

(A Public Company with limited liability of Shareholders incorporated on 20th March 1988 under the Companies Act, 1913)

Amount due to other persons or bodies carrying on insurance business:

STATEMENT	OF CHANGES IN	WORKING CAPITA
FOR THE	YEAR ENDED 31	<b>DECEMBER 1994</b>

Continued from page 15

	Year ended 31 Dece	mber	Increase/
DESCRIPTION	1994 Tk.	1993 Tk	(Decrease) Tk.
CURRENT ASSETS:	148,894,627	149,159,093	(264,466)
Outstanding premiums	21,902,348	26,467,536	(4,565,188)
Interest outstanding and interest accruing but not due	13,055,455	14,564,571	(1,509,116)
Amount due from other persons or bodies carrying on insurance business	24,558,832	39,032,037	(14,473,205)
Sundry debtors (excluding adv. tax)	69,513,480	54,978,178	14,535,302
Cash and bank balances (excluding fixed deposits)	18,453,499	13,284,219	5,169,280
Stock of stationery	432,561	430,079	2,482
Stamps in hand	978,452	402,473	575,979
CURRENT LIABILITIES:	135,651,300	138,986,305	(3,335,005)
Premium deposits Amount due to other persons	42,223,517	37,144,231	5,079,286
or bodies carrying on insurance business	52,943,506	78,063,966	(25,120,460)
Sundry creditors (excluding provision for income tax) Outstanding refund premium	39,096,863 1,387,414	22,518,127 1,259,981	16,578,736 127,433
Increase in working capital	13,243,327	10,172,788	3,070,539

Notes	s to the Financial Statements for the
	Year Ended 31 December 1994

Sd/-

M. Shamsul Alam

Managing Director

Sd/-

Chowdhury Hossain

Zaman & Co.

1993

14. Fixed assets:

1994

Nature and business of the company: The company is incorporated in Bangladesh as a public limited company. It is

Sd/-

Director

engaged in the business of all types of insurances other than life. Summary of significant accounting and related policies:

Latifur Rahman Anwarul Huq

Sd/-

Director

Basis of accounting:

Sd/-

A. S. Mahmud

Dhaka 24 April 1995

Vice Chairman

The accounting and reporting policies of the company generally conform to the Accounting Standards issued by the Institute of Chartered Accountants of Bangladesh and to the requirements of the laws applicable to it. The company carries its assets and liabilities on historical cost convention and it follows the accrual method of accounting.

The balance sheet has been prepared in accordance with the regulations contained in part I of the first schedule and as per form "A" as setforth in part II of that schedule and the revenue account of each class of general insurance business has been prepared in accordance with the regulations contained in part I of the third schedule and as per form "F" setforth in part II of that schedule of the Insurance Act, 1938.

Company's share of public sector insurance business is accounted for in the year in which the statements of account from the Sadharan Bima Corporation are received. Upto 31 December 1994 statements of account for the period 1 July 1993 through 30 June 1994 have been received from the Sadharan Bima Corporation and, accordingly, the company's share of public sector insurance

business for that period has been recognised in these financial statements. Fixed assets are depreciated on straight line method on the basis of life expectancy of the assets. Depreciation for the whole year is charged on additions irrespective of the dates of acquisition and no depreciation is charged on assets retired during the year. Assets are depreciated at the following rates:

,Item	Rate %
Transport vehicles	20
Furniture & fixtures	10
Office equipment	15
Electrical equipment	15
The values of all assets except those of the	shares in joint stock companie

the values of all assets except those of the shares in joint stock companies as shown in the balance sheet and in the annexed Classified Summary of Assets drawn up in accordance with form "AA" of Part II of the first schedule to the Insurance Act, 1938, have been reviewed and the said assets have been setforth in the balance sheet at amounts not exceeding their realisable or market value. All monetary figures have been rounded off to the nearest Taka.

Certain amounts of previous year have been rearranged to conform to current year's presentation.

Staff retirement plan:

03. Share Capital:

The company operates a gratuity scheme under which an employee is entitled to benefits at a graduated scale based on length of service. The company has also established a provident fund to which eligible employees contribute @ 10% of basic salary with the company contributing an equal amount. The provident fund is wholly administered by a Board of Trustees. No part of the fund is included in the assets of the company.

	Authorised	Taka	Taka
	1.000,000 ordinary shares of Tk.100.00 each	100,000,000	100,000,00
600 T	issued, subscribed and paid up 300,000 ordinary shares of Tk.100 each fully paid	30,000,000	30,000,000
04.	Premium deposit: The classwise summary is as follows:		

1993 1994 Business Taka Taka 931,440 1,427,543 Fire 41,192,964 34,846,804 Marine cargo Marine hull 9.375 856,601 89,738 Miscellaneous 13,283 42,223,517 37,144,231 Total

Balance on this account represents premium received against cover notes. In respect of Marine Cover Notes issued within 31 December 1994 risks had not been assumed but for Non-Marine Cover Notes risks had attached from the date of issue.

