Financial Performance Analysis of Green Delta Insurance Company Limited

Taskin Ara Orni
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Internship Report On
Financial Performance Analysis of Green Delta Insurance Company Limited

<u>Submitted To:-</u>

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<u>Submitted By:-</u>

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BRAC Business School

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Date of submission: 15th June, 2014

Letter of Transmittal

15th June, 2014
Ms. Sayla Sawat Siddiqui
Lecturer
BRAC Business School
BRAC University

Subject: Submission of Internship Report.

Dear Madam,
With due respect, I would like to inform you that, it is a great pleasure for me to submit the internship report on **"Financial Performance Analysis of Green Delta Insurance Company Limited** as a requirement for the completion of BBA program. I have tried to make the report a comprehensive one within the given 3 months of time. I earnestly thank you for your guidance during the preparation of this report. Any sort of suggestion regarding the report will be greatly acknowledged and I will be gratified if our report serves its purpose.

I therefore, request you to accept this report and give me proper suggestion to work in my professional life and I pray and hope that the mistakes, the report may have will be kindly excused.

Lastly, I beg your kind consideration for evaluating this report.

Yours faithfully,

………………..
Taskin Ara Orni
10304088
BRAC Business School
BRAC University

Acknowledgement

First of all I would like to express gratitude to almighty Allah. Then all the people who were involved both directly and indirectly in the preparation of this report. I apologize to the people whose names that I have not mentioned, and their contribution is highly appreciated by me. At first, I would like to thank my academic supervisor Ms. Sayla Sawat Siddiqui, Lecturer, BRAC Business School, BRAC University, for guiding me and for giving me the opportunity to initiate this report. More specifically, I would like to thank him for imparting his time and wisdom.

I was placed in Internal Audit Department of Green Delta Insurance Company Limited, Mohakhali Corporate Head Office to work as an intern from February 16h to May 16st 2013. I want to thank all the officials of Green Delta Insurance Company Limited that were involved. I would especially like to thank Gazi Safiqur Rahman (Internal Audit officer), MD. Jahangir Islam (EVP), for giving me time and sharing their thoughts. I would like to thank them for giving me the required information to commence this report and for providing the permission to do the required analysis work.

I also would like to give my gratitude to a very important person who has made it all happen for me at Green Delta Insurance Company Limited - Ms. Farzana Chowdhury (Managing Director & CEO). Finally, I would like to thank my parents and my brother whose influence and inspiration has enabled me to complete thesis report.

Table of Content

Content	Page No.
Part 1: Introductory part	**1 – 4**
1.1 Introduction	1 – 2
1.2 Origin of the report	2
1.3 Objective of the report	3
1.4 Scope of the report	3
1.5 Methodology	4
1.6 Limitation of the report	4
Part 2: Organization	**5 – 19**
2.1 Background and Overview of the Company	5
2.2 Vision	5
2.3 Mission	5
2.4 Strength	6
2.5 Belief	6
2.6 Core Values	6 – 9
2.7 Corporate Chronicle	9 – 11
2.8 Company Information	11 – 14
2.9 Products & Services	15 – 16
2.10 Shareholding Structure	17
2.11 Subsidiary Operations	17 – 18
2.12 Organizational Hierarchy	19
Part 3: Internal Audit Department	**20 – 26**
3.1 Overview of Internal Audit	20
3.2 Key Functions	21
3.3 Main Functions of Audit Department	21 – 22
3.4 Branch Audit Procedure	22
3.5 Branch’s Report Presentation	23
3.6 Risk Assessment Procedure	24 – 26
Part 4: Internship experience	**27 – 29**
4.1 Introduction	27
4.2 Responsibilities and Learning outcome	27 – 29
4.3 Personal Observation	29
4.4 Recommendation	29
Part 5: Project part	**30 – 71**
5.1 Summary	30
5.2 Objective of the project	30

Content	Page No.
5.3 Methodology	31
5.4 Limitations	31
5.A. Description and Requirement of Product and Services	**32 - 47**
5.B. Industry Analysis	**48 - 67**
5. B.1 Profitability or Return on Investment Ratios	**48 - 56**
5. B.1.1 Net profitability	50
5. B.1.2 Return on assets	51 - 52
5. B.1.3 Return on investment 1	52 - 53
5. B.1.4 Return on investment 2	53 - 54
5. B.1.5 Earnings per share	54 - 55
5. B.1.6 Investment turnover	55 - 56
5. B.2. Liquidity Ratios	**56 - 63**
5. B.2.1 Current ratio	58 - 60
5. B.2.2 Quick ratio (or "acid test")	60 - 61
5. B.2.3 Cash to total assets	61 - 62
5. B.2.4 Cash turnover	62 - 63
5. B.3. Leverage Ratios	**63 - 67**
5. B.3.1 Debt to equity ratio	64 - 65
5. B.3.2 Debt ratio	66 - 67
5.C. Stock Valuation	**68 - 71**
5.C.1 Assumptions and Adjustments	68 - 69
5.C.2 Dividend distribution	69
5.C.3 Growth rate	69
5.C.4 Beta Coefficient	70
5.C.5 Required Rate of Return	70
5.C.6 Intrinsic Value	70
5.C.7 Probable reasons for overvaluation of stock	71
Part 6: Scenario of Insurance Company in Bangladesh	**72 - 77**
Part 7: Recommendations	**78**
Part 8: Conclusion	**79**
Part 9: References	**80**
Appendix 1	81 - 88
Appendix 2	89 - 91

Executive Summary

This internship report is based on my internship program and financial statements of 2008, 2009, 2010, 2011 and 2012 of Green Delta Insurance Company Limited. In my internship period, I worked in Internal Audit Department. It was a great opportunity to experience and gather knowledge different types of insurance operations. My faculty supervisor helped me to choose the topic- “Financial Performance Analysis of Green Delta Insurance Company Limited”.

In this report the overall scenario of GDIC has been discussed. Then, the functions of each of the department have been given. After that, as an intern of internal audit department the overall scenario and functions of internal audit department are discussed with the details.

The main key of existence of insurance company is its business. For that reason, it has different insurance products and services with each of its specific criteria and requirement. GDIC has too and in this report the details of it have been discussed.

In the new competitive business era, Insurance sector is getting more competitive in Bangladesh. In this sector the most used financial statements are the balance sheet and profit and loss account where the balance sheet shows the financial position and profit and loss account shows the net profit or net loss of an insurance company. Ratio Analysis deals with these statements.

In this report, the industry analyses are done through ratio analysis of three different companies of Green Delta Insurance Company Limited, Reliance Insurance Company Limited and Agrani Insurance Company Limited. By doing industry analysis one can easily compare the financial performance of the companies. Ratio analysis helps a company to take necessary steps regarding the conditions, finding the loop holes of the company and then the necessary steps can be taken to prevent the condition. Then the stock valuation is done with the help of market information and then found out whether the stock price of GDIC is undervalued or overvalued and found out the probable reasons of specific condition.

Furthermore, the overall condition, problems, prospects and the recommendations of insurance companies or insurance sector have been discussed.

Then, the recommendations for GDIC have been found out so that it can take a look of those and develop its condition to develop its existence in the insurance industry.

At the end, it can be said that GDIC is one of the leading non-life insurance companies in the insurance industry. It has own reputation and market. For sustaining in the insurance industry it needs to compete with other companies. For that reason it should focus on the innovation and development by competing itself so that it can uplift its own standard from the previous standard.

Part 1: Introductory Part

1.1 Introduction

Insurance is a system of spreading the risk of one to the shoulders of many. It is a contract whereby the insurers, on receipt of a consideration known as premium, agree to indemnify the insured against losses arising out of certain specified unforeseen contingencies or perils insured against.

Insurance is not a new business in Bangladesh. Almost a century back, during British rule in India, some insurance companies started transacting business, both life and general, in Bengal. Insurance business gained momentum in East Pakistan during 1947-1971, when 49 insurance companies transacted both life and general insurance schemes. These companies were of various origins British, Australian, Indian, West Pakistani and local. Ten insurance companies had their head offices in East Pakistan, 27 in West Pakistan, and the rest elsewhere in the world. These were mostly limited liability companies. Some of these companies were specialized in dealing in a particular class of business, while others were composite companies that dealt in more than one class of business.

The government of Bangladesh nationalized insurance industry in 1972 by the Bangladesh Insurance (Nationalization) Order 1972. By virtue of this order, save and except postal life insurance and foreign life insurance companies, all 49 insurance companies and organizations transacting insurance business in the country were placed in the public sector under five corporations. These corporations were: the Jatiya Bima Corporation, Tista Bima Corporation, Karnafuli Bima Corporation, Rupsa Jiban Bima Corporation, and Surma Jiban Bima Corporation. The Jatiya Bima Corporation was an apex corporation only to supervise and control the activities of the other insurance corporations, which were responsible for underwriting. Tista and Karnafuli Bima Corporations were for general insurance and Rupsa and Surma for life insurance.

The basic idea behind the formation of four underwriting corporations, two in each main branch of life and general, was to encourage competition even under a nationalized system. But the burden of administrative expenses incurred in maintaining two corporations in each front of life and general and an apex institution at the top outweighed the advantages of limited competition. Consequently, on 14 May 1973, a restructuring was made under the Insurance Corporations Act 1973. Following the Act, in place of five corporations the government formed two: the Sadharan Bima Corporation for general business, and Jiban Bima Corporation for life business.

After 1973, general insurance business became the sole responsibility of the Sadharan Bima Corporation. Life insurance business was carried out by the Jiban Bima Corporation, the American Life insurance Company, and the Postal Life Insurance Department until 1994, when a change was made in the structural arrangement to keep pace with the new economic trend of liberalization.

The Insurance Corporations Act 1973 was amended in 1984 to allow insurance companies in the private sector to operate side by side with Sadharan Bima Corporation and Jiban Bima Corporation. The Insurance Corporations Amendment Act 1984 allowed floating of insurance companies, both life and general, in the private sector subject to certain restrictions regarding business operations and reinsurance. Under the new act, all general insurance businesses emanating from the public sector were reserved for the state owned Sadharan Bima Corporation, which could also underwrite insurance business emanating from the private sector. The Act of 1984 made it a requirement for the private sector insurance companies to obtain 100% reinsurance protection from the Sadharan Bima Corporation. This virtually turned Sadharan Bima Corporation into a reinsurance organization, in addition to its usual activities as direct insurer. Sadharan Bima Corporation itself had the right to reinsure its surplus elsewhere outside the country but only after exhausting the retention capacity of the domestic market. Such restrictions aimed at preventing outflow of foreign exchange in the shape of reinsurance premium and developing a reinsurance market within Bangladesh.

The control over insurance companies including their functions relating to investments, taxation, and reporting is regulated mainly by the Insurance Act 1938 and the Finance Acts.

1.2 Origin of the report

Internship Program of BRAC University is a Graduation requirement for the BBA students, which is also a partial requirement of the Internship program of BBA curriculum. The main purpose of internship is to get the student exposed to the job world. Being an intern the main challenge was to translate the theoretical concepts into real life experience.
The internship program and the study have following purposes:

- To get and organize detail knowledge on the job responsibility.
- To experience the real business world.
- To compare the real scenario with the lessons learned in the University
- To fulfill the requirement of BBA Program.

To accomplish the internship, I was placed at in Green Delta Insurance Company Limited (Mohakhali, Corporate Head Office), under the guidance of Ms. Sayla Sowat Siddiqui, my academic supervisor. The report topic was approved by the supervisor to satisfy the organizational requirements and fulfillment of the internship program. As a requirement of the completion of the internship program, I had to submit this report, which includes an overview of the organization and Industry Analysis of Green Delta Insurance Company Limited, Reliance Insurance Company Limited, Agrani Insurance Company Limited; Stock Evaluation of GDIC, Product and Service Description and those requirements.

1.3 Objective of the report

The objective of the report can be viewed in two forms:

- General Objective
- Specific Objective

1.3.1 General Objective

This internship report is prepared primarily to fulfill the Bachelor of Business Administration (B.B.A) degree requirement under the Department of BRAC Business School, BRAC University.

1.3.2 Specific Objective

More specifically, this study entails the following aspects:

- To provide a brief overview of Green Delta Insurance Company Limited and their historical background.
- To analyze the Industry analysis of General Insurance Company in the last five years.(2008-2012)
- To Evaluate Stock Overpriced or underpriced
- To know the product and services of General Insurance company and those description
- To present my observation and suggestion to the Insurance Company.

1.4 Scope of the report

The report plots a chronicle outline of Green Delta Insurance Company Limited and its operation. The information consists of the observation and the job experience acquired throughout the internship era. The report also particularizes the internship research focus, financial performance of Green Delta Insurance Company. This report has been prepared according to extensive analysis of financial statements and review of literatures. Also, the report has been prepared by the analysis of general insurance industry. Market information are considered for the Stock evaluation.

1.5 Methodology

In order to generate this report only secondary data has been used. The source that have been used to gather and collect data is given below-

1.5.1 Secondary Sources

- Annual Report of Green Delta Insurance Company Limited, Reliance Insurance Company Limited, Agrani Insurance Company Limited(2008-2012)
- Brochures of Green Delta Insurance Company Limited
- Different written document of Green Delta Insurance Company Limited
- Website of DSE and Stock Bangladesh
- Newspaper
- Website of Green Delta Insurance Company Limited, Reliance Insurance Limited, Agrani Insurance Company Limited(2008-2012)

1.6 Limitation of the report

It was a great opportunity for me to work in Green Delta Insurance Company Limited as an Intern and a make a report on the overview of the organization and Industry Analysis of Green Delta Insurance Company Limited, Reliance Insurance Company Limited, Agrani Insurance Company Limited; Stock Evaluation of GDIC, Product and Service Description and those requirements. However, there were surely some limitations while making this report. They are-

- Getting the information and interpreting it, on the basis of my understanding and then implementing it.
- Also, for the first time I have made report on insurance company and industry so it was quite difficult for me to understand the financial terms.
- There were several departments for that reason I faced difficulties while collecting information from those departments

Part 2: Organization

2.1. Background and Overview of the Company:

Green Delta Insurance Company Limited (GDIC) is one of the leading private non life insurance companies in Bangladesh. GDIC was incorporated in December 14, 1985 as a public limited company, under the Companies Act 1913. Actual operations started on 1st January 1986, with a paid up capital of BDT 30.00 million. Now, Green Delta Insurance Company Ltd. is amassed about BDT 637.875 million with a credit rating of AA1 and ST1. GDIC holds the proud distinction of being the first ever company to raise its paid up capital to such a level. This is also the 1st Insurance Company in Bangladesh to have equity partnership with IFC. With a presence in the strategically important parts of the country, which includes 38 branches, Green Delta Insurance Company Ltd. has established its prominent presence with equity participation in Delta BRAC Housing Ltd., Progressive Life Insurance Co Ltd, United Hospital Ltd. FinExcel Ltd. and BD Venture Ltd. Green Delta Capital Ltd. and Green Delta Securities Ltd. are two of the direct subsidiaries. GDIC provides stock brokerage services through Green Delta Securities Ltd. (GDSL) and investment supports through Green Delta Capital Ltd. (GDCL).

Under the charismatic leadership of Mr. Nasir A Choudhury, Founder Managing Director and Advisor, Green Delta Insurance Company Ltd. has been leading the winds of change in the insurance industry of the country in terms of service standard, innovative products and legislative restructuring. After 28 years of glorious journey in the Insurance sector, Green Delta Insurance Company Limited has now become a big family of 14 respected board members, 600+ committed staff, numerous valued clients and thousands of esteemed shareholders. By now, Green Delta has been able to uphold the brand image as a prompt claim settler, superior service provider, and diversified product supplier – almost like a one stop solution provider in the non life insurance sector in the country.

2.2. Vision

Its vision is to mature into a sustainable, coherent organization, raise competitiveness to the highest level in the insurance industry, maintain high profitability & balanced quantitative growth and exceed customer's expectations by offering legendary services, embrace a new corporate identity and creative corporate culture.

2.3. Mission

Its mission is to create shareholders value through customer's satisfaction and employee's commitment to excellence.

2.4. Strength

Constant pursuit of suitable strategies has made the company the leading insurer of Bangladesh for over two decades.

2.5 Belief

It believes that client must stand at the center of our all activities. It has the ability to optimally fulfill the client's needs based on risk management with minimum cost and personalized services.

2.6. Core Values

- **Customer First Always:**

Give first priority to customer needs. Look to build enduring relationships with customers - internal and external. Differences should be communicated in the spirit of relationship building.

- **Organization above Self:**

We believe that individual, team and department actions will be driven by organization goals.

- **Trust:**

We believe that there cannot be teamwork without mutual trust. Trust is fundamental to our business and will guide all internal and external interactions.

- **High Standards:**

We believe that excellence can be achieved only by setting benchmarks that challenge our full potential as an organization and as individuals.

- **Shared Ownership:**

We believe that ownership of success or failure in achieving organizational or team goals is shared by all.

- **Spirit of Adventure:**

Uncertainty is our business and we believe in continuous innovation and creativity to meet challenges head-on.

- **Respect for Diversity:**

We believe that diversity is our strength and it needs to be nurtured. We recognize that team members have varying backgrounds, competencies and ideas and constructive action results only when opinions are aired and understood.

- **Code of Conduct:**

This code of conduct is based on the values of the company. The purpose is to ensure that all employees, managers and executives within Green Delta Insurance Company Limited, will live an act in accordance with these values and principles. The code is designed to give a broad and clear understanding of the conduct expected from all our employees everywhere we do business. Green Delta Insurance Company Limited is committed to conduct its business in an ethical, legal, and responsible manner. Green Delta Insurance Company Limited, therefore, has established this Social Responsibility. Code of Conduct as an application and is committed to ensuring that this code is respected in all its facilities, all over Bangladesh. Recognized standards as the Universal Declaration of Human Rights (UDHR) or the International Labor Organization (ILO) conventions were used as references in preparing this code. The principles there below refer to these standards.

- **Legal Compliance:**

All business activities of Green Delta Insurance Company Limited must conform to all applicable national and international legal requirements. Green Delta Insurance Company Limited shall also comply with applicable anti-bribery/ anti-corruption rules and regulations in all their business activities.

- **Prohibition of Discrimination and Harassment:**

Green Delta Insurance Company Limited shall not engage in any discriminatory practices. Discrimination means any distinction, exclusion or preference limiting equality or opportunity of treatment in employment or occupation, which may be based on color, sex, religion, political opinion, age, national, social or ethnic origins, family obligations or any other considerations in this matter. Green Delta Insurance Company Limited also commits to a workplace free of any kind of harassment.

- **Compensation & Benefits:**

The company ensures that no wage is lower than the applicable legal minimum. Green Delta Insurance Company Limited does not deduct or withhold pay for disciplinary reasons or force terms and conditions for employment. Compensation paid to employees shall comply with all applicable wage laws, including those relating to minimum wages, overtime hours and legally mandated benefits.

- **Working hours:**

Green Delta Insurance Company Limited ensures that applicable legal restrictions on working hours are met. The maximum allowable working hours in a week are as denied by national law and the corresponding standards of the International Labor Organization. Overtime is restricted according to local legal and contractual obligations. Employees have two days off each week, apart from exceptional circumstances and for a limited period of time. The work organization provides for rest breaks as necessary, in order not to affect the safety and health of the employees.

- **Prohibition of Forced Labor:**

Green Delta Insurance Company Limited does not use forced or compulsory labor, meaning all work or service which is exacted from any person under the menace of any penalty and for which the said person has not offered him voluntarily. Also retention of identity documents from personnel upon commencing employment is forbidden.

- **Freedom of Association and Collective Bargaining:**

Green Delta Insurance Company Limited recognizes and respects employees' freedom of association and their right to freely choose their representatives and ensures that employee representatives do not suffer any discrimination. The company also recognizes employees' right to collective bargaining.

- **Health & Safety at Work:**

The company ensures that the workplace and its environment do not endanger the physical integrity or health of employees. Action to reduce the causes of accidents and improve working conditions is the object of ongoing programs. Training related to safety and health in their work occupation is provided to employees. Employees must have access to drinking water, sanitary equipment and social rooms, built and maintained in accordance with applicable legal requirements. The workplace and environment has to provide for emergency exits, ire protection equipment and proper lighting. Additionally adequate protection for non-smokers has to be provided.

- **Environment:**

Procedures and standards for waste management, handling and disposal of chemicals and other dangerous materials, emissions and effluent treatment shall at least meet legal requirements or exceed them.

