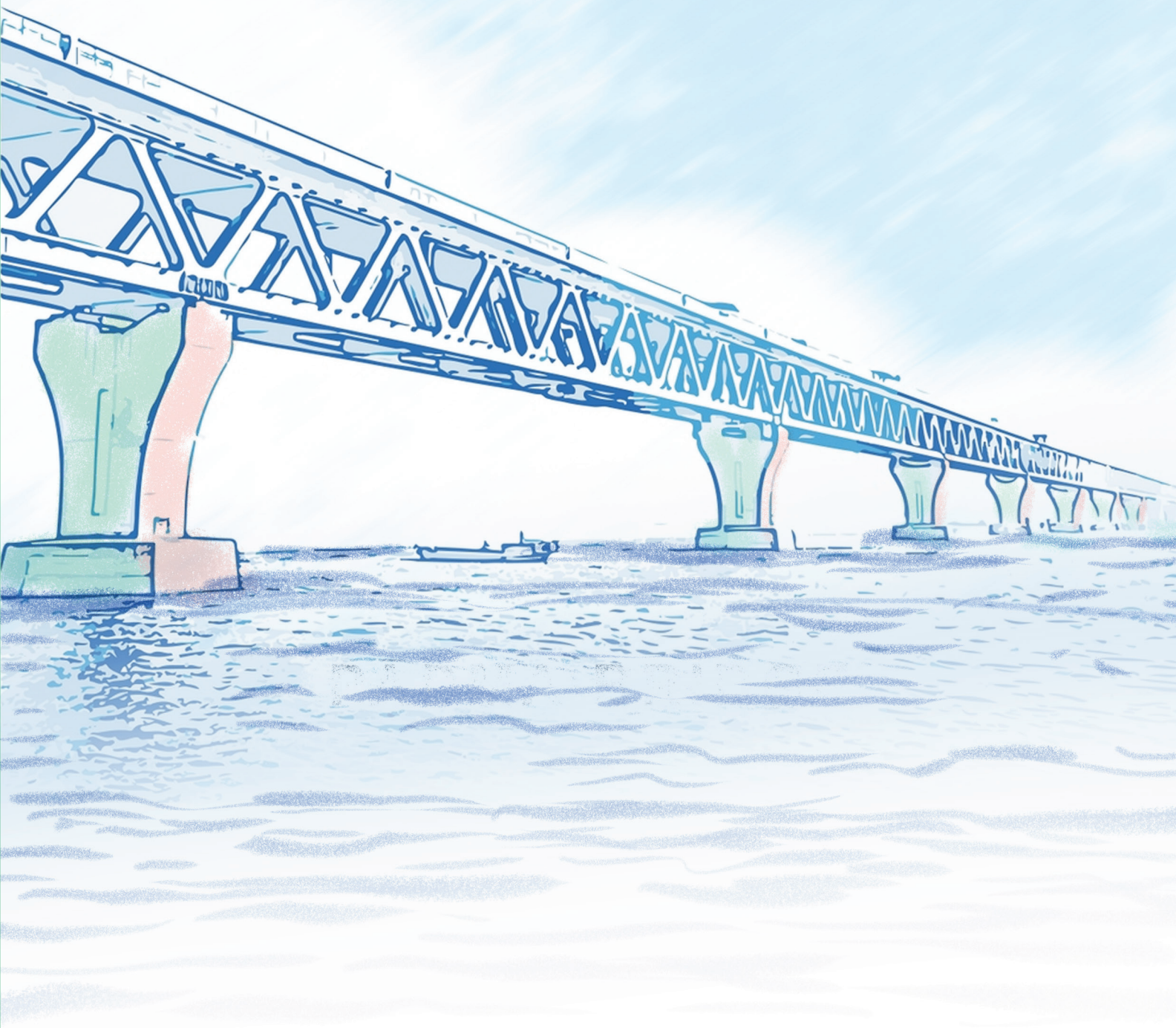


GLORIOUS
36
Years

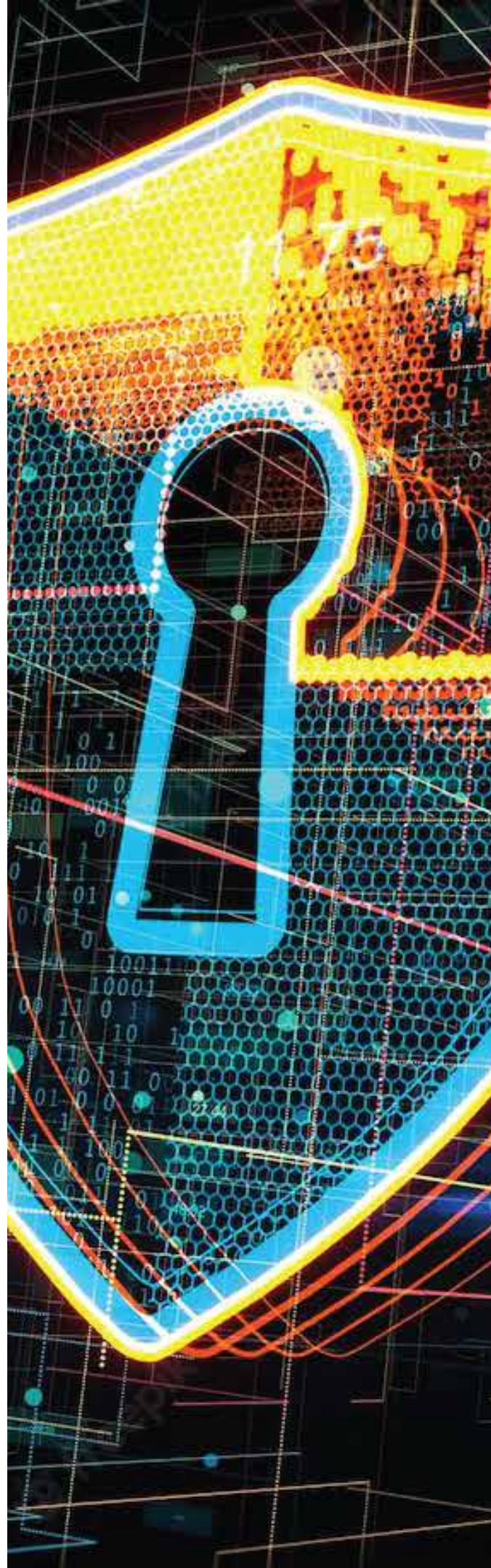
ANNUAL REPORT 2021



জনতা ইন্স্যুরেন্স কোম্পানী লিঃ
JANATA INSURANCE COMPANY LTD.

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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 and
Chittagong Stock Exchange PLC

Subject : **Annual Report for the year ended December 31, 2021.**

Dear Sir(s)/Madam(s),

Assalamualaikum

We are pleased to enclose a copy of the Annual Report 2021 together with the Audited Financial Statements and balance sheet as on December 31, 2021 including Statement of Financial Position, Statement of Comprehensive Income, Statement of change of shareholders Equity, Statement of Cash Flows for the year ended December 31, 2021 along with notes thereon of Janata Insurance Company Limited for kind information and record.

With best regards,

A handwritten signature in black ink, appearing to read 'Md. Ahsan Habib'.

Md. Ahsan Habib
Company Secretary



Janata Insurance Company Ltd.

Corporate Office: Janata Insurance Bhaban
Ga-95/D, Link Road, Middle Badda, Gulshan-1, Dhaka-1212
Tel: 02-222262181-2, Web: info@jiclb.com

NOTICE OF THE 36TH ANNUAL GENERAL MEETING

Notice is hereby given that the 36th Annual General Meeting of the shareholders of Janata Insurance Company Limited (JICL) will be held on Thursday, August 11, 2022 at 11.00 AM (Dhaka Time) through Digital Platform (in pursuant to the Bangladesh Securities and Exchange Commission's order No.SEC/ SRMIC/94-231/25 dated 08.07.2020, BSEC/CMRRCD/2009-193/08 dated 10.03.2021 and SEC/SRMIC/94-231/91 dated 31.03.2021 respectively) to transact the following business:

1. To Receive and Adopt the Directors' Report, Auditors' Report and Audited Financial Statements of the Company for the year ended on December 31, 2021;
2. To Declare 6 % Cash Dividend and 5% Stock Dividend for the year ended December 31, 2021; as recommended by the Board of Directors;
3. To Consider the Retirement/Re-election of Directors of the Company;
4. To Consider the approval of Appointment of Independent Directors;
5. To Consider the Appointment/Re-appointment of Auditors of the Company for the year 2022 and fix their remuneration;
6. To Consider the Appointment/Re-appointment of Compliance Auditor of the Company for the year 2022 and fix their remuneration;

All honorable Shareholder(s) are requested to join the meeting on the date & time through digital platform.

Dated: July 12, 2022
Dhaka

By order of the Board of Directors
Sd/=

Md. Ahsan Habib
Company Secretary

Notes:

- 1) **The Record Date on July 07, 2022.** The Shareholders, whose names will appear in the CDS/Company's Share Register on the Record Date he/she will be eligible to attend the Meeting through Digital Platform and qualify to receive dividend.
 - 2) A shareholder can appoint a Proxy.
 - 3) Any member or their appointed proxies can attend and vote on his/her behalf at Annual General Meeting.
 - 4) The Proxy must be a member/shareholder of the company.
 - 5) The Proxy Form must be filled-up and submitted duly at the registered office of the Company at least 72 hours before the AGM with affixed a revenue stamp of Tk. 20.00. Members may download Proxy Form from the Company's website (i.e. www.jiclb.com) in due time.
 - 6) The shareholders are requested to join The Virtual Annual General Meeting using their laptop, PC, Mobile or Tab providing their respective Name, 16-Digit BO ID, and No. of Shares. The detailed procedures and link of Digital Platform will be provided later on to the shareholders E-mail ID and also will be available in the Company's website i.e. www.jiclb.com in due time.
 - 7) In Compliance with BSEC Notification No. BSEC/CMRRCD/2006 -158/208/ Admin/81 dated 20 June, 2018:
 - i) Attendance Slip and Proxy Form along with the Notice of the 36th AGM will be sent in soft copy to the shareholders E-mail address in due time.
 - ii) The members who don't have e-mail address linked with their BO ID are requested to send their respective E-mail address to share@jiclb.com to enable us to send the e-Annual Report 2021 or can download the same from website www.jiclb.com.
 - iii) Members are requested to inform us in writing who want to collect the printed copy of the Annual Report-2021.
 - iv) The Annual Report is also available in the Company's website linked with the websites of both Dhaka and Chittagong Stock Exchange Limited.
- * Valued Members are requested to update their Bank Account Number, E-mail Address, Cell Number through their respective Depository Participants (DP).
- * The concerned Brokerage Houses are requested to provide us a statement with the Details (Shareholders' name, BO ID number, client-wise shareholding position) of their margin account holders (if any) who hold JICL shares, as on the 'Record Date' along with the name of the contact person in this connection on or before 11 August, 2022.
- * The shareholders will be able to submit their questions/comments electronically to the E-mail address share@jiclb.com before 48 hours of the AGM.

N.B. No Gift/Gift Coupon/Benefit in cash or Kind, shall be offered/paid to the shareholders in the 36th AGM in compliance with the circular of Bangladesh Securities and Exchange Commission's SEC/CMRRCD/2009-193/154 dated 24 October, 2013.

COMPANY'S PROFILE

Janata Insurance Company Limited. (JICL) a first generation Non-Life Insurance Company 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. JICL commenced its business operations from November 6, 1986 after obtaining registration Certificate from the office of the then Chief Controller of Insurance (CCI). JICL 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 443.98 million respectively by December 31, 2021.

The Company was Initial Public Offered 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 39.05%, Government 0%, Institute 5.36%, Foreign 0% and General Public 55.59% on December 31, 2021.

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. Zafrul Islam Chowdhury and steered by Mr. Mohammad Abu Bakkar Siddique as the Chief Executive Officer of the Company. The future plans of the company include increase of business volume by opening new branches and hiring of potential man power with technical know-how in the Non-Life Insurance business arena, implementing progressive marketing strategies and rendering quality services.





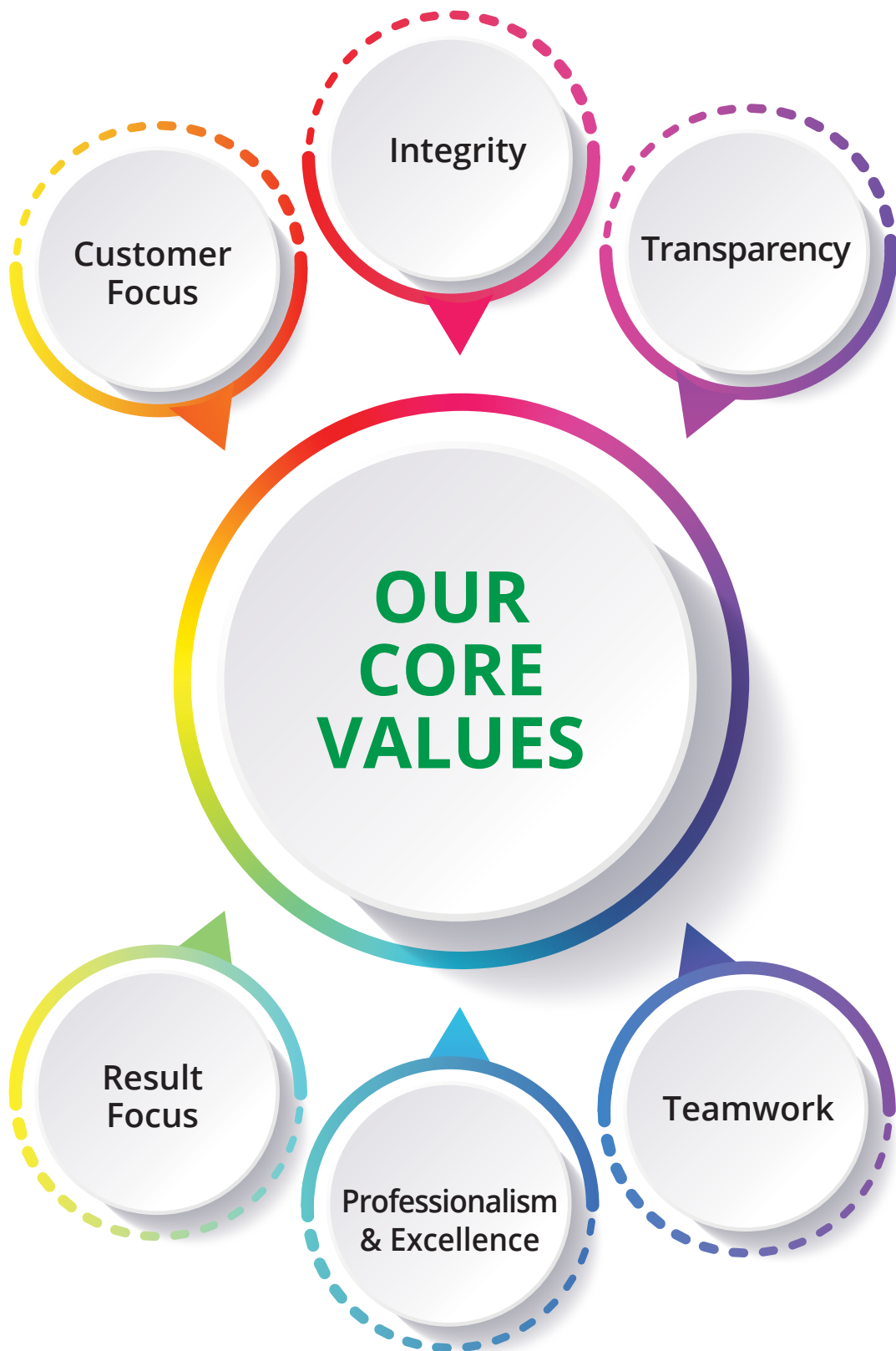
OUR VISION

- 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





CORPORATE PHILOSOPHY

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

CORPORATE INFORMATION

Registered Name	Janata Insurance Company Limited
Legal Status	Public Limited Company
Date of Incorporation	23rd September 1986
Date of Commencement of Business	6th November 1986
Chairman	Zafrul Islam Chowdhury
Vice Chairman	Farhana Islam
Chairman, Executive Committee	Warasuzzaman Chowdhury
Chairman, RMCC	Zafrul Islam Chowdhury
Chairman, NRC	Md. Baitul Amin Bhuiyan
Chairman, Audit Committee	Dipak Ranjan Datta, FCA
Chief Executive Officer (CEO)	Mohammad Abu Bakkar Siddique
Additional Managing Director	Md. Iqbal Rashidi
Chief Financial Officer (CFO)	Md. Rajaur Rahman
Company Secretary	Md. Ahsan Habib
Date of Listing with DSE	12 October 1994
Date of Listing with CSE	10 October 1995
Authorized Capital	BDT 1000 million
Paid up Capital	BDT 443.98 million
No. of Shareholders	5004
Total Manpower	196
Number of Branches	22
Auditors	HODA VASI CHOWDHURY & CO. Chartered Accountants BTMC Bhaban (Level 7 & 8) 7-9, Kawran Bazar, Dhaka-1215.
Compliance Auditors	M/s. FAMES & R Chartered Accountants Flat # A2, H-3/1, & 3/2, Bijoy Nagar Dhaka-1000.
Legal Retainer	Md. Rizwan Samad Barrister-at-Law Advocate, Supreme Court of Bangladesh
Tax Consultants	Ahmed Khan & Co.
Rating Agency	Alpha Credit Rating Limited
Share & Investment Deptt.	Md. Ahsan Habib
Registered Office	Janata Insurance Bhaban GA/95/D, Link Road, Middle Badda, Gulshan-1, Dhaka-1212.
Telephone	880-2-222296183 PABX: 02-222262181-82
E-mail	info@jiclb.com
Website	www.jiclb.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 Vault/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

Zafrul Islam Chowdhury

Vice Chairman

Farhana Islam

Directors

Warasuzzaman Chowdhury
Belal Ahmed
Qamrun Nahar
Kamruddin Parvez
Shahidul Quader Chowdhury
Zannatul Ferdous Zeena
Abu Hyder Chowdhury (Amzad)
Abel Ahmed
Anzareen Matin Chaudhury
Alvira Ahsan Chowdhury
Imrana Zaman Chowdhury
Sultana Hashem
Fahima Akhter

Independent Directors

Dipak Ranjan Datta, FCA
Md. Baitul Amin Bhuiyan
Samsuddin Ahmed Chowdhury

Chief Executive Officer

Mohammad Abu Bakkar Siddique

Chief Adviser

Saifuzzaman Chowdhury, MP & Minister,
Ministry of Land, Government of the
People's Republic of Bangladesh.

Adviser

Anisuzzaman Chowdhury,
Director and Chairman, Executive Committee,
United Commercial Bank Ltd.

Executive Committee

Chairman
Warasuzzaman Chowdhury

Members

Farhana Islam
Abu Hayder Chowdhury Amzad
Fahima Akhter
Imrana Zaman Chowdhury
Alvira Ahsan Chowdhury
Anzareen Matin Chaudhury

Audit Committee

Chairman
Dipak Ranjan Datta, FCA

Members

Belal Ahmed
Kamruddin Parvez
Shahidul Quader Chowdhury
Abu Hayder Chowdhury Amzad

Risk Management & Claims Committee

Chairman
Zafrul Islam Chowdhury

Member

Farhana Islam
Warasuzzaman Chowdhury
Samsuddin Ahmed Chowdhury

Nomination & Remuneration Committee

Chairman
Md. Baitul Amin Bhuiyan

Member

Zafrul Islam Chowdhury
Imrana Zaman Chowdhury
Alvira Ahsan Chowdhury

SNAPSHOTS OF LAST ANNUAL GENERAL MEETING



Director's Profile





Zafrul Islam Chowdhury

Chairman

Mr. Zafrul Islam Chowdhury, Hon'ble Chairman of the Board of Director's of Janata Insurance Company Ltd. is one of the well known personalities in the business circle of our Country. He was elected as Chairman in the 35th Annual General Meeting unanimously and is leading the Company effectively with his extensive experience in the field.

He hails from a prominent Muslim family of Chattogram. His father late Sirajul Islam Chowdhury was an eminent industrialist and well known philanthropist. Mr. Zafrul Islam Chowdhury is the Managing Director of Islam Steel Mills Limited, Siraj Ano Ispat Limited and Anowara Jute Mills Limited. He also holds the position of Managing Director in Eastern Engineer (Chatta) Limited, Siraj Ano Oxegen Limited and Siraj Ano Builders Limited.

As an earnest and dynamic entrepreneur, he is playing a vital role in industrial development of the country along with our Company's overall growth by his active involvement and dedication towards business. He has travelled different countries to attend several international business conferences to be enriched about world economy.

Farhana Islam

Vice-Chairman

Mrs. Farhana Islam was elected unanimously as the Vice-Chairman in 35th AGM of the Company. She is an active member Director of the Board and influences its activities through participation in the discussions, analyzing critical issues and providing her valuable opinions.

She was born in a highly glorious and respected Muslim family of Anwara, Chattogram. Her father late Aktaruzzaman Chowdhury Babu, Ex. MP was one of the organizer of great liberation war of Bangladesh and prudent political leader as well as renowned industrialist, businessman and also generous social leader. Her mother Mrs. Nur Nahar Zaman is an ideal and pious woman.

Mrs. Farhana Islam is also involved in activities which brings peace, happiness and prosperity in the society along with fulfilling her duties towards the Company with utmost devotion.





Warasuzzaman Chowdhury

Director

Mr. Warasuzzaman Chowdhury, born in a prominent Muslim family of Chattogram is an Hon'ble Director and Ex-Vice-Chairman of JICL. He is an ambitious and dynamic entrepreneur and playing an eminent role to contribute in our economy. He is an independent director of Aramit Limited and proprietor of Citi Center, Chatteshwari Road, Chattogram and B. Zaman Trading.

Mr. Warasuzzaman is devoted to duties and accomplish his responsibilities participating in all Company Affairs. He is closely associated with many social organizations and always come forward to help the people in need. He has travelled to many countries across the world.

Belal Ahmed

Director

Mr. Belal Ahmed, hailing from a prominent Muslim family of Chattogram is a dynamic and innovative entrepreneur. His father M. A. Bari was an eminent businessman and social leader.

He is the pioneer of establishing plastic and engineering base industry in the country and also the Managing Director of export oriented Company "Golden Son Limited". As an earnest and dynamic entrepreneur, he is playing a vital role in industrial development of the country by his active involvement and dedication towards business. He is continuously enriching his knowledge by traveling different countries to attend several international business conferences





Imrana Zaman Chowdhury
Director

Mrs. Imrana Zaman Chowdhury was born in a prominent Muslim Family of Chattogram. She is a quite new member of the Board of Directors. She is actively involved in the matters of our Company. She is also involved in social activities that brings peace, happiness and prosperity in the society along with fulfilling her duties towards the Company with utmost devotion. She is a widely travelled person and travelled many countries across the world.

Anzareen Matin Chaudhury
Director

Ms. Anzareen Matin Chaudhury is a comparatively young Director of Janata Insurance Company Ltd. She was born and brought up in a highly respected Muslim family. Though being young, she is much dedicated to work for the Company and also contributes much to development of the society. She has visited many countries over the world.





