



5th Annual Report
2013



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Directors' REPORT



ཕྱག་ཉེན་བཅོལ་ཚད་འཛིན།
Bhutan Insurance Limited
Providing Security, Building Confidence

Your insurer of
CHOICE

VISION

To become the insurer of choice by providing quality service that exceed customer expectations and by constantly finding ways for improvement.

MISSION

Our mission begins and ends with our clients for whom we exist to serve to the best of our ability. With dedicated service to our clients we aspire to contribute to the social and economic objectives of the nation, providing security to its growing assets through reliable insurance services and increasing retention of finance within the country.

Dear Shareholders,

On behalf of the Board of Directors of the Company and on my own behalf, it is indeed my great pleasure to present the 05th Annual Report for the year ended 31st December, 2013.

BIL has successfully completed its fourth full year of operations and despite being new in the market; BIL has been performing well in generating healthy profits and supporting loans & advances that will propel future earnings.

The year 2013 had been a very challenging year unlike any past years. After the general economic activities lost its momentum in the early 2012 in the country, the financial sector including insurance companies are confronted with lot of adversities in terms of business growth and both financial aspects & operational achievements of the Company had been affected.

Functional Achievement of Insurance department & FID:

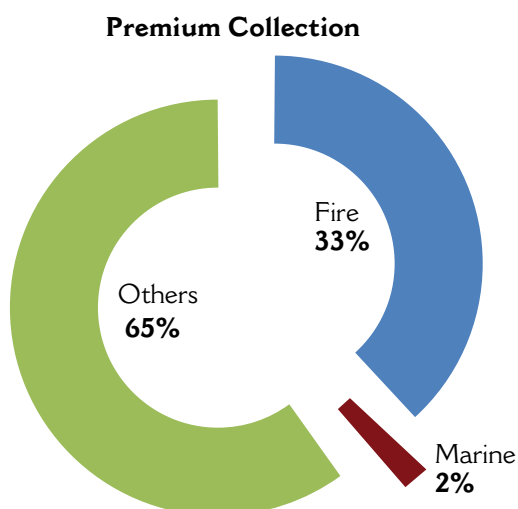
1. Business Performance

In the year 2013, our company has written a gross premium of Nu.199.794 million, in which Fire insurance constitutes 32.55%, while the miscellaneous category, where major portfolio is Motor insurance accounted for 65.38% of the total, and the Marine portfolio comprising a total of 2.07% of the overall premium collection.

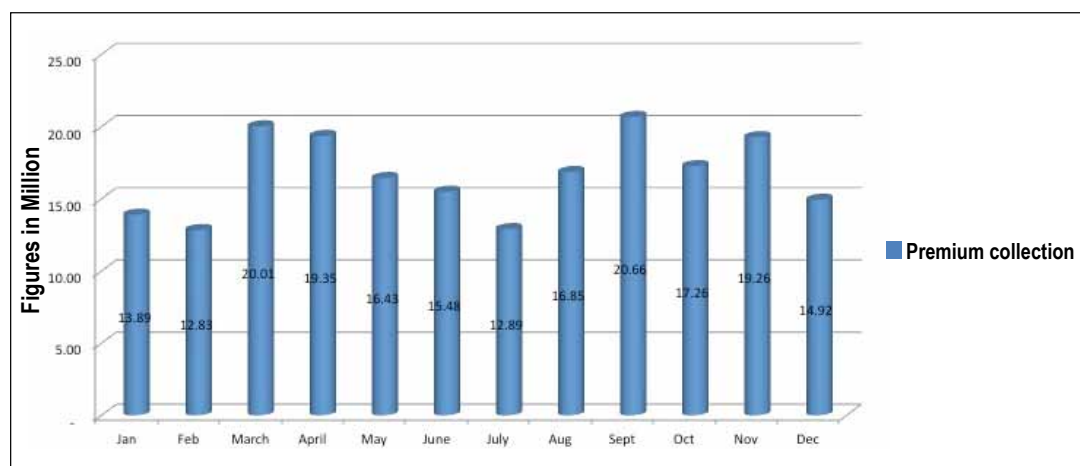
Statement showing Insurance Premium & Claims Incurred:

Segments	Premium Collection			Claims Incurred		
	Gross Premium	Re-insurance	Net Premium	Gross Claim	Re-insurance	Net- Claim
Fire	65,026,107	47,827,679	17,198,428	6,616,002	5,446,337	1,169,665
Marine	4,143,864	3,115,809	1,028,055	(679,272)	109,401	(788,673)
Miscellaneous	130,624,216	35,452,203	95,172,013	118,788,228	30,357,783	88,430,445
Total	199,794,187	86,395,691	113,398,495	124,724,958	35,913,521	88,811,437

Gross claims for the year amounted to Nu.124.725 million and the total net claim paid is Nu.88.811 million. The overall net claim ratio achieved was 68.32%, which signifies the strength of the company's underwriting process as well as its reinsurance program.



The month-wise premium collection for the year 2013 is depicted in the chart given below:



2. Profit

The company has earned a pre-tax profit of Nu.62.34 million for the year and profit available for appropriation is Nu.44.12 million, which has gone up by 9.85% in 2013 in comparison to Nu.40.17 million in 2012.

Particulars	Nu.	Nu.
Gross Income:		
Insurance-	199,794,187.00	
Investment(Interest & others)	64,378,290.00	
Total	264,172,477.00	
Operating Profit:		
Insurance –	48,380,701.00	
Investment –	13,954,700.00	
Gross Profit	62,335,401.00	
Net Profit After Tax:		
(Profit Available for Appropriations)		44,123,265.00
Approved Dividend (10%):		
Transfer to Nat/Cat Reserve:		20,000,000.00
Transfer to General Reserve:		1,061,632.00
		23,061,633.00
Earnings per Share		22.06
Book Value per Share		131.70

3. Dividend, Capital & Reserve:

The Board of Directors is pleased to recommend a dividend of 10.5% for the year 2013 thereby maintaining a satisfactory return to the shareholders. However RMA has approved only 10% as dividend. This will result into profit distribution of Nu.20 million out of net profit of Nu.44.12 million.

In order to build the capital fund and to maintain a sound Capital Adequacy ratio of the Company, we have ploughed back adequate amount from the Net profit to the General Reserve. The Reserve & Surplus registered a growth of 53.51% in 2013 over the previous year, which further strengthened the capital structure of the Company.

4. Board of Directors:

As on 31st December, 2013; there are six (6) directors on the Company Board. The composition consists of Chairman, CEO, three public shareholder directors and an Independent director, who is outsourced.

The Board meets four times during the year complying with the requirements of the Companies Act of the Kingdom of Bhutan 2000 and RMA Prudential Regulations, 2002. The quorum of these meetings was duly maintained.

The Board plays a very instrumental role in providing strategic support & policy guidance to the management on a regular basis.

5. Corporate Governance:

BIL is committed in achieving high standard in the area of Corporate Governance and has put in place the best practices in terms of operations, which in turn enables the company to maintain high level of business ethics and to optimize the value of all its stakeholders.

6. Statutory Auditors:

M/s Dutta Sarkar & Co, Chartered Accountants, Kolkata have audited the Company's Books of Accounts for the year ended 31st December, 2013.

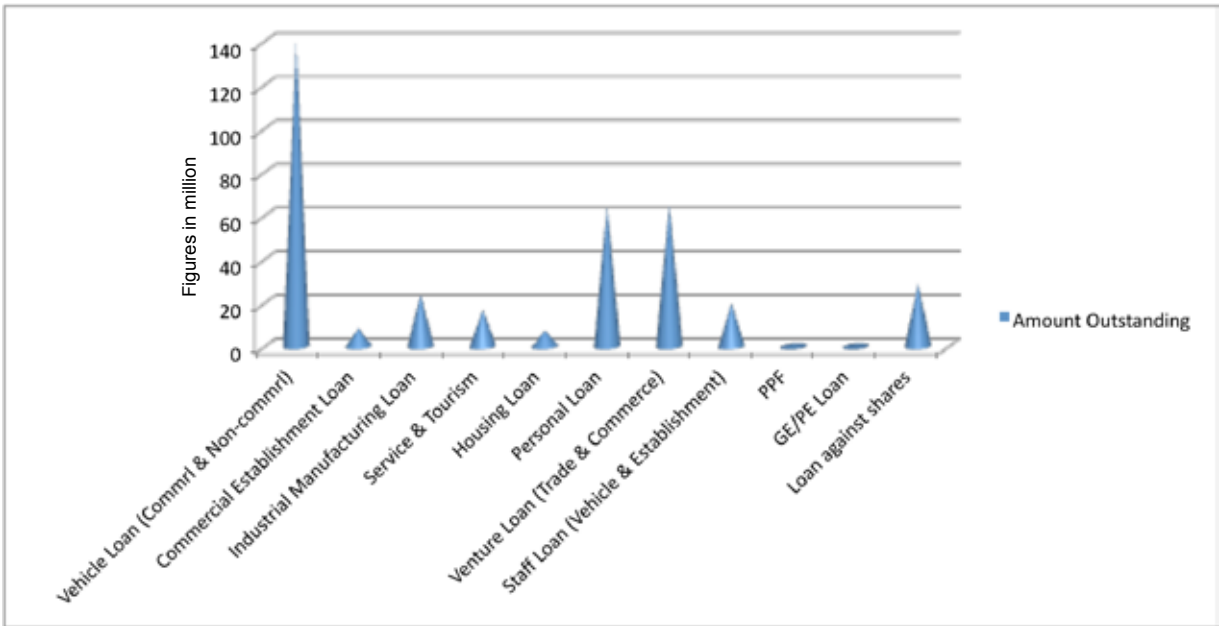
7. Investment Portfolio

It is significant to note that Investment Department contribution to gross profit amounts to 22.39% registering a total profit of Nu.13.954 million in the year 2013. The investment profit has escalated by 15.35% as compared to the previous year.

In line with the growth of the business income and subsequent allocation of profit to the capital fund, the earnings per share during the year has increased to Nu.22.06 vis-à-vis Nu.20.08, in the previous year. The net worth of the company as on 31st December, 2013 stood at Nu.284.46 million as against Nu.240.34 in 2012 and the book value per share translate of Nu.142.23 compared to Nu.120.17 during the previous year.

