



## Auditors' Report

- (I) We have examined the annexed Balance Sheet of **Green Delta Insurance Company Limited** as at 31st December, 1994 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.

7th June, 1995

**Khan Wahab Shafique Rahman & Co.**  
Chartered Accountants



## Balance Sheet As at 31st December 1994

<b>Capital and Liabilities</b>	Note	<b>1994 Taka</b>	<b>1993 Taka</b>
<b>Share Capital</b>			
Authorised	2	<u>100,000,000</u>	<u>100,000,000</u>
Issued, subscribed and paid-up		60,000,000	60,000,000
<b>Reserve or Contingency Account</b>			
Reserve for exceptional losses	3	58,294,213	47,926,714
General Reserve		250,000	250,000
<b>Profit and Loss Appropriation Account</b>		957,851	595,337
<b>Balance of Fund Accounts</b>			
Fire Insurance Business		16,886,753	17,401,713
Marine Insurance Business		21,813,795	19,877,957
Motor Insurance Business		5,904,284	6,083,989
Miscellaneous Insurance Business		5,687,514	4,494,821
<b>Premium Deposit</b>	5	27,670,803	25,018,903
<b>Liabilities and Provisions</b>			
Estimated liability in respect of outstanding claims whether due or intimated	6	13,062,021	12,900,911
Amount due to other persons or bodies carrying on Insurance Business	7(a)	44,054,773	37,202,618
<b>Sundry Creditors</b> (Including outstanding expenses and taxes)	8	60,581,047	41,585,684
		<u>315,163,054</u>	<u>273,338,647</u>

As per annexed report of even date.

Shafat Ahmed Chaudhuri  
Chairman

Nurul Huda  
Director

Mozammel Huq  
Director





## Balance Sheet As at 31st December 1994

<b>Assets and Properties</b>	Note	<b>1994 Taka</b>	1993 Taka
<b>Investment</b> (at cost)	9	<b>54,954,652</b>	42,394,795
<b>Outstanding Premium</b>	10	<b>6,824,991</b>	6,935,056
<b>Amount due from other persons or bodies carrying on Insurance Business</b>	7(b)	<b>15,404,362</b>	10,050,999
<b>Sundry Debtors</b> (including advances and deposits)	11	<b>13,446,160</b>	6,836,058
<b>Cash and Bank Balances</b>			
Fixed deposits		<b>160,338,050</b>	138,727,342
At banks on STD & current account		<b>27,950,234</b>	31,673,858
Cash & cheque in hand and on transit		<b>4,145,554</b>	6,752,339
<b>Other Accounts</b>			
Land Property	12	<b>22,073,079</b>	21,806,079
Other Fixed Assets (at cost less depreciation)	13	<b>9,581,840</b>	7,844,096
Stock of stationery and stamps		<b>377,514</b>	251,407
Preliminary expenses		<b>66,618</b>	66,618
		<b><u>315,163,054</u></b>	<b><u>273,338,647</u></b>

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 1994

	Note	1994 Taka	1993 Taka
Expenses of Management (Not applicable to any particular Fund or Account)		<b>5,280,479</b>	5,676,817
Charity and Donation		<b>60,000</b>	260,000
Director's Fee		<b>283,900</b>	204,850
Audit Fees	16	<b>65,000</b>	65,000
Depreciation		<b>2,858,698</b>	1,898,567
Net profit for the year carried down to Profit and Loss Appropriation Account		<b>30,747,114</b>	30,451,372
		<b><u>39,295,191</u></b>	<b><u>38,556,606</u></b>

## Profit and Loss Appropriation Account For the year ended 31st December 1994

Reserve for Exceptional Losses	<b>10,367,499</b>	10,085,911
Provision for Taxation	<b>8,017,101</b>	9,441,480
Dividend	<b>12,000,000</b>	10,800,000
Balance Transferred to Balance Sheet	<b>957,851</b>	595,337
	<b><u>31,342,451</u></b>	<b><u>30,922,728</u></b>

Shafat Ahmed Chaudhuri  
Chairman

Nurul Huda  
Director

Mozammel Huq  
Director



## Profit and Loss Account For the year ended 31st December 1994

	Note	1994 Taka	1993 Taka
Investment & Interest Income	17	18,023,706	16,845,225
<b>Profit and Loss Transferred From :</b>			
Fire Insurance Revenue Account		8,688,285	8,451,823
Marine Insurance Revenue Account		11,528,332	10,390,265
Misc. Insurance Revenue Account		92,968	3,598,821
Motor Insurance Revenue Account		961,900	(729,528)
		21,271,485	21,711,381
		<u>39,295,191</u>	<u>38,556,606</u>

