

Auditors' Reports to the Shareholders

We have audited the accompanying Balance Sheet of Green Delta Insurance Company Limited as at 31st December, 2007 and the related Profit & Loss Account and Cash flow statement for the year then ended. The preparation of these financial statements is the responsibility of the Company's Management. Our responsibility is to express an independent opinion on these financial statements based on our audit.

SCOPE:

We conducted our audit in accordance with Bangladesh Standard on Auditing (BSA). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

OPINION:

In our opinion, the financial statements prepared in accordance with Bangladesh Accounting Standards (BAS), give a true and fair view of the state of the Company's affairs as of December 31, 2007 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 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 purpose 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 (where applicable) proper returns adequate for the purpose of our audit have been received from branches not visited by us;
- iii. the company's Balance sheet and Profit & Loss Account 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 purpose of the company's business;

- v. as per section 40 C(2) of the Insurance Act, 1938 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, in respect of 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 Account 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 our 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.

Dhaka, April 27, 2008



Khan Wahab Shafique Rahman & Co.
Chartered Accountants

Green Delta Insurance Co. Ltd. & Its Subsidiary
Consolidated Balance Sheet
As at 31 December, 2007

PARTICULARS	AMOUNT (IN TAKA)	
	2007	2006
Capital and Liabilities:		
Share Capital		500,000,000
Authorised Share Capital	500,000,000	500,000,000
Issued, subscribed and paid-up	151,200,000	151,200,000
Share Premium	60,000,000	60,000,000
Reserve or Contingency Account:	535,895,121	325,398,362
Reserve for exceptional losses	316,934,539	271,832,046
Foreign Currency Fluctuation	4,821,303	5,881,122
Investment Fluctuation Fund	155,139,279	30,185,194
General Reserve	28,000,000	5,500,000
Dividend Equalisation Fund	31,000,000	12,000,000
Proposed Cash & Stock Dividend	75,600,000	45,360,000
Profit and Loss Appropriation		
Account	11,509,456	4,837,645
Total Shareholders' equity	834,204,577	586,796,007
Minority Interest	131	103
Balance of Fund Accounts:	226,638,649	165,191,657
Fire Insurance Business	78,853,618	46,260,035
Marine Insurance Business	97,826,850	80,225,819
Motor Insurance Business	30,450,656	26,756,247
Miscellaneous Ins. Business	19,507,525	11,949,556
Premium Deposit	45,812,900	27,074,166
Liabilities and Provisions		
Estimated liability in respect of outstanding claims whether due or intimated	96,672,740	87,058,707
Amount due to other persons or bodies carrying on Insurance Business	290,901,883	205,125,818
Sundry Creditors (Including Outstanding expenses, taxes & provisions)	248,673,195	162,526,456
Total Liabilities	908,699,498	646,976,907
Total Liabilities & Shareholders' equity	1,742,904,075	1,233,772,914

Dhaka, April 27, 2008



Dr. Kabir H. Chowdhury
Chairman



Dr. M. Aminul Haque
Director



Farzana Chowdhury
Director

Green Delta Insurance Co. Ltd. & Its Subsidiary

Consolidated Balance Sheet

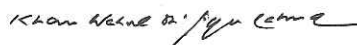
As at 31 December, 2007

PARTICULARS	AMOUNT (IN TAKA)	
	2007	2006
Assets and Properties:		
Investment	619,208,108	447,523,919
Outstanding Premium	83,135,633	26,536,086
Amount due from other persons or bodies carrying on Insurance Business	182,419,414	116,525,112
Sundry Debtors (including advances and deposits)	274,078,654	125,833,820
Cash and Bank Balances :	547,656,010	482,348,542
Fixed deposits	481,707,483	380,686,807
At banks on STD & current account	65,456,547	101,165,125
Cash in hand	491,980	496,610
Other Accounts		
Land Property	21,036,075	21,036,075
Fixed Assets (at cost less depreciation)	13,044,761	12,617,522
Stock of printing, stationery and stamps	2,052,191	1,010,302
Preliminary Expenses	273,229	341,536
	1,742,904,075	1,233,772,914

Dhaka, April 27, 2008


Nasir A. Choudhury
Managing Director & CEO


Nazim Tazik Chowdhury
Chief Finance Officer &
Company Secretary


Khan Wahab Shafique Rahman & Co.
Chartered Accountants

Green Delta Insurance Co. Ltd. & Its Subsidiary Consolidated Profit & Loss Account

For the year ended 31 December, 2007

	GDIC	GDFS	TOTAL
Investment Income	28,138,853	-	28,138,853
Income from Share Business	124,067,466	9,910,549	133,978,015
Interest on FDR & STD	34,202,460	5,585,069	39,787,529
	186,408,779	15,495,618	201,904,397
Profit & Loss transferred from Revenue A/C	42,386,775	-	42,386,775
Fire Insurance Revenue A/C	3,051,201	-	3,051,201
Marine Insurance Revenue A/C	29,788,688	-	29,788,688
Motor Insurance Revenue A/C	5,164,779	-	5,164,779
Misc. Insurance Revenue A/C	4,382,107	-	4,382,107
Total Income	228,795,554	15,495,618	244,291,172
Management Expenses	40,576,554	8,181,068	48,757,622
Director's Fee	1,205,875	-	1,205,875
Audit Fees	200,000	20,000	220,000
Preliminary Expenses Amortized	-	68,307	68,307
Depreciation	3,623,006	41,930	3,664,936
Total Expenditure	45,605,435	8,311,305	53,916,740
Profit Before Tax	183,190,119	7,184,313	190,374,432
Provision for income Tax	(20,000,000)	(1,500,000)	(21,500,000)
Profit After Tax	163,190,119	5,684,313	168,874,432
Minority Interest	0	(28)	(28)
Net Profit for the year	163,190,119	5,684,285	168,874,404
Earning Per Share	107.93	28.42	