Statement showing position of Investment Portfolios:

Loans & Overdraft	Amount Outstanding (Nu.)
Vehicle Loan (Commercial & Non-commercial)	138,894,340
Commercial Establishment Loan	8,227,643
Industrial Manufacturing Loan	24,002,298
Service & Tourism	16,802,534
Housing Loan	7,426,341
Personal Loan	64,199,647
Venture Loan (Trade & Commerce)	65,065,568
Staff Loan (Vehicle & Establishment)	19,729,904
PPF	1,106,373
GE/PE Loan	687,168
Loan against Shares	28,680,307
Total	374,822,123



1. Financial & Operational Review:

A. Financial Results

SUMMARISED FINANCIAL RESULTS AS ON 31ST DECEMBER, 2013

Particulars		Figures in Million (Nu.)			
		Fire	Marine	Misc	Total
Gross Direct Premium Income	CY	65.03	4.14	130.62	199.79
	PY	61.32	4.15	194.92	260.39
	(% Growth)	6.05%	(0.24)%	(32.99)%	(23.27)%
Net Premium	CY	17.20	1.03	95.17	113.40
	PY	15.59	1.72	126.25	143.56
	(% Growth)	10.33%	(40.12)%	(24.62)%	(21.01)%
(% to Gross Premium)	CY	26.45%	24.88%	72.86%	56.7%
	PY	25.42%	41.45%	64.77%	55.13%
	Addition/Reduction in Un-expired Risk Reserve	CY	0.88	(0.38)	(17.09)
PY		3.05	0.27	(13.66)	(10.34)
(% to Net Premium)		CY	5.12	36.89	(17.96)
	PY	19.56%	15.70%	(10.82)%	(7.20)%
	Earned Premium*	CY	16.32	1.41	112.27
PY		12.54	1.45	139.91	153.90
Incurred Claims Net	CY	1.17	(0.79)	88.43	88.81
	PY	0.16	1.35	102.14	103.65

(% to Earned Premium)	CY	7.17%	(56.03)%	78.77%	68.32
	PY	1.28%	93.10%	73.00%	67.35%
Commission Net	CY	13.61	0.74	6.05	20.40
	PY	12.79	0.72	3.46	16.97
Expenses of Management	CY	12.40	0.79	24.91	38.09
	PY	8.23	0.56	26.17	34.96
(% to Earned Premium)	CY	75.98	56.03	22.19	29.30
	PY	65.63%	38.62%	18.70%	22.72%
Other Income (-)/ Outgo (+) for Insurance	CY	-	-	-	2.04
	PY	-	-	-	2.77
Underwriting Results	CY	16.35	2.16	12.25	30.77
	PY	16.95	0.26	17.06	34.26
(% to Earned Premium)	CY	100.18%	153.19%	10.91%	23.67%
	PY	135.17%	17.93%	12.19%	22.26%
Total Investment Income (Gross)	CY	-	-	-	44.23
	PY	-	-	-	40.56
Provision for Doubtful Debts	CY	-	-	-	8.75
	PY	-	-	-	5.81
Other Income for Investment	CY	-	-	-	20.14
	PY	-	-	-	14.10
CONSOLIDATED PROFITABILITY :					
					(Figures in Millions)
Profit Before Tax	CY	-	-	-	62.34
	PY	-	-	-	59.65
Provision for Tax	CY	-	-	-	18.70
	PY	-	-	-	17.89
Profit After Tax	CY	-	-	-	44.12
	PY	-	-	-	40.17
Proposed Dividend	CY	-	-	-	19.00
	PY	-	-	-	21.00
Transfer to General Reserve/Contingency Reserve	CY	-	-	-	24.12
	PY	-	-	-	21.17
*Net Premium less Unexpired Reserve					
CY : Current Year					
PY: Previous Year					

Significant Operational Highlights:

1. Branch/Extension Offices

Considering the importance of service delivery and to enhance our reach, Bhutan Insurance Limited has increased its network by opening two new Extensions office in Taba & Olakha in the year 2013, where majority of the population dwell in Thimphu region. Through expansion of such services, BIL intends to make insurance service more accessible and less costly for the less privileged populace and we may continue to open few more offices as we expand.

With these two new establishments, BIL has now six Branch offices & seven Extension offices.

2. Human Resource Management

Human resources are the valuable assets in any organization and have robust role to play in the success of the organization.

Acknowledging the importance of the employees as the critical factor for growth & overall development of the organization, BIL emphasizes in enriching the efficiency, skills and knowledge of the employees through training, seminars and workshops.

The company during these four years has grown significantly and in order to meet the business demand, more staff was recruited in 2013. The total staff strength now stands at 70.

3. Pioneering Initiatives

To support the theme, Door-to- Door service, which is not seen & physically felt by the public the idea of 'insurance on Wheels' was introduced in 2013, which serve as a mobile office established on a minivan. The idea was conceived to create awareness of BIL and its products rather than merely selling papers

4. ACKNOWLEDGEMENTS

On behalf of the distinguished board members of BIL and on my own behalf, I would like to place on record the appreciation and express our sincere gratitude to all our valued shareholders, the Royal Government and its various Ministries and Departments, and also to the notable individuals in organizations such as the RMA and RSEBL for their continuous assistance, co-operation and guidance extended to the Company.

To our reinsurance partners and surveyors in India, we would like to thank them for the profound technical support and friendship that they provide. We look forward to their continued support in the future.

With my very best wishes,



(Ugyen Rinzin)
Chairman

General Information

HEAD OFFICE

Thimphu

Post Box: 779

Chorten Lam

Telephone # (PABX): 00975-02-339892/93/94

Fax #: 02-339895

Email: info@bhutaninsurance.com.bt

Website: www.bhutaninsurance.com.bt

Toll Free # 201

BIL BRANCH OFFICES

Establishments	Address	Telephone No.	Fax No.
Phuntsholing	1 st Floor, Bhutan Post Bldg.	05-252-894/95	05-252893
Wangdue	Opposite to BDBL, Bajo Town	02-481663/335	02-481495
Paro	2 nd Floor, BNBL Office	08-272985/86	08-272984
Gelephu	1 st Floor, Oli Bldg, Opposite BDBL, G/phu Town	06-252273	06-251199
Samdrup Jongkhar	1 st Floor, Below BNBL Office,	07-251384	07-251387

BIL EXTENSION OFFICES

Establishments	Address	Telephone No.	Fax No.
Bumthang	Chamkhar Town	03-631565	03-631271
Mongar	2 nd Floor, Dolma Bldg, Mongar Town	04-641407	04-641408
Tsirang	Near Taxi Parking, 1 st Floor, Hasty Tasty Bldg	06-471426	06-471427
Tashigang	Near Hospital Area, Below BNBL Office	04-521344	04-521342
Trongsa	Ground Floor, Near RSTA Office	03-521541	03-521583

Company Profile

BIL provides various non-life insurance products for individuals, corporate bodies, and small & medium size enterprise throughout Bhutan. The Company started operations on 20th August 2009, and today has a countrywide network connected through the latest technology for quick communication and response in over ten dzongkhags.

We have expanded our service network progressively with our Head Office in Thimphu, Branch Offices in Phuentsholing, Paro, Wangduephodrang, Gelephu, & Samdrupjongkhar, and Extension Offices in Trashigang, Tsirang, Bumthang, Mongar, Trongsa and Gelephu, and all these were only made possible through the continued support of our clients and employees throughout the years. The Company today employs more than 80 people.

BIL was incorporated in 2009 under the Companies Act of the Kingdom of Bhutan – 2000, and is licensed to engage in the business of General Insurance by the Royal Monetary Authority of Bhutan in pursuant to part II of the Financial Institutions Act of Bhutan – 1992, and is also listed with the Royal Securities Exchange of Bhutan Limited (RSEBL) since 2009.

BIL enjoys the patronage of both large corporate clients and individual clients to whom, we provide the same quality service that they can trust on delivery of quality and value services.

BIL is also authorized by the RMA to provide Financing & Investment services and manage Private Provident Fund (PPF).

BIL Milestones

- 24.12.2008: Got in-principle approval from the RMA to establish the company
- 24.07.2009: Got incorporated under the Companies Act of the Kingdom of Bhutan 2000
- 14.08.2009: RMA granted license to engage in business of General Insurance
- 20.08.2009: Started business operations in Thimphu
- 20.08.2009: Initial Public Offer (IPO) of 60% of the companies share.
- 19.04.2010: RMA granted approval to operate Financing and Investment Department
- 24.05.2010: Introduction of Private Provident Fund Scheme

Branch Establishments:

- 01.10. 2009: Extension office at Bumthang
- 18. 10.2009: Branch Office at Phuentsholing
- 01.11.2009: Branch Office at Wangduephodrang
- 05.11.2009: Branch Office at Paro
- 06.01.2010: Branch Office at Gelephu
- 10.06. 2010: Branch Office at Samdrup Jongkhar
- 12.07. 2010: Extension office at Mongar
- 09.04. 2012: Extension Office at Tsirang
- 03.05. 2012: Extension office at Trashigang
- 01.01.2013: Extension office at Trongsa

Re-Insurance

In order to enhance our underwriting capacity and have global spread of local risk, our office have strong reinsurance backup from well established companies like:

- ▶ National Insurance Company, India
- ▶ Asian Re- Thailand
- ▶ PTA Re
- ▶ Kenya Re

Services offered

(A) BIL offers all type of Non-Life Insurance services such as:

- ▶ Personal Insurance
 - I. Personal Accident Insurance
 - II. Auto Insurance Policy
 - III. Money Insurance Policy
 - IV. Fire Insurance
- ▶ Commercial Insurance
 - I. Marine Cargo Policy
 - II. Fidelity Guarantee policy
 - III. Aviation Policy
- ▶ Industrial Insurance
 - I. Fire Policy
 - II. Burglary Policy
 - III. Machinery Breakdown Policy
 - IV. Contractors Plant and Machinery Policy
 - V. Construction Project Insurance
 - VI. Fire Loss of Profit Policy
- ▶ Liability Insurance
 - I. Motor Vehicle Third Party
 - II. Workmen Compensation Policy
- ▶ Loan Protection Insurance (LPI)
- ▶ Enhanced Rural Fire Policy

(B) In addition to Non-Life Insurance services, we also offer the following services:

- ▶ Vehicle loans
- ▶ Venture loans
- ▶ Housing loan
- ▶ Secured Overdraft
- ▶ Industrial loan
- ▶ Personal loan
- ▶ Loan against Private Provident Fund

(C) And other services provided includes issuing of Bank Guarantees and management of Private Provident Fund (PPF)

Company Information

BOARD OF DIRECTORS

- I. Mr. Ugyen Rinzin (Chairman)**
Yangphel Private Limited, Thimphu
Phone No: 02-232393
Email: ugyen@zhiwaling.com
urinzin@bhutaninsurance.com.bt
- II. Dasho Ugen Tsechup Dorji (Director)**
Singye Group of Co.Pvt.Ltd., Thimphu
Phone No: 02-322183
Email: ugentsechup@gmail.com
Fax No#02-324152
- III. Mr. Sashadhar Majumder (Independent Director)**
Salt Lake City, Kolkata-700106, India
Phone No: +91 94 33 942712
Email: s_majumder_44@yahoo.co.in
- IV. Mr. Karma Dorjee (Director)**
Karma Group of Companies Private Limited
PO. Box 177, Thimphu
Phone No: 02-324163/05254725
Email: karma@druknet.bt
Fax No: 02-322229/05252391
- V. Mr. Karma Lotey (Director)**
Yangphel Private Limited
PO. Box 236, Thimphu
Phone No: 02-323293/323294
Email: md@-yangphel.com
Fax No: 02-322897
- VI. Mr. Tshering Gyaltsen**
(CEO/Member Secretary)
Bhutan Insurance Limited
PO. Box 779, Thimphu
Phone No: 02-339893/339894
Fax: 02-339895
Email: tgyaltsen@bhutaninsurance.com.bt

