

Management structure of sadharan bima corporation

[Economics](#), [Insurance](#)



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Executive Summery Sadharan Bima Corporation is one of the famous insurance company of Bangladesh. It has been dominating the insurance service of our country by satisfying customer needs. Sadharan Bima Corporation provides the best service to their customer and they are aware about their quality. The customers are very loyal to the company. They usually like the service for its environment, availability, promotion and quality. This report is done as a part of our study and it helped us to understand the real life scenario of communication and management for Sadharan Bima Corporation. This report also facilitated the understanding of the academic theories associated with the cores of BBA (Business Communication). The purpose of this report is to identify the problems, services and prospects of private insurance company and also the strengths

and opportunities of private insurance company in the market which will help Sadharan Bima Corporation to retain the better position and to increase its profit. At the same time identify the problem faced and to find out a possible solution for the problems. Organization overview [pic] INSURANCE BACK

GROUND OF BANGLADESH After the emergence of the People's Republic of Bangladesh in 1971, the government, in order to make available the fruit of liberation to the general mass, nationalized the insurance industry along with the banks in 1972 by Presidential Order No. 95. By virtue of this order, save and accept postal life insurance and foreign life insurance companies (other than the Pakistani companies), all companies and organization transacting all types of insurance business in Bangladesh came under this

nationalization order. At the same time, five insurance corporations were initially established by the Government, viz, Jatiya Bima Corporation (National Insurance Corporation), Teesta Bima Corporation (Teesta Insurance Corporation), Karnaphuli Bima Corporation (Karnaphuli Insurance Corporation), Rupsa Jiban Bima Corporation (Rupsa Life Insurance Corporation), Surma Jiban Bima Corporation (Surma Life Insurance Corporation). On 14th May, 1973 the Insurance Corporation Act VI, 1973 was enacted under which the previous five corporations were abolished and the following two corporations emerged: 1) Sadharan Bima Corporation for General Insurance and, 2) Jiban Bima Corporation for Life Insurance in Bangladesh. CURRENT INSURANCE MARKET ENVIRONMENT IN BANGLADESH

After the emergence of the People's Republic of Bangladesh in 1971, the government nationalized the insurance industry along with the banks in 1972 by Presidential Order No. 95. By virtue of this order, all companies and

organization transacting all types of insurance business in Bangladesh came under this nationalization order. This was followed by creation of five insurance companies in the life and non-life sector. Further changes were brought on 14th May, 1973. Through the enactment of Insurance Corporation Act VI, 1973 which led to creation of two corporations namely Sadharan Bima Corporation for general insurance and, Jiban Bima Corporation for life insurance in Bangladesh. In other words Sadharan Bima Corporation (SBC) emerged on 14th May, 1973 under the Insurance Corporation Act (Act No. VI) Of 1973 as the only state owned organization to deal with all classes of general insurance & re-insurance business emanating in Bangladesh. Thereafter SBC was acting as the sole insurer of general Insurance till 1984. Bangladesh Government allowed the private sector to conduct business in all areas of insurance for the first time in 1984. The private sector availed the opportunity promptly and came forward to establish private insurance companies through promulgation of the Insurance Corporations (Amendment) Ordinance (LI of 1984) 1984. The Insurance Market in Bangladesh now consists of two state-owned corporations, forty three and seventeen private sector general & life insurance companies respectively, a total of 62 insurance companies. Thus the insurance sector in Bangladesh has grown up substantially and deepened remarkably with number of companies in both life and general segments. With the expansion of size of the insurance market, the volume of assets of the industry has also increased substantially. SBC is entitled to 50% of public sector business. Insurance Corporation (Amendment) Act 1990 provides that fifty percent of all insurance business relating to any public property or to any risk or liability

appertaining to any public property shall be placed with the SBC and the remaining fifty percent of such business may be placed with this corporation or with any other insurers in Bangladesh. But for practical reason and in agreement with the Insurance Association of Bangladesh SBC underwrites all the public sector business and 50% of that business is distributed among the existing 43 private general insurance companies equally under National Co-insurance Scheme. In respect of reinsurance, the same act provides that fifty percent of a company's reinsurance business must be placed with the Sadharan Bima Corporation and remaining fifty percent may be reinsured either with this Corporation or with any insurer in Bangladesh or abroad. At present, nearly all the companies' place 100% of their reinsurance business with the SBC.

