



FOSTERING DIGITAL INSURANCE

ANNUAL REPORT 2018





FOSTERING DIGITAL INSURANCE



At Green Delta Insurance, as a front-line general insurance institution extensively engaged in providing comprehensive risk protection solutions, we opened up a new and exciting vista in our journey of growth and value creation: 'Digital Insurance'.

We believe Digital Insurance is an important milestone in our legacy because it not only reinforces our positioning as a pioneer and leader in insurance innovation, but also promotes the cause of enhanced governance and transparency in the sector, which will go a long way in building public trust in insurance.

Furthermore, one of the other substantive transformations effected by Digital Insurance is in the realm of strengthening customer access to insurance, making it extremely convenient for them to purchase insurance online.

Overall, these core attributes of Digital Insurance aligns well with our vision of providing insurance for all, while also furthering our intent of extensive nationalistic engagement for the benefit of the country, customer and company.



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Letter Of Transmittal

To

All the Shareholders;

Bangladesh Securities and Exchange Commission;

Registrar of Joint Stock Companies and Firms;

Dhaka Stock Exchange Limited;

Chittagong Stock Exchange Limited;

Insurance Development and Regulatory Authority (IDRA)

Sub: Annual Report for the year ended December 31, 2018

Dear Sir(s),

We are pleased to enclose a copy of the Annual Report along with the Audited Financial Statements including Consolidated and Separate Balance Sheet as at December 31, 2018 and Income Statements, Cash Flow Statements and Changes in equity statements for the year ended December 31, 2018 along with notes thereon of Green Delta Insurance Company Ltd. and its subsidiaries for your record/ necessary action.

Information given in our Annual Report-2018 is complete, full and in line with Bangladesh Accounting Standard and International Accounting Standard. We hope that the report will be of use to you today and tomorrow.

Best regards,

Sincerely yours,



Syed Moinuddin Ahmed

Company Secretary

Notice of the 33rd Annual General Meeting

Notice is hereby given that the Thirty Third Annual General Meeting of Green Delta Insurance Company Limited will be held at Trust Milonayaton, Bir Uttom Ziaur Rahman Road, Dhaka on Sunday, 31st March 2019 at 11.00 a.m. to transact the following business and adopt necessary resolutions:

AGENDA

1. To receive, consider and adopt the Financial Statements and the Report of Auditors thereon and the Report of the Board of Directors of the Company for the year ended 31 December 2018
2. To declare Dividend for the financial year ended 31st December 2018
3. To elect / re-elect Directors
4. To appoint Statutory Auditors for the year -2019 and fix their remuneration
5. To appoint Compliance Auditor as per Corporate Governance Code-2018 for the year-2019
6. Renew of the term of Managing Director
7. Miscellaneous, if any, with the permission of the Chair.

By Order of the Board



Syed Moinuddin Ahmed
Company Secretary
March 11, 2019

Registered Office
51-52, Mohakhali C/A
Dhaka

Notes:

1. 04.03.2019 was scheduled as Record Date. The Shareholders whose name will appear on the Register of Members on the Record Date will be eligible to attend the meeting and vote thereat and qualify for dividend.
2. A Member entitled to attend and vote at general meeting is entitled to appoint a proxy to attend the meeting and vote thereat on his/her behalf. The proxy form duly completed, must be affixed with a revenue stamp of BDT 20/- and deposited at the registered office not later than 48 hours before the time of holding the meeting.
3. Members are requested to notify their changes of addresses, if any.
4. The Annual Report 2018 is available in the website of the Company www.green-delta.com
5. Admission to the hall will be only on production of the attendance slip sent with the notice.
6. Shareholders bearing BO IDs are requested to update their respective BO IDs with 12-Digit Taxpayer's Identification Number (e-TIN) and address through their Depository Participant (DP); and
7. Shareholders bearing Folio Numbers are requested to submit their 12 digits e-TIN certificate to the Share Department of the Company latest by 20 March 2019, failing which Income Tax at Source will be deducted from cash dividend @ 15% instead of 10% as per amended Income Tax Ordinance 1984 (Section 54)

PS: As per Bangladesh Securities and Exchange Commission's (BSEC) Circular No. SEC/CMRRCD/2009-193/154 dated October 24, 2013," no benefit in cash or kind, other than in the form of cash dividend or stock dividend, shall be paid to the holders of equity securities" for attending the 33rd Annual General Meeting.



PRELUDE OF GDIC

1.1 COMPANY'S PERCEPTION AND CONTOUR

1.1.1 Organizational Overview

Green Delta at a Glance

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 and its operation started on 1st January 1986, with a paid up capital of BDT 30.00 million. Now, Green Delta Insurance Company Ltd. is amassed more than BDT 807 million with a credit rating of AAA and ST1 as the first Insurance Company in Bangladesh. Green Delta is also the 1st Insurance Company in Bangladesh to have equity partnership with International Finance Corporation (IFC) of World Bank Group. With a presence in the strategically important parts of the country, which includes 43 branches, Green Delta Insurance Company 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., Green Delta Securities Ltd., Professional Advancement Bangladesh Limited and GD Assist Limited are four of the direct subsidiaries. GDIC provides stock brokerage services through Green Delta Securities Ltd. (GDSL) and Investment Banking services through Green Delta Capital Ltd. (GDCL). Professional

Advancement Bangladesh Limited provides international standard professional trainings, in collaboration with CII, UK and GD Assist Limited is the One Stop Healthcare Solution provider providing value added services to the healthcare industry of Bangladesh.

Under the charismatic leadership of Mr. Nasir A Choudhury, Advisor and Ms. Farzanah Chowdhury, Managing Director and CEO, Green Delta Insurance Company Ltd. has ensured its presence in strategic areas across the country with a total of 44 branches. After a glorious journey of more than 3 decades in the Insurance sector, Green Delta Insurance Company Limited has now become a big family of visionary 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.

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. Green Delta Insurance is the first

“ For the pioneering contribution in the development of the insurance industry and for maintaining the standard of its service, GDIC has been recognized as one of the top 500 companies by the renowned Rating Agency, Dun Bradstreet Rating Agency of Bangladesh.

non-life Insurance Company from Bangladesh to introduce the retail insurance department. The department was created with the motto 'Insurance for Everyone'. The main products that the retail insurance department sells are Motor Insurance, Overseas Medclaim Insurance, Personal accident insurance, People's personal accident policy, Health Insurance, All risk insurance and Nibedita-Comprehensive Insurance scheme for women. There are few other projects under Retail and SME including Niramoy- micro insurance for rural people, Shudin- micro insurance for garments workers, Weather index based Crop Insurance and Probashi- Comprehensive Insurance Scheme for Migrant workers. Green Delta Insurance is also the first in Bangladesh to launch digital insurance for all its services including travel, fire, PPA (People's Personal Accident), health, Nibedita (comprehensive insurance for women), Probashi (insurance for migrant workers), all risk insurance etc. For one of our services, Nibedita, a comprehensive insurance scheme for women, our Managing Director and CEO, Farzanah Chowdhury, has been recognized by UNDP as the SDG pioneer in gender equality.

Apart from innovating different products targeted towards niche segments of the society and digitizing the insurance buying process, Green Delta Insurance is also the first in Bangladesh to launch Weather Index-based Agricultural Insurance with an aim to mitigate farmers' risk associated with uncertain weather changes. After a glorious journey of more than 3 decades in the Insurance sector, Green Delta Insurance Company Limited has now become a big family of visionary board members, 600+ committed staff, numerous valued clients from all walks of life 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.

Bangladesh Government has taken up a timely initiative to provide health insurance to the poor, who are living below the poverty line. 'Shashtha Suroksha Karmashuchi' (SSK) is a project of Health Economics Unit under Ministry of Health & Family Welfare. Green Delta Insurance is the scheme operator for the whole project. Green Delta is eyeing the scope of digital insurance and has initiated online payments services to make the payment methods easier and have built up a strong IT infrastructure to be aligned with government's recent approaches towards a more digitalized and greener future.

For the pioneering contribution in the development of the insurance industry and for maintaining the standard of its service, the company has been recognized as one of the top 500 companies by the renowned Rating Agency, Dun Bradstreet Rating Agency of Bangladesh. The company has also been awarded with many national and international awards like – "ICAB National Awards" for Best Published Accounts, ICMAB Best Corporate Award in Insurance category, ICSB Corporate Governance Excellence Award, "Winner" for the Best Presented Accounts Award in the category 'Insurance Sector' by the South Asian Federation of Accounts (SAFA), "International Quality Crown Award" by BID International in London, The BIZZ Award by World Business confederation of Business, USA for leadership, Excellence in management, Quality and Marketing, "The Diamond Eye Award For Quality & Excellence" by BID OTHER WAYS, The Platinum Technology Award for Quality & Best trade name by Association Other Ways in Berlin, International Star Award for Leadership in quality in the Gold, Platinum and Diamond categories, World Finance Award for Best Non-Life Insurance Company in Bangladesh, IFM Award for Best Non-Life Insurance Company Bangladesh, International ARC Award and many more. With the slogan "Marches with time" – during the last 3 decades – GDIC has been helping people in their time of need; pulling out all the steps when needed, and has been proud to be a partner in progress.



1.1.2 Business Philosophy

MISSION

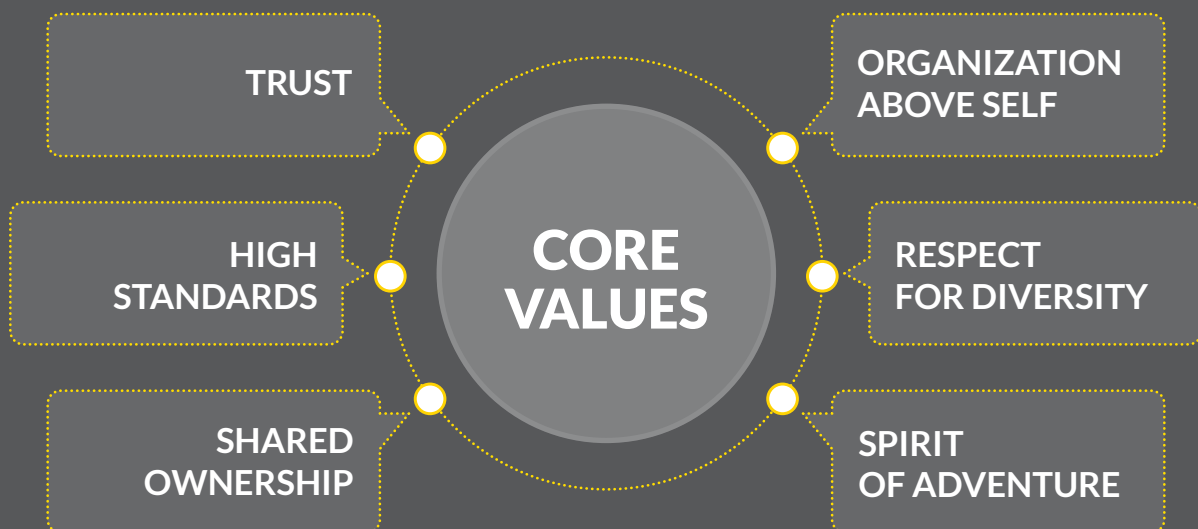
We will always endeavor to provide our customer with innovative products and service that best respond to their needs. Building trust and fostering strong relationships are the essence of who we are with an aim to cover insurance for everyone.