AUDITORS

M/S Dutta Sarkar & Company
7A, Kiron Sankar Roy Road, 2nd Floor,
Kolkata – 700 001
Phone No: +91-33-2248-1760,
Fax No: +91-033-2210-3885
Email: info@duttasarkar.com,
dusac.2009@rediffmail.com
Website: www.duttasarkar.com

AUDIT COMMITTEE MEMBERS

- I. Mr. Karma Lotey (Director)**
Yangphel Enterprise
P.O. Box 236, Thimphu
Phone No: 323293/323294
Email: md@yangphel.com
Fax No: 322897
- II. Mr. Kinley Rabgay**
Internal Auditor & Asset Declaration
Administrator
Bhutan Insurance Limited
PO.Box 779, Thimphu
Phone No.02-339893/339894/17635946
Email: keanleyrabgay@hotmail.com
Fax No.02-339895

Distribution Channel

- Door to Door Service
- Banc-assurance
- Referrals
- Direct underwriting
- Social Media (Facebook and website)

PRINCIPAL BANKERS

1. Bhutan National Bank Limited
2. Druk PNB Bank Limited

Capital Structure

- Issued and paid up capital –Nu. 200 million

Shareholding:

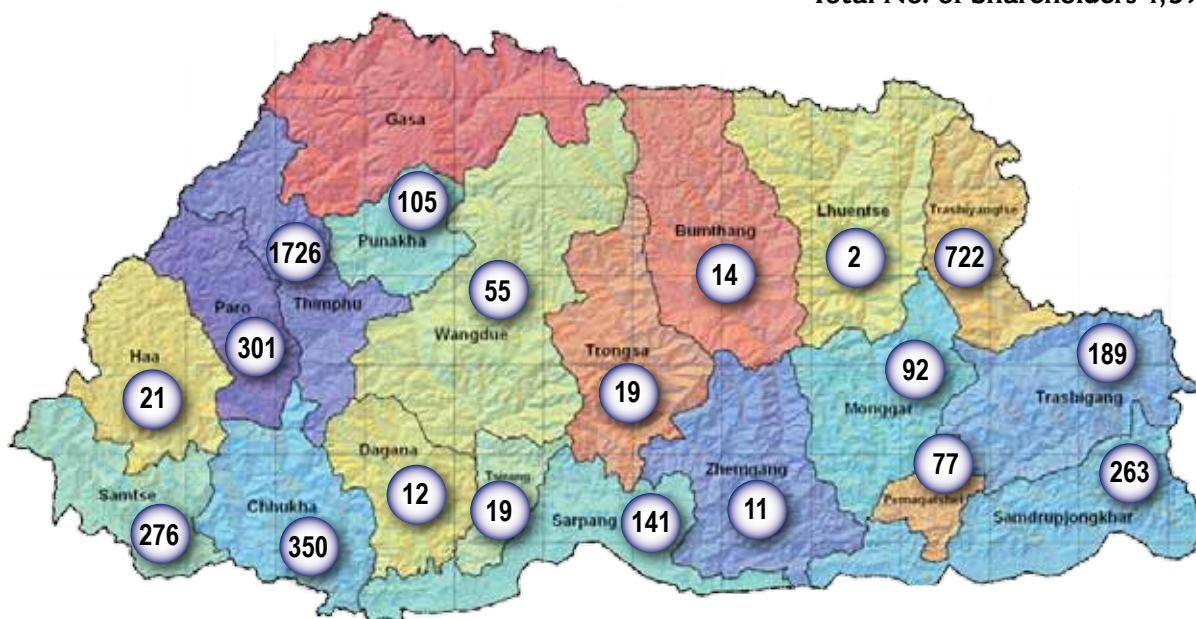
- Total numbers of shareholders - 4,395
- Promoters holding - 33.7 %
- Public holding: - 66.3 %
 - Individual - 61.3 %
 - NGOs and FIs - 5 %

Promoters

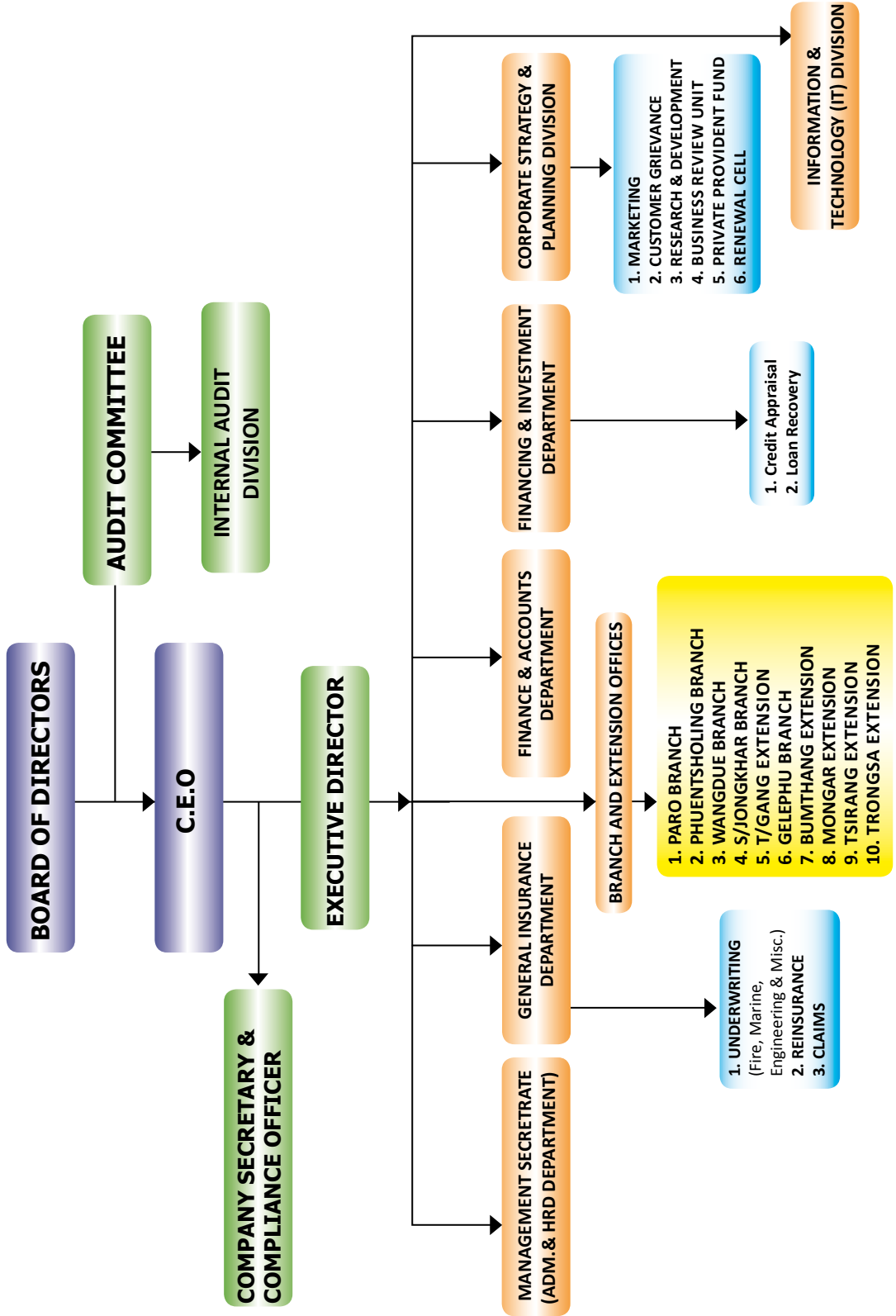
- Mr.Ugyen Rinzin - 15.8 %
- Mr.Tshering Gyaltshen - 17.83 %

DZONGKHAG WISE SHARE HOLDING

Total No. of Shareholders 4,395



ORGANOGRAM



 **འབྲུག་ཉེན་བཅོལ་ཚོང་ལེ**
Bhutan Insurance Limited
Providing Security, Building Confidence
Post Box# 779, Chorten lam, Thimphu.
Toll free # 201 www.bhutaninsurance.com.bt PABX 339892/93/94 Fax# 339895

Your insurer of
CHOICE

Loan protection insurance is designed to ease your loan repayments at the time of crisis such as:

- Unemployment
- Death
- Disability



What's Covered?

- a) Loans against post retirement benefits

This policy is available to all Financial Institutes & Individuals at a very affordable cost

APPLY NOW

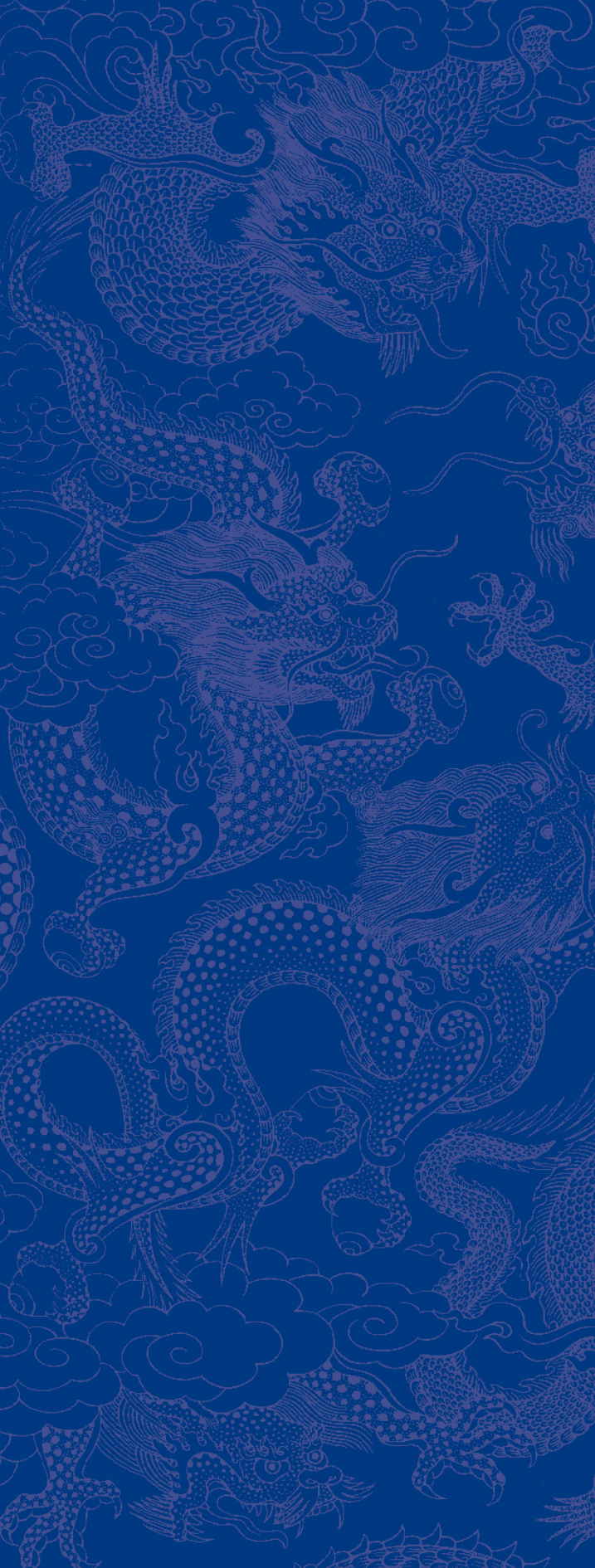
“INSURANCE ON WHEELS”

to meet your insurance needs

The
FIRST of its kind
SERVICE in Bhutan by **BIL**



This initiative is our **EARNEST EFFORT** to take our **SERVICE** to the
unreached and serve our **CLIENTS**



Auditors'
Report
&
Financial
Statement

Dutta Sarkar & Company

Chartered Accountants

Office: 7A, Kiron Sankar Roy Road
Kolkata: 700001
Phone: 0091-33-22481760
E.Mail: info@duttasarkar.com

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BHUTAN INSURANCE LIMITED

1. Report on the Financial Statements

We have audited the accompanying financial statements of **Bhutan Insurance Limited** ("the Institution"), which comprise the Balance Sheet as at 31st December, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date, and a summary of significant accounting policies and other explanatory notes.

