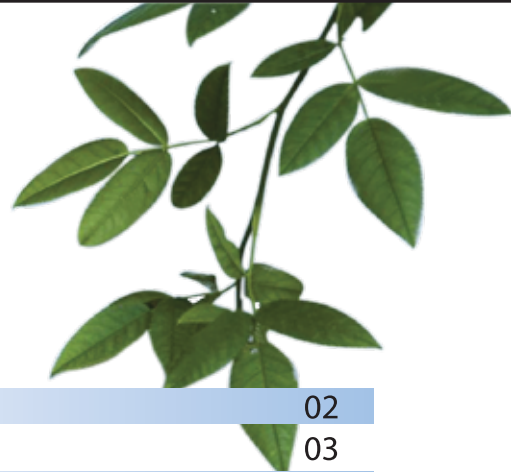


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Letter of Transmittal

To

All Shareholders,

Insurance Development and Regulatory Authority,
Bangladesh Securities and Exchange Commission,
Registrar of Joint Stock Companies & Firms,
Dhaka Stock Exchange Limited &
Chittagong Stock Exchange Limited.

**Subject : Annual report for the year ended on
December 31, 2015.**

Dear Sir(s)/Madam(s),

We are pleased to enclose a copy of the Annual Report-2015 of Janata Insurance Company Ltd. together with the Audited Financial Statements as at December 31, 2015 for your kind information and record.

Yours sincerely,



Md. Saiful Islam
Company Secretary

JANATA INSURANCE COMPANY LTD.
Ga/95/D, Link Road, Middle Badda, Gulshan-1, Dhaka-1212

NOTICE OF THE 30TH ANNUAL GENERAL MEETING:

AGENDA

1. **Report and Accounts**
To receive, consider and adopt the Audited Financial Statements and the Report of the Directors and Auditors of the Company for the year ended 31st December, 2015.
2. **Dividends**
To declare and approve 5% Cash dividend for the year 2015 as recommended by the Board of Directors.
3. **Election/Re-election of Directors**
To elect Directors who are retiring in terms of the relevant provision of the Articles of Association of the Company.
4. **Appointment/Reappointment of Independent Director**
To consider post facto approval of appointment/reappointment of Independent Director.
5. **Appointment of Auditor(s)**
To consider appointment of Auditor(s) for the year 2016 and to fix their remuneration.
6. **To transact any other related business with permission of the Chair.**
All Shareholders are requested to attend the meeting on the date, time and place mentioned above.

By order of the Board of Directors



Md. Saiful Islam

EVP & Company Secretary.

Dated: Dhaka,
June 12, 2016

Notes:

- a) **May 29, 2016** has been scheduled as Record Date. The shareholders whose names appeared in the Share Register/Depository Register on the Record Date would be eligible to attend the meeting and be entitled to dividend.
- b) Any member of the company entitled to attend and vote at the Annual General Meeting may appoint a proxy to attend and vote on his/her behalf. The proxy must be a member of the company.
- c) The instrument appointing a proxy duly stamped and signed by the member must be submitted to the Registered Office of the Company not less than 48 hours before the time fixed for the meeting.
- d) For registration in the meeting, production of attendance slip is required.
- e) The shareholders are requested to register their names in the counter at the entrance of the AGM venue from 9:00 A.M. to 11:15 A.M. on July 28, 2016. No entry will be recorded before 9:00 A.M. and after 11:15 A.M. on the scheduled meeting date.
- f) Entry to the AGM is reserved only for shareholders or his/her proxy on production of the attendance slip or proxy form to attend the meeting.
- g) No Gift/Gift Coupon/Benefit in cash or Kind, other than in the form of dividend shall be offered/paid to the shareholders in the 30th AGM in compliance with the circular of Bangladesh Securities and Exchange Commission's BSEC/CMRRCD/2009-193/154 dated 24 October, 2013.

COMPANY'S PROFILE

JIC and its Background

Janata Insurance Company Ltd. (JIC) a first generation Non-Life Insurance Company in Bangladesh in the private Insurance sector. The company was incorporated and commenced its business as a public limited company under Companies Act 1994 on 23rd September, 1986 with a view to run all types of Insurance business except Life-Insurance as per Insurance Act, 1938 (subsequently repealed by the Insurance Act 2010) in Bangladesh. JIC commenced its business operations from November 6, 1986 after obtaining registration certificate from the office of The Chief Controller of Insurance (CCI). JIC ventured its operation with a paid-up capital of Taka 30.00 million and authorized capital of Taka 100.00 million sponsored by a group of leading entrepreneurs/industrialist of our country having involvement in various socio-economical sectors. By the passage of time, the Authorized and the Paid-up capital of the company have been enhanced to Taka 1000 million and Taka 383.53 million respectively by December 31, 2015.

JIC went for Initial Public Offering in 1994 and raised its paid-up capital by issuing rights shares in the year 2011. The Company's ownership is prudently distributed to Sponsor Directors 54.53% and 45.47% to General Public including Financial Institutions.

The Board of Directors comprises a good number of eminent entrepreneurs and personalities of the country. Members of the management team are highly qualified professionals. The Board is chaired by Mr. Belal Ahmed and steered by Mr. Md. Fazlul Hoque Khan as the Chief Executive Officer of the Company. The future plans of the company include increase of business volume by expansion of branch net work, hiring of potential man power with technical know-how in the Non-Life Insurance business arena, implementing progressive marketing strategies and rendering quality & swift services.

VISION, MISSION, CORE VALUES & CORPORATE PHILOSOPHY

Our Vision

To operate in accordance with the law of the land.
To build sound & dependable image.
To ensure professionalism at the highest standard of customer service.
To contribute to national growth both in depth and dimension.
To extend a friendly hand to the clients at the time of need.



Our Mission

Grow significantly.
Aim to provide prompt and personalized services to the clients.
Bring innovation in insurance product and selling techniques.
Work to deliver optimum value to the shareholders, clients, employees and add value to the nation.
Consciousness in social obligation.



Our Core Values

Integrity.
Customer Focus.
Transparency.
Result Focus.
Professionalism & Excellence and
Teamwork.

Corporate Philosophy

Operating activities with optimum quality and Trust.
Discharging duties & responsibilities with highest ethical value.
Ensuring Safety & Security of Insureds' Interest

CORPORATE INFORMATION

Registered Name Legal Status Date of Incorporation Date of Commencement of Business	Janata Insurance Company Ltd. Public Limited Company 23 rd September 1986 6 th November 1986
Chairman Vice Chairman Chairman, Executive Committee Chairman, Audit Committee	Belal Ahmed Aziz Al-Masud Zafrul Islam Chowdhury Md. Moniruzzaman, FCA
Chief Executive Officer Additional Managing Director CFO & Company Secretary	Md. Fazlul Hoque Khan Mohammad Didarul Islam Md. Saiful Islam (Tel: 01713-033551)
Date of Listing with DSE Date of Listing with CSE Authorized Capital Paid up Capital No of Shareholders	12 October 1994 10 October 1995 BDT 1000 million BDT 383.53 million 5512
Total Manpower Number of Branches	151 10
Auditors	Mahfel Huq & Co. Chartered Accountants BGIC Tower (4 th Floor) 34, Topkhana Road, Dhaka-1000.
Legal Retainer	Sk. Awsafur Rahman Advocate, Supreme Court of Bangladesh
Tax Consultants	Kazi Halim & Associates
Rating Agency	Alpha Credit Rating Limited
In-Charge, Share Department	Md. Ahsan Habib Tel : 01199220480
Registered Office Telephone Fax E-mail Website	GA/95/D, Link Road, Middle Badda, Gulshan-1, Dhaka-1212. 02-9854923, PABX: 02-9852181-82 Fax: 880-2-9852183 janatain@gmail.com www.janatainsurance.com

OUR PRODUCTS & SERVICES INCLUDE

Fire Insurance

Fire Insurance (including Allied Perils)
Property All Risks Insurance
Industrial All Risks(IAR) Insurance
Power plant Operational package Insurance including
Business Interruption & Third Party Liability



Marine Insurance

Marine Cargo Insurance (Import/Export by Sea, Air,
Road including Inland transit)
Marine Hull Insurance

Engineering Insurance

Machinery Breakdown Insurance
Deterioration of Stocks (DOS)
Boiler and Pressure Vessel (BPV)
Electronic Equipment Insurance (EEI)
Erection All Risks (EAR)
Contractor's All Risks (CAR)



Motor Insurance

Automobile Comprehensive Insurance
Automobile Act liability Insurance

Miscellaneous Insurance

Burglary Insurance
Money in ATM Booth Insurance
Money in Safe, Money in Transit, Money on Counter
(for Bank) Insurance
Cash in Private/Commercial Premises Insurance
Fidelity Guarantee Insurance
Workmen's Compensation Insurance
Personal Accident Insurance
Safe Deposit Box (Bank Lockers) All Risk Insurance
Hajj & Umrah Travel Insurance Policy
People's Personal Accident Insurance
Public Liability Insurance
Aviation Insurance
Banker's Blanket Bond & Electronic Computer Crime Insurance



BOARD OF DIRECTORS

Composition of Board and its Committees

Chairman

Belal Ahmed

Vice Chairman

Aziz Al-Masud

Directors

Qamrun Nahar
Sultana Hashem
Zafrul Islam Chowdhury
Roxana Zaman
Fahima Akhter
Savera H Mahmood
Kamruddin Parvez
Zannatul Ferdous Zeena
Farahnaz Chowdhury
Afroza Zaman
Farhana Zaman
Warisuzzaman Chowdhury

Independent Directors

Md. Moniruzzaman, FCA
Abu Hyder Chowdhury (Amzad)
Makin-ur-Rashid (Rossi)

Chief Executive Officer

Md. Fazlul Hoque Khan

Advisers

M.A. Hashem, Ex-MP
Saifuzzaman Chowdhury, MP
State Minister, Ministry of Land
Govt. of the People's Republic of Bangladesh

Executive Committee

Chairman

Zafrul Islam Chowdhury

Members

Qamrun Nahar
Roxana Zaman
Fahima Akhter
Farhana Zaman
Savera H Mahmood

Audit Committee

Chairman

Md. Moniruzzaman, FCA

Members

Aziz Al-Masud
Fahima Akhter
Afroza Zaman
Warisuzzaman Chowdhury
Kamruddin Parvez

BRIEF PROFILE OF DIRECTORS

	<p>Belal Ahmed Chairman</p>	<p>Managing Director Golden Son Limited</p>
	<p>Aziz Al-Masud Vice Chairman</p>	<p>Managing Director Amber Pulp & Paper Mills Ltd. Partex Paper Mills Ltd.</p>
	<p>Zafrul Islam Chowdhury Director & Chairman, Executive Committee</p>	<p>Managing Director Islam Steel Mills Ltd. Siraj Ano Ispat Ltd. Anowara Jute Mills Ltd. Eastern Engineers (Chatta) Ltd. Siraj Ano Oxegen Ltd. Siraj Ano Builders Ltd.</p>
	<p>Md. Moniruzzaman, FCA Independent Director & Chairman, Audit Committee</p>	<p>Partner M/s. ACNABIN Chartered Accountants</p> <p>Independent Director Golden Son Ltd.</p> <p>Director Accountancy, Management & Training Services Ltd.</p>

BRIEF PROFILE OF DIRECTORS

	<p>Qamrun Nahar Director</p>	<p>Chairman Ananta Properties Ltd. Ananta Apparels Ltd. Ananta Fashion Ltd. Ananta Casual Wear Ltd. Ananta Denim Technology Ltd.</p> <p>Former Director, United Commercial Bank Ltd.</p> <p>Former Chairman & presently Member, Governing body of Dhaka Mohila College.</p>
	<p>Sultana Hashem Director</p>	<p>Chairman Partex Star Group</p>
	<p>Roxana Zaman Director</p>	<p>Director Asif Steels Ltd. Vanguard Steels Ltd. Javed Steel Mills Ltd. Afroza Oil Ltd.</p>
	<p>Fahima Akhter Director</p>	<p>Chairperson Masco Group of Industries</p> <p>Director Shanta Expression Ltd. Concept Knitting Ltd.</p>

BRIEF PROFILE OF DIRECTORS

	<p>Savera H Mahmood Director</p>	<p>Director Partex Agro Ltd. Ferrotechnic Ltd.</p>
	<p>Kamruddin Parvez Director</p>	<p>Deputy Managing Director M/s. Nur Mohammed & Co. Ltd. Assistant Professor Chittagong Independent University</p>
	<p>Zannatul Ferdous Zeena Director</p>	<p>Member Board of Trustees, IBAIS University.</p>
	<p>Farahnaz Chowdhury Director</p>	<p>Director Alo Communication Ltd. Member Board of Trustees, IBAIS University.</p>

BRIEF PROFILE OF DIRECTORS



Afroza Zaman
Director

Director
Asif Steels Ltd.
Vanguard Steels Ltd.
Javed Steel Mills Ltd.
Afroza Oil Ltd.



Farhana Zaman
Director

Director
Asif Steels Ltd.
Vanguard Steels Ltd.
Javed Steel Mills Ltd.
Afroza Oil Ltd.



Warisuzzaman Chowdhury
Director

Independent Director
Aramit Ltd.
Proprietor
Citi Center, Chatteshwari Road, Chittagong
B. Zaman Trading



Abu Hyder Chowdhury (Amzad)
Independent Director

Managing Director
Chumki Apparels Ltd.
Former Director
Chittagong Chamber of Commerce & Industries
Chairman
Standing Committee of BGMEA
Member
Chittagong Club Ltd.
Life Member
Diabetic Hospital, Chittagong.

BRIEF PROFILE OF DIRECTORS

	<p>Makin-Ur-Rashid (Rossi) Independent Director</p>	<p>Director Voicetel Ltd.</p> <p>Proprietor A-One Enterprise</p> <p>Owner Chowdhury International Agency</p>
	<p>Md. Fazlul Hoque Khan Chief Executive Officer</p>	<p>Vast experienced in Non-Life Insurance Sector, particularly in the fields of Accounts, Administration, Re-Insurance, Underwriting and Claims.</p>

BRIEF PROFILE OF ADVISERS



M.A. Hashem, Ex. MP
Adviser



Saifuzzaman Chowdhury, MP
Adviser

Chairmen, Partex Group
Director and Ex. Chairman,
United Commercial Bank Ltd.
Life Member & Former
Chairman,
Board of Trustees,
North South University.
Member, Board of Trustees,
IBAIS University.
Founder of M.A. Hashem
Diabetic Hospital, Chowmuhani.
M.A. Hashem University
College, Kazirhat, Begumgonj.
Al-haj Abdul Aziz Lillah
Boarding & Orphanage at
Chowmuhani, Noakhali.

State Minister
Ministry of Land
Government of the People's
Republic of Bangladesh.

