

**AUDITOR'S REPORT  
AND  
FINANCIAL STATEMENTS  
OF  
JIBAN BIMA CORPORATION  
FOR THE YEAR ENDED 31 DECEMBER 2017**



**Khan Wahab Shafique Rahman & Co.**

Chartered Accountants

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মাসিহ মুহিত হাফে হাফে  
MASIH MUHITH HAQUE & CO  
Chartered Accountants  
since 1985

Level-13, UTC Building

8 Panthopoth, Dhaka-1215

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A member firm of **RSM**



**KHAN WAHAB SHAFIQUE RAHMAN & CO.**

**CHARTERED ACCOUNTANTS**

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মাসিহ মুহিত হক এন্ড কোম্পানি

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## **INDEPENDENT AUDITOR'S REPORT**

To

**The Shareholders of  
Jiban Bima Corporation**

### **Report on the Financial Statements**

We have audited the accompanying Financial Statements of **Jiban Bima Corporation** (hereinafter referred to as the Corporation) which comprise the Consolidated Balance Sheet as at 31 December 2017, the Consolidated Revenue Account, the Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory notes to the financial statements.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with **Bangladesh Financial Reporting Standards (BFRSs)** and along with Rules and Regulations issued by the **Insurance Development & Regulatory Authority (IDRA)**. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements of **Jiban Bima Corporation** that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are responsible in the circumstance.

### **Auditor's Responsibility:**

Our responsibility is to express an opinion on these financial statements of the corporation based on our audit. We conducted our audit in accordance with **Bangladesh Standards on Auditing (BSA)**. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expression an opinion on the effectiveness of the corporation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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



## Opinion

In our opinion, the financial statements give a true and fair view of the Consolidated Balance Sheet as at 31 December 2017, the Consolidated Revenue Account, the Consolidated Cash Flow Statement, for the year then ended in accordance with Bangladesh Financial Reporting Standards (BFRSs), Corporation Act 1973, Insurance Act 2010 and Insurance Rules 1958 and other applicable laws & regulations.

## Report on Other Legal and Regulatory Requirements

In accordance with the Insurance Act 2010 and Corporation Act 1973, we also report the following:

- (i) 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;
- (ii) in our opinion, proper books of account as required by law have been kept by the corporation as far as it appeared from our examination of those books;
- (iii) the Consolidated Balance Sheet, and Consolidated Revenue Accounts and Consolidated Cash Flows dealt with by the report are in agreement with the books of account and drawn as per **Insurance Act, 2010**;
- (iv) the expenditure incurred was for the purpose of the Corporation's business;
- (v) the Consolidated Balance Sheet and the Consolidated Revenue Account have been prepared in accordance with the regulations contained in Part I and Part II (form A) of the first schedule and Part I and Part II (form D) of the third schedule of Insurance Act, 2010. As per regulation 11 of Part I of the third schedule of the Insurance Act, 1938 as amended, we certify that to the best of our information and as shown by its books, the corporation during the year under report has not paid any person any commission in any form to outside Bangladesh and that the regional office during the year under report has not received outside Bangladesh from any person any commission in any form in respect of any of its business re-insured abroad;
- (vi) as per Section 62 (2) of the insurance Act 2010 as amended, we certify that to the best of our knowledge and belief and according to the information and explanations given to us, all expenses of management wherever incurred and whether incurred directly or indirectly, in respect of the life insurance business of Jiban Bima Corporation transacted in Bangladesh during the year under report have been duly debited to the related Revenue Accounts of the corporation;

  
Khan Wahab Shafique Rahman & Co.

Chartered Accountants  
A member firm of MGI

  
Masih Muhith Haque & Co.

Chartered Accountants  
A member firm of RSM

Dated: 18 November, 2018

Place: Dhaka



**JIBAN BIMA CORPORATION**  
**Consolidated Balance Sheet**  
as at 31 December 2017

| Particulars  | Notes | Amount in Taka               |                              |
|--|-------|------------------------------|------------------------------|
|  |       | 31.12.2017                   | 31.12.2016                   |
| <b>Capital and Liabilities</b>   |       |                              |                              |
| <b>Shareholders Capital</b>  |       |                              |                              |
| Authorised   | 5.01  | <u>200,000,000</u>           | <u>200,000,000</u>           |
| Share Capital  | 5.02  | 50,000,000                   | 50,000,000                   |
| Balance of life insurance fund   | 6.00  | 18,522,854,067               | 17,828,135,064               |
| Estimated liabilities in respect of outstanding claims whether due or intimated  | 7.00  | 702,813,700                  | 753,705,706                  |
| Amount due to other persons or bodies carrying on insurance business             | 8.00  | 2,962,422                    | 11,913,057                   |
| Sundry creditors (including outstanding & accruing expenses and taxes)           | 9.00  | 307,189,821                  | 240,976,794                  |
| Premium deposit  | 10.00 | 721,039,304                  | 727,138,074                  |
| Inter office balance   | 20.02 | -                            | -                            |
| <b>Total Capital and Liabilities</b>   |       | <u><u>20,306,859,314</u></u> | <u><u>19,611,868,695</u></u> |
| <b>Property and Assets</b>   |       |                              |                              |
| Loan – secured   | 11.00 | 2,499,923,710                | 2,367,482,328                |
| Investment :   | 12.00 | 5,436,442,803                | 5,182,390,186                |
| In securities, shares and debentures   |       | 5,116,759,829                | 4,855,006,390                |
| In house properties and land in Bangladesh at cost less accumulated depreciation |       | 319,682,974                  | 327,383,796                  |
| Agents' balance  | 13.00 | 538,748                      | 538,748                      |
| Outstanding premium-Renewal  | 14.00 | 487,348,998                  | 402,348,035                  |
| Interest, dividend and rent outstanding & accruing                               | 15.00 | 1,055,511,005                | 1,053,006,326                |
| Amount due from other persons or bodies carrying on insurance business           | 16.00 | 4,131,406                    | 4,131,406                    |
| Sundry debtors   | 17.00 | 1,233,435,939                | 1,282,486,563                |
| Cash and bank balances   | 18.00 | 9,529,546,764                | 9,273,606,245                |
| Other assets   | 19.00 | 59,979,941                   | 45,878,859                   |
| Other doubtful assets  | 20.00 | -                            | -                            |
|  |       | <u><u>20,306,859,314</u></u> | <u><u>19,611,868,696</u></u> |

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



Managing Director



Chairman

Subject to our separate report of even date.



**Khan Wahab Shafique Rahman & Co.**

Chartered Accountants

*A member firm of MGI*



**Masih Muhith Haque & Co.**

Chartered Accountants

*A member firm of RSM*

Dated: 18 November, 2018

Place: Dhaka



**JIBAN BIMA CORPORATION**  
**Consolidated Revenue Account**  
**For the year ended 31 December 2017**

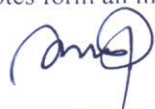
| Particulars  | Notes | Amount in Taka        |                       |
|--|-------|-----------------------|-----------------------|
|  |       | 2017                  | 2016                  |
| <b>Income</b>  |       |                       |                       |
| <b>Balance of life insurance fund at the beginning of the year</b>             |       | <b>17,846,480,267</b> | <b>17,225,818,663</b> |
| Life fund at the beginning of the year   |       | 17,828,135,064        | 17,223,372,474        |
| Add/Less : Previous year's adjustment  |       | 18,345,203            | 2,446,189             |
| <b>Premium less reinsurances</b>   |       | <b>4,713,356,660</b>  | <b>4,109,596,914</b>  |
| First year premium   |       | 955,614,610           | 775,252,935           |
| Renewal premium  |       | 3,327,574,260         | 2,946,300,334         |
| Mediclain  |       | 214,052               | 227,826               |
| Group insurance premium  |       | 429,953,738           | 387,815,820           |
| <b>Interest, dividend &amp; rent</b>   | 21    | <b>1,341,215,706</b>  | <b>1,392,749,664</b>  |
| Interest on policy loan  |       | 95,797,526            | 82,455,675            |
| Interest on deposit  |       | 1,085,743,526         | 1,150,664,586         |
| Dividend   |       | 35,429,035            | 37,316,433            |
| Rent-net   |       | 124,245,619           | 122,312,971           |
| <b>Other income</b>  |       | <b>20,684,051</b>     | <b>52,374,144</b>     |
| Miscellaneous receipts   |       | 5,110,344             | 20,106,493            |
| Profit commission on reinsurances  |       | 12,053,240            | 5,845,948             |
| Mediclain commission   |       | 385,293               | 410,090               |
| Profit on redemption of investment   |       | -                     | 128,313               |
| Incomplete proposal expenses recovery  |       | -                     | -                     |
| Sale of corporation's publication forms  |       | 2,749,795             | 49,400                |
| Discount of Govt. securities   |       | -                     | 45,367                |
| Excess provision of written back   |       | 1,000                 | 155,299               |
| Recovery from staff  |       | 384,379               | 547,497               |
| Old Claims by death & maturity ( O/ 3 years) w\back                            |       | -                     | 25,085,737            |
| <b>First year premium where the maximum paying period is within Bangladesh</b> |       |                       |                       |
| One Years  |       | 59,407                |                       |
| Five years   |       | 198387                | 273,865               |
| Six years  |       | 3078225               | 1,358,663             |
| Seven years  |       | 3893756               | 2,188,226             |
| Eight years  |       | 5256191               | 3,493,305             |
| Nine years   |       | 5,326,388             | 3,513,517             |
| Ten years  |       | 23,113,868            | 18,831,552            |
| Eleven years   |       | 13,323,966            | 16,048,265            |
| Twelve years and over  |       | 901,364,422           | 729,545,542           |
| (including throughout life)Tk.   |       | <b>955,614,610</b>    | <b>775,252,935</b>    |
|  |       | <b>23,921,736,683</b> | <b>22,780,539,385</b> |



**JIBAN BIMA CORPORATION**  
**Consolidated Revenue Account**  
**For the year ended 31 December 2017**

| Particulars  | Notes | Amount in Taka        |                       |
|--|-------|-----------------------|-----------------------|
|  |       | 2017                  | 2016                  |
| <b>Expenditure</b>   |       |                       |                       |
| <b>Claims under policies (including provision for claims whether due or intimated less reinsurances)</b> |       | 3,203,033,550         | 3,038,645,973         |
| <b>By Death</b>  |       | <b>280,885,280</b>    | <b>296,932,404</b>    |
| Individual   |       | 95,582,020            | 137,354,538           |
| Group  |       | 185,303,260           | 159,577,866           |
| <b>By Maturity</b>   |       | <b>1,514,771,817</b>  | <b>1,469,485,029</b>  |
| Individual   |       | 1,493,041,599         | 1,460,131,230         |
| Group  |       | 21,730,218            | 9,353,799             |
| <b>By Surrender (including surrender of bonus less reinsurances)</b>                                     |       | <b>266,836,538</b>    | <b>265,747,928</b>    |
| Individual   |       | 266,775,582           | 265,614,406           |
| Group  |       | 60,956                | 133,522               |
| Annuity less reinsurances  |       | 75,000                | 104,900               |
| Pension  |       | 612,330,723           | 463,145,741           |
| Bonus in cash less reinsurances  |       | 516,988,405           | 519,862,616           |
| Group medical benefit  |       | 5,483,460             | 14,759,090            |
| Profit commission on group policies  |       | 5,662,326             | 8,608,265             |
| <b>Management Expenses</b>   | 22    | <b>2,022,352,050</b>  | <b>1,774,070,460</b>  |
| <b>Other expenses</b>  |       | <b>173,497,016</b>    | <b>139,687,890</b>    |
| Contribution to Bangladesh Insurance Academy   |       | 800,000               | 800,000               |
| Loss on redemption investment  |       |                       |                       |
| Corporations tax.  |       | 148,010,650           | 116,097,197           |
| Govt. security Bond Interest   |       | 16,271,248            | 5,768,082             |
| Govt. security Bond Premium  |       | 8,415,118             | 17,022,611            |
| Balance of life Insurance fund at the end of the year as shown in the balance sheet                      |       | <b>18,522,854,067</b> | <b>17,828,135,064</b> |
|  |       | <b>23,921,736,683</b> | <b>22,780,539,386</b> |

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



Managing Director



Chairman

Subject to our separate report of even date.



