



Auditors' Report

- (I) We have examined the annexed Balance Sheet of **Green Delta Insurance Company Limited** as at 31st December, 1993 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.

27th April, 1994

Khan Wahab Shafique Rahman & Co.
Chartered Accountants



Balance Sheet As at 31st December 1993

Capital and Liabilities	Note	1993 Taka	1992 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	47,926,714	37,840,803
General Reserve		250,000	250,000
Profit and Loss Appropriation Account		595,337	471,356
Balance of Fund Accounts			
Fire Insurance Business		17,401,713	11,890,524
Marine Insurance Business		19,877,957	16,067,933
Motor Insurance Business		6,083,989	6,783,493
Miscellaneous Insurance Business		4,494,821	3,460,559
Premium Deposit	5	25,018,903	23,988,627
Liabilities and Provisions			
Estimated liability in respect of outstanding claims whether due or intimated	6	12,900,911	16,865,303
Amount due to other persons or bodies carrying on Insurance Business	7	37,202,618	15,545,418
Sundry Creditors (Including outstanding expenses and taxes)	8	<u>41,585,684</u>	<u>46,765,280</u>
		<u>273,338,647</u>	<u>239,929,296</u>

As per annexed report of even date.

Shafat Ahmed Chaudhuri
Chairman

Farida R. Ahmed
Director

Syed Moazzem Hossain
Director



Balance Sheet As at 31st December 1993

Assets and Properties	Note	1993 Taka	1992 Taka
Investment(at cost)	9	11,894,795	5,929,355
Outstanding Premium	10	16,986,055	27,030,071
Sundry Debtors (Including advances and deposits)	11	6,836,058	9,478,973
Cash, Bank Balances & Govt. Securities			
Fixed deposits & Pratifrakha Sanchypatra		169,227,342	141,315,647
At banks on STD & current account		31,673,858	20,529,949
Cash, cheque in hand and on transit		6,752,339	7,647,779
Other Accounts			
Land Property (at cost)	12	21,806,079	21,667,754
Other Fixed Assets (at cost less depreciation)	13	7,844,096	5,982,440
Stock of stationery and stamps		251,407	280,710
Preliminary expenses		66,618	66,618
		<u>273,338,647</u>	<u>239,929,296</u>

Nasir A. Choudhury
Managing Director

Q.M. Shariful Ala
Executive Director
& Company Secretary

Khan Wahab Shafique Rahman & Co.
Chartered Accountants



Profit and Loss Account
For the year ended 31st December 1993

	Note	1993 Taka	1992 Taka
Expenses of Management (Not applicable to any particular Fund or Account)		5,676,817	5,017,738
Charity and Donation		260,000	186,150
Director's Fee		204,850	85,600
Audit Fees	16	65,000	65,000
Depreciation		1,898,567	1,781,743
Net profit for the year carried down to Profit and Loss Appropriation Account		30,451,372	26,935,902
		<u>38,556,606</u>	<u>34,072,133</u>

Profit and Loss Appropriation Account
For the year ended 31st December 1993

Reserve for Exceptional Losses	10,085,911	7,811,016
Provision for Taxation	9,441,480	9,496,103
Dividend	10,800,000	9,600,000
Balance Transferred to Balance Sheet	595,337	471,356
	<u>30,922,728</u>	<u>27,378,475</u>

Shafat Ahmed Chaudhuri
Chairman

Farida R. Ahmed
Director

Syed Moazzem Hossain
Director



Profit and Loss Account For the year ended 31st December 1993

	Note	1993 Taka	1992 Taka
Interest and Dividends (Not applicable to any particular Fund or Account)			
Interest & Dividends		16,845,225	18,577,249
Profit and Loss Transferred From :			
Fire Insurance Revenue Account		8,451,823	14,048,262
Marine Insurance Revenue Account		10,390,265	7,636,131
Misc. Insurance Revenue Account		3,598,821	(2,263,762)
Motor Insurance Revenue Account		(729,528)	(3,925,747)
		21,711,381	15,494,884
		<u>38,556,606</u>	<u>34,072,133</u>

