

GLOBAL INSURANCE LIMITED

AL-RAZI COMPLEX (12th FLOOR)

166-167, SHAHEED SYED NAZRUL ISLAM SARANI

PURANA PALTAN, DHAKA-1000

GLOBAL INSURANCE LIMITED

Un-audited Financial Statements

For the period ended 31 March 2021

GLOBAL INSURANCE LIMITED
Statement of Financial Position
As at ended 31st March, 2021 (Un-audited)

Capital & Liabilities	Notes	Amount in Taka	
		March 2021	2020
Share Capital			
Authorised Capital		1,000,000,000	1,000,000,000
100,000,000 ordinary shares of Tk. 10 each			
Issued, Subscribed & Paid up Capital			
4,05,51,763 Ordinary Shares of Tk. 10 each	10	405,517,630	405,517,630
Reserve or Contingency Account:			
Reserve for Exceptional Losses	11	63,635,412	57,635,412
General Reserve		4,000,000	4,000,000
Retained Earnings	12	85,252,633	49,970,338
		152,888,045	111,605,750
Balance of Fund and Account:	13		
Fire Insurance Business		42,643,256	42,265,679
Marine Cargo Insurance Business		121,903,034	115,227,458
Marine Hull Insurance Business		-	1,532,748
Motor Insurance business		33,858,944	32,271,574
Miscellaneous Insurance Business		12,500,916	9,547,408
		210,906,150	200,844,867
Premium Deposit	14	28,857,799	22,744,053
Loans & Overdraft	15	28,306,595	38,352,689
Deferred Tax Liability	16	6,133,882	6,234,413
Liabilities and Provisions:			
Estimated Liability in respect of outstanding claims, whether due or intimated	17	50,725,841	55,020,438
Amounts due to other Persons or Bodies carrying on Insurance Business	18	81,202,492	73,400,693
Sundry Creditors	19	132,686,660	148,801,290
		264,614,993	277,222,421
		1,097,225,094	1,062,521,823
NAV Per Share		13.77	12.75
		Total	Total
		1,097,225,094	1,062,521,823
		13.77	12.75
Property & Assets			
Government Treasury Bond	3	25,000,000	25,000,000
Investments in Shares (Fair Market Value)	4	4,909,500	5,516,000
Interest Receivable	5	10,388,278	9,705,777
Amount due from other persons or- Bodies Carrying on Insurance Business	6	148,861,767	148,861,767
Sundry Debtors	7	269,780,448	274,864,261
Cash and Bank Balances	8		
Cash in Hand		633,393	1,025,066
Balance with Banks		61,647,473	47,725,366
FDR with Banks		473,000,000	445,500,000
		535,280,866	494,250,433
Other Accounts:			
Fixed Assets (At cost less accumu. depreciation)	9	100,988,523	101,605,844
Stock of Stationery		947,879	1,447,879
Stamp in Hand		1,067,832	1,269,855
		103,004,235	104,323,577
		1,097,225,094	1,062,521,823
Total		1,097,225,094	1,062,521,823

Chief Financial Officer(C.C.)

Company Secretary

Chief Executive Officer

Director

Chairman

GLOBAL INSURANCE LIMITED
Profit and Loss Appropriation Account
For the period ended 31st March, 2021 (Un-Audited)

Particulars	Notes	Amount in Taka		Particulars	Notes	Amount in Taka	
		March-21	March-20			March-21	March-20
Provision for Income Tax	20	20,200,615	24,145,401	Balance brought forward from last year	12	49,970,338	38,850,894
Deferred Tax expenses	16	(100,531)	(108,397)				
Reserve for Exceptional Loss		6,000,000	-	Net profit for the year brought down		61,382,378	64,586,144
Balance transferred to the Balance Sheet		85,252,633	79,400,034				
		<u>111,352,716</u>	<u>103,437,038</u>			<u>111,352,716</u>	<u>103,437,038</u>


Chief Financial Officer(C.C.)


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GLOBAL INSURANCE LIMITED
Statement of Comprehensive Income
For the period ended 31st March, 2021 (Un-Audited)

Particulars	Notes	Amount in Taka		Particulars	Notes	Amount in Taka	
		March-21	March-20			March-21	March-20
Expenses of Management (Not applicable to any particular Fund or Account)				Interest Income (Not applicable to any particular Fund or Account)	27	8,599,830	5,401,546
Advertisement & Publicity		346,899	661,277	Dividend Income		-	425,160
Donation & Subscription		-	225,000				
Audit Fees		-	-				
Legal & Professional Fees		3,259,750	368,300				
Depreciation		2,352,009	2,358,302				
Interest on loan		638,757	1,772,756				
Registration Fees		530,859	175,900				
Directors Fee	26	570,400	423,200				
Meeting, Conference & AGM expenses		1,459,399	922,749				
Diminution Value of Share		606,500	2,261,094				
		9,764,573	9,168,578	Profit transferred from:			
				Fire Insurance Revenue Account		3,417,414	18,235,636
				Marine Insurance Revenue Account		49,857,225	39,649,160
				Motor Insurance Revenue Account		7,600,608	6,013,586
				Misc. Insurance Revenue Account		1,671,874	4,029,634
						62,547,122	67,928,017
Balance for the period carried to Profit & Loss App. A/C		61,382,378	64,586,144				
		71,146,952	73,754,723			71,146,952	73,754,723
Earning per Share (Restated)	28	1.02	1.00				

Chief Financial Officer (C.F.O.)

