

নিরীক্ষা প্রতিবেদন  
AUDITORS' REPORT

OF

**Republic Insurance Company Limited**

For the year ended on December 31, 2020



Solution... Begins



রহমান মোস্তফা আলম এন্ড কোং  
**RAHMAN MOSTAFA ALAM & CO.**  
CHARTERED ACCOUNTANTS

**Principal Office** : Paramount Heights (7th Floor, D2 & C1), 65/2/1 Box Culvert Road, Purana Paltan, Dhaka-1000  
Phone : +88-02-9553449, 9551128, Mob : 01914284705, 01819225339, E-mail : rmadhaka@gmail.com, Web : www.rmabd.com

**Branch Office (Dhaka)** : House # 195 (3rd Floor, C-3), Road # 1, New DOHS, Mohakhali, Dhaka-1206  
Phone : +88-02-9834313, Mob : 01920911976, 01819224976, 01819225339, E-mail : rmadhaka@gmail.com, Web : www.rmabd.com

**Branch Office (Chattogram)** : Al Madina Tower (6th Floor), 88/89, Agrabad C/A, Chattogram-4100  
Phone : +88-031-785014, Mob : 01818127520, 01819225339, E-mail : rmacta@gmail.com, Web : www.rmabd.com



Solution....Begins



**Independent Auditors' Report**  
**To the Shareholders of**  
**Republic Insurance Company Limited**  
**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the financial statements of Republic Insurance Company Limited (the Company), which comprise the Statement of Financial Position as at December 31, 2020, Profit and Loss Appropriation Account, Statement of Profit or Loss and Other Comprehensive Income, Consolidated Revenue Account, Fire Insurance Revenue Account, Marine Cargo Insurance Revenue Account, Marine Hull Insurance Revenue Account, Motor Insurance Revenue Account, Miscellaneous Insurance Revenue Account, Statement of Changes in Shareholders Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information disclosed in notes 1 to 34 & Annexure-A to E.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the company as at December 31, 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Insurance Act 2010, the Insurance Rules 1958, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

**Basis for Opinion**

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

**Emphasis of Matter**

We draw attention to the fact disclosed in note-3.03

**Our Key Audit Matters**

Risk	Our response to the risk
<p><b>Premium Income</b></p> <p>Gross general insurance premiums comprise the total premiums received for the whole period of cover provided by contracts entered into during the accounting period.</p> <p>Given the important nature, connections to other items to the financial statements and sensitivity of the item we believe this area pose high level of risk.</p>	<p>With respect to Premium income in respect of various types of insurance we carried out the following procedures:</p> <ul style="list-style-type: none"> <li>❖ The design and operating effectiveness of key controls around premium income recognition process.</li> <li>❖ Carried out analytical procedures and recalculated premium income for the period.</li> </ul>

	<ul style="list-style-type: none"> <li>❖ Carried out cut-off testing to ensure unearned premium income has not been included in the premium income.</li> <li>❖ On a sample basis reviewed policy to ensure appropriate policy stamp was affixed to the contract and the same has been reflected in the premium register.</li> <li>❖ Ensured on a sample basis that the premium income was being deposited in the designated bank account.</li> <li>❖ Tested on a sample basis to see that appropriate VAT was being collected and deposited to bank through Treasury Challan.</li> <li>❖ For a sample of insurance contracts tested to see if appropriate level of reinsurance was done and whether that re insurance premium was deducted from the gross premium.</li> <li>❖ Applying specialist judgment ensured if there is any impairment of the reinsurer.</li> <li>❖ Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act 1938 (as amended in 2010), Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.</li> </ul>
<p>See note no 26.00 to the financial statements.</p>	

<p><b>Estimated liability in respect of outstanding claims whether due or intimated and claim payment</b></p>	
<p>This account represents the claim due or intimated from the insured and involves significant management judgment and risk of understatement. In extreme scenario this item may have going concern implications for the company.</p>	<p>We tested the design and operating effectiveness of controls around the due and intimated claim recording process.</p> <p>We additionally carried out the following substantive testing's around this item:</p> <ul style="list-style-type: none"> <li>❖ Obtained the claim register and tested for completeness of claims recorded in the register on a sample basis.</li> <li>❖ Obtained a sample of claimed policy copy and cross check it with claim.</li> <li>❖ Obtained a sample of survey reports</li> </ul>

	<p>Cross checked those against respective ledger balances and in case of discrepancy carried out further investigation.</p> <ul style="list-style-type: none"><li>❖ Obtained and discussed with management about their basis for estimation and challenged their assumptions where appropriate.</li><li>❖ Reviewed the claim committee meeting minutes about decision about impending claims.</li><li>❖ Tested a sample of claims payments with intimation letter, survey report, bank statement, claim payment register and general ledger.</li><li>❖ Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act 1938 (as amended in 2010), Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.</li></ul>
<p>See note no 7.00 to the financial statements</p>	

**Other Information**

Management is responsible for the other information. The other information comprises all of the information in the Annual report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act 1994, the Insurance Act 2010, the Insurance Rules 1958, the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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



## **Auditors' Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

## Report on other Legal and Regulatory Requirements

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

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) In our opinion, proper books of accounts, records and other statutory books as required by law have been kept by the Company so far as it appeared from our examinations of those books;
- c) The Company management has followed relevant provisions of laws and rules in managing the affairs of the Company and proper books of accounts, records and other statutory books have been properly maintained and (where applicable) proper returns adequate for the purposes of our audit have been received from branches not visited by us;
- d) As per section 63(2) of the Insurance Act 2010, in our opinion to the best of our knowledge and belief an according to the information and explanation given to us, all expenses of management wherever incurred and whether incurred directly or indirectly, in respect of insurance business of the company transacted in Bangladesh during the year under report have been duly debited to the related Revenue Accounts and the Statement of Comprehensive Income of the Company;
- e) We report that to the best of our information and as shown by its books, the company during the year under report has not paid any person any commission in any form, outside Bangladesh in respect of any its business re-insured abroad;
- f) The Statement of Financial Position, Statement of Comprehensive Income, Profit and Loss Appropriation Account, related Revenue Accounts, Statement of Changes in Equity and Statement of Cash Flows of the Company together with the annexed notes dealt with by the report are in agreement with the books of account and returns; and
- g) The expenditure was incurred for the purpose of the Company's business.

**Firm's Name** : Rahman Mostafa Alam & Co. Chartered Accountants

**Signature** : 

**Auditor's Name** : Mohammad Mofizul Haque Rinku FCA, (Enr No.: 1204)

**Date** : May 25, 2021

**Place** : Dhaka

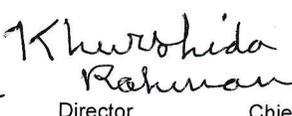
**DVC** : 2106031204 AS 874694



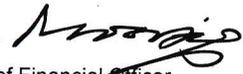
**Republic Insurance Company Limited**  
**Statement of Financial Position**  
As at December 31, 2020

Particulars	Notes	Amount in Taka	
		December 31, 2020	December 31, 2019
<b>Shareholders equity and liabilities</b>			
<b>Share capital</b>			
Authorized share capital			
10,000,000 ordinary shares of Tk.10 each	3.01	1,000,000,000	1,000,000,000
<b>Issued, subscribed and paid up capital</b> 46,372,228 ordinary shares of Tk.10 each	3.04	<b>463,722,280</b>	<b>433,385,310</b>
<b>Reserve and contingent account</b>	4.00	<b>286,646,023</b>	<b>237,856,108</b>
Reserve for exceptional losses	4.01	202,200,769	166,753,498
General reserve	4.02	9,750,000	9,000,000
Retained earnings	4.03	74,695,254	62,102,610
<b>Total shareholders' equity</b>		<b>750,368,303</b>	<b>671,241,418</b>
<b>Balance of funds and accounts</b>	5.00	<b>211,444,231</b>	<b>177,407,059</b>
Fire insurance revenue account		74,628,274	59,730,574
Marine cargo insurance revenue account		86,824,927	57,650,750
Marine hull insurance revenue account		14,813,996	15,963,070
Motor insurance revenue account		16,469,228	24,296,735
Misc. insurance revenue account		18,707,806	19,765,930
<b>Premium deposits</b>	6.00	<b>18,915,055</b>	<b>18,864,532</b>
<b>Liabilities and provisions</b>		<b>386,729,208</b>	<b>327,548,968</b>
Estimated liability in respect of outstanding claims whether due or intimated	7.00	52,082,235	40,551,906
Amount due to other persons or bodies carrying on insurance business	8.00	38,468,308	41,462,948
Lease liabilities (operating leases)	9.00	9,470,896	13,408,200
Payable for WPPF	10.00	31,773,576	24,068,342
Provision for taxation	11.00	215,031,507	169,912,550
Sundry creditors	12.00	39,902,686	38,145,022
<b>Total liabilities</b>		<b>617,088,494</b>	<b>523,820,559</b>
<b>Total shareholder's equity and liabilities</b>		<b>1,367,456,797</b>	<b>1,195,061,977</b>
<b>Net Assets Value Per share (NAV)</b>	32.00	<b>16.18</b>	<b>15.49</b>

The accompanying notes 1 to 34 & Annexure-A to E form an integral part of the financial statements.

 Vice Chairman  
 Director  
 Chief Executive Officer

 Company Secretary

 Chief Financial Officer

Signed in terms of our separate report of even date.

Firm's Name : Rahman Mostafa Alam & Co. Chartered Accountants

Signature : 

Auditor's Name : Mohammad Mofizul Haque Rinku FCA, Partner/Enr No.: 1204

Date : May 25, 2021

Place : Dhaka

DVC : 2106031204 AS874694

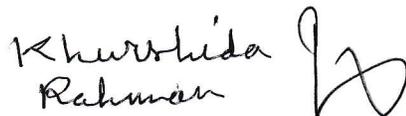




**Republic Insurance Company Limited**  
**Statement of Financial Position**  
As at December 31, 2020

Particulars	Notes	Amount in Taka	
		December 31, 2020	December 31, 2019
<b>Property and Assets</b>			
<b>Non-current assets</b>		<b>145,366,802</b>	<b>116,551,523</b>
Property, plant and equipment	13.00	55,840,546	57,740,230
Intangible assets	13.01	1,443,862	1,292,737
Right-of-use assets	13.02	10,136,204	14,902,593
Lease car	Annexure-A	1,200,520	1,333,911
Investment in government treasury bond and securities	14.00	57,300,000	25,000,000
Deferred tax	25.00	4,262,393	3,784,266
Investment in shares at market value	15.00	15,183,277	12,497,786
<b>Current assets</b>		<b>1,109,604,330</b>	<b>1,014,472,421</b>
Stock of printing & stationery and stamp in hand	16.00	3,289,163	3,231,714
Amount due from other person or bodies carrying on insurance business	17.00	244,490,895	233,511,950
Interest accrued	18.00	17,802,200	17,256,868
Sundry debtors (including advances, deposits and pre-payments)	19.00	389,301,948	323,861,778
Fixed deposit with banks	20.00	454,720,124	436,610,111
<b>Cash and cash equivalents</b>	21.00	<b>112,485,665</b>	<b>64,038,033</b>
Cash at bank		109,703,176	62,078,212
Cash in hand		2,782,489	1,959,821
<b>Total assets</b>		<b>1,367,456,797</b>	<b>1,195,061,977</b>

The accompanying notes 1 to 34 & Annexure-A to E form an integral part of the financial statements.

 **Md. Shaukat**  
 Vice Chairman  
 **Khurshida Rahman**  
 Director  
 **Chief Executive Officer**  
 **Company Secretary**  
 **Chief Financial Officer**

Signed in terms of our separate report of even date.

Firm's Name : Rahman Mostafa Alam & Co. Chartered Accountants

Signature : 

Auditor's Name : Mohammad Mofizul Haque Rinku FCA, Partner/Enr No.: 1204

Date : May 25, 2021

Place : Dhaka

DVC : 2106031204AS874694





## Republic Insurance Company Limited

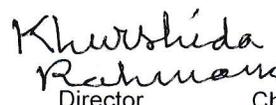
### Profit and Loss Appropriation Account

For the year ended on December 31, 2020

Particulars	Notes	Amount in Taka	
		January 01, 2020 to December 31, 2020	January 01, 2019 to December 31, 2019
Balance brought forward from previous year		62,102,610	40,811,745
Profit after tax		109,463,857	87,453,053
<b>Total profit after tax</b>		<b>171,566,467</b>	<b>128,264,798</b>
<b>Appropriation:</b>			
Reserve for exceptional losses	4.01(a)	35,447,271	26,013,528
General reserve	4.02	750,000	750,000
Issuance of bonus share for the year 2019		30,336,970	39,398,660
Cash dividend paid for the year 2019		30,336,972	-
Retained earnings transferred to Statement of Financial Position		74,695,254	62,102,610
<b>Total</b>		<b>171,566,467</b>	<b>128,264,798</b>

Earnings per share (Restated for 2019) 31.00 2.36 1.89

The accompanying notes 1 to 34 & Annexure-A to E form an integral part of the financial statements.

 Vice Chairman  
 Director  
 Chief Executive Officer  
 Company Secretary  
 Chief Financial Officer

Signed in terms of our separate report of even date.