2.7. Corporate Chronicle

December 14, 1985	Incorporation of the Company
January 01, 1986	Commencement of business
January 02, 1986	Signing of First Insurance business
August 19, 1989	Received consent from SEC for issuance of Public Share of BDT 30 million
December 31, 1989	Increase of paid up capital to BDT 60 million
January 12 1990	Listing with Dhaka Stock Exchange Limited
January 14 1990	First trading at Dhaka Stock Exchange Limited
October 21, 1995	Listing with Chittagong Stock Exchange Limited
October 22, 1995	First trading at Chittagong Stock Exchange Limited
October, 1997	Investment in Delta Brac Housing as equity share holders
May 05, 2004	Issuance of Right Share
May 10, 2004	Agreement sign with CDBL
July 18, 2004	Start up of Demat Settlement
October 30, 2004	Awarded “A” category insurance Co. By CRISL
June 30, 2005	Issuance of first Bonus Share
December 31, 2005	Capital increased to BDT 108 million
June 12, 2005	Formation of Green Delta Aims Limited, a joint venture construction firm
May 11, 2005	Launching of Islamic Takaful Insurance
May 12, 2005	Dhaka Stock Exchange Membership Purchased
October 13, 2005	Incorporation of Green Delta Financial Services Limited
January 31, 2006	Investment in BRAC Bank Preferred Share
November 28, 2006	Investment in United Hospital

June 30, 2006	Issuance of Bonus Share
July 1, 2006	Startup of the Operations of Green Delta Financial Services Limited
December 31, 2006	Capital increased to BDT 151.20 million
February 15, 2007	Startup of the Construction of own building named Green Delta Aims Tower a joint venture Project with Mr. Mainul Islam
June 26, 2008	Capital increased to BDT 200 million.
September 17, 2008	Awarded “AA2” rating in the long term and ST-1 rating in the short term by CRAB
December 31, 2008	Raising of Paid up capital to BDT 408.24 million
June 20, 2009	Donation of 550 wheel chairs among the war wounded freedom fighters
August 20.2009	MOU Signing with LR Global Bangladesh AMC Ltd.
March 30,2010	Approval for Green Delta Mutual Fund for BDT 150.00 crore
June 30,2010	Authorized capital increased to BDT 100.00 crore
October 31,2010	Change in the denomination of Face Value (BDT 10/-) and Market Lot (from 10 to 100)
December 1,2010	Approval of Merchant Banking license in the name of the subsidiary Green Delta LR Financial Services Ltd.
December 20, 2010	Has been accredited T.Q.M Aptitude seal for high quality performance and best customer satisfaction
December 20, 2010	Has been selected for Platinum Technology Award for Quality and Best Trade Name
December 22, 2010	Awarded "AA1" rating in the long term and "ST-1" rating in the long term and short term respectively by CRAB
December , 2010	First Prize winner of “Best Published Accounts” in the 10th ICAB National Awards 2009(Non Banking Category-Insurance Sector)
April-2011	Has been awarded for The Platinum Technology Award for Quality & Best trade name by Association Other Ways in Berlin
August-2011	Awarded “The BIZZ Award-2011” by World Business Confederation of Business, USA for Leadership and Excellence in management, Quality and Marketing.
November-2011	Awarded " THE DIAMOND EYE AWARD FOR QUALITY & EXCELLENCE " by BID OTHERWAYS
November-2011	November-2011 = Awarded " INTERNATIONAL QUALITY CROWN AWARD " by BID INTERNATIONAL IN LONDON
November-2011	First Prize in ICMAB Best Corporate Award-2011 in Insurance category.
November-2011	Conferred the ‘Certificate of Merit‘for the Best Presented Accounts Award 2010 in the category ‘Insurance Sector’ by the South Asian Federation of Accountants (SAFA).
April-2012	Moved to new Head Office (Green Delta AIMS Tower) at 51-52 Mohakhali C/A, Dhaka
September-2012	Invested in BD Venture Limited, country’s first Venture Capital company

October-2012	Introduced People's personal Accident Policy for the students of South-East University, the first of its kind in Bangladesh
November-2012	Awarded "AA1" rating in the long term and "ST-1" rating in the short term respectively by CRAB.
March-2013	Equity Partnership with International Finance Corporation (IFC) of World Bank Group, First Foreign Direct Investment of IFC in the Insurance Sector of Bangladesh
May-2013	Launch of 'Nibedita' on pilot basis, a comprehensive insurance scheme solely for women for the first time in Bangladesh.
October-2013	Farzana Chowdhury officially takes over as the Managing Director and CEO of GDIC becoming the first ever female MD in the insurance sector of Bangladesh.
December-2013	Awarded "AA1" rating in the long term and "ST-1" rating in the short term respectively by CRAB.
December-2013	Officially launched 'Cellular phone insurance' for the first time in Bangladesh signing deal with Rialto Technologies.

2.8. Company Information

Registered Office

Green Delta Insurance Company Ltd.
Green Delta AIMS Tower (6th floor)
51-52 Mohakhali C/A, Dhaka

Corporate Website

www.green-delta.com
Email: info@green-delta.com
Hot line # 01730074299

Nature of Business

All kinds of non-life insurance business

Subsidiaries

- Green Delta Securities Ltd.
  Corporate Office Address:
  Green Delta AIMS Tower (2nd floor)
  51-52 Mohakhali C/A, Dhaka

- Green Delta Capital Ltd.
  Head Office Address:
  Green Delta AIMS Tower (3rd floor)
  51-52 Mohakhali C/A, Dhaka

Auditor

S.F Ahmed & Co.
Chartered Accountants

Panel Lawyer

1. Barrister Abdur Razzaque. Abdur Razzaque & Associates.
2. Barrister Junayed Ahmed Chowdhury, Vertex Chambers
3. Barrister Rezwana Yusuf, Amicus Curiae
4. Barrister Tanjib-ul-Alam, Tanjib-ul-Alam& Associates
5. Barrister Farzana Begum, Law Shift
6. Barrister Tanzim Karim Chowdhury,
7. Barrister Syed Jawad Quader
8. Barrister Syed Ridwan Husain
9. Advocate Syed Qudrat Ali
10. Advocate Mohammed FaizUllah
11. Advocate Shah Shahidul Alam

Principal Bankers

- Pubali Bank Limited
- BRAC Bank Limited
- Commercial Bank of Ceylon
- Standard Chartered Bank
- The Hongkong and Shanghai Banking Corporation Ltd.
- The City Bank Limited
- Islami Bank Bangladesh Limited
- Mercantile Bank Ltd.
- Standard Bank Ltd.

Membership

- Bangladesh Insurance Association
- Bangladesh Association of Publicly Listed Companies
- International Chamber of Commerce-Bangladesh

- Metropolitan Chamber of Commerce & Industry
- Bangladesh German Chamber of Commerce & Industry
- Bangladesh Malaysian Chamber of Commerce & Industry
- Bangladesh Employer Federation International Network Partner
- United Nation(s) Global Compact
- Dhaka Chamber of Commerce and Industry

Network Partner of Overseas Insurers/Reinsurers

- Royal & SunAlliance, London
- Zurich Insurance Co.
- AXA Corporate Solutions Assurance Ltd.
- ACE Group
- Mitsui Sumitomo Insurance Co. Ltd., Japan
- IF PNC, Sweden
- Allianz Global Corporate and Specialty
- Sompo, Japan

Branches:

It has 38 branches all over the country

Board of Directors

- A.Q.M. Nurul Absar - Chairman
- Dilruba Chowdhury - Vice Chairperson
- Kamran Idris Choudhury
- Shamsun Nahar
- Razia Rahman
- Dr. Niaz A Choudhury
- Mesbah Dilwar Rahman
- Asif A. Chowdhury
- Iqbal Khan (Jamal)
- Arif A. Choudhury
- Khurshida Chowdhury
- Abdul Hafiz Chowdhury
- Marufa Anwar
- Nurul Husain Khan

Senior Management Team

- Advisor and Founder Managing Director - Nasir A. Choudhury
- Managing Director & CEO - Farzana Chowdhury
- Senior Additional Managing Director - Farid A. Choudhuri
- Additional Managing Director - Golam Mustafa
- Consultant - A. S. A. Muiz
- Deputy Managing Director and Company Secretary - Syed Moinuddin Ahmed
- Deputy Managing Director Finance, Accounts, HR & Admin - Nazim Tazik Chowdhury
- Senior Executive Director – Nazrul Islam , Jafar Ahmed , Md. T.H. Forhad , Mursalin A.Chowdhury, Syed Kaiser Ahmed
- Head of Brokerage and CEO, Green Delta Securities Ltd. - Wafi Shafique Menhaz Khan
- Chief Investment Officer, Green Delta Capital Ltd. - Md. Rafiqul Islam
- Director (Public Relation) - Mr. Md. Mahfuzur Rahman Siddique
- Director (Public Relation) - Mr. Md. Mahfuzur Rahman Siddique
- Executive Director - Kabir Ahmed Chowdhur

Local, National, or Cross-border network(s) or Association(s) Link:

- **National:**

  - Member, Bangladesh Insurance Association.
  - Member, Bangladesh Insurance Academy
  - Member, Metropolitan Chamber of Commerce and Industry- Bangladesh (MCCI)
  - Member, Bangladesh Employers' Federation
  - Member, International Chamber of Commerce-Bangladesh
  - Member, Bangladesh Malaysian Chamber of Commerce and Industry-Bangladesh (BMCCI)
  - Member, Bangladesh Association of Public Listed Companies, Bangladesh

- **International:**

  - Member, United Nation Global Compact
  - Global Compact International Yearbook
  - Member, Federation of Afro-Asian Insurers & Reinsurers (FAIR)
  - Associate Member, East Asian Insurance Congress (EAIC)
  - Member, International Union of Arospace ACE Insurer
  - Member, Association of Insurers and Reinsurers of Developing Countries (AIRDC)
  - Member, World Islamic Economic Forum

2.9. Products & Services

2.9.1. Corporate

- Risk Management
- Industrial All Risk Insurance including Machinery Insurance and Business Interruption
- Property All Risk Insurance including Business Interruption
- Electronic Equipments and Computer Insurance
- Professional Indemnity Insurance
- Comprehensive Machinery Insurance
- Comprehensive General Liability (CGL)
- Product & Public Liability Insurance
- Directors and Officers Liability (D&O)
- Fire and Allied Perils Insurance
- Marine Cargo and Hull Insurance

2.9.2. Financial

- Cash-in-safe, Cash-in-transit & Cash-on-counter Insurance
- Portfolio Cover
- Credit Card Indemnity Insurance
- Bankers Blanket Insurance
- Bank Lockers Insurance
- A.T.M. Booth Insurance
- Banc assurance

2.9.3. Retail & SME

- Fire and Allied Peril Insurance
- Marine Cargo and Hull Insurance
- Personal Accident
- Health Insurance
- Overseas Mediclaim Insurance
- Micro Insurance
- Micro Health Insurance
- Nibedita-Comprehensive Insurance Policy for Women
- Household Insurance
- Motor Insurance
- Peoples Personal Accident Policy
- Comprehensive Travel Insurance

2.9.4. Conventional

- Aviation Insurance
- Automobile Insurance
- Workmen Compensation Insurance
- Miscellaneous Insurance
- Engineering Insurance (Erection all Risk, Contractors all
- Risk, Deterioration of Stock & Boiler & Pressure Vessel
- Insurance, business intemiption
- Crop Insurance
- Nibedita-Comprehensive Insurance Policy for Women
- Weather Index Based Insurance

2.9.5. Investment & Portfolio Management

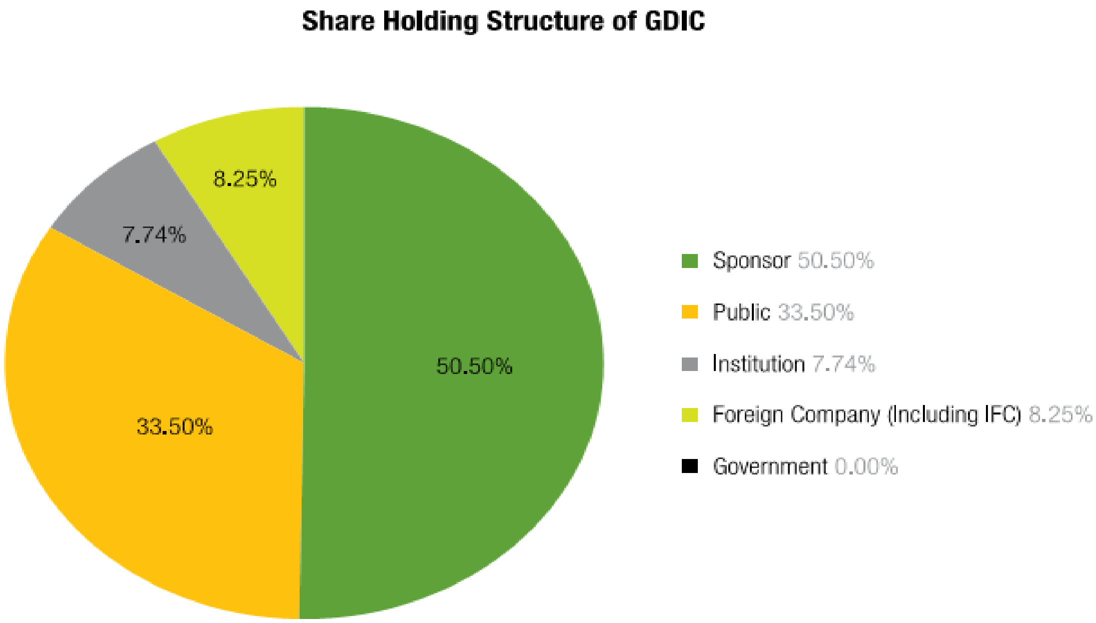
- Underwriting
- Pre-IPO placement Syndication
- Trusteeship

Green Delta Insurance is known for its innovation and services. Today´s competitive insurance market is driving the market to think and Winovate now products and services and GDIC has been doing with its authentic. Beside the Traditional insurance portfolio GDIC introduced following personal line of products In last year and some them are in pipeline:

- Health Insurance
- Household Insurance
- Nibedita-Comprehensive Insurance Policy for Women
- Cellular Phone Contingency Insurance
- Weather Index Based Insurance
- Personal Accident Insurance Policy for Migrant workers

It is matter of great pride that GDIC has introduced an insurance product first time ever in Bangladesh which is designed only for the females named as Nibedita-Comprehensive Insurance Policy for Women. GDIC has also designed first ever Weather Index Based Insurance for the farmers of Bangladesh which will be launched shortly.

2.10. Shareholding Structure



2.11. Subsidiary Operations

2.11.1. Green Delta Securities Limited,

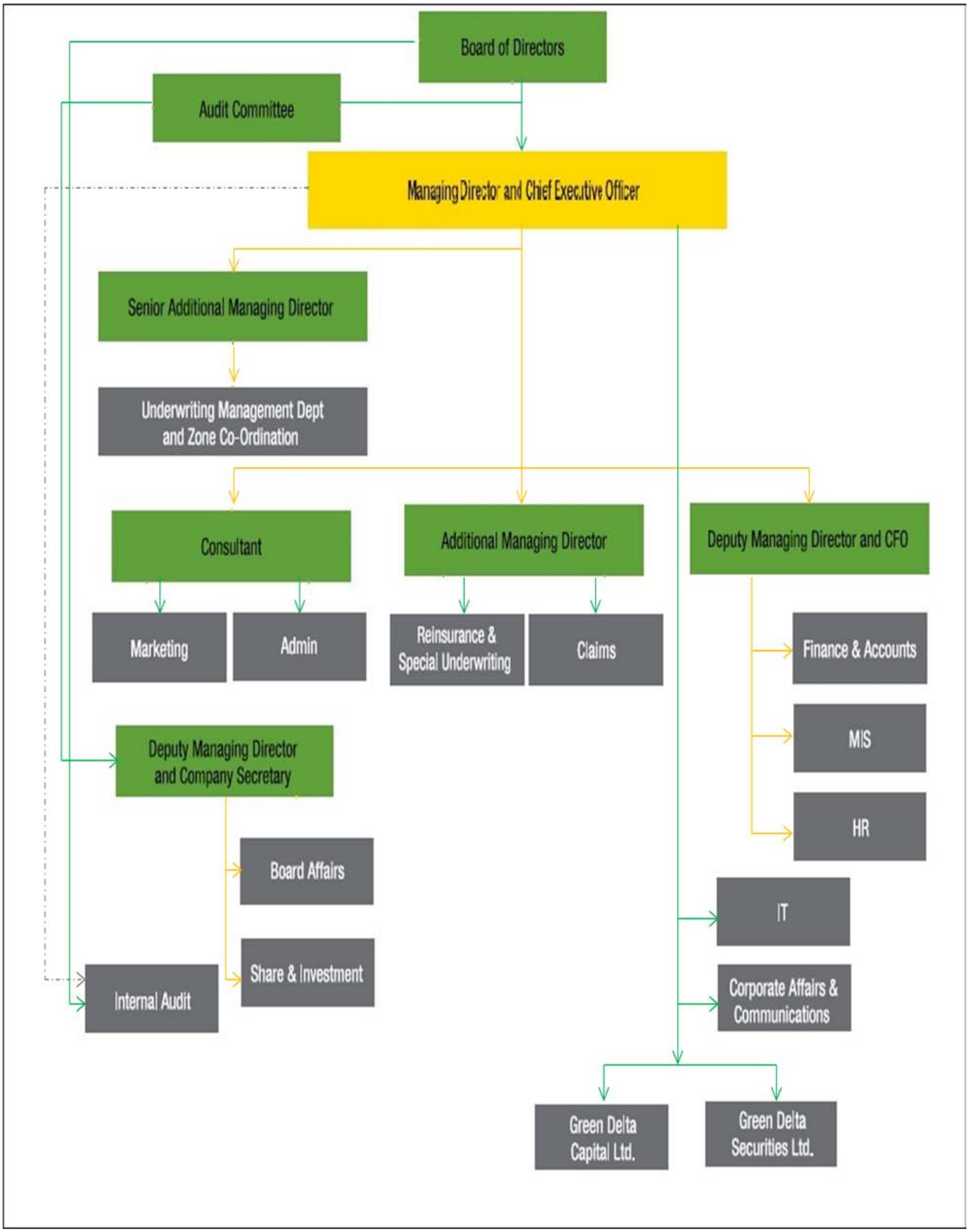
a wholly owned subsidiary of Green Delta Insurance Company Ltd., has posted a growth of 136.07% in profit before tax against a revenue increase by 161.82% when compared with 2008. In 2009, GDFSL has opened a branch in the city's prime location Gulshan. At present there are six (06) branches and having around 1.5% of the average daily market share. A detail of the business operation has been given at the later segment of this report.

Green Delta Securities Ltd. is part of the reputed Green Delta group and is a well capitalized brokerage house GDSL is a 100% subsidiary of Green Delta Insurance Company Limited and offers full-fledged international standard brokerage services for retail and institutional clients. Initially Green Delta Securities Ltd. offered brokerage account services only to high net-worth individuals, but now this criteria has been relaxed and credit facility for trading is available to experienced investors.

Green Delta Securities Limited (hereby known as GDSL) an 8 (eight) years old company in capitalized brokerage business. We have around 7 branches in different divisions in the country. Green Delta Securities is a 100% subsidiary of Green Delta Insurance Company Limited and offer full fledged international standard brokerage services for retail and institutional clients.

2.11.2. Green Delta Capital Limited – GDCL, a fully owned subsidiary of Green Delta Insurance Company, is one of the emerging Investment Banks in Bangladesh. GDCL got its license in December 2010 from Security and Exchange Commission and embarked on operation from July 2011 with the vision to provide one stop investment banking solution of global standards. The company is committed to provide not only the traditional merchant banking services but also aims to bring in advance financial solutions for the local corporate to uplift the business sector to a new dimension.

2.12. Organizational Hierarchy



Part 3: Internal Audit Department

3.1. Overview of Internal Audit:

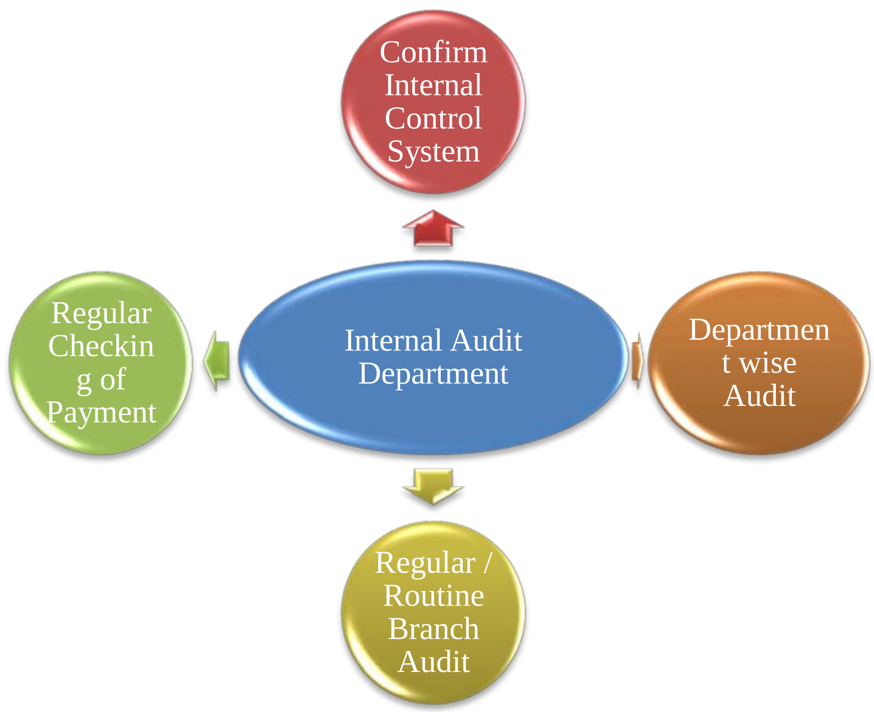
Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. Internal auditing is a catalyst for improving an organization's governance, risk management and management controls by providing insight and recommendations based on analyses and assessments of data and business processes. With commitment to integrity and accountability, internal auditing provides value to governing bodies and senior management as an objective source of independent advice. Professionals called internal auditors are employed by organizations to perform the internal auditing activity.