Company Secretary

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GLOBAL INSURANCE LIMITED
Consolidated Revenue Account

For the period ended 31st March, 2021 (Un-Audited)

Particulars	Notes	Amount in Taka		Particulars	Notes	Amount in Taka	
		March-21	March-20			March-21	March-20
Claims under policies less Re-insurances							
Paid during the year		5,300,110	2,568,159	Balance of account at the beginning of the year		200,844,867	167,800,685
Add : Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated		50,725,841	34,363,102	Premium less Re-insurances	24	175,529,043	174,995,919
		56,025,951	36,931,261	Commission on Re-insurances		10,144,920	10,390,146
Less: Claims outstanding at the end of the previous year		55,020,438	32,554,199				
		1,005,513	4,377,062				
Agent Commission		28,420,462	32,175,707				
Expenses of Management	25	83,639,584	73,194,717				
Profit transferred to profit & loss account		62,547,122	67,928,017				
Balance of fund account at the end of the year as shown in the balance sheet:							
Reserve for unexpired risks being 100% for Marine Hull & 40% for other net premium income of the year		210,906,150	175,511,247				
		<u>386,518,830</u>	<u>353,186,750</u>			<u>386,518,830</u>	<u>353,186,750</u>

Chief Financial Officer(C.C.)

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GLOBAL INSURANCE LIMITED
Fire Insurance Revenue Account
For the period ended 31st March, 2021 (Un-Audited)

Particulars	Notes	Amount in Taka		Particulars	Notes	Amount in Taka	
		March 21	March 20			March 21	March 20
Claims under policies less Re-insurances							
Paid during the year		1,918,931	113,441	Balance of account at the beginning of the year		42,265,679	34,481,828
Add : Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated		23,714,118	16,744,668	Premium less Re-insurances	24	33,964,004	49,300,305
		25,633,049	16,858,109	Commission on Re-insurances		5,938,174	6,805,595
Less: Claims outstanding at the end of the previous year		22,707,813	16,839,422				
		2,925,236	18,687				
Agent Commission		9,062,546	11,198,077				
Expenses of management	25	24,119,405	24,174,292				
Profit transferred to profit & loss account		3,417,414	18,235,636				
Balance of fund account at the end of the year as shown in the balance sheet:							
Reserve for unexpired risks being 40% of net premium income of the year		42,643,256	36,961,036				
		82,167,857	90,587,728			82,167,857	90,587,728

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GLOBAL INSURANCE LIMITED
Marine Insurance Revenue Account
For the period ended 31st March, 2021 (Un-Audited)

Particulars	Notes	Amount in Taka		Particulars	Notes	Amount in Taka	
		March-21	March-20			March-21	March-20
Claims under policies less Re-insurances							
Paid during the year		1,079,955	115,817	Balance of account at the beginning of the year		116,760,206	93,737,416
Add : Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated		15,243,424	8,546,387	Premium less Re- insurances	24	104,075,981	83,207,107
		16,323,379	8,662,204	Commission on Re-insurances		3,040,467	2,651,582
Less: Claims outstanding at the end of the previous year		22,150,631	7,687,972				
		(5,827,252)	974,232				
Agent Commission		16,321,078	14,512,386				
Expenses of management	25	41,622,569	32,591,599				
Profit transferred to profit & loss account		49,857,225	39,649,160				
Balance of account at the end of the year as shown in the balance sheet:							
Reserve for unexpired risks being 40% of net premium income on marine cargo and 100% of net premium income on marine hull of the year:							
Marine Cargo		121,903,034	91,868,728				
		121,903,034	91,868,728				
		223,876,654	179,596,105				
						223,876,654	179,596,105

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GLOBAL INSURANCE LIMITED
Miscellaneous Insurance Revenue Account
For the period ended 31st March, 2021 (Un-Audited)

Particulars	Notes	Amount in Taka			
		March-21		March-20	
		Motor	Misc	Total	Total
Claims under policies less Re-insurances Paid during the year		2,216,896	84,328	2,301,224	2,338,901
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated		8,198,299	3,570,000	11,768,299	9,072,047
		10,415,195	3,654,328	14,069,523	11,410,948
Less: Claims outstanding at the end of the previous year		6,522,109	3,639,885	10,161,994	8,026,805
Agent Commission		3,893,086	14,443	3,907,529	3,384,143
Expenses of management	25	2,784,161	252,677	3,036,838	6,465,244
		8,310,599	9,587,011	17,897,610	16,428,826
Profit transferred to profit & loss account		7,600,608	1,671,874	9,272,482	10,043,220
Balance of fund account at the end of the year as shown in the balance sheet:					
Reserve for unexpired risks being 40% of net premium income of the year		33,858,944	12,500,916	46,359,860	46,661,484
		56,447,398	24,026,921	80,474,319	83,002,917

Particulars	Notes	Amount in Taka			
		March-21		March-20	
		Motor	Misc	Total	Total
Balance of account at the beginning of the year		32,271,574	9,547,408	41,818,982	39,581,441
Premium less Re-insurances	24	24,138,159	13,350,899	37,489,058	42,488,507
Commission on Re-insurances		37,665	1,128,614	1,166,279	932,969



Chief Financial Officer (C.C.)



