Chairman & MD

Chairman & MD

Chairman & MD

Senate Member

Managing Director

**Managing Partner** 

**Executive Director** 

Managing Partner

Managing Director

**Managing Director** 

Managing Director

Managing Director

Managing Director

**Managing Director** 

Managing Director

Managing Director

**Managing Director** 

Managing Director

**Managing Director** 

Managing Director

**Managing Partner** 

Sponsor Trustee

Director

Chairman

Director

Chairman

Director

Director

Director

Director

Director

Director

Director

Proprietor

Proprietor

Director

Director

Director

Director

Director

Director.

Director

Director

Director

Director

Chairman

### 17 Fixed Assets

Particular	Written  Down  Value at  Jan 1, 1994  Addition  During the year	Down During Value at the year	[1] Charles decreased [1] [1] Charles [1] [2]	Total at Dec 31, 1994	De	Written down value at Dec 31, 1994	
		S.		Taka	Raté	Charged for the year Take	Taka
Furniture and	Taka 2,613,694	Taka 213,019	Taka	2,826,713	10%	273,130	2,553,583
Fixtures	2,013,074	21000		W. Carlotte		0.0000000000000000000000000000000000000	
Type writers and office equipment	484,609	280,385	92	764,994	15%	86,323	678,671
Electric Fan	142,583	35,100	(2,400)	175,283	15%	24,145	151,138
Air Conditioner and refrigerator	450,173	72354	~	450,173	20%	90,035	360,138
Motor Vehicle	1,912,728	14,849,453	(693,366)	16,068,815	20%	1,314,052	14,754,763
Motor cycle	351,324			351,324	20%	70,264	281,060
Bicycle	2,000		Engage of	2,000	20%	400	1,600
Tel. Installation	467,444	323,900	•	791,344	15%	106,957	684,387
Building Accounts (apartment)	1,531,275	24,000		1,555,275		An Estado	1,555,275
TOTAL	7,955,830	347,900	(695,766)	22,985,921		1-465,306	21,000 615

### 18. Interest on investments and on deposits with banks

The break	up of the	above is as	follows:

	1994 Taka	Taka
Interest on FDR Interest on STD Interest on PSP Interest on Debenture	5,065,436 308,067 1,257,720 354,065	6,162,107 323,632 1,046,096 375,461
TOTAL	6,985,288	7,907,296

#### Expenses of management (not applicable to any particular fund or account - Note 21)

I his is made up as ronows :	1994	1993
<del></del>	(Taka)	(Taka)
Salary and allowance (Allocated to Revenue Accounts)	HEROSON AND A	840,201
Staff honorarium	292,500	458,500
Bank charges	140,390	120,966
Board meeting expenses	92,655	70,114
Uniform and liveries	82,808	130,706
Crockeries	21,322	49,910
Training expenses	4,000	5,000
Eid festival allowances	1,814,839	1,668,260
Advertisement and publicity	895,740	1,141,453
Traveling expenses	3,445,484	1,917,410
Lease rentals	223,500	261,580
Office renovation	51,573	283,627
Recreation expenses	20,796	24,500
Insurance premium paid	604,362	207,299
License fee	8,010	7,515
Misc. Expenses - Final settlement to MD	500,000	364,665
Central Rating Committee	4,553	16,490
Group insurance premium	141,981	20,250
Provident fund (company's contribution - yet to be recognized)	514,753	
TOTAL	8,859,266	7,568,196

### Statutory fees for business license and annual registration Tk. 131,502

The amount paid as fees for renewal of registration for the year 1995 (@ Tk. 1.50 per Tk. 1,000) of gross net premium of Tk. 87,627,221 underwritten in 1993).