2. Management Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that gives true and fair view of the financial position, financial performance and the cash flow of Company in accordance with the generally accepted accounting principles and practices followed by the Non-Life insurance Company in Bhutan and those in accordance with allied provisions of The Companies' Act of Kingdom of Bhutan, RMA Prudential Regulations 2002 and Financial Services Act of Bhutan 2011 and also in accordance with Bhutan Accounting Standard promulgated by Accounting and Auditing Standards Board of Bhutan to be implemented from January 2013 till end of 2015.

This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company and are free from material misstatement, whether due to fraud or error.

3. Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the provision of schedule XIV under section 75 of Companies' Act of Kingdom of Bhutan and applicable provisions of RMA Prudential Regulations 2002 and Financial Services Act of Bhutan 2011. These require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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 the auditor's 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, the auditor considers internal



control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the 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 audit opinion

4. Opinion

- i) we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
- ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- iii) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report have been prepared on the basis of generally accepted accounting principles and practices and as per the provisions of Laws and Regulations, these Financial Statements are in agreement with the books of account;
- iv) In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described elsewhere in this report, the financial statements give the information required by the applicable Acts and Regulations in the manner so required and give a true and fair view :
 1. in the case of the Balance Sheet, of the state of affairs of the Company as at 31st December, 2013;
 2. in the case of Statement of Profit and Loss, of the profit for the year ended on that date; and
 3. in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

5. Other Matter

- i) The Company has not prepared the accounts in accordance with Bhutan Accounting Standard promulgated by Accounting and Auditing Standards Board of Bhutan to be implemented from January 2013 till end of 2015.
- ii) Confirmation of outstanding balances of Loan Accounts, Claims recoverable various advances, Deposits, and Other Liabilities by the respective parties were not available for our verification. The Company contended that such confirmation is not feasible, but the amount of outstanding balance is material in relation to the overall financial position of the Company.



Our opinion is not qualified in respect of above matters.

6. As required by Section 75 of the Companies Act of the Kingdom of Bhutan 2000 read with Section II of Schedule XIV thereto (The Minimum Audit Examination and Reporting Requirements) we enclose in the ANNEXURE a statement on the matters specified therein to the extent applicable to the Company.

For DUTTA SARKAR & COMPANY
CHARTERED ACCOUNTANTS

Firm's Registration No. 303114E

Date: 24 March 2014
Place: Thimphu



(P. S. DE)
Partner
(M. No.16727)



(REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE)**(TO THE EXTENT APPLICABLE)****ANNEXURE**

1. As required by the Minimum Audit Examination and Reporting Requirements under II paragraph of Schedule XIV under section 75 of The Companies Act of the Kingdom Of Bhutan 2000, read with Part II of Schedule XIV, and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we further report that:
2. The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets but codification of fixed asset should be initiated by the management in order to maintain a proper internal control. No physical verification of fixed assets was conducted during the year.
3. The company has not taken any loan from Companies under the same management terms of which are prejudicial to the interest of the Company.
4. The Company has not granted any loan, secured or unsecured to other companies, firms or other parties and/or to companies under the same management terms of which are prejudicial to the interest of the Company.
5. The Company has not given any Loans other than Staff Advance in normal course of business, recovery whereof are made per stipulation.
6. No excessive/frequent advances are generally granted and accumulation of large advances against particular individual is generally avoided.
7. In our opinion and according to the information and explanations given to us during the course of the audit, the Company has established an adequate system of internal control to ensure completeness, accuracy and reliability of accounting records, to carry out the business in an orderly and efficient manner especially in case of branches, to safeguard the assets of the Company as well as to ensure adherence to the applicable rules/regulations and systems and procedures.
8. (a) As explained to us transactions in pursuance of contracts or arrangement entered into with company or Firm in which director(s) are directly or indirectly interested have been made as per similar terms & conditions applied for transactions with other parties.
8. (b) The terms & conditions attached to the transactions with the related parties as disclosed in note No.22 are not prejudicial to the interest of the other shareholders & the company.



9. According to the records, the Company in general is regular in depositing its provident fund, salary tax and health tax, Bhutan sales Tax and other statutory dues with the appropriate authorities.
10. No undisputed amounts payable in respect of rates, taxes, duties, provident funds and other statutory dues were outstanding at the year end.
11. During the course of our examination of books of account carried out in accordance with the generally accepted auditing practices, we have not come across any personal expenses (other than those payable under contractual obligation/service rules) which have been charged to the Profit and Loss Account nor we have been informed about such cases by the Management.
12. The company is having authorized policy distribution / commission agents, and as informed by the management they are screened to fit the specific criteria before being recruited.
13. In our opinion, and on the basis of information and explanations given to us, the management of liquid resources, particularly cash/Company and short terms deposit etc are reasonably adequate and excessive amounts are not lying idle in non interest-bearing accounts.
14. According to the information and explanations given to us, and on the basis of examination of books and records on test check basis, we are of the opinion that the financial activities carried out by the Company during the year are prima facie lawful and intra-vires to the Articles of Incorporation of the Company.
15. Capital investment decisions are made with prior approval of the Board and investments in new projects are made only after ascertaining the techno-economic feasibility of such new ventures.
16. The Company has established effective budgetary control system.
17. The details of remuneration paid and payable to the Chief Executive Officer and honorarium and sitting fees paid to other directors are disclosed in Note No. 18. As there is no separate register being maintained for recording discloser of interest of Director, our checking is restricted to Board minutes and Management representations while checking the said document(s), we have not come across any cases of disclosure of interest where payments have been made in cash or in kind to any of the director's relatives (including spouse(s) and child/children) by the Company directly or indirectly.
18. According to the information and explanations given to us, the directives of the Board have generally been complied with.
19. We are given to understand by the management that the officials of the Company are refrained from transmitting any price sensitive information which are not publicly available and unauthorized, to their relatives/friends/associates or close persons which will directly or indirectly benefit themselves.
20. The company is in the process of maintaining adequate documents and records where it has granted loans and advances for which agreement have been drawn up



and timely entries have been made therein.

21. The company has generally adhered to the requirements of Financial Services Act, 2011 and other applicable laws, rules, regulations and guidelines issued by the appropriate authorities , except for the following:-
 - a) Section 63(a) of the Financial Services Act of Bhutan, 2011 requires submission of corporate Governance policy to Royal Monetary Authority. Presently BIL is in the course of framing Corporate Governance Policy.
 - b) Section 92(b) of the Financial Service Act of Bhutan, 2011 provides for maintenance of adequate & appropriate Disaster Recovery & Business continuity plan indicating the procedures to ensure the resumption of its record & provide for the continuance of its operation in emergency circumstances.
22. The requirements relating to provisioning for the non performing assets including loans and advances had been complied with.
23. Recognition of interest income in respect of non-performing asset has been complied with.
24. Except for few cases assets hypothecated against loan and advances have been physically verified, properly valued and mortgage deed executed and ensured that the assets are free of any prior lien or charges.
25. The company has a system of monitoring of projects for which loans have been provided to ensure that loan amounts are used for the specified purposes and project activities are progressing satisfactorily.
26. Additional loan are not granted to those who have defaulted payment of previous advances.

27. Non-Compliance of Laws/ Regulations

- a. The company has complied with the requirements of companies act of Kingdom of Bhutan 2000 subject to following violation-

The company has not introduced registrar of charges as required U/S 97 of Companies Act of Kingdom of Bhutan 2000.

- b. Total fund exposure to ten large borrowers stood as 36.60% as against the maximum 30% stipulated in RMA Prudential Regulations 2002.

28. COMPUTERISED ACCOUNTING ENVIRONMENT

- a. The company has developed a customized software system by software developer for maintenance of accounts.
- b. The company needs to provide further adequate safeguard measures and backup facilities.



- c. As per the information and explanations given to us, the Company needs to improve its backup facilities and disaster recovery measures.
- d. The operational controls are found adequate to ensure correctness and validity of input data and output information.
- e. As explained to us, the measures taken by the company to prevent unauthorized access over the computer installation and files are being upgraded to be considered adequate.

29. **GENERAL**

A. GOING CONCERN CONCEPT:

The company's present operational and financial data indicate that the company is healthy and the accounts are prepared on the assumption that the company is a going concern.

The company, in our opinion is in a position to carry on its business and is not likely to become a sick in the foreseeable near future.