VISION

To maximize shareholders value through customer's complete Satisfaction and employee's commitment to excellence.

CORE VALUES



CODE OF CONDUCT

Our Code of Conduct is based on our values and our purpose is to ensure that all employees, managers and executives within Green Delta Insurance Company Limited 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. We are committed to conduct our business in an ethical, legal and responsible manner. Recognized standards as the Universal Declaration of Human Rights (UDHR) and the International Labor Organization (ILO) conventions were used as references in preparing the Code and include:

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 defined 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 himself 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, fire 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.

1.1.3 Strategic Priorities

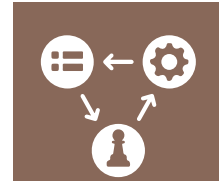
STRATEGIC PRIORITIES



Our Business Objectives



Our Business at a Glance



Strategic Alignment with our Business Objectives

OUR BUSINESS OBJECTIVES

Our primary – and priority – business objective is to deliver the full value of insurance to our customers. We achieve this in a number of ways:

- Designing the right portfolio of products that align with their stated – as well as unstated – needs, desires and budgets
 - *Universe of 52 general insurance products*
- Pricing our products right that meet the accessibility and affordability criteria of our customers
 - *Monthly premium ranging from BDT 300 million - 350 million*
- Ensuring the wide-scale access to our products through both offline as well as online routes
 - *153,449 POS (point-of-sales) spread across the country, supplemented by a sizeable agent base*
- Staying true to the ethos of insurance by standing shoulder-to-shoulder with our customers in their ‘moment of truth’
 - *Customer base of over 91,114*
- Developing innovative products and solutions that further our intention of providing a formal insurance cover to a larger and wider cross-section of the population
 - *Brought to market 2 new regulatory-approved products over the past three years*
- Attracting diverse and meritorious talent that help us extend the frontiers of our business, anchored on the spirit of innovation, enthusiasm and energy

- *Revenues (consolidated) grew at a 22% pace (CAGR) over the last three years*

Our Purpose:

As a Bangladeshi company with strong nationalistic interests, we focus on realising our vision of providing ‘Insurance for All’ and ‘Affordability, Availability and Accessibility’ comprise the key pillars of our business objectives.

OUR BUSINESS AT A GLANCE

With expertise developed over several years, Green Delta Insurance is a significant specialist in the insurance industry. Our vision continues to remain anchored on enabling our customers to face future challenges with confidence and capitalise on opportunities with conviction in a fast-changing world.

General insurance leader

We responsibly price and underwrite risk and have emerged as Bangladesh’s largest general insurance company, managing a vast retail and corporate insurance client base.

- *11.50% (app.) market share (as on 31 December 2018)*
0.66 million policies sold in the last five years

Long-term vision

We know that when we underwrite a policy, we are entrusted with public good. Considering the deep and wide potential of the insurance market in Bangladesh, we take a long-term view of the business.

- *32 years of business experience*
Best practices in insurance management

Innovation at our core

We consider innovation to be at the heart of our business model. Our focus on innovation is centered on products and on accessibility and distribution. Through this way, we extend the reach of insurance to the widest corners of the country.

- *Launched two specific variants under Nibedita (Eco and Plus) in 2018*
Enabled online access to our motor, health and PPI insurance product range

Financial strength

Our strong financial capabilities enable us to maintain liquidity at all times, while also ensuring that we earn steady and virtually risk-free returns from surplus funds.

- *Consistent financial results*
Net profit growth of 3% in 2018 vs 2017

Tech investments

As a company that believes in technology driving growth in insurance penetration and enhancing customer experience, we have continued to engage in sustained technological

investments. These investments represent the backbone of our operations and help drive a stronger competitive edge.

- *Strong tech advocacy company-wide*
Strategic technological spends

Value creation

As the general insurance leader in the country, we feel we are best-placed to take the industry forward with respect to innovation and customer service. This we know is the best way to ensure extended value generation for our customers, our employees and our distribution partners.

- *Sustained market cap. increase over the years*
BDT 524.49 million dividend distributed over 2016-2018

Operating highlights

- The year 2018 was one that demonstrated operational resilience and our strong capital base demonstrates that we remain in robust financial shape with a secure position.
- The company paid-out BDT 1,119.62 million of gross claims in 2018 and has been more than able to meet these substantial commitments without any significant impact on its total resources.

STRATEGIC ALIGNMENT WITH OUR BUSINESS OBJECTIVES

We have always believed that our industry enjoys tremendous prospects and our business is well-poised to capitalise on the outlook of the sector, considering significant insurance under-penetration on the one hand and insignificant per capita insurance spends on the other.

We anticipate some long-term trends that will spell out opportunity for us. The broad trend that we foresee over the long-range is that the world will continue to remain unpredictable, uncertain and risk-prone and much of citizen-community response will revolve around this broad leaning.

Impact grouping	Vulnerable/target segments	Impact quantification
Health and well-being Growing burden of diseases and rising health care costs pushing people into poverty every day	Geriatric and general population	13 million People die every year before the age of 70 because of lifestyle diseases, especially in low- and middle-income countries (World Health Organisation Stats)
Climate-related impact Changing climatic conditions with respect to extreme weather events	Farmers and agriculturalists, businesses and large-scale populations	USD 330 billion Economic losses caused by global natural disasters in 2018 (Source: Munich Re)

Shifting economic centre

Emerging markets, as opposed to developed markets, are expected to contribute the maximum to global growth and also have a larger share of global savings and asset pool

Marginalised populations, especially those living at the bottom of the economic pyramid in emerging markets

47 per cent

Estimated global insurance premium share of growth from emerging markets by 2025 (Source: Munich Re)

Faster networks

Significant part of the national telecom play is anchored on the introduction of faster networks (4G) that will give shape to the digital economy

Urban population, including the youth

USD 1 billion

Investments by telecom players in Bangladesh on 4G networks

A more connected world

The fast-paced rise of connected devices and the growing presence of social networks elevate privacy risks as well as cyber security threats

General population, especially the youth

USD 6 trillion

Estimated global cost of cybersecurity breaches by 2021 (Source: EY Global Information Security Survey 2017-2018)

Growing power of communities

One of the impacts of social networks is that it has created influential groups of 'communities' based on ideologies and mutual interests – such communities can have a significant positive/negative impact on brand value

General population

1.4 billion

Daily active Facebook users (average) (Source: Stats from facebook.com, December 2017)



1.1.4 Value Creation process



OUR VALUE CREATION PURPOSE

History is replete with instances of how humans have achieved progress through exploration. By its inherent definition, exploration comes with risk-taking. Even today, from small expeditions to large ones, risk-taking is an inherent and integral part of human progress. Though risk is omnipresent, if risk is properly quantified, prudently managed and pragmatically mitigated, it can help extend the frontiers of human advancement and evolution.

In the context of risk-taking, insurance is a substantive component. It enables the transference of risk, providing individuals and organisations with the confidence and conviction to embrace endeavours in an unfettered way.

At Green Delta Insurance, by offering affordable, need-based and simply-worded insurance products and platforms, our customers are able to grow their business, secure in the understanding that they will be protected from uncertainties. Hence, insurance is vital to progress and at Green Delta Insurance, we are proud to humbly play our part in facilitating human evolution.

As a specialist in enabling risk-mitigation through insurance, our business facilitates policyholders, including individuals and companies, to take risks with the confidence that their insurance policies provide solid financial backing. Furthermore, our business model has been geared to deal with claims transparently and without delay. This has been the hallmark of our success and a visible differentiator that allows us to thwart competitive pressures and create our own niche in a crowded market.

Importantly, our committed people serve to protect and promote the interests of our policyholders and provide valued services to market participants, which enable us to create consistent long-term value for our share owners.

OUR CAPITALS THAT ENABLE VALUE CREATION

At Green Delta Insurance, we leverage a range of capital inputs to transform and direct these towards the creation of innovative long-term assets.

- For our customers, these assets comprise the timely and transparent settlement of claims and the peace-of-mind of a formal insurance cover that enables them to take risk
- For our employees, these assets comprise monetary and non-monetary compensation and benefits
- For our shareholders, these assets comprise value in the form of dividends
- For our distribution partners, these assets comprise a solid source of steady income
- For our Government, these assets comprise our exchequer contribution in the form of taxes, etc., resources that can be used for public welfare

In effect, we generate dependable long-term value for the various constituents of our ecosystem, while contributing to a strong economy and sustainable growth and development.

Our six capitals and commitment to the United Nation’s Sustainable Development Goals (SDGs)



FINANCIAL CAPITAL
Funds available to us



MANUFACTURED CAPITAL
Our infrastructure and other such assets



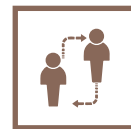
HUMAN CAPITAL
Our people



INTELLECTUAL CAPITAL
Our expertise, knowhow and systems and processes



NATURAL CAPITAL
Natural resources that we use responsibly



SOCIAL AND RELATIONSHIP CAPITAL
Our partnerships and networks

At Green Delta Insurance, we uniquely integrate the interplay of our various capitals that enable us to generate consistent value. Furthermore, we also align our business objectives to the United Nation’s Sustainable Development Goals (SDGs), which we believe are also valuable capitals that allow us to align our business to solve some of the most pressing challenges facing our world today.

Though we embrace the spirit of working towards all the 17 goals, we have chosen six of the 17 SDGs after considering where we believe we contribute the most. In doing so, we have considered our investment decisions, business partnerships, responsibilities towards the broader society, role as an employer and relationships with stakeholders, policymakers and influencers in expanding upon the scope of our contribution to these goals.

Green Delta Insurance subscribes to the United Nation’s Sustainable Development Goals (SDGs)



4 QUALITY EDUCATION

**GOAL 4: QUALITY EDUCATION**

We strongly believe that education and skill is the key to sustainable livelihood creation and is also the basis of human progress. At our Group, under PABL, we offer professional-level insurance courses that enable students to pursue a career in the global insurance industry, while also enabling the sector to have a pipeline of professional talent. Within our organisation, we passionately focus on training and skill development and achieve this by exposing our people for training in Bangladesh and abroad, while also inviting external experts to deliver training to our staff.