The scope of internal auditing within an organization is broad and may involve topics such as an organization's governance, risk management and management controls over: efficiency/effectiveness of operations (including safeguarding of assets), the reliability of financial and management reporting, and compliance with laws and regulations. Internal auditing may also involve conducting proactive fraud audits to identify potentially fraudulent acts; participating in fraud investigations under the direction of fraud investigation professionals, and conducting post investigation fraud audits to identify control breakdowns and establish financial loss.

Internal auditors are not responsible for the execution of company activities; they advise management and the Board of Directors (or similar oversight body) regarding how to better execute their responsibilities. As a result of their broad scope of involvement, internal auditors may have a variety of higher educational and professional backgrounds.

Internal auditors work for government agencies (federal, state and local); for publicly traded companies; and for non-profit companies across all industries. Internal auditing departments are led by a Chief Audit Executive ("CAE") who generally reports to the Audit Committee of the Board of Directors, with administrative reporting to the Chief Executive Officer

3. 2. Key Functions:



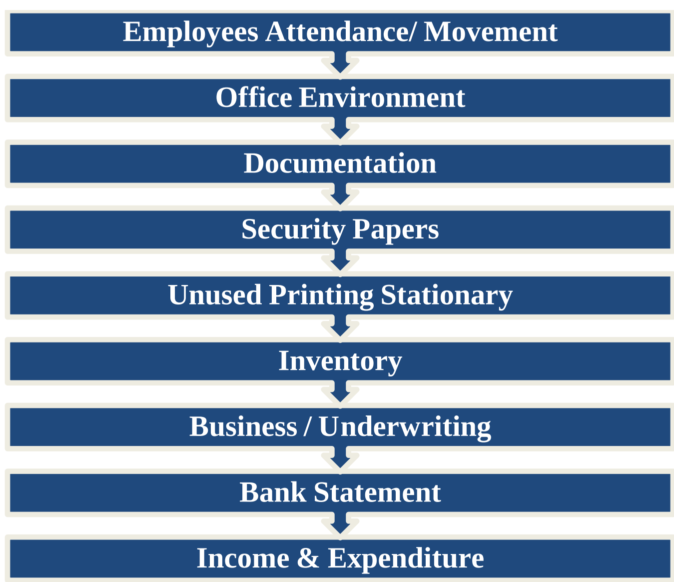
3.3. Main Functions of Audit Department

To confirm adequacy of internal control system such as:

- Overall system review with departmental operational procedure.
- Financial statement, books of accounts, financial power delegation and advances.
- Investment & share
- Asset register, depreciation, disposal & Its control.
- Procurement policy
- Stock & store
- Insurance agent appointment, license, register maintenance as per Insurance Act.
- Insurance stamp purchase, supply with documentation.

- All kinds of expenses i.e. management exp. business development exp., agent commission & other payment Procedures with documentation.
- Premium collected amount reconciliation with bank statement.
- Premium collection, premium deposit, premium refund, discount on premium, premium outstanding, deposit premium, register maintenance etc.
- Bank deposit /collection, bank reconciliation.
- TDS & VAT collection & deposit, Company Tax Payment.
- Management Information Systems (MIS) statement
- Claim payment procedure, payment mode, surveyors appointment, register maintenance, documentation etc.
- Amount due/payable to co-insurer & Reinsurance treaty/limit.

3.4. Branch Audit Procedure



3.5. Branch's Report Presentation

Internal Audit Team conducts branch audit as per year visit plan on the overall activities of branch.
Mainly two types of activities are involved comprising the following Materials:

a) Operational activities:

Attendance/Movement register, Policy/Cover note/ Addendum/ Endorsements/Certificate register, Assets Inventory, Security of documents, Stamp register, Money Receipts, Documentation.

b) Financial activities:

Premium income, Premium Target & Achievement, Claims paid, Petty cash expenses, Agency commission.

Department wise Audit

Internal Audit team conducts department wise Audit:

- Finance & Accounts Department
- Human Resources & Admin. Department
- Underwriting Management Department
- Claims Department
- Re-insurance Department
- Share & Investment Department
- Information Technology Department

3.6. Risk Assessment Procedure

Internal Audit Team conducts department wise audit by adopting the following procedure for risk assessment & management.

3.6.1 Finance & Accounts Department:

- Cash Counter
- Pre Payment & Post Payment Voucher
- Bank Voucher(Refund/CO-Ins/Advance/Re-Ins)
- Bank Reconciliation
- Premium income & Others Investment Income
- Financial Statement (Trial Balance, Ledger, Journal, Double entry system)
- Fixed Assets Disposal & Depreciation
- FDR & others Investment.
- Tax & Vat Deduction, Provision & Payment
- Other Reserve & Provisions

3.6.2. Human Resources & Admin. Department:

- Appointment/Pay Roll/Benefits (Provident Fund, Gratuity, Bonus, Loan & Advances)
- Personnel Policies & Service Rule (Attendance, Leave, Training)
- Purchase/Quotation/Approval
- Pricing/Quality
- Budget/Fund Utilization
- Deductions on Bills (AIT, VAT)
- Fixed Assets/Printing Stationary/Inventory

3.6.3. Underwriting Management Department:

- Document Check as per Premium Register (Branch Wise)
- Tariff Rate Terms Condition & CRC Correspondence
- Surveyor Appointment & Report Review
- Risk Control Compliance
- Premium Collection, Refund , Commission
- Co-insurance payment , Receivable/ Payable
- Stamp Duty As Per Document & Register
- Compliance of IDRA Directives
- System Generated Reports

3.6.4. Claims Department:

- Loss Intimation Letter
- Acknowledgement & Surveyor Appointment
- Register Entry
- Premium Collection Confirmation
- Survey Report & Relevant Documents
- Scrutiny of Documents
- Review & Approval
- Settlement

3.6.5. Re-insurance Department:

- Re-insurance Treaty
- Payment of Re-insurance Premium
- Receivables under Re-insurance Arrangements
- Quarterly Bordereaux
- Profit/ Loss Payment Statement

3.6.6. Share & Investment Department:

- Share holding position
- Right & Bonus Share
- Dividend Announcement and Disbursement
- Tax deduction on Dividend
- Price Sensitive Information
- Financial Discretion

3.6.7. Information Technology Department (IT) :

- Security Policy of IT Department
- Insurance Software Implementation
- Results

Part 4: Internship experience

4.1 Introduction

I felt myself very much privileged to get an opportunity to work as an intern in Green Delta Insurance Company Limited (Mohakhali, Corporate Head Office). Green Delta Insurance Company Limited is renowned for its quick services and good performance. When I started my internship in this branch I was overwhelmed by knowing that I am a part of this renowned company for three months. The duration of my internship was from 16th February to 16th May. I enjoyed myself working over there a lot because the environment was immensely friendly and all of the employees are very much co-operative with each other. As an intern every day I had to report to the Internal Audit department and the officers of audit department named Gazi Safiqur Rahman (Internal Audit officer), MD. Jahangir Islam (EVP), Parvin Akter(FSVP) , supervised me all through my whole internship period in the Green Delta Insurance Company Limited (Corporate Head Office).

4.2 Responsibilities and Learning outcome

4.2.1 Learning

The main functions of the Internal Audit Department may be summarized as follow and as a part of this department I have learned the following things:

- Learn to review whether the accounting, financial, budgetary and operating control are adequate and have been efficiently applied.
- Learn how to examine whether receipts of the company on account of premium or otherwise have been correctly assessed and realized as per prescribed tariffs, rules, regulation and orders; whether they have correctly accounted and promptly deposited in Bank; whether all sums of money paid into the banks in cash or by cheques / pay order/draft have been credited to Company's accounts; and whether there is effective follow-up for recovery of arrears.
- Learn how to examine whether payments by way of claims, commission and other expenses have been made due regularly and propriety after proper sanction accorded by a competent authority and have been duly vouched correctly classified and recorded in accounts.
- Learn to ensure that the company's assets are properly accounted and safeguarded from the losses of all kinds, and that there is a periodical physical verification to check the accuracy of the quantity balances in the books.

- Learn to examine whether instructions and procedures are given in the company's manual and Head Office circular (including rules, regulations, and guidelines etc., issued by the Company) are strictly followed;
- Learn to examine whether financial and administrative power exercised by officials are strictly in accordance with the delegations or guidelines laid down from time to time .
- Learn to examine whether returns / statement / reports required to be furnished by each office/ department to different authorities are correctly complied and sent within stipulated time
- Learn how to test the accuracy of accounting and other data developed in the office / Department inspected.
- Learn how to examine the delay in issue of documents and settlement of claims
- Learn to spot out missing links, if any in the chain of operations which may give room for financial irregularities, misappropriations, frauds etc.
- Learn how to review the register of complaints to see that all companies have been disposed off within a reasonable time and the machinery set up for the purpose is adequate and efficient.

4.2.2 Responsibilities:

- Assist the internal audit department in doing the branch audit of Principal Branch Dhaka. Where I checked the movement of register, stock of revenue stamp, stock of cash insurance stamp, money receipt, security papers, Inventory, no of documents issued, Unused printing stationary of individual department of FIRE, FIRE, MARIN CARGO, MARIN HULL, MOTOR, and MISSELINIOUS
- Assist the internal audit department in doing the audit of Claim department. Where I checked claim paid register of FIRE, MARIN CARGO, MARIN HULL, MOTOR, and MISSELINIOUS

- I have checked the petty cash which come to internal audit department for checking the validity. Petty Cash Custodian(s) and Front Desk Personnel are responsible for their cash, their petty cash transactions, maintenance of the proper records, and the reconciliation of such. I was responsible for acquiring and validating:

    1. Original Receipt
    2. Signatures
    3. Account Keys
    4. ID's of recipient
    5. Allow ability of purchase

- I have checked the paper of commission paid against the premium collected
- I have checked the software of reconciliation whether the copy from branch given and the record provided by the software both match or not.
- Write down some letters under the instruction of the supervisor.
- I have checked the Bank statement with software.

4.3 Personal Observation

During this internship period, my overall observations are as following:

- The environment of Internal Audit Department of Green Delta Insurance Company Limited is very friendly and cooperative.
- Work is never left pending for the next day unless it is absolutely necessary.
- It has own transportation facility which makes the life of employees' easy
- It provides lunch to the employee in a dinning where the employee can be intimated with others. And the women can be more benefited by providing lunch.
- I felt that there are more than enough employees and the salary range of GDIC is not good enough which create dissatisfaction among the employees
- The behavior of other departments toward internal audit department is not cooperative.
- I felt manipulation of seniors of other department.
- The work load of GDIC is very low. For that reason I have seen so many employees have no works to do.

4.4 Recommendation

To recommend the company there are certain areas where things can be improved. First of all the work force are not well enough to cooperate the organization for achieving their goal and they have so many employees who are not productive. For overcoming this it they need to cut down employee and hire qualified employees. Also, I believe the reporting to the direct top level committee should be increased so that the management body makes a proper understanding about the employees and the issues. Another recommendation from my side is to upgrade the computers, operating systems and software so that the work process could be faster and better. Green Delta Insurance Company Limited has a bright future and they should move forward with improving technology and methodology so that they can keep their standards of excellence in insurance company.

Part 5: Project part

Financial Performance analysis of Green Delta Insurance Company Limited

5.1. Summary:

The project consists with three different parts. They are given below

Project Part A: In the project part A the description of each of the insurance is given with the detail requirement of each of them so that after reading it anyone can get a overall idea of the product and services given by the GDIC.

Project Part B: In the project part B the industry analysis is given. For doing industry analysis three insurance companies have been chosen. Those are Green Delta Insurance Company Limited. Reliance Insurance Company Limited, Agrani Insurance Company Limited. After that, those profitability ratios, liquidity ratios and leveraged ratios have been analyzed with the findings and recommendations.

Project Part C: In the project part C the stock valuation of GDIC is given. For doing this the portfolio market return, risk free rate have been found out. After that, the beta, face value of stock, required rate of return, intrinsic value, growth rate of cash dividend of GDIC have been found out. Then, after doing the comparison of intrinsic value and market price of GDIC's stock, whether the stock price of GDIC is overpriced or underpriced is found out. At the end the probable reason for overpriced or underpriced has been discussed.

5.2. Objective of the project

More specifically, this study entails the following aspects:

- To analyze the Industry analysis of General Insurance Company in the last five years.(2008-2012)
- Finding the recommendations to the GDIC on the basis of analyzing the financial ratios.
- To Evaluate Stock Overpriced or underpriced
- Finding the intrinsic value of the GDIC stock
- Finding the probable reason for overpriced or underpriced of stock
- To know the product and services of General Insurance company and those description
- To present my observation and suggestion to the Insurance Company.

5.3. Methodology

In order to generate the project part of this report only secondary data has been used. The source that have been used to gather and collect data is given below-

Secondary Sources

- Annual Report of Green Delta Insurance Company Limited, Reliance Insurance Company Limited, Agrani Insurance Company Limited(2008-2012)
- Brochures of Green Delta Insurance Company Limited
- Different website on financial ratios like Investopedia ,
- Website of Dhaka Stock Exchange (DSE) and Stock Bangladesh
- Website of Green Delta Insurance Company Limited, Reliance Insurance Limited, Agrani Insurance Company Limited(2008-2012)

5.4. Limitations

It was a great opportunity for me to work in Green Delta Insurance Company Limited as an Intern and a make a project on the Industry Analysis of Green Delta Insurance Company Limited, Reliance Insurance Company Limited, Agrani Insurance Company Limited; Stock Evaluation of GDIC, Product and Service Description and those requirements. However, there were surely some limitations while making this report. They are-

- Getting the information and interpreting it, on the basis of my understanding and then implementing it.
- Also, for the first time I have made report on insurance company and industry so it was quite difficult for me to understand the financial terms.
- There were several departments for that reason I faced difficulties while collecting information from those departments
- Finding the actual market information was quite difficult

Project Part 5.A

Description and Requirement of Product and Services

5.A.1. Fire Insurance

5.A.1.1. Basic cover:

- Fire
- Lightning
- Explosion(domestic)

5.A.1.2. Damage during or immediately following

- Fire caused by – smoke, scorching,
- Falling walls, water used for extinguishing
- Fire, blowing up building for preventing
- Spread of fire.
- This coverage can be extended to include other perils by the additional premium;
- Riot, Strike
- Terrorism
- Storm, Flood
- Subsidence
- Landslide
- Aircraft damage
- Bursting or overflowing of tanks.

5.A.1.3. Exclusions

- Fire due to
  - Explosion except boiler used for domestic purpose
  - Spontaneous combustion
  - Earthquake fire
  - Subterranean fire
  - Own fermentation or heating
  - Flood & Cyclone

5.A.1.4. Specific Exclusions

- Riot, Civil Commotion, War, Invasion, Act of Foreign Enemy, Civil War, Rebellion, Revolution, Insurrection etc.
- Radioactive Contamination

5.A.1.5. Basic Elements of Fire Rating from Tariff:

1. Interest
2. Construction
3. Occupation
4. Location

5.A.2. Burglary Insurance

5.A.2.1. Scope of Cover

5.A.2.1.1. Lost by burglary

- Housebreaking following upon an actual forcible and violent entry into or exit from the premises by the person or persons .
- Then the company will pay to the extent of such loss to the extent of the intrinsic value of the descriptive value of the insured.

5.A.2.1.2. Exclusions

- Theft by persons lawfully on the premises.
- Any legal liability,
- Loss or damage during the progress of or following upon fire or explosion.
- Earthquake, war, Riot, Civil war, Invasion etc.

5.A.2.2. Uncoverable property

- Deeds, bonds, stamp collections, bank or currency.
- Theft by persons lawfully on the premises.
- Any legal liability,
- Loss or damage during the progress of or following upon fire or explosion.
- Earthquake, war, Riot, Civil war, Invasion etc

5.A.1.3. Marine Insurance

- The oldest branch of insurance.
- Comprises:
    a. Cargo Insurance.
    b. Hull Insurance.
- Lloyd´s is the famous world´s Marine insurance market.
- Marine Insurance Act 1906.

5.A.3.1. Types of Marine Insurance

5.A.3.1.1. Hull Insurance

- Concerns the insurance of ships.
- Hull, machinery etc.

5.A.3.1.2. Cargo Insurance

- Plays an important role in domestic trade as well as international trade.
- Provides insurance cover in respect of loss of or damage to goods during transit by –rail, -road -sea -air

5.A.3.2. Types of Marine Policy

- Time Policy
- Voyage Policy
- Mixed Policy

5.A.3.3. Institute Cargo Clauses (C)

a) Fire or explosion.
b) Vessel or craft being stranded, grounded, sunk or capsized.
c) Overturning or derailment of land conveyance.
d) Collision or contract of vessel, craft or conveyance with any external object other than water.
e) Discharge of cargo at a port of distress.
f) General average sacrifice.
g) Jettison.

5.A.3.4. Institute Cargo Clauses (B)

- Provides cover under ICC (C)
- Additional risk
  a) Earthquake, volcanic eruption or lightning.
  b) Washing overboard.
  c) Entry of sea, lake or river water into vessel.
  d) Total loss of any package lost overboard or dropped whilst loading or unloading from vessel.

5.A.3.5. Extraneous Risks

- Can be added on payment of extra premium to ICC (B)
  a) Theft, pilferage and / or non-delivery.
  b) Fresh water and rainwater damage.
  c) Hook and / or oil damage.
  d) Heating and sweating.
  e) Damage by mud, acid and other extraneous substances.

f) Breakage.
g) Leakage.
h) Busting / tearing of bags

5.A.3.6. Institute Cargo Clauses <u>(A)</u>

- Provide cover for all risks of loss or damage.
- All risks means losses which are caused by accidental circumstances.
- Under ICC (C) and (B) the risks covered are specified.

5.A.3.7. Exclusions

- Loss caused by willful misconduct of the insured.
- Ordinary leakage, ordinary loss in weight or volume or ordinary wear and tear.
- Loss caused by inherent vice or nature of the subject matter.
- Loss caused by delay.
- Loss arising from insolvency or financial default of owners of the vessel.
- Loss or damage due to inadequate packing.
- War, riot, strike, lock-out, civil commotions and terrorism.

5.A.4. Health Insurance

- The health policy provides for reimbursement of hospitalization/domiciliary hospitalization expenses for illness/disease suffered or accidental injury sustained during the policy period.
- Under this scheme the expenses for treatment in a hospital for an illness or injury are insured.
- It does not cover for any expenses in respect of domiciliary or outdoor treatment.

5.A.4.1. Covers

- Hospitalization due to accident or illness.
- Ancillary services like ICU/CCU room, post-operative room, blood transfusion, special investigations, etc.
- Labor room services.

- Intensive care facility.
- Oxygen therapy.
- Skilled nursing services.
- Blood transfusions.
- Ambulance services.
- Dressing while in confinement and test other than the routine investigations.

5.A.4.2. Three plans

- Basic Plan
- Standard Plan
- Super Plan

The total maximum amount of cover shall limited to BDT 25,000/- for each year.

Costs, charges and fees per confinement in respect of :	Amount payable
Hospital accommodation (including all room services and telephone charges)	Actual cost (maximum BDT 600/- per day)
Consultant's fee	Actual cost (maximum BDT 300/- per day)
Routine investigations	Actual cost (maximum BDT 1,000/-)
Medicine & drugs prescribed by the Consultant	Actual cost (maximum BDT 2,000/-*)
Intervention for : Major surgical operation Intermediate surgical operation	Actual cost (maximum BDT 15,000 per case) Actual cost (maximum BDT 10,000 per case)

Ancillary services as follows: Labor room services, post-operative care facilities, Oxygen therapy, skilled nursing services, intensive care facility, blood transfusions, ambulance service, dressing, tests other than routine investigations	80% of the total amount (maximum BDT 3,000)

The total maximum amount of cover shall limited to BDT 50,000/- for each year.

Costs, charges and fees per confinement in respect of :	Amount payable
Hospital accommodation (including all room services and telephone charges)	Actual cost (maximum BDT 1,200/- per day)
Consultant's fee	Actual cost (maximum BDT 500/- per day)
Routine investigations	Actual cost (maximum BDT 1,000/-)
Medicine & drugs prescribed by the Consultant	Actual cost (maximum BDT 4,000/-*)
Intervention for : Major surgical operation Intermediate surgical operation	Actual cost (maximum BDT 15,000 per case) Actual cost (maximum BDT 10,000 per case)
Ancillary services as follows: Labor room services, post-operative care facilities, Oxygen therapy, skilled nursing services, intensive care facility, blood transfusions, ambulance service, dressing, tests other than routine investigations	80% of the total amount (maximum BDT 6,000)

The total maximum amount of cover shall limited to BDT 75,000/- for each year.

Costs, charges and fees per confinement in respect of:	Amount Payable
Hospital accommodation (including all room services and telephone charges)	Actual cost (maximum BDT 1,500/- per day)
Consultant's fee	Actual cost (maximum BDT 500/- per day)
Routine investigations	Actual cost (maximum BDT 1,500/-)
Medicine & drugs prescribed by the Consultant	Actual cost (maximum BDT 6,000/-*)
Intervention for : Major surgical operation Intermediate surgical operation	Actual cost (maximum BDT 15,000 per case) Actual cost (maximum BDT 10,000 per case)
Ancillary services as follows: Labor room services, post-operative care facilities, Oxygen therapy, skilled nursing services, intensive care facility, blood transfusions, ambulance service, dressing, tests other than routine investigations	80% of the total amount (maximum BDT 8,000)

5.A.5. All Risk Insurance

Specially suitable for covering jewellery, valuables, curios, antiques and other works of art, paintings, watches, cameras and other similar articles.