Alvira Ahsan Chowdhury
Director

Ms. Alvira Ahsan Chowdhury is also a young Director of JICL. She was born and brought up in a prominent Muslim family. Even at her young age, she always tries to work for the betterment of the Company and also contributes much to the society's development. She has also visited many countries around the world.

Kamruddin Parvez
Director

Mr. Kamruddin Parvez is from a well reputed Muslim family of Chattogram. His father late Haji Nur Mohammed was a well-known businessman and social leader. Mr. Kamruddin Parvez is the Deputy Managing Director of the Nur Mohammed & Co. Ltd. He is an Ex-Assistant Professor of Chittagong Independent University and a current Professor in East West University. He has vast knowledge in his field and a good number of publications on various topics are there in his acclaim. He has extensively travelled to many countries for attending different international business conferences, seminars related to education and for other purposes.

He is a dedicated member director of the Board and always fulfills his duties being committee member and always provides his valuable opinion at different matters.





Abu Hayder Chowdhury Amzad

Nominated Director
on behalf of
Luminous Assets Management Ltd.

Mr. Abu Hayder Chowdhury Amzad is a Nominated Director on behalf of Luminous Assets Management Ltd. one of the shareholders of Janata Insurance Company Ltd. He belongs to a famed Muslim family of Chattogram. He is the Managing Director of Chumki Apparels Limited and former director of Chattogram Chamber of Commerce & Industries. He is also associated with various types of business enterprises, trading and social organization.

He is the Chairman of Standing Committee of BGMEA and member of Chattogram Club Limited as well as life member of Diabetic Hospital Chattogram. He has visited many countries for attending international business conferences and other purposes. He is directly engaged on behalf of Luminous Assets Management Ltd. in all day to day activities and Meetings of our Company.

Shahidul Qader Chowdhury

Director

Mr. Shahidul Quader Chowdhury comes from a reputed Muslim family of Chattogram. He is a son of renowned entrepreneur and well established businessman Late Abdul Gaffar Chowdhury, Ex-Chairman and Director of Janata Insurance Company Ltd. Mr. Shahidul Quader Chowdhury is the managing director of Marine Food Limited. He is also associated with various types of business enterprise, trading and social organization. He works for the society along with accomplishing all his duties towards the Company always.





Abel Ahmed
Director

Mr. Abel Ahmed is a dynamic young entrepreneur. He was born in a glorious Muslim family in Chattogram. He is one of the youngest members of Janata family. He is very well acknowledged of his responsibilities towards our Company and put enough effort participating in the day to day activities actively. Mr. Abel has travelled to many countries across the world and is contributing much towards social activities and social institutions.

Qamrun Nahar
Director

Mrs. Qamrun Nahar hails from a prominent Muslim family of Noakhali. Her husband late Humayun Zahir was a dynamic entrepreneur, social leader and eminent lawyer. She is an active member of the Board of Directors and has devoted a lifetime hard labor for the growth of our Company. She is the Chairman of Ananta Group consisting Ananta Apparels Limited, Ananta Fashion Limited, Ananta Casual Wear Limited, Ananta Denim Technology Limited etc. She is also a former Chairman & present member of governing body of Dhaka Mohila College.

Mrs. Qamrun Nahar is a well-known social leader and prominent member of many social & welfare organizations including Lions Club. She has contributed a lot for enhancing the life standard of general and impoverished people of our country.





Sultana Hashem

Director

Mrs. Sultana Hashem hails from a prominent Muslim family of Noakhali. Her husband Mr. M.A Hashem Ex. MP, was a renowned industrialist and Chairman of Partex Group. She has been a member of the Board of Directors for very long and has devoted a lifetime hard labor for the betterment of our Company.

Mrs. Sultana Hashem is also the Chairman of Partex Star Group. Her work ethics inspire the members of the Partex Group, Partex Star Group & Amber Group of Industries alongside our Company to work towards achieving their goals. She is associated with many social welfare activities and has contributed much for enhancing the life standard of general and impoverished people of our country.

Fahima Akhter

Director

Mrs. Fahima Akhter belongs to a prominent Muslim family of Narayanganj. Her father Mr. M A Sabur is a well-known industrialist and director of United Commercial Bank Limited. Mrs. Fahima Akhter is the Director of Masco Group of Industries. She is also a director of Shanta Expression Limited and Concept Knitting Limited.

She is associated with a number of social as well as cultural organizations. She is typically travelled person and has visited to many countries of the world.





Zannatul Ferdous Zeena
Director

Mrs. Zannatul Ferdous Zeena is a member of Board of Directors of JICL. She is actively involved in day to day affairs and businesses of our Company. She is also a prominent member of the Board of Trustees of IBAIS University. She is engaged in other social activities has travelled widely across the world.

Md. Baitul Amin Bhuiyan
Independent Director

Mr. Md. Baitul Amin Bhuiyan comes from a glorious and respected Muslim family of Narsingdi. He is an hon'ble Advisor of Summit Corporation Limited. He is also an immensely experienced person with being an Ex- Additional Secretary of Ministry of power, Energy and Mineral Resources, Deputy Director General (Additional Secretary) of Bangladesh Bureau of Statistics, Ministry of Planning, Joint Secretary of Minister of Shipping, Deputy Secretary of Ministry of Shipping etc.

Mr. Baitul Amin has attended several training programs which includes Training on Renewable Energy and Sustainable Development in Germany, 47th session of the United Nations Statistical Commission in New York, USA. He has further visited many countries to enrich his knowledge.





Dipak Ranjan Datta, FCA Independent Director

Mr. Dipak Ranjan Datta, FCA being appointed unanimously at the Emergent Meeting held on 29 July, 2021 is one of the Independent Directors of Janata Insurance Company Ltd. He belongs to a highly reputed Hindu family. Mr. Dipak is a widely qualified and well experienced person on his field and is a current partner at Das Chowdhury Dutta & Co. Chartered Accountants. He is an Ex-Chairman, Director & Secretary at Bangladesh Chemical Industries Corporation (BCIC), Ex-MD at Dhaka Leather Complex, Ex- General Manager at Chittagong Urea Fertilizer Limited and Urea Fertilizer Factory Limited Ghorashal.

Mr. Dipak was also a CEO of Partex Star Group for a certain period and held the position of Secretary of respective Company Board at Karnaphuli Paper Mills Ltd, Chittagong Chemical Complex etc. He worked as a member of the Governing Body of Training Institute of Chemical Industries of Bangladesh and also gained foreign training at "International Board and Management Program" in Sri Lanka. He has extensively travelled to many countries across the world and last but not the least he participated in the liberation war-1971 as a freedom fighter of our Country.

Samsuddin Ahmed Chowdhury Independent Director

Mr. Samsuddin Ahmed Chowdhury is another newly appointed Independent Director of the Company. He was born in a glorious respected Muslim family and is a highly qualified and acknowledged person. He is well experienced at Office Management and Administration and has more than fifteen years of experience in optimizing productivity, efficiency and service quality across various environments. He is widely dependable, ethical and reliable support specialist as well as leader that blends advanced organizational, technical and business acumen.

Mr. Samsuddin worked as an Administrative Supervisor at Aramit Group for four years and as a Vice President of Administration for 5 years at the same organization. He is currently performing his duties there as the Head of Administration since 2016. He has also attended various training courses, participated in seminars and workshops on different aspects of Administration, leadership and strategy, locally and in abroad.





Mohammad Abu Bakkar Siddique
Chief Executive Officer

Mr. Mohammad Abu Bakkar Siddique is one of the newest Members of Janata Family joining the Company on February 2022 as a Chief Executive Officer. He was born in 1982 and belongs to a largely reputed Muslim Family of Chattogram. Mr. Siddique is a highly educated person and has successfully obtained both of his BA (Hon's) & MA Degrees from Jagannath University, Dhaka. He has also obtained L.L.B Degree afterward along with attending different courses including General Insurance and Company Management. Moreover Mr. Siddique is a widely experienced and qualified man having 21 years of experience in Non-Life Insurance Business. He started his career in Federal Insurance Company Ltd. in 2000 and achieved 18 years of working experience which includes 4 years of service as Deputy Managing Director. Subsequently he joined Global Insurance Ltd. as Additional Managing Director in 2018 and served there being experienced for more 4 years on the same position. Besides Mr. Siddique has fair knowledge of Insurance and Company Act, Underwriting of non-life insurance policies, Claim & Re-Insurance functions, Finance & Accounts and also Business Promotion of Non-life Insurance Company.

BRIEF PROFILE OF ADVISERS



Saifuzzaman Chowdhury

Chief Adviser of the Board of Directors
Janata Insurance Company Limited

Minister, Ministry of Land
Government of the People's Republic of Bangladesh



Anisuzzaman Chowdhury

Adviser of the Board of Directors
Janata Insurance Company Limited

KEY MANAGEMENT



Mohammad Abu Bakkar Siddique
Chief Executive Officer



Md. Iqbal Rashidi
Additional Managing Director



Md. Rajaur Rahman
Chief Financial Officer



Badiul Alam
Senior Vice President
Head of Underwriting Department



Ahsan Habib
Company Secretary



Md. Imtiaz Bhuiyan
Deputy Vice President
Head of Law Department



Md. Shazib Bhuya
Manager
Head of Internet Audit Department



Rezaul Kabir
Deputy Manager
Head of IT Department



Mohabbat Ali
Assistant Manager
Head of Claim & Re-Ins. Department



Md. Sabbir Ahmed
Assistant Manager
Head of PRD & Estb. Department



Parul Begum
Assistant Manager

MANAGEMENT TEAM & EXECUTIVES

Chief Executive Officer

Mohammad Abu Bakkar Siddique

Additional Managing Director

Md. Iqbal Rashidi

Chief Financial Officer

Md. Rajaur Rahman

Company Secretary

Md. Ahsan Habib

Senior Executive Vice President

Md. Towhid-ul Amin Chowdhury

Executive Vice President

Mahrab Jabbar
Md. Maniruzzaman
Syed Badrul Islam
Chowdhury Mohammed Shemsher Nur
Mozahedul Islam Chowdhury

Senior Vice President

Mohammad Mohshin Labid
Md. Humayun Kabir
Badiul Alam
A.K.M. Zahirul Alam
Kazi Moazzem Hossain Liton
Md. Sirazul Haque

Vice President

Md. Monjurul Azim
Shamim Masud
Diponkar Das
Kazi Deenul Islam
Nigar Sultana
Md. Firoze Akhter

Deputy Vice President

Khawaza Mohammad Ezaz Ahmed
Mohammad Jane Alam
Md. Imtiaz Bhuiyan

Assistant Vice President

Md. Monirul Alam Chowdhury
Bimal Chandra Shil
Swapn Kumar Sutradhar
Md. Bazlul Rashid Shah
Moshaddeque Shahariar
Fahmida
Arifuzzaman
Muzahiduzzaman
Ratan Krishno Das
Badal Krishno Sarkar
Komol Goshami
Alauddin Mohammad Saber

OUR BRANCHES



Jubilee Road Branch

Mr. Towhidul Amin Chowdhury
Senior Executive Vice President
Jubilee Road Branch
Kader Tower (7th Floor)
128, Jubilee Road, Chattogram.
E-mail : jrb@jiclb.com
janatainsurancetg@gmail.com
Tel : 333368022, 333354246,
Mobile : 01819322178



Mirpur Branch

Mr. Md. Maniruzzaman
Executive Vice President
92/2, Senpara, Parbata
Mirpur-10, Dhaka.
E-mail : mrp@jiclb.com,
janatamrp@gmail.com
Tel : 58055517, 48034492
Mobile : 01907855090



Local Office

Mr. Syed Badrul Islam
Executive Vice President
Red Crescent Bhaban,
61, Motijheel C/A, (Level-09),
Dhaka-1000.
E-mail : lo@jiclb.com,
janatainslo@gmail.com
Tel : 9559012, 9568809, 9570341
Mobile : 01819231466



Dilkusha Branch

Mr. A.K.M. Zahirul Alam
Senior Vice President
76, Dilkusha C/A, Dhaka-1000.
E-mail : janataindkb@gmail.com,
dkb@jiclb.com
Tele: 9565507, 9565582
Mobile: 01715178150



Paltan Branch

Mr. Chowdhury Mohammed
Shemsher Nur
Executive Vice President
Suite No.808, Paltan Tower,
87, Purana Paltan, Dhaka-1000.
E-mail : paltan@jiclb.com
Mobile : 01966988314,
01713018738



Agrabad Branch

Mr. Mohammad Mohsin Labid
Senior Vice President
Akhtaruzzaman Center,
21/22, Agrabad C/A (9th Floor),
Chattogram.
E-mail : agb@jiclb.com,
janatainag@gmail.com
Tel : 031-728320, 031-728321
Mobile : 01713303957



Mohakhali Branch

Mr. Md. Monirul Alam Chowdhury
Assistant Vice President
Tomijuddin Mansion (2nd floor),
House # F-92, 93, 94, Mohakhali
Gulshan, Dhaka.
E-mail : mkb@jiclb.com,
mohakhalibranch@gmail.com
Mobile : 01818518400



Motijheel Branch

Mr. Mahrab Jabbar
Executive Vice President
1B, DIT Avenue, 8th Floor,
Suit # 801, Motijheel,
Dhaka-1000
E-mail : janatainsmotijheel@gmail.com
Mobile : 01972071072



Principal Branch

Mr. Badiul Alam
Senior Vice President
Janata Insurance Bhaban,
GA/95/D, Link Road, Middle Badda,
Gulshan-1, Dhaka-1212.
E-mail : hob@jiclb.com,
janatainsbooth@gmail.com
Tel : 9856176
Mobile : 01831120010



Narayanganj Branch

Mr. Kazi Moazzem Hossain Liton
Senior Vice President
Sattar Tower (3rd Floor)
50, S. M. Maleh Road, Tanbazar,
Narayanganj.
E-mail : janatains.ngb@gmail.com
Mobile : 01720055556,
01977727773

**Khatunganj Branch**

Mr. Diponkar Das
Vice President
A. M. Rahman Chamber
277, Mostafa Bhaban (2nd Floor)
Khatunganj, Chattogram.
E-mail : tg@jiclb.com,
janatainktg@gmail.com
Mobile : 01998659051

**Imamganj Branch**

Mr. Ratan Krishno Das
Assistant Vice President
5/A, Bangshal Lane (2nd floor)
Bangshal Model Thana, Dhaka.
E-mail : janatains.img@gmail.com
Mobile : 01965902486

**Narsingdi Branch**

Mr. H. M. Hafizur Rahman
Manager
Daulat Khan Tower (2nd Floor),
Kalibari Road,
Narsingdi Bazar, Narsingdi.
E-mail : nsd@jiclb.com,
nsd.janatainsurance@gmail.com
Tel : 9463305
Mobile : 01552342532

**Dewanhat Branch**

Mr. Khawaza Mohammed Ezaz Ahmed
Deputy Vice President
Noor Bhaban (3rd Floor)
700/B D.T. Road,
Dewanhat, Chattogram.
Phone : 01711114272

**Cox's Bazar Branch**

Mr. Mohammad Jane Alam
Deputy Vice President
Shoikot Tower (4th Floor)
East Bazarghata
Main Road, Cox's Bazar
E-mail : janataincox@gmail.com
Mobile : 01819328154,
01625571657

**Sylhet Branch**

Mr. Tasmim Ahmed Chowdhury
Junior Officer
906 (8th Floor),
Sylhet Millenim, Sylhet-3100
E-mail : sylhet@jiclb.com
Mobile : 01711940788

**Bogura Branch**

Mr. Rabiul Islam
Executive Officer
House # 429, 430 (3rd Floor),
Jhawtala, Borogola, Bogura.
E-mail : bogura@jiclb.com
Mobile : 01744986892

**Rajshahi Branch**

Mr. Md. Humayun Kabir
Senior Vice President
House # 78, Mia Para, Boalia,
Shaheb Bazar, Natore Road, Rajshahi
E-mail : raj@jiclb.com
Janatains.raj@gmail.com
Mobile : 01301-396001
01711-404863

**Gazipur Branch**

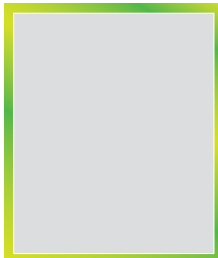
Mr. Manik Mia
Manager
Munshi Keramat Ali Complex,
Joydebpur Road
Chandana, Chowrasta,
Gazipur City-1702
E-mail : janatains.gp@gmail.com
Mobile : 01738574072

**Jashore Branch**

Mr. Md. Shahin Hossain
Junior Officer
Rawnak Chamber (2nd floor)
Municipal Road, Jashore.
E-mail : jashore@jiclb.com
Tel : 42164614
Mobile : 01711267567,
01982580303

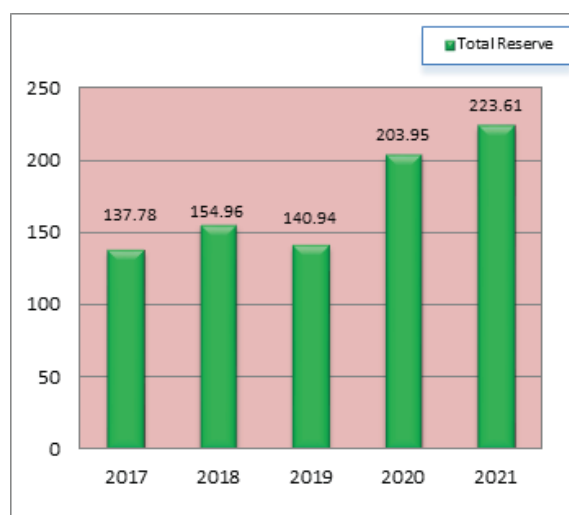
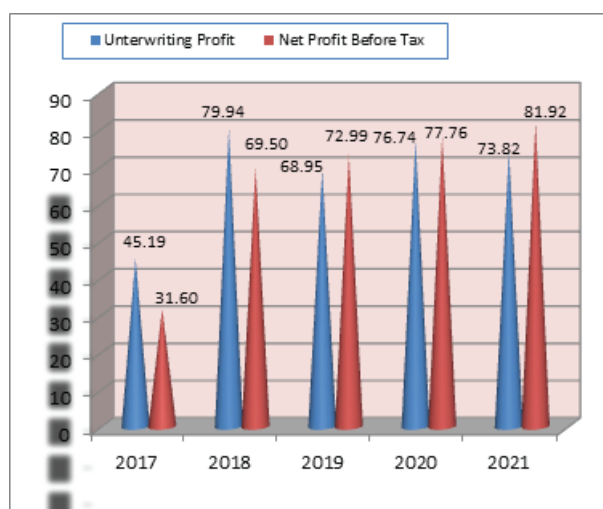
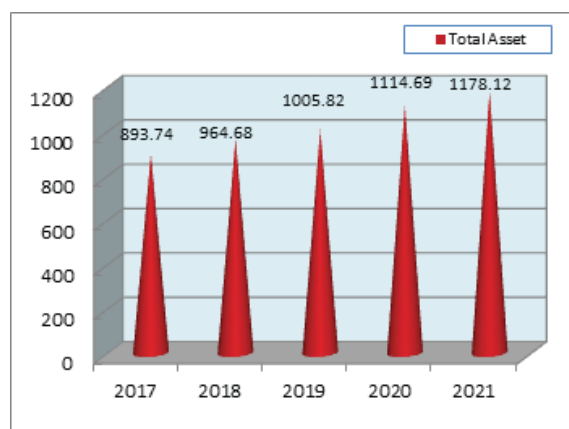
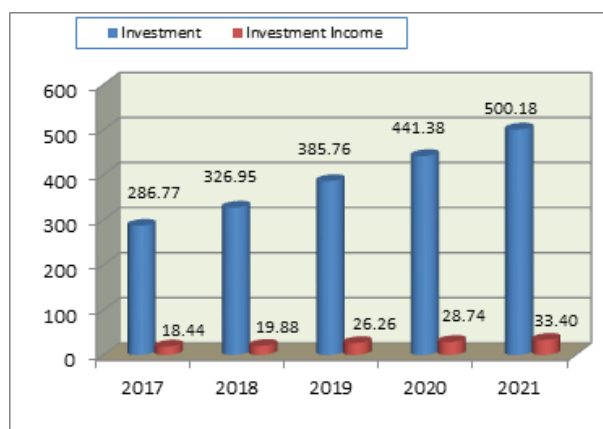
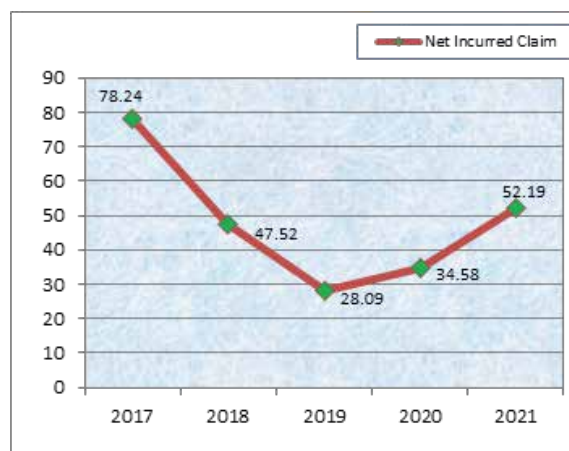
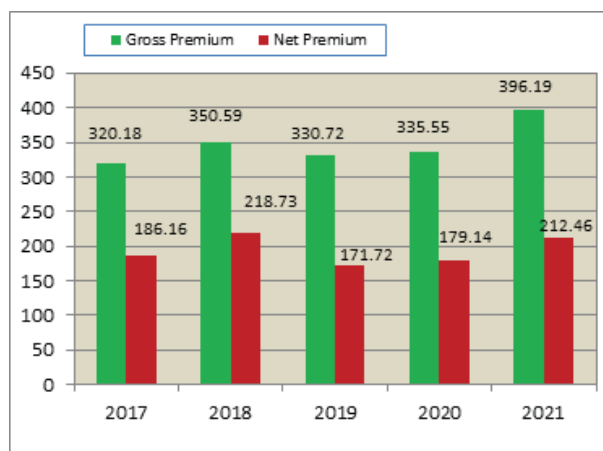
**Khulna Branch**

Kazi Ashik Ahmed
Manager
118, Upper Jessore Road (3rd Floor),
Bus Stand, Dakbangla Moor,
Khulna.
E-mail : Khulna@jiclb.com
Mobile :

**Benapole Branch**

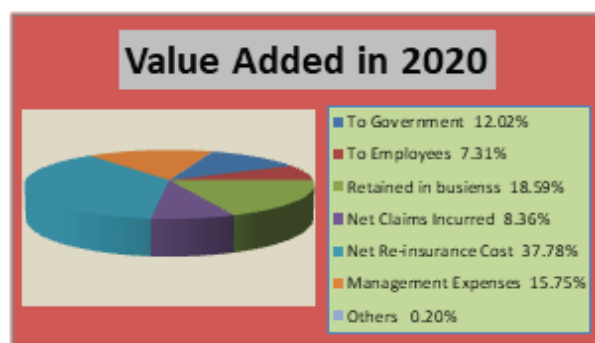
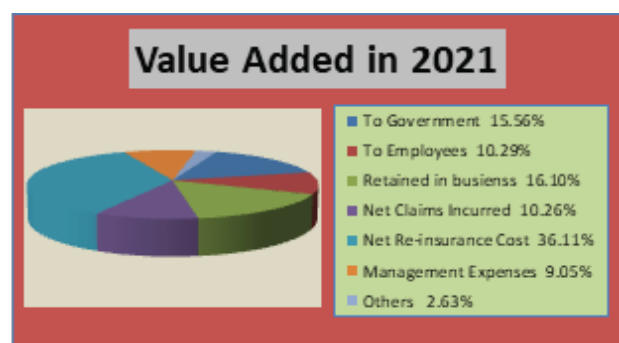
Rahman Chamber (4th floor)
Benapole Bazar,
Benapole, Jashore.
E-mail : bpb@jiclb.com
Mobile :

FINANCIAL PERFORMANCE AT A GLANCE (GRAPHICAL APPEARANCE)



VALUE ADDED STATEMENT

Particulars	2021 (BDT mn)	%	2020 (BDT mn)	%
Value Added				
Gross premium	396.19	77.87%	335.56	81.03%
Vat & Stamp duty	79.18	15.56%	49.78	12.02%
Investment & other Income	33.40	6.57%	28.74	6.95%
Total Value Added	508.77	100%	414.08	100%
Distribution of Value Addition				
To Government				
VAT & Stamp Duty	30.90	6.07%	28.73	6.93%
Tax	48.28	9.49%	21.05	5.08%
To Shareholders				
Dividend	-		0	
To Employees				
as Salary & Allowances	52.35	10.29%	30.28	7.31%
Retained in business				
Reserve & Surplus	81.92	16.10%	77.01	18.59%
Others				
Net Claims Incurred	52.20	10.26%	34.58	8.36%
Net Re-insurance Cost	183.72	36.11%	156.42	37.78%
Management Expenses	46.02	9.05%	65.19	15.75%
Disposal reserve for Unexpired Risks	13.38	2.63%	0.82	0.20%
Total Distribution	508.77	100%	414.08	100%



MANAGEMENT TEAM







CHAIRMAN'S REVIEW

Widely-acclaimed business personalities from different expertise of the financial sphere of Bangladesh, the Board of Directors of the Janata Insurance Company Limited has a legacy of perseverance, foresee ability, innovation and leadership.

