

Annual Report 2021



Takaful Islami Insurance Limited
তাকাফুল ইসলামী ইন্স্যুরেন্স লিমিটেড

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তাকাফুল ইসলামী ইন্স্যুরেন্স লিমিটেড
(সহমর্মিতা ও নিরাপত্তার প্রতীক)



Annual Report 2021

Head Office :

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Letter of Transmittal

All Shareholders,

Bangladesh Securities and Exchange Commission (BSEC)
Insurance Development & Regulatory Authority (IDRA)
Registrar of Joint Stock Companies & Firms (RJSC)
Dhaka Stock Exchange Limited (DSE) and
Chittagong Stock Exchange PLC

Muhtaram,
Assalamu Alaikum,

Annual Report for the year ended December 31, 2021

Enclosed please find a copy of the Annual Report together with the Audited Financial Statements including Balance Sheet as at December 31, 2021 and Profit and Loss Account, Revenue Accounts, Statement of Cash Flows, Changes of Shareholders' Equity for the year ended December 31, 2021 along with notes thereon of Takaful Islami Insurance Limited for kind information and record.

Ma-Assalam,



(Mohammad Shaheen Miah)
Company Secretary (C.C)

Notice of the 22nd Annual General Meeting

Notice is hereby given that the 22nd Annual General Meeting of the Shareholders of Takaful Islami Insurance Limited will be held on July 23, 2022; Saturday at 11:00 a.m. virtually by using digital platform to transact the following business :

AGENDA :

1. To receive and adopt the Directors' Report, the Audited Accounts of the Company and the Auditors Report thereon for the year ended 31st December, 2021.
2. To declare dividend for the year 2021 as recommended by the Board of Directors.
3. To elect/re-elect Directors.
4. To appoint Independent Directors
5. To appoint Statutory Auditor for the year 2022 and fix their remuneration.
6. To appoint Compliance Auditor for the year 2022 and fix their remuneration.
7. To transact any other business with the permission of the chair.

By order of the Board of Directors



(Mohammad Shaheen Miah)
Company Secretary (C.C)

Dated, Dhaka
June 28, 2022

NOTES :

01. The record date of the Company is the May 31, 2022. The shareholders whose names appearing in the share register/depository register of the Company on the record date will be eligible to attend the Meeting.
02. Pursuant to the Bangladesh Securities Exchange Limited Commission's Order No. SEC/SRMIC/94-231/91 dated 31 March, 2021, the AGM will be virtual meeting of the members, which will be conducted via live webcast by using digital platform.
03. The members will be able to submit their question/comments and vote electronically 24 hours before commencement of the AGM and during the AGM. For logging into the system, the Members need to put their 16 digit Beneficial Owner (BO) ID number and their credential as proof of their identity by visiting the link given to the website of the Company i.e. www.takaful.com.bd. The link also sent/be sent to the email address of the respected shareholders.
04. The detailed procedures to participate in the virtual meeting and Frequently Asked Questions (FAQs) have been provided in the Annual Report and published in the Company's Website at www.takaful.com.bd.
05. We encourage the members to log into the system prior to the meeting start time of 11:00 a.m. Please contact +88 01723-415126 for technical difficulties in accessing the virtual meeting.
06. A member entitled to attend and vote at the above Annual General Meeting may appoint a proxy in his/her behalf. The Proxy Form duly completed, must be affixed with revenue stamps of Tk. 20.00 and deposited at Registered Office not later than 72 hours before the time fixed for the Annual General Meeting.
07. Pursuant to the Bangladesh Securities and Exchange Commission Notification BSEC/CMRRC/2006-158/208/Admin/81 dated 20 June, 2018, the Soft copy of the Annual Report 2021 is being sent the email address of the Members available in their beneficiary owner accounts maintained with the Depository. The Members are requested to update their email address through their respective Depository Participant. The soft copy of the Annual Report 2021 will also be available on the investor relations section of the Company's website at www.takaful.com.bd
08. As per directive of Bangladesh Securities and Exchange Commission (BSEC), no food or gift will be arranged at the AGM.

History of the Company

Incorporation of the Company	December 21, 1999
Certificate of Commencement of Business	December 21, 1999
Registered with the Department of Insurance	May 21, 2001
Authorised Capital	Tk. 100.00 Crore
Paid up Capital	Tk. 42.59 Crore
Prospectus Issued for Public Floatation of Shares	June 26, 2008
Subscription Opened	August 25, 2008
Subscription Closed	August 31, 2008
First Dividend Declared	September 22, 2007
Agreement Signed with CDBL	August 26, 2008
Listing with Dhaka Stock Exchange Ltd.	November 03, 2008
First Trading of Share on Dhaka Stock Exchange Ltd.	November 03, 2008
Share Price at First Trading	Tk. 390.00
Closing Share Price on 31-12-2021	Tk. 55.90

Our Vision

Our Vision is to become a leading Shariah based General Takaful Service Provider to the Nation.

Our Mission

Our Mission is to provide Protection & Financial Security to the Nation through 'Tabarru' guided by Islamic Shariah.

Our Goal

Our Goal is to establish Islamic principle in the General Insurance Sector by maintaining good relations with participants and thus to benefit our shareholders, employees and the communities where we do business.

Our Strength

We are backed by Shariah based financial institutions worldwide & most innovative Re-insurance Company with their global expertise & technical support in the Insurance activities since inception.

Board of Directors

Chairman :

Mr. Anwer Hossain Khan MP

Vice Chairman :

Mr. Md. Abul Hashem

Chairman : Executive Committee

Mr. Md. Humayun Kabir Patwary

Chairman : Claim Committee

Mr. Khorshed Alam Khan

Chairman : Audit Committee

Mr. A.K.M Aminul Islam

Chairman : Nomination and Remuneration Committee

Mrs. Tahmina Afroz

Directors : Sponsor Shareholders

Mr. Anwer Hossain Khan MP
Mr. Md. Abul Hashem
Mr. Md. Humayun Kabir Patwary
Mrs. Tahmina Afroz
Mr. Emdadul Hoque Chowdhury (Emdad)
Mr. Md. Abul Hashem
Engr. Khondaker Mesbahuddin Ahmed
Mr. Anwar Hossain Chowdhury
Mr. Shamsul Arefin Khaled
Mr. Md. Moshir Rahman Chamak
Mrs. Shahanaz Parvin
Mr. Md. Iqbal Hossain
(Rep. of Eastern Diagnostic H & OPMS)

Directors : Public Shareholders

Mr. AFM Motassem Belal
(Rep. of Modern Diagnostic Center Ltd.)
Mr. Md. Jahirul Islam
Mr. Md. Khorshed Alam Khan
Mr. Mosharraf Hossain Chowdhury
(Rep. of Daffodils Sign Media)
Mr. Md. Zia Uddin Podhar
Mr. Billal Hossain

Independent Directors

Mr. A.K.M Aminul Islam
Mr. Md. Nurun Nabi Bhuiyan

Chief Executive Officer

Qazi Mukarram Dastagir

Brief Profile of Directors



Anwer Hossain Khan MP
Chairman

Mr. Anwer Hossain Khan was born in 1962 in a respectable Muslim family at Noakhali. He obtained B.Com. (Hons) and M.Com. Degree. After completion of his education he has been engaged in Diagnostic business. He is the Chairman & Managing Director of Anwer Khan Modern University, Anwer Khan Modern Medical College, Anwer Khan Modern Nursing College, Modern Diagnostic Centre Ltd. & Anwer Khan Modern Hospital Ltd. He is a Member of Governing Council of Prime University. He is also the Director of Shahjalal Islami Bank Ltd. He is Managing Director of Modern Diabetic Center Ltd. and Haji Shakhawat Anwara Modern Eye Hospital Ltd. His involvement in socio-cultural organizations is also quite notable.



Md. Abul Hashem
Vice Chairman

Mr. Md. Abul Hashem comes of a respectable Muslim family of Chittagong. He obtained BBM from Bangalore University of India. He started his business career in his family business related with construction, Garments etc. He is the Managing Director of Ambia Apparels Ltd., Ambia Steel & Re-rolling Mills Ltd., Ocean Construction Ltd., Patenga Builders Corp. Ltd., Ambia Knitting & Dyeing Ltd., Ambia Holdings Ltd., Ambia Filling Station Ltd., Ambia Tank Terminal & Refinery Ltd., Ambia Tank Terminal Ltd. He is the proprietor of M/s. Md Abul Hashem, Tejarat Trading at Chittagong, Member of Chittagong Club Ltd., Member of Chittagong Boat Club., Member of Bangladesh Cricket Board, Member of Chittagong MAA O Shisu Hospital, Vice-Chairman of FMC Sports Club. Mr. Md. Abul Hashem is young and energetic man with a cricket sporty and cultural mind.

Mr. Humayun Kabir Patwary son of Late Yakub Ali Master was born in a respectable Muslim family of Noakhali. He obtained B.Com. (Hons) M.Com. from Chittagong University and C.A.C.C from Nasir Mohammad & Co. He started his business career as Shipping Agents. He is the Managing Director of "Park Group". He is the Chairman of Takaful Islami Securities Ltd. He is a Director of Metropolitan Hospital Ltd., Chittagong Multi Project Development Ltd and Academic Committee Member of Chittagong Ideal School & Collage. He is the Proprietor of Park LPG Refilling Station. He is also associated with various social-cultural Organizations.



Md. Humayun Kabir Patwary
Chairman
Executive Committee

Mr. Khorshed Alam Khan was born in 1971 in a respectable Muslim family and started business after completion of his Bachelor Degree. He is young and energetic businessman. He is a Director of Modern Diagnostic Ltd. He is Owner of Daffodils Trading International and Daffodil Color Lab and Studio. He has also traveled different parts of the world in connection with business.



Khorshed Alam Khan
Chairman
Claim Committee



A.K.M Aminul Islam
Chairman
Audit Committee

Mr. A.K.M. Aminul Islam came from a reputed family of Laxmipur. His father Morhum Moulavi Mohammad Badruzzaman was a respectable school teacher and was an eminent educationist. Mr. A.K.M. Aminul Islam was born at Laxmipur of the than Noakhali district in 1956. His livelihood was nurtured in a homely and religious atmosphere. He received his education at Laxmipur High School and College, wherefrom he was graduated with distinction in 1975. Although Mr. A.K.M. Aminul Islam came from a solvent family but was a vision to established his own venture while was studying in 1973. He was faced a period of extreme hardship. Realizing the increasing difficulty to establishing himself. In turning of 50 years of hectic journey he was experienced to become a philanthropist. His multi-disciplinary trading involved with importing fertilizers, food grains, cereals and essential commodities, skimmed and condensed milk. He became proprietor of wholly owned trading companies namely M/s. Mahmud Trading Corporation, Rupali Trading Agency, RS Syndicates at prominent market place in Khatungonj of Chittagong. Along with trading he was initiated and directed to established Pacific Oil Company Limited in 1997 at Chittagong. The venture is blending classic lube oil which has obtained a remarkable market share and blending reputation. He is one of the praising Directors of the board. To envisioned the glimmering future of textile he was established Dong Bang Textile Limited in 1997 and Mars Textile Ltd. (Spinning) in 2002. Which are contributing a significant role in specialized textiles sector. He is the Chairman of Dong Bang Group and Deputy Managing Director of Mars Textiles Ltd. To contribute in the protein sector, he has established country's most reputed and largest poultry feed & breed producers M/s. Provita Feed Ltd., Provita Hatchery Ltd., Provita Fish feed Ltd., Provita Breeders Ltd. are of his glorious and successful ventures. He is the Managing Director of Provita Group. Mr. Amin has a vision how to create employment opportunity to engage more people. He has started another mission on 2005. Mahmud Denims Limited one of the largest and premium authentic denim producers of the country. Following Mahmud Denim's success Mahmud Spinning Ltd., Mahmud Jeans Ltd., Mahmud Washing Plant Ltd., Mahmud Indigo Ltd., Mahmud Woven Dying Ltd., Mahmud Fashion Ltd., Mahmud Fabrics & Finishing Ltd., Mahmud Rope Dying Ltd., was established one by another to flocked the feathers of philanthropic gestures. Mr. Aminul Islam is the key personal and the Managing Director of all these golden ventures of Mahmud Group. To enrolling on government milium development goal to create 100 new economic and especial economic zone he has trembled his hands with other entrepreneurs to established a large private economic zone named Sirajgonj Economic Zone Limited. In the west bank of Jamuna river adjacent to the great Jamuna Bridge. Where amours amount of foreign direct investment (FDI) will be invested to established numbers of industrials venture to strengthening the country's economy and employing hundreds of thousands of people to embrace their lives. He is the key Partner and the Director of the Sirajgonj Economic Zone Limited. A true visionary idealist may not rest a while since his philanthropic ideas has not given him a rest. He has travelled all major countries of the world to attended seminars & symposiums, exhibitions and visited prominent organizations to scattering the exposers and establishing & optimizing the relation of international bodies. He is the founder, Co-founders and member of many international and local business and social organization. His personal responsibilities to the human society are notable and become idyllic model to follow. He is eminently attached with many social organizations, mosques, schools & colleges, madrasas. His charitable gestures, personal donation and financial aids have laid many survives. Mr. Amin's philanthropy and benevolent thought is to serve the lives and save the lives.



Tahmina Afroz
Chairman
Nomination & Remuneration Committee

Mrs. Tahmina Afroz was born in a respectable muslim family in the year 1975. She is the daughter of Mr. Md. Koyez Ahmed and Her mother's name is Mrs. Rohima Begum. She is the wife of a renowned businessman. Mr. Anwer Hossain Khan. She is involved in healthcare business last 16 years. She is the Proprietor of Mother Trade Centre and Makka Medical Centre. She is also the Director of South Bangla Agricultural Bank and Commerce Bank Limited, Anwer Khan Modern Medical College and Hospital, Modern Holdings Limited, Hazi Shakhawat Anwara Eye Hospital, Modern Diabetic Centre and Marry Gold Holdings Limited. She is also associated with various socio-cultural activities in Dhaka.

Mr. Md. Emdadul Hoque Chowdhury, Ex-Vice Chairman and one of the Sponsor members of Takaful Islami Insurance Limited, was born to a well-known Muslim Family in Chittagong. His Father's name is Late Al-Haj Md. Anwar Chowdhury and mother is Late Salama Khatun. He is a distinguished business personality of the country, starting his business career in 1971 with Lucky Group of Companies. An established business organization since 1947. He founded many businesses under the umbrella of Lucky Group, namely in the garment manufacturing industry, retail market, import and export, real estate, stock market, and finally in the insurance industry. At present, he is the Chairman of Lucky Group of Companies, Managing Director of Kattali Textile Limited (KTL), Managing Director of DN Securities Limited, Managing Director of Lucky Organics Limited, President of Kattali Jakir Ulum Senior Madrasa, Ex President of Jaman Anwar Institute, Ex Elected President (2018-2019) of the Rotary Club of Chittagong Pearl, Ex-Director Chittagong Chamber of Commerce and Industry also Ex. Director of BGMEA, two time elected President of Bipani Bitan, three time elected MIC of Chittagong Club Limited, and lifetime member of Chittagong Rifle Club, Chittagong Press Club, Bhatiary Golf and Country Club, Chittagong Boat Club & Chittagong Ma-O-Shishu.



Emdadul Hoque Chowdhury (Emdad)
Sponsor Shareholder Director

Mr. Md. Abul Hashem is a prominent business person of Bangladesh. He was born in 1953 in a respected muslim family of Laxmipur district. He has been graduated from Chittagong Govt. City College in 1976. Immediately after completion of his graduation he got himself engaged in family business. Gradually he has excelled in the business and successfully established himself as one of the renowned business figure of the country. His established business entity "Sajeeb Group" is now a well-known business conglomerate both at home and abroad. Currently he is the Chairman of Sajeeb Group of Companies and holding positions of Managing Director of Hashem Foods Ltd. Hashem Agro Processing Ltd. and Hashem Flour Mills Ltd. He is the proprietor of Hashem Auto Rice Mills. He is also actively involved in socio-cultural activities and members of Baridhara Diplomatic & Club Ltd., Chittagong Club Ltd., Kurmitola Golf Club, Bhatiary Golf and Country Club, Dhanmondi Club etc.



Md. Abul Hashem
Sponsor Shareholder Director



Engr. Khondaker Mesbahuddin Ahmed
Sponsor Shareholder Director

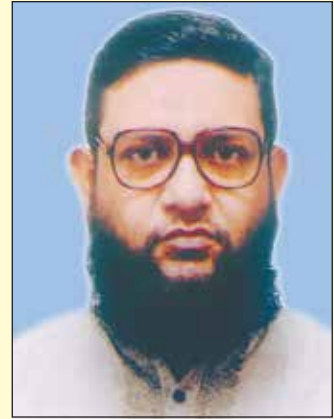
Engr. Khondaker Mesbahuddin Ahmed was born in a respectable family of Narsinghdi in the year 1943. He was a brilliant student of Dhaka College. He obtained B.Sc. (Engr.) Degree from BUET in 1965 and M.Sc. (Engr.) from AIT Bangkok in 1977. He started his career as a professional engineer in the BWDB and later started Consultancy by establishing a firm of his own. He is regarded as one of the pioneers in the field of consultancy in Bangladesh. He is Managing Director of M/s. Aqua Consultant and Associate Ltd., the prestigious Institution doing consultancy for International Donor Agencies like World Bank, ADB, IDB, DANIDA, JICA etc. funded projects in Bangladesh. He is also the Director of HURDCO Ltd. and one of the Directors of Al-Arafah Islami Bank Ltd. He is Director of Central Hospital and Millennium Information Solution Ltd. He is also Member of Board of Trustee, Eastern University. He is well known in the business arena of Bangladesh as a very sound and integrated person. He is also associated with various social and philanthropic organizations. He is Life Fellow of Engineers Institution of Bangladesh, Life Member & EC Member of Sandhani Eye Donation Society of Bangladesh (SNED) and Bangladesh Medical Studies & Research Institute (BMSRI). On many occasions, he traveled USA, UK, French, Belgium, Holand, South Africa, Japan, China, South Korea, Taiwan, Thailand, Vietnam, Philippine, Singapore, Malaysia, Cambodia, Laos Republic, KSA, UAE, India, Nepal, Srilanka, Bhutan and Pakistan.



Anwar Hossain Chowdhury
Sponsor Shareholder Director

Mr. Anwar Hossain Chowdhury son of Late Bashir Ullah Master and Late Anwara Begum was born in 1954 in a respectable muslim family of District (The Then) Noakhali, presently Lakshmipur, P.S. : Ramgonj, Village : Mukterpur. During his long career in apparel industry he worked as Country Manager for Stage II Apparel Corp., New York, USA and then for Linmark Westman Group of Companies Hongkong. Gathering valuable experiences in the RMG Industry, he started his own Business as AJ International, which is now known as AJ Group, exporting more than 35 Million US Dollar per annum. Beside above Business Mr. Chowdhury is involved in other organizations - a) Eastern University, Former Chairman-Member BOT, b) Islamic Finance & Investment Limited, Former Chairman. Mr. Chowdhury is also involved with other Social activities.

Mr. Samsul Arefin Khaled comes of a respectable Muslim family of Dhaka. He obtained Masters in Commerce from Dhaka University. He started his career as a businessman in Animal Feed and Hatchery Sector. He is the Director of Ehsan Garments Ltd., Moon Light Garments Limited, Khaled Shipping Lines Ltd., Mohammdi Navigations Ltd., Bass Computonix Ltd., Nourish Poultry Hatchery Ltd. and also the Director of Popular Life Insurance Ltd. He is also associated with various socio-cultural organizations.



Shamsul Arefin Khaled
Sponsor Shareholder Director

Mr. Md. Moshiur Rahman Chamak son of Mohammad Touhidur Rahman was born in a respectable Muslim family in Khulna in 1989. He obtained MBA degree from AIUB in Finance in 2013 & BBA from East West University in Marketing in 2011. He also obtained training from Singapore National University on Business Leadership Development and on industrial compliance and fire safety from BUET. He is Director of Shahjalal Islami Bank Ltd., Sea Fresh Ltd., Fresh Knit Wear Ltd., Libas Textiles Ltd. and Fresh Export Import Ltd. He is Member of Baridhara Cosmopolitan Club, Dhaka and Life Member of Gulshan Club. He is also Member of Governing Committee of Alhaj Jalaluddin College, Patuakhali. He has traveled many countries like USA, UK, Australia, Canada, Germany, France, Belgium, Turkey, South Korea, India, Malaysia, Singapore, Thailand, Dubai, Hong Kong, Nepal, Egypt, China and Japan and gathered as vast experience in overseas business environment. His contribution towards the society is quite remarkable.



Md. Moshiur Rahman Chamak
Sponsor Shareholder Director



Shahanaz Parvin
Sponsor Shareholder Director

Mrs. Shahanaz Parvin was born in a respectable Muslim family of Chittagong. She is a Director of Takaful Islami Securities Limited and Shareholder of Metropolitan Hospital Limited. She is associated with various socio-cultural activities. She has traveled India, Singapore, Canada and UK.



Md. Iqbal Hossain
Sponsor Shareholder Director
(Representative of Eastern Diagnostic H & OPMS)

Mr. Md. Iqbal Hossain, representative of Eastern Diagnostic H & OPMS was born in 5 September 1972 in a respectable Muslim family at Laxmipur. Mr. Iqbal is the Proprietor of Eastern Diagnostic H & OPMS. He is also associated with various social and humanitarian organizations.

Mr. AFM Motassem Belal so of Md. Nurul Islam Patwary and Rokeya Begum, was born in a respectable Muslim family of Lakshmipur, P.S: Ramgonj, P.O: Shapali Para, Vill: Shapali Para in the year of 1972. He obtained B. Com and M.Com degree from National University Bangladesh. He started his career in pharmaceutical industry. He is currently working in Mokkha Medical Center. He is member of the governing body, Unnoyan Ovijan Society-NGO and Skill Development Center, A leading training institute. He is also involved in different social-cultural activities. He is the General Secretary of Laxmipur Jubo Kallanyan Somity and also a member of Laxmipur Somity.



AFM Motassem Belal
Public Shareholder Director
(Representative of Modern Diagnostic Center Ltd.)

Mr. Md. Jahirul Islam was born in a respectable muslim family of Chandpur in the year 1975, He has started his business after completion of his Bachelor Degree. He is owner of Elite Thai Aluminum, Elite gift house and Elite printing. He is a young and energetic businessman of Capital market. He has traveled in many countries like Singapore, Malaysia, Thailand, India & Nepal.



Md. Jahirul Islam
Public Shareholder Director



Mosharraf Hossain Chowdhury
Public Shareholder Director
(Representative of Daffodils Sign Media)

Mr. Mosharraf Hossain Chowdhury was born in a respectable Muslim family of Shariatpur in the year 1945. He entered into a job of banking sector in 1970. He performed as Managing Director in IFIC Bank and Standard Bank Limited from 2003 to 2010. He also performed as Independent Director and Chairman of Audit Committee of Shahjalal Islami Bank Limited from 2013 to 2019. He has traveled in U.S.A, Italy, China, Vietnam and Malaysia for participation in international Seminar.



Md. Ziauddin Podhar
Public Shareholder Director

Mr. Md. Ziauddin Podhar was born in a respectable Muslim family of Feni in the year 1982. He entered into a business in 2008 in Dubai, U.A.E. He is the Managing Director of Icon Hotel Apartments LLC, Zagy Hotel LLC, Fal hotel LLC, Mohammed Zia Electronics Trading LLC & Grand Icon General Trading LLC. He successfully run his Business in Dubai. He has also traveled different place of the world in connection with business. He is a NRB.

Mr. Billal Hossain was born in 31 March 1971 in a respectable Muslim family at Laxmipur and started business after of his graduation. Mr. Billal Hossain is the Managing Director of “Sara International Trade Marks”-Garments .Mr. Billal Hossain has become one of the most successful entrepreneurs in the country. He is the honorable Director “NRB11 Real Estate & Developers Ltd”. He is owner of “Sara Fisheries & Dairy Firms. He is also adviser of Laxipur Somiti of Jeddah (Saudi Arabia). He is successfully run his business abroad of medalist. There are a lots of readymade garments showroom in Saudi Arabia. He is responsible for the overall working of the Company and is instrumental in making strategic decisions for the Company. He is also associated with various social and humanitarian organizations. On many occasions, he traveled French, Sweden, Spain, Italy, Turkey, Thailand, Dubai, China.