Company Secretary



Chief Executive Officer



Director



Chairman

GLOBAL INSURANCE LIMITED
Statement of Cash Flows
For the period ended 31st March, 2021 (Un- Audited)

	Amount in Taka	
	March-21	March-20
A) Cash flow from operating activities:		
Premium Collection & other Receipts	269,497,318	271,021,217
Payments of Mgt. Exp., Commission, Re-Ins & Claim & Others	(195,548,284)	(206,955,140)
Income tax paid and deducted at source	(4,859,827)	(440,434)
Net Cash provided from operating activities	69,089,207	63,625,643
B) Cash flow from investing activities:		
Acquisition of fixed assets	(1,734,692)	(1,564,274)
Disposal of fixed assets	-	-
Share Sale	-	-
Investment in Share	-	-
Net Cash used in Investing activities	(1,734,692)	(1,564,274)
C) Cash flow from financing activities:		
Dividend Paid	(15,639,231)	-
SOD loan	(9,703,525)	(3,811,222)
Car Loan	(342,569)	(300,701)
Margin Loan	-	(340,128)
Interest on SOD Loan	(638,757)	(1,772,756)
Net Cash used in Financing activities	(26,324,082)	(6,224,807)
D) Net increase in Cash & Bank balances for the year :(A+B+C)	41,030,433	55,836,562
E) Opening Cash and Bank balances	494,250,432	353,326,098
F) Closing Cash and Bank balances : (D+E)	535,280,866	409,162,660
NOCFPS (Restated)	1.70	1.57


Chief Financial Officer(C.C.)


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Chief Executive Officer



Director


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GLOBAL INSURANCE LIMITED
Statement of changes in Equity
For the period ended 31st March , 2021 (Un-Audited)

Amount in Taka

Particulars	Share Capital	Reserve for Exceptional Losses	General Reserve	Retained Earnings	Total
Balance as on 01.01.2020	386,207,270	45,135,412	4,000,000	38,850,894	474,193,576
Stock Dividend	-	-	-	-	-
Cash Dividend	-	-	-	-	-
Net Profit after tax	-	-	-	40,549,140	40,549,140
Reserve for Exceptional Loss	-	-	-	-	-
Balance as on 31.03.2020 (Restated)	386,207,270	45,135,412	4,000,000	79,400,034	514,742,716
Balance as on 01.01.2021	405,517,630	57,635,412	4,000,000	49,970,338	517,123,380
Stock Dividend	-	-	-	-	-
Cash Dividend	-	-	-	-	-
Net Profit after tax	-	-	-	41,282,295	41,282,295
Reserve for Exceptional Loss	-	6,000,000	-	(6,000,000)	-
Balance as on 31.03. 2021	405,517,630	63,635,412	4,000,000	85,252,633	558,405,675


Chief Financial Officer(C.C)


Company Secretary


Chief Executive Officer


Director


Chairman

GLOBAL INSURANCE LIMITED
Notes to the Financial Statements
For the period ended March 31, 2021

1. INTRODUCTION:

1.01 Legal Status:

The GLOBAL INSURANCE LIMITED was incorporated as a public company limited by shares in Bangladesh vide certificate on-C-40102(2070)/2000 dated April 23, 2000 under the Companies Act, 1994 and commenced its operation as per Insurance Act, 2010. The certificate of commencement of business was obtained from the Registrar of Joint Stock Companies, Bangladesh. The Company is listed with Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd. as a Publicly Traded Company.

1.02 Address of Registered Office and Principal Place of Business :

The registered office of the Company is situated in Bangladesh. Its principal business office is located at Al-Razi Complex (12th Floor), 166-167, Shahid Syed Nazrul Islam Sarani, Purana Paltan, Dhaka-1000, Bangladesh. The operation of the Company is being carried out through its 58 branches located different place in Bangladesh.

1.03 Principal Activities of the Company:

The Principal objects of the company is to carry out all kinds of insurance, guarantee and indemnity business other than life insurance business.

2. SIGNIFICANT ACCOUNTING POLICIES AND OTHER RELEVANT INFORMATION:

2.01 The Company has adopted relevant International Financial Reporting Standards (IFRSs) with reference to disclosures of accounting policies and notes to the financial statements.

2.02 Basis of Accounting:

The financial statements have been prepared on the basis of going-concern concept under historical cost convention in accordance with International Financial Reporting Standards (IFRSs).

2.03 Basis of Presentation:

The balance sheet has been prepared in accordance with the regulations as contained in part I of the First Schedule and as per Form 'A' as set forth 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 as contained in part I of the Third Schedule and as per Form 'F' as set forth in part II of that Schedule of the Insurance Act, 2010. The Classified summary of the assets is prepared in accordance with Form "AA" of part II of the First Schedule of the said Act.

2.04 Reporting Period :

The financial Statements of the company cover from 1st January to 31st December and followd consistently.

2.05 Going Concern:

The financial statements of the entity have been prepared by the management considering the entity as a going concern and the entity is optimistic to continue its business operation for the foreseeable future.

2.06 Branch Accounting:

The Company has 58 branches without having any overseas branch up to ended March 31, 2021. The financial statements of branches are maintained at the Head office level. Only Petty cash books are maintained at the branch for meeting day to day expenses. During March, 2021 through the operation of 59 offices (Including Head Office) the gross premium income earned by the Company was to Tk.24,63,51,248 including Public Sector business of Tk 2,46,84,796 after ceding for re-insurance premium, the net premium during the period amounted to Tk 17,55,29,043 and after charging direct expenses there from the net underwriting profit stood at Tk.6,25,47,122.