9,341

Students graduated from PABL

5 GENDER EQUALITY

**GOAL 5: ACHIEVE GENDER EQUALITY**

We achieve gender equality through the development of insurance products that fulfill the needs of our women customers. Nibedita is a vivid example of how we have been able to create a robust insurance platform exclusively for our women customers. Furthermore, we encourage diversity and almost [] per cent of our workforce today comprises women. .

45,000

Insurance products under Nibedita

8 DECENT WORK AND ECONOMIC GROWTH

**GOAL 8: DECENT WORK AND ECONOMIC GROWTH**

We promote sustained, inclusive and sustainable economic growth through providing productive employment and decent work for all. Operating in a resource-intensive business, we believe in offering meaningful employment opportunities for all.

69

New recruits in 2018

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

**GOAL 9: INDUSTRY, INNOVATION AND INFRASTRUCTURE**

We build resilience in the industry and society through promoting the benefits of formal insurance. In doing so, we promote sustainable industrialisation. With innovation at the heart of our business model, we aim to develop insurance products and services that enhance customer affordability and accessibility.

91,114

Our customer base

10 REDUCED INEQUALITIES

**GOAL 10: REDUCED INEQUALITIES**

Insurance provides us with the unparalleled opportunity to reduce inequality. Designing customised insurance products enables us to meet the specific requirements of key customer segments, including our women customers. Furthermore, adherence to meritocracy within our organisation enables us to treat all our employees equally and fairly, which goes a long way in helping reduce workplace inequalities.

13 CLIMATE ACTION



GOAL 13: CLIMATE ACTION

We recognize the need to take urgent action to combat climate change and its impact. With economic losses caused by natural disasters estimated at a staggering USD 330 billion in 2018, we believe we have a role to play in promoting and advocating climate action. The development of agriculture, innovation of technology and provision of financial aid to the farmers can be ensured through Weather Index Based Agriculture Insurance to mitigate risks arising from different climate changes and natural disasters, which are faced by farmers and agri-businesses. From 2015, under this initiative, we have already brought around 10,000 farmers and around 5,200 acres under crop insurance across Bangladesh and we have settled claims to 2,200 farmers for unseasonal excess rainfall, cyclone signal and cold spell on different seasonal crops.

5,200

Acres under crop insurance

OUR BUSINESS MODEL

At Green Delta Insurance, our business model is anchored on a world-class insurance management platform. Our operating model is resilient and reliable and leverages the various capitals that enable us to meet the expectations of our immediate ecosystem constituents, as well as the wider world through our alignment with the SDGs.

Our business model value chain



Our business model value chain

The external environment

We identify issues in our external environment that we must be responsive to in order to create value. These fall into four broad categories:

- Insurance under-penetration
- Increasing competition
- Pressure on pricing
- Regulatory changes

As a company that is dynamic and highly responsive to changes in the external environment, we embrace prudent and well-thought out initiatives to counterbalance the effects of the external environment. Our focus on product innovation and customisation, our well-entrenched distribution network and our growing emphasis on aggregating and making available all our products and services (Group-wide) under one-roof in our flagship branches helps us maintain our lead in a crowded general insurance marketplace. Maintaining our governance and accountability stewardship, we embrace regulatory changes in both letter and spirit and also engage in responsible industry advocacy.

Our inputs

We use a range of capital inputs to create value - starting with financial and intellectual inputs, and strategic and sustained efforts that are together driven by our collaborative and partnerships-based approach. Our team of talented and professional employees work with key stakeholders to optimise our outputs and outcomes. Furthermore, as a key input driving organisational growth,

we leverage the multi-decade experience and insights of our Founder and core promoter groups that help us navigate the business through periods of uncertainty and complexity.

The value creation process

We draw on our unique heritage and engage in the continual reinforcement of our insurance management platform, anchored on the rich legacy of our institution. Our partnerships, our collaborative culture and our central value of putting customers' interests first in everything we do helps us utilise, direct and transform these inputs to create value for all those who are directly and indirectly associated with us.

Our outputs

The capitals are transformed and directed to innovative products with a particular emphasis on ensuring that our products are made available to the largest cross-section of the masses with respect to both accessibility and affordability. We also advice and support our customers to more closely align with their needs and requirements, while also building out the foundations of long-term associations.

Our outcomes

We provide long-term returns to our shareholders, while contributing to the sustainable development of the insurance industry and a strong economy. Our products are designed to maximise access, which in turn enables economic activity and supports employment generation. As a significant outcome of the strength of our brand, we are able to attract, retain and engage talented people, while continuing to transform our internal systems and governance mechanisms.



1.1.5 Corporate Erection and Facts



REGISTERED OFFICE

Green Delta Insurance Company Ltd.
Green Delta AIMS Tower (6th floor),
51-52 Mohakhali C/A, Dhaka 1212, Bangladesh.
Phone: 9851170 (PABX), 9851902, Fax: 9851124

CORPORATE WEBSITE

www.green-delta.com

EMAIL

info@green-delta.com

NATURE OF BUSINESS

All kinds of non-life insurance business

SUBSIDIARIES

Green Delta Securities Ltd.

Green Delta AIMS Tower (2nd floor),
51-52 Mohakhali C/A, Dhaka

Green Delta Capital Ltd.

Green Delta AIMS Tower (3rd floor),
51-52 Mohakhali C/A, Dhaka

Professional Advancement Bangladesh Ltd.

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

GD Assist Ltd.

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

AUDITOR

A Qasem & Co.

Chartered Accountants
A member firm of Ernst & Young Global Limited
Gulshan Pink City, Suite # 01-03, Level: 7
Gulshan Avenue, Dhaka, Bangladesh
Tel: (88-02) 8881824-6; Fax: (88-02) 8881822

CORPORATE GOVERNANCE COMPLIANCE AUDITOR

Suraiya Parveen and Associates

Practicing Chartered Secretary
Razzak Plaza (5th Floor), Suite, 6C, 01,
New Eskaton Road, Ramna, Dhaka-1000
Phone: 48321398 (Off),
Mob: 01713110408, 01911421998
E-mail: musfquefcs@gmail.com,
info@suraiyaparveenandassociates.com
Web: www.suraiyaparveenandassociates.com

MEMBERSHIP LOCAL

- Bangladesh Insurance Association
- Bangladesh Association of Publicly Listed Companies (BAPLC)
- International Chamber of Commerce-Bangladesh
- Metropolitan Chamber of Commerce & Industry-Bangladesh (MCCI)
- Bangladesh German Chamber of Commerce & Industry (BGCCI)
- Bangladesh Malaysian Chamber of Commerce & Industry-Bangladesh (BMCCI)
- Bangladesh Employers Federation
- Dhaka Chamber of Commerce and Industry
- The Dhaka Chapter of Indus Entrepreneurs (TiE)
- Rotary Club of Dhaka North
- Privileged World Trade Solution Ltd.
- Dhaka Club Ltd.
- Gulshan Club Ltd.
- Junior Chamber Bangladesh
- The Federation of Chamber of Commerce and Industry
- Baridhara Cosmopolitan Club Ltd.
- Gulshan North Club Ltd.

FOREIGN

- United Nation(s) Global Compact
- Federation of Afro-Asia Insurer and Re-insurers (FAIR)
- Asia Insurance Review
- International Union of Aerospace ACE Insurer World Islamic Economic Forum (WIFE)
- Association of Insurers and Re-insurers of Development Congress (AIRDC)
- East Asian Insurance Congress (EAIC)
- Informa UK Ltd.
- Confederation of Asia-Pacific Chambers of Commerce and Industry (CACCI)

1.1.6 Product Portfolio of Green Delta

Putting the customer at the center of whatever we do remains a key priority. In this context, we covered significant ground in 2017 to develop new ways for our key products to be leaders in the areas of providing superior customer value, experience and outcome. As a future-facing organization, we continue to explore long-term growth opportunities, including solutions to improve insurance affordability and accessibility and products and services to commercialize our expertise in the identification and management of risk.

As a Company with a long standing reputation, we offer the broadest portfolio of insurance (non-life) products and solutions.

Core insurance products (Corporate / individual)

- Fire insurance
- Marine (Cargo+Hull) insurance
- Motor insurance
- Health insurance
- Personal accident insurance
- Burglary insurance
- Nibedita – comprehensive insurance policy for women
- Workmen's Compensation Insurance

Corporate

- Comprehensive risk management solutions
- Industrial all risk insurance, including machinery insurance and business interruption
- Property all risk insurance including business interruption
- Electronic equipment and computer insurance
- Professional indemnity insurance
- Comprehensive machinery insurance
- Comprehensive general liability (CGL)
- Product and public liability insurance
- Directors and officers liability (D&O)

Financial

- Money Insurance for Commercial Banks
- Cash-in-safe, cash-in-transit and cash-on-counter insurance

- Portfolio cover fraud
- Credit card travel insurance
- Bankers blanket/bond insurance
- Bank lockers insurance
- ATM booth insurance

Retail and SME (small and medium-enterprises)