PROFILE OF SADHARAN BIMA CORPORATION

Sadharan Bima Corporation is only state-owned General Insurance Corporation operating under the direct control and supervision of the Ministry of Commerce, Government of the People's Republic of Bangladesh. It emerged on 14th May, 1973 under the Insurance Corporation Act (Act No. VI) of 1973 to deal with all classes of general insurance & re-insurance business emanating in Bangladesh. Thereafter, SBC was acting as the sole insurer of general Insurance till 1984. In the year 1984 Bangladesh Government allowed insurance Companies in the private sector and to that effect promulgated the insurance Corporations (Amendment) Ordinance 1984. Sadharan Bima Corporation has a very strong financial base. It has a market share of over 20 % of the total premium income of the insurance market of Bangladesh. SBC, the largest insurance enterprise in the country, has a networth of Tk. 605 corer an authorized capital of Tk. 20 corer, paid up capital of Tk. 10

crore and the anticipated revenue during the current financial year is approximately Tk. 417 corer. Following characteristics of SBC proves its financial soundness :- Government owned enterprise - Financial Soundness due to huge assets owned by SBC - Only re-insurer in Bangladesh - Wide network of offices - Public trust - Huge trained & skilled manpower - Large invest able fund - Huge Real Estate Assets in Dhaka, Chittagong, Khulna, Rajshahi, Bogra & Sylhet. SBC TOWER — the only multistoried car parking building in the heart of the capital city of Bangladesh SBC is the sponsor shareholder of Investment Corporation of Bangladesh, Industrial Development and Leasing Company, National Tea Company Limited, National Housing Finance and Investment Ltd, Aramit Ltd, Central Depository BD Ltd. etc. SBC has met all prudential norms in further its financial strength. Not only that, Sadharan Bima Corporation has emerged as one of the country's few largest taxpayers in the corporate sector. SBC is entitled to 50% of public sector business in Bangladesh. Insurance Corporation (Amendment) Act 1990 provides that fifty percent of all insurance business relating to any public property or to any risk or liability appertaining to any public property shall be placed with the SBC and the remaining fifty percent of such business may be placed with this Corporation or with any other insurers in Bangladesh. But for practical reason and in agreement with the Insurance Association of Bangladesh SBC underwrites all the public sector business and 50% of that business is distributed among the existing 43 private general insurance companies equally under National Co-insurance Scheme. In respect of reinsurance, the same act provides that fifty percent of a company's reinsurance business must be placed with the SBC and remaining fifty percent may be reinsured

either with this Corporation or with any insurer in Bangladesh or abroad. The main pillar of the SBC is insurance as well as reinsurance business. SBC is the largest non-life insurance underwriter in Bangladesh in terms of gross premium, network of offices & trained manpower. On the other hand, SBC reinsures the risks of private insurance companies operating in Bangladesh.

ORGANISATION STRUCTURE OF SADHARAN BIMA CORPORATION Under the act, Sadharan Bima Corporation is run by a Board of Directors consisting of 7 members. The chairman and the directors of the Board including the Managing Directors are appointed by the Government. The Managing Director, being the chief executive, conducts and manages the affairs and business of the corporation in accordance with the provisions of the Act, regulations, Government instructions and the resolutions of the Board. He is also guided by the sound commercial principles and business practices. The present organization structure of Sadharan Bima Corporation is given below:

1. Managing Director - Chief Executive 2. General Manager 3. Deputy General Manager 4. Asstt. General Manager 5. Manager 6. Deputy Manager 7. Asstt. Manager 8. Junior Officer 9. Office Staff 10. Total strength