**Khan Wahab Shafique Rahman & Co.**

Chartered Accountants

**A member firm of MGI**



**Masih Muhith Haque & Co.**

Chartered Accountants

**A member firm of RSM**

Dated: 18 November, 2018

Place: Dhaka



**JIBAN BIMA CORPORATION**  
**Consolidated Cash Flow Statement**  
**For the year ended 31 December 2017**

| Particulars   | Amount in Taka       |                      |
|---|----------------------|----------------------|
|   | 31.12.2017           | 31.12.2016           |
| <b>Cash flow from operating activities</b>  |                      |                      |
| Operating surplus for the year  | (512,028,940)        | (703,119,518)        |
| Add depreciation on operating assets  | 6,494,185            | 6,400,570            |
| Cash flow from operation before working capital changes                                       | <b>(505,534,755)</b> | <b>(696,718,948)</b> |
| <b>Changes in working capital</b>   |                      |                      |
| Increase (decrease) in outstanding claim  | (50,892,006)         | 28,058,497           |
| Increase (decrease) in amount due to other persons or bodies carrying on insurance business   | (8,950,635)          | 9,499,184            |
| Increase (decrease) in sundry creditors   | 66,213,027           | 42,587,695           |
| Increase (decrease) in premium deposit  | (6,098,770)          | 71,653,702           |
| (Increase) decrease in loan   | (132,441,382)        | (103,401,832)        |
| (Increase) decrease in investments  | (261,753,440)        | (268,232,090)        |
| (Increase) decrease in agent's balances   | -                    | -                    |
| (Increase) decrease in outstanding premium  | (85,000,963)         | (19,288,982)         |
| (Increase) decrease in outstanding interest, dividend & rent                                  | (2,504,679)          | 34,969,683           |
| (Increase) decrease in sundry debtors   | 49,050,624           | 3,229,238            |
| (Increase) decrease in inventory of printing building materials & stamp                       | 1,141,547            | (1,288,448)          |
| (Increase) decrease in Motor Cycle loan   | (16,893,884)         | 1,694,604            |
| (Increase) decrease in amount due from other persons or bodies carrying on insurance business |                      | -                    |
| (Increase) decrease Furniture & Fixture & Office Equipment                                    | 1,651,255            | (3,159,361)          |
| <b>Net change in cash flow due to change in Working Capital</b>                               | <b>(446,479,307)</b> | <b>(203,678,109)</b> |
| <b>Cash flow from non operating activities:-</b>  |                      |                      |
| Other income, Written back & Other expenditure  | (159,307,150)        | (93,714,316)         |
| Previous year's adjustment  | 18,345,203           | 2,446,189            |
| <b>Net cash flow from non operating activities:-</b>  | <b>(140,961,947)</b> | <b>(91,268,127)</b>  |
| <b>Cash flow from investing activities</b>  |                      |                      |
| Investment income for the year  | 1,341,215,706        | 1,392,749,664        |
| Add depreciation on investing assets  | 7,700,823            | 7,898,280            |
| <b>Net cash flow from investing activities</b>  | <b>1,348,916,528</b> | <b>1,400,647,944</b> |
| Net cash increase from operating investing and other activities                               | 255,940,519          | 408,982,760          |
| Cash and equivalents at the beginning of the year   | 9,273,606,245        | 8,864,623,484        |
| <b>Cash and cash equivalents at the end of the year</b>                                       | <b>9,529,546,764</b> | <b>9,273,606,245</b> |



Managing Director



Chairman

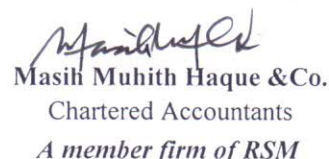
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Chartered Accountants

**A member firm of MGI**



**Masih Muhith Haque & Co.**

Chartered Accountants

**A member firm of RSM**

Dated: 18 November, 2018

Place: Dhaka



**JIBAN BIMA CORPORATION**  
**Consolidated Life Insurance Fund**  
as at 31 December 2017

| Particulars  | Amount in Taka        |                       |
|--|-----------------------|-----------------------|
|  | 31.12.2017            | 31.12.2016            |
| <b>Property and Assets</b>   |                       |                       |
| Loan – secured   | 2,499,923,710         | 2,367,482,328         |
| Investment :   | <b>5,436,442,803</b>  | <b>5,182,390,186</b>  |
| In securities, shares and debentures   | 5,116,759,829         | 4,855,006,390         |
| In house properties and land in Bangladesh at cost less accumulated depreciation | 319,682,974           | 327,383,796           |
| Agents' balance  | 538,748               | 538,748               |
| Outstanding premium-Renewal  | 487,348,998           | 402,348,035           |
| Interest, dividend and rent outstanding & accruing                               | 1,055,511,005         | 1,053,006,326         |
| Amount due from other persons or bodies carrying on insurance business           | 4,131,406             | 4,131,406             |
| Sundry debtors   | 1,233,435,939         | 1,282,486,563         |
| Cash and bank balances   | 9,529,546,764         | 9,273,606,245         |
| Other assets   | 59,979,941            | 45,878,859            |
| Other doubtful assets  | -                     | -                     |
|  | <b>20,306,859,314</b> | <b>19,611,868,695</b> |
| <b>Capital and Liabilities</b>   |                       |                       |
| Estimated liabilities in respect of outstanding claims whether due or intimated  | 702,813,700           | 753,705,706           |
| Amount due to other persons or bodies carrying on insurance business             | 2,962,422             | 11,913,057            |
| Sundry creditors (including outstanding & accruing expenses and taxes)           | 307,189,821           | 240,976,793           |
| Premium deposit  | 721,039,304           | 727,138,074           |
| Inter office balance   | -                     | -                     |
|  | <b>1,734,005,247</b>  | <b>1,733,733,631</b>  |
| Gross Fund( Assts-Liabilities)   | 18,572,854,067        | 17,878,135,064        |
| Less: Paid up Capital  | 50,000,000            | 50,000,000            |
| <b>Life Insurnee fund at the end of the year</b>                                 | <b>18,522,854,067</b> | <b>17,828,135,064</b> |



Managing Director



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Dated: 18 November, 2018

Place: Dhaka



**Masih Muhith Haque & Co.**

Chartered Accountants

**A member firm of RSM**



**JIBAN BIMA CORPORATION**  
Form " AA "  
Classified Summary of Assets in Bangladesh

| Class of Assets   | Book Value<br>Amount Tk. | Market Value<br>Amount Tk. | Remarks          |
|---|--------------------------|----------------------------|------------------|
| Government securities                                   | 4,784,250,017            | -                          | At Cost          |
| Government approved securities                          | 7,499,952                | -                          | At Cost          |
| ICB Mutual Fund   | 826,730                  | -                          | At Cost          |
| Debentures  | 2,917,438                | -                          | At Cost          |
| Bridge finance advance                                  | 5,572,000                | -                          | At Cost          |
| Pre liberation shares                                   | 3,073,610                | 145,692,288                | At Cost          |
| Post liberation shares                                  | 122,592,580              | 241,467,683                | At Cost          |
| Bangladesh mutual fund                                  | 100,000,000              | 100,000,000                | At Cost          |
| ICB shares  | 100,629,900              | 690,033,600                | At Cost          |
| Loan on mortgage of properties                          | 585,094,619              | -                          | Realizable Value |
| Loan on insurer's policies within their surrender value | 1,914,829,091            | -                          | Realizable Value |
| House properties and land in Bangladesh at cost         | 627,579,951              | -                          | Realizable Value |
| Bank balance on deposit accounts                        | 9,231,393,470            | -                          | Realizable Value |
|   | <b>17,486,259,358</b>    | <b>1,177,193,571</b>       |                  |
| Less; Provision for doubtful Investment                 | 10,602,398               | -                          |                  |
|   | <b>17,475,656,960</b>    | <b>1,177,193,571</b>       |                  |
| <b>Others</b>   |                          |                            |                  |
| Cash in hand and at bank in CD accounts                 | 298,153,294              | -                          | Realizable Value |
| Fixed assets at cost less accumulated depreciation      | 26,011,905               | -                          | Realizable Value |
| Agent's balance   | 538,748                  | -                          | Realizable Value |
| Outstanding premium                                     | 487,348,998              | -                          | Realizable Value |
| Interest, dividend and rent receivable                  | 1,055,511,005            | -                          | Realizable Value |
| Motor car   | 22,149,339               | -                          | Realizable Value |
| Motor cycle/Bi-cycle loan                               | 3,452,366                | -                          | Realizable Value |
| Amount due from general department                      | 4,131,406                | -                          | Realizable Value |
| Sundry debtors  | 1,233,435,939            | -                          | Realizable Value |
| Stock of building materials                             | 448,539                  | -                          | Realizable Value |
| Stamps in hand  | 2,675,162                | -                          | At Cost          |
| Stock of printing and stationery                        | 5,242,630                | -                          | At Cost          |
|   | <b>3,139,099,331</b>     | <b>-</b>                   |                  |



Managing Director



Chairman

Subject to our separate report of even date.