5.A.5.1. Exclusions:

- Wear & Tear
- Repairing
- Breakage of glass of watches etc.

5.A.6. Personal Accident Insurance

- To provide compensation in the event of an accident causing death or injury
- The purpose of personal accident insurance is to pay fixed compensation for death or disablement resulting from accidental bodily injury.
- Personal accident and sickness policies are renewable annually and if a claim has occurred which could be of a recurring nature, the cover may be restricted at renewal or in severe cases renewal may not be offered
- It is against accident happening at anytime and anywhere including flying as a ticket holding passenger in an aircraft operated by an Air Transport organization providing scheduled air services.

5.A.6.1. Three types of Table:

5.A.6.1.1. Table A

- Death permanent and temporary disablements.

5.A.6.1.2. Table B

- Death permanent total and partial disablements.

5.A.6.1.3. Table C

- Death only.

5.A.6.2. Compensation Scale

	Table A	Table B	Table C
CLASS 1	TK.30.00	TK 12.50	TK 8.50
CLASS 2	TK.40.00	TK.16.00	TK.11.00
CLASS 3	Tk.50.00	Tk.21.00	Tk.15.00

- Annual Premium for Sum Insured of Tk.10, 000.
- For Ages between 16 and 65 years.
- Larger compensation medical expenses can be included under Table "A" at an additional premium @10% of basic premium.

5.A.6.3. Group Personal Accident Policy

Issued where there is some common relationship among the persons to be insured.

5.A.6.4. People´s Personal Accident Insurance

- Same as personal accident policy.
- Sum-insured is limited Tk.1, 00,000/-
- Premium very low –Tk.60/-

5.A.7. Cash-In-Transit & Cash-In-Safe

5.A.7.1. Scope of cover:

- Loss of money under the heading Cash, Bank Notes, Currency notes and cheques, postal orders or Money Orders by cause occurring during the period of insurance stated in the Schedule of the policy.

5.A.7.2. Exclusions:

- Dishonesty of an employee.
- Willful destruction by the authorities.
- Shortages due to error or omission.
- Any loss which is covered under a specific policy.

5.A.8. Overseas Medical Insurance / Travel Insurance

Consequent upon an unforeseen event happening during the course of a journey away from the Usual Country of Residence, the Company will provide the Insured with immediate material assistance as specified under the Benefits set out in Sections (1) and (2) of this policy, provided that the event does not occur outside the Geographical Limits.

5.A.8.1. Exclusions:

The company will not be liable to provide any assistance which arises directly or indirectly from:

a. Fraudulent acts by any Insured or any other person seeking to claim under this policy.

b. Consequential loss of any kind.

c. Extraordinary phenomena such as floods, earthquakes, volcanic eruptions, unusual cyclone storms, falling astral bodies or meteorites.

d. Terrorism, civil unrest or riots.

e. Actions by the armed forces, security forces or other organizations.

f. Nuclear radioactivity.

g. The participation by any Insured in:

  i. Competitions, rallies, or contests.

  ii. Sports.

  iii. Criminal conduct.

  iv. Wagers or challenges.

h. The deliberate act of the Insured.

i. Illnesses or pathological states produced by voluntary consumption of alcohol, drugs, toxic, substance, narcotics, or medicines acquired without medical prescription.

j. Any pre-existing medical condition, suicide or attempted suicide, mental illness, pregnancy or childbirth.

k. Prostheses, glasses conduct lenses, hearing aids or artificial limbs.

l. An aesthetic treatment a cure, a counter indication of traveling or of holidays, the impossibility of continuing in certain places with the advised preventive medical treatment, the voluntary interruption of pregnancy.

m. Mental illnesses, depressions, any dental illness.

n. Epidemics. Pregnancy complication.

o. Aids, HIV

5.A.9. Loss of Profit Insurance

This cover in summary will cater for;

- Standing charges such as salaries
- Increased cost of working

5.A.9.1. Exclusions

- Loss of goodwill
- Failure to recover debts due to loss of records
- Depreciation of undamaged stock

5.A.10. Erection All Risk Policy (EAR)

An erection all risk policy is designed to cover the risks associated with the installation of machines/equipments or composite projects.

- The policy is normally designed to meet the requirements of those involved in the erection of a project either as a principal, contractor or sub-contractor.
- Risks associated with construction of Factory sheds, plants, warehouses, runways, bridges, dams, buildings, hangers, air-taxiways etc can be covered.

5.A.10.1. Scope of Cover- EAR Policy

i. Location risks - Fire, Lightning, Theft, Burglary etc.

ii. Handling risks- Collision, failures of cranes or tackles, impact of falling objects.

iii. Testing & Commissioning Risks: Failure of safety devices, short Circuit, Explosion.

iv. Risk of Human Element: Carelessness, negligence, faults in erection, Strike & riot, Malicious damage, Terrorism.

v. Acts of GOD: Flood, Storm, Tempest, Inundation, Landslide, Earthquake.

5.A.10.2. Exclusions:

- Loss due to faulty design, defective material, or casting and or bad workmanship.
- Loss or damage due to erection machinery and equipment due to mechanical/electrical breakdown.
- Loss or damage due to willful act or willful negligence
- Loss or damage due to war
- Loss or damage due to nuclear reaction

5.A.11. Contractors All Risk Policy

5.A.11.1. Coverage is extended to:

- Civil Engineering Contractors in the matter of works under construction.
- Covers projects like Buildings and Civil Engineering Projects such as office buildings, hospitals, schools, theatres, etc. factories, Power Plants, Roads and Railway facilities, airports, bridges, dams, tunnels, etc.

5.A.11.2. Exclusions:

- War Risks.
- Normal Wear & Tear.
- Rust, Corrosion, Erosion.
- Inventory Losses.
- Willful acts, Willful negligence.
- Consequential losses.
- Defective Material / Workmanship, Faulty Design.

5.A.12. Industrial All Risk policy

All industrial risks having overall Sum Insured of BDT 50 crores shall be under Industrial all risk policy.
Policy covers,

1. Material damage only
2. All risks/perils other than those which are specifically excluded.

5.A.12.1. Conditions

a. 10% self insurance applicable.

b. Additional 10% self insurance for more than one recoverable loss within past 3 years.

c. Deductible of 10% loss but minimum 5 lac EE irrespective of perils.

d. All project above 5 crore Sum insured to be surveyed.

5.A.12.2. Exclusions:

- Damage to the property caused by faulty or defective design materials or work manship, inherent vice, latent defect etc.
- Collapse or cracking of building
- Corrosion rust extremes or changes in temperature,
- Acts of fraud or dishonesty
- Mechanical or electrical break down or derangement of machinery or equipment.
- Bursting, overflowing, discharging or water tans apparatus or pipes when the premises are empty or disused.
- Any willful act or willful negligence on the part of the insured or any person acting on his behalf.
- Damage occasioned directly or indirectly in consequence of war, invasion act of foreign enemy, hostilities or warlike operations.

5.A.13. Professional Indemnity

5.A.13.1. Scope of cover:

- Any error/omission/negligence/on the part of the permanent employees and directors.
- Dishonest or fraudulent act or omission on the part of the permanent employees and directors.

5.A.13.2. Exclusions

a. The insolvency of an insurance company.

b. Libel or slander

c. Loss of or damage to computer system and their records.

d. Dishonest, fraudulent criminal or malicious act or omission of the insured.

e. Terrorist activities

f. Loss of or damage due to earthquake, volcanic eruption, flood, typhoid, hurricane, cyclone.

g. Claims arising out of personal Liability, Employers liability, Product liability etc

5.A.14. Contractors Plant & Machinery Policy (CPM)

The policy provides a comprehensive cover against unforeseen and sudden physical damage to property by any cause not specifically excluded:

5.A.14.1. Hence covers:

- Location risks-Fire/lightning/theft/burglary
- Impact from falling objects-collision
- Risks of human element-Carelessness/fault material/riot/strike/malicious damage/terrorism
- Act of GOD: Storm/tempest/Hurricane flood/landslide etc.

5.A.14.2. Exclusions

- Electrical or mechanical breakdown.
- Explosion of any boiler or pressure vessel.
- Loss or damage due to wear and tear corrosion
- Loss of damage while in transit from one location to other.
- War perils, civil commotion, nuclear perils etc

5.A.14.3. Public Liability:

a. Chemical exhaust or residue which is/are pollutant(s)

b. Fumes as a result of R&D

c. Testing on animals (rats etc.) – possible claim by Animal Rights activists.

5.A.14.4. Employer's Liability:

- Liability on employer as a result of injury to employees during discharging their duty. This could be Vicarious Liability as well.

5.A.14.5. Worksmen Compensation

- Cover for employees for injuries which are work related.

5.A.14.6. Product Liability:

a. Negligence

b. Strict Liability

c. Inability to recall

d. Design Defects

e. Product Withdrawal & Crisis Management Expense

f. Emergency Medical Expenses for bodily injury in case of human clinical trials including trial related athletic activities.

g. Employees who voluntarily participate should not be excluded.

h. Vendor's Extension

i. Technical Collaborator's Extension.

Part 5: Project Part

Project Part 5.B

Industry Analysis

5.B.1. Profitability or Return on Investment Ratios:

Profitability ratios provide information about management's performance in using the resources of the small business. Many entrepreneurs decide to start their own businesses in order to earn a better return on their money than would be available through a bank or other low-risk investments. If profitability ratios demonstrate that this is not occurring—particularly once a small business has moved beyond the start-up phase—then entrepreneurs for whom a return on their money is the foremost concern may wish to sell the business and reinvest their money elsewhere. However, it is important to note that many factors can influence profitability ratios, including changes in price, volume, or expenses, as well as the purchase of assets or the borrowing of money. Some specific profitability ratios follow, along with the means of calculating them and their meaning to a small business owner or manager.

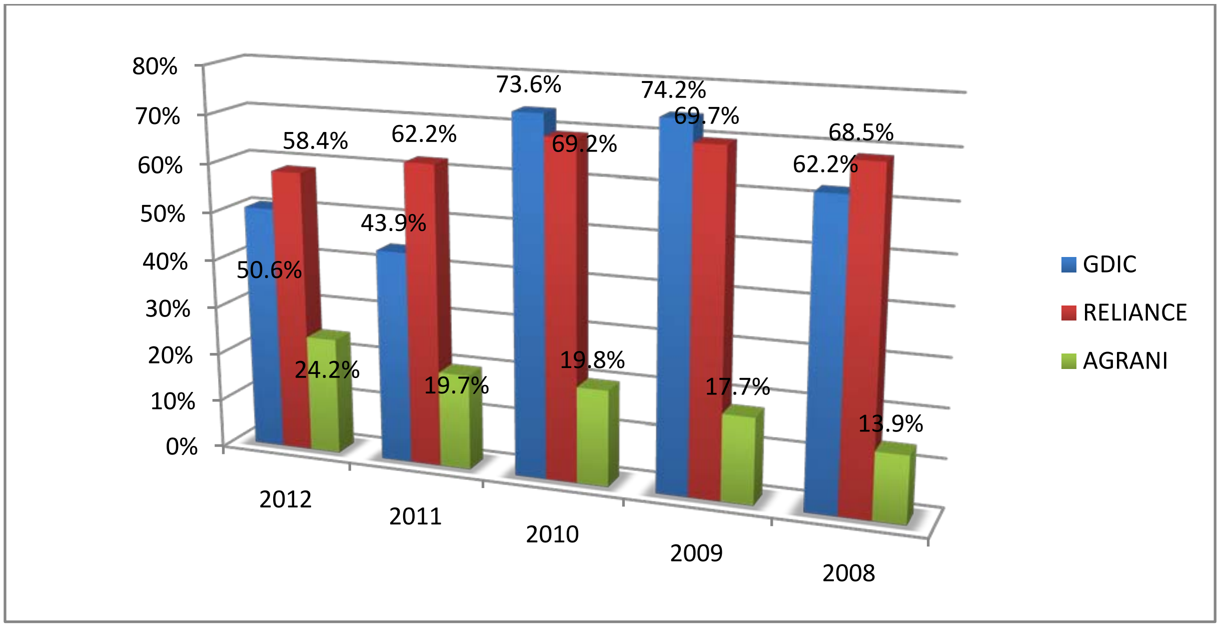
PROFITABILITY OR RETURN ON INVESTMENT RATIOS		2012	2011	2010	2009	2008
1. Net profitability: Net Income/Net Sales	**GDIC**	0.51	0.44	0.74	0.74	0.62
		50.62%	43.90%	73.56%	74.19%	62.23%
	Reliance	0.58	0.62	0.69	0.70	0.69
		58.42%	62.21%	69.16%	69.73%	68.55%
	Agrani	0.24	0.20	0.20	0.18	0.14
		24.16%	19.68%	19.81%	17.71%	13.86%
2. Return on assets: Net Income/Total Assets	**GDIC**	0.04	0.03	0.13	0.09	0.08
		4.17%	3.13%	13.48%	8.84%	7.98%
	Reliance	0.05	0.05	0.05	0.06	0.07
		4.62%	4.86%	4.73%	6.37%	7.35%
	Agrani	0.08	0.07	0.08	0.06	0.05
		8.25%	6.88%	8.26%	6.40%	4.78%

3. Return on investment 1: Net Income/Owners' Equity	**GDIC**	0.06	0.05	0.18	0.14	0.13
		5.87%	5.44%	18.20%	14.03%	12.92%
	Reliance	0.06	0.06	0.06	0.13	0.16
		6.38%	6.43%	6.20%	12.57%	15.68%
	Agrani	0.14	0.12	0.14	0.11	0.1
		14.20%	11.71%	13.98%	11.04%	9.74%
4.Return on investment 2: Dividends +/- Stock Price Change/Stock Price Paid	**GDIC**	-0.51	-0.52	0.97	-0.16	1.26
		-51.10%	-52.10%	96.89%	-15.74%	125.84 %
	Reliance	-0.06	-0.41	0.3	0.51	2.14
		-6.11%	-41.25%	29.77%	50.94%	214.38 %
	Agrani	0	-0.9	0.06	0.02	0.17
		0.00%	-89.70%	5.58%	2.23%	17.13%
5. Earnings per share: Net Income/Number of Shares Outstanding	**GDIC**	5.29	3.83	15.66	8.42	124.68
	Reliance	4.32	5.37	71.55	51.17	59.97
	Agrani	2.04	1.59	18.43	13.78	11.9
6. Investment turnover: Net Sales/Total Assets	**GDIC**	0.08	0.07	0.18	0.12	0.13
	Reliance	0.08	0.08	0.07	0.09	0.11
	Agrani	0.34	0.35	0.42	0.36	0.35

5.B.1.1. Net profitability:

- **Net Income/Net Sale**

It measures the overall profitability of the company, or how much is being brought to the bottom line. Strong gross profitability combined with weak net profitability may indicate a problem with indirect operating expenses or non-operating items, such as interest expense. In general terms, net profitability shows the effectiveness of management. Though the optimal level depends on the type of business, the ratios can be compared for firms in the same industry.



Findings

From 2008 to 2009 GDIC had an increasing trend of net profitability. After that in 2010 it decreased slightly and then in 2011 was decreased in a huge percentage. Though from 2011 to 2012 it had an increasing trend it was not a well sign for GDIC because compared to Reliance the condition was not good. However, the performance of Reliance was far better than other two companies if we consider the consistency and the higher profitability. On the other hand, the condition of Agrani was not good at all as it had the lowest net profitability ratio than other two companies.. In 2012 the performance of Reliance was better in consideration of net profitability than other two companies. In 2009 and 2010 the performance of GDIC was good.

Recommendation:

After considering the scenario it could be recommended that GDIC has some problems with its indirect operating expenses or non-operating items, such as interest expense so it should be focused on it for the sake of effectiveness of the company.

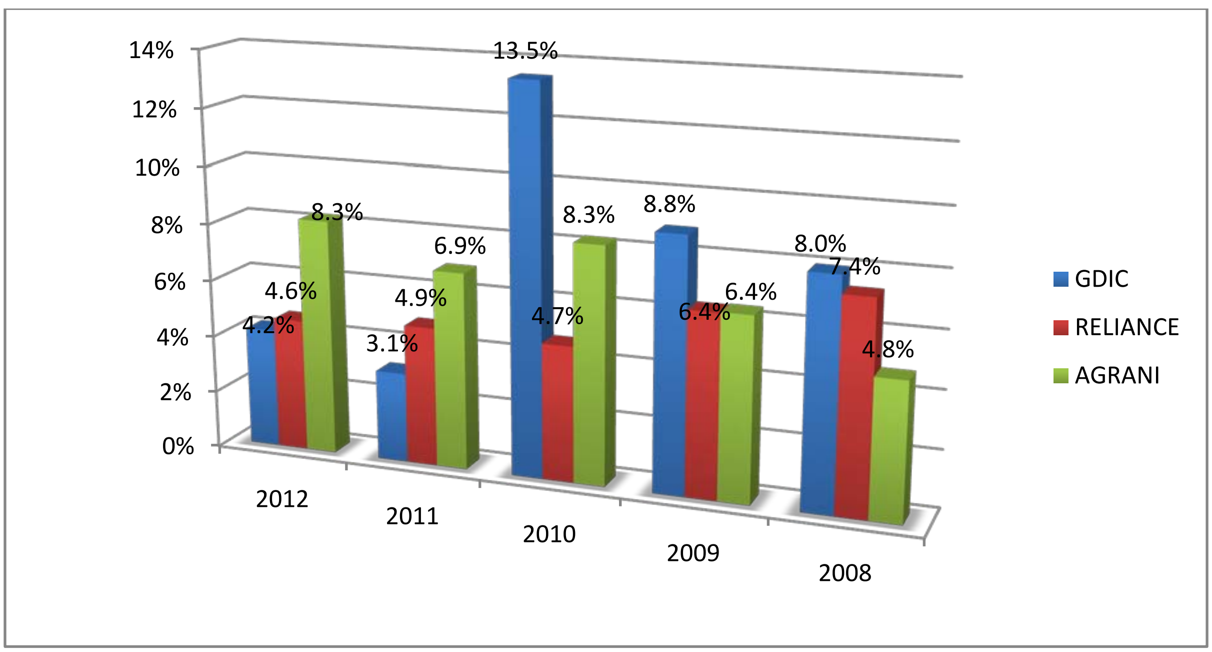
5.B.1.2. Return on assets:

- **Net Income/Total Assets**

Return on assets indicates how effectively the company is deploying its assets. A very low return on asset, or ROA, usually indicates inefficient management, whereas a high ROA means efficient management. However, this ratio can be distorted by depreciation or any unusual expenses.

ROA tells you what earnings were generated from invested capital (assets). ROA for public companies can vary substantially and will be highly dependent on the industry. This is why when using ROA as a comparative measure, it is best to compare it against a company's previous ROA Numbers or the ROA of a similar company.

The assets of the company are comprised of both debt and equity. Both of these types of financing are used to fund the operations of the company. The ROA figure gives investors an idea of how effectively the company is converting the money it has to invest into net income. The higher the ROA number, the better, because the company is earning more money on less investment.



Findings

From year 2008 to 2010 GDIC and Agrani has an increasing trend of ROA whereas Reliance has a decreasing trend of ROA. In those 3 years GDIC has higher ROA than other two companies. Besides, in 2011 GDIC's has drastically decreased from 13.5% to 3.1%. Again in 2012 it was increased to 4.2%. However, Reliance has increased from year 2010 to 2011 and again it has a decreased trend from year 2011 to 2012. Also, in 2011 the ROA ratio of Agrani is decreased from 8.3% to 6.9% and in 2012 it was increased to 8.3%. By this it can be said that from year 2011 to 2012 GDIC's condition in consideration ROA is bad compared to other two companies.

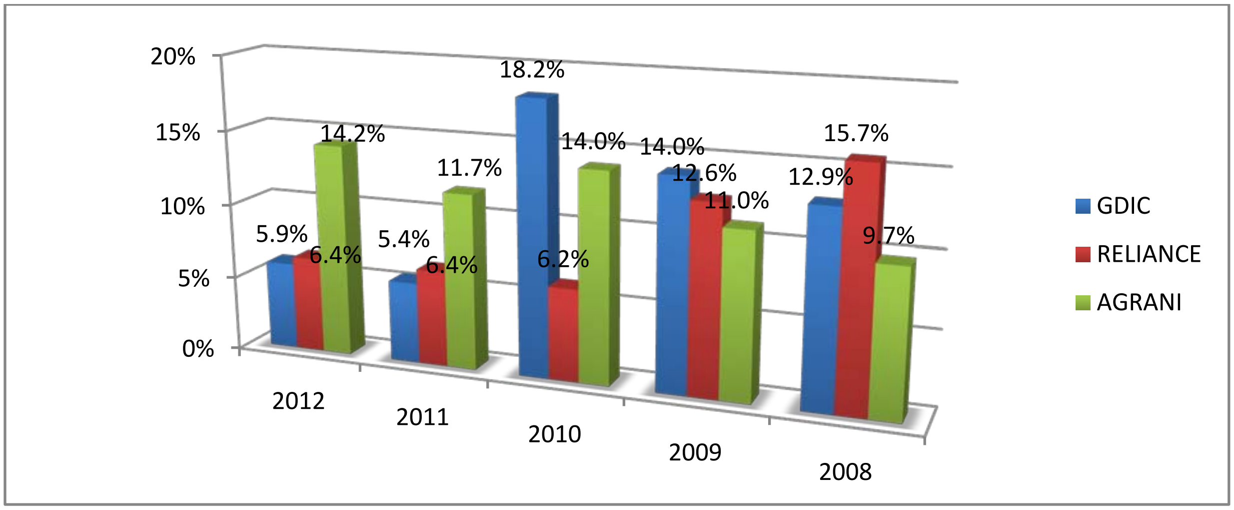
Recommendation:

For being efficient company GDIC should avoid depreciations and unusual expenses for getting higher ROA to improve the condition of company.