05. Estimated liability in respect of outstanding claims whether due or intimated:

	i i i i i i i i i i i i i i i i i i i	<u> </u>
9	1994	1993
Business	Taka	Taka
Fire	4,520,230	3,016,749
Marine cargo	6,224,636	5,588,221
Marine hull	139,050	63,067
Motor	8,049,448	4,776,597
Miscellaneous	2,260,579	1,478,436
Total -	21,193,943	14,923,070
SAMPLE TO THE SAMPLE SA		

All claims of which intimations were received by the company within 1994 have been taken into consideration while estimating the liability in respect o outstanding claims.

		1994	1993
	Particulars	Taka	Taka
	Co insurance premium payable	9,432,922	10.133 641
	Co insurance salvage payable	531,000	680,000
	Co-insurance claim payable	611,858	8 <del>2</del>
	Green Delta Insurance Co. Ltd.	TO STATE OF THE ST	
	tor reinsurance ceded	301,977	
	Sadharan Bima Corporation		
	for reinsurance ceded	42,065,749	67,250,325
	Total	52,943,506	78.063,966
17.	Sundry creditors (including provision	on for commission, exper	nses and taxes):
		1994	1993
Self to contract	culars	Ta <b>k</b> a	Taka
rem	ium received in advance	10.571	500.000
ncor	ne tax deducted from		
upp	liers and others	16,200	577.83€
iabi	lity for goods supplied	2.179.528	1,379,322
iabi	lity for management expenses	2,885,471	3.119.447
iabi	lity for gratuity	2.873,322	1,873,384
ax o	on premium	1,168,049	1.212.772
AT	on premium	11.047,544	8,187,792
nsu	rance stamp on deposit premium	4,558,142	1,768,063
	tanding commission	13.679.069	3,575,877
rovi	sion for income tax	18,854,551	22,039,160
mp	lovees' income tax	246,024	168,237
	loyees' provident fund	124,332	106,298
exce	ss collection	308,611	49.099
[otal		57.951,414	44,557,287
	Provision for income tax has been m	ade on the basis of Finar	nce Act. 1994
)8.	Outstanding refund premiums:		art productions that
	142 WEISSCHOOL	1994	1993
	Business	Taka	Taka
	Fire	1,228,155	1.206,648
	Marine Cargo	13,051	20.01
	Motor .	17,434	20.917
	Miscellaneous	128,774	32,416
	Total	1,387,414	1,259,98
9.	Investment (at cost):	1994	1993
5.8	Particulars	Taka	Taka
	Pratirakkha Sanchay Patra	iaka	Ida
	2017 MATERIAL SECTION SECTION OF SECTION SECTI		
	(including statutory deposit Tk.4,500,000)	40,000,000	30,000,000
	17% debentures of Bangladesh	40,000,000	30,000,000
	Export Import Co. Ltd.	1,064,800	1.332.000
	[ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ]		1.332.000
	Shares of joint stock companies	10,283,834	4
	Total	51,348,634	31,332,000
	The debentures are redeemable at 11 April and 11 October each ye instalments including interest whice	ar commencing from 1	1 October 1991. A

	Provided to take - Suite - Suite - Suite - Action College College (Action College Coll	1994	1993
	Business	Taka	Taka
	Fire	3,202,063	8,693,193
	Marine	16,156,409	14,412,743
•	Motor	1,799,251	1,816,481
	Miscellaneous	744.625	1,545,119
	Total	21.902.348	26,467,536
	Out of the outstanding premiu	m Tk.6,531.624 was realiz	ed within 31 March

**Outstanding Premiums:** 

1995

Amount due from other persons or bodies carrying	ig on insurance bu	siness:
	1994	1993
Particulars	Taka	Taka
Sundry co-insurance claims recoverable	5,124,491	4,159,960
Fire	2.665,341	2,206,058
Marine cargo	464,143	101,729
Motor	1.342.270	1.656,306
Miscellaneous	652,737	195,867
Co-insurance premium recoverable	16,870,106	12,463,277
Sadharan Bima Corporation for reinsurance	(A )%	2 5
accepted	2,274,099	21,936,185
Green Delta Insurance Co. Ltd. for facultative	SHADOW THOUSAND BACK	
reinsurance accepted	290,136	472,615
Total	24.558.832	39.032,037
Sundry debtors:		
Maria (COMMUNIC) # 2 (1) (2) (2) (2) (2) (2) (2) (2) (2) (2) (2	1994	1993
Particulars	Taka	Taka
Advances	6,038,714	3,131,836