Firm's Name : Rahman Mostafa Alam & Co. Chartered Accountants

Signature : 

Auditor's Name : Mohammad Mofizul Haque Rinku FCA, Partner/Enr No.: 1204

Date : May 25, 2021

Place : Dhaka

DVC : 2106031204 AS 874694





**Republic Insurance Company Limited**  
**Statement of Profit or Loss and Other Comprehensive Income**  
For the year ended on December 31, 2020

Particulars	Notes	Amount in Taka	
		January 01, 2020 to December 31, 2020	January 01, 2019 to December 31, 2019
<b>Operating profit / ( loss) transferred from</b>		<b>142,384,097</b>	<b>128,097,327</b>
Fire insurance revenue account		43,153,481	31,308,408
Marine cargo insurance revenue account		87,168,904	63,998,249
Marine hull insurance revenue account		(35,231,335)	4,296,112
Motor insurance revenue account		22,617,905	19,183,966
Misc. insurance revenue account		24,675,142	9,310,592
<b>Non-operating income</b>		<b>44,937,234</b>	<b>31,464,309</b>
Interest income	22.00	39,254,373	32,729,072
Share investment and dividend income	23.00	3,395,491	(3,653,336)
Other income	24.00	2,287,370	2,388,573
<b>Total Income</b>		<b>187,321,331</b>	<b>159,561,636</b>
<b>Less: Expenses of management</b> (not applicable to any particular fund or account)		<b>25,511,410</b>	<b>30,143,754</b>
Advertisement		7,373,455	9,131,448
Audit fees		467,250	449,500
Directors fees		556,800	1,014,400
Donation and subscriptions		755,000	172,550
Fees and charges		3,283,919	7,247,780
Renewal and registration fees		1,037,070	880,842
AGM expenses		435,000	233,436
Provision for gratuity expenses	12.00(b)	2,433,456	1,800,000
Depreciation	Annexure-A	9,169,460	9,213,798
<b>Net Profit before tax &amp; WPPF</b>		<b>161,809,921</b>	<b>129,417,882</b>
Expenses for WPPF		(7,705,234)	(6,162,756)
<b>Profit before tax</b>		<b>154,104,687</b>	<b>123,255,126</b>
<b>Income tax expenses:</b>			
Provision for income tax	11.00	(45,118,957)	(35,736,190)
Deferred tax (expenses) / income	25.00	478,127	(65,883)
<b>Profit after tax</b>		<b>109,463,857</b>	<b>87,453,053</b>
Other comprehensive income		-	-
<b>Total comprehensive income</b>		<b>109,463,857</b>	<b>87,453,053</b>
<b>Earnings per share (Restated for 2019 )</b>	31.00	<b>2.36</b>	<b>1.89</b>
<b>Weighted average number of outstanding shares</b>		<b>46,372,228</b>	<b>46,372,228</b>

The accompanying notes 1 to 34 & Annexure-A to E form an integral part of the financial statements.

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

Signed in terms of our separate report of even date.

**Firm's Name** : Rahman Mostafa Alam & Co. Chartered Accountants  
**Signature** :   
**Auditor's Name** : Mohammad Mofizul Haque Rinku FCA, Partner/Enr No.: 1204  
**Date** : May 25, 2021  
**Place** : Dhaka  
**DVC** : 2106021204AS874694



**Republic Insurance Company Limited**  
**Consolidated Revenue Account**

For the year ended on December 31, 2020

Particulars	Amount in Taka		Notes	Amount in Taka	
	January 01, 2020 to December 31, 2020	January 01, 2019 to December 31, 2019		January 01, 2020 to December 31, 2020	January 01, 2019 to December 31, 2019
<b>Claims under policies less re-insurance</b>	55,657,460	47,741,084		177,407,059	148,730,136
Claims paid during the year					
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	44,127,131	41,312,635			
Less: Outstanding claims at the end of the previous year	52,082,235	40,551,906	26.00	506,389,584	419,573,041
	40,551,906	34,123,457	27.00	60,952,397	62,629,006
Insurance stamps consumed	667,623	802,549	28.00	-	4,632,876
Agency commission	112,978,326	90,057,645			
Expenses of management	221,617,303	191,459,395			
Profit transferred to Statement of Profit or Loss and Other Comprehensive Income	142,384,097	128,097,327			
Balance of account at the end of the year as shown in the Financial Position being reserve for unexpired risks	211,444,231	177,407,059			
<b>Total</b>	<b>744,749,040</b>	<b>635,565,059</b>		<b>744,749,040</b>	<b>635,565,059</b>

*[Signature]*  
Vice Chairman

*[Signature]*  
Khwasheda Rahman  
Director

*[Signature]*  
Chief Executive Officer

*[Signature]*  
Company Secretary

*[Signature]*  
Chief Financial Officer

Signed in terms of our separate report of even date.

**Firm's Name** : Rahman Mostafa Alam & Co. Chartered Accountants

**Signature** : *[Signature]*

**Auditor's Name** : Mohammad Mofizul Haque Rinku FCA, Partner/Enr No.: 1204

**Date** : May 25, 2021

**Place** : Dhaka

**DVC** : 2106031204 AS874694





## Republic Insurance Company Limited

### Fire Insurance Revenue Account

For the year ended on December 31, 2020

Particulars	Notes	Amount in Taka		Particulars	Notes	Amount in Taka	
		January 01, 2020 to December 31, 2020	January 01, 2019 to December 31, 2019			January 01, 2020 to December 31, 2020	January 01, 2019 to December 31, 2019
<b>Claims under policies less re-insurance</b>		12,575,584	24,881,027	Balance of fund account at the beginning of the year		59,730,574	54,661,271
Claims paid during the year							
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated		30,333,829	18,274,733				
Less: Outstanding claims at the end of the previous year		15,675,610	33,433,855	Premium less re-insurance	26.00	186,570,686	149,326,435
		33,433,855	26,827,561	Commission on re-insurance ceded	27.00	46,487,270	46,528,542
Insurance stamps consumed		379,427	433,254	Profit commission	28.00	-	2,513,578
Agency commission		57,337,588	46,288,583				
Expenses of management	29.00	104,714,176	90,387,980				
Profit/(loss) transferred to Statement of Profit or Loss and Other Comprehensive Income		43,153,481	31,308,408				
Balance of account at the end of the year as shown in the Financial Position being reserve for unexpired risks @40% of premium income of the year		74,628,274	59,730,574				
<b>Total</b>		<b>292,788,530</b>	<b>253,029,826</b>	<b>Total</b>		<b>292,788,530</b>	<b>253,029,826</b>

Khurshida  
Rahman  
Director

Chief Executive Officer

Company Secretary

Chief Financial Officer

Signed in terms of our separate report of even date.

Firm's Name : Rahman Mostafa Alam & Co. Chartered Accountants

Signature :

Auditor's Name : Muhammad Mofizul Haque Rinku FCA, Partner/Enr No.: 1204

Date : May 25, 2021

Place : Dhaka

DVC : 2106031204AS874694



**Republic Insurance Company Limited**  
**Marine Cargo Insurance Revenue Account**  
For the year ended on December 31, 2020

Particulars	Amount in Taka		Notes	Amount in Taka	
	January 01, 2020 to December 31, 2020	January 01, 2019 to December 31, 2019		January 01, 2020 to December 31, 2020	January 01, 2019 to December 31, 2019
<b>Claims under policies less re-insurance</b>	1,149,103	9,781,602		57,650,750	50,706,920
Claims paid during the year					
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	4,257,762	10,953,213		217,062,318	144,126,874
Less: Outstanding claims at the end of the previous year	3,108,659	3,108,659	26.00	9,377,443	9,493,473
		4,280,270	27.00	-	2,119,298
Agency commission					
Expenses of management	36,855,468	23,953,744			
	72,092,109	51,062,220			
Profit transferred to Statement of Profit or Loss and Other Comprehensive Income	87,168,904	63,998,249			
Balance of account at the end of the year as shown in the Financial Position being reserve for unexpired risks @40% of premium income of the year	86,824,927	57,650,750			
<b>Total</b>	<b>284,090,511</b>	<b>206,446,565</b>		<b>284,090,511</b>	<b>206,446,565</b>

Balance of fund account at the beginning of the year  
Premium less re-insurance  
Commission on re-insurance ceded  
Profit commission

Agency commission  
Expenses of management  
Profit transferred to Statement of Profit or Loss and Other Comprehensive Income  
Balance of account at the end of the year as shown in the Financial Position being reserve for unexpired risks @40% of premium income of the year

**Total** 284,090,511 206,446,565 **Total** 284,090,511 206,446,565

*K. H. Hossain*  
Rahman  
Director

*[Signature]*  
Chief Executive Officer

*[Signature]*  
Company Secretary

*[Signature]*  
Chief Financial Officer

Signed in terms of our separate report of even date.

Firm's Name : Rahman Mostafa Alam & Co. Chartered Accountants  
Signature : *[Signature]*  
Auditor's Name : Mohammad Mofizul Haque Rinku FCA, Partner/Enr No.: 1204  
Date : May 25, 2021  
Place : Dhaka  
DVC : 2106031204 AS874694



**Republic Insurance Company Limited**  
**Marine Hull Insurance Revenue Account**  
For the year ended on December 31, 2020

Particulars	Amount in Taka		Notes	Amount in Taka	
	January 01, 2020 to December 31, 2020	January 01, 2019 to December 31, 2019		January 01, 2020 to December 31, 2020	January 01, 2019 to December 31, 2019
<b>Claims under policies less re-insurance</b>	35,445,300	(6)		15,963,070	11,220,086
Claims paid during the year					
Add: Total estimated liabilities in respect of outstanding claims at the end of the year whether due or intimated	35,445,300	(6)	26.00	14,813,996	15,963,070
Less: Outstanding claims at the end of the previous year	-	-	27.00	1,452,462	219,078
Agency commission	5,345,041				
Expenses of management	11,856,526				
Profit/(loss) transferred to Statement of Profit or Loss and Other Comprehensive Income	(35,231,335)				
Balance of account at the end of the year as shown in the Financial Position being reserve for unexpired risks @100% of premium income of the year	14,813,996				
<b>Total</b>	<b>32,229,528</b>	<b>27,402,234</b>		<b>32,229,528</b>	<b>27,402,234</b>

(6) Balance of fund account at the beginning of the year

Premium less re-insurance

Commission on re-insurance ceded

*Khurshida Rahman*  
Director

*[Signature]*  
Company Secretary

*[Signature]*  
Chief Financial Officer

Signed as per our separate report of same date.

Firm's Name : Rahman Mostafa Alam & Co. Chartered Accountants

Signature : *[Signature]*

Auditor's Name : Mohammad Moziful Haque Rinku FCA, Partner/Enr No.: 1204

Date : May 25, 2021

Place : Dhaka

DVC : 2106091204AS874694



**Republic Insurance Company Limited**  
**Motor Insurance Revenue Account**  
For the year ended on December 31, 2020

Particulars	Notes	Amount in Taka		Particulars	Notes	Amount in Taka	
		January 01, 2020 to December 31, 2020	January 01, 2019 to December 31, 2019			January 01, 2020 to December 31, 2020	January 01, 2019 to December 31, 2019
<b>Claims under policies less re-insurance</b>		7,006,508	11,850,000	Balance of fund account at the beginning of the year		24,296,735	21,176,468
Claims paid during the year							
Add: Total estimated liabilities in respect of outstanding claims at the end of the year whether due or intimated		8,917,280	11,993,529				
Less: Outstanding claims at the end of the previous year		961,325	2,872,097	Premium less re-insurance	26.00	41,173,070	60,741,838
		2,872,097	3,015,626	Commission on re-insurance ceded	27.00	1,370,599	144,588
Insurance stamps consumed		259,975	345,103				
Agency commission		7,234,074	8,830,263				
Expenses of management	29.00	13,252,714	17,556,827				
Profit transferred to Statement of Profit or Loss and Other Comprehensive Income		22,617,905	19,183,966				
Balance of account at the end of the year as shown in the Financial Position being reserve for unexpired risks @40% of premium income of the year		16,469,228	24,296,735				
<b>Total</b>		<b>66,840,404</b>	<b>82,062,894</b>	<b>Total</b>		<b>66,840,404</b>	<b>82,062,894</b>

*M. Hossain*  
Director

*M. Hossain*  
Chief Executive Officer

*M. Hossain*  
Company Secretary

*M. Hossain*  
Chief Financial Officer

Signed in terms of our separate report of even date.

Firm's Name : Rahman Mostafa Alam & Co. Chartered Accountants  
 Signature : *M. Hossain*  
 Auditor's Name : Mohammad Mofizul Haque Rinku FCA, Partner/Enr No.: 1204  
 Date : May 25, 2021  
 Place : Dhaka  
 DVC : 2106031204 A5874694



**Republic Insurance Company Limited**  
**Miscellaneous Insurance Revenue Account**  
For the year ended on December 31, 2019

Particulars	Notes	Amount in Taka		Particulars	Notes	Amount in Taka	
		January 01, 2020 to December 31, 2020	January 01, 2019 to December 31, 2019			January 01, 2020 to December 31, 2020	January 01, 2019 to December 31, 2019
<b>Claims under policies less re-insurance</b>		(519,035)	1,228,461	Balance of fund account at the beginning of the year		19,765,930	10,965,391
Claims paid during the year				Premium less re-insurance	26.00	46,769,514	49,414,824
Add: Total estimated liabilities in respect of outstanding claims at the end of the year whether due or intimated		618,260	91,166	Commission on re-insurance ceded	27.00	2,264,623	6,243,325
Less: Outstanding claims at the end of the previous year		1,137,295	1,137,295				
Insurance stamps consumed		28,221	24,192				
Agency commission		6,206,155	8,762,504				
Expenses of management	29.00	19,701,778	27,531,861				
Profit/(loss) transferred to Statement of Profit or Loss and Other Comprehensive Income		24,675,142	9,310,592				
Balance of account at the end of the year as shown in the Financial Position being reserve for unexpired risks @40% of premium income of the year		18,707,806	19,765,930				
<b>Total</b>		<b>68,800,067</b>	<b>66,623,540</b>	<b>Total</b>		<b>68,800,067</b>	<b>66,623,540</b>

*[Signature]*  
Vice Chairman

*Khurshida Rahman*  
Director

*[Signature]*  
Chief Executive Officer

*[Signature]*  
Company Secretary

*[Signature]*  
Chief Financial Officer

Signed as per our separate report of same date.

