Annual Report 2017

AMARSTOCK

Takaful Islami Insurance Limited
তাকাফুল ইসলামী ইন্স্যুরেন্স লিমিটেড

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তাকাফুল ইসলামী ইন্স্যুরেন্স লিমিটেড

(সহমর্মিতা ও নিরাপত্তার প্রতীক)

Annual Report 2017

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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 Limited (CSE)

Muhtaram,
Assalamu Alaikum,

Annual Report for the year ended December 31, 2017

Enclosed please find a copy of the Annual Report together with the Audited Financial Statements including Balance Sheet as at December 31, 2017 and Profit and Loss Account, Revenue Accounts, Statement of Cash Flows, changes of Shareholders' equity for the year ended December 31, 2017 along with notes thereon of Takaful Islami Insurance Limited for kind information and record.

Ma-Assalam,

(Abul Kalam Azad)
Asstt. Managing Director
&
Company Secretary

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Notice of the 18th Annual General Meeting

Notice is hereby given that the 18th Annual General Meeting of the Shareholders of Takaful Islami Insurance Limited will be held on May 13, 2017 at 10:00 a.m at Institution of Diploma Engineers, Bangladesh, IDEB Bhaban, Muktijuddho Smrity Milonayaton, 160/A, Kakrail, VIP Road, Dhaka to transact the following business:

AGENDA :

01. To receive and adopt the Directors' Report, the Audited Accounts of the Company and the Auditors Report thereon for the year ended 31st December, 2017.
02. To declare dividend for the year 2017 as recommended by the Board of Directors.
03. To elect Directors.
04. To appoint Auditors.
05. To transact any other business with the permission of the chair.

By order of the Board of Directors

(Abul Kalam Azad)
Asstt. Managing Director
&
Company Secretary

Dated, Dhaka
April 25, 2018

NOTES :

01. The record date of the Company is the April 23, 2018. 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. A member entitled to attend and vote at the above Annual General Meeting may appoint a proxy in his/her behalf. The proxy form stamped with Tk. 20.00 Revenue Stamp and signed must be submitted to the Head Office of the Company not later than 72 hours before the time fixed for the Annual General Meeting.
03. Entry to the Annual General Meeting is reserved only for shareholders or their proxy.
04. Members are requested to notify their changes of address; if any.

- Shareholders bearing BO ID are requested to update their respective BO ID with 12 Digits Taxpayer's Identification Number (e-TIN) and address through their Depository Participant (DP) and
- Shareholders bearing Folio Numbers are requested to submit their 12 digits e-TIN certificate to the Share Department of the Company latest by 30 April, 2018; failing which Income Tax at Source will be deducted from cash dividend @15% instead of 10%.
- 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. 37.90 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 28-12-2017	Tk. 24.80

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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 institution worldwide & most innovative Re-insurance Companies with their global expertise & technical support in the Insurance activities since inception.

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Board of Directors

Chairman :
Engr. Khandaker Mesbahuddin Ahmed

Vice Chairman :
Anwer Hossain Khan

Chairman : Executive Committee
Anwar Hossain Chowdhury

Chairman : Claim Committee
Emdadul Haque Chowdhury (Emdad)

Chairman : Audit Committee
A.K.M Aminul Islam

Directors : Sponsor Shareholders
Engr. Khandaker Mesbahuddin Ahmed
Anwer Hossain Khan
Anwar Hossain Chowdhury
Emdadul Haque Chowdhury (Emdad)
Md. Abul Hashem
Md. Mofiz Uddin
Md. Humayun Kabir Patwary
Shamsul Arefin Khaled
Md. Abul Hashem
Farzana Rahman
Nasreen Haque
Md. Moshiur Rahman Chamak

Directors : Public Shareholders
Md. Anwar Hossain
Md. Mohiuddin
Mr. AFM Motassem Belal
(Rep. of Modern Diagnostic Center Ltd.)
Md. Hafiz Uddin
Md. Masudul Haque
Dr. Mohammad Osman Ghani

Independent Directors
A.K.M Aminul Islam
Md. Nurun Nabi Bhuiyan

Chief Executive Officer
Md. Azizul Islam

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Brief Profile of Directors



Engr. Khandaker Mesbahuddin Ahmed
Chairman

Engr. Khandaker 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, Dhaka. 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 and Life Member of Sandhani Eye Donation Society of Bangladesh (SNED). On many occasions, he traveled USA, UK, French, Belgium, Cambodia, Holand, Germany, Japan, China, Philippine, Singapore, Malaysia, India, KSA, UAE, Nepal, Thailand, Srilanka, Vietnam, Laos Republic, Bhutan and Pakistan.



Anwer Hossain Khan
Vice 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 Modern Diagnostic Center Ltd. and Anwar Khan Modern Hospital & College. He is a Member of Governing Council of Prime University. He is the Director of Shahjalal Islami Bank Ltd. He is Managing Director of Modern Diabetic Center Ltd. and Shakhawat Anwar Eye Hospital. His involvement in socio-cultural organizations is also quite notable.

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. He completed his Mechanical Engineering with distinction and started his career in Ready Made Garments Sector in 1979 with DESH GARMENTS LTD. and went to SOUTH KOREA for receiving Training in apparel manufacturing and worked for Desh Garments Ltd. for many years. 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 experience doing jobs in the RMG Industry he started his own Business as AJ International, which is now known as AJ Group. In this Group he is leading Factories/Companies named AJ Fashions Ltd., Lucky Star Apparels Ltd., N.I. Design Wears Ltd., Sears Accessories Ltd., ABS Global Source Ltd., Purbachal NRB Homes, MAPS Accessories, AJ Global Tex LLC etc. Exporting more than 24.5 Million US Dollar per annum based on current growth trend in also 2016 the capacity will be expanded further and expected to export over 30 Million US Dollars in 2017. Beside above Business Mr. Chowdhury is involved in many other Companies as below : A) Eastern University, Former Chairman-Member BOT, B) Cardiff International School, Chairman, C) Islamic Finance & Investment Ltd., Sponsor Director, Former Chairman. Mr. Chowdhury is very much involved with many Social Organization as follows:- A) Life Member of BGMEA Apparel Club Ltd., Dhaka. B) Founder Chairman, Zamia Osmania Madrasa, Chatkhil, Noakhali. C) Co-Founder, Lumbh Nagar Academy, Ramgonj, Lakshmipur. D) Founder, Muktarpur Haji Bashirullah Primary School, Ramgonj, Lakshmipur. E) Chairman Governing Body, Kari Ibrahim Mahila Madrasa, Chatkhil, Noakhali. F) Ex-Chairman Governing Body, Dashgharia High School, Chatkhil, Noakhali. G) Permanent Member of Banani Club, Dhaka. H) Life Member of Capital Recreation Club Ltd., Gulshan, Dhaka. I) Life Member of Elite Club Ltd., Gulshan, Dhaka. J) Life Member of Baridhara Cosmopoliton Club, Baridhara, Dhaka. k) Life Member of Gulshan North Club, Gulshan, Dhaka.L) Chairman-Patrons Council (2014-2016), Lakshmipur Zela Samity, Dhaka.



Anwar Hossain Chowdhury
Chairman
Executive Committee

Md. Emdadul Haque Chowdhury, Director of the Company was borne February 23, 1957 in a well known Muslim Family in Chittagong. His Father name is Late Al-Haj Md. Anwar Chowdhury and mother is Late Al-Haj Salma Khatun. After completion of his Bachelors of Arts he engages himself in business since 1971. He became a successful businessman in short time of his business career with his sincerity, honesty, conceptual and practical problem-solvingability. During his tenure of a business career, he gained business knowledge in Textile,Capital market,Shipping, Agro-based and Readymade Garments industries. He has traveled Singapore, Canada, France, Italy, India, Hongkong, United kingdom, China, United States, Sweden, Germany as many countries for gaining technical know-how on different business and latest development of production technology. He also involved in different social activities and related works. At present, he is an E.C Chairman of Takaful Islami Insurance Limited, Ex Director Chittagong Chamber of Commerce and Industry also Ex.Director of BGMEA, Managing Director of DN Securities Limited, Managing Director of Lucky Shipping, Chairmen of Kattali Textiles Limited and Permanent member of Chittagong Club.



Emdadul Haque Chowdhury (Emdad)
Chairman
Claim Committee



A.K.M Aminul Islam
Chairman
Audit Committee

Mr. A.K.M Aminul Islam was born in a respectable family of Laxmipur in the year 1956. He completed Graduation from Laxmipur College in 1975. His journey in business began in 1973. In these 43 years of diversified business, he has gained huge experience in various sectors. He is one of the pioneers in trading of fertilizers, condensed milk (Brand: Indomilk), Milk Powder Packaging (Elders) and in addition to that he was in trading of commodities (rice, wheat, lentils, soybean, other cereals, etc.), sugar and salt in Khatunganj, Chittagong. He is the proprietor of trading companies, namely Mahmud Trading Corporation, Rupali Trading Agency & RS Syndicate and carries out his vast trading activities through them. He is also the pioneer of blending lube oil in the private sector in the name of Pacific Oil Company Ltd. established in 1997. Then, he stepped in the textiles sector with the establishment of Dong Bang Textiles Ltd. in 1997 and Mars Textile Ltd (Spinning) in 2002. He also entered the livestock Industry with Provita Feed Ltd. in the year 2003 to produce high quality and healthy poultry feed and later, introduced Provita Hatchery Ltd, Provita Fish Feed Limited. His other business experience also includes shipbreaking. He is the Chairman of Dong Bang Textiles Limited and the Managing Director of Dong Bang Dyeing Ltd., Mars Textile Ltd., Provita Feed Ltd., Provita Hatchery Ltd., Provita Breeders Ltd., Mahmud Denims Ltd., Mahmud Spinning Ltd., Mahmud Jeans Ltd., Mahmud Washing Plant Ltd., Mahmud Indigo Ltd., Mahmud Woven Dyeing Ltd., Mahmud Fashion Ltd., Mahmud Fabrics & Finishing Ltd., & Mahmud Rope Dyeing Ltd and Beong-Young Textile Ltd. He is also Director of Pacific Oil Company Ltd. and Shirajganj Economic Zone. Mahmud Group, one of his major endeavors, is among the leading denim composite mills in the country. His latest venture, Mahmud Fashions Ltd., is primed to be role model green factory of the country. He is also associated with various social and philanthropic organizations; his many contributions including establishment, maintenance and expansion of mosques, orphanages, schools, vocational institutes and many more. Over the years, he increased his global exposure by visiting countries all over the globe for seminars, conferences, invitations, exhibitions, etc. His multidirectional business ventures continue to contribute to the country's economy and enhance its image worldwide.



Md. Abul Hashem
Sponsor Shareholder Director

Mr. Md. Abul Hashem is a prominent business person of Bangladesh. He was born in 1953 in a respected muslin 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 also actively involved in socio-cultural activities and members of Rotary Club of Dhaka West, Chittagong Club Ltd., Kurmitola Golf Club, Bhatiary Golf and Country Club, Dhanmondi Club etc.

Mr. Md. Mofizuddin is a prominent businessman in Bangladesh. As a successful business entrepreneur, he is remarkable highly in the area of General and Life Insurance and Stock Market. Mr. Mofizuddin obtained Masters in Management from Dhaka University; He is now the Chairman & Managing Director of Remons Investment & Securities Ltd (TRAC holders of Dhaka and Chittagong Stock Exchange Ltd). His success and leadership has become more vibrant in Stock Market where Remons Investment & Securities Ltd is an epitome of his continued success. He is also director of Homeland Life Insurance Company Ltd. He has membership of elite clubs in Dhaka and Sylhet and equally active in many community development, social organizations and educational initiatives. He earned recognitions from a number of organizations. He is the Vice-Chairman and Life Member of Apex Bangladesh Foundation. He is also member of The National Association of Apex Club of Bangladesh and has led the Association as a National President in 2003. He also led the Asia Pacific Regional in 2006-2007 as a vice chairman and has achieved the highest award from the Association as “Life Governor” in 2009.



Md. Mofiz Uddin
Sponsor Director

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 also a Director of Chittagong Multi Project Development Ltd & Chittagong Ideal School & Collage, also associated with various social-cultural Organization.



Md. Humayun Kabir Patwary
Sponsor Shareholder Director



Shamsul Arefin Khaled
Sponsor Shareholder Director

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.



Md. Abul Hashem
Sponsor Shareholder Director

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, ship breaking and garments etc. He is the Managing Director of Ambia Apparels Ltd., Ambia Accessories Ltd, Ambia Steel & Re-rolling Mills Ltd., Ambia ship Breakers Ltd., Ocean Construction Ltd., Patenga Builders Corp. Ltd., Ambia Pulp & Paper Mills Ltd., Ambia Knitting & Dyeing Ltd., Ambia Holdings Ltd., Ambia Filling Station Ltd., Ambia Tank Terminal & Refinery Ltd., Ambia Tank Terminal Ltd., And Proprietor of 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.

Mrs. Farzana Rahman was born in a respectable Muslim family of Chittagong. She is the daughter of Mr. Mujibur Rahman Milon. She is also associated with various socio-cultural activities. She has traveled USA, Australia, Canada, UK, French, Sweden, Spain, Italy, Belgium, China, Singapore, Malaysia, KSA, UAE, Thailand and India.



Farzana Rahman
Sponsor Shareholder Director

Nasreen Haque, aged 51; Director of the Company was borne in a well-known Muslim family of Chittagong on 15 July,1964. Her father name is Late Syed S. M. Mowlana Abul Kashem & Mother is Late Kurdsia Begum. After completion of her Bachelors of Arts, she engagesis herself in business. She gained business knowledge in Textile,Capital market,Shipping, Agro-based and Readymade Garments industries. She is involved in many social activities and related works. She has traveled Singapore, Canada, France, Italy, India, Hongkong, United kingdom, China, United States, Sweden, Germany as many countries throughout the world for gaining technical kn-how on different business including garments industry and latest development of production technology. She became a successful business person in short time of her business career with her sincerity, honesty and conceptual problem-solvingability. Her interpersonal skills, leadership behavior, high analytical ability and hard working nature madeher worth as a business leader. At present, she is an Director of Takaful Islami Insurance Limited, Chairmen of DN Securities Limited, Director of Lucky Shipping, Managing Director of Kattali Textiles Limited and Permanent member of Chittagong Club.



Nasreen Haque
Sponsor Shareholder Director



Md. Moshiur Rahman Chamak
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 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. Anwar Hossain
Public Shareholder Director

Mr. Anwar Hossain son of Late Abdul Bari was born in a respectable Muslim family of Feni. He obtained Masters Degree from Dhaka University. He is the Managing Director of Anwar Securities Ltd. He is also associated with various socio-cultural activities

Md. Mohiuddin is a renowned businessman and very successful in the Stock Market. He has completed his B.Com. (Hons.) M. Com in Management. He is a Director of Homeland Life Insurance Company Ltd. He is a member of Dhanmondi Club Ltd. Associated with The National Association of Apex Club of Bangladesh and involved with socio-cultural organizations in the country



Md. Mohiuddin
Public Shareholder Director

Mr. AFM Motassem Belal. son 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.



Mr. AFM Motassem Belal
Public Shareholder Director



Md. Hafiz Uddin
Public Shareholder Director

Md. Hafizuddin is a renowned businessman. He is associated with social and cultural organization in the society.



Md. Masudul Haque
Public Shareholder Director

Mr. Masud-ul-Haque son of Late Mujibul Hauqe was born in a respectable Muslim family of Dhaka City in 1967. After obtaining Bachelors degree from Dhaka University, he started his business career in capital Market. He is the Managing Director of ARIES Securities Ltd. He is also associated with various socio-cultural activities. He has traveled many countries of Asia, Europe, America, Africa and Australia.

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Dr. Mohammad Osman Ghani son of Alhaj Shahabuddin Ahmed & Saleha Begum. He was born in a respectable family of Munsiganj in the year 1977. He was brilliant student. He obtained Ph.D Degree from American World University of California, USA. He started his career as a College Teacher and later started business in stock market and builders. He is the Chairman of OG Bulder, Owner of OG Collection, OG Electronics, IRABATI Fashion, Managing Director of UHT Corporation and Partner of Mirpur Convention Center, Delhi Darbar Restaurant. He is life member of Dhanmondi Club Ltd. He is also associated with various socio-cultural activities. He has traveled many Countries like China, India, Malaysia, Singapore, Thailand, KSA.



Dr. Mohammad Osman Ghani
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



Mr. Md. Azizul Islam
Chief Executive Officer

Mr. Md. Azizul Islam was born in a reputed Muslim family of Rajbari in the year of 1953. He was a meritorious student and obtained his B.A. (Hons.) and M.A. degree in Public Administration from University of Dhaka. He also obtained LL.B. degree from the same university. Mr. Islam has more than 30 years of experience in the Insurance industry. He is an Associate of Bangladesh Insurance Academy (ABIA) and specialized fire diploma holder and a fellow of Insurance Institute of India (FIII). He is a guest lecturer of Bangladesh Insurance Academy, Bangladesh Insurance Association and some private universities. Prior to joining Takaful Islami Insurance Mr. Islam served Paramount Insurance Co. Ltd. , City General Insurance Co. Ltd. and Global Insurance Ltd. as Managing Director & CEO for about 12 years. He writes in different newspapers, journals and magazines. Moreover, he is a member of Central Rating Committee (CRC) of Insurance Development and Regulatory Authority (IDRA). Besides, he is associated with many social and philanthropic organizations and life fellow of Indian Insurance Institute.

Sponsor Shareholders

01	Mrs. Shahanaz Parvin
02	Alhaj Tofazzal Hossain
03	Mr. Waliul Huq
04	Mrs. Monow Ara Sultana
05	Mrs. Amena Shaheen

Shariah Council

1.	**Moulana Kamaluddin Jafree** Principal Jameya Kashemia, Narsingdi. & 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.	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

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Head Office Executives

Md. Azizul Islam
Chief Executive Officer

Abul Kalam Azad
Asstt. Managing Director
&
Company Secretary

Moinul Ahsan Chowdhury
Asstt. Managing Director
&
Chief Financial Officer

Mohammad Selim
Sr. General Manager
&
Head of Claim & RI Department

Md. Ali Rahim
Sr. Assistant General Manager
(Underwriting-Marine)

Khondaker Rashedul Hasan
Assistant General Manager
(Underwriting-Non-Marine)

Auditor
Shiraz Khan Basak & Co.
Chartered Accountants

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Review of the Chairman

Dear Shareholders,
Assalamu Alaikum,

It is my absolute delight to welcome you all to the 18th Annual General Meeting of Takaful Islami Insurance Limited and place before you Company's Financial Statements and performance the year 2017. Striding into the 18th year of business operation, Takaful Islami Insurance Limited can proudly announce that it has incessantly contrived optimum value index for its shareholders from the very onset of the enterprise. Fostering superior corporate governance and balancing out growth, profitability, and risk to maximize intrinsic value for the enterprise, Takaful has remained a testimony of growth spread across almost three decades. In succession, the year 2017 denotes yet another triumphant year of operation. As we strive to persistently act as a responsible steward of our shareholders' capital by analyzing opportunities in light of their ability to deliver profitable growth at an appropriate level of risk, we remain thankful to you and all other stakeholders for extending their ceaseless support to the Company.

In this context, our significance, bearing and responsibility cannot be downplayed as we remain committed to developing innovative solutions that help our clients understand and manage the magnitude of these risks better. In doing so, we not only play the role of a safeguard in terms of protecting our clients' interests but also that of a catalyst with regards to accelerating national economic progress.

Overall, I believe that this is a great time to be a part of Takaful Islami Insurance Limited. As we look ahead, we have the opportunity for long-term improvement and significant growth. With strong levels of capitalisation and significant financial flexibility, we have positioned our industry-leading platforms for significant shareholder value creation in 2017 and beyond even as we continue to launch newer products targeting segments that provide ample scale-up potential.

Based on the operating profits for 2017, we have proposed a dividend of 11% in the form of 5% cash dividend and 6% stock dividend. With the addition of proposed stock dividend, the Paid up capital of the company will arrive at almost Taka 40.17 crore.

Thank you for the continued faith and trust you have placed in our Board of Directors and the management team. As we build our future, your support is important and I am sure that you share my confidence in the view that continued success lies ahead for Takaful Islami Insurance Limited in 2018 and beyond.

With best regard.

(Engr. Khandaker Mesbahuddin Ahmed)
Chairman



Review of the Chief Executive Officer

Assalamu Alaikum,

I take pleasure to present the performance of your company for the year 2017. Takaful Islami Insurance Ltd. commenced its journey and striding into 18th years of business operation. Our glorious journey was continued with effective services and expanding with unique products in the industry.

At this August occasion I congratulate you all and express my heartiest thanks and gratitude to our business partners, clients, patrons, well-wishers and honourable shareholders for their kind collaborations and friendly relationships.

The years in the recent past, especially the year 2017 is characterized by tough condition stagnated by unhealthy competition and other multifaceted circumstances. We had emphasized more for quality business than the quantity of business, though the quantum of business for the year has succeeded the quantum of previous years. Simultaneously we have complied and curtailed the cost and have attained the sustainability. We have maintained the financial principles, policies and strategies for winning and achieving the goal of this company.

As our goal is to shape the company into an institution of excellence, we are always committed to world class service and principle- "customer is king and we are service provider". Customer's satisfaction is our motto. We believe in service of WOW. We believe in our ethical ground being Ashraful Makhlukat.

We sincerely believe that being a nation we are advancing ahead and have already succeeded and going to ascending the state of developing country and Takaful being a member of insurance industry should be confident of doing better for the days to come with its experienced, efficient and prudent manpower. We believe in modern HRM and world class service. We must achieve better for the days ahead.