- 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

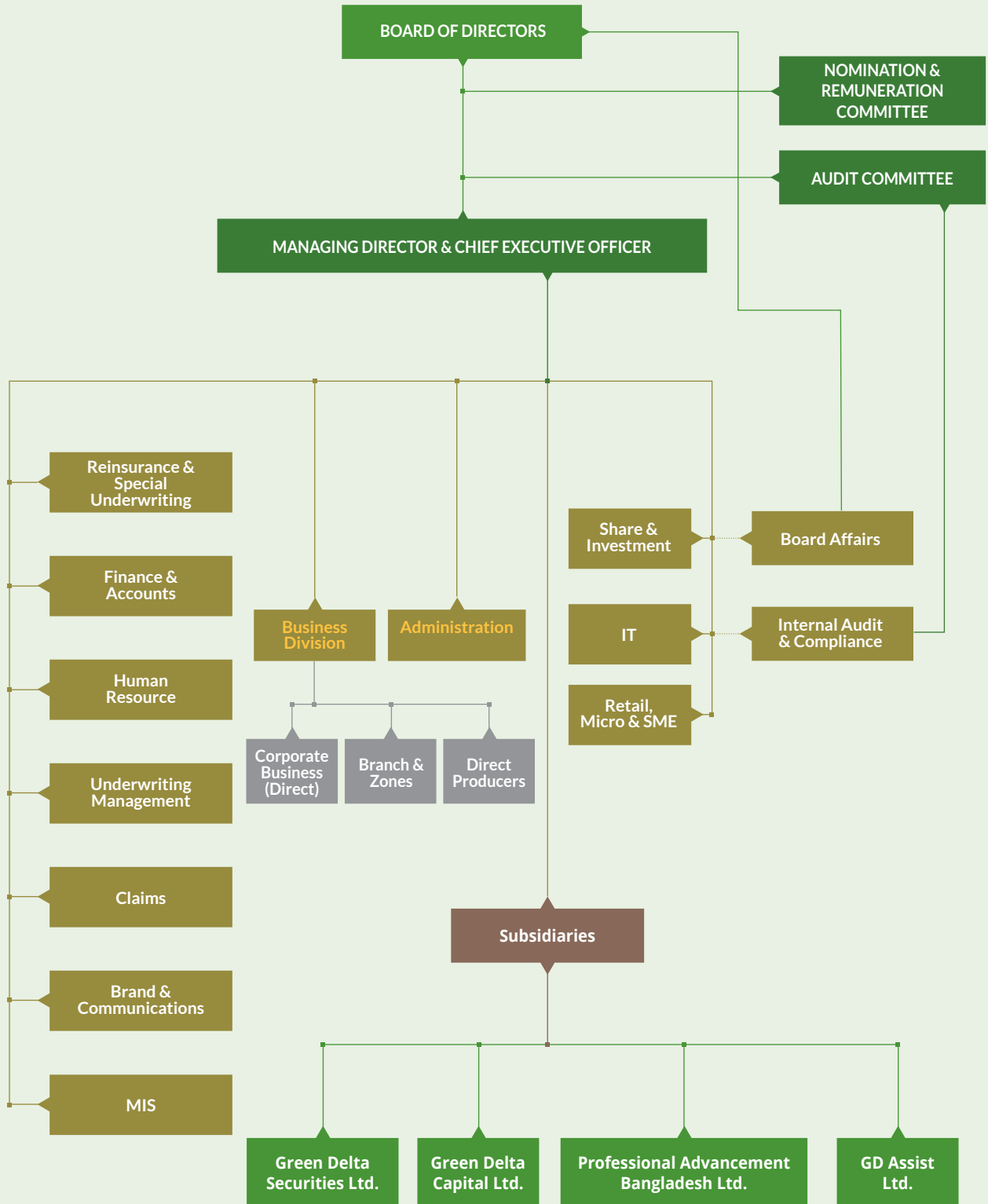
Specialized

- Aviation insurance
- High Valued Automobile insurance
- Miscellaneous insurance
- Engineering insurance (erection all risk, contractors all risk, deterioration of stock and boiler and pressure vessels insurance)
- Business interruption
- Crop insurance
- Nibedita – comprehensive insurance policy for women
- Weather index-based insurance
- Live-stocks Insurance

Investment and portfolio management services

- Underwriting
- Pre-IPO placement syndication
- Trusteeship

1.1.7 Corporate Organogram



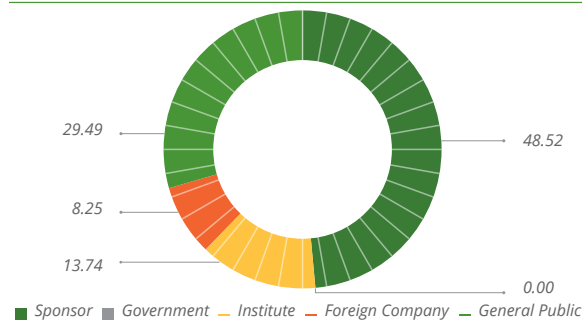
1.2 THE DOMAIN OF OUR BASIS

1.2.1 Pattern of Shareholding

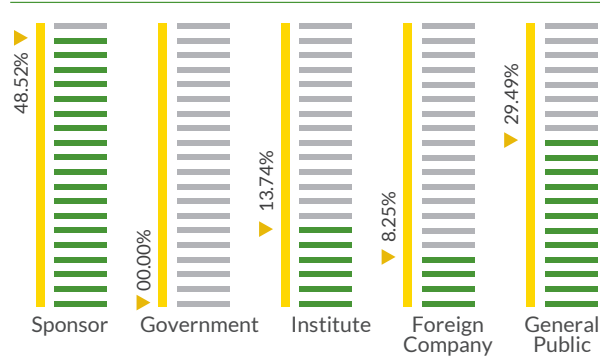
Shareholding position as on 31/12/2018

Group Name	Number of shareholders
Sponsor	41
Government	0
Institute	58
Foreign Company	2
General Public	3,204

Shareholding Position 31.12.2018



Percentage



1.2.2 Key Operating & Financial Highlights (5 years' Performance)

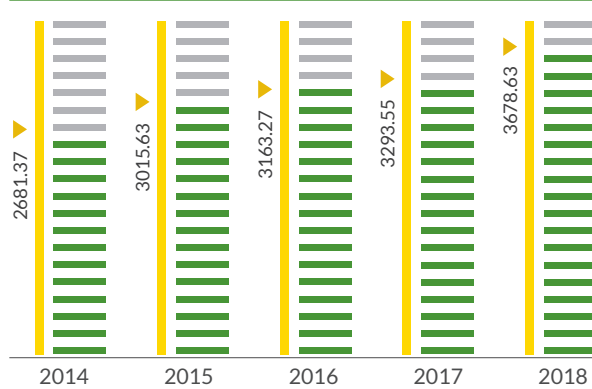
BDT in Million

Particulars/Year	2018	2017	2016	2015	2014
Gross Premium Income	3678.63	3293.55	3163.27	3015.63	2,681.37
Net Premium Income	1660.53	1524.35	1322.03	1254.47	1,222.27
Net Claims	470.93	371.15	334.48	301.49	346.61
Underwriting Profit	403.07	399.96	385.16	306.18	305.99
Investment Income	238.99	208.94	181.34	212.48	220.74
Profit before Tax	318.89	307.8	303.53	279.52	290.65
Profit after Tax	249.41	243.1	248.58	230.3	239.25
Paid up Capital	806.91	806.91	806.91	806.91	733.55
Share Holder's Equity	6282.76	6412.19	5643.42	5692.23	4,852.92
Total Liabilities	3882.65	3431.66	2944.82	1968.24	1,746.43
Total Reserves	5049.00	5203.88	4461.79	4497.15	3,684.88
Total Assets	10165.42	9843.85	8588.24	7660.46	6,599.35
Total Investment	3940.11	4210.11	3492.29	3279.29	2,391.63
Fixed Assets	2149.21	2179.87	2212.33	2236.99	2,084.34
Earnings per Share (EPS) Taka	3.09	3.01	3.08	2.85	3.26
P/E Ratio (Times)	21.03	20.38	16.13	18.82	22.73
Book Value per Share (NAVPS)	77.86	79.47	69.94	70.54	66.16
Market Value Per Share (Taka)	65.00	61.4	49.70	53.70	74.10
Required Solvency Margin	473.59	401.07	390.18	364.94	331.15
Available Solvency Margin	2589.57	3407.01	4001.00	3957.54	3560.39
% of Dividend Paid (Cash)	10%	20%	20%	25%	15%
% of Dividend Paid (Stock)	10%	-	-	-	10%