2.07 Statement of Cash Flows:

Statement of Cash Flows is prepared in accordance with IAS 7: "Statement of Cash Flows". The Statement of Cash Flows shows the structure of and changes in cash and cash equivalents during the financial year. Cash and Cash equivalents include notes and coins on hand, unrestricted balance held with the commercial banks. It is broken down into operating activities, investing activities and financing activities. The direct method is used to show the cashflows operating activities. According to IAS 7: "Statement of Cash Flows", Cash comprises cash in hand and cash equivalents are short term, highly liquid investment that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Considering the provisions of IAS 7 and IAS 1, cash in hand, fixed deposits and bank balances have been considered as cash and cash equivalents.

2.08 Fixed Assets:

Fixed Assets are stated at cost less accumulated depreciation as per IAS-16: "Property, Plant & Equipment". The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use inclusive of inward freight, duties, interest and non refundable taxes.

2.09 Depreciation on Fixed Assets:

Depreciation on Fixed Assets are charged on diminishing balance method at rates varying from 2.5% to 30% depending on the estimated useful life of the Assets. Depreciation on additions to Fixed Assets are charged from the date of acquisition and depreciation is charged to the date of disposal of assets. Gain or loss arising on the disposal or the retirement of asset is determined as the difference between the sale proceeds and the carrying amount of the asset and recognised in the profit and loss account.

2.10 Impairment of Assets:

As required by IAS-36 'Impairment of Assets' the company carried out an impairment test at the end of reporting period to ascertain impairment loss relating to an asset to recognise and disclose the same in the financial statements. But no impairment loss has been arisen in such test to recognise in the financial statements.

2.11 Public Sector Business:

The Company's share of Public Sector business for 1st quarters for the period from 1st Quarter (July to September 2020) received from Sadharan Bima Corporation and other insurance companies has been incorporated in the Company's account for the year ended 31st December, 2020. This system of accounting of public sector business is being followed consistently.

2.12 Statement of Changes in Equity:

The statement of changes in equity is prepared in accordance with IAS 1: "Presentation of Financial Statements".

2.13 Revenue Recognition:

The revenue is recognized after satisfying the relevant condition for revenue recognition as provided in IFRS 15: "Revenue from contracts with customers" in compliance with IFRS 4 "Insurance Contract". Detailed income wise policy for revenue recognition is given as under:

a) Premium Income:

The total amount of premium earned on various classes of insurance business underwritten during the year, the gross amount of premium earned against various policies, the amount of re-insurance premium due to Sadharan Bima Corporation, 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 statements 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 the accounts in order to arrive at the net underwriting profit for the year.

b) Interest on Statutory Investments:

Interest on statutory investment is amounted for on accrual basis.

c) Gain or Loss on sale of Shares and Debentures:

Gain or Loss on sale of shares and debentures and dividend income during the year have been shown in the Profit and Loss Account and the tax relief as well as the concession rate of tax as availed under the existing income tax law have been given effect in the financial statements.

2.14 Management Expenses:

Management expenses as charged to Revenue Accounts amount of Tk.8,36,39,584 is approximately 33.95% of gross premium of Tk 24,63,51,248. The expenses have been apportioned 28.84% to Fire, 49.76% to Marine, 9.94% to Motor and 11.46% to Miscellaneous business as per management decision. The limited of management expenses as per insurance rule is followed and it is under control.

2.15 Risk Analysis:

Risk analysis for insurance business is difficult to estimate the uncertainty in taking and managing the risk by chronological identification of unascertained risk, mitigating approach of risk and continuing efforts to equate the risk at reasonable level. This, inter alia, includes

(a) Insurance Product Risk:

In non-life insurance business, the product selection is one of the important factors for the company. Product with less uncertainty with lower cost can facilitate to secure more risk coverage. Accordingly, high risk is more relate to the capital strength and credit rating of the company. Necessary provision for un-expired risk @ 40% of net premium income on all business except marine Hull Insurance for which provision have been made @ 100% on net premium income.

(b) Operational Risk:

This is in association of all departmental effort within the company to ensure the sufficient coverage for the uncertainty of particular policy selection. It varies in accordance with the nature of products offered to the insured. Guideline for selection of offered product and monitoring the same are effective when fencing the risk at the level of estimate.

(c) Strategic Market Risk:

This indicates to identify and quantify the inherent risk of the products for the insured in competitive market. Product with low risk should be encouraged to minimize risk.

(d) Underwriting Risk:

This is involved in loss events coverable under contract or agreement with the insured and the volume or size of the coverable loss. It relates to selection, pricing, monitoring and technical provision. However, risk with excessive volume is jointly share by two or more insurers. In such circumstances, non-life insurance business with different products has been carried out with approved guideline.

(e) Reinsurance Risk:

Reinsurance has an influence basing the capital strength and rating aspects. Treaty limit is outline by the amount of risk, which can be ceded to other re-insurance. It depends on the nature of risk to be taken by the company. As such, technical provision has been estimated by way of covering the reasonable and probable obligations with respect to claims for known or un-known uncertainty.

(f) Investment Risk:

This relates to market, credit and liquidity of the company and as such, investments consist of assets covering the technical provisions and shareholders' equity. Accordingly, investment plan has been designed in such manner to accommodate inherent risk.

(f) Liquidity Risk:

(f) Credit Risk:

The company follows IDRA instructions with respect to issuing of policies, that is, policies were not issued on credit.

(f) Default Risk:

This indicates default in paying off the claims on demand when third party involved in such approach. At the time, the company needs to have sufficient liquidity to pay off the claims on demand and to fulfill the contractual obligation.

(f) Legal and Regulatory Risk:

There is legal and regulatory obligation to follow and abide by the restricted rules and regulation in carrying out the business, which do not conform to the competitive market for procuring business. As such, non-compliance to rules and regulation may invite risk to the employment of the company.

