



Auditor's Report

- (I) We have examined the annexed Balance Sheet of **Green Delta Insurance Company Limited** as at 31st December, 1990 and related Fire, Marine, Motor and Miscellaneous Revenue Accounts and the Profit and Loss and Appropriation Account for the year to that date.
- (II) Our examination was made in accordance with generally accepted auditing standards and accordingly included such test of the accounting records and such other audit procedures as were considered necessary in the circumstances.
- (III) We have obtained all the information and explanations we required and in our opinion, the Balance Sheet and the relevant accounts have been drawn up in conformity with the Insurance Act, 1938.
- (IV) In our opinion, the aforementioned financial statements, read in conjunction with our annexed notes of even date which are an integral part of the report, presents fairly the financial position of the Company and results of its operation for the above in conformity with generally accepted insurance accounting principles.
- (V) Proper books of accounts have been maintained by the Company as required by the statute.

17th June 1991

Khan Wahab Shafique Rahman & Co.
Chartered Accountants



Balance Sheet As at 31st December 1990

Capital and Liabilities	Note	1990 Taka	1989 Taka
Share Capital			
Authorised	2	<u>100,000,000</u>	<u>100,000,000</u>
Issued, subscribed and paid-up		60,000,000	60,000,000
Reserve or Contingency Account			
Reserve for exceptional losses	3	24,482,695	17,394,695
General Reserve		250,000	250,000
Profit and Loss Appropriation Account		423,601	291,045
Balance of Fund Accounts			
Fire Insurance Business		12,938,005	9,644,131
Marine Cargo Insurance Business		13,752,959	16,918,267
Marine Hull Insurance Business		881,535	584,387
Motor Insurance Business		5,280,429	2,959,477
Miscellaneous Insurance Business		3,031,143	1,553,326
Premium Deposit	4	20,030,236	17,907,411
Liabilities and Provisions			
Estimated liability in respect of outstanding claims whether due or intimated	5	16,038,987	14,508,310
Amount due to other persons or bodies carrying on Insurance Business	6	26,667,985	22,342,502
Sundry Creditors (Including outstanding expenses and taxes)	7	37,484,848	33,407,249
		<u>221,262,423</u>	<u>197,760,800</u>

As per annexed report of even date.

Shafat Ahmed Chaudhuri
Chairman

Azam J. Chowdhury
Director

Dr. M. Aminul Huq
Director



Balance Sheet As at 31st December 1990

Assets and Properties	Note	1990 Taka	1989 Taka
Investment (At Cost)	8		
Pratirakkha Sanchaypatra		4,500,000	4,500,000
National Bond		600,000	600,000
Securities		2,757,071	2,757,500
Outstanding Premium	9	19,983,192	11,434,069
Sundry Debtors (Including advances and deposits)	10	4,993,037	5,790,866
Cash in Hand and at Bank			
At banks on fixed deposit		140,411,061	144,240,613
At banks on STD & current account		33,588,106	16,230,895
Cash and cheque in hand and on transit		6,381,050	5,547,266
Other Accounts			
Fixed Assets (at cost less depreciation)	11	7,756,669	6,392,889
Stock of stationery and stamps		225,619	200,084
Preliminary expenses		66,618	66,618
		<u>221,262,423</u>	<u>197,760,800</u>

Nasir A. Choudhury
Managing Director

Q. M. Shariful Ala
Executive Vice President
& Company Secretary

Khan Wahab Shafique Rahman & Co.
Chartered Accountants



Profit and Loss Account
For the year ended 31st December 1990

	1990 Taka	1989 Taka
Expenses of Management (Not applicable to any particular Fund or Account)	4,209,509	3,870,546
Charity and Donation	301,350	303,733
Director's Fee	53,000	44,400
Audit Fee	65,000	64,400
Depreciation	1,872,086	2,032,871
Net profit for the year carried down to Profit and Loss Appropriation Account	35,475,908	28,737,748
	<u>41,976,853</u>	<u>35,053,698</u>