KEY MANAGEMENT



Md. Fazlul Hoque Khan
Chief Executive Officer



Mohammad Didarul Islam
Additional Managing Director



Md. Saiful Islam
CFO & Company Secretary

MANAGEMENT TEAM & EXECUTIVES

Chief Executive Officer

Md. Fazlul Hoque Khan

Additional Managing Director

Mohammad Didarul Islam

Executive Vice President (CFO & CS)

Md. Saiful Islam

Senior Vice President

Md. Abu Musa Chowdhury
Md. Towhid-ul-Amin Chowdhury
Md. Moniruzzaman
Md. Anwaruzzaman
Md. Ibrahim
Md. Lutfur Rahman

Vice President

Md. Shafiqur Rahman
Md. Azizul Hoque Nasu
Abdul Karim Chowdhury
Mohammed Monjurul Alam
Chowdhury Md. Shemsher Nur
Md. Badiul Alam
Md. Aminul Islam
A.K.M. Masudul Hoque

First Vice President

Syed Badrul Islam
Mohammad Mohsin Labid

Senior Assistant Vice President

Md. Mahbubur Rahman
Md. Abul Kalam Azad

Assistant Vice President

Mir Md. Abdur Raquib
Mohammad Nazem Hossain
Md. Monirul Alam Chowdhury
A.T.M. Aman Ullah
Mehedi Hasan Rashid

First Assistant Vice President

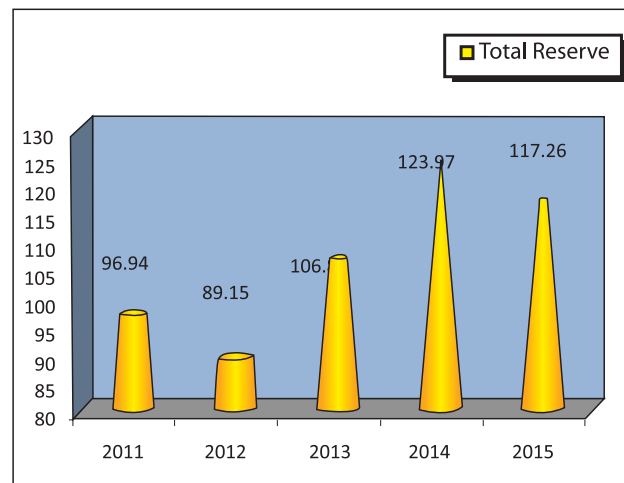
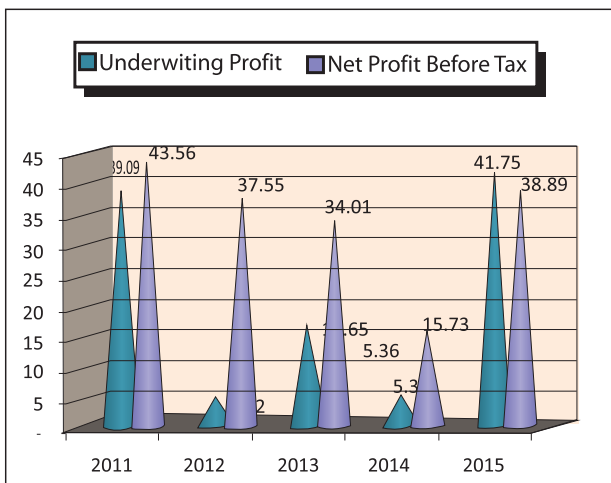
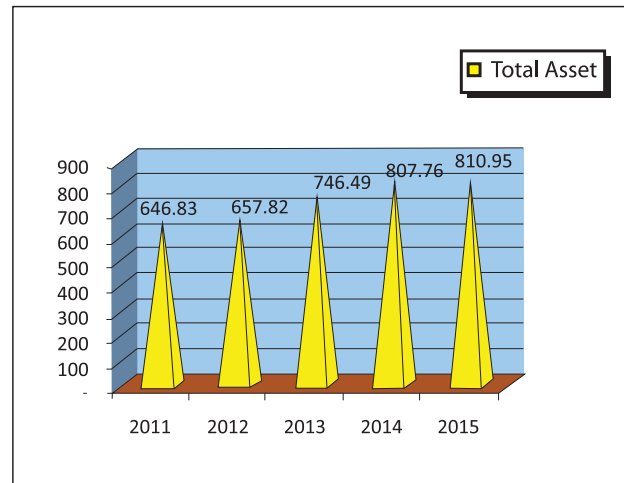
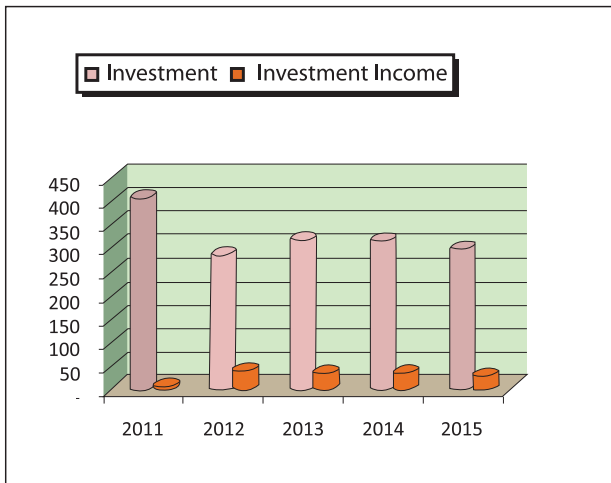
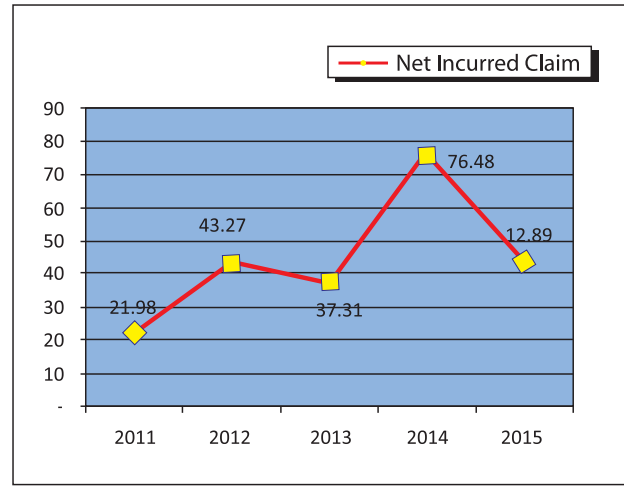
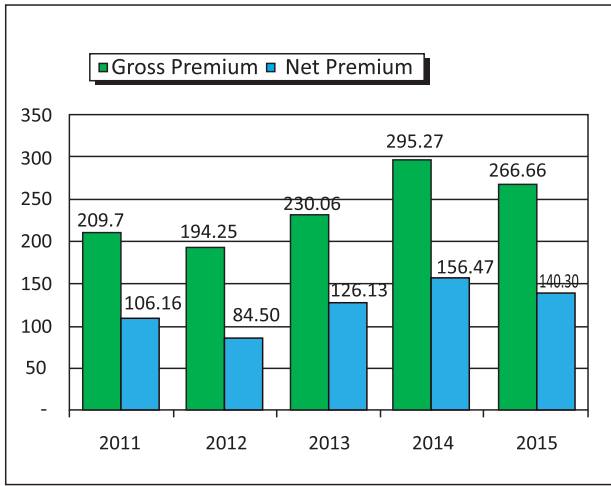
A.K.M. Zahirul Alam
Md. Amirul Islam
Moshaddeque Sahariar
Md. Bazlur Rashid Shah
Md. Shafiquel Islam

BRANCHES & HEAD OF BRANCHES

<p>LOCAL OFFICE 5, Biruttom Shahid Asfakus Samad Road (Old: 125, Motijheel C/A), Dhaka-1000. Contact # 9559012, 9568809, 01711-520689, Fax: 880-2-9570341</p>	<p>Syed Badrul Islam First Vice President</p>
<p>HEAD OFFICE BOOTH GA/95/D, Link Road, Middle Badda, Gulshan-1, Dhaka-1212. Contact # 9852181-82, Fax: 880-2-9852183</p>	<p>Md. Monirul Alam Chowdhury Assistant Vice President</p>
<p>DILKUSHA BRANCH 76, Dilkusha C/A, Dhaka-1000. Contact # 9565507, 9565582, 01819-497210, Fax: 880-2-9565582</p>	<p>A.K.M. Zahirul Alam First Assistant Vice President</p>
<p>MIRPUR BRANCH 92/2, Senpara, Parbata, Mirpur-10, Dhaka. Contact # 8015889, 01552-338102, 01714-378356</p>	<p>Md. Moniruzzaman Senior Vice President</p>
<p>PALTAN BRANCH Suit # 808, Paltan Tower 87, Purana Paltan, Dhaka-1000 Contact # 01714395307</p>	<p>A.K.M. Masudul Hoque Vice President</p>
<p>JUBILEE ROAD BRANCH Kader Tower, 128, Jubilee Road, Chittagong. Contact # 031-618246, 01819-322178 Fax: 031-617022</p>	<p>Md. Towhid-ul Amin Chowdhury Senior Vice President</p>
<p>AGRABAD BRANCH Akhtaruzzaman Center, 21/22, Agrabad C/A.(7th floor),Chittagong. Contact # 01712977437, 01853118023</p>	<p>Md. Azizul Hoque Nasu Vice President</p>
<p>NARSINGDI BRANCH Daulat Khan Tower (2nd floor), Kalibari Road, Narsingdi Bazar, Narsingdi. Contact # 0621-63305, 01711-422936</p>	<p>Md. Shafiqur Rahman Vice President</p>
<p>RAJSHAHI BRANCH 70/71, Miapara, Shaheb Bazar, Rajshahi. Contact # 0721-773923, 01715-137969</p>	<p>Mohammad Nazem Hossain Assistant Vice President</p>
<p>FARIDPUR BRANCH Sarnakutir Adunik Biponi Kandra 1st floor, Room No.42 & 43 Goalchamot, Faridpur Contact # 01833691520</p>	<p>Md. Nazrul Islam Assistant Manager</p>

FINANCIAL PERFORMANCE AT A GLANCE (Graphical Appearance)

Amount in Million



29TH AGM IN PICTURE



A view of the 29th AGM held on July 25, 2015 at Emma Nuelle's New Hall, House # 08, Road # 135, Gulshan-1, Dhaka-1212



Partial view of Shareholders at 29th AGM

29TH AGM IN PICTURE



Mr. Belal Ahmed, Chairman of the Meeting addressing in the 29th AGM

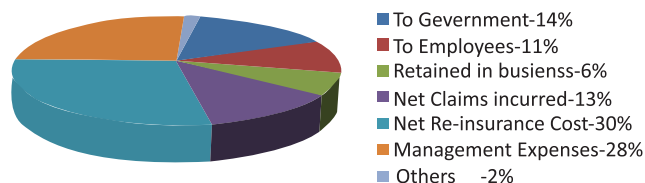


Shareholder addressing in the 29th AGM

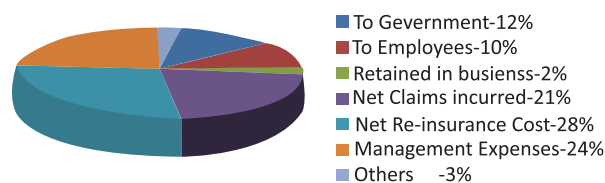
VALUE ADDED STATEMENT

Particulars	2015 (BDT mn)	%	2014 (BDT mn)	%
Value Added				
Gross premium	268.66		295.27	
Vat & Stamp duty	27.20		33.71	
Investment & other Income	<u>29.38</u>		<u>36.17</u>	
Total Value Added	<u>325.24</u>	100%	<u>365.15</u>	100%
Distribution of Value Addition				
To Government				
VAT & Stamp Duty	27.20	8%	33.71	9%
Tax	18.99	6%	10.13	3%
To Employees				
as Salary & Allowances	37.33	11%	34.75	10%
Retained in business				
Reserve & Surplus	19.89	6%	5.59	2%
Others				
Net Claims Incurred	42.89	13%	76.48	21%
Net Re-insurance Cost	96.43	30%	103.73	28%
Management Expenses	89.22	28%	88.62	24%
Disposal reserve for Unexpired Risks	<u>(6.71)</u>	-2%	<u>12.14</u>	3%
Total Distribution	<u>325.24</u>	100%	<u>365.15</u>	100%

Value Added in 2015



Value Added in 2014



CHAIRMAN'S MESSAGE



Dear Shareholders,

Assalamu Alaikum,

It is with great sense of honour that welcome you all to the 30th Annual General Meeting (AGM) of your Company, Janata Insurance Co. Ltd. This AGM marks completion of 29 years of successful and efficient operation of the Company. I thank you all for reposing your trust and confidence in the Board and Management Team of your Company throughout these years.

Today I would like to recall with gratitude the memory and contribution of Mr. Abdul Gaffar Chowdhury former Director and Chairman of this Company, we lost him on April 03, 2016.

The Directors' Report has elaborately dealt with the overall performance of the company pertaining to the year 2015. I would like to point out the main features regarding the affairs of the company with comparative figures of 2014 for your information.

You are aware that a dismal state has been prevailing in non-Life insurance business of our country due to unhealthy competition among the insurers. In the stiff competition, business performance of Janata Insurance Company Ltd. during the year 2015 has been moved slightly, earned gross premium of Tk.268.66 million against Tk.295.27 million of the previous year. Investment and other income also decreased by Tk.6.79 million due to declining trend of interest on FDR mainly. However, I am very pleased to inform you that the Company has earned underwriting profit of Tk.41.75 million against Tk.5.36 million in 2014 and earned net profit (after tax) Tk.19.89 million against Tk.5.59 million in 2014 by operating its activities and services efficiently. Further, considering the company's profitability, Shareholders expectations and the need for future sustainable development, the Board of Directors of the company has recommended 05% cash dividend for the year 2015.

As at 31st December 2015, paid-up capital of the Company stood at Tk.383.53 million, total assets stood at Tk.810.95 million and Net Asset Value (NAV) per share stood at Tk.13.67.

Dear Shareholders, the Insurance Development and Regulatory Authority (IDRA) has been working meticulously to bring discipline in the Insurance sector. Regulatory steps taken so far by IDRA are conducive to prevent irregular practices in the Insurance sector where we are giving our best co-operation to them in this regard. Further, I want to assure you that the Board is quite conscious of the given responsibility and we hope to secure a reasonable market share by rendering prompt quality services through sound underwriting, proper re-insurance and quickest settlement of claims to our valued clients.

Dear Shareholders, under a long term plan, work is going on for expansion of company's business network and volume, recruiting of potential and experienced manpower and introducing advance technology and services. By this time, we have started a new branch at Paltan area, Dhaka has already been progressed work to render our services through IT and online basis. These initiatives will boost company's image and value as well as lower operational cost and enhance total returns.

I am confident that together with this strong team of Directors, Advisers and members of the company, we are well positioned to continue to provide the necessary stewardship for our organization and achieve more successes in the near future.

I must express my deep sense of gratitude to our valued Clients, Shareholders, Regulators, my fellow Directors & Advisers, Employees and well Wishers of the company for extending their continuous support and co-operation.

Thanking you,

With best wishes



BELAL AHMED
Chairman



CHIEF EXECUTIVE OFFICER'S REVIEW



Dear Shareholders, valued clients and well wishers,
Assalamu Alaikum,

It is indeed a great pleasure to welcome you all at 30th Annual General Meeting to Janata Insurance Company Limited. I would like to express my sincere thanks to all of you to attend the meeting.

Janata Insurance Company Limited has been protecting in the interest of policy holder since 1986 and has specialized in providing affordable, comprehensive primary and preventive care services to everyone regardless of insurance status. We always committed to maintain close and cordial relationship with the clients. It is our object to prove integrity and credibility to the clients by extending sincere and meritorious services to them.

You are aware that an unhealthy competition amongst a large number of insurers in the small market like Bangladesh has been prevailing, accordingly, the company's overall business activity and its business operations in 2015 are average. During the year 2015 Company's gross premium income thus attained was Taka 268.66 million as against Taka 295.27 million in 2014. Net premium income Taka 140.38 million as against Taka 156.47 million in 2014. However, we have reviewed the prevailing market situation taken necessary measures to increase the business volume of the company. Hopefully, we expect to get a good business outcome in the year 2016.

I am grateful to the honorable chairman, all the Board members and honorable Advisers' of the company for assisting and extending their sincere support to me in successful running of the company.

I must thanks Mr. Mohammad Didarul Islam, Additional Managing Director of the company and my other colleagues for their continued support and sincere co-operation, dedications and commitment in achieving the results of the company.

We are hopeful that in the years to come, our valued shareholders, clients, and well wishers will continue their esteemed flow of love and affection for better future of the company.

A handwritten signature in black ink, appearing to be 'Md. Fazlul Hoque Khan'.

Md. Fazlul Hoque Khan
Chief Executive Officer

KEY OPERATING AND FINANCIAL DATA

Amount in million

Particulars		2015	2014	2013	2012	2011
Financial position:						
Total Assets		810.95	807.76	746.49	657.82	646.83
Investments		300.92	318.28	319.94	287.79	408.51
Cash & Cash equivalents		302.98	318.32	312.44	294.32	405.44
Investment & other income		29.38	36.17	36.39	41.60	16.84
Total reserve		117.26	123.97	106.83	89.15	96.94
Operating result:						
Gross Premium		268.66	295.27	230.56	194.25	209.70
Re-Insurance Premium ceded		128.28	138.80	104.43	109.67	101.54
Net Premium		140.38	156.47	126.13	84.58	108.16
Management Expenses(Revenue A/c)		59.66	58.85	51.56	46.29	42.16
Net Incurred Claim		42.89	76.48	37.31	43.27	21.98
Underwriting Profit		41.75	5.36	16.65	5.12	39.09
Other Management Expenses (not applicable to any fund or account)		32.24	25.80	19.03	9.17	12.82
Net Profit before Tax		38.89	15.73	34.01	37.55	43.56
Net Profit after Tax		19.89	5.59	18.19	22.09	24.79
Financial Ratio:						
	Terms					
Basic Earnings Per Share	BDT	0.52	0.16	0.59	0.71	1.09
Dividend in percentage (Stock/Cash)	%	5% Cash (Proposed for 2015)	10 (Stock)	12.50 (Stock)	10 (Stock)	10 (Stock)
Return on assets	%	2.45	0.69	2.43	3.36	3.83
Gross profit ratio	%	27.70	10.05	26.96	44.40	40.27
Re-insurance Premium Ceded on Gross Premium	%	47.75	47.01	45.29	56.47	48.42
Net Claim Incurred on net Premium	%	30.55	48.88	29.58	51.16	20.32
Underwriting Result on Gross Premium	%	15.54	1.82	7.22	2.63	18.64
Management expenses(Revenue) on Net Premium	%	42.50	37.61	40.88	54.73	38.98
Equity Statistics:						
Paid-up capital		383.53	348.66	309.92	281.75	256.13
Shareholders' Equity		524.46	504.56	498.96	480.92	458.72
Net assets value per share (Taka)		13.67	14.47	16.10	15.52	16.28

The above key operating and financial data are furnished as per BSEC's Notification dated August 07, 2012 to comply with the condition 1.5 (xviii).



DIRECTORS' REPORT

DIRECTORS' REPORT

For the year ended December 31, 2015

Dear Fellow Shareholders,

Assalamu Alaikum.

The Board of Directors of Janata Insurance Company Ltd. welcomes you all to the 30th Annual General Meeting of the company. The Directors are pleased to place before you the Directors' Report along with the Audited Financial Statements and Auditors' Report for the year ended December 31, 2015 for your review and approval.

