

**AUDITORS' REPORT
AND
AUDITED FINANCIAL STATEMENTS
OF**

**Republic Insurance Company Limited
Dhaka
For The Year ended December 31, 2022**



**মালেক সিদ্দিকী ওয়ালী
MALEK SIDDIQUI WALI
CHARTERED ACCOUNTANTS**

Independent Auditor's Report

To the Shareholders of Republic Insurance Company Limited
Report on the Audit of the Financial Statements

Opinion:

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

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

Basis for Opinion:

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

Emphasis of Matter:

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

Key Audit Matters:

Risk	Our response to the risk
<p>Premium Income:</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 audit risk.</p>	<p>With respect to Premium income in respect of various types of insurance we carried out the following procedures:</p> <ul style="list-style-type: none"> ➤ The design and operating effectiveness of key controls around premium income recognition process. ➤ Carried out analytical procedures and recalculated premium income for the period. ➤ Carried out cut-off testing to ensure unearned premium income has not been included in the premium income. ➤ On a sample basis reviewed policy to ensure appropriate policy stamp was affixed to the contract and the same has been reflected in the premium register. ➤ Ensured on a sample basis that the premium income was being deposited in the designated bank account. ➤ Tested on a sample basis to see that appropriate VAT was being collected and deposited to bank through Treasury Challan. ➤ For a sample of insurance contracts tested to see if appropriate level of reinsurance was done and

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

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

Other information

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Report on other Legal and Regulatory Requirements:

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

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) In our opinion, proper books of accounts, records and other statutory books as required by law have been kept by the Company so far as it appeared from our examinations of those books;
- c) The Company management has followed relevant provisions of laws and rules in managing the affairs of the Company and proper books of accounts, records and other statutory books have been properly maintained and (where applicable) proper returns adequate for the purposes of our audit have been received from branches not visited by us;

- d) As per section 63(2) of the Insurance Act 2010, in our opinion to the best of our knowledge and belief 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.

Malek Siddiqui Wali
Chartered Accountants



Md. Waliullah, FCA
Enrolment No: 0247

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

2305070247AS529838

Republic Insurance Company Limited
Statement of Financial Position
As at December 31, 2022

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

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

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

Signed in terms of our separate report of even date.

Firm's Name : Malek Siddiqui Wali. Chartered Accountants

Signature : 

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

Date : April, 27, 2023

Place : Dhaka

DVC : 2305070297AS529838

Republic Insurance Company Limited
Statement of Financial Position
As at December 31, 2022

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

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

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

Signed in terms of our separate report of even date.

Firm's Name : Malek Siddiqui Wali. Chartered Accountants

Signature : 

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

Date : April, 27, 2023

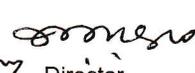
Place : Dhaka

DVC : 2305070247 AS 529898

Republic Insurance Company Limited
Profit and Loss Appropriation Account
For the year ended December 31, 2022

Particulars	Notes	Amount in Taka	
		January 01, 2022 to December 31, 2022	January 01, 2021 to December 31, 2021
Balance brought forward from previous year		86,117,864	74,695,254
Profit after tax		102,094,426	118,242,573
Total profit after tax		188,212,290	192,937,827
Appropriation:			
Reserve for exceptional losses	4.01(a)	50,322,822	41,148,844
General reserve	4.02	750,000	750,000
Issuance of bonus share for the year 2021		24,809,140	32,460,550
Cash dividend paid for the year 2021		49,618,283	32,460,569
Retained earnings transferred to Statement of Financial Position		62,712,045	86,117,864
Total		188,212,290	192,937,827
Earnings per share	33.00	1.96	2.27

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

 Chairman	 Vice Chairman	 Director	 Chief Executive Office	 Company Secretary	 Chief Financial Officer
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Signed in terms of our separate report of even date.

Firm's Name : Malek Siddiqui Wali. Chartered Accountants

Signature : 

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

Date : April , 27, 2023

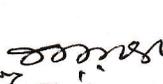
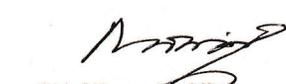
Place : Dhaka

DVC : 2305070247AS 52 98 38

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

Particulars	Notes	Amount in Taka	
		January 01, 2022 to December 31, 2022	January 01, 2021 to December 31, 2021
Operating profit / (loss) transferred from		158,499,649	160,537,787
Fire insurance revenue account		32,471,655	(2,088,855)
Marine cargo insurance revenue account		126,582,735	102,832,113
Marine hull insurance revenue account		(13,484,302)	31,259,382
Motor insurance revenue account		9,263,261	18,630,077
Misc. insurance revenue account		3,666,300	9,905,070
Non-operating income		38,464,035	40,666,662
Interest income	23.00	35,483,045	33,606,609
Share investment and dividend income	24.00	695,721	4,250,825
Other income	25.00	2,285,269	2,809,228
Total Income		196,963,684	201,204,449
Less: Expenses of management (not applicable to any particular fund or account)		20,563,419	27,354,789
Advertisement		1,602,799	2,199,906
Audit fees		933,000	1,209,000
Directors fees		1,200,000	968,000
Donation and subscriptions		1,430,750	798,000
Regulatory charges		2,063,218	2,978,013
Fees and charges		716,239	4,959,930
Renewal and registration fees		1,473,427	1,166,618
AGM expenses		210,000	314,487
Corporate social responsibility		-	1,563,000
Provision for gratuity expenses	12.00(a)	2,380,185	2,497,572
Depreciation	Annexure-A & B	8,553,801	8,700,263
Net Profit before tax and WPPF		176,400,265	173,849,660
Expenses for WPPF		(8,400,013)	(8,278,555)
Profit before tax		168,000,252	165,571,105
Income tax expenses:			
Current tax (expenses) / income	26.01	(42,117,737)	(46,855,922)
Prior year tax made for under provision	26.02	(22,213,689)	-
Deferred tax (expenses) / income	27.00	(1,574,400)	(472,610)
Profit after tax		102,094,426	118,242,573
Other comprehensive income		-	-
Total comprehensive income		102,094,426	118,242,573
Earnings per share (Restated for 2021)	33.00	1.96	2.27
Weighted average number of outstanding shares		52,099,197	52,099,197

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

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

Signed in terms of our separate report of even date.

Firm's Name : Malek Siddiqui Wali, Chartered Accountants

Signature : 

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

Date : April , 27, 2023

Place : Dhaka

DVC : 2305070297AS529838

Republic Insurance Company Limited
Consolidated Revenue Account
For the year ended December 31, 2022

Particulars	Notes	Amount in Taka		Particulars	Notes	Amount in Taka	
		January 01, 2022 to December 31, 2022	January 01, 2021 to December 31, 2021			January 01, 2022 to December 31, 2022	January 01, 2021 to December 31, 2021
Claims under policies less re-insurance		(28,476,106)	69,642,573	Balance of fund account at the beginning of the year		169,056,357	211,444,231
Claims paid during the year		21,589,326	16,820,558				
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated		54,838,818	104,904,250	Premium less re-insurance	28.00	503,228,207	411,488,446
Less: Outstanding claims at the end of the previous year		104,904,250	52,082,235	Commission on re-insurance ceded	29.00	55,715,854	57,776,087
				Profit commission	30.00	2,255,020	16,448,499
Insurance stamps consumed		1,697,393	344,337				
Agency commission		105,059,804	53,003,252				
Expenses of management	31.00	288,302,378	244,572,957				
Profit transferred to Statement of Profit or Loss and Other Comprehensive Income		158,499,649	160,537,787				
Balance of account at the end of the year as shown in the Financial Position being reserve for unexpired risks		205,172,320	169,056,357				
Total		730,255,438	697,157,263	Total		730,255,438	697,157,263

Md. Hafiq
Chairman

Muhammad Zaheer
Vice Chairman

Amjad
Chief Executive Officer

Muhammad Saad
Company Secretary

Muhammad Saad
Chief Financial Officer

Signed in terms of our separate report of even date.