Profit and Loss Appropriation Account
For the year ended 31st December 1990

Reserve for Exceptional Losses	7,088,000	6,273,000
Reserve for Taxation	18,655,352	15,158,953
Dividend	9,600,000	7,200,000
Balance Transferred to Balance Sheet	423,601	291,045
	<u>35,766,953</u>	<u>28,922,998</u>

Shafat Ahmed Chaudhuri
Chairman

Azam J. Chowdhury
Director

Dr. M. Aminul Huq
Director



Profit and Loss Account
For the year ended 31st December 1990

	1990 Taka	1989 Taka
Interest and Dividends (Not applicable to any particular Fund or Account)		
Interest & Dividends	16,641,143	10,380,461

Profit and Loss Transferred From :

Fire Insurance Revenue Account	13,303,469	10,653,766
Marine Cargo Insurance Revenue Account	12,150,376	12,419,268
Misc. Insurance Revenue Account	784,950	1,104,339
Marine Hull Insurance Revenue Account	467,354	1,024,468
Motor Insurance Revenue Account	(1,370,439)	(528,604)
	25,335,710	24,673,237
	<u>41,976,853</u>	<u>35,053,698</u>

Profit and Loss Appropriation Account
For the year ended 31st December 1990

Balance brought forward from last year	291,045	185,250
Net profit for the year brought down	35,475,908	28,737,748
	<u>35,766,953</u>	<u>28,922,998</u>

Nasir A. Choudhury
Managing Director

Q. M. Shariful Ala
Executive Vice President
& Company Secretary

Khan Wahab Shafique Rahman & Co.
Chartered Accountants



**Consolidated all Business Revenue Account
For the year ended 31st December 1990**

	Note	1990 Taka	1989 Taka
Claims Under Policies Less Re-Insurance	13	14,893,707	13,043,888
Agency Commission		4,595,046	16,744,887
Commission on Re-Insurance Accepted		166,906	324,654
Expenses of Management		34,672,268	20,244,842
Profit Transferred to Profit and Loss Account		25,335,710	24,673,237
Balance of Accounts at the end of the year as shown in the Balance Sheet		35,884,071	31,659,588
		<u>115,547,708</u>	<u>106,691,096</u>

Shafat Ahmed Chaudhuri
Chairman

Azam J. Chowdhury
Director

Dr. M. Aminul Huq
Director



**Consolidated all Business Revenue Account
For the year ended 31st December 1990**

	Note	1990 Taka	1989 Taka
Balance of Account at the Beginning of the Year		31,659,588	30,027,683
Gross Premium		117,803,278	105,762,117
Re-Insurance Premium		(46,916,671)	(43,027,330)
Net Premium	12	70,886,607	62,734,787
Commission on Re-Insurance Ceded		13,001,513	13,928,626
		<u>115,547,708</u>	<u>106,691,096</u>

Nasir A. Choudhury
Managing Director

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Executive Vice President
& Company Secretary

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Chartered Accountants



Fire Insurance Revenue Account For the year ended 31st December 1990

	Note	1990 Taka	1989 Taka
Claims Under Policies Less Re-Insurance	13	3,422,021	6,137,772
Agency Commission		1,650,390	7,482,468
Commission on Re-Insurance Accepted		130,546	253,709
Expenses of Management		12,655,378	6,215,166
Profit Transferred to Profit and Loss Account		13,303,469	10,653,766
Balance of Account at the end of the year as shown in the Balance Sheet			
Reserve for unexpired risks being 50% of the premium income of the year		12,938,005	9,644,131
		<u>44,099,809</u>	<u>40,387,012</u>

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Chairman

Azam J. Chowdhury
Director

Dr. M. Aminul Haq
Director



**Fire Insurance Revenue Account
For the year ended 31st December 1990**

	Note	1990 Taka	1989 Taka
Balance of Account at the Begining of the Year		9,644,131	12,070,318
Premium Less Re-Insurance	12	25,876,010	19,288,262
Commission on Re-Insurance Ceded		8,579,668	9,028,432
		<u>44,099,809</u>	<u>40,387,012</u>