2.16 Balance of Fund Account:

Before arriving at the surplus of each class of business necessary provision for un-expired risk have been created at the rate of 40% of all business except on Marine Hull business for which the provision was made @ 100% of the total net premium for the period of March 2021

2.17 Provision for Income Tax:

Provision for Income Tax have been made as per Income Tax Ordinance 1984 and Financial act-2020 on taxable income of the company.

2.18 Deferred Tax

The company has recognised deferred tax as per IAS-12 "Income Taxes". Accordingly, deferred tax liability/assets is accounted for all temporary differences arising between the tax base of the assets and liabilities and their carrying value for financial reporting purpose. Deferred tax is computed at the applicable tax rate on the company.

2.19 Reserve for Exceptional Loss:

As per para 6 of the 4th schedule, to meet the exceptional losses, company has to sets aside upto 10% (ten percent) of the premium income of the year in which it is set aside from the balance of the profit to the reserve for exceptional losses. The Company made Reserve for exceptional loss Tk.60,00,000/- during the period.

2.20 General Reserve:

The Company creates a general reserve from the year 2007 for an amount of Tk. 4,000,000 on profit to avoid future contingency.

2.21 Employees Benefit:

The Company operates a contributory provident fund for its permanent employees from the year 2008 which is approved by the National Board of Revenue. The fund is administered by a board of trustees and funded by equal contribution from the company and the employees. The fund is invested separately from the company's assets.

2.22 Earning per Share (EPS):

The company has calculated earning per share (EPS) in accordance with IAS-33 as adopted by ICAB : "Earning per Share" which has been shown on the face of Profit and Loss Account and the computation of EPS is stated in Note no. 28.

a) Basic Earnings:

This represents earnings for the year attributable to ordinary shareholders. As there was no preference dividend, minority interest or extra ordinary items, the net profit after tax for the year has been considered as fully attributable to the ordinary shareholders.

b) Basic Earnings per Share:

This has been calculated by dividing the basic earning by the weighted average number of ordinary shares outstanding during the year.

c) Diluted Earnings per Share:

This has been calculated by dividing the basic earning previous year by the weighted average number of ordinary shares outstanding during the year.

2.23 Outstanding Premium:

The outstanding premium appearing in the accounts represents only the amount which relates to the accounting period in the form of cash and cheques in hand and in line with the system followed by the company.

2.24 Use of Estimate:

Preparation of financial statements in conformity with International Accounting Standards (IASs) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities if any at the date of the financial statements, and revenues and expenses during the year reported. Actual result could differ from those estimates. Estimates are used in accounting for certain items such as depreciation, outstanding claims, taxes, reserves etc.

2.25 Basis of Recognition of Income in Respect of Premium Deposits:

Amounts received against Cover notes, which have not been converted into policy are recognised as Income before the Cover notes and are converted into policy on expiry of period not exceeding six months in accordance with the Controller of Insurance Circular.

2.26 Lease:

Initial application of IFRS-16 Leases came into effect on 1st January 2019. IFRS 16 introduces new or amended requirements with respect to lease accounting. It introduces significant changes to lessee accounting by removing the distinction between operating and finance lease and requiring the recognition of a right-of-use asset and a lease liability at commencement for all leases, except for short-term leases and leases of low value assets.

In compliance with the standard, the management of the company has elected to use the recognition exemptions in the standard for short-term leases and leases of low value items. In such cases the lease are accounted for as short term leases and the lease payments associated with them are recognized as expenses for short term lease.

2.27 Investment in Shares:

Investment in shares is recognised at cost and subsequently measured at fair value and any change in the fair value is recognised in the profit and loss account for the period in which it arises as per IFRS-9 "Financial Instruments".

2.28 Components of the Financial Statements:

As per Insurance Act-2010 section 27 and following the IAS-1 "Presentation of Financial Statements" (as applicable), the company's complete set of financial statements includes the following components:

- a) Statement of Financial position (Balance Sheet) as at March 31, 2021.
- b) Profit and Loss Appropriation Account for the period ended March 31, 2021
- c) Statement of Comprehensive Income (Profit and Loss Account) for the period ended March 31, 2021.
- d) Revenue Accounts for specific class of business for the period ended March 31, 2021.
- e) Statement of Cash Flows for the period ended March 31, 2021.
- f) Statement of Changes in Equity for the period ended March 31, 2021
- g) Notes to the financial statements and significant accounting policies as at & for the period ended March 31, 2021.

2.29 General:

- a) Figures in the financial statements are presented in Bangladeshi Taka which is the companies functional and presentational currency.
- b) Figures have been rounded off to the nearest Taka.
- c) Previous year's figures have been rearranged whenever considered necessary to ensure comparability with the current year.

Amount in Taka	
March-21	2020
25,000,000	25,000,000

3. Statutory Deposits: Bangladesh Govt. Treasury Bond

The amount has been kept in Bangladesh Bank as Statutory Deposits as per requirement under section 23 of the Insurance Act, 2010 and the deposits are not permissible for encashment without prior permission of the IDRA. Accrued interest on such bond amount upto March 31, 2021 has been accounted for.