Allocation of management expenses

fotal management expenses for the year Tk. 52,893,483 have been apportioned in the following manner:

### a. Revenue Account :

Name of business	Apportioned Expenses Taka	Direct Charge, Taka	1994 (Total) Taka	1993 (Total) Taka	18
Fire	14,621,344	2,09,684	14,831,028	16,784,087	
Marine Cargo	22,542,195		22,542,194	17,370,676	]
Marine Hull	187,502		187,502	54,239	
Motor	2,089,562	38,367	2,127,928	2,951,942	]
Miscellaneous	1,766,820	22,792	1,789,612	1,599,526	Ι.
TOTAL	41,207,423	61,159	41,478,264	38,760,470	] (
b. Expenses for particular fundaccount.	management (not a l or account) charged Total management e	to profit and loss	11.415.219 52,893,483	9,272,561 48,033,031	

## Note:

- Out of total management expenses an amount of Tk. 41,207,423 has been allocated to reven accounts on the basis of proportionate gross net premium earned.
- Total management expenses include a sum of Tk. 1,580,210 charged by S.B.C. for public sector DEPUTY MANAGING DIRECTOR & ACTING CHIEF EXECUTIVE

#### business. Claims paid during the year

<b>Particulars</b>		FIRE			MARINE CARGO			MARINE HULL	
	Public Taka	Private Taka	Total Taka	Public Taka	Private Taka	Total Taka	Public Taka	*Private Taka	Total Taka
Paid ·	213,882	4,985,096	5,198,978	204,302	1,678,028	<b>4,1882,33</b> 0	31,795		31,795
Less: Recovery	771,916	3,682,241	4,454,157	238,583	1,087,874	1,326,457	269,152		269,152
(AW)	(558,034)	1,302,855	744,821	(34,281)	590,154	555,873	(237,357)	14	(237,357
Add: Due to Accepted Business		157,525	157,525	ė		• •	1.4		
4.508(3.8)(4.00)	(558 034)	1 460 380	902 346	(34 281)	590 154	555.873	(237 357)		(237, 357

Particulars		MOTOR		MISCELLANEOUS		
	Public Taka	Private Taka	Total \	Public Taka	Private Taka	Total Taka
Paid	204,081	1,304,461	1,508,542	39,645	2,765,655	2,805,300
Less: Recovery		8	1 2 2 V	346,670	2,246,758	2,593,428
	204,081	1,304,461	1,508,542	(307,025)	518,897	211,872
Add : Due to Accepted Business					71,411	71,411
	204,081	1,304,461	1,508,542	(307,025)	590,308	283,283

## PART VI

#### **BOARD OF DIRECTORS** The following are the present Directors of the Company:

	15 A 17 17 17 17 17 17 17 17 17 17 17 17 17	\$55 P 10 10 10 10 10 10 10 10 10 10 10 10 10
1	. Dr. Nazrul Islam	Federal Insurance Co. Ltd.
	13-14 Bundle Road	Continental Chemical Co. (BD) Pvt. Ltd.
	Patherghata	Industrial Development & Trade
	Chittagong	Promotion Ltd.
		Techno Economic Consultant
		Board of Governors, Bangladesh Institute
	1960 - 24	of Technology, Chittagong
à	F H 2 M 200	Selection Committee of Professors,
	76 MB	Bangladesh University of Engineering &
95	,#	Technology (BUET), Dhaka
		Academic Council Bangladesh University
	=_ *** =	of Engineering & Technology (BUET),
		0, 0

Dhaka

Shafi & Company

- Alhaj Ahmed Shafi Rafiquddin Siddiqui
- C/o Shafi & Company 177 Reazuddin Bazar Rd, Ctg. Alhaj Rafiqul Anwar C/o Golden Inn
- Chattagram Ltd. 336 Station Road Chittagong
- Mr. Md. Abdul Khaleque
- International, 1194 Asadgani, Ctg.
- Mr. Md. Abdus Salim Chowdhury **Noorun Building** West Maderbari, Ctg. Engr. Afsar Uddin
- Federal Insurance Co. Ltd. Golden Inn Chattagram Ltd. Madinatunnoor Industries Ltd.
- Holy Crescent Hospital Ltd. Upasham Hospital Ltd. Riff Leather Ltd. Federal Insurance Co. Ltd. Chittagong Trade International
- C/o Chittagong Trade
- Federal Insurance Co. Ltd. Bastu Shilpi Ltd. Ahmad Construction & Services Ltd. C/o Bastu Shilpi Ltd.