In conclusion, I express my gratitude to our controlling body, Insurance Development and Regulatory Authority for their benevolent guidance and proper patronization. I also express my gratitude to Bangladesh Insurance Association for their proper cooperation, BSEC, DSE, CSE for their business guidance and cooperation.

Finally, I render my best thanks to my honourable chairperson and the members of the Board of Directors for their pragmatic vision and valuable guidance and patronization. I render my thanks to my beloved colleagues for their service and best efforts to make our journey a success.

I salute you all. Allah Hafez.

(Md. Azizul Islam)
Chief Executive Officer

Our Branches

Branch Name	Officer In-charge	Office	Res/Mobile
Local Office	**Afzal Hossain Khan** Asstt. Managing Director	9553969	01715-062924
Bangshal Branch	**A.K.M. Montasirul Haque** Asstt. Managing Director	9562297	01715-054995
Head Office Cell	**Md. Akramul Haque Khondaker** Asstt. Managing Director	9586802	01706-971554
Motijheel Branch	**A.K.M. Sultan Ahmed** Asstt. Managing Director	9590354	01911-365891
B.B. Avnue Branch	**Md. Maksudur Rahman** Asstt. Managing Director	9585929	01715-750516
Imamganj Branch	**Md. Sohel Wafez Majumder** Asstt. Managing Director	7316211	01711-425519
Mohakhali Branch	**Abdul Ahad** Asstt. Managing Director	9881863	01199-843594
VIP Road Branch	**Md. Nasiruddin Bhuiyan (Ratan)** Asstt. Managing Director	9344963	01733997589
Narsingdi Branch	**Md. Abul Kashem** Asstt. Managing Director	9451498	01823-662762
Head Office Booth	**Md. Nahid Hossain** Sr. General Manager	7120720	01716-153780
Paltan Branch	**S.M. Habibur Rahman** Sr. General Manager	9576787	01712-232652 01711-600449
Dilkusha Corp. Branch	**Abu Ahmed Maruf** Sr. General Manager	9561045	01711-682267
Malibagh Branch	**Md. Mamunur Rashid** Sr. General Manager	9553969	01747-147650
Khatunganj Branch	**Md. Nurul Islam** Sr. General Manager	031-639631	01711-428151
Saidpur Branch	**Emdadul Haque** Sr. General Manager	0552-672870	01712-032735
Chowmuhani Branch	**Md. Shahe Emran** General Manager	0321-51193	01715-441872
Rajshahi Branch	**A.Z.M. Shafiqur Rahman** General Manager	0721-810519	01712-032733
Sylhet Branch	**S.M. Masudur Rahman** General Manager	0821-720196	01679-314031

Our Branches

Branch Name	Officer In-charge	Office	Res/Mobile
Elephant Rd. Branch	**Md. Amir Hossain Gazi** General Manager	9670697	01822-555260
Kawran Bazar Branch	**Md. Shahjahan Kabir** General Manager		01819-136933
Dinajpur Branch	**Md. Mominul Islam** General Manager	0531-65640	01815-940300
Khulna Branch	**Md. Anisur Rahman** General Manager	041-733842	01710-123677
Jessore Branch	**Md. Nur Islam Munshi** General Manager	0421-67392	01714-959609
Comilla Branch	**Md. Ashrafuzzaman Bhuiyan** Sr. Deputy General Manager	081-63042	01818-355242
Kushtia Branch	**Md. Harunur Rashid** Sr. Deputy General Manager	071-61011	01876-184275
Gazipur Branch	**Md. Abul Jalil** Deputy General Manager		01819-189931
Kishoreganj Branch	**Md. Shafikul Alam** Deputy General Manager		01711-006328
Tangail Branch	**Md. Rezaul Hasan Chowdhury** Deputy General Manager		01711-288905
Mirpur Branch	**Md. Razzakul Haider Chowdhury** Deputy General Manager	55075153	01710-915453
Mymensingh Branch	**Md. Shafiq Anwar** Deputy General Manager	01913-092550	01911-688185
Jubilee Road Branch	**Md. Amirul Islam** Asstt. General Manager	031-2854673	01819-634908
Bogra Branch	**Md. Golam Mostafa** Asstt. General Manager	051-69732	01716-536199
Barisal Branch	**Md. Younus Ali** Asstt. General Manager	0431-62580	01715-576202
Agrabad Branch	**Md. Mohiuddin Chowdhury** Senior Manager	031-727518	01713-079858
Pabna Branch	**Md. Saydul Islam** Manager		01713-727354
Narayanganj Branch	**Md. Shafiqul Islam** Manager	7645115	01712-709746
Jhenaidah Branch	**Md. Jahirul Islam** In-charge	0451-61036	01718-303105

Audit Committee Report for the year 2017

The following 5 (five) member 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. Abul Hashem, Sponsor Shareholder Director	Member
3. Mr. Md. Moshiur Rahman Chamak, Sponsor Shareholder Director	Member
4. Mr. Anwar Hossain, Public Shareholder Director	Member
5. Mr. AFM Motassem Belal, Public Shareholder Director	Member

Committee Meetings :

During the year 2017 the Committee met in 06 (six) 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 3.3 of the Bangladesh Securities and Exchange Commission Notification No. EC/CMRRCD/ 2006-158/134/Admin/44 dated 07 August, 2012, The jurisdiction of the Audit Committee include the following matters :

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

The Committee performed the following functions :

i. Reviewed the existing management policies of the Company and monitored its internal control and business affairs through routine schedule.
ii. Developed, collated and finalized through a number of meetings, a Audit Manual of the Company and recommended the same for approval of the Board of Directors.
iii. Approved Annual Audit Planning for the year 2017.
iv. Reviewed the business reports of Branches and special reports thereof and suggested for ameliorating and corrective measures/actions as & where required.
v. Reviewed the Financial Accounts for the year 2017 as compiled and placed by the management and recommended the same for approval of the Board.
vi. 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.
vii. 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.
viii. 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

বিসমিল্লাহির রহমানির রহীম

শরীয়াহ কাউন্সিলের রিপোর্ট ২০১৭

الحمد لله رب العالمين والصلوٰة والسلام علىٰ رسوله وعلىٰ اٰله واصحابه اجمعين ـ

আলহামদুলিল্লাহি রাব্বিল আ'লামীন ওয়াস্সালাতু ওয়াসসালামু আ'লা রাসুলিহিল কারীম ওয়া আ'লা আলিহী ওয়া আস্হাবিহী আজমাঈন।

কাউন্সিল ২০১৭ সালের অডিটেড আর্থিক বিবরণী, লাভ-ক্ষতির হিসাবসহ সাধারণ বীমার ইসলামীকরণ সংক্রান্ত সার্বিক কার্যক্রম এবং শরীয়াহ নীতিমালার আলোকে প্রস্তুতকৃত আর্থিক হিসাব বিবরণীর তাবাররু ও সার্ভিস চার্জ হিসাব এবং তাকাফুল ফাউন্ডেশনের হিসাব পর্যবেক্ষণ ও পর্যালোচনা করেছে।

শরীয়াহ কাউন্সিল লক্ষ্য করছে যে, শরীয়াহ নীতিমালা বাস্তবায়নে কোম্পানীর প্রচেষ্টা অব্যাহত রেখেছে। আলহামদুলিল্লাহ, ২০১৭ সালে অগ্রগতির ধারাবাহিকতা বজায় রাখতে সক্ষম হয়েছে।

বীমা উন্নয়ন ও নিয়ন্ত্রণ কর্তৃপক্ষের ফরমেট অনুযায়ী ইসলামী বীমার হিসাব চূড়ান্ত করার সুযোগ না থাকলেও কোম্পানী স্বচ্ছতার সাথে তাবাররু, সার্ভিস চার্জ ও তাকাফুল ফাউন্ডেশনের হিসাব যথাসাধ্য সংরক্ষণ করছে।

আইনগত বাধ্যবাধকতার কারণে কনভেনশনাল ব্যাংক ও আর্থিক প্রতিষ্ঠানে প্রদত্ত স্থায়ী আমানতের বিপরীতে প্রাপ্ত সুদ ও সন্দেহজনক আয় কোম্পানীর লাভের মধ্যে অন্তর্ভূক্ত না করে প্রস্তাবিত তাকাফুল ফাউন্ডেশনে স্থানান্তর করেছে; যা শরীয়াহ নীতিমালার সাথে সঙ্গতিপূর্ণ।

বিধিবদ্ধ বাধ্যবাধকতার কারণে সাধারণ বীমা কর্পোরেশনের সাথে ৫০% প্রিমিয়াম পুন:বীমা করার পর অবশিষ্ট ৫০% প্রিমিয়াম বিদেশী রি-তাকাফুল কোম্পানীর সাথে পুন:বীমা সম্পন্ন করছে। ছোট-বড় বীমা দাবী পরিশোধের মাধ্যমে কোম্পানী আর্থিক সঙ্গতি ও সদিচ্ছার প্রমাণ দেয়ার পাশাপাশি সুনাম অর্জন করতে সক্ষম হয়েছে।

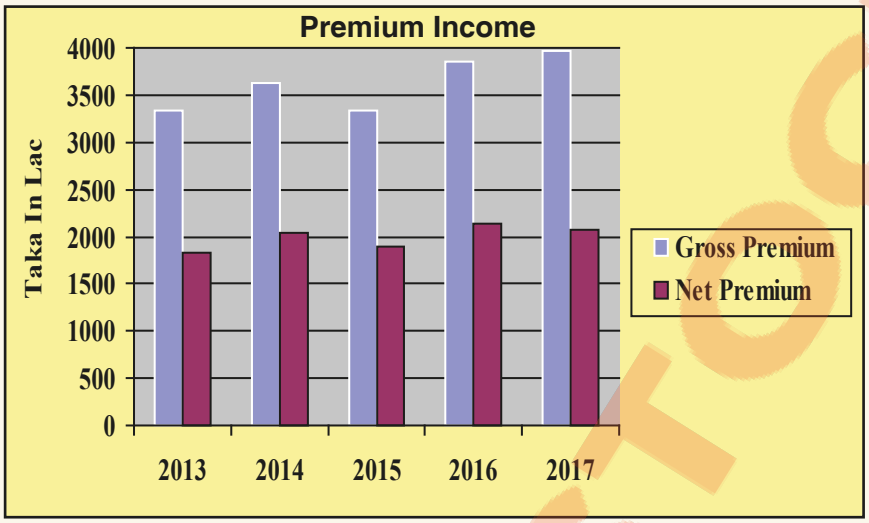
শরীয়াহ কাউন্সিল লক্ষ্য করছে যে, সাধারণ বীমার ক্ষেত্রে শরীয়াহ নীতিমালা পরিপালনে তাকাফুল ইসলামী ইন্স্যুরেন্স লিঃ এর অগ্রণী ভূমিকা অব্যাহত রয়েছে।

কাউন্সিল আল্লাহর দরবারে এ ধারা অব্যাহত রাখার তৌফিক কামনা করছে।

(অধ্যক্ষ কামালুদ্দীন জাফরী)
চেয়ারম্যান

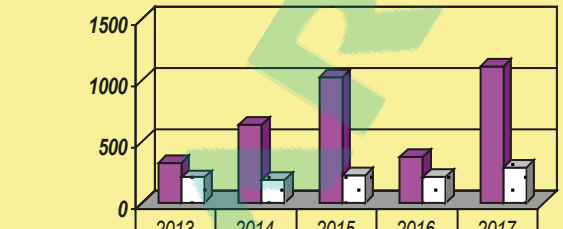
(অধ্যাপক মাওলানা এ.বি.এম মাসুম বিল্লাহ)
সদস্য সচিব

Performance on Index



Claim Paid

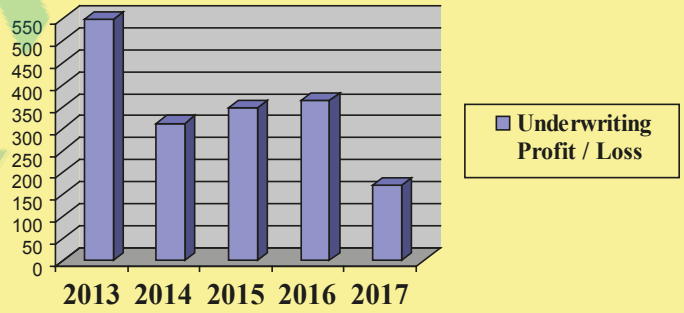
Taka in Lac



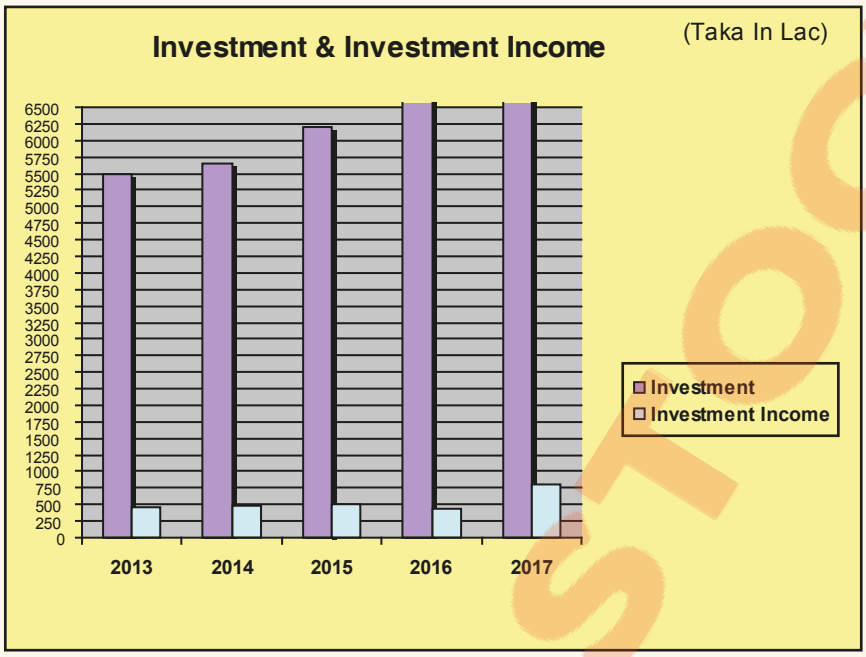
	2013	2014	2015	2016	2017
Gross Claim	327.43	646.92	1035.40	382.43	1117.29
Net Claim	211.39	187.11	234.67	216.35	289.23

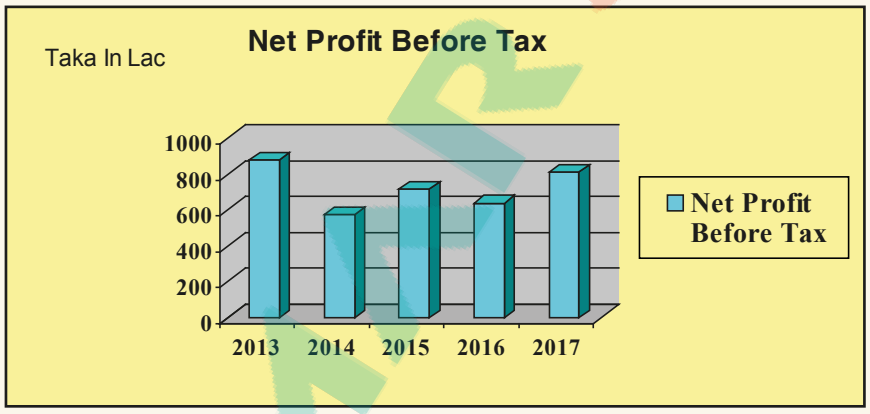
Underwriting Profit/Loss

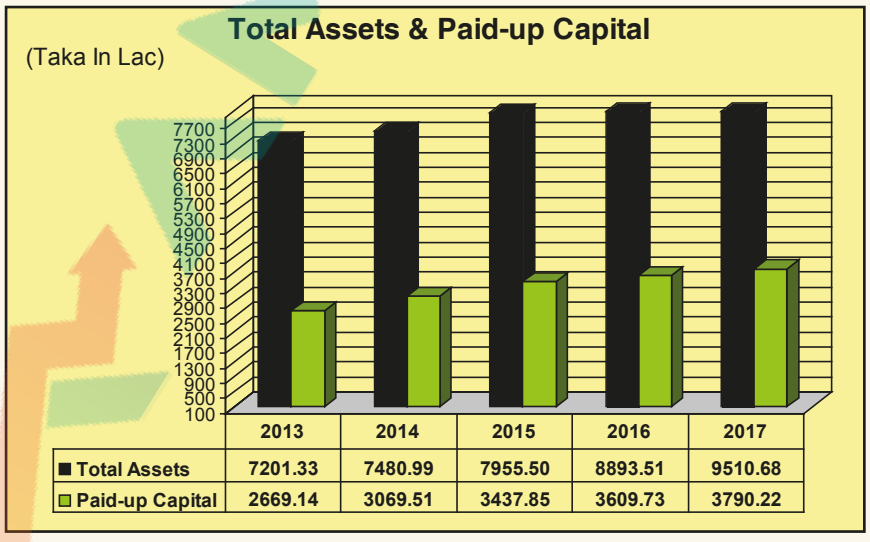
Taka In Lac



Performance on Index







	2013	2014	2015	2016	2017
Total Assets	7201.33	7480.99	7955.50	8893.51	9510.68
Paid-up Capital	2669.14	3069.51	3437.85	3609.73	3790.22

Financial Highlights

Progress at a Glance

(Taka in Lac)

	2017	2016	2015	2014	2013
Gross Premium	3,971.10	3,854.24	3,339.46	3,619.84	3,331.73
Net Premium	2,076.28	2,139.06	1,890.91	2,032.54	1,834.44
Gross Claim	1,117.29	382.43	1,035.40	646.92	327.43
Net Claim	289.23	216.35	234.67	187.11	211.39
Outstanding Claim	177.91	151.82	141.66	250.18	159.60
Underwriting Profit	170.42	364.79	348.93	312.88	549.73
Investment Income(TDR/FDR & Bond)	273.32	317.03	389.72	408.80	368.97
Investment Income (Shares)	521.74	110.31	115.79	64.15	85.03
Net Profit before Tax	812.19	638.40	715.46	576.28	880.97
Net Profit after Tax	721.08	492.17	532.90	430.89	607.82
Fund & Reserve	3,248.91	2,941.92	2,591.38	2,459.64	2,324.99
Investment in TDR/FDR, Shares & Bond	7,652.25	6,999.71	6,194.16	5,650.59	5,485.13
Total Assets	9,510.68	8,893.51	7,955.50	7,480.99	7,201.33
Paid-up Capital	3,790.22	3,609.73	3437.85	3,069.51	2,669.14
EPS	1.90	1.30	1.48	1.19	1.69
NAV	17.49	15.99	15.57	14.10	12.90
Dividend Percentage(Stock)	6%	5%	5%	15%(B)	15%(B)
Dividend Percentage(Cash)	5%	5%	5%		

We are in Picture



A view of Executive Committee meeting held at TIIL's Head Office. Mr. Anwar Hossain Chowdhury, Chairman of the Committee is presiding over the meeting.



A view of Claims Committee meeting held at TIIL's Head Office. Mr. Emdadul Haque Chowdhury (Emdad), Chairman of the Committee is presiding over the meeting.



A view of Board meeting held at TIIL's Head Office. Engr. Khandakder Mesbahuddin Ahmed, Chairman of Board of Directors 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 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 Engr. Khandakder Mesbahuddin Ahmed is delivering his speech on the occasion of Branch Managers' Conference as Chief Guest.



Chief Executive Officer Mr. Md. Azizul Islam is delivering his speech on the occasion of Branch Managers' Conference.



Members of Board of Directors are seen attending the 17th Annual General Meeting held at Institution of Diploma Engineers, Bangladesh, Dhaka.



Chief Executive Officer Mr. Md. Azizul Islam is handing over a cheque to Mr. Md. Abdul Hakim, Proprietor of M/s Bismillah Auto in settlement of their Fire claim.



Chief Executive Officer Mr. Md. Azizul Islam is handing over a cheque to Mr. Mohammad Abdur Rahim, Proprietor of M/s Karim Traders in settlement of their Fire claim.

We are in Picture





Shareholders are seen attending the 17th Annual General Meeting of Takaful Islami Insurance Limited held at Institution of Diploma Engineers, Bangladesh, Kakrali, Dhaka.



Branch Managers posed for photo session with Chairman CEO, HO Executives and other Members of the Board.

Company's Report to Shareholders'

(Under section 184 of the Companies Act, 1994)

We are pleased to report that :

i) The financial statement prepared by the Management of the Company present fairly its affairs, the result of its operation, cash flows and changes in shareholders equity.

ii) Proper books of account of the Company have been maintained.

iii) Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.

iv) International financial Reporting Standard (IFRS), International Accounting Standards (IAS) as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed.

v) The system of internal control is sound in design and has been effectively implemented and monitored.

vi) There are no significant doubts upon the Company's ability to continue as a going concern.

vii) There are no significant deviations from last year in operating result of the Company.

viii) The key operating and financial data of preceding five years have been provided.

ix) During the year ended December 31, 2017 the Board of Directors held 05 meetings and the Directors serving on the Board attended in aggregate 78.00% of the total number of meetings.