Profit and Loss Appropriation Account For the year ended 31st December 1993

Balance brought forward from last year	471,356	442,573
Net profit for the year brought down	30,451,372	26,935,902
	<u>30,922,728</u>	<u>27,378,475</u>

Nasir A. Choudhury
Managing Director

Q.M. Shariful Ala
Executive Director
& Company Secretary

Khan Wahab Shafique Rahman & Co.
Chartered Accountants



Consolidated all Business Revenue Account For the year ended 31st December 1993

	Note	1993 Taka	1992 Taka
Claims Under Policies Less Re-Insurance	15	17,658,178	22,167,141
Agency Commission		6,612,579	—
Commission on Re-Insurance Accepted		273,175	104,780
Expenses of Management		63,178,434	56,963,883
Profit Transferred to Profit and Loss Account		21,711,381	15,494,884
Balance of Accounts at the end of the year as shown in the Balance Sheet	4	47,858,480	38,202,508
		<u>157,292,227</u>	<u>132,933,196</u>

Shafat Ahmed Chaudhuri
Chairman

Farida R. Ahmed
Director

Syed Moazzem Hossain
Director



Consolidated all Business Revenue Account For the year ended 31st December 1993

	Note	1993 Taka	1992 Taka
Balance of Account at the beginning of the year		38,202,508	35,185,222
Gross Premium		173,403,900	160,673,802
Re-Insurance Premium		(72,544,787)	(82,563,639)
Net Premium	14	100,859,113	78,110,163
Commission on Re-Insurance Ceded		18,230,606	19,637,811
		<u>157,292,227</u>	<u>132,933,196</u>

Nasir A. Choudhury
Managing Director

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Executive Director
& Company Secretary

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Chartered Accountants



Fire Insurance Revenue Account For the year ended 31st December 1993

	Note	1993 Taka	1992 Taka
Claims Under Policies Less Re-Insurance	15	6,724,653	4,786,395
Agency Commission		3,880,583	—
Commission on Re-Insurance Accepted		225,332	86,251
Expenses of Management		23,534,199	17,826,200
Profit Transferred to Profit and Loss Account		8,451,823	14,048,262
Balance of Account at the end of the year as shown in the Balance Sheet :			
Reserve for unexpired risks	4	17,401,713	11,890,524
		<u>60,218,303</u>	<u>48,637,632</u>

Shafat Ahmed Chaudhuri
Chairman

Farida R. Ahmed
Director

Syed Moazzem Hossain
Director



**Fire Insurance Revenue Account
For the year ended 31st December 1993**

	Note	1993 Taka	1992 Taka
Balance of Account at the beginning of the year		11,890,524	11,534,740
Premium Less Re-Insurance	14	36,890,679	25,297,626
Commission on Re-Insurance Ceded		11,437,100	11,805,266
		<u>60,218,303</u>	<u>48,637,632</u>

Nasir A. Choudhury
Managing Director

Q.M. Shariful Ala
Executive Director
& Company Secretary

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Chartered Accountants



Marine Insurance Revenue Account For the year ended 31st December 1993

	Note	1993 Taka	1992 Taka
Claims Under Policies Less Re-Insurance	15	4,272,917	6,703,383
Agency Commission		1,955,735	—
Commission on Re-Insurance Accepted		—	—
Expenses of Management		25,544,148	23,817,413
Profit Transferred to Profit and Loss Account		10,390,265	7,636,131
Balance of Account at the end of the year as shown in the Balance Sheet :			
Reserve for unexpired risks	4	19,877,958	16,067,933
		<u>62,041,023</u>	<u>54,224,860</u>

Shafat Ahmed Chaudhuri
Chairman

Farida R. Ahmed
Director

Syed Moazzem Hossain
Director



Marine Insurance Revenue Account For the year ended 31st December 1993

	Note	1993 Taka	1992 Taka
Balance of Account at the beginning of the year		16,067,932	14,501,873
Premium Less Re-Insurance	14	41,402,080	33,948,534
Commission on Re-Insurance Ceded		4,571,011	5,774,453
		<u>62,041,023</u>	<u>54,224,860</u>