- Member Member Vice Chairman Federal Insurance Co. Ltd. Proprietor.
  - Vice Chairman Chairman Chairman Director Director Director Director Managing Partner

Chairman

Chairman

Chairman

Chairman

Chairman

- Federal Insurance Co. Ltd. Director S.H. Enterprises Ltd. Managing Director
  - Director Chairman & MD Chairman & MD

Bangladesh Chemical Complex (Pvt.) 102 Agrabad C/A, Chittagong Alltex Industries Ltd.

Alltex Fabrics Ltd.

Federal Insurance Co. Ltd.

Ansal Pubali Joint Venture

Federal Insurance Co. Ltd.

Ronson Dairy Product Ltd.

Super Label Industries Ltd.

Federal Insurance Co. Ltd.

Jamjam Corp. (Pvt.) Ltd.

Shapla Ship Breakers Ltd.

Abrar Packaging Industries

S. H. Trading Corporation

Federal insurance Co. Ltd.

Saleh Carpet Mills Ltd.

M. Saleh Ahmed & Co.

Zarine Paper Mills Ltd.

Zarina Apparels Ltd.

Zarina Carpet Mills Ltd.

Federal Insurance Co. Ltd.

Commander Soap Co. Ltd.

Tiger Wire Products Ltd.

Bangla Bazar Patrika Ltd.

Federal Insurance Co. Ltd:

Mostafa Re-Rolling Mills Ltd.

Kidney Disease & Urology Center Ltd.

Independent University, Bangladesh

Mostafa Vegetable Oil Industries Ltd.

Mostafa Coconut Oil Industries Ltd.

Mostafa Garments Industries Ltd.

Rahman Rexene Industries Ltd.

F.R. Khan Estates Ltd.

Urmee Enterprise Ltd.

Sikander Industries

Mostafa Steels Ltd

Zarina Garments (Pvt.) Ltd.

J. S. International Corp. Ltd.

Saleh Zarina Ltd.

Saleh Jute Industries Ltd.

Noor Oil & Food Products Ltd.

Arafat Ltd. (Dada Pak Ltd.)

Ronson Knitting Ltd.

Ronson Private Ltd.

Ronson Knitting Ltd.

Rahima Garments Ltd.

Chittagong Builders & Machinery Ltd.

New Generation Construction Co. Ltd.

Pubali International

SKM Jute Mills Ltd!

N.A. Garments Ltd.

Sidko Limited

- Mr. Enamul Hoq University of Chittagong Representing Paradise Computer & Office Automation Corporation (Pvt.) Ltd. Systems Ltd. 108 Agrabad C/A Al Marjuq Overseas Ltd. Chittagong Paradise Corporation (Pvt.) Ltd. Shah Ali Engineering Works Federal Insurance Co. Ltd. Alhai Elias Siddiquee Pubali Constructions Co. Ltd.
- Vill. & P.O. Backtapur P.S. Fatikchhari Chittagong Mr. Feisal Siddiqi Apartment No. A2/7 Kalindi Apartment 36 Indira Road, Dhaka Alhai lashim Uddin
- 16 Badsha Meah Road Mehdibagh, Ctg. Alhai Kamal Uddin House No. 1560A Road No. 5, Hill View R/A, Panchlaish, Ctg.
- Mr. Kanutosh Majumder C/o New Generation Construction Co. Ltd. Strong Steel Ltd. Room No. 35, WASA Bhaban Kawran Bazar, Dhaka Alhaj Md. Lokman Ronson Dairy Product Ltd. Chowdhury C/o Igbal & Brothers Super Label Industries Ltd. 189 Khatungani Ronson Private Ltd.
- Chittagong Mr. Nurul Alam C/o Marina International 1477 Idris Building Amir Market Chittagong Alhaj Sabirul Hoque