B. RATIO ANALYSIS:

Significant Ratios indicating the financial Health and profitability of the company is as follows:-

Sl. No.	PERFORMANCE RATIO	RATIO/PERCENTAGE FORMULA	2012	2013
1	CAPITAL ADEQUACY	Tier1+ Tier2 Capital/ Total risk weighted assets	43.89%	37.86%
2	CORE CAPITAL	Tier1 Capital/ Total risk weighted assets	36.08%	31.06%
3	STATUTORY LIQUIDITY RATIO	Quick Assets/ total liabilities excluding capital fund and RMA liabilities	28.52%	34.04%
4	ANNUALIZED GROSS PREMIUM TO SHAREHOLDERS' FUND	Gross premium/average capital employed	1.444	0.761
5	NET RETENTION	Net Premium/Gross Premium	0.551	0.568
6	COMMISSION TO NET PREMIUM	Commission net of Re-insurance/Net Premium	3.32%	3.45%
7	MANAGEMENT EXPENSE TO GROSS PREMIUM	Management Expense/Gross Premium	13.42%	19.07%
8	COMBINED RATIO	(Net Claim + Operating Expenses) *100/ Earned Premium	90.07%	97.63%
9	TECHNICAL RESERVE* TO NET PREMIUM	Technical Reserve/Net Premium	0.849	0.783
10	OPERATING PROFIT	(Underwriting profit + Investment Income)/ Net Premium	41.55%	54.97%
11	NET EARNING RATIO	PAT/Net Premium*100	27.98%	38.91%
12	ANNUALIZED RETURN ON NET WORTH	PAT/Net worth	16.71%	16.75%
13	BOOK VALUE PER SHARE	(Share Capital + Free Reserve)/ No. of Shares	120.17	131.70
14	EARNING PER SHARE	PAT/No. of Shares	20.08	22.06
15	NET WORTH OF THE COMPANY	Share Capital + Free Reserve	240,337,483	263,399,116
16	RETURN ON EQUITY	PAT/Share Capital	20.08%	22.06%
17	NET WORTH TO TOTAL LIABILITIES	Net Worth/Total Liabilities	46.29%	50.97%
18	NPL RATIO	Total NPL O/s. balance/Total Loan O/s. balance	4.03%	8.09%

19	SOLVENCY RATIO	Total Available Solvency Margin/ Total Required Solvency Margin	4.07%	4.96%
20	UNDERWRITING BALANCE RATIO	Underwriting profit/Net Premium FIRE MARINE OTHERS	11.80% 0.18% 11.88%	14.42% 1.91% 10.81%

30. ADHERENCE TO LAWS, RULES AND REGULATIONS:

Audit of the Company is governed by the Companies Act of Kingdom of Bhutan, 2000 and the scope of the audit is limited to examination and review of the financial statements as produced to us by the management.

In the course of audit, we have considered the compliance of provisions of the said Companies Act and its Articles of Incorporation and we are unable to state that the company has been complying with other applicable laws (other than Companies Act of Kingdom of Bhutan, 2000 and Financial Institutions Act of Bhutan.1992) rules and regulations, system procedures and practices.

Place: Thimphu, Bhutan
Dated: 24 March 2014
M.No.16727
FRN: 303114E

for Dutta Sarkar & Company
Chartered Accountants

(PS. DE)
Partner



BHUTAN INSURANCE LIMITED
THIMPHU : BHUTAN
Consolidated Statement of Financial Position as of 31st December 2013

Particulars	Schedule	2013 Nu.	2012 Nu.
LIABILITIES			
Share Capital:			
Authorised Capital		500,000,000	500,000,000
Issued, Subscribed and Paid-up Capital	5	200,000,000	200,000,000
Reserve & Surplus	6	69,203,054	45,079,789
<u>Current Liabilities</u>			
Borrowings & Funds	7	86,943,588	71,266,619
Other Current Liabilities	8	39,873,071	75,972,652
Provisions	9	120,803,291	126,830,167
		516,823,005	519,149,227
ASSETS			
Loans & Overdraft	10	374,822,123	364,956,628
Property, Plant & Equipment (Net Block)	18	17,639,845	6,406,052
<u>Current Assets</u>			
Cash & Cash Equivalents	11	77,829,429	72,694,793
Advance & Other Assets	12	46,531,607	75,091,754
		516,823,005	519,149,227
Note:-			
Contingent Liabilities (Off balance sheet)		83,423,974	87,298,642

SIGNIFICANT ACCOUNTING POLICIES 19
NOTES TO ACCOUNTS 20

The schedules referred to above form an integral part of this Balance Sheet. This is the Consolidated Balance Sheet referred to in our report of even date.

On Behalf of The Board of Directors

For Dutta Sarkar & Co.
 Chartered Accountants
 7A, Kiron Sankar Roy Road
 2nd Floor
 Kolkata - 700001



P.S.De
 Partner
 Membership
 Number: 16727
 Place: Kolkata
 Date: 24 March
 2014

CEO

Director

Chairman

BHUTAN INSURANCE LIMITED
GENERAL INSURANCE DEPARTMENT
Statement of Financial Position as of 31st December 2013

Particulars	Schedule	2013 Nu.	2012 Nu.
<u>LIABILITIES</u>			
Share Capital	5	200,000,000	200,000,000
Reserve & Surplus	6A	93,948,974	69,875,546
Current Liabilities			
Current Liabilities	8A	34,763,420	73,423,990
Provision	9A	62,369,172	78,957,740
		391,081,566	422,257,276
<u>ASSETS</u>			
Property, Plant & Equipment (Net Block)	18	17,639,845	6,406,052
Current Assets			
Cash & Cash Equivalent	11A	43,566,458	38,878,447
Advance & Other Assets	12A	329,875,263	376,972,777
		391,081,566	422,257,276

SIGNIFICANT ACCOUNTING POLICIES 19
NOTES TO ACCOUNTS 20

The schedules referred to above form an integral part of this Balance Sheet.
This is the General Insurance Balance Sheet referred to in our report of even date.

For Dutta Sarkar & Co.
Chartered Accountants
7A, Kiron Sankar Roy Road
2nd Floor
Kolkata - 700001

ASD



P.S.De
Partner
Membership Number: 16727
Place: Kolkata
Date: 24 March 2014



On Behalf of The Board of Directors

CEO

Director

Chairman

BHUTAN INSURANCE LIMITED
FINANCING & INVESTMENT DEPARTMENT
Statement of Financial Position as of 31st December 2013

Particulars	Schedule	2013 Nu.	2012 Nu.
LIABILITIES			
Reserve & Surplus	6B	38,463,473	24,508,773
Current Liabilities			
Funds	7A	328,602,914	348,040,892
Current Liabilities	8B	22,294,376	15,285,090
Provision	9B	19,733,499	10,978,905
		409,094,261	398,813,659
ASSETS			
Loans & Overdraft	10	374,822,123	364,956,628
Current Assets			
Cash & Cash Equivalent	11B	34,262,971	33,816,347
Other Assets	16	9,167	40,685
		409,094,261	398,813,659

SIGNIFICANT ACCOUNTING POLICIES 19
NOTES TO ACCOUNTS 20

The schedules referred to above form an integral part of this Balance Sheet.
 This is the Financing & Investment Balance Sheet referred to in our report of even date.





 On Behalf of The Board of Directors

For Dutta Sarkar & Co.
 Chartered Accountants
 7A, Kiron Sankar Roy Road
 2nd Floor
 Kolkata - 700001





P.S.De
 Partner
 Membership Number: 16727
 Place: Kolkata
 Date: 24 March 2014



CEO Director Chairman

BHUTAN INSURANCE LIMITED
THIMPHU : BHUTAN
Consolidated Statement of Comprehensive Income as of 31st December 2013

Particulars	Schedule	2013 Nu.	2012 Nu.
Profit transferred from Respective Revenue A/c.			
General Insurance Department	R. A/c.	48,380,701	47,547,309
Financing & Investment Department	R. A/c.	13,954,700	12,097,765
Total :-		62,335,402	59,645,073
Profit Before Taxation		62,335,402	59,645,073
Less: Provision for taxation	9(iii)	18,700,620	17,893,522
Profit after taxation		43,634,781	41,751,551
Add: Excess provision of taxation previous year		488,484	-
Less: Prior period Adjustment	17	-	1,584,498
Profit available for Appropriations		44,123,265	40,167,053
APPROPRIATIONS			
Proposed Dividend	9(iv)	20,000,000	19,000,000
Transfer to Catastrophe Reserve	6(ii)	1,061,632	1,083,526
Transfer to General Reserve	6(i)	23,061,633	20,083,527
TOTAL APPROPRIATIONS		44,123,265	40,167,053

SIGNIFICANT ACCOUNTING POLICIES 19
NOTES TO ACCOUNTS 20

The schedules referred to above form an integral part of this Profit & Loss Account
This is the Consolidated Profit/Loss Account referred to in our report of even date

On Behalf of The Board of Directors

For Dutta Sarkar & Co.
Chartered Accountants
7A, Kiron Sankar Roy Road
2nd Floor
Kolkata - 700001

P.S.De
Partner
Membership Number: 16727
Place: Kolkata
Date: 24 March 2014



CEO

Director

Chairman



**BHUTAN INSURANCE LIMITED
GENERAL INSURANCE DEPARTMENT
Revenue Account as of 31st December 2013**

Particulars	Schedule	2013 Nu.	2012 Nu.
OPERATING INCOME			
Surplus transferred from:-			
Fire Insurance	Sub Revenue A/c.	16,354,001	16,946,095
Marine Insurance	do	2,162,222	255,217
Miscellaneous Insurance	do	12,252,964	17,056,301
TOTAL INCOME (A)		30,769,187	34,257,614
OTHER INCOME			
Interest & Other income	13A	17,611,515	13,289,695
TOTAL INCOME (B)		17,611,515	13,289,695
Profit before taxation / Transfer to Consolidated Profit & Loss A/c. (A+B)		48,380,701	47,547,309
Add: Excess provision of taxation previous year		488,484	-
Less: prior period adjustment	17	-	1,584,498
Net Balance transferred to Reserve		48,869,185	45,962,810

SIGNIFICANT ACCOUNTING POLICIES 19
NOTES TO ACCOUNTS 20

The schedules referred to above form an integral part of this Revenue Account. This is the General Insurance Revenue Account referred to in our report of even date.

For Dutta Sarkar & Co.
Chartered Accountants
7A, Kiron Sankar Roy Road
2nd Floor
Kolkata - 700001

On Behalf of The Board of Directors

P.S.De
Partner
Membership
Number: 16727
Place: Kolkata
Date: 24 March 2014



CEO

Director

Chairman

BHUTAN INSURANCE LIMITED
FINANCING & INVESTMENT DEPARTMENT
Revenue Account as of 31st December 2013

Particulars	Schedule	2013 Nu.	2012 Nu.
INTEREST INCOME			
Interest on Loan	13B (i)	44,235,420	40,561,357
Total (A)		44,235,420	40,561,357
Less: INTEREST EXPENSES			
Interest Expenses on borrowing & internal Funds	14	21,903,843	20,742,524
Total (B)		21,903,843	20,742,524
Net Interest Differential (A-B) = (C)		22,331,578	19,818,833
Add: OTHER INCOME			
Misc. Income	13B (ii)	2,531,355	810,581
Total (D)		2,531,355	810,581
Gross Operating Income (C + D) = (E)		24,862,933	20,629,414
Less: OPERATING EXPENSES			
Management Expenses	15	2,153,639	2,722,432
Provision against Loans	9 C	8,754,594	5,809,217
Gross Operating Expenses (F)		10,908,233	8,531,649
Profit before taxation / Transfer to consolidated P&L A/c. (E - F) = (G)		13,954,700	12,097,765
SIGNIFICANT ACCOUNTING POLICIES	19		
NOTES TO ACCOUNTS	20		

The schedules referred to above form an integral part of this Revenue Account.
This is the Financing & Investment Revenue Account referred to in our report of even date.