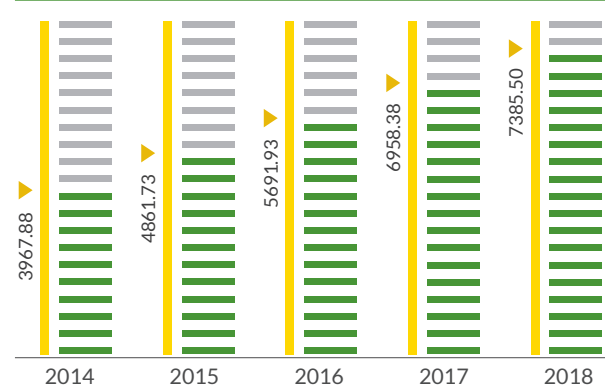
1.2.3 Performance Dashboard

BDT in Million

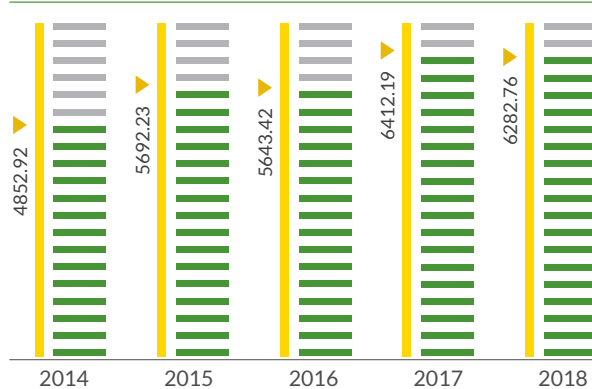
Gross Premium



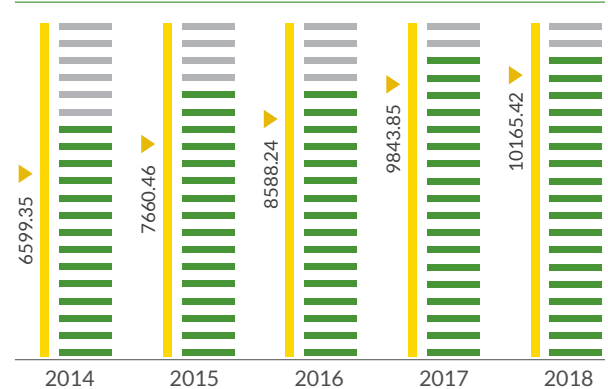
Current Assets



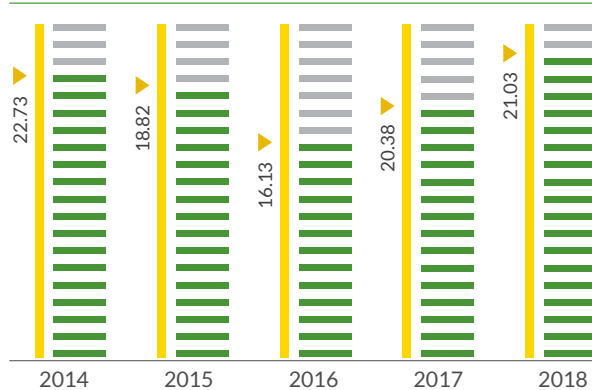
Net Assets



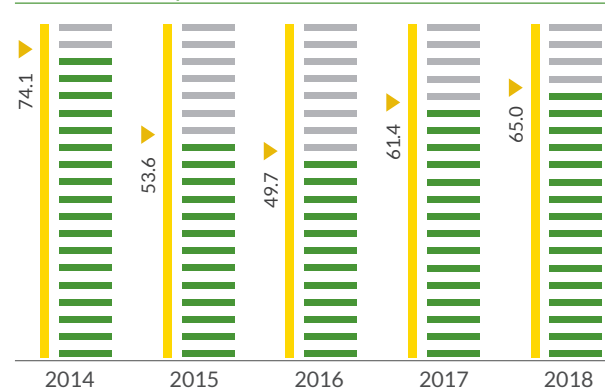
Total Assets



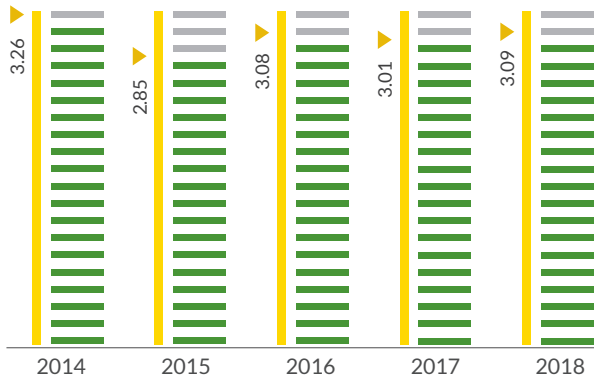
PE Ratio



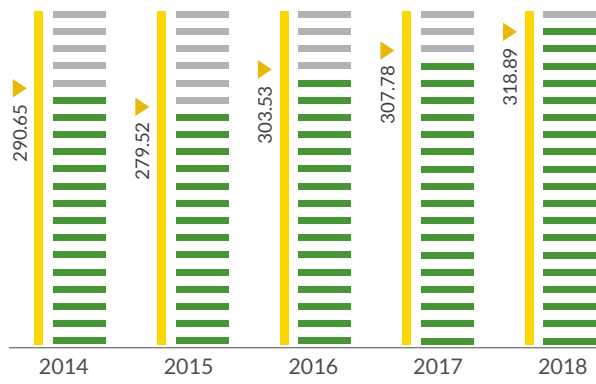
Market value per share



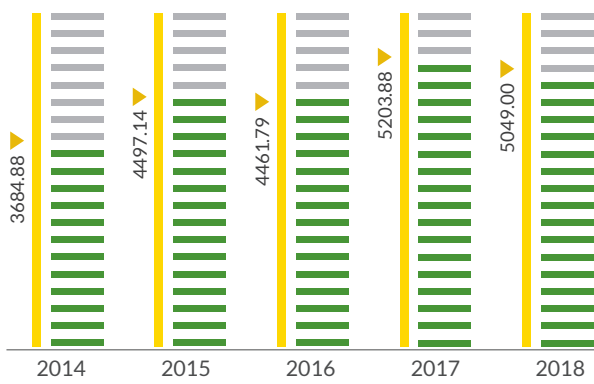
Earning Per Share



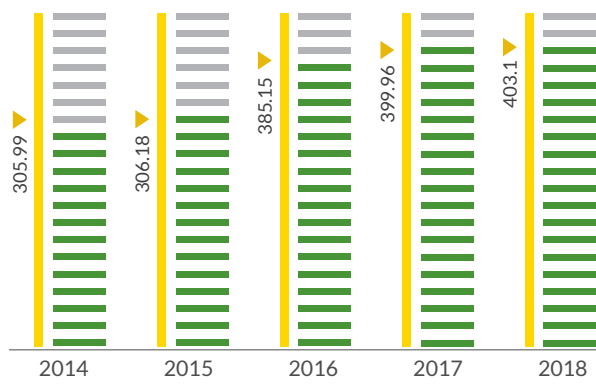
Profit before Tax



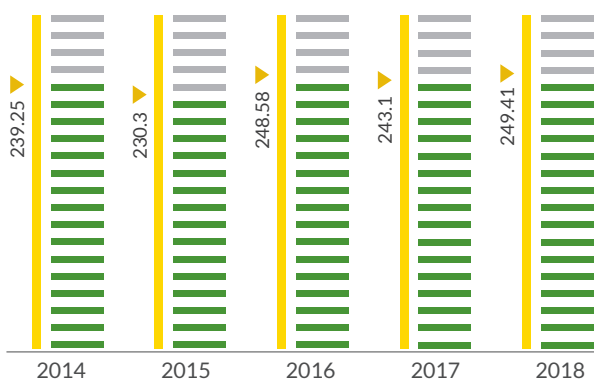
Total Reserve



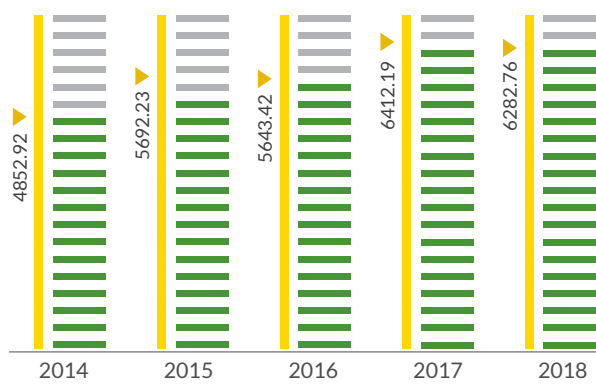
Underwriting Profit



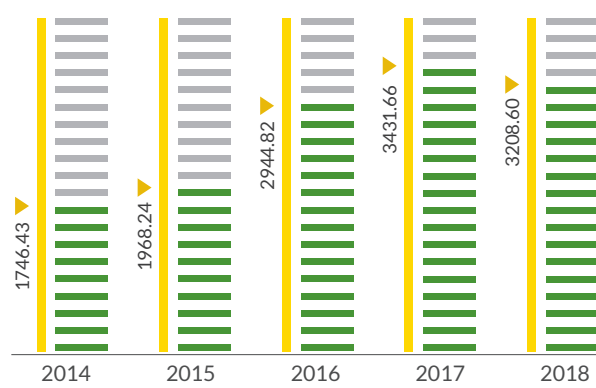
Profit after Tax



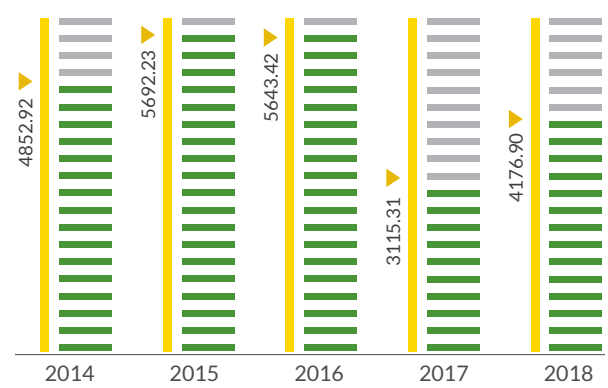
Share Holders Equity



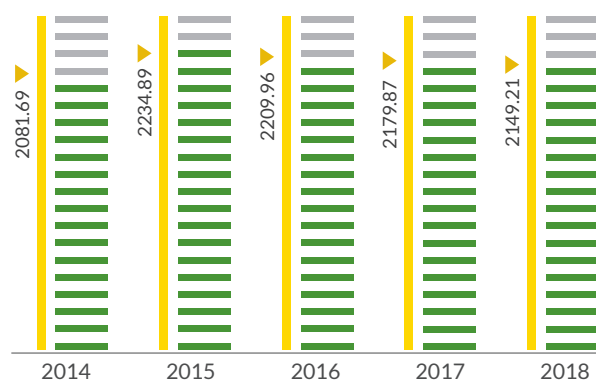
Current Liability



Net Current Assets



Property Plant & Equipment (Including Land)



1.2.4 Our National Footprint

01. **Green Delta Insurance Co. Ltd.**
Principal Branch
Green Delta Aims Tower (1st Floor)
51-52, Mohakhali C/A, Dhaka-1212
Tel: 9851163, Fax: 9851138
Mob: 01714094154
02. **Green Delta Insurance Co. Ltd.**
Gulshan Branch
Sheba House (Northern Side) 2nd Floor
House No.34, Road No.46,
Gulshan-2, Dhaka-1212
Tel: 9854257, Mob: 01847189684
03. **Green Delta Insurance Co. Ltd.**
Imamgonj Branch
77/3, Moulvibazar (2nd Floor), Lalbagh, Dhaka
Tel: 5-731-1681,
Mob: 01713379806, 01847043048
04. **Green Delta Insurance Co. Ltd.**
Elephant Road Branch
Pearson Tower (4th Floor)
299, Elephant Road, Dhaka
Tel: 58610892, Fax: 9669421
Mob: 01711075966, 01766684510
05. **Green Delta Insurance Co. Ltd.**
B.B. Avenue Branch
Green White Bhaban (4th Floor)
28, Bangabandhu Avenue, Dhaka
Tel: 7126095, Fax: 7122036
Mob: 01755627232, 01733718-305
06. **Green Delta Insurance Co. Ltd.**
Kawranbazar Branch
The Dhaka Trade Center (5th floor)
99, Kazi Nazrul Islam Avenue, Dhaka
Tel: 9124450, Mob: 01763796431
Fax: 8115210
07. **Green Delta Insurance Co. Ltd.**
Mohakhali Branch
Red Crescent Concord Tower (2nd floor)
17, Mohakhali C/A, Dhaka-1212
Tel: 8813634, Mob: 01711819481
Fax: 8828065
08. **Green Delta Insurance Co. Ltd.**
Narayangonj Branch
ECHO Tower (2nd Floor)
20/2, S.M. Maleh Road, Tanbazar, Narayangonj
Tel: 7633945, Mob: 01819195658
09. **Green Delta Insurance Co. Ltd.**
Dhaka EPZ Branch
Hasan Apartment Ganak Bari, Savar, Dhaka
Tel: 7788346, Fax: 7789198
Mob: 01714037860
10. **Green Delta Insurance Co. Ltd.**
Uttara Branch
Sophia Villa, House No. 38 (2nd floor)
Road No. Garib-E- Newaz Avenue
Sector No. 11, Uttara Model Town, Dhaka-1230
Tel: 8991229, Mob: 01928638113
11. **Green Delta Insurance Co. Ltd.**
Narsingdi Branch
Mijan Market (2nd floor), C & B Road,
Narsingdi Bazar, Narsingdi.
Tel: 9462014, Mob: 01709632942, 01712885700
12. **Green Delta Insurance Co. Ltd.**
Principal Branch
Makka Madina Trade Center (3rd Floor)
78, Agrabad C/A, Chittagong
Tel: (031) 716233, 723491, 723717
Mob: 01711721946
13. **Green Delta Insurance Co. Ltd.**
Khatungonj Branch
Khatungonj Trade Center (4th Floor)
Ramjoy Mohajan Lane, Khatungonj, Chittagong
Tel:(031) 622002, Mob: 01819317664,
Fax: (031) 622360
14. **Green Delta Insurance Co. Ltd.**
Regional Office
Madhuban Super Market (3rd Floor)
Bandar Bazar, Sylhet
Tel: (0821) 714255, Mob: 01711356447
15. **Green Delta Insurance Co. Ltd.**
Moulvibazar Branch
Lake View Building,
36, Sreemongal Road, Moulvibazar
Mob: 01716441222
16. **Green Delta Insurance Co. Ltd.**
Habiganj Branch
Sultania Library (1st Floor)
Cinema Hall Road Point, Habiganj
Mob: 01711861135

