



ANNUAL REPORT 2020



জনতা ইন্স্যুরেন্স কোম্পানী লিমিটেড
JANATA INSURANCE COMPANY LIMITED

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Letter of Transmittal

To

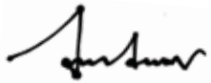
All Shareholders,
Insurance Development and Regulatory Authority,
Bangladesh Securities and Exchange Commission,
Registrar of Joint Stock Companies & Firms,
Dhaka Stock Exchange Limited and
Chittagong Stock Exchange Limited

Subject : Annual Report for the year ended December 31, 2020

Dear Sir(s)/Madam(s),

We are pleased to enclose a copy of the Annual Report 2020 together with the Audited Financial Statements and balance sheet as on December 31, 2020 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, 2020 along with notes thereon of Janata Insurance Company Limited for kind information and record.

With best regards,



Md. Imtiaz Bhuiyan
Company Secretary

**NOTICE
OF**

THE 35th ANNUAL GENERAL MEETING

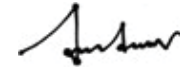
Notice is hereby given that the **35th Annual General Meeting** of the shareholders of Janata Insurance Company Limited (JICL) will be held on **Thursday, July 29, 2021 at 11.00 AM (Dhaka Time)** through **Digital Platform** (in pursuant to the Bangladesh Securities and Exchange Commission's order No.SEC/SRMIC/94-231/25 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 and Audited Financial Statements of the Company for the year ended on December 31, 2020 together with the Auditors' Report thereon;
2. To declare 6% cash Dividend and 5% Stock Dividend for the year ended December 31, 2020 as recommended by the Board of Directors;
3. To appoint / re-appoint Auditors of the Company for the year 2021 and fix their remuneration;
4. To appoint compliance Auditor of the Company for the year 2021 and fix their remuneration;
5. To elect/re-elect Director of the Company

All honorable Shareholders are requested to join the meeting on the date & time through digital platform.

By order of the Board of Directors

Dated: June 10, 2021 Dhaka



Md. Imtiaz Bhuiyan
Company Secretary

Notes:

- 1) The **Record Date** was fixed on **June 07, 2021**. The Shareholders, whose names 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 for 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) Proxy must be a member/shareholder of the company.
- 5) The proxy Form duly completed and submitted 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 communicated later on to the shareholders e-mail ID and also 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 35th AGM are being 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 2020 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-2020.
 - 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 were requested to update their Bank Account Number, email address, Cell Number through their respective Depository Participants (DP).
 - The concerned Brokerage Houses were 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 29 July, 2021.
 - 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 35th 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

Background

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 422.84 million respectively by December 31, 2020.

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 38.66%, Government 0%, Institute 9.12%, Foreign 0% and General Public 52.22% on December 31, 2020.

The Board of Directors comprises a good number of eminent entrepreneurs and personalities of the country. Members of the management team are highly qualified professionals. The Board is chaired by Mr. Belal Ahmed and steered by Mr. Bashir Ahmed as the Chief Executive Officer (CC) 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.



Vision, Mission, Core Values & Corporate Philosophy

Our Vision

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

Our Mission

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

Our Core Values

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

Corporate Philosophy

- Operating activities with optimum quality and Trust.
- Discharging duties & responsibilities with highest ethical value.
- Ensuring Safety & Security of 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	Belal Ahmed
Vice Chairman	Warasuzzaman Chowdhury
Chairman, Executive Committee	Zafrul Islam Chowdhury
Chairman, RMCC	Md. Baitul Amin Bhuiyan
Chairman, Audit Committee	Mezanoor Rahman, FCA
Chairman, NRCC	Md. Khurshed Hossain
Chief Executive Officer (CEO)	Bashir Ahmed
Head of Branch Control	Mukbul Hossain
Chief Financial Officer (CFO)	Md. Rajaur Rahman
Company Secretary	Md. Imtiaz Bhuiyan
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 422.84 million
No of Shareholders	4698
Total Manpower	177
Number of Branches	16
Auditors	ARTISAN Chartered Accountants Shah Ali Tower (6th & 7th floor) 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	Kazi Halim & Associates
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

Belal Ahmed

Vice Chairman

Warasuzzaman Chowdhury

Directors

Zafrul Islam Chowdhury
Qamrun Nahar
Fahima Akhter
Sultana Hashem
Kamruddin Parvez
Afroza Zaman
Farhana Islam
Zannatul Ferdous Zeena
Shahidul Quader Chowdhury
Abu Hayder Chowdhury (Amzad)
Imrana Zaman Chowdhury
Abel Ahmed

Independent Directors

Mezanoor Rahman, FCA
Md. Khurshed Hossain
Md. Baitul Amin Bhuiyan

Chief Executive Officer (C.C)

Mr. Bashir Ahmed

Chief Adviser

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

Adviser

Anisuzzaman Chowdhury

Executive Committee

Chairman
Zafrul Islam Chowdhury

Members

Qamrun Nahar
Farhana Islam
Fahima Akhter
Abu Hayder Chowdhury Amzad
Imrana Zaman Chowdhury

Audit Committee

Chairman
Mezanoor Rahman, FCA

Members

Warasuzzaman Chowdhury
Shahidul Quader Chowdhury
Kamruddin Parvez
Abel Ahmed

Risk Management & Claims Committee

Chairman
Md. Baitul Amin Bhuiyan

Member

Warasuzzaman Chowdhury
Zafrul Islam Chowdhury

Nomination & Remuneration Committee

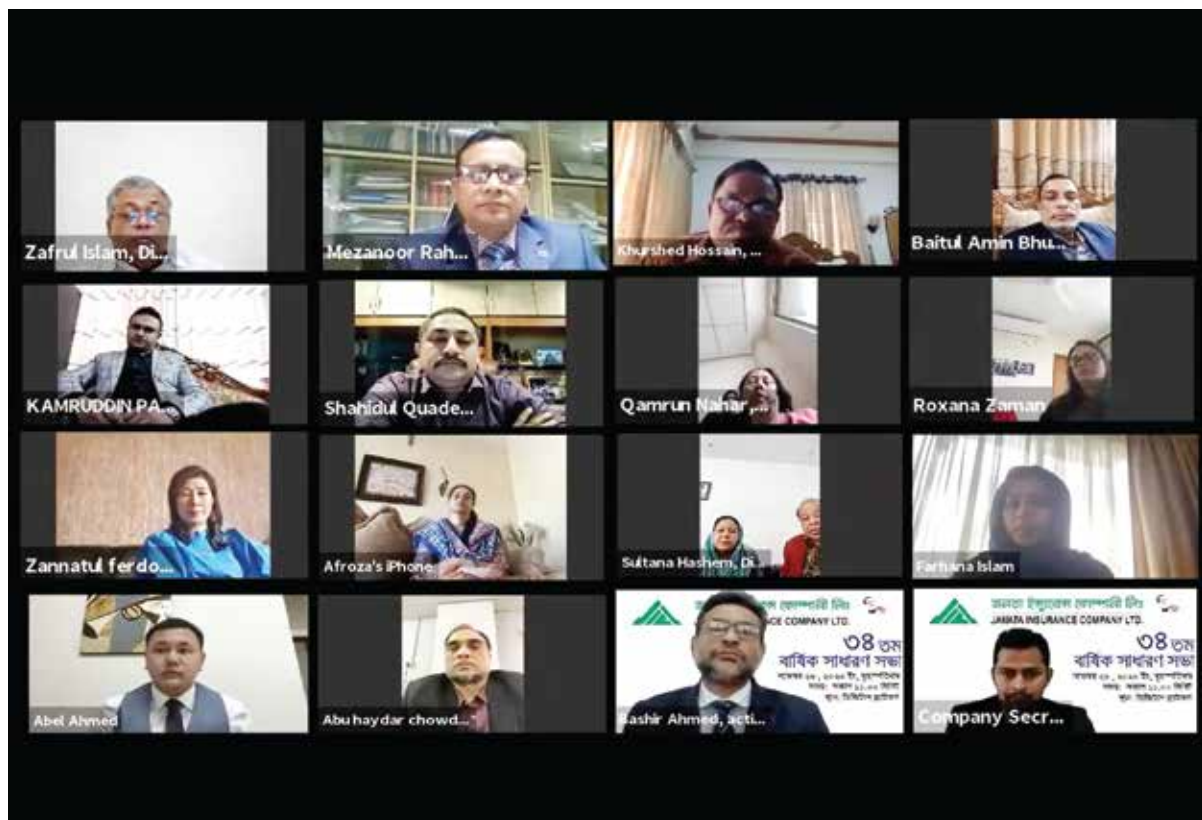
Chairman
Md. Khurshed Hossain

Member

Sultana Hashem
Afroza Zaman



34rd AGM OF THE COMPANY IN PICTURE



Brief profile of Directors



Belal Ahmed
Chairman

Mr. Belal Ahmed, Hon'ble Chairman of the Board of Director's leads the Company with his extensive experience in the field. His father M. A. Bari was an eminent businessman and social leader. Mr. Belal Ahmed, hailing from a prominent Muslim family of Chattogram is a dynamic and innovative entrepreneur. 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.



Warasuzzaman Chowdhury
Vice Chairman

Mr. Warasuzzaman Chowdhury, Hon'ble Vice Chairman of the Company was born in a prominent Muslim family of Chattogram. He is an ambitious and dynamic entrepreneur and playing a 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 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.

Brief profile of Directors



Zafrul Islam Chowdhury

Director &
Chairman, Executive Committee

Mr. Zafrul Islam Chowdhury 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, Anowara Jute Mills limited, Eastern Engineer (Chatta) Limited, Siraj Ano Oxegen Limited and Siraj Ano Builders Limited. He is widely travelled man and has travelled to many countries for business and other purposes.



Mezanoor Rahman, FCA

Independent Director &
Chairman, Audit Committee

Mr. Mezanoor Rahman is a Fellow Member of the Institute of Chartered Accountants of Bangladesh (ICAB). He completed Graduation with Hon's and Masters in Accounting. He has expertise in professional services like taxation, assurance, financial analysis, financial reporting, business and property valuation, business set up, control and management system design, internal & management audit, fund management, due diligence review, business liquidation, financial reporting framework design and implementation, professional training on taxation, accounting, internal control etc. He has been playing a vital role as an active member of different standing committees of the Council of the Institute of Chartered Accountants of Bangladesh. Currently he is working as Director at one of the reputed chartered accountancy firms namely "ACNABIN, Chartered Accountants". He is associated with many social and cultural organizations and also is Zone Chairperson of Lions Club International, District 315A1, Bangladesh. He has attended many national and international seminars and conferences for professional skill development.

Brief profile of Directors



Md. Khurshed Hossain
Independent Director & Chairman
Nomination and Remuneration Committee

Mr. Md. Khurshed Hossain comes from a highly respectable Muslim family of Kumilla. He was Deputy Managing Director of Sonali Bank Limited and is Ex-General Manager of Agrani Bank Ltd. as well as Investment Corporation of Bangladesh. He was also the Chairman of ICB Asset Management Company Limited and Project Director on Enhancement of Governance and capacity of ICB (ADB and Govt. of Bangladesh Financed). He is an immensely experienced person with his 30 years of working experience in the field of Govt. Service, Investment and Commercial Banking. He has attended several training program in home and abroad including NIBM India. Mr. Khurshed also has a good number paper and publications in his acclaim on Industrial Venture and Capital Market.



Md. Baitul Amin Bhuiyan
Independent Director & Chairman
Risk Management and Claims Committee

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 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. He has also 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. Mr. Amin has visited many countries to enrich his knowledge.

Brief profile of Directors



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 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 quality of general 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, renowned industrialist and Chairman of Partex Group. Mrs. Sultana Hashem is the Chairman of Partex Star Group. Her work ethics inspire the members of the Partex Group, Partex Star Group & Amber Group of Industries to work towards for achieving their goals. She is associated with many social welfare activities. She has travelled many countries.

Brief profile of Directors



Kamruddin Parvez

Director

Mr. Kamruddin Parvez was born in a prominent 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 Assistant Professor of Chittagong Independent University and a good number of publications on various topics are there in his acclaim. He has travelled many countries for attending different international conferences and for other purposes.



Shahidul Quader Chowdhury

Director

Mr. Shahidul Quader Chowdhury comes from a prominent 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.

Brief profile of Directors



Abu Hayder Chowdhury Amzad
Nominated Director
Luminous Assets Management Ltd.

Mr. Abu Hayder Chowdhury Amzad was born in a famed Muslim family of Chattogram and he is a nominated director of Luminous Assets Management Ltd. 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 and life member of Diabetic Hospital Chattogram. He has visited many countries for attending international business conferences and other purposes.



Zannatul Ferdous Zeena
Director

Mrs. Zannatul Ferdous Zeena is a prominent member of Board of Trustees of IBAIS University. She is the wife of Mr. Aziz Al-Masud, Director of the Company. She is actively involved in day to day affairs and businesses of our Company and also in other social activities. She has travelled to many countries across the world.

Brief profile of Directors



Afroza Zaman
Director

Mrs. Afroza Zaman hails from highly glorious and respectable 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.



Farhana Islam
Director

Mrs. Farhana Islam 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.

Brief profile of Directors



Fahima Akhter

Director

Mrs. Fahima Akhter hails from a prominent Muslim family of Narayangonj. Her father Mr. M A Sabur is a well known industrialist and director of United Commercial Bank Limited. Mrs. Fahima Akhter is the Chairperson 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.



Imrana Zaman Chowdhury

Director

Mrs. Imrana Zaman Chowdhury hails from the prominent Muslim Family of Chattogram. She is the member of Executive Committee of the Company. She also actively involved in social activities and travelled many countries across the world.

Brief profile of Directors



Abel Ahmed

Director

Mr. Abel Ahmed is a dynamic young entrepreneur who was born in a prominent Muslim family in Chattogram. He has visited many countries. He is contributing much towards social activities and social institutions.



Bashir Ahmed

Chief Executive Officer (CC)

Mr. Bashir Ahmed is the Chief Executive Officer (CC) of the Company. He has vast experience in Non-Life Insurance Sector, particularly in the fields of Accounts, Administration, Re-Insurance, Underwriting and Claims. He also attended various training programs on Insurance. He has also worked in the positions of higher Management and Secretary in a number of Companies.

