



Auditors' Report

- (I) We have examined the annexed Balance Sheet of **Green Delta Insurance Company Limited** as at 31st December, 1992 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.

18th April 1993

Khan Wahab Shafique Rahman & Co.
Chartered Accountants



Balance Sheet As at 31st December 1992

Capital and Liabilities	Note	1992 Taka	1991 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	37,840,803	30,029,787
General Reserve		250,000	250,000
Profit and Loss Appropriation Account		471,356	442,573
Balance of Fund Accounts			
Fire Insurance Business		11,890,524	11,534,740
Marine Insurance Business		16,067,933	14,501,873
Motor Insurance Business		6,783,493	5,667,146
Miscellaneous Insurance Business		3,460,559	3,481,462
Premium Deposit	5	23,988,627	18,509,593
Liabilities and Provisions			
Estimated liability in respect of outstanding claims whether due or intimated	6	16,865,303	21,824,036
Amount due to other persons or bodies carrying on Insurance Business	7	15,545,418	33,342,131
Sundry Creditors (Including outstanding expenses and taxes)	8	<u>46,765,280</u>	<u>35,821,872</u>
		<u>239,929,296</u>	<u>235,405,213</u>

As per annexed report of even date.

Shafat Ahmed Chaudhuri
Chairman

Dr. Syed Mokarram Ali
Director

Habibur Rahman
Director



Balance Sheet As at 31st December 1992

Assets and Properties	Note	1992 Taka	1991 Taka
Investment(at cost)	9	5,929,355	2,757,071
Outstanding Premium	10	27,030,071	26,382,329
Sundry Debtors (Including advances and deposits)	11	9,478,973	3,467,974
Cash, Bank Balances & Govt. Securities			
Fixed deposits & Pratihakha Sanchypatra		141,315,647	149,448,360
At banks on STD & current account		20,529,949	18,616,024
Cash cheque in hand and on transit		7,647,779	6,064,276
Other Accounts			
Land Property (at cost)	12	21,667,754	21,637,753
Other Fixed Assets (at cost less depreciation)	13	5,982,440	6,721,774
Stock of stationery and stamps		280,710	243,034
Preliminary expenses		66,618	66,618
		<u>239,929,296</u>	<u>235,405,213</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 1992

	1992 Taka	1991 Taka
Expenses of Management (Not applicable to any particular Fund or Account)	5,017,738	4,646,689
Charity and Donation	186,150	366,680
Director's Fee	85,600	39,800
Audit Fees	65,000	65,000
Depreciation	1,781,743	1,876,285
Net profit for the year carried down to Profit and Loss Appropriation Account	26,935,902	22,922,586
	<u>34,072,133</u>	<u>29,917,040</u>

Profit and Loss Appropriation Account For the year ended 31st December 1992

Reserve for Exceptional Losses	7,811,016	5,547,092
Provision for Taxation	9,496,103	9,556,522
Dividend	9,600,000	7,800,000
Balance Transferred to Balance Sheet	471,356	442,573
	<u>27,378,475</u>	<u>23,346,187</u>

Shafat Ahmed Chaudhuri
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Dr. Syed Mokarram Ali
Director

Habibur Rahman
Director



Profit and Loss Account For the year ended 31st December 1992

	1992 Taka	1991 Taka
Interest and Dividends (Not applicable to any particular Fund or Account)		
Interest & Dividends	18,577,249	15,595,977
Profit and Loss Transferred From :		
Fire Insurance Revenue Account	14,048,262	599,806
Marine Insurance Revenue Account	7,636,131	12,794,206
Misc. Insurance Revenue Account	(2,263,762)	4,161,492
Motor Insurance Revenue Account	(3,925,747)	(3,234,441)
	15,494,884	14,321,063
	<u>34,072,133</u>	<u>29,917,040</u>

Profit and Loss Appropriation Account For the year ended 31st December 1992

Balance brought forward from last year	442,573	423,601
Net profit for the year brought down	26,935,902	22,922,586
	<u>27,378,475</u>	<u>23,346,187</u>

Nasir A. Choudhury
Managing Director

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

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Chartered Accountants



**Consolidated all Business Revenue Account
For the year ended 31st December 1992**

	Note	1992 Taka	1991 Taka
Claims Under Policies Less Re-Insurance	15	22,167,141	35,609,734
Commission on Re-Insurance Accepted		104,780	133,086
Expenses of Management		56,963,883	48,226,651
Profit Transferred to Profit and Loss Account		15,494,884	14,321,063
Balance of Accounts at the end of the year as shown in the Balance Sheet	4	38,202,508	35,185,222
		<u>132,933,196</u>	<u>133,475,756</u>