5.B.1.3. Return on investment 1:

- **Net Income/Owners' Equity**

It indicates how well the company is utilizing its equity investment. Due to leverage, this measure will generally be higher than return on assets. ROI is considered to be one of the best indicators of profitability. It is also a good figure to compare against competitors or an industry average. Experts suggest that companies usually need at least 10-14 percent ROI in order to fund future growth. If this ratio is too low, it can indicate poor management performance or a highly conservative business approach. On the other hand, a high ROI can mean that management is doing a good job, or that the firm is undercapitalized.



Findings

From year 2008 to 2010, GDIC had an increasing rate of return on investment; in 2010 it was very tremendous. Agrani also had an increasing figure. On the other hand, Reliance faced a bad situation because it had a decreasing rate. In the year 2011, the Agrani and GDIC's ratio had been decreased which is a negative side. However in the year 2012 those companies ratio had been slightly increased. On the other hand, in 2011 the Reliance's ROI had been increased little bit and in 2012 it was constant.

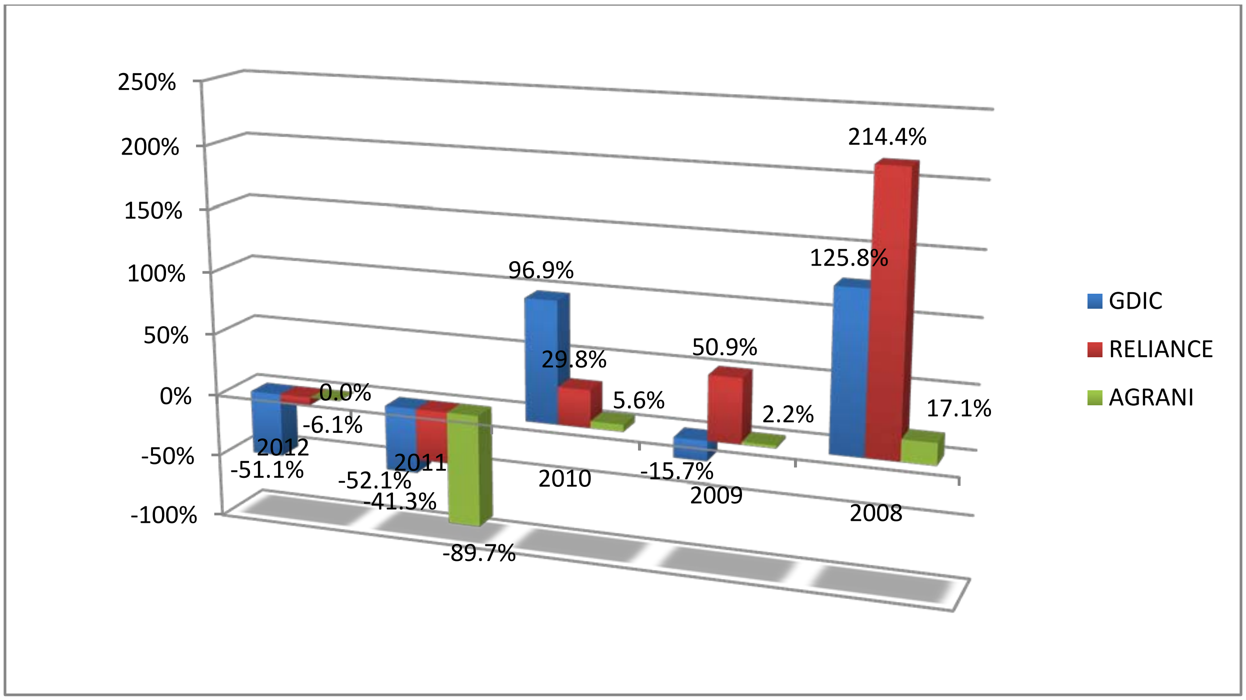
Recommendation:

So, it can be said that. Though 2012 has a growing rate but still it need to be improved because high ROI means good management of the company. Here, the return on the investment is not up to the mark so it should be increased.

5.B.1.4. Return on investment 2:

- **Dividends +/- Stock Price Change/Stock Price Paid**

From the investor's point of view, the calculation of ROI measures the gain (or loss) achieved by placing an investment over a period of time.



Findings

Here it can be found that, the return on investment of the three companies is not good. As, in 2012, 2011 and 2009 GDIC faced negative ROI. In year 2008 it was very good and in 2010 it has high ROI though it was less than the year 2008. In 2012 the condition of Agrani had a zero figure which was better than other two companies as other two companies had a negative figure and GDIC had the lowest percentage among other companies. In 2008, the condition of three companies was better compared to other four years.

Recommendation:

From the investors perspective it can be said that the ROI is not good enough of GDIC to invest here. So, for being in a good position GDIC should be focused on the issues by which they can increase their dividend and how they can increase their stock price by improving those qualities.

5.B.1.5. Earnings per share:

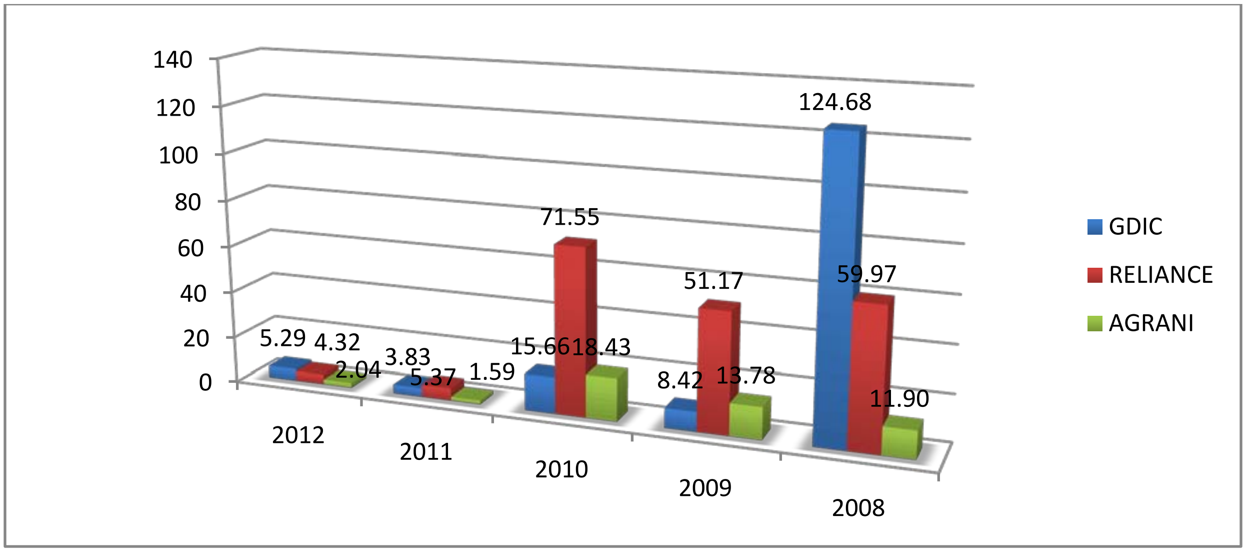
- **Net Income/Number of Shares Outstanding**

EPS states a corporation's profits on a per-share basis. It can be helpful in further comparison to the market price of the stock. EPS is the portion of the company's distributable profit which is allocated to each outstanding equity share (common share). EPS is a very good indicator of the profitability of any organization, and it is one of the most widely used measures of profitability.

The earnings per share is a useful measure of profitability, and when compared with EPS of other similar companies, it gives a view of the comparative earning power of the companies. EPS when calculated over a number of years indicates whether the earning power of the company has improved or deteriorated. Investors usually look for companies with steadily increasing earnings per share.

Growth in EPS is an important measure of management performance because it shows how much money the company is making for its shareholders, not only due to changes in profit, but also after all the effects of issuance of new shares (this is especially important when the growth comes as a result of acquisition).

There is no rule of thumb to interpret earnings per share. The higher the EPS figure, the better it is. A higher EPS is the sign of higher earnings, strong financial position and, therefore, a reliable company to invest money. For a meaningful analysis, the analyst should calculate the EPS figure for a number of years and also compare it with the EPS figure of other companies in the same industry. A consistent improvement in the EPS figure year after year is the indication of continuous improvement in the earning power of the company.



Findings

GDIC has a higher EPS in the year 2008 but after that the condition of GDIC was falling but in year 2010 it was slightly increased but again it decrease in year 2011 and then in year 2012 it was slightly increased. In year 2012 GDIC's EPS was best among three companies. In year 2011, 2010 and 2009 the reliance was best and in 2008 GDIC was best compared to other

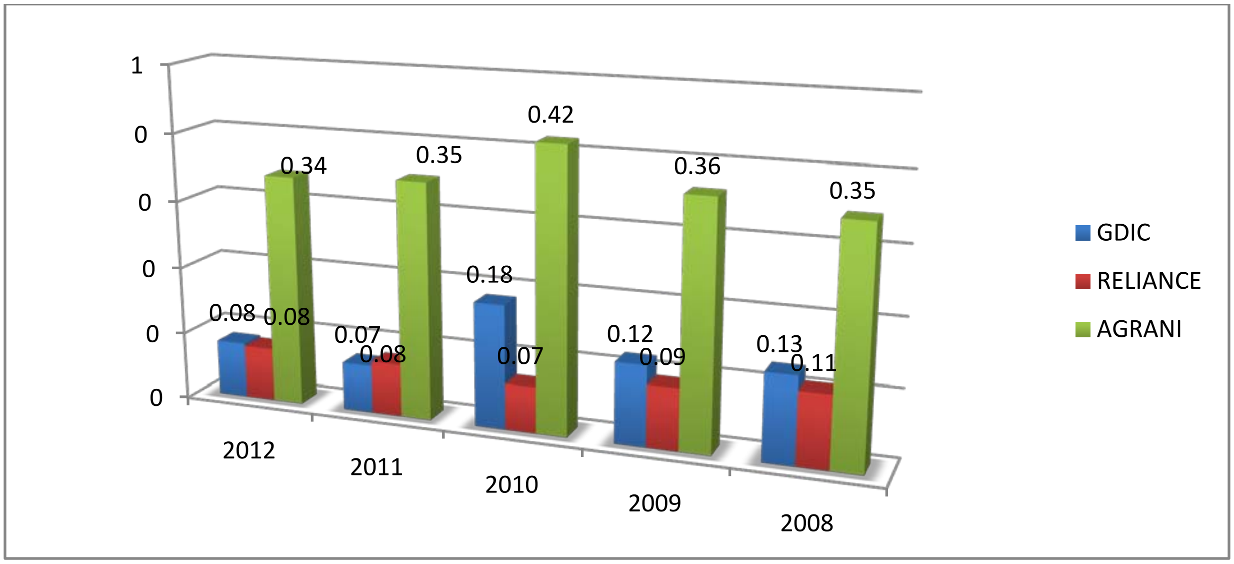
Recommendation:

For getting higher EPS GDIC should focused on the issues by which the can increase their net income. They can increase it by reducing their cost and increase their revenues. Also they can take steps to reduce their tax payment. Higher the EPS means the condition of that company is better.

5.B.1.6. Investment turnover:

- **Net Sales/Total Assets**

It measures a company's ability to use assets to generate sales. Although the ideal level for this ratio varies greatly, a very low figure may mean that the company maintains too many assets or has not deployed its assets well, whereas a high figure means that the assets have been used to produce good sales numbers.



Findings

After considering the scenario it can be said that among three companies Agrani has a very good investment turnover ratio over the five year. In the year 2010 the condition of GDIC was good. After 2010, in 2011 the ratio was decreased and again in 2012 the ratio is slightly increased. Compared to other companies the GDIC was in the second position in the perspective of investment turnover ratio. The condition of Reliance was almost similar as GDIC but it was less than GDIC. The condition of GDIC is not good in investment turnover ratio.

Recommendation:

GDIC should utilize its total assets in order to increasing it sales. It should be focused on that whether it is using more assets than it is actually needed. If doing so, it should take steps to reducing its use of assets less to produce high amount of sales.

5.B.2. Liquidity Ratios

Liquidity ratios demonstrate a company's ability to pay its current obligations. In other words, they relate to the availability of cash and other assets to cover accounts payable, short-term debt, and other liabilities. All small businesses require a certain degree of liquidity in order to pay their bills on time, though start-up and very young companies are often not very liquid. In mature companies, low levels of liquidity can indicate poor management or a need for additional capital. Any company's liquidity may vary due to seasonality, the timing of sales, and the state of the economy. But liquidity ratios can provide small business owners with useful limits to help them regulate borrowing and spending. Some of the best-known measures of a company's liquidity include:

LIQUIDITY RATIOS		2012	2011	2010	2009	2008
1. Current ratio: Current Assets/Current Liabilities	GDIC	5.35	8.87	12.23	8.25	7.66
	Reliance	1.51	1.50	1.32	1.49	1.43
	Agrani	4.55	3.90	4.57	5.32	3.33
2. Quick ratio (or "acid test"): Quick Assets (cash, marketable securities, and receivables)/Current Liabilities	GDIC	5.35	8.87	12.23	8.25	7.66
	Reliance	1.51	1.50	1.32	1.49	1.43
	Agrani	4.55	3.90	4.57	5.32	3.33
3. Cash to total assets: Cash/Total Assets	GDIC	0.0006	0.0004	0.0002	0.0001	0.000 2
	Reliance	0.28	0.19	0.17	0.40	0.41
	Agrani	0.43	0.39	0.41	0.46	0.54
4. Cash turnover: Net Sales/Net Working Capital (current assets less current liabilities)	GDIC	0.19	0.10	0.19	0.17	0.18
	Reliance	0.58	0.67	0.94	0.39	0.49
	Agrani	0.58	0.66	0.60	0.46	0.51

5.B.2.1. Current ratio:

- **Current Assets/Current Liabilities**

It measures the ability of an entity to pay its near-term obligations. "Current" usually is defined as within one year. Though the ideal current ratio depends to some extent on the type of business, a general rule of thumb is that it should be at least 2:1. A lower current ratio means that the company may not be able to pay its bills on time, while a higher ratio means that the company has money in cash or safe investments that could be put to better use in the business.

The current ratio is an indication of a firm's market liquidity and ability to meet creditor's demands. If the current ratio is too high, then the company may not be efficiently using its current assets or its short-term financing facilities. This may also indicate problems in working capital management. Low values for the current or quick ratios (values less than 1) indicate that a firm may have difficulty meeting current obligations. Low values, however, do not indicate a critical problem. If an organization has good long-term prospects, it may be able to borrow against those prospects to meet current obligations. Some types of businesses usually operate with a current ratio less than one. For example, if inventory turns over much more rapidly than the accounts payable become due, then the current ratio will be less than one. This can allow a firm to operate with a low current ratio.

If all other things were equal, a creditor, who is expecting to be paid in the next 12 months, would consider a high current ratio to be better than a low current ratio, because a high current ratio means that the company is more likely to meet its liabilities which fall due in the next 12 months. One should view the relation between the operation cycle period and the current ratio

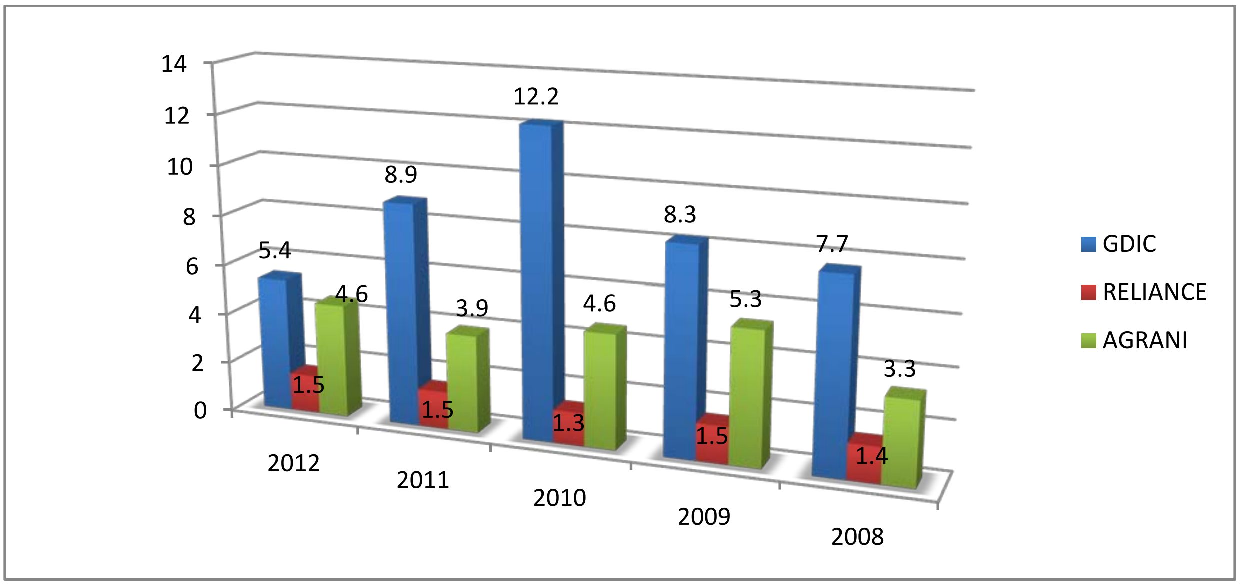
Current ratio is a measure of liquidity of a company at a certain date. It must be analyzed in the context of the industry the company primarily relates to. The underlying trend of the ratio must also be monitored over a period of time.

Generally, companies would aim to maintain a current ratio of at least 1 to ensure that the value of their current assets cover at least the amount of their short term obligations. However, a current ratio of greater than 1 provides additional cushion against unforeseeable contingencies that may arise in the short term.

Businesses must analyze their working capital requirements and the level of risk they are willing to accept when determining the target current ratio for their organization. A current ratio that is higher than industry standards may suggest inefficient use of the resources tied up in working capital of the organization that may instead be put into more profitable uses elsewhere. Conversely, a current ratio that is lower than industry norms may be a risky strategy that could entail liquidity problems for the company.

Current ratio must be analyzed over a period of time. Increase in current ratio over a period of time may suggest improved liquidity of the company or a more conservative approach to working capital management. A decreasing trend in the current ratio may suggest a deteriorating liquidity position of the business or a leaner working capital cycle of the company through the adoption of more efficient management practices. Time period analyses of the current ratio must also consider seasonal fluctuations.

Current ratio is the primary measure of a company's liquidity. Minimum levels of current ratio are often defined in loan covenants to protect the interest of the lenders in the event of deteriorating financial position of the borrowers. Financial regulations of various countries also impose restrictions on financial institutions to lend credit facilities to potential borrowers that have a current ratio which is lower than the defined limits.



Findings

Here, if the condition among three companies is considered than GDIC's condition is best among others. However, GDIC as individual is considered then the present condition of GDIC is not good as it can be noted that though from the year 2008 to 2010 the current ratio was increasing by the year, but from the year 2010 to 2012 this trend is decreasing which is not good for the company. Also, it can be said that GDIC wants to reduce its current asset to meet creditor's demand and wants to invest those current asset in somewhere else where it could generate more profit. Also, the condition of other two companies is not bad. As those have to maintain a certain standard.

Recommendation:

As GDIC's position is better than other two companies so GDIC should compete with itself as the current ratio trend of GDIC is year by year decreasing. It needs to sustain its growth and for that reason it should reduce its debt burden as well as should increase its current assets amount. Also, it can sustain its position to meet creditor's demand as the ratio is not bad.

5.B.2.2. Quick ratio (or "acid test"):

- **Quick Assets (cash, marketable securities, and receivables)/Current Liabilities**

It provides a stricter definition of the company's ability to make payments on current obligations. Ideally, this ratio should be 1:1. If it is higher, the company may keep too much cash on hand or have a poor collection program for accounts receivable. If it is lower, it may indicate that the company relies too heavily on inventory to meet its obligations.