Dear Shareholders,

Assalamu Alaikum and Greetings to all.

It is my great pleasure to welcome you all to the 36th Annual General Meeting of the Company. I am highly pleased to convey my heartfelt thanks and appreciation to all of you for your continuous support on behalf of the Board of Directors of Janata Insurance Company Limited. Janata Insurance Company Limited being established in 1986 is now celebrating its 36 successful years and our Company from the very inception has been maintaining transparency and ethics in its Business Policy. We express our hearty appreciation for your efforts to stand by our side throughout this long time and wishing the same in future.

The Directors' Report presents the overall performance of the Company and now I take the privilege to present before you briefly about the performance of the Company for the year 2021.

In review of the financial position of the Company, it is noticeable that as a result of the foresight and prudence of the Board and hard work of the Management team along with employees. Our Company has achieved direct insurance business with a premium income of Tk. 298.76 million against Tk. 273.77 million in 2020 the total Gross premium income of Janata Insurance Company Ltd. has increased to Tk. 396.19 million in 2021 as against Tk. 335.55 million in 2020 which is an increase of an amount Tk. 60.63 million than previous year. The Business Volume has increased 18.07% in comparison with the previous year. The Growth Profitability in 2021 has been increased 5.35% of our Company, Underwriting Profit stood at Tk. 73.82 million and the Net Profit at Tk. 81.92 million as against Tk. 76.74 million and Tk. 77.76 million in 2020. Total assets of the Company stood at Tk. 1,178.12 and the Company settled Claims amounting Tk. 46.60. In 2021 which was Tk. 34.98 in 2020 Therefore the Board of Directors has been pleased and recommended 6% Cash Dividend and 5% Stock Dividend for the year 2021.

In 2020, the outbreak of COVID-19 and the ensuing social and economic turmoil has undoubtedly changed the world forever that required unprecedented responses from governments, society and businesses alike. Despite of that, being a Non-life Insurance Company our Board has always remained focused on our purpose, guided by our values. Even in 2021 we all are having a tough time due to the new delta variant being spread throughout the world. But we are committed to ensure continuous support to our customers amidst the challenging times, keeping our employees safe, operating the business in a regulatory compliant manner and positioning the Company for sustainable performance.

Dear Shareholder, During the 36 successful years your Company has built a strong foundation and a dynamic Corporate Management Structure endowed with operational efficiency and accountability. The Management is blended with consistent relationship and achieved the capability to render fastest possible services to its clients. As we know that The Insurance Development and Regulatory Authority (IDRA) have been working minutely to get a powerful standard in the Insurance Sector under challenges of Insurance business and we are giving our best co-operation to them in this regards. I, assure our shareholders that the Board is quite conscious of the given responsibility and we hope to secure a reasonable market share by rendering promote quality service through sound Risk management, proper Re-Insurance and quickest settlement of claims to our valued Clients.

I extend my sincere gratitude to our valued Clients, Shareholders, Regulators, Stock Exchanges, my fellow Directors and Advisers, Employees and Well wishers of the Company for their un-flinching dedication for the progress of the Company.

Thanking you,



(Zafrul Islam Chowdhury)

Chairman



REVIEW OF **CHIEF EXECUTIVE OFFICER (CEO)**

Our object is to prove our efficiency, integrity and credibility to the valued Customers by extending sincere and dedicated affords.

Hon'ble Shareholders, Members of the Board and Guests,

Assalamu Alaikum,

On the eve of this happy moment I humbly take this opportunity to express my deepest gratitude to all our shareholders, valued clients & well-wishers for their unwavering co-operation and support and also for taking initiative of attending our 36th Annual General Meeting.

I also convey my regards and gratefulness to the honorable Chairman, Advisers and the Board of Directors of the Company who provided generous guidance to the management team which helped the management team to continue the day to day activities smoothly and effectively.

Despite of the market being highly competitive, Janata Insurance Company Limited left behind another year in terms of its sincere and quality services to the Clients. In 2021, we have taken bigger initiatives by rendering excellent service to our clients and have set up great reputation, particularly in business solution and prompt settlement of claims. Our workforce has put their utmost dedication and effort which has resulted in the overall better position. Some details have already been presented in the Honorable Chairman's Address and now I would like to present a short review on our Company's activities and its performance.

During the year under review, the Company earned gross premium income to tune of Taka 396.19 million as against Taka 335.55 million in 2020 and earned net premium income of Taka 212.47 million as against Taka 179.14 million in 2020. It is noticeable that business procurement cost is very high as a result it has become tough to maintain the services of the insured and earn profit to deliver benefits to the Shareholders. In addition, the pandemic situation is still going on throughout the world which has affected the world economy greatly along with our country's economic growth. It is undoubtedly a big achievement for us that even in the pandemic situation; our Company has achieved great business which has contributed much to enhance the financial growth of the Company. As a result, the Board of Directors are proposing 6% cash Dividend and 5% Stock Dividend for the year ended 31st December 2021.

The financial and overall condition is evaluated generally by the Credit Rating Information and Services Ltd. and you all would be pleased to know that, we have received "AA-" for the year 2021 considering the Audited Financial Statements of December 31, 2021. The rating indicates high claim paying capability with strong protection supported by better performance and sound solvency position.

Furthermore, we have reviewed the prevailing market situation and taken necessary measures including diversification of our customer base to increase the business volume of the Company and we expect a good outcome in the coming years accordingly.

I take the pleasure of conveying my heartfelt thanks to our valued shareholders, clients, and well wishers colleagues for their continued support and sincere co-operation, dedications and commitment in achieving the moderate results of the company.

We hope and Pray to the Almighty Allah to give us the strength and vision to win over the upcoming challenges with professional excellence in years to come.

With best regards,

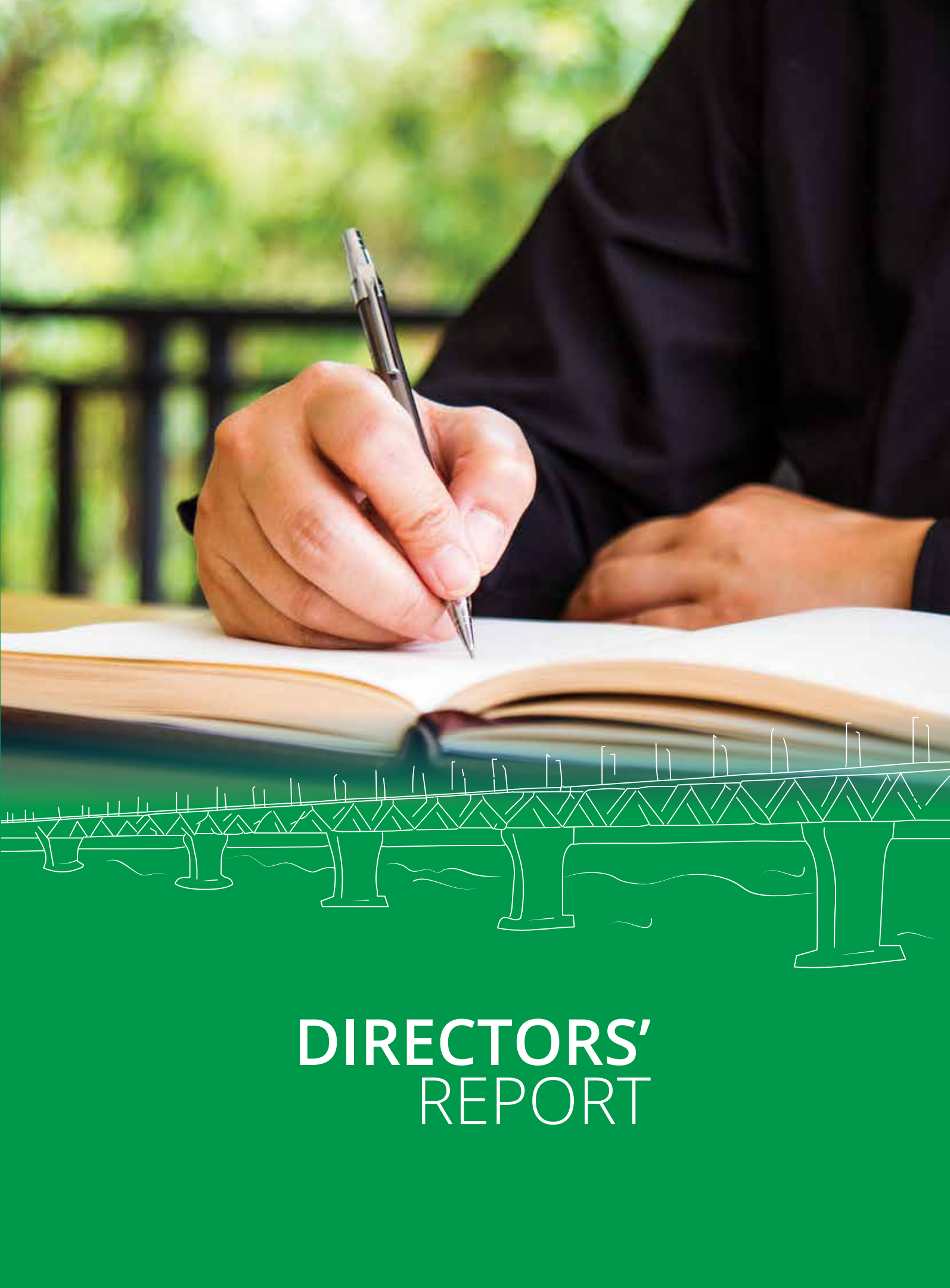


Mohammad Abu Bakkar Siddique
Chief Executive Officer

KEY OPERATING AND FINANCIAL DATA

Particulars		2021	2020	2019	2018	2017
Financial Position:						
Total Assets		1178.12	1114.69	1005.82	964.68	893.74
Investments		500.18	441.38	385.76	326.95	286.77
Cash & Cash equivalents		477.10	427.23	360.16	334.76	298.53
Investment & other income		33.40	28.74	26.26	19.88	18.44
Total reserve		223.61	203.95	140.94	154.96	137.78
Operating result:						
Gross Premium		396.19	335.55	330.72	350.59	320.18
Re-Insurance Premium ceded		183.72	156.41	159.00	131.87	134.02
Net Premium		212.46	179.14	171.72	218.73	186.16
Management Expenses (Revenue A/c)		86.43	62.95	89.85	62.46	56.87
Net Incurred Claim		52.19	34.58	28.09	47.52	78.24
Underwriting Profit		73.82	76.74	68.95	79.94	45.19
Other Management Expenses (not applicable to any fund or account)		25.30	27.72	22.61	30.31	32.02
Net Profit before Tax		81.92	77.76	72.99	69.50	31.60
Net Profit after Tax		53.51	52.69	45.86	42.78	19.25
Financial Ratio:	Terms					
Basic Earnings Per Share	BDT	1.21	1.19	1.08	1.06	0.50
Dividend in percentage (Stock/Cash)	%	6% Cash 5% Stock (proposed for 2021)	6% Cash 5% Stock	10% Cash	5% Cash 5% stock	5% Stock
Return on assets	%	6.95	6.98	7.26	4.43	2.15
Gross profit ratio	%	34.75	43.40	42.5	31.78	16.97
Re-insurance Premium Ceded on Gross Premium	%	46.37	46.61	48.08	37.61	41.86
Net Claim Incurred on net Premium	%	24.57	19.30	16.35	21.72	42.03
Underwriting Result on Gross Premium	%	18.63	22.87	20.85	22.80	14.11
Management expenses (Revenue) on Net Premium	%	40.68	35.14	52.32	28.56	30.55
Equity Statistics:						
Paid-up capital		443.98	422.84	422.84	402.71	383.53
Shareholders' Equity		639.95	611.08	601.41	575.69	532.90
Net Assets Value Per Share (Taka)		14.41	14.45	14.22	14.30	13.39

The above key operating and financial data are furnished as per BSEC's Notification dated June 03, 2018 to comply with the condition 1.5 (xix).



DIRECTORS' REPORT

DIRECTORS' REPORT

For the year ended on December 31, 2021

Dear Fellow Shareholders,

At the outset, we, the Board of Directors of your company are very delighted to present before you the Annual Report along with the Audited Financial Statements for the year ended 31st December 2021 and the Auditor's Report thereon for kind consideration and adoption on the opportune occasion of 36th Annual General Meeting (AGM) of the Company.

Through this report, relevant disclosures and explanations are made by the Directors and Management pertaining to the issues to ensure compliance, transparency and good corporate governance practices along with the details of the business performance, operations and achievements of the company for the year 2021.

We moreover assure that, this Report of the Board of Directors of Janata Insurance Company Limited has been prepared in compliance with the provisions of section 184 of the Companies Act 1994 (Act No. XVIII of 1994), BSEC Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018 and other relevant rules and notifications issued by the regulatory Authorities.

Prior to presenting the report, we pay our deepest respect to Bangabandhu Sheikh Mujibur Rahman, Father of Nation. And also to late Aktaruzzaman Chowdhury, former Chairman & Adviser, late Humayun Zahir, former Chief Legal Adviser, late Al-haj Nur Mohammad, former Adviser and late Abdul Gaffar Chowdhury, former Chairman & Director of the Company for their valued contribution to the Company and pray for eternal peace of their departed souls.

Review of 2021

Economy and Insurance Business Outlook

Economic Scenario

As we already know that Bangladeshi Insurance Industry has become highly competitive. Moreover, some key factors have affected both World Economy and Insurance Business largely during the review period which includes fierce competition in the non-life segment, the rising market shares of private insurance companies, the increasing level of risk being retained by the insurers and last but not the least continued outbreak of pandemic across the world. In between facing and fighting all these we get the below given respective scenarios accordingly.

Comparatively the world economy was static in 2021 than 2020. As per IMF, the world economic growth rate was 3.3% in 2020 and 3.4% in 2021 and Global growth is expected to earn 4.4% in 2022. But from the beginning of 2019, while Covid-19 Pandemic started its devastation, world economic activities began to slow down and it still continued in 2020.

Insurance Development and Regulatory Authority (IDRA) and Development of Insurance Industry

The Insurance Development and Regulatory Authority (IDRA) have been working relentlessly with a view to develop both life and non-life Insurance Sector of Bangladesh. For bringing order and discipline by preventing the amoral practices prevailing in the sector, IDRA has taken necessary steps which include issuing circulars for setting up new regulations in the Insurance Companies. The rehabilitation of insurance regulations promulgated by IDRA can result in long-lasting positive impacts on the economy of our Country's Insurance market.

Insurance Business in 2021

We gladly report that, our Company has achieved direct insurance business with a premium income of Tk. 298.76 million against Tk. 273.77 million in 2020. The premium received by us from the public sector business increased to Tk. 97.43 million from Tk. 61.78 million in 2020. The total gross premium income, stood at Tk. 396.19 million against Tk. 335.55 million in 2020.

Segment wise total performance report is as follows:

Operational & Financial Review

Operational Result and Product wise Performance:

Gross Premium Income

During the year 2021 Company has achieved gross premium income of Tk. 396.19 million i.e. comparatively higher against Taka 335.55 million in 2020.

Amount in million

Class of business	Gross Premium Income	
	2021	2020
Fire Insurance	135.90	122.08
Marine Insurance	138.05	123.44
Motor Insurance	42.35	44.05
Miscellaneous Insurance	79.89	45.98
Total	396.19	335.55

Net Premium Income

Net premium income was Tk. 212.46 million as against Taka 179.14 million in 2020.

Amount in million

Class of business	Net Premium Income	
	2021	2020
Fire Insurance	74.88	40.00
Marine Insurance	91.32	89.16
Motor Insurance	28.21	38.99
Miscellaneous Insurance	18.05	10.98
Total:	212.46	179.14

Net Incurred Claims

During the year 2021, we have successfully settled net incurred claims of Taka 52.20 million as against Taka 34.58 million in the year 2020.

Amount in million

Class of business	Net Claim	
	2021	2020
Fire Insurance	23.57	26.47
Marine Insurance	18.12	6.00
Motor Insurance	9.30	2.67
Miscellaneous Insurance	1.21	(0.56)
Total:	52.20	34.58

Investment Income

The Company's investment income was recorded Taka 33.40 million against Taka 28.74 million in the year 2020.

Profit

Underwriting Profit

We achieved Underwriting profit of Taka 73.82 million as against Taka 76.74 million in 2020.

Amount in million

Class of business	Underwriting Profit	
	2021	2020
Fire Insurance	8.94	3.93
Marine Insurance	45.26	40.99
Motor Insurance	15.62	27.21
Miscellaneous Insurance	4.44	4.61
Total:	73.82	76.74

Net Profit before Tax

Net pretax profit attained is Taka 81.92 million as against Taka 77.75 million in 2020.

Net Profit after Tax

After deduction of tax, Net profit earned is Taka 53.50 million as against Taka 52.69 million in 2020 i.e. higher than before.

Earnings Per Share

In the year 2021 Company's earnings per share is Tk. 1.21 as compared to Tk.1.19 in the previous year 2020.

Dividend

Considering the net profit (deducting tax) of the Company this year, the Board of Directors in its 190th Meeting held on 08.06.2022 recommended to distribute 6% Cash dividend and 5% Stock dividend to the Shareholders for the year ended 31st December 2021 subject to approval by the Shareholders in the 36th Annual General Meeting of the Company to be held on 11.08.2022.

Explanation regarding recommendation/declaration of Stock Dividend

In compliance with BSEC's Notification dated June 30, 2021, Condition # 2, it is required to explain the reasons for declaring 6% Cash & 5% Stock dividend for the year 31st December 2021 and also utilization of such retained amount as capital which are as under:

- Declaration of Bonus Share to the Shareholders of the Company for the year 2021 for increasing paid-up- Capital.
- The Bonus share is declared out of Accumulated Profit or retained earnings.
- The Bonus shares is not declared from capital reserve or revaluation reserve or any unrealized gain or out of profit earned prior to incorporation of the Company or through reducing paid-up-capital or through doing anything so that the post dividend retained earnings become negative or a debit balance.

And on this way the paid-up capital of the Company will be increased by Tk. 21.14 million and the increased paid-up capital will be staying in the Company's fund as Fixed Deposit (FDR) with the schedule Banks. Hence the paid-up capital of the Company will stand at Tk. 443.98 million accordingly. Moreover, the increased amount are main source of our business.

Summary of Accounts of the Company for the year 2021 compared with the year 2020 are furnished below:

Amount in million

Particulars	Fire	Marine	Motor	Misc	Total 2021	Total 2020
Gross Premium Income	135.90	138.05	42.35	79.89	396.19	335.55
Re-Insurance Premium ceded	61.03	46.73	14.13	61.83	183.72	156.41
Net Premium	74.88	91.32	28.21	18.05	212.46	179.14
Net Premium Reserve Retained	13.94	0.91	(4.31)	2.83	13.37	0.83
Net earned Premium	60.93	90.41	32.53	15.23	199.10	179.14
Commission paid	5.61	9.94	1.21	1.20	17.96	36.22
Re-Insurance commission earned	10.85	12.07	2.38	6.03	31.33	32.18
Management expenses (Revenue A/c) (including Insurance Stamp)	34.10	29.15	8.79	14.39	86.43	62.95
Management expenses(P & L A/c)	-	-	-	-	2.53	27.72
Gross Claim paid	22.59	17.53	5.27	1.21	46.60	55.78
Net Incurred Claim	23.57	18.12	9.30	1.21	52.20	34.58
Underwriting Profit/Result	8.49	45.27	15.61	4.45	73.82	76.74
Investment Income	-	-	-	-	33.40	28.74
Net Profit before tax	-	-	-	-	81.92	77.75
Net Profit after tax	-	-	-	-	53.51	52.69
Earnings Per Share	-	-	-	-	1.21	1.19

Investment

The total investment of the company stood at Taka. 500.18 million in 2021 as compared to Taka 441.38 million in the year 2020 which is much higher comparatively. Break-up is as under

Amount in million

Particulars	2021	2020
Bangladesh Govt. Treasury Bond (BGTB)	25.00	25.00
Shares in listed companies	20.51	5.53
Fixed Deposits Account (FDR)	454.67	410.85
Total	500.18	441.38

Reserve:

Reserves stood at Taka 167.64 million against Taka 146.77 million in the Previous year.

Amount in million

Particulars	2021	2020
Reserve for Exceptional Losses	82.59	75.09
Reserve for un-expired Risks	85.05	71.68
Total :	167.64	146.77

Shareholders Equity:

Shareholders equity stood at Taka. 639.95 million against Taka 611.08 million against the year 2020.

Amount in million

Particulars	2021	2020
Paid-up Capital	443.98	422.84
Share Premium	55.96	55.96
Reserve for Exceptional Losses	82.59	75.09
Profit & Loss Appropriation Account	57.04	57.19
Investment Fluctuation fund (Fair value adjustment)	0.37	-
Total :	639.95	611.08

Profitability:

The Company's income from investment and other income stood at Taka 33.40 million against Taka 28.74 million earned in the previous year. After taking into account the underwriting profit of Taka 73.82 million and providing for various expenses not applicable to any particular fund or account, net pretax profit attained is Taka 81.92 million as against Taka 77.76 million in 2020. Increase of net incurred Claim by Taka 17.62 million and increase of income on account of interest on Investment by Taka 4.66 million in comparison to previous year are the main reasons behind the increase of profitability in 2021.