Dhaka, April 27, 2008



Dr. Kabir H. Chowdhury
Chairman



Dr. M. Aminul Haque
Director



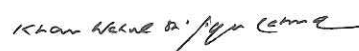
Farzana Chowdhury
Director



Nasir A. Chowdhury
Managing Director & CEO



Nazim Tazik Chowdhury
Chief Finance Officer &
Company Secretary



Khan Wahab Shafique Rahman & Co.
Chartered Accountants

Green Delta Insurance Co. Ltd. & Its Subsidiary Consolidated Cash Flow Statement

For the year ended 31 December 2007

	2007	2006
	Taka	Taka
Cash flows from operating activities:		
Collections from premium and other income	1,208,258,729	880,779,262
Payments for management expense, re-insurance and claims	(1,158,382,407)	(812,710,274)
Income Tax paid	(14,574,132)	(17,358,323)
Net cash provided by operating activities	35,302,190	50,710,665
Cash flows from investing activities:		
Investment in share	(46,559,496)	(68,680,135)
Sales of investment	13,571,430	8,571,430
Proceeds from sales of share	124,067,466	24,410,468
Interest received	34,202,460	39,896,715
Investment in Green Delta Financial Services Ltd.	(77,501,000)	-
Land and Building	-	(5,980)
Dividend income	24,075,782	8,423,863
Purchase of fixed assets	(3,742,174)	(5,400,716)
Sales of fixed assets	560,000	1,654,261
Share money deposit(Investment in Jalalabad Telecom Ltd.)	(2,000,000)	-
Purchase of investment (Zero coupon Bond)	7,260,587	18,975,075
GDIC Financial Services	-	(3,160,498)
Purchase of Brac Bank Preferred Share	-	(50,000,000)
Investment in United Hospital	-	(55,000,000)
Cost of Membership of Dhaka Stock Exchange Ltd.	-	(200,000)
Preliminary Expenses	68,307	(376,921)
Net cash used in investing activities	74,003,362	(80,892,438)
Cash flows from financing activities:		
Dividend paid	(43,998,084)	(115,250)
Net cash used in financing activities	(43,998,084)	(115,250)
Net Increase/(Decrease) in cash & cash equivalents during the year	65,307,468	(30,297,023)
Cash & cash equivalents at the beginning of the year	482,348,542	512,645,565
Cash & cash equivalents at the end of the year	547,656,010	482,348,542

Dhaka, April 27, 2008



Dr. Kabir H. Chowdhury
Chairman



Dr. M. Aminul Haque
Director



Farzana Chowdhury
Director



Nasir A. Chowdhury
Managing Director & CEO



Nazim Tazik Chowdhury
Chief Finance Officer &
Company Secretary



Khan Wahab Shafique Rahman & Co.
Chartered Accountants

Green Delta Insurance Co. Ltd. & Its Subsidiary

Consolidated Statement of changes in equity

For the year ended 31 December 2007

Particulars	Share Capital	Share Premium	Reserve for exceptional Losses	General Reserve	Proposed Dividend/Bonus	Dividend equalisation fund	Foreign Currency Fluctuation	Investment Fluctuation Fund	P/L A/C	Total
Balance at 1st January' 2006	151,200,000	60,000,000	271,832,046	5,500,000	45,360,000	12,000,000	5,881,122	30,185,194	4,837,645	586,796,007
Profit after tax for the year										
Dividend / Bonus Paid					(45,360,000)				168,874,431	168,874,431
Appropriation made during the year			45,102,493	22,500,000	75,600,000	19,000,000			(162,202,493)	(45,360,000)
Reserve during the year							(1,059,819)	124,954,085		123,894,266
Total	151,200,000	60,000,000	316,934,539	28,000,000	75,600,000	31,000,000	4,821,303	155,139,279	11,509,583	834,204,704

Dhaka, April 27, 2008


Dr. Kabir H. Chowdhury
Chairman


Dr. M. Aminul Haque
Director


Farzana Chowdhury
Director


Nasir A. Chowdhury
Managing Director & CEO


Nazim Tazik Chowdhury
Chief Finance Officer &
Company Secretary


Khan Wahab Shaifque Rahman & Co.
Chartered Accountants



Financial Statements
of Green Delta Insurance
Company Ltd.

Balance Sheet

As at 31 December, 2007

PARTICULARS	NOTES	AMOUNT (IN TAKA)	
		2007	2006
Capital and Liabilities:			
Share Capital	3.00		
Authorised Share Capital	3.01	500,000,000	500,000,000
Issued, subscribed and paid-up	3.02	151,200,000	151,200,000
Share Premium	3.04	60,000,000	60,000,000
Reserve or Contingency Account:	4.00	535,895,121	325,398,362
Reserve for exceptional losses	4.01	316,934,539	271,832,046
Foreign Currency Fluctuation		4,821,303	5,881,122
Investment Fluctuation Fund		155,139,279	30,185,194
General Reserve		28,000,000	5,500,000
Dividend Equalisation Fund		31,000,000	12,000,000
Proposed Cash Dividend		22,680,000	45,360,000
Proposed Stock Dividend		52,920,000	0
Profit and Loss Appropriation Account		5,222,121	4,234,496
Total Shareholders' equity		827,917,242	586,192,858
Balance of Fund Accounts:	5.00	226,638,649	165,191,657
Fire Insurance Business		78,853,618	46,260,035
Marine Insurance Business		97,826,850	80,225,819
Motor Insurance Business		30,450,656	26,756,246
Miscellaneous Ins. Business		19,507,525	11,949,557
Premium Deposit	6.00	45,812,900	27,074,166
Liabilities and Provisions			
Estimated liability in respect of outstanding claims whether due or intimated	7.00	96,672,740	87,058,707
Amount due to other persons or bodies carrying on Insurance Business	8.00	290,901,883	205,125,818
Sundry Creditors (Including Outstanding expenses, taxes & provisions)	9.00	210,499,586	157,227,366
Total Liabilities		870,525,758	641,677,714
Total Liabilities & Shareholders' equity		1,698,443,000	1,227,870,572

