendar year.

(a) Executive Director

The performance appraisal of Executive Director shall be conducted through the Company's appraisal system as per the criteria set by the Board as recommended by the Committee. The criteria are set mainly focusing on performance of duties and responsibilities, professional conduct, strategic thinking and leadership role. The Executive Director shall submit a yearly "Achievement Report" and based on this report and the evaluation criteria, the Board, on recommendation of the Committee, shall evaluate his/ her performance.

NOMINATION AND REMUNERATION POLICY

(b) Non-Executive Director

The performance evaluation of Non-Executive Director shall be carried out once in a year. The indicative criteria are as follows:

- (a) Frequency of attendance in the Board and Committee meeting;
- (b) Competence to contribute in the decision making process of the Board and Committee meetings;
- (c) Ability to be involved in a constructive discussion in regards to the business operations towards achieving strategic objectives;
- (d) Contribution towards overall enhancement of corporate governance practices in the Company; and Relationship and coordination with other Board members.

(c) Independent Director

The evaluation of performance of Independent Director shall be executed yearly following the same criteria applicable for Non-Executive Director. The Committee shall also consider the conditions mentioned in the Corporate Governance Code in this regard.

(d) Evaluation Criteria of KMP and Other Senior Executives

The performance appraisal of KMP shall be carried out at the end of calendar year based on the performance measurement criteria set by the Committee. In addition, the Other Senior Executives' performance evaluation shall be conducted by HRD through the Company's yearly appraisal process.

PART - III THE REMUNERATION STRUCTURE FOR DIRECTORS, KMP AND OTHER SENIOR EXECUTIVES

REMUNERATION CRITERIA OF DIRECTORS

Remuneration of Directors is determined by taking into consideration of RICL's need to maintain appropriately experienced and qualified and in accordance with competitive pressures in the market place. The Committee shall assess the level and composition of remuneration which are reasonable and sufficient to attract, retain and motivate suitable and competent to run the Company successfully. The remuneration to be paid as per prescribe relevant Rules & Regulation.

(a) Executive Director

The remuneration to be paid to Executive Director i.e MD/or CEO shall be determined by the Committee and to place before the Board for recommended. The components of remuneration package include the following:

- (i) Basic pay
- (ii) House Rent
- (iii) Medical Allowance
- (iv) Entertainment Allowance

NB: Any other perks and benefits as the Committee may consider appropriate remuneration.

(b) Non-Executive Director

Non-Executive Director shall be remunerated by way of only Board and Committee meeting attendance fees as per the Memorandum and Articles of Association of the Company in compliance with applicable laws and regulations. Non-Executive Director shall not be eligible to receive or enjoy any remuneration in order to ensure impartial decision making. Increments to the existing Board meeting attendance fees may be recommended by the Committee to the Board, if IDRA shall be re-fixed the fees.

(c) Independent Director

The remuneration Policy for the Independent Director shall be the same criteria applicable for Non-Executive Director.

REMUNERATION CRITERIA OF KMP AND OTHER SENIOR EXECUTIVES

The Committee aims to ensure that the remuneration structure i.e Pay Scale for KMP and Other Senior Executives is fair, competitive (internal and external) under transparent policies and review procedures and appropriate for the markets in which it operates. The remuneration of KMP and Other Senior Executives may comprise of the following:

(a) Salary and Allowances:

- (i) Basic Pay
- (ii) House Rent
- (iii) Conveyance/Entertainment allowance
- (iv) Medical Allowance

NOMINATION AND REMUNERATION POLICY

Base salary plus any allowances (includes any other benefits as decided by the Committee) and Festival Bonus.

(b) Short Term Incentives:

Incentive Bonus, emergency medical service and Annual Increment (as per Service Rules of RICL).

(c) Long Term Incentives:

Workers Profit Participation Fund as per law and retirement benefit as per Service Rules of RICL.

NB: The remuneration of KMP and other Senior Executives shall be reviewed annually and the increment shall be approved by the Committee and informed to the Board based on the performance of the Company as well as individual performance /contribution.



INDEPENDENT

AUDITOR'S REPORT

**TO THE SHAREHOLDERS OF
REPUBLIC INSURANCE COMPANY LIMITED**

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion:

We have audited the financial statements of Republic Insurance Company Limited, which comprise the Statement of Financial Position as at 31 December 2022, the Statement of Profit or Loss and Other Comprehensive Income, Profit and Loss Appropriation Account, related Revenue Accounts, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the company as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Insurance Act 2010, the Insurance Rules 1958, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

Basis for Opinion:

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter:

In reference to the Insurance Act 2010 sponsors & directors of non-life insurance company should hold 60% of total paid up capital. But, the sponsors & directors of the company have just hold 38.31% of total paid-up capital. (Please see note number 3.03). Our report is not qualified in this respect.

Key Audit Matters

Risk	Our response to the risk
Premium Income	
<p>Gross general insurance premiums comprise the total premiums received for the whole period of cover provided by contracts entered into during the accounting period.</p> <p>Given the important nature, connections to other items to the financial statements and sensitivity of the item we believe this area pose high level of audit risk.</p>	<p>With respect to Premium income in respect of various types of insurance we carried out the following procedures:</p> <ul style="list-style-type: none"> ➤ The design and operating effectiveness of key controls around premium income recognition process. ➤ Carried out analytical procedures and recalculated premium income for the period. ➤ Carried out cut-off testing to ensure unearned premium income has not been included in the premium income. ➤ On a sample basis reviewed policy to ensure appropriate policy stamp was affixed to the contract and the same has been reflected in the premium register. ➤ Ensured on a sample basis that the premium income was being deposited in the designated bank account. ➤ Tested on a sample basis to see that appropriate VAT was being collected and deposited to bank through Treasury Challan.

	<ul style="list-style-type: none"> ➤ For a sample of insurance contracts tested to see if appropriate level of reinsurance was done and whether that re insurance premium was deducted from the gross premium. ➤ Applying specialist judgment ensured if there is any impairment of the reinsurer. ➤ Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act 1938 (as amended in 2010), Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.
<p>Fair value reserve on Investment of marketable securities:</p> <p>The company makes a number of investments in the listed securities in stock exchange. Income generated from the investments (realized gain and dividend received) is credited to the Profit & Loss Account. Unrealized capital gain or loss is transferred to the fair value reserve as per the policy of the company and maintain adequate deferred tax on such reserve.</p> <p>This item has significant impact on net asset value of the company and equity balances might be prone to misreporting as large unreported fall in the value of any holding may wipe out the value of the portfolio and hamper the distribution capability of the company.</p>	<p>We tested the design and operating effectiveness of key controls around monitoring, valuation and updating of prices of the positions held by the company from trusted sources. Additionally, we performed the following:</p> <ul style="list-style-type: none"> ➤ Obtained year-end share holding positions from the company and through directional testing assessed the completeness of the report. ➤ Ascertained the valuation of the holding as per IFRS 13. ➤ Reviewed the assumptions used for the valuation models for any unquoted securities. ➤ Recalculated unrealized gain or loss at the year end. ➤ Carried out cut-off testing to ensure unrealized gain or loss was recognized in correct period. ➤ Obtained the CDBL report and share portfolio and cross checked against each other to confirm unrealized gain or loss. ➤ Check the subsequent positioning of this unrealized amount after the year end. ➤ Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act 1938 (as amended in 2010), Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.
<p>Please see the note 16 in this financial statements.</p>	
<p>Estimated liability in respect of outstanding claims whether due or intimated and claim payment:</p> <p>This account represents the claim due or intimated and related balance of recoverable from reinsurer, from the insured and involves significant management judgment and risk of understatement. In extreme scenario this item may have going concern implications for the company.</p>	<p>We tested the design and operating effectiveness of controls around the due and intimated claim recording process.</p> <p>We additionally carried out the following substantive testing's around this item:</p> <ul style="list-style-type: none"> ➤ Obtained the claim register and tested for completeness of claims recorded in the register on a sample basis. ➤ Obtained a sample of claimed policy copy and cross check it with claim. ➤ Obtained a sample of survey reports cross checked those against respective ledger balances and in case of discrepancy carried out further investigation. ➤ Obtained and discussed with management about their basis for estimation and challenged their assumptions where appropriate.

	<ul style="list-style-type: none"> ➤ Reviewed the claim committee meeting minutes about decision about impending claims. ➤ Tested a sample of claims payments with intimation letter, survey report, bank statement, claim payment register and general ledger. ➤ Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act 1938 (as amended in 2010), Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.
Please see the note 07 in this financial statements.	

Other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditor's report thereon. We have not been provided the Director's report and other information contained within the annual report except the financial statements to the date of our auditor's report. We expect to obtain the remaining reports of the Annual report after the date of our auditor's report. Management is responsible for the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Our opinion on the financial statements does not cover other information and we do not express any form of assurance conclusion thereon.

Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls:

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act 1994, the Insurance Act 2010, the Insurance Rules 1958, the Securities and Exchange Rules 1987 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements:

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is

sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements:

In accordance with the Companies Act 1994, the Insurance Act 2010, the Insurance Rules 1958, the Securities and Exchange Rules 1987 and relevant notifications issued by Bangladesh Securities and Exchange Commission, we also report that:

- (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (b) In our opinion, proper books of accounts, records and other statutory books as required by law have been kept by the Company so far as it appeared from our examinations of those books;
- (c) The Company management has followed relevant provisions 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 purposes of our audit have been received from branches not visited by us;
- (d) As per section 63(2) of the Insurance Act 2010, in our opinion to the best of our knowledge and belief according to the information and explanation given to us, all expenses of management wherever incurred and whether incurred directly or indirectly, in respect of insurance business of the company transacted in Bangladesh during the year under report have been duly debited to the related Revenue Accounts and the Statement of Comprehensive Income of the Company;

- (e) 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 its business re-insured abroad;
- (f) The Statement of Financial Position, Statement of Comprehensive Income, Profit and Loss Appropriation Account, related Revenue Accounts, Statement of Changes in Equity and Statement of Cash Flows of the Company together with the annexed notes dealt with by the report are in agreement with the books of account and returns; and
- (g) The expenditure was incurred for the purpose of the Company's business.

Malek Siddiqui Wali
Chartered Accountants



Md. Waliullah, FCA
Enrolment No: 0247
2305070247AS529838

Dated, Dhaka
April 27, 2023
Data Verification Code (DVC) No:

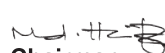
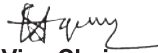






Statement of Financial Position

As at December 31, 2022

Particulars	Notes	Amount in Taka	
		December 31, 2022	December 31, 2021
Shareholders equity and liabilities			
Share capital			
Authorized share capital			
10,000,000 ordinary shares of Tk.10 each	3.01	1,000,000,000	1,000,000,000
Issued, subscribed and paid up capital	3.04	520,991,970	496,182,830
5,20,99,197 ordinary shares of Tk.10 each			
Reserve and contingent account	4.00	367,634,480	339,967,477
Reserve for exceptional losses	4.01	293,672,435	243,349,613
General reserve	4.02	11,250,000	10,500,000
Retained earnings	4.03	62,712,045	86,117,864
Total shareholders' equity		888,626,450	836,150,307
Balance of funds and accounts	5.00	205,172,320	169,056,357
Fire insurance revenue account		49,079,999	36,330,802
Marine cargo insurance revenue account		115,608,190	99,818,630
Marine hull insurance revenue account		6,468,396	7,434,964
Motor insurance revenue account		15,068,032	12,657,037
Misc. insurance revenue account		18,947,703	12,814,924
Premium deposits	6.00	59,530,978	22,700,595
Liabilities and provisions		400,344,195	487,928,529
Estimated liability in respect of outstanding claims whether due or intimated	7.00	54,838,818	104,904,250
Amount due to other persons or bodies carrying on insurance business	8.00	34,598,989	31,548,371
Lease liabilities (operating leases)	9.00	15,307,725	11,130,066
Payable for WPPF	10.00	48,452,144	40,052,131
Provision for taxation	11.00	205,538,549	261,887,429
Sundry creditors	12.00	40,183,588	37,385,897
Unclaimed dividend	13.00	1,424,382	1,020,385
Total liabilities		665,047,493	679,685,481
Total shareholder's equity and liabilities		1,553,673,943	1,515,835,788
Net Assets Value Per share (NAV)	34.00	17.06	16.85

The accompanying notes 1 to 37 & Annexure-A to E form an integral part of the financial statements.

 **Chairman**
  **Vice Chairman**
  **Director**
  **Chief Executive Officer**
  **Company Secretary**
  **Chief Financial Officer**

Signed in terms of our separate report of even date.

Firm's Name : Malek Siddiqui Wali, Chartered Accountants

Signature : 
 Auditors' Name : Md. Waliullah, FCA, Partner/Enr No.: 0247
 Date : April 27, 2023
 Place : Dhaka
 DVC : 2305070247AS529838



Republic Insurance Company Limited
রিপাবলিক ইনস্যুরেন্স কোম্পানী লিমিটেড

Statement of Financial Position
As at December 31, 2022


Particulars	Notes	Amount in Taka	
		December 31, 2022	December 31, 2021
Property and Assets			
Non-current assets		193,998,105	167,245,541
Property, plant and equipment	14.00	58,837,835	52,337,159
Intangible assets	14.01	1,742,539	1,155,090
Right-of-use assets	14.02	16,617,147	11,573,817
Investment in government treasury bond and securities	15.00	94,500,000	79,300,000
Deferred tax	27.00	2,215,383	3,789,783
Investment in shares at market value	16.00	20,085,201	19,089,692
Current assets		1,283,029,512	1,262,007,850
Stock of printing, stationery and stamp in hand	17.00	1,987,950	3,597,535
Amount due from other person or bodies carrying on insurance business	18.00	268,882,096	255,980,813
Interest accrued	19.00	23,457,621	18,834,629
Sundry debtors (including advances, deposits and pre-payments)	20.00	462,091,286	495,686,273
Fixed deposit with banks	21.00	526,610,559	487,908,600
Cash and cash equivalents	22.00	76,646,326	86,582,397
Cash at bank		71,703,135	79,769,134
Cash in hand		4,943,191	6,813,263
Total assets		1,553,673,943	1,515,835,788

The accompanying notes 1 to 37 & Annexure-A to E form an integral part of the financial statements.

 **Chairman**  **Vice Chairman**  **Director**  **Chief Executive Officer**  **Company Secretary**  **Chief Financial Officer**

Signed in terms of our separate report of even date.

Firm's Name : Malek Siddiqui Wali, Chartered Accountants

Signature : 
Auditors' Name : Md. Waliullah, FCA, Partner/Enr No.: 0247
Date : April 27, 2023
Place : Dhaka
DVC : 2305070247AS529838

Profit and Loss Appropriation Account
 For the year ended December 31, 2022

Particulars	Notes	Amount in Taka	
		December 31, 2022	December 31, 2021
Balance brought forward from previous year		86,117,864	74,695,254
Profit after tax		102,094,426	118,242,573
Total profit after tax		188,212,290	192,937,827
Appropriation:			
Reserve for exceptional losses	4.01(a)	50,322,822	41,148,844
General reserve	4.02	750,000	750,000
Issuance of bonus share for the year 2021		24,809,140	32,460,550
Cash dividend paid for the year 2021		49,618,283	32,460,569
Retained earnings transferred to Statement of Financial Position		62,712,045	86,117,864
Total		188,212,290	192,937,827
Earnings per share	33.00	1.96	2.27

The accompanying notes 1 to 37 & Annexure-A to E form an integral part of the financial statements.

 Chairman
  Vice Chairman
  Director
  Chief Executive Officer
  Company Secretary
  Chief Financial Officer

Signed in terms of our separate report of even date.