Appropriation of Profit:

Amount in million

Particulars	2021	2020
Net profit (before tax) for the year	81.92	77.75
Transferred to Reserve for exceptional losses	7.5	5.00
Provision for taxes (including deferred Tax)	25.78	25.06
Dividend distributed for 2020	46.51	42.29
Balance carried forwarded	2.13	4.67

Going Concern

The financial statements that have been stated in this Report are prepared being conscious that the Company is a going concern and will continue in operation for the foreseeable future. The Board of Directors of Janata Insurance Company Ltd. has conducted assessment by making adequate inquiries on review of budget, forecast, assumptions and future outcome of inherent uncertainties in the existing normal course of business. And the results do not include any reason to doubt the fact that Janata Insurance Company Limited is efficient to continue as a going concern.

Human Resource Management

Employees are vital resource that leads to the success of any Organization. Our Company puts emphasize on the employees to be equipped with key skills through arranging appropriate workshops to enhance their knowledge in their respective functional areas. We make our employees well trained under different training sessions related to Insurance and other related matters organized by Bangladesh Insurance Academy and Bangladesh Insurance Association more often for increasing efficiency and professional skills. We have been trying to develop HR by recruiting proactive officials to cope with our growing requirements and also using new Integrated Software for ensuring accuracy at all works of the department.

Utilization of proceeds from Rights Share Issue

The Company's Paid-up Capital was raised by issuing Rights Shares in the year 2011. The proceeds from the Rights issue were utilized effectively by depositing as FDR with the schedule Banks. Subsequently, a portion of the proceeds has been utilized by the Management through purchasing Land & Building for accommodating Corporate Head Office of the Company.

Internal Control

The company's internal control system has been designed to provide the Directors with reasonable assurance that all transactions are authorized and properly recorded, assets are safeguarded against misuse by the employees or management and or third parties and material error and irregularities are detected and attempted to prevent 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. Above all, the Board of Directors is responsible for finally approving overall business strategies and significant policies of the Internal Control System.

Audit Committee and Report on its activities

The Audit Committee as a sub-committee of the Board of Janata Insurance Company Ltd. has been working following relevant guidelines of Corporate Governance Guidelines provided by BSEC. During the year under review, the committee thoroughly 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 detailed activities of the Audit Committee have been provided in the segment of "Audit Committee Report".

Internal Audit

The company has an Internal Audit Department at the Corporate Office. The team is dedicated to ensure compliance with laws, regulations and also 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) of the Bangladesh Securities and Exchange Commission's notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018, the status report on the Corporate Governance Compliance is shown in Annexure- B and the our Directors have confirmed the compliance with financial reporting frame work and shareholding pattern according to the above notification which will be found in Annexure- A.

Certificate on Compliance of Condition of Corporate Governance

The Hon'ble Board of Directors, different committees and the Management including all decision making personnel designated as executives are pledged to comply with Corporate Governance and all direction of the regulatory authorities.

In accordance with the Clause (1) condition No.9 of the Notification No. SEC/CMRRCD/2006 -158/207/Admin/80 dated June 03, 2018 of the BSEC, the Board of Directors' of the Company recommended to re-appoint M/s. FAMES & R. Chartered Accountants to obtain certificate on compliance of condition of corporate governance for the year-2022 with a professional fee of Tk. 30,000/= (Taka Thirty thousand) only including VAT & AIT subject to approval in the 36th Annual General Meeting of the Company.

Board Meeting Attendance

Total 05 (Five) Board Meetings of The Board of Directors were held during the year including an Emergent Meeting. The attendance of each Director will be found in detail at Page # 48.

Pattern of Shareholding

As per clause 1.5(xxiii) of BSEC's Notification No. SEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018, the Pattern of shareholding is as under:

- (i) Shareholding of Parent/Subsidiary/Associate Companies and other related parties: NIL
(JICL having no Subsidiaries Companies)
- (ii) Information such as Shareholding of Directors, CEO, Company Secretary, CFO, Head of Internal Audit (their spouses and minor children), Executives and also shareholders holding 10% or more voting interest in the Company : described in the report at Page # 49.

Key Operating and Financial Data

The Company's summarized key operating and financial data for the last five years are portrayed in the report.

Significant deviation from the operating results of last year

The segment of “Five Years Financial Progression” describes the results of last five years which proves the Company's high reputation of being financially solvent for long time. The statement also shows that operating results of the year 2021 do not significantly vary from the last year.

Information technology

Information and Communication Technology (ICT) serve an essential role in the Insurance Industry by ensuring smooth operation and providing efficient services. Acknowledging this fact the Board has adopted a comprehensive ICT policy for the company. IT system of JICL has been strengthened with efficient recourses with a goal to rich the valued clients with latest IT facilities. JICL has made significant improvements in its IT infrastructure by launching the new Integrated Software in all the Branches and Corporate Office of the Company. The highly experienced IT professionals of JICL have trained the Employees extendedly for having the utmost benefits using the new Integrated Software. The IT team is trying to maintain the Company's IT infrastructure and constantly innovating and writing in-house programs to meet the needs of the company. Local Area Network (LAN) has been in operation in the Head Office and Branch Offices.

Management discussion and analysis

A thorough discussion of management and analysis signed by the Chief Executive Officer presenting detailed analysis of the Company's overall position and operations along with a brief discussion of changes in the financial statements and also in the Statement to stakeholders from the Managing Director and CEO is appended on page #.....

Declaration or certification by the CEO and the CFO to the board

The elaborated discussion of declaration by the CEO and CFO is appended at Page # 73.

Brief Resume of the Directors

Brief resume of all Directors and other related information are required as per Corporate Governance Code as well as clause 1.5(xxiv) of the BSEC Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018 is elaborated at the beginning of the report.

Retirement and election of Directors

In compliance with the provision of clauses 106 & 107 of the Articles of Association of the Company, the following Directors will retire from office by rotation and on being eligible may offer themselves for re-election:

1. Mr. Md. Zafrul Islam Chowdhury
2. Mr. Md. Shahidul Quader Chowdhury
3. Mr. Abel Ahmed
4. Mr. Abu Hayder Chowdhury Amzad (Nominated Director on behalf of Luminous Asset Management Limited)

Being Eligible, they offer themselves for re-election

The Office of above (04) 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 36th AGM.

Upon her retirement; 01 (one) post of Public Shareholder Director will be vacant. Hence election of 01 (one) post of Director from public shareholders will be held in the 36th AGM. Therefore Notice was published in two National Dailies namely (1) The Ajker Potrika and (2) The New Nation on 09.06.2022. Next proceedings will be taken as per schedule.

Independent Directors

In accordance with Cause 1, Sub clause 2 (c) of BSEC's Notification dated 3rd June 2018, The Board appointed two of our Independent Directors (i) Mr. Dipak Ranjan Daatta, FCA in the Emergent Meeting held on 29.07.2021 and (ii) Mr. Samsuddin Ahmed Chowdhury in the 188th Meeting of the Board of Directors held on 26.10.2021. The appointments of the Office of these two Independent Directors are recommended to the 36th Annual General Meeting for approval of the Shareholders.

Total Shareholders

The total number of Shareholders of the Company as on 07.07.2022 (record date) was 5004.

Appointment Auditors

In compliance with Order No. BSEC/CMRRCD/2009-193/104/Admn/ dated July 27, 2011 of Bangladesh Securities and Exchange Commission regarding Appointment of Statutory Auditors, The Board of Directors discussed and decided in its 190th Meeting held on June 08, 2022 to recommend M/s. G. Kibria & Co., Chartered Accountants, Sadharan Bima Sadan (5th Floor) 24-25, Dilkusha Commercial Area, Dhaka- 1000 for appointment as statutory auditors' for the year ended 31st December, 2022 with a professional fee of Taka 2,00,000=/(Taka Two lac) only including VAT & AIT which is placed hereby for approval of the Shareholders in the 36th Annual General Meeting.

Credit Rating

Janata Insurance Company Ltd. has managed to obtained the following rating based on financial strength and performance of the Audited year by Alpha Credit Rating Limited (Alpha Rating) –

Date of Declaration	Valid Till	Rating Action	Long Term Rating	Short Term Rating	Outlook
29 December, 2021	28 December, 2022	Surveillance	AA-	ST-2	Stable

Future Business Plan and Prospects

Dear Shareholders

Our prime objective is to protect the interest of our valued Clients as well as Shareholders. We are implementing a short-term business plan for strong business growth. In order to do so we are adopting different strategies like modern marketing policy & HR policy, promotion of employees, introduction of new products of Insurance etc. The Board of Directors has been continuously steering to expand the market share of the company by monitoring the activities and extending its support through giving policy guidelines to improve the Company's performance in future. We are strengthening our Management team, Marketing and other Departments to increase our gross premium income substantially along with following the rules and regulations of IDRA. As a result remarkable improvement of business is being observed and we expect to get a good business outcome in the year 2022. We need your continuous support to improve the Company's growth in future also. Any suggestions from our clients; partners and well-wishers is always welcomed for improving the quality of our services.

Risks and Concerns

Insurance is a way of sharing one's risk onto many shoulders so that it reduces. Insurance Business consumes both types of risks- Physical and Moral. Physical risk refers to those risks which occur by natural disasters, accidental losses that are fatal and also man-made crimes. Moreover Non-Life Insurance Companies bears different risks as Market Risks, Operational Risks and Reputation Risks etc. The success of Insurance business very much lies on identifying a business risk and also client and managing it effectively. Janata Insurance Company Limited being conscious of these risks protects its interest by various risk management tools. The Company's Underwriting Department team inspects the risks supposed to be proved as profitable accordingly and the Management also ensures reinsurance backup of the risks. Besides the Company having a strong Internal Control System managed by the Internal Audit Department is working effectively for reducing all kind of risks against the company growth.

Required Diverse Disclosures

We certify that-

- (i) The financial statements prepared by the Management (Accounts Department) of our Company presents its state of affairs, the result of its operations, cash flows and changes in equity fairly.
- (ii) In the process of preparing the financial statements, International Accounting Standards (IAS) or International Financial Reporting Standard (IFRS), as applicable in Bangladesh have been followed adequately.
- (iii) We honor our shareholders much and have effective means of redress to protect them from all kind of abusive actions by anyone directly or indirectly.
- (iv) The IPO of the Company was made in 1994 and right shares in 2011.

Directors' Remuneration

Directors are not compatible for any remuneration and only receives attendance fee for attending Meetings of the Board and its sub-committees.

Maintaining Books of Account

The Books of Accounts are maintained at the Company accordingly. In addition, The Audit Committee as well as the Board overlooks upon issues like whether the Accounts Department of Corporate Office are maintaining proper accounting books with relevant vouchers to each entry properly.

Related Party Transaction

The details of Related Party Transaction in appended at Page # 114.

Possible Future Developments of Bangladesh in the Industry

Bangladesh is likely to be the biggest mover in the global gross domestic product rankings in 2030, becoming the 26th largest economy in the world from 42nd now, according to the latest report of HSBC Global Research.

Our long-term projections for 75 Countries showed Bangladesh's economy would jump 16 notches, the highest by any country, between 2018 and 2030. HSBC's long-term growth model projections showed that the real GDP growth of Bangladesh would be 7.1 percent per year up to 2030, the highest among the 75 countries included in the report.

Bangladesh will be a \$700 billion economy in 2030 from \$300 billion now, according to the report.

Acknowledgement

Dear Shareholders,

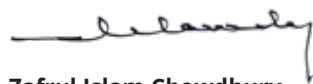
In the end, The Board of Directors express their grateful thanks to all our valued clients, strategic partners, respected shareholders, Board members, Advisers, Banks, Bankers, Leasing companies, Patrons and Well-wishers for extending their continued support and co-operation. The Board would also like to give 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 Limited, Chittagong Stock Exchange PLC, the Central Depository Bangladesh Limited., various Government Authorities, Bangladesh Publicly Listed Companies (BPLC), Bangladesh Insurance Association and Bangladesh Insurance Academy for their valued co-operation, sincere support and guidance.

Finally The Board of Directors would like to put on record our deep appreciation to all the executives and staff for their dedication and commitment that they have shown for the steady progress of the Company.

We look forward to have even better days ahead.

Thank you all.

On behalf of the Board of Directors,



Zafrul Islam Chowdhury

Chairman

DIRECTORS' REPORT TO THE SHAREHOLDERS IN COMPLIANCE WITH THE BSEC'S NOTIFICATION NO. BSEC/CMRRCD/2006-158/207/ADMIN/80 DATED JUNE 03, 2018

Statement of Directors on Financial Reports

Directors are pleased to report that:

- 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.
- Proper books of accounts of the Company have been maintained.
- 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.
- 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.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- There are no significant doubts upon the company's ability to continue as a going concern.
- There are significant deviations from last year in operating result of the company have been highlighted and reasons thereof explained.
- The key operating & financial data of last five years have been provided.
- The number of Board Meetings and the attendance of Directors during the year 2021 were as follows:

Sl.	Name of the Member	Status in the Board	Total Meeting	Meeting attendance
1.	Mr. Zafrul Islam Chowdhury	Chairman	5	5
2.	Mrs. Farhana Islam	Vice Chairman	5	5
3.	Mr. Warasuzzaman Chowdhury	Director	5	5
4.	Anzareen Matin Chaudhury	Director	5	3
5.	Alvira Ahsan Chowdhury	Director	5	3
6.	Mrs. Qamrun Nahar	Director	5	4
7.	Mr. Belal Ahmed	Director	5	5
8.	Mrs. Sultana Hashem	Director	5	5
9.	Mrs Fahima Akhter	Director	5	4
10.	Mrs. Imrana Zaman Chowdhury	Director	5	4
11.	Mr. Kamruddin Parvez	Director	5	5
12.	Mrs. Zannatul Ferdous Zeena	Director	5	3
13.	Mr. Shahidul Quader Chowdhury	Director	5	5
14.	Mr. Abu Hayder Chowdhury (Amzad) (Nominated By Luminous Assets Management Limited)	Director	5	5
15.	Mr. Abel Ahmed	Director	5	3
16.	Mr. Dipak Ranjan Datta, FCA (Appointed on 29.07.2021)	Independent Director	5	2
17.	Mr. Md. Baitul Amin Bhuiyan	Independent Director	5	5
18.	Mr. Samsuddin Ahmed Chowdhury (Appointed on 26.10.2021)	Independent Director	5	-

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 2021, the certificate is annexed.

The pattern of shareholding

- Shares held by parent/Subsidiary/Associated Company etc. - None.
- 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:

Shareholding Composition

As on December 31, 2021

A. Directors:

Sl.	Name of the Shareholders	No. of shares	%
1.	Mr. Zafrul Islam Chowdhury	1479904	3.33
2.	Mrs. Farhana Islam	1148078	2.59
3.	Mr. Warasuzzaman Chowdhury	1080521	2.43
4.	Anzareen Matin Chaudhury	892500	2.01
5.	Alvira Ahsan Chowdhury	895173	2.02
6.	Mrs. Qamrun Nahar	897511	2.02
7.	Mr. Belal Ahmed	1112404	2.51
8.	Mr. Kamruddin Parvez	889975	2.00
9.	Mrs. Fahima Akhter	896709	2.02
10.	Mrs. Imrana Zaman Chowdhury	888405	2.00
11.	Mrs. Sultana Hashem	892181	2.01
12.	Mrs. Zannatul Ferdous Zeena	923956	2.08
13.	Mr. Shahidul Quader Chowdhury	1298742	2.93
14.	Mr. Abu Hayder Chowdhury (Amzad) (Nominated By Luminous Assets Management Limited)	892500	2.01
15.	Mr. Abel Ahmed	888300	2.00
	Sub Total =	15076859	33.95%

B. Independent Directors:

Sl.	Name of the Shareholders	No. of shares	%
1.	Mr. Dipak Ranjan Datta, FCA	-	-
2.	Mr. Md. Baitul Amin Bhuiyan	-	-
3.	Mr. Samsuddin Ahmed Chowdhury	-	-
	Sub Total =	-	-

C. Sponsor Shareholders:

Sl.	Name of the Shareholders	No. of shares	%
1.	Mr. Aziz Al-Kaiser	889833	2.00
2.	Mrs. Roxana Zaman	255579	0.58
3.	Mrs. Setara Begum	119340	0.27
4.	Mrs. Hosneara Begum	992250	2.23
5.	Mrs. Monoara Jahangir	5298	0.01
	Sub Total	2262300	5.10%
	Sub Total (A + B + C)	17339159	39.05%

D. Employees (Executives):

Sl.	Name of the Shareholders	No. of shares	%
1.	Chief Executive Officer	-	-
2.	Company Secretary	115	-
3.	Chief Financial Officer	-	-
	Sub Total =	115	-

E. General Shareholders:

Sl.	Name of the Shareholders	No. of shares	%
1.	Institute	2379733	5.36%
2.	General Public	24679005	55.59%
	Sub Total	27058738	60.95%
	Total Holdings (A+B+C+D+E)	44398012	100%

CODE OF CONDUCT

Corporate governance generally means a combination of rules, processes or laws by which Companies/Businesses are operated, regulated or controlled. It encompasses the internal and external factors considering the interests of a company's stakeholders, including shareholders, customers, suppliers, government regulators and management. A Company's Board of Directors is mainly responsible for creating the framework for corporate governance that best aligns business conduct with objectives.

Maintaining the Corporate Governance and Code of Conduct in all activities has always been one of the key concerns of JICL as we intend to comply with all the regulations of BSEC's Notification No. SEC/CMMRRCD/2006-158/207/Admin/80 dated 3rd June 2018.

The Board of JICL Comprises a number of highly educated, qualified and well skilled as well as experienced Members who has vast knowledge and capability not only to foster their duties and responsibilities being Directors but also to contribute to the economic growth and business of the Company and assess the performance of the Management.

We have a team of eighteen Honorable Directors including three Public Shareholder Directors and three Independent Directors. Each of our Directors possesses wide range of skills and experience over a range of professions especially business and services. The Independent Directors are generally appointed by the Board while The Public Shareholder Directors are elected by the Public Shareholders directly through voting at AGM.

The team of eighteen Directors forms the Committee of the Board of Directors responsible for the overall activities and development of the Company and for forming other Committees along with fixing their duties.

Key Information about Board

- The Shareholders of the Company themselves chooses the Directors to be appointed (through vote) in the Annual General Meeting of the Company.
- In case of any casual vacancy, it is filled by the Board in compliance with the Companies Act, 1994 and Article of the Company.
- One third of the Directors retire from the Board every year in the AGM still remaining eligible for reelection.

Independent Directors

JICL nominated three Independent Director complying BSEC's Notification. Our Independent Directors doesn't possess any shares, have no personal relationship with the Board. They are not members of TREC neither officer of any Stock Exchange and fulfils all other criteria of Condition No. 2 of 1, The Conditions i.e., Corporate Governance Code.

All of them are highly qualified and experienced having knowledge of Financial and Corporate laws. One of our Independent Directors has vast teaching experience at relevant field and another one holds a degree of FCA.

All of our Directors play vital role being members of different Committees of the Company which are as follows:

- Audit Committee
- Nomination and Remuneration Committee
- Executive Committee and
- Risk Management & Claims Committee

Role and Responsibilities of the Board

The Board is responsible for the Company's overall development and growth. The responsibility of the Board is to ensure superior financial stability and long term prosperity/success using their prudence and esprit. It further ensures that the risk management policies and strategies of the Company are reviewed and updated on a regular basis. Besides, the Board is liable for following and maintaining all necessary rules and regulations imposed by the governing bodies. Having full control of the Company's affairs, Board is also fully accountable to the shareholders of the Company.

Major responsibilities of the Board at a glance:

- Preparing goals, policies and operating budget for executing the business plans successfully.
- Approval of the big amounts of expenditure proposals.
- Analyzing all proposals critically that requires Boards' approval.
- Review Financial Performance and overdue situation on regular basis.
- Ensuring proper structure/work frame so that the employees remain accountable to the management.
- Appointment, Performance evaluation and considering remuneration of executives.
- Ensuring that the senior management team has the necessary skill and experience to perform their function as well as to guide the fellows to right direction effectively.
- Monitoring the adequacy, appropriateness and operation of internal controls for greater interest of the Company.

Meetings of the Board of Directors are held on specific times in which the Member Directors actively conduct the necessary activities with highest dedication, adherence and take utmost possible ethical decisions for the best interests of the employees and shareholders of the Company. Minutes are recorded thoroughly in the Meetings by the Company Secretary in presence and monitoring of the CEO.

Throughout the year 2021, total number of 5 Meetings of the Board of Directors are held effectively. And 79% Member Directors were actively present in the Meetings with utmost dedication.

In compliance with Section 4.00 of Notification No. SEC/CMRRCD/2006-158/207/Admin/80 dated 3rd June 2018 of Bangladesh Securities and Exchange Commission, the Board has formed sub-committees which are as follows:

Audit Committee

The Audit Committee of Janata Insurance Company Ltd. is a Sub-committee fulfilling basic statutory requirement of the Company. The Committee includes five members headed by a Chairperson who is an Independent Director of the Company. He holds the higher degree of FCA and long experience of working at his field. The Committee is operated effectively following the Terms of References approved by the Board and in compliance with Section 3.00 of the Securities and Notification No. SEC/CMRRCD/2006-158/207/Admin/80 dated 3rd June 2018 of Bangladesh Securities and Exchange Commission. Audit Committee is directly reportable to the Board and the Head of Internal Audit has access to the Committee through the Chief Financial Officer of the Company.

Functions to be performed by Audit Committee

- Analyzing the Annual Report of Internal Audit minutely and approving it with concern of the Board or if necessary recommend to the Board for final approval.
- To consider and review with the external and internal auditors the adequacy of the Company's internal control, any related findings and recommendations of the internal and external auditors together with the management response.

- To review with the management and the external auditors the Company's annual financial statement and related footnotes including external auditor's reports on the financial statements as well as any significant changes required by the external auditors in the statements prepared by the management.
- Reviewing legal and regulatory matters that may have a material impact on financial statements, compliance, security or operations of the Company.
- Assisting the Board in fulfilling its overall duties including implementation of the strategies and business plans set by the Board for smooth functioning of the Company
- Inspecting the measures taken by the management as regard to the reports relating to fraud and forgery, deficiency in internal control or other similar issues detected by internal and external auditors and inspection officers of the regulatory authorities.
- To review the arrangements made by the management for building a suitable Management Information System (MIS) including information technology system and its applications.

In 2021, 4 Meetings are held in total of Audit Committee and 80% members attended the Meetings with much adherence.

Nomination and Remuneration Committee (NRC)

The Company has a Nomination and Remuneration Committee (NRC) as a subcommittee of the Board as per statutory requirement. The Committee comprises four members including an independent director as the chairman. The members are highly qualified and experienced and are guided by the Chairman who's an FCA and has vast knowledge on every field. All members of the Committee are Non-Executive Directors and are nominated and appointed by the Board. The Board has the authority to remove and appoint any member of the Committee. The Company Secretary also acts as the secretary of the Committee.