## Profit and Loss Appropriation Account For the year ended 31st December 1994

Balance brought forward from last year	595,337	471,356
Net profit for the year brought down	30,747,114	30,451,372
	<u>31,342,451</u>	<u>30,922,728</u>

Nasir A. Choudhury  
Managing Director

Q.M. Shariful Ala  
Executive Director  
& Company Secretary

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## Consolidated all Business Revenue Account For the year ended 31st December 1994

	Note	1994 Taka	1993 Taka
Claims Under Policies Less Re-Insurance	15	17,528,865	17,658,178
Agency Commission		25,070,574	6,612,579
Commission on Re-Insurance Accepted		426,506	273,175
Expenses of Management		56,902,272	63,178,434
Profit Transferred to Profit and Loss Account		21,271,485	21,711,381
Balance of Accounts at the end of the year as shown in the Balance Sheet	4	50,292,344	47,858,480
		<u>171,492,046</u>	<u>157,292,227</u>

Shafat Ahmed Chaudhuri  
Chairman

Nurul Huda  
Director

Mozammel Huq  
Director



## Consolidated all Business Revenue Account For the year ended 31st December 1994

	Note	1994 Taka	1993 Taka
Balance of Account at the beginning of the year		47,858,480	38,202,508
Gross Premium		184,244,977	173,403,900
Re-Insurance Premium		(80,569,993)	(72,544,787)
Net Premium	14	103,674,984	100,859,113
Commission on Re-Insurance Ceded		19,958,582	18,230,606
		<u>171,492,046</u>	<u>157,292,227</u>

Nasir A. Choudhury  
Managing Director

Q.M. Shariful Ala  
Executive Director  
& Company Secretary

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Chartered Accountants



## Fire Insurance Revenue Account For the year ended 31st December 1994

	Note	1994 Taka	1993 Taka
Claims Under Policies Less Re-Insurance	15	5,975,768	6,724,653
Agency Commission		12,767,304	3,880,583
Commission on Re-Insurance Accepted		378,161	225,332
Expenses of Management		19,430,595	23,534,199
Profit Transferred to Profit and Loss Account		8,688,285	8,451,823
Balance of Account at the end of the year as shown in the Balance Sheet : Reserve for unexpired risks	4	16,886,753	17,401,713
		<u>64,126,866</u>	<u>60,218,303</u>

Shafat Ahmed Chaudhuri  
Chairman

Nurul Huda  
Director

Mozammel Huq  
Director





## Fire Insurance Revenue Account For the year ended 31st December 1994

	Note	1994 Taka	1993 Taka
Balance of Account at the beginning of the year		17,401,713	11,890,524
Premium Less Re-Insurance	14	34,629,379	36,890,679
Commission on Re-Insurance Ceded		12,095,774	11,437,100
		<u>64,126,866</u>	<u>60,218,303</u>

Nasir A. Choudhury  
Managing Director

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Executive Director  
& Company Secretary

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Chartered Accountants



## Marine Insurance Revenue Account For the year ended 31st December 1994

	Note	1994 Taka	1993 Taka
Claims Under Policies Less Re-Insurance	15	<b>3,483,471</b>	4,272,917
Agency Commission		<b>8,247,830</b>	1,955,735
Expenses of Management		<b>23,867,460</b>	25,544,148
Profit Transferred to Profit and Loss Account		<b>11,528,332</b>	10,390,265
Balance of Account at the end of the year as shown in the Balance Sheet :			
Reserve for unexpired risks	4	<b>21,813,795</b>	19,877,958
		<b><u>68,940,888</u></b>	<b><u>62,041,023</u></b>

Shafat Ahmed Chaudhuri  
Chairman

Nurul Huda  
Director

Mozammel Huq  
Director



## Marine Insurance Revenue Account For the year ended 31st December 1994

	Note	1994 Taka	1993 Taka
Balance of Account at the beginning of the year		<b>19,877,958</b>	16,067,932
Premium Less Re-Insurance	14	<b>44,061,689</b>	41,402,080
Commission on Re-Insurance Ceded		<b>5,001,241</b>	4,571,011
		<b><u>68,940,888</u></b>	<b><u>62,041,023</u></b>

Nasir A. Choudhury  
Managing Director

Q.M. Shariful Ala  
Executive Director  
& Company Secretary

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Chartered Accountants





## Motor Insurance Revenue Account For the year ended 31st December 1994

	Note	1994 Taka	1993 Taka
Claims Under Policies Less Re-Insurance	15	<b>4,936,307</b>	6,359,806
Agency Commission		<b>656,852</b>	125,331
Expenses of Management		<b>6,723,388</b>	8,114,161
Profit Transferred to Profit and Loss Account		<b>961,900</b>	—
Balance of Account at the end of the year as shown in the Balance Sheet :			
Reserve for unexpired risks	4	<b>5,904,284</b>	6,083,989
		<b><u>19,182,731</u></b>	<b><u>20,683,287</u></b>