Durations	Issue date	Maturity date	Bank name	Rate (%)	Taka March 21	Taka 2020
10 Years	16.07.201	16.07.2024	Prime Bank Ltd.	11.59	9,000,000	9,000,000
10 Years	13.03.201	13.03.2023	Mercantile Bank Ltd.	12.10	16,000,000	16,000,000
Total					25,000,000	25,000,000

4 Investments In Share(Fair Market Value)

4,909,500	5,516,000
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Following shares were investment account of the Company with the stock broker. Details of which including cost price, market price etc. are shown follow

Name of the Company	No of Share	Cost Price per share	Total Cost	Total Market Price as on 31.03.2021	Difference(Un realised Loss)
Fareast life insurance Ltd.	15,000	80	1,195,741	552,000	(643,741)
Green Delta Mutual Fund	400,000	10	4,000,000	2,760,000	(1,240,000)
Pubali Bank Ltd.	50,000	54	2,689,244	1,125,000	(1,564,244)
S Alam Cold Rolled Steels Ltd.	25,000	77	1,927,676	472,500	(1,455,176)
Total	490,000		9,812,662	4,909,500	(4,903,162)

Fair market price (49,09,500/-) has been taken into consideration, which unrealised loss (Tk.49,03,162/-) has been adjusted with earlier reserve.

4.01 Changes In fair value of of the shares:

Fair Value of Share		4,909,500	5,516,000
Cost Value		9,812,662	9,812,662
Fair Value Reserve during the year	Total	(4,903,162)	(4,296,662)
Fair value reserve opening		4,296,662	19,800,369
Less Loss adjustment against Sale of Share		-	14,481,223
	Total	4,296,662	5,319,146
Adjustment during the year		(4,903,162)	(4,296,662)
Unrealised Gain/loss for Changes of fair Value of share	Total	(606,500)	1,022,484

Notes to the financial statements
for the period ended March 31, 2021

Amount in Taka	
March-21	2020

5. **Interest Receivable:**

Opening Balance	9,705,778	8,778,367
Add: Interest income during the year	8,599,830	26,040,962
	18,305,608	34,819,329
Less: Interest received during the year	7,917,329	25,113,551
Closing Balance	10,388,278	9,705,778

Total

6. **Amount due from other persons or bodies carrying on insurance business:**

These represent the amount receivable from insurance companies on account of co-insurance premium and claim as at March 31, 2021

Amount due from Shadharon Bima Corporation :

Opening Balance	148,861,767	148,861,767
Add, Receivable from SBC against PSB	2,854,516	11,785,659
Add, Receivable from SBC against Claim	-	-
	151,716,283	160,647,426
Less, Adjusted with SBC Account	2,854,516	11,785,659
Total	148,861,767	148,861,767

Total

7. **SUNDRY DEBTORS:**

Advance against office rent	6,418,764	5,604,490
Advance against other parties	7,581,113	7,581,113
Deposit clearing	71,824,296	65,485,032
Advance against salary	137,754	154,670
Collection control A/C	182,400,525	194,563,367
Rent receivable	1,290,240	1,347,840
MBL Securities Limited	127,756	127,756
Total	269,780,448	274,864,269

Total

8. **Cash & Bank Balances:**

Cash in hand:	633,393	1,025,068
STD Account	53,532,756	40,099,016
Current deposit	8,114,717	7,626,348
FDR Account	473,000,000	445,500,000
Cash at bank:	534,647,473	493,225,364
Total	535,280,866	494,250,432

Total

Notes to the financial statements
for the period ended March 31,2021

Amount in Taka	
March-21	2020

9 Fixed Assets(at WDV):

Office Space	57,696,992	58,059,866
Furniture & Fixture	3,919,941	3,873,909
Motor Vehicles	25,871,634	27,233,299
Office Decoration	2,822,654	2,525,569
Computer	2,576,141	2,629,572
Air Conditioner	1,751,325	1,843,534
Office Equipment	4,076,839	3,506,762
Software	2,272,997	1,933,330
Total	100,988,523	101,605,840

Total

9.1 Cost of Fixed Assets:

Opening Balance	171,541,217	160,837,147
Add. Addition during the year	1,734,692	10,704,070
Less Disposal	-	-
Total Cost	173,275,909	171,541,217

Less Accumulated Depreciation:

Opening Balance	69,935,377	60,087,620
Add. Depreciation charge during the year	2,352,009	9,847,757
Less Adjustment of Disposal during the year	-	-
Total Accumulated Depreciation	72,287,386	69,935,377

Written Down Value

100,988,523	101,605,840
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Notes to the financial statements
for the period ended March 31, 2021

10. Share Capital:

Detailed break up of shareholders capital is as below:

		Amount in Taka	
		March-21	2020
a)	Authorised capital: 100,000,000 Ordinary shares of Tk. 10 each	1,000,000,000	1,000,000,000
b)	Issued, subscribed and paid-up capital 4,05,517,63 Ordinary shares of Tk. 10/- each	405,517,630	405,517,630

The Category-wise share holding position as on 31 March, 2021 is as under:

Category of Shareholders	No. of Shares	(%) of Holding	Amount in Taka
Sponsor (Group-A)	620,743	1.53	6,207,430
Sponsor Directors (Group-A)	11,004,445	27.14	110,044,450
General Public Shareholder Directors (Group-B)	2,705,267	6.67	27,052,670
Independent Director (Group-B)	143,215	0.35	1,432,150
Financial & Other Institutions (Group-B)	3,784,974	9.33	37,849,740
General Public (Group-B)	22,293,119	54.97	222,931,190
TOTAL	40,551,763	100	405,517,630

11. Reserve for Exceptional Losses:

Opening Balance	57,635,412	45,135,412
Add Reserve made during the period	6,000,000	12,500,000
	63,635,412	57,635,412