Dhaka, April 27, 2008



Dr. Kabir H. Chowdhury
Chairman



Dr. M. Aminul Haque
Director



Farzana Chowdhury
Director

Balance Sheet

As at 31 December, 2007

PARTICULARS	NOTES	AMOUNT (IN TAKA)	
		2007	2006
Assets and Properties			
Investment	10.00	681,756,272	451,573,708
Outstanding Premium	11.00	83,135,633	26,536,086
Amount due from other persons or bodies carrying on Insurance Business	12.00	182,419,414	116,525,112
Sundry Debtors (Including advances and deposits)	13.00	170,503,095	120,996,254
Cash and Bank Balances :	14.00	545,059,165	477,831,048
Fixed deposits		481,707,483	380,686,807
At banks on STD & current account		62,862,132	96,650,056
Cash in hand		489,550	494,185
Other Accounts			
Land Property	15.00	21,036,075	21,036,075
Fixed Assets (at cost less depreciation)	16.00	12,481,155	12,361,987
Stock of printing, stationery and stamps	17.00	2,052,191	1,010,302
		1,698,443,000	1,227,870,572

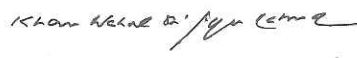
Subject to our separate report of even date



Nasir A. Choudhury
Managing Director & CEO



Nazim Tazik Chowdhury
Chief Finance Officer &
Company Secretary



Khan Wahab Shafique Rahman & Co.
Chartered Accountants

Profit and Loss Account

For the year ended 31 December 2007

PARTICULARS	NOTES	AMOUNT (IN TAKA)	
		2007	2006
Expenses of Management (Not applicable to any particular Fund or Account)		40,576,554	21,359,149
Director's Fee		1,205,875	1,787,571
Audit Fees	18	200,000	180,000
Depreciation		3,623,006	3,638,417
Net profit for the year carried down to Profit and Loss Appropriation Account		183,190,118	94,861,534
		228,795,553	121,826,671
Earning per share		107.93	62.39

PARTICULARS	NOTES	AMOUNT (IN TAKA)	
		2007	2006
Investment & Others Income	19	186,408,779	85,205,490
Profit and Loss Transferred From :			
Fire Insurance Revenue Account		3,051,201	6,873,719
Marine Insurance Revenue Account		29,788,688	49,363,273
Motor Insurance Revenue Account		5,164,779	(8,373,082)
Misc. Insurance Revenue Account		4,382,107	(11,242,729)
		42,386,774	36,621,181
		228,795,553	121,826,671

Dhaka, April 27, 2008


Dr. Kabir H. Chowdhury
Chairman


Dr. M. Aminul Haque
Director


Farzana Chowdhury
Director


Nasir A. Chowdhury
Managing Director & CEO


Nazim Tazik Chowdhury
Chief Finance Officer &
Company Secretary


Khan Wahab Shafique Fairman & Co.
Chartered Accountants

Profit and Loss Appropriation Account

For the year ended 31 December 2007

PARTICULARS	NOTES	AMOUNT (IN TAKA)	
		2007	2006
Reserve for Exceptional Losses	4.01	45,102,493	32,718,086
Provision for Income Tax		20,000,000	14,000,000
Proposed Dividend :			
Cash 15%		22,680,000	45,360,000
Stock 35%		52,920,000	
General Reserve		22,500,000	1,750,000
Dividend equalisation fund		19,000,000	1,000,000
		5,222,121	4,234,496
Balance Transferred to Balance Sheet		187,424,614	99,062,582

PARTICULARS	NOTES	AMOUNT (IN TAKA)	
		2007	2006
Balance brought forward from last year		4,234,496	4,201,048
Net profit for the year brought down		183,190,118	94,861,534
		187,424,614	99,062,582

Dhaka, April 27, 2008

Subject to our separate report of even date


Dr. Kabir H. Chowdhury
Chairman


Dr. M. Aminul Haque
Director


Farzana Chowdhury
Director


Nasir A. Chowdhury
Managing Director & CEO


Nazim Tazik Chowdhury
Chief Finance Officer &
Company Secretary


Khan Waheed A. Farman & Co.
Chartered Accountants

Profit and Loss Appropriation Account

For the year ended 31 December 2007

PARTICULARS	NOTES	AMOUNT (IN TAKA)		PARTICULARS	NOTES	AMOUNT (IN TAKA)	
		2007	2006			2007	2006
Reserve for Exceptional Losses	4.01	45,102,493	32,718,086	Balance brought forward from last year		4,234,496	4,201,048
Provision for Income Tax		20,000,000	14,000,000				
Proposed Dividend :							
Cash 15%		22,680,000	45,360,000				
Stock 35%		52,920,000					
General Reserve		22,500,000	1,750,000				
Dividend equalisation fund		19,000,000	1,000,000	Net profit for the year brought down		183,190,118	94,861,534
Balance Transferred to Balance Sheet		5,222,121	4,234,496				
		187,424,614	99,062,582			187,424,614	99,062,582