Firm's Name : Malek Siddiqui Wali, Chartered Accountants

Signature : *Md. Waheed*

Auditor's Name : Md. Waheed, FCA, Partner/Enr No.: 0247

Date : April, 27, 2023

Place : Dhaka

DVC : 2305070297 AS 529838

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

Particulars	Amount in Taka		Notes	Amount in Taka	
	January 01, 2022 to December 31, 2022	January 01, 2021 to December 31, 2021		January 01, 2022 to December 31, 2022	January 01, 2021 to December 31, 2021

Claims under policies less re-insurance	(30,760,450)	71,200,903		36,330,802	74,628,274
Claims paid during the year					
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	10,916,919	7,533,385			
Less: Outstanding claims at the end of the previous year	37,665,759	79,343,128	28.00	122,699,998	90,827,005
	79,343,128	15,675,610	29.00	39,212,873	42,420,960
Insurance stamps consumed	1,589,982	245,949	30.00	-	15,077,032
Agency commission	41,324,045	24,766,980			
Expenses of management	104,538,442	92,497,492			
	31.00				
Profit/(loss) transferred to Statement of Profit or Loss and Other Comprehensive Income	32,471,655	(2,088,855)			
Balance of account at the end of the year as shown in the Financial Position being reserve for unexpired risks @40% of premium income of the year	49,079,999	36,330,802			
Total	198,243,673	222,953,271		198,243,673	222,953,271

Balance of fund account at the beginning of the year

Premium less re-insurance

Commission on re-insurance ceded

Profit commission

Chairman: *H.D. Hossain* Vice Chairman: *Amun* Director: *Osiris*

Chief Executive Officer: *[Signature]*

Company Secretary: *[Signature]*

Chief Financial Officer: *[Signature]*

Signed in terms of our separate report of even date.

Firm's Name : Malek Siddiqui Wali, Chartered Accountants

Signature : *Maval*

Auditor's Name : Md. Wallullah, FCA, Partner/Ent No.: 0247
 Date : April, 27, 2023
 Place : Dhaka

DVC : 2305070247 AS 529838

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

Particulars	Notes	Amount in Taka		Particulars	Notes	Amount in Taka	
		January 01, 2022 to December 31, 2022	January 01, 2021 to December 31, 2021			January 01, 2022 to December 31, 2022	January 01, 2021 to December 31, 2021
Claims under policies less re-insurance		(4,897,254)	28,402,515	Balance of fund account at the beginning of the year		99,818,630	86,824,927
Claims paid during the year		4,323,818	5,266,093				
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated		13,915,350	23,136,422	Premium less re-insurance	28.00	289,020,476	249,546,574
Less: Outstanding claims at the end of the previous year		23,136,422	-	Commission on re-insurance ceded	29.00	8,787,120	8,092,537
				Profit commission	30.00	2,255,020	1,371,467
Agency commission		50,149,648	22,602,700				
Expenses of management	31.00	112,437,927	92,179,547				
Profit transferred to Statement of Profit or Loss and Other Comprehensive Income		126,582,735	102,832,113				
Balance of account at the end of the year as shown in the Financial Position being reserve for unexpired risks @40% of premium income of the year		115,608,190	99,818,630				
Total		399,881,246	345,835,505	Total		399,881,246	345,835,505

Signed in terms of our separate report of even date.

Firm's Name : Malek Siddiqui Wali, Chartered Accountants

Signature : *Moad*

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

Date : April, 27, 2023

Place : Dhaka

DVC : 2305070247AS529838

Chairman
Chairman
Vice Chairman

Director
Director

Chief Executive Officer
Chief Executive Officer

Company Secretary
Company Secretary

Chief Financial Officer
Chief Financial Officer

Republic Insurance Company Limited
Marine Hull Insurance Revenue Account
For the year ended December 31, 2022

Particulars	Notes	Amount in Taka		Particulars	Notes	Amount in Taka	
		January 01, 2022 to December 31, 2022	January 01, 2021 to December 31, 2021			January 01, 2022 to December 31, 2022	January 01, 2021 to December 31, 2021
Claims under policies less re-insurance		44	(33,836,659)	Balance of fund account at the beginning of the year		7,434,964	14,813,996
Claims paid during the year		44	1,608,641	Premium less re-insurance	28.00	6,468,396	7,434,964
Add: Total estimated liabilities in respect of outstanding claims at the end of the year whether due or intimated		-	-	Commission on re-insurance ceded	29.00	2,982,617	2,860,867
Less: Outstanding claims at the end of the previous year		-	35,445,300				
Agency commission			1,241,272				
Expenses of management	31.00		22,660,567				
			(13,484,302)				
Profit/(loss) transferred to Statement of Profit or Loss and Other Comprehensive Income			31,259,382				
Balance of account at the end of the year as shown in the Financial Position being reserve for unexpired risks @100% of premium income of the year			7,434,964				
Total			16,885,977	Total		16,885,977	25,109,827

[Signature]
 Chief Executive Officer

[Signature]
 Company Secretary

[Signature]
 Director

[Signature]
 Vice Chairman

Signed as per our separate report of same date.
 Firm's Name : Malek Siddiqui Wali. Chartered Accountants
 Signature : *[Signature]*
 Auditor's Name : Md. Waliullah, FCA, Partner/Enr No.: 0247
 Date : April, 27, 2023
 Place : Dhaka

DVC : 2305070297 AS 529838

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

Particulars	Amount in Taka		Notes	Particulars	Amount in Taka	
	January 01, 2022 to December 31, 2022	January 01, 2021 to December 31, 2021			January 01, 2022 to December 31, 2022	January 01, 2021 to December 31, 2021

Claims under policies less re-insurance

Claims paid during the year

Add: Total estimated liabilities in respect of outstanding claims at the end of the year whether due or intimated

Less: Outstanding claims at the end of the previous year

Balance of fund account at the beginning of the year	3,637,856	3,637,856		12,657,037	16,469,228
Premium less re-insurance	6,246,306	2,174,481	28.00	37,670,080	31,642,593
Commission on re-insurance ceded	3,055,709	2,424,700	29.00	914,606	403,018

Insurance stamps consumed

Agency commission

Expenses of management

64,118	74,817
5,582,708	2,582,641
14,386,289	10,932,411

Profit transferred to Statement of Profit or Loss and Other Comprehensive Income

9,263,261	18,630,077
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Balance of account at the end of the year as shown in the Financial Position being reserve for unexpired risks @40% of premium income of the year

15,068,032	12,657,037
------------	------------

Total **51,241,723** **48,514,839** **51,241,723** **48,514,839**

Md. Hafiz
 Chairman

Humayun Kabir
 Vice Chairman

Abul Kalam
 Director

Shahana
 Company Secretary

Munir
 Chief Financial Officer

Signed in terms of our separate report of even date.

Firm's Name : Malek Siddiqui Wali. Chartered Accountants

Signature : *Mvd*

Auditor's Name : Md. Waillullah, FCA, Partner/Enr No.: 0247

Date : April, 27, 2023

Place : Dhaka

DVC : 2305070247AS 529838

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

Particulars	Notes	Amount in Taka		Particulars	Notes	Amount in Taka	
		January 01, 2022 to December 31, 2022	January 01, 2021 to December 31, 2021			January 01, 2022 to December 31, 2022	January 01, 2021 to December 31, 2021

Claims under policies less re-insurance 304,239 237,958 Balance of fund account at the beginning of the year 12,814,924 18,707,806

Claims paid during the year 102,239 237,958
 Add: Total estimated liabilities in respect of outstanding claims at the end of the year whether due or intimated 202,000 -
 Less: Outstanding claims at the end of the previous year - -
 Premium less re-insurance 28.00 32,037,310
 Commission on re-insurance ceded 29.00 3,998,705

Insurance stamps consumed 43,293 23,571
 Agency commission 6,762,131 2,291,256
 Expenses of management 31.00 34,279,153 29,471,042

Profit/(loss) transferred to Statement of Profit or Loss and Other Comprehensive Income 3,666,300 9,905,070

Balance of account at the end of the year as shown in the Financial Position being reserve for unexpired risks @40% of premium income of the year 18,947,703 12,814,924

Total 64,002,819 54,743,821 Total 64,002,819 54,743,821

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

Signed as per our separate report of same date.

Firm's Name : Malek Siddiqui Wali. Chartered Accountants

Signature : 

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

Date : April, 27, 2023

Place : Dhaka

DVC : 2305070247 AS 529838

Republic Insurance Company Limited

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

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

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

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

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

M. J. Hossain
Chairman

M. M. Hossain
Vice Chairman

Director

M. M. Hossain
Chief Executive Officer

M. M. Hossain
Company Secretary

M. M. Hossain
Chief Financial Officer

Signed as per our separate report of same date.