Nasir A. Choudhury
Managing Director

Q. M. Shariful Ala
Executive Vice President
& Company Secretary

Khan Wahab Shafique Rahman & Co.
Chartered Accountants



Marine Cargo Insurance Revenue Account For the year ended 31st December 1990

	Note	1990 Taka	1989 Taka
Claims Under Policies Less Re-Insurance	13	3,731,012	2,599,491
Agency Commission		2,537,987	5,764,951
Commission on Re-Insurance Accepted		—	18,027
Expenses of Management		13,452,840	10,911,970
Profit Transferred to Profit and Loss Account		12,150,376	12,419,268
Balance of Account at the end of the year as shown in the Balance Sheet			
Reserve for unexpired risks being 50% of the premium income of the year		13,752,959	16,918,267
		<u>45,625,174</u>	<u>48,631,974</u>

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Azam J. Chowdhury
Director

Dr. M. Aminul Huq
Director



**Marine Cargo Insurance Revenue Account
For the year ended 31st December 1990**

	Note	1990 Taka	1989 Taka
Balance of Account at the Begining of the Year		16,918,267	13,284,542
Premium Less Re-Insurance	12	27,505,918	33,836,534
Commission on Re-Insurance Ceded		1,200,989	1,510,898
		<u>45,625,174</u>	<u>48,631,974</u>

Nasir A. Choudhury
Managing Director

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& Company Secretary

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Chartered Accountants



Marine Hull Insurance Revenue Account For the year ended 31st December 1990

	Note	1990 Taka	1989 Taka
Claims Under Policies Less Re-Insurance	13	1,252,159	176,349
Agency Commission		172,525	826,798
Commission on Re-Insurance Accepted		—	—
Expenses of Management		416,067	182,204
Profit Transferred to Profit and Loss Account		467,354	1,024,468
Balance of Account at the end of the year as shown in the Balance Sheet			
Reserve for unexpired risks being 100% of the premium income of the year		881,535	584,387
		<u>3,189,640</u>	<u>2,794,206</u>

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Chairman

Azam J. Chowdhury
Director

Dr. M. Aminul Huq
Director



Marine Hull Insurance Revenue Account For the year ended 31st December 1990

	Note	1990 Taka	1989 Taka
Balance of Account at the Beginning of the Year		584,387	776,792
Premium Less Re-Insurance	12	881,535	584,387
Commission on Re-Insurance Ceded		1,723,718	1,433,027
		<u>3,189,640</u>	<u>2,794,206</u>

Nasir A. Choudhury
Managing Director

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Executive Vice President
& Company Secretary

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Chartered Accountants



Motor Insurance Revenue Account For the year ended 31st December 1990

	Note	1990 Taka	1989 Taka
Claims Under Policies Less Re-Insurance	13	4,368,876	2,428,055
Agency Commission		75,301	1,279,774
Expenses of Management		5,166,168	1,903,015
Balance of Account at the end of the year as shown in the Balance Sheet			
Reserve for unexpired risks being 50% of the premium income of the year		5,280,429	2,959,477
		<u>14,890,774</u>	<u>8,570,321</u>

Shafat Ahmed Chaudhuri
Chairman

Azam J. Chowdhury
Director

Dr. M. Aminul Huq
Director



**Motor Insurance Revenue Account
For the year ended 31st December 1990**

	Note	1990 Taka	1989 Taka
Balance of Account at the Begining of the Year		2,959,477	2,122,764
Premium Less Re-Insurance	12	10,560,858	5,918,953
Loss Transferred to Profit and Loss Account		1,370,439	528,604
		<u>14,890,774</u>	<u>8,570,321</u>

Nasir A. Choudhury
Managing Director

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Executive Vice President
& Company Secretary

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Chartered Accountants



**Miscellaneous Insurance Revenue Account
For the year ended 31st December 1990**

	Note	1990 Taka	1989 Taka
Claims Under Policies Less Re-Insurance	13	2,119,639	1,702,220
Agency Commission		158,843	1,390,896
Commission on Re-Insurance Accepted		36,360	52,918
Expenses of Management		2,981,815	1,032,487
Profit Transferred to Profit and Loss Account		784,950	1,104,339
Balance of Account at the end of the year as shown in the Balance Sheet			
Reserve for unexpired risks being 50% of the premium income of the year		3,031,143	1,553,326
		<u>9,112,750</u>	<u>6,836,186</u>