Firm's Name : Malek Siddiqui Wali, Chartered Accountants

Signature : 

Auditors' Name : Md. Waliullah, FCA, Partner/Enr No.: 0247

Date : April 27, 2023

Place : Dhaka

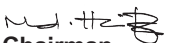
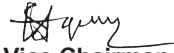


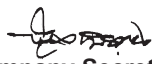

DVC : 2305070247AS529838



Statement of Profit or Loss and Other Comprehensive Income
 For the year ended December 31, 2022


Particulars	Notes	Amount in Taka	
		December 31, 2022	December 31, 2021
Operating profit /(loss) transferred from		158,499,649	160,537,787
Fire insurance revenue account		32,471,655	(2,088,855)
Marine cargo insurance revenue account		126,582,735	102,832,113
Marine hull insurance revenue account		(13,484,302)	31,259,382
Motor insurance revenue account		9,263,261	18,630,077
Misc. insurance revenue account		3,666,300	9,905,070
Non-operating income		38,464,035	40,666,662
Interest income	23.00	35,483,045	33,606,609
Share investment and dividend income	24.00	695,721	4,250,825
Other income	25.00	2,285,269	2,809,228
Total Income		196,963,684	201,204,449
"Less: Expenses of management (not applicable to any particular fund or account)"		20,563,419	27,354,789
Advertisement		1,602,799	2,199,906
Audit fees		933,000	1,209,000
Directors fees		1,200,000	968,000
Donation and subscriptions		1,430,750	798,000
Regulatory charges		2,063,218	2,978,013
Fees and charges		716,239	4,959,930
Renewal and registration fees		1,473,427	1,166,618
AGM expenses		210,000	314,487
Corporate social responsibility		-	1,563,000
Provision for gratuity expenses	12.00(a)	2,380,185	2,497,572
Depreciation	Annexure-A & B	8,553,801	8,700,263
Net Profit before tax and WPPF		176,400,265	173,849,660
Expenses for WPPF		(8,400,013)	(8,278,555)
Profit before tax		168,000,252	165,571,105
Income tax expenses:			
Current tax (expenses) / income	26.01	(42,117,737)	(46,855,922)
Prior year tax made for under provision	26.02	(22,213,689)	-
Deferred tax (expenses) / income	27.00	(1,574,400)	(472,610)
Profit after tax		102,094,426	118,242,573
Other comprehensive income		-	-
Total comprehensive income		102,094,426	118,242,573
Earnings per share (Restated for 2021)	33.00	1.96	2.27
Weighted average number of outstanding shares		52,099,197	52,099,197

The accompanying notes 1 to 37 & Annexure-A to E form an integral part of the financial statements.

 **Chairman**
  **Vice Chairman**
  **Director**
  **Chief Executive Officer**
  **Company Secretary**
  **Chief Financial Officer**

Signed in terms of our separate report of even date.

Firm's Name : Malek Siddiqui Wali, Chartered Accountants

Signature : 
 Auditors' Name : Md. Waliullah, FCA, Partner/Enr No.: 0247
 Date : April 27, 2023
 Place : Dhaka
 DVC : 2305070247AS529838



Consolidated Revenue Account
 For the year ended December 31, 2022

Particulars	Notes	Amount in Taka	
		January 01, 2022 to December 31, 2022	January 01, 2021 to December 31, 2021
Claims under policies less re-insurance		(28,476,106)	69,642,573
Claims paid during the year		21,589,326	16,820,558
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated		54,838,818	104,904,250
Less: Outstanding claims at the end of the previous year		104,904,250	52,082,235
Insurance stamps consumed		1,697,393	344,337
Agency commission		105,059,804	53,003,252
Expenses of management	31.00	288,302,378	244,572,957
Profit transferred to Statement of Profit or Loss and Other Comprehensive Income		158,499,649	160,537,787
Balance of account at the end of the year as shown in the Financial Position being reserve for unexpired risks		205,172,320	169,056,357
Total		730,255,438	697,157,263


Chairman


Vice Chairman


Director

Signed in terms of our separate report of even date.

Firm's Name : Malek Siddiqui Wali, Chartered Accountants

Signature : 

Auditors' Name : Md. Waliullah, FCA, Partner/Enr No.: 0247

Date : April 27, 2023

Place : Dhaka

DVC : 2305070247AS529838



Republic Insurance Company Limited
রিপাবলিক ইনস্যুরেন্স কোম্পানী লিমিটেড

Consolidated Revenue Account
For the year ended December 31, 2022

Particulars	Notes	Amount in Taka	
		January 01, 2022 to December 31, 2022	January 01, 2021 to December 31, 2021
Balance of fund account at the beginning of the year		169,056,357	211,444,231
Premium less re-insurance	28.00	503,228,207	411,488,446
Commission on re-insurance ceded	29.00	55,715,854	57,776,087
Profit commission	30.00	2,255,020	16,448,499
Total		730,255,438	697,157,263


Chief Executive Officer


Company Secretary


Chief Financial Officer



Fire Insurance Revenue Account
 For the year ended December 31, 2022

Particulars	Notes	Amount in Taka	
		January 01, 2022 to December 31, 2022	January 01, 2021 to December 31, 2021
Claims under policies less re-insurance		(30,760,450)	71,200,903
Claims paid during the year		10,916,919	7,533,385
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated		37,665,759	79,343,128
Less: Outstanding claims at the end of the previous year		79,343,128	15,675,610
Insurance stamps consumed		1,589,982	245,949
Agency commission		41,324,045	24,766,980
Expenses of management	31.00	104,538,442	92,497,492
Profit/(loss) transferred to Statement of Profit or Loss and Other Comprehensive Income		32,471,655	(2,088,855)
Balance of account at the end of the year as shown in the Financial Position being reserve for unexpired risks @40% of premium income of the year		49,079,999	36,330,802
Total		198,243,673	222,953,271


Chairman


Vice Chairman


Director

Signed in terms of our separate report of even date.
 Firm's Name : Malek Siddiqui Wali, Chartered Accountants

Signature : 
 Auditors' Name : Md. Waliullah, FCA, Partner/Enr No.: 0247
 Date : April 27, 2023
 Place : Dhaka
 DVC : 2305070247AS529838



Republic Insurance Company Limited

রিপাবলিক ইনস্যুরেন্স কোম্পানী লিমিটেড

Fire Insurance Revenue Account
For the year ended December 31, 2022

Particulars	Notes	Amount in Taka	
		January 01, 2022 to December 31, 2022	January 01, 2021 to December 31, 2021
Balance of fund account at the beginning of the year		36,330,802	74,628,274
Premium less re-insurance	28.00	122,699,998	90,827,005
Commission on re-insurance ceded	29.00	39,212,873	42,420,960
Profit commission	30.00	-	15,077,032
Total		198,243,673	222,953,271


Chief Executive Officer


Company Secretary


Chief Financial Officer



Marine Cargo Insurance Revenue Account
 For the year ended December 31, 2022


Particulars	Notes	Amount in Taka	
		January 01, 2022 to December 31, 2022	January 01, 2021 to December 31, 2021
Claims under policies less re-insurance		(4,897,254)	28,402,515
Claims paid during the year		4,323,818	5,266,093
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated		13,915,350	23,136,422
Less: Outstanding claims at the end of the previous year		23,136,422	-
Agency commission		50,149,648	22,602,700
Expenses of management	31.00	112,437,927	92,179,547
Profit transferred to Statement of Profit or Loss and Other Comprehensive Income		126,582,735	102,832,113
Balance of account at the end of the year as shown in the Financial Position being reserve for unexpired risks @40% of premium income of the year		115,608,190	99,818,630
Total		399,881,246	345,835,505


Chairman


Vice Chairman


Director

Signed in terms of our separate report of even date.
 Firm's Name : Malek Siddiqui Wali, Chartered Accountants

Signature : 
 Auditors' Name : Md. Waliullah, FCA, Partner/Enr No.: 0247
 Date : April 27, 2023
 Place : Dhaka
 DVC : 2305070247AS529838



Marine Cargo Insurance Revenue Account
For the year ended December 31, 2022

Particulars	Notes	Amount in Taka	
		January 01, 2022 to December 31, 2022	January 01, 2021 to December 31, 2021
Balance of fund account at the beginning of the year		99,818,630	86,824,927
Premium less re-insurance	28.00	289,020,476	249,546,574
Commission on re-insurance ceded	29.00	8,787,120	8,092,537
Profit commission	30.00	2,255,020	1,371,467
Total		399,881,246	345,835,505


Chief Executive Officer


Company Secretary


Chief Financial Officer



Marine Hull Insurance Revenue Account

For the year ended December 31, 2022


Particulars	Notes	Amount in Taka	
		January 01, 2022 to December 31, 2022	January 01, 2021 to December 31, 2021
Claims under policies less re-insurance		44	(33,836,659)
Claims paid during the year		44	1,608,641
Add: Total estimated liabilities in respect of outstanding claims at the end of the year whether due or intimated		-	-
Less: Outstanding claims at the end of the previous year		-	35,445,300
Agency commission		1,241,272	759,675
Expenses of management	31.00	22,660,567	19,492,465
Profit/(loss) transferred to Statement of Profit or Loss and Other Comprehensive Income		(13,484,302)	31,259,382
Balance of account at the end of the year as shown in the Financial Position being reserve for unexpired risks @100% of premium income of the year		6,468,396	7,434,964
Total		16,885,977	25,109,827


Chairman


Vice Chairman


Director

Signed in terms of our separate report of even date.
 Firm's Name : Malek Siddiqui Wali, Chartered Accountants

Signature : 
 Auditors' Name : Md. Waliullah, FCA, Partner/Enr No.: 0247
 Date : April 27, 2023
 Place : Dhaka
 DVC : 2305070247AS529838



Republic Insurance Company Limited

রিপাবলিক ইনস্যুরেন্স কোম্পানী লিমিটেড

Marine Hull Insurance Revenue Account

For the year ended December 31, 2022

Particulars	Notes	Amount in Taka	
		January 01, 2022 to December 31, 2022	January 01, 2021 to December 31, 2021
Balance of fund account at the beginning of the year		7,434,964	14,813,996
Premium less re-insurance	28.00	6,468,396	7,434,964
Commission on re-insurance ceded	29.00	2,982,617	2,860,867
Total		16,885,977	25,109,827


Chief Executive Officer


Company Secretary


Chief Financial Officer



Motor Insurance Revenue Account
 For the year ended December 31, 2022


Particulars	Notes	Amount in Taka	
		January 01, 2022 to December 31, 2022	January 01, 2021 to December 31, 2021
Claims under policies less re-insurance		6,877,315	3,637,856
Claims paid during the year		6,246,306	2,174,481
Add: Total estimated liabilities in respect of outstanding claims at the end of the year whether due or intimated		3,055,709	2,424,700
Less: Outstanding claims at the end of the previous year		2,424,700	961,325
Insurance stamps consumed		64,118	74,817
Agency commission		5,582,708	2,582,641
Expenses of management	31.00	14,386,289	10,932,411
Profit transferred to Statement of Profit or Loss and Other Comprehensive Income		9,263,261	18,630,077
Balance of account at the end of the year as shown in the Financial Position being reserve for unexpired risks @40% of premium income of the year		15,068,032	12,657,037
Total		51,241,723	48,514,839


Chairman


Vice Chairman


Director

Signed in terms of our separate report of even date.
 Firm's Name : Malek Siddiqui Wali, Chartered Accountants

Signature : 
 Auditors' Name : Md. Waliullah, FCA, Partner/Enr No.: 0247
 Date : April 27, 2023
 Place : Dhaka
 DVC : 2305070247AS529838



Motor Insurance Revenue Account
For the year ended December 31, 2022

Particulars	Notes	Amount in Taka	
		January 01, 2022 to December 31, 2022	January 01, 2021 to December 31, 2021
Balance of fund account at the beginning of the year		12,657,037	16,469,228
Premium less re-insurance	28.00	37,670,080	31,642,593
Commission on re-insurance ceded	29.00	914,606	403,018
Total		51,241,723	48,514,839


Chief Executive Officer


Company Secretary


Chief Financial Officer



Miscellaneous Insurance Revenue Account
 For the year ended December 31, 2022


Particulars	Notes	Amount in Taka	
		January 01, 2022 to December 31, 2022	January 01, 2021 to December 31, 2021
Claims under policies less re-insurance		304,239	237,958
Claims paid during the year		102,239	237,958
Add: Total estimated liabilities in respect of outstanding claims at the end of the year whether due or intimated		202,000	-
Less: Outstanding claims at the end of the previous year		-	-
Insurance stamps consumed		43,293	23,571
Agency commission		6,762,131	2,291,256
Expenses of management	31.00	34,279,153	29,471,042
Profit/(loss) transferred to Statement of Profit or Loss and Other Comprehensive Income		3,666,300	9,905,070
Balance of account at the end of the year as shown in the Financial Position being reserve for unexpired risks @40% of premium income of the year		18,947,703	12,814,924
Total		64,002,819	54,743,821


Chairman


Vice Chairman


Director

Signed in terms of our separate report of even date.
 Firm's Name : Malek Siddiqui Wali, Chartered Accountants

Signature : 
 Auditors' Name : Md. Waliullah, FCA, Partner/Enr No.: 0247
 Date : April 27, 2023
 Place : Dhaka
 DVC : 2305070247AS529838



Miscellaneous Insurance Revenue Account
For the year ended December 31, 2022

Particulars	Notes	Amount in Taka	
		January 01, 2022 to December 31, 2022	January 01, 2021 to December 31, 2021
Balance of fund account at the beginning of the year		12,814,924	18,707,806
Premium less re-insurance	28.00	47,369,257	32,037,310
Commission on re-insurance ceded	29.00	3,818,638	3,998,705
Total		64,002,819	54,743,821


Chief Executive Officer


Company Secretary


Chief Financial Officer

Statement of Changes in Equity
 For the year ended December 31, 2022

Particulars	Share Capital	General Reserve	Reserve for Exceptional Losses	Retained Earnings	Total
Balance as at January 01, 2022	496,182,830	10,500,000	243,349,613	86,117,864	836,150,307
Issuance of bonus share for the year 2021	24,809,140	-	-	(24,809,140)	-
Cash dividend paid for the year 2021	-	-	-	(49,618,283)	(49,618,283)
Profit after tax during the year	-	-	-	102,094,426	102,094,426
Appropriation made during the year	-	750,000	50,322,822	(51,072,822)	-
Balance as at December 31, 2022	520,991,970	11,250,000	293,672,435	62,712,045	888,626,450

Statement of Changes in Equity
 For the year ended December 31, 2021

Particulars	Share Capital	General Reserve	Reserve for Exceptional Losses	Retained Earnings	Total
Balance as at January 01, 2021	463,722,280	9,750,000	202,200,769	74,695,254	750,368,303
Issuance of bonus share for the year 2020	32,460,550	-	-	(32,460,550)	-
Cash dividend paid for the year 2020	-	-	-	(32,460,569)	(32,460,569)
Profit after tax during the year	-	-	-	118,242,573	118,242,573
Appropriation made during the year	-	750,000	41,148,844	(41,898,844)	-
Balance as at December 31, 2021	496,182,830	10,500,000	243,349,613	86,117,864	836,150,307

The accompanying notes 1 to 37 & Annexure-A to E form an integral part of the financial statements.


Chairman


Vice Chairman


Director


Chief Executive Officer


Company Secretary


Chief Financial Officer

Signed in terms of our separate report of even date.