The NRC Committee handles responsibilities of the appointment/recruitment, Numeration, Increment Promotion of the Higher Management and also employees' increment & Promotion based on their performance.

The member of the NRC doesn't receive any remuneration for any advisory or consultancy either directly or indirectly other than Director's fees. The Chairperson of the NRC attends the annual general meeting (AGM) to answer the queries of the shareholders. The NRC conducts meeting duly in the financial year. The proceedings of each meeting of the NRC duly be recorded in the minutes and minutes confirmed in the next meeting of the NRC. The duties performed by the Committee have been shortlisted as under:

Role of the NRC

- NRC is independent and only responsible or accountable to the Board and to the shareholders.
- Makes report with recommendation to the Board of Directors.
- Formulates the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors.
- Ensures a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.
- Prepare a policy on Board's diversity taking in to consideration age, gender, experience, ethnicity, educational background and nationality;
- NRC identifies persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria and recommend their appointment and removal to the Board.
- Formulates the criteria for evaluation of performance of independent directors and the Board.
- NRC identifies the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria and

- Develops by recommending and reviewing annually the company's human resources and training policies.

01 Meetings of the Nomination and Remuneration Committee are held effectively throughout 2021. And 90% Member Directors were actively present in the Meetings.

Executive Committee (EC)

The Executive Committee, comprising seven member directors exercise much power complementing inevitable assignments of the Company. The Hon'ble Vice Chairman of the Company acts as the Chairperson of this Committee. The members of EC Committee are entrusted to watch over the executives and employees related various matters and miscellaneous issues. These issues are placed before the Committee and after reviewing and analyzing, the Committee takes decision for the employee's betterment. Executive Committee Meetings are held betimes, minutes are noted and recorded and decisions are implemented rapidly (except some proposals that are recommended to the Board for further review and action).

Responsibilities of the Executive Committee

- To review and approve the expenditure up to Tk. 2,00,000.00 (Two Lac) only beyond the financial power of approving up to Tk. 1,00,000.00 (One lac) only of the Chief Executive Officer.
- Approving claim cases irrespective of amount involved and to submit recommendations to the Board of Directors for approval if any.
- Appointing employees and/or Officers in the regular Service of the Company from the post of Trainee Officer to that of the post up to Vice President.
- Processing the appointment proposals of the Executives from the post of Deputy Senior Vice President to that of the post of Chief Executive Officer and to submit recommendations to the Board of Directors for approval.
- Promoting employees / Officers of regular cadre up to Senior Manager.
- Taking disciplinary action against employees up to Senior Manager beyond the power of the Chief Executive Officer.
- Exercising all other powers and functions as may be assigned by the Board of Directors from time to time. But appointment to all posts of Subordinate Staff (those who are not Officers) and Executives up to Vice President on Contract shall be made by the Chairman and/or by the Chief Executive Officer.

Risk Management and Claims Committee (RMCC)

JICL also has a Risk Management and Claims Committee (RMCC) to accomplish fundamental tasks and analyzing issues regarding claims of the Company. The Committee includes 4 members in total and is led by the Hon'ble Chairman of the Company himself performing his duties as the Chairperson of the Committee.

Risks Management and Claims Committee is basically constituted for addressing or identifying the corporate risks associated with the operation/underwriting process of insurance business and reviewing the impact of risks and taking necessary actions for mitigation the high corporate risks through ensuring prudent underwriting & appropriate re-insurance and review & supervise on the process of claim intimation, assessment of loss, approval & settlement process and over the activities of recovery of claim from re-insures.

Meetings of such Committee are held before each and every Board Meeting. Fundamental issues or Claim related matters are laid bare in detail before the members of the Committee for analyzing thoroughly. The minutes of the Meetings are recorded by the Company Secretary being actively present in the meeting. The members take necessary initiative for evolving the matters and recommend the intricate issues to the Board for final approval.

Chairman of the Board

Chairman is someone who not only leads the entire Board but also leads the Company along with the CEO for taking fundamental initiatives beneficial for the Company.

Our Chairman is responsible for leading the Board to focus on strategic matters, business and setting high governance standards. He plays a pivotal role in fostering the effectiveness of the Board and individual Directors, both inside and outside the board room.

Major responsibilities of the Chairman of JICL include Chairing and overseeing the performance of the Board and playing a pivotal role in the creation of the conditions/regulations necessary for overall Board and individual director. He maintains effective relationship with other Association Members and Companies for greater business purpose and ensuring effective communication with the Members of the Board and conduct Meetings accordingly. He is responsible of imposing the highest standards of corporate governance within the Board and the management. The Chairman reviews and analyzes proposals put forward by the executive team including on strategy, risk management, governance, capital, financial reporting and other activities. He acts as a mentor to the CEO of the Company.

The top Four Executives of JICL

In order of position and importance, The Chief Executive Officer (CEO), Company Secretary, Chief Financial Officer and Head of Internal Audit are the top four executives appointed by the Board of our Company. They are different individuals and do not hold any executive position in other Companies. The Board only can appoint and remove them and also decides the roles & duties to be performed by them.

Role of the CEO

A CEO, who stands for Chief Executive Officer, is the highest-ranking individual in a company or organization. He/she acts a bridge between the Board/higher management and the general management or employees of the Company. Though the Chief Executive Officer reports directly to, and is accountable to the Board for the performance and all but still can take top-level management decision at his own. The CEO is responsible for the overall success of a business entity.

Code of Conduct of the CEO

The Chief Executive Officer of our Company is leading the Company successfully being guided by the Board through performing the following duties:

- Executing long-term strategies made up for achieving higher economical growth and increasing shareholder value.
- Communicating with government entities, shareholders and public time to time on behalf of the Company.
- Conducting the Meetings of the Executives and Management of the Office within allotted schedule
- Creating and ensuring the implementation of the Company's vision and mission.
- Evaluating the works and motivating as well as guiding the executive leaders and sometimes employees of the Company.
- Maintaining updates about competitive market landscape, expansion opportunities, industry developments etc.
- Assessing risks to the Company and ensuring they are monitored and minimized.
- Ensuring enthusiastic work frame and well corporate behavioral structure among the employees and that all the activities/works are accomplished maintaining legality as well as ethical standards.

Company Secretary

The Company Secretary plays vital role in the management related activities of the Company after CEO. He is highly responsible of ensuring that the Minutes of all Meetings specially Board are recorded in line with the provisions of Bangladesh Secretarial Standard.

The Company Secretary of JICL is responsible of looking after the affairs related to Board of Directors and arranging Board meeting with the consent of the Chairman of the Board and the Managing Director. He ensure timely circulation of notice and Board working papers to the Directors for Board meeting, recording minutes of the Board meetings and other committees formed by Board and that of the General meeting of the shareholders along with preparing implementation reports of those. The Secretary circulates relevant part of the decisions of the Board to the respective officials of the Company for implementation and signs agreements/lease documents on behalf of the Company. He further evaluates performance targets fixed by the Board from time to time and also provide guidance to the sub-ordinate officials in performing their responsibilities.

The Secretary ensures maintenance of good corporate governance through monitoring, advice and reporting not in corporate office but also in branches. He maintains regular communication with the Securities and Stock Exchanges and also arranges timely submission of statutory and regulatory reports.

Responsibilities of the Chief Financial Officer

The Chief Financial Officer of the Company performs following fundamental activities for the Company to be operated smoothly having strong financial condition/stability:

- To design and implement standard financial reporting methods.
- Authorizing all receipts & payment and ensure effective fund management and take proper step to minimize probable misuse of fund.
- Ensuring that financial reports and other information are submitted to the IDRA and other regulatory bodies on time.
- Preparing and presenting a reasonable budget, which includes establishing half-yearly and annual business goals.
- Overseeing the internal and external audit reports before finalizing.
- Overseeing income tax, value added tax and related matters of the Company.

Responsibilities of the Head of Internal Audit

The head of Internal Audit uses skills in organization and project management to better understand the record-keeping processes of an organization, while also offering recommendations for improvement.

Major duties accomplished by the Head and co-employees of the department includes analyzing and evaluating the accuracy of financial documents, compliance with federal regulations and also identifying the financial risk of the Company as well as recommending to reduce the probable risks. He is entitled to ensure timely completion of audits, finalization of those reports and submission to the concerned authority as well as to the Audit Committee of Board as the Committee monitors and controls the activities of the Internal Audit team. He is also responsible to identify ways of improving accounting and financial record keeping process and needs to determine ways to cut costs and improve profitability with assistance of his co-employee.

CORPORATE GOVERNANCE COMPLIANCE REPORT

Annexure-B

Status of compliance with the conditions imposed by the Bangladesh Securities and Exchange Commission's Notification No. SEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969 (XVII of 1969). (Report-under Condition no. 9.00) is presented below:

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
1	Board of directors:-			
1(1)	Size of the Board of Directors The total number of members of a company's Board of Directors (hereinafter referred to as Board) shall not be less than 5 (five) and more than 20 (twenty).	✓	-	The Board of Janata Insurance Company Ltd. is comprised of 18 (Eighteen) Directors.
1(2)	Independent directors			
1(2)(a)	At least one fifth (1/5) of the total number of directors in the company's Board shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s)	✓	-	There are 3 (Three) Independent Directors in Janata Insurance Company Ltd. as per Form XII
1(2)(b)	For the purpose of this clause Independent Director means a Director-			
1(2)(b)(i)	Who either does not hold any share in the company or hold less than one percent (1%) shares of the total paid up shares of the company.	✓	-	The Independent Directors have complied with the regulation, terms, conditions and made declaration accordingly
1(2)(b)(ii)	who is not sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his/her family members also should not hold above mentioned shares in the company.	✓	-	-
1(2)(b)(iii)	Who has not been an executive of the company in immediately preceding 2 (two) financial years.	✓	-	-
1(2)(b)(iv)	Who does not have any other relationship, Whether pecuniary or otherwise, with the company or its subsidiary associated companies?	✓	-	-
1(2)(b)(v)	Who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange?	-	-	No such incident
1(2)(b)(vi)	Who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market.	-	-	No such incident

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
1(2)(b)(vii)	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 or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this code.	✓	-	
1(2)(b)(viii)	Who is not independent director in more than 5 (five) listed companies.	✓	-	
1(2)(b)(ix)	Who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank financial institution (NBFI);	✓	-	-
1(2)(b)(x)	Who has not been convicted for a criminal offence involving moral turpitude;	✓	-	-
1(2)(c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM).	✓	-	Approved in the 36th AGM
1(2)(d)	The post of independent director(s) cannot remain vacant more than 90 (ninety) days	✓	-	-
1(2)(e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for (1) one tenure only.	✓	-	-
1(3)	Qualification of independent director :-	✓	-	-
1(3)(a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to business.	✓	-	-
1(3)(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of TK 100 million or any listed company or a member of any national or international chamber of commerce or business association, or	✓	-	-
1(3)(b)(ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid-up capital of Tk. 100.00 million or of a listed company, or	✓	-	-
1(3)(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in Economics or Commerce or Business or Law, or	✓	-	-

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law, or	✓	-	-
1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification,	✓	-	-
1(3)(c)	The independent director shall have at least 10 (ten) years of experience in any field mentioned in clause (b),	✓	-	-
1(3)(d)	In special cases the above qualifications or experiences may be relaxed subject to prior approval of the Commission.	-	-	Not Applicable
1(4)	Duality of Chairman of the Board of Directors and Managing Director Chief Executive Officer (CEO)			
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director (MD) and or Chief Executive Officer (CEO) of the company shall be filled by different individuals.	✓	-	-
1(4)(b)	The Managing Director and or Chief Executive Officer of a listed company shall not hold the same position in another listed company.	✓	-	-
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company.	✓	-	-
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer.	✓	-	-
1(4)(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non executive directors as Chairperson for that particular Boards meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	✓	-	-
1(5)	The Directors Report to Shareholders			
1(5)(i)	An industry outlook and possible future developments in the industry.	✓	-	-
1(5)(ii)	The Segment-wise or product-wise performance.	✓	-	-
1(5)(iii)	Risk and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any	✓	-	-
1(5)(iv)	A discussion on Cost of Goods Sold, Gross Profit Margin and Net Profit Margin, where applicable.	✓	-	-

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
1(5)(v)	A discussion on continuity of any extra ordinary activities and their implication (gains or loss).	-	✓	-
1(5)(vi)	A detailed discussion on related party transaction along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions.	✓	-	-
1(5)(vii)	A statement of utilization of proceeds raised through public issues, right issues, and/or any other instruments.	-	-	No such proceed received during the year.
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for initial public offering (IPO), Repeat public offering (RPO), Rights Share Offer, Direct Listing etc;	-	-	The financial result is not deteriorating.
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;	-	-	No such significant variance occurs.
1(5)(x)	A statement of remuneration paid to the directors including independent directors;	✓	-	-
1(5)(xi)	A statement that 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 change in equity.	✓	-	-
1(5)(xii)	A statement that Proper books of account of the issuer have been maintained;	✓	-	-
1(5)(xiii)	A statement that 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)	A statement that International accounting standards (IAS) or International Financial Reporting Standards (IFRS), 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)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored.	✓	-	-
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	✓	-	-
1(5)(xvii)	A statement that there is no significant doubt 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 there of shall be disclosed.	✓	-	-

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
1(5)(xviii)	An explanation that Significant deviations from that last year's operating result of the issuer company shall be highlighted and the reasons thereof should be explained	✓	-	-
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized.	✓	-	-
1(5)(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;	✓	-	6% Cash & 5% Bonus have been declared as dividend.
1(5)(xxi)	Boards statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	-	-	No such significant variance occurs.
1(5)(xxii)	The total number of board meetings held during the year and attendance by each director.	✓	-	-
1(5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:-			
1(5)(xxiii)(a)	Parent or subsidiary or Associated companies and other related parties (name wise details).	-	-	Not Applicable
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouse and minor children (name-wise detail)	✓	-	-
1(5)(xxiii)(c)	Executives and;	✓	-	-
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise detail)	-	-	Not Applicable
1(5)(xxiv)	In case of the appointment/re-appointment of a director, a disclosure on the following information to the shareholders.			
1(5)(xxiv)(a)	A brief resume of the director	✓	-	-
1(5)(xxiv)(b)	Nature of his/her expertise in specific functional areas; and	✓	-	-
1(5)(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the board	✓	-	-
1(5)(xxv)	A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:	✓	-	-
1(5)(xxv)(a)	accounting policies and estimation for preparation of financial statements;	✓	-	-

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
1(5)(xxv)(b)	changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	-	-	Not Applicable
1(5)(xxv)(c)	comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	✓	-	-
1(5)(xxv)(d)	compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	-	✓	-
1(5)(xxv)(e)	briefly explain the financial and economic scenario of the country and the globe;	✓	-	-
1(5)(xxv)(f)	risks and concerns issues related to the financial statements, explain such and concerns mitigation plan of the company; and	✓	-	-
1(5)(xxv)(g)	future plan or projection or forecast for company's operation, performance and financial position with justification thereof, i.e. actual position shall be explained to the shareholders in the next AGM;	✓	-	-
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A; and	✓	-	-
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C.	✓	-	-
1(6)	Meeting of the Board of Directors: The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this code.	✓	-	-
1(7)	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee(NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	✓	-	-

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
2	Governance of Board of Directors of Subsidiary company:-			
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company.	-	-	Not Applicable
2(b)	At least 1(one) independent director on the Board of the holding company shall be a director on the Board of the Subsidiary company;	-	-	Not Applicable
2(c)	The minutes of the Board meeting of the Subsidiary company shall be placed for review at the following board meeting of the holding company;	-	-	Not Applicable
2(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;	-	-	Not Applicable
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	-	-	Not Applicable
3	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS).-			
3(1)	Appointment			
3(1)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer(CFO), Head of internal Audit and Compliance(HIAC) and company Secretary(CS);	✓	-	-
3(1)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer(CFO), Head of internal Audit and Compliance(HIAC) and company Secretary(CS) shall be filled by different individuals;	✓	-	-
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;	✓	-	-
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	✓	-	-
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the commission and stock exchange(s)	-	-	Not Applicable
3(2)	Requirement to attend Board of Directors Meeting The MD or CEO,CS,CFO and HIAC shall attend the meeting of the board	✓	-	-

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
3(3)	Duties of Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO)			
3(3)(a)	The MD or CEO and CFO shall clearly certify to the board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:			
3(3)(a)(i)	these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	✓	-	-
3(3)(a)(ii)	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	✓	-	-
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members;	✓	-	-
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report	✓	-	-
4	Board of Directors' Committee.-			
4(i)	Audit Committee; and	✓	-	-
4(ii)	Nomination and Remuneration Committee	✓	-	-
5	Audit Committee			
5(1)	Responsibility to the Board of Directors			
5(1)(a)	The company shall have an Audit Committee as a subcommittee of the Board	✓	-	-
5(1)(b)	The Audit Committee shall assist the Board 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	✓	-	-
5(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	✓	-	-
5(2)	Constitution of the Audit Committee			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	✓	-	5 (Five) Member of Audit Committee.

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
5(2)(b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director	✓	-	-
5(2)(c)	All members of the audit committee should be “financially literate” and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience	✓	-	-
5(2)(d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before 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 shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee	-	-	Not Applicable
5(2)(e)	The company secretary shall act as the secretary of the Committee	✓	-	-
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director	✓	-	-
5(3)	Chairperson of the Audit Committee			
5(3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director	✓	-	-
5(3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes	✓	-	-
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM):	✓	-	-
5(4)	Meeting of the Audit Committee			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year	✓	-	-
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must	✓	-	-

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
5(5)	Role of Audit Committee			
5(5)(a)	Oversee the financial reporting process	✓	-	-
5(5)(b)	monitor choice of accounting policies and principles	✓	-	-
5(5)(c)	monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report	✓	-	-
5(5)(d)	oversee hiring and performance of external auditors;	✓	-	-
5(5)(e)	hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	✓	-	-
5(5)(f)	review along with the management, the annual financial statements before submission to the Board for approval;	✓	-	-
5(5)(g)	review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval	✓	-	-
5(5)(h)	review the adequacy of internal audit function	✓	-	-
5(5)(i)	review the Management's Discussion and Analysis before disclosing in the Annual Report;	✓	-	-
5(5)(j)	review statement of all related party transactions submitted by the management	✓	-	-
5(5)(k)	review Management Letters or Letter of Internal Control weakness issued by statutory auditors	✓	-	-
5(5)(l)	oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and	✓	-	-
5(5)(m)	oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission:	-	-	Not Applicable
5(6)	Reporting of the Audit Committee			
5(6)(a)	Reporting to the Board of Directors			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	✓	-	-

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
5(6)(ii)	The audit Committee shall immediately report to the Board on the following findings, if any:-			
5(6)(a)(ii)(a)	report on conflicts of interests	-	-	Not Applicable
5(6)(a)(ii)(b)	suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;	-	-	Not Applicable
5(6)(a)(ii)(c)	suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and	-	-	Not Applicable
5(6)(a)(ii)(d)	any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately	-	-	Not Applicable
5(6)(b)	Reporting to the Authorities If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board 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 for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.	-	-	Not Applicable
5(7)	Reporting to the shareholders and General Investors Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.	-	-	NIL
6	Nomination and Remuneration Committee (NRC):			
6(1)	Responsibility to the Board of Directors			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;	✓	-	-
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive	✓	-	-
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).	✓	-	-

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
6(2)	Constitution of the NRC			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	✓	-	-
6(2)(b)	All members of the Committee shall be non-executive directors	✓	-	-
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	✓	-	-
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee	✓	-	-
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee	-	-	Not Applicable
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;	-	-	Not Applicable
6(2)(g)	The company secretary shall act as the secretary of the Committee	✓	-	-
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director	✓	-	-
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company	✓	-	-
6(3)	Chairperson of the NRC			
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director	✓	-	-
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes	✓	-	-
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders	✓	-	-
6(4)	Meeting of the NRC			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year	✓	-	-
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC	-	-	Not Applicable

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	✓	-	-
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	✓	-	-
6(5)	Role of the NRC			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	✓	-	-
6(5)(b)(i)(a)	the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	✓	-	-
6(5)(b)(i)(b)	the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	✓	-	-
6(5)(b)(i)(c)	remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	✓	-	-
6(5)(b)(ii)	devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality	✓	-	-
6(5)(b)(iii)	identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	✓	-	-
6(5)(b)(iv)	formulating the criteria for evaluation of performance of independent directors and the Board	✓	-	-
6(5)(b)(v)	identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and	✓	-	-
6(5)(b)(vi)	developing, recommending and reviewing annually the company's human resources and training policies	✓	-	-
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	✓	-	-
7	External or Statutory Auditors.			
7(1)	Issuer Company shall not engage its external auditors to perform the following			
7(1)(i)	appraisal or valuation services or fairness opinions;	✓	-	-

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
7(1)(ii)	financial information systems design and implementation	✓	-	-
7(1)(iii)	book-keeping or other services related to the accounting records or financial statements;	✓	-	-
7(1)(iv)	broker-dealer services	✓	-	-
7(1)(v)	actuarial services;	✓	-	-
7(1)(vi)	internal audit services or special audit services;	✓	-	-
7(1)(vii)	any service that the Audit Committee determines	✓	-	-
7(1)(viii)	audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	✓	-	-
7(1)(ix)	Any other service that creates conflict of interest.	✓	-	-
7(2)	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; his or her family members also shall not hold any shares in the said company:	✓	-	-
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders	✓	-	-
8	Maintaining a website by the Company			
8(1)	The company shall have an official website linked with the website of the stock exchange.	✓	-	https://jiclb.com
8(2)	The company shall keep the website functional from the date of listing	✓	-	-
8(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	-	✓	-
9	Reporting and Compliance of Corporate Governance	✓	-	-
9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report	✓	-	-
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the Annual General Meeting.	✓	-	-
9(3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	✓	-	-

Annexure-B

**REPORT TO THE SHAREHOLDERS OF JANATA INSURANCE COMPANY LTD.
ON COMPLIANCE ON
THE CORPORATE GOVERNANCE CODE**

We have examined the compliance status to the Corporate Governance Code by JANATA INSURANCE COMPANY LTD. for the year ended December 31, 2021.

This Code relates to the Notification No. BSEC/CMMRRCD/2006-158/207/Admin/80 dated: 3 June 2018 of the Bangladesh Securities and Exchange Commission.

Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

This is a security and verification and independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretariats of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

We state that we have obtained all the information and explanations which is required and after due security and verification thereof, we report that in our opinion:

- a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above-mentioned Corporate Governance Code issued by the Commission;
- b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws; and
- d) The Governance of the company is satisfactory.



Fouzia Haque, FCA
Partner
FAMES & R
Chartered Accountants

Dated: July 03, 2022
Place : Dhaka

NOMINATION AND REMUNERATION COMMITTEE (NRC)

The Board of Directors of Janata Insurance Company Limited formed the NRC Committee in line with the Corporate Governance Condition No. 6(1) and other compliance as per 6(2) to 6(5) of BSEC notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018.

1. Purpose

The Committee assists the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive.

2 Authority

The Nomination and Remuneration Committee is a sub-committee of the Board of Janata Insurance Company Limited from which it derives its authority and to which it regularly reports.

