



**SHIRAZ KHAN BASAK & CO.**  
**CHARTERED ACCOUNTANTS**

*(An associate firm of D. N. Gupta & Associates)*

**R. K. TOWER** (Level-10)  
86, Bir Uttam C.R. Datta Road  
(312, Sonargaon Road), Dhaka-1205  
Tel : 88-02-9635139, Fax: 88-02-9672006  
Mobile : 01552-638228, 01711-520770,  
01922-117370, 01920-719463  
E-mail : shirazkhanbasak@yahoo.com

**AUDITORS' REPORT  
TO THE SHAREHOLDERS OF  
PARAMOUNT INSURANCE COMPANY LIMITED**

We have audited the accompanying Financial Statements of Paramount Insurance Company Limited consisting of Statement of Financial Position (Balance Sheet) as of **December 31, 2016** and Statement of Comprehensive Income (Profit & Loss Account), Profit & Loss Appropriation Account, Consolidated Revenue Account, Fire Insurance Revenue Account, Marine Insurance Revenue Account, Motor Insurance Revenue Account, Miscellaneous Insurance Revenue Account, Cash Flow Statement and Statement of Changes in Equity together with Notes thereto for the year then ended.

**Respective Responsibilities of Management for the financial statements:**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS), the Companies Act 1994, Insurance Act 2010 and other applicable laws and regulations. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

**Respective Responsibilities of Auditor:**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expression of an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Opinion:**

In our opinion, the financial statements prepared in accordance with Bangladesh Financial Reporting Standards (BFRS) and Bangladesh Accounting Standards (BAS), give a true and fair view of the state of the company's affairs as of December 31, 2016 and of the results of its operations and its Cash Flows for the year then ended and comply with the Companies Act, 1994, Insurance Act, 2010 and Insurance Rules 1958, Securities Exchange Rules, 1987 and other applicable laws and regulations.







# SHIRAZ KHAN BASAK & CO.

CHARTERED ACCOUNTANTS

(An associate firm of D. N. Gupta & Associates)

R. K. TOWER (Level-10)

86, Bir Uttam C.R. Datta Road  
(312, Sonargaon Road), Dhaka-1205

Tel : 88-02-9635139, Fax: 88-02-9672006

Mobile : 01552-638228, 01711-520770,

01922-117370, 01920-719463

E-mail : shirazkhanbasak@yahoo.com

We report that:

- i) We have obtained information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- ii) In our opinion, proper books of account as required by law have been kept by the company.
- iii) The company's Balance Sheet and Profit and Loss Account and its Cash Flows dealt with by the report are in agreement with the books of account and returns;
- iv) The expenditure incurred was for the purposes of the company's business;
- v) As per Section 63(2) of the Insurance Act, 2010 as amended, we certify that to the best of our knowledge and belief and according to the information and explanations given to us, all expenses of management wherever incurred and whether incurred directly or indirectly, in respect of insurance business of the company transacted in Bangladesh during the year under report have been duly debited to the related Revenue Accounts and the Profit & Loss Account of the Company; and
- vi) As per Section 59 (5) of the Insurance Act, 2010, we certify that to the best of our information and as shown by its books, the Company during the year under report has not paid any person any commission in any form outside Bangladesh in respect of any of its business re-insured abroad.

Dated: Dhaka, April 27, 2017



SHIRAZ KHAN BASAK & CO.  
CHARTERED ACCOUNTANTS

**PARAMOUNT INSURANCE COMPANY LIMITED**  
**STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)**  
AS AT 31 DECEMBER 2016

Particulars	Notes	Amount in Taka		Particulars	Notes	Amount in Taka	
		31-12-2016	31-12-2015			31-12-2016	31-12-2015
<b>CAPITAL &amp; LIABILITIES</b>				<b>PROPERTY &amp; ASSETS</b>			
<b>AUTHORIZED CAPITAL</b>				<b>INVESTMENT:</b>			
60,000,000 Ordinary Shares of Tk. 10/- each.	10.01	600,000,000	600,000,000	Government Treasury Bond	1.00	25,000,000	25,000,000
<b>ISSUED, SUBSCRIBED &amp; PAID-UP CAPITAL</b>				Investment in Shares & Securities	2.00	5,387,257	5,387,257
26,633,808 Ordinary Shares of Tk. 10/- each.	10.02	266,338,080	242,125,530	Interest, Dividend & Rent Outstanding	3.00	10,707,951	10,678,204
				Amount due from other persons or bodies carrying on insurance business (S.B.C)	4.00	57,348,410	47,677,764
				Sundry Debtors	5.00	71,665,632	98,591,388
<b>RESERVE FOR CONTINGENCY ACCOUNT:</b>							
Reserve for Exceptional losses	11.00	111,878,049	109,018,497				
Reserve for Gratuity	12.00	81,643,612	76,643,612				
Profit and Loss Appropriation Account		3,209,473	4,500,000				
		27,024,964	27,874,885				
<b>BALANCE OF FUND &amp; ACCOUNTS:</b>							
Fire Insurance Revenue Account		44,434,164	35,008,795				
Marine Insurance Revenue Account		16,102,666	10,715,625	<b>CASH AND BANK BALANCES:</b>			
Motor Insurance Revenue Account		16,949,727	13,043,696	Fixed Deposit with Bank	6.00	289,762,670	286,072,608
Misc. Insurance Revenue Account		9,270,224	9,247,918	Cash at Bank	7.00	276,450,000	254,400,000
Premium Deposit		2,111,546	2,001,556	Cash in Hand	8.00	13,182,492	30,660,446
Estimated Liabilities in respect of outstanding claims whether due or intimated	13.00	658,687	1,835,307				
Amount due to other persons or bodies carrying on insurance business (S.B.C)	14.00	2,522,614	8,777,412	<b>OTHER ACCOUNTS:</b>			
Provision for Tax & Deferred Tax	15.00	49,244,635	35,810,170	Fixed Assets	9.00	78,132,715	7,656,500
Provision for Loss on Investment Fluctuation	16.00	57,066,137	41,201,130	Stamps in Hand		77,453,713	6,936,134
Sundry Creditors	17.00	2,256,569	1,841,515	Printing and Stationery (at cost)		9,453	168,453
	18.00	3,605,701	5,445,365			669,549	551,913
		<b>538,004,636</b>	<b>481,063,721</b>			<b>538,004,636</b>	<b>481,063,721</b>

The accompanying notes form an integral part of this financial statement.

*Anita Das*  
DIRECTOR

*Shiraz Khan Basak*  
DIRECTOR

*Shiraz Khan Basak*  
CHAIRMAN

MANAGING DIRECTOR (CC)

Subject to our separate report of even date.



SHIRAZ KHAN BASAK & CO.  
CHARTERED ACCOUNTANTS

An associate firm of D.N. Gupta & Associates

Dated: Dhaka, April 27, 2017