The Directors' Report has been prepared in compliance with section 184 of the Companies Act 1994 and Bangladesh Securities & Exchange Commission's notification No. BSEC / CMRRCD / 2006-158 / 134 / Admin / 44 dated 07th August, 2012 and other relevant rules and notifications from the regulatory bodies.

Prior to presenting the report, we pay our deepest respect to late Akhtaruzzaman Chowdhury, former Chairman & Adviser, late Humayun Zahir, former Chief Legal Adviser, late Al-haj Nur Mohammad, former Adviser and late Abdul Gaffar Chowdhury (who died on 3 April, 2016) former Chairman & Director of the Company for their valued contribution to the company and do pray for eternal peace of their departed souls.

Review of 2015:

Economy and Insurance Business Outlook:

Economic Scenario

The country made progress with political stability throughout the year. GDP growth was around 6.5% in 2015, inflation was low and the exchange rate remained reasonably stable. But private investment remained depressed. The entrepreneurs followed a safe policy of running the operation with moderate expansion.

Business Scenario

The gross premium income of the country of non-Life Insurance in the private sector was Tk. 22,679 million in 2014 with a growth rate of 7.76% . In spite of the stable growth rate (around 10%) of the Bangladesh insurance industry in the last few years, combined insurance penetration rate (insurance premium as a percentage of GDP) was 0.90% in 2014 (non-life sector was 0.20% and life sector was 0.70%).

IDRA

Insurance Development & Regulatory Authority (IDRA) will have to take active role in training people involved in the insurance industry for advancing the knowledge of insurance, so that personnel in the industry have adequate knowledge and expertise to take over the helm of insurance companies in future.

Insurance Business in 2015

Your company wrote direct insurance business with a premium income of Tk.230.87 million against Tk.258.14 million in 2014. The premium received by us from the public sector business Increased to Tk.37.79 million from Tk.37.13 million in 2014. The total gross premium income, stood at Tk.268.66 million against Tk.295.27 million in 2014.

Operational & Financial Review

Operational Result and Product wise Performance :

Gross Premium Income

During the year 2015 Company's gross premium income thus attained was Taka 268.66 million as against Taka 295.27 million in 2014.

Class of business	Amount in million	
	Gross Premium Income	
	2015	2014
Fire Insurance	90.06	108.29
Marine Insurance	95.35	131.38
Motor Insurance	43.56	26.98
Miscellaneous Insurance	39.69	28.62
Total:	268.66	295.27

Net Premium Income

Net premium income Taka 140.38 million as against Taka 156.47 million in 2014.

Class of business	Amount in million	
	Net Premium Income	
	2015	2014
Fire Insurance	39.00	49.50
Marine Insurance	44.02	80.56
Motor Insurance	43.53	23.30
Miscellaneous Insurance	13.83	3.11
Total:	140.38	156.47

Net Incurred Claims

During the year 2015, we have successfully settled net incurred claims of Taka 42.89 million as against Taka 76.48 million in the year 2014.

Class of business	Amount in million	
	Net Claim	
	2015	2014
Fire Insurance	14.30	37.95
Marine Insurance	10.59	22.17
Motor Insurance	16.04	13.60
Miscellaneous Insurance	1.96	2.76
Total:	42.89	76.48

Investment Income:

The Company's investment income recorded Taka 29.05 million against Taka 36.17 million in the year 2014.

Profit:

Underwriting Profit

Underwriting profit achieved was Taka 41.75 million as against Taka 5.36 million in 2014.

Class of business	Amount in million	
	Underwriting Profit	
	2015	2014
Fire Insurance	6.77	(11.71)
Marine Insurance	29.77	12.33
Motor Insurance	2.75	2.77
Miscellaneous Insurance	2.46	1.97
Total:	41.75	5.36

Net Profit before Tax

Net pretax profit attained is Taka 38.89 million as against Taka 15.73 million in 2014.

Net Profit after Tax

After tax profit is Taka 19.89 million as against Taka 5.59 million in 2014.

Earnings Per Share

In the year 2015 Company's earnings per share Tk.0.52 as compared to Tk.0.15 in the previous year.

Summary of Accounts of the Company for the year 2015 compared with the year 2014 are furnished below :

Particulars	Amount in million					
	Fire	Marine	Motor	Misc.	Total 2015	Total 2014
Gross Premium Income	90.06	95.35	43.56	39.69	268.66	295.27
Re-Insurance Premium ceded	51.06	51.33	0.03	25.86	128.28	138.80
Net Premium	39.00	44.02	43.53	13.83	140.38	156.47
Net Premium Reserve Retained	4.20	14.89	(8.09)	(4.29)	6.71	(12.14)
Net earned Premium	43.20	58.91	35.44	9.54	147.09	144.33
Commission paid	13.01	11.91	6.22	3.49	34.63	38.72
Re-Insurance commission earned	12.47	14.04	-	5.33	31.84	35.07
Management expenses (Revenue A/c) (including Insurance Stamp)	21.59	20.68	10.43	6.96	59.66	58.85
Management expenses(P & L A/c)	-	-	-	-	32.24	25.80
Gross Claim paid	53.22	27.21	14.78	5.74	100.95	99.89
Net Incurred Claim	14.30	10.59	16.04	1.96	42.89	76.48
Underwriting Profit/Result	6.77	29.77	2.75	2.46	41.75	5.36
Investment Income	-	-	-	-	29.38	36.17
Net Profit before tax	-	-	-	-	38.89	15.73
Net Profit after tax	-	-	-	-	19.89	5.59
Earnings per Share	-	-	-	-	0.52	0.15

Investment:

The total investment of the company stood at Taka 300.92 million in 2015 as compared to Taka 318.28 million in the year 2014. Break-up is as under:

Particulars	Amount in million	
	2015	2014
Bangladesh Govt. Treasury Bond (BGTB)	25.00	25.00
Shares in listed companies	0.27	0.34
Fixed Deposits Account (FDR)	275.65	292.94
Total :	300.92	318.28

Reserve:

Reserves stood at Taka 117.26 million against Taka 123.97 million in the previous year.

Particulars	Amount in million	
	2015	2014
Reserve for Exceptional Losses	61.09	61.09
Reserve for un-expired Risks	56.17	62.88
Total :	117.26	123.97

Shareholders Equity

Shareholders equity stood at Taka 524.45 million against Taka 504.56 million in the year 2014.

Particulars	Amount in million	
	2015	2014
Paid-up Capital	383.53	348.66
Share Premium	55.96	90.83
Reserve for Exceptional Losses	61.09	61.09
Profit & Loss Appropriation Account	23.87	3.98
Total :	524.45	504.56

Profitability:

The Company's income from investment and other income stood at Taka 29.05 million against Taka 36.17 million earned in the previous year. After taking into account the underwriting profit of Taka 41.75 million and providing for various expenses not applicable to any particular fund or account, net pretax profit attained is Taka 38.89 million as against Taka 15.73 million in 2014.

Appropriation of Profit:

Profitability:

The Company's income from investment and other income stood at Taka 29.38 million against Taka 36.17 million earned in the previous year. After taking into account the underwriting profit of Taka 41.75 million and providing for various expenses not applicable to any particular fund or account, net pretax profit attained is Taka 38.89 million as against Taka 15.73 million in 2014.

Particulars	Amount
	Amount in million
Provided for taxes (including deferred Tax)	18.99
Balance carried forwarded	19.89

Dividend:

Considering the interest of the company and its shareholders, the Board of Directors in its 157th meeting held on 07.05.2016 recommended 5% cash dividend for the year 2015 subject to approval in the 30th Annual General Meeting.

Going concern:

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The accompanying financial statements do not include any adjustments in the event of the Janata Insurance Company Ltd. is unable to continue as a going concern.

Human Resource Management:

Employees are the most important resource to the success of any Organization. To develop and equip the employees with key skills, the company places great emphasis on the development of its people and hence the company undertakes appropriate training and workshops to update knowledge of the employees in their respective functional areas. We send our employees to Bangladesh Insurance Academy and Bangladesh Insurance Association regularly for taking training on Insurance Technicalities with a view to increase their efficiency and professional skills. Work is going on to develop a modern HR policy. We are also recruiting proactive officials to cope our growing needs.

Utilization of proceeds from Rights Share Issue:

The company raised its Paid-up Capital by issuing Rights Shares in the year 2011. The proceeds from the Rights issue was utilized by making deposits as FDR with the schedule Banks and subsequently a portion of the proceeds has been utilized to purchase of Land & Building for accommodating Corporate Head Office of the Company.

Internal Control:

The Board is responsible for ensuring that the Company has an adequate and effective control system in place. Although no system of internal financial control can provide absolute assurance against material miss-statement or loss. The company's internal control system have been designed to provide the Directors with reasonable assurance that assets are safeguarded against unauthorized use by the employees or management and or third parties, transactions are authorized and properly recorded and material error and irregularities are either prevented or detected within a reasonable period of time. Properly designed management structure, clearly defined responsibilities, delegation of authorities, establishment of accountability at each level and system of periodic reporting and monitoring performance are the key elements of the internal control frame work employed in Janata Insurance Company Limited.

Audit Committee and Report on its activities:

The Audit Committee of our company is working as per relevant guidelines of Corporate Governance Guidelines of BSEC. During the year under review, the committee reviewed audit plan, annual audited draft financial statements, quarterly un-audited financial statements, internal audit reports, action plan regarding compliance with the Corporate Governance Guidelines etc. The detail of the activities of the Audit Committee have been provided in the "Audit Committee Report." in **page 46**

Internal Audit:

The company has an Internal Audit Department working towards ensuring compliance with laws, regulations and ensuring that the business is being conducted within the laid down policies and under the legal framework.

Status of Corporate Governance Compliance:

In accordance with the requirement stipulated in condition-5.00 of the Bangladesh Securities and Exchange Commission's notification No.BSEC/CMRRCD/2006-158/134/Admin/44 dated August 07, 2012 status report on the Corporate Governance Compliance is shown in Annexure-B and the Directors also confirmed the compliance with the financial reporting frame work and shareholding pattern according to the above notification in Annexure-A, **page 38**

Certificate on compliance of condition of Corporate Governance:

Certificate on compliance of condition of Corporate Governance from professional Chartered Accountants has been obtained and shown in **page 43**

Board Meeting Attendance:

During the year, Four Board Meetings were held. The attendance of the Directors is shown in **page 35**

Pattern of Shareholding:

Pattern of shareholding as per clause 1.5(xxi) of the BSEC Notification No.SEC / CMRRCD / 2006-158 / 134 / Admin / 44 dated August 7, 2012 is shown in **page 36**

Key Operating and Financial Data:

The Company's summarized key operating and financial data for the last five years are shown in **Page 25**

Brief Resume of the Directors:

Brief resume of the Directors as per clause 1.5(xxii) of the BSEC Notification No.SEC / CMRRCD / 2006-158 / 134 / Admin / 44 dated August 7, 2012 is shown in **Page 09**

Retirement and election of Directors:

In terms of Articles 106 & 107 of the Articles of Association of the Company, the following Directors will retire from office by rotation in the 30th AGM.

1. Mr. Zafrul Islam Chowdhury
2. Mrs. Savera H Mahmood
3. Mr. Warisuzzaman Chowdhury

Being eligible, they offer themselves for re-election.

Therefore, office of 03 (Three) Directors from Sponsor shareholders be elected by the sponsor shareholders of the Company from themselves.

In accordance with the same provisions, 01 (one) Director from Public shareholders Mrs. Fahima Akhter will retire from office by rotation in the 30th AGM. Being eligible, she offers herself for re-election.

Upon his retirement; 01 (one) post of Director among the above Public Shareholders will fall vacant, Accordingly, election of 01 (one) post of Director from public share holders will be held in the 30th AGM, for which Notice was published in two national dailies namely (i) Amader Somoy dated.10.05.2016 and (ii) The New Nation dated.10.05.2016.

In accordance with the Article referred above, Mr. Md. Abu Hyder Chowdhury(Amzad) and Mr. Makin-ur-Rashid(Rossi), Independent Directors will retire from office in the 30th AGM from any 03(three) existing Independent Directors and their re-appointment to the above position rests with the Board.

The tenure of Office of Mr. Md. Moniruzzaman FCA, Independent Director (who retired in the 29th AGM held on 25.07.2015) was extended for another term by the Board in its meeting held on 25.07.2015. Accordingly, his re-appointment as Independent Director is placed in the 30th AGM for post facto approval.

Auditors:

As per Order No.SEC/CMRRCD/2009-193/104/Admn/ dated July 27, 2011 of Bangladesh Securities and Exchange Commission, the existing Auditors' of the Company M/s. Mahfel Hoq & Co., Chartered Accountants retiring are eligible for re-appointment. They had offered to continue in office for the year 2016. Accordingly, the Board recommended their appointment as statutory auditors' for the year 2016 with a professional fee of Taka 2,00,000=/(Taka Two lac) only plus VAT & Tax in the 30th Annual General meeting of the Company.

Credit Rating:

Alpha Credit Rating Limited (Alpha Rating) has assigned the following ratings to Janata Insurance Company Limited.

Date of Declaration	Valid Till	Rating Action	Long Term Rating	Short Term Rating	Outlook
December 06, 2015	December 05, 2016	Surveillance	A	AR-3	Stable
November 18, 2014	November 17, 2015	Initial	A-	AR-3	Stable

Corporate Social Responsibility:

Janata Insurance company Ltd. has always played its part in carrying out Corporate Social Responsibilities from its limited financial ability. We have been participating in contributing financial support to the Fund, formed by Bangladesh Insurance Association for sponsoring various state programs and for the help of victims affected by natural hazards. Besides these, Board of Directors of Janata Insurance Company Ltd. planned to create a fund to utilize the same exclusively for the medical treatment of employees and higher education of their children and also for education of multilevel poor students in the country. The Company's CSR policy is to develop for the most under privileged people and to motivate them to self-reliant. A draft policy in this regard has already been prepared.

Future Business Plan and Prospects:

We are undertaking a short term business plan for robust growth of business. For sound growth of business we have taken different strategic, like improvement of marketing policy & HR policy, promotion to deserving marketing employees, opening of new branches, introduction of new products etc.

The Board of Directors has been continuously steering for expansion of the market share of the company and monitoring the activities and extending its support by giving policy guidelines to improve its performance in future. We are strengthening our marketing and other departments of the company to increase our gross premium income substantially by maintaining the rules and regulations of IDRA. Visible improvement of business is being observed. Hopefully, we expect to get a good business outcome in the year 2016. We need your continuous support to improve its growth in future also. We will always welcome suggestions from our clients, partners and well wishers for improve the quality of our services.

Expansion of Branch Network:

We have a plan to expand our branch network by way of opening new branches in the vicinity of important business places and we are also working for bringing all the existing branches to a sound position. By this time, we have been permitted to open a branch at Paltan, Dhaka and the setting up of more branches are in process.

Risks and concerns:

Janata Insurance Company Ltd. has always been in the forefront of implementing different risk management tools and techniques. A critical success factor for sustaining profitability and continuous delivery of shareholders' value is earmarked as to how effectively the risks are managed. Non-Life Insurance Companies are exposed to a number of risks of which Market Risks, Operational Risks and Reputation Risks etc. are there, In order to manage these Risks properly Insurance Development Regulatory Authority (IDRA) has issued guidelines which are being followed by the company with utmost-care and dedication. Internal Control System is being made effective by increasing the internal audit, both comprehensive and others, of the various affiliated offices as well as Head Office of the company.

Acknowledgement:

Dear Shareholders,

The Directors would like to give special thanks to all the Valued Clients, respected Shareholders, Board members, Advisers, Banks, Bankers, Leasing companies, Patrons and Well-wishers for extending their continued support and co-operation. The Board would also like to place thanks to the Government of the People's Republic of Bangladesh, the Ministry of Commerce and the Ministry of Finance, Bangladesh Bank, The Insurance Development and Regulatory Authority (IDRA), Sadharan Bima Corporation, Registrar of Joint Stock Companies and Firms, Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange Ltd., Chittagong Stock Exchange Ltd., the Central Depository Bangladesh Ltd., Various Government Authorities, Bangladesh Insurance Association and Bangladesh Insurance Academy for their valued co-operation, sincere support and guidance.

The Board of Directors would like to put on record our deep appreciation of the efforts and Co-operation extended by the employees of the company during the year of our operational activities.

Thanking you all.