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



Bashir Ahmed
Chief Executive Officer (CC)



Mukbul Hossain
Executive Vice President
&
Head of Branch Control



Md. Rajaur Rahman
Chief Financial Officer



Md. Imtiaz Bhuiyan
Company Secretary

Management Team & Executives

Chief Executive Officer(CC)

Bashir Ahmed

Executive Vice President

Md. Mukbul Hossain

Chief Financial Officer

Md. Rajaur Rahman

Company Secretary

Md. Imtiaz Bhuiyan

Senior Executive Vice President

Md. Towhid-ul Amin Chowdhury

Executive Vice President

Md. Maniruzzaman

Syed Badrul Islam

Chowdhury Md. Shemsher Nur

Senior Vice President

Mohammad Mohshin Labid

Md. Humayun Kabir

Vice President

Badiul Alam

Deputy Vice President

A.K.M. Zahirul Alam

Assistant Vice President

Md. Monirul Alam Chowdhury



Chief Executive Officer is handing over Group Insurance Cheque

BRANCHES & HEAD OF BRANCHES

Local Office

Syed Badrul Islam
Executive Vice President
Red Crescent House,
61, Motijheel C/A, Dhaka-1000.
Contact # 01819-231466
9568809

IMAMGANJ BRANCH

Md. Delwar Hossain
Branch Incharge
150, Chowkmugaltuli
Imamganj, Dhaka

COX'S BAZAR BRANCH

Khaled Md. Bodoruddin Khan
Branch Incharge
Laxari Plaza (1st Floor)
Bazar Ghata Main Road
Cox's Bazar

NARAYANGANJ BRANCH

Md. Mamun Khan
Branch Incharge
34, S.M. Maleh Road
Narayanganj

KHULNA BRANCH

Arifuz Zaman
Branch Incharge (Acting)
118, Upper Jessore Road, 3rd floor,
Babystand, Duckbangla More,
Khulna.
Contact # 01916487862

DILKUSHA BRANCH

A.K.M. Zahirul Alam
Deputy Vice President
76, Dilkusha C/A, Dhaka-1000.
Contact # 9565507, 9565582,
01715178150

NARSINGDI BRANCH

S.M. Hafizur Rahman
Branch In-Charge
Daulat Khan Tower (2nd floor),
Kalibari Road, Narsingdi Bazar,
Narsingdi.
Contact # 9463305, 01552342532

JESSORE BRANCH

Md. Shahin Hossain
Branch Incharge (Acting)
Rawnak Chamber (2nd floor),
Municipal Road, Jessore.
Contact # 01982580303

PALTAN BRANCH

Chowdhury Md. Shemsher Nur
Executive Vice President
Suit No.808 (8th floor), Paltan
Tower, 87, PuranaPaltan,
Dhaka-1000.
Contact # 01713018738

SYLHET BRANCH

Md. Azir Uddin
Manager
906 Sylhet Millennium (8th Floor),
Sylhet-3100
Contact # 0171223834

BENAPOLE BRANCH

Md. Shahin Hossain
Branch Incharge
Rahman Chamber (4th Floor)
Benapole Bazar
Benapole, Jessore
Contact # 01982580303

MIRPUR BRANCH

Md. Maniruzzaman
Executive Vice President
92/2, Senpara, Parbata, Mirpur-10,
Dhaka-1216
Contact # 48034492,
01907855090

AGRABAD BRANCH

Mohammad Mohshin Labid
Senior Vice President
Akhtaruzzaman Center,
21/22, Agrabad C/A.(9th floor),
Chattogram.
Contact # 01713303957

BOGURA BRANCH

Md. Rabiul Islam
Branch Incharge (Acting)
House No.429, 430 (3rd floor),
Jawtala, Borogola, Bogura.
Contact # 01744986892

PRINCIPAL BRANCH (Proposed)

Md.Monirul Alam Chowdhury
Assistant Vice President GA/95/D,
Link Road, Middle Badda,
Gulshan-1, Dhaka-1212.
Contact # 222292158,
01818518400

JUBILEE ROAD BRANCH

Md. Towhid-ul Amin Chowdhury
Executive Vice President
KaderTower, 128, Jubilee Road,
Chattogram.
Contact # 031-618246,
01819-322178

RAJSHAHI BRANCH

Humayun Kabir
Senior Vice President
House No. 78, Mia Para, Boalia,
Shaheb Bazar,
Natore Road, Rajshahi.
Contact # 01301396001

MOHAKHALI BRANCH

Md. Atiqur Rahman
Business Analyst
Tomijuddin Mansion (2nd floor),
House No.F-92,93,94, Mohakhali,
Gulshan, Dhaka.
Contact # 01795326439

KHATUNGANJ BRANCH

Diponkar Das
Vice President
A.M. Rahman Chamber
Mostafa Bhaban (2nd Floor)
277, Khatunganj, Chottagram
Contract # 01998659051
01845791546

CHAPAINAWABGANJ BRANCH

Md. Rahidul Islam
Branch Incharge
79, Boraithara Road
Chapainawabganj

MYMENSINGH BRANCH (Proposed)

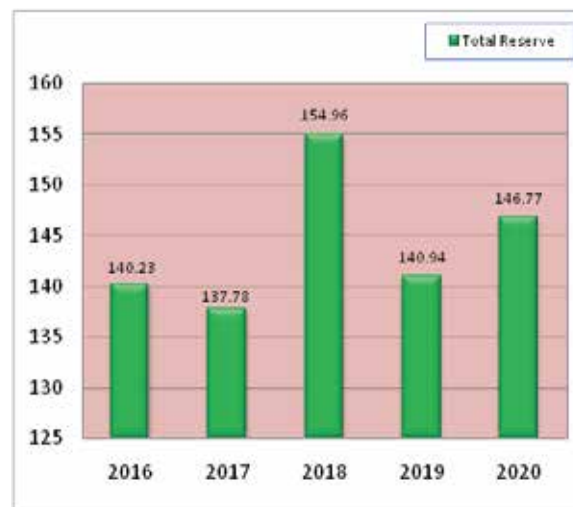
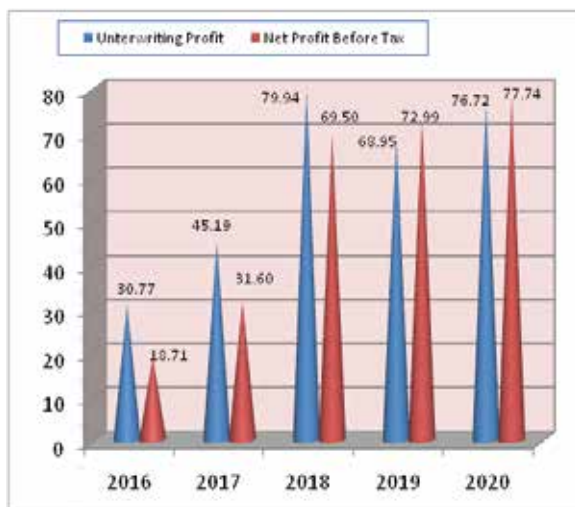
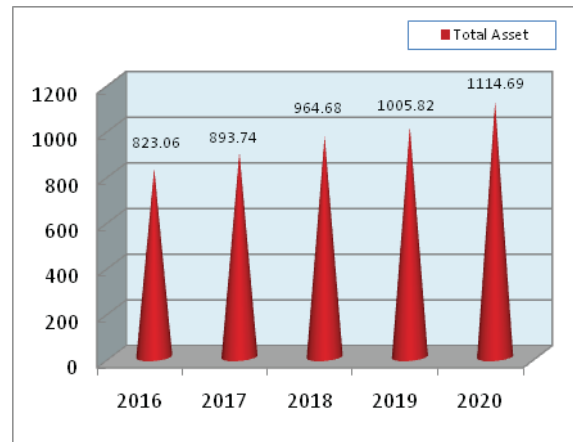
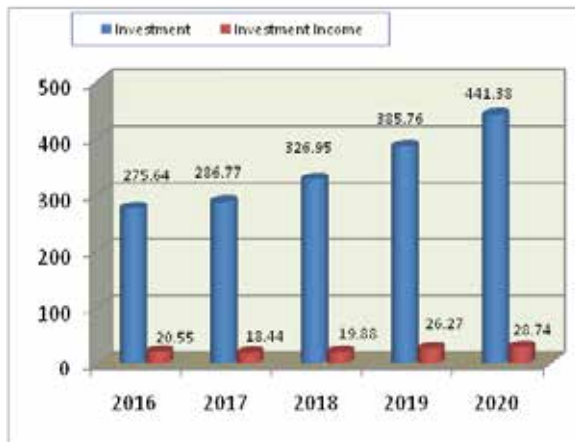
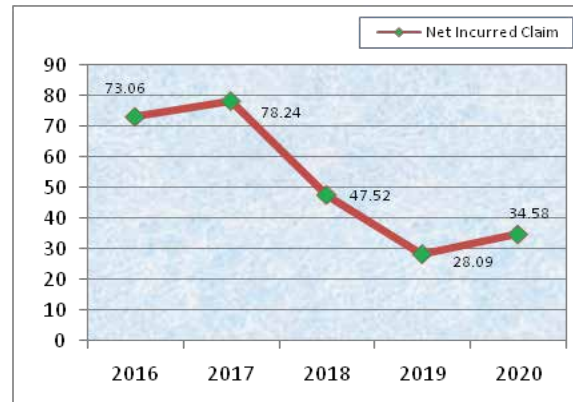
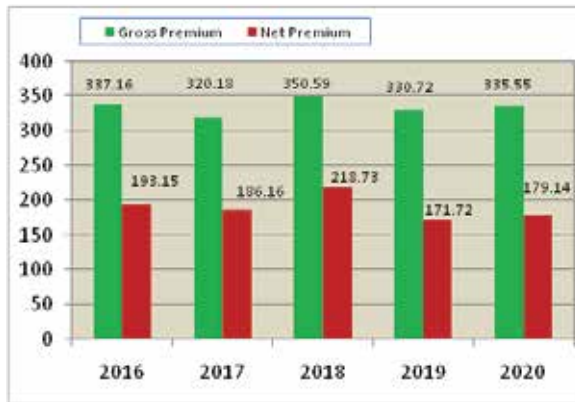
UTTARA BRANCH (Proposed)

GAZIPUR BRANCH (Proposed)

SATKHIRA BRANCH (Proposed)

FINANCIAL PERFORMANCE AT A GLANCE

(Graphical Appearance)



34rd AGM OF THE COMPANY IN PICTURE



34rd AGM OF THE COMPANY IN PICTURE

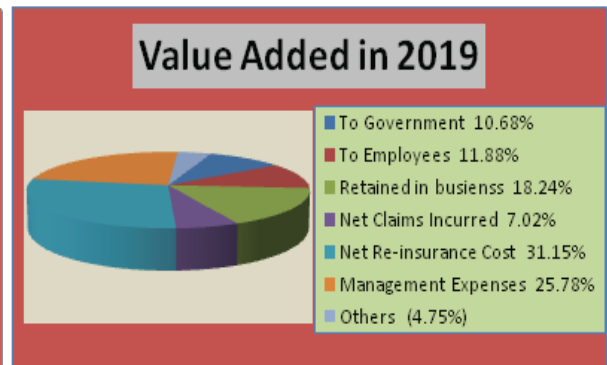
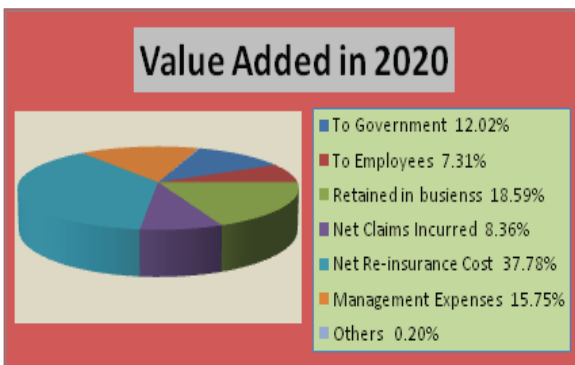


34rd AGM OF THE COMPANY IN PICTURE



Value Added Statement

Particulars	2020 (BDT mn)	%	2019 (BDT mn)	%
Value Added				
Gross premium	335.56	81.03%	330.72	82.66%
Vat & Stamp duty	49.78	12.02%	42.75	10.68%
Investment & other Income	28.74	6.95%	26.63	6.66%
Total Value Added	414.08	100%	400.10	100%
Distribution of Value Addition				
To Government				
VAT & Stamp Duty	28.73	6.93%	30.73	7.68%
Tax	21.05	5.08%	12.02	3.00%
To Shareholders				
Dividend	0		0	
To Employees				
as Salary & Allowances	30.28	7.31%	47.54	11.88%
Retained in business				
Reserve & Surplus	77.01	18.59%	72.99	18.24%
Others				
Net Claims Incurred	34.58	8.36%	28.09	7.02%
Net Re-insurance Cost	156.42	37.78%	124.59	31.15%
Management Expenses	65.19	15.75%	103.16	25.78%
Disposal reserve for Unexpired Risks	0.82	0.20%	(19.2)	(4.75)%
Total Distribution	414.08	100%	400.10	100%



REVIEW OF CHAIRMAN, CEO AND **DIRECTORS' REPORT**

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.

CHAIRMAN'S Review

A middle-aged man with short dark hair, wearing a blue checkered blazer over a white shirt, is seated at a desk. He is holding a pen in his right hand and looking towards the camera with a slight smile. On the desk in front of him are some papers and a pair of glasses. The background consists of light-colored vertical blinds.

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



Chairman's Message

Dear Shareholders,

Dear Shareholders,

Janata Insurance Company Limited was established in 1986. Since its established 36 years, Janata Insurance Company Limited continuously endeavor has built a good value for our shareholder.

I am highly pleased to convey my heartfelt thanks all of you all on behalf of the Board of Directors of Janata Insurance Company Limited and extend a warm welcome to the 35th Annual General Meeting of the Company with its Annual Report 2020. The Directors' Report has elaborately dealt with the overall performance of the Company and now I take the opportunity to present before you as short presentation about the performance of the Company for the year 2020.

In review the financial position of the Company you can notice that the business volume has been increased 1.46% in comparison with the previous year due to an unhealthy competition and adverse circumstances now prevailing the Insurance Sector. As a result, the growth profitability has been increased 6.54% of our Company and interest of the Shareholders the Board of Directors has recommended 6% Cash Dividend and 5% Stock Dividend for the year 2020.

It is no doubt that the outbreak of COVID-19 and the ensuing social and economic turmoil has changed the world forever, requiring unprecedented responses from governments, society and businesses alike. As a general insurance company with a major impact on Bangladesh, the Board has remained focused on our purpose, guided by our values, in ensuring continued 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 through this challenging period.