12. Retained Earnings:

Balance brought forward from last year	49,970,338	230,171
Add: Net profit during the year after Tax	41,282,295	62,240,167
	91,252,633	62,470,338
Less: Reserve for exceptional losses	6,000,000	12,500,000
	85,252,633	49,970,338

12.1 Balance brought forward from last year:

Net profit before dividend	49,970,338	38,850,894
Less: Stock Dividend	-	19,310,360
Less: Cash Dividend	-	19,310,364
	49,970,338	230,171

Notes to the financial statements
for the period ended March 31, 2021

Amount in Taka	
March-21	2020

13. Balance of Fund and Account:

Fire Insurance Business	42,643,256	42,265,679
Marine Cargo Insurance Business	121,903,034	115,227,458
Marine Hull Insurance Business	-	1,532,748
Motor Insurance business	33,858,944	32,271,574
Miscellaneous Insurance Business	12,500,916	9,547,408
Total	210,906,150	200,844,867

14. Premium Deposit:

Total

28,857,799	22,744,053
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The amount represents the un-adjusted balance of premium as received against cover notes over the years for which policies have not been issued within March 31, 2021

15. Loan & Overdraft:

Loans (15.1)	24,153,399	33,856,924
Vehicals Loan	4,153,196	4,495,765
Total	28,306,595	38,352,689

15.1 Loans:

United Commercial Bank Ltd., A/c No-107174800028	9,489,317	16,981,494
United Commercial Bank Ltd., A/c No-107174800039	14,664,082	16,875,430
Total	24,153,399	33,856,924

15.2 SOD Loan (UCBL & MBL, Bijoy Nagar Branch)

- (a) SOD loan account no-107174800000028:- SOD Limit of Tk. 250.00 Lac have been obtained from United Commercial Bank Ltd.(UCBL) Bijoy Nagar Branch against security of lien FDR valuing Tk.312.50 lac. Rate of Interest 2% of above FDR .
- (b) SOD loan account no-107174800000039:- SOD Limit of Tk. 230.00 Lac have been obtained from United Commercial Bank Ltd.(UCBL) Bijoy Nagar Branch against security of lien FDR valuing Tk.289.00 lac. Rate of Interest 2% of above FDR .

16. DEFERRED TAX LIABILITY

Opening Balance	6,234,413	6,259,252
Add, Provision made during the year	(100,531)	(24,840)
	6,133,882	6,234,413
Less, Adjusted during the year	-	-
Closing Balance	6,133,882	6,234,413

Calculation of Deferred Tax :

Particulars	Account Base Fixed Assets(WDV)	Tax Base Fixed Assets (WDV)	Difference	Applicable Rate	Deferred Tax	Deferred Tax
Fixed Assets	100,988,523	84,631,505	16,357,018	37.50%	6,133,882	6,234,413
Total					6,133,882	6,234,413

Notes to the financial statements
for the period ended March 31,2021

Amount in Taka	
March-21	2020

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

Fire	23,714,118	22,707,813
Marine (Cargo)	15,243,424	22,150,631
Motor	8,198,299	6,522,109
Miscellaneous	3,570,000	3,639,885
Total	50,725,841	55,020,438

18. Amount due to others persons or bodies carrying on insurance business:

Shadharon Bima Corporation :	81,202,492	73,400,693
Opening Balance	73,400,693	58,719,298
Add, Ceded in this year	28,631,058	92,192,075
	102,031,751	150,911,373
Less, Paid in this year	17,974,742	62,805,729
Less, Adjustment with Claim Recovered	-	2,919,295
Less, Adjustment with SBC	2,854,516	11,785,656
Closing Balance	81,202,492	73,400,693

19. Sundry Creditors:

Provision for office rent	-	30,000
Provision for audit fee	870,500	870,500
Provision For Utility and Telephone Bills	150,402	150,402
VAT deducted at source	482,750	322,157
Salary income tax payable	236,451	139,900
Security deposit against office rent	115,000	115,000
Tax deduction at source Payable	216,501	662,965
GIL foundation	5,000	5,000
Share application money refundable	846,736	846,736
Provision for Salary & Allowance	10,433,880	20,484,197
Claim payable to party	79,716,941	79,716,941
Provision for profit bonus(Note 22)	5,596,451	11,250,000
Provision for WPPF(Note 21)	1,981,128	1,981,128
Premium VAT payable	8,132,329	7,939,980
Provision for company's Contribution(P.F)	364,107	449,457
Un-claimed Dividend	3,671,132	19,310,364
Income tax payable , Note 20	19,867,352	4,526,564
Total	132,686,660	148,801,291

Notes to the financial statements
for the period ended March 31,2021

20.00 Current Tax assets/(Liability):

Provision for income tax Note-20.1
IncomeTax Paid in advance Note-20.2

Amount in Taka	
March-21	2020
252,168,365	231,967,750
232,301,013	227,441,186
19,867,352	4,526,564

20.1 Provision for income Tax:

Opening Balance
Add. Provision made during the period

Less: Adjustment on completion of assessment
Closing Balance

231,967,750	204,045,679
20,200,615	27,922,071
252,168,365	231,967,750
-	-
252,168,365	231,967,750

20.2 Income Tax paid in advance:

Opening Balance
Add. Tax paid during the period

Less: Adjustment on completion of assessment
Closing Balance

227,441,186	187,976,702
4,859,827	39,464,484
232,301,013	227,441,186
-	-
232,301,013	227,441,186

21 Provision For WPPF:

Balance as on 1st January
Add, Provision made during the period

Less, Payment & Adjustment during the period
Closing Balance of WPPF

1,981,128	1,981,128
-	-
1,981,128	1,981,128
-	-
1,981,128	1,981,128

As per letter no:-BIA-3(91)/2019-512 date- 26/12/2019 from Bangladesh Insurance Association and bank and financial institution division ministry of finance bangladesh latter no-53.00.0000.311.22.002.17-130 dated 14/02/2017 no provision was made during the period.