MANAGERS OF THE COMPANY

Name & Designation
B. M. Fazlul Hoque
Md. Abdus Salam
Shahjahan Miah
Khurshida Khanam
Md. Nurul Islam Bhuiyan
Md. Bakhtiaruzzaman
Josna Bikash Chakma
Md. Shahidul Haque Tarafder
Md. Fazlul Haque
Abu Bakar Siddique
Nilufar Yeasmin
Md. Alamgir Kabir
Sudhangsu Kumar Ghosh
Md. Zakir Hossain
Wasiful Haque
Sk. Parvin sultana
Md. Aminul Hoq Bhuiyan
Mohammad Salim
S. M. Shah Alam
Md. Shahimul Islam Babul
Bibekananda Shaha
Md. Khasru Dastagir Alam
Abdul Barek
Dilara Parvin
Shibashis Chakma

Shahana Goni | | Chai Hla Prue Marma | | Mashiur Rahman | | Anupam Chakma | | Nepalo Chakma | | Md. Hamidul Haque | | Hafizun Naher | | Ali Hossain | | | | | | | | GENERAL MANAGERS OF THE COMPANY | Name & Designation | | Md. Humayun Kabir | | General Manager (Finance) | | Aminul Islam | | General Manager (Admin) | | Mijanur Rahman | | General Manager (R/E) | | Rezaul Karim | | General Manager (Dhaka Zone) | | Arun Kumar Saha | | General Manager (Re-Insurance) | DEPUTY GENERAL MANAGERS | | | Bidhu Bhushon Chakraborty | | Alfazuddin Ahmad | | Md. Monirul Islam | | Sayeed Ahmed Khan | | M. A. Hannan Mondal | | Shamim Akhter | | Md. Harun-Ur-Rashid | ASST. GENERAL MANAGERS | Md. Mojibur Rahman Khan | | Md. Anwaruzzaman | | Amirullah Azim | | Md. Nazirul Islam | | Md. Abul Bashar | | T. M. Zahed | | Md. Rabiul Islam | | Sarwar Hossain Miah | | |

CORPORATE SOCIAL RESPONSIBILITY SBC is committed to conduct all its operations in a manner that is protective of the environment, health and safety of employees, customers and the community. In fulfillment of this commitment, SBC maintains a continuing effort to adhere to the following principles: Develop its employees by encouraging empowerment and rewarding innovation. Promote an environment for learning and personal growth of its employees by providing training within the country & abroad. Endeavour to attain a position of leadership in each category of its business. SBC is committed to insuring its business to conduct in accordance with high ethical, professional, legal standards and good corporate governance practices. Aim to achieve business excellence by understanding, accepting, meeting and exceeding valued clients expectations. SBC will determine its client's needs and have a commitment to provide high quality services to

meet them. INSURANCE PRODUCTS & SERVICES || SL. NO. || INSURANCE PRODUCTS || || 01 || FIRE INSURANCE POLICY || || 02 || MARINE HULL INSURANCE POLICY || || 03 || MARINE CARGO INSURANCE POLICY || || 04 || MOTOR INSURANCE POLICY || || 05 || HOUSE HOLDER'S COMPREHENSIVE INSURANCE POLICY || || 06 || PRODUCT LIABILITY INSURANCE POLICY || || 07 || BURGLARY INSURANCE POLICY || || 08 || CONTRACTOR'S ALL RISK POLICY || || 09 || ENGINEERING INSURANCE POLICY || || 10 || PUBLIC LIABILITY INSURANCE POLICY || || 11 || AVIATION INSURANCE POLICY || || 12 || WORKMEN'S COMPENSATION POLICY || || 13 || CASH IN SAFE INSURANCE POLICY || || 14 || CASH IN TRANSIT INSURANCE POLICY || || 15 || CASH ON COUNTER INSURANCE POLICY || || 16 || PERSONAL ACCIDENT INSURANCE POLICY || || 17 || PEOPLES PERSONAL ACCIDENT INSURANCE POLICY || || 18 || DREAD DISEASE INSURANCE POLICY || || 19 || OVERSEAS MEDI-CLAIM (BUSINESS & HOLIDAY) INSURANCE || || 20 || OVERSEAS MEDI-CLAIM (EMPLOYMENT & STUDY) INSURANCE || || 21 || EXPORT CREDIT GUARANTEE INSURANCE || || 22 || LIVESTOCK INSURANCE POLICY || || 23 || ALL RISKS INSURANCE POLICY || || 24 || FIDELITY GUARANTEE POLICY || ||