Dear Shareholder, under challenges of Insurance business that the Insurance Development and Regulatory Authority (IDRA) have been working minutely to get a powerful standard in the Insurance Sector. Our object is to prove our integrity and credibility to the Clients by extending sincere and dedicated services to them. So, 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 must express in my deep sense of gratitude to our valued Clients, Shareholders, Regulators, Stock Exchange, my fellow Directors and advisers, employees and well wisher of the Company for extending their continuous support and co-operation.

Thanking you,

A handwritten signature in black ink, appearing to read 'Belal Ahmed'.

Belal Ahmed
Chairman

Chief Executive Officer's Review



Dear Shareholders, valued clients and well wishers,

Greetings from the desk of Managing Director and CEO.

It is my great pleasure to present a short review on our Company's activities and its performance. Janata Insurance Company Limited left behind another year in terms of its sincere and quality services to the Clients.

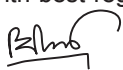
You all are aware that an unhealthy competition and adverse circumstances now prevailing in the Non-Life Insurance Sector. During the year under review, the Company earned gross premium income to tune of Taka 335.55 million as against Taka 330.72 million in 2019 and earned net premium income of Taka 179.14 million as against Taka 171.72 million in 2019. Underwriting profit stood at Tk.76.74 million and the net profit was at Tk.77.76 million as against Tk. 68.95 million and Tk. 72.99 million in 2019. You know that business procurement cost is very high as a result it has becomes tough to maintain the services of the insured and earn profit to deliver benefits to the Shareholders. In addition, a pandemic situation is going in the world which has affected the world economy greatly along with our country's economic growth. It is a big achievement for us that even in the pandemic situation across the world and in our country; our Company has done 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 2020. 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. Hopefully, we expect a good outcome in the coming years accordingly.

I would like to take this opportunity to express my deepest gratitude to all our shareholders, well wishers for their continued support and pledge. We also express our appreciation to the Regulator for their untiring efforts to improve the standards of the industry. I also convey my regards and gratefulness to the honorable Chairman, Advisers and the Board of Directors of the Company who provided generous co-operation & guidance to the management team which helped the management team to run the day to day activities smoothly and effectively.

Also, my thanks extend to my all colleagues for their continued support and sincere co-operation, dedications and commitment in achieving the moderate results of the company.

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

With best regards,



Bashir Ahmed
Chief Executive Officer (CC)

KEY OPERATING AND FINANCIAL DATA

Amount in million

Particulars		2020	2019	2018	2017	2016
Financial position:						
Total Assets		1114.69	1005.82	964.68	893.74	823.06
Investments		441.38	385.76	326.95	286.77	275.64
Cash & Cash equivalents		427.23	360.16	334.76	298.53	276.81
Investment & other income		28.74	26.26	19.88	18.44	20.55
Total reserve		203.95	140.94	154.96	137.78	140.23
Operating result:						
Gross Premium		335.55	330.72	350.59	320.18	337.16
Re-Insurance Premium ceded		156.41	159.00	131.87	134.02	144.01
Net Premium		179.14	171.72	218.73	186.16	193.15
Management Expenses(Revenue A/c)		62.95	89.85	62.46	56.87	56.85
Net Incurred Claim		34.58	28.09	47.52	78.24	73.06
Underwriting Profit		76.74	68.95	79.94	45.19	30.77
Other Management Expenses (not applicable to any fund or account)		27.72	22.61	30.31	32.02	32.61
Net Profit before Tax		77.76	72.99	69.50	31.60	18.71
Net Profit after Tax		52.69	45.86	42.78	19.25	8.37
Financial Ratio:						
Basic Earnings Per Share	BDT	1.25	1.08	1.06	0.50	0.22
Dividend in percentage (Stock/Cash)	%	6% Cash 5% Stock (proposed for 2020)	10% Cash (proposed for 2019)	5% Cash 5% stock(proposed for 2018)	5% Cash	
Return on assets	%	6.98	7.26	4.43	2.15	1.02
Gross profit ratio	%	43.40	42.5	31.78	16.97	9.69
Re-insurance Premium Ceded on Gross Premium	%	46.61	48.08	37.61	41.86	42.71
Net Claim Incurred on net Premium	%	19.30	16.35	21.72	42.03	37.83
Underwriting Result on Gross Premium	%	22.87	20.85	22.80	14.11	9.13
Management expenses(Revenue) on Net Premium	%	35.14	52.32	28.56	30.55	29.43
Equity Statistics:						
Paid-up capital		422.84	422.84	402.71	383.53	383.53
Shareholders' Equity		611.08	601.41	575.69	532.90	513.65
Net Assets Value Per Share (Taka)		14.45	14.22	14.30	13.39	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 (xviii).

DIRECTORS' REPORT



DIRECTORS' REPORT

For the year ended December 31, 2020

Dear Fellow Shareholders,

At the outset, we, the Board of Directors of your company welcomes you to the 35th Annual General Meeting and would like to thank you for your continued patronage and support over the 36 years. We are very delighted to present before you the Annual Report along with the Audited Financial Statements for the year ended 31st December 2020 and the Auditor's Report thereon for kind consideration and adoption. 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) and 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.

Through this report the Directors have made relevant disclosures and explanations 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 ended 31 December 2020, In fact, the year 2020 is very significant in the life of the company in terms of pandemic, performance and achievements not only within the industry but also in the entire economy.

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 do pray for eternal peace of their departed souls.

Review of 2020:

Economy and Insurance Business Outlook:

Economic Scenario

Comparatively the world economy was static in 2020 as 2019. As per IMF, the world economic growth rate was 3.3% in 2020 and 3.4% in 2021 and also 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 is continuing. In this situation in 2021 the expected growth may not be achieved.

Insurance Business Scenario

Insurance Industry has passed a successful year in 2020 for its strong position and continuous progress and the growth rate of this industry in this year was 3.8%. The contribution of life and non-life insurance were 3.5% and 0.8% respectively. The world insurance premium has improved in the last fiscal year in comparison with 2019.

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

The People Republic of Bangladesh has formed the Insurance Development and Regulatory Authority (IDRA) in 2011 after promulgating the new Insurance Act 2010. The IDRA has taken over the task of development and preparation of Insurance rules for Industry. IDRA has also taken some strong steps by issuing some circulars in order to bring discipline among the insurers and also to stop the existing unethical practices prevailing in the Insurance market. We hope, these steps of IDRA will improve the overall situation and status of the Industry. Insurance Development & Regulatory Authority (IDRA) will have to take active role in training people involved in the insurance industry for advancing the knowledge of insurance, so that personnel in the industry have adequate knowledge and expertise to take over the helm of insurance companies in future.

Insurance Business in 2020

We are to report that, your company wrote direct insurance business with a premium income of Tk.273.77 million against Tk. 254.06 million in 2019. The premium received by us from the public sector business decreased to Tk.61.78 million from Tk. 76.67 million in 2019. The total gross premium income, stood at Tk.335.56 million against Tk.330.72 million in 2019.

Operational & Financial Review

Operational Result and Product wise Performance :

Gross Premium Income

During the year 2020 Company's gross premium income thus attained was Taka 335.55 million as against Taka 330.72 million in 2019.
Amount in million

Class of business	Gross Premium Income	
	2020	2019
Fire Insurance	122.08	127.47
Marine Insurance	123.44	91.40
Motor Insurance	44.05	57.27
Miscellaneous Insurance	45.98	54.58
Total:	335.55	330.72

Net Premium Income

Net premium income Taka 179.14 million as against Taka 171.72 million in 2019.

Amount in million

Class of business	Net Premium Income	
	2020	2019
Fire Insurance	40.00	66.81
Marine Insurance	89.16	50.55
Motor Insurance	38.99	49.39
Miscellaneous Insurance	10.98	4.97
Total:	179.14	171.72

Net Incurred Claims

During the year 2020, we have successfully settled net incurred claims of Taka 34.58 million as against Taka 28.09 million in the year 2019.

Amount in million

Class of business	Net Claim	
	2020	2019
Fire Insurance	26.47	21.09
Marine Insurance	5.99	(3.65)
Motor Insurance	2.67	6.52
Miscellaneous Insurance	(0.56)	4.12
Total:	34.58	28.09

Investment Income

The Company's investment income recorded Taka 28.74 million against Taka 26.27 million in the year 2019.

Profit

Underwriting Profit

Underwriting profit achieved was Taka 76.74 million as against Taka 68.95 million in 2019.

Amount in million

Class of business	Underwriting Profit	
	2020	2019
Fire Insurance	3.93	1.39
Marine Insurance	40.99	50.73
Motor Insurance	27.21	8.63
Miscellaneous Insurance	4.61	8.20
Total:	76.74	68.95

Net Profit before Tax

Net pretax profit attained is Taka 77.75 million as against Taka 72.99 million in 2019.

Net Profit after Tax

After tax profit is Taka 52.69 million as against Taka 45.86 million in 2019.

Earnings Per Share

In the year 2020 Company's earnings per share Tk.1.25 as compared to Tk. 1.08 in the previous year 2019.

Dividend

Considering the net profit (after tax) of the Company for the year ended 31st December, 2020 the Board of Directors recommended to 6% Cash dividend and 5% Stock dividend to the Shareholders for the year ended 31st December, 2020 subject to approval by the Shareholders in the 35th Annual General Meeting of the Company to be held on 29 July, 2021.

Summary of Accounts of the Company for the year 2020 compared with the year 2019 are furnished below

Amount in million

Particulars	Fire	Marine	Motor	Misc.	Total 2020	Total 2019
Gross Premium Income	122.08	123.44	44.05	45.98	335.55	330.72
Re-Insurance Premium ceded	82.07	34.29	5.05	35.00	156.41	159.00
Net Premium	40.00	89.16	38.99	10.98	179.14	171.72
Net Premium Reserve Retained	(10.72)	13.30	(4.15)	2.40	0.83	(19.02)
Net earned Premium	50.72	75.96	43.80	8.58	179.14	190.74
Commission paid	12.83	14.54	5.49	3.34	36.22	38.10
Re-Insurance commission earned	16.72	8.77	1.29	5.39	32.18	34.42
Management expenses (Revenue A/c) (including Insurance Stamp)	24.21	23.08	9.06	6.58	62.95	90.01
Management expenses(P & L A/c)	-	-	-	-	27.72	22.61
Gross Claim paid	30.26	8.55	1.97	14.99	55.78	39.19
Net Incurred Claim	26.47	5.99	2.67	(0.56)	34.58	28.09
Underwriting Profit/Result	3.92	40.99	27.21	4.60	76.74	68.95
Investment Income	-	-	-	-	28.74	26.27
Net Profit before tax	-	-	-	-	77.75	72.99
Net Profit after tax	-	-	-	-	52.69	45.86
Earnings Per Share	-	-	-	-	1.25	1.08

Investment

The total investment of the company stood at Taka 441.38 million in 2020 as compared to Taka 385.76 million in the year 2019. Break-up is as under:

Amount in million

Particulars	2020	2019
Bangladesh Govt. Treasury Bond (BGTB)	25.00	25.00
Shares in listed companies	5.53	3.80
Fixed Deposits Account (FDR)	410.85	356.96
Total :	441.38	385.76

Reserve:

Reserves stood at Taka 146.77 million against Taka 140.94 million in the Previous year.

Amount in million

Particulars	2020	2019
Reserve for Exceptional Losses	75.09	70.09
Reserve for un-expired Risks	71.68	70.85
Total :	146.77	140.94

Shareholders Equity:

Shareholders equity stood at Taka 611.08 million against Taka 601.41 million in the year 2019.

Amount in million

Particulars	2020	2019
Paid-up Capital	422.84	422.84
Share Premium	55.96	55.96
Reserve for Exceptional Losses	75.09	70.09
Profit & Loss Appropriation Account	57.19	52.52
Total :	611.08	601.41

Profitability:

The Company's income from investment and other income stood at Taka 28.74 million against Taka 26.27 million earned in the previous year. After taking into account the underwriting profit of Taka 76.74 million and providing for various expenses not applicable to any particular fund or account, net pretax profit attained is Taka 77.75 million as against Taka 72.99 million in 2019. Increase of net incurred Claim by Taka 6.49 million and increase of income on account of interest on Investment by Taka 2.47 million in comparison to previous year are the main reasons behind the increase of profitability in 2020.

Appropriation of Profit:

Amount in million

Particulars	2020	2019
Net profit (before tax) for the year	77.75	72.99
Transferred to Reserve for exceptional losses	5.00	5.00
Provided for taxes (including deferred Tax)	25.06	27.13
Dividend distributed for 2019	42.29	40.27
Balance carried forwarded	4.67	0.59

Dividend:

Considering inadequate balance of divisible profit, the Board of Directors in its 186th meeting held on 24.04.2021 had recommended 6% Cash dividend and 5% Stock dividend for the year 2020.

Going concern:

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

Human Resource Management:

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

Utilization of proceeds from Rights Share Issue:

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

Internal Control:

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

Audit Committee and Report on its activities:

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

Internal Audit:

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

Status of Corporate Governance Compliance:

In accordance with the requirement stipulated in condition-(5) of the Bangladesh Securities and Exchange Commission's notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018 status report on the Corporate Governance Compliance is shown in Annexure-B and the Directors also confirmed the compliance with the financial reporting frame work and shareholding pattern according to the above notification in Annexure-A.

Certificate on compliance of condition of Corporate Governance:

Certificate on compliance of condition of Corporate Governance from professional Chartered Accountants has been obtained and shown in the report.

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 Bangladesh Securities and Exchange Commission, the Board of Directors' of the Company recommended to re-appoint again M/s. FAMES & R. Chartered Accountants, H-3/1 & 3/2, (Flat-A2), Bijoy Nagar, Dhaka-1000 to obtain certificate on compliance of condition of corporate governance for the year-2021 with a professional fee Tk.30,000/= (Taka Thirty thousand) only including AIT plus VAT subject to approval in the 35th Annual General Meeting of the Company.

Board Meeting Attendance:

During the year, 05 (Five) Board Meetings were held. The attendance of the Directors is shown in the report. (Page # 42)

Pattern of Shareholding:

Pattern of shareholding as per clause 1.5 (xxiii) of the BSEC Notification No. SEC/CMRRCD/2006-158 /207/ Admin/80 dated June 03, 2018 is shown in the report.

Key Operating and Financial Data:

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

Explanation on any significant deviation from the operating results of the last year:

The statement titled "Five Years Financial Progression" showing the operating results of last five years proves that JICL has a long outstanding reputation of being a financially solvent company. The statement also shows that operating results of the year 2020 do not significantly vary from those of the last year.