Shafat Ahmed Chaudhuri
Chairman

Azam J. Chowdhury
Director

Dr. M. Aminul Huq
Director



**Miscellaneous Insurance Revenue Account
For the year ended 31st December 1990**

	Note	1990 Taka	1989 Taka
Balance of Account at the Beginning of the Year		1,553,326	1,773,267
Premium Less Re-Insurance	12	6,062,286	3,106,651
Commission on Re-Insurance Ceded		1,497,138	1,956,268
		<u>9,112,750</u>	<u>6,836,186</u>

Nasir A. Choudhury
Managing Director

Q. M. Shariful Ala
Executive Vice President
& Company Secretary

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Chartered Accountants



Form "AA"
Classified Summary of Assets as at December 31, 1990

Sl. No.	Class of Assets	Book Value Taka
1.	Pratirakkha Sanchaya Patra	4,500,000
2.	National Bond	600,000
3.	Shares	1,00,000
4.	Debentures	2,657,071
5.	Fixed Deposit with Bank	140,411,061
6.	Cash at Bank on STD and Current Account	33,588,106
7.	Cash and Cheque in Hand and on Transit	6,381,050
8.	Outstanding Premium	19,983,192
9.	Sundry Debtors (including advance and deposits)	4,993,037
10.	Fixed Assets (at cost less depreciation)	7,756,669
11.	Stock of Stationery and Stamps	225,619
		<u>221,195,805</u>

Note : The market value of the shares (serial No. 3 above) amounted to Taka 92,000 as quoted in the Dhaka Stock Exchange on 31st December 1990.

Shafat Ahmed Chaudhuri
Chairman

Azam J. Chowdhury
Director

Dr. M. Aminul Huq
Director

Nasir A. Choudhury
Managing Director

Q. M. Shariful Ala
Executive Vice President
& Company Secretary

Khan Wahab Shafique Rahman & Co.
Chartered Accountants



Notes to the accounts For the year to December 31, 1990

1. Significant Accounting Policies

1.1 Basis of Accounting :

These accounts have been prepared on a going-concern basis under generally accepted accounting principles on historical cost convention. Requirements as to disclosure of financial informations warranted by the Insurance Act 1938 as well as International Accounting Standards as adopted in Bangladesh have been adhered to in presenting financial statements. Such financial statements comprises of the Balance Sheet, Profit and Loss Account and Revenue Accounts for specific classes of business in the form set forth in the first, second and third schedule of the Insurance Act 1938.

1.2 Depreciation :

Depreciation on fixed assets has been calculated adopting straight line method on all assets at varying rates depending on the class of assets. Methods and Rates of providing depreciation are consistently applied in relation to previous year.

Furniture & Fixture	10%
Office & Electrical Equipments	15%
Vehicles	20%

1.3 Investments are stated at their cost of aquisition. Interest on term deposits is accounted for only after receipt of the same by the Company.

1.4 Public Sector Insurance Business :

As from 1 April 1990, according to Government decision, Public Sector Insurance Business is being underwritten jointly by Sadharan Bima Corporation and 16 private sector insurance companies on co-insurance basis; 50% being underwritten by Sadharan Bima Corporation and the balance equally by 16 Private Sector Insurance Companies.

Company's share of Public Sector Business would be accounted for in the year in which the complete statement of accounts from Sadharan Bima Corporation is received. Uptil the present, no complete statement of accounts for the year 1990 has been received from Sadharan Bima Corporation and as such, the Company's share of Public Sector Insurance Business could not be incorporated in these accounts.

2. Share Capital

Authorised :

1,000,000 Ordinary Shares of Tk. 100 each Tk. 100,000,000

Issued, Subscribed and Paid-up :

600,000 Ordinary Shares of Tk. 100 each
fully paid-up in cash Tk. 60,000,000



3. Reserve for Exceptional Losses

This reserve has been made out of net premium income.

4. Premium Deposits

This represents the amount of premium deposited with the Company against covernotes for which no policy has been issued upto the end of the year and also the excess premium received during the year 1990.