SL. No. || SERVICES PROVIDED || || 01 || Re- insurance Service || || 02 || Risk Improvement Services || || 03 || Industrial Development through Equity participation || || 04 || Human Resources Development for Insurance Industry || || REINSURENCE SERVICES After establishment of private Insurance Companies in the year 1985 in Bangladesh, Government authorized SBC to accept 100% reinsurance of private insurance company's. SBC in its role as a re-insurer has lent support to the private insurance companies in Bangladesh in a big way. In view of the huge net-worth and

retention capacity, SBC has accepted both treaty and facultative businesses from the private insurance companies. In respect of reinsurance, the Insurance Corporation (Amendment) Act 1990 provides that fifty percent of a company's reinsurance business must be placed with the SBC and remaining fifty percent may be reinsured either with SBC or with any other insurer in Bangladesh or abroad. SBC is doing direct insurance as well as private insurance company's reinsurance. SBC is the largest General Insurance Corporation in Bangladesh doing direct Business to the tune of BDT 886 million in the year 2005. During the same period its reinsurance premium income was BDT 2627 million. SBC is a shareholder of Asian Reinsurance Corporation. SBC's major portfolio comprises of fire, marine cargo, aviation and engineering business. SBC also accepts reinsurance business from overseas market through its intermediaries and as well as directly. The sound financial backing and rich experience earned over the years in the field of insurance, reinsurance and financial services (which includes investment, risk improvement services etc), brings SBC in an ideal position of a professional reinsures in Bangladesh. At the present growing economy in Bangladesh the premium income of SBC is also increasing day by day. RISK IMPROVEMENT SERVICES As the only state owned General insurance and re-insurance enterprise in Bangladesh Sadharan Bima Corporation has extended its support to the insurance market in Bangladesh in a extended way. Sadharan Bima Corporation would always endeavor to deliver the best customer services for the fulfillment of insurance, reinsurance and risk management needs and problems to the insurance market in Bangladesh. On the other hand, Sadharan Bima Corporation provides risk improvement

services to its valued clients through: a) Pre-underwriting inspection services. b) SBC has the opportunity to take the necessary help and advice from the foreign reinsurers regarding risk improvement techniques. c) SBC regularly enlists professional and expert surveyors to assess risk and loss before and after loss. It may be mentioned that license for the survey firms are issued by the office of the Chief Controller of Insurance, Government of the Peoples' Republic of Bangladesh.

ZONAL REGIONAL AND BRANCH OFFICES SADHARAN BIMA CORPORATION

HEAD OFFICE 33, DILKUSHA C/A. DHAKA-1000, BANGLADESH

The Head Office of Sadharan Bima Corporation is located at 33, Dilkusha Commercial Area, Dhaka. In order to give efficient service to the insuring community, the management setup 6 Zonal offices at Dhaka, Chittagong, Rajshahi, Khulna, Narayanganj, and Comilla, and 2 Regional offices at Sylhet and Mymensingh. Corporation also set-up offices in various places, especially in the Muffassol Area. Sadharan Bima Corporation has now 110 offices throughout the country. These offices are smoothly running with near about 1500 Officers and Employees. The addresses of the offices of SBC throughout the country are given below :

- Dhaka Zonal Office
- Chittagong Zonal Office
- Rajshahi Zonal Office
- Khulna Zonal Office
- Narayanganj Zonal Office
- Comilla Zonal Office
- Sylhet Regional Office
- Mymensingh Regional Office

Conclusion: While doing our survey we have faced many problems. They were hesitating in providing information. The reason can also be that this market has lot secret information that cannot be shared among all. But people with a strong educational background helped us and gave us sufficient information. The respondents behaved very friendly and helped us with all the information we need for efficient report

writing. The education plays a vital role in this market. As management is close to technology, having knowledge about technology is very necessary. So lot can be done to delete this problem from the service. The end users should be aware of the service, its quality, attributes and prospects. Government can easily help them by coming forward with a stronger policy, rules and regulations. We have gathered information from places like Sandhani Life Insurance Company & Jibon Bima Corporation and more. After surveying the market it is found that the end users are very much unaware about management structure of insurance companies. So every insurance company should ensure their quality service and keep friendly relation with customer.