Firm's Name : Malek Siddiqui Wali, Chartered Accountants

Signature : 

Auditors' Name : Md. Waliullah, FCA, Partner/Enr No.: 0247

Date : April 27, 2023

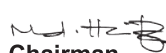
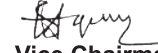


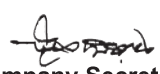

Place : Dhaka

DVC : 2305070247AS529838

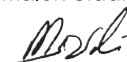


Statement of Cash Flows
 For the year ended December 31, 2022

Particulars	Notes	Amount in Taka	
		January 01, 2022 to December 31, 2022	January 01, 2021 to December 31, 2021
A. CASH FLOWS FROM OPERATING ACTIVITIES			
Collection from premium and other income		966,574,682	862,352,267
Payment for management expenses, re-insurance and claims		(833,265,682)	(732,205,472)
Income tax paid		(45,029,402)	(41,627,303)
Net cash generated from operating activities		88,279,598	88,519,492
B. CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of fixed assets		(16,125,798)	(3,707,584)
Advance against vehicle purchase		-	(1,678,675)
Advance against office equipment		-	300,000
Advance against investment in shares		20,023,170	(22,037,500)
IPO shares receivable against union insurance company limited		-	(46,440)
Investment in shares		(3,338,488)	(3,229,301)
Sale proceeds of investment in shares		4,341,693	3,057,820
Investment of fixed deposit		(116,101,959)	(34,188,476)
Disposal of fixed deposit		77,400,000	1,000,000
Investment in govt. securities		(15,200,000)	(22,000,000)
Net cash used in investing activities		(49,001,382)	(82,530,156)
C. CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		(49,214,287)	(32,034,366)
Sale proceeds on fraction shares issuance of bonus share for the year 2020		-	137,026
Net cash used in financing activities		(49,214,287)	(31,897,340)
D. Net increase/(decrease) in cash and cash equivalents (A+B+C)		(9,936,071)	(25,908,004)
E. Cash and cash equivalents at the beginning of the year		86,582,397	112,485,665
Cash and cash equivalents at the beginning of the year before adjusting of translation gain/(loss)		76,563,034	86,577,661
Foreign currency translation gain/(loss)		83,292	4,736
F. Cash and cash equivalents at the end of the year		76,646,326	86,582,397
Net operating cash flows per share (NOCFPS)	35.00	1.69	1.78

 **Chairman**
  **Vice Chairman**
  **Director**
  **Chief Executive Officer**
  **Company Secretary**
  **Chief Financial Officer**

Signed in terms of our separate report of even date.
 Firm's Name : Malek Siddiqui Wali, Chartered Accountants

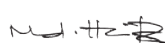




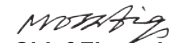
Signature : 
 Auditors' Name : Md. Waliullah, FCA, Partner/Enr No.: 0247
 Date : April 27, 2023
 Place : Dhaka
 DVC : 2305070247AS529838



Form "AA"

Classified Summary of Assets As at December 31, 2022

SL. No.	Class of assets	Book Value 2022 (Tk.)	Book Value 2021 (Tk.)	
A) Non-current assets:				
	(i) Property, plant and equipment	77,197,521	65,066,066	At cost less depreciation
	Computer	2,320,251	2,213,553	
	Furniture and fixtures	9,753,225	9,053,069	
	Office equipments	2,198,197	2,141,340	
	Vehicles	22,212,454	17,915,505	
	Crockeries and cutleries	65,145	71,717	
	Air conditioner	2,206,299	2,206,063	
	Telephone	232,102	243,037	
	Office decoration	13,597,671	12,238,305	
	Land and land development	6,238,556	6,238,556	
	Sundry assets	13,935	16,014	
	Computer software	1,742,539	1,155,090	
	Right-of-use assets	16,617,147	11,573,817	
	(ii) Investment:	114,585,201	98,389,692	
	a) Investment in government treasury bond	25,000,000	25,000,000	Not listed in Market
	b) Investment in government securities	69,500,000	54,300,000	Not listed in Market
	c) Investment in shares at market value	20,085,201	19,089,692	At Market price
	Total non-current assets (i+ii)	191,782,722	163,455,758	
B) Current Assets:				
	a) Invstment in fixed deposits with banks	526,610,559	487,908,600	Realizable value
	b) Cash at bank	71,703,135	79,769,134	Realizable value
	c) Cash in hand	4,943,191	6,813,263	Realizable value
	d) Interest accrued	23,457,621	18,834,629	Realizable value
	e) Sundry debtors	462,091,286	495,686,273	Realizable value
	f) Amount due from other persons or bodies carrying on insurance business	268,882,096	255,980,813	Realizable value
	g) Stock of printing , stationery and stamp in hand	1,987,950	3,597,535	At cost
	C)Other assets			
	Deferred tax assets	2,215,383	3,789,783	Realizable value
	Total assets (A+B+C)	1,553,673,943	1,515,835,788	

 **Chairman**
  **Vice Chairman**
  **Director**
  **Chief Executive Officer**
  **Company Secretary**
  **Chief Financial Officer**

Signed in terms of our separate report of even date.
 Firm's Name : Malek Siddiqui Wali, Chartered Accountants

Signature : 
 Auditors' Name : Md. Waliullah, FCA, Partner/Enr No.: 0247
 Date : April 27, 2023
 Place : Dhaka
 DVC : 2305070247AS529838

NOTES

TO THE FINANCIAL STATEMENTS

Republic Insurance Company Limited

For the year ended December 31, 2022

1.00 Legal form of the Company:

The Company was incorporated on the 18th of May, 2000 as a Public Limited Company under the Companies Act, 1994 having registered office in Bangladesh, with the object of carrying all kinds of insurance business other than life insurance and obtained permission to commence insurance business from the Chief Controller of Insurance, Directorate of Insurance, Government of the People's Republic of Bangladesh on May 31, 2000. The Company is registered with an authorized capital of Tk. 50 (Fifty) crore and had issued fully subscribed initial paid capital of Tk.6 (Six) crore.

The Company with the permission of Securities and Exchange Commission had issued 900,000 Ordinary Shares of Tk.100.00 each on December 1, 2008 and was listed with Dhaka Stock Exchange on 14.01.2009 & Chattogram Stock Exchange on 07.01.2009.

Pursuant to section 21 of Insurance Act-2010 (The first Schedule), and Rule 4(A) of Insurance Rules 1958 and the Memorandum and Articles of Association of the Company, The Company with the permission of Bangladesh Securities and Exchange Commission raised its Paid up Capital from Tk.6.00 crore to Tk.15.00 crore through Initial Public Offering (IPO) of 900,000 Ordinary Shares of Tk.100 each as per in October, 2008. Company issued 10% stock dividend on 2009,2010,2011 and 12% on 2012, 12.50% stock dividend on 2013, 10% stock dividend on 2014, 13% stock dividend on 2015, 12% stock dividend on 2016, 12.50% stock dividend on 2017, 10% stock dividend on 2018, 7% cash dividend & 7% stock dividend on 2019, 7% cash dividend and 7% stock dividend on 2020, 10% cash dividend and 5% stock dividend on 2021, and 10.50% cash dividend on 2022.

So total Paid up Capital increased from Tk.15.00 crore to Tk.52.10 crore. In the year 2011 the Company increased its authorized capital Tk.50.00 crore to Tk.100.00 crore and changed the per share value from Tk.100.00 to Tk.10.00 in the 3rd Extra Ordinary General Meeting held on 15th November 2011. The Company also got the necessary permission from Bangladesh Securities and Exchange Commission and maintained the all formalities required by the Register of Joint Stock Companies & Firm.

1.01 Address of registered office and place of business of the Company:

The head office of the Company is located at HR Bhaban (6th & 9th floor), 26/1, Kakrail, Dhaka-1000, Bangladesh. The business operation of the Company is being carried out through 34(thirty four) branches located in all over Bangladesh.

1.02 Principal activities of the Company:

The principal activities of the Company are to carry on all kinds of insurance business, guarantee, and indemnity business other than life insurance business. There were no significant changes in the nature of the principal activities of the Company during the year 2022 under review.

1.03 Authorization date for issuing financial statements:

Financial statements of the Company for the year ended December 31, 2022 were authorized for issue on April 27, 2023 in accordance with a resolution of the Board of Directors of the Company.

2.00 Basis of presenting accounts and significant accounting policies:

2.01 Basis of accounting preparation:

The financial statements of the Company under reporting have been prepared under historical cost convention in going concern concept and on accrual basis in accordance with Generally Accepted Accounting Principles (GAAP) and practices in Bangladesh. Disclosures of financial information as required by Insurance Act- 2010

have been complied with while preparing statement of financial position, Statement of profit or loss and other comprehensive income, and revenue accounts for specific classes of insurance business in the form set forth in the first, second and third schedule of the Insurance Act and also in compliance with the Companies Act-1994. In addition, Bangladesh Securities and Exchange Commission Rules-1987, Listing Regulations of Dhaka Stock Exchange Ltd. (DSE) and Chattogram Stock Exchange Ltd. (CSE), International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) and other applicable laws & regulations in Bangladesh.

2.02 Management responsibility:

The management of the Company is responsible to reporting and preparation of financial statements true and fair view of the Company's affairs in compliance with International Financial Reporting Standards (IFRS) and existing accounting standards and applicable laws.

2.03 Directors responsibility:

The Board of Directors are also responsible for the preparation and presentation of financial statements under section 183 of the Companies Act-1994, the Bangladesh Securities and Exchange Rules 1987, listing regulation of Dhaka Stock Exchange Limited and Chattogram Stock Exchange Limited and as per the provision of "The International Accounting Standards Committee" (IASC). According to the "International Accounting Standard (IAS-I)" as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB). Presentation of financial statements the complete set of financial statements includes the following components:

- (i) Statement of financial position as at December 31, 2022
- (ii) Statement of profit or loss and other comprehensive income for the year ended December 31, 2022
- (iii) Statement of consolidated revenue account for the year ended December 31, 2022
- (iv) Statement of changes in equity for the year ended December 31, 2022
- (v) Statement of cash flows for the year ended December 31, 2022
- (vi) Notes, comprising a summary of significant accounting policies and other explanatory information to the financial statements for the year ended December 31, 2022

2.04 Basis of presentation:

The financial position has been prepared in accordance with the regulations as contained in part-I of the First Schedule and as per Form "A" as set forth in part-II of that Schedule. Revenue account of each class of general insurance business has been prepared in accordance with the regulations as contained in Part-I of the Third Schedule and as per Form 'F' as set forth in Part-II of that Schedule of Insurance Act-1938 as amended and adopted Insurance Act-2010. The classified summary of the assets has been prepared in accordance with Form "AA" as set forth in Part-II of the aforesaid Act.

2.05 Regulatory compliances:

The financial statements have been prepared and disclosures of information have been made in accordance with the requirements of Insurance Act-1938 (New Act, 2010), Insurance rules-1958, the Companies Act- 1994, the Securities and Exchange Rules-1987, the listing rules of Dhaka Stock Exchange and Chattogram Stock Exchange, Income Tax Ordinance-1984, Income Tax Rules-1984 and time to time Guidelines from Insurance Development and Regulatory Authority rules and regulations. To comply with the International Accounting Standards and International Financial Reporting Standards as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) and other applicable laws and regulations.

2.06 Comparative information:

Comparative information have been disclosed in respect of the year ended December 31, 2022 for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current year's financial statements. The comparative information or prior period information

is restated, rearranged or revised when they necessary in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

2.07 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 except where indicates otherwise.

2.08 Going concern basis:

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

2.09 Reporting period:

Financial statements of the Company consistently cover one calendar year from January 01, 2022 to December 31, 2022.

2.10 Interim financial reporting:

In accordance with International Accounting Standard (IAS-34) interim financial reporting publicly traded entities encourages providing interim financial reports that confirm to the recognition, measurement and disclosure principles set out in this standard. Timely and reliable interim financial reporting improves the ability of investors, creditors, and others to understand an entity's capacity to generate earnings and cash flows and its financial condition and liquidity.

2.11 Branch accounting:

The Company has 34 (thirty four) branches in Bangladesh. The accounts of the branches are maintained at the head office level. Only petty cash books are maintained at the branch level for maintaining its day to day office expenses.

2.12 Risk and uncertainty for use of estimates in preparation of financial statements:

The preparation of financial statements is in conformity with the International Financial Reporting Standards (IFRS's) including the International Accounting Standards (IAS's) require management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets liabilities, income and for contingent assets and liabilities that require disclosure during and at the date of financial statements.

Actual results could differ from those estimates. Estimates and underlying assumptions are used for accounting of certain items such as long-term contract, provision for doubtful accounts, depreciation and amortization, taxes, reserves and contingencies.

2.13 Significant accounting policies and relevant information:

(a) Revenue from contracts with customers(IFRS-15):

Revenue recognized in accordance with International Financial Reporting Standard (IFRS-15) revenue unless otherwise mentioned or otherwise guided by the separate IAS.

(b) Underwriting premium income:

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

(c) Public sector business (PSB):

The premium in respect of Company's share of public sector insurance business (PSB) is accounted for in the

year in which the relevant statement of accounts from Shadharan Bima Corporation is received. The statements of account for the period from July 2021 to June 2022 have been received from SBC and the Company's share of PSB for the aforesaid period has been recognized in these financial statements accordingly. Such method of account for the public sector insurance business (PSB) has been consistently followed.

(d) Re-insurance ceded and accepted:

(1) Re-insurance ceded and accepted with Sadharan Bima Corporation:

Necessary adjustment in respect of re-insurance ceded and accepted in Bangladesh has duly been made in respective revenue account as per Treaty between the Company and Shadharan Bima Corporation (SBC) and Foreign re-insurer.

2) Re-insurance with Foreign re-insurer :

Fifty percent of the re-insurable general insurance business shall be re-insured with the Sadharan Bima Corporation and the remaining fifty percent of such business may be re-insured either with the Sadharan Bima Corporation and the remaining fifty percent of such business may be re-insured either with the Corporation or with any other insurer whether in or outside Bangladesh.

(e) Cover notes converted into policy (CCP):

Amounts received against issue of cover notes that have not converted into policy are not recognized as income. The cover note which was previously issued is converted into insurance policy at the expiry of nine months from the date of issue of such cover notes as per circular of the then Chief Controller of Insurance.

(f) Premium deposit:

Premium deposit represents amount of premium deposited with the Company against cover notes for which policies are yet to be issued.

(g) Investment in shares:

Investments are initially recognized at cost including acquisition charges with the investments. After initial recognition investments in marketable ordinary shares have been valued at market price on an aggregate portfolio basis.

(h) Investment in Bangladesh government treasury bond and securities:

10 (ten) and 15(fifteen) years Bangladesh Government Treasury bond and securities are valued at cost price.

(i) Investment income:

i. Interest on fixed deposit and 10 (ten) and 15(fifteen) years Bangladesh government treasury bond and securities are accounted for on accrual basis after making provision for income tax deductible at source. Interest on STD account and other income are recognized on cash basis.

ii. Portfolio gain /loss on investment in shares are recognized in the statement of profit or loss and other comprehensive income on realization basis.

iii. Dividend income on share investments if any, are recognized on cash basis and shown in statement of profit or loss and other comprehensive income account. For stock dividend, received by the Company against its investment, number of shares increased and average cost of investment decreased.

(j) Balance of funds and accounts:

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

(k) Reserves for exceptional losses:

As per para 6 of 4th schedule of income tax ordinance, 1984 to meet the exceptional losses, Company sets aside maximum ten percent of the net premium income of the year in which it is set aside from the balance of the profit to reserve for exceptional losses. As per Insurance law maximum 10% statutory reserve is maintained out of profit by the Company to meet any possible future claims on net premium income. During the year under review of the Company sets aside 10%of net premium income.

(l) General reserve:

The Company creates a general reserve fund from the current year profit to avoid future contingency.

(m) Statement of cash flows:

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

(n) Cash and cash equivalents:

According to IAS-7 statement of cash flows cash comprises cash in hand and demand deposits and cash equivalents are short term, highly liquid investments that are readily convertible to amounts of cash and which are subject to an insignificant risk of changes in value. IAS-1 "Presentation of Financial Statements" provides that cash and cash equivalents are not restricted in use. Considering the provisions of IAS-7 and IAS-1, cash in hand and bank balances have been considered as cash and cash equivalents.

(o) Foreign currency transactions:

All foreign currency transactions are converted into equivalent taka at the ruling exchange rates on the respective date of such transactions as per International Accounting Standard (IAS-21): "The Effects of Changes in Foreign Exchange Rates". Any gain/(loss) arisen on such transaction is shown in the statement of profit or loss and other comprehensive income.

(p) Inventories:

In Compliance with the requirement of IAS-2 Inventories are stated at the lower of cost and net realizable value. Net realizable value is based on estimated selling price less any further cost expected to be incurred to make the sale.

(q) Segment reporting:

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

2.14 Taxation:**Current tax:**

The Company makes provision of current tax based on the taxable income as per the Income Tax Ordinance 1984. Taxable profits differ from profits as reported in the statement of profit or loss and other comprehensive income because it excludes items of income or expenses that are taxable or deductible in other year or are never taxable or deductible. Company's liability for current tax is calculated using tax rates that have been enacted the statement of financial position date.

Deferred tax:

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary difference. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which such differences can be utilized. Deferred tax is charged or credited to the statement of profit or loss and other comprehensive income.