Firm's Name : Malek Siddiqui Wali, Chartered Accountants

Signature : *M. Md.*

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

Date : April, 27, 2023

Place : Dhaka

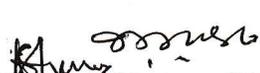
DVC : 2305070297AS529838



Republic Insurance Company Limited
Form "AA"

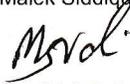
Classified Summary of Assets as at December 31, 2022

SL. No.	Class of Assets	Book Value 2022 (Tk.)	Book Value 2021 (Tk.)	Remarks
A)	Non-current assets:			
i)	Property, plant and equipment	77,197,521	65,066,066	At cost less depreciation
	Computer	2,320,251	2,213,553	
	Furniture and fixtures	9,753,225	9,053,069	
	Office equipments	2,198,197	2,141,340	
	Vehicles	22,212,454	17,915,505	
	Crockeries and cutleries	65,145	71,717	
	Air conditioner	2,206,299	2,206,063	
	Telephone	232,102	243,037	
	Office decoration	13,597,671	12,238,305	
	Land and land development	6,238,556	6,238,556	
	Sundry assets	13,935	16,014	
	Computer software	1,742,539	1,155,090	
	Right-of-use assets	16,617,147	11,573,817	
ii)	Investment:	114,585,201	98,389,692	
	a) Investment in government treasury bond	25,000,000	25,000,000	Not listed in Market
	b) Investment in government securities	69,500,000	54,300,000	Not listed in Market
	c) Investment in shares at market value	20,085,201	19,089,692	At Market price
	Total non-current assets (i+ii)	191,782,722	163,455,758	
B)	Current Assets:	1,359,675,838	1,348,590,247	
	a) Investmt in fixed deposits with banks	526,610,559	487,908,600	Realizable value
	b) Cash at bank	71,703,135	79,769,134	Realizable value
	c) Cash in hand	4,943,191	6,813,263	Realizable value
	d) Interest accrued	23,457,621	18,834,629	Realizable value
	e) Sundry debtors	462,091,286	495,686,273	Realizable value
	f) Amount due from other persons or bodies carrying on insurance business	268,882,096	255,980,813	Realizable value
	g) Stock of printing , stationery and stamp in hand	1,987,950	3,597,535	At cost
C)	Other assets			
	Deferred tax assets	2,215,383	3,789,783	Realizable value
	Total assets (A+B+C)	1,553,673,943	1,515,835,788	

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

Signed as per our separate report of same date.

Firm's Name : Malek Siddiqui Wali. Chartered Accountants

Signature : 

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

Date : April , 27, 2023

Place : Dhaka

DVC

: 230 5070 247 AS 5298 38

Republic Insurance Company Limited

Notes to the Financial Statements

For the year ended December 31, 2022

1.00 Legal form of the Company:

The Company was incorporated on the 18th of May, 2000 as a Public Limited Company under the Companies Act, 1994 having registered office in Bangladesh, with the object of carrying all kinds of insurance business other than life insurance and obtained permission to commence insurance business from the Chief Controller of Insurance, Directorate of Insurance, Government of the People's Republic of Bangladesh on May 31, 2000. The Company is registered with an authorized capital of Tk. 50(Fifty) crore and had issued fully subscribed initial paid 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 and Articles of Association of the Company, The Company with the permission of Bangladesh Securities and Exchange Commission raised its Paid up Capital from Tk.6.00 crore to Tk.15.00 crore through Initial Public Offering (IPO) of 900,000 Ordinary Shares of Tk.100 each as per in October, 2008. Company issued 10% stock dividend on 2009,2010,2011 and 12% on 2012, 12.50% stock dividend on 2013, 10% stock dividend on 2014, 13% stock dividend on 2015, 12% stock dividend on 2016, 12.50% stock dividend on 2017, 10% stock dividend on 2018, 7% cash dividend and 7% stock dividend on 2019, 7% cash dividend and 7% stock dividend on 2020, 10% cash dividend and 5% stock dividend on 2021, and 10.50% cash dividend on 2022.

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

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

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

1.02 Principal activities of the Company :

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

1.03 Authorization date for issuing financial statements :

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

2.00 Basis of presenting accounts and significant accounting policies:

2.01 Basis of accounting preparation:

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

2.02 Management responsibility:

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

2.03 Directors responsibility:

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

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

2.04 Basis of presentation:

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

2.05 Regulatory compliances:

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

2.06 Comparative information:

Comparative information has been disclosed in respect of the year ended December 31, 2022 for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current year's financial statements. The comparative information or prior period information is restated, rearranged or revised when they necessary in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

2.07 Reporting currency and level of precision:

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

2.08 Going concern basis:

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

2.09 Reporting period:

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

2.10 Interim financial reporting:

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

2.11 Branch accounting:

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

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

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

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

2.13 Significant accounting policies and relevant information:

- a) Revenue from contracts with customers(IFRS-15):
Revenue recognized in accordance with International Financial Reporting Standard (IFRS-15) revenue unless otherwise mentioned or otherwise guided by the separate IAS.
- b) Underwriting premium income:
Premium income is recognized when insurance policies are issued and premium collected. The sum of premium income as appeared in classified revenue accounts is net of the refund made, re-insurance ceded and re-insurance premium on PSB.
- c) Public sector business (PSB) :
The premium in respect of Company's share of public sector insurance business (PSB) is accounted for in the year in which the relevant statement of accounts from Shadharan Bima Corporation is received. The statements of account for the period from July 2021 to June 2022 have been received from SBC and the Company's share of PSB for the aforesaid period has been recognized in these financial statements accordingly. Such method of account for the public sector insurance business (PSB) has been consistently followed.
- d) Re-insurance ceded and accepted :
 - 1) Re-insurance ceded and accepted with Sadharan Bima Corporation:
Necessary adjustment in respect of re-insurance ceded and accepted in Bangladesh has duly been made in respective revenue account as per Treaty between the Company and Shadharan Bima Corporation (SBC) and Foreign re-insurer.
 - 2) Re-insurance with Foreign re-insurer :
Fifty percent of the re-insurable general insurance business shall be re-insured with the Sadharan Bima Corporation and the remaining fifty percent of such business may be re-insured either with the Sadharan Bima Corporation and the remaining fifty percent of such business may be re-insured either with the Corporation or with any other insurer whether in or outside Bangladesh.
- e) Cover notes converted into policy (CCP) :
Amounts received against issue of cover notes that have not converted into policy are not recognized as income. The cover note which was previously issued is converted into insurance policy at the expiry of nine months from the date of issue of such cover notes as per circular of the then Chief Controller of Insurance.

- f) Premium deposit:
Premium deposit represents amount of premium deposited with the Company against cover notes for which policies are yet to be issued.
- g) Investment in shares:
Investments are initially recognized at cost including acquisition charges with the investments. After initial recognition investments in marketable ordinary shares have been valued at market price on an aggregate portfolio basis.
- h) Investment in Bangladesh government treasury bond and securities:
10 (ten) and 15(fifteen) years Bangladesh Government Treasury bond and securities are valued at cost price.
- i) Investment income:
- i. Interest on fixed deposit and 10 (ten) and 15(fifteen) years Bangladesh government treasury bond and securities are accounted for on accrual basis after making provision for income tax deductible at source. Interest on STD account and other income are recognized on cash basis.
 - ii. Portfolio gain /loss on investment in shares are recognized in the statement of profit or loss and other comprehensive income on realization basis.
 - iii. Dividend income on share investments if any, are recognized on cash basis and shown in statement of profit or loss and other comprehensive income account. For stock dividend, received by the Company against its investment, number of shares increased and average cost of investment decreased.
- j) Balance of funds and accounts:
These have been arrived at after making provision for unexpired risks @ 40% of net premium income on all business except marine hull insurance where provision has been made at 100% on net premium income.
- k) Reserves for exceptional losses:
As per para 6 of 4th schedule of income tax ordinance, 1984 to meet the exceptional losses, Company sets aside maximum ten percent of the net premium income of the year in which it is set aside from the balance of the profit to reserve for exceptional losses. As per Insurance law maximum 10% statutory reserve is maintained out of profit by the Company to meet any possible future claims on net premium income. During the year under review of the Company sets aside 10%of net premium income.
- l) General reserve:
The Company creates a general reserve fund from the current year profit to avoid future contingency.
- m) Statement of cash flows:
Statement of cash flows is prepared in accordance with IAS-7 and International Accounting Standard (IAS) -7 statements of cash flows and the cash flow from the operating activities has been presented under direct method as prescribed by the Securities and Exchange Rules-1987.Statement of cash flows 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.28,83,02,378 represents approximately 34.39% of tk.83,83,23,190 (Including public sector business of tk.9,61,48,244). The expenses have been apportioned 36.26% to fire ,39.00% to marine cargo, 7.86% to marine hull, 4.99% to motor and 11.89% to miscellaneous business as per management decision.