For Dutta Sarkar & Co.
Chartered Accountants
7A, Kiron Sankar Roy Road
2nd Floor
Kolkata - 700001

On Behalf of The Board of Directors



P.S.De
Partner
Membership Number: 16727
Place: Kolkata
Date: 24 March 2014




CEO



Director



Chairman

BHUTAN INSURANCE LIMITED
GENERAL INSURANCE DEPARTMENT
 Sub Revenue Account as of 31st December 2013

PARTICULARS	Schedule	FIRE INSURANCE		MARINE INSURANCE		MISCELLANEOUS INSURANCE		TOTAL	
		2013	2012	2013	2012	2013	2012	2013	2012
Premium Earned (Net)	1	16,315,049	12,540,309	1,406,729	1,447,014	112,265,286	139,909,811	129,987,063	153,897,135
Commission (Net)	3	13,607,796	12,794,896	743,371	716,635	6,050,853	3,458,751	20,402,021	16,970,283
Profit on sale/redemption of investment (net)		-	-	11,969	-	7,272,289	1,998,889	7,284,258	1,998,889
Exchange gain		-	-	-	-	-	-	-	-
Total (A)		29,922,845	25,335,206	2,162,068	2,163,649	125,588,428	145,367,451	157,673,342	172,866,306
Claims incurred (Net)	2	1,169,665	156,865	(788,673)	1,352,624	88,430,445	102,142,747	88,811,437	103,652,237
Operating Expenses	4	12,399,180	8,232,245	788,519	555,808	24,905,019	26,168,402	38,092,718	34,956,455
Exchange Loss		-	-	-	-	-	-	-	-
Total (B)		13,568,845	8,389,111	(154)	1,908,432	113,335,464	128,311,149	126,904,155	138,608,693
Operating Profit (A - B)		16,354,001	16,946,095	2,162,222	255,217	12,252,964	17,056,301	30,769,187	34,257,614



BHUTAN INSURANCE LIMITED
Schedules attached to and forming part of the Accounts as of 31st December 2013

	FIRE INSURANCE		MARINE INSURANCE		MISC. INSURANCE		TOTAL	
	2013	2012	2013	2012	2013	2012	2013	2012
1 PREMIUM EARNED(NET)								
Premium from direct business written	65,026,107	61,316,597	4,143,864	4,148,474	130,624,216	194,922,640	199,794,187	260,387,711
Add: Premium on Reinsurance accepted	-	-	-	-	-	-	-	-
Less: Premium on Reinsurance ceded	47,827,679	45,724,314	3,115,809	2,431,921	35,452,203	68,671,949	86,395,691	116,828,184
Net Premium	17,198,428	15,592,283	1,028,055	1,716,553	95,172,013	126,250,691	113,398,495	143,559,528
Less: Adjustment for change in reserve for unexpired Risk	883,379	3,051,974	(378,674)	269,539	(17,093,273)	(13,659,120)	(16,588,568)	(10,337,607)
Total Premium earned	16,315,049	12,540,309	1,406,729	1,447,014	112,265,286	139,909,811	129,987,063	153,897,135

	FIRE INSURANCE		MARINE INSURANCE		MISC. INSURANCE		TOTAL	
	2013	2012	2013	2012	2013	2012	2013	2012
2 CLAIMS INCURRED(NET)								
Claims Paid Direct (Including advance)	6,819,630	16,560,980	145,868	444,169	133,786,169	132,913,511	140,751,667	149,918,660
Add: Claims Outstanding at the year end (Net of advance)	575,000	778,628	669,760	1,494,900	20,472,142	35,470,083	21,716,902	37,743,611
Less: Claims Outstanding at the beginning of the year	778,628	3,995,401	1,494,900	240,400	35,470,083	32,935,118	37,743,611	37,170,919
Gross claims	6,616,002	13,344,207	(679,272)	1,698,669	118,788,228	135,448,476	124,724,958	150,491,352
Add: Reinsurance accepted	-	-	-	-	-	-	-	-
Less: Reinsurance ceded	5,446,337	13,187,342	109,401	346,045	30,357,783	33,305,729	35,913,521	46,839,116
Total Net Claims Paid	1,169,665	156,865	(788,673)	1,352,624	88,430,445	102,142,747	88,811,437	103,652,237

	FIRE INSURANCE		MARINE INSURANCE		MISC. INSURANCE		TOTAL	
	2013	2012	2013	2012	2013	2012	2013	2012
3 COMMISSION(NET)								
Commission on Reinsurance Ceded	14,879,821	13,915,817	824,264	792,315	8,605,844	7,021,897	24,309,929	21,730,028
Less: Commission on Reinsurance accepted	-	-	-	-	-	-	-	-
Less: Referral fees	1,272,024	1,120,920	80,894	75,680	2,554,991	3,563,146	3,907,909	4,759,746
Net Commission	13,607,796	12,794,896	743,371	716,635	6,050,853	3,458,751	20,402,021	16,970,283



	2013	2012
4 OPERATING EXPENSES (Gen. Insurance Dept.)		
Employees remuneration and welfare benefit	22,426,408	20,568,106
Travel, Conveyance and vehicle running expenses	2,044,663	3,669,729
Training expenses	2,040,142	2,531,610
Rental charges	1,927,485	1,430,842
Repairs & Maintenance	788,702	227,827
Printing and stationary	661,260	947,296
Communication	962,933	658,941
Legal and Professional Charges	1,376,697	1,259,208
Advertisement and publicity	1,350,540	1,198,381
Interest and bank charges	121,677	49,855
Other expenses	318,383	247,842
Gratuity fund contribution	1,162,568	1,146,829
Depreciation	2,911,260	1,019,989
Total:-	38,092,718	34,956,455
Expenses Allocation:		
Fire Insurance	12,399,180	8,232,245
Marine Insurance	788,519	555,808
Miscellaneous Insurance	24,905,019	26,168,402
Total Expenses allocation	38,092,718	34,956,455
5 CAPITAL FUND		
Authorised capital	500,000,000	500,000,000
(5,000,000 Equity share of Nu.100/- each)	500,000,000	500,000,000
Issued, Subscribed and Paid-up (1,000,000 Equity share at Nu.100/- each)	200,000,000	100,000,000
Right Share issue (1,000,000 Equity share at Nu.100/- each)	-	100,000,000
	200,000,000	200,000,000
6 RESERVES & SURPLUS		
i) General Reserves balance as per last Account	40,337,483	20,253,956
Add: Transferred from Profit/Loss Account	23,061,633	20,083,527
Total (A):-	63,399,116	40,337,483
ii) CAT Reserves as per last Account	4,742,306	3,658,780
Add: Transferred from Profit/Loss Account	1,061,632	1,083,526
Total (B):-	5,803,938	4,742,306
Total Reserve & Surplus (A+B)	69,203,054	45,079,789
6A. General Insurance Dept.		
As per last Account	45,079,789	23,912,736



Add: Transferred from current year Account	48,869,185	45,962,810
Total:-	93,948,974	69,875,546

6B. Financing & Investment Dept.

As per last year Accounts	24,508,773	12,411,008
Add: Transfer from current year Account	13,954,700	12,097,765
Total:-	38,463,473	24,508,773

7 BORROWINGS & FUNDS

Borrowings from Druk PNB	35,000,000	35,000,000
Funds from PPF Division	48,655,958	34,215,563
Funds from SWF	636,986	455,227
Funds from Staff Gratuity A/c.	2,650,645	1,595,829
Total:-	86,943,588	71,266,619

7A. Financing & Investment Dept.

Borrowings from Druk PNB	35,000,000	35,000,000
Funds from General Insurance Dept.	241,659,326	276,774,273
Funds from PPF Division	48,655,958	34,215,563
Funds from SWF	636,986	455,227
Funds from Staff Gratuity A/c.	2,650,645	1,595,829
Total:-	328,602,914	348,040,892

8 CURRENT LIABILITIES

Outstanding expenses	89,602	253,330
Outstanding claim	21,716,902	37,743,611
Referral fees Payable	3,036,950	3,241,984
Stale Cheques	836,321	310,776
Gratuity fund Payable	1,206,901	1,146,829
Advance received of insurance premium for 4 years	186,586	219,323
Excess Premium Refundable	49,474	122,721
RI Ceded for aviation/other insurance payable	4,770,257	28,070,937
Excess Right issue amount Refundable to RICB broker	-	1,000
Audit fees & expenses payable	200,000	200,000
Rent Security TDS deducted & Payable to RRCO	2,350	-
Unclaim dividend	2,668,167	2,126,807
Interest payable for external borrowing (PNB)	297,339	200,651
Interest payable for PPF fund	2,754,189	1,684,494
Interest payable to SWF	34,215	21,758
CIB Charges payable to RMA	-	600
Interest payable to Staff Gratuity Fund	144,013	57,217
Interest in suspenses A/c.	1,783,779	554,467



Late fees income in suspense A/c.	96,026	16,147
Total:-	39,873,071	75,972,652

8A. General Insurance Dept.

Outstanding expenses	89,602	253,330
Outstanding claim	21,716,902	37,743,611
Referral fees payable	3,036,950	3,241,984
Stale cheques	836,231	297,448
Gratuity fund payable	1,206,901	1,146,829
Advance received of insurance premium for 3 years	186,586	219,323
Excess Premium Refundable	49,474	122,721
RI Ceded for aviation/other insurance payable	4,770,257	28,070,937
Excess Right issue amount Refundable RICB broker	-	1,000
Audit fees & expenses payable	200,000	200,000
Rent Security TDS deducted & payable to RRCO	2,350	-
Unclaim dividend	2,668,167	2,126,807
Total:-	34,763,420	73,423,990

8B. Financing & Investment Dept

Interest payable to Druk PNB	297,339	200,651
Interest payable to General Insurance Dept.	15,567,602	10,514,941
Interest payable to PPF Division	2,754,189	1,684,494
Interest payable to SWF	34,215	21,758
CIB Charges payable to RMA	-	600
Mgt. Expenses payable to Gen. Insurance	1,617,122	2,221,486
Interest in suspense A/c.	1,783,779	554,467
Late fees income in suspense A/c.	96,026	16,147
Interest payable to Staff Gratuity A/c.	144,013	57,217
Stale cheque	90	13,328
Total:-	22,294,376	15,285,090

9 PROVISIONS

i) Provision for un expired risk	62,369,172	78,957,740
ii) Provision for Loan	19,733,499	10,978,905
iii) Provision for taxation	18,700,620	17,893,522
iv) Provision for dividend	20,000,000	19,000,000
Total (i + ii + iii + iv):-	120,803,291	126,830,167

9A. General Insurance Dept.

i) Provision for un expired risk as per last Account	78,957,740	89,295,347
Add: Provision for unexpired risk current year	(16,588,568)	(10,337,607)



Total:-	62,369,172	78,957,740
9B. Financing & Investment Dept.		
i) Provision for standard Loan as per last year A/c.	2,700,456	2,053,430
Add:- Additional Provision for current year	105,080	647,026
Total:-	2,805,536	2,700,456
ii) Provision for Watch Loan as per last year A/c.	1,155,786	1,373,835
Add:- Additional Provision for current year	(222,117)	(218,049)
Total:-	933,669	1,155,786
iii) Provision for Non performing Loan as per last year A/c.	5,682,016	1,742,423
Add:- Additional Provision for current year	10,312,278	3,939,593
Total:-	15,994,294	5,682,016
iv) Dynamic Provision as per last year A/c.	1,440,647	-
Less:- Adjusted to General Provision for current year	(1,440,647)	1,440,647
	-	1,440,647
Total (i + ii + iii+iv):-	19,733,499	10,978,905