1.4 (K) The pattern of Shareholding :

As at December 31, 2017 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	Engr. Khandaker Mesbahuddin Ahmed	Sponsor Shareholder Director	11,37,055	3.00%
02	Mr. Anwar Hossain Khan	Sponsor Shareholder Director	7,88,853	2.08%
03	Mr. Anwar Hossain Chowdhury	Sponsor Shareholder Director	7,58,041	2.00%
04	Mr. Emdadul Haque Chowdhury	Sponsor Shareholder Director	7,58,041	2.00%
05	Mr. Md. Abul Hashem	Sponsor Shareholder Director	7,58,041	2.00%
06	Mr. Md. Mofiz Uddin	Sponsor Director	8,84,371	2.33%
07	Mr. Shamsul Arefin Khaled	Sponsor Shareholder Director	7,58,041	2.00%
08	Mr. Md. Humayun Kabir Patwary	Sponsor Shareholder Director	11,37,055	3.00%
09	Ms. Farzana Rahman	Sponsor Shareholder Director	11,37,055	3.00%
10	Mrs. Nasreen Haque	Sponsor Shareholder Director	7,98,654	2.11%
11	Mr. Abul Hashem	Sponsor Shareholder Director	11,37,055	3.00%
12	Mr. Md. Moshiur Rahman Chamak	Sponsor Shareholder Director	7,58,041	2.00%
13	Mr. Anwar Hossain	Public Shareholder Director	4,04,288	1.07%
14	Mr. Md. Mohiuddin	Public Shareholder Director	3,16,914	0.84%
15	Dr. Mohammad Osman Ghani	Public Shareholder Director	15,59,955	4.12%

Sl. No.	Name of Sponsors and Directors	Status	No. of Shares holding	% of total no. of paid-up shares
16	Mr. Masudul Haque	Public Shareholder Director	10,48,612	2.77%
17	Mr. Md. Hafizuddin	Public Shareholder Director	25,256	0.07%
18	Mr. AFM Motassem Belal Rep. of Modern Diagnostic Center Ltd.	Public Shareholder Director	91,306	0.24%
19	Mrs. Shahanaz Parvin	Sponsor Shareholder	13,63,998	3.60%
20	Alhaj Tofazzal Hossain	Sponsor Shareholder	5,05,359	1.33%
21	Mr. Waliul Huq	Sponsor Shareholder	2,52,678	0.67%
22	Mrs. Amena Shaheen	Sponsor Shareholder	1,26,328	0.33%
23	Mrs. Monowara Sultana	Sponsor Shareholder	1,26,328	0.33%
24	Mr. A.K.M Aminul Islam	Independent Director	-	-
25	Mr. Md. Nurun Nabi Bhuiyan	Independent Director	-	-
		Total	**1,66,31,325**	**43.88%**

(b)	Chief Executive Officer Mr. Md. Azizul Islam	Nil	Nil
(c)	Company Secretary Mr. Abul Kalam Azad	Nil	Nil
(d)	Chief Financial Officer Mr. Moinul Ahsan Chowdhury	Nil	Nil
(e)	Head of Internal Audit Mr. Md. Arif Hossain	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

iii) 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

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 practices comply with all the aspects of SEC Notification No. SEC/CMMRRCD/2006-158/134/Admin/44 dated 07 August, 2012. 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 confidentially 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.

Certificate on compliance of conditions of Corporate Governance Guidelines to the shareholders of Takaful Islami Insurance Limited

We have verified the status of compliance of Takaful Islami Insurance Limited with the conditions imposed by the commission's Notification No. SEC/CMRRCD/2006-158/ 134/ Admin/44 dated 07 August, 2012 issued under Section 2CC of the Bangladesh Securities and Exchange Ordinance, 1969.

We certify that to the best of our information and explanation of the management, Takaful Islami Insurance Limited has complied the condition number 1.1 to 7 (ii) as mentioned in the aforesaid circular.

Huda Hossain & Co.
Chartered Accountants

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Status of Compliance of Corporate Governance

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

Report under Condition No. 7.00

Condition No	Title	Compliance Status		Explanation for Non-compliance with the condition
		Complied	Not Complied	
1.1	Board's Size	✓		20 Directors
1.2	**Independent Directors**			
1.2 (i)	Number of Independent Director	✓		As per section No. 76 of Insurance Act 2010.
1.2 (ii) (a)	Shareholding position of Independent Director.	✓		Nil
1.2 (ii) (b)	Independent Director is not sponsor, nor any family member/family relationship of the sponsor.	✓		
1.2 (ii) (c)	Independent Director does not have any other relationship with the company or it's subsidiary associates companies.	✓		
1.2 (ii) (d)	Independent Director is not member, director or officer of any stock exchange.	✓		
1.2 (ii) (e)	Independent Director is not a shareholder, director or officer of any member of stock exchange or an intermediary of the capital market.	✓		
1.2 (ii) (f)	Independent Director is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm.	✓		
1.2 (ii) (g)	Independent Director shall not be an independent director in more than 3 (three) listed companies.	✓		
1.2 (ii) (h)	Independent Director has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a NBFL.	✓		
1.2 (ii) (i)	Independent Director has not been convicted for a criminal offence involving moral turpitude.	✓		
1.2 (iii)	The Independent Director(s) shall be appointed by the board, and approved by the shareholders in the Annual General Meeting (AGM).	✓		
1.2 (iv)	The post of Independent Director(s) cannot remain vacant for more than 90 (ninety) days.	✓		
1.2 (v)	The Board shall lay down a code of conduct of all Board members and annual compliance of the to be recorded.	✓		

Status of Compliance of Corporate Governance

Condition No	Title	Compliance Status		Explanation for Non-compliance with the condition
		Complied	Not Complied	
1.2 (vi)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only.	√		
1.3	Qualification of Independent Director (ID)	√		
1.3 (i)	Independent director shall be a knowledgeable individual with integrity, ensure compliance with financial, regulatory and corporate laws.	√		
1.3 (ii)	Independent director should be a Business Leader/Corporate Leader Bureaucrat/University Teacher with Economics or Business Studies or Law background /Professionals. Independent Director must have at least 12 (twelve) years corporate management/professional experiences.	√		
1.3 (iii)	In special cases the above qualifications may be relaxed subject to prior approval of the Commission.	√		Not required such approval
1.4	Chairman of the Board and Chief Executive Officer shall be filled by different individuals. The Board Directors shall clearly define respective roles and responsibilities of the Chairman and the Chief Executive Officer.			Not required
1.5	**The Director's Report to Shareholders shall include the following additional statements.**			
1.5 (i)	Industry outlook and possible future developments in the industry.	√		Available in Annual report.
1.5 (ii)	Segment-wise or product-wise performance	√		Available in Annual report.
1.5 (iii)	Risks and concerns.	√		Available in Annual report.
1.5 (iv)	A discussion on cost of Goods sold, Gross profit Margin and Net profit Margin.			N/A
1.5 (v)	Discussion of continuity of any Extra-Ordinary gain or loss.	√		No such extra ordinary gain or loss
1.5 (vi)	Basis for related party transactions-a statement of all related party transactions should be disclosed in the annual report.			N/A
1.5 (vii)	Utilization of proceeds from public issues, rights issues and/or through any others instruments.	√		
1.5(viii)	An explanation if the financial results deteriorate after the company goes IPO, RPO, Rights Offer, Direct Listing, etc.			No such deterioration
1.5 (ix)	Significant variance occurs between Quarterly Financial Performance and Annual Financial statements.			No such significant variance occured.

Status of Compliance of Corporate Governance

Condition No	Title	Compliance Status		Explanation for Non-compliance with the condition
		Complied	Not Complied	
1.5 (x)	Remuneration to directors including independent directors.	✓		
1.5 (xi)	Financial statements present fairly state of affairs, the results of its operations, cash flows and changes in shareholders equity of the company.	✓		
1.5 (xii)	Proper books of account of the issuer company have been maintained.	✓		
1.5 (xiii)	Appropriate accounting policies have been consistently applied in preparation of the financial statements and accounting estimates are based on reasonable and prudent judgment.	✓		
1.5 (xiv)	International Accounting Standards (IAS)/ Bangladesh Accounting Standard (BAS)/ International Financial Reporting Standard (IFRS)/ Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh have been followed in preparation of the financial statements.	✓		
1.5 (xv)	The system of internal control is sound in design and has been effectively implemented and monitored.	✓		
1.5 (xvi)	There no significant doubts upon the issuer company's ability to continue as a going concern.	✓		
1.5 (xvii)	Significant deviations from the last years operating results of the company shall be highlighted.			No such significant deviation observed.
1.5 (xviii)	Key operating and financial data of at least proceeding 5 (five) year's shall be summarized.			Available in the Annual report.
1.5 (xix)	If the issuer company has not declared dividend (cash or stock) for the year.			Declared dividend regularly (stock)
1.5 (xx)	The number of Board meetings held during the year and attendance by each director shall be disclosed.			05 (Five) meetings took place with an average 78.00% attendance.
1.5 (xxi)(a)	Share holding position parent/Subsidiary/Associated Companied and other related parties.			N/A
1.5 (xxi)(b)	Share holding positions of Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children.			Available in the Annual report.
1.5 (xxi)(c)	Share holding position of Executives of the Company.			Available in the Annual report.
1.5 (xxi)(d)	Shareholders holding ten percent (10%) or more voting interest in the company.			Available in the Annual report.
1.5 (xxii)(a)	A brief resume of the appointed/reappointed director.	✓		
1.5 (xxii)(b)	Expertise in specific functional areas of the appointed/reappointed director.			N/A

Status of Compliance of Corporate Governance

Condition No	Title	Compliance Status		Explanation for Non-compliance with the condition
		Complied	Not Complied	
1.5 (xxii)(c)	Named companies in which the person also holds the directorship and the membership of committees of the board.			N/A
2.1	The company appointed Chief Financial Officer, ahead of Internal Audit (Internal Control and Compliance) and Company Secretary. The Board of Directors clearly defined respective roles, responsibilities and duties of the CFO, the Head of Internal Audit and the CS.	√		
2.2	Requirement to attend the Board Meeting. The CFO and the Company Secretary of the companied attend meetings of the Board of the Directors.	√		
3	**Audit Committee**			
3(i)	The Company has an Audit committee as a sub-committee of the Board of Directors.	√		
3(ii)	The committee assist Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business.	√		
3 (iii)	The Audit committee is responsible to the Board of Directors. The duties of the Audit Committee clearly set forth in writing.	√		
3.1	Constitution of the Audit Committee:	√		
3.1 (i)	The Audit committee shall be composed of at least 3 (three) members.	√		
3.1 (ii)	The Board of Directors appointed members of the Audit committee who are directors of the company and includes 1 (one) independent directors.	√		
3.1 (iii)	All members of the Audit committee are "financially literate" and 1 (one) member have accounting or related financial management experience.	√		
3.1 (iv)	Board of directors appoint the new Committee member (s) to filup the vacancy immediately or not later than 1 (one) month from the date vacancies in the Committee.	√		
3.1 (v)	The company secretary shall act as the secretary of the committee.	√		
3.1 (vi)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	√		
3.2	Chairman of the Audit Committee:	√		
3.2 (i)	Independent director is the Chairman of the Audit Committee.	√		
3.2 (ii)	Chairman of the Audit Committee shall remain present in the Annual General Meeting (AGM).	√		

Status of Compliance of Corporate Governance

Condition No	Title	Compliance Status		Explanation for Non-compliance with the condition
		Complied	Not Complied	
3.3	Role of the Audit Committee:	✓		
3.3 (i)	Audit Committee oversees the financial reporting process.	✓		
3.3 (ii)	Audit Committee monitor choice of accounting policies and principles.	✓		
3.3 (iii)	Audit Committee monitor Internal Control Risk Management process.	✓		
3.3 (iv)	Audit Committee oversee hiring and performance of external auditors.	✓		
3.3 (v)	Audit Committee review along with the management, the annual financial statements before submission to the board for approval.	✓		
3.3 (vi)	Audit Committee review the quarterly and half yearly financial statements before submission to the board for approval.	✓		
3.3 (vii)	Audit Committee review the adequacy of Internal Audit function.	✓		
3.3 (viii)	Audit Committee review statement of significant related party transactions submitted by the management.	✓		
3.3 (ix)	Audit Committee review management Letters/Letter of Internal Control weakness issued by statutory auditors.	✓		
3.3 (x)	Money is raised through IPO, RPO/Rights Issue the company shall disclose to the Audit Committee about the uses/applications of funds.	✓		
3.4	**Reporting of the Audit Committee:**			
3.4.1	Reporting to the Board of Directors:	✓		
3.4.1 (i)	The Audit Committee shall report on its activities to the Board of Directors.	✓		
3.4.1 (ii)(a)	The Audit Committee shall Immediately report on conflict of interest.			No conflict of interest.
3.4.1 (ii)(b)	Suspected of presumed fraud or irregularity or material defect in the internal control system.	✓		
3.4.1 (ii)(c)	Suspected infringement of laws, including securities related laws, rules and regulations.	✓		
3.4.1 (ii)(d)	Any other matter which shall be disclosed to the Board of Directors immediately.	✓		
3.4.2	If the Audit Committee reported to the Board of directors about anything which has material impact on the financial condition as result of operation. Audit Committee funds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission.			No such finding.

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Status of Compliance of Corporate Governance

Condition No	Title	Compliance Status		Explanation for Non-compliance with the condition
		Complied	Not Complied	
3.5	Report on activities carried out by the Audit Committee, under condition 3.4.1 (ii) above during the year, shall be signed by the Chairman of the Audit Committee.	✓		
4	**External/statutory auditors perform**			
4 (i)	Appraisal or valuation services or fairness opinions.	✓		
4 (ii)	Financial information systems design and implementation.	✓		
4 (iii)	Book-keeping or other services related to the accounting records or financial statements.	✓		
4 (iv)	Broker-dealer services.	✓		
4 (v)	Actuarial services.	✓		
4 (vi)	Internal Audit Services.	✓		
4 (vii)	Any other service that Audit Committee determines.	✓		
4 (viii)	No partner or employees of the external audit firms shall possess any share of the company.	✓		
5	**Subsidiary Company**			
5 (i)	The composition of the Board of Directors of the subsidiary company.			N/A
5 (ii)	At least 1 (one) independent director shall be a director on the Board of Directors of the subsidiary company.			N/A
5 (iii)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meting of the holding company.			N/A
5 (iv)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also.			N/A
5 (v)	The Audit Committee of the holding company shall also review he investments made by the subsidiary company.			N/A
6	Duties of Chief Executive Officer (CEO) and Chief Financial Officer (CFO)	✓		
6(i)(a)	The CEO and CFO shall certify to the Board that financial statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.			No such material fact.
6(i)(b)	Financial statement together present a true and fair view the company's affairs and are in compliance existing accounting standards and applicable laws.	✓		
6(ii)	To the best of knowledge and belief, no transaction entered into by the company during the year which fraudulent, illegal or violation of the company's code of conduct.	✓		

Status of Compliance of Corporate Governance

Condition No	Title	Compliance Status		Explanation for Non-compliance with the condition
		Complied	Not Complied	
7	**Reporting and Compliance of Corporate Governance**			
7(i)	The company obtained a certificate from a practicing Chartered Accountant regarding compliance of conditions of Corporate Governance Guidelines.			Certificate available in annual report.
7(ii)	The Directors of the company shall state, in accordance with the **Annexure** attached, in the directors report whether the company has complied with these conditions.			Available in the Annual Report.

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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 me 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 though 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 2017

(Taka in Crore)

PARTICULARS	FIRE		MARINE		MOTOR		MISC.		TOTAL		GRAND TOTAL
	Private	Public	Private	Public	Private	Public	Private	Public	Private	Public	2017
Gross Premium	19.17	0.52	12.50	1.79	2.56	0.25	0.59	2.33	34.82	4.89	39.71
Re-Insurance Ceded	11.26	0.41	2.93	1.36	0.46	0.06	0.28	2.22	14.93	4.05	18.98
Net Premium	7.91	0.11	9.57	0.43	2.10	0.19	0.31	0.11	19.89	0.84	20.73
Commission Earned	3.71	0.05	0.90	0.27	0.06		0.12	0.29	4.79	0.61	5.40
Commission Paid	2.88		1.87		0.38		0.09		5.22		5.22
Management Expenses (Revenue A/c)	8.87		5.85		1.21		0.41		16.34		16.34
Management Expenses (P/L A/c)									1.54		1.53
Net Claim	2.58		0.10		0.20		0.01		2.89		2.89
Underwriting Profit	(1.96)		2.91		0.38		0.37		1.70		1.70
Investment Income											7.95
Net Profit Before Tax											8.12
Taxation Provisions											0.91
Net Profit After Tax											7.21
Return on Equity (%)											10.88
Shareholders' Equity											66.29

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Accounting Ratios Pertaining to Insurance Sector

Particulars	2017
Re-Insurance Premium Ceded as % of Gross Premium	47.80
Commission paid as % of Gross Premium	13.15
Net R/I Commission Earned as % of Gross Premium	13.60
Net R/I Commission Earned as % of Net Premium	26.05
Management Expenses (Revenue A/C) as % of Gross Premium	41.15
Management Expenses (Revenue A/C) as % of Net Premium	78.82
Net Claims Incurred as % of Gross Premium	7.27
Net Claims Incurred as % of Net Premium	13.92
Underwriting Result as % of Gross Premium	4.28
Underwriting Result as % of Net Premium	8.20

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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 trough 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 7 years and contributing to the economic stability of the Company.

Bismillahir Rahmanir Raheem

Directors' Report

for the year ended 31st December, 2017

Dear Shareholders/Our honourable partners in progress

Assalamualaikum wa Rahmatullah,

At the outset, the Board of Directors of Takaful Islami Insurance Limited would like to thank all of you for your continued patronage and support over our rich 18 years journey, marking an important milestone in the history of our Company. We are indebted to all those who have enabled us to present a comprehensive Annual Report along with the Audited Financial Statements for the year ended December 31, 2017, Shariah Council Report together with the Auditor's Report thereon, for the kind consideration and approval of our shareholders. The Board of Directors approved these on April 03, 2018.

In view of the above, the Director's Report has been prepared in compliance with Section 184 of the Companies Act, 1994 (Act No. XVIII of 1994) and other relevant rules and notifications issued by the regulatory bodies. Relevant disclosures and explanations pertaining to issues to ensure compliance, transparency and good corporate governance practices have been made along with the details of our business performance, operations and achievements for the year 2017.

Bangladesh Economy

According to Bangladesh Bureau of Statistics (BBS) estimates, the economy grew by 7.24 percent in FY 17, up from 7.11 percent in FY 16. A weaker performance in export demand driven manufacturing growth was more than offset by a buoyant domestic demand led manufacturing growth, alongside growth gains in the agriculture and services sectors. Strong private sector credit growth supported private investment and consumption for power projects, while a sharp slowdown in remittance weakened the tailwind Bangladesh has enjoyed in recent years. The sharp slowdown in economic activity in the Middle East from lower oil prices in recent years adversely affected remittance inflows, with large 14.5 percent inflows decline in FY 17. However, stagnant investment and weaker export along with declining remittances have hindered quality job creation in Bangladesh, despite the country enjoying a sustained rate of Gross Domestic Product (GDP) growth.

Insurance perspective in Bangladesh

The Insurance Development and Regulatory Authority (IDRA) was established in 2010 through enactment of Insurance Development and Regulatory Authority Act, 2010. In the first half of 2017 the Authority could not work smoothly in absence of required members in the Authority including the position of the Chairman. However, at the end of the 2017, he quorum was filled and IDRA proactively has been working for insurance awareness. The Authority successfully arranged a Divisional Insurance Fair-2017 in December in Sylhet. The main focus of this fair was to create awareness about the necessity of insurance and reset the trust on insurers among the mass people of Bangladesh. The number of individual participant was notable compared to the institutional participants. Therefore, non-life insurance companies did not receive desired responses.

With tremendous appeals from the insurers of non-life insurance sector, IDRA published an official gazette on July 18, 2016 on allowable management expenses which failed to satisfy the insurers demanding the replacement of Insurance Rules 1958. The then Chairman of IDRA expressed that the regulations gazetted was not the desired one and he assured the insurers that the Regulations would come with necessary revision. Thereafter, the non-life insurers are still awaiting the desired regulations on expenses of management of non-life insurance business. However, the new Authority recently has taken appropriate steps to receive comments and views regarding a number of Draft Regulations/Rules uploading in its website which are (i) Actuary report & abstract; (ii) Settlement of small claims; (iii) Qualification, responsibilities & functions of Actuary; (iv) Scope of special audit; (v) Election of Directors of Insurance Companies; (vi) Distribution of Balances of Insurers; (vii) Various insurance related statistics etc.

Insurance Development and Regulatory Authority (IDRA) and Ministry of Finance at present possess much concern about the overall development of Insurance Sector. In practice, skilled professional and ambitious students with better caliber are not inclined to consider insurance as lucrative career.

The Authority is thinking about implementation of an integrated common insurance software among all the insurers which will enable them to monitor and control the entire insurance system of Bangladesh. Especially, the non-life insurance sector will be benefited in reporting to the Authority, to the stakeholders, the business-partner clients with transparent information about their insurance business. The insurance companies will be more accountable to the Regulator automatically.

As a result, gross premium of the insurance sector would tremendously be increased and the stakeholders would certainly get better return against their investment. Government would get a handsome amount of revenue in the form of VAT, corporate taxes and insurance stamps and the insurance industry would be able to provide significant contribution to the GDP of the country. This would give rise to the insurance industry of Bangladesh and the industry will open huge employment opportunities for potential, skilled people with talent from all over the country.

Takaful's Business Performance 2017

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 2017.

Despite various negative factors in overall insurance sector, operational performance of Takaful Islami Insurance Limited in 2017 was good. The Company earned gross premium of Tk. 3,971.10 lac during the year as against Tk. 3,854.24 lac in the previous year registering a growth of 3.03% over the last year.

Fire Insurance

The Company had underwritten a total fire insurance premium of Tk. 1,969.14 lac including an amount of Tk. 52.10 lac from the public sector. The net premium income stood at Tk. 801.21 lac after ceding re-insurance premium of Tk. 1,167.92 lac. During the year 2017, total payment of claim was Tk. 1,071.62 lac against which an amount of Tk. 813.50 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. 1,415.33 lac including premium of Tk. 176.76 lac from public sector. The net premium income of marine cargo business stood at Tk. 990.37 lac after ceding 424.95 lac on account of re-insurance premium. In the current year an amount of Tk. 24.72 lac was paid for marine cargo claims against which an amount of Tk. 14.55 lac came as recovery from re-insurer including previous year recovery.