17. **Green Delta Insurance Co. Ltd.**
Barisal Branch
58, Munnu Super Market, Katpatty Road, Barisal
Tel: (0431)63367, Mob:01714094320
18. **Green Delta Insurance Co. Ltd.**
Pirojpur Branch
Post Office Road, Pirojpur
Tel: (0461)62837, Mob:01711819482
19. **Green Delta Insurance Co. Ltd.**
Faridpur Branch
Bari Plaza Shopping Complex (4th Floor),
91, Thana Road, Faridpur
Tel: (0631)64313, Mob:01927385634
20. **Green Delta Insurance Co. Ltd.**
Jessore Branch
17, Netaji Subash Chandra Road, Gari Khana, Jessore
Tel: (0421)68737, Mob: 01711819470
21. **Green Delta Insurance Co. Ltd.**
Noapara Branch
Yeasin Plaza (2nd Floor), Noapara, Jessore
Mob: 01714094152
22. **Green Delta Insurance Co. Ltd.**
Khulna Branch
1, P.C. Road Road, Khulna
Tel: (041) 720063, Mob : 01777755158
23. **Green Delta Insurance Co. Ltd.**
Kushtia Branch
Lovely Tower (7th Floor), Room No.7F-4,
55/1, Sirauddowla Road, Kushtia
Tel: (071) 73108, Mob:01719572295
24. **Green Delta Insurance Co. Ltd.**
Madaripur Branch
Amin Super Market, Puranbazar, Madaripur
Mob: 01930958147, 01714094165
25. **Green Delta Insurance Co. Ltd.**
Bogra Branch
Hafiz Bhaban, Kabir Market
Boro Gola Road, Bogra
Tel: (051)66677, Mob: 01714094151
35. **Green Delta Insurance Co. Ltd.**
Chaumuhani Branch
Jaheda Tower (3rd Floor)
Feni Road, Chaumuhani, Noakhali
Tel: (0321) 51538, Mob: 01711819480
36. **Green Delta Insurance Co. Ltd.**
Mirpur Branch
Central Plaza (6th Floor), 231,
Sen Para Parbata, Mirpur Circle-10, Dhaka
Tel: 9009923, Mob: 01714094312,
Fax: 8031575
37. **Green Delta Insurance Co. Ltd.**
Dilkusha Branch
Hadi Mansion (6th Floor)
2, Dilkusha C/A, Dhaka-1000
Tel: 9578798, Fax :47118200,
Mob: 01713000070
38. **Green Delta Insurance Co. Ltd.**
Kakrail Branch
Rupayan Karim Tower (8th Floor)
Apartment No.8/A, 80,
V.I.P. Road, Kakrail, Dhaka
Tel: 49357210, Mob: 01711612045
Fax: 8332980
39. **Green Delta Insurance Co. Ltd.**
Syedpur Branch
Amin Plaza (2nd Floor)
Shaheed Doctor Zikrul Haque Road, Syedpur
Mob: 01723111300
40. **Green Delta Insurance Co. Ltd.**
Badda Branch
GA-131/2, Middle Badda (3rd Floor)
Pragati Sarani, Badda, Dhaka-1212
Mob: 01714094318
41. **Green Delta Insurance Co. Ltd.**
Dhanmondi Branch
KB Square (7th Floor), 736, Satmasjid Road
Dhanmondi R/A, Dhaka-1205
Tel: 9137174, Mob: 01914602149
43. **Green Delta Insurance Co. Ltd.**
RSM Branch, Nasurabad Branch
Avenue Centre (6th Floor)
787/A, CDA Avenue (GEC Circle)
East Nasirabad, Chattogram
Mob: 01819629088
42. **Green Delta Insurance Co. Ltd.**
RSM Gulshan-1 Branch
Giashuddin Tower (3rd Floor)
31, Gulshan Avenue, Gulshan-1, Dhaka-1212
Mob: 01847189749

1.2.5 Key Corporate Milestones





1.2.6 Awards & Recognition

Green Delta Insurance bags 1st prize under Gold Award in 5th ICSB National Award 2017



Green Delta Insurance Company Limited has been awarded with the prestigious ICSB Gold Award for corporate governance excellence in Insurance Companies category for 4 consecutive years including the year of 2017. The ceremony of 5th ICSB National Award 2017, hosted by Institute of Chartered Secretaries of Bangladesh (ICSB), was held on 10 November 2018 in Dhaka. Farzanah

Chowdhury, Chartered Insurer, Managing Director and CEO of Green Delta Insurance Company Ltd., received the certificate and trophy for the Gold Award from the chief guest of the event, Mr. Abul Maal A. Muhith MP, Honorable Minister for Finance, Govt. of People's Republic of Bangladesh.

Green Delta bags 1st prize in ICMAB Best Corporate Award 2017



Green Delta Insurance Company Limited has been awarded with the first prize of the prestigious ICMAB Best Corporate Award in Insurance category for the year of 2017. The awarding ceremony of SAFA International CFO Conference & ICMAB Best Corporate Award 2017, hosted by the Institute of Cost & Management Accountants of Bangladesh (ICMAB), was held on Saturday morning,

dated 8 December 2018, in Dhaka. Farzanah Chowdhury, Chartered Insurer, Managing Director and CEO of Green Delta Insurance Company Ltd., received the trophy for the first prize in Insurance category from the chief guest of the event, Mr. Abul Maal A. Muhith MP, Honorable Finance Minister, Govt. of People's Republic of Bangladesh.

Green Delta bags 1st prize in 18th ICAB National Awards



Green Delta Insurance has won the first prize in Insurance Category in the 18th ICAB National Awards once again for the best presented annual report of 2017. In addition, Green Delta Insurance also won the third prize in Corporate Governance Disclosures category. Ms.

Farzanah Chowdhury, Managing Director & CEO of Green Delta Insurance received the trophy of this prestigious award from the Chief Guest of the event, Honorable Finance Minister, Mr. Abul Maal Abdul Muhith MP, at the awarding ceremony held in Dhaka on December 24, 2018.

Green Delta bags award from SAFA



Green Delta Insurance Company is a proud winner of SAFA Award in Insurance category for its Annual Report 2017. South Asian Federation of Accountants (SAFA) is a forum of professional accountancy bodies, who are committed to positioning, maintaining and developing the accountancy

profession in SAARC countries. On behalf of Green Delta Insurance Company, its Financial Controller, Mr. Syed Aliul Ahabab, received the award at the awarding ceremony held at Pune, India on January 22, 2019.

Green Delta Insurance gets AAA rating 5th time on a row

Green Delta Insurance has been assigned credit rating of AAA (long term) and ST1 (short term) once again for the fifth consecutive year by the Credit Rating Agency of Bangladesh (CRAB). It's a matter of pride that Green Delta Insurance is the first and only company in insurance industry to achieve AAA rating 5 years in a row.



GDIC wins 3 awards for Annual Report 2017 in IADA 2018

International Annual Report Design Award (IADA) aims at recognizing the best in annual report design work with the ultimate goal of pushing the boundaries of annual report creativity to the utmost. In the IADA Awards 2018, Green Delta Insurance has secured three awards for its Annual Report of the year 2017, including: 1) Integrated Design, 2) Interior Design, and 3) Cover Design.



ARC award recognizes GDIC for its transparency and impressions

Green Delta Insurances received International ARC Awards in September 2018 for Best Presented Annual Report in Insurance Category for the year of 2017 once again. This prestige has marked Green Delta as the first Insurance Company from Bangladesh to receive this award for the 2nd consecutive year. As the first AAA credit rated Insurance Company from Bangladesh, Green Delta's achievement of International ARC Award has added further credibility in their claim to be the leading non-life insurer of the country.



Green Delta wins 3 awards in Bangladesh Best Employer Brand Awards 2018

Green Delta Insurance bagged 3 awards at the Bangladesh Best Employer Brand Awards 2018 organized by World HRD Congress in September 2018. The categories of the awards received by GDIC are: 1) CEO of the year, 2) Award for Excellence in Training, and 3) Promoting Health in the Workplace.



Green Delta wins 3 awards in Emerging Asia Insurance Awards 2018



Green Delta Insurance bags 3 awards at the Emerging Asia Insurance Awards 2018, organized by Indian Chamber of Commerce, held in May 2018 at Bangkok, Thailand. The categories of the awards received by the GDIC are: 1. Best General Insurance Company, 2. Best Customer Orientation

in General Insurance, 3. Best Service Provider in General Insurance. Additional Managing Director & Company Secretary of Green Delta Insurance, Mr. Syed Moinuddin Ahmed, received the awards on behalf of the organization.

Ms. Farzanah Chowdhury receives 'Woman of the Decade in Finance & Insurance' award from Women Economic Forum (WEF)



Ms. Farzanah Chowdhury, Chartered Insurer, Managing Director & CEO of Green Delta Insurance, received the prestigious WEF award on "Woman of the Decade in Finance & Insurance" in May 2018. She was awarded in a session titled 'In Conversation with Leaders of the Decade in Venture Capital, Investments & Development Finance' at the 'Annual International Women Economic Forum (WEF) 2018' in New Delhi.

Farzanah Chowdhury becomes as CII Goodwill Ambassador & EO Bangladesh President



Ms. Farzanah Chowdhury (Chartered Insurer), Managing Director & CEO of Green Delta Insurance has been selected as the prestigious CII Goodwill Ambassador in June 2018. CII – Chartered Insurance Institute (UK) has recognized Ms. Chowdhury along with few leading global insurance personalities as the Goodwill Ambassador. Later in July 2018, she has been announced as the EO Bangladesh President. Immediate Past President Mr. Hossain Khaled, Managing Director of Anwar Group, announced her as the new President of the EO Bangladesh Chapter for the year 2018-19. Ms. Chowdhury is also the EO Women Ambassador representing South Asia.

Farzanah Chowdhury receives Golden Pen Business Awards



Farzanah Chowdhury, Chartered Insurer, Managing Director & CEO of Green Delta Insurance, received the Golden Pen Business Award in July 2018, organized by Bangladesh Trade Catalogue. The Chief Guest of the event

was Honorable Finance Minister, Mr. Abul Maal Abdul Muhith MP and Special guest of the event was Honorable Cultural Affairs Minister, Mr. Asaduzzaman Noor MP.