9C. Financing & Investment Dept.

i) Standard provision for current year	105,080	647,026
ii) Watch Loan provision for current year	(222,117)	(218,049)
iii) Non performing loan for current year	10,312,278	3,939,593
iv) Dynamic provision for current year	(1,440,647)	1,440,647
	8,754,594	5,809,217

10 LOANS & OVERDRAFT

Vehicle Loan (Commercial & Non Commercial)	138,814,515	168,643,449
Commercial Establishment Loan	8,227,643	6,580,708
Industrial Manufacturing Loan	24,002,298	31,322,144
Service & Tourism	16,802,534	12,831,912
Housing Loan	7,426,274	6,415,691
Personal Loan	64,180,358	53,564,526
Venture Loan (Trade & Commerce)	65,061,565	56,213,828
Staff Loan (Vehicle & Establishment)	19,729,904	20,221,463
PPF Loan	1,106,373	524,525
GE/PE Loan	687,168	1,019,470
Loan against Shares	28,680,307	7,596,739
Late fees outstanding	103,184	22,173
Total:-	374,822,123	364,956,628

11 CASH & CASH EQUIVALENTS

Cash & Bank Balance	47,829,429	32,694,793
---------------------	------------	------------



Fixed Deposit (Maturing < or = 3 months)	-	10,000,000
Fixed Deposit (Maturing >3 months but < or = 1 year)	30,000,000	30,000,000
Total:-	77,829,429	72,694,793

11A. General Insurance Dept.

Cash & Bank Balance	13,566,458	8,878,447
Fixed Deposit (Maturing >3 months but < or = 1 year)	30,000,000	30,000,000
Total:-	43,566,458	38,878,447

11B. Financing & Investment Dept.

Cash & Bank Balance	34,262,971	23,816,347
Fixed Deposit (Maturing < or = 3 months)	-	10,000,000
Total:-	34,262,971	33,816,347

12 ADVANCE & OTHER ASSETS

RMA Reserve A/c	30,000	30,000
Security deposit for office space	121,000	105,000
Interest on Fixed Deposit receivable	379,726	483,699
Aviation/other insurance premium receivable	5,044,568	28,099,340
Pre paid insurance	29,664	8,760
Advance CIT & TDS Paid	4,696,860	4,489,037
RMA Penalty Deposit A/c.	100,000	100,000
Software advance Paid for General Insurance	-	2,671,920
Re-Insurer (receivable)	29,607,479	30,915,455
Other advance	522,310	688,542
Vechile purchase advance	-	4,500,000
Capital contribution for FI training Institute	6,000,000	3,000,000
Total:-	46,531,607	75,091,754

12A. General Insurance Dept.

RMA Reserve A/c.	30,000	30,000
Security deposit for office space	121,000	105,000
Interest on Fixed Deposit receivable	379,726	443,014
Interest on Investment fund Receivable (FID)	15,567,602	10,514,941
Aviation/other insurance premium receivable	5,044,568	28,099,340
Pre paid insurance	29,664	8,760
Advance CIT & TDS Paid	4,687,693	4,489,037
RMA Penalty Deposit A/c.	100,000	100,000
Softwre advance for General Insurance Dept.	-	2,671,920
Re-Insurer (receivable)	29,607,479	30,915,455
FID Expenses receivable	1,617,122	2,221,486
Investment Fund with FID	241,659,326	276,774,273
Other advance	522,310	688,542



Vechile purchase advance	-	4,500,000
Capital contribution for FI training Institute	6,000,000	3,000,000
Counter entry of FID last year Reserve	24,508,773	12,411,008
Total:-	329,875,263	376,972,777

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INTEREST & OTHER INCOME

13A. General Insurance Dept.

Fixed Deposit	2,036,712	2,769,529
Interst Received from FID (Gen. Insurance Fund)	15,567,602	10,514,941
Misc. Income	7,200	5,225
Total:-	17,611,515	13,289,695

13B. Financing & Investment Dept.

i) Interest Received (Net of Suspense)

Commercial vehicle Loan	19,726,898	21,147,140
Commercial Establishment Loan	773,092	678,613
Industrial Manufacturing Loan	2,992,119	3,807,543
Services & Tourism	1,907,901	337,359
Housing Loan	738,587	645,107
Personal Loan	9,519,728	4,242,299
Staff Loan	1,325,414	1,475,774
Venture Loan	6,965,827	7,488,299
PPF Loan	90,486	63,626
GE/PE Loan	110,295	135,783
Loan against shares	1,314,385	928,514
Total:-	45,464,732	40,950,057
Less:- Interest Suspense	1,229,312	388,700
	44,235,420	40,561,357

ii) Misc. Income

Gurantee Commission	1,992,398	458,367
Administration & other Charges	43,000	65,300
Interest on Fixed Deposit	142,648	40,685
Late fees Income (Net of suspense)	353,308	246,229
Total:-	2,531,355	810,581

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INTEREST EXPENSES

Interest on borrowing Funds (PNB)	3,403,823	5,067,174
Interest on borrowing Funds (NPPF)	-	3,385,131
Interest on General Insurance Fund	15,567,602	10,514,941
Interest on PPF Fund	2,754,189	1,696,302
Interest on SWF	34,215	21,758
Interest on Staff Gratuity A/c.	144,013	57,217
Total :-	21,903,843	20,742,524



15	OPERATING EXPENSES (Financing & Inv. Dept)		
	Salary,wages,allowance & PF	937,741	1,030,447
	Leave Encashment benefit	10,297	52,890
	LTC	55,537	55,297
	Travelling Expenses	97,777	25,166
	Printing & Stationary expenses	111,329	218,614
	Training Expenses	220,351	632,902
	Postage & Telegram expenses	3,184	17,748
	Legal Charges	1,890	7,434
	Telephone & Fax expenses	50,311	142,931
	Canteen Expenses	25,322	38,057
	Internet expenses	46,923	-
	Electricity charges	12,127	-
	Gratuity expenses	44,333	-
	CIB annual Membership fees	500,000	500,000
	Advertisement expenses	35,312	-
	Bank charges	1,205	945
	Total:-	2,153,639	2,722,432
16	OTHER ASSETS (FID)		
	Interest on Fixed Deposit receivable	-	40,685
	Advance CIT & TDS paid	9,167	-
		9,167	40,685
17	PRIOR PERIOD ADJUSTMENT		
	Adjustment of additional taxation for earlier year	-	830,195
	Fines & Penalties payment to RRCO	-	112,882
	Short provision of staff incentive in previous year	-	641,421
		-	1,584,498



BHUTAN INSURANCE LIMITED
18. Property, Plant and Equipment as on 31st December 2013

Particular	GROSS BLOCK - AT COST			DEPRECIATION			NET BLOCK			
	As at 01/01/2013	Addition during the year	Sales Adj.	As at 31/12/2013	As at 01/01/2013	For the year	Adj. Dep.	As at 31/12/2013	As at 31/12/2013	As at 31/12/2012
Equipment	1,264,318	326,579	-	1,590,897	297,617	238,635	-	536,252	1,054,646	966,701
Furniture	1,566,778	333,709	-	1,900,487	452,622	285,073	-	737,695	1,162,792	1,114,156
Computer (Hard ware)	4,255,101	311,728	-	4,566,829	1,225,069	685,024	-	1,910,093	2,656,736	3,030,032
Vehicle	1,689,492	5,648,349	-	7,337,841	842,895	1,100,676	-	1,943,571	5,394,270	846,597
Computer (Software)	500,000	7,524,687	-	8,024,687	51,434	601,852	-	653,286	7,371,402	448,566
Total	9,275,689	14,145,053	-	23,420,742	2,869,637	2,911,260	-	5,780,897	17,639,845	6,406,052



SCHEDULE 19**SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED 31st DECEMBER, 2013.****1. Accounting Convention**

The Balance Sheet, Profit & loss Account and Revenue Account are prepared under the historical cost convention, on the accrual basis of accounting and in accordance with Generally Accepted Accounting Principles, to the extent applicable and conform to the statutory provisions and practices prevailing in the General Insurance and various inspections, circulars and guidelines issued by the Royal Monetary Authority (RMA) of Bhutan from time to time unless otherwise stated.

2. Revenue Recognition

- i) Items of income and expenditure are accounted for on accrual basis, except for Guarantee commission which is considered on cash basis.
- ii) Premiums are recognized as income, as and when due on assumption of risk.
- iii) Reinsurance premium ceded is accounted at the time of recognition of premium income in accordance with the treaty or in-principle arrangement with the re-insurers.
- iv) Interest on fixed deposits is accounted for on accrual basis.
- v) Interest, Rent etc., are accounted at gross value before deduction of tax.
- vi) Interest income on loans is recognized on accrual basis except for non-performing loans with default over 90 days, in respect of which the interest income as per the guidelines issued by the Royal Monetary Authorities of Bhutan, is shown under the head. "Interest Suspense" which is taken to Profit & Loss Account on actual realization only.

3. Benefits Paid (including claims)

- i) Benefits paid/claims' costs consist of the policy benefit amounts and claim settlement costs, where ever applicable.
- ii) Cancellation and other claims are recognized when intimated. Provision for outstanding claims is made for those policies where the intimation has been received up to 31st December. Additional provisions are also made for benefit(s)/claim(s) incurred, wherever necessary.
- iii) Salvage recoveries are accounted for on realization basis.
- iv) Reinsurance recoveries, when applicable, are accounted in the same period.



4. Fixed Assets

- i) Fixed Assets are stated at cost less depreciation.
- ii) Depreciation is calculated as per the applicable provisions of Income Tax Act of Bhutan 2001, as amended to –date on straight-line basis at the prevailing rates and in the manner as prescribed.
- iii) Impairment loss on Fixed Assets are identified and treated in the accounts accordingly.

5. Loans

- i) Loans are stated at Principal amount plus interest accrued thereon.

6. Retirement/Employee Benefits

- i) Contribution to Provident fund and other funds are accounted for, as and when accrued.
- ii) Gratuity is provided on accrual basis, as per the Company's Service rule read with the guidelines framed by the Royal Civil Service Commission of Bhutan, presuming that all employees cease to work as of the year end.

7. Risk Reserves

- i) Reserves for unexpired risks are created in Revenue Account in respect of General Insurance Business at 55% of net premium income for the year.
- ii) Re-insurance Reserves are created on the basis of existing treaty arrangement.

8. General

- i) Management expenses and interest earned from investment related to General Insurance business are apportioned among the various types of business on the basis of respective gross premium.
- ii) Transfer to Catastrophes Fund and General Reserves are made as per the amount decided by the management from time to time.