2.16 Employees benefit (IAS-19)

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

i) Contributory provident fund

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

ii) Provision for gratuity

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

2.17 Workers profit participation fund and welfare fund

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

2.18 Property, plant and equipment's and Depreciation:

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

Depreciation on property, plant and equipment's:

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

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

De-recognition

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

Impairment of assets

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

2.19 Leases

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

Right-of-use assets (ROU)

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

Lease liabilities

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

2.20 Financial risk management (IFRS-7)

2.20.1 Introduction

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

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

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

2.20.2 Carrying amounts of financial instruments by category

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

	Maturity analysis				
	Current	>30 days	>90 days	>1 year	Total
Cash and cash equivalents, receivables, and advances, deposits and prepayments					
Cash and cash equivalents	7,66,46,326	-	-	-	7,66,46,326
Trade and other receivable	-	-	10,75,52,838	16,13,29,258	26,88,82,096
Advances, deposits and prepayments	-	9,24,18,257	13,86,27,386	23,10,45,643	46,20,91,286
Non-current financial assets	-	-	-	11,45,85,201	11,45,85,201
Balance as at December 31, 2022	7,66,46,326	9,24,18,257	24,61,80,224	50,69,60,102	92,22,04,909
Financial liabilities measured at amortized cost					

	Maturity analysis				
	Current	>30 days	>90 days	>1 year	Total
Trade and other Payable	-	51,89,848	86,49,747	2,07,59,394	3,45,98,989
Liability for expenses	-	1,87,23,587	1,24,82,391	1,04,01,992	4,16,07,970
Balance as at December 31, 2022	-	2,39,13,435	2,11,32,138	3,11,61,386	7,62,06,959

2.20.3 Credit risk

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

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

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

2.20.4 Market risks

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

2.20.5 Liquidity risk

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

The following are the contractual maturities of financial liabilities:

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

2.21 Sale of fixed assets

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

2.22 Earnings per share (EPS):

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

2.23 Basic earnings per share (BEPS):

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

2.24 Basic earnings:

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

2.25 Diluted earnings per share:

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

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

2.26 Key Management benefits:

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

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

2.27 Related party disclosure:

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

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

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

2.29 General:

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

Republic Insurance Company Limited
Notes to the Financial Statements
For the year ended December 31, 2022

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

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

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

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

Group "A" Shareholders (Sponsors)

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

Group "B" Shareholders (Public)

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

Notes	Particulars	Amount in Taka	
		December 31, 2022	December 31, 2021
3.04	Share capital (paid up)		
	Opening balance	496,182,830	463,722,280
	Add: bonus share issued during the year	24,809,140	32,460,550
	Total share capital (paid up)	520,991,970	496,182,830

4.00 Reserve and contingent account

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

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

4.01 Reserve for exceptional losses

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

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

4.01(a) Class wise reserve for exceptional losses

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

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

4.02 General reserve

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

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

4.03 Retained earnings

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

Appropriation

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

5.00 Balance of funds and accounts

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

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

Notes	Particulars	Amount in Taka	
		December 31, 2022	December 31, 2021

6.00 Premium deposits

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

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

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

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

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

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

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

Payable to SBC		33,915,009	30,864,391
Pioneer insurance company limited		561,000	561,000
Others insurance company	8.00(a)	122,980	122,980
Total		34,598,989	31,548,371
8.00(a) Others insurance company			
Express insurance company limited		122,980	122,980
		122,980	122,980

9.00 Lease liabilities (operating leases)

Break up of the amount is as under:

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

10.00 Payable for WPPF

Opening balance	40,052,131	31,773,576
Add: expenses for the year	8,400,013	8,278,555
Total	48,452,144	40,052,131

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

11.00 Provision for income tax

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

Notes	Particulars	Amount in Taka	
		December 31, 2022	December 31, 2021
12.00	Sundry creditors		
	Salary and allowances	18,612,114	10,043,816
	Security deposit (Against open policy)	969,000	969,000
	Statutory Audit fees payable (Malek Siddiqui Wali)	308,000	308,000
	Compliance Audit fees payable (T.Hussain & Co.)	40,000	40,000
	Gratuity fund	5,298,468	8,185,828
	12.00(a) Withholding tax deduction at source	685,790	776,878
	Withholding tax against agent commission	406,098	1,046,967
	Withholding vat deduction at source	1,022,068	906,056
	Liability vat December, 2022	7,331,510	7,022,367
	Provident fund employees contribution	270,837	258,283
	Provident fund employers contribution	270,837	258,283
	Provident fund loan recovery	255,135	303,573
	HR Holdings Limited (Electric and wasa bill)	149,561	177,933
	Share application money (GP and NRB)	-	3,371,353
	Lease advance realization	4,564,170	3,717,560
	Total	40,183,588	37,385,897
12.00(a)	Provision for gratuity fund		
	Opening balance	8,185,828	5,959,088
	Add: provision made during the year	2,380,185	2,497,572
		10,566,013	8,456,660
	Less: paid during the year	5,267,545	270,832
	Total provision for gratuity fund	5,298,468	8,185,828
	The company has made provision for employees gratuity fund during the year "As per provision of service rules of the company under Sec.5.12 ". The service rules of Republic insurance company limited approved by the Board of Directors on January 03, 2013 as per service rules Sec 5.12 (Note-A) gratuity shall be recognized from 1st July, 2004) & IAS-19 under employees retirement benefit scheme. Balance of Tk.52,98,468 shown on Sundry Creditors Account.		
13.00	Unclaimed dividend		
	Unclaimed dividend amounting to tk.14,24,382 payable to the Shareholders to whom dividend warrants were issued but not placed for collection up to date of Statement of Financial Position.		
	A) Unclaimed dividend for the year 2021	498,952	-
	B) Unclaimed dividend for the year 2020	531,627	626,582
	C) Unclaimed dividend for the year 2019	393,803	393,803
	Total unclaimed dividend	1,424,382	1,020,385
14.00	Property, plant and equipment		
	A. Cost price:		
	Cost of Fixed Assets as on January 1, 2022	114,876,503	111,168,919
	Add: addition during the year	15,263,798	3,707,584
	Less: adjustment / disposal during the year	(1,624,500)	-
	Cost of fixed assets as on December 31, 2022	128,515,801	114,876,503
	B. Accumulated Depreciation:		
	Accumulated depreciation balance as on January 1, 2022	62,539,344	54,127,853
	Add: depreciation during the year	8,279,250	8,411,491
	Less: adjustment/ disposal during the year	(1,140,628)	-
	Accumulated depreciation balance as on December 31, 2022	69,677,966	62,539,344
	Written down value as on December 31, 2022 (A-B)	58,837,835	52,337,159
	A schedule of Property, Plant and Equipment has been given in Annexure-A.		
14.01	Intangible assets		
	Opening balance as on January 01, 2022	2,690,230	2,690,230
	Add: addition during the year	862,000	-
		3,552,230	2,690,230
	Less: accumulated amortization	1,809,691	1,535,140
	Written down value as on December 31, 2022	1,742,539	1,155,090
	A schedule of Intangible assets has been given in Annexure-B.		
14.02	Right-of-use assets		
	A. Cost		
	38,327,450	28,644,887	
	Add: addition during the year	14,376,891	9,682,563
	Cost of right-of-use assets as on December 31, 2022	52,704,341	38,327,450
	B. Accumulated Depreciation:		
	Accumulated depreciation balance as on January 01, 2022	26,753,633	18,508,683
	Add: depreciation charged during the year	9,333,561	8,244,950
	Accumulated depreciation as on December 31, 2022	36,087,194	26,753,633
	Written down value as on December 31, 2022 (A-B)	16,617,147	11,573,817
	A schedule of Right-of-use assets has been given in Annexure-C.		