Subsidiary Operations:

JICL has no subsidiary Companies.

Information technology:

Information and Communication technology (ICT) has become indispensable for Insurance Companies in ensuring smooth operation and providing efficient services. Recognized this fact the Board has adopted a comprehensive ICT policy for the company. IT system of JICL has been upgraded for further strengthening and securing the automation of services. The highly experienced and trained IT professionals of JICL are working on maintaining and developing 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:

Detailed discussion and analysis by the Managing Director and CEO is appended on page 31

A management's discussion and analysis signed by CEO or Managing Director presenting detailed analysis of the company's 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 page 31.

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

The Details of discussion of declaration by the CEO and CFO is appended at page 61.

Brief Resume of the Directors:

Brief resume of the Directors as per clause 1.5(xxiv) of the BSEC Notification No. BSEC/CMRRCD /2006-158/207/Admin/80 dated June 03, 2018 is shown in the report.

Retirement and election of Directors:

In terms of Articles 106 & 107 of the Articles of Association of the Company, the following Directors will retire from office by rotation in the 35th AGM.

1. Mr. Belal Ahmed
2. Mr. Warasuzzaman Chowdhury
3. Mrs. Qamrun Nahar
4. Mrs. Zannatul Ferdous Zenna

Being eligible, they offer themselves for re-election.

Therefore, office of 04 (Four) 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. Sultana Hashem will retire from office by rotation in the 35th AGM.

Upon her retirement; 01 (one) post of Director among the above Public Shareholders will fall vacant, Accordingly, election of 01 (one) post of Director from public share holders will be held in the 35th AGM, for which Notice was published in two National Dailies namely (1) The Daily Protidiner Sangbad and (2) The New Nation on 25.04.2021. Next proceedings will be taken as per schedule.

Total Shareholders:

The total number of Shareholders of the Company as on 07.06.2021 (record date) was 4698.

Appointment Auditors:

As per Order No. BSEC/CMRRCD/2009-193/104/Admn/ dated July 27, 2011 of Bangladesh Securities and Exchange Commission, the existing Auditors' of the Company M/s. ARTISAN, Chartered Accountants retiring and they are not eligible for re-appointment. The Board of Directors in its meeting held on 24.04.2021 recommended M/s. Hoda Vasi Chowdhury & Co., Chartered Accountants, BTMC Bhaban(Level 7 & 8), 7-9, Kawran Bazar, Dhaka-1215 for appointment as statutory auditors' for the year ended 31st December, 2021 with a professional fee of Taka 2,00,000= / (Taka Two lac) only excluding VAT & AIT for approval of the Shareholders in the 35th Annual General Meeting.

Credit Rating:

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

Date of Declaration	Valid Till	Rating Action	Long Term Rating	Short Term Rating	Outlook
09 December, 2020	08 December, 2021	Surveillance	A+	ST-2	Stable

Corporate Social Responsibility (CSR):

Janata Insurance Company Limited has always played its part in carrying out Corporate Social Responsibilities from its limited financial ability. We have been participating in contributing financial support to the Fund, formed

by Bangladesh Insurance Association for sponsoring various state programs and for the help of victims affected by natural hazards. Besides these, Board of Directors of Janata Insurance Company Limited planned to create a fund to utilize the same exclusively for the medical treatment of employees and higher education of their children and also for education of multilevel poor students in the country. The Company's CSR policy is to develop for the most under privileged people and to motivate them to self-reliant. A policy in this regard has already been prepared.

Future Business Plan and Prospects:

Dear Shareholders

Our prime and ultimate goal is to safeguard the interest of the Clients as well as Shareholders. We are undertaking a short term business plan for robust growth of business. For sound growth of business we are implementing different strategic, like modern marketing policy & HR policy, promotion to employees, introduction of new products of Insurance etc.

The Board of Directors has been continuously steering for expansion of the market share of the company and monitoring the activities and extending its support by giving policy guidelines to improve its performance in future. We are strengthening our management team, marketing and other departments of the company to increase our gross premium income substantially by maintaining the rules and regulations of IDRA. Visible improvement of business is being observed. Hopefully, we expect to get a good business outcome in the year 2021. We need your continuous support to improve its growth in future also. We will always welcome suggestions from our clients, partners and well wishers for improve the quality of our services.

Risks and concerns:

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

Acknowledgement:

Dear Shareholders,

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

The Board of Directors would like to put on record our deep appreciation of the efforts and Co-operation extended by the employees of the company. We look forward to even better days ahead.

Thanking you all.

On behalf of the Board of Directors,



Belal Ahmed
Chairman

DIRECTORS' REPORT TO THE SHAREHOLDERS IN COMPLIANCE WITH THE BSEC'S NOTIFICATION NO.BSEC/CMRRCD/2006-158/207/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 2020 were as follows:

Sl. No.	Name of the Member	Status in the Board	Total Meeting	Meeting attendance
1.	Mr. Belal Ahmed	Chairman	5	5
2.	Mr. Warasuzzaman Chowdhury	Vice Chairman	5	5
3.	Mrs. Qamrun Nahar	Director	5	4
4.	Mr. Zafrul Islam Chowdhury	Director	5	4
5.	Mrs. Sultana Hashem	Director	5	4
6.	Mrs Fahima Akhter	Director	5	3
7.	Mr. Kamruddin Parvez	Director	5	5
8.	Mrs. Zannatul Ferdous Zeena	Director	5	2
9.	Mrs. Afroza Zaman	Director	5	4
10.	Mrs. Farhana Islam	Director	5	5
11.	Mr. Shahidul Quader Chowdhury	Director	5	5
12.	Mr. Abu Hayder Chowdhury (Amzad) (Nominated By Luminous Assets Management Limited on 03.09.2020)	Director	5	3
13.	Mr. Abel Ahmed (Appointed on 03.09.2020)	Director	5	3
14.	Mrs. Imrana Zaman Chowdhury (Appointed on 26.11.2020)	Director	5	2
15.	Mr. Md. Khurshed Hossain	Independent Director	5	5
16.	Mr. Md. Baitul Amin Bhuiyan	Independent Director	5	5
17.	Mr. Md. Mezanoor Rahman, FCA	Independent Director	5	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 2020, the certificate is annexed.

The pattern of shareholding

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

Shareholding Composition

As on December 31, 2020

A. Directors:

Sl. No.	Name of the Shareholders	No. of shares	%
1.	Mr. Belal Ahmed	1059433	2.51
2.	Mr. Warasuzzaman Chowdhury	1029068	2.43
3.	Mrs. Qamrun Nahar	854773	2.02
4.	Mr. Zafrul Islam Chowdhury	1409433	3.33
5.	Mrs. Sultana Hashem	849697	2.01
6.	Mrs. Fahima Akhter	854009	2.02
7.	Mr. Kamruddin Parvez	847596	2.00
8.	Mrs. Zannatul Ferdous Zeena	879959	2.08
9.	Mrs. Afroza Zaman	1049862	2.48
10.	Mrs. Farhana Islam	1093408	2.59
11.	Mr. Shahidul Quader Chowdhury	980927	2.32
12.	Mr. Abu Hayder Chowdhury (Amzad) Nominated By Luminous Assets Management Limited.	850000	2.01
13.	Mr. Abel Ahmed	846000	2.00
14.	Mrs. Imrana Zaman Chowdhury	846100	2.00
Sub Total =		13450265	31.81%

B. Independent Directors:

1.	Mr. Md. Khurshed Hossain	-	-
2.	Mr. Md. Baitul Amin Bhuiyan	-	-
3.	Mr. Mezanoor Rahman, FCA	-	-
Sub Total =			

C. Sponsor Shareholders:

1.	Mr. Aziz Al-Kaiser	847460	2.00
2.	Mrs. Roxana Zaman	1093409	2.59
3.	Mrs. Setara Begum	3956	0.01
4.	Mrs. Hosneara Begum	945000	2.23
5.	Mrs. Monoara Jahangir	5046	0.01
Sub Total		2894871	6.85%
Sub Total (A + B + C)		16345136	38.66%

D. Employees (Executives):

1.	Chief Executive Officer	-	-
2.	Company Secretary	-	-
3.	Chief Financial Officer	-	-
Sub Total =			

E. General Shareholders:

1.	Institute	3855699	9.12%
2.	General Public	22082986	52.22%
Sub Total		25938685	61.34%
Total Holdings (A+B+C+D+E)		42283821	100%

Corporate Governance Compliance Report

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
		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 17 (Seventeen) 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 three Independent Directors in Janata Insurance Company Ltd.
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.	✓		
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.	✓		
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.	✓		

Condition No	Title	Compliance status		Remarks
		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).	✓		
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	✓		

Condition No	Title	Compliance status		Remarks
		Complied	Not Complied	
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	✓		
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.	✓		

Condition No	Title	Compliance status		Remarks
		Complied	Not Complied	
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 Good Sold, Gross Profit Margin and Net Profit Margin, where applicable.	✓		
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 relat ed 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 indepen dent 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 tha t 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.	✓		

Condition No	Title	Compliance status		Remarks
		Complied	Not Complied	
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.	✓		
1(5)(xviii)	An explanation that Significant deviations from that last years 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;	✓		
1(5)(xxi)	Boards statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	✓		
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	✓		

Condition No	Title	Compliance status		Remarks
		Complied	Not Complied	
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;	✓		
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 risk 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.	✓		

Condition No	Title	Compliance status		Remarks
		Complied	Not Complied	
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;	✓		
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;	✓		

Condition No	Title	Compliance status		Remarks
		Complied	Not Complied	
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	✓		
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.	✓		

Condition No	Title	Compliance status		Remarks
		Complied	Not Complied	
5(2)	Constitution of the Audit Committee			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	✓		
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		✓	

Condition No	Title	Compliance status		Remarks
		Complied	Not Complied	
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	✓		
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
		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.			N/L
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
		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
		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 longterm 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
		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.	✓		
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.	✓		

Certificate on Compliance of Conditions of Corporate Governance Guidelines to the Shareholders of Janata Insurance Company Limited



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Cell Phone : +88 01819207889, 01819496565, 01783294818
E-Mail- info@famesr.com
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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, 2020.

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:

- 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;
- 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;
- 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
- The Governance of the company is satisfactory.

Fouzia Haque, FCA
Partner
FAMES & R
Chartered Accountants

Dated: April 24, 2021
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

3.1 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

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;
 - 5.2 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 file Board of Directors In Respect of Financial Reporting

Annexure-A

[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 2020

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 2020 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 2020 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)



Bashir Ahmed
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:

1. The values of investment in shares and debentures have been taken at cost or market price whichever is lower.
2. The values of all assets as shown in the Financial Statement and as classified on Form "AA" annexed have been duly reviewed as at December 31, 2020 and in our belief, the said assets have been set forth in the Financial Statement at amounts not exceeding their realizable or market values under the several headings as enumerated in the annexed form.
3. All expenses of management, wherever incurred and whether incurred directly or indirectly in respect of Fire, Marine, Motor and Miscellaneous Insurance business have been duly debited to the related Revenue Accounts and Profit & Loss Account.


Chief Executive Officer (ce)


Director

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

Functions of The Audit Committee

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

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

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

Composition of the Audit Committee

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

01.	Mr. Mezanoor Rahman, FCA	Independent Director	Chairman
02.	Mr. Warasuzzaman Cowdhury	Director & Vice Chairman	Member
03.	Mr. Shahidul Quader Chowdhury	Director	Member
04.	Mr. Kamruddin Parvez	Director	Member
05.	Mr. Abel Ahmed	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 the Secretary to the Audit Committee. Senior officials of the Company attend the meetings on invitation.

Meetings of the Audit Committee and major activities carried out

The Audit Committee had held 02(Two) meetings during the year 2020. During the year under review the Committee, internally, carried out the following activities:

- Reviewed Internal Audit Plan for the year 2020 and gave guidance on the risk based internal audit for all the departments and branches of the company;
- Reviewed Annual Audited Draft Financial Statements and after discussing with the External Auditor and the management recommended it to the Board for its approval;
- Reviewed the Management Letter issued by the External Auditor, Management responses thereto and corrective measures taken by the Company to avoid recurrence of the lapses mentioned therein;
- Reviewed Quarterly Financial Statements of the Company and recommended their submission to the stakeholders as a statutory requirement;
- Reviewed the report of the Audit Committee to incorporate in the Annual Report;
- Reviewed the expression of interest of external audit firm and upon reviewing expertise, capacity, resources, independence and objectivity thereof recommended to the Board for their appointment;
- Reviewed internal audit reports, discussed on significant Internal Audit findings and advised corrective actions;
- Reviewed and followed up action plan regarding compliance with the corporate governance guidelines issued by Bangladesh Securities and Exchange Commission; etc.

Review of Annual Audited Financial Statements

The Audit Committee reviewed and examined the Annual Financial Statements, for the year 2020 prepared by the management and audited by the External Auditor, M/s. ARTISUN & Co., Chartered Accountants and recommended these to the Board for consideration and approval.

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

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



Mezanoor Rahman, FCA
Chairman, Audit Committee

CREDIT RATING REPORT

AlphaRating

09 December, 2020

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
09 December, 2020	08 December, 2021	Surveillance	A+	ST-2	Stable

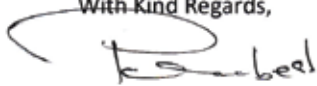
The long-term & short-term rating is valid up to the earlier of 08 December, 2021. The rating may be changed or revised prior to expiry, if warranted by extraordinary circumstances in the management, operations and/or performance of the entity rated.

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,


Pranabesh Roy, FCCA
Chief Strategy Officer

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

Membership Certificate of BAPLC



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 2020, 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	1,114.69	Total Liabilities	1,114.69
Less: Amount due from Others (3/4)	(251.62)	Sundry Creditors	(135.63)
Sundry debtors (Suspense A/C)	-	Amount Due to Others	(78.10)
Carpet & Curtain	(0.06)	Provision for Income Tax	(188.68)
		Deposit Premium	(10.42)
		Reserve for Unexpired Risks	(71.68)
		Reserve for exceptional losses	(75.09)
(A) Total Assets	863.01	(B) Total Liabilities	555.09
			2020
Solvency Margin Available (A-B) (863.01-555.09)			307.92

AUDITORS' REPORT & AUDITED FINANCIAL STATEMENTS



Independent Auditors' Report to the Shareholders of Janata Insurance Company Limited

Opinion:

We have audited the Financial Statements of Janata Insurance Company Limited which comprise the Statement of Financial Position as at 31 December, 2020 and the Statement of Profit or Loss & 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 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Insurance Act 2010, the Insurance Rules 1958, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

Basis for opinion:

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those Standards are further described in the "Auditors Responsibilities for the Audit of the Financial Statements" section of our report. We are independent Auditors 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.