**Khan Wahab Shafique Rahman & Co.**

Chartered Accountants

*A member firm of MGI*

Dated: 18 November, 2018

Place: Dhaka



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মাসিহ মুহিত হাফে এন্ড কোম্পানি  
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A member firm of **RSM**

**JIBAN BIMA CORPORATION  
HEAD OFFICE, DHAKA.**

**MANAGEMENT EXPENSES CERTIFICATE**

We hereby certify that the all expenses of management amounting to 2,022,352,049.68 in respect of life insurance business transacted by the corporation in Bangladesh wherever incurred, whether directly or indirectly have been fully charged to the revenue Account as expenses.

Managing Director

Chairman

Subject to our separate report of even date.

**Khan Wahab Shafique Rahman & Co.**

Chartered Accountants

**A member firm of MGI**

**Masih Muhith Haque & Co.**

Chartered Accountants

**A member firm of RSM**

Dated: 18 November, 2018

Place: Dhaka



## **Jiban Bima Corporation**

### **Notes to the Accounts, Comprising Significant Accounting Policies and Other Explanatory Information For the year ended 31 December 2017**

#### **1.00 Legal status and nature of business**

##### **1.01 Establishment and Status of the Corporation**

Jiban Bima Corporation was established on the 14th May, 1973 under the Corporation Act 1973 (Act VI of 1973) with authorized capital of Tk. 5 crore which has subsequently been increased to TK. 20 Crore duly approved by the Government. The Corporation is engaged in life insurance business in Bangladesh since its inception.

The registered Head office of the corporation is located at its own building named Jiban Bima Bhaban, 24 Motijheel Commercial Area, Dhaka-1000, Bangladesh. The business of the corporation is being carried out through office located all over the country.

##### **1.02 Nature of business**

The Corporation is engaged in life insurance business mainly in ordinary life and group insurance business. It offers 29 different types of life insurance schemes. These are whole life assurance, endowment assurance, child protection policy, children endowment, anticipated endowment assurance, pension scheme policy, single payment policy, mortgage protection policy, group term insurance policy, group endowment policy, group variable endowment policy, group pension policy, grameen bima policy, joint life endowment policy and progressive premium policy. It has the largest network all over the country with 7 Regional, 9 Zonal, 13 Corporate, 71 Sales and 398 Branch offices.

#### **2.00 Basis of presentation and Statement of Compliance**

##### **2.01 Statement of Compliance**

The financial statements have been prepared on a going concern and accrual basis on historical cost basis and therefore, do not take into consideration of the effect of inflation. The following underlying assumptions, measurement base, laws, rules, regulations and accounting pronouncements have been considered in preparing and presenting the financial statements.

- Going Concern
- Accrual unless stated otherwise except for Cash Flow Statement
- History of cost convention
- The Insurance Corporation Act, 1973
- The Insurance Act, 2010 and 1938 (Where applicable)
- The Insurance Rules, 1958;
- Income Tax Ordinance 1984;
- The Bangladesh Accounting Standards (BASs) 1,2,7,8,10,16,19,24,27,37,39&40 which have been adopted by the Institute of Chartered Accountants of Bangladesh (ICAB);
- The Bangladesh Financial Reporting Standards (BFRSs);
- These financial statements have been prepared on the format of financial statements prescribed in the Insurance Act/Rules 1958.
- Any other applicable legislation in Bangladesh and practice generally followed by the insurance sector.



## **2.02 The functional and presentation currency**

Items included in the financial statements are measured using the currency of the primary economic environment in which the Corporation operates.

The financial statements are presented in Bangladeshi Taka, which is the Corporation's functional and presentation currency.

## **2.03 Risk and uncertainties for use of estimates in preparation of financial statements**

Preparation of financial statements in conformity with Bangladesh Accounting Standards requires management to make estimates and assumption that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of financial statement and revenues and expense during the period reported. Actual result could differ from estimates. Estimates are used for accounting of certain items such as long term contracts, depreciation and amortization, taxes, classes of accrued expense reserves and contingencies (when arise).

## **2.04 Reporting Period**

The financial statements of the Corporation cover one year **from January 01 to December 31** of the calendar year and is followed consistently.

## **2.05 Structure, Components and presentation of the Financial Statements**

Being the general purpose of financial statements, the financial statements are prepared in line with the requirements on the Insurance Act 2010 and Bangladesh Financial Reporting Standards (BFRSS) and presented on the basis of BAS-1 "Presentation of Financial Statements". The Financial Statements comprises:

The financial statements include the following components:

- i) Consolidated Balance Sheet
- ii) Consolidated Revenue Account
- iii) Consolidated Cash Flow Statement
- iv) Statement of Life Insurance Fund
- v) Classified summary of the Assets (Form AA) and
- vi) Notes to the Accounts, comprising significant accounting policies and other explanatory information.

## **3.00 Summary of Significant Accounting Policies**

### **3.01 Basis of presentation**

The Balance sheet 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 the First Schedule. Life Revenue Account has been prepared in accordance with the regulations as contained in Part I of the Third schedule and as per Form "D" as set forth in Part II of Third Schedule of the Insurance Act, 1938. The classified Summary of the Assets has been prepared in accordance with Form "AA" as set forth in Part II of the First Schedule.

### **3.02 Revenue recognitions**

Revenue is recognized according to the guideline set out in "BFRS-4, Insurance Contract" first year premium is recognized when premium is received and the relevant policy is issued. Collectible amount of premiums due and outstanding in the month of December 2017 for which grace period has not expired and previous installments have been paid, are recognized as revenue.



### **3.02.1 Individual life policies**

Individual life first year and renewal are recognized once the related policies are issued/renewed against receipt and realization of premium.

However, Provision for outstanding premium for the accounting year is estimated on basis of collection in the following three (3) months taking into consideration the nature and practice in the insurance industry rental income on investment property. Uncollected premium from lapsed policies is not recognized as income until such policies are revived.

### **3.02.2 Group Life Policies**

The premiums of Group Policies are recorded after receipt of the premiums and in certain circumstances premiums falling due under the policies within the financial period are also recognized if these premiums are subsequently received.

### **3.02.3 Reserved for unexpired risk-group business**

Gross premium proportionate to the unexpired duration of the period for which the respective premiums have been billed and received are held as reserve for unexpired risk.

### **3.03 Rental Income on investment property**

Rental Income is recognized on accrual basis, except for the case that is under litigation.

### **3.04 Interest, Dividend and rents**

Interest income is recognized on accrual basis unless otherwise stated. Realized gains and losses in respect of financial instruments, such as, equity securities, units of mutual fund and corporate bonds listed in the stock exchange are calculated as the difference between the net sales proceeds and their costs using the weighted average method, that is profit or loss on sale of the listed financial instruments are recognized in the Income Statement on cost basis.

Interest income on bank deposit (FDRs) is recognized on accrual basis

Dividend income is recognized when the Corporation's right to receive dividend is established.

Interest and dividend are accounted at gross value (before deduction of income tax).

Policy loans are allowed to the policy holders to the extent of surrender values of their respective policies provided the policies are in force for not less than two years. Interest on policy loan is accounted on accrual basis subject to the provisions of the Insurance Act/Rules.

Profit or loss on sale of securities/equities is taken to revenue only in the year of sale.

### **3.05 Provision**

A Provision is recognized in the balance sheet date if, as a result of past events, the Corporation has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.



### 3.06 Re-insurance

The Corporation has reinsurance arrangement with Hannover and Toyser & Co. Reinsurance premium is recorded as expense evenly throughout the period of the reinsurance contract and set off against the premium income of respective year. The claim recoveries arising out of reinsurance contracts are set off against the claims expenses of respective year.

### 3.07 Claims costs

Claims cost consists of the policy benefit amount and claim settlement costs, where applicable. Death claims are accounted for on receipt of intimation. Annuity benefits and Maturity benefits are accounted when due. Surrenders are accounted for on the receipt of consent from the insured to the quote prescribed in the policy deed provided by the Corporation. Maturity claims also include amounts payable on lapsed policies which are accounted for on the date of maturity of policies. Re-insurance claims receivable are accounted for in the period in which claims are settled.

### 3.08 Investments

Investments are made in accordance with the provision of the Insurance Act/Rules 1958 and the circulars/notifications issued by the controller of Insurance/IDRA in this context from time to time.

#### a) Classification of investment

Investments with fixed or determinable payments and fixed maturity, where the Corporation has positive intent and ability to maturity, are classified as Held-to-Maturity. Investments which are intended to be held for an indefinite period but may be sold in response to the need for liquidity or change in mark-up/interest rates are classified as Available-For-Sale.

#### b) Valuation of investments

##### (i) Investment property

Investment property represents land or building held for investment purpose investment property is valued at historical cost plus revaluation, if any.

Cost of investment property includes their acquisition cost and cost of various phases of construction works including advance to contractors which have been completed at the balance sheet date.

##### (ii) Debt Securities

Debt securities with fixed income (Bangladesh Govt. Treasury Bond), Private and Public Bonds and Debentures are categorized by class and are accounted for "held to maturity" and have been valued at cost. The discount in respect of the debt securities which is the difference between the purchase price and the redemption amount is amortized and recognized in the Revenue Account on straight line basis over the remaining period to maturity of these securities. For fair presentation, Premium, if any premium on acquisition of those bonds and debentures are however charged to Revenue in the year of acquisition.



**(iii) Financial instruments stated at fair value**

Financial instruments such as equities, mutual funds and corporate bonds have been disclosed at cost value which is based on their quoted market price at the purchase date without any deduction for transaction costs.

Unrealized gains and losses arising due to changes in fair value of financial instruments have been disclosed under the head "Fair Value Change Accounts".

- (iv) Loans are valued at historical cost (less repayments), subject to provision for impairment, if any.
- (v) All other investments are recognized at cost including their acquisition charges, if any, less impairments, if any.

**3.09 Fixed Assets**

**3.09.1 Recognition**

The Corporation recognized the cost of an item of property as an asset when the probable future economic benefits associated with the item will flow to the entity and the cost of the item is measureable reliably. Normal replacement cost due to wear and tear of the assets has been recognized as revenue expenditure.

**3.09.2 Measurement**

All fixed assets are measured at cost and disclosed deducting accumulated depreciation as per "BAS-16 : Property, Plant and Equipment". The cost of acquisition comprises its purchase price including duties and taxes (if any) and other direct cost to bring the asset in operation.

**3.09.3 Depreciation on fixed assets**

Depreciation on fixed assets except on land has been calculated on reducing balance method at varying rates depending on the class and their estimated useful life as stated below. Method and rate of providing depreciation are consistently applied in relation to the previous year. Proportionate depreciation on day to day basis is charged on additions when the related assets are put into use.

| Particulars            | Rate (%) |
|------------------------|----------|
| Furniture and fixtures | 6%       |
| Motor vehicle          | 20%      |
| Office equipment       | 15%      |
| Computer               | 30%      |
| Building               | 2.5%     |

The gain or loss arising on the disposal or retirement of an asset is determined on the difference between the sale proceeds and the carrying amount of the assets and recognizes in the life Revenue Account.