Dhaka, April 27, 2008

Subject to our separate report of even date


 Dr. Kabir H. Chowdhury
 Chairman


 Dr. M. Aminul Haque
 Director


 Farzana Chowdhury
 Director


 Nasir A. Chowdhury
 Managing Director & CEO


 Nazim Tazik Chowdhury
 Chief Finance Officer &
 Company Secretary



 Khan Wahab Shafique Rahman & Co.
 Chartered Accountants

Consolidated all Business Revenue Account

For the year ended 31 December 2007

PARTICULARS	AMOUNT (IN TAKA)		NOTES	AMOUNT (IN TAKA)	
	2007	2006		2007	2006
Claims Under Policies Less Re-Insurance	117,036,987	92,634,933	20	165,191,657	133,812,833
Agency Commission	186,165,856	133,679,912		1,109,245,366	762,704,045
Commission on Re-Insurance Accepted				(658,220,437)	(435,523,182)
Expenses of Management	143,839,177	124,367,767		451,024,929	327,180,863
Profit Transferred to Profit and Loss Account	42,386,773	36,621,181		99,850,856	91,501,754
Balance of Accounts at the end of the year as shown in the Balance Sheet	226,638,649	165,191,657	5	716,067,443	552,495,450
	716,067,443	552,495,450		716,067,443	552,495,450

Dhaka, April 27, 2008


Dr. Kabir H. Chowdhury
Chairman


Dr. M. Aminul Haque
Director


Farzana Chowdhury
Director


Nasir A. Chowdhury
Managing Director & CEO


Nazim Tazik Chowdhury
Chief Finance Officer &
Company Secretary


Khem Wahab Shaifque Rahman & Co.
Chartered Accountants

Fire Insurance Revenue Account

For the year ended 31 December 2007

PARTICULARS	NOTES	AMOUNT (IN TAKA)		PARTICULARS	NOTES	AMOUNT (IN TAKA)	
		2007	2006			2007	2006
Claims Under Policies Less Re-Insurance	20	44,317,873	41,710,699	Balance of Account at the Beginning of the Year		46,260,035	41,940,534
Expenses of Management		39,645,630	35,264,336	Premium Less Re-Insurance	21	158,177,294	92,777,025
Agency Commission		114,604,851	73,554,707				
Profit Transferred to Profit and Loss Account		3,051,201	6,873,719	Commission on Re-Insurance Ceded		76,035,843	68,945,937
Balance of Account at the end of the year as shown in the Balance Sheet (Reserve for unexpired risks)	5	78,853,618	46,260,035				
		280,473,173	203,663,496			280,473,173	203,663,496

Dhaka, April 27, 2008.


 Dr. Kabir H. Chowdhury
 Chairman


 Dr. M. Aminul Haque
 Director


 Faizana Chowdhury
 Director


 Nasir A. Chowdhury
 Managing Director & CEO


 Nazim Iazik Chowdhury
 Chief Finance Officer &
 Company Secretary

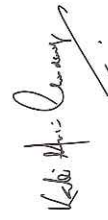

 Khan Wahab Shafique Rahman & Co.
 Chartered Accountants

Marine Insurance Revenue Account

For the year ended 31 December 2007

PARTICULARS	NOTES	AMOUNT (IN TAKA)		PARTICULARS	NOTES	AMOUNT (IN TAKA)	
		2007	2006			2007	2006
Claims Under Policies Less Re-Insurance	20	50,498,788	14,079,331	Balance of Account at the Beginning of the Year		80,225,819	63,246,503
Expenses of Management		73,007,633	59,243,101	Premium Less Re-Insurance	21	191,912,648	155,849,304
Agency Commission		36,336,019	30,789,224				
Profit Transferred to Profit and Loss Account		29,788,688	49,363,273	Commission on Re-Insurance Ceded		15,319,510	14,604,941
Balance of Account at the end of the year as shown in the Balance Sheet (Reserve for unexpired risks)	5	97,826,850	80,225,819				
		287,457,977	233,700,748			287,457,977	233,700,748

Dhaka, April 27, 2008


Dr. Kabir H. Chowdhury
Chairman


Dr. M. Aminul Haque
Director


Farzana Chowdhury
Director


Nasir A. Chowdhury
Managing Director & CEO


Nazim Tazik Chowdhury
Chief Finance Officer &
Company Secretary


Khan Saleem A. Khan
Chartered Accountants

Motor Insurance Revenue Account

For the year ended 31 December 2007

PARTICULARS	NOTES	AMOUNT (IN TAKA)		PARTICULARS	NOTES	AMOUNT (IN TAKA)	
		2007	2006			2007	2006
Claims Under Policies Less Re-Insurance	20	19,942,549	26,148,684	Balance of Account at the Beginning of the Year		26,756,246	21,449,669
Expenses of Management		20,709,136	20,616,774	Premium Loss Re-Insurance	21	61,574,365	54,237,566
Agency Commission		12,850,285	11,637,416				
Profit Transferred To Profit and Loss Account		5,164,779	(8,373,082)	Commission on Reinsurance Ceded		786,795	1,118,804
Balance of Account at the end of the year as shown in the Balance Sheet (Reserve for unexpired risks)	5	30,450,657	26,756,246				
		89,117,406	76,806,039			89,117,406	76,806,039

Dhaka, April 27, 2008


Dr. Kabir H. Chowdhury
Chairman


Dr. M. Aminul Haque
Director


Farzana Chowdhury
Director


Nasir A. Chowdhury
Managing Director & CEO


Nazim Tazik Chowdhury
Chief Finance Officer &
Company Secretary


Khan Waheb Shafique Rahman & Co.
Chartered Accountants

Miscellaneous Insurance Revenue Account

For the year ended 31 December 2007

PARTICULARS	NOTES	AMOUNT (IN TAKA)		PARTICULARS	NOTES	AMOUNT (IN TAKA)	
		2007	2006			2007	2006
Claims Under Policies Less Re-Insurance	20	2,277,777	10,696,219	Balance of Account at the Beginning of the Year		11,949,558	7,176,127
Expenses of Management		10,476,778	9,243,555	Premium Less Re-Insurance	21	39,360,623	24,316,969
Agency Commission		22,374,701	17,678,565	Commission on Re-Insurance Ceded		7,708,708	6,832,072
Profit Transferred to Profit and Loss Account		4,382,107	(11,242,729)				
Balance of Account at the end of the year as shown in the Balance Sheet (Reserve for unexpired risks)	5	19,507,525	11,949,558			59,018,888	38,325,168
		59,018,888	38,325,168			59,018,888	38,325,168