Billal Hossain
Public Shareholder Director

Mr. Md. Nurun Nabi Bhuiyan was born in a respectable family of Chittagong in the year 1972. He obtained Graduation from Chittagong in 1994. He entered into a business while he was doing his graduation in Chittagong with first establishment of poultry farm in 1990 in Chittagong. Thereafter he started import of poultry club concentrate (pherofish, meal, blood meal and soya meal) from Netherlands. He also imported sodium sulphate and hydrogen form China. In between 1990 and 2000 he established an industry named “Super Deluxe Plastic.” He also stabled other project named as Provita Apparels at Baddharhat in Chittagong. Apart from he is the owner of ABH Corporation, Afra Trading International, Redwan Trading International, Mukta Agency, RH Corporation, MKN Trade International Galaxy Trade International, Mehjabin TradeInternational, Rainbow Trade International and Moonlight Trade International. He also established “Provita Feed Ltd.” in the year 2003. He is the chairman of Provita Feed Ltd, Provita Fish Feed Ltd, Provita Hatcheries Ltd, Provita Seeds Ltd & Provita Breeders Ltd. He is also the director of Mahmud Denims Ltd, Mahmud Spinning Mills Ltd, Mahmud Jeans Ltd, Mahmud Washing Plant Ltd and Mahmud Indigo Ltd. He is also associated with warious social and philanthropic organizations. He traveled USA, UK, Australia, Canada, French, Sweden, Spain, Italy, Belgium, Newzeland, South Africa, Holand, Germany, Japan, China, Philippine, Singapore, Malaysia, KSA, UAE, Nepal, Kenya, Qatar, Thailand, Vietnam, Srilanka, India, Bhutan and Pakistan.



Md. Nurun Nabi Bhuiyan
Independent Director



Qazi Mukarram Dastagir
Chief Executive Officer

Mr. Qazi Mukarram Dastagir was born in a reputed Muslim family of Sandwip, Chattaram in the year of 1960. He obtained his M.S.S in Economics degree from Dhaka University in the year 1982. He also obtained LL.B. degree from the same University 1985. He passed intermediate level of ICMA course. He has more than 35 years of experience in the Insurance industry. He served in Karnaphuly Insurance Company Limited 1986 to 1988, Rupali Insurance Company Limited 1989 to 1997, Northern Islami Insurance Limited 1997 to 2000 and Dosh General Insurance Company Limited 2000 to 2020 in different highly positions. Prior to joining Takaful Islami Insurance he served Dosh General Insurance Company Limited as Managing Director & CEO for about 7 years & 6 months. He is Executive Director of Bangladesh Human Rights Council (BHRC). Besides he is associated with many social and philanthropic organizations.

Sponsor Shareholders

01	Mr. Md. Mofizuddin
02	Mrs. Nasreen Haque
03	Mrs. Farzana Rahman
04	Alhaj Tofazzal Hossain
05	Mr. Redwan Kabir
06	M/s. Hazi Shakhawat Anwara Eye Hospital Ltd.

Shariah Council

1.	Moulana Kamaluddin Jafree Founder & Chairman Bangladesh Islami University, Dhaka. & Chairman, Central Shariah Council for Islamic Insurance of Bangladesh.	Chairman
2.	Prof. Moulana A.B.M Masum Billah Secretary General Central Shariah Council for Islamic Insurance of Bangladesh. Founder & President Dr. Shaikh Redhwan Al-Madani Complex Baufal, Patuakhali.	Member Secretary
3.	Mufti Sayed Ahmed Muzaddedi Al-Jamiatus Siddikiah Darul Ulum Darus Salam, Mirpur, Dhaka.	Member
4.	Moulana Rafiqur Rahman Madani Chairman, Department of Islamic Studies Bangladesh Islami University, Dhaka.	Member
5.	Moulana A.Q.M Abdul Hakim Madani Teacher Bangladesh Madrasa Teachers Training Institute Visiting Professor Bangladesh Islami University, Dhaka.	Member

Head Office Executives

Qazi Mukarram Dastagir
Chief Executive Officer

Abul Kalam Azad
Additional Managing Director

Mohammad Selim
Deputy Managing Director
&
Head of Claim & RI Department

Mohammad Mamunul Islam
Vice President
&
Chief Financial Officer

Shamsuddin Ahmed
Vice President
&
Head of Audit Department

Md. Ali Rahim
Deputy Vice President
(Underwriting-Marine)

Mohammad Shaheen Miah
Company Secretary (CC)

Auditor
ARTISAN
Chartered Accountants

Compliance Auditor
Huda Hossain & Co.
Chartered Accountants



Review of the Chairman

**Dear Shareholders,
Assalamu Alaikum,**

On behalf of the Board of Directors and as a Chairman of the Takaful Islami Insurance Limited this is my pleasure to welcome you all to 22nd Annual General Meeting of Takaful Islami Insurance Limited. Also, I must take the opportunity to express my gratitude to everybody for your amazing support and faith on us, which elicits an inspiration in my mind.

I am really very happy and delighted being here today with you. Now, it seems that the suffocated & chilling psychological state of mind is over. Like some other people, I was also frightened for the phase after phase of pandemic but now the people of the world have taken adamantly unwritten decision that we have to march with this COVID without fear to save us from the starvation & any other economical crisis.

But in the meantime another crisis is knocking at the door in the World which is Russia-Ukraine war after the reducing of the pandemic. The dimension of this crisis (Russia-Ukraine war) where will be reached still uncertain.

This deadly war also causes thousands of death, makes the economy fragile, and turns many sectors into a collapsing stage. As a result, several businesses are being grounded by its blocked through economical sanctions effect & it's may cause 3rd World War because of US-Europe-Russia egoistic problems which is forecasting by the specialist of world politics.

According to the statement of International Labour Organization (ILO), the global unemployment is projected to stand at 207 million in 2022. Even the most developed countries are confessing their helplessness against this deadly Covid-19 disease and recent Russia-Ukraine war as well.

In Bangladesh, death toll from Covid-19 has exceeded 29,145 so far. Mostly, the private sectors are suffering badly; cutting off employees, and or lowering wages. According to a press release by the Asian Development Bank, this pandemic force down the GDP to 5.5%, which was 8.2% in earlier.

To prevent spreading of virus, country wide lock down has been imposed on March 27, 2020 and again April 14, 2021. In this critical situation, it would be difficult for us to exert our efforts with satisfaction or to support our employees otherwise. Yet, we are doing our best with efficient mode. Simultaneously, we are trying to protect our employees by following the guide lines of the government.

We have started our online services before Covid-19 outbreak. In that sense, we are pioneer in this field having a strong and sophisticated IT infrastructure.

During lockdown, we have virtually carried out our affairs. Through this platform, we organized our every day meetings, communications and client dealings.

Instead of having Covid-19 struck, our Gross Premium Income comes to Tk. 61,09,93,888.00 which was 57,60,78,224.00 in 2020; made an Underwriting Profit of amount Tk. 8,46,09,631.00 which was Tk. 6,73,91,582.00 in the previous year. The amount of Claim Settlement in 2021 was Tk. 1,91,01,925.00 in which was Tk. 73,12,112.00 in 2020. Although, there is certain degree of fall down in compared to the figures accomplished in 2020, yet the achievement of 2021 is significant enough bearing in mind of what the ensure world went through. Besides that the withdraw of mandatory of Motor Insurance by Motor Vehicle Act-2018 which effect the gross premium income this year as well. As a custodian of the Company, I must say that the staffs of our Company have been found very much sincere and devoted even in this Covid attack situation. They were not frightened about it but faced the challenge and trying to overcome it. I do not have any reservation to express my gratitude, love and respect to my staffs for their immense commitment and dedication.

It has been a tough experience in recent time in which we are fighting in every single moment. We have started to fight against this disaster to save ourselves and to save our economy. Though it is hard but we are extremely hopeful. In Sha Allah, the better days will come & Index is showing the same.

Towards the end, I must memorize the horrible scenario of Covid-19 outbreak that has badly struck our neighbor country. So, still we must follow every single measure to protect ourselves.

My request to you to be careful, to wear mask, to sanitize hands; avoid crowd and maintain physical distancing as you can. Please remember always, we will have to maintain the said health protocol next couple of years until otherwise remove the Covid totally from the world by the grace of Almighty.

With best regard,



(Anwer Hossain Khan MP)

Chairman



Review of the Chief Executive Officer

Dear Shareholders, Stakeholders and gentlemen,

Assalamu Alaikum,

I on behalf of the Management, pleased to inform you the company's performance of 2021 and welcome you all at the 22nd Annual General Meeting of Takaful Islami Insurance Limited. 2021, was the second year in which the world had to deal with the ongoing COVID-19 pandemic created health crisis along with economic and social instability. Together they converged to create one of the most unsettling periods in modern history. Families and communities were rocked by fear, uncertainty, pain, loss and sorrow. It was a year that many of us hope to never see repeated. However, Takaful Islami Insurance Limited navigated 2021 by staying focused on meeting and balancing the needs of those we serve and on keeping our promises. This meant:

- Keeping our purpose- Taking decisive action to support our clients, customers, partners and communities and taking meaningful steps throughout the year to fulfill this promise.
- Delivering financial commitments to our shareholders by growing our Income which is consistent with our overall expectations in rivalry situation.
- Action to take clear strategic progress- We took clear strategic planning last year which had made tangible progress in our operating performance, supply chain, underwriting and investment etc. for keeping level our overall sustainability.

TIIL's 2021 financial results are the result of its successful transformation, which also translates into an improved customer satisfaction. Our company is now reshaped to a simpler and more focused organization, closer to its customers and with the right scale across the country and preferred segments, Motor, Marine, Fire and Miscellaneous.

Acting Sustainably

We have been very clear that acting sustainably is an integral part of our approach, and a foundation of our strategy. That's why this year we have placed such an emphasis on extending our leadership on environmental, social and governance issues and set out a bold ambition to be Net Zero.

Accelerating momentum for next year

TIIL's whole reason to exist – our purpose - is to be with you today, for a better tomorrow. This applies to our clients, our people, and to the communities where we live and work. And it applies to our shareholders, the owners of this business, sharing in the value Takaful Islami Insurance Limited creates. We've delivered much in 2021 to help us live up to that purpose, giving us the momentum we need for success in 2022 and afterwards. I've got high ambitions for Takaful Islami Insurance Limited, and what we've done this year gives me increased confidence that we have all the building blocks in place to achieve those ambitions.

In line with our values

While I am immensely proud of what the team has achieved this year, we still have a long way to go. Delivering on our commitments to our customers and shareholders and continuing to improve our performance and that takes time. What we will not be changing are the values that underpin our work, the important touchstones of care, commitment, community and confidence that help guide the way we do things. We want to make sure the service we offer our customers is all they could hope for. Aiming to do the right thing, as well as doing things right, will be central to our long-term success.

We manage our operation with timely initiatives and by abiding the rules and regulation of the Insurance Development and Regulatory Authority (IDRA), Bangladesh Securities and Exchange Commission (BSEC), Registrar of Joint Stock Companies & Firms (RJSC), Dhaka Stock Exchange Limited (DSE), Chittagong Stock Exchange PLC as well as other relevant authorities.

Finally, I render my best thanks and gratitude to my honorable Chairperson and Members of the Board of director for their pragmatic vision and valuable guidance and patronization; I render my thanks to my beloved colleagues for their services and efforts to make our journey a success.

With best regards.



(Qazi Mukarram Dastagir)

Chief Executive Officer

Our Branches

No.	Branch Name	Officer In-charge	Office	Res/Mobile
01.	Local Office	Mr. Afzal Hossain Khan Deputy Managing Director	41070623	01715-062924
02.	Bangshal Branch	Mr. A.K.M. Montasirul Haque Deputy Managing Director	9562297	01715-054995
03.	DIT Extension Road Br.	Mr. Md. Akramul Haque Khondaker Deputy Managing Director	41070074	01706-971554
04.	B.B. Avnue Branch	Mr. Md. Maksudur Rahman Deputy Managing Director	223355929	01715-750516
05.	Imamganj Branch	Mr. Md. Sohel Wafez Majumder Deputy Managing Director	57316211 7342534	01711-425519
06.	VIP Road Branch	Mr. Md. Nasiruddin Bhuiyan (Ratan) Deputy Managing Director	222224963	01733997589
07.	Dilkusha Corp. Branch	Mr. Abu Ahmed Maruf Deputy Managing Director	223381045	01711-682267
08.	Jashore Branch	Mr. Md. Nur Islam Munshi Deputy Managing Director	477766574	01714-959609
09.	Pabna Branch	Mr. Md. Saydul Islam Deputy Managing Director		01713-727354
10.	Motijheel Branch	Mr. A.K.M. Sultan Ahmed Asstt. Managing Director	223354604	01911-365891
11.	Mohakhali Branch	Mr. Abdul Ahad Asstt. Managing Director	222281863	01199-843594
12.	Elephant Rd. Branch	Mr. Md. Amir Hossain Gazi Asstt. Managing Director	44612713-4	01822-555260
13.	Dhanmondi Branch	Mr. Md. Nahid Hossain Asstt. Managing Director	44612912	01716-153780
14.	Khulna Branch	Mr. Md. Anisur Rahman Asstt. Managing Director	477727443	01710-123677
15.	Kushtia Branch	Mr. Md. Harunur Rashid Asstt. Managing Director	477782790	01842-425568
16.	Paltan Branch	Mr. S.M. Habibur Rahman Executive Vice President	223356787	01711-600449
17.	Saidpur Branch	Mr. Emdadul Haque Executive Vice President	589957376	01712-032735
18.	Kawran Bazar Branch	Mr. Md. Shahjahan Kabir Executive Vice President	58150681	01819-136933
19.	Mirpur Branch	Mr. Md. Razzakul Haider Chowdhury Executive Vice President	55075153	01710-915453
20.	Baridhara Branch	Mr. Md. Zahir Hassan Executive Vice President	8411705	01711-636936
21.	Khatunganj Branch	Mr. Md. Nurul Islam Sr. Vice President	031-639631	01711-428151
22.	Chowmuhanj Branch	Mr. Md. Fakhru Islam Khan Sr. Vice President	334492593	01754-978902
23.	Toyenbee Circular Road Br.	Mr. Md. Shafiqul Alam Sr. Vice President		01711-006328
24.	Shyamoli Branch	Mr. Md. Monirul Islam Sr. Vice President	48118269	01689-195153
25.	Noapara Branch (Proposed)	Mr. A.T.M Saeid Sr. Vice President		01727-811046

Our Branches

No.	Branch Name	Officer In-charge	Office	Res/Mobile
26.	Rajshahi Branch	Mr. A.Z.M. Shafiqur Rahman Vice President	47810519	01712-032733
27.	Narsingdi Branch	Mr. Ariful Bari Chowdhury Vice President	224451498	01943-898087
28.	Sylhet Branch	Mr. S.M. Masudur Rahman Vice President	0821-720196	01679-314031
29.	Gazipur Branch	Mr. Md. Abul Jalil Vice President		01819-189931
30.	Satkhira Branch	Mr. Md. Shahinur Rahman Vice President		01911-088440
31.	Tangail Branch	Mr. Md. Rezaul Hasan Chowdhury Vice President		01711-288905
32.	Uttara Branch	Mr. Abul Kalam Sikder Azad Vice President		01711-907044
33.	Shantinagar Branch	Mr. Md. Shofiqul Islam Vice President		01755-525555
34.	Malibagh Branch	Mr. Md. Abbash Uddin Akash Deputy Vice President		01715-724411
35.	Agrabad Branch	Mr. Md. Mohiuddin Chowdhury Deputy Vice President	031-727518	01713-079858
36.	Bogura Branch	Mr. Md. Golam Mostafa Deputy Vice President	589903377	01716-536199
37.	Narayanganj Branch	Mr. Mohammad Ali Deputy Vice President	24435115	01718-189898
38.	Cumilla Branch	Mr. Md. Alamgir Hossain Deputy Vice President	081-63042	01719-160013
39.	B. Baria Branch	Mr. Samedul Islam Chowdhury Deputy Vice President		01726-733040
40.	Dinajpur Branch	Mr. Md. Mostafizur Rahman Deputy Vice President	0531-65640	01871-839118
41.	Jubilee Road Branch	Mr. Md. Amirul Islam Asstt. Vice President	333354673	01819-634908
42.	Barisal Branch	Mr. Md. Younus Ali Asstt. Vice President	478863570	01715-576202
43.	Kishoreganj Branch	Mr. Md. Masudul Hasan Asstt. Vice President		01718-326458
44.	Rangpur Branch	Mr. Md. Mahfuzur Rahman Bitul Asstt. Vice President		01727-228434
45.	Cox's Bazar Branch	Mr. Md. Aman Ullah Deputy Manager		01558-616003
46.	Principal Branch	Mr. Mohammad Abdul Khalil In-charge		01828-516711
47.	Jhenaidah Branch	Mr. Md. Jahirul Islam In-charge	477746018	01718-303105
48.	Mymensingh Branch	Mr. Anamul Haque Alim In-charge		01762-735337
49.	Feni Branch	Mr. Md. Shahadat Hossain In-charge		01816-371363

Audit Committee Report for the year 2021

The following 4 (four) members Audit Committee of Takaful Islami Insurance Limited was constituted by the Board of Directors to monitor, analyze and audit the overall activities of the Company and report to the Board and AGM ensuring and certifying that the financial statements as presented reflect a true and fair view :

The Audit Committee :

1. Mr. A.K.M Aminul Islam, Independent Director	Chairman
2. Mr. Md. Iqbal Hossain, Sponsor Shareholder Director	Member
3. Mr. Md. Ziauddin Podhar, Public Shareholder Director	Member
4. Mr. AFM Motassem Belal, Public Shareholder Director	Member

Committee Meetings :

During the year 2021 the Committee met in 03 (three) meetings where it reviewed analyzed thoroughly, matters, among others, relating to Branch Control, Internal Audit, Administration Control, Finance and Accounts. Head of Internal Audit and Company Secretary were invited to attend all meetings. Concerned departmental heads and other members of the management were also invited to attend the meetings as and when required. The proceedings of the committee meetings containing suggestions, guidelines, observations and ameliorations to irregularities and solutions to arisen problems were regularly submitted to the Board of Directors for information, appraisal and formal approval thereto.

Role of Audit Committee

As per section 5.5 of the Bangladesh Securities and Exchange Commission Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June, 2018, The jurisdiction of the Audit Committee include the following matters :

- Oversee the financial reporting process.
- Monitor the accounting policies and principles.
- Monitor Internal Control and Risk Management process.
- Oversee hiring of external auditors and their functions.
- Scrutinize the annual financial statements before submission to the board for approval.
- Scrutinize the quarterly and half yearly financial statements before submission to the board for approval.
- Determine the adequacy of internal audit functions.
- Review statements of party transactions submitted by the management.
- Review of appropriateness and or weaknesses in management letters/letters of internal control as detected by statutory auditors.

The Committee performed the following functions :

- Reviewed the existing management policies of the Company and monitored its internal control and business affairs through routine schedule.
- Developed, collated and finalized through a number of meetings, an Audit Manual of the Company and recommended the same for approval of the Board of Directors.
- Approved Annual Audit planning for the year 2021.
- Reviewed the business reports of Branches and special reports thereof and suggested for ameliorating and corrective measures/actions as & where required.
- Reviewed the Financial Accounts for the year 2021 as compiled and placed by the management and recommended the same for approval of the Board.
- The Committee, upholding the suggestions of the past Committee, emphasized & monitored for immediate execution of replacing the FDRs held with different conventional Banks wherefrom a very less amount of business are available, to TDRs of shariah based Banks with a view to enhancing income-earning and avoid interest which cannot be accounted for to income account of the Company.
- The Committee confirms with satisfaction that the management duly separated the interest amount earned since its inception in 2001 and showed the same in sundry account under general reserve after making payment/provision of income tax as suggested by the Audit Committee.
- The Committee strongly recommends to establish with no further loss, a self-sufficient Audit Department comprising skilled and experienced manpower proficient in audit functions.

Finally, the Audit Committee would like to express its sincere thanks to the members of the Board, key management personnel, internal audit division and all employees for their utmost dedication for achieving transparency in performance and all sorts of cooperation extended to the committee in discharging its responsibilities.



(A.K.M Aminul Islam)

Chairman

Audit Committee

শরীয়াহ কাউন্সিলের রিপোর্ট ২০২১

الحمد لله رب العالمين والصلوة والسلام على رسوله وعلى آله واصحابه اجمعين -

আলহামদুলিল্লাহি রাব্বিল আ'লামীন ওয়াসসালাতু ওয়াসসালামু আ'লা রাসুলিহিল কারীম ওয়া আ'লা আলিহী ওয়া আস্হাবিহী আজমাদ্দীন।

কাউন্সিল কর্তৃক ২০২১ সালের আর্থিক বিবরণী, লাভ-ক্ষতির হিসাবসহ প্রচলিত বীমার সাথে ইসলামীকরণ সংক্রান্ত সার্বিক কার্যক্রম এবং শরীয়াহ নীতিমালার আলোকে পেশকৃত আর্থিক হিসাব বিবরণীর তাবাররু ও সার্ভিস চার্জ হিসাব এবং তাকাফুল ফাউন্ডেশনের হিসাব পর্যবেক্ষণ ও পর্যালোচনা করা হয়েছে।

শরীয়াহ কাউন্সিল লক্ষ্য করছে যে, শরীয়াহ উপযোগী প্রবিধান না থাকলেও কাউন্সিল কর্তৃক প্রদত্ত নির্দেশনার আলোকে শরীয়াহ নীতিমালা বাস্তবায়নে কোম্পানীর পরিচালনা পরিষদ ও কর্মকর্তা/কর্মচারীবৃন্দ আন্তরিকতার প্রমাণ রেখেছে। আলহামদুলিল্লাহ, ২০২১ সালে কোম্পানীর অগ্রগতির গতিধারা অব্যাহত রাখতে সক্ষমতা প্রদর্শন করেছে।

বীমা উন্নয়ন ও নিয়ন্ত্রণ কর্তৃপক্ষ কর্তৃক প্রদত্ত বিধিবদ্ধ হিসাব বিবরণীর আলোকে প্রস্তুত ও পেশকৃত বিবরণীতে শরীয়াহ'র প্রতিফলন না থাকলেও কোম্পানী স্বচ্ছতা ও আন্তরিকতার সাথে তাবাররু, সার্ভিস চার্জ ও তাকাফুল ফাউন্ডেশনের হিসাব যথাযথভাবে সংরক্ষণ করে আসছে।

প্রচলিত নিয়ম ও বাধ্যবাধকতার কারণে কনভেশনাল ব্যাংক ও আর্থিক প্রতিষ্ঠানে রাখা স্থায়ী আমানতের বিপরীতে সন্দেহজনক আয় কোম্পানীর আয়ের মধ্যে অন্তর্ভুক্ত না করে প্রস্তাবিত তাকাফুল ফাউন্ডেশনে স্থানান্তর করেছে; যা শরীয়াহ নীতিমালা পরিপালনে কোম্পানী আন্তরিকতার বহিঃপ্রকাশ ঘটিয়েছে।

বিধিবদ্ধ বাধ্যবাধকতার কারণে সাধারণ বীমা কর্পোরেশনের সাথে ৫০% ব্যবসা পুনঃবীমা করার পর অবশিষ্ট ৫০% প্রিমিয়াম বিদেশী রি-তাকাফুল কোম্পানীর সাথে পুনঃবীমা সম্পন্ন করে কোম্পানী নীতি-নৈতিকতা অব্যাহত রাখার প্রচেষ্টাকে অব্যাহত রেখেছে। স্বচ্ছতা ও আন্তরিকতার সাথে বীমা দাবী পরিশোধের মাধ্যমে কোম্পানী আর্থিক সঙ্গতি ও গ্রাহক বান্ধবতার প্রমাণ দেয়ার পাশাপাশি সুনাম অর্জন করতে সক্ষম হয়েছে।

শরীয়াহ কাউন্সিল লক্ষ্য করছে যে, নন-লাইফ বীমার ক্ষেত্রে শরীয়াহ নীতিমালা প্রণয়ন ও বাস্তবায়নে তাকাফুল ইসলামী ইন্স্যুরেন্স লিঃ এর আন্তরিক প্রচেষ্টা অব্যাহত রেখেছে।

কাউন্সিল আল্লাহর দরবারে কোম্পানীর অগ্রগতির ধারা অব্যাহত রাখার জন্য তৌফিক কামনা করছে।