### **3.09.4 Impairment**

As Per "BAS- 36: Impairment of Assets" the carrying amounts of the Corporation's non-current assets, other than deferred tax assets are reviewed at each reporting date to determine whether there is indication of impairment. Considering the present conditions of the assets, management concludes that there is no such indications exist.

### **3.10 Taxation**

#### **Current Tax**

Provision for Taxation is based on taxable income determined under the Fourth Schedule of the Income Tax Ordinance 1984 and best judgment of the management.

Charge for the current tax is calculated following the accepted method of income assessment and the using tax rate enacted at the balance sheet date and includes adjustments, where considered necessary relating to prior years.

### **3.11 Stock of stamp, printing and stationery**

Stationery, stamps and printed materials have been valued at cost and such valuation has been certified by the management.

### **3.12 Risk minimization Strategies**

#### **3.12.1 Individual life business**

Insurance underwriting risk is the risk that the Corporation will suffer losses due to economic situation or the rate of occurrence of an incident contrary to the forecast made at the time of setting up of the premium rate.

The underwriting risk arises from death and sometimes due to permanent disability and critical illness. The Corporation may get exposed to poor risk due to unexpected experience in terms of claim severity or frequency. This can be a result of anti-selection, fraudulent claims or poor persistency. The Corporation may also face the risk of poor investment return, inflation of business expenses and liquidity issues on monies invested in the fund. The Corporation faces the risk of under pricing particularly due to nature of long-term contract. In addition to this, due to poor persistency, the Corporation would be unable to recover expenses of policy acquisition. The Corporation manages these risks through its underwriting, reinsurance, claims handling policy and other related control mechanisms. The Corporation has a well defined policy and avoids selling policies to high risk individuals. Underwriting procedures have been enhanced and rules have been structured to enable the Corporation to strike a balance between mitigating risk, ensuring control and providing better service. This puts a check on anti-selection.

The Corporation seeks to reduce its risk exposure by reinsuring certain levels of risk with renowned re-insurance HANOVER and TOYSER & Co.

The Corporation provides quality service to the policyholders and checks to minimize miss-selling and avoid poor persistency. A regular monitoring of lapsation rate is conducted. The Corporation has procedures in place to ensure avoidance of payment of fraudulent claim. The Claim Committee reviews all sum assured and early claims for verification and detailed investigation of all doubtful and early claims are conducted. The Corporation maintains adequate liquidity to cater for potentially sudden and high cash requirement.



### 3.12.2 Group life

The major risk underwritten by the Corporation is death which depends on mortality. Other risks underwritten include disability and major disease.

Risk increases as a result of catastrophic events, business procurement without following underwriting guidelines business procurement at low premium rate due to tough market competition and fraudulent claims. Non-receipt of premium in due time is an additional factor. The Corporation manages this risk through proper underwriting, reinsurance, effective claims handling and other claim control mechanism. The Corporation also avoids underwriting group business with employees exposed to hazardous profession. Pricing is done in line with actuarial guideline, experience and the mortality exposure the concerned group faces. Moreover, premium rates of existing groups are also reviewed from time to time on the basis of claim experience. Reinsurance arrangements are made by the Corporation with renowned re-insurer to limit the risk at affordable level. Beside, the Corporation avoids payment of fraudulent claims through claim investigation. Strict monitoring is in place to keep the outstanding balances of premium at a minimum.

### 3.12.3 Liquidity risk

Liquidity risk is the risk that the Corporation will be unable to meet its funding requirements. To guard against the risk the Corporation has diversified funding sources and assets are managed with liquidity in mind, maintaining healthy balance of cash and cash equivalent and readily market securities.

### 3.12.4 Interest rate risk

The Corporation invests in securities and has deposits that are subject to interest rate risk. Interest rate risk to the Corporation is the risk of changes in market. Interest rate reducing the overall returns on its interest basis securities. The Corporation limits interest risk by monitoring changes in interest rates in the money market and by diversifying into various institutions (issuers' of securities).

### 3.12.5 Market risk (investment pattern)

Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether these changes are caused by factors specific to the individual security or its issuer or factors affecting all securities traded in the market.

The Corporation is exposed to market risk with respect to its investment.

The Corporation continues to adopt a prudent policy in respect of investments. The fund of the Corporation has been invested as per provision of the Insurance Act. The investments are mainly in Govt. securities, Fixed Deposits Receipts (FDR's) with various commercial banks and financial institutions having acceptable performance parameters and ratings and equity shares in listed companies having good and positive fundamental and technical attributes.

The Corporation also limits market risk maintaining a diversified profile and by continuous monitoring of developments in Govt. securities (bonds) equity and term finance certificates markets. In addition, the Corporation actively monitors the key factors that affect the underlying value of these securities.



### **3.12.6 Reinsurance risk**

The Corporation seeks to reduce its risk exposure by reinsuring certain levels of risk with re-insurer. Re-insurer ceded does not relieve the Corporation from its obligation to policyholders and as a result, the Corporation also remains liable for the portion of outstanding claims reinsured to the extent that re-insurer does not meet the obligations ultimately under the reinsurance agreements.

In order to minimize the risk, the Corporation has obtained reinsurances cover from a renowned re-insurer, HANOVER and mediclaim policy with TOYSER & Co. with proven sound financial health.

### **3.12.7 Credit risk**

Credit risk is the risk, which arises with the possibility that one party to a financial instrument will fail to discharge its obligation and cause the other party to incur a financial loss. Major credit risk is in bank balance investments. The management monitors exposure to credit risk through regular review of credit exposure and assessing credit worthiness of counter parties.

### **3.13 Commission**

Commission to insurance agents (less that on reinsurance) represents first year commission and renewal commission. Allowances and commission (other than commission to insurance agents less that on reinsurances) represent field officers salary and allowances including bonuses.

### **3.14 Cash flow statement**

Cash Flow statements are prepared in accordance with BAS-7 and Cash Flow from operating activities has been presented under indirect method. For the purpose of Cash Flow Statements, cash and cash equivalents include the following.

- \* Cash at bank in current and SND accounts
- \* Term deposits (FDRs) with commercial banks
- \* Cash in hand and in transit

### **3.15 Comparative information**

Relevant comparative information has been disclosed in respect of the year for all numerical information in the financial statements.

### **3.15 Retirement benefit scheme**

The Corporation, through the trustees has been maintaining a recognized contributory provident fund for all its eligible permanent employees.

### **4.00 General**

The previous year's figures have been regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

Amounts presented have been rounded to the nearest Taka.



| Amount in Taka |            |
|----------------|------------|
| 31.12.2017     | 31.12.2016 |

**5.00 Share capital**

**5.01 Authorized capital**

|                    |                    |
|--------------------|--------------------|
| <b>200,000,000</b> | <b>200,000,000</b> |
|--------------------|--------------------|

The above amount represents authorized capital of Jiban Bima Corporation which is determined as per circular No. 175-2186 of 14 June 1986 of the Ministry of Commerce, Government of the Peoples' Republic of Bangladesh.

**5.02 Issued, subscribed and fully share capital**

|                   |                   |
|-------------------|-------------------|
| <b>50,000,000</b> | <b>50,000,000</b> |
|-------------------|-------------------|

This represents the contribution made by the Government of Bangladesh in cash capital of the Corporation.

**6.00 Balance of life insurance fund**

The office-wise and unit-wise break up of life fund is as follows:

|                                     |                       |                       |
|-------------------------------------|-----------------------|-----------------------|
| Central Accounts & Finance Division | 8,845,213,227         | 8,373,077,092         |
| Dhaka Regional Office               | 1,282,922,130         | 1,322,352,659         |
| Chittagong Regional Office          | 3,213,822,646         | 3,230,205,599         |
| Rajshahi Regional Office            | 961,668,125           | 950,714,948           |
| Khulna Regional Office              | 1,122,038,455         | 1,111,519,296         |
| Barisal Regional Office             | 277,301,533           | 272,778,678           |
| Sylhet Regional Office              | (2,643,793)           | 68,588,906            |
| Rangpur Regional office             | (40,445,059)          | (40,304,772)          |
| Engineering & Real Estate Division  | 1,694,709,988         | 1,568,798,340         |
| Group Insurance Division            | 1,168,266,815         | 970,404,318           |
|                                     | <b>18,522,854,067</b> | <b>17,828,135,064</b> |

**7.00 Estimated liabilities in respect of outstanding claims whether due or intimated**

Central Accounts & Finance Division

|                            |                    |                    |
|----------------------------|--------------------|--------------------|
| Dhaka Regional Office      | 237,937,193        | 220,665,317        |
| Chittagong Regional Office | 338,923,410        | 374,956,513        |
| Rajshahi Regional Office   | 28,731,562         | 24,991,184         |
| Khulna Regional Office     | 21,167,279         | 22,416,890         |
| Barisal Regional Office    | 8,881,315          | 9,322,639          |
| Sylhet Regional Office     | 20,198,833         | 20,198,833         |
| Rangpur regional office    | (10,390)           | (3,120,695)        |
| Group Insurance Division   | 46,984,498         | 84,275,025         |
|                            | <b>702,813,700</b> | <b>753,705,706</b> |

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

Amount due to general department(Sadaran Bima Corporation) pre-libaration:

|  |                  |                   |
|--|------------------|-------------------|
| Dhaka regional office                  | 2,048,495        | 2,048,496         |
| Chittagiong regional office            | -                | -                 |
| Central Accounts and Finance Division. |                  |                   |
| Hanover Reinsurance Company            | -                | 9,561,273         |
| Toyser And co.                         | 913,927          | 303,288           |
|  | <b>2,962,422</b> | <b>11,913,057</b> |



| Amount in Taka |            |
|----------------|------------|
| 31.12.2017     | 31.12.2016 |

9.00 Sundry creditors (including outstanding and accruing expenses and taxes)

a) New unit

|                                     |                    |                    |
|-------------------------------------|--------------------|--------------------|
| Central Accounts & Finance Division | 75,708,926         | 82,208,559         |
| Dhaka Regional Office               | 75,205,359         | 44,095,236         |
| Chittagong Regional Office          | 41,954,305         | 28,224,251         |
| Rajshahi Regional Office            | 16,035,037         | 9,292,291          |
| Khulna Regional Office              | 15,798,373         | 8,716,753          |
| Barisal Regional Office             | 8,702,447          | 5,088,821          |
| Sylhet Regional Office              | 5,496,848          | 3,123,020          |
| Rangpur Regional office             | 15,943,345         | 12,828,112         |
| Engineering & Real Estate Division  | 51,523,343         | 47,387,822         |
| Group Insurance Division            | 821,838            | 11,931             |
|                                     | <b>307,189,821</b> | <b>240,976,794</b> |

d) Account-wise breakup are as follows:

Head of accounts for expenses:

|  |                    |                    |
|--|--------------------|--------------------|
| Outstanding management expenses          | 5,608,341          | 6,041,726          |
| Bonus payable                            | 78,010,083         | 5,576,766          |
| Agency commission payable                | 77758657           | 67,688,031         |
| Sundry deposit payable                   | 1,114,601          | 1,053,968          |
| Provision for employees pension          | -                  | -                  |
| Officers welfare association             | 78,855             | 78,855             |
| Benevolent fund                          | 720,875            | 626,977            |
| Provision for audit fees                 | 1,600,000          | 850,000            |
| Provision for actuarial fees             | -                  | -                  |
| Provision for corporate tax              | -                  | -                  |
| Miscellaneous creditor                   | 2,932,985          | 2,532,985          |
| Employees group claim unpaid             | 1,169,000          | 49,000             |
| Tax deduction on bank interest           | -                  | -                  |
| Production bonus payable                 | 313,737            | 893,105            |
| Development officers welfare association | 1,624,807          | 1,560,264          |
| Club subscription                        | 5,550              | -                  |
| Provision for Motr car.                  | 18,117,000         | -                  |
| Provision for bus fare                   | 887,317            | 1,256,094          |
| Water charges payable                    | 488,100            | 458,117            |
| Electricity charges payable              | 3,504,609          | 3,177,704          |
| Source tax payable                       | 450,470            | 3,080,318          |
| Calander                                 | 704,470            | 340,960            |
| Building Maintenance payable             | 4,851,400          | 4,851,400          |
| Revenue & policy stamps                  | -                  | -                  |
| Provision for uniform & office peon      | -                  | -                  |
| Provision for share of Govt. a/c         | -                  | -                  |
|  | <b>199,940,857</b> | <b>100,116,269</b> |

For Advance receipts:

Advance rent received

**615,675**                      **615,675**

For Deposits:

|                                      |                   |                   |
|--------------------------------------|-------------------|-------------------|
| Security deposit payable             | 5,035,968         | 5,035,968         |
| Security deposit against house rent  | 27,563,464        | 25,040,730        |
| Security deposit against house shops | 2,974,811         | 2,974,811         |
| Earnest money                        | 3,782,518         | 3,564,245         |
|                                      | <b>39,356,761</b> | <b>36,615,754</b> |



| Amount in Taka |            |
|----------------|------------|
| 31.12.2017     | 31.12.2016 |

**Others:**

|  |                    |                    |
|--|--------------------|--------------------|
| Suspense account                         | 2,920              | 2,920              |
| Agents license fees                      | 4,718,741          | 3,782,167          |
| Provident fund trustees account          | 1,663,581          | 5,378,821          |
| Group insurance premium-Office staff     | 1,788,748          | 467,270            |
| Group insurance premium-Development      | 11,215,170         | 10,677,670         |
| Group insurance premium-HBL              | 1,054,302          | 3,418,801          |
| Policy holder maturity claim tax         | 779,296            | 692,168            |
| Employers agent balance                  | 30,780             | 133,701            |
| Stamps in hand                           | -                  | -                  |
| Tax deduction on agency commission       | 6,221,541          | 5,791,647          |
| Bus fare deduction                       | 152,782            | 211,723            |
| Group insurance premium income           |                    | 252,862            |
| House building loan recovery             | 1,571,568          | 1,323,032          |
| Union subscription                       | 144,130            | 131,420            |
| Insurance premium deduction              |                    |                    |
| P.F. deduction-Development staff         | 332,766            | 332,766            |
| House Building Loan Saction But not Paid | 37,450,000         | 70,371,500         |
| VAT deducted at source                   | 740,635            | 522,018            |
| OR commission payable                    | 3,376              | 3,376              |
| Income tax individul                     | -                  | 135,233            |
| house rent deduction                     | -                  | -                  |
|  | <b>67,870,336</b>  | <b>103,629,096</b> |
|  | <b>307,783,629</b> | <b>240,976,793</b> |

**10.00 Premium deposits:**

**Particulars:**

|                                     |                    |                    |
|-------------------------------------|--------------------|--------------------|
| Central Accounts & Finance Division | -                  | -                  |
| Dhaka Regional Office               | 109,206,337        | 134,576,694        |
| Chittagong Regional Office          | 384,467,538        | 386,393,273        |
| Rajshahi Regional Office            | 15,215,456         | 16,087,317         |
| Khulna Regional Office              | 43,509,969         | 37,330,485         |
| Barisal Regional Office             | 3,504,698          | 10,720,160         |
| Sylhet Regional Office              | 70,690,921         | 62,614,097         |
| Rangpur Regional office             | 76,837,976         | 79,026,873         |
| Group Insurance Division            | 17,606,409         | 389,175            |
| E/ E Division                       | -                  | -                  |
|                                     | <b>721,039,304</b> | <b>727,138,074</b> |

**11.00 Loan – secured**

|   |                      |                      |
|---|----------------------|----------------------|
| Loan on mortgage of property to employees               | 585,094,619          | 548,551,246          |
| Loan on insurance policies within their surrender value | 1,914,829,091        | 1,818,931,082        |
|   | <b>2,499,923,710</b> | <b>2,367,482,328</b> |

**12.00 Investments**

|   |                      |                      |
|---|----------------------|----------------------|
| In securities, shares and debentures        | 5,127,362,227        | 4,865,608,788        |
| Less: Provision for Doubtful Investment     | 10,602,398           | 10,602,398           |
|   | <b>5,116,759,829</b> | <b>4,855,006,390</b> |
| In land and buildings in Bangladesh at cost | 627,579,951          | 627,579,951          |
| Less: Accumulated depreciation              | (307,896,977)        | 300,196,155          |
|   | <b>319,682,974</b>   | <b>327,383,796</b>   |
|   | <b>5,436,442,803</b> | <b>5,182,390,186</b> |



| Amount in Taka                                    |                      |                      |
|---|----------------------|----------------------|
| 31.12.2017  | 31.12.2016           |                      |
| <b>12.01 In securities, shares and debentures</b> |                      |                      |
| Government securities                             | 4,784,250,017        | 4,523,950,017        |
| Government approved securities                    | 7,499,952            | 7,499,952            |
| Bangladesh mutual fund                            | 100,000,000          | 100,000,000          |
| ICB mutual fund                                   | 826,730              | 826,730              |
|   | <b>4,892,576,699</b> | <b>4,632,276,699</b> |
| Debentures  | 2,917,438            | 2,917,438            |
| Less: Provision for doubtful                      | 2,917,438            | 2,917,438            |
|   | -                    | -                    |
| Bridge finance advance                            | 5,572,000            | 5,572,000            |
| less: Provision for doubtful                      | 5,572,000            | 5,572,000            |
|   | -                    | -                    |
| Pre-liberation shares                             | 3,073,610            | 3,073,610            |
| Less: Provision for doubtful                      | 1,248,410            | 1,248,410            |
|   | <b>1,825,200</b>     | <b>1,825,200</b>     |
| Post-liberation shares                            | 122,592,580          | 121,139,140          |
| Less Provision for doubtful                       | 864,550              | 864,550              |
|   | <b>121,728,030</b>   | <b>120,274,590</b>   |
|   | <b>5,016,129,929</b> | <b>4,754,376,489</b> |
| <b>Bridge finance advance :</b>                   |                      |                      |
| Nowapara Jute Mills Ltd                           | 950,000              | 950,000              |
| Purbachal Jute Mills Ltd                          | 825,000              | 825,000              |
| Broad Burlop Industries                           | 325,000              | 325,000              |
| Allied Jute Mills Ltd                             | 700,000              | 700,000              |
| Taj Jute Backing Co Ltd                           | 850,000              | 850,000              |
| Sultana Jute Mills Ltd                            | 350,000              | 350,000              |
| Metex Cotton Mills Ltd                            | 47,000               | 47,000               |
| SKM Jute Mills Ltd                                | 600,000              | 600,000              |
| Mashreque Jute Mills                              | 750,000              | 750,000              |
| Crescent Paper Mills                              | 175,000              | 175,000              |
|   | <b>5,572,000</b>     | <b>5,572,000</b>     |
| <b>Debentures :</b>                               |                      |                      |
| Bawani Jute Mills Ltd                             | 700,000              | 700,000              |
| Latif Bawani Jute Mills Ltd                       | 1,500,000            | 1,500,000            |
| Allied Jute Mills Ltd                             | 300,000              | 300,000              |
| National Jute Mills Ltd                           | 250,000              | 250,000              |
| Bawani Jute Mills Ltd                             | 18,353               | 18,353               |
| Agrabad hotel Ltd.                                | 149,085              | 149,085              |
|   | <b>2,917,438</b>     | <b>2,917,438</b>     |
| <b>Pre-liberation shares :</b>                    |                      |                      |
| Eastern Insurance Company Ltd                     | 1,000                | 1,000                |
| Janata Insurance Company Ltd.                     | 150,000              | 150,000              |
| National Insurance Company Ltd.                   | 150,000              | 150,000              |
| Bengal steel works.                               | 1,500                | 1,500                |
| Eastern life insurance company                    | 945,910              | 945,910              |
|   | <b>1,248,410</b>     | <b>1,248,410</b>     |



| Amount in Taka           |                   |
|--------------------------|-------------------|
| 31.12.2017               | 31.12.2016        |
| Post liberation shares:- |                   |
| Calico cotton mill       | 14,550            |
| Mohsen jute mill         | 850,000           |
|                          | 864,550           |
|                          | <b>10,602,398</b> |

**12.02 Land and buildings in Bangladesh at cost less accumulated depreciation**

|                                       |                    |                    |
|---------------------------------------|--------------------|--------------------|
| Engineering & Real Estate Division    | 627,579,951        | 627,579,951        |
| Total cost of house properties & land | 627,579,951        | 627,579,951        |
| Less: Accumulated depreciation        | 307,896,977        | 300,196,155        |
|                                       | <b>319,682,974</b> | <b>327,383,796</b> |

**13.00 Agents' balance :-**

|                             |                |                |
|-----------------------------|----------------|----------------|
| Agents' balance             | 160,236        | 160,236        |
| Employer of agents' balance | 378,512        | 378,512        |
|                             | <b>538,748</b> | <b>538,748</b> |

**13.01 Agents' balance:-**

|                            |                |                |
|----------------------------|----------------|----------------|
| Dhaka Regional Office      | 1,667          | 1,667          |
| Chittagong Regional Office |                |                |
| Rajshahi Regional Office   | 126,667        | 126,667        |
| Barishal Regional Office   | 31,602         | 31,902         |
|                            | <b>159,936</b> | <b>160,236</b> |

**13.02 Employer of agents' balance:-**

|                          |                |                |
|--------------------------|----------------|----------------|
| Dhaka Regional Office    | 327,640        | 327,640        |
| Rajshahi Regional Office | 50,872         | 50,872         |
|                          | <b>378,512</b> | <b>378,512</b> |