Dhaka, April 27, 2008


 Dr. Kabir H. Chowdhury
 Chairman


 Dr. M. Aminul Haque
 Director


 Farzana Chowdhury
 Director


 Nasir A. Chowdhury
 Managing Director & CEO


 Nazim Tazik Chowdhury
 Chief Finance Officer &
 Company Secretary


 Khan Wahab Shaifque Rahman & Co.
 Chartered Accountants

Cash Flow Statement

For the year ended 31 December 2007

Cash flows from operating activities:

Collections from premium and other income
Payments for management expense, re-insurance and claims
Income Tax paid

Net cash provided by operating activities

Cash flows from investing activities:

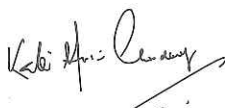
Investment in share
Sales of investment
Proceeds from sales of share
Interest received
Investment in Green Delta Financial Services Ltd.
Land and Building
Dividend income
Purchase of fixed assets
Sales of fixed assets
Share money deposit (Investment in Jalalabad Telecom Ltd.)
Purchase of investment (Zero coupon Bond)
GDIC Financial Services
Purchase of Brac Bank Preferred Share
Investment in United Hospital
Net cash used in investing activities

Cash flows from financing activities:

Dividend paid
Net cash used in financing activities
Net Increase/(Decrease) in cash & cash equivalents during the year
Cash & cash equivalents at the beginning of the year
Cash & cash equivalents at the end of the year

	AMOUNT (IN TAKA)	
	2007	2006
Collections from premium and other income	1,197,763,111	874,114,161
Payments for management expense, re-insurance and claims	(1,145,897,833)	(807,243,801)
Income Tax paid	(14,574,132)	(17,358,323)
Net cash provided by operating activities	37,291,146	49,512,037
Investment in share	(46,559,496)	(68,680,135)
Sales of investment	13,571,430	8,571,430
Proceeds from sales of share	124,067,466	24,410,168
Interest received	34,202,460	39,896,717
Investment in Green Delta Financial Services Ltd.	(77,501,000)	-
Land and Building	-	(5,980)
Dividend income	24,075,782	8,423,863
Purchase of fixed assets	(3,742,174)	(5,093,616)
Sales of fixed assets	560,000	1,654,261
Share money deposit (Investment in Jalalabad Telecom Ltd.)	(2,000,000)	-
Purchase of investment (Zero coupon Bond)	7,260,587	18,975,075
GDIC Financial Services	-	(3,160,498)
Purchase of Brac Bank Preferred Share	-	(50,000,000)
Investment in United Hospital	-	(55,000,000)
Net cash used in investing activities	73,935,055	(80,008,415)
Dividend paid	(43,998,084)	(115,250)
Net cash used in financing activities	(43,998,084)	(115,250)
Net Increase/(Decrease) in cash & cash equivalents during the year	67,228,117	(30,611,629)
Cash & cash equivalents at the beginning of the year	477,831,048	508,442,676
Cash & cash equivalents at the end of the year	545,059,165	477,831,047

Dhaka, April 27, 2008



Dr. Kabir H. Chowdhury
Chairman



Dr. M. Aminul Haque
Director




Farzana Chowdhury
Director



Nasir A. Choudhury
Managing Director & CEO



Nazim Tazik Chowdhury
Chief Finance Officer &
Company Secretary



Khan Wahab Shafique Rahman & Co.
Chartered Accountants

Statement of Changes in Equity

For the year ended 31 December 2007

Particulars	Share Capital	Share Premium	Reserve for exceptional Losses	General Reserve	Proposed Dividend/Bonus	Dividend equalisation fund	Foreign Currency Fluctuation	Investment Fluctuation Fund	P/L A/C	Total
Balance at 1st January' 2006	151,200,000	60,000,000	271,832,046	5,500,000	45,360,000	12,000,000	5,881,122	30,185,194	4,234,496	586,192,858
Profit After Tax for the year										
Dividend / Bonus Paid					(45,360,000)				163,190,118	163,190,118
Appropriation made during the year										(45,360,000)
Reserve during the year			45,102,493	22,500,000	75,600,000	19,000,000	(1,059,819)	124,954,085	-162,202,493	
Total	151,200,000	60,000,000	316,934,539	28,000,000	75,600,000	31,000,000	4,821,303	155,139,279	5,222,121	827,917,242

Dhaka, April 27, 2008



Dr. Kabir H. Chowdhury
Chairman



Dr. M. Aminul Haque
Director



Farzana Chowdhury
Director



Nasir A. Chowdhury
Managing Director & CEO



Nazim Tazik Chowdhury
Chief Finance Officer &
Company Secretary



Khan Wahab Shalique Rahman & Co.
Chartered Accountants

Form "AA"

Classified Summary of Assets as at 31 December 2007

Sl. No.	Class of Assets	Book Value Taka
1	Investment Bond	4,500,000
2	Shares Listed on Dhaka Stock Exchange Ltd.	383,252,048
3	Debentures	15,238,887
4	Investment In DELTA BRAC Housing Finance LTD.	40,000,000
5	Jalalabad telecom Ltd.	28,000,000
6	Zero Coupon Bond	3,764,337
7	United Hospital	55,000,000
8	BRAC Bank Preferred Share	50,000,000
9	Green Delta Financial Service Ltd.	20,000,000
10	Fixed Deposit	481,707,483
11	Cash at Bank on STD and Current Account	62,862,132
12	Cash and Cheque in Hand and on Transit	489,550
13	Outstanding Premium	83,135,633
14	Ammount due from other persons or bodies carrying on Insurance Bussiness	182,419,414
15	Sundry Debtors (including advance and deposits)	170,503,095
16	Land Property	21,036,075
17	Investment in Green Delta Aims Ltd.	4,500,000
18	Investment in GDFSL	77,501,000
19	Fixed Assets (at cost less depreciation)	12,481,155
20	Stock of Stationery and Stamps	2,052,191
		1,698,443,000