Shafat Ahmed Chaudhuri
Chairman

Dr. Syed Mokarram Ali
Director

Habibur Rahman
Director



**Consolidated all Business Revenue Account
For the year ended 31st December 1992**

	Note	1992 Taka	1991 Taka
Balance of Account at the beginning of the year		35,185,222	35,884,071
Gross Premium		160,673,802	132,913,549
Re-Insurance Premium		(82,563,639)	(53,071,103)
Net Premium	14	78,110,163	79,842,446
Commission on Re-Insurance Ceded		19,637,811	17,749,239
		<u>132,933,196</u>	<u>133,475,756</u>

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Fire Insurance Revenue Account For the year ended 31st December 1992

	Note	1992 Taka	1991 Taka
Claims Under Policies Less Re-Insurance	15	4,786,395	22,744,304
Commission on Re-Insurance Accepted		86,251	104,619
Expenses of Management		17,826,200	15,828,186
Profit Transferred to Profit and Loss Account		14,048,262	599,806
Balance of Account at the end of the year as shown in the Balance Sheet :			
Reserve for unexpired risks	4	<u>11,890,524</u>	<u>11,534,740</u>
		<u>48,637,632</u>	<u>50,811,655</u>

Shafat Ahmed Chaudhuri
Chairman

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Director

Habibur Rahman
Director



**Fire Insurance Revenue Account
For the year ended 31st December 1992**

	Note	1992 Taka	1991 Taka
Balance of Account at the beginning of the year		11,534,740	12,938,005
Premium Less Re-Insurance	14	25,297,626	26,598,850
Commission on Re-Insurance Ceded		11,805,266	11,274,800
		<u>48,637,632</u>	<u>50,811,655</u>

Nasir A. Choudhury
Managing Director

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

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Marine Insurance Revenue Account For the year ended 31st December 1992

	Note	1992 Taka	1991 Taka
Claims Under Policies Less Re-Insurance	15	6,703,383	2,750,219
Commission on Re-Insurance Accepted		—	—
Expenses of Management		23,817,413	19,753,842
Profit Transferred to Profit and Loss Account		7,636,131	12,794,206
Balance of Account at the end of the year as shown in the Balance Sheet :			
Reserve for unexpired risks	4	16,067,933	14,501,873
		<u>54,224,860</u>	<u>49,800,140</u>

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Director

Habibur Rahman
Director



Marine Insurance Revenue Account
For the year ended 31st December 1992

	Note	1992 Taka	1991 Taka
Balance of Account at the beginning of the year		14,501,873	14,634,494
Premium Less Re-Insurance	14	33,948,534	32,793,821
Commission on Re-Insurance Ceded		5,774,453	2,371,825
		<u>54,224,860</u>	<u>49,800,140</u>

Nasir A. Choudhury
Managing Director

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**Motor Insurance Revenue Account
For the year ended 31st December 1992**

	Note	1992 Taka	1991 Taka
Claims Under Policies Less Re-Insurance	15	7,302,997	7,277,562
Expenses of Management		10,003,936	7,637,037
Balance of Account at the end of the year as shown in the Balance Sheet : Reserve for unexpired risks	4	6,783,493	5,667,146
		<u>24,090,426</u>	<u>20,581,745</u>

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Director

Habibur Rahman
Director



Motor Insurance Revenue Account
For the year ended 31st December 1992

	Note	1992 Taka	1991 Taka
Balance of Account at the beginning of the year		5,667,146	5,280,429
Premium Less Re-Insurance	14	14,495,207	12,064,549
Commission on Re-Insurance Ceded		2,326	2,325
Loss Transferred to Profit and Loss Account		3,925,747	3,234,442
		<u>24,090,426</u>	<u>20,581,745</u>

Nasir A. Choudhury
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& Company Secretary

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Chartered Accountants



Miscellaneous Insurance Revenue Account For the year ended 31st December 1992

	Note	1992 Taka	1991 Taka
Claims Under Policies Less Re-Insurance	15	3,374,366	2,837,649
Commission on Re-Insurance Accepted		18,530	28,467
Expenses of Management		5,316,334	5,007,587
Profit Transferred to Profit and Loss Account		—	4,161,492
Balance of Account at the end of the year as shown in the Balance Sheet :			
Reserve for unexpired risks	4	<u>3,460,559</u>	<u>3,481,463</u>
		<u>12,169,789</u>	<u>15,516,658</u>

Shafat Ahmed Chaudhuri
Chairman

Dr. Syed Mokarram Ali
Director

Habibur Rahman
Director



**Miscellaneous Insurance Revenue Account
For the year ended 31st December 1992**

	Note	1992 Taka	1991 Taka
Balance of Account at the beginning of the year		3,481,463	3,031,143
Premium Less Re-Insurance	14	4,368,795	8,385,226
Commission on Re-Insurance Ceded		2,055,769	4,100,289
Loss Transferred to Profit and Loss Account		2,263,762	—
		<u>12,169,789</u>	<u>15,516,658</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, 1992

Sl. No.	Class of Assets	Book Value Taka
1.	Shares	176,500
2.	Debentures	5,752,855
3.	Fixed Deposit and Pratirakha Sanchypatra	141,315,647
4.	Cash at Bank on STD and Current Account	20,529,949
5.	Cash and Cheque in Hand and on Transit	7,647,779
6.	Outstanding Premium	27,030,071
7.	Sundry Debtors (including advance and deposits)	9,478,973
8.	Land Property (at cost)	21,667,754
9.	Fixed Assets (at cost less depreciation)	5,982,440
10.	Stock of Stationery and Stamps	280,710
		<hr/> <hr/>
		239,862,678

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Director

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& Company Secretary

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Chartered Accountants



Notes to the accounts For the year to December 31, 1992

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 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 acquisition and no adjustment in respect of market value is considered necessary.