On behalf of the Board of Directors



Belal Ahmed
Chairman

DIRECTORS' REPORT TO THE SHAREHOLDERS IN COMPLIANCE WITH THE BSEC'S NOTIFICATION NO.BSEC/CMRRCD/2006-158/134/ADMIN/44 DATED AUGUST 07, 2012

Statement of Directors on Financial Reports

Directors are pleased to report that:

- a) The Financial Statements prepared by the Management of the Company present fairly its state of affairs, the result of its operations, Cash flows and changes in equity.
- b) Proper books of accounts of the Company have been maintained.
- c) Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.
- d) International Accounting Standards, as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed.
- e) The system of internal control is sound in design and has been effectively implemented and monitored.
- f) There are no significant doubts upon the company's ability to continue as a going concern.
- g) There are significant deviations from last year in operating result of the company have been highlighted and reasons thereof explained.
- h) The key operating & financial data of last five years have been provided.
- i) The number of Board Meetings and the attendance of Directors during the year 2015 were as follows:

Sl. No.	Name of the Member	Status in the Board	Total Meeting	Meeting attendance
1.	Mr. Belal Ahmed	Chairman	4	4
2.	Mr. Aziz Al-Masud	Vice Chairman	4	3
3.	Abdul Gaffar Chowdhury (expried on 03.04.2016)	Director	4	4
4.	Mrs. Qamrun Nahar	Director	4	2
5.	Mr.Zafrul Islam Chowdhury	Director	4	1
6.	Mr. Kamruddin Parvez	Director	4	3
7.	Mrs. Roxana Zaman	Director	4	4
8.	Mrs.Afroza Zaman	Director	4	4
9.	Farhana Zaman	Director	4	4
10.	Mrs. Farahnaz Chowdhury	Director	4	1
11.	Mrs. Zannatul Ferdous Zeena	Director	4	2
12.	Mr.Warisuzzaman Chowdhury	Director	4	4
13.	Mrs. Savera H Mahmood	Director	4	4
14.	Mrs. Sultana Hashem	Director	4	4
15.	Mrs Fahima Akhter	Director	4	3
16.	Mr. Md. Moniruzzaman, FCA	Independent Director	4	4
17.	Mr.Makin-Ur-Rashid (Rossi)	Independent Director	4	3
18.	Mr.Abu Hyder Chowdhury (Amzad)	Independent Director	4	3
19.	Mr. M. A. Hashem	Adviser	4	4
20.	Mr. Saifuzzaman Chowdhury	Adviser	0	0

Directors also report that the Chief Executive Officer and the Chief Financial Officer have certified to the Board that they have reviewed the Financial Statements for the year 2015, the certificate is annexed.

The pattern of shareholding

- (i) Shares held by parent/Subsidiary/Associated Company etc. - None.
- (ii) The pattern of shareholding of Directors, Chief Executive Officer & Company Secretary, Chief Financial Officer, Head of Internal Audit, Principal Adviser and their spouses and minor children are as follows:

ii)a. Directors and their Spouse:

Sl. No.	Name of Sponsors and Directors	No. of shares held	Percentage Holdings
1.	Late Abdul Gaffar Chowdhury	796021	2.08
2.	Mrs. Qamrun Nahar	775305	2.02
3.	Mr. Belal Ahmed	1278399	3.33
4.	Mr. Zafrul Islam Chowdhury	1278399	3.33
5.	Mr. Kamruddin Parvez	768796	2.00
6.	Mrs. Roxana Zaman	809721	2.11
7.	Mrs. Afroza Zaman	788163	2.06
8.	Farhana Zaman	788163	2.06
9.	Mrs. Farahnaz Chowdhury	803656	2.10
10.	Mrs. Zannatul Ferdous Zeena	798150	2.08
11.	Mrs. Fahima Akhter	774612	2.02
12.	Mr. Aziz Al-Masud	770491	2.01
13.	Mrs. Sultana Hashem	770701	2.01
14.	Mr. Md. Moniruzzaman	-	-
15.	Mr. Makin-Ur-Rashid(Rossi)	-	-
16.	Mr. Abu Hyder Chowdhury(Amzad)	-	-
17.	Mr. M. A. Hashem	395665	1.03
18.	Mr. M. A. Sabur	319584	0.83
19.	Mr. Aziz Al-Kaiser	768672	2.00
20.	Mr. Warisuzzaman Chowdhury	933396	2.44
21.	Mrs. Savera H Mahmood	768091	2.00
22.	Mr. Rubel Aziz	511321	1.33
23.	Mr. Shahidul Kadir	329731	0.86
24.	Mrs. Aklima Begum	373464	0.97
25.	Mrs. Syeda Shaireen Aziz	327219	0.85
26.	Mrs. Motmeana Begum	91586	0.24
27.	Mrs. Farhana Akhter	52878	0.14
28.	Mrs. Setara Begum	108589	0.28
29.	Mr. Naimul Quader Chowdhury	108589	0.28
30.	Mrs. Hosneara Begum	1278399	3.33
31.	Mrs. Tabassum Kaiser	328494	0.86
32.	Mr. Iftakhar Al Jamil	1453058	3.79
33.	Farha Aklima	149737	0.39

34.	Mr. Asif Zahir	319584	0.83
35.	Mr. Sharif Zahir	183459	0.48
36.	Mrs. Imrana Zaman Chowdhury	224605	0.59
37.	Mr. Asifuzzaman Chowdhury	224605	0.59
38.	Late Akhtaruzzaman Chowdhury	31110	0.08
39.	Mrs. Nur Nahar Zaman	27225	0.07
40.	Mrs. Tanzina Zaman Chowdhury	20418	0.05
41.	Mr. Anisuzzaman Chowdhury	20418	0.05
42.	Mrs. Rukmila Zaman	20418	0.05
43.	Mr. Saifuzzaman Chowdhury	20418	0.05
44.	Mr. Md. Nayeem Kalam	319558	0.83
45.	Mrs. Monoara Jahangir	4578	0.01
	Total	20915446	54.53

(ii)b. Chief Executive Officer & Company Secretary, Chief Financial Officer, Head of Internal Audit, Principal Adviser:

Name and Designation	No. of shares held	Percentage Holdings
Mr. Fazlul Hoque Khan Chief Executive Officer	172	0.0005%
Mr. Md. Saiful Islam C.F.O & Company Secretary	73	0.0002%
Mr. Mahbubur Rahman Head of Internal Audit	Nil	Nil

(ii)c. Directors Minor Children

Nil

Nil

(iii). Executive, Asstt. Vice President to Additional Managing Director:

Mr. Abu Musa Chowdhury Senior Vice President	816	0.0021%
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(iv). Share holding ten percent (10%) or more voting interest in the Company name wise details are as under :

Nil

Nil

Corporate Governance Compliance Report

Status of compliance with the conditions imposed by the BSEC's Notification No. BSEC/CMRRCD/2006-158/134/Admin/44 dated 07th August, 2012 issued under Section 2CC of the Bangladesh Securities and Exchange Ordinance, 1969 is given below:

(Report under condition No.7.00)

Condition No.	Title	Compliance Status		Remarks (If any)
		Complied	Not Complied	
1.0	BOARD OF DIRECTORS:			
1.1	Board's Size: The number of the board members shall not be less than 5(five) and more than 20 (twenty)	✓		
1.2	Independent Directors:			
1.2(i)	At least one fifth (1/5) of the total number of directors in the company's board shall be independent directors.	✓		
1.2(ii)	For the purpose of this clause -independent directors means a director:			
1.2(ii) a)	Who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	✓		
1.2 (ii)b)	Who is not a sponsor of the company and is not connected with the company's any sponsor or director or shareholder who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship. His/her family members also should not hold above mentioned shares in the company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members;	✓		
1.2(ii)c)	Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated companies;	✓		
1.2(ii) d)	Who is not a member, director or officer of any stock exchange;	✓		
1.2(ii)e)	Who is not a shareholder, director or officer of any member of stock exchange or an intermediary of the capital market;	✓		
1.2(ii)f)	Who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm;	✓		
1.2(ii) g)	Who shall not be an independent director in more than 3 (three) listed companies;	✓		
1.2(ii) h)	Who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a Non-Bank Financial Institution (NBFI);	✓		
1.2(ii) i)	Who has not been convicted for a criminal offence involving moral turpitude;	✓		

1.2(iii)	The independent director(s) shall be appointed by the board of directors and approved by the shareholders in the Annual General Meeting (AGM).	✓		Approval for 1 (One) ID's re-appointment will be taken in the 30 th AGM
1.2(iv)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days.	✓		
1.2(v)	The Board shall lay down a code of conduct of all Board members and annual compliance of the code to be recorded.	✓		
1.2(vi)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only.	✓		
1.3	Qualification of Independent Director (ID)			
1.3 (i)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business.	✓		
1.3 (ii)	The person should be a Business Leader/Corporate Leader/Bureaucrat/University Teacher with Economics or Business Studies or Law background/Professionals like Chartered Accountants, Cost & Management Accountants, Chartered Secretaries. The independent director must have at least 12 (twelve) years of corporate management, professional experiences.	✓		
1.3 (iii)	In special cases the above qualifications may be relaxed subject to prior approval of the Commission.	N/A		Not required such approval
1.4	Chairman of the Board and Chief Executive Officer: The positions of the Chairman of the Board and the Chief Executive Officer of the companies shall be filled by different individuals. The Chairman of the company shall be elected from among the directors of the company. The Board of Directors shall clearly define respective roles and responsibilities of the Chairman and the Chief Executive Officer.	✓		
1.5	The Directors' Report to Shareholders:			
1.5 (i)	Industry outlook and possible future developments in the industry	✓		Included in the Directors' Report.
1.5(ii)	Segment-wise or product product-wise performance	✓		-do-
1.5(iii)	Risks and concerns	✓		-do-
1.5 (iv)	Discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin.	✓		-do-
1.5 (v)	Discussion on continuity of any Extra- Ordinary gain or loss	N/A		No such extra ordinary gain or loss
1.5 (vi)	Basis for related party transactions-a statement of all related party transactions should be disclosed in the annual report.	✓		
1.5 (vii)	Utilization of proceeds from public issues, rights issues and/or through any others instruments.	✓		
1.5 (viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing, etc.	✓		Included in the Directors' Report.
1.5 (ix)	If significant variance occurs between Quarterly Financial performance and Annual Financial Statements the management shall explain about the variance on their Annual Report.	✓		
1.5 (x)	Remuneration to directors including independent directors	✓		
1.5(xi)	The financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.	✓		
1.5 (xii)	Proper books of account of the issuer company have been maintained.	✓		
1.5 (xiii)	Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.	✓		
1.5 (xiv)	International Accounting Standards (IAS)/Bangladesh Accounting Standards (BAS)/International Financial Reporting Standards /Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed.	✓		
1.5 (xv)	The system of internal control is sound in design and has been effectively implemented and monitored.	✓		
1.5 (xvi)	There are no significant doubts upon the issuer company's ability to continue as a going concern. If the issuer company is not considered to be a going concern, the fact along with reasons thereof should be disclosed.	✓		
1.5 (xvii)	Significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof should be explained.	✓		
1.5 (xviii)	Key operating and financial data of at least preceding 5 (five) years shall be summarized.	✓		

1.5(xix)	If the issuer company has not declared dividend (cash or stock) for the year, the reasons thereof shall be given.	N/A		Dividend has been declared.
1.5(xx)	The number of Board meetings held during the year and attendance by each director shall be disclosed	✓		Included in the Directors' Report.
1.5(xxi)	The pattern of shareholding shall be reported to disclose the aggregate number of shares (along with name wise details where stated below) held by:			
1.5(xxi)a)	Parent/Subsidiary/Associated Companies and other related parties (name wise details);	N/A		
1.5(xxi)b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details);	✓		Included in the Directors' Report.
1.5(xxi)c)	Executives	✓		-do-
1.5(xxi)d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details).	N/A		No such shareholder exists
1.5(xxii)	In case of appointment/reappointment of a director the company shall disclose the following information to the shareholders:			
1.5(xxii)a)	A brief resume of the director	✓		
1.5(xxii)b)	Nature of his/her expertise in specific functional areas	✓		
1.5(xxii)c)	Names of companies in which the person also holds the directorship and the membership of committees of the board.	✓		
2.0	CHIEF FINANCIAL OFFICER (CFO), HEAD OF INTERNAL AUDIT AND COMPANY SECRETARY (CS):			
2.1	Appointment: The company shall appoint a Chief Financial Officer (CFO), a Head of Internal Audit (Internal Control and Compliance) and a Company Secretary (CS). The Board of Directors should clearly define respective roles, responsibilities and duties of the CFO, the Head of Internal Audit and the CS.	✓		
2.2	Requirement to attend the Board Meetings: The CFO and the Company Secretary of the companies shall attend the meetings of the Board of Directors, provided that the CFO and/or the Company Secretary shall not attend such part of a meeting of the Board of Directors which involves consideration of an agenda item relating to their personal matters.	✓		
3.0	Audit Committee:			
3(i)	The company shall have an Audit Committee as a sub-committee of the Board of Directors.	✓		
3(ii)	The Audit Committee shall assist the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business.	✓		
3(iii)	The Audit Committee shall be responsible to the Board of Directors. The duties of the Audit Committee shall be clearly set forth in writing.	✓		
3.1	Constitution of the Audit Committee:			
3.1(i)	The Audit Committee shall be composed of at least 3 (three) members.	✓		
3.1(ii)	The Board of Directors shall appoint members of the Audit Committee who shall be directors of the company and shall include at least 1 (one) independent director.	✓		
3.1(iii)	All members of the audit committee should be-financially literate and at least 1 (one) member shall have accounting or related financial management experience.	✓		
3.1(iv)	When the term of service of the Committee members expires or there is any circumstance causing any Committee member to be unable to hold office until expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board of Directors shall appoint the new Committee member(s) to fill up the vacancy(i.es) immediately or not later than 1 (one) month from the date of vacancy(i.es) in the Committee to ensure continuity of the performance of work of the Audit Committee.	✓		
3.1(v)	The company secretary shall act as the secretary of the Committee.	✓		
3.1(vi)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	✓		
3.2	Chairman of the Audit Committee:			
3.2(i)	The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairman of the Audit Committee, who shall be an independent director.	✓		

3.2(ii)	Chairman of the audit committee shall remain present in the Annual General Meeting (AGM).	✓		Chairman of the Audit Committee was present in the AGM held in 2015.
3.3	Role of Audit Committee :			
3.3 (i)	Oversee the financial reporting process.	✓		
3.3 (ii)	Monitor choice of accounting policies and principles.	✓		
3.3(iii)	Monitor internal Control Risk Management process.	✓		
3.3 (iv)	Oversee hiring and performance of external auditors.	✓		
3.3(v)	Review the annual financial statements before submission to the board for approval.	✓		
3.3(vi)	Review the quarterly and half-yearly financial statements before submission to the board for approval.	✓		
3.3(vii)	Review the adequacy of internal audit function.	✓		
3.3(viii)	Review statement of significant related party transactions submitted by the management.	✓		
3.3(ix)	Review management letters/ letter of internal Control weakness issue by statutory auditors	✓		
3.3 (x)	When money is raised through Initial Public Offering (IPO)/Repeat Public Offering (RPO)/Rights Issue the company shall disclose to the Audit Committee about the uses/applications of funds by major category (capital expenditure, sales and marketing expenses, working capital, etc), on a quarterly basis, as a part of their quarterly declaration of financial results. Further, on an annual basis, the company shall prepare a statement of funds utilized for the purposes other than those stated in the offer document/prospectus.	N/A		No IPO, RPO/Right Issue was made in the year 2015.
3.4	Reporting of the audit committee:			
3.4.1	Reporting to the Board of Directors:			
3.4.1(i)	The Audit Committee shall report on its activities to the Board of Directors.	✓		
3.4.1(ii)	The Audit Committee shall immediately report to the Board of Directors on the following findings, if any:			
3.4.1(ii) a)	Report on conflicts of interests;	N/A		No conflict of interest
3.4.1(ii)b)	Suspected or presumed fraud or irregularity or material defect in the internal control system;	N/A		
3.4.1(ii)c)	Suspected infringement of laws, including securities related laws, rules and regulations;	N/A		
3.4.1(ii)d)	Any other matter which shall be disclosed to the Board of Directors immediately.	N/A		
3.4.2	Reporting to the Authorities: If the Audit Committee has reported to the Board of Directors about anything which has material impact on the financial condition and results of operation and has discussed with the Board of Directors and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board of Directors for three times or completion of a period of 6 (six) months from the date of first reporting to the Board of Directors, whichever is earlier.	N/A		
3.5	Reporting to the Shareholders and General Investors: Report on activities carried out by the Audit Committee, including any report made to the Board of Directors under condition 3.4.1 (ii) above during the year, shall be signed by the Chairman of the Audit Committee and disclosed in the annual report of the issuer company.	✓		
4.0	External/Statutory Auditors :			
	The issuer company should not engage its external/statutory auditors to perform the following services of the company; namely:			
4 (i)	Appraisal or valuation services or Fairness opinions.	✓		As per Auditors' report
4 (ii)	Financial information systems design and implementation.	✓		-do-
4 (iii)	Book-keeping or other services related to the accounting records or financial statements.	✓		-do-
4(iv)	Broker- dealer services	✓		-do-
4 (v)	Actuarial services	✓		-do-

4(vi)	Internal audit services	✓		-do-
4(vii)	Any other service that the Audit Committee determines.	✓		-do-
4(viii)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company.	✓		-do-
4(ix)	Audit/ certification service on compliance of Corporate Governance	✓		-do-
5.0	Subsidiary Company :			
5(i)	Provisions relating to the composition of the Board of Directors of the holding company shall be made applicable to the composition of the Board of Directors of the subsidiary Company	N/A		
5(ii)	At least 1 (one) independent director on the Board of Directors of the holding company shall be a director on the Board of Directors of the subsidiary company.	N/A		
5(iii)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company.	N/A		
5(iv)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also.	N/A		
5(v)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	N/A		
6.0	Duties of Chief Executive Officer and Chief Financial Officer :			
	The CEO and CFO shall certify to the Board that:-			
6(i)	They have reviewed financial statements for the year and that to the best of their knowledge and belief:			
6(i)a)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;	✓		The CEO and CFO duly certify to the Board
6(i)b)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.	✓		-do-
6(ii)	There are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct.	✓		-do-
7.0	Reporting and Compliance of Corporate Governance :			
7(i)	The company shall obtain a certificate from a practicing Professional Accountant/Secretary (Chartered Accountant/Cost and Management Accountant /Chartered Secretary) regarding compliance of conditions of Corporate Governance Guidelines of the Commission and shall send the same to the shareholders along with the Annual Report on a yearly basis.	✓		Available in Annual Report
7(ii)	The directors of the company shall state in the directors' report whether the company has complied with these conditions.	✓		Included in the Directors' Report.

CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

TO THE SHAREHOLDERS OF JANATA INSURANCE COMPANY LIMITED



ATIK KHALED CHOWDHURY
Chartered Accountants

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Certificate on Compliance of Conditions of Corporate Governance

To the Shareholders of **Janata Insurance Company Limited**

We have examined the annexed statement on compliance of conditions of the Corporate Governance Guidelines of the Bangladesh Securities and Exchange Commission (BSEC) by Janata Insurance Company Ltd. (the Company) for the year ended 31 December 2015 as stipulated in the clause 7(1) of the BSEC's Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 07th August 2012.

The compliance of the said conditions of Corporate Governance Guidelines of the Bangladesh Securities and Exchange Commission (BSEC) and reporting of the status thereof is the responsibility of the Company's management. Our responsibility is to provide a certificate based on our relevant examination as to whether or not the company is in compliance with the said conditions of Corporate Governance Guidelines. Our examination for the purpose of issuing this certificate was limited to the examining of procedures and implementations thereof as adopted by the Company for ensuring the compliance of the conditions of Corporate Governance and correct reporting of compliance status on the attached statement on the basis of evidence gathered and representation received. It is neither an audit nor an expression of opinion on the financial statements of the company.

To the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance stipulated in the above-mentioned BSEC's notification dated 7th August 2012 issued under section 2CC of the Securities and Exchange Ordinance 1969.

Dhaka,
May 7, 2016

ATIK KHALED CHOWDHURY
Chartered Accountants

Declaration of CEO and CFO to the Board of Directors Regarding Financial Statements 2015.

In accordance with Section 6 of the Notification No.BSEC / CMRRCD / 2006-158 / 134 / Admin / 44 dated August 07, 2012, Bangladesh Securities and Exchange Commission, we declare regarding the Financial Statements for the year ended December 31, 2015 that:

- i) We have reviewed the financial statements for the year 2015 and that to the best of our knowledge and belief:
 - a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.
- ii) There are, to the best of our knowledge and belief, no transactions entered by the Company during the year which are fraudulent, illegal or violation of the Company's code of conduct.



Md.Saiful Islam
Chief Financial Officer



Md. Fazlul Hoque Khan
Chief Executive Officer

DIRECTORS' CERTIFICATE

As per Regulations contained in the first Schedule of the Insurance Act 2010 (previously 1938) as per Section 40-C of the said Act, we certify that:

1. The values of investment in shares & debentures have been taken at cost or market price whichever is lower.
2. The values of all assets as shown in the Financial Statement and as classified on Form "AA" annexed have been duly reviewed as at December 31, 2015 and in our belief, the said assets have been set forth in the Financial Statement at amounts not exceeding their realizable or market values under the several headings as enumerated in the annexed form.
3. All expenses of management, wherever incurred and whether incurred directly or indirectly in respect of Fire, Marine, Motor and Miscellaneous Insurance business have been duly debited to the related Revenue Accounts and Profit & Loss Account.



Chief Executive Officer



Director



Director



Chairman

REPORT OF THE AUDIT COMMITTEE

The Audit Committee of Janata Insurance Co. Ltd. is pleased to present this report to the shareholders and other interested parties stating in brief the functions and activities carried out by the Committee during period under review.

Scope of Work of Audit Committee

The Audit Committee of Janata Insurance Co. Ltd. performs within the guidelines of Bangladesh Securities and Exchange Commission and also carries oversight responsibilities. The Board of Directors of the Company set out the overall business plan & formulates policies that the management is responsible for implementation. The Audit Committee, on behalf of the Board, strives to ensure effective implementation of the processes and procedures set out in the business plans and policies. Audit Committee also reviews the internal control regime and compliance status of the Company as a whole. The committee is authorized to investigate any matter(s) within its terms of reference, access to all documents and information of the company, seek information from any director or employee and hire/co-opt any resources including external professional assistance, it seems fit and necessary to accomplish its duties. However, the Audit Committee has no executive function and its primary objective is to review and challenge, rather than assume responsibility for any matters within its remit. The Chairman of the Committee remains present in all the general meetings of the Company to answer any questions on the activities of the Committee.

Functions of The Audit Committee

Main function of the Audit Committee is to facilitate the Board in its oversight responsibilities. In order to discharge these responsibilities, the Audit Committee, among others, carry out the following functions:

- ✧ Review of Internal Control System to create robust control mechanism;
- ✧ Review of Annual Financial Statements;
- ✧ Review of quarterly financial statements;
- ✧ Review of Internal Audit Reports and suggestion for corrective action;
- ✧ Review the findings of External Audit;
- ✧ Review of compliance with applicable rules and regulations;
- ✧ Timely responses to regulatory inquiries;
- ✧ Appraisal of the expertise, resources, independence and objectivity of the external auditor and recommendation to the Board regarding their appointment/reappointment;
- ✧ Coordination of regulatory and external audit;
- ✧ Coordination of management responses to the external audit; etc.

All these enable the Committee to evaluate major business risk areas, so as to ensure appropriate controls are in place, which is well managed providing accurate, proper and timely information to the Board of Directors, management, regulatory authorities and shareholders.

Composition of the Audit Committee

The following members of the Board of Directors comprise the Audit Committee:

01.	Mr. Md. Moniruzzaman, FCA	Independent Director	Chairman
02.	Mr. Aziz Al-Masud	Director & Vice Chairman of the Board of Directors	Member
03.	Mrs. Fahima Akhter	Director	Member
04.	Mrs. Afroza Zaman	Director	Member
05.	Mr. Warisuzzaman Chowdhury	Director	Member
06.	Mr. Kamruddin Parvez	Director	Member

As per BSEC Notification No. SEC/CMRRCD/2006-158/Admin/44 dated 07 August 2012, an independent Director of the Board is the Chairman of the Audit Committee. As per regulatory guidelines, the Company Secretary of the Company acts as the Secretary to the Audit Committee. Senior officials of the Company attend the meetings on invitation.

Meetings of the Audit Committee and major activities carried out

The Audit Committee had held 3 (Three) meetings during the year 2015. During the year under review the Committee, inter alia, carried out the following activities:

- Reviewed Internal Audit Plan for the year 2015 and gave guidance on the risk based internal audit for all the departments and branches of the company;
- Reviewed Annual Audited Draft Financial Statements and after discussing with the External Auditor and the management recommended it to the Board for its approval;
- Reviewed the Management Letter issued by the External Auditor, Management responses thereto and corrective measures taken by the Company to avoid recurrence of the lapses mentioned therein;
- Reviewed Quarterly Financial Statements of the Company and recommended their submission to the stakeholders as a statutory requirement;
- Reviewed the report of the Audit Committee to incorporate in the Annual Report;
- Reviewed the expression of interest of external audit firm and upon reviewing expertise, capacity, resources, independence and objectivity thereof recommended to the Board for their appointment;
- Reviewed internal audit reports, discussed on significant Internal Audit findings and advised corrective actions;
- Reviewed and followed up action plan regarding compliance with the corporate governance guidelines issued by Bangladesh Securities and Exchange Commission; etc.

Review of Annual Audited Financial Statements

The Audit Committee reviewed and examined the Annual Financial Statements, for the year 2015 prepared by the management and audited by the External Auditor, M/s. Mahfel Huq & Co., Chartered Accountants and recommended these to the Board for consideration and approval.

The Committee was not aware of any issues in the following areas, which needed to be reported to the Board (i) Report on conflict of interest; (ii) Suspected or presumed fraud or irregularity or material defect in the internal control system and (iii) Suspected infringement of laws, including securities related laws, rules and regulations.

Finally the Audit Committee expresses its sincere thanks and appreciation to the Members of the Board and the Management of Janata Insurance Co. Ltd. for their excellent support in carrying out the duties and responsibilities of the Committee during the period under review.



Md. Moniruzzaman, FCA
Chairman, Audit Committee

SOLVENCY MARGIN POSITION

Solvency margin is the amount by which the assets of an insurer exceeds its liabilities, and will form part of the insurer's funds. Under section 43 of Insurance Act 2010 the Insurance Company required to maintained Solvency Margin. And the method of valuations of assets and liabilities of an insurer are prescribed in the insurance regulations. The regulations stipulate the minimum solvency margin, which an insurer must maintain at all times. The solvency of an insurance company corresponds to its ability to pay claims. The solvency of insurance company or its financial strength depends chiefly on whether sufficient technical reserves have been set up for the obligations entered into and whether the company has adequate capital as security.

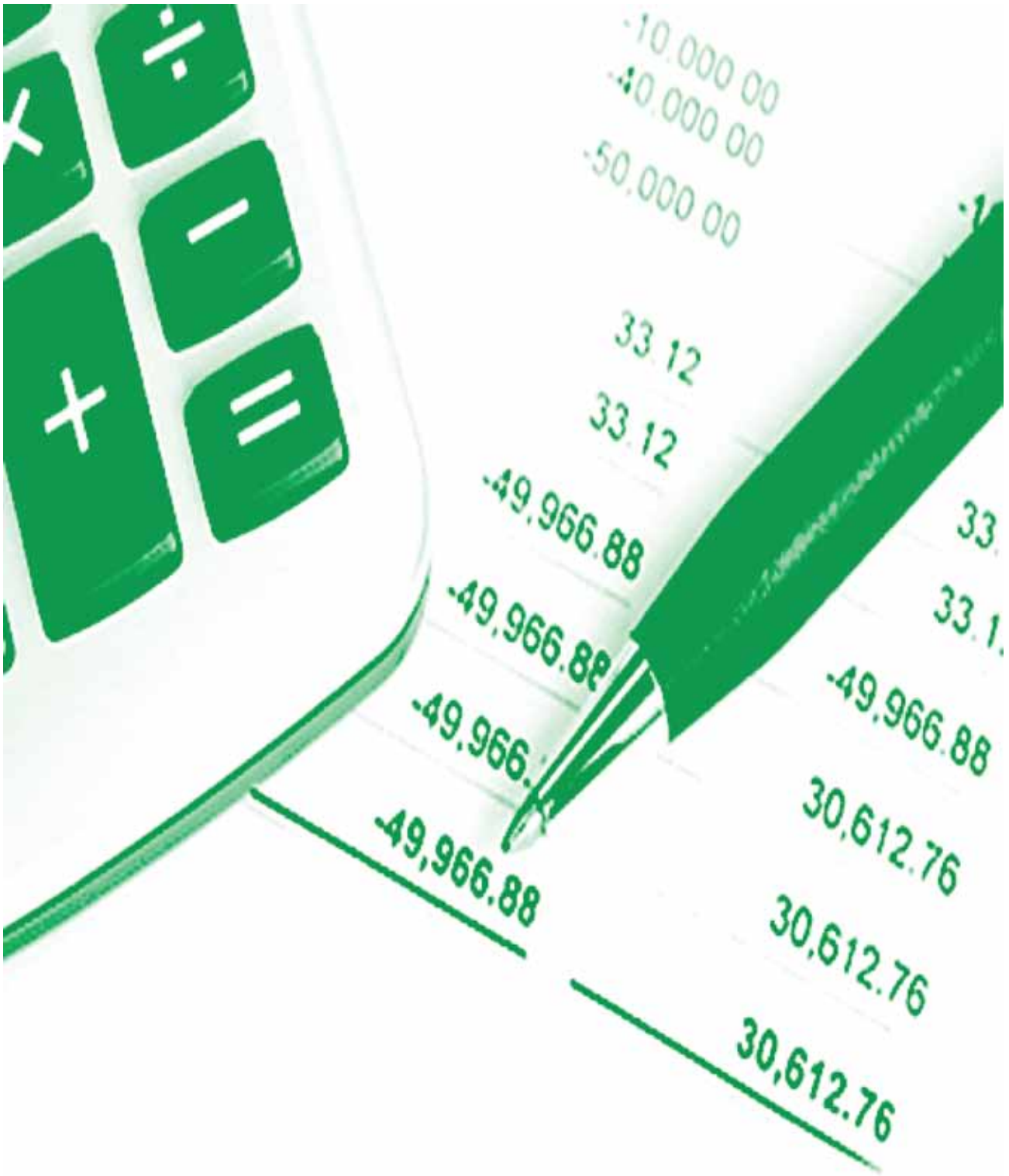
Moreover, solvency margin assists financial investment managers when making a decision on the risk or reward capability of a company to return dividends to stockholders. In Bangladesh regulations for Solvency margin for non-life insurance Company have been prepared by IDRA but not yet been approved by Finance Ministry thereby not yet promulgated through official gazette.

During the year 2015, Janata Insurance Company Limited achieved solvency margin as required level. The details as follows :

SOLVENCY MARGIN BASED ON ASSETS & LIABILITIES:

Amount in Million Taka

Particulars	Amount	Particulars	Amount
Total Assets as per Balance Sheet	810.95	Total Liabilities	810.95
Less: Amount due from Others (3/4)	(160.65)	Sundry Creditors	(89.52)
Sundry debtors (Suspense A/C)	(16.37)	Amount Due to Others	(25.40)
Carpet & Curtain	(0.08)	Provision for Income Tax	(97.18)
		Deposit Premium	(3.08)
		Reserve for Unexpired Risk	(56.17)
		Reserve for exceptional loss	(61.09)
(A) Total Assets	633.85	(B) Total Liabilities	478.51
			2015
Solvency Margin Available (A-B) (633.85 – 478.51)			155.34



AUDITORS' REPORT

INDEPENDENT AUDITORS REPORT TO THE SHAREHOLDERS OF JANATA INSURANCE COMPANY LIMITED

We have audited the accompanying Statement of Financial Position of the Janata Insurance Company Limited as of 31 December, 2015 and the related Revenue Accounts, Statement of Comprehensive Income, Profit and Loss Appropriation Account, Statement of Cash Flows, Statement of Changes in Equity and a summary of significant accounting policies and other explanatory notes for the year then ended.

Management's Responsibility for the Financial Statements

The management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Accounting Standard (BAS)/Bangladesh Financial Reporting Standards (BFRS), the Companies Act 1994, The Insurance Act 2010, the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines, which is necessary to enable the preparation of financial statements that are free from material misstatement, where due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance where the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments the auditor consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing and opinion on the effectiveness of the entity's internal control. An audit also includes evaluation the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion:

In our opinion, the Financial Statements give a true and fair view of the Financial Position of the company as at 31st December, 2015, of its financial performance and of its Cash Flow's for the year then ended and the Financial Statements were prepared in accordance with Bangladesh Financial Reporting Standards (BFRS) and Bangladesh Accounting Standards (BAS).

Report on Other legal and regulatory requirements:

The Financial Statements also comply with the Companies Act, 1994, the Insurance Act, 2010, the Securities and Exchange Rules, 1987 Insurance Rules 1958 and other applicable laws and regulations.

We also report that:

- i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- ii) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;
- iii) as per section 63 (2) of the Insurance Act, 2010, we certify that to the best of our knowledge and belief and according to the information and explanations given to us, all expenses of management wherever incurred and whether incurred directly or indirectly, in respect of 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;
- iv) as per Regulation- 11 of part-1 of the third schedule of the Insurance Act 1938 as amended, we certify that to the best of our information and as shown by its book, the company during the under report has not paid any person any commission in any form, outside Bangladesh in respect of any of its business re- insured abroad;
- v) the Company's Statement of Financial Position and Statement of Comprehensive Income and its Cash Flows dealt with by the report are in agreement with the books of account and returns;
- vi) the expenditure incurred was for the purposes of the Company's business;

Dated: May 07, 2016

Place:Dhaka


Mahfel Huq & Co.
Chartered Accountants

JANATA INSURANCE COMPANY LTD.