Firm's Name : Rahman Mostafa Alam & Co. Chartered Accountants  
 Signature : *[Signature]*  
 Auditor's Name : Mohammad Mofizul Haque Rinku FCA, Partner/Enr No.: 1204  
 Date : May 25, 2021  
 Place : Dhaka  
 DVC : 2106031204AS874694





## Republic Insurance Company Limited

### Statement of Changes in Shareholders Equity

For the year ended on December 31, 2020

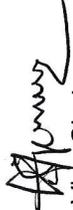
Particulars	Share Capital	General Reserve	Reserve for Exceptional Losses	Retained Earnings	Total
Balance as at January 01, 2020	433,385,310	9,000,000	166,753,498	62,102,610	671,241,418
Issuance of bonus share for the year 2019	30,336,970	-	-	(30,336,970)	-
Cash dividend paid for the year 2019	-	-	-	(30,336,972)	(30,336,972)
Profit after tax during the year	-	-	-	109,463,857	109,463,857
Appropriation made during the year	-	750,000	35,447,271	(36,197,271)	-
<b>Balance as at December 31, 2020</b>	<b>463,722,280</b>	<b>9,750,000</b>	<b>202,200,769</b>	<b>74,695,254</b>	<b>750,368,303</b>

## Statement of Changes in Shareholders Equity

For the year ended December 31, 2019

Particulars	Share Capital	General Reserve	Reserve for Exceptional Losses	Retained Earnings	Total
Balance as at January 01, 2019	393,986,650	8,250,000	140,739,970	40,811,745	583,788,365
Issuance of bonus share	39,398,660	-	-	(39,398,660)	-
Profit after tax during the year	-	-	-	87,453,053	87,453,053
Appropriation made during the year	-	750,000	26,013,528	(26,763,528)	-
<b>Balance as at December 31, 2019</b>	<b>433,385,310</b>	<b>9,000,000</b>	<b>166,753,498</b>	<b>62,102,610</b>	<b>671,241,418</b>

The accompanying notes 1 to 34 & Annexure-A to E form an integral part of the financial statements.

  
Vice Chairman

  
Director

  
Chief Executive Officer

  
Company Secretary

  
Chief Financial Officer



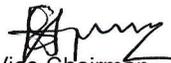


## Republic Insurance Company Limited

### Statement of Cash Flows

For the year ended on December 31, 2020

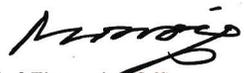
Particulars	Notes	Amount in Taka	
		January 01, 2020 to December 31,	January 01, 2019 to December 31, 2019
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Collection from premium and other income		882,725,912	785,017,741
Payment for management expenses, re-insurance and claims		(697,808,041)	(657,724,835)
Income tax paid		(47,902,539)	(30,023,132)
<b>Net cash generated from operating activities</b>		<b>137,015,332</b>	<b>97,269,774</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Acquisition of fixed assets		(7,287,510)	(16,629,110)
Advance against vehicle purchase		-	(124,000)
Advance against computer software		(390,000)	400,000
Advance against office decoration		(100,000)	(5,000,000)
Advance against office equipment		(300,000)	-
Advance against air conditioner		(200,000)	-
Sale proceeds of vehicle		-	1,500,000
Investment of fixed deposit		(23,110,013)	(127,080,567)
Disposal of fixed deposit		5,000,000	83,836,306
Investment in govt. securities		(32,300,000)	-
<b>Net cash used in investing activities</b>		<b>(58,687,523)</b>	<b>(63,097,371)</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Dividend paid		(29,928,509)	-
Sale proceeds on fraction shares issuance of bonus share for the year 2019		48,693	-
<b>Net cash used in financing activities</b>		<b>(29,879,816)</b>	<b>-</b>
<b>D. Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>		<b>48,447,993</b>	<b>34,172,403</b>
<b>E. Cash and cash equivalents at the beginning of the year</b>		<b>64,038,033</b>	<b>29,853,149</b>
Cash and cash equivalents at the beginning of the year before adjusting of translation gain/(loss)		112,486,026	64,025,552
Foreign currency translation gain/(loss)		(361)	12,481
<b>F. Cash and cash equivalents at the end of the year</b>		<b>112,485,665</b>	<b>64,038,033</b>
<b>Net operating cash flows per share (NOCFPS)</b>	<b>33.00</b>	<b>2.95</b>	<b>2.24</b>

  
Vice Chairman

  
Rahman  
Director

  
Chief Executive Officer

  
Company Secretary

  
Chief Financial Officer





**Republic Insurance Company Limited**  
**Form "AA"**

Classified Summary of Assets As at December 31, 2020

SL. No.	Class of Assets	Book Value 2020 (Tk.)	Book Value 2019 (Tk.)	Remarks
A)	<b>Non-current assets:</b>			
i)	<b>Property, plant &amp; equipment</b>	<b>68,621,132</b>	<b>75,269,471</b>	At cost less depreciation
	Computer	2,238,871	2,150,606	
	Furniture & fixtures	9,899,695	10,845,576	
	Office equipments	2,206,012	2,288,640	
	Vehicles	19,042,642	18,656,630	
	Crockeries & cutleries	76,138	95,173	
	Air conditioner	2,468,358	2,579,409	
	Telephone	270,041	294,206	
	Office decoration	13,380,215	14,566,412	
	Land and land development	6,238,556	6,238,556	
	Sundry assets	20,018	25,022	
	Computer software	1,443,862	1,292,737	
	Lease car	1,200,520	1,333,911	
	Right-of-use assets	10,136,204	14,902,593	
ii)	<b>Investment:</b>	<b>72,483,277</b>	<b>37,497,786</b>	
	a) Investment in government treasury bond	25,000,000	25,000,000	Not quoted in Market
	b) Investment in government securities	32,300,000	-	Not quoted in Market
	c) Investment in shares at market value	15,183,277	12,497,786	At Market price
	<b>Total non-current assets ( i+ii)</b>	<b>141,104,409</b>	<b>112,767,256</b>	
B)	<b>Current Assets:</b>	<b>1,222,089,995</b>	<b>1,078,510,454</b>	
	a) Invstment in fixed deposits with banks	454,720,124	436,610,111	Realizable value
	b) Cash at bank	109,703,176	62,078,212	Realizable value
	c) Cash in hand	2,782,489	1,959,821	Realizable value
	d) Interest accrued	17,802,200	17,256,868	Realizable value
	e) Sundry debtors	389,301,948	323,861,778	Realizable value
	f) Amount due from other persons or bodies carrying on insurance business	244,490,895	233,511,950	Realizable value
	g) Stock of printing & stationery and stamp in hand	3,289,163	3,231,714	At cost
C)	<b>Other assets</b>			
	Deferred tax assets	4,262,393	3,784,266	Realizable value
	<b>Total assets (A+B+C)</b>	<b>1,367,456,797</b>	<b>1,195,061,977</b>	

 Vice Chairman  
 Director  
 Chief Executive Officer

 Company Secretary  
 Chief Financial Officer

Signed as per our separate report of same date.

**Firm's Name** : Rahman Mostafa Alam & Co. Chartered Accountants  
**Signature** :   
**Auditors' Name** : Mohammad Mofizul Haque Rinku FCA, Partner/Enr No.: 1204  
**Date** : May 25, 2021  
**Place** : Dhaka  
**DVC** : 2106031204AS874694





**Republic Insurance Co. Limited**  
**Notes to the Financial Statements**  
For the year ended on December 31, 2020

**1.00 Legal form of the Company:**

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

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

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

So total Paid up Capital increased from Tk.15.00 Crore to Tk.46.37 Crore. In the year 2011 the Company increased its authorized capital Tk.50.00 Crore to Tk.100.00 Crore and changed the per share value from Tk.100.00 to Tk.10.00 in the 3rd Extra Ordinary General Meeting held on 15th November 2011. The Company also got the necessary permission from Bangladesh Securities and Exchange Commission and maintained the all formalities required by the Register of Joint Stock Companies & Firm.

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

The head office of the Company is located at HR Bhaban (6th & 9th floor), 26/1, Kakrail, Dhaka-1000, Bangladesh. The business operation of the Company is being carried out through 30(thirty) branches located in all over Bangladesh.

**1.02 Principal activities of the Company :**

The principal activities of the Company are to carry on all kinds of insurance business, guarantee, and indemnity business other than life insurance business. There were no significant changes in the nature of the principal activities of the Company during the year 2020 under review.

**1.03 Authorization date for issuing financial statements :**

Financial statements of the Company for the year ended December 31, 2020 were authorized for issue on May 25, 2021 in accordance with a resolution of the Board of Directors of the Company.





## **2.00 Basis of presenting accounts and significant accounting policies:**

### **2.01 Basis of accounting preparation:**

The financial statements of the Company under reporting have been prepared under historical cost convention in going concern concept and on accrual basis in accordance with Generally Accepted Accounting Principles (GAAP) and practices in Bangladesh. Disclosures of financial information as required by Insurance Act- 2010 have been complied with while preparing statement of financial position, Statement of profit or loss and other comprehensive income, and revenue accounts for specific classes of insurance business in the form set forth in the first, second and third schedule of the Insurance Act and also in compliance with the Companies Act-1994. In addition, Bangladesh Securities and Exchange Commission Rules-1987, Listing Regulations of Dhaka Stock Exchange Ltd(DSE) & Chattogram Stock Exchange Ltd(CSE), International Accounting Standards(IAS) and International Financial Reporting Standards(IFRS) as adopted by the Institute of Chartered Accountants of Bangladesh(ICAB) and other applicable laws & regulations in Bangladesh.

### **2.02 Management responsibility:**

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

### **2.03 Directors responsibility:**

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

- i) Statement of financial position as at December 31, 2020
- ii) Statement of profit or loss and other comprehensive income for the year ended on December 31, 2020
- iii) Statement of consolidated revenue account for the year ended on December 31, 2020
- iv) Statement of changes in equity for the year ended on December 31, 2020
- v) Statement of cash flows for the year ended on December 31, 2020
- vi) Notes, comprising a summary of significant accounting policies and other explanatory information to the financial statements for the year ended on December 31, 2020

### **2.04 Basis of presentation:**

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





### **2.05 Regulatory compliances:**

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

### **2.06 Comparative information:**

Comparative information have been disclosed in respect of the year ended on December 31, 2020 for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current year's financial statements. The comparative information or prior period information is restated, rearranged or revised when they necessary in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

### **2.07 Reporting currency and level of precision:**

The figures in the financial statements represent Bangladesh currency (Taka), which have been rounded off to the nearest taka except where indicates otherwise.

### **2.08 Going concern basis:**

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

### **2.09 Reporting period:**

Financial statements of the Company consistently cover one calendar year from January 01, 2020 to December 31, 2020.

### **2.10 Interim financial reporting:**

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

### **2.11 Branch accounting:**

The Company has 30(thirty) branches in Bangladesh. The accounts of the branches are maintained at the head office level. Only petty cash books are maintained at the branch level for maintaining its day to day office expenses.





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

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

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

## **2.13 Significant accounting policies and relevant information:**

- a) Revenue from contracts with customers(IFRS-15):  
Revenue recognized in accordance with International Financial Reporting Standard (IFRS-15) revenue unless otherwise mentioned or otherwise guided by the separate IAS.
- b) Underwriting premium income:  
Premium income is recognized when insurance policies are issued and premium collected. The sum of premium income as appeared in classified revenue accounts is net of the refund made, re-insurance ceded and re-insurance premium on PSB.
- c) Public sector business (PSB) :  
The premium in respect of Company's share of public sector insurance business (PSB) is accounted for in the year in which the relevant statement of accounts from ShadharanBima Corporation is received. The statements of account for the period from July 2019 to June 2020 have been received from SBC and the Company's share of PSB for the aforesaid period has been recognized in these financial statements accordingly. Such method of account for the public sector insurance business (PSB) has been consistently followed.
- d) Re-insurance ceded and accepted :
  - 1) Re-insurance ceded and accepted with SadharanBima Corporation:  
Necessary adjustment in respect of re-insurance ceded and accepted in Bangladesh has duly been made in respective revenue account as per Treaty between the Company and ShadharanBima Corporation (SBC) and Foreign re-insurer.
  - 2) Re-insurance with Foreign re-insurer :  
Fifty percent of the re-insurable general insurance business shall be re-insured with the SadharanBima Corporation and the remaining fifty percent of such business may be re-insured either with the SadharanBima Corporation and the remaining fifty percent of such business may be re-insured either with the Corporation or with any other insurer whether in or outside Bangladesh.
- e) Cover notes converted into policy (CCP) :  
Amounts received against issue of cover notes that have not converted into policy are not recognized as income. The cover note which was previously issued is converted into insurance policy at the expiry of nine months from the date of issue of such cover notes as per circular of the then Chief Controller of Insurance.





- f) Premium deposit:  
Premium deposit represents amount of premium deposited with the Company against cover notes for which policies are yet to be issued.
- g) Investment in shares:  
Investments are initially recognized at cost including acquisition charges with the investments. After initial recognition investments in marketable ordinary shares have been valued at market price on an aggregate portfolio basis.
- h) Investment in Bangladesh government treasury bond and securities:  
10 (Ten) years Bangladesh Government Treasury bond and securities are valued at cost price.
- i) Investment income:
- i. Interest on fixed deposit and 10 (Ten) years Bangladesh government treasury bond and securities are accounted for on accrual basis after making provision for income tax deductible at source. Interest on STD account and other income are recognized on cash basis.
  - ii. Portfolio gain /loss on investment in shares are recognized in the statement of profit or loss and other comprehensive income on realization basis.
  - iii. Dividend income on share investments if any, are recognized on cash basis and shown in statement of profit or loss and other comprehensive income account. For stock dividend, received by the Company against its investment, number of shares increased and average cost of investment decreased.
- j) Balance of funds and accounts:  
These have been arrived at after making provision for unexpired risks @ 40% of net premium income on all business except marine hull insurance where provision has been made at 100% on net premium income.
- k) Reserves for exceptional losses:  
As per para 6 of 4<sup>th</sup> schedule of income tax ordinance, 1984 to meet the exceptional losses, Company sets aside maximum ten percent of the net premium income of the year in which it is set aside from the balance of the profit to reserve for exceptional losses. As per Insurance law maximum 10% statutory reserve be maintained out of profit by the Company to meet any possible future claims on net premium income. During the year under review of the Company sets aside 7% of net premium income.
- l) General reserve:  
The Company creates a general reserve fund from the current year profit to avoid future contingency.
- m) Statement of cash flows:  
Statement of cash flows is prepared in accordance with IAS-7 and International Accounting Standard (IAS) -7 statements of cash flows and the cash flow from the operating activities has been presented under direct method as prescribed by the Securities and Exchange Rules-1987. Statement of cash flows in broken down into operating activities, investing activities and financing activities.
- n) Cash and cash equivalents :  
According to IAS-7 statement of cash flows cash comprises cash in hand and demand deposits and cash equivalents are short term, highly liquid investments that are readily convertible to amounts of cash and which are subject to an insignificant risk of changes in value. IAS-1 "Presentation of Financial Statements" provides that cash and cash equivalents are not restricted in use. Considering the provisions of IAS-7 and IAS-1, cash in hand and bank balances have been considered as cash and cash equivalents.