Nasir A. Choudhury
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Executive Director
& Company Secretary

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Motor Insurance Revenue Account For the year ended 31st December 1993

	Note	1993 Taka	1992 Taka
Claims Under Policies Less Re-Insurance	15	6,359,806	7,302,997
Agency Commission		125,331	—
Expenses of Management		8,114,161	10,003,936
Balance of Account at the end of the year as shown in the Balance Sheet :			
Reserve for unexpired risks	4	6,083,989	6,783,493
		<u>20,683,287</u>	<u>24,090,426</u>

Shafat Ahmed Chaudhuri
Chairman

Farida R. Ahmed
Director

Syed Moazzem Hossain
Director



Motor Insurance Revenue Account For the year ended 31st December 1993

	Note	1993 Taka	1992 Taka
Balance of Account at the beginning of the year		6,783,493	5,667,146
Premium Less Re-Insurance	14	13,170,266	14,495,207
Commission on Re-Insurance Ceded		—	2,326
Loss Transferred to Profit and Loss Account		729,528	3,925,747
		<u>20,683,287</u>	<u>24,090,426</u>

Nasir A. Choudhury
Managing Director

Q.M. Shariful Ala
Executive Director
& Company Secretary

Khan Wahab Shafique Rahman & Co.
Chartered Accountants



**Miscellaneous Insurance Revenue Account
For the year ended 31st December 1993**

	Note	1993 Taka	1992 Taka
Claims Under Policies Less Re-Insurance	15	300,802	3,374,366
Agency Commission		650,929	—
Commission on Re-Insurance Accepted		47,844	18,530
Expenses of Management		5,985,926	5,316,334
Profit Transferred to Profit and Loss Account		3,598,821	—
Balance of Account at the end of the year as shown in the Balance Sheet :			
Reserve for unexpired risks	4	4,494,821	3,460,559
		<u>15,079,143</u>	<u>12,169,789</u>

Shafat Ahmed Chaudhuri
Chairman

Farida R. Ahmed
Director

Syed Moazzem Hossain
Director



**Miscellaneous Insurance Revenue Account
For the year ended 31st December 1993**

	Note	1993 Taka	1992 Taka
Balance of Account at the beginning of the year		3,460,559	3,481,463
Premium Less Re-Insurance	14	9,396,089	4,368,795
Commission on Re-Insurance Ceded		2,222,495	2,055,769
Loss Transferred to Profit and Loss Account		—	2,263,762
		<u>15,079,143</u>	<u>12,169,789</u>

Nasir A. Choudhury
Managing Director

Q.M. Shariful Ala
Executive Director
& Company Secretary

Khan Wahab Shafique Rahman & Co.
Chartered Accountants



Form "AA"
Classified Summary of Assets as at December 31, 1993

Sl. No.	Class of Assets	Book Value Taka
1.	Shares	2,226,798
2.	Debentures	9,667,997
3.	Fixed Deposit and Pratiksha Sanchyatra	169,227,342
4.	Cash at Bank on STD and Current Account	31,673,858
5.	Cash and Cheque in Hand and on Transit	6,752,339
6.	Outstanding Premium	16,986,055
7.	Sundry Debtors (including advance and deposits)	6,836,058
8.	Land Property (at cost)	21,806,079
9.	Fixed Assets (at cost less depreciation)	7,844,096
10.	Stock of Stationery and Stamps	251,407
		<u>273,272,029</u>

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Director

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Director

Nasir A. Choudhury
Managing Director

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Executive Director
& Company Secretary

Khan Wahab Shafique Rahman & Co.
Chartered Accountants



Notes to the accounts For the year to December 31, 1993

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 1992 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 1993.

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

Fire	2,551,843
Marine Cargo	4,894,443
Marine Hull	881,286
Motor	3,942,468
Miscellaneous	630,871
	<u>Tk. 12,900,911</u>

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, 1993.