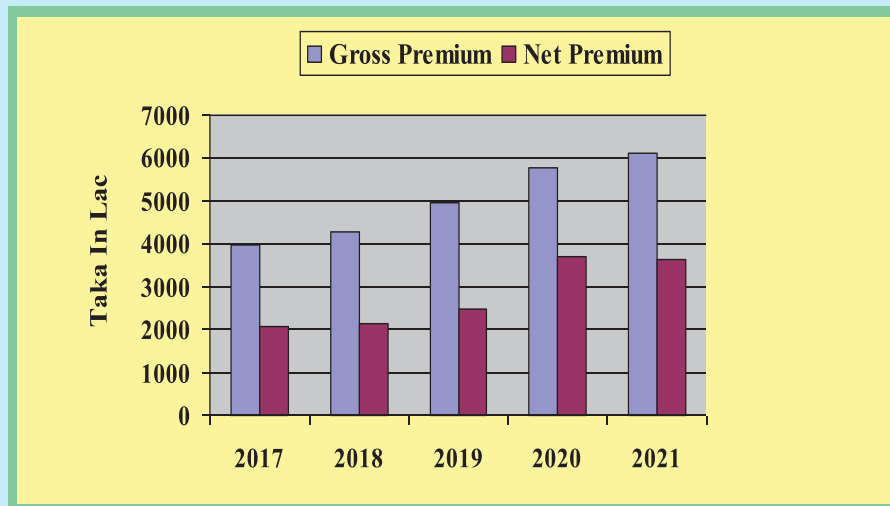


(অধ্যক্ষ কামালুদ্দীন জাফরী)
চেয়ারম্যান

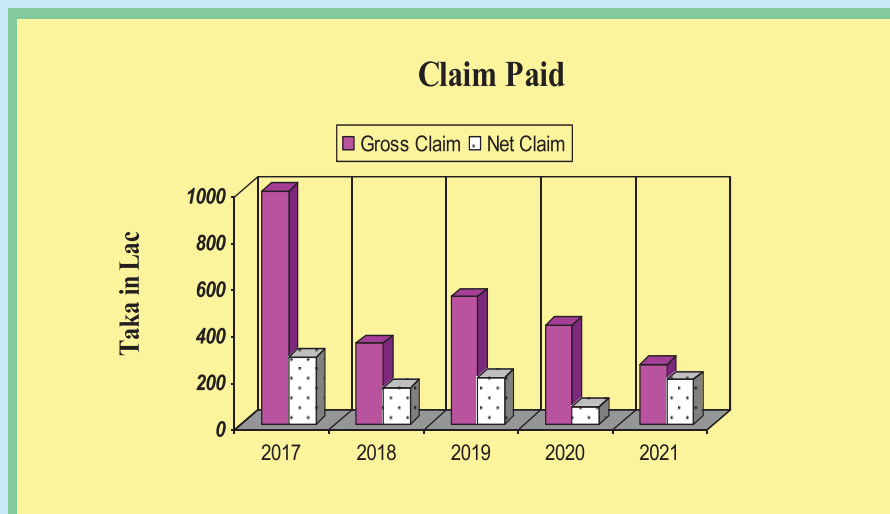


(অধ্যাপক শায়েখ মাওলানা এ.বি.এম মাসুম বিল্লাহ)
সদস্য সচিব

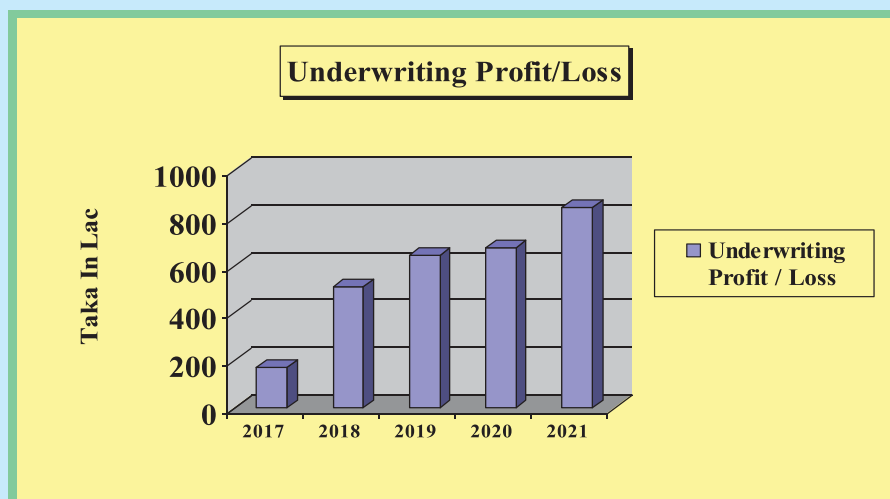
Performance on Index Premium Income



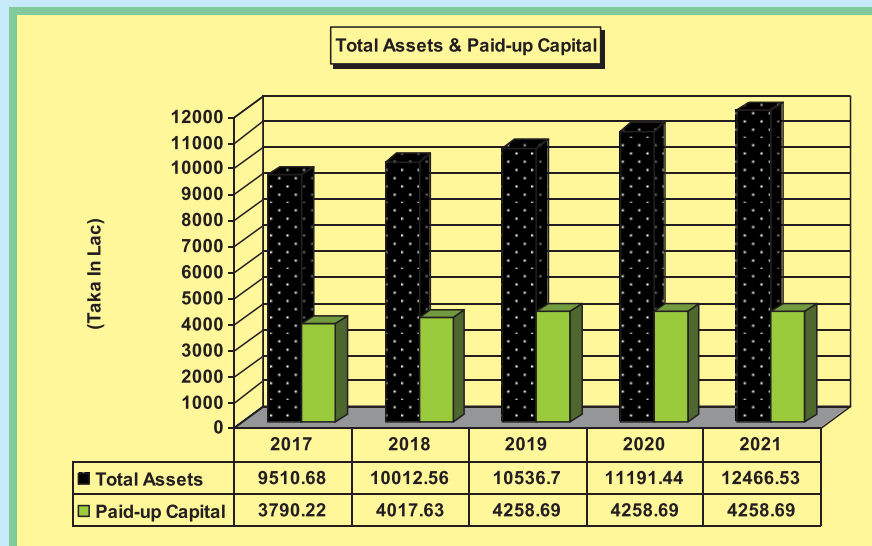
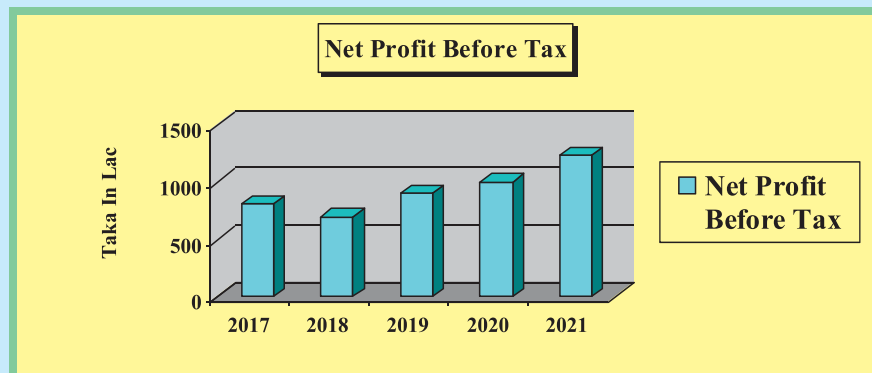
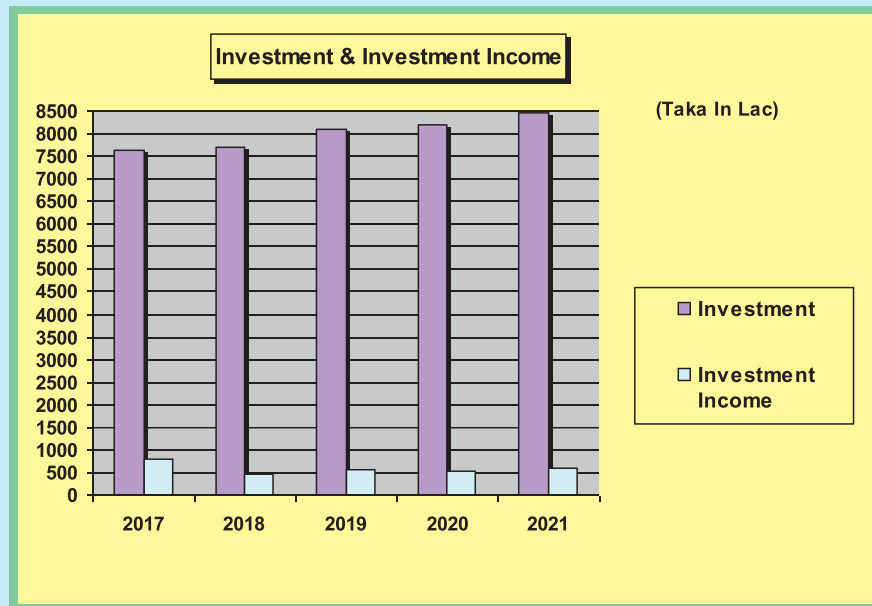
Claim Paid



Underwriting Profit/Loss



Performance on Index



Financial Highlights

Progress at a Glance

(Taka in Lac)

	2021	2020	2019	2018	2017	
Gross Premium	6,109.93	5,760.78	4,948.54	4,282.80	3,971.10	
Net Premium	3,638.52	3,696.52	2,489.72	2,152.92	2,076.28	
Gross Claim	257.97	426.56	547.49	346.89	1,117.29	
Net Claim	191.01	73.12	198.93	157.75	289.23	
Outstanding Claim	300.11	221.22	134.86	134.98	177.91	
Underwriting Profit	846.09	673.91	645.03	511.98	170.42	
Investment Income (TDR/FDR & Bond)	340.51	420.33	395.63	373.91	273.32	
Investment Income (Shares)	266.83	105.19	165.66	106.75	521.74	
Net Profit before Tax	1,237.38	1,004.19	904.38	697.19	812.19	
Net Profit after Tax	686.49	480.22	700.05	544.12	721.08	
Proposed Dividend	Stock	-	-	-	241.05	227.41
	Cash	-	425.86	425.86	200.88	189.51
Fund & Reserve	4,665.82	4,398.47	3,616.22	3,229.62	3,248.91	
Investment in TDR/FDR, Shares & Bond	8,464.43	8,186.68	8,107.97	7,687.87	7,652.25	
Total Assets	12,466.53	11,191.44	10,536.70	10,012.56	9,510.68	
Paid-up Capital	4,258.69	4,258.69	4,258.69	4,017.63	3,790.22	
EPS	2.25	1.65	1.64	1.27	1.69	
NAV per share	19.15	17.97	17.23	16.05	15.57	
Dividend Percentage (Stock)	-	-	-	6%	6%	
Dividend Percentage (Cash)	11%	10%	10%	5%	5%	

We are in Picture



A view of Board meeting held at TIIL's Head Office. Mr. Anwer Hossain Khan MP of Board of Directors is presiding over the meeting.



A view of Executive Committee meeting held at TIIL's Head Office. Mr. Md. Humayun Kabir Patwary, Chairman of the Committee is presiding over the meeting.



A view of Claims Committee meeting held at TIIL's Head Office. Mr. Khorshed Alam Khan, Chairman of the Committee is presiding over the meeting.



A view of Audit Committee meeting held at TIIL's Head Office. Mr. A.K.M Aminul Islam, Chairman of the Committee is presiding over the meeting.



A view of Nomination and Remuneration Committee meeting held at TIIL's Head Office. Mrs. Tahmina Afroz, Chairman of the Committee is presiding over the meeting.



A view of Shariah Council meeting held at TIIL's Head Office. Principal Kamaluddin Jafree, Chairman of the Committee is presiding over the meeting.

We are in Picture



Chairman Mr. Anwer Hossain Khan MP is delivering his speech on the occasion of Branch Managers' Conference as Chief Guest.



Chief Executive Officer Mr. Qazi Mukarram Dastagir is delivering his speech on the occasion of Branch Managers' Conference.



Chief Executive Officer Mr. Qazi Mukarram Dastagir is delivering his speech on the occasion of Branch Anti Money Laundering Compliance Officer (BAMLCO) Conference.



Chairman of Executive Committee Mr. Md. Humayun Kabir Patwary is delivering his speech on the occasion of National Mourning Day.



Chairman Mr. Anwer Hossain Khan MP handed over a cheque to Mr. Timir Baran Sarker, General Manager of M/s. Otto Spinning Limited in settlement of their fire claim on the occasion of fortnightly Bima service celebration.



Chairman Mr. Anwer Hossain Khan MP handed over a cheque to Mr. Mir Rayhan Ali, Managing Director of M/s. Platinum Print and Pack Limited in settlement of their fire claim on the occasion of monthly Bima service celebration.

We are in Picture



Chairman of Claim Committee Mr. Khorshed Alam Khan handed over a cheque to Mr. Mabror Rashid (Bannah) in settlement of his motor claim.



Chief Executive Officer Mr. Qazi Mukarram Dastagir handed over a cheque to Mr. Mohammad Monirul Mowla, Managing Director of Islami Bank Bangladesh Limited in settlement of fire claim of M/s. Banoful Textile.



Chief Executive Officer Mr. Qazi Mukarram Dastagir handed over a cheque to Mr. Shahin Howlader, Managing Director of M/s. Kashpia Printing & Packaging Ind. in settlement of their marine.



The Director of Takaful Islami Securities Limited a Subsidiary Company of Takaful Islami Insurance Limited Mr. Qazi Mukarram Dastagir is receiving the New TREC from Hon'ble Chairman, BSEC Professor Shibli Rubayat-Ul-Islam.



Branch Managers posed for photo session with Chairman of the Company.



A view of Board meeting of Takaful Islami Securities Limited a Subsidiary Company of Takaful Islami Insurance Limited. Mr. Md. Humayun Kabir Patwary, Chairman of Board of Directors is presiding over the meeting.

Meeting attended by the Directors of Takaful Islami Insurance Limited during 2021

No.	Name of the Director	Board Directors Meeting		
		Total Meetings	Meetings Attended	%
1	Mr. Anwer Hossain Khan	8	8	100.00%
2	Mr. Abul Hashem	8	5	62.50%
3	Mr. Md. Humayun Kabir Patwary	8	8	100.00%
4	Mr. Emdadul Hoque Chowdhury	8	8	100.00%
5	Mr. Anwar Hossain Chowdhury	8	8	100.00%
6	Mr. Md. Abul Hashem	8	7	87.50%
7	Engr. Khondaker Mesbahuddin Ahmed	8	8	100.00%
8	Mr. Shamsul Arefin Khaled	8	7	87.50%
9	Mr. Md. Moshir Rahman Chamak	8	4	50.00%
10	Mrs. Shahanaz Parvin	8	8	100.00%
11	Mrs. Tahmina Afroz	8	8	100.00%
12	Mr. Md. Iqbal Hossain Rep. of Eastern Diagnostic H & OPMS	5	5	100.00%
13	Mr. AFM Motassem Belal Rep. of Modern Diagnostic Center Ltd.	8	8	100.00%
14	Mr. Khorshed Alam Khan	8	8	100.00%
15	Mr. Md. Jahirul Islam	8	8	100.00%
16	Mr. Mosharraf Hossain Chowdhury Rep. of Daffodils Sign Media	8	6	75.00%
17	Mr. Md. Ziauddin Podhar	8	6	75.00%
18	Mr. Billal Hossain	8	6	75.00%
19	Mr. A.K.M Aminul Islam	8	4	50.00%
20	Mr. Md. Nurun Nabi Bhuiyan	8	4	50.00%
21	Mrs. Nasreen Haque	3	3	100.00%

1. Mrs. Nasreen Haque retired by rotation on the 21st AGM held on 31 July, 2021.
2. Mr. Md. Iqbal Hossain, Representative of Eastern Diagnostic H & OPMS elected as Director on the 21st AGM held on 31 July, 2021.

Pattern of Shareholding

As at December 31, 2021 the pattern of shareholding are given below :

- i) Shareholdings of Parent/Subsidiary/Associate Companies and other related parties : NIL
- ii) Shareholding of Directors, CFO, Company Secretary, CFO and Head of Internal Audit and their spouses and minor children are as under :

(a) Directors/Sponsors

Sl. No.	Name of Sponsors and Directors	Status	No. of Shares holding	% of total no. of paid-up shares
01	Mr. Anwer Hossain Khan	Sponsor Shareholder Director	8,86,355	2.08%
02	Mr. Abul Hashem	Sponsor Shareholder Director	12,77,594	3.00%
03	Mr. Md. Humayun Kabir Patwary	Sponsor Shareholder Director	12,77,594	3.00%
04	Mr. Emdadul Hoque Chowdhury	Sponsor Shareholder Director	8,61,734	2.02%
05	Mr. Md. Abul Hashem	Sponsor Shareholder Director	8,51,744	2.00%
06	Engr. Khondaker Mesbahuddin Ahmed	Sponsor Shareholder Director	12,77,594	3.00%
07	Mr. Anwar Hossain Chowdhury	Sponsor Shareholder Director	8,51,834	2.00%
08	Mr. Shamsul Arefin Khaled	Sponsor Shareholder Director	8,51,744	2.00%
09	Mr. Md. Moshir Rahman Chamak	Sponsor Shareholder Director	8,60,000	2.02%
10	Mrs. Tahmina Afroz	Sponsor Shareholder Director	9,94,075	2.33%
11	Mrs. Shahanaz Parvin	Sponsor Shareholder Director	15,32,587	3.60%
12	Mr. Md. Iqbal Hossain Rep. of Eastern Diagnostic H & OPMS	Sponsor Shareholder Director	15,26,807	3.59%
13	Mr. AFM Motassem Belal Rep. of Modern Diagnostic Center Ltd.	Public Shareholder Director	8,52,011	2.00%
14	Mr. Khorshed Alam Khan	Public Shareholder Director	8,52,028	2.00%
15	Mr. Md. Jahirul Islam	Public Shareholder Director	35,97,035	8.45%
16	Mr. Mosharraf Hossain Chowdhury Rep. of Daffodils Sign Media	Public Shareholder Director	11,25,720	2.64%
17	Mr. Md. Zia Uddin Podhar	Public Shareholder Director	9,50,514	2.23%
18	Mr. Billal Hossain	Public Shareholder Director	8,58,070	2.02%
19	Mr. Md. Mofizuddin	Sponsor	10,07,000	2.36%
20	Mrs. Farzana Rahman	Sponsor Shareholder	12,77,594	3.00%
21	Mrs. Nasreen Haque	Sponsor Shareholder	8,97,367	2.11%
22	Alhaj Tofazzal Hossain	Sponsor Shareholder	5,67,819	1.33%
23	Mr. Redwan Kabir	Sponsor Shareholder	8,52,000	2.00%
24	Mr. A.K.M Aminul Islam	Independent Director	-	-
25	Mr. Md. Nurun Nabi Bhuiyan	Independent Director	-	-
		Total	2,58,86,820	60.79%

(b)	Chief Executive Officer Mr. Qazu Mukarram Dastagir	Nil	Nil
(c)	Company Secretary (CC) Mr. Mohammad Shaheen Miah	Nil	Nil
(d)	Chief Financial Officer Mr. Mohammad Mamunul Islam	Nil	Nil
(e)	Head Of Internal Audit Mr. Shamsuddin Ahmed	Nil	Nil

(f) Directors Spouses

Sl. No.	Name of Directors	Name of Spouses	No. of Shares holding	% of total no. of paid-up shares
			Nil	Nil

(g) Directors minor children

Nil

Nil

i) Executives

Sl. No.	Name & Designation	No. of Shares holding	% of total no. of paid-up shares
01	Mr. A.K.M. Sultan Ahmed	Nil	Nil
02	Mr. Afzal Hossain Khan	Nil	Nil
03	Mr. A.K.M. Muntasirul Haque	Nil	Nil
04	Mr. Md. Akramul Haque Khondaker	Nil	Nil
05	Mr. Sohel Wafez Majumder	Nil	Nil

iv) Shareholders who are holding 10% or above share

Nil

Nil

Report on Corporate Governance code

Corporate governance is the system by which companies are directed and controlled by the Management in the best interest of all the stakeholders, thereby ensuring greater transparency and timely financial reporting.

The maintenance of effective corporate governance remains a key priority of the Board of Takaful Islami Insurance Limited. To exercise clarity about Directors responsibilities towards the shareholders, corporate governance must be dynamic and remain focused on the business objectives of the Company and create a culture of openness and accountability. TIIL considers that its corporate governance code practices comply with all the aspects of SEC Notification No. BSEC/CMMRRCD/2006-158/207/Admin/80 dated 3 June, 2018. In addition to establishing high standards of corporate governance, TIIL also considers best governance practices in its activities. The independent role of Board of Directors, separate and independent role of Chairman and Chief Executive Officer, distinct role of Company Secretary, Chief Financial Officer, different Board Committees allow TIIL to achieve excellence in best corporate governance practices.

Board of Directors Composition

The Board of TIIL considers that its membership should comprise of directors with an appropriate mix of skills, experience and personal attributes that allow the Directors, individually and the board, collectively, to discharge their responsibilities and duties, under the law, efficiently and effectively, understand the business of the Company assess the performance of the Management.

The Board of TIIL comprise of twenty Directors who possess a wide range of skills and experience cover a range or professions, business and service. Each of our Directors brings in independent judgment and considerable knowledge to perform their roles effectively. The Board of Directors ensure that the activities of the Company are always conducted with adherence to strict and highest possible ethical standards and in the best interest of the stakeholders.

The Directors are appointed by the shareholders in the Annual General Meeting. Casual vacancies if any are filled by the Board in accordance with the stipulations of the Companies Act, 1994 and Article of the Company. In addition, one third of the Directors retires from the Board every year in the AGM, but remains eligible for reelection.

Role and Responsibilities of the Board

The Board is committed to achieve superior financial performance and long term prosperity, while meeting stakeholders' expectations of sound corporate governance practice. The Board determines the corporate governance arrangements for the Company. As with all its business activities, the Board is proactive in respect of corporate governance and puts in all place those arrangements which it consider are in the best interest of the Company and its shareholders, and consistent with its responsibilities to other stakeholders.

The Board of Directors is in full control of the Company's affairs and is also fully accountable to the shareholders. They firmly believe that the success of the Company largely depends on the credible corporate governance practices adopted by the Company. Taking this into consideration, the Board of Directors of TIIL sets out its strategic focus and oversees the business and related affairs of the Company. The Board also formulates the strategic objectives and policy framework for the Company. In discharging the above responsibilities, the Board carries out, the following functions as per the charter of the Board.

- Determine, monitor and evaluate strategies, policy, management performance criteria and business plan.
- Periodic and timely reporting to the shareholders on the affairs, progress and performance of the Company.
- Ensuring proper decision making and accountability structure throughout the Company so that the staff down the line is fully accountable to the corporate management.
- Delegation to Board Committees and Management and approval of transactions in excess of delegated level.

- Approval of major capital expenditure proposals.
- Critical evaluation of all proposals which require Board's approval and/or directives.
- Regular review of financial performance and overdue situation.
- Appointment and evaluation of the performance of the top Management positions.
- Ensuring that the senior management team has the necessary skill and experience to perform their function effectively in the best interest of the Company.
- Monitoring the adequacy, appropriateness and operation of internal controls.

Conduct for the Board of Members

The Board of Directors of TIIL is committed to the highest standards of conduct in their relationships with its employees, customers, members, shareholders, regulator and the public. A Director of TIIL always seeks to use due care in the performance of his/her duties., be loyal to the Company, act in good faith and in a manner such Director reasonably believes to be not opposed to the best interests of the Company. Endeavour's to avoid having his or her private interest interfere with the interest of the Company. Maintains the confidentiality of information entrusted to them in carrying out their duties and responsibilities, except where disclosure is approved by the Company or legally mandated or if such information is in the public domain.

Board Meetings

The meetings of the Board of Director of TIIL are normally held at the Registered and Corporate Head Office of the Company. Meeting is scheduled well in advance and the notice of each Board Meeting is given in writing, to each Director by the Company Secretary.

The Company Secretary prepares the detailed agenda for the meeting. The Board papers comprising the agenda, explanatory notes and proposed regulations are circulated to the Directors in advance for their review. The Members of the Board have complete access of all information of the Company enabling them to work efficiently. The Company Secretary and Chief Financial Officer always attend the Board Meeting and other Senior Management is invited to attend Board Meeting to provide additional inputs to the items being discussed by the Board and make necessary presentations.

Internal Control

The Board is responsible for ensuring that the Company has an adequate and effective control system in place. The Company's internal control system have been designed by the Audit Committee 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 or authorities, establishment of accountability at each level and system of periodic reporting and monitoring performance are the key elements of the internal control framework employed in TIIL.

Takaful Islami Insurance Limited Declaration by CEO and CFO

The Board of Directors

Takaful Islami Insurance Limited
Monir Tower (7th, 8th, 9th Floor)
167/1, DIT Extension Road
Motijheel (Fakirapool), Dhaka.