- o) Foreign currency transactions:  
All foreign currency transactions are converted into equivalent taka at the ruling exchange rates on the respective date of such transactions as per International Accounting Standard (IAS-21): "The Effects of Changes in Foreign Exchange Rates". Any gain/(loss) arisen on such transaction is shown in the statement of profit or loss and other comprehensive income.
- p) Inventories:  
In Compliance with the requirement of IAS-2 Inventories are stated at the lower of cost and net realizable value. Net realizable value is based on estimated selling price less any further cost expected to be incurred to make the sale.
- q) Segment reporting:  
A business segment is a distinguishable component of the Company that is engaged in providing services that are subject to risks and returns and are different from those of other business segments. The Company accounts for segment reporting of operating results of each segment. The Company has four primary business segments for reporting purposes namely Fire, Marine, Motor and Miscellaneous.

## **2.14: Taxation**

### **Current tax**

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

### **Deferred tax**

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

## **2.15 Allocation of management expenses:**

As per section 40 (C-2) insurance Act-1938 as amended insurance Act-2010 all relevant management expenses have been allocated amongst different revenue account in respect of fire, marine, motor and miscellaneous insurance business on pro-rata basis at their respective gross premium income. Management expenses as charged to revenue accounts amounting to Tk.221,617,303 represents approximately 28.41% of Tk.780,016,220 (Including public sector business of Tk.61,789,451). The expenses have been apportioned @47.25% to fire, 32.53% to marine cargo, 5.35% to marine hull, 5.98% to motor and 8.89% to miscellaneous business as per management decision.





## 2.16 Employees benefit (IAS-19)

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

### i) Contributory provident fund

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

### ii) Provision for gratuity

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

## 2.17 Workers profit participation fund and welfare fund

As per Section 234 of Bangladesh Labor (Amendments) Act-2013 & requirement of Dhaka Stock Exchange Ltd vide letter No. DSE/CGFRC/LC-363/2014-5574 Dt. 22 June 2014, Company made provision for WPPF @5% on net profit before tax during the year.

## 2.18 Property, plant & equipment's and Depreciation:

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

### Recognition of property, plant and equipment's:

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

### Depreciation on property, plant & equipment's:

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





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

### De-recognition

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

### Impairment of assets

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

## 2.19 Leases

The Company applied IFRS-16 Leases for the first time with the date of initial application of 01 January 2019. As IFRS 16-supersedes IAS-17 Lease, the Company has made recognition, measurement and disclosure in the financial statements-2020 as per IFRS-16.

### Right-of-use assets (ROU)

The Company recognizes the right-of-use assets (ROU) at the commencement date of the lease. ROU assets are measured at cost less any accumulated depreciation and impairment of losses and adjusted cost incurred, and lease payment made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight line basis over the lease term, or remaining period of the lease term. The Company assessed all lease contracts live in 2020 and recognized as ROU of assets of all leases. As leases under IFRS-16 first time adopted by the Company, the Company has followed modified retrospective approach of adoption with the date of initial application of 01 January 2019. Therefore, the Company considered a cut-off date beginning of the year 2019 and reassessed unadjusted advance payment and remaining lease period of each contract, and recognized those in the financial statements for the year ended on 31 December 2020 without giving retrospective impact in earlier presentation.





### Lease liabilities

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

## 2.20 Financial risk management (IFRS-7)

### 2.20.1 Introduction

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

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

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

### 2.20.2 Carrying amounts of financial instruments by category

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

	Maturity analysis				
	Current	>30 days	>90 days	>1 year	Total
Cash and cash equivalents, receivables and Advances, Deposits & Prepayments					
Cash and cash equivalents	112,485,665	-	-	-	112,485,665
Trade and other receivable	-	-	97,369,341	147,121,554	244,490,895
Advances, Deposits and Prepayments	-	77,860,389	116,790,584	194,650,975	389,301,948
Non-current financial assets	-	-	-	72,483,277	72,483,277
<b>Balance at December 31, 2020</b>	<b>112,485,665</b>	<b>77,860,389</b>	<b>214,159,925</b>	<b>414,255,806</b>	<b>818,761,785</b>





<b>Financial liabilities measured at amortized cost</b>					
Trade and Other Payable	-	5,661,537	9,435,896	23,370,875	38,468,308
Liability for expenses	-	17,956,208	11,970,805	9,975,673	39,902,686
<b>Balance at December 31, 2020</b>	-	<b>23,617,745</b>	<b>21,406,701</b>	<b>33,346,548</b>	<b>78,370,994</b>

### 2.20.3 Credit risks

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

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

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

### 2.20.4 Market risks

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

### 2.20.5 Liquidity risk

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

The following are the contractual maturities of financial liabilities:

BDT	Carrying amount	Contractual cash flows	Between 1 and 90 days	Between 91 and 360 days	Between 1 and 2 years	Over 2 years
<b>Non-derivative financial liabilities</b>						
Trade and Other Payable	38,468,308	-	13,463,907	9,617,077	15,387,324	-
Liability for expenses	39,902,686	-	13,965,940	9,975,672	15,961,074	-
<b>Balance at December 31, 2020</b>	<b>78,370,994</b>	-	<b>27,429,847</b>	<b>19,592,749</b>	<b>31,348,398</b>	-





## 2.21 Sale of fixed assets

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

## 2.22 Earnings per share (EPS):

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

## 2.23 Basic earnings per share (BEPS):

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

## 2.24 Basic earnings:

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

## 2.25 Diluted earnings per share:

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

At December 31, 2020 there was no scope for dilution and hence no dilution EPS is required to be calculated.

## 2.26 Key Management benefits:

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

Benefits	2020		2019	
	Directors	Executives	Directors	Executives
Salary	-	39,015,179	-	35,391,572
Festival bonus	-	2,791,434	-	2,530,795
Provident fund	-	1,066,163	-	1,076,212
Gratuity	-	-	-	1,606,450
Group insurance	-	-	-	473,215
Directors fee	556,800	-	1,014,400	-
<b>Total</b>	<b>556,800</b>	<b>42,872,776</b>	<b>1,014,400</b>	<b>41,078,244</b>





### **2.27 Related party disclosure:**

As per International Accounting Standard (IAS) 24 "Related Party Disclosures" parties are considered to be related if one of the party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The Company carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with its related parties. Related party disclosures have been given in Notes: 34.00.

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

The Board of Directors has recommended 14% dividend (7% stock dividend and 7% cash dividend) on paid up capital for the year ended on December 31, 2020 as per approval of Board Meeting held on May 25, 2021 as dividend on paid up capital of Tk.463,722,280 subject to the approval in the Annual General Meeting (AGM) to be held on July 27, 2021. Events after the reporting period, dividend declared should not be classified as a liability in the financial statements which is in compliance with the International Accounting Standards (IAS-10) Para12.

### **2.29 General:**

- Number of employees received salary up to taka 10,000 per month are nil.
- Number of employees received salary above taka 10,000 per month are 710.
- The Company has no contingent liability.
- The Board of Directors received no remuneration from the Company other than fees for attending the Board Meetings.
- During the year 04 (four) numbers of Board Meeting were held.
- All shares have been fully called and paid up.
- There was no preference share issued by the Company.
- There were no bank guarantees issued by the Company on behalf of their directors or the Company itself.





**Republic Insurance Company Limited**

**Notes to the Financial Statements**

For the year ended on December 31, 2020

Notes	Particulars	Amount in Taka	
		December 31, 2020	December 31, 2019
<b>3.00</b>	<b>Share capital</b>		
<b>3.01</b>	<b>Authorized capital</b>		
	100,000,000 ordinary shares of Tk.10 each	<u>1,000,000,000</u>	<u>1,000,000,000</u>
<b>3.02</b>	<b>Issued, subscribed and paid up capital</b>		
	Issued, subscribed and paid up capital consists of	463,722,280	433,385,310
	46,372,228 ordinary shares of Tk.10 each fully paid	<u>463,722,280</u>	<u>433,385,310</u>
<b>3.03</b>	<b>Shareholdings</b>		

Pursuant to section 21 of Insurance Act, 2010 (The First Schedule), and Rule 4-A of Insurance Rules 1958 and the Memorandum and Articles of Association of the Company, The Company with the permission of Bangladesh Securities and Exchange Commission raised its Paid up Capital from Tk.6.00 Crore to Tk.15.00 Crore through Initial Public Offering (IPO) of 900,000 Ordinary Shares of Tk.100 each as per in October, 2008. Company issued 10% Stock dividend on 2009,2010,2011,12% on 2012, 12.5% on 2013, 10% on 2014, 13% on 2015, 12% on 2016, 12.50% on 2017, 10% on 2018 and 7% stock & 7% cash dividend on 2019. So total paid capital increase from Tk.15.00 crore to Tk.46.37 crore. In the year 2011 the Company increased its authorized capital Tk.50.00 crore to Tk.100.00 crore and changed the per share value from Tk.100 to Tk.10 in the 3rd Extra Ordinary General Meeting held on 15th November 2011. The Company also got the necessary permission from Securities and Exchange Commission and maintained the all formalities required by the Register of Joint Stock Companies & Firms. The category-wise share holding position as on 31st December, 2020 is as under.

Particulars	2020		2019	
	No. of shares	% of holding	No. of shares	% of holding
1. Sponsors & Directors (Group-A)	14,683,790	31.67	21,731,228	50.14
2. General Public (Group-B)	31,688,438	68.33	21,607,303	49.86
<b>Total</b>	<b>46,372,228</b>	<b>100.00</b>	<b>43,338,531</b>	<b>100.00</b>

The sponsors & directors are shareholding 31.67% against 60% as required by Insurance Act 2010 section 21(3) and Schedule 1. On the other hand the sponsors and directors of the company are holding more than the 30% shares of the paid up capital required under gazette notification no. BSEC/CMRRCD/2009-193/217/Admin/90. Dated: 15 July 2019 of Bangladesh Securities and Exchange Commission.

**Group "A" Shareholders (Sponsors)**

Class interval	No. of shareholders	No. of share	% Total holding	% Total paid-up capital
1 to 500	-	-	-	-
501 to 5000	-	-	-	-
5001 to 10000	-	-	-	-
10001 to 20000	-	-	-	-
20001 to 30000	-	-	-	-
30001 to 40000	-	-	-	-
40001 to 50000	-	-	-	-
50001 to 100000	-	-	-	-
100001 to 1000000	6	5,611,240	38.21	12.10
1000001 to 10000000	7	9,072,550	61.79	19.57
<b>Total</b>	<b>13</b>	<b>14,683,790</b>	<b>100.00</b>	<b>31.67</b>

**Group "B" Shareholders (Public)**

Class interval	No. of shareholders	No. of share	% Total holding	% Total paid-up capital
1 to 500	1,492	251,769	0.79	0.54
501 to 5000	1,917	3,840,576	12.12	8.28
5001 to 10000	338	2,589,930	8.17	5.59
10001 to 20000	237	3,541,257	11.18	7.64
20001 to 30000	76	1,884,815	5.95	4.06
30001 to 40000	53	1,856,579	5.86	4.00
40001 to 50000	36	1,695,643	5.35	3.66
50001 to 100000	50	3,433,098	10.83	7.40
100001 to 1000000	45	10,064,275	31.76	21.70
1000001 to 10000000	1	2,530,496	7.99	5.46
<b>Total</b>	<b>4,245</b>	<b>31,688,438</b>	<b>100.00</b>	<b>68.33</b>





Notes	Particulars	Amount in Taka	
		December 31, 2020	December 31, 2019

**3.04 Share capital (paid up)**

Opening balance	433,385,310	393,986,650
Add: bonus share issued during the year	30,336,970	39,398,660
<b>Total share capital (paid up)</b>	<b>463,722,280</b>	<b>433,385,310</b>

**4.00 Reserve and contingent account**

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

Particulars	Notes No.	Amount in Taka	Amount in Taka
		31.12.2020	31.12.2019
Reserve for exceptional losses	4.01	202,200,769	166,753,498
General reserve	4.02	9,750,000	9,000,000
Retained earnings	4.03	74,695,254	62,102,610
<b>Total reserves &amp; surplus</b>		<b>286,646,023</b>	<b>237,856,108</b>

**4.01 Reserve for exceptional losses**

As per paragraph 6 of fourth schedule of Income Tax ordinance 1984. as earlier for the year 2020, 7.00% of the net premium income was transferred to reserve for exceptional losses. Details of calculation as hereunder:

Opening balance		166,753,498	140,739,970
Add: reserve made during the year (tax exempted)	4.01(a)	35,447,271	26,013,528
Closing balance as on December 31, 2020		<b>202,200,769</b>	<b>166,753,498</b>

**4.01(a) Class wise reserve for exceptional losses**

This represents profit set aside during the year under review at 7% of net premium allowed as expenses to meet exceptional losses. The aforesaid set aside of profit has been allowed as expenses by paragraph 6 of 4th schedule of the Income Tax Ordinance, 1984.