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.

Risk	Our response to the risk
Premium Income	
<p>The Company has reported gross premium of Taka 335,559,619 for the year ended 31 December 2020 while Taka 330,724,302 was for the year ended 31 December 2019.</p> <p>Gross general insurance premiums comprise the total premium received during the accounting period coverage for which insurance policy has been issued by contracts with Janata Insurance Company Limited.</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>With respect to Premium income in respect of various types of insurance we carried out the following procedures:</p> <ul style="list-style-type: none"> • The design and operating effectiveness of key controls around premium income recognition process. • Carried out analytical procedures and recalculated premium income for the period. • Carried out cut-off testing to ensure unearned premium income has not been included in the premium income. • On a sample basis reviewed policy to ensure appropriate policy stamp was affixed to the contract and the same has been reflected in the premium register. • Ensured on a sample basis that the premium income was being deposited in the designated bank account. • Tested on a sample basis to see that appropriate VAT was being collected and deposited to bank through Treasury Challan. • For a sample of insurance contracts tested to see if appropriate level of 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 the reinsurer. • Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act 1938 (as amended in 2010), Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.
Details of Premium Income have been shown in Note 24.00 to the Financial Statements.	

Risk	Our response to the risk
Estimated liability in respect of outstanding claims whether due or intimated and claim payment.	
<p>This amount represents the claim due or intimated from the insured and involves significant judgment and risk of understatement. As at 31 December 2020 the reported balance under the head of estimated liability in respect of outstanding claims whether due or intimated was Taka 2,722,009 and Claims paid in the year ended 31 December 2020 was Taka 41,215,523 (Outstanding claims as at 31 December 2019 was Taka 9,357,422 and claims paid for the year ended 31 December 2019 was Taka 35,140,782).</p> <p>This provision has a direct impact on the profitability and liquidity of the Company which makes it an important item for key stakeholders. Considering its impact on multiple line items on the financial statements, its sensitivity and importance to key stakeholders, we believe this area possesses high level of risk.</p> <p>This account represents the claim due or intimated from the insured and involves significant management judgment and risk of understatement. In extreme scenario this item may have going concern implications for the company.</p>	<p>We tested the design and operating effectiveness of controls around the due and intimated claim recording process.</p> <p>We additionally carried out the following substantive testing's around this item:</p> <ul style="list-style-type: none"> • Obtained the claim register and tested for completeness of claims recorded in the register on a sample basis. • Obtained a sample of claimed policy copy and cross check it with claim. • Obtained a sample of survey reports Template of Auditors' Report of General Insurance Company in Bangladesh Risk Our response to the risk cross checked those against respective ledger balances and in case of discrepancy carried out further investigation. • Obtained and discussed with management about their basis for estimation and challenged their assumptions where appropriate. • Reviewed the claim committee meeting minutes about decision about impending claims. • Tested a sample of claims payments with intimation letter, survey report, bank statement, claim payment register and general ledger. • Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act 1938 (as amended in 2010), Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.
Details of Estimated Liability have been included in Note 08 to the Financial Statements.	

Risk	Our response to the risk
Investment Fluctuation Reserve	
<p>Insurance company makes a number of investments in the listed shares in stock exchange with required regulatory permission. Income generated from the investments dividend received is amount of Taka4,330 and realized gain amount of Taka 824,953 is credited to the Profit or Loss Account. Provision for Taka (733,440) has been made on Account Investment Fluctuation Fund.</p> <p>This item has significant impact on net asset value of the company and equity balances might be prone to misreporting as large unreported fall in the value of any holding may wipe out the value of the portfolio and hamper the distribution capability of the company.</p>	<p>We tested the design and operating effectiveness of key controls around monitoring, valuation and updating of prices of the positions held by the company from trusted sources. Additionally, we performed the following:</p> <ul style="list-style-type: none"> • Obtained year-end share holding positions from the company and through directional testing assessed the completeness of the report. • Reviewed and challenged the assumptions used for the valuation models for any unquoted securities. • Recalculated unrealized gain or loss at the year end. • Carried out cut-off testing to ensure unrealized gain or loss was recognized in correct period. • Obtained the share portfolio and cross checked against each share transactions. • Finally assessed the appropriateness and presentation of disclosures as per IFRS 13, Insurance Act 1938 (as amended in 2010), Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.
Details of Investment Fluctuation Reserve have been shown in the Statement of Profit or Loss & Other Comprehensive Income.	

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.

Auditors' 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 Auditors' 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.

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 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 an according to the information and explanation given to us, all expenses of management wherever incurred and whether incurred directly or indirectly, in respect of insurance business of the company transacted in Bangladesh during the year under report have been duly debited to the related Revenue Accounts and the Statement of Comprehensive Income of the Company;
- e) We report that to the best of our information and as shown by its books, the company during the year under report has not paid any person any commission in any form, outside Bangladesh in respect of any its business re-insured abroad;
- f) The 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

Place: Dhaka
Dated; April 24, 2021


AFM ALAMGIR FCA
Chief Executive Partner
Enrollment No. 268
ARTISAN
CHARTERED ACCOUNTANTS
DVC. 2104250268AS429172



Janata Insurance Company Limited

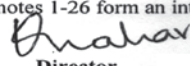
Statement of Financial Position

As at December 31, 2020

Capital and Liabilities	Notes	Amount in Taka	
		2020	2019
Share Capital			
Authorized Share Capital		1,000,000,000	1,000,000,000
Issued, Subscribed & Paid-up Capital	3.00	422,838,210	422,838,210
Share Premium	4.00	55,964,550	55,964,550
Reserve and Contingency Account		132,280,838	122,609,863
Reserve for Exceptional Losses	5.00	75,093,835	70,093,835
Profit & Loss Appropriation Account		57,187,003	52,516,028
Total Shareholders' Equity (A)		611,083,598	601,412,623
Balance of Funds and Accounts	6.00	71,671,457	70,847,504
Fire Insurance Business		16,002,167	26,725,074
Marine Insurance Business		35,679,585	22,379,072
Motor Insurance Business		15,599,670	19,755,562
Miscellaneous Insurance Business		4,390,036	1,987,796
Premium Deposits	7.00	10,421,671	9,437,256
Liabilities and Provisions		421,520,436	324,124,384
Estimated Liabilities in Respect of Outstanding Claims whether Due or Intimated	8.00	2,722,009	9,357,422
Insurance Business	9.00	78,105,660	36,517,076
Sundry Creditors (including provision for Expenses and Taxes)	10.00	135,636,284	98,255,449
Provision for Income Tax	11.00	188,670,504	163,713,897
Deferred Tax Liabilities	12.00	16,385,979	16,280,540
Total Liabilities (B)		503,613,564	404,409,145
Total Shareholders' Equity & Liabilities (A+B)		1,114,697,162	1,005,821,767
Net Assets Value Per Share (NAV)	25.03	14.45	14.22


Chief Executive Officer (cc)

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

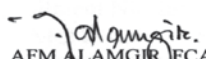

Director


Director


Chairman

Signed as per our annexed report of even date.

Place: Dhaka
Dated: April 24, 2021


AFM ALAMGIR, FCA
Chief Executive Partner
Enrollment No. 268
ARTISAN
CHARTERED ACCOUNTANTS
DVC. 2104250268AS429172



Janata Insurance Company Limited

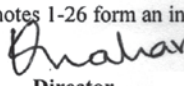
Statement of Financial Position

As at December 31, 2020

Assets & Properties	Notes	Amount in Taka	
		2020	2019
Investments	13.00	30,535,724	28,797,978
Accrued Interest on FDR & BGTB	14.00	6,524,724	5,245,664
Amount Due from other Persons or Bodies Carrying on Insurance Business	15.00	335,503,276	323,730,342
Sundry Debtors (Including Advances, Deposits, Prepayments and Others)	16.00	180,476,032	148,905,564
Cash And Bank Balances	17.00	427,723,806	360,157,481
Fixed Deposit Account		410,852,262	356,960,032
Current Account & Cash in hand		6,230,953	2,453,102
STD & Savings Account		10,640,590	744,347
Other Accounts	18.00	133,933,600	138,984,738
Fixed Assets (at cost less accumulated depreciation)		132,422,324	137,989,350
Security Deposits		530,691	530,691
Stock of Printing Items		706,838	-
Stock of Stamps		273,747	464,697
Total Assets and Properties		1,114,697,162	1,005,821,767


Chief Executive Officer (cc)

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

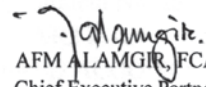

Director


Director


Chairman

Signed as per our annexed report of even date.

Place: Dhaka
Dated: April 24, 2021


AFM ALAMGIR, FCA
Chief Executive Partner
Enrollment No. 268
ARTISAN
CHARTERED ACCOUNTANTS
DVC. 2104250268AS429172



Janata Insurance Company Limited

Statement of Profit or Loss & Other Comprehensive Income

For the year ended December 31, 2020

Particulars	Notes	Amount in Taka	
		2020	2019
Expenses of Management (Not applicable to any particular Fund or Account)		27,727,761	22,606,504
Advertisement in News Papers & Periodicals		317,864	704,381
Directors meeting attendance fees	20.00	1,088,000	1,403,000
Interest on PF payable	10.05	3,497,163	3,863,122
Legal and Professional Fees		445,275	721,050
Audit Fees	21.00	270,000	276,000
PF Contribution		2,140,202	-
Group Insurance Premium	22.00	1,465,821	-
Donation and Subscription		1,213,000	1,495,500
Registration & Renewals		1,147,601	1,873,919
Gratuity expenses	10.04	7,646,500	5,987,200
AGM expenses		77,820	-
Incentive Bonus		1,823,250	-
Depreciation	18.01	6,595,265	6,282,332
Net Profit before Tax		77,750,281	72,611,199
Total		105,478,042	95,217,704
Interest and Dividend Income	19.00	27,906,910	25,753,889
Profit/(Loss) Transferred from:		76,746,178	68,951,098
Fire Revenue Account		3,927,518	1,390,185
Marine Revenue Account		40,996,906	50,728,330
Motor Revenue Account		27,213,601	8,630,804
Miscellaneous Revenue Account		4,608,153	8,201,779
Other Income		-	13,000
Capital Gain on Sale of Shares		824,953	499,717
Total		105,478,042	95,217,704
Other Comprehensive Income			
Net Profit before Tax (as above)		77,750,281	72,611,199
Fair Value Adjustment of Investment in Shares		(733,440)	376,921
Other Comprehensive Income carried to Profit and Loss Appropriation Account		77,016,841	72,988,120
Earning Per Share (EPS)	25.02	1.25	1.08

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

Chief Executive Officer (cc)

Director

Director

Chairman

Signed as per our annexed report of even date.

Place: Dhaka
Dated: April 24, 2021

AFM ALAMGIR, FCA
Chief Executive Partner
Enrollment No. 268
ARTISAN
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DVC. 2104250268AS429172



Janata Insurance Company Limited

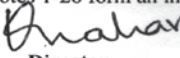
Profit and Loss Appropriation Account

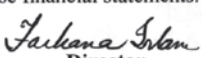
For the year ended December 31, 2020


Particulars	Notes	Amount in Taka	
		2020	2019
Reserve for Exceptional Losses	5.00	5,000,000	5,000,000
Provision for Income Tax	11.01	24,956,607	25,495,545
Provision for Deferred Tax	12.00	105,439	1,631,518
Dividend distributed from last years profit		42,283,821	40,270,303
Balance transferred to Statement of Financial Position		57,187,003	52,516,028
Total		129,532,869	124,913,394
Balance brought forward from previous year		52,516,028	51,925,274
Net Profit for the year brought down		77,016,841	72,988,120
Total		129,532,869	124,913,394


Chief Executive Officer (cc)

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


Director


Director


Chairman

Signed as per our annexed report of even date.

Place: Dhaka
Dated; April 24, 2021


AFM ALAMGIR, FCA
Chief Executive Partner
Enrollment No. 268
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Janata Insurance Company Limited

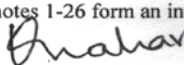
Consolidated Revenue Account

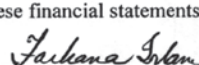
For the year ended December 31, 2020

Particulars	Notes	Amount in Taka	
		2020	2019
Claim Under Policies Less Re-Insurance:		34,580,110	28,087,404
Claims Paid	Form-XL	41,215,523	35,140,782
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	8.00	2,722,009	9,357,422
Less: Outstanding at the end of previous year		(9,357,422)	(16,410,800)
Agency commission		36,222,921	38,108,586
Expenses of management	23.00	62,767,821	89,848,067
Insurance stamp expenses		172,350	168,480
Profit transferred to (Statement of Profit or Loss Account & Other Comprehensive Income)		76,746,178	68,951,098
Reserve for unexpired risks of premium income of the year as shown in the Statement of Financial Position	6.00	71,671,457	70,847,504
Total		282,160,836	296,011,139
Balance at the beginning of the year		70,847,504	89,869,662
Premium less Re-Insurance	24.00	179,141,493	171,717,191
Commission on Re-Insurance ceded		32,171,840	34,424,286
Total		282,160,836	296,011,139


Chief Executive Officer (cc)

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


Director


Director


Chairman

Signed as per our annexed report of even date.

Place: Dhaka
Dated: April 24, 2021


AFM ALAMGIR, FCA
Chief Executive Partner
Enrollment No. 268
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DVC. 2104250268AS429172



Janata Insurance Company Limited

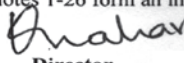
Fire Insurance Revenue Account

For the year ended December 31, 2020

Particulars	Notes	Amount in Taka	
		2020	2019
Claim Under Policies Less Re-Insurance:		26,472,358	21,093,253
Claims Paid		30,178,914	23,513,135
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	8.00	1,780,562	5,487,118
Less: Outstanding at the end of previous year		(5,487,118)	(7,907,000)
Agency commission		12,835,482	17,234,125
Expenses of management	23.02	24,140,402	39,183,551
Insurance stamp expenses		73,800	83,300
Profit/(Loss) transferred to Profit or Loss Account		3,927,518	1,390,185
Reserve for unexpired risks being 40% of premium income of the year as shown in the Statement of Financial Position	6.00	16,002,167	26,725,074
Total		83,451,728	105,709,488
Balance at the beginning of the year		26,725,074	25,176,039
Premium less Re-Insurance	24.00	40,005,417	66,812,686
Commission on Re-Insurance ceded		16,721,237	13,720,763
Total		83,451,728	105,709,488


Chief Executive Officer (cc)

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


Director


Director


Chairman

Signed as per our annexed report of even date.