The Committee has delegated authority from the Board in respect of the functions and powers set out in these Terms of Reference.

3. Constitution

Chairperson

- i) One member of the NRC to be Chairperson of the Committee appointed by the Board, who shall be an independent director;
- ii) In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;
- iii) The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders: Provided that in absence of Chairperson of the NRC, any other member from the NRC shall be selected to be present in the annual general meeting (AGM) for answering the shareholder's queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM.

3.2 Membership

- i) The Committee shall comprise of at least three members including an independent director;
- ii) All members of the Committee shall be non-executive directors;
- iii) Members of the Committee shall be nominated and appointed by the Board;
- iv) The Board shall have authority to remove and appoint any member of the Committee;
- v) In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the Board shall fill the vacancy within 180 (One hundred eighty) days of occurring such vacancy in the Committee;
- vi) The Chairperson of the Committee may appoint or co-opt any external expert and/or members(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or members(s) of staff shall be required or valuable for the Committee.

3.3 Secretary

- i) The company secretary shall act as the secretary of the Committee;
- #### 4. Proceedings of Meetings Frequency of Meetings
- i) The NRC shall conduct at least one meeting in a financial year;
 - ii) The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;

Quorum

- i) The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher,
- ii) The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;

Meeting Fees

- i) No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.

Minutes of Meeting

- i) The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.

5. Role of NRC

NRC shall be independent and responsible or accountable to the Board and to the shareholders; NRC shall oversee, among others, the following matters and make report with recommendation to the Board:

- i) formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:

5.2 1.1. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;

1.2. the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

1.3. remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;

- ii) devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;
- iii) Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;
- iv) formulating the criteria for evaluation of performance of independent directors and the Board;
- v) Identifying the company's needs for employees at different levels and determine their selection, transfer for replacement and promotion criteria; and
- vi) developing, recommending and reviewing annually the company's human resources and training policies;

The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.

CEO & CFO'S CERTIFICATE TO THE BOARD OF DIRECTORS IN RESPECT OF FINANCIAL REPORTING

As per condition No.1(5)(xxvi)], Janata Insurance Company Limited, Declaration by CEO and CFO.

The Board of Directors
Janata Insurance Company Limited
Corporate Office
GA/95/D, Link Road Middle Badda
Dhaka-1212.

Subject: Declaration on Financial Statements for the year ended on 31 December 2021.

Pursuant to the condition No.1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMR-RC-D/2006-158/207/ Admin/80; Date: 3 June 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

1. The Financial Statements of Janata Insurance Company Limited for the year ended on 31 December 2021 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
2. The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
3. The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
4. To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
5. Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
6. The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:-

- i. We have reviewed the financial statements for the year ended on 31 December 2021 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 collectively present 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 knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the Company's Board of Directors or its members.



Md. Rajaur Rahman
Chief Financial Officer (CFO)



Mohammad Abu Bakkar Siddique
Chief Executive Officer (CEO)

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:

The values of investment in shares & debentures have been taken at cost or market price whichever is lower.

The values of all assets as shown in the Financial Statements and as classified on Form "AA" annexed have been duly reviewed as at December 31, 2021 and in our belief, the said assets have been set forth in the Financial Statements at amounts not exceeding their realizable or market values under the several headings as enumerated in the annexed form.

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.



Mohammad Abu Bakkar Siddique
Chief Executive Officer



Belal Ahmed
Director



Qamrun Nahar
Director



Zafrul Islam Chowdhury
Chairman

REPORT OF THE AUDIT COMMITTEE

The Audit Committee of Janata Insurance Company Limited 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 Company Limited performs within the guidelines of Bangladesh Securities and Exchange Commission and also carries oversight responsibilities. The Board of Directors of the Company sets 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 limit. 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. Dipak Ranjan Datta FCA	Independent Director	Chairman
02.	Mr. Belal Ahmed	Director	Member
03.	Mr. Kamruddin Parvez	Director	Member
04.	Mr. Shahidul Quader Chowdhury	Director	Member
05.	Mr. Abu Hayder Chowdhury Amzad	Nominated Director	Member

As per BSEC Notification No. BSEC/CMRRCD/2006-158/Admin/80 dated 03 June, 2018, 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 Secretary of the Audit Committee. Senior officials of the Company attend in the meetings on invitation.

Meetings of the Audit Committee and major activities carried out

04 (Four) meetings of Audit Committee were held during the year 2021. All the members of the committee were present in the meetings. During the year under review the Committee, internally, carried out the following activities:

- Reviewed Internal Audit Plan for the year 2021 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, special audit report discussed on significant 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 2021 prepared by the management and audited by the External Auditor M/s. Huda Vasi Chowdhury & Co., Chartered Accountants and recommended 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 Company Limited for their excellent support in carrying out the duties and responsibilities of the Committee during the period under review.



Mr. Dipak Ranjan Datta FCA
Chairman, Audit Committee

29 December, 2021

Chief Executive Officer
Janata Insurance Company Limited
 Janata Insurance Bhaban, GA/95/D, Link Road,
 Middle Badda, Gulshan-1, Dhaka-1212

Subject: Credit Rating of Janata Insurance Company Limited

Dear Sir,

We are pleased to inform you that Alpha Credit Rating Limited (AlphaRating) has assigned the following ratings to **Janata Insurance Company Limited**.

Date of Declaration	Valid Till	Rating Action	Long Term Rating	Short Term Rating	Outlook
29 December, 2021	28 December, 2022	Surveillance	AA-	ST-2	Stable

The long-term & short-term rating is valid up to the earlier of 28 December, 2022. The rating may be changed or revised prior to expiry, if warranted by extraordinary circumstances in the management, operations and/or performance of the entity rated.

We, Alpha Credit Rating Limited, while assigning this rating to **Janata Insurance Company Limited**, hereby solemnly declare that:

- (i) We, Alpha Credit Rating Limited as well as the analysts of the rating have examined, prepared, finalized and issued this report without compromising with the matters of our conflict of interest, if there be any; and
- (ii) We have complied with all the requirements, policy and procedures of these rules as prescribed by the Bangladesh Securities and Exchange Commission in respect of this rating.

We hope the rating will serve the intended purpose of your organization.

With Kind Regards,


Mainul Islam Chowdhury FCCA
 Chief Operating Officer

This letter forms an integral part of the credit rating report.

BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES

Ref. No: CI-2022/072



Date of issue : January 26, 2022

Renewed Certificate

This is to certify that

JANATA INSURANCE COMPANY LIMITED

is an Ordinary Member of **Bangladesh Association of Publicly Listed Companies**
and is entitled to all the rights and privileges appertaining thereto.

This certificate remains current until 31st December 2022.




Secretary General

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 maintain 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 2021, 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	1178.12	Total Liabilities	1178.12
Less: Amount due from Others (3/4)	(229.95)	Sundry Creditors	(96.84)
Sundry debtors (Suspense A/C)	(198.79)	Amount Due to Others	(124.55)
Carpet & Curtain	(0.04)	Provision for Income Tax	(204.61)
		Deposit Premium	(3.37)
		Reserve for Unexpired Risks	(85.05)
		Reserve for exceptional losses	(82.59)
(A) Total Assets	749.34	(B) Total Liabilities	581.11
			2021
Solvency Margin Available (A-B) (749.34 - 581.11)			168.23



FINANCIAL STATEMENT

Hoda Vasi Chowdhury & Co

Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF JANATA INSURANCE COMPANY LIMITED

Report on the Audit of the Financial Statements

Opinion:

We have audited the financial statements of Janata Insurance Company Limited ("the Company") which comprise the Statement of Financial Position as at 31 December, 2021 and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Profit and Loss Appropriation Account, Statement of Changes in Shareholders' Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements presents fairly, in all material respects, the financial position of the Company as at 31 December 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Insurance Act 2010, the Insurance Rules 1958, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

Basis for Opinion:

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

Emphasis of Matter:

- We draw attention to Note 2.2.5 (iii) of the financial statements, which describes the reason for not establishing Workers' Profit Participation Fund by the Company according to Bangladesh Labour Act 2006 (as amended in 2013); and
- We draw attention to Note-2.2.9 of the financial statements, which describes matters related to implementation of 'IFRS 16 Leases' including preliminary assessment of its impact as assessed by management.

Our opinion is not modified in respect of these matters.

Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significant in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Premium income

Key Areas	Our Responses
<p>The Company has reported gross premium of Taka 396,188,251 for the year ended 31 December 2021 whereas gross premium was of Taka 335,559,619 for the year ended 31 December 2020.</p> <p>Gross premiums comprise the total premium received during the accounting period for which insurance policy has been issued by contracts with the Company.</p> <p>Given the important nature, connections to other items to the financial statements and sensitivity of the item we believe this area pose high level of risk.</p>	<p>We have tested the design and operating effectiveness of key controls in respect of various types of insurance focusing on the followings:</p> <ul style="list-style-type: none"> Carrying out analytical procedures and recalculated premium income for the period; Assessing the design and operating effectiveness of key controls in relation to recognition of premium income; Assessing the appropriateness of the Company's revenue recognition accounting policies by comparing with applicable accounting standard; Performing cut-off test to ensure unearned premium income has not been included in the premium income; Reviewing policy to ensure appropriate policy stamp was affixed to the contract on sample basis and also being reflected in the premium register; Checking the premium income being deposited in the designated bank account properly; Examining the appropriateness as to VAT being collected and deposited to bank through Treasury Challan; For a sample of insurance contracts tested to see if appropriate level of re-insurance was done and whether that re-insurance premium was deducted from the gross premium; Applying specialist judgment ensured if there is any impairment of their insurer; Critically assessing manual journals made to premium income to identify unusual or irregular items; and Finally assessing the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act 1938 (as amended in 2010), Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines. <p>Our testing did not identify any issues with regard to premium income.</p>

Refer to the note no. 25 to the financial statements

Estimated liability in respect of outstanding claims whether due or intimated and claim payment

Key Areas	Our Responses
<p>The amount represents the claim due or intimated from the insured and involves significant judgment and risk of understatement. As at 31 December 2021, the reported balance under the head of estimated liability in respect of outstanding claims whether due or intimated was Taka 8,318,301 and Claims paid in the year ended</p>	<p>We tested the design and operating effectiveness of controls around the due and intimated claim recording process.</p> <p>Followings are our audit procedures on the estimated liability in respect to outstanding claims:</p> <ul style="list-style-type: none"> Obtaining the claim register and testing for completeness of claims recorded in the register on sample basis; Obtaining claimed policy copy (on sample basis) and crosscheck it with claim;

Key Areas	Our Responses
31 December 2021 was Taka 46,601,852 whereas outstanding claims as at 31 December 2020 was Taka 2,722,009 and claims paid for the year ended 31 December 2020 was Taka 41,215,523. This provision has a direct impact on the profitability and liquidity of the Company. Considering the material impact on the financial statements, it has therefore been considered as key audit area.	<ul style="list-style-type: none"> • Checking survey reports to cross checked those against respective ledger balances and in case of discrepancy carried out further investigation; • Discussing with management as to the Company's basis for estimation and assessed their assumptions; • Reviewing the claim committee meeting minutes regarding decision taken as to impending claims; • Testing a sample of claims payments with intimation letter, survey report, bank statement, claim payment register and general ledger; and • Finally assessing the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act 1938 (as amended in 2010), Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines
Refer to the note no. 9 to the financial statements	

Carrying value (CV) of fixed assets and its impairment

Key Areas	Our Responses
<p>PPE includes the Company's long-term assets, which flow economic benefits to the entities more than one year. Fixed assets is measured at cost or revaluation less accumulated depreciation. The carrying value of property, plant & equipment amounting to Taka 140,467,906 as on 31 December 2021 which represents a significant amount against financial statements of the Company.</p> <p>The carrying value of fixed assets is the function of depreciation charges on cost/ revaluated amount that involved estimation. Therefore, it has been considered as a significant area of auditor's judgment and requires special attention. It is a matter of consideration that the carrying value of fixed assets may be higher than the recoverable amount and the impairment charges thereon may not have been recognized.</p>	<p>We have tested the design and operating effectiveness of key controls over fixed assets. Our audit procedures included, among others, considering the impairment risk of the assets.</p> <p>Followings are our audit procedures on the carrying value and impairment risk of fixed assets:</p> <ul style="list-style-type: none"> • Reviewing basis of recognition, measurement and valuation of assets; • Observing procedures of assets acquisition, depreciation and disposal; • Checking ownership of the major assets; • Checking the Capital-Work-in-Progress(CWIP) and its transfer to PPE as well as capital expenditure commitment; • Performing due physical asset verification on sample basis at the year-end; • Checking estimated rates of depreciation being used and assessing its fairness; • Discussing with the management about the fair value of the assets and assessing independently whether the CV approximates the fair value at the reporting date; • Evaluating the Company's assumptions in relation to recoverable amounts of the major fixed assets to identify if there is any requirement of recognition of impairment; and • Finally, assessing the appropriateness and presentation of disclosures against relevant accounting standards. <p>Our testing did not identify any issues with regard to CV of PPE and any indicators that would trigger impairment.</p>
Refer to the note no. 3 to the financial statements	

Other Information:

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

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

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

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

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements:

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

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

Dhaka 08 JUN 2022



Sk Md Tarikul Islam, FCA

Partner

Membership no: 1238

Hoda Vasi Chowdhury & Co

Chartered Accountants

DVC: 2206121238AS309553

Janata Insurance Company Limited

STATEMENT OF FINANCIAL POSITION

As at 31 December 2021

Particulars	Note	Amount in Taka	
		2021	2020
Capital and Liabilities			
Share capital			
Authorized share capital		1,000,000,000	1,000,000,000
Issued, Subscribed & Paid-up capital	4	443,980,120	422,838,210
Share premium	5	55,964,550	55,964,550
Reserve and contingency account		140,009,112	132,280,838
Reserve for exceptional losses	6	82,593,835	75,093,835
Investment fluctuation fund (fair value adjustment)	14	374,479	-
Profit & loss appropriation account		57,040,799	57,187,003
Total shareholders' equity (A)		639,953,782	611,083,598
Balance of funds and accounts	7	85,050,741	71,671,457
Fire insurance business		29,950,471	16,002,167
Marine insurance business		36,591,395	35,679,585
Motor insurance business		11,286,842	15,599,670
Miscellaneous insurance business		7,222,033	4,390,036
Premium deposits	8	3,369,188	10,421,671
Liabilities and Provisions		449,748,368	421,520,436
Estimated liabilities in respect of outstanding claims whether due or intimated	9	8,318,301	2,722,009
Amount due to other persons or bodies carrying on insurance business	10	124,547,694	78,105,660
Sundry creditors (including provision for expenses and taxes)	11	96,842,806	135,636,284
Provision for income tax	12	204,607,956	188,670,504
Deferred tax liabilities	13	15,431,611	16,385,979
Total liabilities (B)		538,168,297	503,613,564
Total shareholders' equity & liabilities (A+B)		1,178,122,080	1,114,697,162
Net assets value per share (NAV)	26.3	14.41	13.76

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

Janata Insurance Company Limited

STATEMENT OF FINANCIAL POSITION

As at 31 December 2021

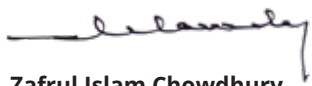
Particulars	Note	Amount in Taka	
		2021	2020
Assets			
Investments	14	45,505,669	30,535,724
Accrued interest on FDR and BGTB	15	7,785,676	6,524,724
Amount due from other persons or bodies carrying on insurance business	16	306,596,523	335,503,276
Sundry debtors (including advances, deposits, prepayments and others)	17	198,792,000	180,476,033
Cash and bank balances	18	477,099,327	427,723,806
Fixed deposit account (FDR)		454,672,872	410,852,262
Current account and cash in hand		3,740,886	6,230,953
STD & savings account		18,685,569	10,640,590
Other accounts	19	142,342,886	133,933,600
Fixed assets (at cost less accumulated depreciation)		140,467,906	132,422,324
Security deposits		530,691	530,691
Stock of printing item		387,821	706,838
Stock of stamps		956,468	273,747
Total Assets		1,178,122,080	1,114,697,162

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


Mohammad Abu Bakkar Siddique
Chief Executive Officer


Belal Ahmed
Director


Qamrun Nahar
Director


Zafrul Islam Chowdhury
Chairman

Signed as per our annexed report of same date.

Dhaka 08 JUN 2022


Sk Md Tarikul Islam, FCA
Partner
Membership no: 1238
Hoda Vasi Chowdhury & Co
Chartered Accountants
DVC: 2206121238AS309553

Janata Insurance Company Limited

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2021

Particulars	Note	Amount in Taka	
		2021	2020
Expenses of management (not applicable to any particular fund or account)		25,295,801	27,727,761
Advertisement expenses		587,132	317,864
Directors' fees	21	1,160,000	1,088,000
Interest on PF payable	11.5	3,088,827	3,497,163
Legal and professional fees		893,718	445,275
Audit fees	22	230,000	270,000
Contribution to PF	11.1	2,102,042	2,140,202
Group insurance expenses	23	783,200	1,465,821
Donation and subscription		765,000	1,213,000
Registration and renewals		1,291,459	1,147,601
Gratuity expenses	11.4	7,117,080	7,646,500
AGM expenses		181,536	77,820
Incentive bonus		-	1,823,250
Depreciation		7,095,807	6,595,265
Net profit transferred to other comprehensive income		81,924,366	77,750,282
Total		107,220,167	105,478,043
Interest and dividend income	20	27,304,294	27,906,910
Profit/(Loss) transferred from:		73,822,859	76,746,179
Fire revenue account		8,494,378	3,927,518
Marine revenue account		45,266,735	40,996,905
Motor revenue account		15,616,328	27,213,601
Miscellaneous revenue account		4,445,417	4,608,154
Capital gain on sale of shares		6,093,015	824,953
Total		107,220,167	105,478,043
OTHER COMPREHENSIVE INCOME			
Net profit before tax		81,924,366	77,750,281
Gain/(loss) from fair value changes of investment in shares		374,479	(733,440)
Profit and loss appropriation account		82,298,845	77,016,841

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


Mohammad Abu Bakkar Siddique
Chief Executive Officer



Belal Ahmed
Director


Qamrun Nahar
Director


Zafrul Islam Chowdhury
Chairman

Signed as per our annexed report of same date.

Dhaka 08 JUN 2022


Sk Md Tarikul Islam, FCA
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Janata Insurance Company Limited

PROFIT AND LOSS APPROPRIATION ACCOUNT

For the year ended 31 December 2021

Particulars	Note	Amount in Taka	
		2021	2020
Reserve for exceptional losses	6	7,500,000	5,000,000
Provision for income tax	12	26,730,930	24,956,607
Deferred tax (expenses)	13.1	-	105,439
Provision for arrear income tax (2017)	12.1	2,638,324	-
Dividend distributed from last year's profit (Stock dividend)		21,141,910	42,283,821
Dividend distributed from last year's profit (Cash dividend)		25,370,293	-
Balance transferred to statement of financial position		57,040,799	57,187,003
Total		140,422,256	129,532,869
Balance brought forward from previous year		57,543,522	52,516,028
Deferred tax (income)	13.1	954,368	-
Net Profit for the year brought down		81,924,366	77,016,841
Total		140,422,256	129,532,869
Earning per share (EPS)	26.2	1.21	1.19

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


Mohammad Abu Bakkar Siddique
Chief Executive Officer


Belal Ahmed
Director


Qamrun Nahar
Director


Zafrul Islam Chowdhury
Chairman

Signed as per our annexed report of same date.

Dhaka 08 JUN 2022


Sk Md Tarikul Islam, FCA
Partner
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Janata Insurance Company Limited

CONSOLIDATED REVENUE ACCOUNT

For the year ended 31 December 2021

Particulars	Note	Amount in Taka	
		2021	2020
Claim under policies less re-insurance:		52,198,144	34,580,110
Paid during the year		46,601,852	41,215,523
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	9	8,318,301	2,722,009
Less: Outstanding at the end of the previous year		(2,722,009)	(9,357,422)
Agency commission		17,962,108	36,222,921
Expenses of management	24	86,135,161	62,767,821
Insurance stamp expenses		302,890	172,350
Profit transferred to profit or loss and other comprehensive income		73,822,858	76,746,178
Reserve for unexpired risks of premium income	7	85,050,741	71,671,457
Total		315,472,602	282,160,836
Balance at the beginning of the year (Reserve for unexpired risks)		71,671,458	70,847,504
Premium less re-insurance	25	212,465,153	179,141,493
Commission on re-insurance ceded		31,335,991	32,171,840
Total		315,472,602	282,160,836

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


Mohammad Abu Bakkar Siddique
Chief Executive Officer


Belal Ahmed
Director


Qamrun Nahar
Director


Zafrul Islam Chowdhury
Chairman

Signed as per our annexed report of same date.

Dhaka 08 JUN 2022


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Janata Insurance Company Limited

FIRE INSURANCE REVENUE ACCOUNT

For the year ended 31 December 2021

Particulars	Note	Amount in Taka	
		2021	2020
Claim under policies less re-insurance:		23,565,486	26,472,358
Paid during the year		22,589,238	30,178,914
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	9	2,756,810	1,780,562
Less: Outstanding at the end of the previous year		(1,780,562)	(5,487,118)
Agency commission		5,614,015	12,835,482
Expenses of management	24.2	33,897,493	24,140,402
Insurance stamp expenses		207,900	73,800
Profit/ (Loss) transferred to profit or loss account		8,494,378	3,927,519
Reserve for unexpired risks of premium income	7	29,950,471	16,002,167
Total		101,729,743	83,451,728
Balance at the beginning of the year (Reserve for unexpired risks)		16,002,167	26,725,074
Premium less re-insurance	25	74,876,177	40,005,417
Commission on re-insurance ceded		10,851,399	16,721,237
Total		101,729,743	83,451,728

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


Mohammad Abu Bakkar Siddique
Chief Executive Officer


Belal Ahmed
Director


Qamrun Nahar
Director


Zafrul Islam Chowdhury
Chairman

Signed as per our annexed report of same date.

Dhaka 08 JUN 2022


Sk Md Tarikul Islam, FCA
Partner
Membership no: 1238
Hoda Vasi Chowdhury & Co
Chartered Accountants
DVC: 2206121238AS309553

Janata Insurance Company Limited

MARINE INSURANCE REVENUE ACCOUNT

For the year ended 31 December 2021

Particulars	Note	Amount in Taka	
		2021	2020
Claim under policies less re-insurance:		18,120,718	5,998,637
Paid during the year		17,526,090	7,955,138
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	9	638,127	43,499
Less: Outstanding at the end of the previous year		(43,499)	(2,000,000)
Agency commission		9,939,654	14,549,369
Expenses of management	24.2	29,150,694	23,086,897
Profit transferred to profit or loss account		45,266,735	40,996,906
Reserve for unexpired risk of premium income	7	36,591,395	35,679,585
Total		139,069,196	120,311,394
Balance at the beginning of the year (Reserve for unexpired risks)		35,679,585	22,379,072
Premium less re-insurance	25	91,316,788	89,161,811
Commission on re-insurance ceded		12,072,823	8,770,511
Total		139,069,196	120,311,394

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


Mohammad Abu Bakkar Siddique
Chief Executive Officer


Belal Ahmed
Director


Qamrun Nahar
Director


Zafrul Islam Chowdhury
Chairman

Signed as per our annexed report of same date.