**14.00 Outstanding Premium-Renewal**

|                            |                    |                    |
|----------------------------|--------------------|--------------------|
| Dhaka Regional Office      | 132,484,648        | 117,901,933        |
| Chittagong Regional Office | 126,520,416        | 126,949,334        |
| Rajshahi Regional Office   | 46,094,571         | -                  |
| Khulna Regional Office     | 57,987,271         | 58,430,465         |
| Barisal Regional Office    | 18,834,162         | 19,412,893         |
| Sylhet Regional Office     | 14,196,611         | 14,679,967         |
| Rangpur Regional office    | 16,753,838         | 452,383            |
| Group Insurance Division   | 74,477,481         | 64,521,060         |
|                            | <b>487,348,998</b> | <b>402,348,035</b> |

**15.00 Interest, dividend and rent outstanding & accruing**

|                      |                      |                      |
|----------------------|----------------------|----------------------|
| Outstanding          | 902,581,256          | 870,092,200          |
| Accruing but not due | 152,929,749          | 182,914,126          |
|                      | <b>1,055,511,005</b> | <b>1,053,006,326</b> |



| Amount in Taka |            |
|----------------|------------|
| 31.12.2017     | 31.12.2016 |

**15.01 Outstanding**

**Office/Division wise outstanding balance are as follows:**

|                                     |                    |                    |
|-------------------------------------|--------------------|--------------------|
| Central Accounts & Finance Division | 586,769,822        | 550,956,357        |
| Dhaka Regional Office               | 45,891,982         | 64,886,662         |
| Chittagong Regional Office          | 44,385,004         | 34,720,902         |
| Rajshahi Regional Office            | 39,943,350         | 39,943,350         |
| Khulna Regional Office              | 55,431,675         | 54,264,528         |
| Barisal Regional Office             | 6,032,722          | 5,192,255          |
| Sylhet Regional Office              | 3,120,190          | 2,321,259          |
| Rangpur Regional Office             | 5,708,031          | 649,033            |
| Engineering & Real state division.  | 133,340,670        | 117,157,855        |
|                                     | <b>920,623,446</b> | <b>870,092,200</b> |

**Account/Category wise details are as follows:**

**Head of accounts**

|  |                    |                    |
|--|--------------------|--------------------|
| Interest on policy loan                | 200,512,954        | 201,977,988        |
| Interest on mortgage loan of employees | 258,268,920        | 201,275,703        |
| Interest on dividend                   | -                  | -                  |
| Interest on fixed deposit              | 328,500,902        | 349,680,654        |
| Rent                                   | 133,340,670        | 117,157,855        |
|  | <b>920,623,446</b> | <b>870,092,200</b> |

**15.02 Accruing but not due**

**Central Accounts & Finance Division:**

|  |                    |                    |
|--|--------------------|--------------------|
| Interest on 3 Years Jatio Biniyog Bond (JBB) | 152,929,749        | 182,914,126        |
|  | <b>152,929,749</b> | <b>182,914,126</b> |

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

|  |                  |                  |
|--|------------------|------------------|
| Amount due from general department (15.01) | 4,131,406        | 4,131,406        |
| Amount due from other persons or bodies    | -                | -                |
|  | <b>4,131,406</b> | <b>4,131,406</b> |

**16.01 Amount due from general department**

|                            |                  |                  |
|----------------------------|------------------|------------------|
| Sadharan Bima Corporation  | 71,500           | 71,500           |
| Chittagong Regional Office | 4,059,906        | 4,059,906        |
|                            | <b>4,131,406</b> | <b>4,131,406</b> |

**17.00 Sundry debtors**

**Office/Division wise sundry debtors are as follows :-**

|                                     |                      |                      |
|-------------------------------------|----------------------|----------------------|
| Central Accounts & Finance Division | 1,026,310,681        | 1,097,176,861        |
| Dhaka Regional Office               | 15,881,338           | 16,300,948           |
| Chittagong Regional Office          | 6,320,949            | 6,234,693            |
| Rajshahi Regional Office            | 3,072,453            | 2,684,109            |
| Khulna Regional Office              | 8,401,409            | 8,664,961            |
| Barisal Regional Office             | 1,833,680            | 2,327,277            |
| Sylhet Regional Office              | 53,802,599           | 46,101,825           |
| Rangpur Regional office             | 1,708,868            | 752,780              |
| Group Insurance Division            | 1,439,338            | 1,421,346            |
| Engineering & Real state division.  | 114,664,624          | 100,821,763          |
|                                     | <b>1,233,435,939</b> | <b>1,282,486,563</b> |



| Amount in Taka |            |
|----------------|------------|
| 31.12.2017     | 31.12.2016 |

Account/Category wise details are as follows:-

**For Advance**

|  |                   |                   |
|--|-------------------|-------------------|
| Advance against salaries                     | 613,590           | 613,590           |
| Advance salaries-Development                 | 515,625           | 515,625           |
| Advance against TA                           | 874,145           | 903,839           |
| Advance against purchase                     | 3,933,174         | 3,452,527         |
| Advance against hospitalization              | 2,229,269         | 3,193,085         |
| Advance against car repairing                | 904,637           | 979,249           |
| Advance against legal charges                | 1,063,975         | 1,689,398         |
| Controller of insurance                      | 15,106            | 15,106            |
| Advance entertainment                        | 142,739           | -                 |
| Advance against house rent ceiling           | 307,580           | 7,580             |
| Advance against office rent                  | 4,397,956         | 5,558,209         |
| Advance against General charges              | 4,000             | 3,040             |
| Group Claim                                  | 3,000             | 97,000            |
| Advance petroliam                            | 36,685            | 50,650            |
| Miscellaneous advance                        | 105,948           | 124,948           |
| Tax deduction on Agency commission deduction | 765,253           |                   |
| Vat  | 120,798           |                   |
| Advance against building project             | 562,526           | 562,526           |
| Advance Fanrking machine                     | 51,030            | 180,039           |
|  | <b>16,647,036</b> | <b>17,946,411</b> |

**For Deposits:**

|                                     |                |                |
|-------------------------------------|----------------|----------------|
| Security deposit                    | 81,578         | 81,578         |
| Short deposit of premium collection | 184,264        | 184,264        |
|                                     | <b>265,842</b> | <b>265,842</b> |

**For Others :**

|                                       |                      |                      |
|---------------------------------------|----------------------|----------------------|
| Income tax deducted at source-Opening | 1,167,182,577        | 1,192,252,128        |
| Add: Addition during the year         | 75,661,631           | 91,027,646           |
|                                       | <b>1,242,844,208</b> | <b>1,283,279,774</b> |
| Less: Corporate tax                   | 148,010,650          | 116,097,197          |
| Closing Balance                       | <b>1,094,833,558</b> | <b>1,167,182,577</b> |

|  |                      |                      |
|--|----------------------|----------------------|
| House building loan recovery suspense A/C        | 134,403              | 12,729               |
| House building loan ins premium                  | -                    | 5,902                |
| Suspens a/c                                      | 1,755                | 1,755                |
| Advance Group ins premium                        | 25,371,413           | 15,153,030           |
| Outstanding electricity charges recoverable      | 17,556,522           | 10,689,030           |
| Outstanding water charges recoverable            | 9,605,205            | 9,728,757            |
| Premium adjusted by corporation                  | 68,887,075           | 61,403,532           |
| Insurance premium deduction                      | 95                   | 95                   |
| Security deposit against gas connection          | 44,450               | 44,450               |
| Ist year premium deposit from agency commission. | 43,803               | 43,803               |
| Jbc calander                                     | 44,781               | 8,650                |
|  | <b>1,216,523,060</b> | <b>1,264,274,310</b> |
|  | <b>1,233,435,939</b> | <b>1,282,486,563</b> |



|              |  | Amount in Taka       |                      |
|--------------|--|----------------------|----------------------|
|              |  | 31.12.2017           | 31.12.2016           |
| <b>18.00</b> | <b>Cash and bank balances:-</b>                      |                      |                      |
|              | Bank balances on fixed deposit accounts              | 8,648,993,559        | 8,344,839,518        |
|              | Bank balances on short term deposit accounts         | 582,399,911          | 585,838,311          |
|              | Bank balances on current accounts                    | 297,921,879          | 342,730,139          |
|              | Cash in hand   | 231,414              | 198,276              |
|              |  | <b>9,529,546,764</b> | <b>9,273,606,245</b> |
| <b>18.01</b> | <b>Bank balances on fixed deposit account</b>        |                      |                      |
|              | Central Accounts & Finance Division                  | 8,648,993,559        | 8,344,839,518        |
|              |  | <b>8,648,993,559</b> | <b>8,344,839,518</b> |
| <b>18.02</b> | <b>Bank balances on short term deposit account:-</b> |                      |                      |
|              | Central Accounts & Finance Division                  | 9,610,513            | 44,474,114           |
|              | Dhaka Regional Office                                | 222,412,935          | 270,900,775          |
|              | Chittagong Regional Office                           | 134,783,780          | 43,535,476           |
|              | Rajshahi Regional Office                             | 48,121,710           | 52,300,731           |
|              | Khulna Regional Office                               | 65,607,666           | 56,969,445           |
|              | Barisal Regional Office                              | 44,129,531           | 52,435,385           |
|              | Sylhet Regional Office                               | 17,034,354           | 17,405,684           |
|              | Rangpur Regional office                              | 24,923,813           | 24,494,672           |
|              | Group Insurance Division                             | 15,014,302           | 8,070,577            |
|              | Engineering & Real state division.                   | 761,307              | 15,251,452           |
|              |  | <b>582,399,911</b>   | <b>585,838,311</b>   |
|              |  | <b>9,231,393,470</b> | <b>8,930,677,829</b> |
| <b>18.03</b> | <b>Bank balances on current account</b>              |                      |                      |
|              | Central Accounts & Finance Division                  | 15,682,382           | 38,360,389           |
|              | Dhaka Regional Office                                | 38,335,960           | (5,087,279)          |
|              | Chittagong Regional Office                           | 79,720,177           | 165,768,839          |
|              | Rajshahi Regional Office                             | 31,165,011           | 25,676,387           |
|              | Khulna Regional Office                               | 53,764,471           | 39,386,827           |
|              | Barisal Regional Office                              | 22,786,231           | 17,841,999           |
|              | Sylhet Regional Office                               | 14,332,724           | 20,064,372           |
|              | Rangpur Regional office                              | 17,926,974           | 16,598,477           |
|              | Group Insurance Division                             | 3,904,736            | 13,030,998           |
|              | Engineering & Real state division.                   | 20,303,213           | 11,089,131           |
|              |  | <b>297,921,879</b>   | <b>342,730,139</b>   |
| <b>18.04</b> | <b>Cash in hand</b>                                  |                      |                      |
|              | Central Accounts & Finance Division                  | 15,427               | 11,412               |
|              | Dhaka Regional Office                                | 123,318              | 70,754               |
|              | Chittagong Regional Office                           | 18,124               | 12,412               |
|              | Rajshahi Regional Office                             | 4,141                | 5,852                |
|              | Khulna Regional Office                               | 39,698               | 36,744               |
|              | Barisal Regional Office                              | 7,480                | 9,217                |
|              | Sylhet Regional Office                               | 1,388                | 6,129                |
|              | Rangpur Regional office                              | 4,600                | 5,199                |
|              | Group Insurance Division                             | 389                  | 354                  |
|              | Engineering & Real state division.                   | 16,849               | 40,203               |
|              |  | <b>231,414</b>       | <b>198,276</b>       |