Marine Insurance (Hull)

In the year 2017, the total underwritten premium income from marine hull insurance business was Tk. 13.34 lac including premium of Tk. 2.29 lac from public sector business. The net premium income came to Tk. 8.57 lac after ceding Tk. 4.77 lac on account of re-insurance premium.

Motor Insurance

From motor insurance business our total gross premium income was Tk. 281.15 lac including public sector business of Tk. 25.52 lac. After ceding re-insurance premium of Tk. 46.73 lac the net contribution to revenue account was Tk. 234.41 lac. During the year, net amount of motor claim to the extent of Tk. 20.26 lac was paid.

Miscellaneous Insurance

The total gross premium income of miscellaneous business came to Tk. 292.13 lac including Tk. 233.04 lac from the public sector. In the year 2017, an amount of Tk. 250.43 lac was ceded on account of re-insurance premium. During the year, net amount of claim for Tk. 0.66 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 17 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 Senior 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 2017 we have settled 147 numbers of claims for Tk. 1,117.29 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
2013	327.43
2014	646.92
2015	1,035.40
2016	382.43
2017	1,117.29
Total	**3,509.47**

Dividend

Dear shareholders, considering the performance of the Company for the year 2017 the Board of Directors has recommended 5% Cash and 6% stock dividend / bonus share to the shareholders.

Credit Rating Report

Credit Rating of the Company is being done every year. Credit Rating Agency of Bangladesh (CRAB) has already rated our Company for 2017. According to their report, our Company has been graded A_2 in the long term and ST-3 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. 2,07,62,833.00 for the year 2017. The cumulative amount is raised to Tk. 20,53,97,861.00.

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. 4,483.00 lac in TDR mode with Islami Banks and Financial Institutions and Tk. 845.50 lac in FDR mode with conventional Banks & Financial Institutions. Total TDR and FDR amount is Tk. 5,328.50 lac. In addition to this the Company invested Tk. 2,073.75 lac in capital market as on 31st December, 2017.

Profit and Loss Account

The Company’s income from investment and other income stood Tk. 795.06 lac against Tk. 427.55 lac earned in the previous year. After taking into account the underwriting profit of Tk. 170.42 lac and providing for various expenses not applicable to any particular fund or account, net profit before taxation came at Tk. 812.19 lac against Tk. 638.40 lac in the previous year.

Appropriation of Profit :

Profit earned in the year 2017, balance brought toward from last year stood at Tk. 11,80,31,720.00. This is proposed to be appropriated as under :

	Particulars	Taka
i.	Exceptional Losses Reserve	2,07,62,833.00
ii.	Provision for income tax/Deffered Tax	91,10,945.00
iii.	Cash Dividend for the year 2016	1,80,48,699.00
iv.	Bonus Dividend for the year 2016	1,80,48,690.00
v.	General Reserve	95,00,000.00
vi.	Retained earnings carried to the next year	4,25,60,553.00
	Total	**11,80,31,720.00**

Directors

The 95th Meeting of Board of Directors held on April 3, 2018 has taken unanimous decision as per section No. 113 of Articles of Association regarding retirement and election of Directors from Board in 18th 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 :

01. Mr. Anwar Hossain Khan
02. Engr. Khondakder Mesbahuddain Ahmed
03. Mr. Md. Mofizuddin
04. Mrs. Nasreen Haque

Above holding 2% shares Sponsor Shareholders Mrs. Shahanaz Parvin including retired 4 (four) Directors intend for being Directors. If not understanding by the Board of Directors 4 (four) Directors will be elected by direct custing vote of Sponsor Shareholders in the 18th 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. Anwar Hossain
02. Mr. Md. Mohiuddin

Accordingly 2 (two) Directors will be elected from Public Shareholders. Notice related to election of Directors from Public shareholders has already been published on April 4, 2018 in the Daily Jugantor and The New Age.

Appointment of Auditor :

M/s. Shiraz Khan Basak & Company, Chartered Accountant was re-appointed as Auditor of the Company in 17th Annual General Meeting for the year 2017. Considering their performance the Board recommended M/s. Shiraz Khan Basak & Company, Chartered Accountant for reappointment as Auditor at a remuneration of Tk. 50,000.00 (Taka fifty thousand) only for the year 2018.

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, progammes, Policy decisions, as initiated by the Board are implemented by the Management under the leadership of Chief Executive Officer.

Appreciation

The Board of Directors deeply appreciates the gracious co-operation extended by the Government of the peoples Republic of Bangladesh, particularly, Ministry of Finance, the Office of the Insurance Development and Regulatory Authority, The Bangladesh Securities and Exchange Commission, Registrar of Joint Stock Companies and firms, Central Rating Committee, Bangladesh Insurance Association, Bangladesh Insurance Academy and National Board of Revenue. The Board also likes to put on record its appreciation for the services rendered by Sadharan Bima Corporation, Kenya Re, PTA Re, Royal Ins of Bhutan, Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd. The Board expresses its deep gratitude to respected shareholders of the Company for their support. The Board also likes to thank all scheduled banks and financial institutions, valued clients, patrons and well-wishers who have been extending their continued support, co-operation and encouragement.

I extend my heartfelt gratitude and sincere thanks to my fellow colleagues, the Executive Committee, the Claims Committee, the Audit Committee, all members of the Board of Directors, and all Members of the Shariah Council for their active cooperation and support towards achieving the cherished goals of the Company.

I extend my heartfelt thanks to the Chief Executive Officer, Executives, Branch Managers, Development Officers and the members of the Staff for their hard work and valuable contribution towards the progress of the Company.

We pray to Almighty Allah for continued prosperity and development of the Company.

For and on behalf of the Board of Directors



(Engr. Khandaker Mesbahuddin Ahmed)
Chairman

বিসমিল্লাহির রহমানির রহীম

পরিচালকমন্ডলীর প্রতিবেদন

৩১ ডিসেম্বর ২০১৭ তারিখে সমাপ্ত বছরের

প্রিয় শেয়ারহোল্ডারবৃন্দ,

আস্‌সালামু আলাইকুম ওয়া রাহমাতুল্লাহ,

বিগত ১৮ বছরের পথ চলায় পৃষ্ঠপোষকতা ও সমর্থন দিয়ে আমাদের এই প্রতিষ্ঠানকে বর্তমান পর্যায়ে নিয়ে আসার জন্য তাকাফুল ইসলামী ইন্স্যুরেন্স লিমিটেড এর পরিচালনা পরিষদের পক্ষ থেকে আপনাদের সকলকে জানাই শুভেচ্ছা ও আন্তরিক অভিনন্দন। আপনাদের সকলের নিকট আমরা ঋণী যাঁরা ২০১৭ সালের নিরীক্ষিত আর্থিক বিবরণী, বার্ষিক প্রতিবেদন ও শরীয়াহ কাউন্সিলের প্রতিবেদন তৈরীতে সহায়তা করেছেন; যা গত ৩ এপ্রিল, ২০১৮ ইং তারিখে পরিচালনা পরিষদে অনুমোদিত হয়েছে।

উপযুক্ত বিষয়ের আলোকে কোম্পানী আইন ১৯৯৪ এর ধারা ১৮৪ ও সংশ্লিষ্ট বিধি যা নিয়ন্ত্রক কর্তৃপক্ষ কর্তৃক জারিকৃত সেই অনুযায়ী পরিচালকমন্ডলীর প্রতিবেদন প্রস্তুত করা হয়েছে। ২০১৭ সালে ব্যবসায়িক অর্জন, পরিচালন এবং আইনী স্বচ্ছতা ও বস্তুনিষ্ঠ নিয়ন্ত্রণ/পরিচালনা সংশ্লিষ্ট নিয়মানুযায়ী নিশ্চিত করা হয়েছে।

বাংলাদেশের অর্থনীতি

বাংলাদেশ স্বল্পউন্নত দেশ থেকে উন্নয়নশীল দেশের সকল ক্রাইটেরিয়া পুরণ করতে সক্ষম হয়েছে। বাংলাদেশ পরিসংখ্যান ব্যুরোর হিসাব অনুযায়ী ২০১৭ আর্থিক বৎসরে অর্থনৈতিক প্রবৃদ্ধির হার ছিল ৭.২৪%; যা ২০১৬ সালে ছিল ৭.১১%। ২০১৭ সালে রপ্তানী চাহিদার আলোকে উৎপাদনের লক্ষ্যমাত্রা অর্জিত না হলেও আভ্যন্তরিন চাহিদার আলোকে উৎপাদনের হার ছিল সন্তোষজনক। পাশাপাশি কৃষি ও সেবাখাতের প্রবৃদ্ধি আশা ব্যাঞ্জক। শক্তিশালী বেসরকারী ঋণপ্রবাহ, বেসরকারী বিনিয়োগ ও বিদ্যুৎ উৎপাদন প্রকল্প গ্রহণ ও বাস্তবায়নে গুরুত্বপূর্ণ ভুমিকা পালন করেছে। ২০১৭ সালে মধ্যপ্রাচ্যে তেলের দাম কমে যাওয়াতে অস্বাভাবিকভাবে রেমিটেন্স প্রবাহে ভাটা পড়ে, যার কারণে ২০১৭ সালে ২০১৬ সালের তুলনায় রেমিটেন্স কম হয়েছে ১৪.৫%; যদিও সাম্প্রতিক বছরগুলোতে বাংলাদেশ রেমিটেন্স প্রবাহকে উপভোগ করেছে। স্থবির হওয়া বিনিয়োগ, দূর্বল রপ্তানী, রেমিটেন্স প্রবাহে মন্থরতা ও উন্নত কাজের পরিবেশ ব্যাহত হওয়া স্বত্বেও বাংলাদেশ আভ্যন্তরিন উৎপাদন জিডিপিতে উপভোগ্য ভুমিকা রেখেছে।

বাংলাদেশের বীমাখাত

বাংলাদেশের বীমা শিল্পের উন্নয়নে ২০১০ সালে বীমা উন্নয়ন ও নিয়ন্ত্রণ কর্তৃপক্ষ প্রতিষ্ঠা লাভ করে এবং একই বছরেই বীমা আইনকে যুগোপযোগী করে বীমা আইন ২০১০ অনুমোদন করা হয়। ২০১৭ সালের শুরুতে বীমা উন্নয়ন ও নিয়ন্ত্রণ কর্তৃপক্ষ চেয়ারম্যানসহ প্রয়োজনীয় সংখ্যক মেম্বারের অভাবে সুচারুরূপে কাজ করতে পারেনি। ২০১৭ সালের শেষের দিকে কর্তৃপক্ষের চেয়ারম্যানসহ প্রয়োজনীয় সংখ্যক সদস্য মনোনয়নে পরিপূর্ণ কোরাম জাতীয়ভাবে সচেতনতা বৃদ্ধির লক্ষ্যে কাজ শুরু করেছে। কর্তৃপক্ষ সফলভাবে ডিসেম্বর, ২০১৭ সালে সিলেট বিভাগে বীমা মেলার আয়োজন করতে সক্ষম হয়েছে। মেলা আয়োজনের মাধ্যমে বীমা শিল্পের প্রতি সাধারন মানুষের সচেতনতা বৃদ্ধি ও আস্থা আনয়নের প্রচেষ্টা চালানো হয়েছে। বিপুল লোক সমাগম, রেলি ও আলোচনা সাধারণ মানুষের বীমা শিল্পের প্রতি আগ্রহ সৃষ্টি করতে সক্ষম হয়েছে।

বীমা শিল্পের চাহিদানুসারে জুলাই ১৮, ২০১৬ ইং তারিখে ব্যবস্থাপনা খরচ সংক্রান্ত কাংখিত পরিপত্র জারি করা হয়। কিন্তু বীমাকারীদের চাহিদার আলোকে জারীকৃত পরিপত্র ১৯৫৮ সালের বীমা বিধিমালার যৌক্তিক প্রতিস্থাপন হয়নি। প্রাক্তন চেয়ারম্যান মহোদয় জারিকৃত পরিপত্র সংশোধন করে প্রবিধান জারি করার আশ্বাস প্রদান করেছিলেন। নন-লাইফ বীমাকারীগণ ব্যবস্থাপনা খরচের বিষয়ে কাংখিত প্রবিধানের প্রত্যাশায় অপেক্ষা করছে।

যা হোক বর্তমান চেয়ারম্যানের নেতৃত্বে কর্তৃপক্ষ ১) একচ্যুয়ারীর প্রতিবেদন, ২) ক্ষুদ্র দাবী নিস্পত্তি, ৩) একচ্যুয়ারীদের যোগ্যতা, দায়িত্ব ও কার্যক্রম, ৪) বিশেষ নিরীক্ষার পরিধি, ৫) বীমা কোম্পানীর পরিচালক নির্বাচন, ৬) বীমাকারীদের সাম্যতার বন্টন ও ৭) বীমা সম্পর্কিত বিভিন্ন পরিসংখ্যান সম্পর্কিত খসড়া বিধিমালা বা প্রবিধানের বিষয়ে বিশেষজ্ঞদের মতামত গ্রহণের ব্যবস্থা করেছে।

অর্থ মন্ত্রণালয় ও বীমা উন্নয়ন ও নিয়ন্ত্রণ কর্তৃপক্ষ বীমা শিল্পেরর সার্বিক উন্নয়নের ব্যাপারে উদ্বিগ্ন। প্রকৃত পক্ষে দক্ষ পেশাজীবি এবং বীমাখাতকে ক্যারিয়ার হিসেবে মেধাবীদের নিকট বীমা আকর্ষণীয় পেশা হিসেবে বিবেচিত হয়নি।

বীমা কোম্পানী সমূহকে শৃঙ্খলা আনয়নের জন্যে বীমা উন্নয়ন ও নিয়ন্ত্রণ কর্তৃপক্ষ একটি সমন্বিত সফটওয়্যার তৈরীর উদ্যোগ গ্রহণ করেছে, যার মাধ্যমে দেশে প্রতিষ্ঠিত বীমা কোম্পানীসমূহকে নিবিড়ভাবে পর্যবেক্ষণ ও নিয়ন্ত্রণ করা সম্ভব হবে। আশা করা যায় নন-লাইফ বীমা কোম্পানীসমূহের স্বচ্ছতার বিষয়ে প্রয়োজনীয় প্রতিবেদন, পরিচালকদের নিকট ব্যবসায়িক জবাবদিহিতা, শেয়ারহোল্ডারদের নিকট সঠিক

তথ্য উপস্থাপন সহজতর হবে। এ ব্যবস্থার ফলে বীমা কোম্পানীসমূহ সংয়ক্রিয়ভাবে কর্তৃপক্ষের নিয়ন্ত্রণে থাকবে ও জবাবদিহিতার সম্মুখীন হবে। এ ব্যবস্থার ফলে একদিকে বীমা খাতের প্রিমিয়াম ও বিনিয়োগ প্রবাহ বৃদ্ধি পাবে এবং অপরদিকে সরকার ভ্যাট, কর্পোরেট ট্যাক্স ও বীমা ষ্ট্যাম্প হতে যথেষ্ঠ পরিমাণ রাজস্ব আদায় করতে সক্ষম হবে। আশা করা যায় জিডিপিতে বীমা খাতের অবদান বৃদ্ধি পাবে।

তাকাফুল ইসলামী ইন্স্যুরেন্স লিঃ এর ব্যবসায়িক কার্যক্রম ২০১৭

উপরোক্ত অবস্থার প্রেক্ষিতে তাকাফুল ইসলামী ইন্স্যুরেন্স লিমিটেড এর জন্যে উন্নতির ধারা অব্যাহত রাখা কঠিন হয়ে পড়ে। কোম্পানীর পরিচালনা পরিষদের সক্রিয় সহযোগীতায় ব্যবস্থাপনা কর্তৃপক্ষ দক্ষতার সাথে পরিস্থিতির সাথে লড়াই করে ২০১৭ সালের প্রিমিয়াম আহরনের ধারাবাহিকতা বজায় রাখতে সক্ষম হয়েছে।

সার্বিকভাবে বীমা খাতে নানা নেতিবাচক উপাদান বিদ্যমান থাকার পরও ২০১৭ সালে তাকাফুলের কার্যক্রমে বাঁধার সৃষ্টি হয়নি। এ বছরে কোম্পানী ৩,৯৭১.১০ লক্ষ টাকা নীট প্রিমিয়াম আয় করে, যা আগের বছরের ৩,৮৫৪.২৪ লক্ষ টাকার চেয়ে ৩.০৩% বেশী।

অগ্নি বীমা

কোম্পানী পাবলিক সেক্টর থেকে ৫২.১০ লক্ষ টাকাসহ ১,৯৬৯.১৪ লক্ষ টাকা অগ্নি বীমা প্রিমিয়াম আয় করেছে। পুন:বীমা প্রিমিয়াম ১,১৬৭.৯২ লক্ষ টাকা বাদ দিয়ে নীট প্রিমিয়াম দাঁড়িয়েছে ৮০১.২১ লক্ষ টাকা। ২০১৭ সালে মোট দাবী পরিশোধ করা হয়েছে ১,০৭১.৬২ লক্ষ টাকা, যার বিপরীতে পুন:বীমা থেকে পূর্ববর্তী বছরের রিকভারীসহ আদায় হয়েছে ৮১৩.৫০ লক্ষ টাকা।

মেরিন বীমা (কার্গো)

পাবলিক সেক্টরের প্রিমিয়াম ১৭৬.৭৬ লক্ষ টাকাসহ মেরিন ব্যবসা থেকে মোট প্রিমিয়াম আয় হয়েছে ১,৪১৫.৩৩ লক্ষ টাকা। ৪২৪.৯৫ লক্ষ টাকা পুন:বীমা পরিশোধের পর মেরিন কার্গো ব্যবসা থেকে নীট প্রিমিয়াম আয় হয়েছে ৯৯০.৩৭ লক্ষ টাকা। চলতি বছরে মেরিন বীমা দাবী পরিশোধের জন্য ২৪.৭২ লক্ষ টাকা ব্যয় হয়েছে যার বিপরীতে পূর্ববর্তী বছরের রিকভারীসহ আদায় হয়েছে ১৪.৫৫ লক্ষ টাকা।

মেরিন বীমা (জাহাজ)

২০১৭ সালে মেরিন (জাহাজ) বীমা ব্যবসা থেকে প্রিমিয়াম আয় হয়েছে সরকারী খাতের ২.২৯ লক্ষ টাকাসহ ১৩.৩৪ লক্ষ টাকা। পুন:বীমার জন্য ৪.৭৭ লক্ষ টাকা ব্যয়ের পর নীট প্রিমিয়াম আয় হয়েছে ৮.৫৭ লক্ষ টাকা।

মোটরযান বীমা

মোটরযান ব্যবসা থেকে আমাদের মোট প্রিমিয়াম আয় হয়েছে সরকারী খাতের ২৫.৫২ লক্ষ টাকাসহ ২৮১.১৫ লক্ষ টাকা। পুন:বীমা প্রিমিয়াম বাবদ ৪৬.৭৩ লক্ষ টাকা ব্যয়ের পর রাজস্ব খাতে নীট জমা হয়েছে ২৩৪.৪১ লক্ষ টাকা। এ বছর মোটরযান খাতে দাবী পরিশোধ করা হয়েছে ২০.২৬ লক্ষ টাকা।

বিবিধ বীমা

বিবিধ বীমা ব্যবসা থেকে আমাদের মোট প্রিমিয়াম আয় হয়েছে সরকারী খাতের ২৩৩.০৪ লক্ষ টাকাসহ ২৯২.১৩ লক্ষ টাকা। ২০১৭ সালে পুন:বীমা প্রিমিয়াম বাবদ ২৫০.৪৩ লক্ষ টাকা ব্যয় করা হয়েছে। এ বছর দাবী পরিশোধ করা হয়েছে ০.৬৬ লক্ষ টাকা।

দাবীসমূহ

বীমা চুক্তির সার কথা হচ্ছে ক্ষতিগ্রস্থ ব্যক্তি বা প্রতিষ্ঠানকে তার ক্ষতি দ্রুত পুষিয়ে দেয়ার জন্য কার্যকর ও দক্ষ সেবা প্রদান করা। তাকাফুল দ্রুত দাবী নিস্পত্তির বিষয়ে সুনাম অর্জন করেছে এবং গত ১৭ বছর ধরেই তা বজায় রেখে চলেছে।

তাকাফুলের দাবী নিস্পত্তি বিভাগ নিবেদিতপ্রাণ ও দক্ষ পেশাদার কর্মী নিয়ে গঠিত এবং তারা সর্বক্ষণ গ্রাহকদের সেবা প্রদানে কাজ করে চলেছেন। দাবী যত দ্রুত সম্ভব নিস্পত্তি করা যায় সেজন্য সহজবোধ্য প্রক্রিয়া অনুসরন করা হয়। একজন অভিজ্ঞ সিনিয়র জেনারেল ম্যানেজারের নেতৃত্বে যোগ্য কর্মীদের একটি দল নিয়ে এ বিভাগ গঠিত।

দাবী নিস্পত্তি বিভাগের কর্মকর্তারা সরকারী লাইসেন্স প্রাপ্ত সার্ভেয়ার নিয়ে দ্রুত অকুস্থলে পৌছে যান এবং ক্ষয়ক্ষতি সীমিত রাখায় প্রয়োজনীয় পদক্ষেপ গ্রহণ করেন। ক্ষয়ক্ষতির মাত্রা বিবেচনায় নিয়ে প্রাথমিক জরিপের ভিত্তিতে বীমাকারীকে আংশিক অর্থও পরিশোধ করা হয়।