2.15 Allocation of management expenses:

As per section 40 (C-2) insurance Act-1938 as amended insurance Act-2010 all relevant management expenses have been allocated amongst different revenue account in respect of fire, marine, motor and miscellaneous insurance business on pro-rata basis at their respective gross premium income. Management expenses as charged to revenue accounts amounting to tk.28,83,02,378 represents approximately 34.39% of tk.83,83,23,190 (Including public sector business of tk.9,61,48,244). The expenses have been apportioned 36.26% to fire ,39.00% to

marine cargo, 7.86% to marine hull, 4.99% to motor and 11.89% to miscellaneous business as per management decision.

2.16 Employees benefit (IAS-19):

Republic Insurance Company Limited offers a number of benefit plan for all permanent employees of the company which includes contributory provident fund, gratuity fund, earn leave benefit festival bonus which have been accounted for in accordance with the provision of International Accounting standard (IAS)-19, "Employees Benefit".

(i) Contributory provident fund:

The Company operates a contributory provident fund for its permanent employees, provision for which are being made annually as per rules administered by a Board of Trustees in which eligible employees contribute @ 8% of basic salary. The Company also makes contribution of the same amount to the said provident fund.

(ii) Provision for gratuity:

The Company has made provision for employee's gratuity fund during the year as per provision of service rules of the Company under Sec 5.12. The service rules of Republic Insurance Company Limited were approved by the Board of Directors in January 03, 2013. As per the Sec 5.12 of the service rules gratuity shall be reckoned from July 01, 2004 & IAS-19 under employees' retirement benefit schemes.

2.17 Workers profit participation fund and welfare fund:

As per Section 234 of Bangladesh Labor (Amendments) Act-2018 & requirement of Dhaka Stock Exchange Ltd vide letter No.DSE/CGFRC/LC-363/2014-5574 Dt.22 June 2014, Company made provision for WPPF @5% on net profit before tax during the year.

2.18 Property, plant and equipment's and Depreciation:

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

Recognition of property, plant and equipment's:

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

Depreciation on property, plant and equipment's:

Property, plant and equipment's are depreciated following the reducing balance method on the basis of economic life expectancy of the assets in accordance with IAS-16. Depreciation on addition of fixed assets has been charged when it is available for use. The property, plant and equipment's are depreciated at the following rates:

Category of Assets	Rate of Depreciation
Computer	30%
Furniture and fixtures	10%
Office equipment's	20%
Vehicles	20%
Crockeries and cutleries	20%
Air conditioner	20%
Telephone	10%
Office decoration	10%
Sundry assets	20%
Computer software	20%
Lease car	10%

De-recognition:

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

Impairment of assets:

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

2.19 Leases:

The Company applied IFRS-16 Leases for the first time with the date of initial application of 01 January 2019. As IFRS 16-supersedes IAS-17 Lease, the Company has made recognition, measurement and disclosure in the financial statements-2022 as per IFRS-16.

Right-of-use assets (ROU):

The Company recognizes the right-of-use assets (ROU) at the commencement date of the lease. ROU assets are measured at cost less any accumulated depreciation and impairment of losses and adjusted cost incurred, and lease payment made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight line basis over the lease term, or remaining period of the lease term. The Company assessed all lease contracts live in 2022 and recognized as ROU of assets of all leases. As leases under IFRS-16 first time adopted by the Company, the Company has followed modified retrospective approach of adoption with the date of initial application of 01 January 2019. Therefore, the Company considered a cut-off date beginning of the year 2019 and reassessed unadjusted advance payment and remaining lease period of each contract, and recognized those in the financial statements for the year ended 31 December 2022 without giving retrospective impact in earlier presentation.

Lease liabilities:

At the commencement of the lease, the Company recognizes lease liabilities measured at the present value of lease payments initial payment, and amount is expected to be paid under residual value of guarantees. The lease payments also include the exercise price of purchase option reasonably certain to be exercised by the Company and payment of penalties for terminating the lease to be made over the lease term. The lease payments include fixed and variable lease payment (less any adjustment for terminating the lease term).

2.20 Financial risk management (IFRS-7):

2.20.1 Introduction:

The Company's activities expose it to a variety of financial risks: credit risk, market risk, and liquidity risk. The Company's risk management focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

Financial risk management is carried out by Accounts and Finance Department under policies approved by Board of Directors Accounts and Finance Department identifies, evaluates, and hedges financial risks in close co-operation with the Company's operating units.

This note presents information about the Company's exposure to each of the risks arising from financial instruments and the Company's objectives, policies, and processes for measuring and managing risk. Further quantitative disclosures are included throughout these financial statements.

2.20.2 Carrying amounts of financial instruments by category:

The following table shows the carrying amounts of financial instruments by category at the end of December:

	Maturity analysis				
	Curren	>30 days	>90 days	>1 year	Total
Cash and cash equivalents, receivables, and advances, deposits and prepayments					
Cash and cash equivalents	7,66,46,326	-	-	-	7,66,46,326
Trade and other receivable	-	-	10,75,52,838	16,13,29,258	26,88,82,096
Advances, deposits and prepayments	-	9,24,18,257	13,86,27,386	23,10,45,643	46,20,91,286
Non-current financial assets	-	-	-	11,45,85,201	11,45,85,201
Balance as at December 31, 2022	7,66,46,326	9,24,18,257	24,61,80,224	50,69,60,102	92,22,04,909
Financial liabilities measured at amortized cost					
Trade and other Payable	-	51,89,848	86,49,747	2,07,59,394	3,45,98,989
Liability for expenses	-	1,87,23,587	1,24,82,391	1,04,01,992	4,16,07,970
Balance as at December 31, 2022	-	2,39,13,435	2,11,32,138	3,11,61,386	7,62,06,959

2.20.3 Credit risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to financial instruments fails to meet its contractual obligations, and arises principally from cash and cash equivalents, time deposits and trade accounts receivable.

The credit risk with trade and other receivable is limited, as the Company has numerous clients located in various geographical regions. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. For risk control, the customers are as follows governmental organizations, listed public limited companies, and other customers.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset, including derivative financial instruments, in the balance sheet. There are no commitments that could increase this exposure to more than the carrying amounts.

2.20.4 Market risks:

Market risk is the risk that changes in market prices, foreign exchange rates, and other prices will affect the Company's result or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing the return on risk.

2.20.5 Liquidity risk:

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Accounts and Finance manages the Company's liquidity to ensure sufficient liquidity to meet all liabilities when due, under both normal and stressed conditions, without facing unacceptable losses or risking damage to the Company's reputation. The following are the contractual maturities of financial liabilities:

BDT	Carrying amount	Contractual cash flows	Between 1 and 90 days	Between 91 and 360 days	Between 1 and 2 years	Over 2 years
Non-derivative financial liabilities						
Trade and other payable	3,45,98,989	-	1,21,09,646	86,49,747	1,38,39,596	-
Liability for expenses	4,16,07,970	-	1,45,62,790	1,04,01,992	1,66,43,188	-
Balance as at December 31, 2022	7,62,06,959	-	2,66,72,436	1,90,51,739	3,04,82,784	-

2.21 Sale of fixed assets:

Sale price of fixed assets are determined on the basis of fair value of assets, gain or loss arising on the disposal of an item of property, plant and equipment is determined as the difference between sales proceeds and carrying amount of the assets and recognized on the statement of profit or loss and other comprehensive income as per provision of IAS-16 "Property, Plant and Equipment".

2.22 Earnings per share (EPS):

The Company calculates earnings per share (EPS) in accordance with IAS-33 "Earnings Per Share" which has been shown on the statement of profit or loss and other comprehensive income in the financial statements.

2.23 Basic earnings per share (BEPS):

This has been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the year (Net profit after taxation).

2.24 Basic earnings:

This represents earnings for the year attributable to ordinary shareholders. As there was no preference dividend, minority interest or extra ordinary items, the net profit after tax for the year has been considered as fully attributable to the ordinary shareholders.

2.25 Diluted earnings per share:

Diluted earnings per share reflects the potential dilution that could occur if additional ordinary shares assumed to be issued under securities or contracts that entitle their holders to obtain ordinary shares in future, to the extents such entitlement is not subject unresolved contingencies.

As at December 31, 2022 there was no scope for dilution and hence no dilution EPS is required to be calculated.

2.26 Key Management benefits:

The aggregate amount paid/provided during the year in respect of Directors and Executives of the Company is as follows:

Benefits	2022		2021	
	Directors	Executives	Directors	Executives
Salary	-	4,13,53,538	-	3,81,19,510
Festival bonus	-	31,28,659	-	28,63,962
Provident fund	-	9,80,850	-	10,76,967
Gratuity	-	-	-	-
Group insurance	-	3,66,360	-	3,59,640
Directors fee	12,00,000	-	9,68,000	-
Total	12,00,000	4,58,29,407	9,68,000	4,24,20,079

2.27 Related party disclosure:

As per International Accounting Standard (IAS) 24 "Related Party Disclosures" parties are considered to be related if one of the party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The Company carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with its related parties. Related party disclosures have been given in Notes: 37.00.

2.28 Events after the reporting period (financial position date):

The Board of Directors has recommended 10.50% cash dividend on paid up capital for the year ended December 31, 2022 as per approval of Board Meeting held on April 27, 2023 as dividend on paid up capital of Tk. 52,09,91,970 subject to the approval in the Annual General Meeting (AGM) to be held on June 19, 2023. Events after the reporting period, dividend declared should not be classified as a liability in the financial statements which is in compliance with the International Accounting Standards (IAS-10) Para 12.

2.29 General:

- Number of employees received salary up to taka 10,000 per month are nil.
- Number of employees received salary above taka 10,000 per month are 779.
- The Board of Directors received no remuneration from the Company other than fees for attending the Board Meetings.
- During the year 7 (seven) numbers of Board Meeting were held.
- All shares have been fully called and paid up.
- Statutory audit fee for the year ended December 31, 2022 is Tk. 385,000.
- There was no preference share issued by the Company.
- There were no bank guarantees issued by the Company on behalf of their directors or the Company itself.



	Amount in Taka	
	December 31, 2022	December 31, 2021
3.00 Share capital		
3.01 Authorized capital		
100,000,000 ordinary shares of Tk.10 each	1,000,000,000	1,000,000,000
3.02 Issued, subscribed and paid up capital		
Issued, subscribed and paid up capital consists of	520,991,970	496,182,830
5,20,99,197 ordinary shares of Tk.10 each fully paid	520,991,970	496,182,830
3.03 Shareholdings		

Pursuant to section 21 of Insurance Act, 2010 (The First Schedule), and Rule 4-A of Insurance Rules 1958 and the Memorandum and Articles of Association of the Company, The Company with the permission of Bangladesh Securities and Exchange Commission raised its Paid up Capital from Tk.6.00 Crore to Tk.15.00 Crore through Initial Public Offering (IPO) of 900,000 Ordinary Shares of Tk.100 each as per in October, 2008. Company issued 10% Stock dividend on 2009,2010,2011,12% on 2012, 12.5% on 2013, 10% on 2014, 13% on 2015, 12% on 2016, 12.50% on 2017 ,10% on 2018 , 7% stock and 7% cash dividend on 2019 , 7% stock and 7% cash dividend on 2020 , 10% cash dividend and 5% stock dividend on 2021, and 10.50% cash dividend on 2022. So total paid capital increase from Tk.15.00 crore to Tk.52.10 crore. In the year 2011 the Company increased its authorized capital Tk.50.00 crore to Tk.100.00 crore and changed the per share value from Tk.100 to Tk.10 in the 3rd Extra Ordinary General Meeting held on 15th November 2011.The Company also got the necessary permission from Securities and Exchange Commission and maintained the all formalities required by the Register of Joint Stock Companies & Firms. The category wise share holding position as on 31st December, 2022 is as under.

Particulars	2022		2021	
	No. of shares	% of holding	No. of shares	% of holding
1. Sponsors and Directors (Group-A)	19,958,892	38.31	15,711,649	31.67
2. General Public (Group-B)	32,140,305	61.69	33,906,634	68.33
Total	52,099,197	100.00	49,618,283	100.00

The sponsors and directors are shareholding 38.31% against 60% as required by Insurance Act 2010 section 21(3) and Schedule 1. On the other hand the sponsors and directors of the company are holding more than the 30% shares of the paid up capital required under gazette notification no. BSEC/CMRRC-D/2009-193/217/Admin/90.Dated: 15 July 2019 of Bangladesh Securities and Exchange Commission.

Group "A" Shareholders (Sponsors)

Class interval	No. of shareholders	No. of share	% Total holding	% Total paid-up capital
1 to 500	-	-	-	-
501 to 5000	-	-	-	-
5001 to 10000	-	-	-	-
10001 to 20000	-	-	-	-
20001 to 30000	-	-	-	-
30001 to 40000	-	-	-	-
40001 to 50000	-	-	-	-
50001 to 100000	-	-	-	-
100001 to 1000000	-	-	-	-
1000001 to 10000000	15	19,958,892	100.00	38.31
Total	15	19,958,892	100.00	38.31

Amount in Taka

December 31, 2022 **December 31, 2021**

Group "B" Shareholders (Public)

Class interval	No. of shareholders	No. of share	% Total holding	% Total paid-up capital
1 to 500	2,274	386,184	1.20	0.74
501 to 5000	2,571	4,593,221	14.29	8.82
5001 to 10000	471	3,153,116	9.81	6.05
10001 to 20000	262	3,524,724	10.97	6.77
20001 to 30000	92	2,185,565	6.80	4.20
30001 to 40000	47	1,586,687	4.94	3.05
40001 to 50000	27	1,197,883	3.73	2.30
50001 to 100000	36	2,284,985	7.11	4.39
100001 to 1000000	29	6,156,533	19.16	11.82
1000001 to 10000000	5	7,071,407	22.00	13.57
Total	5,814	32,140,305	100.00	61.69

3.04 Share capital (paid up)

Opening balance	496,182,830	463,722,280
Add: bonus share issued during the year	24,809,140	32,460,550
Total share capital (paid up)	520,991,970	496,182,830

4.00 Reserve and contingent account

The company has been made some exceptional reserves from net profit to meet any future contingencies like claims losses or any sudden future fund crisis. Details are as hereunder:

Particulars	Notes No.	Amount in Taka	
		31.12.2022	31.12.2021
Reserve for exceptional losses	4.01	293,672,435	243,349,613
General reserve	4.02	11,250,000	10,500,000
Retained earnings	4.03	62,712,045	86,117,864
Total reserves and surplus		367,634,480	339,967,477

4.01 Reserve for exceptional losses

As per paragraph 6 of fourth schedule of Income Tax ordinance 1984. as earlier for the year 2021, 10% of the net premium income was transferred to reserve for exceptional losses. Details of calculation as hereunder:

Opening balance		243,349,613	202,200,769
Add: reserve made during the year (tax exempted) 4.01(a)		50,322,822	41,148,844
Closing balance as on December 31, 2022		293,672,435	243,349,613

4.1(a) Class wise reserve for exceptional losses

This represents profit set aside during the year under review at 10% of net premium allowed as expenses to meet exceptional losses. The aforesaid set aside of profit has been allowed as expenses by paragraph 6 of 4th schedule of the Income Tax Ordinance, 1984.

Amount in Taka

**December 31,
2022**

**December 31,
2021**

Particulars	Net Premium	% on Net Premium	Amount in Taka	
			31.12.2022	31.12.2021
01. Fire insurance business	122,699,998	10.00%	12,270,000	9,082,701
02. Marine cargo insurance business	289,020,476	10.00%	28,902,048	24,954,657
03. Marine hull insurance business	6,468,396	10.00%	646,840	743,496
04. Motor insurance business	37,670,080	10.00%	3,767,008	3,164,259
05. Miscellaneous insurance business	47,369,257	10.00%	4,736,926	3,203,731
Total	503,228,207		50,322,822	41,148,844

4.02 General reserve

The company has created a general reserve fund for avoiding any sudden fund crisis and contingency in future.