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

Dear Sirs,

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

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

In this regard, we also certify that: -

- i. We have reviewed the financial statements for the year ended on 31 December, 2021 and that to the best of our knowledge and belief:
 - a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- ii. There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,



(Qazi Mukarram Dastagir)
Chief Executive Officer (CEO)



(Mohammad Mamunul Islam)
Chief Financial Officer (CFO)



Report to the Shareholders of Takaful Islami Insurance Limited on compliance on the Corporate Governance Code

We have examined the compliance status to the Corporate Governance Code by Takaful Islami Insurance Limited for the year ended on 31 December 2021. This Code relates to the Notification No. BSEC/CMRRCD/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 scrutiny and verification and an 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 Secretaries 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 we have required, and after due scrutiny and verification thereof, we report that, in our opinion except the matter as reported under condition no. 1(2)(a) on the attached compliance report ("The actual requirements under Condition No. 1(2)(a), as applicable to an Insurance Company, is currently under review of BSEC"):

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

Place : Dhaka
Dated : 10 May, 2022


(Md. Shamsul Huda FCA)
Partner
Huda Hossain & Co.
Chartered Accountants

Status of compliance with the Corporate Governance Code

Status of compliance with the conditions imposed by the Commission's Notification No. BSEC/ CMRRCD/ 2006-158/207/Admin/80, dated 3 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

Report under Condition No. 9.00

Condition No.	Title	Compliance Status (Put in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1	Board of Directors			
1(1)	Board's Size (minimum 5 and maximum 20)	√		
1(2)	Independent Director			
1(2)(a)	1/5th of total BoD shall be Independent Director (ID)	√		
1(2)(b)(i)	Does not hold any share or less than 1% shares in the Company	√		Independent Directors do not hold any shares of the Company.
1(2)(b)(ii)	Not a Sponsor of 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)	Does not have any other relationship with the company or its subsidiary or associated companies	√		
1(2)(b)(v)	Not a Member or TREC holder, director or officer of any stock exchange.	√		
1(2)(b)(vi)	Not a Shareholder/Director/Officer of any Member / TREC holder of stock exchange or an intermediary of the capital market.	√		
1(2)(b)(vii)	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 or special audit or professional certifying complacence of this code	√		
1(2)(b)(viii)	Not an Independent Director in more than five listed Companies.	√		
1(2)(b)(ix)	Not convicted by a court of competent jurisdiction as a defaulter in payment of any loan/advance to a Bank or a Non-Bank Financial Institution.	√		
1(2)(b)(x)	Not convicted for a criminal offence involving moral turpitude.	√		
1(2)(c)	Appointed by the Board and approved by the shareholders in AGM.	√		
1(2)(d)	Post cannot remain vacant more than 90 days.	√		
1(2)(e)	Tenure of the 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.	√		
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.	√		

Status of compliance with the Corporate Governance Code

Condition No.	Title	Compliance Status (Put in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1(3)(b)(ii)	Should be a Corporate Leader/Business Leader.	√		
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.	√		
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law.			N/A
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 CA/ C & M A/CFA/CCA/CPA/ or CMA/ CS or equivalent qualification.			N/A
1(3)(c)	The independent director shall have at least 10 (ten) years of experiences.	√		
1(3)(d)	Relaxation in special cases.			N/A
1(4)	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer			
1(4)(a)	The positions of Chairperson of the board and MD and/or CEO shall be different individuals.	√		
1(4)(b)	MD and/or CEO of a listed Company shall not hold the same position in another listed Company.	√		
1(4)(c)	The Chairperson shall be elected form 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 CEO.	√		
1(4)(e)	In absence of Chairperson of the Board, the remaining members may elect one of themselves from nonexecutive directors as Chairperson for that particular Board's meeting.	√		
1(5)	The Directors' Report to Shareholders			
1(5)(i)	Industry outlook and possible future developments in the industry	√		
1(5)(ii)	Segment-wise or product-wise performance	√		
1(5)(iii)	Risks and concerns including internal and external risk factor, threat to sustainability and negative impact on environment.	√		
1(5)(iv)	Discussion on Cost of Goods sold, Gross profit Margin and Net Profit Margin.	√		
1(5)(v)	Discussion on continuity of any extraordinary activities and their implications.	√		
1(5)(vi)	Detailed discussion and statement on related party transactions.	√		
1(5)(vii)	Utilization of proceeds from public, rights issues and/ or through any others instruments.	√		
1(5)(viii)	Explanation if the financial results deteriorate after the company goes for IPO, RPO, Rights Offer, Direct Listing, etc.			N/A

Status of compliance with the Corporate Governance Code

Condition No.	Title	Compliance Status (Put in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1(5)(ix)	Explanation on any significant variance occurs between Quarterly Financial Performance and Annual Financial Statements.	√		
1(5)(x)	Remuneration to Directors including Independent Director.	√		
1(5)(xi)	Statement that financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.	√		
1(5)(xii)	Proper books of account of the issuer company have been maintained.	√		
1(5)(xiii)	Appropriate accounting policies have been consistently applied in preparation to the financial statements and that the accounting estimates are based on reasonable and prudent judgment.	√		
1(5)(xiv)	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)	The system of internal control is sound in design and has been effectively implemented and monitored.	√		
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress.			N/A
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)	Significant deviations from the last year's operation results of the issuer company shall be highlighted and the reasons there of should be explained.	√		
1(5)(xix)	Key operating and financial data of at least preceding 5 (five) years shall be summarized.	√		
1(5)(xx)	If the issuer company has not declared dividend (cash or stock) for the year, the reasons there of shall be given.			N/A
1(5)(xxi)	Board's statement to the effect that no bonus shares or stock dividend has been or shall be declared as interim dividend.			N/A
1(5)(xxii)	The number of Board meetings held during the year and attendance by each Director shall be disclosed.	√		
1(5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (name wise details).	√		
1(5)(xxiii)(a)	Parent/Subsidiary/Associated Companies and other related parties (name wise details).	√		
1(5)(xxiii)(b)	Directors, CEO, Company Secretary, CFO, HIAC and their spouses and minor children (name wise details).	√		

Status of compliance with the Corporate Governance Code

Condition No.	Title	Compliance Status (Put in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1(5)(xxiii)(c)	Executives	√		
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details).	√		
1(5)(xxiv)(a)	A brief resume of the director in case of appointment or reappointment.	√		
1(5)(xxiv)(b)	Nature of his/her expertise in specific functional areas.	√		
1(5)(xxiv)(c)	Names of the companies in which the person also holds the directorship and the membership of committees of the Board	√		
1(5)(xxv)	Management discussion and analysis signed by CEO/MD presenting detail 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 as well as cash flows on absolute figure for such changes.	√		
1(5)(xxv)(c)	Comparative analysis and financial position as well as cash flow 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 global.	√		
1(5)(xxv)(f)	Risks and concerns issues related to the financial statements and concerns mitigation plan of the company.	√		
1(5)(xxv)(g)	Future plan or projection or forecast for company's operation, performance and financial 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) disclosed in page - 40	√		
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 disclosed in page - 41	√		
1(6)	Meeting of the Board of Directors			
1(6)	Compliance under Bangladesh Secretarial Standards (BSS).	√		
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).	√		
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior.....	√		

Status of compliance with the Corporate Governance Code

Condition No.	Title	Compliance Status (Put in the appropriate column)		Remarks (if any)
		Complied	Not complied	
2	Governance of Board of Directors of Subsidiary Company			
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company.			N/A
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.			N/A
2(c)	Minutes of subsidiary to be placed in the meeting of holding company.			N/A
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.			N/A
2(e)	The Audit Committee of the holding company shall also review the financial statements in particular the investments made by the subsidiary company.			N/A
3	Managing Director (MD) or Chief Executive Officer, Chief Financial Officer (CFO), Head of Internal Audit and Company Secretary (CS)			
3(1)	Appointment			
3(1)(a)	Board shall appoint a MD or CEO, Company Secretary, CFO and HIAC.	√		
3(1)(b)	The positions of the MD, CEO, CS, CFO and HIAC shall be filled by different individuals.	√		
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time.	√		
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS.	√		
3(1)(e)	MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board and be disseminated to the Commission and stock exchange(s).			N/A
3(2)	Requirement to attend Board of Directors' Meetings			
3(2)	MD or CEO, CS, CFO and HIAC shall attend the meetings of the Board.	√		
3(3)	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)			
3(3)(a)	The MD or CEO and CFO shall 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)	The statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.	√		
3(3)(a)(ii)	The statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.	√		

Status of compliance with the Corporate Governance Code

Condition No.	Title	Compliance Status (Put in the appropriate column)		Remarks (if any)
		Complied	Not complied	
3(3)(b)	The MD or CEO and CFO to certify that there are 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/CEO and CFO shall be disclosed in the Annual Report.	√		
4	Board of Directors' Committee			
4(i)	Audit Committee	√		
4(ii)	Nomination and Remuneration Committee	√		
5	Audit Committee			
5(1)	Responsibility to the Board of Directors			
5(1)(a)	Company shall have an Audit Committee as a subcommittee of the Board.	√		
5(1)(b)	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.	√		
5(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	√		
5(2)	Constitution of the Audit committee			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members.	√		
5(2)(b)	Board shall appoint members of the Audit Committee who shall be non- executive director 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 the Committee members expires or there is any circumstance causing any Committee member to be unable to hold ...			No such event occurred.
5(2)(e)	The Company Secretary shall act as the Secretary of the Audit Committee.	√		
5(2)(f)	Quorum of 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 Chairperson of the Audit Committee who will be Independent Director.	√		
5(3)(b)	Absence of the Chairperson of the Audit Committee members to elect one and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	√		

Status of compliance with the Corporate Governance Code

Condition No.	Title	Compliance Status (Put in the appropriate column)		Remarks (if any)
		Complied	Not complied	
5(3)(c)	Chairperson of the Audit Committee shall remain present in the AGM.			Will be ensured by the Management.
5(4)	Meeting of the Audit Committee			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year.	√		
5(4)(b)	Quorum of Audit Committee, presence of 2 or 2/3 members 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)	Internal Audit and Compliance process to ensure that it is adequately resourced.	√		
5(5)(d)	Oversee hiring and performance of external auditors.	√		
5(5)(e)	Hold meeting with the auditors, review the annual financial statements before submission to the Board for approval or adoption.	√		
5(5)(f)	Review with the management, the annual financial statements before submission to the Board for approval.	√		
5(5)(g)	Review with the management, the Quarterly and half yearly financial statements before submission to the Board for approval.	√		
5(5)(h)	The review 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 determination of audit fees based on scope and magnitude and evaluate the performance of external auditor.	√		
5(5)(m)	Oversee whether IPO or RPO or RSO proceeds utilized as per the published prospectus.	√		
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.	√		
5(6)(a)(ii)(a)	Report on conflicts of interests.			No such event occurred

Status of compliance with the Corporate Governance Code

Condition No.	Title	Compliance Status (Put in the appropriate column)		Remarks (if any)
		Complied	Not complied	
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.			No such event occurred.
5(6)(a)(ii)(c)	Suspected infringement of laws, regulatory compliance including securities related laws, relies and regulation.			No such event occurred.
5(6)(a)(ii)(d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately.			No such event occurred.
5(6)(b)	Reporting to the Authorities			No such event occurred.
5(7)	Reporting to the Shareholders and General Investors			
5(7)	Reporting to the Shareholders and General Investors.			No such event occurred.
6	Nomination and Remuneration Committee (NRC)			
6(1)	Responsibility to the Board of Directors			
6(1)(a)	The company shall have a NRC as a sub-committee of the Board.	√		
6(1)(b)	NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications.	√		
6(1)(c)	The Terms of Reference of the NRC shall be clearly set forth in writing.	√		
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)	Board shall have authority to remove and appoint any member of the committee.	√		
6(2)(e)	Board shall fill the vacancy within 180 days of such vacancy in the Committee.			No such event occurred.
6(2)(f)	The Chairperson of the Committee may appoint/co-opt any external expert.			No such event occurred.
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 any remuneration/ advisory, other than Director's fees or honorarium form the company.	√		

Status of compliance with the Corporate Governance Code

Condition No.	Title	Compliance Status (Put in the appropriate column)		Remarks (if any)
		Complied	Not complied	
6(3)	Chairperson of the NRC			
6(3)(a)	Board shall select 1(one) member of the NRC to be Chairperson of the Committee, who shall be an Independent Director.	√		
6(3)(b)	Absence of chairperson, the remaining members may elect one of them; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	√		
6(3)(c)	Chairperson of the NRC shall attend the AGM.			Will be ensured by the Management.
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.			N/A
6(4)(c)	Quorum of NRC meeting, presence of 2 or 2/3 members whichever is higher, where presence of an independent director is must.	√		
6(4)(d)	Proceedings of NRC meeting shall be recorded in the minutes and such minutes shall be confirmed in the next meeting.	√		
6(5)	Role of NRC			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders.	√		
6(5)(b)(i)(a)	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)	Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.	√		
6(5)(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.	√		
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality.	√		
6(5)(b)(iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down and recommend their appointment and removal to the Board.	√		
6(5)(b)(iv)	Formulating criteria for evaluation of performance of independent directors and the Board.	√		
6(5)(b)(v)	Identifying company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria.	√		

Status of compliance with the Corporate Governance Code

Condition No.	Title	Compliance Status (Put in the appropriate column)		Remarks (if any)
		Complied	Not complied	
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 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.	√		
7(1)(ii)	Financial information systems design and implementation.	√		
7(1)(iii)	Book keeping or other service related to the accounting records or financial statements.	√		
7(1)(iv)	Broker-dealer services	√		
7(1)(v)	Actuarial services	√		
7(1)(vi)	Internal or special audit services.	√		
7(1)(vii)	Any services that the Audit Committee may determine.	√		
7(1)(viii)	Audit or certification services on compliance of corporate governance.	√		
7(1)(ix)	Any other service that may create conflict of interest.	√		
7(2)	No partner or employees of the External/Statutory Auditors audit firms shall possess any share of the company they audit at least during the tenure.	√		
7(3)	Representative of external or statutory auditors shall remain present in the AGM.			Will be ensured by the Management.
8	Maintaining a website by the company			
8(1)	The company shall have an official website linked with that 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 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 Corporate Governance shall be appointed by the Shareholders in the AGM.	√		
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 of Memorandum given by BAPLC

As per SEC Notification No. SEC/CMRRCD/2006-161/324 dated on April 11, 2010, the Certificate of Memorandum given by Bangladesh Association of Publicly Listed Companies (BAPLC) is presented below :



Insurance Risk and Its Mitigation

Insurance is a mechanism of spreading the risk of one into the shoulders of many. It has two fundamental characteristics: one is the shifting of risk from one individual to a group and the other is sharing of losses on equitable basis by all members of the group. Whilst it becomes somewhat impossible for a man to bear by himself 100% loss to his own property or interest arising out of an unforeseen contingency, insurance is a method which distributes the burden of the loss on a number of persons within the group formed for this particular purpose.

From an individual point of view, insurance is an economic device whereby the individual substitutes a small certain cost (the premium) for a large uncertain financial loss (the risk insured against) which would exist if it were not for the insurance contract.

One of the prime objectives of Takaful Islami Insurance Limited is the creation of the counterpart or risk which is security. Insurance does not take away the risk. The insurance company does not guarantee that the event insured against will not happen. The house may still burn down, the car may still be involved in an accident but at least a large element of the cost involved will be met by insurance company.

Takaful Islami Insurance Limited imparts technical expertise in a professional manner to the clients and loss adjusters and renders connoisseur counsels to minimize losses. In turn, the loss adjusters and clients can improve the risk to a substantial degree and minimize the possibility of the number of misfortunes. The handling of salvage after loss by the loss adjusters also contributes much to the reduction of losses.

Takaful Islami Insurance Limited through their professionals, undertakes pre-insurance surveys of large and complicated risks which thus ultimately facilitates in the defence of national property and wealth. Services basically aim at reducing the happening of the casualty itself rather than minimizing the extent of loss after the happening of the casualty.

The pre-underwriting inspection of fire hazards to the insurable property is of paramount importance. Before accepting risks it is prudent and essential to have the risks of the subject matter to be inspected for underwriting and reinsurance purposes. On the basis of the pre inspection report the underwriter may recommend segregation of risk by installation of fire proof door to reduce premium, cleanliness of factory premises and to reduce fire hazards. Recommended fire prevention measures not only reduce fire hazards but also help the insured to get rebate on the rate of premium.

Takaful Islami Insurance Limited assumes pre-inspection of risk which is very helpful for reinsurance purpose as well. Without pre-inspection it is difficult to segregate risks and make retention and cession to reinsurers. Inspection surveyor's advice for risk improvement largely contributes towards reducing the possibility of hazards rather than minimizing the extent of loss after the happening of the casualty.

Takaful Islami Insurance Limited almost universally has embarked upon an upgrading of their financial risk management and control systems to reduce their exposure to risk and better manage the amount they accept. Insurance Management or risk is a science though it is one of the most inexact of the social sciences. Risk management exists to provide value for its stakeholders.

Takaful Islami Insurance Limited through their expert professionals imparts responsiveness to the clients with a view to achieve the objectives how to analyze the risk factors associated with different activities, observe how risk can affect decision making processes, how operational risk can be managed properly with the help of insurance.

Takaful Islami Insurance Limited ensures proper risk management of their clients which benefits them as saving resources; time, assets, income, property, and people are all valuable resources that can be saved if fewer claims occur, protecting the reputation and public image of the clientele, preventing or reducing legal liability and increasing the stability of operations, protecting people from harm, protecting the environment, enhancing the ability to prepare for various circumstances, reducing liabilities, assisting in clearly defining insurance needs.

Takaful Islami Insurance Limited through its effective risk management practice, although cannot eliminate risks but the endeavour shows that the Company is committed to loss reduction or prevention and makes the client a better risk to insure as well.

Summary of Accounts 2021

(Taka in Crore)

PARTICULARS	FIRE		MARINE		MOTOR		MISC.		TOTAL		GRAND TOTAL 2021
	Private	Public	Private	Public	Private	Public	Private	Public	Private	Public	
Gross Premium	22.43	1.37	25.80	2.24	1.91	0.30	1.23	5.81	51.37	9.72	61.09
Re-Insurance Ceded	12.05	1.26	3.01	1.65	0.24	0.05	0.77	5.68	16.07	8.64	24.71
Net Premium	10.38	0.11	22.79	0.58	1.67	0.26	0.46	0.13	35.30	1.08	36.38
Commission Earned	3.12	0.12	1.39	0.33	0.12		0.01	0.23	4.64	0.68	5.32
Commission Paid		1.49		1.52		0.11		0.02		3.14	3.14
Management Expenses (Revenue A/c)		10.87		12.76		1.01		3.21		27.85	27.85
Management Expenses (P/L A/c)										1.97	1.97
Net Claim		1.12		0.48		0.29		0.02		1.91	1.91
Underwriting Profit		(0.15)		9.45		1.22		(2.06)		8.46	8.46
Investment Income											6.07
Net Profit Before Tax											12.37
Taxation Provisions											2.81
Net Profit After Tax											6.86
Return on Equity (%)											8.41
Shareholders' Equity											81.54

Accounting Ratios Pertaining to Insurance Sector

Particulars	2021
Re-Insurance Premium Ceded as % of Gross Premium	40.45
Commission paid as % of Gross Premium	5.14
Net R/I Commission Earned as % of Gross Premium	8.71
Net R/I Commission Earned as % of Net Premium	14.62
Management Expenses (Revenue A/C) as % of Gross Premium	45.59
Management Expenses (Revenue A/C) as % of Net Premium	76.55
Net Claims Incurred as % of Gross Premium	3.13
Net Claims Incurred as % of Net Premium	5.25
Underwriting Result as % of Gross Premium	13.85
Underwriting Result as % of Net Premium	23.25

Information Technology (IT)

Introduction : Takaful Islami Insurance Limited is determined to use information Technology (IT) towards utmost facilities so that it can simply be differentiated from other companies in this sector. To synchronize with the pace of state-of-the-art IT facilities, TIIL has outlined its road map and started its journey accordingly. In this regard, TIIL has made its IT department strengthened with experienced and efficient resources with a goal to reach its valued clients with latest IT facilities.

TIIL has made significant improvements in IT Infrastructure and Software. Some of the remarkable achievements of IT are introducing of Local Area Network (LAN) at Head Office and Local Office, computerization of all departments, flourishing implementation of all the branches situated all over the country under online network, deploying high end servers under Linux Platform, implementing fully integrated general insurance software “Integrated Insurance Business Solution (IIBS)”. All the operational process and functionalities are included in ERP applications IIBS.

Software development & implementation

Software is an important integral part of information technology which relates to computer applications that enable a company to generate, store, program and retrieve data as and when needed. Like an Integrated Insurance Business Solution (IIBS) was jointly developed with the co-operation of Confidence Software Limited under which all the business process and functionalities were included. On the job training was also provided to all end users.

Key Benefits of TIIL IT System

Huge saving in working time in preparing document, Money Receipt and some large informative monthly reports with excellent print quality.

- Getting 300 plus system generated MIS report which helps management to take decisions properly and timely.
- Integrated Accounts where 100% Journal Voucher are passing through system as well as Final Accounts report like Balance Sheet, Profit & Loss Account, Revenue Accounts, General Ledger and Trial balance are being generating automatically through the system.
- Controlling business procurement documents through Integrated Insurance Business Solution (IIBS) software.
- Quick accessing the underwriting documents through IIBS for departmental integration with Underwriting Department like Co-Insurance, Claims, Re-Insurance and Accounts Department.

Online Branches: Established Wide Area Network (WAN) between Head Office, Local Office and all the branches situated all over the country.

Conclusion

Information technology provides the ability to process a large amount of information and in a way which presents the information in a clear and concise manner to employees. Anticipated benefits of implementing an information technology system include improvements in profit performance and a higher degree of accuracy among information within the possible shortest time. Insurance business has made great strides in risk evaluation as well as their calculation and reporting abilities. Much of such analyses can be done by developing new software of risk infrastructure, data model governance and quality. In this perspective IT sector of Takaful have been playing an important role during the last 10 years and contributing to the economic stability of the Company.

Bismillahir Rahmanir Raheem

Directors' Report

for the year ended 31st December, 2021

Dear Shareholders and honourable partners in progress

Assalamualaikum wa Rahmatullah,

It gives me a great pleasure to welcome you to the 22nd Annual General Meeting of Takaful Islami Insurance Limited on behalf of the Board of Directors of the Company and on my behalf. I am also pleased to present the Annual Report of the Directors for the year ended in December 31, 2021 along with the Audited Accounts containing Statement of Financial Position, Statement of Profit & Loss and other Comprehensive Income, Revenue Accounts and other relevant Financial Statements for the year 2021 and Shariah Council Report for your information, consideration and approval.

In compliance to the provisions of section 184 of the Companies Act 1994, Rule 12 (and the schedule there under) of the Bangladesh Securities and Exchange Commission (BSEC) Rules 1987 including Code no. 5 of the Corporate Governance Code 2018 issued by BSEC, IAS-1 and referring to section 76 of Insurance Act, 2010 and other related sections, subsections, rules and regulations in this purpose pursued accordingly to prepare, approve and submit the Directors' Report before the respected shareholders of the company for their perusal and approval.

Global economic perspective

“The world economy is simultaneously facing Covid-19, inflation and policy uncertainty, along with government spending and monetary policy in unknown areas. Growing inequality and security challenges are particularly detrimental to developing countries, and a broad set of coordinated international measures and national policy responses is needed to keep more countries on the path to optimal growth”, said David Malpas, President of the World Bank Group.

According to the World Bank's recent Global Economic Prospects report, the global economy is entering a pronounced recession amid new threats from COVID-19 variants and rising inflation, debt and income inequality that could jeopardize the recovery of emerging and developing economies. Global growth is expected to decline from 5.5 percent in 2021 to 4.1 percent in 2022 and 3.2 percent in 2023 and financial and financial support around the world remains intact.

Omicron's rapid expansion of the alternative and volatile political situation in Europe indicates that it will likely disrupt economic activity in the near term. In addition, a significant downturn in major economies, including the largest economies - will focus on external demand in emerging and developing economies. At a time when governments in many developing economies lack the policy space to support action as needed, the emergence of new Covid-19s, continued supply-chain disruptions and inflationary pressures, and higher financial weakness in large parts of the world, could pose a risk Hard landing.

Global insurance perspective

According to the Swiss-Re report, the trend is positive on the outlook for global insurance premiums, expecting real growth above 3.3% in 2022 and 3.1% in 2023. Growth is benefiting from increased risk awareness in both life and non-life sectors, as consumers and businesses alike seek protection after the onset of COVID-19 epidemics and average natural disasters. The tightening of the ongoing rate on non-life insurance commercial lines will provide further support. According to estimates, global insurance premiums will exceed USD 7 trillion for the first time by mid-2022, as previously estimated. In 2021, global premiums are projected to grow by 3.4% in real terms, with global direct premiums written in 2021 moving up to 8% above the 2019 level.

Bangladesh perspective

The Centre for Economics and Business Research (CEBR) disclosed the findings in its annual World Economic League Table (WELT 2022) report, stating that Bangladesh has been among the world's fastest growing economies over the last decade. The country is forecast to place 41st in 2022 up from its current

position of 42, reaching the 34th place in 2026, before eventually jumping to 24th in 2036. This represents an economic boom during the ongoing, as well as, the next decade.

Bangladesh's economy continues to fight back with the spread of the COVID-19 pandemic since March 2020. As a result, all major economic and social segments of the country faced trouble in Financial Year 2020-21, especially affected heavily during the second wave of the pandemic. The consequences of COVID-19 pandemic and multiple lockdowns during Financial Year 2021 pushed Bangladesh off its growth trajectory. After achieving above 7.0 per cent growth since Financial Year 16 to three consecutive fiscal years, GDP growth reached 8.15 per cent in Financial Year 2019 which was praised worldwide. However, the COVID-19 pandemic poses negative effects on the Bangladesh's economy. According to Bangladesh Bureau of Statistics (BBS), GDP growth decelerated to 3.51 per cent in Financial Year 20, which has been estimated to 5.47 per cent in Financial Year 21. Bangladesh's economy is projected to grow 6.9 per cent in fiscal year 2022-2023

In terms of US Dollar, the value of GDP in current market prices increased by 9.88 per cent to US\$355,037 million in Financial Year 2021 from US\$323,111 million in the previous fiscal year. Per capita GDP stood at US\$2,097 in Fiscal year 2021, compared to US\$1,930 in Fiscal year 2020, showing an increase of 8.65 per cent. Per capita GNI also increased to US\$2,227 in Fiscal year 2021 from US\$2,024 in the previous fiscal year.