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 is accounted for in the year in which the complete statement of accounts from Sadharan Bima Corporation is received. Accordingly, the Company has included its share of the 1991 Public Sector Insurance Business 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. Reserve for Unexpired Risks

Reserve for unexpired risks has been made on premium income excluding public sector business at the following rates :

Fire	50%
Marine Cargo	50%
Marine Hull	100%
Motor & Miscellaneous	50%

5. 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 1992.

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

Fire	4,689,482
Marine Cargo	4,692,302
Marine Hull	826,988
Motor	3,673,820
Miscellaneous	2,982,711

Tk. 16,865,303

7. 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, 1992.

8. Sundry Creditors

Liability for Expenses	3,425,536
Co-insurance & Refund Premium Payable	5,044,517
Provision for Income Tax & Payables	28,695,227
Dividend Payable	9,600,000

Tk. 46,765,280

9. Investments

	Face Value Taka
17% Debentures in Beximco Ltd.	1,999,000
15% Debentures in Industrial Development Leasing Company of Bangladesh Ltd.	3,750,000
17% Debentures in Beximco Pharmaceuticals Ltd.	3,855
Beximco Pharmaceuticals Ltd. (15 shares of Tk. 100/- each)	1,500
Appex Tannery Ltd. (750 shares of Tk. 100/- each)	75,000
Rupali Bank Ltd. (1000 shares of Tk. 100/- each)	100,000
	<u>5,929,355</u>



10. Outstanding Premium

Outstanding premium represents instalments not due to date of Balance Sheet on account of Marine Hull business and premium outstanding on account of co-insurance and bank guarantee.

11. Sundry Debtors

Advance Rent	1,198,699
Miscellaneous Advances	781,783
Advance Income Tax	2,500,000
Accrued Interest	4,404,699
Security Deposit	593,792
	<u>9,478,973</u>
Tk.	<u>9,478,973</u>

12. Land Property

In 1991 the Company purchased a piece of land measuring 21 kathas situated at Motijheel Circular Road, Dhaka for real estate development.

13. Fixed Assets

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

	Furniture & Fixtures	Office & Electrical Equipments	Vehicles	Total
Cost				
As at January 1, 1992	5,869,923	5,160,694	3,064,531	14,095,148
Additions during the year	379,716	466,193	395,000	1,240,909
Disposal during the year	—	(3500)	(459,400)	(462,900)
As at December 31, 1992	<u>6,249,639</u>	<u>5,623,387</u>	<u>3,000,131</u>	<u>14,873,157</u>
Depreciation				
As at January 1, 1992	1,853,767	2,579,772	2,939,835	7,373,374
Charge for the year	624,384	843,848	253,156	1,721,388
Disposal during the year	—	(525)	(203,520)	(204,045)
As at December 31, 1992	<u>2,478,151</u>	<u>3,423,095</u>	<u>2,989,471</u>	<u>8,890,717</u>
Written Down Value				
At December 31, 1992	Tk. <u>3,771,488</u>	<u>2,200,292</u>	<u>10,660</u>	<u>5,982,440</u>



14. Premium Less Re-Insurance

Class of Business	On Direct Business	On Re-ins. Accepted	On Re-ins. Ceded	Total
Fire	61,111,674	485,073	(36,299,121)	25,297,626
Marine Cargo	50,887,721	—	(16,380,270)	34,507,451
Marine Hull	20,455,915	—	(21,014,831)	(558,916)
Motor	15,090,766	8,475	(604,034)	14,495,207
Miscellaneous	12,584,417	49,761	(8,265,383)	4,368,795
Tk.	<u>160,130,493</u>	<u>543,309</u>	<u>(82,563,639)</u>	<u>78,110,163</u>

15. Claims Under Policies Less Re-insurance

	Fire	Marine Cargo	Marine Hull	Motor	Misc.
Claims paid during the year	11,276,442	5,319,235	794,707	7,216,753	2,518,737
Claims Outstanding at the end of the year	4,689,482	4,692,302	826,988	3,673,820	2,982,711
Claims Outstanding at the beginning of the year	(11,179,529)	(3,852,145)	(1,077,704)	(3,587,576)	(2,127,082)
Total	<u>4,786,395</u>	<u>6,159,392</u>	<u>543,991</u>	<u>7,302,997</u>	<u>3,374,366</u>