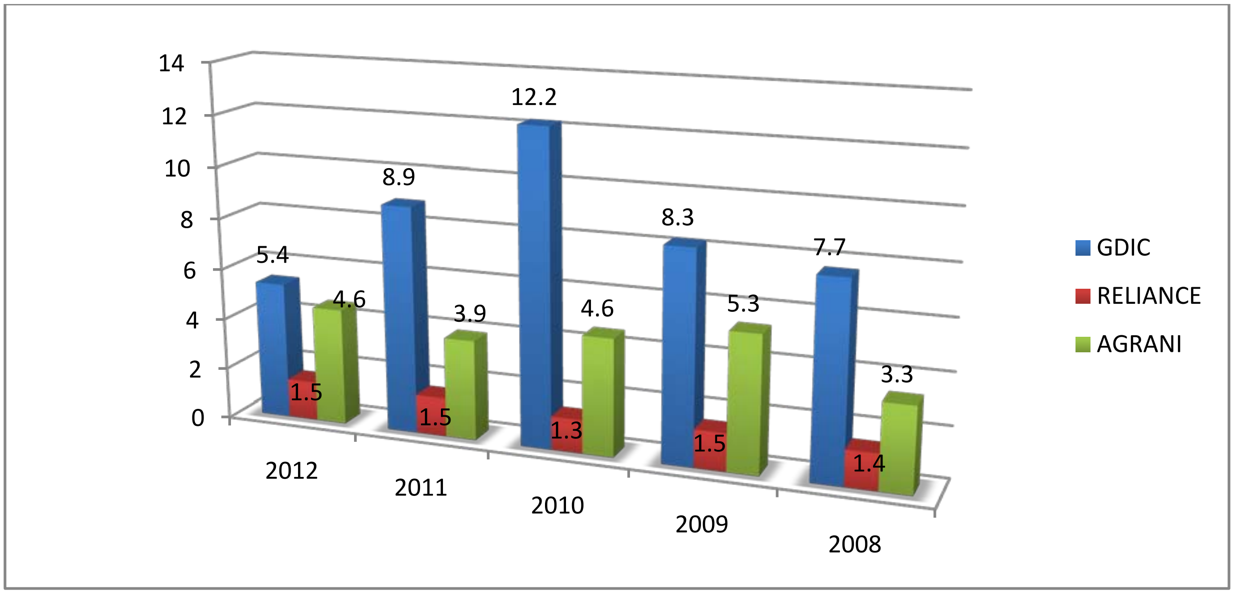
Quick ratio is an indicator of solvency of an entity and must be analyzed over a period of time and also in the context of the industry the company operates in.

Generally, companies should aim to maintain a quick ratio that provides sufficient leverage against liquidity risk given the level of predictability and volatility in a specific business sector among other considerations. The more uncertain the business environment, the more likely that companies would maintain higher quick ratios. Conversely, where cash flows are stable and predictable, companies would seek to keep quick ratio at relatively lower levels. In any case, companies must achieve the right balance between liquidity risk arising from a low quick ratio and the risk of loss resulting from a high quick ratio.

A quick ratio that is greater than industry average may suggest that the company is investing too many resources in the working capital of the business which may more profitably be used elsewhere. If a company has too much spare cash, it may consider investing the surplus funds in new ventures and in case company is out of investment options it may be prudent to return the excess funds to shareholders in the form of increased dividend payments.

Acid test ratio which is lower than the industry average may suggest that the company is taking too much risk by not maintaining an appropriate buffer of liquid resources. Alternatively, a company may have a lower quick ratio due to better credit terms with suppliers than the competitors.

When analyzing the quick ratio over several periods, it is important to take into account seasonal variations in some industries which may cause the ratio to be traditionally higher or lower at certain times of the year as seasonal businesses experience irregular bursts of activities leading to varying levels current assets and liabilities over time.



Findings

Here, if the condition among three companies is considered than GDIC has higher quick ratio among others. However, the condition GDIC as individual is considered then from the year 2008 to 2010 the current ratio was increasing by the year, but from the year 2010 to 2012 this trend is decreasing. If the condition of Reliance is considered then it is very close to standard so it is better than other two companies

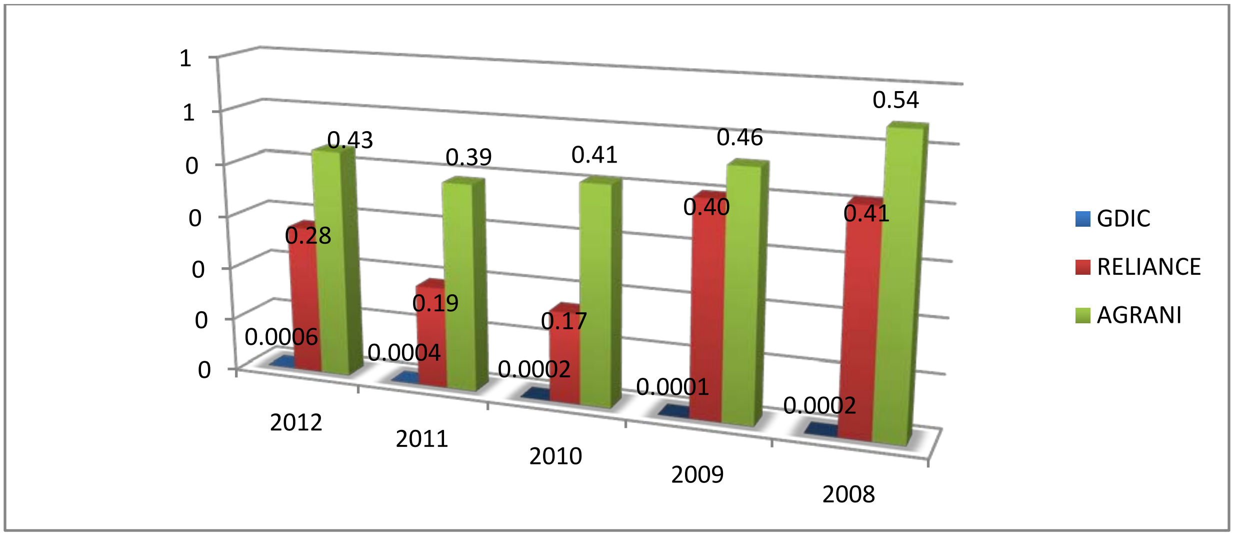
Recommendation:

GDIC is investing too many resources in the working capital like cash, marketable securities and receivables of the business which may more profitably be used elsewhere.

5.B.2.3. Cash to total assets:

- **Cash/Total Assets**

It measures the portion of a company's assets held in cash or marketable securities. Although a high ratio may indicate some degree of safety from a creditor's viewpoint, excess amounts of cash may be viewed as inefficient.



Findings

GDIC has very low cash to total assets compared to other two companies over the five years. Agrani has highest cash to total assets compared to other two companies**.**

Recommendation:

GDIC should sustain this position. Also they need to be assured that it has proper safety of cash. Also, it should not increase the percentage because it will indicate inefficiency

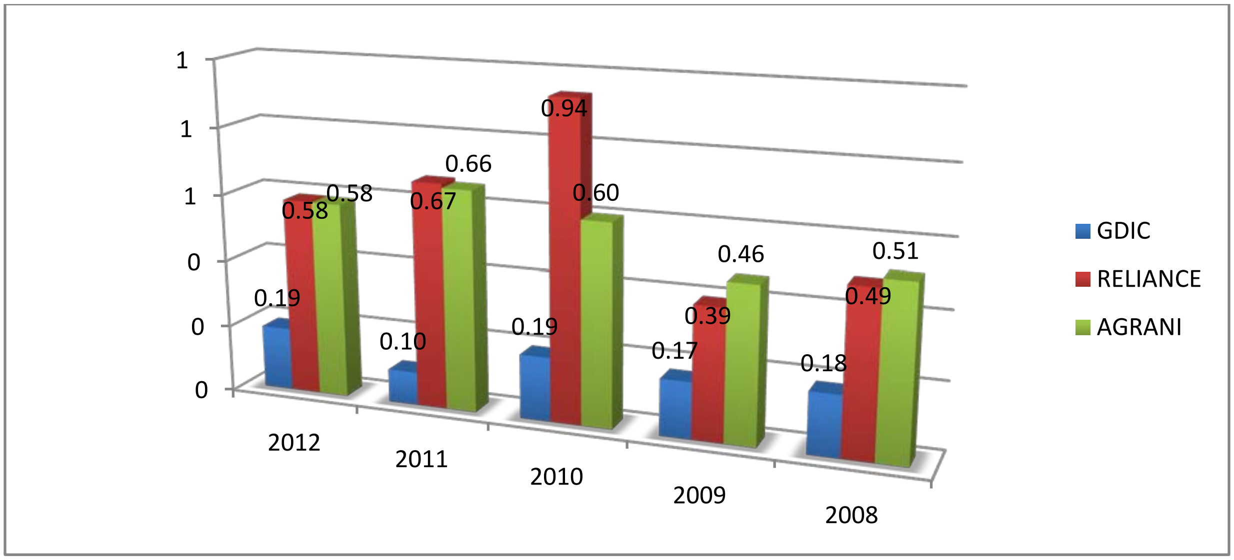
5. B.2.4. Cash turnover:

- **Net Sales/Net Working Capital (current assets less current liabilities)**

It reflects the company's ability to finance current operations, the efficiency of its working capital employment, and the margin of protection for its creditors. A high cash turnover ratio may leave the company vulnerable to creditors, while a low ratio may indicate an inefficient use of working capital. In general, sales five to six times greater than working capital are needed to maintain a positive cash flow and finance sales.

High cash turnovers can mean that a company is going through its cash cycles quickly. While this could mean that your company is being efficient with its cash (i.e. able to replenish it quickly and use cash toward better uses), it could also potentially mean a company is low on cash and may need short-term financing in the future (i.e. a company with a high amount of revenues and a low amount of cash would have a high cash turnover, but not potentially be in a Good situation).

Companies that often make sales based on credit will have higher cash turnover ratios, cash turnover ratios here would have be investigated more in-depth.



Findings

GDIC had almost similar cash turnover ratio over the year. In 2011 it was decreased from .19 to .10. Again in 2012 it was increased to .19. It should sustain its growth. So, for grabbing the creditors it was a positive side. The condition of Reliance and Agrani were same in cash turnover ratio. Though in 2010, the ratio of Reliance increased in a huge amount. If the conditions of three companies are compared the cash turnover ratio of GDIC is less than the other two companies.

Recommendation:

GDIC should increase its sales so that it can get more cash for its future operation. Also, need to be focused on that it should give emphasis on most on cash sales rather than credit sales so that it can generate more cash from its sales.

5.B.3. Leverage Ratios

Leverage ratios look at the extent to which a company has depended upon borrowing to finance its operations. As a result, these ratios are reviewed closely by bankers and investors. Most leverage ratios compare assets or net worth with liabilities. A high leverage ratio may increase a company's exposure to risk and business downturns, but along with this higher risk also comes the potential for higher returns. Some of the major measurements of leverage include:

LEVERAGE RATIOS		2012	2011	2010	2009	2008
1. Debt to equity ratio: Debt/Owners' Equity	**GDIC**	0.40824	0.73898	0.61583	0.6044	0.67135
		40.82%	73.90%	61.58%	60.44%	67.14%
	Reliance	0.38018	0.32190	0.31108	0.97418	1.13299
		38.02%	32.19%	31.11%	97.42%	113.30%
	Agrani	0.72	0.7	0.69	0.72	1.04
		72.06%	70.15%	69.27%	72.37%	103.57%
2. Debt ratio: Debt/Total Assets	**GDIC**	0.28989	0.42495	0.45332	0.33249	0.36183
		28.99%	42.50%	45.33%	33.25%	36.18%
	Reliance	0.27545	0.24351	0.23727	0.49346	0.53117
		27.55%	24.35%	23.73%	49.35%	53.12%
	Agrani	0.42	0.41	0.41	0.42	0.51
		41.88%	41.23%	40.92%	41.99%	50.88%

5.B.3.1. Debt to equity ratio:

- **Debt/Owners' Equity**

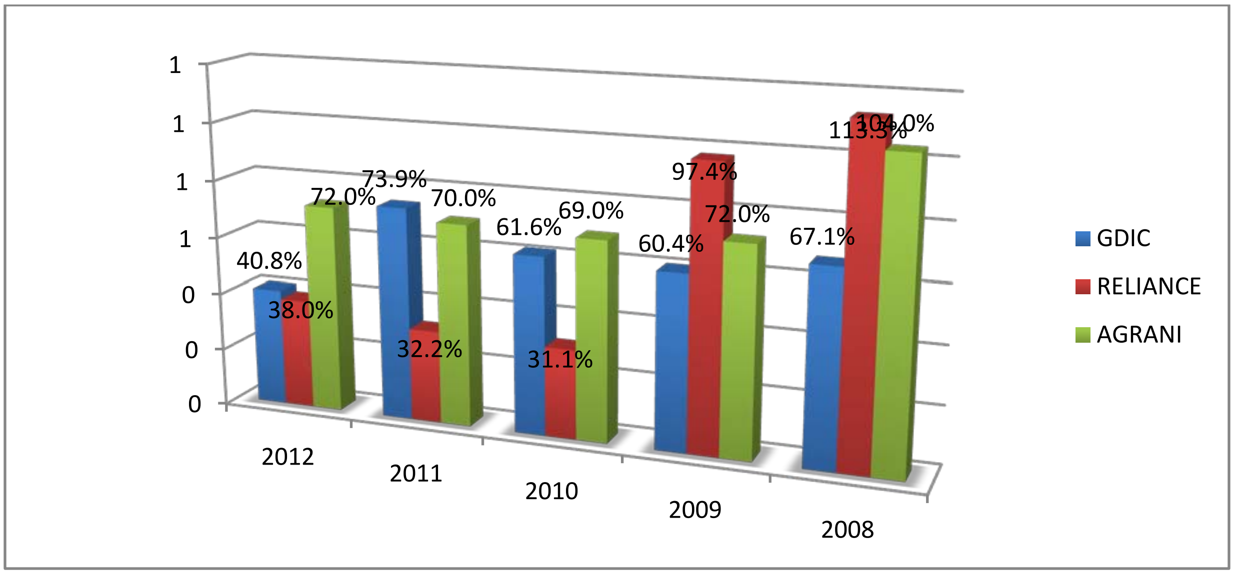
It indicates the relative mix of the company's investor-supplied capital. A company is generally considered safer if it has a low debt to equity ratio—that is, a higher proportion of owner-supplied capital—though a very low ratio can indicate excessive caution. In general, debt should be between 50 and 80 percent of equity.

A high debt/equity ratio generally means that a company has been aggressive in financing its growth with debt. This can result in volatile earnings as a result of the additional interest expense.

If a lot of debt is used to finance increased operations (high debt to equity), the company could potentially generate more earnings than it would have without this outside financing. If this were to increase earnings by a greater amount than the debt cost (interest), then the shareholders benefit as more earnings are being spread among the same amount of shareholders. However, the cost of this debt financing may outweigh the return that the company generates on the debt through investment and business activities and become too much for the company to handle. This can lead to bankruptcy, which would leave shareholders with nothing.

Lower values of debt-to-equity ratio are favorable indicating less risk. Higher debt-to-equity ratio is unfavorable because it means that the business relies more on external lenders thus it is at higher risk, especially at higher interest rates. A debt-to-equity ratio of 1.00 means that half of the assets of a business are financed by debts and half by shareholders' equity. A value higher than 1.00 means that more assets are financed by debt that those financed by money of shareholders' and vice versa.

An increasing trend in of debt-to-equity ratio is also alarming because it means that the percentage of assets of a business which are financed by the debts is increasing.



Findings

Here, the condition of GDIC was not good during the year 2008 to 2011 because of higher percentage of debt to equity ratio. After 2011, the condition of GDIC became good as the percentage reduced to 40.8%. In the year 2012 to 2010 the condition of Reliance was good because of lower percentage of ratio whereas the condition of Agrani was not good as it had a high debt to equity ratio which indicates it was more risky than other two companies. Lastly the conditions of the three companies were not so bad as the percentage are below than 100%, which means, those companies had more equity financing than debt financing over the five years.

Recommendation:

The cost of this debt financing may outweigh the return that the company generates on the debt through investment and business activities and become too much for the company to handle. This can lead to bankruptcy, which would leave shareholders with nothing. So the GDIC should focus on that issue. It will be better to sustain the condition.

5.B.3.2. Debt ratio:

- **Debt/Total Assets**

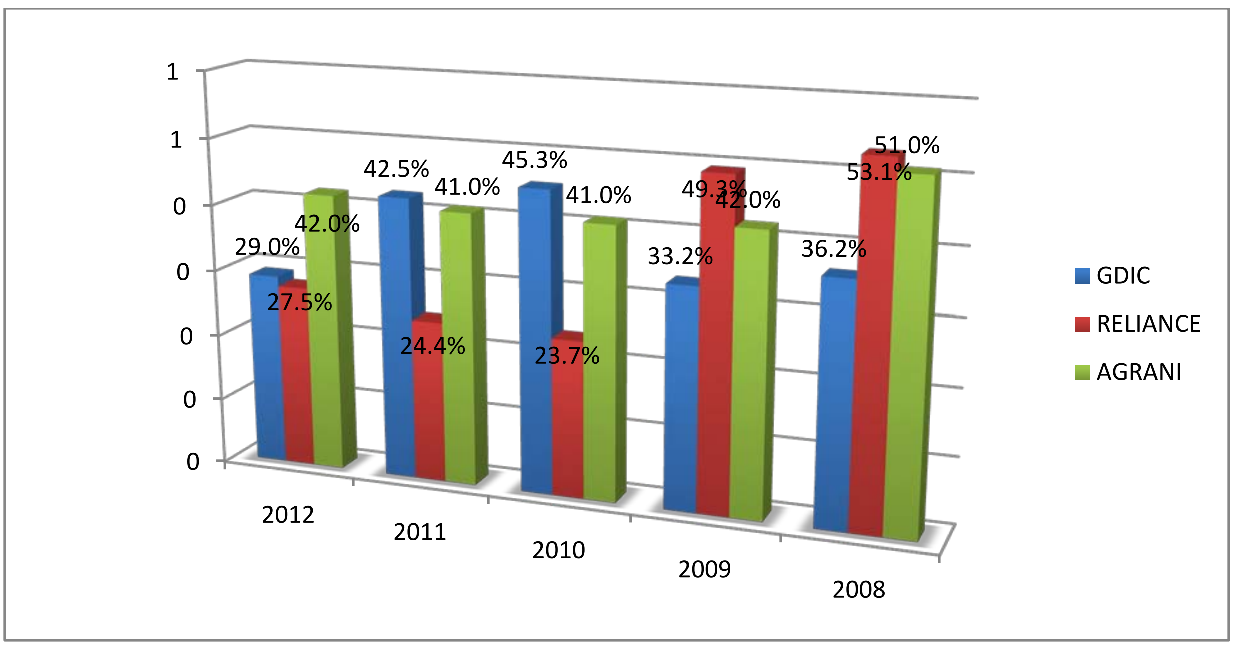
It measures the portion of a company's capital that is provided by borrowing. A debt ratio greater than 1.0 means the company has negative net worth, and is technically bankrupt. This ratio is similar, and can easily be converted to, the debt to equity ratio.

A company's debt ratio of a company offers a view at how the company is financed. The company could be financed by primarily debt, primarily equity, or an equal combination of both.

If a company has a high debt ratio (above .5 or 50%), then it is often considered to be "highly leveraged" (which means that most of its assets are financed through debt, not equity). Conversely, if a company has a low debt ratio (below .5 or 50%), this indicates that most of their assets are fully owned (financed through the firm's own equity, not debt).

In some instances, a high debt ratio indicates that a business could be in danger if their creditors were to suddenly insist on the repayment of their loans. This is one reason why a lower debt ratio is usually preferable. To find a comfortable debt ratio, companies should compare themselves to their industry average or direct competitors.

The higher the ratio, the greater risk will be associated with the firm's operation. In addition, high debt to assets ratio may indicate low borrowing capacity of a firm, which in turn will lower the firm's financial flexibility. Like all financial ratios, a company's debt ratio should be compared with their industry average or other competing firms.



Findings

Here, the condition of GDIC is good as the debt ratio is below 50% over the five year. Reliance had high debt ratio in the year 2008 to 2009 among other two companies whereas in 2010 to 2012 it had the lowest debt ratio among other two companies. However, Agrani has the debt ratio below 50% expect the year 2008. The rate was almost constant from the year 2009 to 2012.

Recommendation:

GDIC should sustain that position because the higher the ratio, the greater risk will be associated with the firm's operation. In addition, high debt to assets ratio may indicate low borrowing capacity of a firm, which in turn will lower the firm's financial flexibility. Like all financial ratios, a company's debt ratio should be compared with their industry average or other competing firms.

Part 5: Project Part

Project Part 5.C

Stock Valuation

5.C.1. Assumptions and Adjustments

- **Face Value:** The face value of the respective stocks is assumed TK. 100. Recently the face value of all the stocks enlisted with the Dhaka Stock Exchange has been changed to Tk. 10. However, since the dividend growth rate is based on the dividends from 2004 through to 2013, this report assumes face value at Tk.10.
- **Constant Growth:** The dividend discount model of common stock valuation assumes a constant dividend growth rate. This means that dividend paid has grown at a constant rate over the year.
- **Risk Free Rate:** The risk free rate is assumed to be 7.99% this is based on the Treasury Bills rate offered by the Government of the People's Republic of Bangladesh.
- **Return on Market Portfolio:** Return on market portfolio has been calculated in the following way:
  I. Firstly, need to collect the market information of trade date and individual DSEX index amount of those trade date
  II. Secondly, need to find the market return by using the following formula.

     Market Return =

$$\frac{\text{Present date's DSEX index} - \text{Previous date's DSEX index}}{\text{Previous date's DSEX index}}$$

  III. Then, need to find out the average of those returns of the previous formula and then need to multiply with the days of 112. As we have taken the trade date from 1st January till 22nd April, 2014
  IV. Then, the Return on Market Portfolio (Rm) has been found out

     Return on Market Portfolio (Rm) = 11.8140429%

- **Dividend Growth:** The dividend Growth rate is calculated based on the cash dividend paid from the year 2004 to the year 2013. And the cash dividend's years are only considered in this case

- **Beta:** From the stock Bangladesh website the beta of GDIC has been found out of 1.21880654651

5.C.2. Dividend distribution

Year	Dividend rate (%)	Dividend Taka
2004	10.00,30%B	1
2005	40%B	0
2006	30	3
2007	15%, 35%B	1.5
2008	100%B	0
2009	25	2.5
2010	40	4
2011	25%B	0
2012	15.00, 15%B	1.5
2013	15.00, 15%B	1.5

The dividends are calculated on the Face value of Tk. 10per share.