Place: Dhaka
Dated: April 24, 2021


AFM ALAMGIR, FCA
Chief Executive Partner
Enrollment No. 268
ARTISAN
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DVC. 2104250268AS429172



Janata Insurance Company Limited

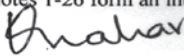
Marine Insurance Revenue Account

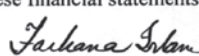
For the year ended December 31, 2020

Particulars	Notes	Amount in Taka	
		2020	2019
Claim Under Policies Less Re-Insurance:		5,998,637	(3,646,122)
Claims Paid		7,955,138	1,167,378
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	8.00	43,499	2,000,000
Less: Outstanding at the end of previous year		(2,000,000)	(6,813,500)
Agency commission		14,549,369	10,400,731
Expenses of management	23.02	23,086,897	25,323,676
Profit transferred to Profit or Loss Account		40,996,906	50,728,330
Reserve for unexpired risk being 40% & 100% of premium income on marine cargo and marine hull business respectively of the year as shown in the Statement of Financial Position	6.00	35,679,585	22,379,072
Total		120,311,394	105,185,685
Balance at the beginning of the year		22,379,072	46,751,582
Premium less Re-Insurance	24.00	89,161,811	50,546,110
Commission on Re-Insurance ceded		8,770,511	7,887,993
Total		120,311,394	105,185,685


Chief Executive Officer (cc)

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


Director


Director


Chairman

Signed as per our annexed report of even date.

Place: Dhaka
Dated: April 24, 2021


AFM ALAMGIR, FCA
Chief Executive Partner
Enrollment No. 268
ARTISAN
CHARTERED ACCOUNTANTS
DVC. 2104250268AS429172



Janata Insurance Company Limited

Motor Insurance Revenue Account

For the year ended December 31, 2020

Particulars	Notes	Amount in Taka	
		2020	2019
Claim Under Policies Less Re-Insurance:		2,668,568	6,524,260
Claims Paid		1,970,620	6,409,260
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	8.00	897,948	200,000
Less: Outstanding at the end of previous year		(200,000)	(85,000)
Agency commission		5,493,983	8,193,635
Expenses of management	23.02	8,966,390	18,471,576
Insurance stamp expenses		97,850	82,530
Profit transferred to Profit or Loss Account		27,213,601	8,630,804
Reserve for unexpired risks being 40% of premium income of the year as shown in the Statement of Financial Position	6.00	15,599,670	19,755,562
Total		60,040,063	61,658,367
Balance at the beginning of the year		19,755,562	10,387,024
Premium less Re-Insurance	24.00	38,999,176	49,388,904
Commission on Re-Insurance ceded		1,285,325	1,882,439
Total		60,040,063	61,658,367


Chief Executive Officer (cc)

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



Director


Director


Chairman

Signed as per our annexed report of even date.

Place: Dhaka
Dated: April 24, 2021


AFM ALAMGIR, FCA
Chief Executive Partner
Enrollment No. 268
ARTISAN
CHARTERED ACCOUNTANTS
DVC. 2104250268AS429172



Janata Insurance Company Limited

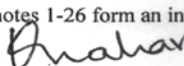
Miscellaneous Insurance Revenue Account

As at December 31, 2020

Particulars	Notes	Amount in Taka	
		2020	2019
Claim Under Policies Less Re-Insurance		(559,454)	4,116,013
Claims Paid		1,110,851	4,051,009
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	8.00	-	1,670,304
Less: Outstanding at the end of previous year		(1,670,304)	(1,605,300)
Agency commission		3,344,087	2,280,095
Expenses of management	23.02	6,574,131	6,869,264
Insurance stamp expenses		700	2,650
Profit transferred to Profit or Loss Account		4,608,153	8,201,779
Reserve for unexpired risks being 40% of premium income of the year as shown in the Statement of Financial Position	6.00	4,390,036	1,987,796
Total		18,357,653	23,457,598
Balance at the beginning of the year		1,987,796	7,555,016
Premium less Re-Insurance	24.00	10,975,089	4,969,491
Commission on Re-Insurance ceded		5,394,767	10,933,091
Total		18,357,653	23,457,598


Chief Executive Officer (cc)

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

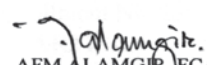

Director


Director


Chairman

Signed as per our annexed report of even date.

Place: Dhaka
Dated: April 24, 2021


AFM ALAMGIR, FCA
Chief Executive Partner
Enrollment No. 268
ARTISAN
CHARTERED ACCOUNTANTS
DVC. 2104250268AS429172



Statement of Changes in Equity
For the year ended December 31, 2020

Particulars	Share capital	Share premium	Reserve for exceptional losses	Retained earnings	Total
Balance as on January 01, 2020					
Cash Dividend for 2019	422,838,210	55,964,550	70,093,835	52,516,029	601,412,624
Reserve for Exceptional Losses	-	-	-	(42,283,821)	(42,283,821)
Investment Fluction Fund (Changes in fair value)	-	-	5,000,000	(5,000,000)	-
Current Year's Net Profit (after tax)	-	-	-	(733,440)	(733,440)
Balance as on December 31, 2020	422,838,210	55,964,550	75,093,835	57,187,003	611,083,598
Balance as on January 01, 2019					
Dividend paid for 2018 in the form of Bonus Share	402,703,060	55,964,550	65,093,835	51,925,274	575,686,720
Cash Dividend for 2018	20,135,150	-	-	(20,135,150)	-
Reserve for Exceptional Losses	-	-	-	(20,135,152)	(20,135,152)
Current Year's Net Profit (after tax)	-	-	5,000,000	(5,000,000)	-
Balance as on December 31, 2019	422,838,210	55,964,550	70,093,835	52,516,029	601,412,624

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

Chief Executive Officer (cc) *[Signature]* **Director** *[Signature]* **Chairman** *[Signature]*

Signed as per our annexed report of even date.

[Signature]
AFM ALAMGIR, FCA
Chief Executive Partner
Enrollment No. 268

ARTISAN
CHARTERED ACCOUNTANTS
DVC. 2104250268AS429172



Place: Dhaka
Dated: April 24, 2021

Janata Insurance Company Limited

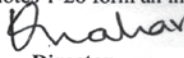
Statement of Cash Flows

For the year ended December 31, 2020

Particulars	Note	Amount in Taka	
		2020	2019
Cash Flows from operating activities :			
Premium and Other Income		350,646,174	321,163,362
Interest & Other Income		25,862,687	18,612,212
Management Expenses, Re-Insurance, Claims & Others		(237,804,896)	(262,833,593)
VAT		(28,561,285)	(28,740,866)
Income Tax		(21,052,447)	(12,020,747)
Net Cash Flows (used)/ from operating activities		89,090,234	36,180,368
Cash Flows from investing activities :			
Acquisition of fixed assets		(1,028,239)	(10,802,708)
Sale proceeds of fixed assets		-	-
Investment in Shares		(2,000,000)	-
Net Cash used in investing activities		(3,028,239)	(10,802,708)
Cash Flows from financing activities :			
Dividend Income		4,330	22,428
Dividend (partial) paid		(18,500,000)	-
Total cash used in financing activities		(18,495,670)	22,428
Net increase in Cash & Cash equivalents during the year		67,566,325	25,400,088
Opening Cash & Cash equivalents at the beginning of the year		360,157,481	334,757,393
Closing Cash & Cash equivalents at the end of the year		427,723,806	360,157,481
Net Operating Cash Flows Per Share	25.04	2.11	0.86


Chief Executive Officer (cc)

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


Director


Director


Chairman

Signed as per our annexed report of even date.

Place: Dhaka
Dated: April 24, 2021


AFM ALAMGIR, FCA
Chief Executive Partner
Enrollment No. 268
ARTISAN
CHARTERED ACCOUNTANTS
DVC. 2104250268AS429172



Janata Insurance Company Limited

Notes, Comprising a Summary of Significant Accounting Policies & Other Explanatory Information

For the year ended December 31, 2020

1.0 Legal form and status of the company:

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

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

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

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

1.02 Principal activities of the company:

The principal activities of the company is to carry on all kinds of general insurances (fire, marine, motor, miscellaneous), guarantee, and indemnity business other than life insurance business.

1.03 Date of Financial Statements Authorized for Issue:

Financial Statements of the company for the year ended December 31, 2020 were authorized by the Board for issue on April 24, 2021 in accordance with a resolution of the Board of Directors of the company.

2.0 Structure, Content and Presentation of Significant accounting policies:

2.01 Basis of preparation and presenting Financial Statements:

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

(ii) The Financial Statement has been prepared on going concern and accrual basis under historical cost convention and in accordance with the regulations as contained in Part-I of the First Schedule and as per Form “A” as set forth in Part-II of that Schedule.

Revenue Account of each class of general insurance business has been prepared in accordance with the regulations as contained in Part-I of the Third Schedule and as per Form ‘F’ as set forth in Part-II of third Schedule of the Insurance Act, 1938 (as amended in 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.

(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 require 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.

(vi) 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.

(vii) Financial statements of the company cover one calendar year from 1st January, 2020 to 31st December, 2020 consistently.

2.2 Significant Accounting policies:

2.2.1 Revenue recognition:

(i) Premium income is recognized when Insurance policies are issued, but the premium of company's share of Public Sector Insurance Business (PSB) is accounted for in the year in which the statements of accounts from Sadharan Bima Corporation are received. Accordingly Insurance Premium relating to the Public Sector business upto 2nd quarter of the year 2020 has been incorporated in the accompanying accounts.

Premium earned less re-insurance during the year was Taka 179,141,493 (Net) against Taka 171,717,191 (Net) of previous year on account of Fire, Marine and Miscellaneous business.

(ii) Investment Income:

Interest on Bangladesh Govt. Treasury Bond and FDR's are recognized on accrual basis and calculated by using effective interest rate method. Interest on STD Account and dividend on shares and other income are recognized on cash basis.

2.2.2 Re-Insurance Ceded & Accepted:

While preparing the Revenue Accounts, necessary adjustments in respect of re-insurance business ceded and accepted in Bangladesh have been given. Re-insurance accounts has been incorporated in the accounts upto 3rd quarter of the year 2020 as per previous practice.

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

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

2.2.4 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. During the year Tk. 50 (Fifty) lakh has been kept as reserve for exceptional losses.

2.2.5 Management Expenses:

New SRO 280 Act/2018, Dated 26th September 2018 Of Insurance Act. 2010 all relevant management expenses for an amount of Taka 62,767,821 have been allocated to each class of Insurance business on pro-rata basis of their respective gross premium income earned during the year from direct business in Bangladesh. This represents 18.71% of the total gross premium income of the year as against 29.88% of that of the previous year.

2.2.6 Fixed Assets & Depreciation:

(i) Recognition of Fixed Assets:

The company recognizes in the carrying amount of an item of property, plant and equipment, the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefits embodied with the item will flow to the company and the cost of the items can be measured reliably. Expenditure incurred after the assets have been put into operation such as repairs and maintenance other than major replacements, renewals and or betterment of the assets are charged off as revenue expenditure in the period in which it is incurred.

(ii) Valuation of Fixed Assets:

All fixed assets are stated at cost less accumulated depreciation as per IAS 16: "Property, Plant and Equipment". The cost of acquisition of an asset comprise its purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use inclusive of inward freight, duties and non- refundable taxes.

(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 assests 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%

2.2.7 Investment:

Investments for statutory deposits are held for trading purpose and stated at their cost of acquisition. Investments in shares are stated at their market price as per IAS 39.

2.2.8 Valuation of Assets:

The value of all assets at December 31, 2020 has been shown in the Financial Statement and in the classified summary of assets on Form “AA” annexed with this report at the amounts shown not exceeding their book value.

2.2.9 Taxation:

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in succeeding years and it further excludes items that are never taxable or deductible. The company’s liability for current tax is calculated using tax rates that have been enacted or substantively enacted on the Balance Sheet date. Provision for income tax has been calculated considering current Income Tax rate for the concerned year.

2.2.10 Deferred Taxation:

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

2.2.11 Employees Benefit Plans:

The company has maintained employees benefit under the existing employees benefit policy of the company as well as per IAS 19. It may be mentioned here that Janata Insurance Company Ltd. has been maintaining a Recognized Employees Provident Fund, Gratuity Fund, Group and Personal Accident Insurance Scheme, and Incentive Bonus, etc. as per provision of IAS-19.

2.2.12 Provident Fund:

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

2.2.13 Gratuity Summary Discloser on benefits:

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

As per Board resolution dated 19.05.2013 it was decided that the short in provision on account of Gratuity fund amount of Taka 61,752,270 (un-audited) will be recouped within 10 years by making arrear provision of Gratuity in addition to current provision starting from the year 2013. Accordingly an amount of Taka 4,000,000 has been provided in the accounts of 2020 as arrear provision of gratuity and balance short (approximately) provision of Taka 16,931,510 will be met up by coming 3 (Three) years.

2.2.14 Workers Profit Participation Fund (WPPF):

The Board refers the matter of provision for Workers Profit Participation Fund (WPPF) and like to clarify that as per provision of Para (A to G) of section 233 of Bangladesh Labor Amendments Act 2013, functions of Non life Insurance Companies are not similar to the functions of industrial Relating Works' as mentioned in the aforesaid section.

Therefore, provision for Workers Profit Participation and Welfare Fund (WPPF) is not applicable for the Company.

2.2.15 Earning Per Share (EPS):

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

Basic earnings per share:

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

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

Sl. No.	Particulars	2020	2019
a)	Earnings attributable to the ordinary shareholders	52,688,235	45,861,057
b)	Number of Ordinary Shares outstanding	42,283,821	42,283,821
c)	Earnings Per Share (EPS) (a/b)	1.25	1.08

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. As long as, in the concerned year, there was no issuance of dividend in terms of bonus shares, weighted average number of ordinary shares outstanding was not calculated.

2.2.16 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.