Notes	Particulars	Amount in Taka	
		December 31, 2022	December 31, 2021

15.00 Investment in government treasury bond and securities

15.01 Investment in government treasury bond

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

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

15.02 Investment in government securities

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

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

16.00 Investment in shares at market value

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

Change in fair value of marketable securities:

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

Notes	Particulars	Amount in Taka	
		December 31, 2022	December 31, 2021
17.00	Stock of printing ,stationery and stamp in hand		
	Printing	732,356	889,333
	Stationery	13,685	10,108
	Stamp in hand	1,241,909	2,698,094
	Total	1,987,950	3,597,535
18.00	Amount due from other persons or bodies carrying on insurance business		
	This balance represents receivable from Sadharan Bima Corporation (SBC) and other insurance companies on account of claims recoverable, Public sector business, Engineering surplus treaty and Co-insurance business. Break up of the amount is as under:		
	Receivable from Sadharan Bima Corporation	268,031,405	255,130,122
	Receivable from others insurance company against co-insurance business	850,691	850,691
	Total	268,882,096	255,980,813
18.00(a)	Details of receivable against co-insurance business		
	Asia Pacific Insurance Company Limited	265,073	265,073
	Green Delta Insurance Company Limited	375,119	375,119
	Union Insurance Company Limited	210,499	210,499
	Total	850,691	850,691
19.00	Interest accrued		
	Accrued interest on FDR		
	Opening balance	17,232,596	16,352,238
	Add: accrued during the year	27,168,313	26,671,821
	Less: received during the year	22,708,023	25,791,463
	Total accrued interest on FDR	21,692,886	17,232,596
	Accrued interest on treasury bond		
	Opening balance	923,224	923,224
	Add: accrued during the year	2,754,300	2,754,300
	Less: received during the year	2,754,300	2,754,300
	Total accrued interest on treasury bond	923,224	923,224
	Accrued interest on Govt. securities		
	Opening balance	678,809	526,738
	Add: accrued during the year	4,087,992	3,239,861
	Less: received during the year	3,925,290	3,087,790
	Total accrued interest on Govt. securities	841,511	678,809
	Total	23,457,621	18,834,629
	The amount represents interest earned/accrued but not received during the year.		
20.00	Sundry debtors (including advances, deposits and pre-payments)		
	The following items are unsecured but considered as good and this consists of as follows :		
	Advance office rent (Branches)	655,847	138,344
	Advance office rent (Head office)	-	-
	Advance printing (procurement provider)	1,000,000	1,385,000
	Advance income tax	232,843,202	308,494,106
	Advance for office space purchase	9,422,900	9,422,900
	Advance against legal fees	210,000	210,000
	Advance against salary	1,125,250	380,450
	Advance against computer software	390,000	390,000
	Advance against air conditioner	200,000	200,000
	Advance against office decoration	5,550,200	5,550,200
	Advance against vehicle purchase	1,802,675	1,802,675
	Advance against investment in shares	-	22,037,500
	IPO shares receivable against union insurance company limited	-	46,440
	Collection control accounts	195,392,006	131,889,452
	Deposit clearing	5,548,632	5,548,632
	Short deposit	5,636,974	5,636,974
	Security deposit (Telephone)	75,600	75,600
	Security deposit (Office rent)	2,238,000	2,478,000
	Total	462,091,286	495,686,273

Notes	Particulars	Amount in Taka	
		December 31, 2022	December 31, 2021
20.00(a)	Opening balance	308,494,106	266,866,803
	Add: payment during the year		
	Deduction at source during the year, 2022		
	20.00(b) 3,516,902	3,071,043	
	Advance payment against assessment year (2023-2024)	12,000,000	-
	Advance payment against assessment year (2022-2023)	28,300,000	15,000,000
	Advance payment against assessment year (2021-2022)	-	23,000,000
	20.00(c) Advance income tax against car registration	1,212,500	556,260
	Total advance income tax payment during the year	45,029,402	41,627,303
	Less: adjustment made during the year for the assessment year 2013-2014	38,804,513	-
	Less: adjustment made during the year for the assessment year 2014-2015	26,500,000	-
	Less: adjustment made during the year for the assessment year 2015-2016	28,655,406	-
	Less: adjustment made during the year for the assessment year 2016-2017	26,720,387	-
	Balance as at December 31, 2022	232,843,202	308,494,106
20.00(b)	Deduction at source during the year		
	FDR interest	2,855,282	2,581,865
	STD/SND account interest	168,617	94,063
	Cash dividend income	159,023	103,010
	Government treasury bond	137,715	137,715
	Government securities	196,265	154,390
		3,516,902	3,071,043
20.00(c)	Advance income tax (car registration)		
	Advance income tax car registration-2022	1,212,500	556,260
20.00(d)	The company paid as advance for purchase of 1289 sft floor space at IPL SF Tower at Agrabad C/A, Chattogram. Total advance paid up to December 31, 2022 Tk.9,422,900. Which is not yet handed over for use.		
21.00	Fixed deposit with banks		
	Opening balance	487,908,600	454,720,124
	Add: addition during the year	116,101,959	34,188,476
	Less: encashment during the year	77,400,000	1,000,000
	Total	526,610,559	487,908,600
	Statement of bank wise fixed deposit account:		
	AB Bank Limited	900,000	900,000
	Al-Arafah Islami Bank Ltd	20,700,000	28,200,000
	Agrani Bank Ltd	-	1,000,000
	Bangladesh Commerce Bank Ltd	32,800,000	20,800,000
	BRAC Bank Ltd	10,625,064	10,565,192
	Bangladesh Krishi Bank	1,400,000	1,400,000
	Bank Asia Ltd	23,800,500	19,800,500
	The City Bank Ltd	700,000	1,700,000
	Dhaka Bank Ltd	3,200,000	2,200,000
	Dutch-Bangla Bank Ltd	2,000,699	2,000,699
	Export Import (Exim) Bank of Bangladesh Limited	41,100,000	40,600,000
	Eastern Bank Ltd	4,129,487	4,087,400
	First Security Islami Bank Limited	6,700,000	6,700,000
	IFIC Bank Ltd	6,500,000	12,700,000
	Islami Bank Bangladesh Limited	19,000,000	20,000,000
	Jamuna Bank Ltd	26,800,000	35,000,000
	Mutual Trust Bank Ltd	5,300,000	6,300,000
	Mercantile Bank Ltd	13,500,000	12,500,000
	National Credit and Commerce Bank Ltd	10,500,000	10,500,000
	National Bank Ltd	5,800,000	6,300,000
	NRB Commercial Bank Limited	22,000,000	16,000,000
	Global Islami Bank Limited	37,000,000	19,000,000
	NRB Bank Limited	-	1,000,000
	One Bank Limited	12,000,000	7,000,000
	Prime Bank Ltd	4,854,809	5,854,809
	Pubali Bank Ltd	13,100,000	12,100,000
	Premier Bank Ltd	10,600,000	12,600,000
	GSP Finance Company (Bangladesh) Limited	1,000,000	1,000,000
	Lanka Bangla Finance Ltd.	5,000,000	3,000,000
	Social Islami Bank Limited	82,200,000	66,200,000
	Standard Bank Limited	32,500,000	29,500,000
	Shahjalal Islami Bank Ltd	17,600,000	20,100,000
	Southeast Bank Ltd	14,100,000	14,100,000
	Trust Bank Limited	3,000,000	4,000,000
	Uttara Bank Limited	1,200,000	200,000
	Janata Bank Ltd	500,000	500,000
	Rajshahi Krishi Unnayan Bank	11,500,000	6,500,000
	State Bank of India	3,000,000	3,000,000
	Bangladesh Development Bank Ltd (BDBL)	500,000	500,000
	United Commercial Bank Ltd	7,000,000	12,000,000
	South Bangla Agriculture & Commerce Bank Limited	5,500,000	4,500,000
	Madhumoti Bank Limited	3,000,000	2,000,000
	Meghna Bank Limited	3,000,000	3,000,000
	Rupali Bank Ltd	1,000,000	1,000,000
	Total	526,610,559	487,908,600
22.00	Cash and cash equivalents		
	Cash at bank	71,703,135	79,769,134
	Cash in hand	4,943,191	6,813,263
	Total	76,646,326	86,582,397