Opening balance	10,500,000	9,750,000
Add: reserve made during the year	750,000	750,000
Closing balance as on December 31, 2022	11,250,000	10,500,000

4.03 Retained earnings

Opening balance of undistributed profit	86,117,864	74,695,254
Less: issuance of bonus share for the year 2021	24,809,140	32,460,550
Less: cash dividend paid for the year 2021	49,618,283	32,460,569
Retained earnings from previous year	11,690,441	9,774,135
Add: net profit during the year	102,094,426	118,242,573
Total undistributed profit	113,784,867	128,016,708

Appropriation		
Less: reserve for exceptional losses	50,322,822	41,148,844
Less: general reserve	750,000	750,000
Closing balance of undistributed profit	62,712,045	86,117,864

5.00 Balance of funds and accounts

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

Class of business	Net Premium	Percentage	31.12.2022	31.12.2021
Fire	122,699,998	40%	49,079,999	36,330,802
Marine cargo	289,020,476	40%	115,608,190	99,818,630
Marine hull	6,468,396	100%	6,468,396	7,434,964
Motor	37,670,080	40%	15,068,032	12,657,037
Miscellaneous	47,369,257	40%	18,947,703	12,814,924
Total	503,228,207		205,172,320	169,056,357

Amount in Taka

December 31, 2022 **December 31, 2021**

6.00 Premium deposits

The under mentioned amount includes premium received against cover notes for which policies have not been issued within December 31,2022. While the risks against non-marine and marine hull have been assumed from the issuance of cover notes, risk against marine cargo have not been assumed until shipment advices are provided and accordingly policies are issued.

Fire	-	2,477,527
Marine cargo	53,355,777	17,473,710
Marine hull	-	-
Motor	14,957	-
Miscellaneous	-	-
Stamp duty	4,284,914	2,306,707
Excess deposit	1,875,330	442,651
Total	59,530,978	22,700,595

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

Fire	37,665,759	79,343,128
Marine cargo	13,915,350	23,136,422
Marine hull	-	-
Motor	3,055,709	2,424,700
Miscellaneous	202,000	-
Total	54,838,818	104,904,250

All the claims of which the company received intimations within December 31, 2022 have been taken into consideration while estimating the liability in respect of outstanding claims.

8.00 Amount due to other persons or bodies carrying on insurance business

This amount is payable to Shadharan Bima Corporation on account of re-insurance arrangements with them and to other local insurance companies under co-insurance premium. Break up of the amount is as under:

Payable to SBC	33,915,009	30,864,391
Pioneer insurance company limited	561,000	561,000
Others insurance company	122,980	122,980
Total	34,598,989	31,548,371

8.00(a) Others insurance company

Express insurance company limited	122,980	122,980
	122,980	122,980

9.00 Lease liabilities (operating leases)

Break up of the amount is as under:

Opening balance	11,130,066	9,470,896
Add: addition during the year	12,485,891	9,076,563
Add: finance cost during the year	1,241,442	956,082
Less: payment during the year	9,549,674	8,373,475
Closing balance as on December 31, 2022	15,307,725	11,130,066

	Amount in Taka	
	December 31, 2022	December 31, 2021
10.00 Payable for WPPF		
Opening balance	40,052,131	31,773,576
Add: expenses for the year	8,400,013	8,278,555
Total	48,452,144	40,052,131

WPPF expenses made @5% on net profit before tax during the year as per Sec-234 of Bangladesh Labour (amendment) Act-2018. The Company has not yet established a Trustee Board to administer the Fund and as per Notification of Bangladesh Insurance Association (BIA-3(58)/2023-48 dated: February 06, 2023) hence no payment was made during this year.

11.00 Provision for income tax

Opening balance		261,887,429	215,031,507
Add: current tax provision made during the year	26.01	42,117,737	46,855,922
Total tax liability		304,005,166	261,887,429
Less: adjustment made during the year for the assessment year 2013-2014		16,590,824	-
Less: adjustment made during the year for the assessment year 2014-2015		26,500,000	-
Less: adjustment made during the year for the assessment year 2015-2016		28,655,406	-
Less: adjustment made during the year for the assessment year 2016-2017		26,720,387	-
Closing balance as on December 31, 2022		205,538,549	261,887,429

12.00 Sundry creditors

Salary and allowances		18,612,114	10,043,816
Security deposit (Against open policy)		969,000	969,000
Statutory Audit fees payable (Malek Siddiqui Wali)		308,000	308,000
Compliance Audit fees payable (T. Hussain & Co.)		40,000	40,000
Gratuity fund	12.00(a)	5,298,468	8,185,828
Withholding tax deduction at source		685,790	776,878
Withholding tax against agent commission		406,098	1,046,967
Withholding vat deduction at source		1,022,068	906,056
Liability vat December, 2022		7,331,510	7,022,367
Provident fund employees contribution		270,837	258,283
Provident fund employers contribution		270,837	258,283
Provident fund loan recovery		255,135	303,573
HR Holdings Limited (Electric and wasa bill)		149,561	177,933
Share application money (GP and NRB)		-	3,371,353
Lease advance realization		4,564,170	3,717,560
Total		40,183,588	37,385,897

12.00(a) Provision for gratuity fund

Opening balance		8,185,828	5,959,088
Add: provision made during the year		2,380,185	2,497,572
		10,566,013	8,456,660
Less: paid during the year		5,267,545	270,832
Total provision for gratuity fund		5,298,468	8,185,828

Amount in Taka

December 31, 2022 **December 31, 2021**

The company has made provision for employees gratuity fund during the year "As per provision of service rules of the company under Sec.5.12". The service rules of Republic insurance company limited approved by the Board of Directors on January 03, 2013 as per service rules Sec 5.12 (Note-A) gratuity shall be recognized from 1st July, 2004) & IAS-19 under employees retirement benefit scheme. Balance of Tk.52,98,468 shown on Sundry Creditors Account.

13.00 Unclaimed dividend

Unclaimed dividend amounting to tk.14,24,382 payable to the Shareholders to whom dividend warrants were issued but not placed for collection up to date of Statement of Financial Position.

A) Unclaimed dividend for the year 2021	498,952	-
B) Unclaimed dividend for the year 2020	531,627	626,582
C) Unclaimed dividend for the year 2019	393,803	393,803
Total unclaimed dividend	1,424,382	1,020,385

14.00 Property, plant and equipment

A. Cost price:

Cost of Fixed Assets as on January 1, 2022	114,876,503	111,168,919
Add: addition during the year	15,263,798	3,707,584
Less: adjustment / disposal during the year	(1,624,500)	-
Cost of fixed assets as on December 31, 2022	128,515,801	114,876,503

B. Accumulated Depreciation:

Accumulated depreciation balance as on January 1, 2022	62,539,344	54,127,853
Add: depreciation during the year	8,279,250	8,411,491
Less: adjustment/ disposal during the year	(1,140,628)	-
Accumulated depreciation balance as on December 31, 2022	69,677,966	62,539,344
Written down value as on December 31, 2022 (A-B)	58,837,835	52,337,159

A schedule of Property, Plant and Equipment has been given in Annexure-A.

14.01 Intangible assets

Opening balance as on January 01, 2022	2,690,230	2,690,230
Add: addition during the year	862,000	-
	3,552,230	2,690,230
Less: accumulated amortization	1,809,691	1,535,140
Written down value as on December 31, 2022	1,742,539	1,155,090

A schedule of Intangible assets has been given in Annexure-B.

14.02 Right-of-use assets

A. Cost	38,327,450	28,644,887
Add: addition during the year	14,376,891	9,682,563
Cost of right-of-use assets as on December 31, 2022	52,704,341	38,327,450
B. Accumulated Depreciation:		
Accumulated depreciation balance as on January 01, 2022	26,753,633	18,508,683
Add: depreciation charged during the year	9,333,561	8,244,950
accumulated depreciation as on December 31, 2022	36,087,194	26,753,633
Written down value as on December 31, 2022 (A-B)	16,617,147	11,573,817

A schedule of Right-of-use assets has been given in Annexure-C

15.00 Investment in government treasury bond and securities

Amount in Taka

**December 31,
2022**

**December 31,
2021**

Investment in government treasury bond

A sum of Tk.25,000,000 was invested in Bangladesh bank govt. treasury bond at cost kept with Jamuna bank Limited as statutory deposit as required under section 23 and 24 of the Insurance Act. 2010 (The First schedule item 2 (B)). The details of the investment is as follows:

Nature of Security	ISIN No.	Interest Rate	Issue date	Maturity date	Amount (Tk.)
10YBGTB	BD0923301107	12%	13.02.2013	13.02.2023	16,000,000
10YBGTB	BD0929061101	9.27%	21.08.2019	21.08.2029	9,000,000
Total (a)					25,000,000

15.02 Investment in government securities:

Nature of Security	ISIN No.	Interest Rate	Issue date	Maturity date	Amount (Tk.)
10YBGTB	BD0930261104	9.15%	22.01.2020	22.01.2030	5,000,000
10YBGTB	BD0929221101	9.23%	18.12.2019	18.12.2029	3,200,000
10YBGTB	BD0929221101	9.23%	18.12.2019	18.12.2029	2,100,000
10YBGTB	BD0930431103	8.66%	17.06.2020	17.06.2030	5,000,000
10YBGTB	BD0930031101	7.89%	22.07.2020	22.07.2030	5,000,000
10YBGTB	BD0930141108	5.63%	21.10.2020	21.10.2030	12,000,000
10YBGTB	BD0931401105	5.80%	19.05.2021	19.05.2031	22,000,000
15YBGTB	BD0937821157	7.98%	27.04.2022	27.04.2037	5,000,000
10YBGTB	BD0932111109	8.10%	21.09.2022	21.09.2032	32,000,000
10YBGTB	BD0932231105	8.33%	21.12.2022	21.12.2032	70,000,000
Total (b)					69,500,000
Grand Total (a+b)					94,500,000

Above mentioned amount represent investment in Bangladesh Bank Govt. securities with Jamuna bank Limited as required under section 41 & 148 of the Insurance Act. 2010 and S.R.O.No.353-Act/2019.

16.00 Investment in shares at market value

Name of the Company	No. of Shares as on 31.12.2022	Average cost as on 31.12.2022	Market price as on 31.12.2022	Cost value as on 31.12.2022	Fair market value as on 31.12.2022	Profit / (Loss)
IFIC Bank Ltd.	49,010	15.80	11.50	774,590	563,615	(210,975)
Mercantile Bank Ltd.	104,100	13.72	13.60	1,427,874	1,415,760	(12,114)
Mutual Trust Bank Ltd.	40,275	8.31	16.70	334,500	672,593	338,093
National Bank Ltd.	45,360	6.58	8.30	298,300	376,488	78,188
NCC Bank Ltd.	119,680	16.96	13.80	2,029,534	1,651,584	(377,950)
One Bank Ltd.	20,569	7.70	10.20	158,350	209,804	51,454
Phoenix Finance and Investments Ltd.	6,323	77.59	16.30	490,610	103,065	(387,545)
Premier Bank Ltd.	22,386	5.81	13.30	130,000	297,734	167,734
Pubali Bank Ltd.	30,207	31.45	26.30	949,880	794,444	(155,436)
Southeast Bank Ltd.	23,998	10.21	13.80	245,089	331,172	86,083
United Commercial Bank Ltd.	66,189	16.88	13.00	1,117,260	860,457	(256,803)
The ACME Laboratories Ltd.	128,561	85.20	85.00	10,953,397	10,927,685	(25,712)
Jamuna Bank Ltd.	76,000	23.76	21.30	1,805,393	1,618,800	(186,593)
Power Grid Company of Bangladesh Ltd.	5,000	71.08	52.40	355,416	262,000	(93,416)
Total	737,658			21,070,193	20,085,201	(984,992)

Amount in Taka

	December 31, 2022	December 31, 2021
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16.00(a) Change in fair value of marketable securities

Fair value of investment in shares	20,085,201	19,089,692
Less: cost price of the investment	21,070,193	18,745,855
Total unrealised profit/(loss) at the end of the year	(984,992)	343,837
Total unrealised profit/(loss) recognized at the beginning of the year	343,837	(877,451)
Fair value profit/(loss) made during the year (recognized in profit or loss statement)	(1,328,829)	1,221,288

17.00 Stock of printing & stationery and stamp in hand

Printing	732,356	889,333
Stationery	13,685	10,108
Stamp in hand	1,241,909	2,698,094
Total	1,987,950	3,597,535

18.00 Amount due from other persons or bodies carrying on insurance business

This balance represents receivable from Sadharan Bima Corporation (SBC) and other insurance companies on account of claims recoverable, Public sector business, Engineering surplus treaty and Co-insurance business. Break up of the amount is as under:

Receivable from Sadharan Bima Corporation	268,031,405	255,130,122
Receivable from others insurance company against co-insurance business	850,691	850,691
Total	268,882,096	255,980,813

18.00(a) Details of receivable against co-insurance business

Asia Pacific Insurance Company Limited	265,073	265,073
Green Delta Insurance Company Limited	375,119	375,119
Union Insurance Company Limited	210,499	210,499
	850,691	850,691

19.00 Interest accrued

Accrued interest on FDR		
Opening balance	17,232,596	16,352,238
Add: accrued during the year	27,168,313	26,671,821
Less: received during the year	22,708,023	25,791,463
Total accrued interest on FDR	21,692,886	17,232,596
Accrued interest on treasury bond		
Opening balance	923,224	923,224
Add: accrued during the year	2,754,300	2,754,300
Less: received during the year	2,754,300	2,754,300
Total accrued interest on treasury bond	923,224	923,224
Accrued interest on Govt. securities		
Opening balance	678,809	526,738
Add: accrued during the year	4,087,992	3,239,861
Less: received during the year	3,925,290	3,087,790
Total accrued interest on Govt. securities	841,511	678,809
Total	23,457,621	18,834,629

The amount represents interest earned/accrued but not received during the year.

Amount in Taka

December 31, 2022	December 31, 2021
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20.00 Sundry debtors (including advances, deposits and pre-payments)

The following items are unsecured but considered as good and this consists of as follows :

Advance office rent (Branches)	655,847	138,344
Advance office rent (Head office)	-	-
Advance printing (procurement provider)	1,000,000	1,385,000
Advance income tax 20.00(a)	232,843,202	308,494,106
Advance for office space purchase 20.00(d)	9,422,900	9,422,900
Advance against legal fees	210,000	210,000
Advance against salary	1,125,250	380,450
Advance against computer software	390,000	390,000
Advance against air conditioner	200,000	200,000
Advance against office decoration	5,550,200	5,550,200
Advance against vehicle purchase	1,802,675	1,802,675
Advance against investment in shares	-	22,037,500
IPO shares receivable against union insurance company limited	-	46,440
Collection control accounts	195,392,006	131,889,452
Deposit clearing	5,548,632	5,548,632
Short deposit	5,636,974	5,636,974
Security deposit (Telephone)	75,600	75,600
Security deposit (Office rent)	2,238,000	2,478,000
Total	462,091,286	495,686,273
20.00 (a) Opening balance	308,494,106	266,866,803
Add: payment during the year		
Deduction at source during the year, 2022 20.00(b)	3,516,902	3,071,043
Advance payment against assessment year (2023-2024)	12,000,000	-
Advance payment against assessment year (2022-2023)	28,300,000	15,000,000
Advance payment against assessment year (2021-2022)	-	23,000,000
Advance income tax against car registration 20.00(c)	1,212,500	556,260
Total advance income tax payment during the year	45,029,402	41,627,303
Less: adjustment made during the year		
for the assessment year 2013-2014	38,804,513	-
Less: adjustment made during the year		
for the assessment year 2014-2015	26,500,000	-
Less: adjustment made during the year		
for the assessment year 2015-2016	28,655,406	-
Less: adjustment made during the year		
for the assessment year 2016-2017	26,720,387	-
Balance as at December 31, 2022	232,843,202	308,494,106
20.00(b) Deduction at source during the year		
FDR interest	2,855,282	2,581,865
STD/SND account interest	168,617	94,063
Cash dividend income	159,023	103,010
Government treasury bond	137,715	137,715
Government securities	196,265	154,390
	3,516,902	3,071,043

	Amount in Taka	
	December 31, 2022	December 31, 2021
20.00(c) Advance income tax (car registration) Advance income tax car registration-2022	1,212,500	556,260
20.00(d) The company paid as advance for purchase of 1289 sft floor space at IPL SF Tower at Agrabad C/A, Chattogram. Total advance paid up to December 31, 2022 Tk.9,422,900. Which is not yet handed over for use.		