2.2.17 Statement of Cash Flows:

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

2.2.18 Additional Information on Financial Statements:

Components of the Financial Statements:

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

- a) Statement of Financial Position as at December 31, 2020.
- b) Statement of Profit or Loss & Other Comprehensive Income for the year ended December 31, 2020.
- c) Profit and Loss Appropriation Account for the year ended December 31, 2020.
- d) Consolidated Revenue Account for the year ended December 31, 2020.
- e) Fire Insurance Revenue Account for the year ended December 31, 2020.
- f) Marine Insurance Revenue Account for the year ended December 31, 2020.
- g) Motor Insurance Revenue Account for the year ended December 31, 2020.
- h) Miscellaneous Insurance Revenue Account for the year ended December 31, 2020
- i) Statement of Changes in Equity for the year ended December 31, 2020
- j) Statement of Cash Flows for the year ended December 31, 2020
- k) Notes, Comprising a Summary of Significant Accounting Policies & Other Explanatory Information to the Accounts for the year ended December 31, 2020.

2.2.19 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".

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

The company 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. However as per requirements of IAS 39 investment in shares falls either under “at fair value through profit and loss account” or under “available for sales” where any changes in the fair value at the year-end is taken to profit or loss account or other comprehensive income.
- 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 International Accounting Standard (IAS) 39: Financial Instrument: Recognition and Measurement. As such some disclosure and presentation requirements of International Financial Reporting Standard (IFRS).

d) Financial Instrument: Disclosures, and International Accounting Standard (IAS) 32: Financial Instrument: Presentation, have not been made in the accounts comply with regulatory requirements.

2.2.21 Event after the reporting period:

(a) Proposed Dividend:

The Proposed dividend is not recognized as a liability in the Balance Sheet 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. The Company has disclosed the same in notes to the financial statements in Note: 23.04.

(b) COVID- 19:

Due to the COVID-19 pandemic situation across the country, it is observed that there have been adverse impacts on revenue, profitability and cash flow for the period from April 2021 on word.

2.2.22 Loss on Investment in Share:

Due to significant change in macro economic assumptions as well entity specific conditions from COVID-19, there is a reduction in share price under "Investment in Share" causing a loss, which might reduce more into near future.

2.2.23 Fair Value adjustment in Investment in Share:

The company has made investment in capital market in a large portfolio and income generated from investment (realized gain and dividend received) is credited to Statement of Comprehensive Income. Unrealized capital (gain/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 can not be measured reliably, are recognized at cost.

Investment Fluctuation Fund (Changes in fair value) amounting (Unrealized capital loss) to Tk. 733,440 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 & Loss Appropriation Account.

3.00 Share Capital:

Authorized Share Capital:

100,000,000 Ordinary shares of taka 10 each.

Amount in Taka	
2020	2019

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

20,021,421 Ordinary shares of taka 10 each issued as Bonus Shares

200,214,210 200,214,210

Total

Taka

422,838,210 **422,838,210**

Share holding position is as under:

Name	No. of Shares	Holdings %	Value of Share in Taka	
			2020	2019
Sponsors and Directors	16,346,925	38.66%	163,469,252	221,102,100
Institute	3,856,284	9.12%	38,562,845	-
General Public	22,080,611	52.22%	220,806,113	201,736,110
Total	42,283,821	100%	422,838,210	422,838,210

4.00 Share Premium:

Opening balance

55,964,550 55,964,550

Closing balance

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

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

5.00 Reserve for Exceptional Losses:

Opening balance

70,093,835 65,093,835

Addition during the year

5,000,000 5,000,000

Closing balance

Taka

75,093,835 **70,093,835**

6.00 Balance of Funds and Accounts:

Fire Insurance Business

16,002,167 26,725,074

Marine Cargo Insurance Business

35,654,818 18,778,026

Marine Hull Insurance Business

24,767 3,601,046

Motor Insurance Business

15,599,670 19,755,562

Miscellaneous Insurance Business

4,390,036 1,987,796

Total

Taka

71,671,457 **70,847,504**

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

Class of business	Net premium	Retained percentage	Balance of Funds in Tk	
			2020	2019
Fire	40,005,417	40%	16,002,167	26,725,074
Marine Cargo	89,137,044	40%	35,654,818	18,778,026
Marine Hull	24,767	100%	24,767	3,601,046
Motor	38,999,176	40%	15,599,670	19,755,562
Miscellaneous	10,975,089	40%	4,390,036	1,987,796
Total	179,141,493	-	71,671,457	70,847,504

Amount in Taka	
2020	2019

7.00 Premium Deposits:

Balance on this account represents premium received against cover notes which were not converted into policies within 31 December 2020. Cover notes beyond 9 (nine) months have been converted into policies consistently.

The class wise summary of the premium deposits as follows:

Business -

Fire	-	2,360,230
Marine Cargo	10,421,671	5,292,523
Miscellaneous	-	1,110,406
Motor	-	333,725
Stamp Duty	-	340,372
Total	Taka	10,421,671
		9,437,256

8.00 Estimated Liabilities in Respect of Outstanding Claims whether Due or Intimated:

(a) Fire Insurance Business	1,780,562	5,487,118
(b) Marine Cargo Insurance Business	43,499	2,000,000
(c) Motor Insurance Business	897,948	200,000
(d) Miscellaneous Insurance Business	-	1,670,304
Total	Taka	2,722,009
		9,357,422

All the claims as per intimation given upto the year-end have been taken into consideration whether due or intimated.

9.00 Amount Due to other Persons or Bodies Carrying on Insurance Business:

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, 2020, the details of which are hereunder:

Sadharan Bima Corporation	76,323,789	34,735,205
Bangladesh National Insurance Co. Ltd.	53,590	53,590
Eastern Insurance Co. Ltd.	251,052	251,052
Federal Insurance Co. Ltd.	151,480	151,480
Northern General Insurance Co. Ltd.	126,422	126,422
Phoenix Insurance Co. Ltd.	350,135	350,135
Purabi General Insurance Ltd.	160,955	160,955
Prime Insurance Co. Ltd.	3,203	3,203
Rupali Insurance Co. Ltd.	239,665	239,665
United Insurance Co. Ltd.	68,567	68,567
Global Insurance Ltd.	168,616	168,616
Dhaka Insurance Ltd.	52,759	52,759
Takaful Islami Ins. Co. Ltd.	8,763	8,763
Asia Insurance Co. Ltd.	139,521	139,521
Islami Comm. Insurance Co. Ltd.	7,143	7,143
Total	Taka	78,105,660
		36,517,076

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

10.00 Sundry Creditors (including provision for expenses and taxes):

Income Tax [Deduction at source]		4,960,185	1,352,101
Provident Fund	Note: 10.01	462,998	-
Unpaid Dividend	Note: 10.02	28,780,939	9,957,304
VAT	Note: 10.03	5,679,795	717,466
Gratuity Account	Note: 10.04	41,660,805	34,314,305
Loan form PF	Note: 10.05	47,212,245	50,650,208
Incentive Bonus		1,823,250	-

		Amount in Taka	
		2020	2019
Salary		2,317,123	-
Insurance Stamp		950,986	-
Security Deposit		7,000	7,000
Audit fees		532,750	559,750
Office Rent		381,203	330,310
Underwriting Commission		236,452	236,452
Group Insurance Claim		500,000	-
Provision for diminution in value of investment		130,553	130,553
Total	Taka	135,636,284	98,255,449

10.01 Provident Fund Payable:

Particulars	PF Company Contribution	PF Employees Contribution	Employees Loan	Balance of Fund 2020
Balance as on 01.01.2020	-	-	-	-
Add: Contribution & Provision for the year	2,132,058	2,132,058	1,428,087	5,692,203
	2,132,058	2,132,058	1,428,087	5,692,203
Less: Payment made during the year	1,959,931	1,959,931	1,309,343	5,229,205
Balance as on 31.12.2020	172,127	172,127	118,744	462,998

10.02 Unpaid Dividend:

Unpaid dividend balance amounting to Taka 2,87,80,939 mainly due to sponsor shareholders.

10.03 VAT:

The above amount represents the VAT to be deposited to the Government exchequer for the period up to 31.12.2020 which was subsequently paid in full.

10.04 Provision for Gratuity:

Opening balance	34,314,305	29,154,305
Add: Provision	7,646,500	5,987,200
Current year's provision	3,646,500	1,987,200
Arrear provision	4,000,000	4,000,000
	41,960,805	35,141,505
Less: Paid during the year	300,000	827,200
Closing balance	41,660,805	34,314,305

10.05 Loan from PF (with Interest):

Opening balance	50,650,208	46,217,208
Add: Provision	3,497,163	11,969,003
Current year's loan	-	8,105,881
Interest provision	3,497,163	3,863,122
	54,147,371	58,186,211
Less: Paid during the year	6,935,126	7,536,003
Closing balance	47,212,245	50,650,208

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 on priority basis whenever adequate fund is available.

11.00 Provision for Taxation:

Opening balance	163,713,897	138,218,352
Add: Provision during the year	24,956,607	25,495,545
Closing balance	188,670,504	163,713,897

Note: 11.01

		Amount in Taka	
		2020	2019
11.01 Provision of income tax during the year			
Provision of income tax on current year's taxable income		26,197,975	25,495,545
Less: Adjustment for prior year's over provision	Note: 11.01.1	(1,241,368)	-
Total		24,956,607	25,495,545

11.01.1 Adjustment for prior year's over provision

Due to income tax provision on fair value adjustment of investment in shares and difference between income tax provision and income tax liability as per income tax return of prior year, the resulted in over provision of income tax amounting to Tk. 12,41,368 has been adjusted during the concerned period.

12.00 Deferred Tax Liabilities:

Opening balance		16,280,540	14,649,022
Add: Addition during the year	Note: 12.01	105,439	1,631,518
Closing Balance		16,385,979	16,280,540

12.01 Deferred Tax Liabilities:

Deferred tax on Fixed Assets:

Written Down Value as per Financial Statements		73,053,769	71,948,112
Less: Tax base Written Down Value (As per 3rd Schedule)		64,162,852	63,338,366
Taxable temporary difference		8,890,917	8,609,746
Tax rate		37.50%	37.50%
Deferred Tax Liabilities		3,334,094	3,228,655
Opening deferred tax assets/(liabilities)		(3,228,655)	4,860,173
Closing deferred tax assets/(liabilities)		(3,334,094)	3,228,655
Deferred tax expenses		105,439	1,631,518

13.00 Investment:

Statutory Deposits: Bangladesh Govt. Treasury Bond	Note: 13.01	25,000,000	25,000,000
Shares of listed Companies	Note: 13.02	5,535,724	3,797,978
Total		30,535,724	28,797,978

13.01 Statutory Deposits: Bangladesh Govt. Treasury Bond

The amount has been kept in Bangladesh Bank as Statutory Deposit as per requirement under Section 23 of the Insurance Act, 2010 and the deposits are not permissible for encashment without prior permission of the IDRA. During the year one bond amounting Tk. 4,500,000 has been encashed with the approval from IDRA and again the same amount has been invested in a new bond and the interest has been adjusted with bank A/C. Accrued interest on such bond amount upto December 31, 2020 has been accounted for.

13.02 Investment in Shares Listed Companies:

These are made up as follows:

Ordinary Shares	No. of Shares as on 31.12.2020	Cost price as on 31.12.2020	Market Rate (Price Per share)	Market Value as on 31.12.2020	Fair Value Adjustment
Mercantile Insurance	2500	117,794	45.60	114,000	(3,794)
Delta Life Insurance Ltd.	3432	262,564	68.20	234,062	(28,502)
Dhaka Insurance Ltd.	2500	144,110	54.40	136,000	(8,110)
Eastland Insurance	9545	323,889	33.9	323,576	(313)
Fareast Life Insurance	4966	269,855	46.40	230,422	(39,432)

				Amount in Taka	
				2020	2019
Pragatti Insurance	10000	674,878	63.30	633,000	(41,878)
Green Delta Insurance	2500	175,688	61.60	154,000	(21,688)
Meghna Life Insurance	672	44,940	62.90	42,269	(2,672)
Popular Life Insurance	1400	108,311	76.70	107,380	(931)
Goldon Son	18500	191,061	11.20	207,200	16,139
Prime Life Insurance	7692	453,150	51.90	399,215	(53,935)
Progres Life Insurance	550	70,511	103.20	56,760	(13,751)
Republic Insurance	4000	231,778	55.60	222,400	(9,378)
Safko Spinning	7125	111,586	11.40	81,225	(30,361)
Sandhani Life Insurance	5000	153,383	27.40	137,000	(16,383)
Sunlife Insurance	1567	50,759	23.30	36,511	(14,248)
8th ICB Unit Fund	3095	30,950	-	-	(30,950)
ICB Islami Bank	400	400	4.30	1,720	1,320
Padmalife Insurance	1800	57,098	20.50	36,900	(20,198)
Coppertech	9000	85,716	21.10	189,900	104,184
Ringshine	233531	2,150,867	6.40	1,494,598	(656,269)
Active Fiance Insurance	15000	240,099	16.90	253,500	13,401
Seapearl	1865	17,764	79.10	147,522	129,757
Premier Bank Ltd.	21610	232,537	11.00	237,710	5,173
Rupali Insurance	1020	69,477	57.70	58,854	(10,623)
Total	369270	6,269,164		5,535,724	(733,440)

Market value of the quoted price as of 31 December 2020

5,535,724

Cost price of the quoted shares as of 31 December 2020

6,269,164

Unrealized (gain/loss) from fair value adjustment in investment in quoted shares

(733,440)

Provision has been recognised for the difference amount between the market value of shares as on 31.12.2020 and the cost price of shares.