Shafat Ahmed Chaudhuri  
Chairman

Nurul Huda  
Director

Mozammel Huq  
Director



## Motor Insurance Revenue Account For the year ended 31st December 1994

	Note	1994 Taka	1993 Taka
Balance of Account at the beginning of the year		<b>6,083,989</b>	6,783,493
Premium Less Re-Insurance	14	<b>13,098,742</b>	13,170,266
Loss Transferred to Profit and Loss Account		—	729,528
		<b><u>19,182,731</u></b>	<b><u>20,683,287</u></b>

Nasir A. Choudhury  
Managing Director

Q.M. Shariful Ala  
Executive Director  
& Company Secretary

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Chartered Accountants



## Miscellaneous Insurance Revenue Account For the year ended 31st December 1994

	Note	1994 Taka	1993 Taka
Claims Under Policies Less Re-Insurance	15	<b>3,133,319</b>	300,802
Agency Commission		<b>3,398,588</b>	650,929
Commission on Re-Insurance Accepted		<b>48,344</b>	47,844
Expenses of Management		<b>6,880,829</b>	5,985,926
Profit Transferred to Profit and Loss Account		<b>92,968</b>	3,598,821
Balance of Account at the end of the year as shown in the Balance Sheet : Reserve for unexpired risks	4	<b>5,687,514</b>	4,494,821
		<b><u>19,241,562</u></b>	<b><u>15,079,143</u></b>

Shafat Ahmed Chaudhuri  
Chairman

Nurul Huda  
Director

Mozammel Huq  
Director





**Miscellaneous Insurance Revenue Account**  
**For the year ended 31st December 1994**

Form "AA"  
 Classified Summary

	Note	1994 Taka	1993 Taka
Balance of Account at the beginning of the year		4,494,821	3,460,559
Premium Less Re-Insurance	14	11,885,174	9,396,089
Commission on Re-Insurance Ceded		2,861,567	2,222,495
		<u>19,241,562</u>	<u>15,079,143</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, 1994**

<b>Sl. No.</b>	<b>Class of Assets</b>	<b>Book Value Taka</b>
1.	Pratirakha Sanchypatra	33,000,000
2.	Shares Listed on Dhaka Stock Exchange Ltd. (market value Tk. 14,384,324)	10,155,453
3.	Debentures Listed on Dhaka Stock Exchange Ltd. (market value Tk. 7,268,250)	7,549,199
4.	Debentures IDLC Bangladesh Ltd.	3,250,000
5.	Underwriting Bridge Loan Confidence Cement Ltd.	1,000,000
6.	Fixed Deposit	160,338,050
7.	Cash at Bank on STD and Current Account	27,950,234
8.	Cash and Cheque in Hand and on Transit	4,145,554
9.	Outstanding Premium	6,824,991
10.	Amount due From Other Persons or Bodies Carrying on Insurance Business	15,404,362
11.	Sundry Debtors (including advance and deposits)	13,446,160
12.	Land Property	22,073,079
13.	Fixed Assets (at cost less depreciation)	9,581,840
14.	Stock of Stationery and Stamps	377,514
		<u>315,096,436</u>

Shafat Ahmed Chaudhuri  
Chairman

Nurul Huda  
Director

Mozammel Huq  
Director

Nasir A. Choudhury  
Managing Director

Q.M. Shariful Ala  
Executive Director  
& Company Secretary

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Chartered Accountants





## Notes to the Accounts For the year to December 31, 1994

### 1(a) The Company

Green Delta Insurance Company Limited was incorporated in Bangladesh on 14th December 1985 and went into operation on 1st January 1986 as a public limited company under the Companies Act 1913 as a general insurance company. It is engaged in the business of all types of insurances other than life.

### 1(b) 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 Equipment	15%
Vehicles	20%

#### 1.3 Investment :

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 1st 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 1993 Public Sector Insurance Business in these accounts.

#### 1.5 General :

Previous year's figures have been rearranged wherever necessary to conform to current year's presentation.





## 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 @ 10% 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 1994.

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

Fire	4,051,589
Marine Cargo	2,518,785
Marine Hull	915,476
Motor	4,000,000
Miscellaneous	1,576,171

Tk.13,062,021

## 7(a). Amount Due to Other Persons or Bodies Carrying on Insurance Business

This represents the amount payable to Sadharan Bima Corporation (SBC) and private sector insurance companies on account of re-insurance and co-insurance premium at December 31, 1994.