21.00 Fixed deposit with banks

Opening balance	487,908,600	454,720,124
Add: addition during the year	116,101,959	34,188,476
Less: encashment during the year	77,400,000	1,000,000
Total	526,610,559	487,908,600

Statement of bank wise fixed deposit account:

AB Bank Limited	900,000	900,000
Al-Arafah Islami Bank Ltd	20,700,000	28,200,000
Agrani Bank Ltd	-	1,000,000
Bangladesh Commerce Bank Ltd	32,800,000	20,800,000
BRAC Bank Ltd	10,625,064	10,565,192
Bangladesh Krishi Bank	1,400,000	1,400,000
Bank Asia Ltd	23,800,500	19,800,500
The City Bank Ltd	700,000	1,700,000
Dhaka Bank Ltd	3,200,000	2,200,000
Dutch-Bangla Bank Ltd	2,000,699	2,000,699
Export Import (Exim) Bank of Bangladesh Limited	41,100,000	40,600,000
Eastern Bank Ltd	4,129,487	4,087,400
First Security Islami Bank Limited	6,700,000	6,700,000
IFIC Bank Ltd	6,500,000	12,700,000
Islami Bank Bangladesh Limited	19,000,000	20,000,000
Jamuna Bank Ltd	26,800,000	35,000,000
Mutual Trust Bank Ltd	5,300,000	6,300,000
Mercantile Bank Ltd	13,500,000	12,500,000
National Credit and Commerce Bank Ltd	10,500,000	10,500,000
National Bank Ltd	5,800,000	6,300,000
NRB Commercial Bank Limited	22,000,000	16,000,000
Global Islami Bank Limited	37,000,000	19,000,000
NRB Bank Limited	-	1,000,000
One Bank Limited	12,000,000	7,000,000
Prime Bank Ltd	4,854,809	5,854,809
Pubali Bank Ltd	13,100,000	12,100,000
Premier Bank Ltd	10,600,000	12,600,000
GSP Finance Company (Bangladesh) Limited	1,000,000	1,000,000
Lanka Bangla Finance Ltd.	5,000,000	3,000,000
Social Islami Bank Limited	82,200,000	66,200,000
Standard Bank Limited	32,500,000	29,500,000
Shahjalal Islami Bank Ltd	17,600,000	20,100,000
Southeast Bank Ltd	14,100,000	14,100,000
Trust Bank Limited	3,000,000	4,000,000
Uttara Bank Limited	1,200,000	200,000
Janata Bank Ltd	500,000	500,000
Rajshahi Krishi Unnayan Bank	11,500,000	6,500,000
State Bank of India	3,000,000	3,000,000
Bangladesh Development Bank Ltd (BDBL)	500,000	500,000

	Amount in Taka	
	December 31, 2022	December 31, 2021
United Commercial Bank Ltd	7,000,000	12,000,000
South Bangla Agriculture & Commerce Bank Limited	5,500,000	4,500,000
Madhumoti Bank Limited	3,000,000	2,000,000
Meghna Bank Limited	3,000,000	3,000,000
Rupali Bank Ltd	1,000,000	1,000,000
Total	526,610,559	487,908,600

22.00 Cash and cash equivalents

Cash at bank	Annexure-D	71,703,135	79,769,134
Cash in hand	Annexure-E	4,943,191	6,813,263
Total		76,646,326	86,582,397

23.00 Interest income

Interest received:

FDR interest	5,475,427	9,439,225
STD/SND account interest	1,472,440	940,627
Government treasury bond	1,831,076	1,831,076
Government securities	3,246,481	2,561,052
Total	12,025,424	14,771,980

Accrued interest:

FDR interest	21,692,886	17,232,596
Government treasury bond	923,224	923,224
Government securities	841,511	678,809
Total	23,457,621	18,834,629

24.00 Share investment and dividend income

Change in fair value of marketable securities	16.00(a)	(1,328,829)	1,221,288
Capital gain/(loss) on sale of shares		1,226,742	2,513,646
Cash dividend		797,808	515,891
Total		695,721	4,250,825

Cost value of Meghna Insurance Company Limited	40,030	-
Cost value of Union Insurance Company Limited	46,440	-
Cost value of Union Bank Limited	1,978,640	-
Cost value of BD Thai Food & Beverage Limited	35,690	-
Cost value of SAIF Powertec Limited	897,576	-
Cost value of ICB Islamic Bank Limited	109,000	-
Cost value of EXIM Bank Limited	7,575	-
Cost value of ACI Limited	-	39,980
Cost value of Beximco Limited	-	160,152
Cost value of DESCO	-	21,550
Cost value of Islami Bank Bangladesh Limited	-	12,030
Cost value of Lafarge Surma Cement Limited	-	74,016
Cost value of Standard Bank Limited	-	29,896
Cost value of Summit Power Limited	-	2,800
Cost value of ACME Pesticides Limited	-	133,800
Cost value of Sena Kalyan Insurance Company Limited	-	69,950
Total cost value of shares (a)	3,114,951	544,174

	Amount in Taka	
	December 31, 2022	December 31, 2021
Sale value of Meghna Insurance Company Limited	185,863	-
Sale value of Union Insurance Company Limited	281,610	-
Sale value of Union Bank Limited	2,644,664	-
Sale value of BD Thai Food & Beverage Limited	141,332	-
Sale value of SAIF Powertec Limited	902,376	-
Sale value of ICB Islamic Bank Limited	52,111	-
Sale value of EXIM Bank Limited	48,801	-
Sale value of ACI Limited	84,936	565,116
Sale value of Beximco Limited	-	1,125,563
Sale value of DESCO	-	54,716
Sale value of Islami Bank Bangladesh Limited	-	32,637
Sale value of Lafarge Surma Cement Limited	-	246,310
Sale value of Standard Bank Limited	-	85,601
Sale value of Summit Power Limited	-	35,722
Sale value of ACME Pesticides Limited	-	458,564
Sale value of Sena Kalyan Insurance Company Limited	-	453,591
Total sale value of shares (b)	4,341,693	3,057,820
Capital gain/(loss) on sale of shares (a-b)	1,226,742	2,513,646

25.00 Other income

Disposal gain /(loss) of fixed assets	25.00(a)	409,603	-
Service charges (co-insurance)		758,298	690,624
Policy cancelled charges		40,416	21,200
Foreign currency translation gain /(loss)		83,292	4,736
Other income		993,660	2,092,668
Total		2,285,269	2,809,228

25.00(a) Disposal gain/(loss) of fixed assets

a. Sale of vehicle:

Cost of vehicle	-	-
Accumulated depreciation	-	-
Written down value	-	-
Disposal proceeds	-	-
Gain/ (loss) on sale of vehicle	-	-

b. Disposal/(transfer) of lease vehicles

Cost of lease vehicles	1,624,500	-
Accumulated depreciation	1,140,628	-
Written down value	483,872	-
Disposal proceeds /Lease advance realized	893,475	-
Disposal gain /(loss) of lease vehicles	409,603	-
Total disposal gain /(loss) of fixed assets (a+b)	409,603	-

26.00 Income tax (expenses)/income

Current tax provision made during the year	26.01	42,117,737	46,855,922
Add: prior year tax made for under provision	26.02	22,213,689	-
Total income tax expenses made during the year		64,331,426	46,855,922

Amount in Taka

December 31, 2022 **December 31, 2021**

26.01 Calculation of current tax provision made during the year

Particulars	Amount in taka December 31,2022
Net profit before tax as per statement of Profit or Loss and Other Comprehensive Income	168,000,252
Less: reserve for exceptional losses	50,322,822
Add : accounting depreciation	8,553,801
Less : tax depreciation	9,757,986
Add : provision for gratuity fund	2,380,185
Less : employees gratuity fund paid	5,267,545
Taxable income	113,585,885

Particulars of income	Taxable income	Tax rate	Current tax provision
Tax on dividend income	797,808	20%	159,562
Tax on capital gain on sale of shares	1,226,742	10%	122,674
Tax on business income and other income	111,561,335	37.50%	41,835,501
Total	113,585,885		42,117,737

26.02 Prior year tax made for under provision

Assessment year	Accounting year	Income tax provision as per Accounts	Income tax as per Assessment	under/(over) provision adjustment made during the year
2013-2014	2012	16,590,824	38,804,513	22,213,689
Total		16,590,824	38,804,513	22,213,689

Tax authority has imposed additional tax as per Income Tax Ordinance 1984 ,The Insurance Act,1938 (New Act,2010) and Insurance Rules,1958 section 40(1) on excess management expenses for the assessment year 2013-2014 and accounting year 2012 which was made provision during the year.

27.00 Deferred tax

The impact on account of changes in the deferred tax assets/liabilities for the year ended December 31,2022 has been recognised in the statement of profit or loss and other comprehensive income and in the statement of financial position as per "IAS-12 Income Taxes".

Property, plant and equipment at tax base(excluding land)	51,433,823	45,581,212
Property, plant and equipment at accounting base(excluding land)	54,341,818	47,253,693
Taxable temporary difference	(2,907,995)	(1,672,481)
Permanent difference of vehicles	2,412,544	3,015,680
Deductible temporary difference	(495,451)	1,343,199
Tax rate	37.50%	37.50%
Deferred tax assets/ (liability)	(185,794)	503,700
Gratuity provision at accounting base	5,298,468	8,185,828
Gratuity provision at tax base	-	-
Deductible temporary difference	5,298,468	8,185,828
Tax rate	37.50%	37.50%
Deferred tax assets/ (liability)	1,986,926	3,069,686

	Amount in Taka	
	December 31, 2022	December 31, 2021
Lease at accounting base	17,459,153	12,242,567
Lease at tax base	16,617,147	11,573,817
Deductible temporary difference	842,006	668,750
Tax rate	37.50%	37.50%
Deferred tax assets/ (liability)	315,752	250,781
Marketable securities at tax base	21,070,193	18,745,855
Marketable securities at accounting base	20,085,201	19,089,692
Deductible temporary difference	984,992	(343,837)
Tax rate	10.00%	10.00%
Deferred tax assets/ (liability)	98,499	(34,384)
Deferred tax assets	2,215,383	3,789,783
Deferred tax (expenses)/ income for the year	(1,574,400)	(472,610)

28.00 Premium less re-insurance

Class of business	Premium earned		Total Premium earned	Less: Re-insurance premium ceded			Amount in Tk.	Amount in Tk.
	Direct business	Public sector business		Direct business	Public sector business	Total	31.12.2022	31.12.2021
1	2	3	4=(2+3)	5	6	7=(5+6)	8=(4-7)	9
Fire	289,349,605	14,557,192	303,906,797	169,504,925	11,701,874	181,206,799	122,699,998	90,827,005
Marine cargo	303,433,960	23,546,625	326,980,585	20,061,901	17,898,208	37,960,109	289,020,476	249,546,574
Marine hull	63,544,781	2,345,332	65,890,113	57,115,725	2,305,992	59,421,717	6,468,396	7,434,964
Motor	39,265,923	2,580,914	41,846,837	4,080,280	96,477	4,176,757	37,670,080	31,642,593
Miscellaneous	46,580,677	53,118,181	99,698,858	380,597	51,949,004	52,329,601	47,369,257	32,037,310
Total	742,174,946	96,148,244	838,323,190	251,143,428	83,951,555	335,094,983	503,228,207	411,488,446

29.00 Commission on re-insurance ceded

Class of business	Commission on re-insurance ceded		Amount in Taka	
	Direct business	Public sector business	31.12.2022	31.12.2021
Fire	37,848,070	1,364,803	39,212,873	42,420,960
Marine cargo	5,269,810	3,517,310	8,787,120	8,092,537
Marine hull	2,855,788	126,829	2,982,617	2,860,867
Motor	914,606	-	914,606	403,018
Miscellaneous	-	3,818,638	3,818,638	3,998,705
Total	46,888,274	8,827,580	55,715,854	57,776,087

30.00 Profit Commission

Class of business	Profit Commission		Amount in Taka	
	Direct business	Public sector business	31.12.2022	31.12.2021
Fire	-	-	-	15,077,032
Marine cargo	2,255,020	-	2,255,020	1,371,467
Marine hull	-	-	-	-
Motor	-	-	-	-
Miscellaneous	-	-	-	-
Total	2,255,020	-	2,255,020	16,448,499

Amount in Taka

December 31, 2022 **December 31, 2021**

31.00 Expenses of management

Class of business	December 31, 2022	December 31, 2021
Fire	104,538,442	92,497,492
Marine cargo	112,437,927	92,179,547
Marine hull	22,660,567	19,492,465
Motor	14,386,289	10,932,411
Miscellaneous	34,279,153	29,471,042
Total	288,302,378	244,572,957

Allocation of management expenses:

Class of business	Gross premium income	Percentage (%) 2022	Amount in Taka	
			31.12.2022	31.12.2021
Fire	303,906,797	36.26	104,538,442	92,497,492
Marine cargo	326,980,585	39.00	112,437,927	92,179,547
Marine hull	65,890,113	7.86	22,660,567	19,492,465
Motor	41,846,837	4.99	14,386,289	10,932,411
Miscellaneous	99,698,858	11.89	34,279,153	29,471,042
Total	838,323,190	100.00	288,302,378	244,572,957

Expenses of management

This consists of the following:

Salary and allowances	206,325,234	168,858,641
Bonus (Eid-ul-Fitre and Eid-ul -Azha'2022)	18,383,870	15,597,173
Photocopy bill	197,484	253,705
Printing (Procurement provider)	5,133,744	4,955,279
Stationery	910,888	768,804
Postage	240,267	300,116
Revenue stamp	271,280	304,810
Entertainment	1,481,332	1,454,457
Conveyance	1,025,334	1,788,565
Electric bill	2,064,049	1,991,412
Electric expenses	101,061	121,135
Telephone expenses	10,638	26,375
Telephone bill	315,009	237,231
Computer expenses	737,317	686,081
Currier bill	10,325	45,028
Generator fuel	159,695	54,891
Wasa bill	441,659	526,579
Paper and periodicals	88,195	81,160
Car fuel	2,180,042	1,129,235
Repairs and maintenance (car)	1,493,494	470,971
Office maintenance	3,123,408	3,066,123
Repairs and maintenance (others)	501,029	660,376
Gift item	58,573	231,478
Miscellaneous expenses	1,203,914	923,352
Travelling expenses	665,843	256,745
Service charges(co-insurance)	639,963	778,096
Uniform expenses	266,520	5,300

	Amount in Taka	
	December 31, 2022	December 31, 2021
Internet bill	444,707	463,685
Office rent	13,121,553	13,154,580
Depreciation	9,333,561	8,244,950
Finance cost	1,241,442	956,082
Service charges (rent)	188,845	193,897
Bank charges	1,367,081	1,051,832
Insurance premium	766,506	689,302
IT expenses	730,105	646,302
Washing allowance	102,750	112,610
Service benefit	1,399,943	423,242
Amortization on premium on government securities	(32,266)	826,943
Business promotion expenses	-	340,000
Group insurance	1,027,050	1,295,003
Management expenses (Govt. business)	7,211,118	7,307,130
Business expenses (Govt. business)	48,890	48,890
Provident fund employers contribution	3,320,926	3,245,391
Total	288,302,378	244,572,957

32.00 Schedule of VAT payments: Tk.nil

Opening balance	-	-
Add:		
VAT payment to Govt. during the year 2022	64,733,091	51,275,866
Payment against outstanding vat (December, 2022)	7,331,510	7,022,367
	72,064,601	58,298,233
Less: Vat collected during the year 2022	72,064,601	58,298,233
Total	-	-

33.00 Earnings per share

33.01 Basic earnings per share

Details calculations are as follows:

Earnings attributable to ordinary shareholders (Net profit after tax)	102,094,426	118,242,573
Ordinary shares as at 1st January	49,618,283	46,372,228
Bonus shares issued	2,480,914	3,246,055
Weighted average number of ordinary shares outstanding during the year	52,099,197	49,618,283
Weighted average number of ordinary shares (Restated)	52,099,197	52,099,197
Basic earnings per share	1.96	2.27

The comparative EPS was restated as per paragraph 26 of IAS 33, due to bonus shares issue during the year.