Statement of Financial Position

(Balance Sheet)

As at December 31, 2015

Capital and Liabilities	Notes	Amount In Taka	
		31.12.2015	31.12.2014
Authorized Share Capital: 100,000,000 Ordinary Shares of Tk.10 each	3.0	1,000,000,000	1,000,000,000
Issued, Subscribed & Paid-up Capital: 38352673 Ordinary Shares of Tk.10 each		383,526,730	348,660,670
Share Premium	4.0	55,964,550	90,830,610
Reserve For Contingency Accounts :		84,965,726	65,072,855
Reserve for Exceptional Losses	5.0	61,093,835	61,093,835
Profit & Loss Appropriation Account Balance		23,871,891	3,979,020
Shareholders' Equity		524,457,006	504,564,135
Balance Of Fund And Accounts:	6.0	56,168,948	62,876,168
Fire Insurance Business		15,600,771	19,798,746
Marine Insurance Business		17,624,364	32,513,427
Miscellaneous Insurance Business		22,943,813	10,563,995
Premium Deposits	7.0	3,081,602	7,247,829
Other Liabilities And Provisions:		227,244,975	233,075,149
Estimated liabilities in respect of outstanding claims whether due or intimated	8.0	8,869,375	9,108,670
Amount due to other persons or bodies carrying on insurance business	9.0	25,399,754	47,503,722
Deferred tax liabilities	10.0	6,277,342	3,445,113
Sundry Creditors (including provision for expenses and taxes)	11.0	186,698,504	173,017,644
Total		810,952,531	807,763,281

Property And Assets	Notes	Amount In Taka	
		31.12.2015	31.12.2014
Investment :	12.0	25,268,586	25,338,390
Statutory deposit: Bangladesh Govt. Treasury Bond	12.1	25,000,000	25,000,000
Shares - at market value	12.2	268,586	338,390
Accrued Interest On FDR & BGTB	13.0	10,026,973	13,378,608
Amount Due From Other Persons or Bodies Carrying On Insurance Business	14.0	214,202,185	196,630,522
Sundry Debtors (Including advances, deposits, prepayments and others)	15.0	109,345,874	104,147,266
Cash And Cash Equivalents :	16.0	302,984,367	318,323,598
At Banks on Fixed Deposit Account		275,652,488	292,943,780
At Banks on Current Account & Cash in hand		10,189,815	8,774,642
At Banks on STD & Savings Account		17,142,064	16,605,176
Other Accounts:	17.0	149,124,546	149,944,897
Fixed Assets :			
Land and Building (at cost less depreciation)		124,361,470	126,696,397
Other Assets (at cost less depreciation)		24,364,587	21,895,261
Security Deposits		362,342	1,329,792
Stock of Stamps		36,147	23,447
Total		810,952,531	807,763,281

The accompanying notes 1-26 form an integral part of these financial statements.

Net Asset Value Per Share (NAV) 25.04 13.67 13.16


Chief Executive Officer


Director


Director


Chairman

Signed as per our annexed report of even date.

Dated: May 07, 2016
Place: Dhaka


Mahfel'Huq & Co.
Chartered Accountants

JANATA INSURANCE COMPANY LTD.
Statement of Comprehensive Income
(Profit & Loss Account)
For the year ended December 31, 2015

PARTICULARS	Notes	Amount In Taka	
		2015	2014
Interest, Dividend and Rents: (Not Applicable to any particular fund or Account)			
Interest and Dividend Income	18.00	29,053,984	36,167,886
Profit/(Loss) Transferred from:		41,749,916	5,357,570
Fire Revenue Account		6,775,171	(11,707,172)
Marine Revenue Account		29,770,215	12,325,485
Miscellaneous Revenue Account		5,204,530	4,739,257
Profit on sale of Fixed Assets	19.00	304,407	-
Other income	20.00	21,521	1,650
Total		71,129,828	41,527,106
Expenses of management : (Not Applicable to any particular fund or Account)		32,241,554	25,796,778
Advertisement in News papers & Periodicals		389,438	686,518
Directors' fees	21.00	446,500	584,250
Interest		3,141,466	2,337,002
Legal and Professional fees		1,347,250	1,272,448
Audit fees	22.00	250,000	345,000
Bad Debts	15.01	5,455,105	5,455,105
Lease Rental	23.00	4,418,520	1,654,620
Donation and Subscription		197,000	200,000
Registration & Renewals		2,040,124	2,081,327
Gratuity		7,103,855	7,071,944
Provision for diminution in value of Investment in Shares		69,804	84,005
Depreciation		7,382,492	4,024,559
Profit before Tax		38,888,274	15,730,328
Provision for Tax		18,995,403	10,135,386
Provision for income taxes	11.04	16,163,174	5,296,221
Deferred tax	10.00	2,832,229	4,839,165
Net profit after tax		19,892,871	5,594,942
Total		71,129,828	41,527,106
Earning Per Share After Tax (Before Restatement) 2014	25.02	0.52	0.15
		-	0.16

The accompanying notes 1-26 form an integral part of these financial statements.


Chief Executive Officer


Director


Director


Chairman

Signed as per our annexed report of even date.

Dated: May 07, 2016
Place: Dhaka


Mahfel Huq & Co.
Chartered Accountants

JANATA INSURANCE COMPANY LTD.

Profit & Loss Appropriation Account
For the year ended December 31, 2015.

	Amount In Taka	
	2015	2014
Balance brought forward from last year	-	-
Net Profit for the year brought down	19,892,871	5,594,942
Balance transfered to Balance Sheet	(23,871,891)	(3,979,020)
Total	(3,979,020)	1,615,922
Balance brought forward from last year	(3,979,020)	(3,384,078)
Reserve for exceptional losses	-	5,000,000
Total	(3,979,020)	1,615,922


Chief Executive Officer


Director


Director


Chairman

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Dated: May 07, 2016
Place: Dhaka


Mahfel Huq & Co.
Chartered Accountants

JANATA INSURANCE COMPANY LTD.

Statement Of Cash Flows

For the year ended December 31,2015.

Particulars	Amount In Taka	
	2015	2014
Cash Flows from operating activities :		
Collections from Premium, other income and receipts	258,082,258	306,638,376
Interest & Dividend received	30,897,724	30,059,048
Management Expenses, Re-Insurance, Claims & Others	(249,370,940)	(259,555,871)
VAT paid	(23,424,495)	(22,164,370)
Income Tax paid	(11,760,126)	(29,103,040)
Net Cash flows from operating activities	4,424,421	25,874,143
Cash flows from investing activities :		
Acquisition of fixed assets	(20,068,061)	(19,992,587)
Sale proceeds of fixed assets	304,409	-
Net Cash used in investing activities	(19,763,652)	(19,992,587)
Cash flows from financing activities :		
Dividend	-	-
Total Cash flows/(Used) from financing activities	-	-
Net Increase/(Decrease) in Cash & Cash equivalents during the year	(15,339,231)	5,881,556
Opening Cash & Cash equivalents at beginning of the year	318,323,598	312,442,042
Closing Cash & Cash equivalents at end of the year	302,984,367	318,323,598


Chief Executive Officer


Director


Director


Chairman

Signed as per our annexed report of even date.

Dated: May 07, 2016

Place: Dhaka


Mahfel Huq & Co.
Chartered Accountants

JANATA INSURANCE COMPANY LTD.

Statement of Changes In Equity

For the year ended December 31, 2015.

Particulars	Amount In Taka				
	Share capital	Share premium	Reserve for exceptional losses	Retained earnings	Total
Balance as on January 01, 2015	348,660,670	90,830,610	61,093,835	3,979,020	504,564,135
Share Capital increased during the year :					
Bonus Share issued from Share Premium Account (2014)	34,866,060	(34,866,060)	-	-	-
Net Profit for the year 2015 (after tax)	-	-	-	19,892,871	19,892,871
Reserve for Exceptional losses	-	-	-	-	-
Balance as on December 31, 2015	383,526,730	55,964,550	61,093,835	23,871,891	524,457,006
Balance as on January 01, 2014	309,920,600	129,570,680	56,093,835	3,384,078	498,969,193
Share Capital increased during the year :					
Bonus Share issued from Share Premium Account (2013)	38,740,070	(38,740,070)	-	-	-
Net Profit for the year 2014 (after tax)	-	-	-	5,594,942	5,594,942
Reserve for Exceptional losses	-	-	5,000,000	(5,000,000)	-
Balance as on December 31, 2014	348,660,670	90,830,610	61,093,835	3,979,020	504,564,135


Chief Executive Officer

Director



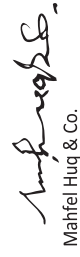
Director



Chairman



Signed as per our annexed report of even date.


Mahfel Huq & Co.

Chartered Accountants

Dated: May 07, 2016

Place: Dhaka

JANATA INSURANCE COMPANY LTD.

Consolidated All Business Revenue Account
For the year ended December 31, 2015.

PARTICULARS	Notes	Amount In Taka		PARTICULARS	Notes	Amount In Taka	
		2015	2014			2015	2014
Claim Under Policies Less Re-Insurance:				Balance of account at the beginning of the year :			
Paid during the year		43,132,266	75,044,785	Reserve for unexpired Risks		62,876,168	50,737,278
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated		8,869,375	9,108,670	Premium less Re-Insurance		140,379,699	156,466,051
Less: Outstanding at the end of the previous year		52,001,641	84,153,455	Commission on Re-Insurance ceded		31,848,977	35,069,480
		9,108,670	7,678,242				
		42,892,971	76,475,213				
Agency Commission		34,630,123	38,721,430				
Expenses of Management	24.0	59,450,636	58,646,068				
Insurance stamp expenses		212,250	196,360				
Profit / (Loss) transferred to Profit & Loss Account		41,749,916	5,357,570				
Reserve for unexpired Risks of premium income of the year as shown in the Balance Sheet		56,168,948	62,876,168				
Total		235,104,844	242,272,809	Total		235,104,844	242,272,809

The accompanying notes 1-28 form an integral part of these financial statements.


Chief Executive Officer


Director


Director


Chairman

Signed as per our annexed report of even date.

Dated: May 07, 2016
Place: Dhaka


Mahfel Huq & Co.
Chartered Accountants

JANATA INSURANCE COMPANY LTD.


Fire Insurance Revenue Account

For the year ended December 31, 2015.

PARTICULARS	Amount In Taka		PARTICULARS	Amount In Taka	
	2015	2014		2015	2014
Claim Under Policies Less Re-Insurance: Paid during the year	13,442,715	36,410,695	Balance of account at the beginning of the year :		
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	6,708,125	5,852,588	Reserve for unexpired Risks	19,798,746	20,771,191
Less: Outstanding at the end of the previous year	20,150,840	42,263,283	Premium less Re-Insurance	39,001,927	49,496,866
Agency Commission	5,852,588	4,315,110	Commission on Re-Insurance ceded	12,473,617	14,599,239
Expenses of Management	14,298,252	37,948,173			
Insurance stamp expenses	13,006,142	15,759,794			
Profit / (Loss) transferred to Profit & Loss Account	21,499,354	22,974,255			
	94,600	93,500			
	6,775,171	(11,707,172)			
Reserve for unexpired Risks being 40% of premium income of the year transferred to Balance Sheet	15,600,771	19,798,746			
Total	71,274,290	84,867,296	Total	71,274,290	84,867,296


 Chief Executive Officer


 Director


 Director


 Chairman

Signed as per our annexed report of even date.

Dated: May 07, 2016
Place: Dhaka

 Mahfel Huq & Co.
 Chartered Accountants

JANATA INSURANCE COMPANY LTD.

Marine Insurance Revenue Account

For the year ended December 31, 2015.

PARTICULARS	MARINE CARGO	MARINE HULL	Amount In Taka		PARTICULARS	MARINE CARGO	MARINE HULL	Amount In Taka	
			2015	2014				2015	2014
Claim under policies less Re-Insurance : Paid during the year	12,639,228	159,011	12,798,239	22,790,173	Balance of account at the beginning of the year :	32,030,513	482,914	32,513,427	15,671,818
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	58,150	-	58,150	2,267,203	Reserve for unexpired Risks	43,989,792	28,447	44,018,239	80,559,197
Less: Outstanding at the end of the previous year	12,697,378	159,011	12,856,389	25,057,376	Premium less Re-Insurance	14,023,075	21,684	14,044,759	14,808,808
	2,267,203	-	2,267,203	2,889,291	Commission on Re-Insurance ceded				
	10,430,175	159,011	10,589,186	22,168,085					
Agency Commission	11,914,042	-	11,914,042	17,597,161					
Expenses of Management	20,636,962	41,656	20,678,618	26,435,665					
Profit/(Loss) transferred to Profit & Loss Account	29,466,284	303,931	29,770,215	12,325,485					
Reserve for unexpired risk being 40% & 100% of premium income Marine Cargo and Marine Hull business respectively of the year transferred to Balance Sheet :	17,595,917	28,447	17,624,364	32,513,427					
Total	90,043,380	533,045	90,576,425	111,039,823	Total	90,043,380	533,045	90,576,425	111,039,823


Chief Executive Officer


Director


Director


Chairman

Signed as per our annexed report of even date.

Dated: May 07, 2016
Place: Dhaka


Mahfel Huq & Co.
Chartered Accountants

JANATA INSURANCE COMPANY LTD.

Miscellaneous Insurance Revenue Account
For the year ended December 31, 2015.

PARTICULARS	MOTOR	MISC.	Amount In Taka		PARTICULARS	MOTOR	MISC.	Amount In Taka	
			2015	2014				2015	2014
Claim under policies less Re-Insurance : Paid during the year	14,784,644	2,106,668	16,891,312	15,843,917	Balance of account at the beginning of the year :				
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	2,103,100	-	2,103,100	988,879	Reserve for unexpired Risks	9,320,679	1,243,316	10,563,995	14,294,269
Less: Outstanding at the end of the previous year	16,887,744	2,106,668	18,994,412	16,832,796	Premium less Re-Insurance	43,525,839	13,833,694	57,359,533	26,409,988
Agency Commission	6,219,195	3,490,744	9,709,939	5,364,475	Commission on Re-Insurance ceded	-	5,330,601	5,330,601	5,661,433
Expenses of Management	10,321,540	6,951,124	17,272,664	9,236,148					
Insurance stamp expenses	105,700	11,950	117,650	102,860					
Profit/(Loss) transferred to Profit & Loss Account	2,747,024	2,457,506	5,204,530	4,739,257					
Reserve for unexpired Risks being 40% of premium income of the year transferred to Balance Sheet	17,410,335	5,533,478	22,943,813	10,563,995					
Total	52,846,518	20,407,611	73,254,129	46,365,690	Total	52,846,518	20,407,611	73,254,129	46,365,690


Chief Executive Officer


Director


Director


Chairman

Dated: May 07, 2016
Place: Dhaka


Maifel Huq & Co.
Chartered Accountants

Signed as per our annexed report of even date.

JANATA INSURANCE COMPANY LTD.

Schedule of Fixed Assets
As at December 31, 2015

Schedule A/2

Particulars	Cost				Depreciation				Written down value	
	Opening Balance 01.01.2015	Addition during the year	Adjustment/ Disposal during the year	Balance as on 31.12.2015	Rate of depreciati on %	Opening Balance 01.01.2015	Charged during the year	Adjustment Disposal	Balance as on 31.12.2015	Balance as on 31.12.2015
LAND	56,650,075	-	-	56,650,075	-	-	-	-	-	56,650,075
BUILDING	75,802,802	1,228,831	-	77,031,633	5	5,756,480	3,563,758	-	9,320,238	67,711,395
OFFICE DECORATION	14,330,897	3,225,500	-	17,556,397	10	8,543,928	901,247	-	9,445,175	8,111,222
FURNITURE & FIXTURE	7,814,822	30,900	-	7,845,722	10	4,112,469	373,325	-	4,485,794	3,359,928
MOTOR VEHICLES	11,523,683	1,770,000	1,230,107	12,063,576	20	8,638,464	931,044	1,230,106	8,339,402	3,724,174
CARPET & CURTAIN	645,568	-	-	645,568	10	560,779	8,478	-	569,257	76,311
OFFICE EQUIPMENT	19,815,396	1,261,661	153,750	20,923,307	15	10,379,466	1,604,639	153,749	11,830,356	9,092,951
SUNDRY ASSETS	27,000	-	-	27,000	20	26,999	-	-	26,999	1
TOTAL	186,610,243	7,516,892	1,383,857	192,743,278		38,018,585	7,382,491	1,383,855	44,017,221	148,726,057

FORM 'AA'
CLASSIFIED SUMMARY OF ASSETS AS AT DECEMBER 31, 2015

Sl. No	Class of Assets	Amount in Taka	
		31.12.2015	31.12.2014
		Book Value	
1.	Investment in Bangladesh Govt. Treasury Bond	25,000,000	25,000,000
2.	Investment in Shares at market value	268,586	338,390
3.	Accrued Interest on FDR & BGTB	10,026,973	13,378,608
4.	Amount due from other persons or bodies carrying on insurance business	214,202,185	196,630,522
5.	Sundry debtors (including advances, deposits, prepayments and others)	109,345,874	104,147,266
6.	Cash and Bank Balances	302,984,367	318,323,598
7.	Fixed Assets (at cost less depreciation)	148,726,057	148,591,658
8.	Security Deposit	362,342	1,329,792
9.	Stock of Stamps	36,147	23,447
	Total	810,952,531	807,763,281


Chief Executive Officer


Director


Director


Chairman

Dated: May 07, 2016
Place: Dhaka


Mahfel Huq & Co.
Chartered Accountants

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015.

1.0 Legal form of the company:

The Company was incorporated and commenced its business as a public limited company under Companies Act 1994 on 23rd September, 1986 with a view to run all types of insurance business except life insurance as per Insurance Act, 2010 (previously Insurance Act 1938) in Bangladesh.

The company floated its share capital and got enlistment with DSE in the year 1994 and CSE in the year 1995.

1.01 Address of Registered office and place of business of the company

The registered office of the company is located at Ga/95/D, Link Road, Middle Badda, Gulshan – 1, Dhaka-1000, Bangladesh. At Present the company operates its business through 07 branches excluding Head Office.

1.02 Principal activities of the company

The principal object of the company is to carry on all kinds of insurance, guarantee, and indemnity business other than life insurance business.