Particulars	Net Premium	% on Net Premium	Amount in Taka	Amount in Taka
			31.12.2020	31.12.2019
01. Fire insurance business	186,570,686	7.00%	13,059,948	9,258,239
02. Marine cargo insurance business	217,062,318	7.00%	15,194,362	8,935,866
03. Marine hull insurance business	14,813,996	7.00%	1,036,980	989,710
04. Motor insurance business	41,173,070	7.00%	2,882,115	3,765,994
05. Miscellaneous insurance business	46,769,514	7.00%	3,273,866	3,063,719
<b>Total</b>	<b>506,389,584</b>		<b>35,447,271</b>	<b>26,013,528</b>

**4.02 General reserve**

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

Opening balance	9,000,000	8,250,000
Add: reserve made during the year	750,000	750,000
<b>Closing balance as on December 31, 2020</b>	<b>9,750,000</b>	<b>9,000,000</b>

**4.03 Retained earnings**

Opening balance of undistributed profit	62,102,610	40,811,745
Less: issuance of bonus share for the year 2019	30,336,970	39,398,660
Less: cash dividend paid for the year 2019	30,336,972	-
Retained earnings from previous year	<b>1,428,668</b>	<b>1,413,085</b>
Add: net profit during the year	109,463,857	87,453,053
<b>Total undistributed profit</b>	<b>110,892,525</b>	<b>88,866,138</b>

**Appropriation**

Less: reserve for exceptional losses	35,447,271	26,013,528
Less: general reserve	750,000	750,000
<b>Closing balance of undistributed profit</b>	<b>74,695,254</b>	<b>62,102,610</b>

**5.00 Balance of funds and accounts**

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





Notes	Particulars	Amount in Taka	
		December 31, 2020	December 31, 2019

Class of business	Net Premium	Percentage	31.12.2020	31.12.2019
Fire	186,570,686	40%	74,628,274	59,730,574
Marine cargo	217,062,318	40%	86,824,927	57,650,750
Marine hull	14,813,996	100%	14,813,996	15,963,070
Motor	41,173,070	40%	16,469,228	24,296,735
Miscellaneous	46,769,514	40%	18,707,806	19,765,930
<b>Total</b>	<b>506,389,584</b>		<b>211,444,231</b>	<b>177,407,059</b>

#### 6.00 Premium deposits

The above mentioned amount includes premium received against cover notes for which policies have not been issued within December 31, 2020. While the risks against non-marine and marine hull have been assumed from the issuance of cover notes, risk against marine cargo have not been assumed until shipment advices are provided and accordingly policies are issued.

Fire	1,809,529	2,375,903
Marine cargo	15,024,530	13,093,527
Marine hull	-	-
Motor	-	-
Miscellaneous	-	-
Stamp duty	2,025,834	1,778,484
Excess deposit	55,162	1,616,618
<b>Total</b>	<b>18,915,055</b>	<b>18,864,532</b>

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

Fire	15,675,610	33,433,855
Marine cargo	-	3,108,659
Marine hull	35,445,300	-
Motor	961,325	2,872,097
Miscellaneous	-	1,137,295
<b>Total</b>	<b>52,082,235</b>	<b>40,551,906</b>

All the claims of which the company received intimations within December 31, 2020 have been taken into consideration while estimating the liability in respect of outstanding claims.

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

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

Payable to SBC	37,743,584	40,738,224
Pioneer insurance company limited	561,000	561,000
Others insurance company	163,724	163,724
<b>Total</b>	<b>38,468,308</b>	<b>41,462,948</b>
<b>8.00(a) Others insurance company</b>		
Express insurance company limited	122,980	122,980
Reliance insurance company limited	40,744	40,744
	<b>163,724</b>	<b>163,724</b>
<b>9.00 Lease liabilities (operating leases)</b>		
Break up of the amount is as under:		
Opening balance	13,408,200	-
Add: addition during the year	4,343,830	21,238,222
Add: finance cost during the year	904,046	1,294,466
Less: payment during the year	9,185,180	9,124,488
<b>Closing balance as on December 31, 2020</b>	<b>9,470,896</b>	<b>13,408,200</b>

#### 10.00 Payable for WPPF

Opening balance	24,068,342	17,905,586
Add: expenses for the year	7,705,234	6,162,756
<b>Total</b>	<b>31,773,576</b>	<b>24,068,342</b>

WPPF expenses made @5% on net profit before tax during the year as per Sec-234 of Bangladesh Labour (amendment) Act-2013. The Company has not yet established a Trustee Board to administer the Fund and as per Notification of Bangladesh Insurance Association (BIA-3(58)/2020-100 Dated: March 19, 2020) hence no payment was made during this year.





Notes	Particulars	Amount in Taka	
		December 31, 2020	December 31, 2019
<b>11.00</b>	<b>Provision for income tax</b>		
	Opening balance	169,912,550	134,176,360
	Add: provision made during the year (Note:11.01)	45,118,957	35,736,190
	Total tax liability	215,031,507	169,912,550
	Less: adjustment made during the year	-	-
	<b>Closing balance as on December 31, 2020</b>	<b>215,031,507</b>	<b>169,912,550</b>

**11.01 Calculation of provision for income tax made during the year :**

Particulars	Amount in Taka		
	December 31, 2020		
<b>Net Profit before tax as per Statement of Profit or Loss and Other Comprehensive Income</b>			154,104,687
Less:reserve for exceptional losses			35,447,271
Add:accounting depreciation			9,169,460
Less:tax depreciation			9,397,191
Add:provision for gratuity fund			2,433,456
Less:employees gratuity fund paid			214,589
<b>Taxable income</b>			<b>120,648,552</b>
<b>Computation of current tax</b>	<b>Taxable income</b>	<b>Tax rate</b>	<b>Current tax provision</b>
<b>Particulars of income</b>			
Tax on dividend income	710,000	20%	142,000
Tax on business income and other income	119,938,552	37.50%	44,976,957
<b>Total Tk.</b>	<b>120,648,552</b>		<b>45,118,957</b>

**12.00 Sundry creditors**

Salaries and allowances	14,216,838	11,800,830
Security deposit (Against open policy)	969,000	1,184,000
Statutory Audit fees payable ( Rahman Mostafa Alam & Co.)	308,000	280,000
Compliance Audit fees payable ( T.Hussain & Co.)	40,000	40,000
Audit fees payable (Special Audit)	295,500	295,500
Gazi Satellite Television Limited	-	1,000,000
Gratuity fund	5,959,088	3,740,221
Withholding tax deduction at source	652,967	445,311
Withholding tax against agent commission	756,171	754,091
Withholding vat deduction at source	895,195	1,035,035
Liability vat December, 2020	8,315,443	11,603,631
Provident fund employees contribution	279,775	237,446
Provident fund employers contribution	279,775	237,446
Provident fund loan recovery	210,434	311,332
Unclaimed dividend (2019)	457,156	-
HR Holdings Limited ( Electric and wasa bill)	197,083	152,072
Share application money (GP & NRB)	3,371,353	3,371,353
Lease advance realization	2,698,908	1,593,898
Office rent & service charges	-	62,856
<b>Total</b>	<b>39,902,686</b>	<b>38,145,022</b>

**12.00(a)** As per rules of SEC for IPO issue, RICL issued all refund warrants to the unsuccessful application for the year 2008 out of which Tk.3,371,353 (General Public Tk.3,034,463 & Non-resident Bangladeshi (NRB) equivalent to BDT-336,890) have not been encashed prior to December 31, 2020.

**12.00(b) Provision for gratuity fund**

Opening balance	3,740,221	4,964,265
Add: provision made during the year	2,433,456	1,800,000
	6,173,677	6,764,265
Less: paid during the year	214,589	3,024,044
<b>Total provision for gratuity fund</b>	<b>5,959,088</b>	<b>3,740,221</b>

The company has made provision for employees gratuity fund during the year "As per provision of service rules of the company under Sec.5.12 ". The service rules of Republic insurance company limited approved by the Board of Directors on January 03, 2013 as per service rules Sec 5.12 (Note-A) gratuity shall be recognized from 1st July, 2004 ) & IAS-19 under employees retirement benefit scheme. Balance of Tk.5,959,088 shown on Sundry Creditors Account.





Notes	Particulars	Amount in Taka					
		December 31, 2020	December 31, 2019				
<b>13.00</b>	<b>Property, plant &amp; equipment</b>						
	<b>A. Cost price:</b>						
	Cost of Fixed Assets as on January 1, 2020	100,951,409	91,686,519				
	Add: addition during the year	6,867,510	15,584,890				
	Less: adjustment / disposal during the year	-	(6,320,000)				
	<b>Cost of fixed assets as on December 31, 2020</b>	<b>107,818,919</b>	<b>100,951,409</b>				
	<b>B. Accumulated Depreciation:</b>						
	Accumulated depreciation balance as on January 1, 2020	43,211,179	39,049,182				
	Add: depreciation during the year	8,767,194	8,866,989				
	Less: adjustment/ disposal during the year	-	(4,704,992)				
	Accumulated depreciation balance as on December 31, 2020	51,978,373	43,211,179				
	<b>Written down value as on December 31, 2020 (A-B)</b>	<b>55,840,546</b>	<b>57,740,230</b>				
	A schedule of Property, Plant & Equipment has been given in Annexure-A.						
<b>13.01</b>	<b>Intangible assets</b>						
	Opening balance as on January 01, 2020	2,270,230	1,226,010				
	Add: addition during the year	420,000	1,044,220				
		2,690,230	2,270,230				
	Less: accumulated amortization	1,246,368	977,493				
	Written down value as on December 31, 2020	<b>1,443,862</b>	<b>1,292,737</b>				
	A schedule of Intangible assets has been given in Annexure-B.						
<b>13.02</b>	<b>Right-of-use assets</b>						
	<b>A. Cost</b>						
	Add: addition during the year	24,181,056	-				
		4,463,831	24,181,056				
	<b>Cost of right-of-use assets as on December 31, 2020</b>	<b>28,644,887</b>	<b>24,181,056</b>				
	<b>B. Accumulated Depreciation:</b>						
	Accumulated depreciation balance as on January 01, 2020	9,278,463	-				
	Add: deprecation charged during the year	9,230,220	9,278,463				
	Accumulated depreciation as on December 31, 2020	18,508,683	9,278,463				
	<b>Written down value as on December 31, 2020 (A-B)</b>	<b>10,136,204</b>	<b>14,902,593</b>				
	A schedule of Right-of-use assets has been given in Annexure-C.						
<b>14.00</b>	<b>Investment in government treasury bond and securities</b>						
<b>14.01</b>	<b>Investment in government treasury bond</b>						
	A sum of Tk.25,000,000 was invested in Bangladesh bank govt. treasury bond at cost kept with Jamuna bank Limited as statutory deposit as required under section 23 and 24 of the Insurance Act. 2010 (The First schedule item 2 (B)). The details of the investment is as follows:						
		<b>Nature of Security</b>	<b>ISIN No.</b>	<b>Interest Rate</b>	<b>Issue date</b>	<b>Maturity date</b>	<b>Amount (Tk.)</b>
		10YBGTB	BD0923301107	12%	13.02.2013	13.02.2023	16,000,000
		10YBGTB	BD0929061101	9.27%	21.08.2019	21.08.2029	9,000,000
	<b>Total (a)</b>						<b>25,000,000</b>
<b>14.02</b>	<b>Investment in government securities</b>						
		<b>Nature of Security</b>	<b>ISIN No.</b>	<b>Interest Rate</b>	<b>Issue date</b>	<b>Maturity date</b>	<b>Amount (Tk.)</b>
		10YBGTB	BD0930261104	9.15%	22.01.2020	22.01.2030	5,000,000
		10YBGTB	BD0929221101	9.23%	18.12.2019	18.12.2029	3,200,000
		10YBGTB	BD0929221101	9.23%	18.12.2019	18.12.2029	2,100,000
		10YBGTB	BD0930431103	8.66%	17.06.2020	17.06.2030	5,000,000
		10YBGTB	BD0930031101	7.89%	22.07.2020	22.07.2030	5,000,000
		10YBGTB	BD0930141108	5.63%	21.10.2020	21.10.2030	12,000,000
	<b>Total (b)</b>						<b>32,300,000</b>
	<b>Grand Total (a+b)</b>						<b>57,300,000</b>

Above mentioned amount represent investment in Bangladesh Bank Govt. securities with Jamuna bank Limited as required under section 41 & 148 of the Insurance Act. 2010 and S.R.O.No.353-Act/2019. As per requirement of the said SRO the company need to investment Tk.47,031,637. As the circular published in the before the last month of the year and due to lack of fund it couldn't be possible to investment the said amount. The company made investment Tk.32,300,000 and in process to cover up the required investment in shortest possible time.