## 7(b). Amount Due from Other Persons or Bodies Carrying on Insurance Business

This represents the amount receivable from private sector insurance companies on account of co-insurance premium at December 31, 1994.



## 8. Sundry Creditors

Liability for Expenses	3,787,296
Provision for Income Tax & Payables	44,793,751
Dividend Payable	12,000,000
	<u>Tk. 60,581,047</u>

## 9. Investment (at cost)

	<b>Cost Taka</b>
Pratirakha Sanchypatra	33,000,000
Shares Listed on Dhaka Stock Exchange Ltd. (market value Tk. 14,384,324)	10,155,453
Debentures Listed on Dhaka Stock Exchange Ltd. (market value Tk. 7,268,250)	7,549,199
Debentures IDLC Bangladesh Ltd.	3,250,000
Underwriting Bridge Loan Confidence Cement Ltd.	1,000,000
	<u>Tk. 54,954,652</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 bank guarantee.

## 11. Sundry Debtors

Advance Rent	1,226,641
Advance Salary	149,072
Car Loan	295,000
Other Advances	953,840
Accrued Interest	7,667,999
Security Deposit	663,315
Co-Insurance Claim Recoverable	1,819,783
Co-Insurance Commission Recoverable	670,510
	<u>Tk. 13,446,160</u>

## 12. Land Property

Land property is stated at cost including development of land measuring 21 kathas situated at Motijheel Circular Road, Dhaka.





### 13. Fixed Assets

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

	Furniture & Fixture	Office & Electrical Equipment	Vehicles	Total
<b>Cost</b>				
As at January 1, 1994	6,589,750	6,303,196	4,523,783	17,416,729
Additions during the year	468,388	913,960	3,451,100	4,833,448
Disposal during the year	—	—	(520,066)	(520,066)
As at December 31, 1994	<u>7,058,138</u>	<u>7,217,156</u>	<u>7,454,817</u>	<u>21,730,111</u>
<b>Depreciation</b>				
As at January 1, 1994	3,137,126	4,368,575	2,066,932	9,572,633
Charge for the year	705,813	1,082,574	1,307,317	3,095,704
Disposal during the year	—	—	(520,066)	(520,066)
As at December 31, 1994	<u>3,842,939</u>	<u>5,451,149</u>	<u>2,854,183</u>	<u>12,148,271</u>
<b>Written Down Value</b>				
At December 31, 1994	<u>Tk. 3,215,199</u>	<u>1,766,007</u>	<u>4,600,634</u>	<u>9,581,840</u>

### 14. Premium Less Re-Insurance

Class of Business	On Direct Business	On Re-ins. Accepted	On Re-ins. Ceded	Total
Fire	70,001,976	879,219	(36,251,816)	34,629,379
Marine Cargo	59,612,453	—	(17,716,653)	41,895,800
Marine Hull	16,480,752	448,261	(14,763,124)	2,165,889
Motor	13,922,610	23,600	(847,468)	13,098,742
Miscellaneous	22,197,151	678,955	(10,990,932)	11,885,174
Tk.	<u>182,214,942</u>	<u>2,030,035</u>	<u>(80,569,993)</u>	<u>103,674,984</u>





### 15. Claims Under Policies Less Re-insurance

	Fire	Marine Cargo	Marine Hull	Motor	Misc.	Total
Claims paid during the year	4,476,022	5,147,192	677,747	4,878,775	2,188,019	17,367,755
Claims Outstanding at the end of the year	4,051,589	2,518,785	915,476	4,000,000	1,576,171	13,062,021
Claims Outstanding at the beginning of the year	(2,551,843)	(4,894,443)	(881,286)	(3,942,468)	(630,871)	(12,900,911)
Total Tk.	<u>5,975,768</u>	<u>2,771,534</u>	<u>711,937</u>	<u>4,936,307</u>	<u>3,133,319</u>	<u>17,528,865</u>

### 16. Audit Fees

Statutory audit	25,000
Special annual audit of Controller of Insurance Govt. of Bangladesh	40,000
Tk.	<u>65,000</u>

### 17. Investment and Interest Income

Interest on FDR & STD Accounts	9,833,258
Interest accrued on Pratihakha Sanchypatra	4,340,800
Dividend income	188,764
Debenture interest	1,343,027
Capital gain on share sales	1,604,614
Share underwriting commission	912,500
Interest payable to Sadharan Bima Corporation on re-insurance balance	(199,257)
Tk.	<u>18,023,706</u>