5.C.3. Growth rate

Future Value = Present Value * Future Value Interest Factor

FV = PV*(1+g) ^n

1.5 = 1*(1+g) ^7

(1+g)^ 7= 1.5/1

(1+g)^7 = 1.5

1+g = 1.0596

g = .0596 or 5.96%

5.C.4. Beta Coefficient

GDIC has a beta co-efficient 1.21880654651 which means that the security's risk will be high than the market. Beta is higher than market beta 1 that indicates company might be offering a high rate of return to compensate the risk.

5.C.5. Required Rate of Return

Risk Free Rate (Rf) = 7.99%

Return on Market Portfolio (Rm) = 11.8140429%

Required Rate of Return = Rf + (Rm-Rf) β

RRR = 7.99% + (0.118140429%-.0799%) 1.21880654651

RRR = 12.6348809%

5.C.6. Intrinsic Value

Value = Latest Dividend/(Required Rate Of Return - Growth Rate)

Value = (Do (1+g))/(RRR-g)

Value = (1.5(1+.0596))/(.126348809-.0596)

Value = 23.81166Tk

Intrinsic Value = 24tk

Market Current value= 85tk (22rd April,2014)

5.C.7. Probable reasons for overvaluation of stock:

From the calculation it has been found that the intrinsic value is BDT 24 is below than the market value BDT 85. From this, it can be said that Green Delta Insurance Company Limited's stock price is overvalued. Reasons for overvaluation might include:

- The confidence in the company may be high as a result the stocks may be overvalued in the market.
- The stocks of the company might be traded in an enormous amount, causing prices to be substantially high, even higher than the intrinsic value.
- The company's high dividend and high percentage of bonus shares when the company is not giving cash divided may encourage more and more investors to invest in the company and causing the stock to be overvalued
- Price increasing: Price of the stocks may have increased unexpectedly.
- Market position: The experts' predictions and the current Market situation are not similar.
- Investors' movement: People are more interested investing in the purchasing stocks, so more money is finally flowing into stocks.
- Information: The Company might be using misleading information to value their stocks.

Part 6: Scenario of Insurance Company in Bangladesh

6.1. Role of Insurance Companies in the Economic Development of Bangladesh:

6.1.1. Formation of Capital & Increase of Investment:

Insurance companies receive premiums from insured persons. These premiums increase national capitals. By investing these capitals, national productions increase.

6.1.2. Reduce of hindrance of risk:

Every sorts of business consists of risks. These risks are more hazardous in Bangladesh. Insurance companies minimize these risks by giving privileges on loss.

6.1.3. Maintenance of National Wealth:

Insurance companies not only secure financial facts, but also influence people to take necessary steps to avoid risks.

6.1.4. Distribution of Risks:

Insurance companies deal with lots of insured people. So risks are being distributed among them.

6.1.5. Extension of Business:

By taking all uncertain business risk insurance companies extended the field of business in our country. Insurance gives the assurance of indemnity and help to collect the capital to launch a new business and expand the existing business.

6.1.6. Increase of Awareness:

As the maximum people of our country are illiterate so they have not much knowledge about the future life and what will do to enhance the living standard. Different types of advertisement, publicity and others awareness activities of insurance company which helps to increase the awareness of general people

6.2. Problems of Insurance Company in Bangladesh

6.2.1. Poor Knowledge of Agents:

The marketing of insurance is greatly hampered in the remote village of Bangladesh where the agents are appointed from respected locality. This is because; educated young people are seemed to be reluctant to become insurance agents. Such agents cannot play efficient role in convincing a prospective policyholder.

6.2.2. Illiteracy:

Mass illiteracy is another factor that adversely affects the marketing of insurance. Majority of the population is floating in the sea of ignorance. Illiteracy leads one to think that the insurance is deception; it is no value in life. They cannot think rationality because they do not know what is insurance and what its importance as security for future.

6.2.3. Religious Superstition:

Religious attitude of the people also stands against efficient insurance. The religious people believe that the future is uncertain, it is in the hand of Allah and they do not think it necessary to buy life insurance policy for them.

6.2.4. Low Awareness:

Insurance awareness is poor. Agents are not skilled enough. These agents cannot perform their job properly to make the people aware of life insurance.

6.2.5. Low Savings:

People of Bangladesh have a very small saving potentially and thus have less or no disposable income. Almost the whole of the income is exhausted in the process of maintaining the day-to-day life. Thus they are left with little amount, which may not deemed to sufficient for the payment of premiums. This factor discourages many to buy life insurance policy.

6.2.6. Shortage of Fund:

Most of the policyholders cannot continue their policies owing to price spiral and shortage of fund.

6.2.7. Insufficient Service:

In Bangladesh insurance company people failed to provide better service to the mass people that's why the people who want to take the insurance policy they loss their interest from insurance. At same time in foreign country insurance workers goes to customer's house and offices regularly to aware themselves and influence them to take insurance policy. In that's case Bangladesh insurance company people are not that much expert.

6.2.8. Lack of Marketing Policy:

One of the major problems in insurance company is lack of marketing policy. Management is not taking initiative to increase their mark expansion. They provide tiny amount advertisement, which is not sufficient for increasing business development.

6.3. Prospects of Insurance Business in Bangladesh

As well as the problems mentioned above, there are many good signs for the insurance business in Bangladesh. The factors that can facilitate the insurance business in our country are discussed below. These facts can be measured as the prospective fields for insurance business in Bangladesh.

6.3.1. Higher GDP:

The GDP of our country is increasing than the previous year's which results in increase of per capita income. So this growing GDP and income holds bright prospects for insurance companies. The major problem is the incapability of our people to pay the premium charged by the insurance companies. . With the growth in the income more and more people are now willing to take an insurance policy for safeguarding themselves from any danger.

6.3.2. Increased population:

There is a big opportunity lies ahead for the insurance companies as the population of our country are increasing day by day. Although most of people of our country live under extreme poverty level and want to avoid insurance policy number of potential policy holders in Bangladesh is growing with growth of the population. There is somewhat relationship between growing populations with the number of public vehicle. As we know all public vehicle must have an insurance policy. So growing population also increase the motor insurance too. That is growth in population opens greater scope for every kind of insurance business that results in growing prospect for insurance companies.

6.3.3. New business's individual insurance:

There are so many new businesses starting every day and manufacturing sector is booming with global demand. Every business is insured under an insurance company to protect its company from any kind of accident. Therefore growing industry, mill, factories are creating better scope for the insurance companies to flourish their business.

6.3.4. Developing mass awareness about insurance:

People are now much more conscious about their safety. So they are encouraged to take an insurance policy for making their life free from any unexpected occurrence. Increase in literacy rate is helping predominantly to create awareness among the people regarding taking insurance policy. Besides this insurance companies are also trying to eradicate the negative attitude of people towards the insurance company by organizing various programs such as seminars, programs including social responsibilities etc.

6.3.5. Micro insurance:

Micro insurance can be a great prospective area for the insurance business in our country. Most of the people of our country are unable to have costly and long term insurance policies. Micro insurance can be provided to individual personnel or to small business owners against little insurance premiums and with easy terms and conditions. When they will afford to minimize their risks at a lower price, they will take that opportunity and they will become to get used to it. This can cover a huge portion of the society who can be a prospective target market for this business.

6.3.6. Scope in non-traditional sector:

Nowadays, along with traditional insurance services, they can offer various non-traditional insurance services to their customer. Target market of insurance company may expand and they can offer different types of non-traditional insurance services such as health insurance, personal accident insurance, travel insurance, burglary insurance and pension scheme.

6.3.7. Scope of investment:

Insurance companies can usually make more profit from investment activities than from their regular insurance business. The private insurance companies are realizing this fact and playing role in the financial market. Insurance companies are making large investment in government bonds, ICB projects and in private sector business. There are opportunities to enhance profit through effective and efficient money, management by employing capable and experienced personnel. Scope of investment expansion persists in the areas leasing, housing, health and money market.

6.3.8. Service diversification:

Insurance is not just a tool of risk coverage. It is also an attractive instrument of savings. The mixture of risk coverage with savings gives the opportunity for innovative product designing which means service diversification. In a dynamic insurance market one can expect to see new products being promoted at regular intervals. So far very little efforts have been taken to innovative and introduce need oriented insurance services in response to existing threats. The prospect of the insurance business in various sectors that affect our economy can be differentiated in the following way.

6.3.8.1. Agriculture sector:

The economy of Bangladesh is predominantly an agrarian one, with most people engage in farming and fishing. The uncertainty of agriculture due to crop failure caused by climate variation, drought, cyclone, flood and pests affects farmer income as well as government revenue .Furthermore, in the last few years commercialization has occurred in some sections of the agricultural sector. Increase in investment in the agricultural sector is creating a new opportunity for insurance industry. Various agricultural insurance services are becoming common these days. Demand for insurance protection against crop loans, livestock loans, fisheries loans and equipment loans are also increasing day by day.

6.3.8.2. Business sector:

Nowadays in Bangladesh the SME plays an important role in the economic development. But they are deprived from taking loans from bank for large amount. If insurance business focuses this section in Bangladesh they are able to contribute more in the economy .Thus insurance business has a bright prospect in business sector in a developing country like Bangladesh

6.3.8.3. Education sector:

Insurance companies can provide different types of scheme to expand education plan insurance.

6.4. Recommendation for Insurance Business of Bangladesh

From the presiding discussions of the report, we can realize that the policy makers within the government and the insurance company should adopt effective measures in order to make good use of the opportunities and to tackle the threats for ensuring a healthy development of the insurance industry. The following actions are suggested

- The insurance companies of Bangladesh should practice marketing through the use of promotional tools such as advertising, sales promotion, public relation and publicity, personal selling and direct marketing.
- In order to create the growth of insurance business in our country, insurance companies should expand their target market by providing responsive services and establish efficient departments to perform such task.
- Government must minimize the restrictions on premium so that insurance companies can fix their premium according to their demand. This will increase the profitability of the insurance companies.
- One of the basic requirements for the insurance industry to have sustained growth is to enhance training facilities. Bangladesh Insurance Academy is providing training facilities

and professional education to those engaged in insurance business in the country. The syllabus, curriculum and training programs of the academy need to be modified to meet the modern needs of the insurance industry.

- To regain and maintain a positive public image the insurance companies should overcome the dissatisfaction in regards to services and claim settlements and should maintain a service standard.
- The collected premium should be invested in large and beneficial sectors so that insurance companies can return their clients expected return in timely.
- Government should have a regulatory body for the surveillance on insurance companies so that they must perform their business maintaining the ethical issues properly.
- Insurance companies need to modify their recruitment strategies with increased focus on the marketing and sales training because, insurance being a service marketing industry it requires special attention.
- In response to the opportunity of growing market the insurance companies can expand their target market by identifying and providing responsive services. In order to do so each company should established and effectively operate research and development department.

Part 7: Recommendations

There are some recommendations given below for Green Delta Insurance Company Limited on the basis of the overall condition of it.

- GDIC can introduce more subsidiary companies like Green Delta Securities and Capital limited. By this their consolidated profit can be increased. For an example, they can introduce bank so that it can take large portion of their facility from their own bank. By this it can be benefited from getting facilities from its own bank .Besides, from bank it can earn profit also.
- GDIC can arrange seminars for the public and as well as for the employees so that the employees can get a proper knowledge how to deal with customer and how to increase their network and facility. Also, the perception of general people towards insurance can be changed in a good way and people can feel interest to do insurance.
- GDIC should focus on the investment on the employee like it can buy land for the employees and the employees can repay the land price on installment basis by his the employees can get accommodation facility in future and that will motivate them to work more dedicatedly for the company.
- GDIC should increase their online facility. By this it can give and take facilities by setting in the desk.
- GDIC should improve its technological facilities and it should reduce its paper pencil works. By this the cost and time can be minimized. Also, work will be easier by the advancement of technology.
- GDIC should downsize the employees for minimizing the cost because if the employees are not productive then it will increase the cost of the organization.
- "Employee Recruitment Process"- should be done in a fare process so that appropriate and talented employees are selected through the recruitment process and increase the productivity and quality of the service.
- The most important thing that has come to my mind concerning their promotional activities is that they should go for print or broad cast media for advertisement to make their customer aware about their range of services and make the strong place in the customers‟ mind.
- They should increase the number of Branches in all over the country with the permission of IDRA (Insurance Development and Regulatory Authority). Thus, the clients in every city can enjoy their insurance facility from their own city.

Part 8: Conclusion

In present insurance is too much important to the business and individual sector. Most of the companies provide more or less same services. For this reason the competition is increasing day by day between the insurance companies. On the other hand some new insurance companies are going to start businesses in the competent market. BGIC need to develop their some productive sectors. In present, a company cannot establish properly without developing information technology. People search their desires requirement through Internet so, insurance companies need to develop Web address to increase both foreign and local investors. So we have discussed about both the problem and prospects of insurance business in Bangladesh. The progress of insurance business depends on the progress of economic condition .Insurance business also faces many problem. So if we develop economic condition as well as overcome the problems, it will help a lot to flourish this business in our country. So, GDIC should focus on those issues to develop its growth and faith from its customers. Green Delta is proud to be a company that helps people in time of trouble. GDIC is a company that can and does pull all steps when needed. Like the country we are young and have blended our youthful vigor with specialized knowledge and experience. The Board of Directors of GDIC includes veterans of insurance, trade & industry, doctors, chartered accountant, business professionals. Our management team comprises of qualified professionals trained from UK, Switzerland, Germany and many other advanced countries.

Part 9: REFERENCES

To prepare this report I have collected data mainly from annual reports of Green Delta Insurance Company Limited, Agrani Insurance Company Limited, and Reliance Insurance Company Limited. , different books regarding ratio analysis, the websites of Bangladesh Bank, DSE, Stock Bangladesh and Green Delta Insurance Company Limited, Agrani Insurance Company Limited, and Reliance Insurance Company Limited. and others websites about ratio analysis. The references are given below:

Annual Reports

- Annual Report of Green Delta Insurance Company Limited 2012,2011,2010,2009,2008
- Annual Report of Agrani Insurance Company Limited 2012,2011,2010,2009,2008
- Annual Report of Reliance Insurance Company Limited 2012,2011,2010,2009,2008

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Appendix 1

Green Delta Insurance Company Limited

Profitability or Return on Investment Ratio		2012	2011	2010	2009	2008	2007
1. Net profitability: **Net Income/Net Sales**	Net Income	269,737,259.00	156,499,227.00	639,414,963.00	343,808,952.00	254,493,826.00	
	Net Sales	532,895,478.00	356,463,655.00	869,245,813.00	463,395,571.00	408,926,069.00	
	Net Profitability	**0.51**	**0.44**	**0.74**	**0.74**	**0.62**	
		50.62%	**43.90%**	**73.56%**	**74.19%**	**62.23%**	
2. Return on assets: **Net Income/Total Assets**	Net Income	269,737,259.00	156,499,227.00	639,414,963.00	343,808,952.00	254,493,826.00	
	Total Assets	6,466,208,411.00	4,998,793,295.00	4,741,790,044.00	3,889,757,247.00	3,188,871,015.00	
	Return on assets	**0.04**	**0.03**	**0.13**	**0.09**	**0.08**	
		4.17%	**3.13%**	**13.48%**	**8.84%**	**7.98%**	
3. Return on investment 1: **Net Income/Owners' Equity**	Net Income	269,737,259.00	156,499,227.00	639,414,963.00	343,808,952.00	254,493,826.00	
	Owner's Equity	4,591,682,221.00	2,874,547,800.00	3,514,136,539.00	2,451,058,857.00	1,969,425,349.00	
	Return on Investment	**0.06**	**0.05**	**0.18**	**0.14**	**0.13**	
		5.87%	**5.44%**	**18.20%**	**14.03%**	**12.92%**	
4.Return on investment 2: **Dividends +/- Stock Price Change/Stock Price Paid**	Dividends	832,411.00	163,404,523.00	92,402,134.00	1,404,435.00	18,721,898.00	
	Dividends Per Share	0.02	4.00	2.26	0.03	9.17	
	Market Value Per Share(Current)	74.50	152.40	326.50	166.98	198.22	91.83
	Stock Price change	-77.90	-174.10	159.52	-31.24	106.39	
	Stock Price Paid	152.40	326.50	166.98	198.22	91.83	
	Dividends + Stock Price Changed	-77.88	-170.10	161.78	-31.21	115.56	
	Return on investment	**-0.51**	**-0.52**	**0.97**	**-0.16**	**1.26**	
		-51.10%	**-52.10%**	**96.89%**	**-15.74%**	**125.84%**	
5. Earnings per share: **Net Income/Number of Shares Outstanding**	Net Income	269,737,259.00	156,499,227.00	639,414,963.00	343,808,952.00	254,493,826.00	
	Number of Shares Outstanding	51,030,000.00	40,824,000.00	40,824,000.00	40,824,000.00	2,041,200.00	
	Earning per Share	**5.29**	**3.83**	**15.66**	**8.42**	**124.68**	

6. Investment turnover: Net Sales/Total Assets	Net sales	532,895,478.00	356,463,655.00	869,245,813.00	463,395,571.00	408,926,069.00
	Total Assets	6,466,208,411.00	4,998,793,295.00	4,741,790,044.00	3,889,757,247.00	3,188,871,015.00
	Investment turnover	**0.08**	**0.07**	**0.18**	**0.12**	**0.13**

Liquidity Ratio		**2012**	**2011**	**2010**	**2009**	**2008**
7. Current ratio: Current Assets/Current Liabilities	Investment	2,487,003,405	2,482,055,037	2,961,892,137	1,931,902,051	1,681,551,772
	Outstanding premium	121,285,123	420,395,893	229,395,808	162,393,139	121,727,026
	Amount due from other persons or bodies carrying on insurance business	279,402,044	233,412,642	218,150,591	278,371,381	251,218,999
	Sundry debtors (Including advances and deposits)	368,068,199	669,699,970	1,074,110,625	560,678,049	434,474,736
	At banks on STD & current account	209,981,792	250,148,569	458,869,952	196,040,751	95,471,919
	Cash in hand	4,010,353	1,897,657	1,116,835	563,295	760,963
	Stock of printing, stationery and stamps	2,635,852	1,630,671	1,805,578	2,173,329	1,822,751
	Preliminary expenses	291,425	291,425	750,117	163,938	218,584
	Current Asset	3,472,678,193	4,059,531,864	4,946,091,643	3,132,285,933	2,587,246,750
	Balance of fund accounts	611,830,245	433,236,871	386,431,503	363,275,784	314,564,232
	Premium deposit	37,048,098	24,628,543	18,102,700	16,282,624	23,180,097
	Current Liabilities	648,878,343	457,865,414	404,534,203	379,558,408	337,744,329
	Current Ratio	**5.351817071**	**8.866212079**	**12.22663401**	**8.252447758**	**7.660370665**
8. Quick ratio (or "acid test"):Quick Assets (cash, marketable securities, & receivables)/Current Liabilities	**Quick Assets**	3,472,678,193	4,059,531,864	4,946,091,643	3,132,285,933	2,587,246,750
	Current Liability	648,878,343	457,865,414	404,534,203	379,558,408	337,744,329
	Quick Ratio	**5.351817071**	**8.866212079**	**12.22663401**	**8.252447758**	**7.660370665**
9. Cash to total assets: Cash/Total Assets	Cash	4,010,353	1,897,657	1,116,835	563,295	760,963
	Total Assets	6,466,208,411	4,998,793,295	4,741,790,044	3,889,757,247	3,188,871,015
	Cash to Total Assets	**0.000620202**	**0.000379623**	**0.00023553**	**0.000144815**	**0.000238631**

10. Cash turnover: Net Sales/Net Working Capital (current assets less current liabilities)	Net Sales	532,895,478.00	356,463,655.00	869,245,813.00	463,395,571.00	408,926,069.00
	Net Working Capital(Current Assets - Current liabilities)	2,823,799,850	3,601,666,450	4,541,557,440	2,752,727,525	2,249,502,421
	Cash Turnover	**0.18871574**	**0.098971868**	**0.191398177**	**0.168340516**	**0.181785121**

Leverage Ratio		**2012**	**2011**	**2010**	**2009**	**2008**
11. Debt to equity ratio: Debt/Owners' Equity	Debt	1,874,526,190	2,124,245,495	2,149,556,309	1,293,321,460	1,153,831,839
	Owners' Equity	4,591,682,221	2,874,547,800	3,490,496,361	2,139,755,150	1,718,666,954
	Debt to equity ratio	**0.408243885**	**0.738984231**	**0.615831127**	**0.604424978**	**0.671352781**
		40.82%	**73.90%**	**61.58%**	**60.44%**	**67.14%**
12. Debt ratio: Debt/Total Assets	Debt	1,874,526,190	2,124,245,495	2,149,556,309	1,293,321,460	1,153,831,839
	Total Assets	6,466,208,411	4,998,793,295	4,741,790,044	3,889,757,247	3,188,871,015
	Debt Ratio	**0.289895727**	**0.424951657**	**0.453321697**	**0.332494132**	**0.361830828**
		28.99%	**42.50%**	**45.33%**	**33.25%**	**36.18%**