35 New Chaktai

Chittagong

Ilias Market,

- Mr. Md. Shah Newaz Chowdhury, MP (Representing J.S. International Corporation Ltd.) 1053 Sk. Mujib Road Agrabad, Chittagong
- Mr. Md. Zakaria Khan (Representing Urmee Enterprise Ltd.) 265 Tejgaon I/A, Dhaka
- Alhaj Shafique Uddin M. Rahman Chamber 277, Khatungani Chittagong

### Rahman Ship Breakers Industries Ltd. Director CHAIRMAN The Chairman of the Company, Dr. Nazrul Islam, has held a number of responsible positions over the past 34 years in various government and autonomous bodies. He was Member of the Planning

#### commission; Rector at the Public Administration Training Center; Chairman of Petrobangla, Bangladesh Steel & Engineering Corporation (BSEC), Bangladesh Council of Scientific & Industrial Research (BCSIR), Bangladesh Tea Board; Syndicate Member of Bangladesh University of Engineering & Technology and Bangladesh Agricultural University; Member of World Energy Co-ordination Team, New Delhi. Currently, Dr. Islam is Chairman, Board of Governors, Bangladesh Institute of Technology, Chittagong and Member, Academic Council, Bangladesh

# University of Engineering & Technology (BUET).

Mr. A.K.M. Sarwardy Chowdhury, the Acting Chief Executive of the Company, has over 24 years experience in the insurance business. Since the start of his insurance career with the erstwhile Eastern Insurance Company, he has been in senior management positions with Sadharan Bima Corporation and Green Delta Insurance Company. Mr. Sarwardy joined the Company in 1988, and under his stewardship the Company was able to bring greater efficiency in several areas of operation, including underwriting activities, re-insurance, claims, and administration. Since joining the Company, he has rapidly advanced to the top of the management ranks along with the growth

### of business of the Company itself. NUMBER OF DIRECTORS

The number of Directors shall not be less than eight and more than twenty-seven.

**OUALIFICATION** 

The qualification of every Director shall be the holding of, in his/her own name or in the name of a company he/she represents, ordinary shares in the Company to the nominal value of Tk 5,00,000 rand/or as per decision of the Government for the time being in force) provided that the obligation 3. to acquire qualifying shares shall be same in the case of Director representing any person other than an individual, of the requisite value. A Director may act before acquiring his qualification shares but must acquire the same within two months after his appointment. The Chairman and Managing Director, if appointed from outside, shall not be required to hold qualification shares and shall not have voting rights except a casting vote.

## DIRECTORS' INTEREST

The Directors have no personal interest except to the extent of receiving the remuneration provided in the Articles of Association. REMUNERATION

Each Director shall receive such remuneration including allowances for attending meetings of the Board of Directors as is prescribed by the concerned authority from time to time. If any Director being willing shall be called upon to perform extra services or to make any special exertions in going or residing away from the Registered Office of the Company for any of the purposes of the Company or in giving special attention to the business of the Company as a member of the Committee of Directors, the Company may remunerate the Director so doing either by a fixed sum or otherwise as may be determined by the Directors and such remuneration may be either in addition 8. to or in substitution for his or their remuneration from time to time provided for the Directors.

The Directors may allow and pay to any Director who is not ordinarily a resident of the place where a meeting is held and who shall come to such place for the purpose of attending the meeting such sum as the Directors may consider fair compensation for traveling and living expenses in addition to his remuneration as above specified and the Directors may from time to time fix the remuneration to be paid to any member or members of their body constituting a committee appointed by the Directors in terms of these presents and may pay the same.

## BORROWING POWERS

The Directors are empowered by the Articles of Association of the Company to raise or borrow necessary funds for the purpose of the Company on security or otherwise.