২০১৭ সালে ১৪৭টি বীমা দাবীর বিপরীতে ১,১১৭.২৯ লক্ষ টাকা অগ্নি, মেরিন, মোটরযান ও বিবিধ খাতে পরিশোধ করা হয়েছে। গত ৫ বছরে দাবী নিস্পত্তি ছিল নিম্নরূপ ঃ

বছর	টাকা (লক্ষ)
২০১৩	৩২৭.৪৩
২০১৪	৬৪৬.৯২
২০১৫	১,০৩৫.৪০
২০১৬	৩৮২.৪৩
২০১৭	১,১১৭.২৯
মোট	**৩,৫০৯.৪৭**

লভ্যাংশ

কোম্পানীর ২০১৭ সালের অর্জিত মুনাফা বিবেচনাপূর্বক পরিচালনা পরিষদ শেয়ারহোল্ডারদের জন্যে ৫% ক্যাশ ও ৬% স্টক ডিভিডেন্ড ঘোষণার সুপারিশ করেছে।

ক্রেডিট রেটিং ফলাফল

ক্রেডিট রেটিং এজেন্সি অব বাংলাদেশ (ক্রেব) আমাদের কোম্পানীর ২০১৭ সালের ক্রেডিট রেটিং কাজ সম্পন্ন করেছে। তাঁদের প্রতিবেদন অনুযায়ী কোম্পানী দীর্ঘ মেয়াদে A_2 এবং স্বল্প মেয়াদে এসটি-৩ রেটিং অর্জন করেছে যা কোম্পানীর "বীমা দাবী পরিশোধের ক্ষমতা সন্তোষজনক, আর্থিক সাফল্য, উন্নত সলভেন্সি, অভিজ্ঞ ব্যবস্থাপনা, আর্থিক সচ্ছলতা ও নিয়মতান্ত্রিক আভ্যন্তরিন নিয়ন্ত্রণ নির্দেশ করে"। স্বদেশ ও বিদেশে রি-ইন্স্যুরেন্স সুবিধা কোম্পানীর সুনাম-সুখ্যাতির ক্ষেত্রে নতুন মাত্র যোগ করেছে। আশা করা যায় চলতি বৎসরে রেটিং এর মান আরো একধাপ এগিয়ে যাবে।

রিজার্ভ

কোম্পানীর স্লোগান সহমর্মিতা ও নিরাপত্তার প্রতীক হিসেবে এ বছর Exceptional Loss এর বিপরীতে ২,০৭,৬২,৮৩৩.০০ টাকা রিজার্ভ রাখা হয়েছে যা মোট ২০,৫৩,৯৭,৮৬১.০০ টাকায় উন্নীত হয়েছে।

বিনিয়োগ

কোম্পানীর পরিশোধিত মূলধনের ২৫০.০০ লক্ষ টাকা আইনী বাধ্যবাধকতার কারণে বাংলাদেশ ব্যাংকের 'বাংলাদেশ গভ: ট্রেজারী বন্ড'-এ বিনিয়োগ করা আছে। ৩১ ডিসেম্বর, ২০১৭ পর্যন্ত ইসলামী ব্যাংক ও ইসলামী আর্থিক প্রতিষ্ঠান সমূহে ৪,৪৮৩.০০ লক্ষ টাকা টিডিআর ও কনভেনশনাল ব্যাংক ও আর্থিক প্রতিষ্ঠান সমূহে ৮৪৫.৫০ লক্ষ টাকা এফডিআরসহ মোট টিডিআর ও এফডিআর এর পরিমাণ ৫,৩২৮.৫০ লক্ষ টাকা। কোম্পানী শেয়ার বাজারে ২,০৭৩.৭৫ লক্ষ টাকা বিনিয়োগ করেছে।

লাভ ও লোকসান হিসাব

বিনিয়োগ ও অন্যান্য ক্ষেত্রে কোম্পানীর আয় দাঁড়ায় ৭৯৫.০৬ লক্ষ টাকা, পূর্ববর্তী বছরে যা ছিল ৪২৭.৫৫ লক্ষ টাকা। আন্ডাররাইটিং মুনাফা ১৭০.৪২ লক্ষ টাকা বিবেচনায় রেখে এবং কোন বিশেষ তহবিল বা হিসাবে প্রযোজ্য নয় এমন আয় ধরে এ বছর নীট মুনাফা দাঁড়ায় ৮১২.১৯ লক্ষ টাকা, আগের বছর যা ছিল ৬৩৮.৪০ লক্ষ টাকা।

মুনাফা বন্টন

২০১৭ সালের মুনাফাসহ কোম্পানীর আয় ১১,৮০,৩১,৭২০.০০ টাকা। নিম্নোক্তভাবে বন্টনের প্রস্তাব করা হচ্ছে :

	হিসাব (টাকা)
১. অপ্রত্যাশিত লোকসান হিসাব	২,০৭,৬২,৮৩৩.০০
২. আয়করের জন্য সংস্থান/মুলতবি কর	৯১,১০,৯৪৫.০০
৩. ২০১৬ সালের জন্য ক্যাশ ডিভিডেন্ড	১,৮০,৪৮,৬৯৯.০০
৪. ২০১৬ সালের জন্য বোনাস ডিভিডেন্ড	১,৮০,৪৮,৬৯০.০০
৫. সাধারণ সঞ্চিতি	৯৫,০০,০০০.০০
৬. পরবর্তী বছরের জন্য সংরক্ষিত আয়	৪,২৫,৬০,৫৫৩.০০
মোট	**১১,৮০,৩১,৭২০.০০**

পরিচালকমন্ডলী

বিগত ৩ এপ্রিল, ২০১৮ ইং তারিখে অনুষ্ঠিত পরিচালনা পরিষদের ৯৫তম সভায় কোম্পানীর সংঘ বিধির ১১৩ নং অনুচ্ছেদের আলোকে অষ্টাদশ বার্ষিক সাধারণ সভায় পরিচালনা পরিষদের সদস্যদের অবসর ও নির্বাচন সম্পর্কে নিম্নোক্ত সিদ্ধান্ত গ্রহণ করা হয় ঃ

গ্রুপ-এ

সংঘ বিধির ১১২ নং অনুচ্ছেদ অনুযায়ী নিম্নোক্ত পরিচালকগণ পরিচালনা পরিষদ থেকে অবসর গ্রহণ করবেন ঃ

০১. জনাব আনোয়ার হোসেন খান

০২. ইঞ্জিনিয়ার খন্দকার মেজবাহউদ্দিন আহমেদ

০৩. জনাব মো: মফিজ উদ্দিন

০৪. বেগম নাসরিন হক

অবসরগ্রহণকারী ৪ জন পরিচালক ও ২% এর উপর শেয়ার ধারনকারী উদ্যোক্তা মিসেস শাহানাজ পারভীন উদ্যোক্তা পরিচালকের শূন্য পদে পরিচালক হওয়ার আগ্রহ প্রকাশ করেছেন। পরিচালনা পরিষদ কর্তৃক সমঝোতা না হলে অষ্টাদশ বার্ষিক সাধারণ সভায় উদ্যোক্তাদের ভোটে ৪ জন উদ্যোক্তা পরিচালক নির্বাচিত হবেন।

গ্রুপ-বি

সংঘ বিধির ১১২ নং অনুচ্ছেদের আলোকে নিম্নোক্ত পরিচালকগণ অবসর গ্রহণ করবেন ঃ

০১. জনাব আনোয়ার হোসেন

০২. জনাব মো: মহিউদ্দিন

সংঘ বিধির ১১৪ নং অনুচ্ছেদের আলোকে পাবলিক শেয়ারহোল্ডারদের মধ্য থেকে ২ জন পরিচালক নির্বাচিত হবেন। এতদ্ববিষয়ে দৈনিক যুগান্তর এবং The New Age পত্রিকায় ০৪-০৪-২০১৮ ইং তারিখে সাধারণ বিজ্ঞপ্তি প্রকাশ করা হয়েছে।

নিরীক্ষক

কোম্পানীর ১৭তম বার্ষিক সাধারণ সভায় মেসার্স সিরাজ খান বসাক এন্ড কোম্পানী, চার্টার্ড একাউন্ট্যান্টকে ২০১৭ সালের জন্য কোম্পানীর নিরীক্ষক হিসেবে নিয়োগ করা হয়। তাদের কর্মদক্ষতার আলোকে পরিচালনা পরিষদ ২০১৮ সালের জন্য ৫০,০০০.০০ (পঞ্চাশ হাজার) টাকা মাত্র সম্মানী নির্ধারণ করে মেসার্স সিরাজ খান বসাক এন্ড কোম্পানীকে পুন:নিয়োগের সুপারিশ করেছে।

কর্পোরেট সুশাসন

কোম্পানীর পরিচালকমন্ডলী দৃঢ়ভাবে বিশ্বাস করেন সুশাসন ও স্বচ্ছতা সুশৃঙ্খল টেকসই প্রতিষ্ঠানের জন্য অপরিহার্য। তাকাফুল কর্পোরেট সুশাসন অনুশীলন করে চলে এবং এর লক্ষ্য অভ্যন্তরীণ কার্যক্রম প্রক্রিয়া, স্বচ্ছতা ও জবাবদিহিতার ক্ষেত্রে পর্যাপ্ত নিয়ন্ত্রণ নিশ্চিত করা। কর্পোরেট সুশাসন কাঠামো বিভিন্ন পর্যায়ের নির্বাহীদের মধ্যে অধিকার ও দায়িত্ব সুনির্দিষ্ট করে দেয়। একইসঙ্গে কর্পোরেট বিষয়ে সিদ্ধান্ত গ্রহণ সহজ করার জন্য বিধিবিধান ও প্রক্রিয়া চিহ্নিত করে। কর্পোরেট সুশাসন প্রক্রিয়ায় নিয়ন্ত্রক সংস্থাসমূহের ভূমিকা গুরুত্বপূর্ণ। তাকাফুল নিয়ন্ত্রক সংস্থাসমূহের যাবতীয় শর্ত পূরণে প্রতিশ্রুতিবদ্ধ। কর্পোরেট শাসনের সঙ্গে সংশ্লিষ্ট হচ্ছে পরিচালকমন্ডলী, বোর্ডের আওতাধীন বিভিন্ন কমিটি, ব্যবস্থাপনা পর্ষদ, বিভিন্ন ব্যবস্থাপনা কমিটি, সিদ্ধান্ত গ্রহণকারী ব্যক্তিবর্গ। বোর্ড কর্তৃক নির্দেশিত সব পরিকল্পনা এবং নীতিগত সিদ্ধান্তসমূহ মুখ্য নির্বাহী কর্মকর্তার নেতৃত্বে বাস্তবায়ন করা হয়।

কৃতজ্ঞতা স্বীকার

পরিশেষে আমি পরিচালকমন্ডলীর পক্ষ থেকে সকল সম্মানিত গ্রাহক, শেয়ারহোল্ডার ও শুভানুধ্যায়ীদের অব্যাহত সমর্থন ও সর্বাঙ্গীন সহযোগিতার জন্য আন্তরিক ধন্যবাদ জানাচ্ছি। সে সাথে আমরা গণপ্রজাতন্ত্রী বাংলাদেশ সরকার বিশেষ করে অর্থ মন্ত্রণালয়, বীমা উন্নয়ন ও নিয়ন্ত্রক কর্তৃপক্ষ, রেজিষ্ট্রার অব জয়েন্ট স্টক কোম্পানীজ এন্ড ফার্মস্, সাধারণ বীমা কর্পোরেশন, কেনিয়া রি, পিটিএ রি, রয়েল ইন্স: অব ভুটান, বাংলাদেশ ব্যাংকসহ সকল বাণিজ্যিক ব্যাংক সমূহ ও আর্থিক প্রতিষ্ঠান, বাংলাদেশ সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন, ঢাকা স্টক এক্সচেঞ্জ লিঃ, চট্টগ্রাম স্টক এক্সচেঞ্জ লিঃ, বাংলাদেশ ইন্স্যুরেন্স এসোসিয়েশন, সেন্ট্রাল রেটিং কমিটি, জাতীয় রাজস্ব বোর্ড এবং বাংলাদেশ ইনসিওরেন্স একাডেমিকে তাদের সকল প্রকার আন্তরিকতা ও সহযোগিতা প্রদানের জন্যে কৃতজ্ঞতা জ্ঞাপন করছি।

আমি পরিচালনা পরিষদ, একজিকিউটিভ কমিটি, ক্লেইমস কমিটি, অডিট কমিটি এবং শরীয়াহ কাউন্সিলকে কোম্পানীর উদ্দেশ্য বাস্তবায়নে ধারাবাহিক সহযোগিতার জন্য আন্তরিক ধন্যবাদ জানাচ্ছি।

একই সাথে কোম্পানীর মুখ্য নির্বাহী কর্মকর্তা, কর্মকর্তা/কর্মচারীবৃন্দ, শাখা ইনচার্জ ও উন্নয়ন বিভাগের কর্মকর্তা/কর্মচারীবৃন্দকে কোম্পানীর অগ্রগতি ও উন্নতিতে গুরুত্বপূর্ণ অবদান রাখার জন্য আন্তরিক ধন্যবাদ জ্ঞাপন করছি।

সর্ব শক্তিমান আল্লাহ আমাদের সহায় হোন।

পরিচালনা পরিষদের পক্ষে

(ইঞ্জিনিয়ার খন্দকার মেজবাহউদ্দিন আহমেদ)
চেয়ারম্যান

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, 2017 & 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.

Md. Azizul Islam	**A.K.M Aminul Islam**	**Anwar Hossain Chowdhury**	**Engr. Khandaker Mesbahuddin Ahmed**
Chief Executive Officer	Director	Director	Chairman

Place : Dhaka, Bangladesh
Dated : 18 March, 2018

AMAR STOCK

Auditors' Report to the Shareholders

We have audited accompanying financial statements of TAKAFUL ISLAMI INSURANCE LIMITED which comprise of Balance Sheet as at 31st December, 2017 and the related Fire, Marine Cargo, Marine Hull, Motor and Miscellaneous Insurance Revenue Accounts as well as Profit & Loss Account, Profit and Loss Appropriation Account, Statement of Changes in Equity and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the Financial Statements

Management is responsible for the preparation and fair representation of these financial statements in accordance with Bangladesh Financial Reporting Standards, 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.

Auditor's responsibility

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

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

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

In our opinion, the financial statements prepared in accordance with Bangladesh Financial Reporting Standards, give a true and fair view of the state of the company's affairs as at 31st December, 2017 and of the results of its operations and its cash flows for the year then ended and comply with the Companies Act, 1994, the Insurance Act, 2010, Insurance Rules 1958, the Securities and Exchange Rules, 1987 and other applicable laws and regulations.

We also report that:

(i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;

(ii) In our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books and proper returns adequate for the purposes of our audit have been received from branches not visited by us;

(iii) The company's balance sheet and revenue accounts and its cash flows dealt with by the report are in agreement with the books of account and returns;

(iv) The expenditure incurred was for the purposes of the company's business;

(v) As per Section 63 of the Insurance Act 2010 as amended, we certify that to the best of our knowledge and belief and according to the information and explanations given to us, all expenses of management wherever incurred and whether incurred directly or indirectly with respect to insurance business of the company transacted in Bangladesh during the year under report have been duly debited to the related revenue accounts and the profit and loss accounts of the company; and

(vi) As per regulation 11 of part 1 of the third Schedule of the Insurance Act 1938 as amended, we certify that to the best of 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 of its business re-insured abroad.

Place: Dhaka, Bangladesh
Dated: 18 March, 2018

SHIRAZ KHAN BASAK & CO.
Chartered Accountants

Balance Sheet as at 31st December, 2017

CAPITAL AND LIABILITIES	NOTE NO.	BALANCE AS AT 31ST DEC., 2017	BALANCE AS AT 31ST DEC., 2016
AUTHORIZED CAPITAL	03	**1,000,000,000**	**1,000,000,000**
10,00,00,000 Ordinary Shares of Tk. 10.00 each			
ISSUED, SUBSCRIBED AND PAID UP CAPITAL	03.01	**379,022,580**	**360,973,890**
3,79,02,258 Ordinary Shares of Tk. 10/- each			
RESERVE OR CONTIGENCY ACCOUNT	04	**283,886,439**	**244,967,321**
Reserve For Exceptional Losses		205,397,861	184,635,028
Capital Reserve		5,914,198	5,914,198
General Reserve		13,863,000	4,363,000
Dividend Equalization Reserve		1,500,000	1,500,000
Fair Value Reserve		14,650,827	11,743,167
Balance of Profit & Loss Appropriation Account		42,560,553	36,811,928
BALANCE OF FUNDS AND ACCOUNTS	05	**83,565,507**	**86,137,410**
Fire Insurance Business Account		32,048,468	38,545,049
Marine Cargo Insurance Business Account		39,615,187	36,889,523
Marine Hull Insurance Business Account		856,961	957,740
Motor Insurance Business Account		9,376,679	7,508,770
Miscellaneous Insurance Business Account		1,668,212	2,236,328
OTHER SUM OWING (PREMIUM DEPOSIT)	06	**11,485,830**	**11,094,096**
LIABILITIES & PROVISIONS		**193,108,327**	**186,178,729**
Estimated Liabilities in respect of Outstanding Claims whether due or intimated	07	17,791,228	15,182,715
Amount due to other persons or bodies carrying on Insurance Business	08	28,831,247	60,748,159
Sundry Creditors	09	9,066,637	8,507,391
Provision for Taxation.	10	45,025,769	71,740,464
Quard-e-Hasana From Bank	10.02	92,393,446	30,000,000
TOTAL CAPITAL AND LIABILITIES		**951,068,683**	**889,351,446**
Net Asset Value (NAV) Per Share		**17.49**	**15.99**

The annexed notes form an integral part of these Financial Statements

These financial statements were approved and authorized for issue by the board of directors on 3 April, 2018 and signed for and on behalf of the Board.

Md. Azizul Islam	**A.K.M Aminul Islam**	**Anwar Hossain Chowdhury**	**Engr. Khandaker Mesbahuddin Ahmed**
Chief Executive Officer	Director	Director	Chairman

Signed as per our annexed report of even date

Place: Dhaka, Bangladesh
Dated: 18 March, 2018

SHIRAZ KHAN BASAK & CO.
Chartered Accountants

Balance Sheet As At 31st December, 2017

PROPERTY AND ASSETS	NOTE NO.	BALANCE AS AT 31ST DEC., 2017	BALANCE AS AT 31ST DEC., 2016
INVESTMENT	11	**232,375,401**	**203,671,052**
Bangladesh Government Treasury Bond (BGTB)		25,000,000	25,000,000
Investment In Shares		207,375,401	178,671,052
PROFIT, INTEREST, DIVIDENDS & RENTS (Accrued but not Due)	12	**12,700,374**	**5,294,467**
AMOUNT DUE FROM OTHER PERSONS OR BODIES CARRYING ON INSURANCE BUSINESS	13	**43,259,243**	**35,330,974**
SUNDRY DEBTORS (Including Advances, Deposits & Pre-payments)	14	**60,600,252**	**80,402,388**
CASH & BANK BALANCES	15	**580,074,916**	**545,351,346**
Term / Fixed Deposit Account		532,850,000	496,300,000
STD Account		38,784,704	38,342,184
Current Account		5,458,555	4,900,499
Cash in Transit		381,000	90,000
Cash in Hand		2,600,657	5,718,663
OTHER ACCOUNTS	16	**22,058,497**	**19,301,219**
Fixed Assets - At Cost Less Depreciation		20,679,143	17,884,107
Stock of Printing & Stationery		480,000	465,000
Insurance Stamps in Hand		899,354	952,112
TOTAL PROPERTY AND ASSETS		**951,068,683**	**889,351,446**

The annexed notes form an integral part of these Financial Statements

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Md. Azizul Islam	**A.K.M Aminul Islam**	**Anwar Hossain Chowdhury**	**Engr. Khandaker Mesbahuddin Ahmed**
Chief Executive Officer	Director	Director	Chairman

Signed as per our annexed report of even date

Place: Dhaka, Bangladesh
Dated: 18 March, 2018

SHIRAZ KHAN BASAK & CO.
Chartered Accountants

Profit and Loss Appropriation Account

For The Year Ended 31st December, 2017

PARTICULARS	2017 TAKA	2016 TAKA	PARTICULARS	2017 TAKA	2016 TAKA
Balance brought from last year			Balance brought from last year	36,811,928	35,063,374
Reserve for Exceptional losses	20,762,833	21,390,691	Transferred from General Reserve		8,300,000
Bonus Dividend -2016	18,048,690	17,189,230			
Cash Dividend -2016	18,048,699	17,189,236	Net Profit for the year	81,219,792	63,840,394
Provision for Taxation	8,977,727	14,511,943	Deferred Tax Income	-	-
Deferred Tax	133,218	110,740			
General Reserve	9,500,000				
Balance Transferred to Balance Sheet	**42,560,553**	**36,811,928**			
TOTAL	**118,031,720**	**107,203,768**		**118,031,720**	**107,203,768**

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These financial statements were approved and authorized for issue by the board of directors on 3 April, 2018 and signed for and on behalf of the Board.