1.2.7 Events and Highlights

Green Delta Insurance initiates 'Feeray Ashuk Chithi' campaign on February 21



Handwritten letter (chithi) is an almost lost element of our culture. It's very seldom nowadays that we encounter the postmen dressed in 'khaki' delivering letters in the yellow envelopes. We, at the Green Delta Insurance Company Limited, strongly believe in and cherish the heritage of our culture and traditions. We are proud to be from a nation that has gone far and beyond for earning the right to speak in own mother tongue, which has earned us the honor of the whole world observing the 21 February as International Mother Language Day. Thus, on the International Mother Language Day of 2018, we have attempted to remind everyone of this almost forgotten or lost element of our

culture, namely, handwritten letter or 'chithi'. We have sent handwritten letters to people at their homes and offices alike, through traditional postmen dressed in 'khaki', knocking at their doorsteps to deliver the letters. Our goal was to revive all those nostalgic feelings associated with receiving handwritten letters in yellow envelopes as well as to encourage people to write letters. People not only wrote us back, but also took pictures with the postmen dressed in khaki. The initiative was featured in different offline and online media and received widespread appreciation from different parts of society.

Farzanah Chowdhury speaks at Bangladesh Rising Conference in New York



Ms. Farzanah Chowdhury, Chartered Insurer ACII (UK), Managing Director & CEO of Green Delta Insurance, spoke at the prestigious Bangladesh Rising Conference at Harvard University on 'Women Leadership in Business'

held at May 12, 2018. State Minister for Energy, Power and Minerals, Mr. Nasrul Hamid MP, was present at the occasion along with other senior dignitaries from Bangladesh and abroad.

Green Delta Insurance settles claim of Jamuna Group



Green Delta Insurance, the leading non-life insurance company of the country, settled claim worth approx. 38 crore of Jamuna Group at the head office of Insurance Development & Regulatory Authority (IDRA) in July 2018. The claims were distributed among Jamuna Group owned companies Jamuna Spinning Mills Ltd. and Jamuna Denims Ltd. Managing Director and CEO of Green Delta Insurance, Ms. Farzanah Chowdhury, handed over the claim cheque to the General Manager (Business) of

Jamuna Group, Mr. A B M Shamsul Hasan. Chief Guest of the ceremony was Chairman of IDRA, Mr. Shafiqur Rahman Patwari and Special Guest was President of BIA, Mr. Sheikh Kabir. Member of IDRA, Mr. Borhan Uddin Ahmed, Advisor & Founding Managing Director of Green Delta Insurance, Mr. Nasir A. Choudhury, were also present among other high officials of IDRA, Green Delta Insurance and Jamuna Group.

IDRA & Green Delta jointly organizes 'Shobar Jonno Bima'



Insurance Development & Regulatory Authority (IDRA) organized an event titled: 'Shobar Jonno Bima' in collaboration with Green Delta Insurance in March 2018. IDRA employees donated their 1 day salary to bring 1000 Rickshaw pullers/Cleaners/Community Police under insurance coverage. In return of IDRA paying BDT 1000 premium, Green Delta Insurance issued the policy for 1000 rickshaw pullers/Cleaners/Community Police. This would cover the rickshaw pullers for 1 year and sum insured is BDT 1 lac. It was historic moment for Bangladesh

Insurance Industry as an initiative like this was never taken before. Chairman of IDRA, Mr. Shafiqur Rahman Patwary, was present as the Chief Guest, while Members of IDRA, Mr. Gokul Chand Das and Mr. Borhan Uddin Ahmed, were also present at the event. Managing Director & CEO of Green Delta Insurance, Ms. Farzanah Chowdhury, Advisor and Founding Managing Director, Mr. Nasir A. Choudhury, along with other high officials from both the organizations were also present.

Green Delta Insurance Launches Digital Insurance for the first time in Bangladesh



Green Delta Insurance has launched Digital Insurance for the first time in Bangladesh. The event took place at Dhaka club on 13th of September, 2018 and was followed by a press conference. The Chief Guest of the event was Chairman of Insurance Development & Regulatory Authority (IDRA) Mr. Shafiqur Rahman Patwary and Special guest was President of Bangladesh Insurance Association (BIA) Mr. Sheikh Kabir Hossain. Honorable Members and Executive Directors of IDRA were also present along with

officials from BIA. From Green Delta Insurance, Managing Director & CEO, Ms. Farzanah Chowdhury, Advisor & Founding Managing Director, Mr. Nasir A Choudhury and other high officials were present at the occasion. Currently the customers can buy motor insurance, travel insurance, nibedita and people's personal accident policy online by logging into www.green-delta.com. Gradually the other products will be brought under Digital Insurance platform as well.

Green Delta & Daily Star jointly organize Round Table Discussion on workforce challenge in insurance industry & its remedies



Green Delta Insurance and Daily Star jointly organized a Round Table Discussion on 'How to overcome the biggest workforce challenge in insurance industry through empowerment of professional development' partnering with Chartered Insurance Institute (UK) and Professional Advancement Bangladesh Limited. This round table discussion was held on March 28, 2018 at the Daily Star hall. The Chief Guest of the event was Honorable State Minister of Finance, Mr. M A Mannan MP and Special Guest of the event was Mr. Md. Shafiqur Rahman Patwari, Chairman of

Insurance Development and Regulatory Authority (IDRA). Managing Director and CEO of Green Delta Insurance, Ms. Farzanah Chowdhury, moderated the session and Founding Managing Director and Advisor of Green Delta Insurance, Mr. Nasir A. Choudhury, was also present. From Chartered Insurance Institute, Mr. Keith Richards, Managing Director was also present. The round table discussion was attended by dignitaries from IDRA, BIA, private and public insurance company MD and CEOs and high officials from Green Delta Insurance and other organizations.

Green Delta opens its First Flagship Branch in Chittagong



Green Delta launched its first ever flagship branch at Nasirabad in Chittagong, featuring services of three of its business units under one roof. The purpose of such flagship branch is to cater to multidisciplinary needs including general insurance, capital stock market and health tourism etc. It's the first ever model branch of Green Delta offering services in general insurance, stock market and health tourism through Green Delta Insurance, Green Delta Securities and GD Assist respectively in the same premises. The formal opening of the branch took place on 12th of October, 2018.

Advisor & Founding MD of GDIC, Mr. Nasir A. Choudhury and MD & CEO of GDIC, Ms. Farzanah Chowdhury inaugurated the new branch along with Mr. Syed Moinuddin Ahmed, AMD of GDIC & MD of GD Assist. Other senior officials from Green Delta Family were also present at the inauguration ceremony. It's worth mentioning that it's the second branch of GD Assist and the first outside of Dhaka. GD Assist is a subsidiary of Green Delta Insurance and provides all kinds of medical tourism services as well Travel concierge and Corporate Wellness programs. It's a one stop solution platform for patients seeking medical attention and willing to get their treatment done abroad. GD Assist has extensive alliances with world-class hospitals across India, Malaysia, Thailand and Singapore.

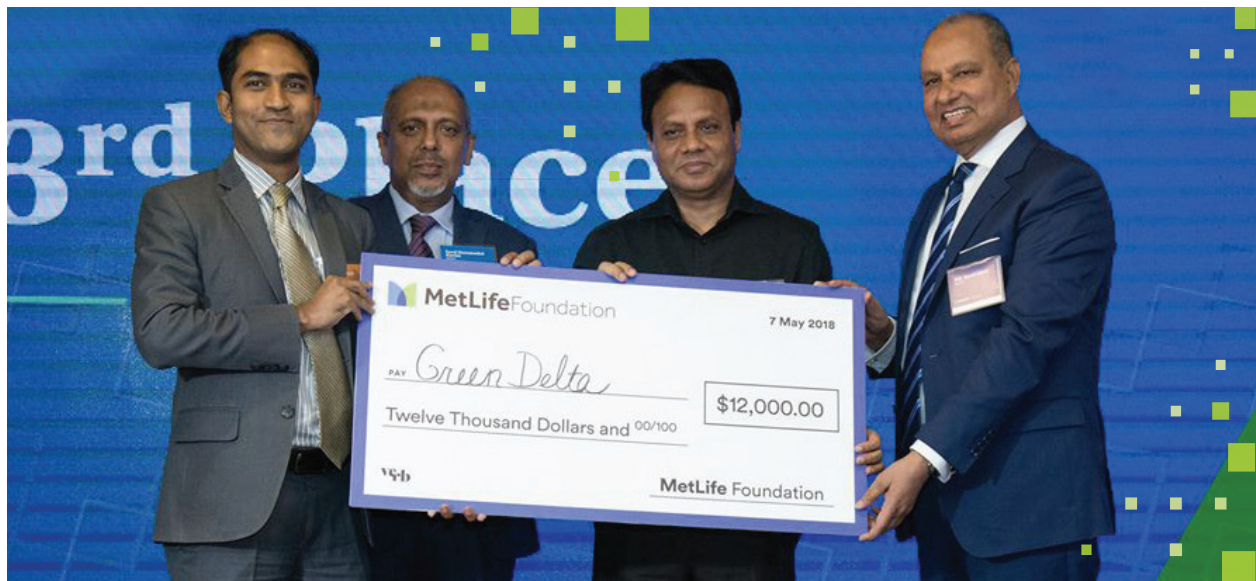
Green Delta Insurance and IFC launch Weather Index-based Agri-Insurance



On December 8, 2018, Green Delta Insurance and International Finance Corporation (IFC) jointly organized an event to discuss the role of agriculture insurance in mitigating farmers' risks associated with uncertain weather changes in Bangladesh. The highlight of the event was the official launch of the weather index-based agri-insurance, supported by Business Finance for Poor-Bangladesh (BFP-B) Challenge Fund & Agriculture Value Chain Project of USAID. The launch was followed by a presentation on the pilot project and a panel discussion with high officials and experts from renowned financial institutions and development organizations. The Honorable Finance Minister, Mr. Abul Maal A. Muhith MP graced the event as the Chief Guest. Other special

guests were Mr. Md. Ashadul Islam, Secretary of Financial Institutions Division, Ministry of Finance; Mr. Md. Shafiqur Rahman Patwari, Chairman of Insurance Development & Regulatory Authority and Mr. Vijaysekar Kalavakonda, Senior Financial Sector Specialist, World Bank Group. There were speeches by Ms. Farzanah Chowdhury, Managing Director and CEO of Green Delta Insurance and Wendy Warner, IFC Country Manager for Bangladesh, Bhutan and Nepal. Besides the representatives from Green Delta and IFC, participants from ministries, policy makers, foreign dignitaries, insurance industry, regulators and related stakeholders were also present at the event.

Green Delta Bags MetLife Foundation Inclusion Plus Award



Green Delta Insurance has won the 3rd Prize in the MetLife Foundation Inclusion Plus Award for their Weather Index Based Agri Insurance on May 7, 2018. The chief guest for the award program was Mr. K. M. Abdus Salam, Director General,

NGO Affairs Bureau, Prime Minister's Office. From January to May, 50+ projects were submitted and among them Green Delta's Weather Index Based Agri Insurance Project made it to the top 5 Finalists.