Annexure-D
Annexure-E

Notes	Particulars	Amount in Taka	
		January 01, 2022 to December 31, 2022	January 01, 2021 to December 31, 2021
		23.00 Interest income	
Interest received:			
FDR interest	5,475,427	9,439,225	
STD/SND account interest	1,472,440	940,627	
Government treasury bond	1,831,076	1,831,076	
Government securities	3,246,481	2,561,052	
	12,025,424	14,771,980	
Accrued interest:			
FDR interest	21,692,886	17,232,596	
Government treasury bond	923,224	923,224	
Government securities	841,511	678,809	
	23,457,621	18,834,629	
Total	35,483,045	33,606,609	
24.00 Share investment and dividend income			
Change in fair value of marketable securities	16.00(a)	(1,328,829)	1,221,288
Capital gain/(loss) on sale of shares		1,226,742	2,513,646
Cash dividend		797,808	515,891
Total		695,721	4,250,825
Cost value of Meghna Insurance Company Limited		40,030	-
Cost value of Union Insurance Company Limited		46,440	-
Cost value of Union Bank Limited		1,978,640	-
Cost value of BD Thai Food & Beverage Limited		35,690	-
Cost value of SAIF Powertec Limited		897,576	-
Cost value of ICB Islamic Bank Limited		109,000	-
Cost value of EXIM Bank Limited		7,575	-
Cost value of ACI Limited		-	39,980
Cost value of Beximco Limited		-	160,152
Cost value of DESCO		-	21,550
Cost value of Islami Bank Bangladesh Limited		-	12,030
Cost value of Lafarge Surma Cement Limited		-	74,016
Cost value of Standard Bank Limited		-	29,896
Cost value of Summit Power Limited		-	2,800
Cost value of ACME Pesticides Limited		-	133,800
Cost value of Sena Kalyan Insurance Company Limited		-	69,950
Total cost value of shares (a)		3,114,951	544,174
Sale value of Meghna Insurance Company Limited		185,863	-
Sale value of Union Insurance Company Limited		281,610	-
Sale value of Union Bank Limited		2,644,664	-
Sale value of BD Thai Food & Beverage Limited		141,332	-
Sale value of SAIF Powertec Limited		902,376	-
Sale value of ICB Islamic Bank Limited		52,111	-
Sale value of EXIM Bank Limited		48,801	-
Sale value of ACI Limited		84,936	565,116
Sale value of Beximco Limited		-	1,125,563
Sale value of DESCO		-	54,716
Sale value of Islami Bank Bangladesh Limited		-	32,637
Sale value of Lafarge Surma Cement Limited		-	246,310
Sale value of Standard Bank Limited		-	85,601
Sale value of Summit Power Limited		-	35,722
Sale value of ACME Pesticides Limited		-	458,564
Sale value of Sena Kalyan Insurance Company Limited		-	453,591
Total sale value of shares (b)		4,341,693	3,057,820
Capital gain/(loss) on sale of shares (a-b)		1,226,742	2,513,646
25.00 Other income			
Disposal gain/(loss) of fixed assets	25.00(a)	409,603	-
Service charges (co-insurance)		758,298	690,624
Policy cancelled charges		40,416	21,200
Foreign currency translation gain/(loss)		83,292	4,736
Other income		993,660	2,092,668
Total		2,285,269	2,809,228
25.00(a) Disposal gain/(loss) of fixed assets			
a. Sale of vehicle:			
Cost of vehicle		-	-
Accumulated depreciation		-	-
Written down value		-	-
Disposal proceeds		-	-
Gain/(loss) on sale of vehicle		-	-

Notes	Particulars	Amount in Taka	
		January 01, 2022 to December 31, 2022	January 01, 2021 to December 31, 2021
b.	Disposal/(transfer) of lease vehicles		
	Cost of lease vehicles	1,624,500	-
	Accumulated depreciation	1,140,628	-
	Written down value	483,872	-
	Disposal proceeds /Lease advance realized	893,475	-
	Disposal gain /(loss) of lease vehicles	409,603	-
	Total disposal gain /(loss) of fixed assets (a+b)	409,603	-
26.00	Income tax (expenses)/income		
	Current tax provision made during the year	26.01 42,117,737	46,855,922
	Add: prior year tax made for under provision	26.02 22,213,689	-
	Total income tax expenses made during the year	64,331,426	46,855,922

26.01 Calculation of current tax provision made during the year

Particulars	Amount in taka December 31, 2022		
Net profit before tax as per statement of Profit or Loss and Other Comprehensive Income	168,000,252		
Less: reserve for exceptional losses	50,322,822		
Add : accounting depreciation	8,553,801		
Less : tax depreciation	9,757,986		
Add : provision for gratuity fund	2,380,185		
Less : employees gratuity fund paid	5,267,545		
Taxable income	113,585,885		
Particulars of income	Taxable income	Tax rate	Current tax provision
Tax on dividend income	797,808	20%	159,562
Tax on capital gain on sale of shares	1,226,742	10%	122,674
Tax on business income and other income	111,561,335	37.50%	41,835,501
Total	113,585,885		42,117,737

26.02 Prior year tax made for under provision

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

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

Notes	Particulars	Amount in Taka	
		January 01, 2022 to December 31, 2022	January 01, 2021 to December 31, 2021
		27.00	Deferred tax
	The impact on account of changes in the deferred tax assets/liabilities for the year ended December 31,2022 has been recognised in the statement of profit or loss and other comprehensive income and in the statement of financial position as per "IAS-12 Income Taxes".		
	Property, plant and equipment at tax base(excluding land)	51,433,823	45,581,212
	Property, plant and equipment at accounting base(excluding land)	54,341,818	47,253,693
	Taxable temporary difference	(2,907,995)	(1,672,481)
	Permanent difference of vehicles	2,412,544	3,015,680
	Deductible temporary difference	(495,451)	1,343,199
	Tax rate	37.50%	37.50%
	Deferred tax assets/ (liability)	(185,794)	503,700
	Gratuity provision at accounting base	5,298,468	8,185,828
	Gratuity provision at tax base	-	-
	Deductible temporary difference	5,298,468	8,185,828
	Tax rate	37.50%	37.50%
	Deferred tax assets/ (liability)	1,986,926	3,069,686
	Lease at accounting base	17,459,153	12,242,567
	Lease at tax base	16,617,147	11,573,817
	Deductible temporary difference	842,006	668,750
	Tax rate	37.50%	37.50%
	Deferred tax assets/ (liability)	315,752	250,781
	Marketable securities at tax base	21,070,193	18,745,855
	Marketable securities at accounting base	20,085,201	19,089,692
	Deductible temporary difference	984,992	(343,837)
	Tax rate	10.00%	10.00%
	Deferred tax assets/ (liability)	98,499	(34,384)
	Deferred tax assets	2,215,383	3,789,783
	Deferred tax (expenses)/ income for the year	(1,574,400)	(472,610)

28.00 Premium less re-insurance

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

29.00 Commission on re-insurance ceded

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

30.00 Profit commission

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

Notes	Particulars	Amount in Taka	
		January 01, 2022	January 01, 2021
		to December 31, 2022	to December 31, 2021

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

Allocation of management expenses:

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

Expenses of management

This consists of the following:

Salary and allowances	206,325,234	168,858,641
Bonus (Eid-ul-Fitre and Eid-ul -Azha'2022)	18,383,870	15,597,173
Photocopy bill	197,484	253,705
Printing (procurement provider)	5,133,744	4,955,279
Stationery	910,888	768,804
Postage	240,267	300,116
Revenue stamp	271,280	304,810
Entertainment	1,481,332	1,454,457
Conveyance	1,025,334	1,788,565
Electric bill	2,064,049	1,991,412
Electric expenses	101,061	121,135
Telephone expenses	10,638	26,375
Telephone bill	315,009	237,231
Computer expenses	737,317	686,081
Currier bill	10,325	45,028
Generator fuel	159,695	54,891
Wasa bill	441,659	526,579
Paper and periodicals	88,195	81,160
Car fuel	2,180,042	1,129,235
Repairs and maintenance (car)	1,493,494	470,971
Office maintenance	3,123,408	3,066,123
Repairs and maintenance (others)	501,029	660,376
Gift item	58,573	231,478
Miscellaneous expenses	1,203,914	923,352
Travelling expenses	665,843	256,745
Service charges(co-insurance)	639,963	778,096
Uniform expenses	266,520	5,300
Internet bill	444,707	463,685
Office rent	13,121,553	13,154,580
Depreciation	9,333,561	8,244,950
Finance cost	1,241,442	956,082
Service charges (rent)	188,845	193,897
Bank charges	1,367,081	1,051,832
Insurance premium	766,506	689,302
IT expenses	730,105	646,302
Washing allowance	102,750	112,610
Service benefit	1,399,943	423,242
Amortization on premium on government securities	(32,266)	826,943
Business promotion expenses	-	340,000
Group insurance	1,027,050	1,295,003
Management expenses (Govt. business)	7,211,118	7,307,130
Business expenses (Govt. business)	48,890	48,890
Provident fund employers contribution	3,320,926	3,245,391
Total	288,302,378	244,572,957

32.00 Schedule of vat payments: Tk.nil

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

Notes	Particulars	Amount in Taka	
		December 31, 2022	December 31, 2021
33.00	Earnings per share		
33.01	Basic earnings per share		
	Details calculations are as follows:		
	Earnings attributable to ordinary shareholders (Net profit after tax)	102,094,426	118,242,573
	Ordinary shares as at 1st January	49,618,283	46,372,228
	Bonus shares issued	2,480,914	3,246,055
	Weighted average number of ordinary shares outstanding during the year	52,099,197	49,618,283
	Weighted average number of ordinary shares (Restated)	52,099,197	52,099,197
	Basic earnings per share	1.96	2.27
	The comparative EPS was restated as per paragraph 26 of IAS 33, due to bonus shares issue during the year.		
34.00	Net assets value per share		
	Net assets per share has been calculated based on weighted average number of 5,20,99,197 shares outstanding as at December 31, 2022 after giving the effect of 5.00% bonus shares declared for the year 2021. Details calculations are as follows :		
	Net assets	888,626,450	836,150,307
	Ordinary shares as at 1st January	49,618,283	46,372,228
	Bonus shares issued	2,480,914	3,246,055
	Weighted average number of ordinary shares outstanding during the year	52,099,197	49,618,283
	Weighted average number of ordinary shares	52,099,197	49,618,283
	Net assets value per share	17.06	16.85
35.00	Net operating cash flows per share		
	Net operating cash flows per share (NOCFPS) has been calculated based on weighted average number of 5,20,99,197 shares outstanding during the year. Details calculations are as follows :		
	Net cash generated from operating activities	88,279,598	88,519,492
	Weighted average number of ordinary shares	52,099,197	49,618,283
	Net operating cash flows per share	1.69	1.78
35.01	Reconciliation of profit before tax to operating cash flows:		
	Profit before tax	168,000,252	165,571,105
	Adjustment :		
	Depreciation	8,553,801	8,700,263
	Disposal gain(loss) of fixed assets	(409,603)	-
	Capital gain on sale of shares	(1,226,742)	(2,513,646)
	Changes of fair value gain/(loss) of share investment	1,328,829	(1,221,288)
	Provision for WPPF	8,400,013	8,278,555
	Foreign currency translation gain/(loss)	(83,292)	(4,736)
	Changes in current assets/liabilities:		
	Increase/(decrease) of lease liabilities	4,177,659	1,659,170
	(Increase)/decrease of right-of-use assets	(5,043,330)	(1,437,613)
	(Increase)/decrease of accrued interest	(4,622,992)	(1,032,429)
	Increase/(decrease) of premium deposit	36,830,383	3,785,540
	Increase/(decrease) of sundry creditors	3,691,166	(2,059,633)
	Increase/(decrease) of amount due to other persons or body	3,050,618	(6,919,937)
	(Increase)/decrease of amount due from other persons or body	(12,901,283)	(11,489,918)
	(Increase)/decrease of stock of stamps and others	1,609,585	(308,372)
	Increase/(decrease) of estimated liability of claims	(50,065,432)	52,822,015
	Increase/(decrease) of the balance of fund	36,115,963	(42,387,874)
	(Increase)/decrease of sundry debtors	(64,096,595)	(41,294,407)
		133,309,000	130,146,795
	Income tax paid	(45,029,402)	(41,627,303)
	Net cash generated from operating activities	88,279,598	88,519,492

36.00 Contingent liability

Company has the following contingent liabilities:

Contingent liability for tax :

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

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

Contingent liability for claim :

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

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

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

37.00 Related Party Disclosure

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

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

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

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

Republic Insurance Company Limited
Schedule of Property, Plant and Equipment
As at December 31, 2022

Annexure-A

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

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

Particulars	Cost				Depreciation				Written down value as at 31.12.2021	
	Opening balance as at 01.01.2021	Addition during the year	Disposal during the year	Balance as at 31.12.2021	Rate of depreciation	Opening balance as at 01.01.2021	Disposal during the year	Charged during the year		Total as at 31.12.2021
1	2	3	4	5=(2+3-4)	6	7	8	9	10=(7-8+9)	11=(5-10)
Computer	7,984,830	740,245	-	8,725,075	30.00%	5,745,959	-	765,563	6,511,522	2,213,553
Furniture and fixtures	18,451,771	153,587	-	18,605,358	10.00%	8,552,076	-	1,000,213	9,552,289	9,053,069
Office equipments	6,458,253	445,186	-	6,903,439	20.00%	4,252,241	-	509,858	4,762,099	2,141,340
Vehicles	36,610,203	1,890,281	-	38,500,484	20% & 10%	16,367,041	-	4,217,938	20,584,979	17,915,505
Crockeries and cutleries	325,059	11,720	-	336,779	20.00%	248,921	-	16,141	265,062	71,717
Air conditioner	9,681,519	254,570	-	9,936,089	20.00%	7,213,161	-	516,865	7,730,026	2,206,063
Telephone	584,860	-	-	584,860	10.00%	314,819	-	27,004	341,823	243,037
Office decoration	24,507,306	211,995	-	24,719,301	10.00%	11,127,091	-	1,353,905	12,480,996	12,238,305
Land and land development	6,238,556	-	-	6,238,556	-	-	-	-	-	6,238,556
Sundry assets	326,562	-	-	326,562	20.00%	306,544	-	4,004	310,548	16,014
Total	111,168,919	3,707,584	-	114,876,503		54,127,953	-	8,411,491	62,539,344	52,337,159

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

Republic Insurance Company Limited
Schedule of Intangible Assets
As at December 31, 2022

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

Annexure-B

Schedule of Intangible Assets
As at December 31, 2021

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

Republic Insurance Company Limited
Schedule of Right-of-use Assets
As at December 31, 2022

Particulars	Cost			Depreciation				Written down value as at 31.12.2022	
	Opening balance as at 01.01.2022	Addition during the year	Disposal during the year	Balance as at 31.12.2022	Rate of depreciation	Opening balance as at 01.01.2022	Disposal during the year		Charged during the year
Right-of-use assets	38,327,450	14,376,891	-	52,704,341	-	26,753,633	-	9,333,561	36,087,194
Total	38,327,450	14,376,891	-	52,704,341		26,753,633	-	9,333,561	36,087,194
									16,617,147
									16,617,147

Annexure-C

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

Particulars	Cost			Depreciation				Written down value as at 31.12.2021	
	Opening balance as at 01.01.2021	Addition during the year	Disposal during the year	Balance as at 31.12.2021	Rate of depreciation	Opening balance as at 01.01.2021	Disposal during the year		Charged during the year
Right-of-use assets	28,644,887	9,682,563	-	38,327,450	-	18,508,683	-	8,244,950	26,753,633
Total	28,644,887	9,682,563	-	38,327,450		18,508,683	-	8,244,950	26,753,633
									11,573,817
									11,573,817