15.00 Investment in shares at market value

Name of the company	No. of Shares as on 31.12.2020	Average cost as on 31.12.2020	Market price as on 31.12.2020	Value at cost as on 31.12.2020	Fair market value as on 31.12.2020	Profit / (Loss)
ACI Limited	1,885	21.21	246.00	39,980	463,710	423,730
Beximco Limited	6,491	24.67	57.00	160,152	369,987	209,835
DESCO	1,526	14.12	34.80	21,550	53,105	31,555
Exim Bank Limited	3,764	2.01	11.80	7,575	44,415	36,840
ICB Islamic Bank Limited	10,900	10.00	4.30	109,000	46,870	(62,130)
IFIC Bank Limited	44,455	17.42	15.20	774,590	675,716	(98,874)
Islami Bank (BD) Limited	996	12.08	26.80	12,030	26,693	14,663
Lafarge Surma Cement Limited	3,000	24.67	47.80	74,016	143,400	69,384
Mercantile Bank Limited	29,820	9.28	12.70	276,800	378,714	101,914
Mutual Trust Bank Limited	33,286	10.05	24.10	334,500	802,193	467,693
National Bank Limited	43,200	6.91	7.00	298,300	302,400	4,100
NCC Bank Limited	68,630	19.01	13.20	1,304,325	905,916	(398,409)
One Bank Limited	18,569	8.53	10.60	158,350	196,831	38,481
Phoenix Finance & Investment Limited	5,646	86.90	27.50	490,610	155,265	(335,345)
Premier Bank Limited	18,932	6.87	11.00	130,000	208,252	78,252
Pubali Bank Limited	6,207	37.58	24.10	233,268	149,589	(83,679)
Southeast Bank Limited	23,075	10.62	12.50	245,089	288,438	43,349
Standard Bank Limited	8,221	3.64	8.30	29,896	68,234	38,338
Summit Power Limited	922	3.04	38.90	2,800	35,866	33,066
United Commercial Bank Limited	18,736	21.59	14.10	404,500	264,178	(140,322)
The ACME Laboratories Limited	128,561	85.20	74.70	10,953,397	9,603,507	(1,349,890)
<b>Total</b>	<b>476,822</b>			<b>16,060,728</b>	<b>15,183,277</b>	<b>(877,451)</b>

15.00(a) Change in fair value of marketable securities:

Fair value of investment in shares	15,183,277	12,497,786
Less: cost price of the investment	16,060,728	16,060,728
Total unrealised profit/(loss) at the end of the year	(877,451)	(3,562,942)
Total unrealised profit/(loss) recognized at the beginning of the year	(3,562,942)	599,024
Fair value profit/(loss) made during the year (recognized in profit or loss statement)	<b>2,685,491</b>	<b>(4,161,966)</b>





Notes	Particulars	Amount in Taka	
		December 31, 2020	December 31, 2019
<b>16.00</b>	<b>Stock of printing &amp; stationery and stamp in hand</b>		
	Printing	776,166	1,111,758
	Stationery	14,845	25,208
	Stamp in hand	2,498,152	2,094,748
	<b>Total</b>	<b>3,289,163</b>	<b>3,231,714</b>
<b>17.00</b>	<b>Amount due from other persons or bodies carrying on insurance business</b>		
	This balance represents receivable from Sadharan Bima Corporation (SBC) and other insurance companies on account of claims recoverable, Public sector business, Engineering surplus treaty & Co-insurance business. Break up of the amount is as under:		
	Receivable from Sadharan Bima Corporation	243,423,354	231,637,698
	Receivable from others insurance company against co-insurance business	1,067,541	1,874,252
	<b>Total</b>	<b>244,490,895</b>	<b>233,511,950</b>
<b>17.00(a)</b>	<b>Details of receivable against co-insurance business</b>		
	City General Insurance Company Limited	-	806,711
	Asia Pacific Insurance Company Limited	265,073	265,073
	Karnaphuli Insurance Company Limited	14,926	14,926
	Reliance Insurance Company Limited	39,195	39,195
	Green Delta Insurance Company Limited	375,119	375,119
	Progati Insurance Company Limited	120,579	120,579
	Union Insurance Company Limited	210,499	210,499
	Federal Insurance Company Limited	42,150	42,150
	<b>Total</b>	<b>1,067,541</b>	<b>1,874,252</b>
<b>18.00</b>	<b>Interest accrued</b>		
	<b>Accrued interest on FDR</b>		
	Opening balance	16,333,644	20,940,772
	Add: accrued during the year	34,009,673	29,247,840
	Less: received during the year	33,991,079	33,854,968
	<b>Total accrued interest on FDR</b>	<b>16,352,238</b>	<b>16,333,644</b>
	<b>Accrued interest on treasury bond</b>		
	Opening balance	923,224	1,047,277
	Add: accrued during the year	2,754,300	2,646,447
	Less: received during the year	2,754,300	2,770,500
	<b>Total accrued interest on treasury bond</b>	<b>923,224</b>	<b>923,224</b>
	<b>Accrued interest on Govt. securities</b>		
	Opening balance	-	-
	Add: accrued during the year	1,461,178	-
	Less: received during the year	934,440	-
	<b>Total accrued interest on Govt. securities</b>	<b>526,738</b>	<b>-</b>
	<b>Total</b>	<b>17,802,200</b>	<b>17,256,868</b>
	The amount represents interest earned/accrued but not received during the year.		
<b>19.00</b>	<b>Sundry debtors (including advances, deposits and pre-payments)</b>		
	The following items are unsecured but considered as good and this consists of as follows:		
	Advance office rent (Branches)	508,340	-
	Advance office rent (Head office)	-	205,004
	Advance CNG conversion	5,250	5,250
	Advance printing	1,800,000	1,500,000
	Advance income tax	266,866,803	218,964,264
	Advance for office space purchase	9,422,900	9,422,900
	Advance against legal fees	210,000	210,000
	Advance against salary	277,000	687,328
	Advance against computer software	390,000	-
	Advance against office equipment	300,000	-
	Advance against air conditioner	200,000	-
	Advance against office decoration	5,550,200	5,450,200
	Advance against vehicle purchase	124,000	124,000
	Advance against picnic and travelling expenses	-	2,170,000
	Advance against agent commission and others	1,539,479	3,570,762
	Collection control accounts	88,279,770	66,138,628
	Deposit clearing	5,548,632	6,601,197
	Short deposit	5,636,974	6,562,645
	Security deposit (Telephone)	75,600	75,600
	Security deposit ( Office rent)	2,567,000	2,174,000
	<b>Total</b>	<b>389,301,948</b>	<b>323,861,778</b>



Notes	Particulars	Amount in Taka	
		December 31, 2020	December 31, 2019
19.00(a)	Opening balance	218,964,264	188,941,132
	Add: payment during the year		
	Deduction at source during the year, 2020		
	19.00(b) 3,750,539	3,750,539	3,583,966
	Advance payment against assessment year (2015-2016)	-	1,200,000
	Advance payment against assessment year (2016-2017)	5,712,000	-
	Advance payment against assessment year (2019-2020)	-	12,964,166
	Advance payment against assessment year (2020-2021)	20,000,000	12,000,000
	Advance payment against assessment year (2021-2022)	18,000,000	-
	Advance income tax against car registration	440,000	275,000
	19.00(c) Total advance income tax payment during the year	47,902,539	30,023,132
	<b>Balance as at December 31, 2020</b>	<b>266,866,803</b>	<b>218,964,264</b>
19.00(b)	<b>Deduction at source during the year</b>		
	FDR interest	3,402,429	3,410,131
	STD/SND account interest	102,907	83,842
	Cash dividend income	141,852	89,993
	Government treasury bond	68,858	-
	Government securities	34,493	-
		<b>3,750,539</b>	<b>3,583,966</b>
19.00(c)	<b>Advance income tax (car registration)</b>		
	Advance income tax car registration-2020	440,000	275,000
19.00(d)	The company paid as advance for purchase of 1289 sft floor space at IPL SF Tower at Agrabad C/A, Chattogram. Total Advance paid up to December 31, 2020 Tk.9,422,900. Which is not yet handed over for use.		
20.00	<b>Fixed deposit with banks</b>		
	Opening balance	436,610,111	393,365,850
	Add: addition during the year	23,110,013	127,080,567
	Less: encashment during the year	5,000,000	83,836,306
	<b>Total</b>	<b>454,720,124</b>	<b>436,610,111</b>
	<b>Statement of bank wise fixed deposit account:</b>		
	A B Bank Ltd	900,000	900,000
	Al Arafah Islami Bank Ltd	23,200,000	23,700,000
	Agrani Bank Ltd	1,000,000	1,000,000
	Bangladesh Commerce Bank Ltd	18,800,000	18,800,000
	Brac Bank Ltd	10,466,625	10,373,899
	Bangladesh Krishi Bank	1,400,000	1,400,000
	Bank Asia Ltd	15,800,500	15,800,500
	The City Bank Ltd	1,700,000	1,700,000
	Dhaka Bank Ltd	3,200,000	6,200,000
	Dutch Bangla Bank Ltd	2,000,699	2,000,699
	EXIM Bank Ltd	39,600,000	39,600,000
	Eastern Bank Ltd	3,997,491	3,980,204
	First Security Bank Ltd	6,700,000	5,700,000
	IFIC Bank Ltd	11,700,000	11,700,000
	Islami Bank (BD) Ltd	20,000,000	20,500,000
	Jamuna Bank Ltd	32,000,000	30,000,000
	Mutual Trust Bank Ltd	6,300,000	6,300,000
	Mercantile Bank Ltd	10,500,000	10,500,000
	NCC Bank Ltd	10,500,000	10,500,000
	National Bank Ltd	6,300,000	5,300,000
	NRB Commercial Bank Limited	14,000,000	14,000,000
	NRB Global Bank Limited	19,000,000	19,000,000
	NRB Bank Limited	1,000,000	1,000,000
	One Bank Ltd	7,000,000	7,000,000
	Prime Bank Ltd	5,854,809	5,854,809
	Pubali Bank Ltd	11,100,000	9,100,000
	The Premier Bank Ltd	10,600,000	9,600,000
	GSP Finance Co.BD Limited	1,000,000	1,000,000
	Lanka Bangla Finance Ltd.	3,000,000	3,000,000
	Social Islami Bank Ltd	62,200,000	58,200,000
	Standard Bank Ltd	27,500,000	21,500,000
	Shahjalal Islami Bank Ltd	19,100,000	16,100,000
	Southeast Bank Limited	13,100,000	13,100,000
	The Trust Bank Ltd	4,000,000	3,000,000
	Uttara Bank Ltd	200,000	200,000
	Janata bank	500,000	500,000
	Rajshai Krishi Unnayan Bank	5,500,000	5,500,000
	State Bank of India	3,000,000	3,000,000
	Bangladesh Development Bank (BDB)	500,000	500,000
	UCB Limited	12,000,000	12,000,000
	SBAC Bank Limited	3,500,000	2,500,000
	Madhumoti Bank Ltd	2,000,000	2,000,000
	Meghna Bank Ltd	3,000,000	3,000,000
	<b>Total</b>	<b>454,720,124</b>	<b>436,610,111</b>
21.00	<b>Cash and cash equivalents</b>		
	Cash at bank	109,703,176	62,078,212
	Cash in hand	2,782,489	1,959,821
	<b>Total</b>	<b>112,485,665</b>	<b>64,038,033</b>

Cash at bank is inclusive of Refund warrants of Tk.3,371,353 out of which issued to the unsuccessful applicants against IPO but not encashed prior to December 31, 2020 lying with STD Account of the The city bank Ltd, Principal Branch, Dhaka.





Notes	Particulars	Amount in Taka	
		January 01, 2020 to December 31, 2020	January 01, 2019 to December 31, 2019
<b>22.00</b>	<b>Interest income</b>		
	<b>Interest received:</b>		
	FDR interest	17,657,435	12,914,196
	STD/SND account interest	1,029,222	834,785
	Government treasury bond	1,831,076	1,723,223
	Government securities	934,440	-
		<b>21,452,173</b>	<b>15,472,204</b>
	<b>Accrued interest:</b>		
	FDR interest	16,352,238	16,333,644
	Government treasury bond	923,224	923,224
	Government securities	526,738	-
		<b>17,802,200</b>	<b>17,256,868</b>
	<b>Total</b>	<b>39,254,373</b>	<b>32,729,072</b>
<b>23.00</b>	<b>Share investment and dividend income</b>		
	Change in fair value of marketable securities	15.00(a) 2,685,491	(4,161,966)
	Cash dividend	710,000	508,630
	<b>Total</b>	<b>3,395,491</b>	<b>(3,653,336)</b>
<b>24.00</b>	<b>Other income</b>		
	Disposal gain/(loss) of fixed assets	24.00(a) -	1,314,992
	Service charges (co-insurance)	1,050,524	789,100
	Policy cancelled charges	22,900	17,500
	Foreign currency translation gain/(loss)	(361)	12,481
	Other income	1,214,307	254,500
	<b>Total</b>	<b>2,287,370</b>	<b>2,388,573</b>
<b>24.00(a)</b>	<b>Disposal gain/(loss) of fixed assets :</b>		
	<b>a. Sale of vehicle:</b>		
	Cost of vehicles	-	3,720,000
	Accumulated depreciation	-	2,854,660
	Written down value	-	865,340
	Disposal proceeds	-	1,500,000
	<b>Gain/ (loss) on sale of vehicle</b>	<b>-</b>	<b>634,660</b>
	<b>b. Disposal/(transfer) of lease vehicles:</b>		
	Cost of lease vehicles	-	2,600,000
	Accumulated depreciation	-	1,850,332
	Written down value	-	749,668
	Disposal proceeds /Lease advance realized	-	1,430,000
	<b>Disposal gain/(loss) of lease vehicles</b>	<b>-</b>	<b>680,332</b>
	<b>Total disposal gain/(loss) of fixed assets</b>	<b>-</b>	<b>1,314,992</b>
<b>25.00</b>	<b>Deferred tax</b>		
	The impact on account of changes in the deferred tax assets/liabilities for the year ended December 31,2020 has been recognised in the statement of profit or loss and other comprehensive income and in the statement of financial position as per "IAS-12 Income Taxes".		
	Property, plant and equipment at tax base(excluding land)	50,189,679	52,299,360
	Property, plant and equipment at accounting base(excluding land)	52,246,372	54,128,322
	Taxable temporary difference	(2,056,693)	(1,828,962)
	Permanent difference of vehicles	7,230,000	7,230,000
		5,173,307	5,401,038
	Tax rate	37.50%	37.50%
	Deferred tax assets/ (liability)	1,939,990	2,025,389
	Gratuity provision at accounting base	5,959,088	3,740,221
	Gratuity provision at tax base	-	-
	Deductible temporary difference	5,959,088	3,740,221
	Tax rate	37.50%	37.50%
	Deferred tax assets/ (liability)	2,234,658	1,402,583
	Marketable security at tax base	16,060,728	16,060,728
	Marketable security at accounting base	15,183,277	12,497,786
	Deductible temporary difference	877,451	3,562,942
	Tax rate	10.00%	10.00%
	Deferred tax assets/ (liability)	87,745	356,294
	Deferred tax assets	<b>4,262,393</b>	<b>3,784,266</b>
	Deferred tax (expenses)/ income for the year	<b>478,127</b>	<b>(65,883)</b>