34.00 Net assets value per share

Net assets per share has been calculated based on weighted average number of 5,20,99,197 shares outstanding as at December 31, 2022 after giving the effect of 5.00% bonus shares declared for the year 2021. Details calculations are as follows :

	Amount in Taka	
	December 31, 2022	December 31, 2021
Net assets	888,626,450	836,150,307
Ordinary shares as at 1st January	49,618,283	46,372,228
Bonus shares issued	2,480,914	3,246,055
Weighted average number of ordinary shares outstanding during the year	52,099,197	49,618,283
Weighted average number of ordinary shares	52,099,197	49,618,283
Net assets value per share	17.06	16.85

35.00 Net operating cash flows per share

Net operating cash flows per share (NOCFPS) has been calculated based on weighted average number of 5,20,99,197 shares outstanding during the year.

Details calculations are as follows:

Net cash generated from operating activities	35.01	88,279,598	88,519,492
Weighted average number of ordinary shares		52,099,197	49,618,283
Net operating cash flows per share		1.69	1.78

35.01 Reconciliation of profit before tax to operating cash flows:

Profit before tax		168,000,252	165,571,105
Adjustment :			
Depreciation		8,553,801	8,700,263
Disposal gain(loss) of fixed assets		(409,603)	-
Capital gain on sale of shares		(1,226,742)	(2,513,646)
Changes of fair value gain/(loss) of share investment		1,328,829	(1,221,288)
Provision for WPPF		8,400,013	8,278,555
Foreign currency translation gain/(loss)		(83,292)	(4,736)
Changes in current assets/liabilities:			
Increase/(decrease) of lease liabilities		4,177,659	1,659,170
(Increase)/decrease of right-of-use assets		(5,043,330)	(1,437,613)
(Increase)/decrease of accrued interest		(4,622,992)	(1,032,429)
Increase/(decrease) of premium deposit		36,830,383	3,785,540
Increase/(decrease) of sundry creditors		3,691,166	(2,059,633)
Increase/(decrease) of amount due to other persons or body		3,050,618	(6,919,937)
(Increase)/decrease of amount due from other persons or body		(12,901,283)	(11,489,918)
(Increase)/decrease of stock of stamps and others		1,609,585	(308,372)
Increase/(decrease) of estimated liability of claims		(50,065,432)	52,822,015
Increase/(decrease) of the balance of fund		36,115,963	(42,387,874)
(Increase)/decrease of sundry debtors		(64,096,595)	(41,294,407)
		133,309,000	130,146,795
Income tax paid		(45,029,402)	(41,627,303)
Net cash generated from operating activities		88,279,598	88,519,492

36.00 Contingent liability

Company has the following contingent liabilities:

Contingent liability for tax :

There are some reference applications and appeals pending against income tax assessment of the company for various years and subject to the outcome of such applications and appeals, contingent liabilities of the company in respect of the disputed tax demands as on December 31, 2022 are as follows:

Assessment year	Accounting year	Tax Demanded (Taka)	Provision for income tax (Taka)	Advance income tax paid (Taka)	Disputed tax (Taka)	Current tax status
2014-2015	2013	57,315,837	26,500,000	33,124,473	30,815,837	Appeal to High Court
2015-2016	2014	43,276,353	28,655,406	32,036,854	14,620,947	Appeal to High Court
2016-2017	2015	44,510,847	26,720,387	29,723,628	17,790,460	Appeal to High Court
Total	-	145,103,037	81,875,793	94,884,955	63,227,244	

Contingent liability for claim:

Date of Claim	Claim No.	Policy No.	Claim Amount (Taka)	Provision made (Taka)	Contingent liability (Taka)	Current claim status
27.01.2009	Marine Hull-01/01/09	RICL/DB/MH/P-01/01/2009	40,166,500	-	40,166,500	Joint District Judge Court, Dhaka
Total			40,166,500	-	40,166,500	

Contingent liability for vat on "Insurance Agent Commission and Commission on Re-insurance":

Writ Petition No.	For the period	For what	VAT Demanded (Taka)	Provision made (Taka)	Contingent liability (Taka)	Current VAT status
1468 of 2019	January, 2012 to December, 2016	VAT on Agent Commission and Commission on Re-insurance	67,290,085	-	67,290,085	Stay order by High Court
Total			67,290,085	-	67,290,085	

37.00 Related Party Disclosure

Details transactions with related parties and balances with them as at December 31, 2022 are as follows:

Name of the Related Party	Nature of Relationship	Nature of Transaction	Premium earned during the year	Premium outstanding during the year	Claims paid during the year
Karnaphuli Group					
Karnaphuli Limited Karnaphuli Industries Limited Karnaphuli Works Limited Holy Crescent Hospital Ltd K & T Logistics	Common Director	Insurance	86,191,604	-	798,552
Unitex Group					
Unitex Spinning Ltd Unitex Composite Mills Ltd Unitex Steel Mills Ltd Unitex LPG Ltd Unitex Petroleum Ltd HS Composite Textile Ltd	Chairman	Insurance	73,181,671	-	130,000
Gazi Group					
Gazi Tyres Gazi Tanks Gazi Pamps & Motors Gazi International Gazi Satellite Television	Common Director	Insurance	-	-	-
Gasmin Limited Show motions Limited	Common Director	Insurance	15,794,210	-	7,123,141
Multidrive Limited	Common Director	Insurance	-	-	-

During the year the company sold its old vehicles to the following employees:

SL #	Name	Designation	WDV of vehicles	Disposal proceeds
1.	Mr. A.K.M.Awarangazeb	SEVP	418,386	825,000
2.	Mr.Md. Robiul Islam	SVP	65,486	68,475
Total			483,872	893,475

Annexure-A

Particulars	Cost			Depreciation					Written down value as at 31.12.2022	
	Opening balance as at 01.01.2022	Addition during the year	Disposal during the year	Balance as on 31.12.2022	Rate of depreciation	Opening balance as at 01.01.2022	Disposal during the year	Charged during the year		Total as at 31.12.2022
1	2	3	4	5	6	7	8	9	10=(7-8+9)	11=(5-10)
Computer	8,725,075	910,345	-	9,635,420	30.00%	6,511,522	-	803,647	7,315,169	2,320,251
Furniture and fixtures	18,605,358	1,653,234	-	20,258,592	10.00%	9,552,289	-	953,078	10,505,367	9,753,225
Office equipments	6,903,439	524,869	-	7,428,308	20.00%	4,762,099	-	468,012	5,230,111	2,198,197
Vehicles	38,500,484	8,911,867	(1,624,500)	45,787,851	20% & 10%	20,584,979	(1,140,628)	4,131,046	23,575,397	22,212,454
Crockeries and cutleries	336,779	8,870	-	345,649	20.00%	265,062	-	15,442	280,504	65,145
Air conditioner	9,936,089	508,300	-	10,444,389	20.00%	7,730,026	-	508,064	8,238,090	2,206,299
Telephone	584,860	13,800	-	598,660	10.00%	341,823	-	24,735	366,558	232,102
Office decoration	24,719,301	2,731,113	-	27,450,414	10.00%	12,480,996	-	1,371,747	13,852,743	13,597,671
Land and land development	6,238,556	-	-	6,238,556	-	-	-	-	-	6,238,556
Sundry assets	326,562	1,400	-	327,962	20.00%	310,548	-	3,479	314,027	13,935
Total	114,876,503	15,263,798	(1,624,500)	128,515,801		62,539,344	(1,140,628)	8,279,250	69,677,966	58,837,835

Schedule of Property, Plant and Equipment
As at December 31, 2021

Particulars	Cost			Depreciation					Written down value as at 31.12.2021	
	Opening balance as at 01.01.2021	Addition during the year	Disposal during the year	Balance as on 31.12.2021	Rate of depreciation	Opening balance as at 01.01.2021	Disposal during the year	Charged during the year		Total as at 31.12.2021
1	2	3	4	5	6	7	8	9	10=(7-8+9)	11=(5-10)
Computer	7,984,830	740,245	-	8,725,075	30.00%	5,745,959	-	765,563	6,511,522	2,213,553
Furniture and fixtures	18,451,771	153,587	-	18,605,358	10.00%	8,552,076	-	1,000,213	9,552,289	9,053,069
Office equipments	6,458,253	445,186	-	6,903,439	20.00%	4,252,241	-	509,858	4,762,099	2,141,340
Vehicles	36,610,203	1,890,281	-	38,500,484	20% & 10%	16,367,041	-	4,217,938	20,584,979	17,915,505
Crockeries and cutleries	325,059	11,720	-	336,779	20.00%	248,921	-	16,141	265,062	71,717
Air conditioner	9,681,519	254,570	-	9,936,089	20.00%	7,213,161	-	516,865	7,730,026	2,206,063
Telephone	584,860	-	-	584,860	10.00%	314,819	-	27,004	341,823	243,037
Office decoration	24,507,306	211,995	-	24,719,301	10.00%	11,127,091	-	1,353,905	12,480,996	12,238,305
Land and land development	6,238,556	-	-	6,238,556	-	-	-	-	-	6,238,556
Sundry assets	326,562	-	-	326,562	20.00%	306,544	-	4,004	310,548	16,014
Total	111,168,919	3,707,584	-	114,876,503		54,127,853	-	8,411,491	62,539,344	52,337,159

* The lease cars with cost value of Taka 3,350,000 and WDY of taka 1,333,911 as of January 01, 2020 under property, plant and equipment is now being, as per management decision, shown as vehicle under the PPE with the effect in comparative period. It is also mentioned here that the related lease liability has already been paid off. However, as a result of this reclassification, the profit or EPS or NAV per share or NOCFPS in comparative period has not been changed in anyway.

**Schedule of Intangible Assets
 As at December 31, 2022**

Annexure-B

Particulars	Cost			Depreciation					Written down value as at 31.12.2022	
	Opening balance as at 01.01.2022	Addition during the year	Disposal during the year	Balance as on 31.12.2022	Rate of depreciation	Opening balance as at 01.01.2022	Disposal during the year	Charged during the year		Total as at 31.12.2022
1	2	3	4	5	6	7	8	9	10=(7-8+9)	11=(5-10)
Computer software	2,690,230	862,000	-	3,552,230	20.00%	1,535,140	-	274,551	1,809,691	1,742,539
Total	2,690,230	862,000	-	3,552,230		1,535,140	-	274,551	1,809,691	1,742,539

**Schedule of Intangible Assets
 As at December 31, 2021**

Particulars	Cost			Depreciation					Written down value as at 31.12.2021	
	Opening balance as at 01.01.2021	Addition during the year	Disposal during the year	Balance as on 31.12.2021	Rate of depreciation	Opening balance as at 01.01.2021	Disposal during the year	Charged during the year		Total as at 31.12.2021
1	2	3	4	5	6	7	8	9	10=(7-8+9)	11=(5-10)
Computer Software	2,690,230	-	-	2,690,230	20.00%	1,246,368	-	288,772	1,535,140	1,155,090
Total	2,690,230	-	-	2,690,230		1,246,368	-	288,772	1,535,140	1,155,090

**Schedule of Right-of-use Assets
 As at December 31, 2022**

Annexure-C

Particulars	Cost			Depreciation					Written down value as at 31.12.2022	
	Opening balance as at 01.01.2022	Addition during the year	Disposal during the year	Balance as on 31.12.2022	Rate of depreciation	Opening balance as at 01.01.2022	Disposal during the year	Charged during the year		Total as at 31.12.2022
1	2	3	4	5	6	7	8	9	10=(7-8+9)	11=(5-10)
Right-of-use assets	38,327,450	14,376,891	-	52,704,341	-	26,753,633	-	9,333,561	36,087,194	16,617,147
Total	38,327,450	14,376,891	-	52,704,341		26,753,633	-	9,333,561	36,087,194	16,617,147

**Schedule of Right-of-use Assets
 As at December 31, 2021**

Particulars	Cost			Depreciation					Written down value as at 31.12.2021	
	Opening balance as at 01.01.2021	Addition during the year	Disposal during the year	Balance as on 31.12.2021	Rate of depreciation	Opening balance as at 01.01.2021	Disposal during the year	Charged during the year		Total as at 31.12.2021
1	2	3	4	5	6	7	8	9	10=(7-8+9)	11=(5-10)
Right-of-use assets	28,644,887	9,682,563	-	38,327,450	-	18,508,683	-	8,244,950	26,753,633	11,573,817
Total	28,644,887	9,682,563	-	38,327,450		18,508,683	-	8,244,950	26,753,633	11,573,817



Schedule of cash at bank
As at December 31, 2022

Annexure-D

SI No.	Name of Bank	Account Number	Amount in taka December 31, 2022	Amount in taka December 31, 2022
1	EXIM Bank Limited, Rajuk Avenue Branch, MSND	0113000017853	4,637,274	2,338,019
2	Standard Bank Limited, Topkhana Road Branch, SND	00536000929	1,414,695	6,012,351
3	Social Islami Bank Limited, Kakrail Branch, MND	1031360000588	7,042,560	2,265,912
4	One Bank Limited, Bijoy Nagar Branch, SND	0225180947002	3,861,418	11,143,962
5	AB Bank Limited, Kakrail Branch, CD	4009-387959-000	2,724,777	479,423
6	Sonali Bank Ltd, Kakrail Branch, (Current Account General)	4412302001370	2,842,229	7,434,868
7	EXIM Bank Limited, Shantinagar Branch, MSND	0113000094216	238,215	1,328,562
8	First Security Islami Bank Limited, Dilkusha Branch, MSND	010113100001633	483,434	476,159
9	NCC Bank Ltd, Bijoy Nagar Branch, CD	057-0210004371	1,058,675	2,421,080
10	Jamuna Bank Ltd, Shantinagar Branch, SND	1201000017873	33,051,896	26,097,549
11	NCC Bank Ltd, Bijoy Nagar Branch, SND	0057-0325000112	2,678,079	2,247,412
12	Eastern Bank Ltd, English Road Branch, SND	1031220000162	167,068	151,859
13	Prime Bank Ltd, Laldighi Branch, SND	2145313003428	1,125,275	969,940
14	Jamuna Bank Ltd, Shantinagar Branch, SND	1201000017782	178,782	2,677,890
15	The City Bank Ltd, Principal Branch (NRB)SND	3101073999001	629,284	3,991,649
16	The City Bank Ltd, Principal Branch Dollar	5121074165001	486,274	404,938
17	UCBL, Shantinagar Branch, STD	0242301000000154	7,797,307	9,070,694
18	Jamuna Bank Ltd, Shantinagar Branch, CD	00090210012762	2,910	1,660
19	Premier Bank Ltd, Kakrail Branch, CD	012411100007710	427	462
20	Mutual Trust Bank Ltd, Kakrail Branch, SND	00680320000011	3,250	6,090
21	Southeast Bank Ltd, Kakrail Branch, CD	003411100002491	3,903	1,593
22	Standard Bank Limited, Topkhana Road Branch, CD	00533011650	149	799
23	The City Bank Ltd, Mouchak Branch, CD	1101073999001	1,197	1,195
24	Bank Asia Ltd, Shantinagar Branch STD	03536000013	8,882	879
25	Mercantile Bank Ltd, Kawranbazar Branch, SND	110313124891225	164	902
26	EXIM Bank Limited, Rajuk Avenue Branch, AWCD	01311100124775	2,958	1,174
27	Standard Bank Limited, Principal Branch, CD	00233005798	1,221	2,814
28	Social Islami Bank Limited, Principal Branch, AWCD	0021330059994	5,075	4,655
29	Al- Arafah Islami Bank Ltd, Motijheel Branch, AWCD	0021020053707	15,746	1,744
30	Uttara Bank Limited, B.B Avenue Branch, CD	104012200212266	1,462	1,627
31	Mutual Trust Bank Ltd, Fulbaria Branch, SND	00260320000968	2,695	-
32	Shahjalal Islami Bank Ltd, Bijoy Nagar Branch, SND	4101813100001690	7,389	8,441
33	Sonali Bank Ltd, Joydevpur Branch, SND	0207240000191	1,308	1,611
34	EXIM Bank Limited, Agrabad Branch, AWCD	00311100000747	1,034	2,199