Annexure-D



Republic Insurance Company Limited

Schedule of Cash at bank
As at December 31, 2022

Annexure-D

Sl. No	Name of bank	Account Number	Amount in taka December 31, 2022	Amount in taka December 31, 2021
1	EXIM Bank Limited, Rajuk Avenue Branch, MSND	0113000017853	4,637,274	2,338,019
2	Standard Bank Limited, Topkhana Road Branch, SND	00536000929	1,414,695	6,012,351
3	Social Islami Bank Limited, Kakrail Branch, MND	1031360000588	7,042,560	2,265,912
4	One Bank Limited, Bijoy Nagar Branch, SND	0225180947002	3,861,418	11,143,962
5	AB Bank Limited, Kakrail Branch, CD	4009-387959-000	2,724,777	479,423
6	Sonali Bank Ltd, Kakrail Branch, (Current Account General)	4412302001370	2,842,229	7,434,868
7	EXIM Bank Limited, Shantinagar Branch, MSND	0113000094216	238,215	1,328,562
8	First Security Islami Bank Limited, Dilkusha Branch, MSND	010113100001633	483,434	476,159
9	NCC Bank Ltd, Bijoy Nagar Branch, CD	057-0210004371	1,058,675	2,421,080
10	Jamuna Bank Ltd, Shantinagar Branch, SND	1201000017873	33,051,896	26,097,549
11	NCC Bank Ltd, Bijoy Nagar Branch, SND	0057-0325000112	2,678,079	2,247,412
12	Eastern Bank Ltd, English Road Branch, SND	1031220000162	167,068	151,859
13	Prime Bank Ltd, Laldighi Branch, SND	2145313003428	1,125,275	969,940
14	Jamuna Bank Ltd, Shantinagar Branch, SND	1201000017782	178,782	2,677,890
15	The City Bank Ltd, Principal Branch (NRB)SND	3101073999001	629,284	3,991,649
16	The City Bank Ltd, Principal Branch Dollar	5121074165001	486,274	404,938
17	UCBL, Shantinagar Branch, STD	0242301000000154	7,797,307	9,070,694
18	Jamuna Bank Ltd, Shantinagar Branch, CD	00090210012762	2,910	1,660
19	Premier Bank Ltd, Kakrail Branch, CD	012411100007710	427	462
20	Mutual Trust Bank Ltd, Kakrail Branch, SND	00680320000011	3,250	6,090
21	Southeast Bank Ltd, Kakrail Branch, CD	003411100002491	3,903	1,593
22	Standard Bank Limited, Topkhana Road Branch, CD	00533011650	149	799
23	The City Bank Ltd, Mouchak Branch, CD	1101073999001	1,197	1,195
24	Bank Asia Ltd, Shantinagar Branch STD	03536000013	8,882	879
25	Mercantile Bank Ltd, Kawranbazar Branch, SND	110313124891225	164	902
26	EXIM Bank Limited, Rajuk Avenue Branch, AWCD	01311100124775	2,958	1,174
27	Standard Bank Limited, Principal Branch, CD	00233005798	1,221	2,814
28	Social Islami Bank Limited, Principal Branch, AWCD	0021330059994	5,075	4,655
29	Al- Arafah Islami Bank Ltd, Motijheel Branch, AWCD	0021020053707	15,746	1,744
30	Uttara Bank Limited, B.B Avenue Branch, CD	104012200212266	1,462	1,627
31	Mutual Trust Bank Ltd, Fulbaria Branch, SND	00260320000968	2,695	-
32	Shahjalal Islami Bank Ltd, Bijoy Nagar Branch, SND	4101813100001690	7,389	8,441
33	Sonali Bank Ltd, Joydevpur Branch, SND	0207240000191	1,308	1,611
34	EXIM Bank Limited, Agrabad Branch, AWCD	00311100000747	1,034	2,199
35	Standard Bank Limited, Khatungonj Branch, CD	000333003264	12,143	4,388
36	Al- Arafah Islami Bank Ltd, Jubilee Road Branch, AWCD	0181020011094	1,980	2,843
37	Agrani Bank Ltd, Thana Road Br. Bogura, CD	0200000696349	619	747
38	EXIM Bank Limited, Kushtia Branch, AWCD	03711100102085	725	715
39	Mercantile Bank Ltd, Naogaon Branch, SND	010813100001269	1	7
40	Jamuna Bank Ltd, Chapi Nawabgoni Branch, CD	00520210010565	1,919	2,669
41	National Bank Ltd, Rangpur Branch, SND	1006001154879	17,734	18,770
42	Prime Bank Ltd, Khulna Branch, CD	2107115021337	633	610
43	Mercantile Bank Ltd, Jashore Branch, CD	114611106228697	302	912
44	Dhaka Bank Ltd, Satkhira Branch, CD	5011000005082	205	410
45	NRB Commercial Bank Ltd, Sylhet Branch, SND	36000000017	5,762	4,327
46	Meghna Bank Limited, Barishal Branch, SND	51011350000051	1,840	3,220
47	IFIC Bank Ltd, Rajshahi Branch, SND	0100150133041	452	-
48	HR Securities & Investments Ltd	1204350033155748	1,044,645	41,891
49	HR Securities & Investments Ltd	1204350034157136	137,063	137,513
50	HR Securities & Investments Ltd	1204350033670748	100	-
	Total		71,703,135	79,769,134

Republic Insurance Company Limited

Schedule of Cash in hand
As at December 31, 2022

Annexure-E

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

Net Assets Value:

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

A. Assets :

a. Fixed assets

Property, plant and equipment
Intangible assets
Right-of-use assets
Investment in government treasury bond and securities
Deferred tax
Investment in shares at market value

	Amount in Taka December 31, 2022	Amount in Taka December 31, 2021
Property, plant and equipment	58,837,835	52,337,159
Intangible assets	1,742,539	1,155,090
Right-of-use assets	16,617,147	11,573,817
Investment in government treasury bond and securities	94,500,000	79,300,000
Deferred tax	2,215,383	3,789,783
Investment in shares at market value	20,085,201	19,089,692
Total fixed assets	193,998,105	167,245,541

b. Current assets:

Stock of printing ,stationery and stamp in hand
Amount due from other person or bodies carrying
on insurance business
Interest accrued
Sundry debtors (including advances, deposits and pre-payments)
Fixed deposit with banks
Cash and cash equivalentents

Stock of printing ,stationery and stamp in hand	1,987,950	3,597,535
Amount due from other person or bodies carrying on insurance business	268,882,096	255,980,813
Interest accrued	23,457,621	18,834,629
Sundry debtors (including advances, deposits and pre-payments)	462,091,286	495,686,273
Fixed deposit with banks	526,610,559	487,908,600
Cash and cash equivalentents	76,646,326	86,582,397
Total current assets	1,359,675,838	1,348,590,247
Total assets A= (a+b)	1,553,673,943	1,515,835,788

B. Liabilities :

a. Non current liabilities :

Paid up share capital
Reserve and contingent account :
Reserve for exceptional losses
General reserve
Profit and loss appropriation account
Total non-current liabilities

Paid up share capital	520,991,970	496,182,830
Reserve and contingent account :		
Reserve for exceptional losses	293,672,435	243,349,613
General reserve	11,250,000	10,500,000
Profit and loss appropriation account	62,712,045	86,117,864
Total non-current liabilities	888,626,450	836,150,307

b. Current liabilities :

Balance of Funds and Accounts
Premium deposits
Estimated liability in respect of
Outstanding claims whether due or intimated
Amount due to other persons or
bodies carrying on insurance business
Lease liabilities(operating lease)
Provision for taxation
Provision for WPPF
Sundry creditors
Unclaimed dividend

Balance of Funds and Accounts	205,172,320	169,056,357
Premium deposits	59,530,978	22,700,595
Estimated liability in respect of		
Outstanding claims whether due or intimated	54,838,818	104,904,250
Amount due to other persons or bodies carrying on insurance business	34,598,989	31,548,371
Lease liabilities(operating lease)	15,307,725	11,130,066
Provision for taxation	205,538,549	261,887,429
Provision for WPPF	48,452,144	40,052,131
Sundry creditors	40,183,588	37,385,897
Unclaimed dividend	1,424,382	1,020,385
Total current liabilities	665,047,493	679,685,481

Total liabilities B= (a+b)

1,553,673,943 **1,515,835,788**

Net asstes value: (A-B)

888,626,450 **836,150,307**

Weighted average number of ordinary shares

52,099,197 **49,618,283**

Net assets value per share

17.06 **16.85**

Republic Insurance Company Limited
FORM-SM
Statement of Solvency Margin
For the year ended on December 31, 2022

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