**26.00 Premium less re-insurance**

Class of business	Premium earned		Total Premium earned	Less: Re-insurance premium ceded			Amount in Taka	
	Direct business	Public sector business		Direct business	Public sector business	Total	31.12.2020	31.12.2019
	2	3	4=(2+3)	5	6	7=(5+6)	8=(4-7)	9
1								
Fire	355,547,143	12,973,324	368,520,467	170,680,183	11,269,598	181,949,781	186,570,686	149,326,435
Marine cargo	232,257,543	21,519,437	253,776,980	20,345,112	16,369,550	36,714,662	217,062,318	144,126,874
Marine hull	40,534,125	1,226,220	41,760,345	25,744,896	1,201,453	26,946,349	14,813,996	15,963,070
Motor	43,802,865	2,852,598	46,655,463	5,482,393	-	5,482,393	41,173,070	60,741,838
Miscellaneous	46,085,093	23,217,872	69,302,965	-	22,533,451	22,533,451	46,769,514	49,414,824
<b>Total Taka</b>	<b>718,226,769</b>	<b>61,789,451</b>	<b>780,016,220</b>	<b>222,252,584</b>	<b>51,374,052</b>	<b>273,626,636</b>	<b>506,389,584</b>	<b>419,573,041</b>

**27.00 Commission on re-insurance ceded**

Class of business	Commission on re-insurance ceded		Amount in Taka	
	Direct business	Public sector business	31.12.2020	31.12.2019
Fire	45,226,010	1,261,260	46,487,270	46,528,542
Marine cargo	6,103,533	3,273,910	9,377,443	9,493,473
Marine hull	1,386,382	66,080	1,452,462	219,078
Motor	1,370,599	-	1,370,599	144,588
Miscellaneous	-	2,264,623	2,264,623	6,243,325
<b>Total Taka</b>	<b>54,086,524</b>	<b>6,865,873</b>	<b>60,952,397</b>	<b>62,629,006</b>

**28.00 Profit commission**

Class of business	Profit commission		Amount in Taka	
	Direct business	Public sector business	31.12.2020	31.12.2019
Fire	-	-	-	2,513,578
Marine cargo	-	-	-	2,119,298
Marine hull	-	-	-	-
Motor	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total Taka</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,632,876</b>





Notes	Particulars	Amount in Taka	
		January 01, 2020 to December 31, 2020	January 01, 2019 to December 31, 2019

**29.00 Expenses of management**

**Class of business**

Fire	104,714,176	90,387,980
Marine cargo	72,092,109	51,062,220
Marine hull	11,856,526	4,920,507
Motor	13,252,714	17,556,827
Miscellaneous	19,701,778	27,531,861
<b>Total</b>	<b>221,617,303</b>	<b>191,459,395</b>

**Allocation of management expenses:**

Class of business	Gross premium income	Percentage (%) 2020	Amount in Taka	
			31.12.2020	31.12.2019
Fire	368,520,467	47.25	104,714,176	90,387,980
Marine cargo	253,776,980	32.53	72,092,109	51,062,220
Marine hull	41,760,345	5.35	11,856,526	4,920,507
Motor	46,655,463	5.98	13,252,714	17,556,827
Miscellaneous	69,302,965	8.89	19,701,778	27,531,861
<b>Total</b>	<b>780,016,220</b>	<b>100.00</b>	<b>221,617,303</b>	<b>191,459,395</b>

**Expenses of management**

This consists of the following:

Salary & allowances	150,751,487	121,811,409
Bonus (Eid-ul-Fitre, Eid-ul -Azha'2020)	15,029,137	13,221,333
Photocopy bill	244,182	311,701
Procurement provider	3,884,413	4,157,223
Stationery	763,346	863,762
Postage	321,801	281,185
Revenue stamp	341,030	388,865
Entertainment	1,497,961	1,020,863
Conveyance	850,960	915,235
Electric bill	1,838,669	1,949,882
Electric expenses	108,007	103,565
Telephone expenses	5,350	58,400
Telephone bill	245,616	353,592
Computer expenses	607,120	766,479
Currier bill	12,065	30,318
Generator fuel	49,435	77,338
Wasa bill	457,966	678,768
Paper & periodicals	74,770	99,062
Car fuel	1,218,603	1,330,652
Repairs & maintenance (car)	560,766	1,128,798
Office maintenance	3,214,246	1,920,310
Repairs & maintenance (others)	473,969	689,787
Gift item	206,387	85,560
Miscellaneous expenses	833,830	320,410
Travelling expenses	1,605,042	1,521,190
Service charges(co-insurance)	1,093,906	705,111
Uniform expenses	243,870	258,550
Internet bill	337,730	506,065
Office rent	10,248,303	10,434,243
Depreciation	9,230,220	9,278,463
Finance cost	904,046	1,294,466
Service charges (rent)	150,529	159,294
Bank charges	1,339,300	1,167,534
Insurance premium	788,794	849,694
IT expenses	794,038	1,042,680
Washing allowance	93,800	100,150
Service benefit	1,320,664	1,491,760
Picnic expenses	1,811,622	-
Group insurance	-	1,245,192
Management expenses (Govt. business)	4,634,209	5,750,029
Business expenses (Govt. business)	48,888	48,889
Provident fund employers contribution	3,381,226	3,041,588
<b>Total</b>	<b>221,617,303</b>	<b>191,459,395</b>





Notes	Particulars	Amount in Taka	
		January 01, 2020 to December 31, 2020	January 01, 2019 to December 31, 2019

**30.00 Schedule of vat payments: Tk.nil**

Opening balance	-	-
Add:		
Vat payment to Govt. during the year 2020	61,378,367	50,488,900
Payment against outstanding vat (December, 2020)	8,315,443	11,603,631
	<u>69,693,810</u>	<u>62,092,531</u>
Less: Vat collected during the year 2020	69,693,810	62,092,531
<b>Total</b>	<u>-</u>	<u>-</u>





Notes	Particulars	Amount in Taka	
		December 31, 2020	December 31, 2019
<b>31.00 Earnings per share</b>			
<b>31.01 Basic earnings per share</b>			
	Details calculations are as follows:		
	Earnings attributable to ordinary shareholders (Net profit after tax)	109,463,857	87,453,053
	Ordinary shares as at 1st January	43,338,531	39,398,665
	Bonus shares issued	3,033,697	3,939,866
	Weighted average number of ordinary shares outstanding during the year	46,372,228	43,338,531
	Weighted average number of ordinary shares (Restated)	46,372,228	46,372,228
	<b>Basic earnings per share (Restated)</b>	<b>2.36</b>	<b>1.89</b>
<b>32.00 Net assets value per share</b>			
	Net assets per share has been calculated based on weighted average number of 46,372,228 shares outstanding as at December 31, 2020 after giving the effect of 7.00% bonus shares declared for the year 2019. Details calculations are as follows :		
	Net assets	750,368,303	671,241,418
	Ordinary shares as at 1st January	43,338,531	39,398,665
	Bonus shares issued	3,033,697	3,939,866
	Weighted average number of ordinary shares outstanding during the year	46,372,228	43,338,531
	Weighted average number of ordinary shares	46,372,228	43,338,531
	<b>Net assets value per share</b>	<b>16.18</b>	<b>15.49</b>
<b>33.00 Net operating cash flows per share</b>			
	Net operating cash flows per share (NOCFPS) has been calculated based on weighted average number of 46,372,228 shares outstanding during the year. Details calculations are as follows :		
	Net cash generated from operating activities	137,015,332	97,269,774
	Weighted average number of ordinary shares	46,372,228	43,338,531
	<b>Net operating cash flows per share</b>	<b>2.95</b>	<b>2.24</b>
<b>33.01 Reconciliation of profit before tax to operating cash flows:</b>			
	<b>Profit before tax</b>	<b>154,104,687</b>	<b>123,255,126</b>
	Adjustment :		
	Depreciation	9,169,460	9,213,798
	Disposal gain/(loss) of fixed assets	-	(1,314,992)
	Changes of fair value gain/(loss) of share investment	(2,685,491)	4,161,966
	Provision for WPPF	7,705,234	6,162,756
	Foreign currency translation gain/(loss)	361	(12,481)
	<b>Changes in current assets/liabilities:</b>		
	Increase/(decrease) of lease liabilities	(3,937,304)	13,408,200
	(Increase)/decrease of right-of-use assets	4,766,389	(14,902,593)
	(Increase)/decrease of accrued interest	(545,332)	4,731,181
	Increase/(decrease) of premium deposit	50,523	(1,562,650)
	Increase/(decrease) of sundry creditors	1,300,508	5,914,349
	Increase/(decrease) of amount due to other persons or body	(2,994,640)	(40,843,528)
	(Increase)/decrease of amount due from other persons or body	(10,978,945)	(14,180,562)
	(Increase)/decrease of stock of stamps & others	(57,449)	(1,469,413)
	Increase/(decrease) of estimated liability of claims	11,530,329	6,428,449
	Increase/(decrease) of the balance of fund	34,037,172	28,676,923
	(Increase)/decrease of sundry debtors	(16,547,631)	(373,623)
		184,917,871	127,292,906
	Income tax paid	(47,902,539)	(30,023,132)
	<b>Net cash generated from operating activities</b>	<b>137,015,332</b>	<b>97,269,774</b>





### 34.00 Related Party Disclosure

Details transactions with related parties and balances with them as at December 31, 2020 are as follows

Name of the Related Party	Relationship	Nature of Transaction	Premium earned during the year	Premium outstanding during the year	Claims paid during the year
<b>Karnaphuli Group</b>			52,392,398	-	320,910
<i>Karnaphuli Limited</i> Karnaphuli Industries Limited Karnaphuli Works Limited  Holy Crescent Hospital Ltd K & T Logistics	Common Director	Insurance business			
Unitex Textile Mills Ltd Unitex Spinning Mills Ltd	Chairman	Insurance business	22,388,062	-	10,553,000
<b>Gazi Group</b>			33,688,949	-	2,994,500
Gazi Tyres Gazi Tanks Gazi Pamps & Motors Gazi International Gazi Satellite Television	Common Director	Insurance business			
Gasmin Limited Show motion Limited	Common Director	Insurance business	10,422,385	-	-
Armada Spinning Mills Ltd	Common Director	Insurance business	2,669,179	-	-





**Republic Insurance Company Limited**  
**Schedule of Property, Plant & Equipment**

As at December 31, 2020

Annexure-A

Particulars	Cost				Depreciation					
	Opening balance as at 01.01.2020	Addition during the year	Disposal during the year	Balance as at 31.12.2020	Rate of depreciation	Opening balance as at 01.01.2020	Disposal during the year	Charged during the year	Total as at 31.12.2020	Written down value as at 31.12.2020
1	2	3	4	5=(2+3-4)	6	7	8	9	10=(7-8+9)	11=(5-10)
Computer	7,140,623	844,207	-	7,984,830	30.00%	4,990,017	-	755,942	5,745,959	2,238,871
Furniture & fixtures	18,306,312	145,459	-	18,451,771	10.00%	7,460,736	-	1,091,340	8,552,076	9,899,695
Office equipments	6,071,488	386,765	-	6,458,253	20.00%	3,782,848	-	469,393	4,252,241	2,206,012
Vehicles	28,487,860	4,772,343	-	33,260,203	20.00%	9,831,230	-	4,386,331	14,217,561	19,042,642
Crockeries & cutleries	325,059	-	-	325,059	20.00%	229,886	-	19,035	248,921	76,138
Air conditioner	9,251,633	429,886	-	9,681,519	20.00%	6,672,224	-	540,937	7,213,161	2,468,358
Telephone	579,060	5,800	-	584,860	10.00%	284,854	-	29,965	314,819	270,041
Office decoration	24,224,256	283,050	-	24,507,306	10.00%	9,657,844	-	1,469,247	11,127,091	13,380,215
Land and land development	6,238,556	-	-	6,238,556	-	-	-	-	-	6,238,556
Sundry assets	326,562	-	-	326,562	20.00%	301,540	-	5,004	306,544	20,018
<b>Total</b>	<b>100,951,409</b>	<b>6,867,510</b>	<b>-</b>	<b>107,818,919</b>		<b>43,211,179</b>	<b>-</b>	<b>8,767,194</b>	<b>51,978,373</b>	<b>55,840,546</b>
Lease car	3,350,000	-	-	3,350,000	10%	2,016,089	-	133,391	2,149,480	1,200,520
<b>Total</b>	<b>3,350,000</b>	<b>-</b>	<b>-</b>	<b>3,350,000</b>		<b>2,016,089</b>	<b>-</b>	<b>133,391</b>	<b>2,149,480</b>	<b>1,200,520</b>