The agriculture sector, which is the most important sector in the Bangladesh economy, employs about 39 per cent of the country's total labour force. The share of the sector in GDP, according to the provisional estimate of the National Accounts Statistics, was 13.47 per cent in Financial Year 2021, compared to 13.74 per cent in the previous fiscal year.

Although the slower economic activities caused by COVID-19, the industry sector recorded a growth of 6.12 per cent in Financial Year 2021, compared to 3.25 per cent in Financial Year 2020. Besides, the share of the industry sector in GDP increased by 0.21 percentage points to 34.99 per cent in Financial Year 21 from 34.78 per cent in Financial Year 2020.

In service sector includes the collective output of the sectors, such as wholesale and retail trade, repair of motor vehicles, personal and household goods, hotels and restaurants, transport, storage and communication, financial intermediations, real estate, renting and business activities, public administration and defence, education, health and social work, and Community, social and personal services.

It is remarkable that the service sector, recorded a higher growth of 5.61 per cent in Financial Year 2021, compared to 4.16 per cent in the previous fiscal year. Also the share of the services sector in GDP increased to 51.53 per cent in financial year 2021 from 51.48 per cent in Financial Year 2020.

In Bangladesh, the Insurance business, after an early stage of dislocation, adventure and experimentation through last 42 years has now being established as a promising Industry distributed between the public and private sectors. At present in private sector there are 46 non-life insurance companies running in Bangladesh. The growth of Bangladeshi Non-life insurance companies' premium income in 2021 was -16.78% percent (approx.), which was -6.71% in 2020. The non-life insurance sector earned approx. TK. 3,681 million (estimated and un-audited), in 2021 and it was TK. 4,402.06 in 2020.

Takaful's Business Performance 2021

In the above backdrop it was a challenge for Takaful Islami Insurance Limited to maintain its growth rate and prevent decline of its revenue earnings. The Management of Takaful with the active co-operation of its Board could effectively combat the situation and successfully arrested the declining trend in its premium income during the year 2021.

Despite various negative factors in overall insurance sector, operational performance of Takaful Islami Insurance Limited in 2021 was good. The Company earned gross premium of Tk. 6,109.93 lac during the year as against Tk. 5,760.78 in the previous year registering a growth of 10.60% over the last year.

Fire Insurance

The Company had underwritten a total fire insurance premium of Tk. 2,379.29 lac including an amount of Tk. 136.66 lac from the public sector. The net premium income stood at Tk. 1,048.83 lac after ceding re-insurance premium of Tk. 1,330.45 lac. During the year 2021, total payment of claim was Tk. 129.66 lac against which an amount of Tk.17.37 lac came as recovery from re-insurer including previous year recovery.

Marine Insurance (Cargo)

The total gross premium income from marine cargo business was Tk. 2,783.29 lac including premium of Tk. 212.06 lac from public sector. The net premium income of marine cargo business stood at Tk. 2335.39 lac after ceding 447.90 lac on account of re-insurance premium. In the current year an amount of Tk. 82.00. lac was paid for marine cargo claims against which an amount of Tk. 34.17 lac came as recovery from re-insurer including previous year recovery.

Marine Insurance (Hull)

In the year 2021, the total underwritten premium income from marine hull insurance business was Tk. 20.82 lac including premium of Tk. 11.93 lac from public sector business. The net premium income came to Tk. 1.88 lac after ceding Tk. 18.94 lac on account of re-insurance premium.

Motor Insurance

From motor insurance business our total gross premium income was Tk. 221.89 lac including public sector business of Tk. 30.59 lac. After ceding re-insurance premium of Tk. 29.08 lac the net contribution to revenue account was Tk. 192.80 lac. During the year, net amount of motor claim to the extent of Tk. 29.36 lac was paid.

Miscellaneous Insurance

The total gross premium income of miscellaneous business came to Tk. 704.63 lac including Tk. 581.38 lac from the public sector. In the year 2021, an amount of Tk. 645.02 lac was ceded on account of re-insurance premium. During the year, net amount of claim for Tk.1.53 lac was paid on this account.

Claims

The essence of insurance contract contemplates efficient service when distress falls upon the insured and demands assistance in no time most effectively to refill the loss suffered by the insured. Takaful Islami Insurance Ltd. achieved built in reputation for its expeditious settlement of claim and capped with this honour stepped into 21 years of its successful operation.

The Claims Department of the Company is fully equipped with devoted and efficient professionals capable of providing personalized services to the valued clients round the clock. Simple procedures and formalities are followed in settlement of claims at the earliest. The department is headed by a highly motivated and experienced Sr. General Manager, assisted by a host of dedicated qualified personnel.

The executives of Claims Department promptly rush to the spot of incidence accompanied by a government licensed surveyor and take all necessary steps to minimize loss. Partial on account payment on the basis of preliminary survey report is also paid to the insured considering gravity of the situation.

In the year of 2021 we have settled 120 numbers of claims for Tk. 257.97 lac on account of Fire, Marine, Motor and Miscellaneous insurance business. Following are the figures of settlement of claims during the last 05 years:

Year	Total claim paid amount
2017	1,117.29
2018	346.90
2019	547.50
2020	426.56
2021	257.97
Total	2,696.22

Risk and Concern

The Company's well defined organization structure, predefined authority levels, documents policy guidelines and an extensive system of internal controls ensure optimal utilization and protection of resources, reporting of

financial transactions and compliance with applicable laws and regulations. The Company has adequate systems of international control in place. This is to ensure that our assets are safeguarded against loss from unauthorized use of disposition. We have set very high standard to protect our people and operate our business.

Extra ordinary gain or loss

There are no such activities on continuity of any extra Ordinary gain or loss occurred in the company during the year.

Related party transaction

The Significant related party transaction (as per IAS 24) submitted by the management and it has been presented in the financial statement. page # 102.

Utilization of proceeds from Public Issues and / or through any other instrument

Takaful Insurance floated its Ordinary Shares initially in 2008 through IPO. The net proceeds of IPO used for company's operation activities.

Variance between quarterly financial performance and annual financial performance

There were some variances in the financial results from quarter to quarter. But they are not very significant ones.

Remuneration of the Directors

The remuneration of the Directors called Director Fees has been shown in the Profit and Loss Account.

Preparation and presentation of financial statements :

The Board of Directors places before you the financial statements for the year ended 31 December, 2021 for their adoption. The Directors of the confirm to the best to their knowledge that -

- The Financial Statements of the Company present a true and fair view of the company's state of affairs, result of its operations, cash flows and change in equity.
- Proper books of accounts as required by law are being maintained.
- Appropriate accounting policies have been followed in formulating the financial statements and accounting estimated were reasonable and prudent.
- The Financial statements were prepared in accordance with international accounting standard (IAS) as applicable in Bangladesh.
- The Internal control system is sound in design and effectively implement and monitored.
- There is no significant deviation from the operating result of last year.
- Key operating and financial data of last five years have been presented in summarized from in this report under the head "FINANCIAL HIGHLIGHTS (5 years at glance)" in page # 31
- There is no significant variance between Quarterly financial performance and annual financial statements.

Dividend

The Board of Directors of the Company after making necessary reserves and provisions as mentioned in the Appropriation of Profit, proposes and recommends for declaration of 11% Cash Dividend for all shareholders of the Company for the year 2021. No bonus share or stock dividend has been declared.

Credit Rating Report

Credit Rating of the Company is being done every year. Alpha Credit Rating Limited has already rated our Company for 2021. According to their report, our Company has been graded AA (Pronounced as Double A) in the long term and ST-2 in short term which indicate good fundamentals of the Company such as claim paying ability, satisfactory financial performance, sound solvency, experienced management team, good liquidity position, systematic internal control procedure. Adequate reinsurance arrangement with Re-insurers in home & abroad etc. has added a new dimension in the goodwill of the Company.

Reserve for exceptional loss

In order to keep consistency with our Corporate Slogan “Symbol of Empathy & Security” our exceptional loss reserve has been made for Tk. 3,27,46,702.00 for the year 2021. The cumulative amount is raised to Tk. 31,04,46,715.00

Investment

The Company has invested Tk. 250.00 lac with Bangladesh Bank in the form of Bangladesh Govt. Treasury Bond (BGTB) as statutory deposit. We have invested Tk. 6061.00 lac in TDR mode with Islami Banks and Financial Institutions and Tk. 994.50 lac in FDR mode with conventional Banks & Financial Institutions. Total TDR and FDR amount is Tk. 7,055.50 lac. In addition to this the Company invested Tk. 1158.93 lac in capital market as on 31st December, 2021.

Profit and Loss Account :

The Company's income from investment and other income stood Tk. 638.08 lac against Tk. 544.93 lac earned in the previous year. After taking into account the underwriting profit of Tk. 846.09 lac and providing for various expenses not applicable to any particular fund or account, net profit before taxation came at Tk. 1,237.38 lac against Tk. 1,004.19 lac in the previous year.

Appropriation of Profit

Profit earned in the year 2021 balance carried forward from last year stood at Tk. 17,21,28,049.00 This is proposed to be appropriated as under :

	<u>Particulars</u>	<u>Taka</u>
i.	Exceptional Losses Reserve	3,27,46,702.00
ii.	Provision for income tax /Deferred Tax	2,81,44,699.00
iii.	Cash Dividend for the year 2020	4,25,86,977.00
iv.	Retained earnings carried to the next year	<u>6,86,49,671.00</u>
	Total	<u>17,21,28,049.00</u>

Profile of the Directors

Brief resume of the as per clause 1.5 (xxiv) (a) of the BSEC Notification BSEC/CMRRCD/2006-158/207/Admin/80, dated June 03, 2018 is shown in page # 8 to 18.

Report on the activities of the Audit Committee

Pursuant to the clause 5.7 of the BSEC Notification BSEC/CMRRCD/2006-158/207/Admin/80, dated June 03, 2018 the activities of the Audit Committee have been shown is shown in page # 27.

Corporate Governance Compliance Report

Pursuant to the clause 9 of the BSEC Notification BSEC/CMRRCD/2006-158/207/Admin/80, dated June 03, 2018 we enclose the Company's compliance status shown in page # 42 to 51.

Certification on Compliance of Corporate Governance

The Certificate from professional accountants on compliance with the conditions as per clause 9.1 of the BSEC Notification BSEC/CMRRCD/2006-158/207/Admin/80, dated June 03, 2018 has been shown is shown in page # 41.

Formation of Subsidiary Company

The Company has constituted a Subsidiary Company in the name of “Takaful Islami Securities Limited” under the initiation of Trading Right Entitlement Certificate of Dhaka Stock Exchange Limited. The Board of Directors hopes that TISL will start business in the short time. The income of TISL will contribute significantly to the payment of dividends to the shareholders - InshaAllah.

Retirement and election/re-election of Directors

The 123rd Meeting of Board of Directors held on April 12, 2022 has taken unanimous decision as per section No. 113 of Articles of Association regarding retirement and election of Directors from Board in 22nd Annual General Meeting as follows :

Group-A

As per section No. 112 of Articles of Association the following one third Sponsor Directors retired from Board and they being eligible, offer themselves for re-election :

01. Mrs. Tahmina Afroz
02. Mr. Moshir Rahman Chakam
03. Mr. Anwar Hossain Chowdhury
04. Mr. Md. Riazul Haider, Representative of Hazi Shakhawat Anwara Eye Hospital Ltd.

Vacant post of Sponsor Directors will be filledup by the election among Sponsor Shareholders in the 22nd Annual General Meeting.

Group – B

As per section No. 112 of Articles of Association the following one third Public Shareholder Directors retired from Board :

01. Mr. Billal Hossain
02. Mr. Md. Ziauddin Podhar

To comply clause no. 1(2)(a) of BSEC Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated June 03, 2018, 1 (one) Director will be elected from Public Shareholders. Notice related to election of Directors from Public shareholders has already been published on April 13, 2022 in the Daily Naya Diganta and The New Age.

No other Public Shareholders intend to be a Director, Mr. Md. Ziauddin Podhar will be re-elected as Director in the 22nd Annual General Meeting.

Appointment of Independent Directors

Mr. A.K.M Aminul Islam and Mr. Md. Nurun Nabi Bhuiyan have completed their two terms as a an Independent Directors of the Company. As per Notification of Corporate Governance Code of Bangladesh Securities and Exchange Commission “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. Therefore, compliance of BSEC Notification 4 (four) persons will be appointed as Independent Directors at the 126th meeting of the Board of Directors held on July 6, 2022-InshaAllah. The said appointment of the 4 (four) Independent Directors will be placed to the 22nd Annual General Meeting to be held on July 23, 2022 for approval.

Appointment of Auditor

M/s. ARTISAN, Chartered Accountant was re-appointed as Auditor of the Company in 21st Annual General Meeting for the year 2021. To comply with clause no. 2(2) of BSEC’s notification No. BSEC/CMRRCD/2006-158/208/Admin/81 dated 20 June, 2018 the Board recommended M/s. Zoha Zaman Kabir Rashid & Co., Chartered Accountant for appointment as Auditor at a remuneration of Tk. 1,50,000.00 (Taka one lac & fifty thousand) only for the year 2022.

Appointment of Compliance Auditor

M/s. Huda Hossain & Co., Chartered Accountant was appointed as Compliance Auditor of the Company in 21st Annual General Meeting for the year 2021. Considering their performance the Board recommended M/s. Huda Hossain & Co., Chartered Accountant for reappointment as Compliance Auditor at a remuneration of Tk. 50,000.00 (Taka fifty thousand) only for the year 2022.

Human Resources

We believe that only a quality & practically skilled hand can produce a quality work. Mere academic qualification cannot bring good performance unless there is a mix of educational & practical Knowledge and

training thereby. Keeping this in mind, Takaful Islami Insurance Limited, since its inception, put emphasis "on-job Training". Officers on Selective basis, have sent to various training Institutions. To maintain our standard and efficiency we will continue to follow the above policy for keeping our Human Resource well trained for all purposes.

Corporate Governance

The Board of Directors of the Company firmly believes that practice of Good Corporate Governance and transparency is a sine qua non towards ensuring a disciplined and a sustainable organization. Takaful Islami Insurance Limited designed the corporate Governance systems and practices to ensure adequate internal control in operational process, transparency, and accountability. The Corporate Governance structure specifies the distribution of rights and responsibilities among different executives and spells out the rules and procedures for making decisions on corporate affairs. The role of Regulatory Authorities is very important in respect of Corporate Governance practices. Takaful Islami Insurance Limited is pledge-bound to comply with all the requirements of regulatory Authorities. Parties to Corporate Governance are Board of Directors, different management committee, all decision making personnel, etc. All plans, programmes, Policy decisions, as initiated by the Board are implemented by the Management under the leadership of Chief Executive Officer.

Acknowledgement

On behalf of the Board of Directors, I like to acknowledge and extend my heartfelt gratitude to all of our stakeholders including valued clients, Reinsurers and well-wishers at home and abroad for the trust they all have had on us and for extending their unreserved support in discharging the responsibilities reposed on me and the Board during the year under review.

I also thank the Insurance Development & Regulatory Authority (IDRA), Registrar of Joint Stock Companies and Firms, Bangladesh Securities and Exchange Commission, Government and Non-Government Organizations, Sadharan Bima Corporation, Dhaka and Chittagong Stock Exchange, Bangladesh Insurance Association and all the scheduled Banks and Leasing Companies for their sincere support and whole-hearted co-operation.

The Board also acknowledges with thanks, the contribution made by the honorable Directors by guiding and giving proper directions from time to time which has made Takaful a hallmark in general insurance industry of Bangladesh.

The Directors also take the opportunity to express their sincere appreciation for the contributions made by the executives and members of the staff for their diligent and praiseworthy efforts in ensuring continued progress of the company as well as their efforts towards putting Takaful among the top insurance companies in Bangladesh. Without their dedicated and loyal services, the company could not have achieved this result.

For and on behalf of the Board of Directors



(Anwer Hossain Khan MP)
Chairman

Directors' Certificate

As per regulations contained in the First Schedule of the Insurance Act, 1938 and as per Section 40-C of the Act, we certify that:

01. The value of all assets shown in the Balance Sheet and classified on Form-"AA" annexed have been reviewed as at 31st December, 2021 & in our belief, the said assets have been set forth in the Balance Sheet at amount not exceeding their realizable or market value under the several headings enumerated in the annexed form :
02. All expenses of management wherever incurred, whether directly or indirectly in respect of Fire, Marine Cargo, Marine Hull, Motor & Miscellaneous insurance business have been fully debited in the respective Revenue Account as expenses.



Qazi Mukarram Dastagir
Chief Executive Officer



A.K.M Aminul Islam
Director



Md. Humayun Kabir Patwary
Director



Anwer Hossain Khan MP
Chairman

Place: Dhaka, Bangladesh

Dated : 26 April, 2022

Independent Auditor's Report

To the Shareholders of TAKAFUL ISLAMI INSURANCE LIMITED Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **TAKAFUL ISLAMI INSURANCE LIMITED**, which comprise the Statement of Financial Position as at 31st December 2021, Statement of Profit or Loss and other Comprehensive Income, Profit and Loss Appropriation Account, related Revenue Accounts, Statement of Changes in 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 present fairly, in all material respects, the balance sheet of the company as at 31 December 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Insurance Act 2010, the Insurance Rules 1958, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' 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 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 significance in our audit of the current year. During the course of the audit, we considered premium income, investment in other entity's shares its related income as significant matter. To address the risk arising in the key audit matter we made sure that we do check the premium income with their individual policies of the insurer, we obtained the share portfolio and cross checked against each share transactions of the share investment and we also verified the each bank balance with their bank statements and the reconciliation. We calculate reserve for unexpired risk of premium income during the year according to Insurance Development & Regulatory Authority Bangladesh.

Risk	Our response to the risk
Premium Income	
Gross general insurance premiums amount of Tk. 610,993,888 is comprise the total premiums amount of Tk. 363,852,242 is received for the whole period of cover provided by contracts entered into during the accounting period.	With respect to Premium income in respect of various types of insurance we carried out the following procedures: ➤ The design and operating effectiveness of key controls around premium income recognition process.
Given the important nature, connections to other items to the financial statements and sensitivity	

Risk	Our response to the risk
of the item we believe this area pose high level of risk.	<ul style="list-style-type: none"> ➤ 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.
	<ul style="list-style-type: none"> ➤ 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.
	<ul style="list-style-type: none"> ➤ Ensured on a sample basis that the premium income was being deposited in the designated bank account.
	<ul style="list-style-type: none"> ➤ 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 reinsurance was done and whether that reinsurance 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.
Share Income	
<p>Insurance company makes a number of investments in the listed and non listed but in SMC capital market with required regulatory permission. In lieu of total investment of Tk. 115,201,778 and income generated from the investments dividend received is amount of Tk. 2,941,349 and realized gain amount of Tk. 26,683,100 is credited to the Profit & Loss Account.</p> <p>This item has significant impact on the earnings performance of the company and return to the shareholders.</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 realized gain or loss at the year end. ➤ Carried out cut-off testing to ensure unrealized

Risk	Our response to the risk
	<p>gain or loss was recognized in correct period.</p> <ul style="list-style-type: none"> ➤ Obtained the share portfolio and cross checked against each share transactions. ➤ 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.

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 and Internal Controls

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be 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.
- 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 auditor's report to the related disclosures 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 auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's 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 explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) In our opinion, proper books of accounts, records and other statutory books as required by law have been kept by the Company so far as it appeared from our examinations of those books;
- c) The Company management has followed relevant provisions of laws and rules in managing the affairs of the Company and proper books of accounts, records and other statutory books have been properly maintained and (where applicable) proper returns adequate for the purposes of our audit have been received from branches not visited by us;
- d) As per section 63(2) of the Insurance Act 2010, in our opinion to the best of our knowledge and belief according to the information and explanation given to us, all expenses of management wherever incurred and whether incurred directly or indirectly, in respect of insurance business of the company transacted in Bangladesh during the year under report have been duly debited to the related Revenue Accounts and the Statement of Comprehensive Income of the Company;
- e) We report that to the best of our information and as shown by its books, the company during the year under report has not paid any person any commission in any form, outside Bangladesh in respect of any its business re-insured abroad;
- f) Statement of Financial Position, Statement of Profit or Loss and other Comprehensive Income, Profit and Loss Appropriation Account, related Revenue Accounts, Statement of Changes in 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 was incurred for the purpose of the Company's business.

Dated: 26 April, 2022


(AFM. Alamgir, FCA)
ARTISAN
Chartered Accountants


Balance Sheet


As at 31st December, 2021


Capital & Liabilities	Notes	Amount in Taka	
		2021	2020
Share Capital			
Authorised Capital 100,000,000 ordinary shares of Tk.10 each		1,000,000,000	1,000,000,000
Issued, Subscribed & Paid up Capital 4,25,86,977 Ordinary Shares of Tk.10 each	12	425,869,770	425,869,770
Reserve or Contingency Accounts:	13		
Reserve for Exceptional Losses	13.01	310,446,715	277,700,013
Capital Reserve	13.02	5,926,768	5,926,768
General Reserve	13.03	2,363,000	2,363,000
Dividend Equalization Reserve	13.04	1,500,000	1,500,000
Fair Value Reserve	13.05	691,944	3,747,582
Retained Earnings	13.06	68,649,671	48,021,987
		389,578,098	339,259,350
Balances of Funds and Accounts: Transfer from Revenue Account			
Fire		41,953,281	41,412,572
Marine (Cargo)		93,415,678	89,937,048
Marine (Hull)		188,737	1,248,863
Motor		7,712,280	14,354,319
Miscellaneous		2,384,163	1,657,257
		145,654,139	148,610,059
Premium Deposit	14	25,802,715	18,708,065
Loans & Overdraft	15	47,244,946	62,393,446
Deferred Tax Liability	16	796,564	1,164,429
Unpaid Dividend	20	3,209,987	4,102,899
Liabilities and Provisions:			
Estimated Liability in respect of outstanding claims, whether due or intimated	17	30,011,912	22,121,681
Amounts due to other Persons or Bodies carrying on Insurance Business	18	132,721,372	75,217,539
Sundry Creditors	19	30,017,504	9,589,813
Tax Payable	30	4,674,652	6,095,277
		197,425,440	113,024,311
Welfare fund	33	11,071,818	6,070,545
Total		1,246,653,476	1,119,202,875
NAV (Restated-2020)	26	19.15	17.97


The annexed notes 1 to 40 form an integral part of these Financial Statements.

These Financial Statements were approved and authorized for issue by the board of directors on 12-04-2022 and signed for and on behalf of the Board.


Qazi Mukarram Dastagir
Chief Executive Officer


A.K.M Aminul Islam
Director


Md. Humayun Kabir Patwary
Director


Anwer Hossain Khan MP
Chairman

Signed as per our annexed report of even date

Place: Dhaka, Bangladesh
Date: 26 April, 2022


(AFM) Alamgir, FCA
ARTISAN
Chartered Accountants

Takaful Islami Insurance Limited
Symbol of Empathy and Security

Balance Sheet

As at 31st December, 2021

Property & Assets	Notes	Amount in Taka	
		2021	2020
National Investment Bond (NIB)	3	25,000,000	25,000,000
Investments in Shares	4	115,893,722	83,068,372
Interest receivable	5	21,797,177	18,034,062
Amounts due from other Persons or Bodies carrying on insurance business	6	40,444,637	40,444,637
Sundry Debtors	7	135,636,707	77,942,850
Investment In Subsidiary Company	8	49,970,000	-
Cash and Bank Balances	9		
Cash in Hand		1,480,495	1,752,800
Balance with Banks		31,843,077	40,087,840
MTDR & FDR with Banks		705,550,000	710,600,000
		738,873,572	752,440,640
Other Accounts:			
Fixed Assets (At cost less accum. Depreciation)	10	117,745,311	120,885,573
Stock of Stationery	11	465,746	438,181
Stamp in Hand	11	826,604	948,561
		119,037,661	122,272,315
Total		1,246,653,476	1,119,202,875

The annexed notes 1 to 40 form an integral part of these Financial Statements.

These Financial Statements were approved and authorized for issue by the board of directors on 12-04-2022 and signed for and on behalf of the Board.