73. 11.1		1994	1993
	Particulars	Taka	Taka
	Advances	6,038,714	3,131,836
	Miscellaneous	300,000	300,000
	Office rent	1,073,320	753,935
	House rent	160,000	400,000
	Employees	40	44,254
	Travelling	16,808	65,000
	Advertisement	317,500	240,000
	Agents' commission	4,171,046	1328,647
	Tax on outstanding premiums .	168,246	344,480
	VAT on outstanding premiums	2,690,700	2,889,554
	Insurance stamps on outstanding premiums	1,571,987	2 5577
	Collection control account	54,840,756	43,355,270
	Lease deposit with IDLC Ltd.	422,510	422,510
	Security deposit	139,000	123,000
	Advance income tax	12,432,659	10,090,392
	Advance to branches	1,954,067	4,708,585
	Underwriting commission receivable	1,687,500	
	Total	81,946,139	65,065,627
			3.5

Total		81,946,139	65,065,627
Cash and bank balances:	#	1994	1993
Particulars		Taka	Taka
Amount in hand	*	612,814	1,251,604
Balance with banks		114,870,634	106,647,564
On fixed deposits		97,029,949	94,614,949
On STD accounts		10,058,095	10,272,282
On current accounts		662,590	1,260,333
Remittance in transit		7,120,000	500,000
Total			
F 50		115,483,448	107,899,168

Included in the balance with banks are sums aggregating Tk.1,253,866 (fixed deposit Tk.1,095,000 & STD a/c Tk.158,866) receivable through Eastern Bank Limited, on account of defunct BCCI out of which Tk.100,000 on STD a/c has been realized on 04 April 1995.

DESCRIPTION		COST		DEPRE	DEPRECIATION NET BO			OK VALUE	
	At31 Dec. 1993	Addition/ (Adjustm- ent) during 1994	At 31 Dec. 1994	At 31 Dec. 1993	For 1994	At31 Dec. 1994	At31 Dec. 1994	At31 Dec. 1993	
Motor car	4,066,070	647,500 (138,220)	4,575,350	2,109,820	862,531 (115,412)	2,856,939	1,718,411	1,956,250	
Motor cycle	1,220,380		1,220,380	760,846	174,099	934,945	285,435	459,53	
Bicycle Furniture &	13,775	10 <del>25</del> 8	13,775	7,720	2,002	9,722	4,053	6,05	
fixtures	4,295,694	49,235	4,344,929	2,021,961	434,493	2,4" + "" +	1, 475	2,273,73	
Carpet	261,932		261,932	124,971	26,193	151,164	11 7n×	136,96	
Fans	262,920	5,175	268,095	193,955	40,149	234,104	33,991	68,96	
Air coolers Electrical	2,149,553	51 65 #	2,149,553	1,361,552	322,430	1,683,982	465,571	788,00	
equipment	4,074		4,074	2,444	611	3,055	1,019	1,63	
Typewriters Photocopy	757,600	37,000	794,600	564,765	103,469	668,234	126,366	192,83	
machines	360,000		360,000	168,000	54,000	222,000	138,000	192,00	
Refrigerator Office	26,700	1.	26,700	20,025	4,005	24,030	2,670	6,67	
equipment	68,020	44	68,020	48,378	9,156	57,534	10,486	19,64	
Computer Telephone	551,000	419,900	970,900	173,055	145,635	318,690	652,210	377,94	
installation Franking	1,264,918	7,145	1,272,063	910,826	190,809	1,101,635	170,428	354,04	

La	x Darw	14,1336		34,000	15,300	5,100	20,400	13,600	18,700
mahun		115,800 452.4 W		115,800 16,480,171	17,370 8,500,988	17,370 2,392,052 (115,412)	34,740 10,777.628	81,060 5,702,543	98,430 6,951,448
			1.165,955 (138,220)						
Nam.		* .1.73	2.970.068 (770,400)	15,452,436	6,535,859	2,273,289 (308,160)	8,500,988	6,951,448	
Sec	also not	e 2.d	50 (50 - 25 A) A) (57 C)					-5-051-54-0-10K-20-1-M	CART TO STATE OF THE STATE OF T
	Audit	Fees					Towns I		1000
						Taka	1993 Taka		
	Particulars				10 L				
	Statutory audit 1994				50,000		50,000		
	Special audit 1994 Special investigation 1994					50 (NN) 75 (NN)		35,000	
	200 mg 4 10 10 10 10 10 10 10 10 10 10 10 10 10	AND DESCRIPTION OF THE PARTY.	non 1994			+ +	*-E-664		
	Total		500 - 5	8		1.5	SINN!		85,000
16.	Intere	st received	and accrued	<b>1</b> 9		30	CALAL		1993
	Partic	ulars					ika		Taka
	Fixed deposit				7,499,789		7,067,665		
	STD accounts					747,241		557,282	
	Pratirakkha Sanchay Patra				3,770,000		1,010,000		
	Debentures					236,168		262,408	
	Total					12,253,198		8,897,355	
17	Capita	al expenditu	ire committ	ment:					
	505000	5.5 G	2						

there is no commitment for future capital expenditure at the date of these financial

Banker's Sl. No.