## PART VII

## RIGHTS OF THE SHAREHOLDERS

# **VOTING RIGHTS**

The share capital of the Company is divided into ordinary shares carrying equal rights to vote and receive dividends. In terms of the relevant provisions of the Companies Act, 1994, and the Articles of Association of the Company, the shareholders shall have the usual voting rights in person or by proxy in connection with, among others, election of directors and auditors and other usual agenda of Annual General Meetings, Ordinary and Extra-Ordinary Meetings. On a show of hands, every shareholder present in person and every duly authorized representative of a shareholder present at a General Meeting shall have one vote; and on a poll, every shareholder present in person or by proxy shall have one vote for every share held by him/her.

## TRANSFER OF SHARES

In terms of the provision of the Companies Act, 1994, the Articles of Association of the Company and other relevant rules in force, the shares of the Company are freely transferable. The Company shall not charge any fee for registering the transfer of shares. No transfer shall be made to persons of unsound mind, or minors, or to a firm, or to a trust.

## DIVIDEND POLICY

The profit of the Company, subject to any special rights relating thereto created or authorized to be created by the Memorandum of Association subject to the provisions of the

- Articles of Association, shall be divisible among the members in proportion to the amount of capital paid up on the shares held by them respectively.
- No larger dividend shall be déclared than is recommended by the directors, but the company in General Meeting may declare a smaller dividend.
- No dividend shall be payable except out of the profits of the Company or any other
- undistributed profits. Dividend shall not carry-interest as against the Company.
- The directors may from time to time pay to the members such interim dividends as, in their judgment, the financial position of the Company may justify.
- A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.

#### PERIODICAL INFORMATION TO SHAREHOLDERS

The Directors shall present the financial statements as required under the law and International Accounting Standards. Financial statements will be prepared in accordance with International Accounting Standards consistently applied throughout the subsequent period and present with the objective of providing maximum disclosure as per law and International Accounting Standards to the shareholders regarding the financial and operational position of the Company.

#### MISCELLANEOUS

AUDITORS Rahman Rahman Hug **Chartered Accountants** 52 Motisheel C/A Dhaka

LEGAL ADVISER Mr. Rafique-ul Huq Bar-at-Law Hug & Company 47/1 Purana Paltan Dhaka

Banker's SL. No.

### MATERIAL CONTRACTS

Copies of the Megnorandum and Articles of Association of the Company, the consent order of the Securities and Exchange Commission, Underwriting Agreement, and Manager to the Issue Agreement may be inspected in any working day during office hours at the Registered Office of the Company.

#### PART VIII

### FEDERAL INSURANCE COMPANY LIMITED APPLICATION FOR SHARE

WARNING: Please read the instructions at the back of this form. Incorrectly filled applications may be rejected

The Directors Federal Insurance Company Limited Chamber Building (2nd Floor) 122-124 Motijheel C/A, Dhaka-1000

### Dear Sirs,

I/We apply for and request you to allot me/us the following number of shares and I/we agree to accept the same or any smaller number that may be allotted to me/us upon the terms of the Company's approved prospectus and subject to the Memorandum'and Articles of Association of the Company. Further, I/we authorize you to place my/our name(s) on the Register of Members of the Company as the holder(s) of \_\_\_\_\_ shares allotted to me/us pursuant to this application and to send Allotment Letter in respect thereof and/or a Crossed Cheque (account payee only) in respect of any application money returnable by post at my/our risk to the first applicant's address stated below:

- No. of Shares\_\_\_\_\_\_of Tk 155 (including premium of Tk 55) each.
- 2. Amount in Tk. (in figure) \_\_\_\_\_Taka (in words)\_\_\_\_\_
- deposited vide Cash/Cheque/Draft/ Pay Order No.\_\_\_\_\_
- Bank Branch
- 1/We agree to fully abide by the instructions given overleaf.
- Name and address:
- Sole/First Applicant : Mr./Ms./Messrs. Father's/Husbands Name Postal Address:
- Nationality Occupation Passport/ID No. (If any) For Refund Warrants, Applicants Bank A/C No.
- Second Applicant: Mr./Ms./Messrs. Father's/Husbands Name Postal Address:
- Occupation Passport/ID No. (If any)

Name of the Bank

Specimen Signature(s): Name (In Block) Signature Name (In Block) Signature

Certified that this bank received Tk.\_\_ no. of shares of FEDERAL being application money for \_ from Mr./Ms INSURANCE COMPANY LIMITED.