| Amount in Taka |            |
|----------------|------------|
| 31.12.2017     | 31.12.2016 |

|   |                   |                   |
|---|-------------------|-------------------|
| <b>19.00 Other Assets</b>   |                   |                   |
| Stamps in hand  | 2,675,162         | 3,533,202         |
| Stock of printing and stationery  | 5,242,630         | 5,526,137         |
| Stock of building materials-spare parts for lifts.  | 448,539           | 448,539           |
| Furniture & fixture and office equipment at cost less accumulated depreciation                  | 26,011,905        | 27,663,160        |
| Office Motor Car at cost less accumulated depreciation  | 22,149,339        | 5,794,154         |
| Motor Cycle/Bi-cycle  | 3,452,366         | 2,913,667         |
|   | <b>59,979,941</b> | <b>45,878,859</b> |
| <b>19.01 Stamps in hand</b>   |                   |                   |
| Central Accounts & Finance Division   | 23,145            | 23,505            |
| Dhaka Regional Office   | 216,365           | 320,029           |
| Chittagong Regional Office  | 254,490           | 1,640,540         |
| Rajshahi Regional Office  | 855,221           | 131,181           |
| Khulna Regional Office  | 496,495           | 725,979           |
| Barisal Regional Office   | 606,832           | 206,365           |
| Sylhet Regional Office  | 132,720           | 282,030           |
| Rangpur regional office   | 83,075            | 189,210           |
| Group Insurance Division  | 3,814             | 3,653             |
| Engineering and Real Estate Division  | 3,005             | 10,710            |
|   | <b>2,675,162</b>  | <b>3,533,202</b>  |
| <b>19.02 Stock of printing and stationery</b>   |                   |                   |
| Central Accounts & Finance Division   | 2,804,166         | 2,754,366         |
| Dhaka Regional Office   | 983,979           | 1,338,293         |
| Chittagong Regional Office  | 630,716           | 628,758           |
| Rajshahi Regional Office  | 512,423           | 466,983           |
| Khulna Regional Office  | 19,616            | 37,246            |
| Barisal Regional Office   | 154,723           | 226,296           |
| Sylhet Regional Office  | 111,351           | 45,674            |
| Rangpur Regional office   | 25,656            | 28,522            |
|   | <b>5,242,630</b>  | <b>5,526,137</b>  |
| <b>19.03 Stock of building material</b>   |                   |                   |
| Engineering and Real Estate Division  | 448,539           | 448,539           |
|   | <b>448,539</b>    | <b>448,539</b>    |
| <b>19.04 Furniture &amp; fixture and office equipment at cost less accumulated depreciation</b> |                   |                   |
| Central Accounts & Finance Division   | 11,572,769        | 13,890,224        |
| Dhaka Regional Office   | 4,309,710         | 3,791,174         |
| Chittagong Regional Office  | 3,826,229         | 3,680,481         |
| Rajshahi Regional Office  | 1,708,603         | 1,778,807         |
| Khulna Regional Office  | 1,912,560         | 1,910,754         |
| Barisal Regional Office   | 1,324,032         | 1,245,016         |
| Sylhet Regional Office  | 547,417           | 563,589           |
| Rangpur Regional office   | 731,149           | 717,220           |
| Engineering and Real Estate Division  | 36,563            | 39,805            |
| Group Insurance Division  | 42,873            | 46,090            |
|   | <b>26,011,905</b> | <b>27,663,160</b> |



|  | Amount in Taka    |                   |
|--|-------------------|-------------------|
|  | 31.12.2017        | 31.12.2016        |
| <b>19.05 Motor Car at cost less accumulated depreciation</b>   |                   |                   |
| Central Accounts & Finance Division                            | 22,134,442        | 5,776,676         |
| Chittagong Regional Office                                     | -                 | -                 |
| Rajshahi Regional Office                                       | 121               | 121               |
| Khulna Regional Office   | 152               | 152               |
| Barisal Regional Office  | 1                 | 1                 |
|  | -                 | -                 |
| Rangpur Regional office  | 14,622            | 17,202            |
| Engineering and Real Estate Division-                          | 1                 | 1                 |
|  | <b>22,149,339</b> | <b>5,794,154</b>  |
| <b>19.06 Motor Cycle /Bi-cycle loan.</b>                       |                   |                   |
| Central Accounts & Finance Division                            | 3,100             | 3,100             |
| Dhaka Regional Office  | 1,045,584         | 781,631           |
| Chittagong Regional Office                                     | 899,802           | 1,294,575         |
| Rajshahi Regional Office                                       | 776,219           | 491,058           |
| Khulna Regional Office   | 113,653           | 113,653           |
| Barisal Regional Office  | 486,897           | 102,539           |
| Rangpur regional office  | 127,111           | 127,111           |
|  | <b>3,452,366</b>  | <b>2,913,667</b>  |
| <b>20.00 Other doubtful assets in Bangladesh</b>               |                   |                   |
| Loan on mortgage of properties                                 | 1,870,767         | 1,870,767         |
| Loan on insurers policies within their surrender value         | 1,454             | 1,454             |
| Agents' balance  | 7,449,230         | 7,449,230         |
| Outstanding premium  | 6,958             | 6,958             |
| Interest, dividend & rent outstanding and accruing but not due | 26,926,255        | 26,926,255        |
| Sundry debtors   | 5,011,356         | 5,011,356         |
| <b>Cash in hand and at bank</b>                                | <b>41,266,020</b> | <b>41,266,020</b> |
| In hand  | 3,705             | 3,705             |
| In banks on deposit account                                    | 287,587           | 287,587           |
| At banks on current account                                    | 10,769            | 10,769            |
|  | <b>302,061</b>    | <b>302,061</b>    |
| Stamps in hand   | 8,618             | 8,618             |
| Stock of printing and stationery                               | 2,816             | 2,816             |
| Motor car and vehicles   | 8,048             | 8,048             |
| Motor Car loan   | 91,349            | 91,349            |
|  | <b>110,831</b>    | <b>110,831</b>    |
|  | 41,678,912        | 41,678,912        |
| <b>Outside Bangladesh :</b>                                    |                   |                   |
| Sundry debtors   | 14,438            | 14,438            |
|  | <b>14,438</b>     | <b>14,438</b>     |



|  | Amount in Taka       |                      |
|--|----------------------|----------------------|
|  | 31.12.2017           | 31.12.2016           |
| <b>Cash in hand and at bank:</b>   |                      |                      |
| In hand  | 36,905               | 36,905               |
| In banks on deposit account & interest thereon   | 139,461              | 139,461              |
| At banks on current account  | 148,893              | 148,893              |
|  | <b>325,259</b>       | <b>325,259</b>       |
|  | <b>339,697</b>       | <b>339,697</b>       |
| Total other doubtful assets  | 42,018,609           | 42,018,609           |
| Less: Provision for other doubtful assets  | 42,018,609           | 42,018,609           |
|  | -                    | -                    |
| <b>20.01 Office wise break – up of other doubtful assets are as under :</b>  |                      |                      |
| Central Accounts & Finance Division  | 27,016,360           | 27,016,360           |
| Dhaka Regional Office  | 9,673,599            | 9,673,599            |
| Chittagong Regional Office   | 1,406,367            | 1,406,367            |
| Rajshahi Regional Office   | 1,102,908            | 1,102,908            |
| Khulna Regional Office   | 495,904              | 495,904              |
| Barisal Regional Office  | 49,378               | 49,378               |
| Engineering and Real Estate Division   | 2,274,093            | 2,274,093            |
|  | <b>42,018,609</b>    | <b>42,018,609</b>    |
| <b>20.02 Inter office balance (per contra)</b>   | 10,877,087,658       | 10,283,911,826       |
|  | (10,877,087,658)     | (10,283,911,825)     |
|  | -                    | -                    |
| <b>21.00 Interest, dividend &amp; rent</b>   |                      |                      |
| Rent income has been arrived at after deducting related expenses of the Engineering and Real Estate Division for maintaining land and buildings are as follows : |                      |                      |
| <b>Particulars</b>   |                      |                      |
| Interest on policy loan  | 95,797,526           | 82,455,675           |
| Interest on deposit  | 1,085,743,526        | 1,150,664,586        |
| Dividend   | 35,429,035           | 37,316,433           |
|  | <b>1,216,970,087</b> | <b>1,270,436,694</b> |
| Rent - income  | <b>198,575,551</b>   | <b>197,288,937</b>   |
| <b>Less : Expenses:</b>  |                      |                      |
| Rates and taxes  | 10,966,998           | 14,421,143           |
| Rent for offices owned & occupied by the Corporation   | 222,912              | 222,912              |
| Contribution to Pension  | 2,039,494            | 3,112,564            |
| Electricity charges, Water charges & Gas Bill  | 80,952               | 803,349              |
| Maintenance charges  | 12,834,792           | 12,343,556           |
| Salaries and allowances  | 39,417,153           | 28,665,050           |
| Other office expenses  | 1,063,568            | 7,505,511            |
| Depreciation on furniture, fixture and office equipment  | 3,242                | 3,602                |
| Depreciation on building   | 7,700,823            | 7,898,280            |
| <b>Total expenses</b>  | <b>74,329,933</b>    | <b>74,975,967</b>    |
| Net income from property   | <b>124,245,619</b>   | <b>122,312,970</b>   |
| Total Investment Income -  | <b>1,341,215,706</b> | <b>1,392,749,664</b> |