Dhaka 08 JUN 2022


Sk Md Tarikul Islam, FCA
Partner
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Hoda Vasi Chowdhury & Co
Chartered Accountants
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Janata Insurance Company Limited


MOTOR INSURANCE REVENUE ACCOUNT

For the year ended 31 December 2021

Particulars	Note	Amount in Taka	
		2021	2020
Claim under policies less re-insurance:		9,299,736	2,668,568
Paid during the year		5,274,320	1,970,620
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	9	4,923,364	897,948
Less: Outstanding at the end of the previous year		(897,948)	(200,000)
Agency commission		1,206,065	5,493,983
Expenses of management	24.2	8,699,576	8,966,390
Insurance stamp expenses		93,290	97,850
Profit transferred to profit or loss account		15,616,328	27,213,601
Reserve for unexpired risks of premium income	7	11,286,842	15,599,670
Total		46,201,837	60,040,063
Balance at the beginning of the year (Reserve for unexpired risks)		15,599,670	19,755,562
Premium less re-insurance	25	28,217,105	38,999,176
Commission on re-insurance ceded		2,385,062	1,285,325
Total		46,201,837	60,040,063

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


Mohammad Abu Bakkar Siddique
Chief Executive Officer


Belal Ahmed
Director


Qamrun Nahar
Director


Zafrul Islam Chowdhury
Chairman

Signed as per our annexed report of same date.

Dhaka 08 JUN 2022


Sk Md Tarikul Islam, FCA
Partner
Membership no: 1238
Hoda Vasi Chowdhury & Co
Chartered Accountants
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Janata Insurance Company Limited

MISCELLANEOUS INSURANCE REVENUE ACCOUNT

For the year ended 31 December 2021

Particulars	Note	Amount in Taka	
		2021	2020
Claim under policies less re-insurance		1,212,204	(559,454)
Paid during the year		1,212,204	1,110,851
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	9	-	-
Less: Outstanding at the end of the previous year		-	(1,670,304)
Agency commission		1,203,074	3,344,087
Expenses of management	24.2	14,387,397	6,574,131
Insurance stamp expenses		1,700	700
Profit transferred to profit or loss account		4,445,417	4,608,153
Reserve for unexpired risks of premium income	7	7,222,033	4,390,036
Total		28,471,826	18,357,653
Balance at the beginning of the year (Reserve for unexpired risks)		4,390,036	1,987,796
Premium less re-insurance	25	18,055,083	10,975,089
Commission on re-insurance ceded		6,026,707	5,394,767
Total		28,471,826	18,357,653

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


Mohammad Abu Bakkar Siddique
Chief Executive Officer


Belal Ahmed
Director


Qamrun Nahar
Director


Zafrul Islam Chowdhury
Chairman

Signed as per our annexed report of same date.

Dhaka 08 JUN 2022


Sk Md Tarikul Islam, FCA
Partner
Membership no: 1238
Hoda Vasi Chowdhury & Co
Chartered Accountants
DVC: 2206121238AS309553

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2021

Amount in Taka

Particulars	Paid up capital	Share premium	Reserve for exceptional losses	Investment Fluctuation Fund	Retained earnings	Total
Balance as on 01 January 2021	422,838,210	55,964,550	75,093,835	-	57,187,003	611,083,598
Prior period adjustment **	-	-	-	(356,519)	356,519	-
Revised balance as on 01 January 2021	422,838,210	55,964,550	75,093,835	(356,519)	57,543,522	611,083,598
Stock dividend paid 2020	21,141,910	-	-	-	(21,141,910)	-
Cash dividend paid 2020	-	-	-	-	(25,370,293)	(25,370,293)
Reserve for exceptional losses	-	-	7,500,000	-	(7,500,000)	-
Fair value adjustment of investment in shares	-	-	-	730,997	-	730,997
Current year's net profit (after tax)	-	-	-	-	53,509,480	53,509,480
Balance as on 31 December 2021	443,980,120	55,964,550	82,593,835	374,478	57,040,799	639,953,782
Balance as on 01 January 2020	422,838,210	55,964,550	70,093,835	-	52,516,029	601,412,624
Dividend paid for 2017 in the form of bonus share	-	-	-	-	(42,283,821)	(42,283,821)
Reserve for exceptional losses	-	-	5,000,000	-	(5,000,000)	-
Investment fluctuation fund (Changes in fair value)	-	-	-	-	(733,440)	(733,440)
Current year's net profit (after tax)	-	-	-	-	52,688,235	52,688,235
Balance as on 31 December 2020	422,838,210	55,964,550	75,093,835	-	57,187,003	611,083,598

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

** Inadvertently, management made an error in recognizing gain on sale of investment in shares in 2020 which has been rectified during the year. The amount being immaterial, no restatement of financial statements have been made.


Mohammad Abu Bakkar Siddique
 Chief Executive Officer


Belal Ahmed
 Director


Qamrun Nahar
 Director


Zafrul Islam Chowdhury
 Chairman

Signed as per our annexed report of same date.



Sk Md Tarikul Islam, FCA
 Partner
 Membership no: 1238
 Hoda Vasi Chowdhury & Co
 Chartered Accountants
 DVC: 2206121238AS309553

Dhaka **08 JUN 2022**

Janata Insurance Company Limited

STATEMENT OF CASH FLOWS

For the year ended 31 December 2021

Particulars	Note	Amount in Taka	
		2021	2020
Cash flows from operating activities:			
Premium and other income		361,555,110	350,646,174
Management expenses, re-insurance, claims & others		(197,396,452)	(237,804,896)
VAT		(30,596,922)	(28,561,285)
Income tax		(48,281,936)	(21,052,447)
Net cash flows (used) / from operating activities		85,279,801	63,227,546
Cash flows from investing activities:			
Acquisition of fixed assets		(11,257,089)	(1,028,239)
Interest & other income		27,230,951	25,862,687
Investment in share		(10,000,000)	(2,000,000)
Net cash used in investing activities		5,973,862	22,834,448
Cash flows from financing activities:			
Dividend income		73,343	4,330
Dividend paid during the year		(41,951,484)	(18,500,000)
Total cash used in financing activities		(41,878,141)	(18,495,670)
Net increase in cash & cash equivalents during the year		49,375,522	67,566,325
Opening cash & cash equivalents at beginning of the year		427,723,806	360,157,481
Closing cash & cash equivalents at end of the year		477,099,327	427,723,806
Net operating cash flows per share	26.4	1.92	1.42

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


Mohammad Abu Bakkar Siddique
 Chief Executive Officer


Belal Ahmed
 Director


Qamrun Nahar
 Director


Zafrul Islam Chowdhury
 Chairman

Signed as per our annexed report of same date.

Dhaka 08 JUN 2022


Sk Md Tarikul Islam, FCA
 Partner
 Membership no: 1238
 Hoda Vasi Chowdhury & Co
 Chartered Accountants
 DVC: 2206121238AS309553

Janata Insurance Company Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2021

1. Legal status and nature of the Company:

Janata Insurance Company Limited (hereinafter referred to as "JICL" or "the Company") was incorporated as a non-listed public limited Company on 23rd September, 1986 and obtained the certificate of commencement of business as on 23rd September, 1986 under the Companies Act 1913 which was amended in 1994. The Company obtained insurance license from the Controller of Insurance in 30th November, 1986. JICL went for public issue and listing in 1994 and 1995 under Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited respectively.

The registered office of the Company is located at Ga/95/D, Link Road, Middle Badda, Gulshan – 1, Dhaka-1212, Bangladesh. At present the Company operates its business through 17 branches excluding Head Office.

1.1 Nature of business:

The principal activities of the Company is to offer general insurance products that includes fire and allied perils insurance, marine cargo and hull insurance, motor insurance and miscellaneous insurance. These products offer protection of policyholders' assets and indemnification of other parties that have suffered damage as a result of policyholders' accident. Revenue from above activities is derived primarily from insurance premiums.

1.2 Date of Financial Statements Authorized for Issue:

The financial statements of the Company for the year ended December 31, 2021 have been authorized by the Board of Directors for issue on June 08, 2022 in accordance with a resolution of the Board of the Company.

2 Structure, Content and Presentation of Significant accounting policies:

2.1 Basis of preparation

- (i) The management 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, the Insurance Act 1938 (as amended in 2010) [hereinafter referred to as "the Insurance Act 2010"], the Companies Act 1994 and the International Financial Reporting Standards (IFRS) 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.

The financial statements have been prepared on going concern and accrual basis under the historical cost convention. The balance sheet has been prepared in accordance with the regulations as contained in parts I of the First Schedule and as per Form "A" as set forth Part II of that schedule, Profit and Loss Account and Profit and Loss Appropriation Account has been prepared in accordance with the regulations as contained in Part I of the Second Schedule and as per Form "B" & "C" as set forth in Part II of that Schedule respectively and the Revenue Accounts of each class of General Insurance business has been prepared in accordance with the regulation as contained in part I of the Third Schedule and as per Form "F" as set forth in Part II of the Schedule of the Insurance Act, 2010. Statement of cash flow and Statement of changes in equity has been prepared in accordance with IFRS.

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 third Schedule of the Insurance Act, 2010. The classified summary of the assets has been prepared in accordance with Form "AA" as set forth in Part-II of the aforesaid Act. The Statement of Cash Flows and Statement of Changes in Equity has been prepared in accordance with IFRS and as per requirement of the Bangladesh Securities and Exchange Rules 1987.

(ii) Structure, content and presentation of financial statements

Being the general purpose financial statements, the presentation of these financial statements is in accordance with the guidelines provided by per requirement of Insurance Act, 2010 and International Accounting Standard 1 (IAS-1): Presentation of Financial Statements. A complete set of financial statements comprise:

- a) Statement of Financial Position.
- b) Statement of Profit or Loss & Other Comprehensive Income.
- c) Profit and loss appropriation account.
- d) Statement of changes in equity.
- e) Statement of cash flows.
- f) Consolidated all business revenue account.
- g) Fire insurance revenue account.
- h) Motor insurance revenue account.
- i) Marine insurance revenue account.
- j) Miscellaneous insurance revenue account and
- k) Notes to the Financial Statements.

(iii) 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 should the Company be unable to continue as a going concern.

(iv) Functional and presentation currency:

These financial statements are presented in Taka, which is the Company's functional currency except as indicated.

(v) Use of estimates and judgement:

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates is revised and in any future periods affected

(vi) Reporting period:

Financial statements of the Company cover one calendar year from 1st January, 2021 to 31st December, 2021 consistently.

2.2 Significant accounting policies:

2.2.1 Reserves for exceptional losses:

As per 4th schedule of Income Tax Ordinance, 1984, upto 10% of premium income may be maintained as reserve for exceptional losses out of profit by the Company to meet exceptional possible future claims. However, the Company maintained 3.54% (approximate) of premium income as reserve for exceptional losses.

2.2.2 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 the Insurance Act, 2010.

2.2.3 Provision for Liabilities:

According to IAS 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.

2.2.4 Income tax:

Income tax expense comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to items recognized directly in equity or in OCI (Other Comprehensive Income).

(i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to tax payable or receivable in respect of previous years. The amount of current tax payable is the best estimate of the tax amount expected to be paid that reflects uncertainty related to income tax, if any. Current tax assets/liabilities are offset if certain criteria are met. It is measured using tax rates enacted or substantively enacted at the reporting period. The applicable tax rate for JICL is currently 37.5%.

(ii) Deferred tax

Deferred tax asset or liability is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. 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.

2.2.5 Employees Benefit Plans:

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

i) Defined contribution plan (provident fund):

The Company operates a recognized provident fund scheme where employees contribute 10% of their basic salary with equal contribution by the Company. The provident fund is considered as defined contribution plan being managed by a Board of Trustees.

ii) Defined benefit plan (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.

iii) Workers Profit Participation Fund (WPPF):

Section 234 of chapter 15 of the Bangladesh Labour Act, 2006 (as amended in 2013) requires every company to establish a workers' Participation Fund and Welfare Fund. However, Bank and Financial Institutions Division (BFID), on behalf of the financial institution sector, requested clarification from the Labour Ministry regarding the applicability of the provisions for the sector. Similarly Bangladesh Insurance Association has corresponded with Financial Ministry on this matter requesting for exemption for Insurance Companies. As no decision has been yet concluded on such communications, the management is yet to provide for the said provision.

2.2.6 Investment:

Investments are initially recognized at cost including acquisition charges with the investments. After initial recognition, investments in marketable ordinary shares have been valued at market price on an aggregate portfolio basis. Investment in non-marketable shares have been valued at cost. Full provision for diminution in value of shares as on closing of the year on aggregate portfolio basis is made in the financial statements.

2.2.7 Fixed Assets & Depreciation:

(i) Recognition and measurement:

Items of property, plant and equipment are measured at cost less accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition of asset. The cost of self constructed asset includes the cost of material, direct labour and any other costs directly attributable to bringing the assets to the working condition for their intended use.

(ii) Subsequent costs:

Subsequent to initial recognition, cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. All other repair and maintenance expenses are charged in statement of profit or loss as they are incurred.

(iii) Depreciation:

Depreciation is charged on fixed assets has been calculated on all assets using reducing balance method in accordance with IAS-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. Category wise depreciation of fixed assets were as follows:

Name of Assets	Rate of Depreciation
Building	5%
Office Decoration	10%
Furniture & Fixture	10%
Motor Vehicles	20%
Carpet & Curtain	10%
Office Equipment	15%

2.2.8 Intangible assets :

i) Recognition and measurement

Intangible assets include cost of acquisition of accounting software. Intangible assets are stated at cost less accumulated amortization & accumulated impairment. The costs are capitalized in the year in which the relevant software is available for use according IAS 38. All upgrading and enhancements are generally charged off as revenue expenditure unless they bring similar significant benefits in the long term.

ii) Amortization

Amortization is charged in profit or loss applying the reducing balance method. Amortization on additions are charged from the month of acquisition. Amortization is charged at the rates of 50% and no amortization is charged in the year of disposal.

2.2.9 IFRS 16: Lease

Initial application of IFRS-16 Leases came into effect on 1st January 2019. IFRS 16 introduces new or amended requirements with respect to lease accounting. It introduces significant changes to lessee accounting by removing the distinction between operating and finance lease and requiring the recognition of a right-of-use asset and a lease liability at commencement for all leases, except for short-term leases and leases of low value assets.

However, the Company has few leasehold properties where branch offices of the Company operate and the Head Office Building is under its ownership. The management of the Company opted not to adopt the new standard in the current financial year.

2.3 Valuation of Assets:

The value of all assets at December 31, 2021 has been shown in the financial statements and in the classified summary of assets on Form "AA" annexed with this report at the amounts shown not exceeding their book value.

2.3.1 Cash and cash equivalents:

Cash and cash equivalents consist of cash, short term fixed deposits, and bank balances.

2.3.2 Statement of Cash Flows:

Statement of cash flows is prepared in accordance with International Accounting Standard 7: Statement of cash flows. Cash flows from operating activities have been presented using direct method.

2.3.3 Management Expenses:

New SRO 280 Act/2018, Dated 26th September 2018 of the Insurance Act, 2010, all relevant management expenses 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.

2.3.4 Revenue recognition:**(i) Gross premium**

Gross general insurance premium comprise the total premium received for the whole period of cover provided by contracts entered into during the accounting period. They are recognized in the year on which the policy issued. Re-insurance premium are deducted from the gross premium to present the net premium income from insurance business.

Unearned premiums are those proportions of premiums written in a year that relate to periods of risk after the reporting date. Unearned premiums are calculated as required by the Insurance Act, 2010. The proportion attributable to subsequent periods is deferred as a provision for unearned premiums.

(ii) Re-insurance commission

Re-insurance commission are recognized as revenue over the period in which the related services are performed.

(iii) 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 3rd quarter of the year 2021 as per previous practice

(iv) Investment income (BGTB):

Interest income on Bangladesh Government Treasury Bond (BGTB) is recognized in the profit & loss account as it accrues and is calculated using the effective interest rate method. Fees and commissions that are an integral part of the effective yield of the financial asset or liability are recognized as an adjustment to the effective interest rate of the instrument.

(v) Dividend income and profit/(loss) on sale of marketable securities:

Dividend income is recognized on accrual basis in the period in which the dividend is declared and approved in annual

general meeting whereas profit or loss arising from the sale of securities is accounted for only when shares are sold in the market and profit is realized and loss is incurred

(vi) Interest on fixed deposit:

Interest income on fixed deposit is recognized on an accrual basis in the period in which the income is accrued.

2.3.5 Fair value adjustment in investment in shares:

The Company has made investment in capital market in a large portfolio and income generated from investment (realized gain) is credited to statement of profit or loss and other comprehensive income. Unrealized capital gain or loss if any, has been accounted for through other comprehensive income. Investment in shares that do not have any quoted market price in the active market and whose fair value cannot be measured realizably are recognized at cost. Investment fluctuation fund (changes in fair value) unrealized capital gain or loss has been shown in vertical form under the column Retained Earnings of statement of changes in equity as well as it has also been included in Profit and Loss Appropriation Account

2.3.6 Earning Per Share (EPS):

The Company presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period

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.

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:

Diluted EPS is calculated if there is any commitment for issuance of equity shares in foreseeable future, i.e., potential shares, without inflow of resources to the Company against such issue. There was no such commitment during the year and accordingly no dilution is required in the year 2021.

2.3.7 Comparatives Figure:

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

2.3.8 Disclosure of departure from few requirements of IAS/IFRS due to mandatory compliance of Insurance Act's requirements:

The Janata Insurance Company Limited's management has followed the principles of International Accounting Standard (IAS) & International Financial Reporting Standard (IFRS) consistently in preparation of the Financial Statements to that extent as applicable to Janata Insurance Company Limited (JICL). Some requirements of Insurance

Act 2010 and Insurance Rules 1958 and regulations contradict with those of financial instruments and general provision standards of IAS and IFRS. As such the JICL has departed from those contradictory requirements of IAS/IFRS in order to comply with the rules and regulations of IDRA, Bangladesh which are disclosed below along with financial impact where applicable:

- a) Investments in quoted shares and unquoted shares are revalued at the year end at market price and as per book value of last audited balance sheet respectively. However, investment in shares are equity instruments that are designated at the date of initial application of IFRS 9 as FVOCI (original classification under IAS 39 was available-for-sale). Unlike IAS 39, the accumulated fair value reserve related to these investments will never be reclassified to profit or loss
- b) Unexpired risk provision on insurance premium and re-insurance premium are followed as per Principle of Insurance. However such general provision cannot satisfy the conditions of provision as per International Accounting Standard (IAS) 37: Provisions, Contingent Liabilities and Contingent Assets.
- c) As per IDRA guidelines, financial instruments are categorized, recognized and measured differently from those prescribed in IFRS-09: Financial Instrument: Recognition and Measurement. As such some disclosure and presentation requirements of International Financial Reporting Standard (IFRS) have been departed in order to comply with the rules and regulations of IDRA.
- d) Financial Instrument: Disclosures, IFRS-07 has not been made in the accounts comply with regulatory requirements.

2.3.9 Event after the reporting period:

(a) Proposed Dividend:

The Proposed dividend is not recognized as a liability in the statement of financial position in accordance with the IAS-10 Events after the Reporting Period. Dividend payable to the Company's shareholders are recognized as a liability and deducted from shareholders equity in the period in which the shareholders right to receive payment is establishment.

Janata Insurance Company Limited
SCHEDULE OF FIXED ASSETS
 As at 31 December 2021

Note 3: Schedule of fixed assets

Amount in Taka

Particulars	Cost			Depreciation				Balance as on 31.12.2021
	Balance as on 01.01.2021	Addition during the year	Adjustment/ Disposal during the year	Balance as on 31.12.2021	Rate (%)	Charged during the year	Adjustment/ Disposal	
Land	56,650,075	-	-	56,650,075	-	-	-	56,650,075
Building	77,031,633	-	-	77,031,633	5%	2,619,689	-	49,774,097
Office decoration	20,080,254	8,442,087	-	28,522,341	10%	1,062,003	-	14,074,078
Furniture & fixture	9,481,739	5,383,220	-	14,864,959	10%	458,933	-	8,415,023
Motor vehicles	18,308,576	-	-	18,308,576	20%	1,554,904	-	4,256,597
Carpet & curtain	645,568	-	-	645,568	10%	4,506	-	40,555
Office equipment	24,954,918	694,082	-	25,649,000	15%	1,082,106	-	6,509,983
Software installation	-	622,000	-	622,000	50%	225,833	-	396,167
Sundry assets	1,137,800	-	-	1,137,800	20%	87,833	-	351,331
Total	208,290,563	15,141,389	-	223,431,952	-	7,095,807	-	140,467,906
								82,964,046

Particulars	Note	Amount in Taka	
		2021	2020
4 Share capital:			
Authorized share capital:			
100,000,000 Ordinary shares of taka 10 each.		1,000,000,000	1,000,000,000
Issued, Subscribed and Paid-up capital:			
6,000,000 Ordinary shares of taka 10 each fully paid-up (Sponsors/Promoters plus IPO)		60,000,000	60,000,000
16,262,400 Ordinary shares of taka 10 each fully paid-up (Right shares issue)		162,624,000	162,624,000
18,007,906 Ordinary shares of taka 10 each issued as bonus shares		180,079,060	180,079,060
2,013,515 Ordinary shares of taka 10 each issued as bonus shares		20,135,150	20,135,150
21,14,191 Ordinary shares of taka 10 each issued as bonus shares		21,141,910	-
Total		443,980,120	422,838,210

Share holding position is as under:

Name	No. of Shares	Holdings %	Amount	Amount
Sponsors and Directors	17,337,424	39.05%	173,374,237	163,469,252
Institute	2,379,733	5.36%	23,797,334	38,562,845
General public	24,680,855	55.59%	246,808,549	220,806,113
Total	44,398,012	100%	443,980,120	422,838,210

5 Share premium:

Opening balance

55,964,550	55,964,550
55,964,550	55,964,550

Closing balance

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

6 Reserve for exceptional losses:

Opening balance

75,093,835	70,093,835
7,500,000	5,000,000

Addition during the year

Closing balance

82,593,835	75,093,835
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7 Balance of fund and accounts:

Fire insurance business

29,950,471	16,002,167
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Marine cargo insurance business

36,483,595	35,654,818
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Marine hull insurance business

107,800	24,767
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Motor insurance business

11,286,842	15,599,670
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Miscellaneous insurance business

7,222,033	4,390,036
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85,050,741	71,671,457
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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 %	Balance of fund	
Fire	74,836,177	40%	29,950,471	16,002,167
Marine Cargo	91,208,988	40%	36,483,595	35,654,818
Marine Hull	107,800	100%	107,800	24,767
Motor	28,217,105	40%	11,286,842	15,599,670
Miscellaneous	18,055,083	40%	7,222,033	4,390,036
Total	212,465,153	-	85,050,741	71,671,457

Particulars	Note	Amount in Taka	
		2021	2020

8 Premium deposits:

Balance on this account represents premium received against cover notes which were not converted into policies within 31 December 2021. As of 31 December 2021, cover notes beyond 9 (nine) months have been converted into policies consistently.