8. Sundry Creditors

Liability for Expenses	4,115,568
Refund Premium Payable	796,689
Provision for Income Tax & Payables	25,873,427
Dividend Payable	10,800,000
	<u>Tk. 41,585,684</u>



9. Investment

	Cost Taka
17% Debentures in Beximco Ltd.	1,665,000
15.5% Debentures in Industrial Dev. Leasing Co. of BD Ltd.	4,000,000
17% Debentures in Beximco Pharmaceuticals Ltd.	2,997
14% Debentures in Beximco Synthetics Ltd. Beximco Pharmaceuticals Ltd. (15 shares of Tk. 100/- each)	4,000,000 1,500
Apex Tannery Ltd. (750 shares of Tk. 100/- each)	75,000
Rupali Bank Ltd. (1,000 shares of Tk. 100/- each)	100,000
IDLC of Bangladesh Ltd. (1,500 shares of Tk. 100/- each)	225,000
Apex Footwear Ltd. (3,330 shares of Tk. 100/- each)	499,500
Eastern Bank Limited (6,220 shares of Tk. 100/- each)	622,000
United Insurance Co. Ltd. (490 shares of Tk. 100/- each)	92,546
Bangladesh General Insurance Co. Ltd. (3,310 shares of Tk. 100/- each)	611,252
	<u>Tk. 11,894,795</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	922,979
Miscellaneous Advances	734,733
Accrued Interest	3,327,199
Security Deposit	728,356
Co-Insurance Claim Recoverable	1,122,791
	<u>Tk. 6,836,058</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 & Fixture	Office & Electrical Equipment	Vehicles	Total
Cost				
As at January 1, 1993	6,249,639	5,623,387	3,000,131	14,873,157
Additions during the year	340,111	679,809	3,070,669	4,090,589
Disposal during the year	—	—	(1,547,017)	(1,547,017)
As at December 31, 1993	<u>6,589,750</u>	<u>6,303,196</u>	<u>4,523,783</u>	<u>17,416,729</u>
Depreciation				
As at January 1, 1993	2,478,151	3,423,095	2,989,471	8,890,717
Charge for the year	658,975	945,480	624,478	2,228,933
Disposal during the year	—	—	(1,547,017)	(1,547,017)
As at December 31, 1993	<u>3,137,126</u>	<u>4,368,575</u>	<u>2,066,932</u>	<u>9,572,633</u>
Written Down Value				
At December 31, 1993 Tk.	<u>3,452,624</u>	<u>1,934,621</u>	<u>2,456,851</u>	<u>7,844,096</u>

14. Premium Less Re-Insurance

Class of Business	On Direct Business	On Re-ins. Accepted	On Re-ins. Ceded	Total
Fire	70,249,026	1,144,916	(34,503,263)	36,890,679
Marine Cargo	55,319,121	—	(16,949,391)	38,369,730
Marine Hull	16,858,133	425,227	(14,251,011)	3,032,349
Motor	13,992,581	11,325	(833,640)	13,170,266
Miscellaneous	15,275,590	127,981	(6,007,482)	9,396,089
Tk.	<u>171,694,451</u>	<u>1,709,449</u>	<u>(72,544,787)</u>	<u>100,859,113</u>



15. Claims Under Policies Less Re-insurance

	Fire	Marine Cargo	Marine Hull	Motor	Misc.
Claims paid during the year	8,862,292	3,673,749	342,729	6,091,158	2,652,642
Claims Outstanding at the end of the year	2,551,843	4,894,443	881,286	3,942,468	630,871
Claims Outstanding at the beginning of the year	(4,689,482)	(4,692,302)	(826,988)	(3,673,820)	(2,982,711)
Total Tk.	<u>6,724,653</u>	<u>3,875,890</u>	<u>397,027</u>	<u>6,359,806</u>	<u>300,802</u>

16. Audit Fees

Statutory audit	25,000
Special audit of Controller of Insurance	35,000
Branch audit	5,000
Tk.	<u>65,000</u>