Qazi Mukarram Dastagir
 Chief Executive Officer


A.K.M Aminul Islam
 Director


Md. Humayun Kabir Patwary
 Director


Anwer Hossain Khan MP
 Chairman

Signed as per our annexed report of even date

Place: Dhaka, Bangladesh
 Date: 26 April, 2022


 (AFM) Alamgir, FCA
 ARTISAN
 Chartered Accountants

Profit and Loss Appropriation Account

For the year ended 31st December, 2021

Particulars	Notes	Amount in Taka		Particulars	Notes	Amount in Taka	
		2021	2020			2021	2020
Stock Dividend paid		-		Balance brought forward from last year	13	48,021,987	46,164,492
Cash Dividend paid	13.06.1	42,586,977	42,586,977				
Provision for Income Tax	31	28,144,699	29,894,526				
Deferred Tax expenses	16	-	192,124	Deferred Tax Income	16	367,865	
Reserve for Exceptional Loss	13.01	32,746,702	25,875,630				
Capital Reserve	13.02	-	12,570	Net profit for the year brought down			
General Reserve	13.03	-	-	from Profit & Loss Account		123,738,197	100,419,321
Dividend Equalization Reserve	13.04	-	-				
Balance transferred to the		68,649,671	48,021,986				
Balance Sheet after Tax	13.06						
		172,128,049	146,583,813			172,128,049	146,583,813

The annexed notes 1 to 40 form an integral part of these Financial Statements.
These Financial Statements were approved and authorized for issue by the board of directors on 12-04-2022 and signed for and on behalf of the Board.



Qazi Mukarram Dastagir
Chief Executive Officer


A.K.M Aminul Islam
Director


Md. Humayun Kabir Patwary
Director


Anwer Hossain Khan MP
Chairman

Signed as per our annexed report of even date


(AFM)Alamgir, FCA)
ARTISAN
Chartered Accountants

Place: Dhaka, Bangladesh
Date: 26 April, 2022

Other Comprehensive Income Account

For the year ended 31st December, 2021

Particulars	Notes	Amount in Taka		Particulars	Notes	Amount in Taka	
		2021	2020			2021	2020
Provision for Income Tax	31	28,144,699	29,894,526	Net profit for the year brought down from Profit and Loss appropriation account		123,738,197	100,419,321
Deferred Tax expenses		-	192,124				
Tax on other Comprehensive Income		1,664,822	1,405,343				
Other Comprehensive Loss				Other Comprehensive income	34	4,439,526	3,747,582
Total Comprehensive Income for the year		98,368,201	72,674,910			128,177,723	104,166,903

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(AFM) Alamgir, FCA
 ARTISAN
 Chartered Accountants

Place: Dhaka, Bangladesh
 Date: 26 April, 2022

Profit and Loss Account

For the year ended 31st December, 2021

Particulars	Notes	Amount in Taka		Particulars	Notes	Amount in Taka	
		2021	2020			2021	2020
Expenses of Management (Not applicable to any particular Fund or Account)				Interest Income (Not applicable to any particular Fund or Account)	24	34,051,281	42,032,652
Advertisement & Publicity		958,441	436,746	Dividend Income		2,941,349	1,918,930
Donation & Subscription		852,941	1,005,105	Profit on Sale of Share		26,683,100	-
Audit Fees		295,750	230,000	Other Income		132,471	10,519,163
Legal & Professional Fees		948,100	162,600	Profit on Sale of Assets		63,808,201	10,000
Depreciation		6,185,283	5,070,827				12,570
Head Office Rent		-					54,493,315
Registrations Fees		2,507,341	2,507,653	Profit transferred from :			
Directors Fee	23	4,085,310	2,378,083	Fire Insurance Revenue Account		(1,499,297)	8,906,236
Meeting, Conference & AGM expenses		3,845,196	3,604,016	Marine (Cargo) Insurance Revenue Account		93,968,701	49,151,067
				Marine (Hull) Insurance Revenue Account		562,966	(248,843)
				Motor Insurance Revenue Account		12,203,073	15,095,507
				Misc. Insurance Revenue Account		(20,625,812)	(5,512,385)
						84,609,631	67,391,582
Transfer to welfare fund	33	5,001,273	6,070,545				
Balance for the period carried to Profit & Loss App. A/C		123,738,197	100,419,322				
		148,417,832	121,884,897			148,417,832	121,884,897
Earning per Share (Restated-2020)	25	2.25	1.65				

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(AFM) Alamgir, FCA
 ARTISAN
 Chartered Accountants

Place: Dhaka, Bangladesh
 Dated: 26 April, 2022

Consolidated Business Revenue Account

For the year ended 31st December, 2021

Particulars	Notes	Amount in Taka		Particulars	Notes	Amount in Taka	
		2021	2020			2021	2020
Claims under policies less Re-insurances							
Paid during the year		19,101,925	7,312,112	Balance of account at the beginning of the year		148,610,059	100,021,146
Add : Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated		30,011,912	22,121,681	Premium less Re-insurances	21	363,852,242	369,651,853
		49,113,837	29,433,793	Commission on Re-insurances		54,791,749	53,295,637
Less: Claims outstanding at the end of the previous year		22,121,681	13,486,919				
		26,992,156	15,946,874				
Agent Commission	22	31,430,198	77,143,316				
Expenses of management		278,567,926	213,876,805				
Profit transferred to profit & loss account		84,609,631	67,391,582				
Balance of account at the end of the year as shown in the balance sheet:							
Reserve for unexpired risks being 100% for		145,654,139	148,610,059				
		567,254,050	522,968,636			567,254,050	522,968,636

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 (AFM)/Alamgir, FCA)
 ARTISAN
 Chartered Accountants

Place: Dhaka, Bangladesh
 Dated: 26 April, 2022

Fire Insurance Revenue Account

For the year ended 31st December, 2021

Particulars	Notes	Amount in Taka		Particulars	Notes	Amount in Taka	
		2021	2020			2021	2020
Claims under policies less Re-insurances							
Paid during the year		11,228,897	955,184	Balance of account at the beginning of the year		41,412,572	40,812,443
Add : Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated		19,069,683	16,442,014	Premium less Re-insurances	21	104,883,203	103,531,429
Less: Claims outstanding at the end of the previous year		30,298,580	17,397,198	Commission on Re-insurances		31,662,752	32,444,625
		16,442,014	9,855,925				
		13,856,566	7,541,273				
Agent Commission		14,947,395	32,800,665				
Expenses of management	22	108,700,582	86,127,751				
Profit transferred to profit & loss account		(1,499,297)	8,906,236				
Balance of account at the end of the year as shown in the balance sheet:							
Reserve for unexpired risks being 40% of net premium income of the year		41,953,281	41,412,572				
		177,958,527	176,788,497			177,958,527	176,788,497

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(AFM)Alamgir, FCA
 ARTISAN
 Chartered Accountants

Place: Dhaka, Bangladesh
 Dated: 26 April, 2022

Marine (Cargo) Insurance Revenue Account

For the year ended 31st December, 2021

Particulars	Notes	Amount in Taka		Particulars	Notes	Amount in Taka	
		2021	2020			2021	2020
Claims under policies less Re-insurances							
Paid during the year		4,782,801	3,180,301	Balance of account at the beginning of the year		89,937,048	42,258,684
Add : Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated		10,264,604	4,918,667	Premium less Re- insurances	21	233,539,194	224,842,621
Less: Claims outstanding at the end of the previous year		15,047,405	8,098,968	Commission on Re-insurances		15,904,220	16,877,916
		4,918,667	2,870,494				
		10,128,738	5,228,474				
Agent Commission		15,179,061	38,002,665				
Expenses of management	22	126,688,284	101,659,967				
Profit transferred to profit & loss account		93,968,701	49,151,067				
Balance of account at the end of the year as shown in the balance sheet:		93,415,678	89,937,048				
Reserve for unexpired risks being 40% of net premium income of the year							
		339,380,462	283,979,221			339,380,462	283,979,221

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 (AFM/Alamgir, FCA)
 ARTISAN
 Chartered Accountants

Place: Dhaka, Bangladesh
 Dated: 26 April, 2022

Motor Insurance Revenue Account

For the year ended 31st December, 2021

Particulars	Notes	Amount in Taka		Particulars	Notes	Amount in Taka	
		2021	2020			2021	2020
Claims under policies less Re-insurances							
Paid during the year		2,936,557	2,560,778	Balance of account at the beginning of the year		14,354,319	14,015,906
Add : Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated		677,625	561,000	Premium less Re- insurances	21	19,280,700	35,885,797
		3,614,182	3,121,778	Commission on Re-insurances		520,668	1,191,087
Less: Claims outstanding at the end of the previous year		561,000	660,500				
		3,053,182	2,461,278				
Agent Commission		1,043,427	5,148,790				
Expenses of management	22	10,143,725	14,032,896				
Profit transferred to profit & loss account		12,203,073	15,095,507				
Balance of account at the end of the year as shown in the balance sheet:		7,712,280	14,354,319			34,155,687	51,092,790
Reserve for unexpired risks being 40% of net premium income of the year							

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 (AFM) Alamgir, FCA)
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Place: Dhaka, Bangladesh
 Date: 26 April, 2022

Miscellaneous Revenue Account

For the year ended 31st December, 2021

Particulars	Notes	Amount in Taka		Particulars	Notes	Amount in Taka	
		2021	2020			2021	2020
Claims under policies less Re-insurances							
Paid during the year		153,670	615,849	Balance of account at the beginning of the year		1,657,257	2,213,942
Add : Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated		-	200,000	Premium less Re- insurances	21	5,960,408	4,143,143
Less: Claims outstanding at the end of the previous year		153,670	815,849	Commission on Re-insurances		6,389,855	2,423,408
		200,000	100,000				
		(46,330)	715,849				
Agent Commission		208,224	978,726				
Expenses of management	22	32,087,275	10,941,046				
Profit transferred to profit & loss account		(20,625,812)	(5,512,385)				
Balance of account at the end of the year as shown in the balance sheet:							
Reserve for unexpired risks being 40% of net premium income of the year		2,384,163	1,657,257				
		14,007,520	8,780,493			14,007,520	8,780,493

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(AFM)Alamgir, FCA)
 ARTISAN
 Chartered Accountants

Place: Dhaka, Bangladesh
 Dated: 26 April, 2022

Statement of Cash Flows

For the year ended 31st December, 2021

	Amount in Taka		
	2021	2020	
A) Cash flow from operating activities:			
Premium Collection & Other Receipts	668,136,865	660,999,737	
Payments of Magt. Exp., Commission, Ri-Ins & Claim .	(505,507,121)	(508,157,904)	
Income tax paid and deducted at source	(29,565,325)	(27,592,859)	
Net Cash provided from operating activities	133,064,420	125,248,974	
B) Cash flow from investing activities:			
Acquisition of fixed assets	(3,045,020)	(64,157,575)	
Disposal of fixed assets	-	14,000	
National Investment Bond	-		
Investment in Share	(35,880,988)	47,325,553	
Investment in Subsidiary Company	(49,970,000)		
Net Cash used in Investing activities	(88,896,008)	(16,818,022)	
C) Cash flow from financing activities:			
Dividend Paid	(42,586,977)	(42,586,977)	
Increase/Decrease in Quard from Bank	(15,148,500)		
Net Cash used in Financing activities	(57,735,477)	(42,586,977)	
D) Net increase in Cash & Bank balances for the year :(A+B+C)	(13,567,068)	65,843,975	
E) Opening Cash and Bank balances	752,440,640	686,596,665	
F) Closing Cash and Bank balances : (D+E)	738,873,572	752,440,640	
NOCFPS (Restaed-2020)	Note-27	3.13	2.94

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(AFM) Alamgir, FCA
ARTISAN

Chartered Accountants

Place: Dhaka, Bangladesh
Dated: 26 April, 2022

Statement of changes in Equity

For the year ended 31st December, 2021

Amount in Taka

Particulars	Share Capital	Capital Reserve	General Reserve	Dividend Equalization Reserve	Reserve for Exceptional Losses	Fair Value Reserve	Retained Earnings	Total
Balance as on 01.01.2020	425,869,770	5,914,198	2,363,000	1,500,000	251,824,383	-	46,164,492	733,635,843
Stock Dividend for 2019							-	-
Cash Dividend for 2019							(42,586,977)	(42,586,977)
Capital Reserve		12,570					(12,570)	-
General Reserve								-
Dividend Equalization Reserve								-
Reserve for Exceptional Loss					25,875,630		(25,875,630)	-
Fair Value Reserve						3,747,582		3,747,582
Net Profit after tax							70,332,671	70,332,671
Balance as on 31.12.2020	425,869,770	5,926,768	2,363,000	1,500,000	277,700,013	3,747,582	48,021,986	765,129,119
Balance as on 01.01.2021	425,869,770	5,926,768	2,363,000	1,500,000	277,700,013	3,747,582	48,021,987	765,129,119
Stock Dividend for 2020							-	-
Cash Dividend for 2020							(42,586,977)	(42,586,977)
Capital Reserve								-
General Reserve								-
Dividend Equalization Reserve								-
Reserve for Exceptional Loss					32,746,702		(32,746,702)	-
Fair Value Reserve						(3,055,638)		(3,055,638)
Net Profit after tax							95,961,363	95,961,363
Balance as on 31.12.2021	425,869,770	5,926,768	2,363,000	1,500,000	310,446,715	691,944	68,649,671	815,447,867



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Place: Dhaka, Bangladesh
 Date: 26 April, 2022

Notes to the Financial Statements

For the year ended 31st December, 2020

1. INTRODUCTION:

1.01 Legal Status:

The Company was incorporated as a public company limited by shares in Bangladesh vide certificate on-C-39286(1244)/99 dated December-27, 2001 under the Companies Act, 1994 and commenced its operation as per Insurance Act, 2010. The certificate of commencement of business was obtained from the Registrar of Joint Stock Companies, Bangladesh. It is noted that the name of Sears Insurance Co. Ltd. has been changed to **Takaful Islami Insurance Limited** under the provision of Section-11, Sub-section (5) (vii) of Company Act-1994.

The Company is listed in Dhaka & Chittagong Stock Exchange Ltd. as a Publicly Traded Company.

1.02 Address of Registered Office and Principal Place of Business :

The registered office of the Company is situated in Bangladesh. Its principal business office is located at Monir Tower (7th, 8th, & 9th Floor), 167/1, DIT Extension Road, Mothijheel (Fakirapool), Dhaka-1000, Bangladesh. The operation of the Company is being carried out through its 42 branches located different place in Bangladesh.

1.03 Principal Activities of the Company:

The Principal objects of the company is to carry out all kinds of insurance, guarantee and indemnity business other than life insurance business.

2. SIGNIFICANT ACCOUNTING POLICIES AND OTHER RELEVANT INFORMATION:

2.01 The Company has adopted relevant International Financial Reporting Standards (IFRSs) with reference to disclosures of accounting policies and notes to the financial statements.

2.02 Basis of Accounting:

The financial statements have been prepared on the basis of going-concern concept under historical cost convention in accordance with International Financial Reporting Standards (IFRSs) .

2.03 Basis of Presentation:

The balance sheet has been prepared 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 and the revenue account of each class of general insurance business has been prepared in accordance with the regulations as contained in part I of the Third Schedule and as per Form 'F' as set forth in part II of that Schedule of the Insurance Act, 2010. The Classified summary of the assets is prepared in accordance with Form "AA" of part II of the First Schedule of the said Act.

2.04 Reporting:

The financial Statements of the company cover from January 01, 2021 to December 31, 2021.

2.05 Going Concern:

The financial statements of the entity have been prepared by the management considering the entity as a going concern and the entity is optimistic to continue its business operation for the foreseeable future.

2.06 Branch Accounting:

The Company has 45 branches without having any overseas branch up to the year end December 31, 2021. The financial statements of branches are maintained at the Head office level. Only Petty cash books are maintained at the branch for meeting day to day expenses. During 2021 through the operation of 45 offices (Including Head Office) the gross premium income earned by the Company was to Tk.61,09,93,888 including Public Sector business of Tk 9,72,64,948 after ceding for re-insurance premium, the net premium for the year amounted to Tk 36,38,52,242 and after charging direct expenses there from the net underwriting profit stood at Tk 8,46,09,631.

2.07 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 and changes in cash and cash equivalents during the financial year. Cash and Cash equivalents include notes and coins on hand, unrestricted balance held with the commercial banks. It is broken down into operating activities, investing activities and financing activities. The direct method is used to show the cashflows operating activities. According to IAS 7: "Statement of Cash Flows", Cash comprises cash in hand and cash equivalents are short term, highly liquid investment that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Considering the provisions of IAS 7 and IAS 1, cash in hand, fixed deposits and bank balances have been considered as cash and cash equivalents.

2.08 Fixed Assets:

Fixed Assets are stated at cost less accumulated depreciation as per IAS-16: "Property, Plant & Equipment". The cost of acquisition of an asset comprises 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, interest and non refundable taxes.

2.09 Depreciation on Fixed Assets:

Depreciation on Tangible Fixed Assets are charged on diminishing balance method at rates varying from 2.5% to 30% depending on the estimated useful life of the Assets. Depreciation on additions to Fixed Assets are charged from the date of it is available for use, i.e when it is in the location and condition necessary for it to be capable of operating in the manner intended by management and depreciation is charged to the date of disposal of assets. Depreciation does not cease when the asset becomes idle or is retired from active use unless the asset is fully depreciated. Gain or loss arising on the disposal or the retirement of asset is determined as the difference between the sale proceeds and the carrying amount of the asset and recognised in the profit and loss account. Depreciation is charged at the rate shown below:

Land	0%
Office Space	3%
Furniture & Fixture	10%
Office Equipment	15%
Office Decoration	10%
Air Cooler	15%
Motor & Other Vehicles	20%
Computer	30%
Telephone Installation	15%
Croceries & Cutleries	25%
Electrical Equipments	15%
Carpet & Curtain	10%
Professional Books	10%
Software Installation	20%

2.10 Impairment of Assets:

As required by IAS-36 'Impairment of Assets' the company carried out an impairment test at the end of reporting period to ascertain impairment loss relating to an asset to recognise and disclose the same in the financial statements. But no impairment loss has been arisen in such test to recognise in the financial statements.

2.11 Public Sector Business:

The Company's share of Public Sector business for 4 quarters for the period from 1st July, 2020 to 30th June, 2021 received from Sadharan Bima Corporation and other insurance companies has been incorporated in the Company's account for the year ended 31st December, 2021. This system of accounting of public sector business is being followed consistently.

2.12 Statement of Changes in Equity:

The statement of changes in equity is prepared in accordance with IAS 1: "Presentation of Financial Statements".

2.13 Revenue Recognition:

The revenue is recognized after satisfying the relevant condition for revenue recognition as provided in IFRS 15: "Revenue from contracts with customers" in compliance with IFRS 4 "Insurance Contract". Detailed income wise policy for revenue recognition is given as under:

a) Premium Income:

The total amount of premium earned on various classes of insurance business underwritten during the year, the gross amount of premium earned against various policies, the amount of re-insurance premium due to Sadharan Bima Corporation, the amount of re-insurance commission earned and the amount of claims less re-insurance settled during the year have all been duly accounted for in the books of account of the company and while preparing the final statements of accounts, the effect of re-insurance accepted and re-insurance ceded as well as the effect of total estimated liabilities in respect of outstanding claims at the end of the year whether due or intimated have also been duly reflected in the accounts in order to arrive at the net underwriting profit for the year.

b) Interest on Statutory Investments:

Interest on statutory investment is amounted for on accrual basis.

c) Gain or Loss on sale of Shares and Debentures:

Gain or Loss on sale of shares and debentures and dividend income during the year have been shown in the Profit and Loss Account and the tax relief as well as the concession rate of tax as availed under the existing income tax law have been given effect in the financial statements.

2.14 Management Expenses:

Management expenses as charged to Revenue Accounts amount of Tk. 27,85,67,926 is approximately 45.59% of gross premium of Tk.61,09,93,888. The expenses have been apportioned 39.02% to Fire, 45.48% to Marine(Cargo), 0.34% to Marine(Hull), 3.64% to Motor and 11.52% to Miscellaneous business as per management decision. The limited of management expenses as per insurance rule is followed and it is under control.

2.15 Risk Analysis:

Risk analysis for insurance business is difficult to estimate the uncertainty in taking and managing the risk by chronological identification of unascertained risk, mitigating approach of risk and continuing efforts to equate the risk at reasonable level. This inter alia includes:

(a) Insurance Product Risk:

In non-life insurance business, the product selection is one of the important factors for the company. Product with less uncertainty with lower cost can facilitate to secure more risk coverage. Accordingly,

high risk is more relate to the capital strength and credit rating of the company. Necessary provision for un-expired risk @ 40% of net premium income on all business except marine Hull Insurance for which provision have been made @ 100% on net premium income.

(b) **Operational Risk:**

This is in association of all departmental effort within the company to ensure the sufficient coverage for the uncertainty of particular policy selection. It varies in accordance with the nature of products offered to the insured. Guideline for selection of offered product and monitoring the same are effective when fencing the risk at the level of estimate.

(c) **Strategic Market Risk:**

This indicates to identify and quantify the inherent risk of the products for the insured in competitive market. Product with low risk should be encouraged to minimize risk.

(d) **Underwriting Risk:**

This is involved in loss events coverable under contract or agreement with the insured and the volume or size of the coverable loss. It relates to selection, pricing, monitoring and technical provision. However, risk with excessive volume is jointly share by two or more insurers. In such circumstances, non-life insurance business with different products has been carried out with approved guideline.

(e) **Reinsurance Risk:**

Reinsurance has an influence basing the capital strength and rating aspects. Treaty limit is outline by the amount of risk, which can be ceded to other re-insurance. It depends on the nature of risk to be taken by the company. As such, technical provision has been estimated by way of covering the reasonable and probable obligations with respect to claims for known or un-known uncertainty.

(f) **Investment Risk:**

This relates to market, credit and liquidity of the company and as such, investments consist of assets covering the technical provisions and shareholders' equity. Accordingly, investment plan has been designed in such manner to accommodate inherent risk.

(g) **Liquidity Risk:**

This indicates to pay the claim on demand and the company needs to liquidate or convert assets to meet the obligation as and when arise.

(h) **Credit Risk:**

The company follows IDRA instructions with respect to issuing of policies, that is, policies were not issued on credit.

(i) **Default Risk:**

This indicates default in paying off the claims on demand when third party involved in such approach. At the time, the company needs to have sufficient liquidity to pay off the claims on demand and to fulfill the contractual obligation.

(j) **Legal and Regulatory Risk:**

There is legal and regulatory obligation to follow and abide by the restricted rules and regulation in carrying out the business, which do not conform to the competitive market for procuring business. As such, non- compliance to rules and regulation may invite risk to the employment of the company.

2.16 Provision for Unexpired Risks:

Before arriving at the surplus of each class of business necessary provision for un-expired risk have been created at the rate of 40% of all business except on Marine Hull business for which the provision was made @ 100% of the total net premium for the year 2021

2.17 Provision for Income Tax:

Provision for Income Tax have been made as per Income Tax Ordinance 1984 and Financial act-2020 on taxable income of the company.

2.18 Deferred Tax

The company has recognised deferred tax as per IAS-12 "Income Taxes". Accordingly, deferred tax liability/assets is accounted for all temporary differences arising between the tax base of the assets and liabilities and their carrying value for financial reporting purpose. Deferred tax is computed at the applicable tax rate on the company.

2.19 Reserve for Exceptional Loss:

This represents profit set-aside up to the year under review as expenses to meet exceptional losses. This reserve has been created as per requirement of paragraph 6(2) of 4th Schedule of the Income Tax Ordinance-1984.

2.20 General Reserve:

The Company creates a general reserve for an amount of Tk. 23,63,000 on profit to avoid future contingency.

2.21 Employees Benefit:

The Company operates a contributory provident fund for its permanent employees from the year 2015 which is approved by the National Board of Revenue. The fund is administered by a board of trustees and funded by equal contribution from the company and the employees. The fund is invested separately from the company's assets.

2.22 Earning per Share (EPS):

The company has calculated earning per share (EPS) in accordance with IAS-33 as adopted by ICAB : "Earning per Share" which has been shown on the face of Profit and Loss Account and the computation of EPS is stated in Note no. 25.

a) 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.

b) Basic Earnings per Share:

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

c) Dilated Earnings per Share:

This has been calculated by dividing the basic earning previous year by the weighted average number of ordinary shares outstanding during the year.

2.23 Outstanding Premium:

The outstanding premium appearing in the accounts represents only the amount which relates to the accounting period in the form of cash and cheques in hand and in line with the system followed by the company.

2.24 Use of Estimate:

Preparation of financial statements in conformity with International Accounting Standards (IASs) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities if any at the date of the financial statements, and revenues and expenses during the year reported. Actual result could differ from those estimates. Estimates are used in accounting for certain items such as depreciation, outstanding claims, taxes, reserves etc.

2.25 Basis of Recognition of Income in Respect of Premium Deposits:

Amounts received against Cover notes, which have not been converted into policy are recognised as Income before the Cover notes and are converted into policy on expiry of period not exceeding six months in accordance with the Controller of Insurance Circular.

2.26 Lease:

Financial Reporting Principles IFRS 16 Leases effective from annual periods beginning on or after January 1, 2019 has changed how the company accounts for its lease contracts. The company leases a number of office space in addition to service sites. Before the adoption of IFRS 16, all lease contracts were classified as operating leases. IFRS 16 requires all contracts that contain a lease to be recognized on the balance sheet as a right-of-use asset and lease liability. Only certain short-term and low-value leases are exempted. In compliance with the standard, the company has elected to use the recognition exemptions in the standard for short-term leases and leases of low value items. In such cases the lease are accounted for as short term leases and the lease payments associated with them are recognized as an expenses from short term lease.