14.00 Accrued Interest on FDR & BGTB:

Accrued interest on Fixed Deposit (FDR)

5,951,667

794,824

Accrued interest on Bangladesh Govt. Treasury Bond (BGTB)

573,057

4,450,840

Total

6,524,724

5,245,664

15.00 Amount Due from other Persons or Bodies Carrying on Insurance Business:

This represents the total receivable from various persons or bodies carrying on insurance business as claim and co-insurance premium as on 31st December 2020, the details of which are as under:

Sadharan Bima Corporation	333,604,549	321,831,615
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
Progati Insurance Co. Ltd.	599,780	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	335,503,276	323,730,342

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

16.00 Sundry Debtors (Including Advances, Deposits, Prepayments and Others):

Advance against Salary
Advance against Printing (The Pigment)
Advance against Office Rent
Advance against Income Tax (**Notes:16.01**)
Advance against branch office decoration
Advance to Wifang Securities Ltd.
Advance to UCB Capital Management

Amount in Taka	
2020	2019
1,969,732	2,071,732
190,800	-
7,317,707	4,033,701
160,840,873	138,366,131
9,939,000	4,434,000
11,725	-
206,195	-
180,476,032	148,905,564

Total

16.01 Advance against Income Tax

Opening Balance
Add: Addition during the year

Less: Adjustment during the year

Total

138,366,131	131,728,027
22,474,742	6,638,104
160,840,873	138,366,131
-	-
160,840,873	138,366,131

17.00 Cash and Bank Balances:

Fixed Deposit Account
STD Accounts
Current Accounts
Cash in hand

410,852,262	356,960,032
10,640,590	744,347
5,820,851	699,601
410,101	1,753,501
427,723,806	360,157,481

Total

18.00 Other Accounts:

Fixed Assets (at cost less accumulated depreciation)

Land
Building
Office Decoration
Furniture & Fixture
Motor Vehicles
Carpet & Curtain
Office Equipment
Sundry Assets

Note:18.01

56,650,075	56,650,075
52,393,786	55,151,354
6,693,994	7,437,772
3,490,735	3,858,592
5,811,502	7,264,377
45,061	50,068
6,898,007	7,028,159
439,163	548,954
132,422,324	137,989,350

Other than Fixed Assets

Security Deposits
Stock of Stamps
Stock of Printing Items

Note:18.02

530,691	530,691
273,747	464,697
706,838	-

Total

133,933,600	138,984,738
--------------------	--------------------

18.01 Fixed Assets (at cost less accumulated depreciation)

A. Fixed assets at cost

Opening balance
Add: Addition

Less: Disposal

Total (A)

207,262,324	196,459,616
1,028,239	10,802,708
208,290,563	207,262,324
-	-
208,290,563	207,262,324

	Amount in Taka	
	2020	2019
B. Accumulated depreciation		
Opening balance	69,272,974	62,990,642
Add: Charges	6,595,265	6,282,332
	75,868,239	69,272,974
Less: Disposal	-	-
Total (B)	75,868,239	69,272,974
C. Written Down Value (A – B)	132,422,324	137,989,350

Details of fixed assets are shown in Schedule-A/2.

18.02 Security Deposits:

Telephone	103,592	103,592
Credit Card with Hotel Purbani	15,000	15,000
Fuel [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 System Ltd.	6,750	6,750
Wifang Securities Ltd.	23,349	23,349
Total	530,691	530,691

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

19.00 Interest and Dividend Income:

Interest on Fixed Deposits	25,212,590	23,116,777
Interest on STD Accounts	188,657	25,934
Interest on BGTB	2,501,333	2,588,750
Dividend from listed companies	4,330	22,428
Total	27,906,910	25,753,889

20.00 Directors' Fees:

1,088,000	1,403,000
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During the year under review a total amount of Taka 10,88,000 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.

21.00 Audit Fees:

Statutory Audit fees (Fees of 2020 includes that of Corporate Governance Audit)	270,000	276,000
Total	270,000	276,000

22.00 Group Insurance Premium:

1,465,821	-
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23.00 Expenses of Management:

a) Expenses incurred by JIC	Note: 23.01	58,129,878	84,929,201
b) Expenses incurred by SBC	Note: 23.02	4,637,943	4,918,866
Total		62,767,821	89,848,067

23.01 Expenses incurred by JIC:

	Amount in Taka	
	2020	2019
Salaries & Allowances	30,287,953	47,533,251
Festival Bonus	5,144,406	7,297,402
Leave Encashment	2,772,423	-
Office Rent	5,538,936	4,773,472
Office Maintenance	1,063,268	3,817,027
Telephone charges	592,881	645,428
Gas, Water & Electricity charges	1,509,764	2,276,903
Printing expenses	490,268	1,737,418
Stationery expenses	245,334	872,962
Books and Periodicals	30,945	38,045
Car Repairs and maintenance	206,158	-
Fuel & Lubricants	2,101,417	2,241,701
Repairing & Maintenance	1,637,998	3,105,868
Entertainment	995,323	1,063,268
Traveling expenses	42,073	749,104
Conveyance	1,325,301	1,453,016
Medical expenses	-	89,540
Postage, Telegram and Stamp	216,410	208,273
Carrying and Cartage	11,015	48,300
Personal Accident insurance premium	627,300	67,500
Motor Car insurance premium	234,012	414,592
Bank charges	110,300	70,022
Service charges on Co-Insurance	625,047	605,821
Crockeries expenses	-	20,160
Seminar & Training fees	23,750	1,536,000
P.F. Contribution	-	1,647,019
BGTB Revenue expenses	726,763	-
VAT on Rent	550,804	-
Business expenses	48,884	-
Fees & Charges	603,030	-
Conference expenses	-	2,617,109
Pre-inspection fees	12,000	-
VAT at source	356,115	-
	58,129,878	84,929,201

23.02 Allocation of Management Expenses of Public sector Business (PSB):

Particulars	2020	2019
Fire	973,267	775,396
Marine Cargo	1,705,925	2,144,496
Motor	217,089	211,154
Miscellaneous	1,741,662	1,787,820
Total	4,637,943	4,918,866

Comparative Statements of Management Expenses (Own & PSB)

Particulars	Rate %	Expenses Incurred by	Expenses Incurred by	Amount in Taka	
		JIC	PSB	2020	2019
Fire	39.85%	23,167,135	973,267	24,140,402	39,183,551
Marine Cargo	36.78%	21,380,972	1,705,925	23,086,897	25,323,676
Motor	15.05%	8,749,301	217,089	8,966,390	18,471,576
Miscellaneous	8.31%	4,832,469	1,741,662	6,574,131	6,869,264
Total	100%	58,129,878	4,637,943	62,767,821	89,848,067

23.03 Expenses incurred by Janata Insurance Co. Ltd. during the year 2020, charged in the Revenue Accounts and Profit & Loss Account included TDS & VDS (where applicable).

Amount in Taka	
2020	2019

23.04 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% Bonus Dividend for the year ended December 31, 2020, for all the shareholders of the Company on the basis of the above Audited Financial Statements subject to approval of the 35th AGM.

24.00 Premium Less Re-insurance

Particulars	Gross premium		Re-insurance		Net premium 2020
	Own Business	PSB	Own Business	PSB	
Fire	109,108,616	12,973,324	70,806,925	11,269,598	40,005,417
Marine Cargo	100,696,450	22,745,658	16,709,295	17,571,002	89,161,811
Motor	41,205,965	2,852,599	5,059,388	-	38,999,176
Misc.	22,759,136	23,217,871	12,468,467	22,533,451	10,975,089
Total	273,770,167	61,789,452	105,044,075	51,374,051	179,141,493

24.01 Gross Premium/Net Premium:

Gross Premium		Re-Insurance	Net Premium
Own Business	273,770,167	105,044,075	168,726,092
PSB	61,789,452	51,374,051	10,415,401
Gross	335,559,619	156,418,126	179,141,493

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

25.01 Net Profit for the Year and its Appropriation

Net Profit for the year	77,016,841	72,611,199
Less: Transferred to reserve for exceptional losses	5,000,000	5,000,000
Less: Provision for income tax	24,956,607	25,495,545
Less: Provision for deferred tax	105,439	1,631,518
Less: Cash Dividend	42,283,821	40,270,303
Surplus carried forward	4,670,974	213,833

25.02 Earnings Per Share (EPS):

Basic earning per share (EPS) on net profit after tax (A/B)	1.25	1.08
Earnings attributable to the ordinary share holders (A)	52,688,235	45,484,136
Profit as per profit or loss account	77,750,281	72,611,199
Less: Income Tax Provision	(24,956,607)	(25,495,545)
Less: Deferred Tax Expenses	(105,439)	(1,631,518)
Number of ordinary shares outstanding during the year (B)	42,283,821	42,283,821

Amount in Taka	
2020	2019

25.03 Net Asset Value (NAV) Per Share:

Net asset value per share (a/b) 14.45 14.22

a) Share holder's Equity at the end of the year	611,083,598	601,412,623
b) Number of Outstanding Shares	42,283,821	42,283,821

As, Net asset value is equivalent to total shareholders' equity, for the purpose of calculation of Net asset value, amount of total shareholders' equity has been considered.

25.04 Net Operating Cash Flow Per Share (NOCFPS):

Net operating Cash flow per share (a/b) 2.11 0.86

a) Net Cash Flows from Operating Activities	89,090,234	36,180,368
b) Number of Outstanding Shares	42,283,821	42,283,821

25.05 “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 payments during the year
Partex Group	Insurance	10,476,147	-	-
Aramit Group	Insurance	5,213,081	-	-
Goldenson Ltd.	Insurance	16,788,500	-	-
Ananta Group	Insurance	13,726,362	-	-
Seraj Ano Ispath	Insurance	728,118	-	-
Masco Group	Insurance	352,503	-	-

25.06 Contingent Liability

Income Tax Returns have been submitted to the Tax Authority under NBR regularly. However, Tax Clearance Certificates up to 2004 (Corresponding Year Assessment Year 2005-06) were collected. From Financial year 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. 277,232,944; against which the amount of tax that has already been paid is Tk. 160,840,873. For the Assessment year 2019-20, the file is at the hearing level before the Deputy Commissioner of Taxes.

25.07 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 and decided to implement IFRS 16 from 01 January 2021 and onward.

25.08 Effect of COVID- 19

There was an outbreak of the global pandemic COVID-19 on 11 march 2020 which adversely impacted the revenue of the company for the period from April 2020 to June 2020. However, after June 2020 and onward, the revenue of the company was in the same pace of regular and normal business.

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

25.10 All shares have been fully called and paid up.

25.11 No Preference shares was issued by the Company.

25.12 During the year under audit, there were 171 employees.

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

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

25.15 No expenses was paid as royalty and salary to the technical experts.

25.16 Event after Financial Position Date:

(a) The Board of Directors of the company in its 186th board meeting held on 24 April 2021 has recommended 6% Cash and 5% Bonus Dividend on Paid Up Capital for the year ended December 31, 2020 subject to approval at the Annual Geeral Meeting (AGM).

25.17 Effective tax rate for the year ended 31 December 2020 is 33.69% which is calculated by dividing total tax liability with total income (including exempted income) of the company.

26.00 Response to address the COVID-19 effects:

COVID-19 poses existential threats on the ability of a business to survive, which in turn have significant financial reporting impacts-from going concern and liquidity to recoverability and valuation of assets.

Janata Insurance Company Ltd. has taken and will take various measures to keep the Company's going concern status:

i) To ensure the safety of the employees, company ensuring adequata safety and heath measures for the employee like social distancing amd working from home to ensure the safety of the employees.

ii) For regular monitoring Janata Insurance Company Ltd. has introduced and implemented contingency plans for liquidity and putting into controls.

iii) Effective cost control measures are already in place to combat the unprecedented situation.

iv) Reduce certain expenses which is required in normal business scenario but not 100% applicable during overall slowdown of macroeconomic and industry specific environment.

Furthermore, the management is continuously monitoring JICL's key ratios and is confident enough to undertake all crisis management and business continuity measures. Through conducting stringent review and an assesment of the levels of facilities expected to be available to the company, the managemet strongly believes that the JICL'S has adequate resources for a period of a least 12 months from the date of authorized for issue of the financial statements.

So, based on the facts and circumstances known at this moment, the management believes there is no material uncertainty that may cast any doubt upon the JICL'S ability to continue as a going concern.

Janata Insurance Company Limited

FORM 'AA'

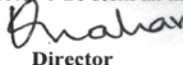
CLASSIFIED SUMMARY OF ASSETS

As at December 31, 2020

Sl. No.	Class of Assets	Amount in Taka	
		2020	2019
		Book Value	Book Value
1.	Investment in Bangladesh Govt. Treasury Bond	25,000,000	25,000,000
2.	Investment in Shares at market value	5,535,724	3,797,978
3.	Accrued Interest on FDR & BGTB	6,524,724	5,245,664
4.	Amount due from other persons or bodies carrying on insurance business	335,503,276	323,730,342
5.	Sundry Debtors (including advances, deposits, prepayments and others)	180,476,032	148,905,564
6.	Cash and Bank Balances	427,723,806	360,157,481
7.	Fixed Assets (at cost less depreciation)	132,422,324	137,989,350
8.	Security Deposits	530,691	530,691
9.	Stock of Stamps & Printing Items	980,585	464,697
Total		1,114,697,162	1,005,821,767


Chief Executive Officer (cc)

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


Director


Director


Chairman

Signed as per our annexed report of even date.

Place: Dhaka
Dated: April 24, 2021


AFM ALAMGIR, FCA
Chief Executive Partner
Enrollment No. 268
ARTISAN
CHARTERED ACCOUNTANTS
DVC. 2104250268AS429172



Janata Insurance Company Limited

Schedule of Fixed Assets

As at December 31, 2020

Schedule A/2

Particulars	Cost				Depreciation					Written down value
	Balance as on 01.01.2020	Addition during the year	Adjustment / Disposal during the year	Balance as on 31.12.2020	Rate of Dep. %	Balance as on 01.01.2020	Charged during the year	Adjustment Disposal	Balance as on 31.12.2020	
Land	56,650,075	-	-	56,650,075	-	-	-	-	-	56,650,075
Building	77,031,633	-	-	77,031,633	5%	21,880,279	2,757,568	-	24,637,847	52,393,786
Office Decoration	20,080,254	-	-	20,080,254	10%	12,642,482	743,777	-	13,386,260	6,693,994
Furniture & Fixture	9,462,789	18,950	-	9,481,739	10%	5,604,197	386,807	-	5,991,004	3,490,735
Motor Vehicles	18,308,576	-	-	18,308,576	20%	11,044,199	1,452,875	-	12,497,074	5,811,502
Carpet & Curtain	645,568	-	-	645,568	10%	595,500	5,007	-	600,507	45,061
Office Equipment	23,945,629	1,009,289	-	24,954,918	15%	16,917,470	1,139,440	-	18,056,911	6,898,007
Sundry Assets	1,137,800	-	-	1,137,800	20%	588,846	109,791	-	698,637	439,163
Total	207,262,324	1,028,239	-	208,290,563		69,272,974	6,595,265	-	75,868,239	132,422,324



জনতা ইন্স্যুরেন্স কোম্পানী লিমিটেড

JANATA INSURANCE COMPANY LIMITED

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 35th Annual General Meeting of the Company to be held on Thursday, the July 29, 2021

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 of2021

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 লিমিটেড

JANATA INSURANCE COMPANY LIMITED

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

ATTENDANCE SLIP

I/We hereby record my/our attendance at the 35th Annual General Meeting of the Company being held on Thursday, the July 29, 2021 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)/Proxy

Date:

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



জনতা ইন্স্যুরেন্স কোম্পানী লিমিটেড

JANATA INSURANCE COMPANY LIMITED

Janata Insurance Bhaban, Ga - 95/D, Link Road, Middle Badda
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