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

Business -

Marine Cargo	3,369,188	10,421,671
	3,369,188	10,421,671

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

(a) Fire insurance business	2,756,810	1,780,562
(b) Marine Cargo insurance business	638,127	43,499
(c) Motor insurance business	4,923,364	897,948
(d) Miscellaneous insurance business	-	-
	8,318,301	2,722,009

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

10 Amount due to other persons or bodies carrying on insurance business:

This represents the amount payable to Sadharan Bima Corporation and other re-insurers and private sector insurance companies on account of re-insurance and co-insurance premium as at December 31, 2021, the details of which are hereunder:

Sadharan Bima Corporation	124,547,694	76,323,789
Bangladesh National Insurance Co. Ltd.	-	53,590
Eastern Insurance Co. Ltd.	-	251,052
Federal Insurance Co. Ltd.	-	151,480
Northern General Insurance Co. Ltd.	-	126,422
Phoenix Insurance Co. Ltd.	-	350,135
Purabi General Insurance Ltd.	-	160,955
Prime Insurance Co. Ltd.	-	3,203
Rupali Insurance Co. Ltd.	-	239,665
United Insurance Co. Ltd.	-	68,567
Global Insurance Ltd.	-	168,616
Dhaka Insurance Ltd.	-	52,759
Takaful Islami Ins. Co. Ltd.	-	8,763
Asia Insurance Co. Ltd.	-	139,521
Islami Commercial Insurance Co. Ltd.	-	7,143
	124,547,694	78,105,660

Balance with the co-insurers are being shown after making adjustment/net off considering the above mutual facts.

Particulars	Note	Amount in Taka	
		2021	2020
11 Sundry creditors (including provision for expenses and taxes):			
Income tax payable (Deduction at source)		103,152	4,960,185
Provident fund payable	11.1	423,419	462,998
Dividend payable**	11.2	-	28,780,939
VAT payable	11.3	2,780,994	5,679,795
Gratuity account	11.4	46,932,225	41,660,805
Loan from PF	11.5	41,699,162	47,212,245
Incentive bonus		1,823,250	1,823,250
Salary payable		-	2,317,123
Insurance stamp payable		2,607,854	950,986
Security deposit		7,000	7,000
Audit fee payable		465,750	532,750
Office rent payable		-	381,203
Underwriting commission payable		-	236,452
Group insurance claim payable		-	500,000
Provision for diminution in value of investment		-	130,553
		96,842,806	135,636,284

**An amount of Tk 92 lac approximately was included in the dividend payable which was previously paid by the Company but was not adjusted appropriately. This being an error having an immaterial impact on the financial statements, the adjustments have been made in the current year.

11.1 Provident fund payable:

Particulars	PF Company contribution	PF employ contribution	Employ loan	Balance of fund	
Balance as on 01.01.21	172,127	172,127	118,744	462,998	-
Add: Contribution & Provision for the year	2,102,042	2,102,042	1,452,352	5,656,436	5,692,203
Total	2,274,169	2,274,169	1,571,096	6,119,434	5,692,203
Less: Payment made during the year	2,119,806	2,119,806	1,456,403	5,696,015	5,229,205
Balance as on 31.12.21	154,363	154,363	114,693	423,419	462,998

11.2 Unpaid dividend:

During the year the balance of unpaid dividend paid off.

11.3 VAT Payable:

The above VAT payable amount has been provided by the company as unpaid VAT upto 31.12.2021 and subsequently paid the amount fully.

11.4 Provision for Gratuity:

Opening balance	41,660,805	34,314,305
Add: Provision made during the year	7,117,080	7,646,500
Current year's provision	3,117,080	3,646,500
Arrear provision	4,000,000	4,000,000
	48,777,885	41,960,805
Less: Paid during the year	1,845,660	300,000
Closing balance	46,932,225	41,660,805

Particulars	Note	Amount in Taka	
		2021	2020
11.5 Loan from PF (with interest):			
Opening balance		47,212,245	50,650,208
Add: Provision made during the year (Interest)		3,088,827	3,497,163
Current year's loan received		-	-
		50,301,072	54,147,371
Less: Paid during the year		8,601,910	6,935,126
Closing balance		41,699,162	47,212,245
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 by giving most preference.			
12 Provision for Taxation:			
Opening balance		188,670,504	163,713,897
Add: Provision for the year	12.1	29,369,254	24,956,607
Less: Adjustment related to settlement of tax claim of 2017		(13,431,802)	-
Closing balance		204,607,956	188,670,504
12.1 Provision for income tax during the year			
Provision of income tax on current year's taxable income		26,730,930	26,197,975
Add: Provision for arrear income tax (2017)		2,638,324	-
Less: Adjustment for prior year's over provision		-	(1,241,368)
		29,369,254	24,956,607
13 Deferred tax liabilities			
Opening Balance		16,385,979	16,280,540
Add: Adjustment during the year	13.1	(954,368)	105,439
		15,431,611	16,385,979
13.1 Deferred tax liabilities during the year:			
Deferred tax on fixed assets:			
Book value as per balance sheet		83,817,831	73,053,769
Less: Book value as per tax base		77,471,894	64,162,852
Taxable temporary difference		6,345,937	8,890,917
Tax rate		37.50%	37.50%
Deferred tax liabilities		(2,379,726)	(3,334,094)
Opening deferred tax liabilities		(3,334,094)	(3,228,655)
Closing deferred tax liabilities		(2,379,726)	(3,334,094)
Deferred tax (income) / expenses		(954,368)	105,439
14 Investment in share and bond:			
Bangladesh Govt. Treasury Bond		25,000,000	25,000,000
Shares of listed Companies	14.1	20,505,669	5,535,724
		45,505,669	30,535,724

Note that 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 up to December 31, 2021 has been accounted for.

Particulars	Note	Amount in Taka	
		2021	2020

14.1 Investment in shares:

These are made up as follows:

Ordinary Shares	No. of Share as on 31.12.2021	Cost price as on 31.12.2020	Market Rate	Market Value as on 31.12.2021	Fair Value Reserve Fund
BATBC	7,398	4,698,849	634.50	4,694,031	(4,818)
Squrpharma	10,000	2,163,395	214.20	2,142,000	21,395)
Robi	52,300	2,736,080	34.60	1,809,580	(926,500)
BRAC Bank	218,000	10,500,772	54.30	11,837,400	1,336,628
Ringshine	2,312	32,094	9.80	22,658	(9,436)
Total	290,010	20,131,190		20,505,669	374,479

Brokerage House Name	Cost price as on 31.12.2021	Market value as on 31.12.2021	Fair Value Reserve Fund
UCB Stock Brokerage Ltd.	19,073,978	19,528,269	454,291
Wifang Securities Ltd.	1,057,212	977,400	(79,812)
Total	20,131,190	20,505,669	374,479

Provision has been recognised for the difference amount between the market value of shares as on 31.12.2021 and at the cost price of the shares.

15 Accrued interest on FDR & BGTB:

Accrued interest on Fixed Deposit (FDR)

Accrued interest on Bangladesh Govt. Treasury Bond (BGTB)

7,160,774	5,951,667
624,902	573,057
7,785,676	6,524,724

16 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, 2021 the details of which are as under:

Sadharan Bima Corporation**	305,297,576	333,604,549
Bangladesh General Insurance Co. Ltd.	15,087	15,087
Bangladesh Co-Operative Insurance Co. Ltd.	132,612	132,612
Eastland Insurance Co. Ltd.	36,357	36,357
Green Delta Insurance Co. Ltd.	157,177	157,177
Karnaphuli Insurance Co. Ltd.	320,185	320,185
Mercantile Insurance Co. Ltd.	57,223	57,223
Meghna Insurance Co. Ltd.	6,835	6,835
Pragati Insurance Co. Ltd.	-	599,780
Peoples Insurance Co. Ltd.	195,837	195,837
Provati Insurance Co. Ltd.	126,054	126,054
Reliance Insurance Co. Ltd.	23,709	23,709
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
Asia Pacific Insurance Co. Ltd.	2,238	2,238
Total	306,596,523	335,503,276

**Amount due from Sadharan Bima Corporation included Tk 4 crore, origin of which could not be traced out through appropriate evidence. Hence, this has been adjusted during the year.

Balance with the co-insurers are being shown after making adjustment/net off considering the above mutual facts.

Particulars	Note	Amount in Taka	
		2021	2020
17 Sundry debtors:			
Advance against salary		3,625,832	1,969,732
Advance against printing (The pigment)		-	190,800
Advance against office rent		5,103,470	7,317,707
Advance income tax	17.1	184,427,966	160,840,874
Advance against agency commission		2,176,162	-
Advance against fixed assets		1,523,026	9,939,000
Advance to Wifang Securities Ltd.		23,029	11,725
Advance to UCB Stock Brokerage Ltd.		1,912,515	206,195
		198,792,000	180,476,033

17.1 Advance against income tax

Particulars	Cheque paid	Tax on FDR	Tax on STD	Tax on BGTB	Tax on Car	Total
Opening Balance	154,335,745	5,122,806	401,982	65,340	915,000	160,840,874
Add: Addition during the year	34,211,271	2,442,076	34,734	118,313	212,500	37,018,894
	188,547,015	7,564,883	436,716	183,653	1,127,500	197,859,768
Less: Adjustment during the year (2017)	12,383,255	826,779	41,769	-	180,000	13,431,802
Total	176,163,760	6,738,104	394,948	183,653	947,500	184,427,966

18 Cash and bank balances:

Fixed deposits	454,672,872	410,852,262
STD accounts	18,685,569	10,640,590
Current accounts	3,016,472	5,820,851
Cash in hand	724,414	410,101
	477,099,327	427,723,806

19 Other accounts

Fixed assets (at cost less acc. depreciation)	Note 3	140,467,906	132,422,324
Security deposits	19.1	530,691	530,691
Stock of printing items		387,821	706,838
Stock of stamps		956,468	273,747
		142,342,886	133,933,600

19.1 Security deposits:

Telephone	103,592	103,592
Credit card with Hotel Purbani	15,000	15,000
Binimoy Service Station	20,000	20,000
Office rent	150,000	150,000
Club membership	12,000	12,000
Central Depository Bangladesh Ltd.	200,000	200,000
Titas Gas Transmission & Distribution	6,750	6,750
Wifang Securities Ltd.	23,349	23,349
	530,691	530,691

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

20 Interest and dividend income:

Interest on fixed deposits	24,420,760	25,212,590
Interest on STD accounts	373,095	188,657
Interest on BGTB	2,437,096	2,501,333
Dividend from listed Companies	73,343	4,330
Total	27,304,294	27,906,910

Particulars	Note	Amount in Taka	
		2021	2020
21 Directors' fees		1,160,000	1,088,000
During the year under review a total amount of Taka 11,60,000 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 Audit fees:			
Statutory Audit fees (Fees of 2021 includes that of Corporate Governance Audit)			
		230,000	270,000
		230,000	270,000
23 Group insurance		783,200	1,465,821
24 Expenses of management:			
a) Expenses Incurred by JIC	24.1	78,823,889	58,129,878
b) Expenses incurred by SBC	24.2	7,311,272	4,637,943
		86,135,161	62,767,821
24.1 Expenses incurred by JIC:			
Salaries & allowances		52,347,965	30,287,953
Festival bonus		5,075,801	5,144,406
Leave encashment		98,389	2,772,423
Office rent		5,905,317	5,538,936
Office maintenance		4,021,332	1,063,268
Telephone charges		666,384	592,881
Gas, water & electricity charges		1,760,492	1,509,764
Printing expenses		1,011,198	490,268
Stationery expenses		637,435	245,334
Books and periodicals		16,192	30,945
Car repair and maintenance		660,250	206,158
Fuel & lubricants		976,718	2,101,417
Office repairing & maintenance		1,245,429	1,637,998
Entertainment		1,024,884	995,323
Traveling expenses		345,584	42,073
Conveyance		606,111	1,325,301
Postage, telegram and stamp		317,071	216,410
Carrying and cartage		-	11,015
Personal accident insurance premium		-	627,300
Motor car insurance premium		679,587	234,012
Bank charges		174,712	110,300
Service charges on co-insurance		265,990	625,047
Crockeries expenses		8,236	-
Seminar & training fees		-	23,750
BGTB revenue expenses		-	726,763
Rent VAT		655,664	550,804
Business expenses on PSB		48,888	48,884
Fees & charges		124,398	603,030
Pre-inspection fee		149,862	12,000
At source VAT		-	356,115
		78,823,889	58,129,878

24.2 Allocation expenses of management (PSB):

Particulars	Expenses Incurred by
	PSB
Fire	1,025,958
Marine Cargo	1,692,309
Motor	232,174
Miscellaneous	4,360,831
Total	7,311,272

Particulars	Rate %	Expenses Incurred by	Expenses Incurred by	Amount in Taka	
		JIC	PSB	2021	2020
Fire	34.09%	32,871,535	1,025,958	33,897,493	24,140,402
Marine Cargo	34.84%	27,458,385	1,692,309	29,150,694	23,086,897
Motor	10.74%	8,467,402	232,174	8,699,576	8,966,390
Miscellaneous	20.33%	10,026,566	4,360,831	14,387,397	6,574,131
Total	100%	78,823,889	7,311,272	86,135,161	62,767,821

24.3 Expenses incurred by Janata Insurance Co. Ltd. during the year 2021, charged in the revenue accounts and profit & loss account included TDS & VDS (where applicable).

24.4 Proposed dividend:

Dividend if any proposed by the Board of Directors for the year under review shall be accounted for after the approval of the shareholders in the Annual General Meeting. The said proposed dividend has not been recognized as liability in the Financial Statements in accordance with the IAS-10 "Event after the financial statement Date". IAS-1 "Presentation of Financial Statements" also requires the dividend proposed after the financial statement date but before the financial statements are authorized for issue, be disclosed either on the face of the financial statement as a separate component of equity or the notes to the financial statements. Accordingly, the Company has disclosed on notes to the financial statements. The Board of Directors recommends 6% cash and 5% stock dividend for the year ended December 31, 2021, for all the shareholders of the Company on the basis of the above audited financial statements subject to approval of the 36th AGM.

25 Premium less re-insurance

Particulars	Gross Premium		Re-insurance		Net Premium 2021
	Own Business	PSB	Own Business	PSB	
Fire	122,236,956	13,666,214	48,466,192	12,560,801	74,876,177
Marine Cargo	115,485,200	22,564,115	29,886,731	16,845,796	91,316,788
Motor	39,286,645	3,059,436	5,175,269	8,953,707	28,217,105
Miscellaneous	21,751,038	58,138,647	13,776,934	48,057,668	18,055,083
Total	298,759,839	97,428,412	97,305,126	86,417,972	212,465,153

25.1

Gross Premium	Gross Premium	Re-insurance
396,188,251	183,723,098	212,465,153

Particulars	Note	Amount in Taka	
		2021	2020

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

26.1 Net profit for the year and its appropriation

Net Profit for the year	82,298,845	77,016,841
Less:		
Transferred to reserve for exceptional losses	7,500,000	5,000,000
Provision for income tax	26,730,930	24,956,607
Stock dividend for 2020	21,141,910	42,283,821
Cash dividend for 2020	25,370,293	-
Add: Provision for deferred tax income	(954,368)	105,439
Surplus carried forward	2,510,079	4,670,974

26.2 Earnings Per Share (EPS):

Earnings attributable to the ordinary shareholders

Profit as per profit or loss account	81,924,368	77,750,282
Less: Income tax provision	(26,730,930)	(24,956,607)
Less: Provision for arrear income tax (2017)	(2,638,324)	-
Add: Deferred tax income	954,368	(105,439)

Number of ordinary shares outstanding during the year

44,398,012	42,283,821
Bonus shares issued during the year	2,114,191
44,398,012	44,398,012

Basic earning per share (EPS) on net profit after tax as reported

1.21	1.25
Basic earning per share (EPS) after bonus shares issued (restated)	1.19

Earning Per Share (EPS) has been computed by dividing the basic earnings by the number of ordinary shares outstanding as of 31 December 2021 in the term of International Accounting Standard (IAS)-33. As there was no scope for dilution of shares, no diluted EPS required to be calculated for the year ended December 2021.

26.3 Net asset value per share (NAV):

Shareholder's equity at the end of the year	639,953,782	611,083,598
Number of ordinary shares outstanding during the year	44,398,012	42,283,821
Bonus shares issued during the year	-	2,114,191
	44,398,012	44,398,012
Net asset value per share (NAV) as reported	14.41	14.45
Net asset value per share (NAV) after bonus shares issued (restated)	14.41	13.76

26.4 Net operating cash flow per share (NOCFPS):

Net cash flows from operating activities	85,279,801	63,227,546
Number of outstanding shares	44,398,012	42,283,821
Bonus shares issued during the year	-	2,114,191
	44,398,012	44,398,012
Net operating cash flow per share (NOCFPS) as reported:	1.92	1.50
Net operating cash flow per share (NOCFPS) after bonus shares issued (restated)	1.92	1.42

Reason of deviation: Net operating cash flow (NOCFPS) has been increased to Tk. 1.92 per share during the year 31st December 2021 as opposed to Tk. 1.42 of the same year 31st December 2020 because of increase of premium income.

Particulars	Note	Amount in Taka	
		2021	2020
26.5 Reconciliation of net profit to net operating cash flow:			
Net Profit before Tax		81,924,366	77,750,281
Adjustment for:			
Depreciation		7,095,807	6,595,265
Gratuity		147,222	-
Interest Income		(27,230,951)	(27,902,577)
Dividend Income		(73,343)	(4,333)
Profit on sale of shares		(6,093,015)	(824,953)
Changes in:			
Increase / (Decrease) of the balance of fund		13,379,284	823,953
Increase / (Decrease) of the deposit premium account		(7,022,483)	984,415
Increase / (Decrease) of the outstanding claim		5,596,292	(6,635,413)
Increase / (Decrease) of the amount due to other person or bodies		46,442,034	41,588,584
Increase / (Decrease) of sundry creditors		(38,793,478)	37,380,835
Increase / (Decrease) of the amount due from other person or bodies		28,906,753	(25,149,276)
Increase / (Decrease) of sundry debtors		(18,315,967)	(41,570,468)
Increase / (Decrease) of the stock of stamp		(682,721)	191,233
Net Operating cash flows		85,279,801	63,227,546

26.6 Related Party Disclosure under IAS 24:

The Company has entered into transactions with other entities in normal course of business that fall within the definition of related party as per International Accounting Standard-24 "Related Party Disclosure". The terms of related party transaction are not significantly different from those that could have been obtained from their parties. The significant related party transactions are as follows:

Name of the related party	Nature of business	Premium received during the year	Premium outstanding during the year	Claims paid during the year
Partex Group	Insurance	10,476,147	Nil	-
Aramit Group	Insurance	5,213,081	Nil	-
Goldenson Ltd.	Insurance	16,788,500	Nil	-
Ananta Group	Insurance	13,726,362	Nil	-
Seraj Ano Ispat	Insurance	728,118	Nil	-
Masco Group	Insurance	352,503	Nil	-

26.7 Contingent Liability

Income Tax Returns have been submitted to the Tax Authority under NBR regularly. However, Tax Clearance Certificates up to 2004 (2005-06 Assessment Year) were collected. From 2005 to 2016 cases have been pending with the High Court and for the year 2017 the case is under appeal with total demand of Tk. 244,473,625; against which the amount of tax that has already been paid is Tk. 119,013,204. For the Assessment year 2019-20, the file is at the hearing level before the Deputy Commissioner of Taxes. The management believes there are cogent grounds to win the cases and hence no provision is required.

26.8 Number of employees

The number of regular employees of JICL receiving remuneration of Tk. 36,000 or above per annum at reporting date was as follows:

	2021	2020
Number of employees	179	171

26.9 Event after financial position date:

(a) The Board of Directors of the Company in its 190th board meeting held on June 08, 2022 has recommended 6% Cash and 5% stock dividend on Paid Up Capital for the year ended December 31, 2021 subject to approval at the Annual General Meeting (AGM).

The Board of Directors has recommended for payment of 6% cash and 5% stock dividend of paid up capital out of the surplus available for distribution at the end of the year 2021, as decided by the Board of Directors in their meeting held on June 08, 2022, which is subject to the approval of shareholders in the forthcoming Annual General Meeting of the Company.

Janata Insurance Company Limited

FORM 'AA'


CLASSIFIED SUMMARY OF ASSETS


For the year ended 31 December 2021

SL. No	Class of Assets	Amount in Taka	
		2021	2020
		Book Value	Book Value
1.	Investment in Bangladesh govt. treasury bond	25,000,000	25,000,000
2.	Investment in shares at market value	20,505,669	5,535,724
3.	Accrued interest on FDR & BGTB	7,785,676	6,524,724
4.	Amount due from other persons or bodies carrying on insurance business	306,596,523	335,503,276
5.	Sundry debtors (including advances, deposits, prepayments and others)	198,792,000	180,476,032
6.	Cash and Bank Balances	477,099,327	427,723,806
7.	Fixed assets (at cost less depreciation)	140,467,906	132,422,324
8.	Security deposits	530,691	530,691
9.	Stock of stamps	956,468	980,585
	Total	1,177,734,259	1,114,697,162

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


Mohammad Abu Bakkar Siddique
Chief Executive Officer


Belal Ahmed
Director


Qamrun Nahar
Director


Zafrul Islam Chowdhury
Chairman

Signed as per our annexed report of same date.

Dhaka 08 JUN 2022


Sk Md Tarikul Islam, FCA
Partner
Membership no: 1238
Hoda Vasi Chowdhury & Co
Chartered Accountants
DVC: 2206121238AS309553

EVENTS



■ Observation on Bima Dibosh



■ 9th Death Anniversary of Founder Chairman

EVENTS



Discussion on Father of Nation's Birthday



Discussion on Sheikh Russel Dibosh



জনতা ইন্স্যুরেন্স কোম্পানী লিঃ
JANATA INSURANCE COMPANY LTD.

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

PROXY FORM

I/We
of
being a Shareholder of Janata Insurance Company Limited 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 36th Annual General Meeting of the Company to be held on Thursday, the August 11, 2022
at 11.00 A.M (Dhaka Time) through digital platform and at any adjournment thereof or at any poll that may be taken in
consequences thereof.

Signed this day of 2022

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 72 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.
- 3) As per Article 88(iii) of the Articles of Association of the Company a proxy must be a member of the Company.



জনতা ইন্স্যুরেন্স কোম্পানী লিঃ
JANATA INSURANCE COMPANY LTD.

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Link Road, Middle Badda, Gulshan-1, Dhaka-1212

ATTENDANCE SLIP

I/We hereby record my/our attendance at the 36th Annual General Meeting of the Company being held on Thursday,
the August 11, 2022 at 11.00 A.M (Dhaka Time) through Digital Platform.

Name of Shareholder(s)/Proxy

Folio/BO No No. of Shares

Signature of Shareholder(s)

Folio/BO No.

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



জনতা ইন্স্যুরেন্স কোম্পানী লিঃ

JANATA INSURANCE COMPANY LTD.

Corporate Office: Janata Insurance Bhaban

📍 Ga-95/D, Link Road, Middle Badda, Gulshan-1, Dhaka-1212

☎ 02-222262181-2 ✉ info@jjclbd.com

www.jjclbd.com, hotline: +88 01309 001077