2.27 Investment in Shares:

Investment in shares is recognised at cost and subsequently measured at fair value and any change in the fair value is recognised in the profit and loss account for the period in which it arises as per IFRS-9 "Financial Instruments".

2.28 Components of the Financial Statements:

As per Insurance Act-2010 section 27 and following the IAS-1 "Presentation of Financial Statements" (as applicable), the company's complete set of financial statements includes the following components:

- Statement of Financial position (Balance Sheet) as at December 31, 2021.
- Profit and Loss Appropriation Account for the year ended December 31, 2021.
- Statement of Comprehensive Income (Profit and Loss Account) for the Year ended December 31, 2021.
- Revenue Accounts for specific class of business for the Year ended December 31, 2021.
- Statement of Cash Flows for the Year ended December 31, 2021.
- Statement of Changes in Equity for the Year ended December 31, 2021.
- Notes to the financial statements and significant accounting policies as at & for the Year ended December 31, 2021.

2.29 General:

- Figures in the financial statements are presented in Bangladeshi Taka which is the companies functional and presentational currency.
- Figures have been rounded off to the nearest Taka.
- Previous year's figures have been rearranged whenever considered necessary to ensure comparability with the current year.

Amount in Taka**2021****Taka****3. Bangladesh Government Treasure Bond**

Durations	Issue date	Maturity date	Particular	Rate (%)	Taka 2021
15 Years	20-02-2013	20-02-2028	ISIN NO-BD-0928311150	11.59	25,000,000
					25,000,000

The above amount represents the value of 15 (fifteen) years Bangladesh Government Treasure Bond at cost held with Bangladesh Bank according to the provision of Section -23 and 24 of Insurance Act- 2010.

Note of the Accounts

For the year ended 31st December, 2021

Amount in Taka

2021
Taka

2020
Taka

4. INVESTMENTS IN SHARE

Details are given below:

Name of the Company	No of Share	Total Cost	Market Price per share as on	Market Price per share as on 31.12.2021	Total Market Price as on 31.12.2020
ACME pesticides Ltd	13,380	133,800	26.80	358,584	
Alif Manufacturing	10,000	176,317	13.90	139,000	-
BD Thai Food	63,750	637,500	10.00	637,500	
Beximco Pharma	10,000	2,164,890	192.70	1,927,000	-
BPPL	10,000	487,877	34.20	342,000	
C & A Textile	50,000	370,666	7.60	380,000	
Confidence Cement	10,000	1,572,325	121.90	1,219,000	-
Crystel Insurance					401,801
DESCO	259,200	10,108,800	35.50	9,201,600	9,020,160
Eastland Insurance					1,342,440
Generation Next Fashions Ltd.	990,000	5,643,000	5.80	5,742,000	3,861,000
IFIL Islamic MF-1	100,000	540,000	6.40	640,000	660,000
Indo-Bangla Pharmaceuticals Ltd.	204,000	5,237,761	17.60	3,590,400	3,896,400
Islami Bank Bangladesh Ltd.	1,450,000	36,395,000	32.00	46,400,000	44,220,000
Jamuna Oil Co. Ltd.	30,700	4,970,330	171.10	5,252,770	5,080,850
Midas Finance	15,000	285,829	16.50	247,500	-
Oryza Agro Industries	27,243	272,430	10.00	272,430	
Ring Shine Textile Ltd	2,312	19,965	9.60	22,195	1,494,598
Robi					8,083,339
Runner Automobiles					385,109
Saif Power					3,461,868
Sea- Pearl Beach Resort & Spa					147,522
Shahjalal Islami Bank Ltd.	42,446	900,900	21.80	925,323	925,733
Silco Pharmaceuticals Ltd.	700,000	23,837,968	24.50	17,150,000	87,552
Union Bank Ltd	2,140,000	21,400,000	10.00	21,400,000	
Union Insurance Ltd	4,642	46,420	10.00	46,420	
	6,132,673	115,201,778		115,893,722	83,068,372

5. INTEREST RECEIVABLE

Opening Balance	18,034,062	11,377,269
Add: Interest income during the year	34,051,281	42,032,153
	52,085,343	53,409,422
Less: Interest received during the year	30,288,166	35,375,360
Closing Balance	21,797,177	18,034,062

5.1 INTEREST RECEIVABLE (FDR)

Opening Balance	3,668,918	2,016,722
Add: Interest income during the year	3,801,750	5,272,000
	7,470,668	7,288,722
Less: Interest received during the year	4,945,181	3,619,804
Closing Balance	2,525,487	3,668,918

	Amount in Taka	
	2021 Taka	2020 Taka
5.2 PROFIT RECEIVABLE (MTDR)		
Opening Balance	13,266,931	8,262,334
Add: Interest income during the year	27,163,219	33,629,500
	<u>40,430,150</u>	<u>41,891,834</u>
Less: Interest received during the year	22,256,673	28,624,903
Closing Balance	<u>18,173,477</u>	<u>13,266,931</u>
5.3 INTEREST RECEIVABLE (BGTB)		
Opening Balance	1,098,214	1,098,214
Add: Interest income during the year	3,075,000	3,075,000
	<u>4,173,214</u>	<u>4,173,214</u>
Less: Interest received during the year	3,075,000	3,075,000
Closing Balance	<u>1,098,214</u>	<u>1,098,214</u>
5.4 PROFIT RECEIVABLE (SND)		
Opening Balance	-	-
Add: Interest income during the year	11,312	55,653
	<u>11,312</u>	<u>55,653</u>
Less: Interest received during the year	11,312	55,653
Closing Balance	<u>-</u>	<u>-</u>
6. AMOUNTS DUE FROM OTHER PERSONS OR BODIES CARRYING ON INSURANCE BUSINESS		
These represent the amount receivable from insurance companies on account of co-insurance premium and claim as at December 31, 2021.		
Amount due from Shadharon Bima Corporation :		
Opening Balance	40,444,637	40,444,637
Add, Receivable from SBC against PSB	11,543,627	11,785,774
	<u>51,988,264</u>	<u>52,230,411</u>
Less, Adjusted with SBC Account	11,543,627	11,785,774
	<u>40,444,637</u>	<u>40,444,637</u>
7. SUNDRY DEBTORS		
Advance against Bhutan Tour	-	500,000
Advance against Office decoration	27,876,395	13,751,400
Advance against office rent	4,591,090	3,507,150
Advance against Salary	9,800,935	8,924,585
Advance to Branch	46,772	
Advance VAT payment	1,860,700	1,860,700
Commission Receivable	6,305,809	6,305,809
Deposit clearing	3,320,679	3,320,679
Loan paid to TISL	42,061,800	-
PF Capital Management Ltd	9,092	9,092
R.R Securities Ltd	301	301
Re-Ins. Portfolio premium	39,763,032	39,763,032
RNI Securities Ltd.	102	102
Total	<u>135,636,707</u>	<u>77,942,850</u>

Amount in Taka

2021 Taka	2020 Taka
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8. Investment In Subsidiary Company

Opening Balance	-	-
Add : Investment during the year (49,99,700 shares of taka 10/ each)	49,997,000	-
Less: Withdrawn during the year	49,997,000	-
Closing Balance	49,997,000	-

Takaful Islami Insurance Ltd. constituted a subsidiary company in the name of Takaful Islami Securities Limited under the intimation of Trading Right Entitlement Certificate of Dhaka Stock Exchange Limited no- নিবন্ধন/ডিএসই/ট্রিক-২৭০/২০২১/২৯৭, dated: September 01 2021 and Certificate of Incorporation no-C-170167/2021 from Register of Joint Stock Companies & Firms Bangladesh . Takaful Islami Securities Limited also obtained permission from Insurance Development and Regulatory Authority vide letter no-53.03.0000.049.40.010.21.01, dated: 03rd January 2022.

9 CASH & BANK BALANCES

Cash in hand:		
Head office	240,344	187,663
Branch offices	1,240,151	1,565,137
	1,480,495	1,752,800
Cash at bank:		
STD	19,569,572	12,055,836
Current deposit	5,180,568	6,795,549
Balance With Broker House	7,092,937	21,236,455
	31,843,077	40,087,840
MTDR	606,100,000	609,800,000
FDR	99,450,000	100,800,000
	737,393,077	750,687,840
Total	738,873,572	752,440,640

10 FIXED ASSETS

Amount in Taka

Particulars	Cost			Rate (%)	Depreciation			Written Down Value as on 31.12.2021
	Balance as on 01.01.2021	Addition during the year	Adjustment during the year		Balance as on 01.01.2021	Charged during the year	Adjustment during the year	
Land	38,079,730	-	-	0	-	-	-	38,079,730
Office Space	57,281,596	-	-	3	429,612	1,705,560	2,135,172	55,146,424
Furniture & Fixture	4,733,870	134,694	-	10	2,802,914	202,627	3,005,541	1,863,023
Office Equipment	1,888,358	-	-	15	1,353,551	80,221	1,433,772	454,586
Office Decoration	12,540,057	265,082	-	10	4,875,332	772,661	5,647,993	7,157,146
Air Cooler	3,879,056	2,086,502	-	15	2,486,408	409,968	2,896,377	3,069,181
Motor & Other Vehicles	28,650,884	274,568	-	20	17,296,902	2,300,485	19,597,388	9,328,064
Computer	5,246,889	275,124	-	30	4,097,934	385,688	4,483,622	1,038,391
Telephone Installation	1,772,691	3,750	-	15	1,417,008	53,859	1,470,867	305,574
Croceries & Cutleries	59,997	5,300	-	25	57,430	1,178	58,607	6,689
Electrical Equipments	1,756,403	-	-	15	1,067,790	103,292	1,171,082	585,321
Carpet & Curtain	34,250	-	-	10	29,114	514	29,627	4,622
Professional Books	212,112	-	-	10	152,834	5,928	158,762	53,350
Software Installation	2,418,000	-	-	20	1,601,490	163,302	1,764,792	653,208
Total as on 31.12.2021	158,553,893	3,045,020	-		37,668,319	6,185,283	43,853,602	117,745,311
Total as on 31-12-2020	53,459,818	104,952,138			32,659,562	5,547,677	38,207,239	120,204,717

	Amount in Taka	
	2021 Taka	2020 Taka
11. Other Account	119,037,661	122,272,315
a) Fixed Assets- writtendown value	117,745,311	120,885,573
b) Stock of Printing & Stationery	465,746	438,181
c) Insurance Stamp in hand	826,604	948,561
Total	119,037,661	122,272,315
(a) Fixed Assets (Writtendown Value)	117,745,311	120,885,573
Opening cost price	158,553,893	53,459,818
Add. Addition during the year	3,045,020	105,157,575
	161,598,913	158,617,393
Less, Disposal during the year	-	63,500
Closing Cost price	161,598,913	158,553,893
Opening Depreciation Balance	37,668,319	32,659,562
Add, Charge in this year	6,185,283	5,070,827
	43,853,602	37,730,389
Less, Adjustment this year	-	62,070
Closing depreciation Balance	43,853,602	37,668,319
Writtendown Value of Assets	117,745,311	120,885,573
(b) Stock of Printing & Stationery	465,746	438,181
Balance brought forward from last year	438,181	560,000
Add: Purchase during the year	3,287,669	3,709,961
	3,725,850	4,269,961
Less: Consumption during the year	3,260,104	3,831,780
	465,746	438,181
(c) Insurance Stamp in hand	826,604	948,561
Balance brought forward from last year	948,561	496,850
Add: Purchase during the year	23,179,580	25,147,971
	24,128,141	25,644,821
Less: Consumption during the year	23,301,537	24,696,260
	826,604	948,561

12. SHARE CAPITAL

Detailed break up of shareholders capital is as below:

a) Authorised capital:

100,000,000 Ordinary shares of Tk. 10 each 1,000,000,000 1,000,000,000

b) Issued, subscribed and paid-up capital

4,2586,977 Ordinary shares of Tk. 10/- each 425,869,770 425,869,770

During the year 2021 the company has paid 10% cash dividend of taka-4,25,86,977 for 4,25,86,977 ordinary shares each against retained earnings of 2020

The Category-wise share holding position as on 31 December, 2021 is as under:

Category of Shareholders	No. of Shares	(%) of Holding	Amount in Taka
Sponsor Shareholders (Group-A)	17,651,442	41.45	176,514,420
General Public & institutional Investor (Group-B)	24,935,535	58.55	249,355,350
TOTAL	42,586,977	100	425,869,770

Classification of Shareholders as per share holdings: Group-A

S/N	Class Interval	No. of Shares	No. of Shareholders	Share Holdings (%)	(%) of Total Paid up Capital
1	01-500	-	0	0.00	0.00%
2	501-5,000	-	0	0.00	0.00%
3	5,001-10,000	-	0	0.00	0.00%
4	10,001-20,000	-	0	0.00	0.00%
5	20,001-30,000	-	0	0.00	0.00%
6	30,001-40,000	-	0	0.00	0.00%
7	40,001-50,000	-	0	0.00	0.00%
8	50,001-1,00,000	-	0	0.00	0.00%
9	1,00,001-Over	17,651,442	17	100.00	41.45%
	Total	17,651,442	17	100.00	41.45%

Classification of Shareholders as per share holdings: Group-B

S/N	Class Interval	No. of Shares	No. of Shareholders	Share Holdings (%)	(%) Of Total paid up capital
1	01-500	333,337	1624	1.34	0.78%
2	501-5,000	1,780,589	1028	7.14	4.18%
3	5,001-10,000	782,682	103	3.14	1.84%
4	10,001-20,000	852,359	58	3.42	2.00%
5	20,001-30,000	519,116	21	2.08	1.22%
6	30,000-40,000	291,940	8	1.17	0.69%
7	40,001-50,000	270,701	6	0.64	0.64%
8	50,001-1,00,000	1,255,680	17	5.04	2.95%
9	1,00,001-Over	18,849,131	30	75.59	44.26%
	Total	24,935,535	2895	100.00	58.55%
	GRAND TOTAL	42,586,977	2912	100.00%	

Name wise shareholding position of Sponsor Directors and General Public Share holder directors:

"SI No"	Name of the Director's	Status	"No of Shares Holding"	"% of total no of paid up shares"
1	Mr. Anwer Hossain Khan	Chairman	886,355	2.08%
2	Mr. Md. Abul Hashem	Sponsor Director	1,277,594	3.00%
3	Mr. Md. Humayun Kabir Patwary	Sponsor Director	1,277,594	3.00%
4	Mr. Emdadul Hoque Chowdhury	Sponsor Director	861,734	2.02%
5	Mr. Abul Hashem	Sponsor Director	851,744	2.00%
6	Engr. Khondaker Mesbahuddin Ahmed	Sponsor Director	1,277,594	3.00%
7	Mr. Anwar Hossain Chowdhury	Sponsor Director	851,834	2.00%
8	Mr. Shamsul Arefin Khaled	Sponsor Director	851,744	2.00%
9	Mr. Md. Moshir Rahman Chamak	Sponsor Director	860,734	2.02%
10	Mrs. Tahmina Afroz	Sponsor Director	994,075	2.33%
11	Mrs. Shahana Parvin	Sponsor Director	1,532,587	3.60%
12	Mr. Md. Iqbal Hossain	Sponsor Director	1,526,807	3.59%
13	Mr. AFM Motassem Belal Rep. of Modern Diagnostic Center Ltd.	Public Shareholder Director	852,011	2.00%
14	Mr. Khorshed Alam Khan	Public Shareholder Director	852,028	2.00%
15	Mr. Md. Jahirul Islam	Public Shareholder Director	3,597,035	8.45%
16	Rep. Daffodils Sign Media	Public Shareholder Director	1,125,720	2.64%
17	Mr. Md. Zia Uddin Podhar	Public Shareholder Director	950,514	2.23%
18	Mr. Billal Hossain	Public Shareholder Director	858,070	2.01%
19	Mr. Md. Mofizuddin	Sponsor	1,007,000	2.36%
20	Mrs. Nasreen Haque	Sponsor Shareholder	897,367	2.11%
21	Mrs Farzana Rahman	Sponsor Shareholder	1,277,594	3.00%
22	Alhaj Tofazzol Hossain	Sponsor Shareholder	567,819	1.33%
23	Mr. Redwan Kabir	Sponsor Shareholder	852,000	2.00%
24	Mr. A.K.M Aminul Islam	Independent Director	-	0.00%
25	Mr. Md. Nurun Nabi Bhuiyan	Independent Director	-	0.00%

Amount in Taka

2021 2020

13. Reserve or Contingency Accounts:

389,578,098 339,259,349

This is made up as follows:

- 13.01 Reserve for Exceptional Losses
- 13.02 Capital Reserve
- 13.03 General Reserve
- 13.04 Dividend Equalization Reserve
- 13.05 Fair Value Reserve
- 13.06 Retained Earnings

310,446,715	277,700,013
5,926,768	5,926,768
2,363,000	2,363,000
1,500,000	1,500,000
691,944	3,747,582
68,649,671	48,021,987

13.01 Reserve for Exceptional Losses:

Balance brought forward from last year	277,700,013	251,824,383
Add: Provision during the year (9% on net premium income)	<u>32,746,702</u>	<u>25,875,630</u>
	310,446,715	277,700,013
Less: Reserve for exceptional losses		
	<u>310,446,715</u>	<u>277,700,013</u>

This represents profit set-aside up to the year under review as expenses to meet exceptional losses. This reserve has been created as per requirement of paragraph 6(2) of 4th Schedule of the Income Tax Ordinance-1984.

13.02 Capital Reserve

This represents gain arisen from the sale of motor car has been transferred to capital reserve account

Balance brought forward from last year	5,926,768	5,914,198
Add: Provision during the year	<u>-</u>	<u>12,570</u>
	5,926,768	5,926,768
Less: Adjustment made this year	<u>5,926,768</u>	<u>5,926,768</u>

13.03 General Reserve

This represents the profits set- aside out of profit of the year review.

Balance brought forward from last year	2,363,000	2,363,000
Add: Provision during the year	<u>2,363,000</u>	<u>2,363,000</u>
Less: Adjustment made this year	<u>2,363,000</u>	<u>2,363,000</u>

13.04 Dividend Equalization Reserve

Balance brought forward from last year	1,500,000	1,500,000
Add: Provision during the year	<u>1,500,000</u>	<u>1,500,000</u>
Less: Adjustment made this year	<u>1,500,000</u>	<u>1,500,000</u>

13.05 Fair Value Reserve

Fair Value of the investment	115,893,722	83,068,372
Less, Cost Price of the Investment	<u>115,201,778</u>	<u>79,320,791</u>
Fair Value Reserve as at 31st December	<u>691,944</u>	<u>3,747,582</u>

13.06 Retained Earnings

Balance brought forward from last year	5,435,010	3,577,515
Add: Net profit during the year after Tax & Deferred Tax	<u>95,961,363</u>	<u>70,332,671</u>
	101,396,373	73,910,186

	Amount in Taka	
	2021	2020
Less: Reserve for exceptional losses`	32,746,702	25,875,630
Capital Reserve	-	12,570
	68,649,671	48,021,987
13.06.1 BALANCE BROUGHT FORWARD FROM LAST YEAR		
Net profit before dividend	48,021,987	46,164,492
Less: Stock Dividend paid		
Cash Dividend Paid	42,586,977	42,586,977
	5,435,010	3,577,515
14. PREMIUM DEPOSIT	25,802,715	18,708,065

The amount represents the un-adjusted balance of premium as received against cover notes over the years for which policies have not been issued within December-31, 2021.

15. LOANS & OVERDRAFT

Quard-E- Hasana from Bank	47,244,946	62,393,446
Total	47,244,946	62,393,446

15.1 Quard-E- Hasana from Bank:

(a) The Quard- E- Hasana from Islami Banks Bangladesh Ltd. Against term deposit of Tk.-6,96,00,000/-

16. Deferred Tax Liability

Opening Balance	1,164,429	972,305
Add, Provision made during the year		192,124
	1,164,429	1,164,429
Less, Adjusted during the year	367,865	
Closing Balance	796,564	1,164,429

Calculation of Deferred Tax :

Particulars	Account Base	Tax Base	Difference	Applicable Rate	Deferred Tax	Deferred Tax
Fixed Assets	117,745,311	115,621,141	2,124,170	37.50%	796,564	1,164,429
		-	-		-	
Total					796,564	1,164,429

17. ESTIMATED LIABILITY IN RESPECT OF OUTSTANDING CLAIMS WHETHER DUE OR INTIMATED

Fire	19,069,683	16,442,014
Marine (Cargo)	10,264,604	4,918,667
Marine (Hull)	-	-

Motor	677,625	561,000
Miscellaneous		200,000
Total	<u>30,011,912</u>	<u>22,121,681</u>

18 AMOUNTS DUE TO OTHER PERSONS OR BODIES CARRYING ON INSURANCE BUSINESS

Shadharon Bima Corporation	94,177,417	58,668,327
Overseas Re-insurance	38,543,955	16,549,212
Total	132,721,372	75,217,539

Opening Balance	<u>75,217,539</u>	<u>74,672,185</u>
Add, Ceded in this year	160,723,674	155,052,319
	235,941,213	229,724,504
Less, Commission & Profit Commission received	46,209,415	46,147,729
Less, Loss recovery	5,126,059	34,573,839
Less, Paid in this year	40,340,740	61,999,623
Less, Adjustment with PSB	11,543,627	11,785,774
Closing Balance	<u>132,721,372</u>	<u>75,217,539</u>

19 SUNDRY CREDITORS

Deposit Against Car Lease	733,875	386,250
I.T. deduction at source	577,630	126,328
Ins. Stamp Payable	6,777,028	
Premium VAT payable	5,796,877	5,669,489
Providend fund payable	554,126	
Provision for audit fee	230,000	230,000
Provision for Office Rent	55,200	
Provision for Salary & Allowance	11,895,007	
Provision For Utility and Telephone Bills	903,915	845,537
Security deposit	50,000	
Security deposit against office rent	83,000	83,000
Service Charge Payable	11,148	
Share application money refundable	2,051,529	2,051,529
VAT deducted at source	298,169	197,680
Total	<u>30,017,504</u>	<u>9,589,813</u>

20 Unpaid Dividend:

Dividend payable for fraction share	899,232	2,511,113
Dividend payable -2016	417,377	410,957

Dividend payable -2017	130,262	130,262
Dividend payable -2018	197,794	248,613
Dividend payable -2019	801,956	801,956
Dividend payable-2020	763,366	
Closing Balance	<u>3,209,987</u>	<u>4,102,899</u>

21 PREMIUM INCOME LESS RE-INSURANCE

Business	Gross Premium			Re-Insurance ceded	Net Premium	Net Premium
	Private	Public	Total			
Fire	224,262,895	13,666,213	237,929,108	133,045,905	104,883,203	103,531,429
Marine (Cargo)	257,122,963	21,206,676	278,329,639	44,790,445	233,539,194	224,842,621
Marine (Hull)	888,880	1,193,975	2,082,855	1,894,118	188,737	1,248,863
Motor	19,129,793	3,059,436	22,189,229	2,908,529	19,280,700	35,885,797
Miscellaneous	12,324,409	58,138,648	70,463,057	64,502,649	5,960,408	4,143,143
Total	513,728,940	97,264,948	610,993,888	247,141,646	363,852,242	369,651,853

22 EXPENSES OF MANAGEMENT

The expenses have been charged to Revenue Accounts on product basis of Gross Premium earned or direct business as under:

Fire	39.02	108,700,582	86,127,751
Marine (Cargo)	45.48	126,688,284	101,659,967
Marine (Hull)	0.34	948,060	1,115,145
Motor	3.64	10,143,725	14,032,896
Miscellaneous	11.52	32,087,275	10,941,046
Total	100%	278,567,926	213,876,805

SI	Head of Accounts	2021	2020
1	Bank charges	1,521,943	1,346,897
2	Books, papers & periodicals	131,256	145,747
3	Brokerage commission	195,990	-
4	Car Allowance	919,973	840,000
5	Car fuel	4,315,077	3,745,716
6	Car maintenance	3,864,825	2,677,320
7	Conveyance	5,288,908	11,028,874
8	Cookeries	600	-
9	Electricity & WASA expenses	2,362,735	2,223,460
10	Entertainment	1,340,230	1,116,283
11	Fee and Charges	15,000	293,658
12	Festival & Incentive	14,614,462	6,826,477

13	Group Insurance Premium	337,958	300,204
14	Insurance premium Car	390,822	537,522
15	Gratuity Payment	1,389,753	-
16	Internet Bill	1,039,627	832,110
17	Office maintenance	3,490,295	1,656,697
18	Office rent, rates & taxes	10,209,332	9,541,087
19	Picnic Expenses	-	-
20	PF Contribution	4,746,352	6,661,710
21	Postage, revenue stamps & telegram	793,206	1,333,844
22	Printing & stationery	3,260,104	3,831,780
23	Garage Rent	501,000	494,100
24	Salary & allowances	206,526,961	150,000,821
25	SBC expenses on PSB	7,360,158	4,683,096
26	Office Service charges	1,273,965	1,172,544
28	Telephone & telex	1,609,579	1,541,865
29	Training Fee	-	73,442
30	Traveling	594,393	196,889
31	Uniform	13,740	13,950
	Sub Total	278,108,244	213,116,093
	Insurance Stamp Expenses		
	1 Fire	401,550	455,650
	2 Marine	-	1,434
	3 Motor	43,775	286,035
	4 Miscellaneous	14,357	17,593
	Sub Total	459,682	760,712
	Total Expenses	278,567,926	213,876,805

Amount in Taka

2021

2020

23 PAYMENT TO DIRECTORS , CHIEF EXECUTIVE OFFICER**74,116,392****62,913,795**

Particulars	Board meeting fee	CEO (TK)	Officers (TK)
Director's fee	4,085,310		
Chief Ececutive officer Emolument		1,500,000	
Salary- Others			34,356,475
Company contribution to Provident Fund			3,514,507
Bonus		250,000	10,163,906
House Rent		750,000	16,877,394
Medical Allowance		75,000	1,745,151
Entertainment		100,000	698,649
Total	4,085,310	2,675,000	67,356,082

24 INTEREST INCOME

Interest on BGTB	3,075,000	3,075,000
Profit on TDR	27,163,219	33,629,999
Interest on Fixed Deposit	3,801,750	5,272,000
Profit on SND account	1,486	55,653
Interest on STD	9,826	
Total	<u>34,051,281</u>	<u>42,032,652</u>

25 EARNING PER SHARE (EPS)

The earning per share of the company is as follows:

Earning attributable to ordinary share holders (Profit after tax)	95,961,363	70,332,671
Weighted average number of ordinary shares outstanding during the year	<u>42,586,977</u>	<u>42,586,977</u>
EARNING PER SHARE (EPS) (Restated-2020)	<u>2.25</u>	<u>1.65</u>

There is no significant deviation in any parameter between the financial periods. Due to increase of business for the same corresponding period of the previous year, the earning per share has increased during this year.