9. Use of Estimates

The preparation of the financial statements in conformity with generally accepted principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and disclosure of contingent assets and liabilities. Examples of the estimates include



future obligation under employee benefits plans, useful lives of fixed assets as well as provision for unexpired risk, etc. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as on the date of the financial statements. Actual results could differ from those estimates. Any revisions to accounting estimates are recognized accordingly in current and future periods.

10. Preliminary/preoperative Expenditure

Preliminary/Preoperative Expenditures are amortized over a period of three accounting years as per the applicable provisions of Income Tax Act of Bhutan 2001, as amended to –date.

11. Provision for NON-PERFORMING LOANS

Provision for Non-Performing Loans is made as per the guidelines issued by the Royal Monetary Authority of Bhutan at the following rate:-

Category	Provision on outstanding principal amount (Revised w.e.f. 31.12.2012)	
	Days	%
1. Standard	Upto 30	1
2. Watch	31-90	1.5
3. Substandard	91-180	15% and 30% for highest exposure
4. Doubtful	181-18 months	50% and 60% for highest exposure
5. Loss	>18 months	100

Provision has been made as per the revised norms and excess amount of provision over the revised norms has been charged as 'Dynamic Provision'.

12. Net PROFIT OR LOSS

The result declared in the Profit & Loss Accounts is after considering:-

1. Provision on non- Performing loans
2. Provision for depreciation on Company's Property, and
3. Other usual/necessary provisions as required.



SCHEDULE 20**NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2013**

1. Bhutan Insurance Limited (BIL) was registered on 24th July, 2009 under The Companies Act of the Kingdom of Bhutan, 2000.
2. The financial statements for the year have been drawn up in accordance with the industry practice as well as prescribed formats of Royal Monetary Authority of Bhutan and the Companies Act of the Kingdom of Bhutan 2000, as far as practicable.
3. Resources of Insurance Department, Provident Fund and Fund obtained through borrowing are Centrally managed through Finance & Investment Department.
4. During the year the company has paid Nu.3 million to the Financial Training Institute, Bhutan as the final payment of Nu. 6.00 million towards Capital Contribution.
5. Interest income on loans of Nu.44,235,420.00 is net of suspended interest of Nu.1,229,312.00 which conforms to the Prudential Regulation, 2002 by Royal Monetary Authority of Bhutan.
6. Interest of Nu.1,783,779.00 has not been recognized as income & kept under Interest in suspense account.
7. Provision against non-performing loans of Nu.15,994,294.00 has been computed as per the RMA Prudential Guidelines. Additional non specific provision of Nu.3,739,205.00 has been created to consider probable loss which may arise out of potential non performing loans.
8. During the year the company has adjusted its dynamic provision of Nu.1,440,647.00, appropriated of the profit earned during previous year with general provision.
9. Current liabilities include aggregate provident Fund contribution received from various organization for which BIL has been acting as 'Manager to Provident Fund' amounting to Nu.48,655,958.00 (previous year Nu.34,215,563.00) & Nu.2,754,189.00 (previous year Nu.1,684,494.00) as interest thereon.
10. Reserves for un-expired risks amounting to Nu.62,369,172.00 (previous year Nu.78,957,740.00) created in the Revenue Accounts in respect of General Insurance Business at 55% of the net premium income during the year which have been duly reflected as General Insurance Funds in the Balance Sheet.
11. No actuarial valuation has been adopted by the Company for the purpose of determining the amount of gratuity liability. However, an amount of Nu.1,206,901.00 have been provided in the accounts towards gratuity on the presumption that all employees ceases to be employed with the Company as on 31.12.2013. This liability has not yet been funded by way of separate investment. For accumulated balance upto 31.12.2013 in Gratuity fund amounting to Nu.2,650,645.00 the company is acting as a fund manager.

12. Provision for bonus payable to employees has neither been ascertained nor been provided for in these accounts.
13. The assets of the Company in Bhutan are free from all encumbrances.
14. Premium in respect of policies on General Insurance extended for more than one year is recognized as income in the year of service being rendered.
15. Re-insurance:
- I. The balances outstanding, both debits and credits, as at the Balance Sheet date to re-insurers are pending final reconciliation process/ confirmation and acceptance of the re-insurance and consequently any further adjustments thereof are not readily ascertainable, are netted off at Nu.29,607,479.00 in Schedule 12.
 - II. Reinsurance premium payable to reinsurer for aviation/other insurance is Nu.4,770,257.00 which has not been included in the above amount and shown separately in schedule 8.
16. Management expenses include-
- a) Managerial Remuneration paid to the Chief Executive Officer :-

	<u>2012</u>	<u>2013</u>
-Remuneration:	Nu. 1,384,335.00	Nu.1,398,250.00
-Other Benefits:	Nu. 154,882.00	Nu.193,053.00
Total:	Nu.1,539,217.00	Nu.1,591,303.00

- b) Directors sitting fees: Nu. 290,000.00 Nu.360,000.00

17. The Audit Fees and Expenses

- a) Audit fee: Nu. 75,000.00 Nu.75,000.00
- b) Audit expenses: Nu. 125,000.00 Nu.125,000.00

18. Premium Deficiency has not been credited, since in the opinion of the management, the expected claim costs along with the related expenses and maintenance cost of the insurance products in force would not exceed the related reserve for unexpired risk.
19. In the opinion of management, there is no impairment of fixed assets of the corporation, which may require any adjustment to be made.
20. Particulars of the transactions with the Directors and their relatives and companies in which Directors are interested, as per provisions of the Companies Act of the Kingdom of Bhutan,2000 :

SL.NO.	Name of the party	Nature of transaction	Outstanding amount as on 31.12.2013 (Nu.)
1.	Dasho Ugyen Rinzin	Commercial Establishment Loan	1,630,691.63
2.	Dasho Ugen Tshechup Dorji	Commercial Establishment Loan	1,713,096.96
3.	Mr. Karma Lotey	Commercial Establishment/Housing Loan	4,569,885.28
4.	Mr. Karma Dorjee	Commercial Establishment/Overdraft Loan	11,450,708.98
5.	Mr. Tshering Gyaltsen	Commercial Establishment/Housing Loan/ Vehicle	3,301,173.49
6.	Singye Construction Pvt. Ltd.	Term Loan and Bank Guarantee	636,442.94

21. Other Current liabilities (Schedule 8) includes unclaimed dividend of Nu.2,668,167.00 (previous year Nu.2,126,807.00).
22. Other advance (schedule 12) includes amount of misappropriation Nu.227,109.27 by an employee who has been directed to deposit Nu.10473.00 per month as per District Court judgment. The concerned employee has since been terminated from the service of the company.
23. Contingent liabilities as at the Balance Sheet date (as certified by the management)
- i) Guarantee issued by the company amounting to Nu.83,423,974.00 remain unexpired as on 31st December,2013
24. Previous year's figures have been adjusted/rearranged/ regrouped wherever necessary to make them comparable with the current year's figure.

For Dutta Sarkar & Company

Chartered Accountants

AKK



FRN: 303114E
P.S. DE
PARTNER
Membership No.16727
Place: Kolkata
Date: 24 March 2014



[Handwritten signatures]

On behalf of The Board of Directors

Gyaltsen

CEO

[Handwritten signature]

Directors

[Handwritten signature]

Chairman

**BHUTAN INSURANCE LIMITED
PRIVATE PROVIDENT FUND
Balance Sheet as on 31/12/2013**

Particulars	Schedule	Nu.	2013	Nu.	2012
LIABILITIES					
Employees' & Employers' Contribution (Net)	1		46,434,659		33,320,886
Interest Credited to Members' Accounts (Net)	2		4,975,489		2,579,169
			51,410,148		35,900,055
ASSETS					
Fund Deposited with BIL	3		48,655,959		34,215,563
Other Assets	4		2,754,189		1,684,494
			51,410,148		35,900,055

The schedules referred to above form an integral part of this Balance Sheet.
This is the Private Provident Fund Balance Sheet referred to in our report of even date.

For Dutta Sarkar & Co.
Chartered Accountants
7A, Kiron Sankar Roy Road
2nd Floor
Kolkata - 700001



P.S.De
Partner
Membership Number: 16727
Place: Kolkata
Date: 24 March 2014



On Behalf of The Board of Directors




CEO



Director



Chairman



BHUTAN INSURANCE LIMITED
PRIVATE PROVIDENT FUND
Revenue Account as on 31/12/2013

Particulars	Schedule	Nu.	2013	Nu.	2012
INCOME					
Return on deposit with BIL			2,754,189		1,684,494
Total (A):-			2,754,189		1,684,494
EXPENSES					
Return on employees' contribution			1,377,095		842,247
Return on employers' contribution			1,377,095		842,247
Total(B) :-			2,754,189		1,684,494

The schedules referred to above form an integral part of this Revenue Account
This is the Private Provident Fund Revenue Account referred to in our report of even date

For Dutta Sarkar & Co.
Chartered Accountants
7A, Kiron Sankar Roy Road
2nd Floor
Kolkata - 700001

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P.S.De
Partner
Membership Number: 16727
Place: Kolkata
Date: 24 March 2014



Handwritten signature
CEO

Handwritten signature
Director

Handwritten signature
Chairman

Handwritten signature

On Behalf of The Board of Directors



BHUTAN INSURANCE LIMITED
PRIVATE PROVIDENT DIVISION
Schedules attached to and forming part of the Accounts as on 31/12/2013

1 Employees' & Employers' Contribution	2013			2012		
	Particular	Employees' Contribution	Employers' Contribution	Total Contribution	Employees' Contribution	Employers' Contribution
As per last Account (Net of refund)	16,659,924	16,660,962	33,320,886	10,661,536	10,661,536	21,323,072
Add:- contribution during the year	8,574,919	8,575,100	17,150,018	7,281,218	7,290,021	14,571,239
	25,234,843	25,236,062	50,470,904	17,942,754	17,951,557	35,894,311
Less: Refund during the year	2,018,034	2,018,214	4,036,248	1,282,830	1,290,595	2,573,425
Total:-	23,216,809	23,217,848	46,434,659	16,659,924	16,660,962	33,320,886

2 Interest on Employees' & Employers' Contribution	2013			2012		
	Particular	Employees' Contribution Interest	Employers' Contribution Interest	Total Interest	Employees' Contribution Interest	Employers' Contribution Interest
As per last Account (Net of refund)	1,289,564	1,289,605	2,579,169	532,220	532,220	1,064,440
Add:- contribution during the year	1,376,912	1,377,277	2,754,189	842,030	842,463	1,684,493
	2,666,476	2,666,882	5,333,358	1,374,250	1,374,683	2,748,933
Less: Refund during the year	178,929	178,940	357,869	84,686	85,078	169,764
Total:-	2,487,548	2,487,942	4,975,489	1,289,564	1,289,605	2,579,169

3 Investment with BIL	2013	2012
	As per last Account	34,215,563
Add:- Deposited during the year	14,440,396	12,811,550
Total:-	48,655,959	34,215,563

4 Other Assets	2013	2012
Receivable from BIL (Interest Accrued)	2,754,189	1,684,494