RELIANCE INSURANCE LIMITED APPLICATION FOR SHARES

Warning Please read the instructions at the back of this form

Incorrectly filled applications may be rejected. The Directors Reliance Insurance Limited BSB Building 8. Rajuk Avenue Dhaka 1000

Dear Directors,

address stated below.

I/we apply for and request you to allot me/us the following number of shares and I/we agree to accept the same or any smaller number that may be allotted to me/us upon the terms of the Company's approved prospectus and subject to the Memorandum and Articles of Association of the Company. Further, I/we authorize you to place my/our name (s) on the Register of Members of the Company as the holder (s) of \_\_\_\_\_\_ shares allotted me/us pursuant to this application and to send Allotment Letter in respect thereof and/or a crossed (account payee only)

cheque in respect of any application money returnable by post at my/our risk to the first applicant's

1. No. of Shares \_\_\_\_\_\_ of Tk. 285/- each including a premium of Tk. 18 ...... 2 Amount of Tk. (in figs) words)\_\_\_\_\_ only day and sade Cash/Cheque/Draft/Pay Order No. on\_\_\_\_\_Bank\_\_\_\_\_\_B

I/we agree to fully abide by the instructions given herein. 4. Name and Address:

Sole/First Applicant: Mr./Ms./M/s Father's/Husband's Name Postal Address Nationality Occupation Passport/ID No. (if any) For Refund Warrant, Applicant's Bank A/c No. Name of the Bank Branch Second Applicant: Mr./Ms./M/s Father's/Husband's Name Postal Address Nationality Occupation Passport/ID No. (if any)

Specimen Signature(s) Signature (i) Name (in block) (ii) Name (in block) Signature BANKER'S ACKNOWLEDGEMENT

\_\_\_\_) only from Certified that this Bank has received Tk.\_\_\_\_\_ (Taka Mr./Ms/M/s being the application money for No. of Shares of RELIANCE INSURANCE LIMITED

Banker's Sl. No.

AUDITORS:

Authorised Signature (NAME & DESIGNATION)

Date

INSTRUCTIONS

Seal

All information must be typed or written (in full in block letters) in English or in Bengali and should not be abbreviated.

Application must be made on the company's printed form/photocopied/cyclostyled/typed form or hand written thereof.

Application must not be less than for 50 shares or multiple thereof.

Remittance for the full amount of the shares must accompany each application and must be forwarded to any one of the Bankers to the Issue. Remittance should be in the form of cash/cheque(s) or bank draft(s)/pay order(s) payable to one of the Bankers to the Issue "A/C RELIANCE INSURANCE LIMITED" and crossed "A/C Payee only" and must be drawn on a bank in the same town as the bank to which the Application Form has been sent.

In the case of Joint Application, each party must sign the application Form. The Allotment Letter will be despatched to the person whose name appears first on this Application Form and where any amount is refundable in full or in part, the same will be refunded by cheque and by post/courier service to the person named first on this Application Form in the manner prescribed in the Prospectus.

An applicant can submit not more than two applications, one in his/her own name and another jointly with another person. In case an applicant makes more than two applications, those in excess of two applications shall not be considered for allotment No reseipt will be issued for the payment made with application but a provisional

acknown. Oment will be issued by the Bankers to the Issue for application lodged with Application must be in the full name of individuals and not in the name of firms, minors, or persons of unsound mind. Applications for financial institutions, Banks, Insurance Companies, financial and market intermediary companies must be accompanied by Memorandum and

Articles of Association. Refund will be made through "Account pavee" cheque(s) only, with Bank Account No., Bank Name and branch as mentioned in the application. Allotment shall be made solely in accordance with the instructions of the Securities and

Exchange Commission (SEC). Making of any false statement in the application or supplying of incorrect information therein or suppressing any information will make the relevant application liable to rejection and subject to forfeiture of application money. The said application money will be deposited in account specified by the SEC. This may be in addition to any other penalties as may be provided for by law.

Application which do not meet with the above requirements or applications which are incomplete shall not be entertained.

## Name of the Bankers to the issue (See Page 13)

## PART IX

## **MISCELLANEOUS**

Chowdhury Hossain Zaman & Co. **Chartered Accountants** 82, Motifheel C. A. (2nd floor)

Dhaka

Dhaka

LEGAL ADVISER: Mr. Rokanuddin Mahmood Barrister-at-Law Cosmos Center

COMPANY SECRETARY Mr Fakhruddin Ahmed

M.Com. ACMA ACA

69/1, New Circular Road