Md. Azizul Islam
Chief Executive Officer

A.K.M Aminul Islam
Director

Anwar Hossain Chowdhury
Director

Engr. Khandaker Mesbahuddin Ahmed
Chairman

Signed as per our annexed report of even date

Place: Dhaka, Bangladesh
Dated: 18 March, 2018

SHIRAZ KHAN BASAK & CO.
Chartered Accountants

Profit and Loss Account

For The Year Ended 31st December, 2017

PARTICULARS	NOTE NO.	2017 TAKA	2016 TAKA	PARTICULARS	NOTE NO.	2017 TAKA	2016 TAKA
EXPENSES OF MANAGEMENT (Not Applicable to any Particular Fund or Account)		**15,328,881**	**15,394,760**	**Profit, Interest, Dividends & Rents (Not Applicable to any particular Fund or Account)**	17	**32,103,569**	**40,120,216**
Director's Fee		1,349,000	1,192,500	**Other Income**	18	**47,402,558**	**2,616,095**
Head Office Rent		3,838,000	3,268,000				
Advertisement & Publicity		2,414,263	2,583,018				
Subscription & Donation		476,560	2,735,000	**PROFIT /(LOSS) TRANSFERRED FROM REVENUE ACCOUNTS**		**17,042,546**	**36,479,842**
Legal & Professional Fees		389,150	99,500	Fire Revenue Account		(19,653,646)	(5,138,207)
Loss Arised From Investment		-	-	Marine Cargo Revenue Account		28,618,922	39,050,652
Registration & Renewal		3,416,330	1,986,726	Marine Hull Revenue Account		525,532	(349,786)
Depreciation		3,388,078	3,489,766	Motor Revenue Account		3,797,291	3,953,748
Audit Fee		57,500	40,250	Miscellaneous Revenue Account		3,754,447	(1,036,565)
Net Profit Transferred to Profit & Loss Appropriation Account		**81,219,792**	**63,840,394**				
TOTAL		**96,548,673**	**79,235,154**			**96,548,673**	**79,216,153**
Basic Earning Per Share (Value Per Share Tk. 10/- each)	**20**	**1.90**	**1.30**				

The annexed notes form an integral part of these Financial Statements

These financial statements were approved and authorized for issue by the board of directors on 3 April, 2018 and signed for and on behalf of the Board.

Md. Azizul Islam
Chief Executive Officer

A.K.M Aminul Islam
Director

Anwar Hossain Chowdhury
Director

Engr. Khandaker Mesbahuddin Ahmed
Chairman

Signed as per our annexed report of even date

Place: Dhaka, Bangladesh
Dated: 18 March, 2018

SHIRAZ KHAN BASAK & CO.
Chartered Accountants

Fire Insurance Revenue Account

For The Year Ended 31st December, 2017

PARTICULARS	NOTE NO.	2017 TAKA	2016 TAKA	PARTICULARS	NOTE NO.	2017 TAKA	2016 TAKA
CLAIMS UNDER THE POLICIES LESS RE-INSURANCE:							
Paid during the year		25,812,320	14,319,813	**Balance of Account at the beginning of the year**		**38,545,049**	**27,547,960**
Add: Total estimated liability in respect of Outstanding claims at the end of the year whether due or intimated		8,905,203	8,253,376	**Premium Less Re-Insurance**		**80,121,171**	**96,362,623**
		34,717,523	22,573,189	**Commission on Re-insurance ceded**		**37,604,763**	**31,218,038**
Less: Outstanding at the end of previous year		(8,253,376)	(9,197,182)				
		26,464,147	**13,376,007**				
Agency Commission		**28,755,531**	**29,587,114**				
Expenses of Management	19	**88,656,483**	**78,758,658**				
Reserve for un-expired risks being 40% of Premium Income of the year		**32,048,468**	**38,545,049**				
Profit/(Loss) transferred to Profit & Loss Account		**(19,653,646)**	**(5,138,207)**				
TOTAL		**156,270,983**	**155,128,621**			**156,270,983**	**155,128,621**

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These financial statements were approved and authorized for issue by the board of directors on 3 April, 2018 and signed for and on behalf of the Board.

Md. Azizul Islam
Chief Executive Officer

A.K.M Aminul Islam
Director

Anwar Hossain Chowdhury
Director

Engr. Khandaker Mesbahuddin Ahmed
Chairman

Signed as per our annexed report of even date

Place: Dhaka, Bangladesh
Dated: 18 March, 2018

SHIRAZ KHAN BASAK & CO.
Chartered Accountants

ANNUALSTOCK

Marine Cargo Insurance Revenue Account

For The Year Ended 31st December, 2017

PARTICULARS	NOTE NO.	2017 TAKA	2016 TAKA	PARTICULARS	NOTE NO.	2017 TAKA	2016 TAKA
CLAIMS UNDER THE POLICIES LESS RE-INSURANCE:				**Balance of Account at the beginning of the year**		**36,889,522**	**38,960,861**
Paid during the year		1,017,646	2,661,924	**Premium less Re-Insurance**		**99,037,967**	**92,223,806**
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated		4,898,364	3,260,444	**Commission on re-insurance ceded**		**11,570,235**	**9,408,950**
		5,916,010	5,922,368				
Less: Outstanding at the end of previous year		(3,260,443)	(2,951,610)				
		2,655,567	**2,970,758**				
Agency Commission		**18,578,449**	**16,612,224**				
Expenses of Management	19	**58,029,599**	**45,070,461**				
Reserve for un-expired risks being 40% of premium income of the year		**39,615,187**	**36,889,522**				
Profit/(Loss) transferred to Profit & Loss Account		**28,618,922**	**39,050,652**				
TOTAL		**147,497,724**	**140,593,617**			**147,497,724**	**140,593,617**

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Md. Azizul Islam
Chief Executive Officer

A.K.M Aminul Islam
Director

Anwar Hossain Chowdhury
Director

Engr. Khandaker Mesbahuddin Ahmed
Chairman

Signed as per our annexed report of even date

Place: Dhaka, Bangladesh
Dated: 18 March, 2018

SHIRAZ KHAN BASAK & CO.
Chartered Accountants

Marine Hull Insurance Revenue Account

For The Year Ended 31st December, 2017

PARTICULARS	NOTE NO.	2017 TAKA	2016 TAKA	PARTICULARS	NOTE NO.	2017 TAKA	2016 TAKA
CLAIMS UNDER THE POLICIES				**Balance of Account at the**			
LESS RE-INSURANCE:				**beginning of the year**		**957,740**	**298,773**
Paid during the year		621	128	**Premium Less Re-Insurance**		**856,961**	**957,740**
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated		15,000	100,000	**Commission on re-insurance ceded**		**165,441**	**189,266**
		15,621	100,128				
Less: Outstanding at the end of previous year		(100,000)	-				
		(84,379)	**100,128**				
Agency Commission		**165,637**	**195,375**				
Expenses of Management	19	**516,391**	**542,322**				
Reserve for un-expired risks being 100% of premium income of the year		**856,961**	**957,740**				
Profit /(Loss)Transferred to Profit & Loss Account		**525,532**	**(349,786)**				
TOTAL		**1,980,142**	**1,445,779**			**1,980,142**	**1,445,779**

The annexed notes form an integral part of these Financial Statements

These financial statements were approved and authorized for issue by the board of directors on 3 April, 2018 and signed for and on behalf of the Board.

Md. Azizul Islam
Chief Executive Officer

A.K.M Aminul Islam
Director

Anwar Hossain Chowdhury
Director

Engr. Khandaker Mesbahuddin Ahmed
Chairman

Signed as per our annexed report of even date

Place: Dhaka, Bangladesh
Dated: 18 March, 2018

SHIRAZ KHAN BASAK & CO.
Chartered Accountants

ANNARSTOCK

Motor Insurance Revenue Account

For The Year Ended 31st December, 2017

PARTICULARS	NOTE NO.	2017 TAKA	2016 TAKA	PARTICULARS	NOTE NO.	2017 TAKA	2016 TAKA
CLAIMS UNDER THE POLICIES LESS RE-INSURANCE:				**Balance of Account at the beginning of the year**		**7,508,770**	**8,352,283**
Paid during the year		2,026,179	4,374,976	**Premium Less Re-Insurance**		**23,441,698**	**18,771,926**
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated		2,981,900	2,603,530	**Commission on re-insurance ceded**		**623,321**	**791,363**
		5,008,079	6,978,506				
Less : Outstanding at the end of previous year		(2,603,530)	(2,017,116)				
		2,404,549	**4,961,390**				
Agency Commission		**3,834,405**	**3,055,045**				
Expenses of Management	19	**12,160,865**	**8,436,618**				
Reserve for un-expired risks being 40% of premium income of the year		**9,376,679**	**7,508,771**				
Profit/(Loss) transferred to Profit & Loss Account		**3,797,291**	**3,953,748**				
TOTAL		**31,573,789**	**27,915,572**			**31,573,789**	**27,915,572**

The annexed notes form an integral part of these Financial Statements

These financial statements were approved and authorized for issue by the board of directors on 3 April, 2018 and signed for and on behalf of the Board.

Md. Azizul Islam
Chief Executive Officer

A.K.M Aminul Islam
Director

Anwar Hossain Chowdhury
Director

Engr. Khandaker Mesbahuddin Ahmed
Chairman

Signed as per our annexed report of even date

Place: Dhaka, Bangladesh
Dated: 18 March, 2018

SHIRAZ KHAN BASAK & CO.
Chartered Accountants

Miscellaneous Insurance Revenue Account

For The Year Ended 31st December, 2017

PARTICULARS	NOTE NO.	2017 TAKA	2016 TAKA	PARTICULARS	NOTE NO.	2017 TAKA	2016 TAKA
CLAIMS UNDER THE POLICIES LESS RE-INSURANCE:				**Balance of Account at the beginning of the year**		**2,236,328**	**655,788**
Paid during the year		66,983	278,385	**Premium Less Re-Insurance**		**4,170,529**	**5,590,820**
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated		990,761	965,366	**Commission on Re-insurance ceded**		**4,051,911**	**4,468,973**
		1,057,744	1,243,751				
Less: Outstanding at the end of previous year		(965,366)	-				
		92,378	**1,243,751**				
Agency Commission		**886,455**	**1,860,577**				
Expenses of Management	19	**4,057,276**	**6,411,490**				
Reserve for un-expired risks being 40% of Miscellaneous and Accident							
Premium Income of the year		**1,668,212**	**2,236,328**				
Profit/(Loss) Transferred to P/L Account		**3,754,447**	**(1,036,565)**				
TOTAL		**10,458,768**	**10,715,581**			**10,458,768**	**10,715,581**

The annexed notes form an integral part of these Financial Statements

These financial statements were approved and authorized for issue by the board of directors on 3 April, 2018 and signed for and on behalf of the Board.

Md. Azizul Islam	**A.K.M Aminul Islam**	**Anwar Hossain Chowdhury**	**Engr. Khandaker Mesbahuddin Ahmed**
Chief Executive Officer	Director	Director	Chairman

Signed as per our annexed report of even date

Place: Dhaka, Bangladesh
Dated: 18 March, 2018

SHIRAZ KHAN BASAK & CO.
Chartered Accountants

ANNP STOCK

Consolidated Revenue Account

For The Year Ended 31st December, 2017

PARTICULARS	NOTE NO.	2017 TAKA	2016 TAKA	PARTICULARS	NOTE NO.	2017 TAKA	2016 TAKA
CLAIMS UNDER THE POLICIES LESS RE-INSURANCE:							
Paid during the year		28,923,749	21,635,227	**Balance of Account at the beginning of the year**		**86,137,409**	**75,815,665**
Add: Total estimated liability in respect of Outstanding claims at the end of the year whether due or intimated		17,791,228	15,182,715	**Premium Less Re-Insurance**		**207,628,326**	**213,906,915**
		46,714,977	36,817,942	**Commission on Re-insurance ceded**		**54,015,671**	**46,076,590**
Less: Outstanding at the end of previous year		(15,182,715)	(14,165,908)				
		31,532,262	**22,652,034**				
Agency Commission		**52,220,477**	**51,310,335**				
Expenses of Management	19	**163,420,614**	**139,219,549**				
Reserve for un-expired risks being 40% of Premium Income of the year of fire,marine cargo,motor,misc. and 100% of hull of the year		**83,565,507**	**86,137,410**				
Profit/(Loss) transferred to Profit & Loss Account		**17,042,546**	**36,479,842**				
TOTAL		**347,781,406**	**335,799,170**			**347,781,406**	**335,799,170**

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Md. Azizul Islam
Chief Executive Officer

A.K.M Aminul Islam
Director

Anwar Hossain Chowdhury
Director

Engr. Khandaker Mesbahuddin Ahmed
Chairman

Signed as per our annexed report of even date

Place: Dhaka, Bangladesh
Dated: 18 March, 2018

SHIRAZ KHAN BASAK & CO.
Chartered Accountants

Statement of Changes in Equity

For The Year Ended 31st December, 2017

Particulars	Share Capital	Capital Reserve	General Reserve	Dividend Equalization Reserve	Reserve for Exceptional Losses	Fair value Reserve	Retained Earnings	Total
At the beginning of the year	360,973,890	5,914,198	4,363,000	1,500,000	184,635,028	11,743,167	36,811,928	605,941,211
Stock Dividend-2016	18,048,690						(18,048,690)	
Cash Dividend-2016							(18,048,699)	(18,048,699)
Capital Reserve								
General Reserve			9,500,000				(9,500,000)	
Dividend Equalization Reserve								
Reserve for Exceptional Losses					20,762,833		(20,762,833)	
Fair value Reserve						2,907,660		2,907,660
Net Profit after Tax for the year							72,108,847	72,108,847
At the end of the year	**379,022,580**	**5,914,198**	**13,863,000**	**1,500,000**	**205,397,861**	**14,650,827**	**42,560,553**	**662,909,019**

The annexed notes form an integral part of these Financial Statements

These financial statements were approved and authorized for issue by the board of directors on 3 April, 2018 and signed for and on behalf of the Board.

Md. Azizul Islam	**A.K.M Aminul Islam**	**Anwar Hossain Chowdhury**	**Engr. Khandaker Mesbahuddin Ahmed**
Chief Executive Officer	Director	Director	Chairman

Signed as per our annexed report of even date

Place: Dhaka, Bangladesh
Dated: 18 March, 2018

SHIRAZ KHAN BASAK & CO.
Chartered Accountants

Cash Flow Statement

For The Year Ended 31st December, 2017

PARTICULARS	BALANCE AS AT 31ST DECEMBER, 2017	BALANCE AS AT 31ST DECEMBER, 2016
Cash Flow from Operating Activities		
Collection From Premium & Other income	327,834,077	307,822,659
Payment for management expenses, Re-insurance, Claim & Commission	(287,311,978)	(221,475,031)
Cash Generated from Operations	**40,522,099**	**86,347,628**
Income Tax Paid & Deducted at Source	(18,041,603)	(18,005,893)
Net Cash Generated from Operating Activities	**22,480,496**	**68,341,735**
Cash Flow from Investing Activities		
Investment in Bonds / Shares	(25,796,689)	(17,512,151)
Acquisition of Property, Plant & Equipments etc.	(6,304,984)	(3,200,490)
Disposal of Property, Plant and Equipments		827,817
Net Cash used in Investing Activities	**(32,101,673)**	**(19,884,824)**
Cash Flow from Financing Activities		
Dividend Paid	(18,048,699)	(17,189,236)
Increase/Decrease in Quard from Bank	62,393,446	20,000,000
		-
Net Cash Generated/ (Used) in Financing Activities	**44,344,747**	**2,810,764**
Net Increase in Cash and Bank Balances	34,723,570	51,267,675
Cash and Bank Balances at Beginning of Year	545,351,346	494,083,671
Cash and Bank Balances at End of Year	**580,074,916**	**545,351,346**

Net operating cash flow per share

Net operating cash flow / Number of share	2017	2016
	22,480,496	68,341,735
	37,902,258	36,097,389
	0.59	**1.89**

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These financial statements were approved and authorized for issue by the board of directors on 3 April, 2018 and signed for and on behalf of the Board.

Md. Azizul Islam	**A.K.M Aminul Islam**	**Anwar Hossain Chowdhury**	**Engr. Khandaker Mesbahuddin Ahmed**
Chief Executive Officer	Director	Director	Chairman

Signed as per our annexed report of even date

Place: Dhaka, Bangladesh
Dated: 18 March, 2018

SHIRAZ KHAN BASAK & CO.
Chartered Accountants

Intrinsic Value or Net Assets Value

Particulars	Amount (Tk.)	Amount (Tk.)
	2017	2016
A. ASSETS:		
Investment at Cost	25,000,000.00	25,000,000.00
Investment in Shares	207,375,401.00	178,671,052.00
Interest Accrued but not due	12,700,374.00	5,294,467.00
Amount due from other persons or bodies carrying on Insurance Business	43,259,243.00	35,330,974.00
Sundry Debtors (Including Advances, Deposits & Prepayments)	60,600,252.00	80,402,388.00
Cash and Bank Balance	580,074,916.00	545,351,346.00
Other Accounts (Fixed Assets & Stock of Stationery, Stamps	22,058,497.00	19,301,219.00
Total	**951,068,683.00**	**889,351,446.00**
B. LIABILITIES :		
Balance of Funds and Accounts	83,565,507.00	86,137,410.00
Estimated Liabilities in respect of outstanding claims whether due or intimated	17,791,228.00	15,182,715.00
Amount due to other persons or bodies carrying on Insurance Business	28,831,247.00	60,748,159.00
Sundry Creditors (Including Provision for Expenses and Taxes)	9,066,637.00	8,507,391.00
Provision for Income Tax & Deferred Tax	45,025,769.00	71,740,464.00
Quard-e-Hasana From Banks	92,393,446.00	30,000,000.00
Other Sums Owing (Premium Deposit Account)	11,485,830.00	11,094,096.00
Total	**288,159,664.00**	**283,410,235.00**
Net Assets (A - B)	**662,909,019.00**	**605,941,211.00**
No. of Shares	37,902,258	37,902,258
Intrinsic Value / Net Assets Value per Share	**17.49**	**15.99**

The annexed notes form an integral part of these Financial Statements

These financial statements were approved and authorized for issue by the board of directors on 3 April, 2018 and signed for and on behalf of the Board.

Md. Azizul Islam	**A.K.M Aminul Islam**	**Anwar Hossain Chowdhury**	**Engr. Khandaker Mesbahuddin Ahmed**
Chief Executive Officer	Director	Director	Chairman

Signed as per our annexed report of even date

Place: Dhaka, Bangladesh
Dated: 18 March, 2018

SHIRAZ KHAN BASAK & CO.
Chartered Accountants

Schedule of Fixed Assets as at 31st December - 2017

Sl. No.	Particulars	Original Cost				Rate on Dep.	Depreciation				Written Down Value as at 31-12-2017
		Balance as at 01-01-2017	Addition During the Period	Adjustment	Total as at 31-12-2017		Balance as at 01-01-2017	Charged During the Period	Adjustment	Total as at 31-12-2017	
	Tengible Assets										
1	Furniture & Fixture	3,654,889	111,145	-	3,766,034	10%	2,070,748	166,487		2,237,235	1,528,799
2	Office Equipment	1,304,573	398,137	-	1,702,710	15%	1,011,932	60,715		1,072,647	630,063
3	Office Decoration	5,894,432	206,175	-	6,100,607	10%	3,236,613	268,977		3,505,590	2,595,017
4	Air Cooler	2,797,155	93,920	-	2,891,075	15%	1,682,196	181,332		1,863,528	1,027,547
5	Motor & Other Vehicles	18,833,474	4,905,000	1,135,000	22,603,474	20%	10,223,332	1,858,278	1,013,130	11,068,480	11,534,994
6	Computer	3,771,709	294,472	-	4,066,181	30%	2,499,558	412,699		2,912,257	1,153,924
7	Telephone Installation	1,543,451	7,950	-	1,551,401	15%	1,221,054	48,868		1,269,922	281,479
8	Crokeries & Cutleries	59,997		-	59,997	25%	51,882	2,029		53,911	6,086
9	Electrical Installation	1,266,749	277,485	-	1,544,234	15%	568,864	131,689		700,553	843,681
10	Carpet & Curtain	34,250		-	34,250	10%	26,421	783		27,204	7,046
11	Professional Books	207,162	3,700	-	210,862	10%	121,954	8,891		130,845	80,017
	Intengible Assets				-						
12	Software Installation	1,995,000	7,000		2,002,000	20%	764,180	247,330		1,011,510	990,490
	Total	**41,362,841**	**6,304,984**	**1,135,000**	**46,532,825**		**23,478,734**	**3,388,078**	**1,013,130**	**25,853,681**	**20,679,143**

Form "AA"
Classified Summary of Assets
as At 31st December, 2017

CLASS OF ASSETS	BOOK VALUE
Bangladesh Government Treasury Bond	25,000,000.00
Investment in Shares	207,375,401.00
Cash on Fixed Deposit, TDR, STD, Current Account and Cash in Transit with Bank	577,474,259.00
Cash in Hand	2,600,657.00
Interest Accrued but not due/Profit, Interest, Dividend & Rent accrued but not due	12,700,374.00
Sundry Debtors Including Advances, Deposits & Prepayments	60,600,252.00
Stock of Printing and Stationery	480,000.00
Stamps in Hand	899,354.00
Fixed Assets (At Cost less Depreciation)	20,679,143.00
Amount due from Other Persons or Bodies Carrying on Insurance Business	43,259,243.00
Total	**951,068,683.00**

The annexed notes form an integral part of these Financial Statements

These financial statements were approved and authorized for issue by the board of directors on 3 April, 2018 and signed for and on behalf of the Board.

Md. Azizul Islam	**A.K.M Aminul Islam**	**Anwar Hossain Chowdhury**	**Engr. Khandaker Mesbahuddin Ahmed**
Chief Executive Officer	Director	Director	Chairman

Signed as per our annexed report of even date

Place: Dhaka, Bangladesh
Dated: 18 March, 2018

SHIRAZ KHAN BASAK & CO.
Chartered Accountants

AMAR STOCK

Accounting Policies And Explanatory Notes

For The Year Ended 31st December, 2017

The accounting policies and explanatory notes to the financial statements have been set out below in the manner as prescribed by the BAS 1 "Preparation and Presentation of Financial Statements".

1.0 The company & its Activities:

1.1 Status of the company: The Company was incorporated in Bangladesh as a Public Company Limited by Shares on the 27th day of December, 2001 under the Companies Act, 1994. 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) Act (VII) of 1994.