|   | Amount in Taka              |                             |
|---|-----------------------------|-----------------------------|
|   | 31.12.2017                  | 31.12.2016                  |
| <b>21.1 The year-wise details are as follows:</b>   |                             |                             |
| <b>Particulars</b>  |                             |                             |
| Interest on policy loan   | 95,797,526                  | 82,455,675                  |
| Interest on deposit   | 1,085,743,526               | 1,150,664,586               |
| Dividend  | 35,429,035                  | 37,316,433                  |
| Rent( Gross)  | 198,575,551                 | 197,288,937                 |
|   | <u>1,415,545,639</u>        | <u>1,467,725,631</u>        |
| Less: Expenses  | 74,329,933                  | 74,975,967                  |
|   | <u><b>1,341,215,706</b></u> | <u><b>1,392,749,664</b></u> |
| <b>22 Management Expenses</b>   |                             |                             |
| <b>a) Commission to insurance agents (less that on reinsurances) :</b>                            |                             |                             |
| Commission to reinsurances  | (3,500,076)                 | (2,730,734)                 |
| First year Commission   | 263,240,155                 | 227,864,382                 |
| Renewal Commission  | 164,137,625                 | 137,193,066                 |
|   | <u><b>423,877,704</b></u>   | <u><b>362,326,714</b></u>   |
| <b>b) Development officers' salaries and allowances (other than commission included above-a):</b> |                             |                             |
| Salary  | 400,143,278                 | 349,594,135                 |
| Festival bonus  | 39,616,569                  | 29,848,904                  |
| Incentive Bonus   | 32,407,658                  | -                           |
| Lunch Subsidy   | 9,142,040                   | 10,713,351                  |
| Production bonus  | 4,678,696                   | 4,567,438                   |
|   | <u><b>485,988,241</b></u>   | <u><b>394,723,828</b></u>   |
| <b>C) Salary to Office staffs</b>   |                             |                             |
| Salaries  | 527,819,436                 | 540,759,898                 |
| Gratuity/Contribution to pension account  | 294,557,960                 | 237,514,526                 |
| Festival bonus  | 58,300,092                  | 60,638,370                  |
| Incentive bonus   | 41,333,788                  | -                           |
| Lunch Subsidy   | 49,577,234                  | 47,046,936                  |
| Overtime  | 4,313,660                   | 3,094,355                   |
|   | <u><b>975,902,170</b></u>   | <u><b>889,054,085</b></u>   |
| <b>d) Office Expense</b>  |                             |                             |
| Travelling and conveyance   | 6,540,995                   | 4,846,547                   |
| Directors' fees   | 334,400                     | 415,900                     |
| Other meeting Fees  | -                           | -                           |
| Meeting expenses(Board, Shariah etc.)   | -                           | -                           |
| Auditors' fees  | 750,000                     | 2,150,750                   |
| Actuarial fees  | 645,000                     | -                           |
| Legal and professional fees   | 1,616,220                   | 976,840                     |
| Medical fees  | 3,654,234                   | 2,748,375                   |
| Medical and Hospitalization   | 123,991                     | 405,399                     |
| Policy stamps   | 11,867,793                  | 10,461,998                  |
| Revenue stamps  | 3,352,884                   | 3,265,275                   |
| Advertisement and publicity   | 8,339,589                   | 6,589,104                   |
| Printing and stationery   | 8,720,735                   | 8,248,499                   |
| Office rent   | 27,584,415                  | 28,781,137                  |
| Car and maintenance (Fuel, Oil and lubricant)   | 5,893,269                   | 7,850,241                   |
| Repair and maintenance  | 7,219,808                   | 2,108,804                   |



|  | Amount in Taka       |                      |
|--|----------------------|----------------------|
|  | 31.12.2017           | 31.12.2016           |
| Parer and periodicals                        | 597,285              | 534,098              |
| Telephone, telex and Fax                     | 2,325,036            | 2,351,329            |
| Electricity, Gas and water                   | 5,089,846            | 5,062,155            |
| Postage & telegram                           | 1,314,393            | 1,563,087            |
| Training and recruitment                     | 2,214,307            | 1,765,801            |
| Conference and seminars                      |                      |                      |
| Fees, subscription                           |                      | 460,000              |
| Donation                                     |                      |                      |
| Entertainment                                | 703,637              | 588,289              |
| Canteen expenses & Staff welfare             | 469,775              | 484,265              |
| Group insurance                              |                      |                      |
| Insurance Premmium-General                   | 817,985              | 626,560              |
| Uniform and leverage/Cleaning and washing    | 975,173              | 106,685              |
| Transport expenses(Staffs)                   | 11,100,130           | 11,764,348           |
| Freight and carriage                         | 2,826,136            | 2,573,000            |
| Bank charges                                 | 3,959,709            | 5,003,212            |
| Rates,Taxes and VAT                          | 145,000              | 259,713              |
| Premium expenses (bond)                      | -                    | -                    |
| Software expenses                            | 1,206,836            | 55,641,100           |
| CDBL related Charges                         | -                    | -                    |
| Depreciations                                | 6,494,185            | 6,400,570            |
| Provision for doubtful debt                  | -                    | -                    |
| Bad debts                                    | -                    | -                    |
| Impairment of assets                         | -                    | -                    |
| Other management expenses not included above | 9,701,168            | 9,017,529            |
|  | <b>136,583,934</b>   | <b>127,965,830</b>   |
|  | <b>2,022,352,050</b> | <b>1,774,070,460</b> |

Expense including depreciation relating to Engineering and Real Estate Division amounting to Tk. 72,732,248 has been shown as deduction from income of the same Division (see note 21).

### 23.00 Classified summary of assets (Form – AA)

#### Summary

|  |                       |                       |
|--|-----------------------|-----------------------|
| Investment, loans, properties & deposits | 17,375,027,060        | 16,780,746,497        |
| Others                                   | 3,139,099,331         | 3,246,506,705         |
|  | <b>20,514,126,391</b> | <b>20,027,253,202</b> |

#### Class of assets ( Form AA )

##### Investment in securities, shares and

##### Debentures within Bangladesh :

|   |               |               |
|---|---------------|---------------|
| Government securities                                   | 4,784,250,017 | 4,523,950,017 |
| Government approved securities                          | 7,499,952     | 7,499,952     |
| ICB Mutual Fund   | 826,730       | 826,730       |
| Debentures  | 2,917,438     | 2,917,438     |
| Bridge finance advance                                  | 5,572,000     | 5,572,000     |
| Pre liberation shares                                   | 3,073,610     | 3,073,610     |
| Post liberation shares                                  | 122,592,580   | 121,139,140   |
| Bangladesh mutual fund                                  | 100,000,000   | 100,000,000   |
| ICB shares  | -             | 100,629,900   |
| Loan on mortgage of properties                          | 585,094,619   | 548,551,246   |
| Loan on insurer's policies within their surrender value | 1,914,829,091 | 1,818,931,082 |



|  | Amount in Taka        |                       |
|--|-----------------------|-----------------------|
|  | 31.12.2017            | 31.12.2016            |
| House properties and land in Bangladesh at cost    | 627,579,951           | 627,579,951           |
| Bank balance on deposit accounts                   | 9,231,393,470         | 8,930,677,829         |
|  | 17,385,629,458        | 16,791,348,895        |
| Less; Provision for doubtful Investment            | (10,602,398)          | (10,602,398)          |
|  | <b>17,375,027,060</b> | <b>16,780,746,497</b> |
| <b>Others</b>                                      |                       |                       |
| Cash in hand and at bank in CD accounts            | 298,153,294           | 342,928,416           |
| Fixed assets at cost less accumulated depreciation | 26,011,905            | 27,663,160            |
| Agent's balance                                    | 538,748               | 538,748               |
| Outstanding premium                                | 487,348,998           | 402,348,035           |
| Interest, dividend and rent receivable             | 1,055,511,005         | 1,053,006,326         |
| Motor car  | 22,149,339            | 5,794,154             |
| Motor cycle/Bi-cycle loan                          | 3,452,366             | 2,913,667             |
| Amount due from general department                 | 4,131,406             | 4,131,406             |
| Sundry debtors                                     | 1,233,435,939         | 1,397,674,915         |
| Stock of building materials                        | 448,539               | 448,539               |
| Stamps in hand                                     | 2,675,162             | 3,533,202             |
| Stock of printing and stationery                   | 5,242,630             | 5,526,137             |
|  | <b>3,139,099,331</b>  | <b>3,246,506,705</b>  |

**Note :**

Tk 10,602,398 against investment and Tk. 41,678,912 (in Bangladesh) and Tk. 339,697 (outside Bangladesh), total Tk.42,018,609 against other assets have been considered by the management as doubtful of realization and therefore these have been fully provided for in these accounts. House properties and land in Bangladesh at cost is inclusive of TK. 307,896,977 account of accumulated depreciation.

**23.01 Assets represents of Life fund:-**

**Category of assets**

|                      |                       |                       |
|----------------------|-----------------------|-----------------------|
| Investment -         | 17,375,027,060        | 16,780,746,497        |
| Outstanding & Others | 1,047,197,107         | 1,046,479,721         |
| Total Life fund -    | <b>18,522,854,067</b> | <b>17,827,226,218</b> |

**23.02 Investment (Including Loan and Deposits):**

|  |                       |                       |
|--|-----------------------|-----------------------|
| Loan (Note 10)                                 | 2,499,923,710         | 2,367,482,328         |
| Investment (Note-11 & Accu. Depr. Of Building) | 5,744,339,780         | 5,482,586,340         |
| Bank Deposit Account ( Note 17.1 & 17.2)       | 9,231,393,470         | 8,930,677,829         |
|  | <b>17,475,656,960</b> | <b>16,780,746,497</b> |





**KHAN WAHAB SHAFIQUE RAHMAN & CO.**

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A member firm of **RSM**

### TO WHOM IT MAY CONCERN

We confirm having audited the Revenue Account and Balance Sheet of Jiban Bima Corporation for the year ended 31 December, 2017 and also confirm having issued a audited qualified report on the financial statements. Following figures are extracted from the financial statements for the purpose of working for the year ended December 31, 2017.

|   | Amount in Taka       |                      |
|---|----------------------|----------------------|
|   | 2017                 | 2016                 |
| First year premium income                             | 955,614,610          | 775,252,936          |
| Renewal Premium income                                | 3,327,574,260        | 2,946,300,334        |
| Medicclaim  | 214,052              | 227,826              |
| Group insurance premium                               | 429,953,738          | 387,815,820          |
| Total Premium income                                  | <b>4,713,356,660</b> | <b>4,109,596,914</b> |
| Less: Management expenses                             | 2,022,352,050        | 1,774,070,460        |
| Net premium income over management expenses           | <b>2,691,004,610</b> | <b>2,335,526,454</b> |
| Net increase/decrease of premium over previous year   | 355,478,156          | (137,860,701)        |
| Percentage of net increase/decrease in premium income | 15.22%               | -5.57%               |

On perusal of the Government circular No. 2(3)77 - Ins. 1 dated 4 February 1978 regarding payment of incentive bonus is entitlement to the officers and employees including development officer of Jiban Bima Corporation. The expenditure of incentive bonus is included.

Managing Director

Chairman

Subject to our separate report of even date.

**Khan Wahab Shafique Rahman & Co.**

Chartered Accountants

**A member firm of MGI**

**Masih Muhith Haque & Co.**

Chartered Accountants

**A member firm of RSM**

Dated: 18 November, 2018  
Place: Dhaka