1.03 Date of Financial Statements Authorized for issue

Financial Statement of the company for the year ended December 31, 2015 was authorized by the Board for issue on May 7, 2016 in accordance with a resolution of the Board of Directors of the company.

2.0 Basis of presenting financial statements and Significant accounting policies:

2.1 Basis of preparation and presenting Financial Statements:

(i) The Board of Directors is responsible for the preparation and presentation of financial statements under section 183 of the companies Act 1994 and as per the provision of Bangladesh Securities and Exchange Rules 1987, Insurance Act 1938 as amended 2010, Companies Act 1994 and the International Accounting Standards (IAS) as adopted by the Institute of Chartered Accountants of Bangladesh particularly with regard to disclosure of accounting policies and relevant information in Financial Statements as well as accounting for property and depreciation thereon and the valuation of investments and other relevant matters.

(ii) The Financial Statement has been prepared under historical cost convention and 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 the Insurance Act,

1938 as amended 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. The Statement of Cash

(iii) flows has also been included as per requirement of the Bangladesh Securities and Exchange Rules 1987.

(iv) The accounts have been drawn up on accrual basis.

(v) Wherever considered necessary figures of previous year have been rearranged for comparison purposes.

(vi) Figures appearing in these accounts have been rounded off to the nearest taka.

(vii) Financial statements of the company cover one calendar year from 1st January 2015 to 31st December 2015 consistently.

2.2 Significant Accounting policies

2.2.1 Revenue recognition

(i) Premium income is recognized when Insurance policies are issued, but the premium of company's share of Public Sector Insurance Business (PSB) is accounted for in the year in which the statements of accounts from Sadharan Bima Corporation are received. Accordingly Insurance Premium relating to the Public Sector business upto 2nd quarter of the year 2015 had been incorporated in the accompanying accounts.

Premium earned less re-insurance during the year was Taka 140,379,699 (Net) against Taka 156,466,051 (Net) of previous year on account of Fire, Marine and Miscellaneous business.

(ii) Investment Income

Interest on Bangladesh Govt. Treasury Bond and FDR's are recognized on accrual basis. Interest on STD Account and dividend on shares and other income are recognized on cash basis.

2.2.2 Re-Insurance Ceded & Accepted

While preparing the Revenue Accounts necessary adjustments in respect of re-insurance business ceded and accepted in Bangladesh have been given. Re-insurance accounts has been incorporated in the accounts upto 2nd quarter of the year 2015 as per previous practice.

2.2.3 Balance of Funds & Accounts (Un-expired risks reserve)

Before arriving at the surplus of each class of business necessary provision for unexpired risks has been made @ 40% on all business except on Marine Hull business for which provision has been made @100% of net premium for the year as per Insurance Act 1938 as amended 2010 Sec.27A: (2) (b) and (c).

2.2.4 Reserves for Exceptional Losses

No amount has been transferred to Reserve for exceptional losses account during the year.

2.2.5 Management Expenses

As per section 40(C-2) Insurance Act 1938 as amended 2010 all relevant management expenses for an amount of Taka 59,450,636 have been allocated to each class of Insurance business on pro-rata basis of their respective gross premium income earned during the year from direct business in Bangladesh. This represents 22% of the total gross premium income of the year as against 20% of that of the previous year.

2.2.6 Fixed Assets & Depreciation

(i) Valuation of Fixed Assets

All fixed assets are stated at cost less accumulated depreciation as per BAS 16: "Property, Plant and Equipment". The cost of acquisition of an asset comprise 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 non- refundable taxes.

(ii) Recognition of Fixed Assets

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.

(iii) Depreciation

Depreciation is charged on Fixed assets has been calculated on all assets using Straight Line method in accordance with BAS-16 "Property, Plant and Equipment " at varying rates depending on the class of assets. Depreciation is charged on addition of fixed assets when the asset is available for use. Asset category wise depreciation rates are as follows:

Name of Assets	Rate of Depreciation
Building	05%
Office Decoration	10%
Furniture & Fixture	10%
Motor Vehicles	20%
Carpet & Curtain	10%
Office Equipment	15%

2.2.7 Investment

Investments for statutory deposits are stated at their cost of acquisition. Investments in shares are stated at their market price under BAS 39.

2.2.8 Valuation of Assets

The value of all assets at December 31, 2015 has been shown in the Financial Statement and in the classified summary of assets on Form "AA" annexed with this report at the amounts shown not exceeding their book value.

2.2.9 Taxation

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in succeeding years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted on the balance sheet date. Provision for income tax has been made at the rate of 40% as per Finance Act 2015.

2.2.10 Deferred Taxation

Deferred tax is provided on temporary differences arising between the tax base values of assets and liabilities and their carrying amounts in the financial statements in accordance with BAS-12. The profit & loss for insurance business in Bangladesh are determined as per 4th schedule and not using section 28 of IT ordinance 1984. The deferred tax liability represents managements estimate of tax payable on gains from selling of the property plant and equipment and gratuity when paid.

2.2.11 Lease Assets:

Lease assets are considered as operating lease and therefore lease rental are charged as expenses.

2.2.12 Employees Benefit Plans

The company has maintained employees benefit under the existing employees benefit policy of the company as well as per BAS 19.

2.2.13 Provident Fund

The company operates a contributory provident fund for its permanent employees, provision for which is being made annually as per rules. The fund is recognized by the Income Tax Authorities and is administered by a Board of Trustees.

2.2.14 Gratuity

Employees are entitled an unfunded gratuity benefit after completion of minimum 5 years continued service in the company. The gratuity is calculated on the last basic pay and is payable at the rate of two months basic pay for every completed year of service.

As per Board resolution dated 19.05.2013 it was decided that the short in provision on account of Gratuity fund amount of Taka 48,931,510 (un-audited) will be recouped within 10 years by making arrear provision of Gratuity in addition to current provision starting from the year 2013. Accordingly amount of Taka 4,000,000 has been provided in the accounts of 2015 as arrear provision of gratuity and balance short provision will be met up by coming 7 (seven) years.

2.2.15 Earnings Per share (EPS)

The company calculates earnings per share (EPS) in accordance with BAS 33: "Earnings Per Share".

Basic earnings per share

This has been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the period.

For calculation of basic earnings and weighted average number of ordinary shares outstanding during the period, the following formulas have been used:

Sl. No.	Particulars	2015	2014 (Re-stated)
a)	Earnings attributable to the ordinary shareholders	19,892,871	5,594,942
b)	Number of Ordinary Shares	38,352,673	38,352,673
c)	Earnings Per Share	0.52	0.15

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.

Weighted average number of ordinary shares outstanding during the year

This represents the number of ordinary shares outstanding at the beginning of the year plus the number of ordinary share issued during the period multiplied by a time-weighted factor. The time-weighting factor is the number of days the specific shares outstanding as a proportion of the total number of days during the year.

Diluted earnings per share

No diluted earnings per share is required to be calculated for the period, as there was no scope for dilution during the period under review.

2.2.16 Provision for liabilities

According to BAS 37: "Provision, Contingent Liabilities and Contingent Assets" the company recognizes the provision in the balance sheet when the company has a legal or constructive obligation as a result of past event and it is probable that an outflow of economic benefit will be required to settle the obligations.

2.2.17 Statement of Cash Flows

Statement of Cash Flows is prepared in accordance with BAS 7: "Statement of Cash Flows", the Statement of Cash Flows shows the structure of and changes in cash and cash equivalents during the financial year. Cash and cash equivalents include notes and coins on hand, unrestricted balance held with the commercial banks. It is broken down into operating activities, investing activities and financing activities. The direct method is used to show the operating activities.

2.2.18 Additional information on financial statements

Components of the financial statements

Following the Insurance Act 2010 and BAS 1: "Presentation of Financial Statements", the company's complete set of financial statements include the following components:

- Balance Sheet as at December 31, 2015.
- Profit & Loss Account for the year ended December 31, 2015.
- Statement of Cash Flows for the year ended December 31, 2015.
- Statement of Changes in Equity for the year ended December 31, 2015.
- Notes to the Financial Statements and significant accounting policies.

Uncertainties for use of estimates in preparation of financial statements

The preparation of financial statements in conformity with the Bangladesh Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of other information at the date of the financial statements and revenues and expenses during the period reported. Actual results could differ from those estimates. Estimates are used for accounting of certain items such as depreciation on fixed assets, accrued expenses and income taxes.

Comparatives

Previous year's figure has been restated and rearranged whenever necessary due to fair presentation in the Financial Statements as per BAS 8 "Accounting Policies, Changes in Accounting Estimate and Errors"

		Amount In Taka	
		31.12.2015	31.12.2014
3.00	Share capital		
	Authorized		
	100,000,000 Ordinary Shares of Taka 10 each.	1,000,000,000	1,000,000,000
	Issued, Subscribed and Paid-up:		
	6000000 ordinary shares of Taka 10 each fully paid-up (Sponsors/Promoters plus IPO)	60,000,000	60,000,000
	16262400 ordinary shares of Taka 10 each fully paid-up (Rights Share issue)	162,624,000	162,624,000
	160902273 ordinary shares of Taka 10 each issued as Bonus Shares	160,902,730	126,036,670
		383,526,730	348,660,670
	Share holding position is as under:		
	Name	No. of Shares	Holdings %
	Sponsors/Promoters & Directors	20,913,713	54.53%
	General Public	17,438,960	45.47%
	Total:	38,352,673	100%
		209,137,130	190,140,570
		174,389,600	158,520,100
		383,526,730	348,660,670

The shares are listed in the Dhaka Stock Exchange and Chittagong Stock Exchange and quoted at Tk 11.60 and Tk 11.20 per share respectively on December 31, 2015.

4.00	Share premium:		
	Opening balance	90,830,610	129,570,680
	Less: Distribution of approved Bonus Shares - 2014	34,866,060	38,740,070
		55,964,550	90,830,610

This above amount represents the balance of share premium received against rights share issue.

5.00	Reserve for exceptional losses:		
	Opening balance	61,093,835	56,093,835
	Addition during the year	-	5,000,000
	Closing balance	61,093,835	61,093,835

6.00	Balance of fund and accounts:		
	This represents reserve for unexpired risks provided from Net Premium Income of the year including Public Sector Business as shown below:		

Class of business	Net premium	Retained percentage		
Fire	39,001,927	40%	15,600,771	19,798,746
Marine Cargo	43,989,791	40%	17,595,917	32,030,513
Marine Hull	28,447	100%	28,447	482,914
Motor	43,525,839	40%	17,410,335	9,320,679
Miscellaneous	13,833,694	40%	5,533,478	1,243,316
Total	140,379,698		56,168,948	62,876,168

7.00 Premium deposits:

Balance on this account represents premium received against cover notes which were not converted into policies within 31 December 2015. As of 31 December 2015, covernotes beyond 9(nine) months have been converted into policies consistently.

The class wise summary of the premium deposits is as follows:

Business		
Fire	736,515	1,725,816
Marine Cargo	1,475,981	5,307,348
Motor	-	126,350
Miscellaneous	219,106	88,315
MARINE HULL	650,000	-
Total	3,081,602	7,247,829

8.00 Estimated liabilities in respect of outstanding claims whether due or intimated:

Particulars		
(a) Fire Insurance Business	6,708,125	5,852,588
(b) Marine Cargo Insurance Business	58,150	2,267,203
(C) Motor Insurance Business	2,103,100	845,020
(d) Miscellaneous Insurance Business	-	143,859
Total	8,869,375	9,108,670

Management is aware of all the claims as per intimation given upto the year-end have been taken into consideration whether due or intimated.

9.00 Amount due to other persons or bodies carrying on Insurance business:

Particulars		
Sadharan Bima Corporation	21,051,105	43,141,705
Bangladesh General Insurance Co. Ltd.	4,160	4,160
Bangladesh Co-Operative Ins. Co.	28,837	28,837
Bangladesh National Insurance Co. Ltd.	72,661	72,662
Eastern Insurance Co. Ltd.	251,052	251,052
Federal Insurance Co. Ltd.	285,319	285,319
Green Delta Insurance Co. Ltd.	654,289	654,289
Karnaphuli Insurance Co. Ltd.	88,106	88,106
Eastland Insurance Co. Ltd.	7,787	7,787
Mercantile Insurance Co. Ltd.	95,393	95,392
Meghna Insurance Co. Ltd.	30,965	30,965
Northern General Insurance Co. Ltd.	126,421	126,421
Progati Insurance Co. Ltd.	697,521	697,521
Phoenix Insurance Co. Ltd.	490,097	490,097
Purabi General Insurance Ltd.	178,686	178,686
Provati Insurance Co. Ltd.	242,927	242,927

Prime Insurance Co. Ltd.	73,117	73,117
Reliance Insurance Co. Ltd.	63,420	63,420
Rupali Insurance Co. Ltd.	365,288	365,288
United Insurance Co. Ltd.	135,139	135,139
Global Insurance Ltd.	168,616	168,616
Islami Insurance Co. Ltd.	-	13,368
Dhaka Insurance Ltd.	117,896	117,896
Takaful Islami Ins. Co. Ltd.	24,288	24,288
Asia Insurance Co. Ltd.	139,521	139,521
Islami Comm. Insurance Co. Ltd.	7,143	7,143
Total	25,399,754	47,503,722

The balance due to SBC represents the accumulated amount as on 31st December 2015 on account of re-insurance premium and its related transactions. Other insurance companies balance represents balances with the Insurance companies on account of co-insurance premium. Payable balances on account of Co-insurance business with some Insurance Companies are being carried forwarded without making any transaction thereof since long, which need to be reconciled and adjusted with receivable balances with same companies under the head - "Amount due from other insurance companies carrying on insurance business". Steps being undertaken for scrutiny and reconciliation for net off the balances.

10.00 Deferred Tax Liabilities :

Management believes that current estimated deferred tax liability is appropriately reflects tax payable upon sale of the property plant and equipment and payment of gratuity.

11.00 Sundry creditors (including provision for expenses and taxes) :

Particulars

Income Tax Payable [Deduction at source]	6,923,512	5,215,794
Provident Fund Payable (with interest) (Note: 11.01)	45,294,097	39,214,422
Unpaid Dividend (Note: 11.02)	177,589	177,589
Lease Rental Payable	1,104,630	
Payable dividend against sale proceeds of bonus fraction shares	2,009,314	2,019,216
VAT Payable (Note: 11.3)	7,442,685	8,370,258
Security Deposit	7,000	7,000
Audit fee Payable	519,750	549,750
Office Rent Payable	127,786	359,484
Provision for Taxation (Note: 11.4)	97,178,058	81,014,884
Gratuity Account	25,630,198	23,254,193
Underwriting Commission Payable	236,452	236,452
Provision for Diminution in value of investment	47,433	47,433
Payable against Building (additional Work)	-	5,543,419
Payable against purchase of Furniture	-	3,297,750
Payable against purchase of Office Equipment	-	3,710,000
Total	186,698,504	173,017,644

11.1 Provident Fund Payable (with interest):

	Principal	Interest	Amount Taka	
			31.12.2015	31.12.2014
Balance as on 01.01.2015	36,877,420	2,337,002	39,214,422	35,590,143
Add: Contribution & Provision for the year(including loan recovery)	5,949,742	3,141,466	9,091,208	8,361,431
	42,827,162	5,478,468	48,305,630	43,951,574
Less: Payment made during the year	674,531	2,337,002	3,011,533	4,737,152
Balance as on 31.12.2015	42,152,631	3,141,466	45,294,097	39,214,422

8% interest has been provided on payable principal amount and as against the above liability. The payable fund is required to be transferred to PF Trust Account.

11.2 Unpaid Dividend:
Unpaid dividend balance amounting to Taka 177,589 mainly due to sponsor shareholders.

11.3 VAT Payable
The above VAT payable amount has been provided by the company as unpaid VAT upto 31.12.2015 and subsequently paid Taka 74,12,685 only.

11.4 Provision for Income Tax:

Particulars

Opening balance	81,014,884	86,189,207
Add: Provision for the year 2015	16,163,174	5,296,221
	97,178,058	91,485,428
Less: Adjustment made for the assessment year 2011-2012	-	10,470,544
Closing balance	97,178,058	81,014,884

Provision for income tax has been made on the basis of finance Act 2015.

Assessment of the company has been completed upto the assessment year 2005-2006 and also completed for the assessment year 2011-2012. Regarding tax assessment for the assessment years 2006-2007, 2007-2008, 2008-2009, 2009-2010, 2012-2013 and 2013-2014, the company has filed suits against the orders of the Appellate Tribunal of Taxes before the Hon'ble High Court division and awaiting court verdict . Assessment of Tax for the assessment year 2014-2015 is under the proceedings of the Appellate Tribunal and Tax return for assessment year 2015-2016 has been submitted and assessment is under process in the office of the Deputy Commissioner of Taxes.

12.00 Investment:

Particulars

Statutory deposit: Bangladesh Govt. Treasury Bond (Note: 12.1)	25,000,000	25,000,000
Shares - at market value (Note: 12.2)	268,586	338,390
Total	25,268,586	25,338,390

12.1 Statutory deposit: Bangladesh Govt. Treasury Bond:

The amount has been kept in Bangladesh Bank as Statutory Deposit as per requirement under Section 23 of the Insurance Act, 2010 and the deposit are not permissible for encashment without prior permission of the IDRA. Accrued interest on such bond amount upto December 31, 2015 has been accounted for.