**Schedule of Property, Plant & Equipment**

As at December 31, 2019

Particulars	Cost				Depreciation					
	Cost as on 01.01.2019	Addition during the year	Disposal during the year	Balance as on 31.12.2019	Rate Of depre - ciation	Balance as on 01.01.2019	Disposal during the year	Charged during the year	Total as on 31.12.2019	Written down value as at 31.12.2019
1	2	3	4	5=(2+3-4)	6	7	8	9	10=(7-8+9)	11=(5-10)
Computer	6,206,347	934,276	-	7,140,623	30.00%	4,227,544	-	762,473	4,990,017	2,150,606
Furniture & Fixtures	14,973,913	3,332,399	-	18,306,312	10.00%	6,351,485	-	1,109,251	7,460,736	10,845,576
Office Equipments	6,063,898	7,590	-	6,071,488	20.00%	3,211,463	-	571,385	3,782,848	2,288,640
Vehicles	25,376,455	9,431,405	(6,320,000)	28,487,860	20.00%	10,360,966	(4,704,992)	4,175,256	9,831,230	18,656,630
Crockeries & Cutleries	315,599	9,460	-	325,059	20.00%	206,970	-	22,916	229,886	95,173
Air Conditioner	9,251,633	-	-	9,251,633	20.00%	6,027,372	-	644,852	6,672,224	2,579,409
Telephone	573,360	5,700	-	579,060	10.00%	252,566	-	32,288	284,854	294,206
Office Decoration	22,360,196	1,864,060	-	24,224,256	10.00%	8,115,531	-	1,542,313	9,657,844	14,566,412
Land and Land development	6,238,556	-	-	6,238,556	-	-	-	-	-	6,238,556
Sundry Assets	326,562	-	-	326,562	20.00%	295,285	-	6,255	301,540	25,022
<b>Total</b>	<b>91,686,519</b>	<b>15,584,890</b>	<b>(6,320,000)</b>	<b>100,951,409</b>		<b>39,049,182</b>	<b>(4,704,992)</b>	<b>8,866,989</b>	<b>43,211,179</b>	<b>57,740,230</b>
Lease Car	3,350,000	-	-	3,350,000	10%	1,867,877	-	148,212	2,016,089	1,333,911
<b>Total</b>	<b>3,350,000</b>	<b>-</b>	<b>-</b>	<b>3,350,000</b>		<b>1,867,877</b>	<b>-</b>	<b>148,212</b>	<b>2,016,089</b>	<b>1,333,911</b>





**Republic Insurance Company Limited**  
Schedule of Intangible Assets  
As at December 31, 2020

Particulars	Cost				Depreciation				Written down value as at 31.12.2020	
	Opening balance as at 01.01.2020	Addition during the year	Disposal during the year	Balance as at 31.12.2020	Rate of depreciation	Opening balance as at 01.01.2020	Disposal during the year	Charged during the year		Total as at 31.12.2020
1	2	3	4	5=(2+3-4)	6	7	8	9	10=(7-8+9)	11=(5-10)
Computer software	2,270,230	420,000	-	2,690,230	20.00%	977,493	-	268,875	1,246,368	1,443,862
<b>Total</b>	<b>2,270,230</b>	<b>420,000</b>	<b>-</b>	<b>2,690,230</b>		<b>977,493</b>	<b>-</b>	<b>268,875</b>	<b>1,246,368</b>	<b>1,443,862</b>

Annexure-B

**Schedule of Intangible Assets**  
As at December 31, 2019

Particulars	Cost				Depreciation				Written down value as at 31.12.2019	
	Cost as on 01.01.2019	Addition during the year	Disposal during the year	Balance as on 31.12.2019	Rate Of depreciation	Balance as on 01.01.2019	Disposal during the year	Charged during the year		Total as on 31.12.2019
1	2	3	4	5=(2+3-4)	6	7	8	9	10=(7-8+9)	11=(5-10)
Computer Software	1,226,010	1,044,220	-	2,270,230	20.00%	778,896	-	198,597	977,493	1,292,737
<b>Total</b>	<b>1,226,010</b>	<b>1,044,220</b>	<b>-</b>	<b>2,270,230</b>		<b>778,896</b>	<b>-</b>	<b>198,597</b>	<b>977,493</b>	<b>1,292,737</b>





**Republic Insurance Company Limited**  
Schedule of Right-of-use assets  
As at December 31, 2020

Particulars	Cost			Depreciation			Total as at 31.12.2020	Written down value as at 31.12.2020
	Opening balance as at 01.01.2020	Addition during the year	Disposal during the year	Balance as at 31.12.2020	Rate of depreciation	Opening balance as at 01.01.2020		
Right-of-use assets	24,181,056	4,463,831	-	28,644,887	-	9,278,463	-	9,230,220
<b>Total</b>	<b>24,181,056</b>	<b>4,463,831</b>	<b>-</b>	<b>28,644,887</b>	<b>-</b>	<b>9,278,463</b>	<b>-</b>	<b>9,230,220</b>
								<b>10,136,204</b>
								<b>18,508,683</b>
								<b>10,136,204</b>

Annexure-C





## Republic Insurance Company Limited

Schedule of Cash at bank  
As at December 31, 2020

Annexure-D

Sl. No.	Name of bank	Account Number	Amount in taka December 31, 2020	Amount in taka December 31, 2019
1	EXIM Bank Ltd. Rajuk Avenue Branch, MSND	01313100035644	15,372,602	32,339,102
2	Standard Bank Ltd. Topkhana Road Branch, SND	00536000929	8,255,495	4,122,090
3	Social Islami Bank Ltd. Kakrail Branch, MND	1031360000588	7,100,377	2,446,123
4	One Bank Ltd. Bijoy Nagar Branch, SND	0225180947002	12,529,355	3,496,429
5	AB Bank Ltd. Kakrail Branch, CD	4009-387959-000	11,212,141	373,825
6	Sonali Bank Ltd. Kakrail Branch, (Current Account General)	4412302001370	3,758,762	1,993,839
7	EXIM Bank Ltd. Shantinagar Branch, MSND	11313100045073	4,422,874	2,169,245
8	First Security Islami Bank Ltd. Dilkusha Branch, MSND	010113100001633	7,103,959	1,063,072
9	NCC Bank Ltd. Bijoy Nagar Branch, CD	057-0210004371	4,399,079	1,942,552
10	Jamuna Bank Ltd. Shantinagar Branch, SND	00090320000236	14,076,375	248,376
11	NCC Bank Ltd. Bijoy Nagar Branch, SND	0057-0325000112	1,716,133	1,027,965
12	Eastern Bank Ltd. English Road Branch, SND	1031220000162	133,778	116,462
13	Prime Bank Ltd. Laldighi Branch, SND	2145313003428	736,885	161,134
14	Jamuna Bank Ltd. Shantinagar Branch, SND	00090320000129	6,828,828	328,794
15	The City Bank Ltd. Principal Branch (NRB) SND	3101073999001	3,957,702	3,687,156
16	The City Bank Ltd. Principal Branch Dollar	5121074165001	401,584	403,310
17	UCBL Shantinagar Branch, STD	0242301000000154	7,630,862	6,055,705
18	Jamuna Bank Ltd. Shantinagar Branch, CD	00090210012762	2,638	3,558
19	Premier Bank Ltd. Kakrail Branch, CD	012411100007710	497	19,634
20	Mutual Trust Bank Ltd. Kakrail Branch, SND	00680320000011	2,240	(288,656)
21	Southeast Bank Ltd. Kakrail Branch, CD	003411100002491	4,473	138,313
22	Standard Bank Ltd. Topkhana Road Branch, CD	00533011650	564	461
23	The City Bank Ltd. Mouchak Branch, CD	1101073999001	1,000	397
24	Bank Asia Ltd. Shantinagar Branch STD	03536000013	587	137
25	Mercantile Bank Ltd. Kawranbazar Branch, SND	110313124891225	1	749
26	EXIM Bank Ltd. Rajuk Avenue Branch, AWCD	01311100124775	1,082	10,863
27	Standard Bank Ltd. Principal Branch, CD	00233005798	106	226
28	Social Islami Bank Ltd. Principal Branch, AWCD	0021330059994	-	865
29	Al- Arafah Islmi Bank Ltd. Motijheel Branch, AWCD	0021020053707	12,606	71,685
30	Uttra Bank Ltd., B.B Avenue Branch, CD	104012200212266	1,692	1,724
31	Mutual Trust Bank Ltd. Fulbaria Branch, SND	00260320000968	1,625	930
32	Sonali Bank Ltd. Joydevpur Branch, SND	0207240000191	2,273	3,654
33	EXIM Bank Ltd. Agrabad Branch, AWCD	00311100000747	747	763
34	Standard Bank Ltd. Khatungonj Branch, CD	000333003264	189	57,693
35	Al- Arafah Islmi Bank Ltd. Jubilee Road Branch, AWCD	0181020011094	1,733	1,665
36	Agrani Bank Ltd. Bogra Branch, CD	0200000696349	1,050	1,040
37	EXIM Bank Ltd. Kushtia Branch, AWCD	03711100102085	1,005	2,160
38	Mercantile Bank Ltd. Naogaon Branch, SND	010813100001269	988	1,119
39	Jamuna Bank Ltd. Chapi Nawabgoni Branch, CD	00520210010565	3,359	37,357
40	National Bank Ltd. Rangpur Branch, SND	000636001255	18,849	22,875
41	Prime Bank Ltd. Khulna Branch, CD	2107115021337	-	1
42	Mercantile Bank Ltd. Jessore Branch, CD	114611106228697	637	553
43	Dhaka Bank Ltd. Satkhira Branch, CD	5011000005082	200	10,930
44	NRB Commercial Bank Ltd., Sylhet Branch, SND	36000000017	252	1,346
45	Meghna Bank Ltd. Barishal Branch SND	51011350000051	5,000	520
46	HR Securities & Investments Ltd	1204350033155748	992	471
<b>Total</b>			<b>109,703,176</b>	<b>62,078,212</b>





## Republic Insurance Co. Limited

### Schedule of Cash in hand

As at December 31, 2020

Annexure-E

Sl. No.	Name of branch	Amount in taka December 31, 2020	Amount in taka December 31, 2019
1	Head Office	2,275,836	1,401,301
2	Local Office	20,234	29,692
3	Principal Branch	583	7,525
4	Paltan Branch	619	20,750
5	Malibagh Branch	7,641	2,406
6	Dilkusha Branch	19,947	30,182
7	Head Office Cell	586	2,297
8	Motijheel Branch	9,396	480
9	Motijheel Corporate Branch	4,822	1,785
10	Elephant Road Branch	5,532	43
11	Farmgate Branch	1,274	3,283
12	B.B Avenue Branch	3,715	1,968
13	Rampura Branch	2,058	5
14	Imamgonj Branch	79	982
15	VIP Road Branch	7,879	4,004
16	Hatkhola Branch	2,697	7,721
17	Gazipur Branch	236	35
18	Agrabad Branch	12,784	11,574
19	Khatungonj Branch	2,164	17,725
20	Jubilee Road Branch	109,679	115,074
21	Khulna Branch	2,507	2,111
22	Satkhira Branch	581	15,264
23	Jashore Branch	19	2,328
24	Kushtia Branch	8,468	1,767
25	Naogaon Branch	4,515	3,156
26	Rangpur Branch	276,182	274,583
27	Chapai Nawabgonj Branch	1,265	220
28	Bogra Branch	565	115
29	Sylhet Branch	21	7
30	Barishal Branch	144	1,438
31	Rajshahi Branch	461	-
<b>Total</b>		<b>2,782,489</b>	<b>1,959,821</b>





### Net Assets Value:

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

	Amount in Taka December 31, 2020	Amount in Taka December 31, 2019
<b>A. Assets :</b>		
<b>a. Fixed assets</b>		
Property, plant and equipment	55,840,546	57,740,230
Intangible assets	1,443,862	1,292,737
Right-of-use assets	10,136,204	14,902,593
Lease car	1,200,520	1,333,911
Investment in government treasury bond and securities	57,300,000	25,000,000
Deferred tax	4,262,393	3,784,266
Investment in shares at market value	15,183,277	12,497,786
<b>Total fixed assets</b>	<b>145,366,802</b>	<b>116,551,523</b>
<b>b. Current assets:</b>		
Stock of printing & stationery and stamp in hand	3,289,163	3,231,714
Amount due from other person or bodies carrying on insurance business	244,490,895	233,511,950
Interest accrued	17,802,200	17,256,868
Sundry debtors (including advances, deposits and pre-payments)	389,301,948	323,861,778
Fixed deposit with banks	454,720,124	436,610,111
Cash & cash equivalents	112,485,665	64,038,033
<b>Total current assets</b>	<b>1,222,089,995</b>	<b>1,078,510,454</b>
<b>Total assets A= (a+b)</b>	<b>1,367,456,797</b>	<b>1,195,061,977</b>
<b>B. Liabilities :</b>		
<b>a. Non current liabilities :</b>		
Paid up share capital	463,722,280	433,385,310
<b>Reserve and contingent account :</b>		
Reserve for exceptional losses	202,200,769	166,753,498
General reserve	9,750,000	9,000,000
Profit and loss appropriation account	74,695,254	62,102,610
<b>Total non-current liabilities</b>	<b>750,368,303</b>	<b>671,241,418</b>
<b>b. Current liabilities :</b>		
Balance of Funds and Accounts	211,444,231	177,407,059
Premium deposits	18,915,055	18,864,532
Estimated liability in respect of Outstanding claims whether due or intimated	52,082,235	40,551,906
Amount due to other persons or bodies carrying on insurance business	38,468,308	41,462,948
Lease liabilities (operating lease)	9,470,896	13,408,200
Provision for taxation	215,031,507	169,912,550
Provision for WPPF	31,773,576	24,068,342
Sundry creditors	39,902,686	38,145,022
<b>Total current liabilities</b>	<b>617,088,494</b>	<b>523,820,559</b>
<b>Total liabilities B= (a+b)</b>	<b>1,367,456,797</b>	<b>1,195,061,977</b>
<b>Net assets value: (A-B)</b>	<b>750,368,303</b>	<b>671,241,418</b>
<b>Weighted average number of ordinary shares</b>	<b>46,372,228</b>	<b>43,338,531</b>
<b>Net assets value per share</b>	<b>16.18</b>	<b>15.49</b>





**Republic Insurance Co. Limited**  
**FORM-SM**  
**Statement of Solvency Margin**  
For the year ended on December 31, 2020

SL. No.	Particulars	Amount in Taka	
		December 31, 2020	December 31, 2019
1	Adjusted Assets(A)	1,115,414,346	954,534,047
2	Adjusted Liabilities(B)	405,644,263	346,413,500
3	Available Solvency Margin (ASM) (A-B)	709,770,083	608,120,547
4	Required Solvency Margin (RSM)	202,894,287	167,829,216
5	Solvency Ratio (ASM) /(RSM) times	<b>3.50</b>	<b>3.62</b>