1.2 Address of Registered Office: The registered office of the Company is located at 42, Dilkusha Commercial Area, 7th Floor, Dhaka -1000.

1.3 Principal Activities: The principal activities of the Company are to carry on all kinds of insurance, guarantee and indemnity business other than life insurance business.

1.4 Number of Employees:

There were 1,086 employees at the year ended 31st December, 2017

Sl.No.	Particulars	No. of Employees
(i)	Chief Executive Officer	01
(ii)	Assistant Managing Director	09
(iii)	Senior General Manager	12
(iv)	General Manager	28
(vi	Senior Deputy General Manager	05
(vi)	Deputy General Manager	63
(vii)	Senior Assistant General Manager	04
(viii)	Other Employees	1,014
	Total	**1,136**

2.00 Summary of significant accounting policies and basis of presenting financial statements:

2.01 Basis of preparation of financial statements: The following underlying assumptions, measurement base, laws, rules, regulations and accounting pronouncements have been considered in preparing and presenting the financial statements:

a) Going Concern

b) Accrual

c) Historical Cost Convention

e) Generally accepted accounting principles and practices in Bangladesh

f) The Companies Act, 1994

g) Insurance Act, 2010

h) Insurance Act, 1938

i) Insurance Rule, 1958

j) The Securities and Exchange Rules, 1987

k) The Accounting Standards adopted by the Institute of Chartered Accountants of Bangladesh (ICAB).

2.02 Compliance of Bangladesh Financial Reporting Standards (BFRSs)

The Financial Statements have been prepared in accordance with the Bangladesh Financial Reporting Standards (BFRSs), including Bangladesh Accounting Standards (BASs).

2.03 Risk and Uncertainty for use of Estimates and Judgments

The preparation of financial statements in conformity with the Bangladesh Financial Reporting Standards (BFRSs) including the Bangladesh Accounting Standards (BASs) require management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets liabilities, income and expenses, and for

contingent assets and liabilities that require disclosure during and at the date of financial statements.

Actual results could differ from those estimates. Estimates and underline assumptions are used for accounting of certain items such as long-term contracts, provision for doubtful accounts, depreciation and amortization, taxes, reserves and contingencies.

2.04 Adoption of Bangladesh Accounting Standards (BASs)

In preparing and presenting these financial statements, considering relevant for the significant accounting issues of the company, following BASs have been implemented by the company. Which were issued by the ICAB formulated in the light of the BASs originally issued by the International Accounting Standards Board and the conditions and practices prevailing in Bangladesh, and valid as on the balance sheet date:

BAS I Presentation of Financial Statements
BAS 2 Inventories
BAS 7 Cash Flow Statements
BAS 10 Events after the Balance Sheet Date
BAS 12 Income Tax
BAS 14 Segment Reporting
BAS 16 Property, Plant and Equipment
BAS 17 Leases
BAS 18 Revenue
BAS 19 Employees Benefit Plan
BAS 24 Related Party Disclosure
BAS 33 Earnings Per Share
BAS 36 Impairment of Assets
BAS 37 Provision, Contingent Liabilities and Contingent Assets

2.05 Specific Accounting Policies Selected and Applied for Significant Transactions and Events

The' specific accounting policies selected and applied by the Company's Directors for significant transactions and events that have material effect within the framework of BAS 1 "Presentation of Financial Statements", in preparation and presentation of financial statements have been consistently applied throughout the year and were also consistent with those used in earlier years.

For a proper understanding of the financial statements, these accounting policies are set out below in one place as prescribed by the BAS 1 "Preparation and Presentation of Financial Statement"

(a) Revenue Recognition

Revenue represents invoiced value of policies. Revenue is recognized when policies are made. Invoices were made after satisfying the following conditions as prescribed by BAS 18 "Revenue Recognition":

(i) the significant risks and rewards of ownership of the policies has been transferred to the policyholder;

(ii) premium is recognized when insurance policies are issued. The sum of premium income as appeared in classified revenue accounts is net of the refund made, re-insurance ceded and re-insurance premium on PSB;

(iii) total amount of premium earned on various classes insurance business underwritten during the year has been duly accounted for in the books of account of the Company and while preparing the financial statements of accounts, the effect of 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 reflected in order to arrive at the net underwriting profit for the period.

(iv) the premium in respect of Company's share of Public Sector Insurance Business (PSB) is accounted for in the year in which relevant statement of accounts from Sadharan Bima Corporation are received. The statements of account for the period from July-2016 to June-2017 have been received from SBC and the Company's share of PSB for the aforesaid period has been recognized in these financial statements accordingly;

(v) Amounts received against issue of Cover Notes, which have not been converted into Policy are recognized as income at the earlier of Cover Notes converted into Policy or after expiry of nine months Cover Notes in accordance with Regulatory Authority's Circular;

(vi) Interest on Fixed Deposit Receipts (FDR) and Bangladesh Government Treasury Bond (BGTB) are recognized as revenue on accrual basis;

(vii) Necessary adjustment in respect of re-insurance ceded and accepted in Bangladesh has duly been made in respective Revenue Account as per Treaty Agreement made with Sadharan Bima Corporation (SBC) and Foreign Re-Insurer(s);

(b) Revenue Account

While preparing the Revenue Account, the effect of necessary adjustment has duly been given in to accounts in respect of re-insurance business ceded and accepted. Re-Insurance Premium ceded has been accounted for into accounts.

Surplus or deficit on revenue have been arrived at after providing for un-expired risks @ 40% on all business except Marine Hull Insurance for which 100% provision has been created for un-expired risks.

(c) Premium and Claim

The total amount of premium earned on various classes insurance business underwritten during the period has been duly accounted for in the books of account of the Company and while preparing the financial statements of accounts, the effect of re-insurance ceded as well as the effect of total estimated liabilities in respect of outstanding claims at the end of the period whether due or intimated have also been reflected in order to arrive at the net underwriting profit for the period.

(d) Allocation of total Management Expenses

Total related management expenses have been allocated among the revenue accounts on pro-rata basis of their respective gross premium income.

(e) Recognition of Tangible Fixed Assets

These are capitalized at the cost of acquisition and subsequently stated at cost less accumulated depreciation in compliance with the benchmark treatment of BAS 16 "Property, Plant and 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 and other related incidental charges. Expenditure incurred after the assets have been put into operation, such as repairs & maintenance is normally charged off as revenue expenditure in the period in which it is incurred. In situation where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefit expected to be obtained from the use of the fixed assets, the expenditure is capitalized as an additional cost of the assets.

(f) Depreciation of Tangible Fixed Assets

In respect of all fixed assets, depreciation is provided to amortize the cost of the assets after commissioning, over their expected useful economic lives in accordance with the provision of BAS 16 "Property, Plant and Equipment"

Depreciation on Fixed Assets has been charged at a reducing balance method at rates varying from 10% to 30%. Provision for depreciation on assets purchased during the year has been made from the month of purchased.

Depreciation is charged at the rate shown below:

Furniture & Fixture	10%
Office Equipment	15%
Office Decoration	10%
Air Cooler	15%
Motor & Other Vehicles	20%
Computer	30%
Telephone Installation	15%
Crockaries & Cutleries	25%
Electrical Installation	15%
Carpet & Curtain	10%
Professional Books	10%
Software Installation	20%

(g) Investment in FDR and Shares

Investment is stated at its cost of acquisition and interest and profit on investment has been accounted for on accrual basis. The Profit and Loss Account reflects income from the investment only to the extent of distributions from accumulated net profit of the investee company in the form of dividend, which is recognized when the company's right to receive payment is established, that is, approved as dividend in the annual general meeting of the said company. Similarly the Profit and Loss Account also reflects the income on account of interest on investment only to the extent of amount which has been accrued but not due.

(h) Inventories

In compliance with the requirement of BAS 2 "Inventories", inventories are stated at the lower of cost and net realizable value.

Net realizable value is based on estimated selling price less any further cost expected to be incurred to make the sale.

(i) Sundry Debtors (Including Advance, Deposits and Pre-payments)

These are carried at original invoice amount which represents net realizable value. The entire amount is considered good and collectible and therefore no amount was written off as bad debt and no debt was considered doubtful to be provided for.

(j) Cash and Cash Equivalents

For the purpose of balance sheet and cash flow statement, cash in hand, fixed deposit with other banks, collection in hand, stamp in hand and bank balances represent Cash and Cash Equivalents considering the BAS 1"Presentation of Financial Statements" and BAS 7 "Cash Flow Statement", which provide, that cash and cash equivalents are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value and are not restricted as to use.

(k) Other Current Assets

Other current assets have a value on realization in the ordinary course of the company's business which is at least equal to the amount at which they are stated in the balance sheet

(l) Provision for Income Tax

Basis of provision for Income Tax: Net Profit-Reserve for exception loss x tax rate as prescribed in Finance Act.

(m) Deferred Tax

The company recognized deferred tax in accordance with the provision of BAS 12. Deferred tax arises due to temporary difference deductible or taxable for the events or transaction recognized in the profit and loss account. A temporary difference is the difference between tax base of asset or liability and its carried amount/reported amount in the financial statements. Deferred tax assets or liability is the amount of income tax payable on recoverable in future period(s) recognized in the current period. The deferred tax assets/expenses do not create a legal liability/recoverability from the income tax authority. An amount of Tk. 11,44,827/- has been recognized in the financial statement as deferred tax liability as on December 31, 2017. The disclosure has been made in the Note No. 10.01.

(n) Cost of Post Employment Benefits

The Company has introduced group Insurance scheme for its permanent employees. But the Company has not yet introduced the contributory provident fund, unfounded gratuity scheme.

(o) Other Corporate debt, Accounts Payable, Trade and Other Liabilities

These liabilities are carried at the anticipated settlement amount in respect of policies and services received, whether or not billed by the policyholder and the supplier.

(p) Provisions

Provisions are liabilities of uncertain timings or amount. Provisions are recognized when the company has a present legal or constructive obligation as a result of past events. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

(q) Earnings per Share (EPS)

The company calculates earnings per share (EPS) in accordance with BAS 33 earning per share "which has been shown on the face of profit and loss account. The disclosure has been made in the Note-20 in respect of numerator (net profit) and denominator (weighted average number of shares) used in the calculation of basic EPS with necessary computation and reconciliation.

Basic Earnings

This represents earnings for the year attributable to ordinary shareholders, as there was no preference dividend, minority

interest and extra ordinary items, the net profit for the year has been considered as fully attributable to the ordinary shareholders.

Diluted Earnings per Share

No diluted Earnings per share (EPS) is required to be calculated for the year as there was no scope for dilution during the year under review.

(r) Reserve for exceptional Losses

Provision for exceptional losses has been made during the year under audit.

(s) Share of Public Sector Business

Company's Share of Public Sector business is accounted for in the year I which the complete statement of accounts from Sadharan Bima Corporation (SBC) is received. During the year the company has included 4 (four) quarters of its share of the Public Sector business as confirmed by the Sadharan Bima Corporation (SBC) in the following manner:

Period	Particulars of Quarter	No.
1st July, 2016 to 30th Sep-2016	3rd Quarter-2016	1 (One)
1st Oct, 2016 to 31st December, 2016	4th quarter of 2016	1 (One)
1st January, 2017 to 31st March, 2017	1 st quarter of 2017	1 (One)
1st April, 2017 to 30th June, 2017	2nd quarter of 2017	1 (One)
Total		**4 (Four)**

(t) Recognized Gains and Losses

No gain or loss was directly dealt with through the shareholders equity without being recognized in the profit and loss account.

Therefore, net profit after tax for the year is the total recognized gains.

(u Historical Cost Profit and Losses

As there was no extra ordinary item, there was no difference in profit from ordinary activities before taxation and the net profit before tax. Furthermore, as there was no revaluation of fixed assets in previous years and during the year under review, there was no factor like the differences between historical cost depreciation and depreciation on revalued amount, realization of revenue surplus on retirement or disposal of assets etc. Therefore, no separate note of historical cost profit and loss has been presented.

(v) Profit and Loss Account

The results for the year were not materially affected by the following:

(a) transactions of a nature not usually undertaken by the company;

(b) circumstances of an exceptional or non-recurring nature;

(c) charges or credits relating to prior years.

2.06 Classified Summary of Assets

The valuation of all assets as at 31st December, 2017 as shown in the Balance Sheet and in the classified summary of assets in Form AA annexed with the report has been reviewed and the said assets have been set-¬forth in the Balance Sheet at amount not exceeding their realizable or market value in aggregate.

2.07 Financial Instruments and Derivatives

Primary Financial Instruments (Financial Assets and Liabilities)

The disclosure of primary financial instruments carried at the balance sheet date along with the recognition methods and risks involved are summarized in accordance with the provisions of BAS 32 Financial Instruments: "Disclosure and Presentation."

2.08 Derivative Financial Instruments

The Company is not a party to any derivative contract at the balance sheet date, such as forward exchange contract, currency swap agreement or interest rate option contract to hedge currency exposure related to import of raw materials and others or principal and interest obligations of foreign currency loans.

2.09 Impairment

In accordance with the provisions of BAS 36: Impairment of Assets, the carrying amount of non-financial assets, other than inventories are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated and impairment losses are recognized in profit and loss account. No such indication of impairment has been observed till to date.

2.10 Information by Industry Segments and Geographical Area Industry Segment Information

No mention is made because the company does not have any segment other than the insurance business.

Geographic Segment Information

Not applicable as the company does not have any business unit outside Bangladesh.

2.11 Reporting Currency

No Foreign Currency Transactions were transacted during the period and thus the conversion of Foreign Currency into Bangladeshi Taka Currency not required during the year ended 31st December, 2016.

2.12 Comparative Information and Re-Arrangement thereof

Comparative information has been disclosed in respect of the year 2016 for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current year's financial statements

Figures of the year 2016 have been rearranged whenever considered necessary to ensure comparability with the current year.

2.13 Transactions with Related Parties

The company carried out a number of transactions with related parties in the normal course of business and on arm's length basis. The information as required by BAS 24: Related party disclosures has been disclosed in a separate note to the accounts.

2.14 Events after the Balance Sheet Date

In compliance with the requirements of BAS 10: Events After the Balance Sheet Date, post balance sheet adjusting events that provide additional information about the company's position at the balance sheet date are reflected in the financial statements and events after the balance sheet date that are not adjusting events are disclosed in the notes when material

2.15 Approval of the Financial Statements

The financial statements were approved by the Board of Directors on 3rd April, 2018.

2.16 Reporting Period

The Financial Statements of the Company cover a year from 1st January, 2017 to 31st December, 2017 consistently.

2.17 Cash Flow Statement

Cash Flow Statement is prepared principally in accordance with BAS 7 "Cash Flow Statement' and the Cash Flow from the operating activities have been presented under direct method as required by the Securities and Exchange Rules 1987 and considering the provisions of Paragraph 19 of BAS 7 which provides that "Enterprises are Encouraged to Report Cash Flow from Operating Activities Using the Direct Method".

2.18 Components of the Financial Statements

According to the Bangladesh Accounting Standards (BAS) 1"Presentation and Preparation of Financial Statements", the complete set of Financial Statements includes the following components:

(i) Balance Sheet as at 31st December, 2017

(ii) Profit & Loss Appropriation Account for the year ended 31st December, 2017;

(iii) Profit and Loss Account for the year ended 31st December, 2017;

(iv) Revenue Accounts (Fire, Marine Cargo, Marine Hull, Motor, and Miscellaneous Insurance Revenue Account) for the year ended 31st December, 2017;

(v) Statement of Changes in Equity for the year ended 31st December, 2017;

(vi) Cash Flow Statement for the year ended 31st December, 2017

(vii) Accounting Policies and Explanatory Notes.

Notes to the Accounts

For The Year Ended 31st December, 2017

BALANCE SHEET

CAPITAL AND LIABILITIES

		AMOUNT (TK.) 2017	AMOUNT (TK.) 2016
03.00	**AUTHORIZED SHARE CAPITAL**	**Tk. 100,00,00,000**	**Tk. 100,00,00,000**

The Authorized Share Capital of the Company is Tk. 100,00,00,000/= divided into 10,00,00,000 Ordinary Shares of Tk. 10/= each.

03.01	**ISSUED, SUBSCRIBED AND PAID UP CAPITAL**	**Tk 37,90,22,580**	**Tk. 36,09,73,890**
	3,60,97,389 Ordinary Shares of Tk. 10/= each Issued, Subscribed and Fully Paid up by the Shareholders	36,09,73,890	34,37,84,660
	18,04,869 Ordinary Shares of Tk. 10/= each Fully paid up as bonus share(5%) allotted in 2017	1,80,48,690	1,71,89,230
		37,90,22,580	**36,09,73,890**

03.02	**CATEGORY OF SHARE HOLDERS**	**No. of Shares**
	a) Category-A Sponsor Shareholders. (34.79% of total paid-up Shares)	13184994
	b) Category-B General public and institutional investor (65.21% of total paid-up shares)	24717264
	Total	**3,79,02,258**

03.03 **DISTRIBUTION SCHEDULE OF PAID-UP CAPITAL**

As per listing rules of Stock Exchange a distribution schedule of each class of equity shares and the number of holder and percentage as at 31-12-2017 is given below;

Class Interval	No. of Shares	No. of Shareholders	Total holdings %
Below -500	1,44,904	1052	0.38%
500-5000	21,47,177	1378	5.67%
5001-10000	6,15,159	85	1.62%
10001-20000	8,04,519	59	2.12%
20001-30000	6,48,585	26	1.71%
30001-40000	1,35,834	4	0.36%
40001-50000	2,88,453	6	0.76%
50001-100000	9,80,513	14	2.59%
Above-100000	3,21,37,114	54	84.79%
Total	**3,79,02,258**	**2,678**	**100%**

04.	**RESERVE OR CONTINGENCY ACCOUNT**	**Tk 28,38,86,439**	**Tk. 24,49,67,321**

This is made up as follows:

04.01	Reserves for Exceptional Losses Account	Tk 20,53,97,861	Tk 18,46,35,028
04.02	Capital Reserve Account	Tk 59,14,198	Tk 59,14,198
04.03	General Reserve Account	Tk 1,38,63,000	Tk 1,26,63,000
04.04	Dividend Equalization Reserve	Tk 15,00,000	Tk 15,00,000
04.05	Fair value Reserve	Tk 1,46,50,827	Tk 1,17,43,167
	Profit & Loss Appropriation Account	Tk 4,25,60,553	Tk 2,85,11,928
		Tk 28,38,86,439	**Tk 24,49,67,321**

04.01 **RESERVE FOR EXCEPTIONAL LOSSES ACCOUNT** **Tk 20,53,97,861** **Tk. 18,46,35,028**

This is made up as follows:

Particulars	Amount (Tk.) 2017	Amount (Tk.) 2016
Balance brought forward	18,46,35,028	16,32,44,337
Add: Provision during the year (10% on Net Premium Income)	2,07,62,833	2,13,90,691
Total	**20,53,97,861**	**18,46,35,028**

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.

04.02 **CAPITAL RESERVE ACCOUNT** **Tk 59,14,198** **Tk. 59,14,198**

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

Particulars	Amount (Tk.) 2017	Amount (Tk.) 2016
Balance brought forward	59,14,198	59,14,198
Add: during the year		-
Total	59,14,198	**59,14,198**

04.03 **GENERAL RESERVE ACCOUNT** **Tk 1,38,63,000** **Tk 43,63,000**

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

Particulars	Amount (Tk.) 2017	Amount (Tk.) 2016
Balance brought forward	43,63,000	1,26,63,000
Add: Transfer to Profit & Loss Appropriation Account	95,00,000	(83,00,000)
Total	**1,38,63,000**	**43,63,000**

As decided by the Board of Directors at its 95th Meeting held on 03/04/2018 an amount of Tk. 95,00,000/- (After Provision of Income Tax) has been transferred to General Reserve Account against interest income received for the year ended 31st December 2017.

04.04 **DIVIDEND EQUALIZATION RESERVE** **Tk 15,00,000** **Tk 15,00,000**

Particulars	Amount (Tk.) 2017	Amount (Tk.) 2016
Balance brought forward	**15,00,000**	15,00,000
Less: Transfer to Profit & Loss Appropriation Account	**-**	**-**
Balance at 31-12-2017	**15,00,000**	**15,00,000**

04.05 **FAIR VALUE RESERVE** **Tk 1,46,50,827** **Tk. 1,17,43,167**

Particulars	Amount (Tk.) 2017	Amount (Tk.) 2016
Fair Value of the Investment	20,73,75,401	17,86,71,052
Less: Cost Price of Investment	19,27,24,574	16,69,27,885
Fair value Reserve	**1,46,50,827**	**1,17,43,167**

05. **BALANCE OF FUNDS AND ACCOUNTS** **Tk 8,35,65,507** **Tk 8,61,37,410**

This represents Reserve for un-expired risks provided against the Net Premium Income of the year at the rates varying from 40% to 100% on different classes of business including Public Sector Business as shown below:

CLASSES OF BUSINESS	PERCENTAGE	AMOUNT (TK.) 2017	AMOUNT (TK.) 2016
Fire	40%	3,20,48,468	3,85,45,049
Marine Cargo	40%	3,96,15,187	3,68,89,523
Marine Hull	100%	8,56,961	9,57,740
Motor	40%	93,76,679	75,08,770
Miscellaneous	40%	16,68,212	22,36,328
TOTAL		**8,35,65,507**	**8,61,37,410**

06. **OTHER SUMS OWING (PREMIUM DEPOSITS ACCOUNT)** **Tk 1,14,85,830** **Tk 1,10,94,096**

Balance on this account represents premium received against cover notes issued on account of Marine Cargo for which no policy has been issued within 31st December, 2017 .