Dhaka, April 27, 2008



Dr. Kabir H. Chowdhury
Chairman



Dr. M. Aminul Haque
Director



Farzana Chowdhury
Director



Nasir A. Choudhury
Managing Director & CEO



Nazim Tazik Chowdhury
Chief Finance Officer &
Company Secretary



Khan Wahab Shafique Rahman & Co.
Chartered Accountants

Notes to the Accounts

For the year ended 31 December 2007

1. Introduction

Green Delta Insurance Company Limited was incorporated as a public limited company in Bangladesh on December 14, 1985 under the Companies Act, 1913 and commenced its operation on January 01, 1986.

The Company is listed in both Dhaka & Chittagong Stock Exchange as a Publicly traded Company.

Nature of Business

The primary objectives of the company are to carry on all kinds of non-life insurance business.

1.01 Green Delta Financial Services Limited, a wholly owned subsidiary company of Green Delta Insurance Company Limited, was incorporated on October 16, 2005 as a Private Limited company under Companies Act, 1994 with authorised share capital at Tk. 30,000,000 (Three Crore). The company has started its operation from 2006.

The main object of the company is to act as member of stock exchanges, the CDS companies, merchant banker, underwriter, placement agent and portfolio manager and to carry on the business of broker, jobbers or dealers in stocks, shares securities, commodities, commercial papers, bonds, debentures, debenture stocks, treasury bills and for any financial instruments whether in Bangladesh or abroad either as a joint venture on collaboration with foreign shareholders or exclusively with local participation. The company is also authorised to buy, sell, hold or otherwise acquire or invest the capital of the company in shares, stocks, fixed income securities bonds participation, finance certificate, certificates of investment, commercial papers, debentures, debenture stocks of company's which was registered or incorporated in Bangladesh or abroad.

2.00 Basis of Presenting Accounts and significant Accounting Policies

2.01 Basis of Presenting Accounts

These accounts have been prepared on the basis of going-concern concept under generally accepted accounting principles according to the historical cost convention. Requirements as to disclosure of financial information 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. A Cash Flow Statement is also included as per requirement of the Securities and Exchange Rules 1987.

2.02 Significant Accounting Policies

a) Depreciation on fixed assets :

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

Furniture & Fixtures
Office & Electrical Equipments
Vehicles

10%
15%
20%

b) Revenue Recognition

The total amount of premium earned on various classes of insurance business during the year, the gross amount of premium earned against various policies, the amount of re-insurance premium due to Private and Public

Sector, the amount of re-insurance commission earned and the amount of claims less re-insurance settled during the year have all been duly accounted for in the books of account of the Company and while preparing the final statement of accounts, the effect of re-insurance accepted and 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 duly reflected in order to arrive at the net underwriting profit for the year.

c) Management Expenses

Management expenses is charged to Revenue Accounts amounting to Tk. 143,839,177 is approximately 12.97% of gross premium of Tk. 1,109,245,366. The expenses have been apportioned

d) Public Sector Insurance Business :

As of 1st April 1990, following a Government decision, Public Sector Insurance Business is being underwritten jointly by Sadharan Bima Corporation and 43 private sector insurance companies on co-insurance basis; 50% being underwritten by Sadharan Bima Corporation and the balance equally by 43 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 been considered its share of public Sector Insurance Business this year, based on the Sadharan Bima Corporation's statement of year 2006

e) General

Previous years figures have been rearranged wherever necessary to keep the consistency of current year's presentation.

Figures which are shown in the accounts have been rounded off to the nearest Taka.

3.00 Share Capital

3.01 Authorised Share Capital:

5,000,000 Ordinary Shares of Tk. 100 each

2007	2006
500,000,000	500,000,000

The Insurance Company increased its authorised capital from Tk. 100 million to Tk. 500 million by passing a special resolution in the Companies 4th Extra Ordinary General Meeting (EGM) held on 7th October, 2004 at 11.00 A.M at Hotel Purbani International Ltd., Dhaka, Bangladesh and Certified by the Registrar of Joint Stock Companies and Firms on April 11, 2005.

3.02 Issued, subscribed, and paid-up

600,000 Ordinary Shares of Tk. 100 each
 300,000 Rights Shares of Tk. 100 each
 180,000 Bonus Share of Tk. 100 each
 432,000 Bonus Share of Tk. 100 each

	2007	2006
	60,000,000	60,000,000
	30,000,000	30,000,000
	18,000,000	18,000,000
	43,200,000	
Total	151,200,000	108,000,000

This is made up as follows :

Category

Sponsor
 Financial Institution (Including ICB)
 General Public and others
Total

No of Share	% of Total Paid Up Capital
553,241	36.59%
133,207	8.81%
825,552	54.60%
1,512,000	100%

Classification of Shareholders by Holdings:

Class Interval	No of	No of Shares	% of Total Paid - Up
Less than 500 Shares	2,356	101,001	6.68%
501 - 5,000	181	368,582	24.38%
5,001 - 10,000	30	221,381	14.64%
10,001 - 20,000	24	374,195	24.75%
20,001 - 50,000	9	288,071	19.05%
50,001 - 60,000	-	-	0.00%
60,001 - 70,000	1	65,116	4.31%
70,001 - 80,000	-	-	0.00%
80,001 - 90,000	-	-	0.00%
90,001 - 1,00,000	1	93,654	6.19%
Total	2,602	1,512,000	100.00%

3.03 Bonus Share

In the Year 2004 the company has issued 180,000 bonus share of Tk. 100 each
In the Year 2005 the company has issued 432,000 bonus share of Tk. 100 each

3.04 Right Share (Share Premium Tk. 60,000,000.00)

In the year 2005 Share Premium received Tk. 200.00 per share against 300,000 Right Shares.