5. Estimated Liability in Respect of Outstanding Claims whether Due or Intimated

Fire	5,735,271
Marine Cargo	6,403,797
Marine Hull	632,043
Motor	2,119,750
Miscellaneous	1,148,126
	<u>Tk. 16,038,987</u>

6. Amount Due to Other Persons or Bodies Carrying on Insurance Business

This represents the amount payable to Sadharan Bima Corporation (SBC) as at December 31, 1990.

7. Sundry Creditors

Liability for Expenses	1,301,641
Agency Commission Payable	226,994
Provision for Income Tax including surcharge	12,715,707
Dividend Payable	9,600,000
Other Sundry Payables	13,640,506
	<u>Tk. 37,484,848</u>

8. Investment

Pratirakkha Sanchaya Patra (PSP)	4,500,000
National Bonds	600,000
	<u>5,100,000</u>
17% Debentures in Beximco Ltd.	2,500,000
17% Debentures in Appex Tannery Ltd.	150,000
17% Debentures in Beximco Pharmaceuticals Ltd.	7,071
Shares in Rupali Bank Limited (1,000 Ordinary shares of Tk. 100 each)	100,000
	<u>Tk. 7,857,071</u>



9. Outstanding Premium

Outstanding premium represents instalments not due to date of Balance Sheet on account of Marine Hull business and premium outstanding on other businesses.

10. Sundry Debtors

Advance Office Rent	2,257,914
Advance Against Printing	155,300
Miscellaneous Advance	257,434
Advance Against Salary	11,903
Security Deposit	561,552
Other Receivables	1,748,934
	<u>Tk. 4,993,037</u>

11. Fixed Assets

Classwise cost of acquisition of assets and depreciation charged to date are shown below :

Cost	Furniture & Fixtures	Office & Electrical Equipments	Vehicles	Total
As at January 1, 1990	3,304,897	3,260,320	5,423,446	11,988,663
Additions during the year	2,603,794	1,917,557	53,800	4,575,151
Disposal during the year	(779,891)	(417,500)	(1,288,666)	(2,486,057)
As at December 31, 1990	<u>5,128,800</u>	<u>4,760,377</u>	<u>4,188,580</u>	<u>14,077,757</u>
Depreciation				
As at January 1, 1990	982,401	1,310,029	3,303,344	5,595,774
Charge for the year	512,880	714,056	837,716	2,064,652
Disposal during the year	(228,506)	(215,100)	(895,732)	(1,339,338)
As at December 31, 1990	<u>1,266,775</u>	<u>1,808,985</u>	<u>3,245,328</u>	<u>6,321,088</u>
Written Down Value				
At December 31, 1990 Tk.	<u>3,862,025</u>	<u>2,951,392</u>	<u>943,252</u>	<u>7,756,669</u>



12. Premium Less Re-Insurance

Class of Business	On Direct Business	On Re-ins. Accepted	On Re-ins. Ceded	Total
Fire	43,890,431	221,627	(18,236,048)	25,876,010
Marine Cargo	31,596,680	-	(4,090,762)	27,505,918
Marine Hull	21,761,681	49,778	(20,929,924)	881,535
Motor	11,116,693	-	(555,835)	10,560,858
Miscellaneous	9,062,712	103,676	(3,104,102)	6,062,286
Tk.	<u>117,428,197</u>	<u>375,081</u>	<u>(46,916,671)</u>	<u>70,886,607</u>

13. Claims under Policies less Re-insurance

	Fire	Marine Cargo	Marine Hull	Motor	Misc.
Claims paid during the year	4,273,769	2,282,170	741,649	3,722,426	2,343,016
Claims Outstanding at the end of the year	5,735,271	6,403,797	632,043	2,119,750	1,148,126
Claims Outstanding at the beginning of the year	(6,587,019)	(4,954,955)	(121,533)	(1,473,300)	(1,371,503)
Total Tk.	<u>3,422,021</u>	<u>3,731,012</u>	<u>1,252,159</u>	<u>4,368,876</u>	<u>2,119,639</u>