22 Provision for profit bonus:

Balance as on 1st January
Add, Provision made during the period

Less, payment & Adjustment during theperiod
Closing Balance

11,250,000	11,250,000
-	-
11,250,000	11,250,000
5,653,549	-
5,596,451	11,250,000

Notes to the financial statements
for the period ended March 31, 2021

23 Cash flow from operating activities under indirect method:

Amount in Taka		
March-21	March-20	
Net profit before tax	61,382,378	64,586,144
Add: Adjustment for non-cash item		
Depreciation	2,352,009	2,358,302
Interest Expenses	638,757	1,772,756
Unrealised Gain/ Loss of changes in share value	606,500	-
	64,979,645	68,717,203
Changes in Working Capital:		
Increase/(Decrease) of Interest receivable	(682,500)	(1,784,751)
Increase/(Decrease) Amount due from other	-	-
Increase/(Decrease) of Sundry debtors	5,083,821	20,242,483
Increase/(Decrease) of Stationery	500,000	376,541
Increase/(Decrease) of Stamp in hand	202,025	497,614
Increase/(Decrease) of Balance of fund and accounts	10,061,283	7,710,562
Increase/(Decrease) of Premium deposit	6,113,746	2,002,808
(Increase)/Decrease of Estimated liability in respect of outstanding claims, where due or intimation	(4,294,597)	1,808,903
(Increase)/Decrease amount due to other persons or bodies carrying on insurance business	7,801,799	(12,454,654)
(Increase)/Decrease of Sundry creditor and others	(15,816,187)	(23,050,636)
	8,969,390	(4,651,127)
Tax paid during the year	(4,859,827)	(440,434)
	69,089,207	63,625,643

24 Premium less re-insurance :

Business	Gross Premium			Re-Insurance ceded	Net Premium	Net Premium
	Private	Public	Total			
Fire	67,348,262	3,468,272	70,816,534	36,852,530	33,964,004	49,300,305
Marine	116,858,600	6,020,885	122,879,485	18,803,504	104,075,981	83,207,107
Motor	23,281,072	1,074,617	24,355,689	217,530	24,138,159	21,041,391
Miscellaneous	14,178,518	14,121,022	28,299,540	14,948,641	13,350,899	21,447,116
Total	221,666,452	24,684,796	246,351,248	70,822,205	175,529,043	174,995,919

Amount in Taka	
March-21	March-20

25 **Expenses of management :**

The expenses have been charged to revenue accounts on product basis of gross premium earned or direct business as under:

Class of Business	Rate of expenses	March-21	March-20
Fire	28.84	24,119,405	24,174,292
Marine	49.76	41,622,569	32,591,599
Motor	9.94	8,310,599	7,804,356
Miscellaneous	11.46	9,587,011	8,624,470
Total	1.00	83,639,584	73,194,717

26 **Directors Fees:**

570,400	423,200
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During the period under review an amount of Tk.570,400 was paid to the Directors of the company as

27 **Interest Income:**

Interest on National Investment Bond (NIB)	1,778,955	744,775
Interest on Fixed Deposit	6,820,875	4,656,771
Interest on STD	-	-
Total	8,599,830	5,401,546

28 **Earning Per Share(EPS) :**

The earning per share of the company is as follows:

Earning attributable to ordinary share holders (Profit after tax)	41,282,295	40,549,140
Weighted average number of ordinary shares outstanding during the year	40,551,763	40,551,763
Earning Per Share(EPS) (Restated)	1.02	1.00

29 **Net Assets Value Per Share (NAV):**

Net Assets Value per share of the company is as follows:

Net Assets	558,405,675	514,742,716
Weighted average number of ordinary shares outstanding during the year	40,551,763	40,551,763
Net Assets Value(NAV) Per Share (Restated)	13.77	12.69

30 **Net Operating Cash Flow Per Share (NOCFPS):**

Net Operating Cash Flow per share of the company is as follows:

Cash Flows from Operating Activities	69,089,207	63,625,643
Weighted average number of ordinary shares outstanding during the year	40,551,763	40,551,763
Net Operating Cash Flow Per Share (NOCFPS) (Restated)	1.70	1.57

GLOBAL INSURANCE LIMITED

Form -"AA"

Classified Summary of Assets

As on March 31, 2021

Class of Assets	<u>Amount in Taka</u> <u>Book Value</u>
Investment(in Bangladesh Govt. Bond)	25,000,000
Investment in Shares (Fair Value)	4,909,500
Amount due from other persons or bodies carrying on insurance business	148,861,767
Fixed Deposit Accounts	473,000,000
Current & STD Accounts	61,647,473
Cash in Hand	633,393
Interest Receivable	10,388,278
Sundry debtors, advance, deposits and prepayments	269,780,448
Fixed Assets (At cost less accum.depreciation)	100,988,523
Stock of Stamps	1,067,832
Stock of Printing and Stationery	947,879
	<u><u>1,097,225,094</u></u>



Chief Executive Officer



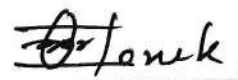
Director



Chairman



Chief Financial Officer(C.C.)



Company Secretary