4.00 Reserve or contingency account

Tk. 535,895,121

This is made up as follows :

Reserve for exceptional losses (4.01)
Foreign Currency Fluctuation
Investment Fluctuation Fund
General reserve
Dividend equalisation fund

2007	2006
316,934,539	271,832,046
4,821,30	35,881,122
155,139,279	30,185,194
28,000,000	5,500,000
31,000,000	12,000,000
535,895,121	325,398,362

4.01 Reserve for exceptional losses

Tk. 316,934,539

This is made up as follows:

Opening Balance
Addition during the year (10% of net premium income)
Closing Balance

2007	2006
271,832,046	239,113,960
45,102,493	32,718,086
316,934,539	271,832,046

5.00 Balance of fund account

Tk. 226,638,649

This is made up as follows:

Fire Insurance business
Marine Insurance business
Motor Insurance business
Misc. Insurance business

2007	2006
78,853,618	46,260,035
97,826,850	80,225,819
30,450,656	26,756,246
19,507,525	11,949,557
226,638,649	165,191,657

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 & Misc.	50%

6.00 Premium Deposits.

Tk. 45,812,900

This is made up as follows:

Marine Cargo

2007	2006
45,812,900	27,074,166

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.

7.00 Estimated Liability in Respect of Outstanding Claims whether Due or Intimated

Tk. 96,672,740

Fire
Marine Cargo
Marine Hull
Motor
Miscellaneous

2007	2006
55,161,553	43,406,663
27,277,511	30,017,601
3,268,933	319,553
9,099,879	2,070,900
1,864,864	11,243,990
96,672,740	87,058,707

8.00 Amount Due to Other Persons or Bodies Carrying on Insurance Business

Tk. 290,901,883

This represents the amount payable to Sadharan Bima Corporation and other Re-Insurers and private sector insurance companies on account of re-insurance and co-insurance premium at December 31, 2007.

This is made up as follows:

Payable against Co-Insurance Premium
Amount due to SBC
Overseas Re-Insurer

2007	2006
45,192,409	68,337,447
-	71,979,244
245,709,474	64,809,127
290,901,883	205,125,818

9.00 Sundry Creditors

Tk. 210,499,587

This is made up as follows:

Liability for Expenses
Provision for Income Tax & Other Payables
Unclaimed Dividend

2007	2006
6,671,324	10,235,843
200,881,498	145,406,674
2,946,765	1,584,849
210,499,586	157,227,366

10. Investment

Tk. 681,756,272

This is made up as follows :

Investment Bond (Govt Bond)
Shares Listed on DSE & CSE (Market Price)
Debentures
Investment in Delta Brac Housing Finance Ltd.
Jalalabad Telecom Ltd.
IDLC Zero Coupon Bond
GDFSL (Paid up capital)
Green Delta AIMS Ltd. (Paid up Capital)
BRAC Bank Preferred Share @ 9%
United Hospital
Investment in GDFSL (Margin Loan)
CSE Membership Purchase Price

2007	2006
4,500,000	4,500,000
383,252,048	211,738,466
15,238,887	28,810,317
40,000,000	40,000,000
28,000,000	26,000,000
3,764,337	11,024,925
20,000,000	20,000,000
4,500,000	4,500,000
50,000,000	50,000,000
55,000,000	55,000,000
60,000,000	-
17,501,000	-
681,756,272	451,573,708

Total

Sufficient provision has been made against fluctuation of share price.
Investment in Jalalabad Telecom Limited is in the form of share money deposit as on 31-12-2004 and subsequently allotted as paid up capital on 08-02-2005.

During the year under audit no income was receipt from investment in Jalalabad Telecom Ltd, United Hospital Ltd.

11. Outstanding Premium

Tk. 83,135,633

Outstanding premium represents installments not due to the Balance Sheet date on account of Marine & Aviation Hull business.

This is made up as follows :

Marine Hull
Aviation Hull

	2007	2006
Marine Hull	9,369,982	11,700,102
Aviation Hull	73,765,651	14,835,984
	83,135,633	26,536,086

Out of which Tk.5,001,263 & Tk.40,397,198 has been realised from Marine Hull & Aviation Hull respectively up to March 31, 2008

12. Amount Due from Other Persons or Bodies Carrying on Insurance Business

Tk. 182,419,414

This represents the amount receivable from private sector insurance companies on account of co-insurance premium and Claim at December 31, 2007.

This is made up as follows :

Co-Insurance Premium receivable
Co-Insurance Claim receivable
Amount due from Overseas Re-Insurer

	2007	2006
Co-Insurance Premium receivable	42,178,469	90,315,421
Co-Insurance Claim receivable	4,186,968	9,084,370
Amount due from Overseas Re-Insurer	136,053,977	17,125,321
	182,419,414	116,525,112

13. Sundry Debtors

Tk. 170,503,095

This is made up as follows :

Advance Rent
Advance Salary
Car Lease for Employees
Other Advances
Accrued Interest
Security Deposit

	2007	2006
Advance Rent	3,008,156	2,938,424
Advance Salary	544,624	688,100
Car Lease for Employees	13,421,291	8,543,377
Other Advances	151,452,079	107,046,990
Accrued Interest	1,023,842	641,342
Security Deposit	1,053,104	1,138,021
	170,503,095	120,996,254

14. Details of cash & cash equivalent

Tk. 545,059,165

This is made up as follows:

Fixed Deposits
At banks on STD & current account
Cash in hand

	2007	2006
Fixed Deposits	481,707,483	380,686,807
At banks on STD & current account	62,862,132	96,650,056
Cash in hand	489,550	494,185
	545,059,165	477,831,048

15. Land Property

Tk. 21,036,075

This is as per Last Accounts

2007	2006
21,036,075	21,036,075

Land property is stated at cost including development of land measuring 6 (Six) khatha and 4 (Four) chataks situated at 51 Mohakhali C/A, Dhaka-1212 .