Banker's Acknowledgment

Seal & Date Banker's SL. No \_\_

**Authorized Signature** (NAME & DESIGNATION)

Branch

Nationality

## INSTRUCTIONS

- All information must be typed or written (in full in block letters) in English or Bengali and must NOT be abbreviated.
- Application must be made on the Company's printed form/photocopy/type copy/hand written forms thereof.
- Application must not be for less than 50 (fifty) shares of the value of Tk 7,750 and must be for multiple of 50 shares. Any application not meeting this criterion will not be-considered for allotment purposes.
- Remittance for the full amount of the shares must accompany each application and must be forwarded to any of the Bankers to the Issue. Remittance should be in the form of Cash/Cheque/Draft/Pay Order payable to one of the Bankers to the Issue "A/C FEDERAL INSURANCE COMPANY LIMITED" and crossed "A/C Payee only" and must be drawn on a
- bank in the same town as the bank to which the application form has been sent. In the case of Joint Application Form, the Allotment Letter will be dispatched to the person whose name appears first on this Application Form and where any amount is refundable in whole or in part the same will be refunded by cheque by post/courier service to the person
- named first on this Application Form in the manner prescribed in the Prospectus. Joint applications from more than two persons will not be accepted. In the case of joint

application, each party must sign the application form.

- Application must be in full name of individuals and not in the name of firms, minors or persons of unsound mind. Applications from financial and market intermediary companies must be accompanied by Memorandum and Articles of Association of the company.
- An applicant can submit NOT more than two applications, one in his/her own name and another jointly with another person. In case applicant makes more than two applications, those in excess of two applications shall NOT be considered for allotment purposes. No receipt will be issued for the payment made with application but a provisional
- acknowledgment will be issued by the Bankers to the Issue for applications lodged with them.
- Refund will be made through "Account Payee" cheque(s) only, with Bank Account No., Bank Name and Branch as mentioned in the application.
- Allotment shall be made solely in accordance with the instructions of the Securities and Exchange Commission.
- Making of any false statement in the Application or supplying of incorrect information therein or suppressing any relevant information will make the application liable to rejection and subject to forfeiture of application money. The said application money will be deposited in an account specified by the Securities and Exchange Commission. This may be in addition to any other penalties as may be provided for by law.
- Applications which do not meet with the above requirements or applications which are incomplete shall not be entertained for allotment purposes.

#### **BANKERS TO THE ISSUE** (See first page of this Prospectus)

2,40,000 ORDINARY SHARES OF TK 155/- (INCLUDING PREMIUM OF TK 55) EACH ARE BEING OFFERED TO THE GENERAL PUBLIC AS FOLLOWS:

i.	55% shares, i.e. 1,32,000 ordinary shares are being offered to the	2,04,60,000
11.	applicants for 50 shares.  10% shares, i.e. 24,000 ordinary shares are being offered to the applicants	7,20,000
iji.	for exceeding 50 but upto 500 shares 10% shares, i.e. 24,000 ordinary shares are being offered to the applicants	37,20,000
iv.	DOTAMAN DEMONSTRATION OF AN AT A PART OF A PAR	37,20,000
v	for exceeding 1000 but upto 5000 shares 15% shares, i.e. 36,000 ordirary shares are being offered to the applicants	55,80,000

for over 5000 shares for financial institutions, insurance, financial and market intermediary companies, excluding sponsors group of Companies

3,72,00,000 **以在北京衛星等等** 

Taka

2,04,60,000