Reliance Insurance Company Limited

Profitability or Return on Investment Ratio		**2012**	**2011**	**2010**	**2009**	**2008**	**2007**
1. Net profitability: Net Income/Net Sales	Net Income	203,926,505.00	220,342,401.00	217,640,681.00	119,746,076.00	107,937,850.00	
	Net Sales	349,050,630.00	354,165,592.00	314,683,573.00	171,722,080.00	157,462,001.00	
	Net Profitability	**0.58**	**0.62**	**0.69**	**0.70**	**0.69**	
		58.42%	**62.21%**	**69.16%**	**69.73%**	**68.55%**	
2. Return on assets: Net Income/Total Assets	Net Income	203,926,505.00	220,342,401.00	217,640,681.00	119,746,076.00	107,937,850.00	
	Total Assets	4,410,742,271.00	4,530,842,514.00	4,605,927,373.00	1,880,297,822.00	1,467,927,934.00	
	Return on assets	**0.05**	**0.05**	**0.05**	**0.06**	**0.07**	
		4.62%	**4.86%**	**4.73%**	**6.37%**	**7.35%**	

3. Return on investment 1: Net Income/Owners' Equity	Net Income	203,926,505.00	220,342,401.00	217,640,681.00	119,746,076.00	107,937,850.00	
	Owner's Equity	3,195,760,000.00	3,427,520,000.00	3,513,070,000.00	952,440,000.00	688,200,000.00	
	Return on Investment	**0.06**	**0.06**	**0.06**	**0.13**	**0.16**	
		6.38%	**6.43%**	**6.20%**	**12.57%**	**15.68%**	
4.Return on investment 2: Dividends +/- Stock Price Change/Stock Price Paid	Dividends	50,011,489.00	0.00	0.00	0.00	22,500,000.00	
	Dividend Per Share	1.06	0.00	0.00	0.00	12.50	
	Market Value Per Share(Current)	94.80	102.10	173.80	133.93	88.73	32.20
	Stock Price change	-7.30	-71.70	39.87	45.20	56.53	
	Stock Price Paid	102.10	173.80	133.93	88.73	32.20	
	Dividends + Stock Price Changed	-6.24	-71.70	39.87	45.20	69.03	
	Return on investment	**-0.06**	**-0.41**	**0.30**	**0.51**	**2.14**	
		-6.11%	**-41.25%**	**29.77%**	**50.94%**	**214.38%**	
5. Earnings per share: Net Income/Number of Shares Outstanding	Net Income	203,926,505.00	220,342,401.00	217,640,681.00	119,746,076.00	107,937,850.00	
	Number of Shares Outstanding	47,227,050.00	41,067,000.00	3,042,000.00	2,340,000.00	1,800,000.00	
	Earning per Share	**4.32**	**5.37**	**71.55**	**51.17**	**59.97**	
6. Investment turnover: Net Sales/Total Assets	Net sales	349,050,630.00	354,165,592.00	314,683,573.00	171,722,080.00	157,462,001.00	
	Total Assets	4,410,742,271.00	4,530,842,514.00	4,605,927,373.00	1,880,297,822.00	1,467,927,934.00	
	Investment turnover	**0.08**	**0.08**	**0.07**	**0.09**	**0.11**	

Liquidity Ratio		**2012**	**2011**	**2010**	**2009**	**2008**
7. Current ratio: Current Assets/Current Liabilities	Current Asset	1,763,600,000.00	1,587,700,000.00	1,392,810,000.00	1,337,620,000.00	1,081,320,000.00
	Current Liabilities	1,165,810,000.00	1,058,590,000.00	1,057,290,000.00	899,020,000.00	758,410,000.00
	Current Ratio	**1.51**	**1.50**	**1.32**	**1.49**	**1.43**

8. Quick ratio (or "acid test"): Quick Assets (cash, marketable securities, and receivables)/Current Liabilities	Quick Assets	1,763,600,000.00	1,587,700,000.00	1,392,810,000.00	1,337,620,000.00	1,081,320,000.00
	Current Liability	1,165,810,000.00	1,058,590,000.00	1,057,290,000.00	899,020,000.00	758,410,000.00
	Quick Ratio	**1.51**	**1.50**	**1.32**	**1.49**	**1.43**
9. Cash to total assets: Cash/Total Assets	Cash	1,228,740,000.00	864,800,000.00	791,880,000.00	759,870,000.00	598,820,000.00
	Total Assets	4,410,742,271.00	4,530,842,514.00	4,605,927,373.00	1,880,297,822.00	1,467,927,934.00
	Cash to Total Assets	**0.28**	**0.19**	**0.17**	**0.40**	**0.41**
10. Cash turnover: Net Sales/Net Working Capital (current assets less current liabilities)	Net Sales	349,050,630.00	354,165,592.00	314,683,573.00	171,722,080.00	157,462,001.00
	Net Working Capital(Current Assets - Current liabilities)	597,790,000.00	529,110,000.00	335,520,000.00	438,600,000.00	322,910,000.00
	Cash Turnover	**0.58**	**0.67**	**0.94**	**0.39**	**0.49**

Leverage Ratio		**2012**	**2011**	**2010**	**2009**	**2008**
11. Debt to equity ratio: Debt/Owners' Equity	Debt	1,214,979,528	1,103,320,130	1,092,859,573	927,851,870	779,728,170
	Owners' Equity	3,195,760,000.00	3,427,520,000.00	3,513,070,000.00	952,440,000.00	688,200,000.00
	Debt to equity ratio	**0.380184847**	**0.321900421**	**0.311083916**	**0.974184064**	**1.132996469**
		38.02%	**32.19%**	**31.11%**	**97.42%**	**113.30%**
12. Debt ratio: Debt/Total Assets	Debt	1,214,979,528	1,103,320,130	1,092,859,573	927,851,870	779,728,170
	Total Assets	4,410,742,271.00	4,530,842,514.00	4,605,927,373.00	1,880,297,822.00	1,467,927,934.00
	Debt Ratio	**0.275459198**	**0.243513238**	**0.237272428**	**0.493460057**	**0.531176056**
		27.55%	**24.35%**	**23.73%**	**49.35%**	**53.12%**

Agrani Insurance Company Limited

Profitability or Return on Investment Ratio RATIOS		2012	2011	2010	2009	2008	2007
1. Net profitability: Net Income/Net Sales	Net Income	44,850,000.00	31,750,000.00	33,450,000.00	22,740,000.00	17,850,000.00	
	Net Sales	185,660,000.00	161,330,000.00	168,840,000.00	128,370,000.00	128,760,000.00	
	Net Profitability	**0.24**	**0.20**	**0.20**	**0.18**	**0.14**	
		24.16%	**19.68%**	**19.81%**	**17.71%**	**13.86%**	
2. Return on assets: Net Income/Total Assets	Net Income	44,850,000.00	31,750,000.00	33,450,000.00	22,740,000.00	17,850,000.00	
	Total Assets	543,573,960.00	461,225,072.00	405,081,390.00	355,195,269.00	373,194,295.00	
	Return on assets	**0.08**	**0.07**	**0.08**	**0.06**	**0.05**	
		8.25%	**6.88%**	**8.26%**	**6.40%**	**4.78%**	
3. Return on investment 1: Net Income/Owners' Equity	Net Income	44,850,000.00	31,750,000.00	33,450,000.00	22,740,000.00	17,850,000.00	
	Owner's Equity	315,910,000.00	271,060,000.00	239,310,000.00	206,060,000.00	183,320,000.00	165,470,000.00
	Return on Investment	**0.14**	**0.12**	**0.14**	**0.11**	**0.10**	
		14.20%	**11.71%**	**13.98%**	**11.04%**	**9.74%**	
4.Return on investment 2: Dividends +/- Stock Price Change/Stock Price Paid	Dividends	0.00	0.00	0.00	79,089.00	10,500,000.00	
	Dividend Per Share	0.00	0.00	0.00	0.05	7.00	
	Market Value Per Share(Current)	14.38	13.58	131.85	124.88	122.21	110.31
	Stock Price change	0.81	-118.27	6.97	2.67	11.90	
	Stock Price Paid	13.58	131.85	124.88	122.21	110.31	
	Dividends + Stock Price Changed	0.81	-118.27	6.97	2.72	18.90	
	Return on investment	**0.00**	**-0.90**	**0.06**	**0.02**	**0.17**	
		0.00%	**-89.70%**	**5.58%**	**2.23%**	**17.13%**	
5. Earnings per share: Net Income/Number of Shares Outstanding	Net Income	44,850,000.00	31,750,000.00	33,450,000.00	22,740,000.00	17,850,000.00	
	Number of Shares Outstanding	21,961,500.00	19,965,000.00	1,815,000.00	1,650,000.00	1,500,000.00	1,500,000.00
	Earning per Share	**2.04**	**1.59**	**18.43**	**13.78**	**11.90**	

6. Investment turnover: Net Sales/Total Assets	Net sales	185,660,000.00	161,330,000.00	168,840,000.00	128,370,000.00	128,760,000.00
	Total Assets	543,573,960.00	461,225,072.00	405,081,390.00	355,195,269.00	373,194,295.00
	Investment turnover	**0.34**	**0.35**	**0.42**	**0.36**	**0.35**

Liquidity Ratio		2012	2011	2010	2009	2008
7. Current ratio: Current Assets/Current Liabilities	Total Assets	543,573,960.00	461,225,072.00	405,081,390.00	355,195,269.00	373,194,295.00
	Fixed Assets	135,504,576.00	131,041,670.00	44,845,490.00	14,762,957.00	14,376,066.00
	Current Asset	408,069,384.00	330,183,402.00	360,235,900.00	340,432,312.00	358,818,229.00
	Debt	227,657,353.00	190,161,915.00	165,769,303.00	149,131,768.00	189,869,537.00
	(-)Liabilities and Provisions	138,056,100.00	105,448,523.00	86,951,795.00	85,144,819.00	82,111,119.00
	Current Liabilities	89,601,253.00	84,713,392.00	78,817,508.00	63,986,949.00	107,758,418.00
	Current Ratio	**4.55**	**3.90**	**4.57**	**5.32**	**3.33**
8. Quick ratio (or "acid test"): Quick Assets (cash, marketable securities, and receivables)/Current Liabilities	Quick Assets	408,069,384.00	330,183,402.00	360,235,900.00	340,432,312.00	358,818,229.00
	Current Liability	89,601,253.00	84,713,392.00	78,817,508.00	63,986,949.00	107,758,418.00
	Quick Ratio	**4.55**	**3.90**	**4.57**	**5.32**	**3.33**
9. Cash to total assets: Cash/Total Assets	Cash	231,721,321.00	178,610,811.00	164,496,740.00	162,848,720.00	200,573,435.00
	Total Assets	543,573,960.00	461,225,072.00	405,081,390.00	355,195,269.00	373,194,295.00
	Cash to Total Assets	**0.43**	**0.39**	**0.41**	**0.46**	**0.54**
10. Cash turnover: Net Sales/Net Working Capital (current assets less current liabilities)	Net Sales	185,660,000.00	161,330,000.00	168,840,000.00	128,370,000.00	128,760,000.00
	Net Working Capital(Current Assets - Current liabilities)	318,468,131.00	245,470,010.00	281,418,392.00	276,445,363.00	251,059,811.00
	Cash Turnover	**0.58**	**0.66**	**0.60**	**0.46**	**0.51**

Leverage Ratio		2012	2011	2010	2009	2008
11. Debt to equity ratio: Debt/Owners' Equity	Balance of Funds and Accounts	65,772,283.00	56,165,252.00	56,475,227.00	44,315,746.00	43,059,675.00
	Premium Deposits	20,159,886.00	24,178,939.00	18,076,996.00	16,663,490.00	19,421,618.00
	Short Term loan	3,669,084.00	4,369,201.00	4,265,285.00	3,007,713.00	45,277,125.00
	Liabilities and Provisions	138,056,100.00	105,448,523.00	86,951,795.00	85,144,819.00	82,111,119.00
	Debt	227,657,353.00	190,161,915.00	165,769,303.00	149,131,768.00	189,869,537.00
	Owners' Equity	315,910,000.00	271,060,000.00	239,310,000.00	206,060,000.00	183,320,000.00
	Debt to equity ratio	**0.72**	**0.70**	**0.69**	**0.72**	**1.04**
		72.06%	**70.15%**	**69.27%**	**72.37%**	**103.57%**
12. Debt ratio: Debt/Total Assets	Debt	227,657,353.00	190,161,915.00	165,769,303.00	149,131,768.00	189,869,537.00
	Total Assets	543,573,960.00	461,225,072.00	405,081,390.00	355,195,269.00	373,194,295.00
	Debt Ratio	**0.42**	**0.41**	**0.41**	**0.42**	**0.51**
		41.88%	**41.23%**	**40.92%**	**41.99%**	**50.88%**

Appendix 2

Return on Market Portfolio of Stock Market

Date	Total Trade	Total Volume	Total Value in Taka(mn)	Total Market Cap. In Taka	DSEX Index	DSES Index	DS30 Index	Return On Market
1/1/2014	104826	100101844	4119.741	2657288.211	4286.15366	-	1478.38058	
2/1/2014	103202	83894862	3708.383	2673976.87	4314.0945	-	1505.08033	0.006518861
6/1/2014	86277	71620720	3156.291	2668391.932	4296.34302	-	1506.03063	-0.004114764
7/1/2014	111851	100215667	4561.291	2683991.994	4330.63056	-	1516.44132	0.007980634
8/1/2014	121997	117786690	5397.04	2712107.267	4391.27013	-	1543.47009	0.014002481
9/1/2014	116570	110326138	5175.864	2717362.08	4407.82597	-	1555.60669	0.003770171
12/1/2014	136051	128263146	6195.481	2734157.301	4437.818	-	1576.77756	0.006804268
13-01-2014	145662	144501232	6506.795	2740628.594	4454.83404	-	1571.09787	0.003834326
15-01-2014	152666	149143325	6930.145	2754034.33	4494.02476	-	1583.13834	0.008797347
16-01-2014	135211	146733455	6435.185	2768588.141	4519.35924	-	1592.78426	0.00563737
19-01-2014	150407	155963098	7080.761	2788888.333	4565.40324	-	1612.10082	0.01018817
20-01-2014	137268	139692101	6108.709	2780164.964	4550.47819	941.27986	1609.27338	-0.003269164
21-01-2014	159037	153243294	7108.938	2797537.934	4584.62683	947.69534	1614.69727	0.007504407
22-01-2014	170405	177874456	8348.874	2826036.349	4640.55812	961.07627	1640.06507	0.012199748
23-01-2014	166067	201005808	8336.066	2859600.094	4702.6626	976.33729	1664.10488	0.013382976
26-01-2014	167553	213921062	8590.081	2880224.615	4758.37506	987.03299	1672.81769	0.011847003
27-01-2014	150609	174295140	6722.238	2868146.558	4751.61562	982.26284	1659.61052	-0.001420535
28-01-2014	125300	147032429	5932.845	2849410.142	4706.5416	971.55041	1647.68067	-0.009486041
29-01-2014	129192	141057305	6278.46	2870642.664	4748.51366	975.21096	1662.95898	0.008917813
30-01-2014	160255	187622912	8569.837	2875711.285	4753.17024	974.27286	1660.35554	0.000980639
2/2/2014	154140	180010225	6976.778	2886362.084	4787.66194	979.2819	1660.24355	0.007256567
3/2/2014	164410	199836615	8041.997	2901269.406	4826.51482	981.52367	1671.44037	0.00811521
4/2/2014	159958	212696667	7716.936	2892481.718	4809.54555	979.71249	1663.69363	-0.003515843
5/2/2014	127511	132126638	6205.815	2894928.998	4811.49708	982.5215	1663.75578	0.000405762
6/2/2014	142246	145920088	7704.009	2919206.465	4845.08962	996.35851	1681.91129	0.006981723
9/2/2014	142174	133536867	6952.981	2914646.629	4822.71727	1002.9622	1698.66763	-0.004617531
10/2/2014	121900	111725375	6034.883	2901693.469	4797.97117	995.72932	1691.04906	-0.005131153
11/2/2014	108630	89835223	4905.856	2897063.326	4763.46519	990.74166	1682.59619	-0.007191786
12/2/2014	112761	101051984	5724.01	2898118.193	4763.71105	996.60307	1693.43574	5.16137E-05
13-02-2014	112833	95886154	5339.061	2899333.268	4759.32706	995.7478	1696.65731	-0.000920289
16-02-2014	84912	71007358	3902.992	2880361.303	4713.87695	985.42959	1680.68313	-0.009549693
17-02-2014	75264	62308701	3440.666	2862945.761	4684.07065	977.30628	1662.08851	-0.006323097

18-02-2014	77262	71723477	3488.306	2854958.656	4671.56806	973.53107	1655.71427	-0.002669172
19-02-2014	78452	93077770	3826.637	2893140.408	4749.2371	993.92634	1687.0173	0.016625904
20-02-2014	89462	85647220	3998.014	2902350.393	4761.18102	995.27913	1688.02777	0.002514913
23-02-2014	99282	79733821	4230.346	2886371.661	4727.44095	985.1442	1667.22724	-0.007086492
24-02-2014	112437	97593878	5273.629	2899967.606	4751.58408	991.75068	1686.29033	0.005107019
25-02-2014	111327	91329762	5425	2907706.11	4756.88687	993.488	1689.68373	0.001116005
26-02-2014	95239	71223788	3962.931	2907395.829	4750.26281	992.53833	1688.74035	-0.00139252
27-02-2014	127803	101048999	6465.43	2923122.954	4749.86891	1002.41092	1693.91415	-8.29217E-05
2/3/2014	121248	88875832	5744	2917658.966	4697.30004	1002.26641	1702.74659	-0.011067436
3/3/2014	106967	81372799	5054.299	2908539.954	4687.19067	1001.5156	1702.25795	-0.002152166
4/3/2014	97200	83146727	4628.217	2902868.816	4703.87812	1006.02645	1694.8177	0.003560224
5/3/2014	79487	65013106	3546.957	2900181.979	4697.5401	1007.45756	1693.45156	-0.001347403
6/3/2014	87474	68240494	4129.221	2909062.924	4699.62837	1011.34625	1690.12242	0.000444545
9/3/2014	109103	84159083	5106.499	2910475.587	4687.19606	1019.62491	1685.32843	-0.002645382
10/3/2014	95432	76573051	4017.626	2891549.743	4665.56523	1012.75312	1681.25355	-0.004614876
11/3/2014	81602	56221196	3360.999	2895135.267	4672.63628	1011.70448	1681.23769	0.001515583
12/3/2014	99169	73205749	4507.596	2895381.021	4660.52575	1015.15777	1681.76077	-0.002591798
13-03-2014	89948	64072902	3534.637	2888337.805	4635.33883	1014.09514	1669.67708	-0.005404309
16-03-2014	78087	57578832	2925.164	2870956.114	4591.17176	1009.29586	1655.72428	-0.009528337
18-03-2014	83839	58061182	3226.722	2854528.698	4554.78094	995.01939	1635.98706	-0.00792626
19-03-2014	96975	60955478	3380.479	2838648.204	4519.02008	983.7011	1624.311	-0.00785128
20-03-2014	82182	53169424	2776.451	2856133.551	4558.93335	989.47849	1635.37973	0.008832284
23-03-2014	70970	47142514	2434.23	2836669.329	4519.54975	978.7449	1615.19732	-0.008638775
24-03-2014	80946	55174943	2989.665	2809974.748	4466.08002	967.97169	1589.38043	-0.011830765
25-03-2014	78056	53284969	3006.51	2829239.018	4498.77168	979.33914	1606.91144	0.00731999
27-03-2014	78330	59548182	2999.21	2835371.399	4508.05541	981.62924	1608.35228	0.002063614
30-03-2014	80518	57379556	2777.61	2822652.483	4478.68561	973.56979	1593.42735	-0.00651496
31-03-2014	71278	59067096	2872.608	2835371.857	4491.98393	975.96038	1603.53057	0.002969246
1/4/2014	74160	60024906	3152.939	2858509.053	4526.94479	987.59061	1618.50374	0.007782944
2/4/2014	89873	77524504	5003.967	2898373.068	4595.80704	1001.70354	1646.50485	0.015211639
3/4/2014	92763	77687603	5180.635	2913738.719	4621.22769	1008.46816	1670.15057	0.00553127
6/4/2014	86882	70821855	4613.411	2901705.758	4588.78982	1004.27264	1660.08225	-0.007019319
7/4/2014	96671	70396789	5054.518	2930362.289	4608.29433	1019.67794	1682.24789	0.004250469
8/4/2014	122637	93350324	6266.515	2941746.632	4586.91054	1021.85178	1682.0757	-0.004640283
9/4/2014	87120	82242900	5374.579	2937103.199	4594.33403	1019.89275	1674.79893	0.001618407
10/4/2014	86400	70989112	4208.129	2941625.406	4592.73414	1020.21946	1675.63449	-0.000348231

Taskin Ara Orni
10304088

13-04-2014	45181	34114926	2242.843	2942136.534	4573.5674	1020.96988	1677.68896	-0.004173274
15-04-2014	95430	79889235	5471.479	2969603.663	4606.75618	1036.47581	1703.309	0.00725665
16-04-2014	102328	84846686	5305.343	2949387.952	4590.14779	1032.92662	1692.75257	-0.003605224
17-04-2014	89205	77238899	4440.872	2947664.809	4598.91986	1034.93237	1703.15934	0.001911065
20-04-2014	90804	80896528	3991.547	2947734.962	4616.44006	1034.32321	1698.56791	0.003809634
Portfolio Market Return								**0.118140429** **11.814%**