12.2 Investment in Shares (at market value):

These are made up as follows:

Ordinary Shares	Quantity	Cost price	Market value	
8th ICB Mutual Fund	430	4,300	30,401	28,294
Wonderlandtoy's	695	69,500	(Not traded since 2009)	-
ICB Islami Bank	400	4,000	1,800	2,200
Asia Insurance	262	7,117	3,720	5,895
Asia Pacific Insurance	500	15,342	8,000	9,600
Bangladesh General Insurance	100	2,917	1,660	2,140
Central Insurance	216	5,935	3,564	4,860
City General Insurance	121	2,756	1,561	2,046
Delta Life Insurance	62	12,666	7,576	9,294
Eastern Insurance	200	7,585	5,140	6,900
Eastland Insurance	242	9,557	4,695	7,546
Fareast Life Insurance	55	4,879	3,438	3,755
Federal Insurance	122	2,435	1,281	1,865
Global Insurance	605	13,932	7,986	9,460
Green Delta Insurance	126	9,698	6,766	8,522
Karnaphuli Insurance	330	7,454	3,894	5,481
Meghna Life Insurance	66	5,764	3,762	4,983
Mercantile Insurance	500	13,531	6,300	8,600
National Life Insurance	69	15,231	17,174	16,229
Peoples Insurance	100	3,451	1,600	2,090
Phenix Insurance	200	8,491	4,620	7,020
Prime Insurance	301	7,973	4,515	5,683
Prime Life Insurance	126	10,352	4,951	9,131
Provati Insurance	627	14,436	8,151	10,920
Purabi General Insurance	661	13,078	8,527	10,810
Reliance Insurance	661	37,373	32,389	33,350
Republic Insurance	618	21,830	9,084	14,443
Rupali Insurance	115	3,350	1,943	2,596
Sandhani Life Insurance	75	3,642	2,880	3,720
Safko Spinning	115	3,656	1,990	2,919
Sonar Bangla Insurance	593	12,474	8,955	10,192
Standard Insurance	644	20,070	8,437	14,893
Sunlife Insurance	556	28,570	15,068	22,733
Takaful Insurance	644	19,114	10,433	14,720
United Insurance	100	4,326	2,500	3,390
Islami Insurance	632	16,549	10,175	12,363
Padmalife Insurance	500	30,633	13,650	19,750
Total		473,967	268,586	338,390

Provision has been recognised in the profit and loss account for the difference amount between the cost and market value of shares by Tk. 69,804/= during the year.

13.00 Accrued interest on FDR & BGTB:

Particulars

Accrued interest on Fixed Deposit (FDR)	7,938,353	11,289,988
Accrued interest on Bangladesh Govt. Treasury Bond (BGTB)	2,088,620	2,088,620
Total	10,026,973	13,378,608

14.00 Amount due from other persons or bodies carrying on Insurance business:

This represents the total receivable from various persons or bodies carrying on insurance business as claim and co-insurance premium as on 31st December, 2015, the details of which are hereunder:

Sadharan Bima Corporation	209,801,635	192,215,195
Bangladesh General Insurance Co. Ltd.	19,248	19,248
Bangladesh Co-Operative Insurance Co. Ltd.	161,449	161,449
Bangladesh National Insurance Co. Ltd.	19,072	19,072
Eastland Insurance Co. Ltd.	44,144	44,145
Federal Insurance Co. Ltd.	133,839	133,839
Green Delta Insurance Co. Ltd.	807,212	807,212
Karnaphuli Insurance Co. Ltd.	408,291	408,290
Mercantile Insurance Co. Ltd.	152,615	152,615
Meghna Insurance Co. Ltd.	37,800	37,800
Progati Insurance Co. Ltd.	1,349,210	1,349,209
Phoenix Insurance Co. Ltd.	27,351	27,351
Peoples Insurance Co. Ltd.	195,837	195,837
Purabi General Insurance Co. Ltd.	17,731	17,731
Provati Insurance Co. Ltd.	368,981	368,981
Prime Insurance Co. Ltd.	69,914	69,914
Rupali Insurance Co. Ltd.	125,623	125,623
United Insurance Co. Ltd.	66,572	66,572
Reliance Insurance Co. Ltd.	87,129	87,129
Islami Insurance Bangladesh Ltd.	-	14,778
Dhaka Insurance Ltd.	65,137	65,137
Pioneer Insurance Co. Ltd.	154,237	154,237
Union Insurance Co. Ltd.	57,785	57,785
South Asia Insurance Co. Ltd.	13,610	13,610
Takaful Islami Insurance Co. Ltd.	15,525	15,525
Asia Pacific Insurance Co. Ltd.	2,238	2,238
Total	214,202,185	196,630,522

Receivable balances on account of Co-insurance business with some Insurance Companies are being carried forward without making any transaction thereof since long, which need to be reconciled and adjusted with payable balances with same companies under the head - "Amount due to other insurance companies carrying on insurance business". Steps being undertaken for scrutiny and reconciliation for net off the balances.

15.00 Sundry debtors (Including Advances, Deposits, Prepayments and Others):**Particulars**

Advance against Salary	1,519,048	1,527,548
Advance against Motor Cycle	-	18,600
Advance against Office Rent	3,502,954	3,196,446
Advance against Income Tax	85,974,956	74,705,483
Suspense Account (Note:15.1)	16,365,314	21,820,419
Advance against Agency Commission	1,433,602	2,628,770
Advance against Software Installation	550,000	250,000
Total	109,345,874	104,147,266

Adjustments on the above advances are being made at regular interval.

15.01

Suspense Account:

Particulars

Opening balance	21,820,419	27,275,524
Less: Write off as Bad Debts (2nd phase)	5,455,105	5,455,105
Closing balance	16,365,314	21,820,419

As per decision of the Board of Directors of the Company, court cases were filed in the year 1994 to realize total outstanding premium of Taka 272.76 lakh from the organizations of Late Mr. Akhtaruzzaman Chowdhury, former Chairman and Adviser of the Company. But considering adverse status of the court cases of this long pending issue, the Board in its meeting held on January 28,2014 had decided to write off the entire amount of Taka 272.76 lakh by amortizing in 5 years subject to withdrawal of court cases, Accordingly, in 2nd phase an amount of Tk.54,55,105/= only as 1/5th of the total amount has been provided in the accounts as bad debts as the related cases had withdrawn from the respective courts.

16.00

Cash and bank balances:

Particulars

Fixed Deposits (Sch-A/1)	275,652,488	292,943,780
STD Accounts	17,116,628	16,579,842
Savings Account	25,436	25,334
Current Accounts	6,252,625	6,405,492
Cash in hand	3,937,190	2,369,150
Total	302,984,367	318,323,598

1)FDR were physically verified and found them in order with the available records. Under Rule 4A (5) of the Insurance Rules 1958, Fixed deposit receipts (FDR) amounting to Taka 25,500,000 is under lien which is not encashable without prior permission of the IDRA.

2) STD accounts balances were reconciled and confirmed with Bank statements. Some STD accounts are not being operated since long which required to be regularized/closed after due scrutiny.

3) Cash in hand was confirmed through issuance of balance confirmation certificate.

17.00

Other Accounts:

Particulars

Fixed Assets (Less accumulated depreciation)	17.01		
Land and Building (at cost less depreciation)		124,361,470	126,696,397
Other Assets (at cost less depreciation)		24,364,587	21,895,261
Security Deposits	17.02	362,342	1,329,792
Stamps in hand		36,147	23,447
Total		149,124,546	149,944,897

17.01

Fixed assets (at cost less depreciation):

A. Cost

Opening balance	186,610,243	147,781,987
Add: Addition during the year	7,516,892	38,828,256
	194,127,135	186,610,243
Less: Disposal during the year	1,383,857	-
Total (A)	192,743,278	186,610,243

B. Accumulated depreciation

Opening balance	38,018,585	33,994,026
Add: Addition during the year	7,382,491	4,024,559
	45,401,077	38,018,585
Less: Disposal during the year	1,383,855	-
Total (B)	44,017,221	38,018,585

C. Written down value (A – B)

	148,726,057	148,591,658
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Details of fixed assets are shown in Schedule-2.

In support of the above fixed assets, item-wise register is being maintained. Full depreciation is charged on additions irrespective of date when the related assets are put into use and no depreciation is charged from the month of disposal.

Free hold land at cost

The amount represents the value of 7.92 decimal land at Link Road Badda, Gulshan, Dhaka purchased in the year 2012 and the title deed has been transferred in the name of the company.

Building

The amount represents the value of 7 (seven) storied building constructed on the above free hold land measuring 7.92 decimal.

17.2

Security deposits:

Telephone	103,592	1,077,792
Credit Card with Hotel Purbani	15,000	15,000
Fuel [Binimoy Service Station]	20,000	20,000
Club Membership	12,000	12,000
Central Depository Bangladesh Ltd.	200,000	200,000
Duncan Ltd.	5,000	5,000
Titas Gas Transmission & Distribution	6,750	-
Total	362,342	1,329,792

All the above deposits are encashable on cessation of the terms of such deposits.

18.00

Interest and Dividend Income:

Interest on Fixed Deposits	26,041,336	33,205,401
Interest on STD & SB Bank Accounts	422,385	366,071
Interest on BGTB	2,588,750	2,588,750
Dividend from listed companies	1,513	7,663
Total	29,053,984	36,167,885

19.00

Profit on Sale of Fixed Assets :

304,407	-
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Particulars	Original Cost	Accumulated Depreciation	Book Value	Sale Proceeds	Profit/(Loss)
Motor Vehicles	1,230,107	1,230,106	1	238,009	238,008
Office Equipment	153,750	153,749	1	66,400	66,399
Total Taka	1,383,857	1,383,855		304,409	304,407

20.00

Other income:

Other income represents sale of tender schedule, issuance of duplicate Motor certificates, etc.

21.00

Directors' fees:

During the year under review a total amount of Taka 4,46,500 was paid to the directors of the company as Board meetings attendance fees. The Directors received no remuneration from the company other than fees for attending the Board meetings.

22.00

Audit fees:

Statutory Audit fees (including VAT)	250,000	230,000
Special Audit Fees (including VAT)	-	115,000
Total	250,000	345,000

23.00

Lease Rental:

The company has purchased 07 (seven) Motor Vehicles by taking lease financing facilities from National Finance Limited. The vehicles acquired under lease finance have not been capitalized and the lease rental value for the year 2015 amounting to Tk.44,18,520 has been charged to Profit and Loss Account as on 31.12.2015.

24.00

Management Expenses:

a) Expenses Incurred by JIC (Note: 24.1)	56,564,872	55,843,921
b) Expenses Incurred by SBC (Note: 24.2)	2,885,764	2,802,147
Total	59,450,636	58,646,068

Allocation of management expenses

Particulars	Rate %	Expenses Incurred by		2015	2014
		JIC	SBC		
Fire	38%	21,244,243	255,112	21,499,355	22,974,255
Marine Cargo	34%	19,460,406	1,176,555	20,636,961	26,082,684
Marine Hull	0%	-	41,656	41,656	352,981
Motor	18%	10,158,438	163,102	10,321,540	5,572,600
Miscellaneous	10%	5,701,785	1,249,339	6,951,124	3,663,548
Total	100%	56,564,872	2,885,764	59,450,636	58,646,068

24.01 Expenses Incurred by Janata Insurance Co. Ltd. during the year 2015, charged in the Revenue Accounts and profit & Loss account included TDS & VDS (where applicable).

25.00 Other relevant information including the requirements under Bangladesh Securities & Exchanges Rules 1987 and Companies Act 1994:

25.01 Net Profit for the year and its appropriation:

Net Profit for the year	19,892,871	5,594,942
Less:		
Transferred to reserve for exceptional losses	-	5,000,000
Surplus carried forward	19,892,871	594,942

25.02

Earnings Per Share (EPS):

Profit before tax	38,888,274	15,730,328
Provision for tax	18,995,403	10,135,386
a) Net profit after tax (earnings attributable to the ordinary share holders)	19,892,871	5,594,942
b) Weighted average number of ordinary shares outstanding during the year	38,352,673	38,352,673
Earning Per Share (EPS) (a÷b)	0.52	0.15

The Earning Per Share (EPS) has been calculated in accordance with BAS 33. This has been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the year.

25.03

Diluted Earning Per Share

No diluted earnings per share are required to be calculated for the year as there were no convertible securities for dilution during the year.

25.04

Net Asset Value Per Share (NAV)

a) Share holder's Equity at the end of the year	524,457,006	504,564,135
b) Number of Outstanding Shares	38,352,673	38,352,673
Net Assets Value Per Share (NAV) at Balance Sheet date (a÷b)	13.67	13.16

Net Asset Value Per Share (NAV) has been disclosed as per the Bangladesh Securities and Exchange Commission's Notification No.SEC/CMRRCO/2009-193/Admin/03-31, dated June 01, 2009.

25.05 Net Operating Cash Flow Per Share (NOCFPS)

a) Net Cash Flows from Operating Activities	4,424,421	25,874,143
b) Number of Outstanding Shares	38,352,673	38,352,673
Net Operating Cash Flows Per Share (NOCFPS) at Balance Sheet date (a÷b)	0.12	0.67

Net Operating Cash Flows Per Share (NOCFPS) has been disclosed as per the Bangladesh Securities and Exchange Commission's Notification No.SEC/CMRRCO/2009-193/Admin/03-31, dated June 01, 2009.

25.06 Event after Balance Sheet Date :

The Board of Directors of the company in its meeting held on may 07, 2016 has recommended 5% cash Dividend on Paid Up Capital for the year ended 31.12.2015 subject to approval at the Annual Geeral Meeting to be held on July 28, 2016.

26.00 "Related party Disclosure" under BAS 24:

Janata Insurance Company Ltd. in normal course of business, carried out a number of Transaction with other entities that fall within the definition of related party transaction as per Bangladesh Accounting Standard (BAS)-24 : Related Party Disclosures. All transactions involving related parties arising in normal course of business are conducted on an arm's length basis at commercial rates on the same terms and conditions as applicable to the third parties . Details transactions with related parties and balances with them as at December 31, 2015 are as follows :

Name of the related party	Description	Receipts during the year	Payments during the year
Partex Group	Premium received Claims paid	15,709,350	6,226,866
Aramit Group	Premium received Claims paid	2,075,300	-
Goldenson Ltd.	Premium received Claims paid	2,606,950	-
Partex Star Group	Premium received Claims paid	15,106,250	179,650
Ananta Group	Premium received Claims paid	14,530,905	10,046,500
Islam Group	Premium received Claims paid	1,707,375	8,837,804
Masco Group	Premium received Claims paid	5,075,310	220,000

The Board in its meeting held on January 28,2014 had decided to write off the amount of Taka 272.76 lakh by amortizing in 5 years subject to withdrawal of court cases against dues from the organizations on which late Mr.Akhtaruzzaman Chowdhury (Ex-Chairman and Adviser of the company) was interested. Accordingly, as 2nd phase, an amount of Taka 5,455,105 only has been written off during the year.

26.01 There was no contingent liability of the company on the Financial Statement closing date.

26.02 There was no outstanding agreement entered into but not executed upto the date of the Financial Statements.

26.03 All shares have been fully called and paid up.

26.04 There was no preference share issued by the Company.

26.05 There were 150 number of employees all of them have drawn salary over Taka 3,000 per month.

26.06 There was no credit facility available in the company under any contract and no body availed any other credit facility during the year other than trade creditors available in the ordinary course of business.

26.07 There was no bank guarantee issued by the company on behalf of the directors.

26.08 No expenses was paid as Royalty and Salary to the Technical Experts.

JANATA INSURANCE COMPANY LTD.

Corporate Office : Ga/95/D, Link Road, Middle Badda, Gulshan-1, Dhaka-1212

PROXY FORM

I/We
of
being a Member of Janata Insurance Company Ltd. do hereby appoint Mr./Mrs./Miss
or (failing him/her) Mr./Mrs./Miss as my/our proxy to vote for me/us
and on my/our behalf at the 30th Annual General Meeting of the Company to be held on Thursday, the July 28, 2016
at 11.00 A.M and at any adjournment thereof.

Signed this day of2016.

.....
Signature of Proxy

Revenue
Stamp
Tk.20/=

.....
Signature of Shareholder(s)

Folio/BO No.

N.B.: IMPORTANT

- 1) This Form of Proxy, duly completed, must be submitted at least 48 hours before the meeting at the company's Registered Office. Proxy is invalid if not signed and stamped as explained above.
- 2) Signature of the Shareholder(s) should agree with the Specimen Signature registered with the Company.

JANATA INSURANCE COMPANY LTD.

Corporate Office : Ga/95/D, Link Road, Middle Badda, Gulshan-1, Dhaka-1212

ATTENDANCE SLIP

I/We hereby record my/our attendance at the 30th Annual General Meeting of the Company being held on Thursday, the July 28, 2016 at 11.00 A.M at Emma Nuelle's New Hall, House # 08, Road # 135, Gulshan-1, Dhaka-1212.

Name of Shareholder(s)/Proxy

Folio/BO No..... No. of Shares

Signature of Shareholder(s)/Proxy

Date:

N.B. : Please present this slip duly signed at the Reception Desk.