SI No.	Name of Bank	Account Number	Amount in taka December 31, 2022	Amount in taka December 31, 2021
35	Standard Bank Limited, Khatungonj Branch, CD	000333003264	12,143	4,388
36	Al- Arafah Islami Bank Ltd, Jubilee Road Branch, AWCD	0181020011094	1,980	2,843
37	Agrani Bank Ltd, Thana Road Br. Bogura, CD	0200000696349	619	747
38	EXIM Bank Limited, Kushtia Branch, AWCD	03711100102085	725	715
39	Mercantile Bank Ltd, Naogaon Branch, SND	010813100001269	1	7
40	Jamuna Bank Ltd, Chapi Nawabgoni Branch, CD	00520210010565	1,919	2,669
41	National Bank Ltd,Rangpur Branch, SND	1006001154879	17,734	18,770
42	Prime Bank Ltd, Khulna Branch, CD	2107115021337	633	610
43	Mercantile Bank Ltd, Jashore Branch, CD	114611106228697	302	912
44	Dhaka Bank Ltd, Satkhira Branch, CD	5011000005082	205	410
45	NRB Commercial Bank Ltd, Sylhet Branch, SND	36000000017	5,762	4,327
46	Meghna Bank Limited, Barishal Branch, SND	51011350000051	1,840	3,220
47	IFIC Bank Ltd,Rajshahi Branch, SND	0100150133041	452	-
48	HR Securities & Investments Ltd	1204350033155748	1,044,645	41,891
49	HR Securities & Investments Ltd	1204350034157136	137,063	137,513
50	HR Securities & Investments Ltd	1204350033670748	100	-
Total			71,703,135	79,769,134



Schedule of cash in hand
As at December 31, 2022

Annexure-E

SI No.	Name of Branch	Amount in taka December 31, 2022	Amount in taka December 31, 2021
1	Head Office	4,580,824	6,383,830
2	Local Office	20,500	31,603
3	Principal Branch	99	5,925
4	Palton Branch	517	771
5	Malibagh Branch	4,156	1,414
6	Dilkusha Branch	3,733	172
7	Head Office Cell	240	860
8	Motijheel Branch	4,387	3,768
9	Motijheel Corporate Branch	10,287	4,848
10	Elephant Road Branch	2,980	819
11	Farmgate Branch	1,266	1,207
12	B,B Avenue Branch	2,686	4,617
13	Rampura Branch	85	1,709
14	Imamgonj Branch	2,178	264
15	VIP Road Branch	3,474	12,452
16	Hatkhola Branch	121	401
17	Agrabad Branch	15,862	14,385
18	Khatungonj Branch	8,583	6,311
19	Jubilee Road Branch	835	55,987
20	Laldighi Branch	4	-
21	Khulna Branch	6	3,074
22	Satkhira Branch	879	964
23	Jashore Branch	88	18
24	Kushtia Branch	4	-
25	Naogaon Branch	84	835
26	Rangpur Branch	274,971	276,642
27	Chapai Nawabgonj Branch	110	219
28	Bogura Branch	3,892	110
29	Sylhet Branch	45	50
30	Rajshahi Branch	4	8
31	Mymensingh Branch	220	-
32	Dinajpur Branch	71	-
33	Gazipur Branch	-	-
34	Kakrail Branch	-	-
35	Savar Branch	-	-
Total		4,943,191	6,813,263

Net Assets Value:

The offering price of the common stock of the company has been determined on the basis of net assets value. The breakup is given below:

	Amount in Taka	
	December 31, 2022	December 31, 2021
A. Assets:		
a. Fixed assets		
Property, plant and equipment	58,837,835	52,337,159
Intangible assets	1,742,539	1,155,090
Right-of-use assets	16,617,147	11,573,817
Investment in government treasury bond and securities	94,500,000	79,300,000
Deferred tax	2,215,383	3,789,783
Investment in shares at market value	20,085,201	19,089,692
Total fixed assets	193,998,105	167,245,541
b. Current assets:		
Stock of printing ,stationery and stamp in hand	1,987,950	3,597,535
Amount due from other person or bodies carrying on insurance business	268,882,096	255,980,813
Interest accrued	23,457,621	18,834,629
Sundry debtors (including advances, deposits and pre-payments)	462,091,286	495,686,273
Fixed deposit with banks	526,610,559	487,908,600
Cash and cash equivalents	76,646,326	86,582,397
Total current assets	1,359,675,838	1,348,590,247
Total assets A= (a+b)	1,553,673,943	1,515,835,788
B. Liabilities:		
a. Non current liabilities:		
Paid up share capital	520,991,970	496,182,830
Reserve and contingent account:		
Reserve for exceptional losses	293,672,435	243,349,613
General reserve	11,250,000	10,500,000
Profit and loss appropriation account	62,712,045	86,117,864
Total non-current liabilities	888,626,450	836,150,307
b. Current liabilities:		
Balance of Funds and Accounts	205,172,320	169,056,357
Premium deposits	59,530,978	22,700,595
Estimated liability in respect of Outstanding claims whether due or intimated	54,838,818	104,904,250
Amount due to other persons or bodies carrying on insurance business	34,598,989	31,548,371
Lease liabilities(operating lease)	15,307,725	11,130,066
Provision for taxation	205,538,549	261,887,429
Provision for WPPF	48,452,144	40,052,131
Sundry creditors	40,183,588	37,385,897
Unclaimed dividend	1,424,382	1,020,385
Total current liabilities	665,047,493	679,685,481
Total liabilities B= (a+b)	1,553,673,943	1,515,835,788
Net asstes value: (A-B)	888,626,450	836,150,307
Weighted average number of ordinary shares	52,099,197	49,618,283
Net assets value per share	17.06	16.85



FORM-SM
Statement of Solvency Margin
For the year ended December 31, 2022

SI No.	Particulars	Amount in Taka December 31, 2022	Amount in Taka December 31, 2021
1	Adjusted Assets (A)	1,280,588,514	1,252,467,657
2	Adjusted Liabilities (B)	459,875,173	510,629,124
3	Available Solvency Margin (ASM) (A-B)	820,713,341	741,838,533
4	Required Solvency Margin (RSM)	212,691,131	186,747,468
5	Solvency Ratio (ASM) /(RSM) times	3.86	3.97



PROXY FORM

I/We _____
of _____
being a member(s) of Republic Insurance Company Limited hereby appoint Mr./Mrs./Ms. _____
_____ of _____
as my/our proxy to attend and vote for me/us and on my/our behalf at the 23rd Annual General Meeting of the
Company to be held on Monday, the June 19, 2023 at 11:00 AM and at any and or at any adjustment thereof.
Signed this _____ day of _____ 2023.

Revenue
Stamp
20/=

Signature of Shareholder(s) _____ Signature of the Proxy: _____
BO ID: _____
No. of Shares held: _____

Authorized Signature
Republic Insurance Company Limited

Signature verified

NB: Important

This Proxy Form, duly complete, signed and affixed with revenue stamp of Tk. 20/- must be deposited at least 48 hours before the time fixed for the meeting at the Company's Registered Office through E-mail ID no. info@riclbd.com. Proxy will be invalid if not signed and stamped as explained above.

Signature of the Shareholder should match with the Specimen Signature registered with the Company.



ATTENDANCE SLIP

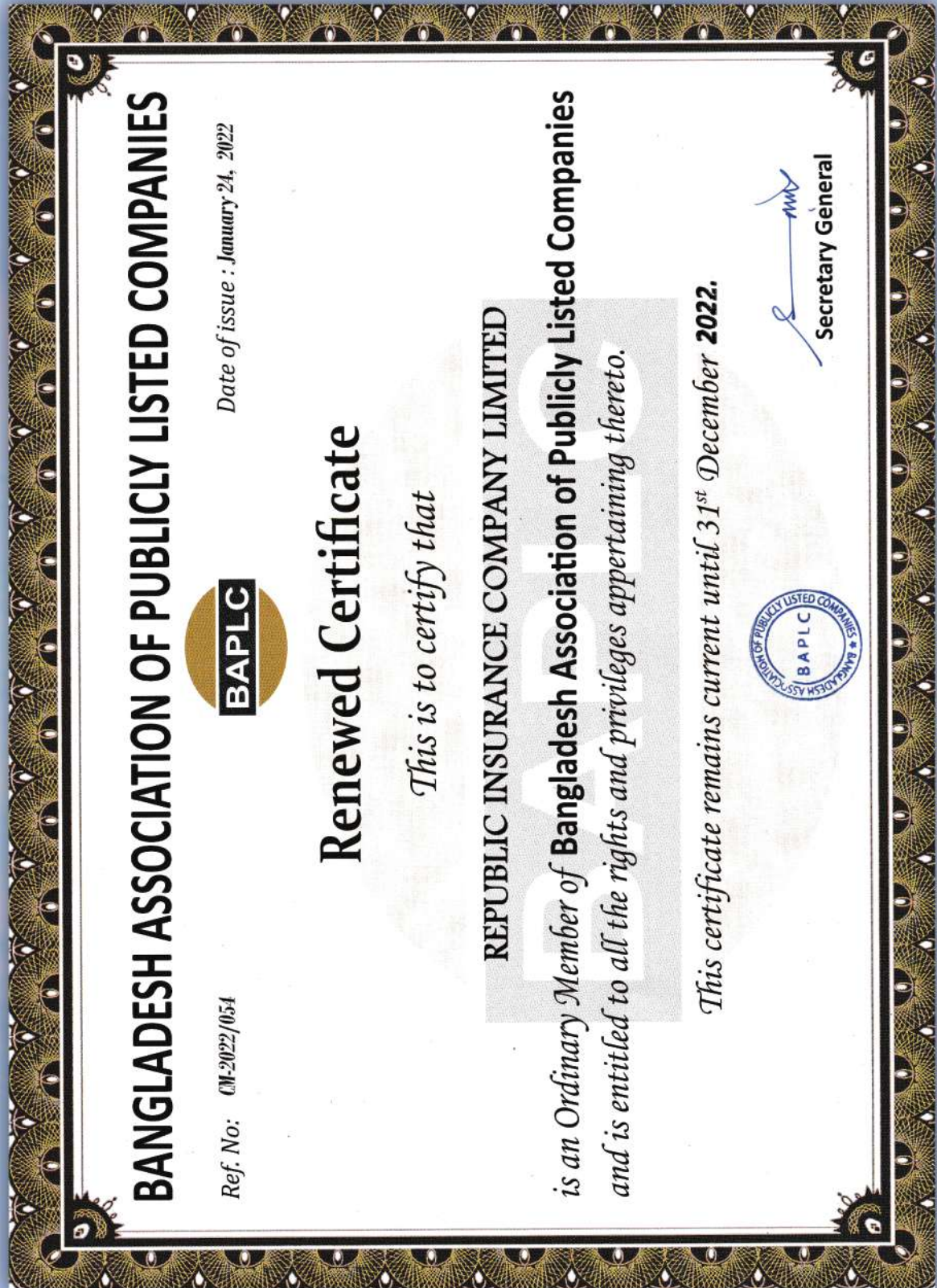
I hereby record my attendance at the 23rd Annual General Meeting of the Company being held on Monday, the June 19, 2023 at 11:00 AM through digital platform.

Signature of Shareholder(s) _____ Signature of the Proxy: _____
Name of Shareholder (s) _____ Name of Proxy: _____
BO ID: _____
No. of Shares held: _____

Authorized Signature
Republic Insurance Company Limited

Please bring this Attendance Slip with you. Admission into the meeting will not be allowed without it.

CERTIFICATE OF BAPLC

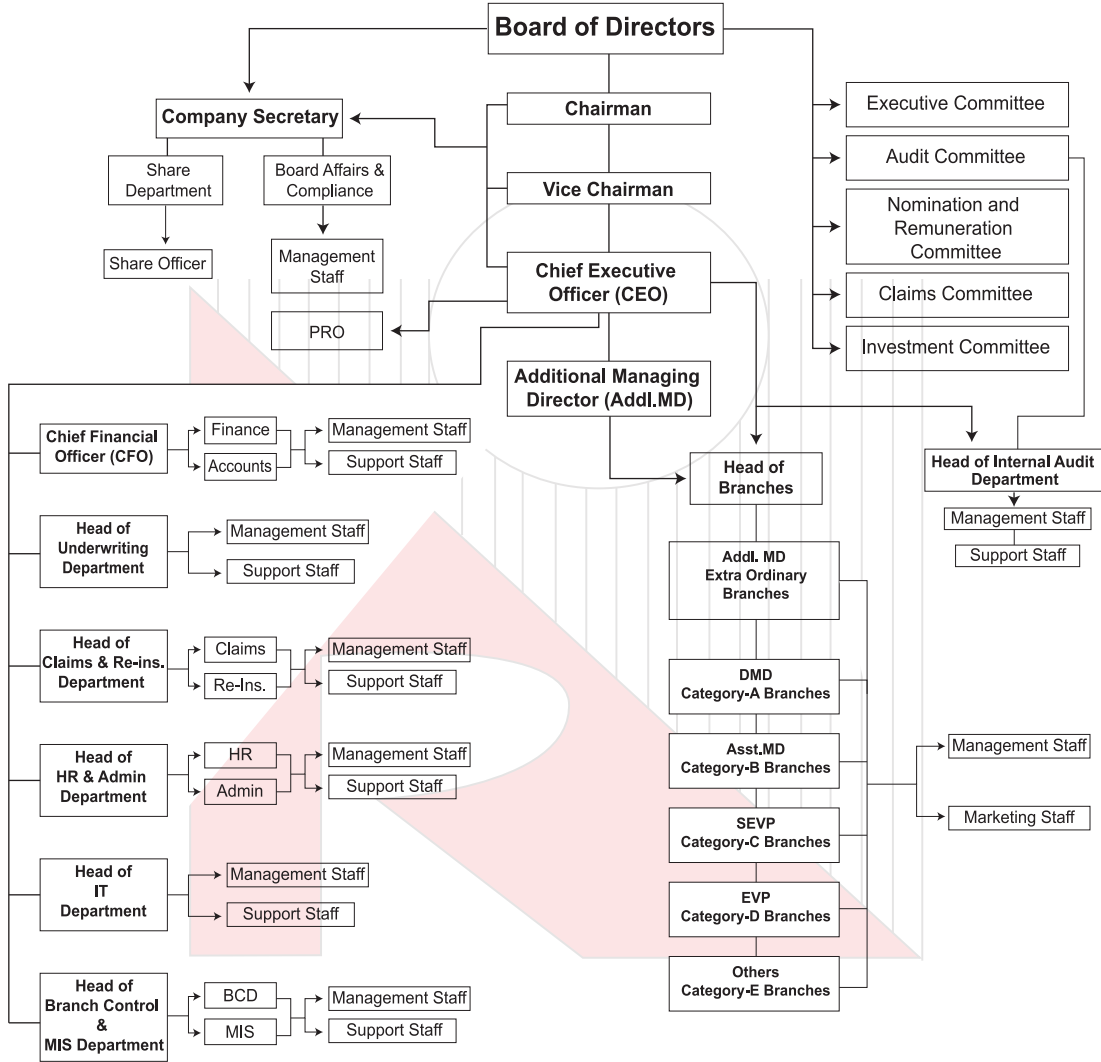


CORPORATE ORGANOGRAM



প্রি়াবলিক ইনসুরেন্স কোম্পানী লিমিটেড
Republic Insurance Company Limited

ORGANOGRAM



(Signature)
(Mohd. Hanif Chowdhury)
 Chairman

(Signature)
(Md. Abdur Rouf)
 Independent Director &
 Chairman, Nomination
 and Remuneration Committee

(Signature)
(Dr. A K M Sarwar Jahan Zamil)
 Chief Executive Officer

PHOTO GALLERY



ভার্চুয়াল গাজিংগ্রাম প্ল্যাটফর্ম ২০২২

সম্মানিত চেয়ারম্যান মহোদয়
শ্রীশ্রীবলিত ইশুরেগ কোম্পানি লিমিটেড
বক্তব্য পেশ করছেন।



সম্মানিত শ্রী শ্রীশ্রীবলিত ইশুরেগ কোম্পানি লিমিটেডের
বক্তব্য পেশ করছেন।

PHOTOGRAPHS OF VIRTUAL AGM 2022

PHOTO GALLERY



PHOTO GALLERY





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