26 Net Assets Valu Per Share (NAV)

Net Assets Valu per share of the company is as follows:

Net Assets	815,447,867	765,129,119
Weighted average number of ordinary shares outstanding during the year	<u>42,586,977</u>	<u>42,586,977</u>
Net Assets Valu Per Share (NAV) (Restated-2020)	<u>19.15</u>	<u>17.97</u>

27 Net Operating Cash Flow Per Share (NOCFPS)

Net Operating Cash Flow per share of the company is as follows:

Cash Flows from Operating Activities – Preferred Dividends	133,064,420	125,248,974
Weighted average number of ordinary shares outstanding during the year	<u>42,586,977</u>	<u>42,586,977</u>
Net Operating Cash Flow Per Share (NOCFPS) (Restated-2020)	<u>3.13</u>	<u>2.94</u>

There is no significant deviation in any parameter between the financial periods. Due to increase of business for the same corresponding period of the previous year, the NOCFPS has increased during this year.

28 Key management personnel compensation:

As per IAS-24 paragraph 17 "Related Party Disclosure" the company has not any key management personnel compensation each of the following categories:

- Short-term employee benefits: As shown in note no- 23
- Post -employment benefits;
- Other long -term benefits;
- Termination benefits; and
- Share based payment.

29 Related Party transactions:

Takaful Islami Insurance Limited in normal course of business carried out of number of transactions with other entities that fall within the definition of related party contained in Bangladesh Accounting Standard -24 Related Party Disclosures. All transaction involving related parties arising in normal course of business are conducted on an arm's length basic at commercial rates on the same terms and conditions as applicable to the third parties. Details of transaction with related parties and balance with them as at 31st December, 2021 were as follows:

Name of the related party	Relationship	Nature of Transaction	Premium Earned in (2021) Tk.	Premium Outstanding up to 31-12-21	claim paid
Hashem Food Ltd	Director	Insurance	2,375,023	Nil	Nil
Anwer Khan Modern Hospital Ltd.	Director	Insurance	322,502	Nil	Nil
Provita Fish Feed	Director	Insurance	312,481	Nil	Nil
A.J Fashion Ltd.	Director	Insurance	1,895,850	Nil	327,860
Lucky Star Apparels Ltd.	Director	Insurance	1,482,546	Nil	Nil
M.M. Electric	Director	Insurance	385,550	Nil	Nil
Provita Hatchery.	Director	Insurance	678,160	Nil	Nil
Provita Feed Ltd.	Director	Insurance	3,351,092	Nil	Nil
Sajeeb Corporation	Director	Insurance	218,949	Nil	Nil
Bangladesh Traders	Director	Insurance	440,000	Nil	Nil
Provita Breeders Ltd.	Director	Insurance	190,526	Nil	Nil
Provita Chicks Ltd.	Director	Insurance	62,402	Nil	Nil
Daffodil sign Media	Director	Insurance	875,500	Nil	Nil
Eastern Diagonostic Health	Director	Insurance	660,550	Nil	Nil
Daffodil Trading International	Director	Insurance	875,500	Nil	Nil
Mahmud Indigo Ltd.	Director	Insurance	799,864	Nil	Nil
Fresh Food Ltd.	Director	Insurance	778,099	Nil	Nil
Searh Accessories Ltd.	Director	Insurance	445,639	Nil	Nil
Mars International	Director	Insurance	858	Nil	Nil
Libas Textiles Ltd.	Director	Insurance	7,397,913	Nil	Nil
Rupali Trading Agency	Director	Insurance	1,568,447	Nil	Nil
Towhidur Rahman	Director	Insurance	28,987	Nil	Nil
ABS Trims Ltd	Director	Insurance	488,224	Nil	Nil
M N Trade International	Director	Insurance	35,750	Nil	Nil
Honeywell Garments Ltd	Director	Insurance	1,294,278	Nil	Nil
Kattli Textile Ltd.	Director	Insurance	10,044	Nil	Nil

Amount in Taka**2021****2020****30.1 Provision for income tax:**

Opening Balance	233,128,880	203,234,354
Add. Provision made during the year	28,144,699	29,894,526
	<u>261,273,579</u>	<u>233,128,880</u>

Less: Adjustment on completion of assessment

Closing Balance

261,273,579

233,128,880

30.1.1 Provision for income tax consists of the following:

Income year-2005 (AY:-2006-2007)	2,972,071	2,972,071
Income year-2006(AY:-2007-2008)	5,057,338	5,057,338
Income year-2007(AY:-2008-2009)	4,996,376	4,996,376
Income year-2008(AY:-2009-2010)	5,640,503	5,640,503
Income year-2009(AY:-2010-2011)	3,519,924	3,519,924
Income year-2010(AY:-2011-2012)	9,802,575	9,802,575
Income year-2011(AY:-2012-2013)	16,271,725	16,271,725
Income year-2012(AY:-2013-2014)	23,400,049	23,400,049
Income year-2013(AY:-2014-2015)	27,217,310	27,217,310
Income year-2014(AY:-2015-2016)	14,091,343	14,091,343
Income year-2015(AY:-2016-2017)	18,254,541	18,254,541
Income year-2016(AY:-2017-2018)	14,511,943	14,511,943
Income year-2017(AY:-2018-2019)	8,977,726	8,977,726
Income year-2018(AY:-2019-2020)	15,555,610	15,555,610
Income year-2019(AY:-2020-2021)	32,965,320	32,965,320
Income year-2020(AY:-2021-2022)	29,894,526	
Total	233,128,880	203,234,354

30.2 Income tax paid in advance:

Opening Balance	227,033,603	199,440,744
Add. Tax paid during the year Note:-30.2.1	29,565,325	27,592,859
	256,598,928	227,033,603
Less: Adjustment on completion of assessment		
Closing Balance	256,598,928	227,033,603

30.2.1 Income Tax Paid in Advance:

Direct Income Tax paid	25,367,028
Tax deduct at source:	
From FDR interest	2,763,987
From BGTB interest	153,750
From dividend income	588,254
From Others	692,306
Total	29,565,325

30.2.2 Income tax paid consists of the following:

Income year-2005(AY:-2006-2007)	1,632,255	1,632,255
Income year-2006(AY:-2007-2008)	2,481,115	2,481,115
Income year-2007(AY:-2008-2009)	4,996,376	4,996,376
Income year-2008(AY:-2009-2010)	6,543,810	6,543,810
Income year-2009(AY:-2010-2011)	8,004,211	8,004,211
Income year-2010(AY:-2011-2012)	11,512,633	11,512,633
Income year-2011(AY:-2012-2013)	18,999,050	18,999,050
Income year-2012(AY:-2013-2014)	23,400,049	23,400,049
Income year-2013(AY:-2014-2015)	30,123,362	30,123,362
Income year-2014(AY:-2015-2016)	14,091,343	14,091,343
Income year-2015(AY:-2016-2017)	7,883,890	7,883,890
Income year-2016(AY:-2017-2018)	24,881,594	24,881,594
Income year-2017(AY:-2018-2019)	8,977,727	8,977,727
Income year-2018(AY:-2019-2020)	15,555,611	15,555,611
Income year-2019(AY:-2020-2021)	20,357,718	20,357,718
Income year-2020(AY:-2021-2022)	27,592,859	
Total	227,033,603	199,440,744

31 Taxable Income and Income Tax Liability

Net income as per Profit & Loss Account 128,739,470

Less: Reserve for Exceptional Loss
(Exempted from Tax as per 4th Schedule
Clause# 6 (2) of ITO 1984)

32,746,702

Total Income:

95,992,768

Less:

Other Income (Misc. Income)

Other Income 132,471

Interest Income 34,051,281

Dividend Income 2,941,349

Provision for loss on Investment in share -

Profit on sale of Assets -

Profit on sale of Shares of Listed Companies 26,683,100 63,808,201

Income/(loss) from Insurance Business **32,184,567**

Computation of Income Tax:

1) Tax on Business Income @ 37.5% 12,069,213

2) Tax on Other Income @ 37.5% -

3) Tax on Other Income @ 37.5%	49,677	
4) Tax on Interest Income @ 37.5%	12,769,230	
5) Tax on Dividend Income @ 20%	588,270	
6) Tax on provision on investment in share @ 37.5%	-	
7) Tax on Capital gain @ 37.5%	-	
8) Tax on profit on sale of share of listed company @ 10%	2,668,310	28,144,699
Income Tax liability for the year		<u><u>28,144,699</u></u>

Amount in Taka
2021 2020

32 Provision For WPPF

Particulars		
Balance as on 1st January		
Add, Provision made during the year	-	-
	-	-
Less, Payment & Adjustment during the year		
Closing Balance of WPPF	<u>-</u>	<u>-</u>

As per provision of para ৯ (খ to এ) of section 233 of Bangladesh Labour Amendments Act-2013, Functions of Non Life Insurance Company are not similar to the functions of " Industrial Relating Work" as mentioned in the aforesaid sections. Therefore provision for Workers' Profit Participation and Welfare Fund (WPPF) is not applicable for our Company. In this regard legal opinion has been taken from our legal advisor, who opined that it is not applicable for our Company. Also as per letter no:-BIA-3(91)/2019-512 date- 26/12/2019 from Bangladesh Insurance Association and bank and financial institution division ministry of finance bangladesh letter no-53.00.0000.311.22.002.17-130 dated 14/02/2017 no provision was made for this financial year.

33 Welfare fund

Particulars		
Balance as on 1st January	6,070,545	-
Add, Provision made during the year	6,876,750	8,347,000
	12,947,295	8,347,000
Les, Income tax payable for fund	1,875,477	2,276,455
Less, Payment & Adjustment during the year		
Closing Balance of welfare fund	<u>11,071,818</u>	<u>6,070,545</u>

As per decision of Soriea Council Board the interest of Fixed deposit and Bangladesh Government Treasure Bond interest are transfer to Welfare fund and did not taken any benefit from this interest.

34 Other Comprehensive Income

Particulars		
Fair value reserve as at 31st December	691,944	3,747,582
Fair value reserve as at 01st January	3,747,582	
Other Comprehensive Income/(Loss)	<u>4,439,526</u>	<u>3,747,582</u>

35 Cashflow from operating activities under indirect method

Net profit before tax	123,738,198	100,419,321
Add: Adjustment for non-cash item		
Depreciation	6,185,283	5,070,827
Profit on sale of assets	-	(12,570)
	<u>129,923,481</u>	<u>105,477,579</u>

Changes in Working capital:

Increase/(Decrease) of interest receivable	(3,763,115)	(6,656,793)
Increase/(Decrease) Amount due from other persons or bodies carrying on insurance business	-	-
Increase/(Decrease) of Sundry debtors	(57,693,857)	(16,198,078)
Increase/(Decrease) of Stationery	(27,565)	121,819
Increase/(Decrease) of Stamp in hand	121,957	(451,711)
Increase/(Decrease) of Balance of fund and accounts	(2,955,920)	48,588,913
Increase/(Decrease) of premium deposit	7,094,650	5,996,453
Increase/(Decrease) of Employee welfare fund	5,001,272	6,070,545
(Increase)/Decrease of Estimated liability in respect of outstanding claims, where due or intimation	7,890,231	8,634,762
(Increase)/Decrease amount due to other persons or bodies carrying on insurance business	57,503,833	545,354
(Increase)/Decrease of Un-claimed Dividend	(892,912)	
(Increase)/Decrease of Sundry creditor and others	20,427,691	712,987
	<u>32,706,263</u>	<u>47,364,253</u>
Tax paid during the year	(29,565,325)	(27,592,859)
Interest expense	-	-
	<u>133,064,420</u>	<u>125,248,974</u>

36 BOARD MEETING

During the year 2021 the Company had 20 members Board of Directors and held 08 Board meetings. Board of Directors of the Company has formed other Committees and Sub-committees like Executive Committee, Claims Committee and Audit Committee. Regular meetings of those Committees were also held during the current year.

37 CONTINGENT LIABILITIES**a) Income Tax:**

The Income Tax Authority has claimed Tk. 374,394,537 for the assessment year 2006-07, 2007-08, 2008-09, 2009-10, 2010-11, 2011-12, 2012-13, 2013-14, 2014-15, 2015-16, 2016-17, 2017-18, 2018-19 & 2019-20 in excess of income tax paid for the respective years. However, the company filed a writ with the Honorable High Court for the assessment year 2006-07, 2011-12, 2012-13, 2014-15, 2013-14 & 2015-16 and appeal to appellate tribunal for the assessment years 2016-17, 2017-18, 2018-19 and appeal to appellate for

the year 2019-20. The Honorable High Court given decision in favour of the Company but the Government again appeal to the Honorable High Court against the decision. In the assessment year 2007-08, 2008-09, 2009-10 & 2010-11 the Appellate Tribunal give a favourable judgment in favour of the company but DCT of LTU filed a writ with the Honourable High Court for that assessment order. The ultimate outcome of the matters cannot be accurately determined and no provision for any liability that may arise has been made in the financial statements.

38 EMPLOYEES

Total number of employees of the company is 744 . None of them received salary below Tk. 8,000 per month.

There was no credit facility available to the company under any contract availed of as on 31st December, 2021 other than trade credit available in the ordinary course of business.

At the year ended 31st December, 2021 employees are as follows

SI No	Particulars	No. of Employees
i	Chief Executive Officer	1
ii	Additional Managing Director	1
iii	Deputy Managing Director	10
iv	Assistant Managing Director	6
v	Executive Vice President	5
vi	Sr Vice President	8
vii	Vice President	89
viii	Deputy Vice President	129
ix	Assistant Vice President	137
x	Other Employees	358
Total		744

39 EVENTS AFTER THE REPORTING PERIOD :

(i) There was no significant event that has occurred between the balance sheet date and the date when the financial statements are authorized for issue by the Board of Directors except the following:

Proposed stock Dividend: Tk

The Board of Directors has recommended for payment of Cash dividend to the amount of Tk. 4,68,45,675 @ 11% on paid up capital out of the surplus available for distribution at the end of the year 2021, as decided by the Board of Director in their meeting held on 12/04/2022, which is subject to the approval of shareholders in the forthcoming Annual General Meeting of the company.

40 Status of Compliance of International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS)

In preparing Financial Statements, we applied following IAS and IFRS:

Name of the IAS	IAS No
Presentation of Financial Statement	1
Inventory	2
The Statement of Cash Flow	7
Accounting Policies, Changes in Accounting Estimates and Errors	8
Event After the Reporting Period	10
Income Tax	12
Property, Plant and Equipment	16
Employee Benefits	19
Related Party Disclosures	24
Financial Instrument Presentation	32
Earning Per Share	33
Interim Financial Reporting	34
Impairment of Assets	36
Provisions, Contingent Liabilities and Contingent Assets	37
Intangible Assets	38
Investment Property	40

Name of the IFRS	IFRS No
First time adoption of IFRSs	1
Insurance Contracts	4
Financial Instruments: Disclosure	7
Financial Instruments	9
Disclosure of Interest in other Entities	12
Fair Value Measurement	13
Leases	16

Statement of Premium Income

For the year ended 31st December, 2021

Class of Business	Premium Earned			Less: Re-insurance premium Ceded			Net Premium Earned
	Own	Public	Total	Own	Public	Total	
Fire	224,262,895	13,666,213	237,929,108	120,485,104	12,560,801	133,045,905	104,883,203
Marine (Cargo)	257,122,963	21,206,676	278,329,639	29,530,902	15,259,543	44,790,445	233,539,194
Marine (Hull)	888,880	1,193,975	2,082,855	572,978	1,321,140	1,894,118	188,737
Motor	19,129,793	3,059,436	22,189,229	2,449,780	458,749	2,908,529	19,280,700
Miscellaneous	12,324,409	58,138,648	70,463,057	7,684,910	56,817,739	64,502,649	5,960,408
Total	513,728,940	97,264,948	610,993,888	160,723,674	86,417,972	247,141,646	363,852,242

Claim Under Policies Less Re-Insurance

For the year ended 31st December, 2021

Class of Business	Claim Paid			Claim Recovery			Net Claim
	Own	Public	Total	Own	Public	Total	
Fire	12,692,648	273,938	12,966,586	1,737,689	-	1,737,689	11,228,897
Marine (Cargo)	8,039,766	160,366	8,200,132	3,388,370	28,961	3,417,331	4,782,801
Marine (Hull)	-	-	-	-	-	-	-
Motor	2,870,045	66,512	2,936,557	-	-	-	2,936,557
Miscellaneous	100,000	1,593,927	1,693,927	-	1,540,257	1,540,257	153,670
Total	23,702,459	2,094,743	25,797,202	5,126,059	1,569,218	6,695,277	19,101,925

Form AA

Classified Summary of Assets

Annexure-A

As on December 31, 2021

Class of Assets	Amount in Taka	
	Book Value	
Investment		
Bangladesh Government Treasury Bond		25,000,000
Investment in Shares		115,893,722
Investment in Subsidiary Company		49,970,000
Amount due from other persons or bodies carrying on insurance business		40,444,637
Cash and Bank balance		
FDR	705,550,000	
CD & STD	31,843,077	
Cash in Hand	<u>1,480,495</u>	
		738,873,572
Interest accrued but not due		21,797,177
Sundry debtors, advance, deposits and prepayments		135,636,707
Fixed Assets (At cost less depreciation)		117,745,311
Advance against floor purchase		-
Stamp in hand		826,604
Stock of Printing and Stationery		465,746
		<u>1,246,653,476</u>

These financial statements were approved and authorized for issue by the board of directors on 12-04-2022 and signed for and on behalf of the Board.


Qazi Mukarram Dastagir
 Chief Executive Officer


A.K.M Aminul Islam
 Director


Md. Humayun Kabir Patwary
 Director


Anwer Hossain Khan MP
 Chairman

Signed as per our annexed report of even date

Place: Dhaka, Bangladesh
 Date: 26 April, 2022


 (AFM) Alamgir, FCA
 ARTISAN
 Chartered Accountants

Form - XL

Statement Showing Details of Re-Insurance Ceded and Accepted of the Takaful Islami Insurance Ltd., for the year ended 31st December 2021

CLASS OF BUSINESS	PREMIUM						COMMISSION						CLAIMS					
	Received on		Paid on Re-Ins. Ceded		NET		Paid on		Received on Re-In. Ceded		NET		PAID ON		Received on Re-In. Ceded		NET	
	Direct Business	Re-Insurance Accepted	In B.desh	Out side B.desh	In B.desh	Out side B.desh	Direct Business	Re-Insurance Accepted	In B.desh	Out side B.desh	Direct Business	Re-Insurance Accepted	In B.desh	Out side B.desh	Direct Business	Re-Insurance Accepted	In B.desh	Out side B.desh
FIRE	Private	224,262,895	-	120,485,104	-	103,777,791	14,947,395	-	-	29,888,101	-	(14,940,706)	12,692,648	-	-	1,737,689	-	10,954,959
	Public	13,666,213	-	12,560,801	-	1,105,412	-	-	-	1,774,651	-	(1,774,651)	273,938	-	-	-	-	273,938
	Total	237,929,108	-	133,045,905	-	104,883,203	14,947,395	-	-	31,662,752	-	(16,715,357)	12,966,586	-	-	1,737,689	-	11,228,897
MARINE CARGO	Private	257,122,963	-	29,530,902	-	227,592,061	15,179,061	-	-	12,908,925	-	2,270,136	8,039,766	-	-	3,388,370	-	4,651,396
	Public	21,206,676	-	15,259,543	-	5,947,133	-	-	-	2,995,295	-	(2,995,295)	160,366	-	-	28,961	-	131,405
	Total	278,329,639	-	44,790,445	-	233,539,194	15,179,061	-	-	15,904,220	-	(725,159)	8,200,132	-	-	3,417,331	-	4,782,801
MARINE HULL	Private	888,880	-	572,978	-	315,902	52,091	-	-	241,592	-	(189,501)	-	-	-	-	-	-
	Public	1,193,975	-	1,321,140	-	(127,165)	-	-	-	72,662	-	(72,662)	-	-	-	-	-	-
	Total	2,082,855	-	1,894,118	-	188,737	52,091	-	-	314,254	-	(262,163)	-	-	-	-	-	-
MOTOR	Private	19,129,793	-	2,449,780	-	16,680,013	1,043,427	-	-	520,668	-	522,759	2,870,045	-	-	-	-	2,870,045
	Public	3,059,436	-	458,749	-	2,600,687	-	-	-	-	-	-	66,512	-	-	-	-	66,512
	Total	22,189,229	-	2,908,529	-	19,280,700	1,043,427	-	-	520,668	-	522,759	2,936,557	-	-	-	-	2,936,557
MISC.																		
OTHER THAN MOTOR	Private	12,324,409	-	7,684,910	-	4,639,499	208,224	-	-	2,650,129	-	(2,441,905)	100,000	-	-	-	-	100,000
	Public	58,138,648	-	56,817,739	-	1,320,909	-	-	-	3,739,726	-	(3,739,726)	1,593,927	-	-	1,540,257	-	53,670
	Total	70,463,057	-	64,502,649	-	5,960,408	208,224	-	-	6,389,855	-	(6,181,631)	1,693,927	-	-	1,540,257	-	153,670
TOTAL	Private	513,728,940	-	160,723,674	-	353,005,266	31,430,198	-	-	46,209,415	-	(14,779,217)	23,702,459	-	-	5,126,059	-	18,576,400
	Public	97,264,948	-	86,417,972	-	10,846,976	-	-	-	8,582,334	-	(8,582,334)	2,094,743	-	-	1,569,218	-	525,525
	GRAND Total	610,993,888	-	247,141,646	-	363,852,242	31,430,198	-	-	54,791,749	-	(23,361,551)	25,797,202	-	-	6,695,277	-	19,101,925



Takaful Islami Insurance Limited

তাকাফুল ইসলামী ইন্স্যুরেন্স লিমিটেড

Head Office : Monir Tower (7th, 8th & 9th Floor)
167/1, D.I.T Extension Road, Motijheel (Fakirapool), Dhaka. Tel : 41070071-3
Fax : 88-02-41070083, E-mail : takaful@dhaka.net, Web : takaful.com.bd

PROXY FORM

I/We
of
being a member of Takaful Islami Insurance Limited do hereby appoint
Mr./Mrs./Miss.....
of
as my/our proxy, to vote for me/us and on my/our behalf at the 22nd Annual General Meeting of the Company to be held on July 23, 2022 at 11:00 a.m. virtually by using digital platform and any adjournment thereof.
Signed this day of 2022.

Signature of Proxy :

Signature of Shareholder(s) :

B.O A/c./Folio No. :

B.O A/c./Folio No. :

N.B : IMPORTANT :

1. This form of proxy, duly completed, must be deposited 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 and the Proxy should agree with the Specimen Signature registered with the Company.
3. As per Articles of Association of the Company, Proxy can be given only to the person who is a member (Shareholder) of the Company.



Takaful Islami Insurance Limited

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ATTENDANCE SLIP

I hereby record my attendance at the 22nd Annual General Meeting of the Company being held on July 23, 2022 at 11:00 a.m virtually by using digital platform.

Name of Shareholder(s)/Proxy

B.O A/c./Folio No. holding ofordinary
shares of **Takaful Islami Insurance Limited**.

Signature of Shareholder(s)/Proxy

Date :



Takaful Islami Insurance Limited

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