07. **ESTIMATED LIABILITIES IN RESPECT OF OUTSTANDING CLAIMS WHETHER DUE OR INTIMATED** **Tk 1,77,91,228** **Tk. 1,51,82,715**

The break up of the above amount is noted below:

CLASSES OF BUSINESS	PRIVATE SECTOR	PUBLIC SECTOR	TOTAL 2017	TOTAL 2016
Fire	89,05,203	0	89,05,203	82,53,376
Marine Cargo	48,98,364	0	48,98,364	32,60,443
Marine Hull	15,000	0	15,000	1,00,000
Motor	29,81,900	0	29,81,899	26,03,530
Miscellaneous	9,90,761	0	9,90,761	9,65,366
Total	**1,77,91,228**	**0**	**1,77,91,228**	**1,51,82,715**

08. **AMOUNT DUE TO OTHER PERSONS OR BODIES** **Tk. 2,88,31,247** **Tk. 6,07,48,159**

CARRYING ON INSURANCE BUSINESS

The break up of the above amount is noted below:

NAME OF THE PERSON OR BODIES	AMOUNT (TK.) 2017	AMOUNT (TK.) 2016
Sadharan Bima Corporation	2,88,31,247	5,17,18,428
Overseas Re-Insurer	-	90,29,731
Total	**2,88,31,247**	**6,07,48,159**

09. **SUNDRY CREDITORS** **Tk. 90,66,637** **Tk. 85,07,391**
-Including Provision for Expenses

The balance is made as under:

PARTICULARS	AMOUNT (TK.) 2017	AMOUNT (TK.) 2016
Share Application Money	20,51,529	20,51,529
VAT	29,80,804	27,69,327
Unpaid Dividend	30,48,267	27,17,748
Liabilities for Expenses	8,45,537	8,45,537
Audit Fee	57,500	40,250
Earnest Money & security Deposit	83,000	83,000
Total	**90,66,637**	**85,07,391**

10. **PROVISION FOR INCOME TAX** **Tk 4,50,25,769** **Tk. . 7,17,40,464**

This is made up as follows:

Particulars	Amount (Tk.)	Amount (Tk.)
Balance brought forward	7,07,28,855	5,62,16,912
Less: Previous Year Adjustment	3,58,25,639	
	3,49,03,216	5,62,16,912
Add: Provision during the year 2017	89,77,726	1,45,11,943
	4,38,80,942	7,07,28,855
Add: Deferred Tax Liability	11,44,827	10,11,609
Total	**4,50,25,769**	**7,17,40,464**

10.01 **DEFERRED TAX LIABILITY**

This is made up as follows:

Particulars	Amount (Tk.)	Amount (Tk.)
Carrying Amount of Tangible Fixed Assets	**2,06,79,144**	1,78,84,107
Tax base of Tangible Fixed Assets	**1,78,17,075**	1,53,55,083
	28,62,069	25,29,024
Applicable Tax Rate	40%	40%
Deferred Tax Liability	11,44,827	10,11,609
Deferred Tax (Income) /Expenses for the year	**1,33,218**	**1,10,740**

10.02 **QUARD-E-HASANA(LOAN) FROM BANKS** **TK 9,23,93,446** **TK. 3,00,00,000**

This is made up as follows:

Particulars	Amount (Tk.)	Amount (Tk.)
The Quard-e-Hasana from Islami Bank Bangladesh Ltd. against our Term Deposit Receipt (TDR) of Tk. 10,29,00,000/-	9,23,93,446	3,00,00,000

PROPERTY AND ASSETS

11.	**INVESTMENT**	**Tk. 23,23,75,401**	**Tk. 17,44,15,734**
	This is made up as follows:		
	11.01 Bangladesh Government Treasury Bond (BGTB)	TK . 2,50,00,000	Tk. 2,50,00,000
	11.02 Investment in Shares	Tk 20,73,75,401	Tk. 14,94,15,734
		Tk. 23,23,75,401	**Tk. 17,44,15,734**
11.01	**BANGLADESH GOVERNMENT TREASURY BOND**	**Tk. 2,50,00,000**	**Tk. 2,50,00,000**

The above amount represents the value of 15 (Fifteen) years Bangladesh Government Treasury Bond at cost held with Bangladesh Bank according to the provision of Section 23 and 24 of Insurance Act 2010 as detailed below:

PARTICULARS	AMOUNT (in TK.) 2017	AMOUNT (in TK.) 2016
ISIN NO: BD0928311150 , Issue Date: 20/02/2013 and Maturity Date: 20/02/2028	2,50,00,000	2,50,00,000
BANGLADESH GOVERNMENT TREASURY BOND	**2,50,00,000**	**2,50,00,000**

11.02 **FAIR VALUE OF INVESTMENT IN SHARES** **Tk. 20,73,75,401.00** **Tk. 17,86,71,052.00**

Name of the Company	No. of share As on 31-12-2017	Unit Cost price on 31-12-2017	Value at Cost on 31-12-2017	Unit Market Price at 31-12-2017	Fair Value as on 31-12-2017
Islami Bank Bd Ltd	21,67,189	27.80	6,02,47,855.00	36.60	7,93,19,116.60
AAMRA Networks Ltd	37,851	39.00	14,76,189.00	97.70	36,98,042.70
ACMELAB	12,105	110.53	13,37,981.54	114.00	13,79,970.00
BEACONPHARMA	**7,00,000**	**23.36**	**1,63,54,266.35**	**21.30**	**1,49,10,000.00**
Beximco Ltd	3,78,000	33.78	1,27,67,147.00	27.00	1,02,06,000.00
Desco	2,09,200	54.86	1,14,76,386.00	45.40	94,97,680.00
Golden Harvest Agro Ind.Ltd	50,000	45.12	22,56,012.00	42.10	21,05,000.00
IFIL Islamic MF-1	**1,00,000**	**6.30**	**6,30,000.00**	**7.50**	**7,50,000.00**
JAMUNAOIL	40,000	214.47	85,78,640.39	189.70	75,88,000.00
MJL BD.LTD	23,500	120.02	28,20,558.68	109.10	25,63,850.00
Nahee Aluminum composit Panel Ltd	**12,553**	**9.09**	**1,14,120.00**	**73.40**	**9,21,390.20**
Oimex Electrode ltd.	7,129	9.09	64,810.00	65.20	4,64,810.80
Orion Pharma	2,43,500	49.89	1,21,47,501.00	48.70	1,18,58,450.05
Rupali insurance Co Ltd	5,01,000	21.37	1,07,06,759.51	20.40	1,02,20,400.00
Samorita Hospital Ltd	1,30,350	74.25	96,78,891.00	80.70	1,0,5,19,245.00
Shahjalal Islami bank Ltd	**1,00,000**	**33.97**	**33,96,808.00**	**33.00**	**33,00,000.00**
Summit Power Ltd	1,00,000	42.49	42,49,328.00	35.90	35,90,000.00
Titasgas	35,000	47.40	16,59,000.00	44.20	15,47,000.00
WMShipyard	67,200	26.71	17,94,834.84	29.30	19,68,960.00
Bashundhara paper Mills ltd	**43,225**	**80.00**	**34,58,000.00**	**80.00**	**34,58,000.00**
Aman Cotton Fibrous Ltd	31,385	40.00	**12,55,400.00**	**40.00**	**12,55,400.00**
Balance With Broker House			**2,62,54,085.66**		**2,62,54,085.66**
Total	**49,89,187**		**19,27,24,574.00**		**20,73,75,401.00**

12. **PROFIT, INTEREST DIVIDEND & RENTS (ACCRUED BUT NOT DUE)** — **Tk. 1,27,00,374** — **Tk. 52,94,467**

This is made up as follows:

PARTICULARS	AMOUNT (TK.) 2017	AMOUNT (TK.) 2016
Profit Accrued on TDR	93,93,712	38,56,940
Interest on FDR	22,08,448	3,39,313
Bangladesh Government Treasury Bond (BGTB)	10,98,214	10,98,214
Total	**1,27,00,374**	**52,94,467**

13. **AMOUNT DUE FROM OTHER PERSONS OR BODIES CARRYING ON INSURANCE BUSINESS** — **Tk. 4,32,59,244** — **Tk. 3,53,30,974**

The break up of the above amount is noted below:

PARTICULARS	AMOUNT (TK.) 2017	AMOUNT (TK.) 2016
Sadharan Bima Corporation	4,32,59,244	3,53,30,974
Overseas Re-Insurer	-	-
Total	4,32,59,244	3,53,30,974

14. **SUNDRY DEBTORS (Including Advances, Deposits & Prepayments)** — **Tk. 6,06,00,252** — **Tk. 8,04,02,388**

The break up of the above is as under:

PARTICULARS	AMOUNT (TK.) 2017	AMOUNT (TK.) 2016
Advance against Salary	5,22,248	14,24,750
Advance against Office Rent	66,78,310	57,48,839
Advance Income Tax	5,05,08,791	6,82,92,796
Advance VAT Payment	12,40,500	20,16,700
R.R. Securities Ltd.	301	301
RNI Securities Ltd.	102	102
Commission Receivable	16,50,000	29,18,900
Total	**6,06,00,252**	**8,04,02,388**

15. **CASH AND BANK BALANCES** — **Tk. 58,00,74,916** — **Tk. 54,53,51,346**

The above amount is made up as follows:

PARTICULARS	AMOUNT (TK.) 2017	AMOUNT (TK.) 2016
Term Deposit Accounts	44,83,00,000	41,39,00,000
Fixed Deposit Receipt	8,45,50,000	8,24,00,000
Short Term Deposit Account	3,87,84,704	3,83,42,184
Current Account	54,58,555	49,00,499
Cash in hand	26,00,657	57,18,663
Cash in Transit	3,81,000	90,000
Total	**58,00,74,916**	**54,53,51,346**

16. **OTHER ACCOUNTS** **Tk. 2,20,58,497** **Tk. 1,93,01,219**

This is made up as follows:

PARTICULARS	AMOUNT (TK.) 2017	AMOUNT (TK.) 2016
(a) Fixed Assets -At Cost Less Depreciation	2,06,79,143	1,78,84,107
(b) Stock of Printing & Stationery	4,80,000	4,65,000
(c) Insurance Stamp in hand	8,99,354	9,52,112
Total	**2,20,58,497**	**1,93,01,219**

(a) **FIXED ASSETS** **Tk 2,06,75,443** **Tk 1,78,84,107**
At Cost Less Depreciation

This is made up as under:

PARTICULARS	AMOUNT (TK.) 2017	AMOUNT (TK.) 2016
Cost as at 01-01-2017/31-12-2016	4,13,62,841	4,07,99,351
Add: Addition during the year	63,04,984	32,00,490
	4,76,67,825	4,39,99,841
Less: Disposal during the year	11,35,000	26,37,000
	4,65,32,825	4,13,62,841
Depreciation as at 01-01-2017/01-01-2016	2,34,78,734	2,22,69,216
Add: Depreciation charged during the year	33,88,078	34,89,766
	2,68,66,812	2,57,58,982
Less: Adjustment during the year	10,13,130	22,80,248
	2,58,53,682	**2,34,78,734**
Balance as at 31-12-2017/31-12-2016	**2,06,79,143**	**1,78,84,107**

(b) **STOCK OF PRINTING & STATIONERY** **Tk. 4,80,000** **Tk. 4,65,000**

This is made up as follows:

PARTICULARS	AMOUNT (TK.) 2017	AMOUNT (TK.) 2016
Balance as at 01-01-2017/01-01-2016	4,65,000	4,10,000
Add: Purchase during the year	18,40,688	15,04,710
	23,05,688	19,14,710
Less: Consumption during the year	18,25,688	14,49,710
Balance as at 31-12-2017/31-12-2016	**4,80,000**	**4,65,000**

(c) **INSURANCE STAMPS IN HAND** **Tk 8,99,354** **Tk 9,52,112**

This is made up as follows:

PARTICULARS	AMOUNT (TK.) 2017	AMOUNT (TK.) 2016
Balance as at 01-01-2017/01-01-2016	9,52,112	4,821
Add: Purchase during the year	1,85,00,000	1,74,00,000
	1,94,52,112	1,74,04,821
Less: Consumption during the year	1,85,52,758	1,64,52,709
Balance as at 31-12-2017/31-12-2016	**8,99,354**	**9,52,112**

17. **PROFIT, INTEREST, DIVIDENDS & RENTS** **Tk. 3,21,03,569** **Tk. 4,01,20,216**

This is made up as follows:

PARTICULARS	AMOUNT (TK.) 2017	AMOUNT (TK.) 2016
Profit on SND Account	1,21,505	1,06,488
Profit on TDR	1,90,39,063	2,24,76,750
Interest on FDR	44,19,500	54,51,881
Dividend Received on Shares	47,71,447	84,15,543
Interest on STD Account	6,77,054	5,94,554
Interest on BGTB	30,75,000	30,75,000
Total	**3,21,03,569**	**4,01,20,216**

18. **OTHER INCOME** **Tk 4,74,02,558** **Tk 26,35,095**

This is made up as follows:

PARTICULARS	AMOUNT (TK.) 2017	AMOUNT (TK.) 2016
Miscellaneous Income	-	19,000
Capital Gain on Sales of Shares	4,74,02,558	26,16,095
Total	**4,74,02,558**	**26,35,095**

19. **ALLOCATION OF MANAGEMENT EXPENSES (Applicable to Fund)** **Tk 16,34,20,614** **Tk 13,92,19,549**

NAME OF BUSINESS	APPORTIONED EXPENSES	DIRECT CHARGE	AMOUNT (TK.) 2017	AMOUNT (TK.) 2016
Fire	8,77,48,309	9,08,174	8,86,56,483	7,87,58,658
Marine Cargo	5,66,92,660	13,36,939	5,80,29,599	4,50,70,461
Marine Hull	5,05,448	10,943	5,16,391	5,42,322
Motor	1,17,00,795	4,60,070	1,21,60,865	84,36,618
Miscellaneous	27,05,045	13,52,231	40,57,276	64,11,490
Total	**15,93,52,257**	**40,68,357**	**16,34,20,614**	**13,92,19,549**

20. **EARNINGS PER SHARE (EPS) AS PER- BAS 33:**

Earnings Per Share (EPS) is calculated in accordance with Bangladesh Accounting Standard 33: Earnings Per Share, which has been shown on the face of Profit and Loss Account.

Basic Earnings per Share (EPS)

The calculation of basic earnings per share at 31 December 2017 was based on the profit attributable to ordinary Shareholderps of Tk. 7,21,08,847/- (2016: Tk. 4,92,17,711/- and a weighted average number of ordinary shares outstanding for the year ended 31 December 2017 of 3,79,02,258 (2016 of 3,60,97,389).

Profits attributable to ordinary shareholders

(Figures in BDT)	2017	2016
Net profit after taxation for the year	**7,21,08,847**	**4,92,17,711/-**

Weighted average number of ordinary shares	**2017**	**2016**
Ordinary shares at 1st January	**3,60,97,389**	**3,43,78,466**
Bonus shares issued	**18,04,869**	**17,18,923**
Weighted average number of ordinary shares at 31st December	**3,79,02,258**	**3,60,97,389**
Restated weighted average number of ordinary shares	**3,79,02,258**	**3,60,97,389**
Earnings per share (Per share of Tk. 10.00 each)	**Tk. 1.90**	**Tk. 1.36**
Earnings per share (restated), Per share of Tk. 10.00 each	**Tk. 1.90**	**Tk. 1.30**

21. **EVENTS AFTER THE REPORTING PERIOD:**

The board of directors at its meeting no.95th held on 03/04/2018 recommended to the shareholders 6% stock & 5% cash dividend for the year ended 31st December- 2017 which will be considered for approval by the shareholders at the 18th Annual General Meeting.

22. **PAYMENT TO DIRECTORS, CHIEF EXECUTIVE OFFICER.**

The aggregate amount paid/provided during the year in respect of Directors, Chief Executive Officer and officer's up to manager level having taxable income is given:

Director's Fee	13,49,000		0
Managing Director Emolument		8,61,058.00	0
Salary-Officers		0	4,97,91,914.00
Company's Contribution to provident Fund		0	28,70,635.00
Bonus		1,25,000.00	24,67,132.00
House Rent		3,51,584.00	2,48,95,955.00
Medical Allowances		60,171.00	24,81,458.00
Other Allowance		60,171.00	16,09,777.00

23. TRANSACTIONS WITH RELATED PARTIES (BAS-24)

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 transactions involving related parties arising in normal course of business are conducted on an arm's length basis at commercial rates on the same terms and conditions as applicable to the third parties. Details of transactions with related parties and balance with then as at December 31, 2017 were as follows:

NAME OF THE RELATED PARTY	RELATIONSHIP	NATURE OF TRANSACTION	PREMIUM EARNED IN 2017(TK)	PREMIUM OUTSTANDING UP TO 31.12.17	AMOUNT REALIZED SUBSEQUENTLY	CLAIM PAID IN 2017
Hashem Food Ltd.	Director	Insurance	31,13,662	Nil	Nil	Nil
Anwer Khan Modern Hospital Ltd.	Director	Insurance	29,37,250	Nil	Nil	Nil
Modern Diagnostic Center	Director	Insurance	2,02,635	Nil	Nil	Nil
A. J. Fashions Ltd.	Director	Insurance	14,58,141	Nil	Nil	Nil
Lucky Star Apparels Ltd.	Director	Insurance	10,32,412	Nil	Nil	Nil
Mahmud Denim Ltd.	Director	Insurance	14,18,242	Nil	Nil	Nil
Mahmud Fabrics & Finishing Ltd	Director	Insurance	41,89,722	Nil	Nil	Nil
Provita Feed Ltd	Director	Insurance	87,43,993	Nil	Nil	Nil
Provita Hatchery Ltd	Director	Insurance	5,97,632	Nil	Nil	Nil
Provita Fish feed Ltd	Director	Insurance	23,70,563	Nil	Nil	Nil
Total			**2,60,64,252**			

Statement of Premium Income

For The Year Ended at December 31, 2017

CLASS OF BUSINESS	PREMIUM EARNED		TOTAL	LESS:RE-INSURANCE PREMIUM CEDED		TOTAL	NET PREMIUM
	OWN	PUBLIC	PREMIUM EARNED	OWN	PUBLIC		EARNED
1	2	3	4=(2+3)	5	6	7=(5+6)	8=(4-7)
FIRE	191,703,537.00	5,210,551.00	196,914,088.00	112,618,506.00	4,174,412.00	116,792,918.00	80,121,170.00
MARINE CARGO	123,856,329.00	17,676,881.00	141,533,210.00	28,964,153.00	13,531,090.00	42,495,243.00	99,037,967.00
MARINE HULL	1,104,250.00	229,846.00	1,334,096.00	374,307.00	102,828.00	477,135.00	856,961.00
MOTOR	25,562,701.00	2,552,342.00	28,115,043.00	4,610,712.00	62,633.00	4,673,345.00	23,441,698.00
MISCELLANEOUS	5,909,705.00	23,304,103.00	29,213,808.00	2,811,494.00	22,231,785.00	25,043,279.00	4,170,529.00
TOTAL	**348,136,522.00**	**48,973,723.00**	**397,110,245.00**	**149,379,172.00**	**40,102,748.00**	**189,481,920.00**	**207,628,325.00**

TRUESTOCK

Claim Under Polices Less Re-Insurance

For The Year Ended at December 31, 2017

CLASS OF BUSINESS	CLAIM PAID		TOTAL CLAIM PAID	CLAIM RECOVERY		TOTAL RECOVERY	NET CLAIM
	DIRECT	PUBLIC		OWN	PUBLIC		
1	2	3	4=(2+3)	5	6	7=(5+6)	8=(4-7)
FIRE	106,960,522.00	202,095.00	107,162,617.00	81,350,297.00	-	81,350,297.00	25,812,320.00
MARINE CARGO	1,558,189.00	914,792.00	2,472,981.00	1,455,334.00	-	1,455,334.00	1,017,647.00
MARINE HULL	-	621.00	621.00	-	-	-	621.00
MOTOR	1,897,275.00	128,904.00	2,026,179.00	-	-	-	2,026,179.00
MISCELLANEOUS	-	66,982.00	66,982.00	-	-	-	66,982.00
TOTAL	**110,415,986.00**	**1,313,394.00**	**111,729,380.00**	**82,805,631.00**	**-**	**82,805,631.00**	**28,923,749.00**

IMARSTOCK

Takaful Islami Insurance Limited
তাকাফুল ইসলামী ইন্স্যুরেন্স লিমিটেড

Head Office : 42, Dilkusha C/A (7th Floor), Dhaka-1000, Bangladesh
Tel : 9570928-30, Fax : 880-02-9568212, 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 18th Annual General Meeting of the Company to be held on May 13, 2018 at 10:00 a.m at Institution of Diploma Engineers, Bangladesh, Muktijuddho Smrity Milonayaton, IDEB Bhaban, 160/A, Kakrail, VIP Road, Dhaka and any adjournment thereof.

Signed this ..... day of ..... 2018.

Signature of Proxy : .....

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

Revenue Stamp Tk. 20.00

Signature of Shareholder(s) :.....

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
তাকাফুল ইসলামী ইন্স্যুরেন্স লিমিটেড

Head Office : 42, Dilkusha C/A (7th Floor), Dhaka-1000, Bangladesh
Tel : 9570928-30, Fax : 880-02-9568212, E-mail : takaful@dhaka.net, Web : takaful.com.bd

ATTENDANCE SLIP

I hereby record my attendance at the 18th Annual General Meeting of the Company being held on May 13, 2018 at 10:00 a.m at Institution of Diploma Engineers, Bangladesh, Muktijuddho Smrity Milonayaton, IDEB Bhaban, 160/A, Kakrail, VIP Road, Dhaka.

Name of Shareholder(s)/Proxy .....

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

Signature of Shareholder(s)/Proxy

Date : .....

N.B. Please present this slip at the Reception Desk.