16. Fixed Assets (at cost less depreciation) Tk. 12,481,155

	Furniture & Fixtures	Office & Electrical Equipments	Vehicles	Total
Cost				
As at January 1, 2007	18,932,451	27,895,820	3,209,379	50,037,650
Additions during the year	925,464	2,816,710	-	3,742,174
Disposal during the year	-	-	(560,000)	(560,000)
As at December 31, 2007	19,857,915	30,712,530	2,649,379	53,219,824
Fully Depreciated Amount	(9,053,788)	(15,864,565)	(1,072,395)	(25,990,748)
Depreciation Chargeable Amount	10,804,127	14,847,965	1,576,984	27,229,076
Depreciation				
As at January 1, 2007	13,078,837	22,457,913	2,138,913	37,675,663
Charge during the year	1,080,413	2,227,196	315,397	3,623,006
Disposal during the year	-	-	(560,000)	(560,000)
As at December 31, 2007	14,159,250	24,685,109	1,894,310	40,738,669
Written Down Value				
At December 31, 2007	5,698,665	6,027,421	755,069	12,481,155
At December 31, 2006	5,853,614	5,437,907	1,070,466	12,361,987

17. Stock of Printing, Stationery & Stamps Tk. 2,052,191

This is made up as follows:

	2007	2006
Printing	997,068	603,134
Stationery	13,670	23,465
Insurance Policy Stamps	1,041,453	383,703
	2,052,191	1,010,302

18. Audit Fees

Tk. 200,000

This is made up as follows:

	2007	2006
Statutory audit	60,000	60,000
Special audit	140,000	120,000
	200,000	180,000

19. Investment and others Income

Tk. 186,408,779

Interest on FDR & STD
 Net profit from shares
 Interest on Debenture
 Interest on National Bond
 Interest on Zero Coupon Bond
 Underwriting Comm.
 Dividend Income
 Interest Income from GDFSL
 Co-Ins Service Charges
 Sundry Income

	2007	2006
	34,202,460	39,896,715
	124,067,466	24,410,468
	3,382,936	1,912,508
	382,500	382,500
	561,453	3,198,945
	185,313	122,750
	19,957,974	12,541,671
	1,806,575	-
	896,273	1,418,389
	965,829	1,321,543
	186,408,779	85,205,490

20. Claims under Policies less Re-insurance

Tk. 117,036,987

	Fire	Marine Cargo	Marine Hull	Motor	Misc.	Total
Claims paid during the year	32,562,983	49,946,396	343,102	12,913,570	11,656,903	107,422,955
Claims Outstanding (31-12-2007)	55,161,553	27,277,511	3,268,933	9,099,879	1,864,864	96,672,740
Claims Outstanding (01-01-2007)	(43,406,663)	(30,017,601)	(319,553)	(2,070,900)	(11,243,990)	(87,058,707)
Total amount	44,317,873	47,206,306	3,292,482	19,942,549	2,277,777	117,036,987
Total amount (Year 2006)	41,710,699	13,813,853	265,478	26,148,684	10,696,219	92,634,933

21. Premium Less Re-insurance

Tk. 451,024,929

Class of Business	On Direct Business	On Re-ins Accepted	On Re-ins. Ceded	Total
	Fire	576,105,279	-	(417,927,985)
Marine Cargo	225,868,179	-	(39,298,990)	186,569,189
Marine Hull	22,654,914	487,177	(17,798,631)	5,343,460
Motor	64,991,907	-	(3,417,543)	61,574,365
Miscellaneous	218,986,582	151,329	(179,777,288)	39,360,623
Total amount	1,108,606,861	638,506	(658,220,437)	451,024,929
Total amount (Year 2006)	762,291,790	412,255	(435,523,182)	327,180,863

22. Earning Per Share (EPS)

$$\begin{aligned} \text{Basic EPS} &= \frac{\text{Net Profit after Tax}}{\text{Total No. of Shares Outstanding during the year}} \\ &= \frac{\text{Tk. 163,190,118}}{15,12,000} \\ &= \text{Tk. 107.93} \end{aligned}$$

23. Net Assets Value

The offer price of the common stock of Green Delta Insurance Co. Ltd. has been determined on the basis of net assets value, the break up is given below.

A. Assets.	2007	2006
Investment	681,756,272	451,573,708
Outstanding Premium	83,135,633	26,536,086
Amount due from other persons or bodies carrying on Insurance Business	182,419,414	116,525,112
Sundry Debtors	170,503,095	120,996,253
Cash and Bank Balance	545,059,165	477,831,048
Other Accounts	35,569,421	34,408,365
Total Assets	<u>1,698,443,000</u>	<u>1,227,870,572</u>
B. Liabilities		
Balance of Fund Accounts	226,638,649	165,191,657
Premium Deposit	45,812,900	27,074,166
Estimated liability in respect of outstanding claims whether due or intimated	96,672,740	87,058,707
Amount due to other persons or bodies carrying on Insurance Business	290,901,883	205,125,818
Sundry Creditors	210,499,586	157,227,366
Total Liability	<u>870,525,758</u>	<u>641,677,714</u>
Net Assets (A - B)	827,917,242	586,192,858
Number of weighted average shares outstanding during the year	1,512,000	1,296,000
Book Value per share	547.56	452.31