Green Delta Insurance Organizes Workshop on Anti-money Laundering & Branch Compliance in the General Insurance



Green Delta Insurance Company Limited conducted a day long workshop and training seminar on Anti-money Laundering and Branch Compliance in General Insurance on December 1, 2018. The daylong workshop was chaired by Ms. Farzanah Chowdhury (MD & CEO, Green Delta Insurance), Mr. Nasir A. Chowdhury (Advisor & Founding MD, Green Delta Insurance) and senior management officials of the organization. Mr. Gokul Chand Das, Member of Insurance Development & Regulatory Authority (IDRA), presided as the Chief Guest of the event,

while Mr. Debaprosad Debnath (GM & Operational Head, Bangladesh Financial Intelligence Unit, Bangladesh Bank) was present as Special Guest and Mr. Borhan Uddin Ahmed (Member, IDRA) was present as the Guest of Honor. The sessions were conducted by industry experts, among whom, Mr. Khalil Ahmed (Executive Director, IDRA) was present as a Guest Speaker. The event was attended by employees of Green Delta Insurance as well as industry experts from different financial institutions and banks.

Green Delta Insurance Holds 32nd Annual Business Conference



32nd Annual Business Conference of Green Delta Insurance Company Limited was held in April 2018 at the capital. Chairman of the company and the chief guest, Mr. Md. Abdul Karim delivered the inaugural speech for the conference. Managing Director and CEO of Green Delta Insurance, Ms. Farzanah Chowdhury, Chartered Insurer, ACII (UK), declared the target for the year 2018. Advisor of

the company Mr. Nasir A Chowdhury also gave his insights regarding the business status of the company. Consultant, Mr. A. S. A. Muiz and Senior Additional Managing Director, Mr. Golam Mustafa were also present in the dais. All the Management Committee members, Zonal Heads, Branch Managers, along with other senior officials participated in the conference.

Half Yearly Conference of Green Delta Insurance Held



Half Yearly Business Conference 2018 of Green Delta Insurance Company Limited was held on July 26, 2018 at the capital. Chairman of the company and the chief guest, Mr. Md Abdul Karim delivered the inaugural speech of the conference. Managing Director and CEO of Green Delta Insurance, Farzanah Chowdhury ACII (UK), spoke to the Branch Managers and Zonal heads and discussed regarding the upcoming strategies. Advisor of the company, Mr. Nasir

A Choudhury, also gave his insights regarding the business status of the company. Senior Consultant, A. S. A. Muiz, Senior Consultant, Golam Mustafa and Consultant Mr. A K H Iftekhar Ahmad were also present at the conference. All the Management Committee members, Zonal Heads, Branch Managers, along with other senior officials participated in the conference.

Farzanah Chowdhury speaks at Bangladesh Innovation Dialogue



Ms. Farzanah Chowdhury, Managing Director & CEO of Green Delta Insurance spoke at the Panel Discussion titled 'Innovation the Bangladesh Model' held at Bangladesh

Innovation Dialogue organized by Bangladesh Brand Forum held in Dhaka in October 2017.

Farzanah Chowdhury speaks at Bangladesh Digital Financial Inclusion Conference 2018



Farzanah Chowdhury, Chartered Insurer, Managing Director & CEO of Green Delta Insurance Co. Ltd., was invited to be a part of “Bangladesh Digital Financial Inclusion Conference 2018” as a Panel Speaker in the session titled

“Closing the gender gap in DFS: Innovations and solutions”, organized by United Nations Capital Development Fund (UNCDF) in November.

Farzanah Chowdhury Chairs as Special Guest in Insurtech event organized by Digital Finance Consultative Group Consultation



Ms. Farzanah Chowdhury, Chartered Insurer, MD & CEO of Green Delta Insurance was invited as the Special Guest by the Digital Finance Consultative Group Consultation

to share her knowledge on their event titled “Promoting Insurance For The Last Mile: Prospects of Insuretech in Bangladesh” held at Dhaka in December.

GDIC launched two new policy offerings of Nibedita

ECO	REGULAR	PLUS			
Starting from 40 Taka	Starting from 580 BDT	Starting from 10,470 BDT			
Minimum sum insured: 50,000 BDT Maximum: 2,00,000 BDT	Minimum sum insured: 1,00,000 BDT Maximum: 10,00,000 BDT	Minimum sum insured: 5,00,000 BDT Maximum: 10,00,000 BDT			
Age Duration: 14-75 years	Age Duration: 14-75 years	Age Duration: 14-75 years			
No	No	Yes			
Yes	Yes	Yes			
No	No	Yes			
Premium	Sum Insured	Age	Health Insurance	Trauma Allowance	Global Evacuation

Nibedita is a comprehensive insurance scheme for women designed with the need of women in mind. Green Delta Insurance has launched two new policy offerings of Nibedita in November 2018 with an objective to bring women from all social class under insurance coverage.

The default Nibedita policy is now referred to as Nibedita Regular consequent to the launch of the two new variants. The two newly offered policies are named Nibedita Eco and Nibedita Plus. A comparative synopsis of different Nibedita variants are shown below for better understanding.

Green Delta Insurance launches “Supreme Celebrity” Selfie Archive Initiative on Victory Day 2018

As a responsible corporate entity, Green Delta Insurance Company has been working for preserving the heritage and culture of Bangladesh for last few years. As a part of that effort, Green Delta Insurance has taken on a noble initiative titled “Supreme Celebrity” on the occasion of this victory day. Green Delta Insurance believes that the freedom fighters, whose courageous efforts and sacrifices have brought us our country and our freedom; aren't only our national heroes, but also the ‘Supreme Celebrities’ of our nation. A lot of such unsung national heroes are around us, who we don't know about or never heard of.

To find out these heroes of freedom around us, as well as to introduce them to us, the “Supreme Celebrity” initiative has been launched on 13 December 2018, aiming to make a digital selfie archive with the freedom fighters around us. This digital selfie archive with our Supreme Celebrities will later be submitted to Ministry of Liberation War Affairs. Green Delta Insurance encourages everyone to

participate in this noble initiative by sharing a selfie with a freedom fighter along with few necessary information including: 1) Name of the freedom fighter, 2) Sector fought in, and 3) Name of sector commander. Anyone could make submissions up to 23 December 2018, by messaging (inboxing) the selfie image with aforementioned necessary information to Green Delta Insurance's Official Facebook Page.



1.2.8 CSR Activities



Green Delta Insurance has always been very supportive an organization towards the deprived and struggling community of the society. At Green Delta Insurance, we earnestly believe that it's the responsibility of the privileged to help the deprived community of the society in order to help them get a better life. As reflection to that belief, Green Delta Insurance sponsored 40 kids studying at Jaago Foundation schools three years ago, who are now known as Green Delta Kids. Green Delta Insurance doesn't only provide for their education, but also for their school dress, stationeries, textbooks etc. Those 40 kids are now studying in class 1 and Green Delta will be sponsoring them up to their graduation (SSC).

We, at Green Delta Insurance, believe that sponsoring them is where our responsibility towards them just starts and it ends in ensuring their healthy mental upbringing and standard education. With that belief in mind, a group of Green Delta employees went to the Karail school of Jaago Foundation on December 4, 2018 to spend a day with the Green Delta Kids including Ms. Farzanah Chowdhury (MD & CEO), Mr. Nasir A. Chowdhury (Advisor & Founding MD) and the high officials of Green Delta family. On occasion of such grand visit, a festive atmosphere was arranged at the

school with balloons, mascots, bioscope, magician, candy-floss etc., all of which were thoroughly enjoyed by the kids.

The visit to Jaago's Karail school encompassed a special agenda besides spending the day with the kids, which was to celebrate the birthday of our beloved Advisor, Mr. Nasir A. Chowdhury, with the Green Delta kids. The Green Delta team was welcome by the GD kids along with the founder of Jaago Foundation, Mr. Korvi Rakshand. Following a tour of the school, the advisor has an interactive session with the kids. Not only the kids shared their dreams, they also had the opportunity to learn from the valuable life experience of Mr. Nasir A. Chowdhury. The program ended with a cake cutting and gift distribution among the Green Delta kids, followed by lunch. The Green Delta team had a wonderful day with the kids and the kids welcome them with warmth and love. At the end, Mr. Korvi thanked the Green Delta Insurance for the utmost support being provided to the kids, which sums up to BDT 10 lac yearly and concluded with the hope that Green Delta family would be paying regular visit to the kids to be part of their upbringing and growth.

1.2.9 Agreements Signed

Green Delta and Seba Signs MoU on Agriculture Insurance



Green Delta Insurance Company Ltd. (GDIC) and Seba Limited have signed a MoU on Weather Index Based Agriculture Insurance in February 2018. Under this MoU, GDIC would provide insurance coverage for the potato farmers of Seba in the Northern and Southern part of Bangladesh. Mr. Syed Moinuddin Ahmed, Additional

Managing Director & Company Secretary of GDIC and Mr. Kazi Borhan Amin Raj, Managing Director of Seba Limited signed the MoU on behalf of their respective organizations. Mr. Chris Steven, Director, Global Agribusiness of Kellogg Company were also present in the event.

Green Delta Insurance and Solargao Sign MoU on Agriculture Insurance



Green Delta Insurance Company Ltd. (GDIC) and Solargao Limited have signed a MoU on Weather Index Based Agriculture Insurance on August 3, 2018. Under this MoU, GDIC shall provide insurance coverage for the paddy farmers of Solargao in the Northern part of Bangladesh. Mr. Syed Moinuddin Ahmed, Additional Managing Director

& Company Secretary of GDIC and Sufi Iqbal Ahmed, Managing Director, Solargao signed the MoU on behalf of their respective organizations. High officials from both the organizations as well as Ms. Purna Saxena and Mr. Premasis Mukherjee from International Finance Corporation (IFC), World Bank were present at the ceremony.

Green Delta Insurance signs MoU with Dotlines



Green Delta Insurance Company Limited and Dotlines Bangladesh Limited have signed a MoU at Green Delta Insurance Head Office on November 08, 2018 with a shared objective to work together in the long run to serve a greater cause and bring about a prosperous future. Ms.

Farzanah Chowdhury, Managing Director and CEO of Green Delta Insurance and Hasan Mehedi, Director of Dotlines Bangladesh Ltd., signed the MoU on behalf of their respective organizations.

Green Delta Signs MoU with Bank Asia



Green Delta Insurance Company Limited and Bank Asia signed a MoU at the Green Delta Insurance head office on 22 November 2018, under the agreement Green Delta Insurance will cover the farmers' credit linked for agricultural production, who are associated with Bank Asia's Farmers Center. Ms. Farzanah Chowdhury, Chartered Insurer, Managing Director & CEO of Green

Delta Insurance and Md. Arfan Ali, President & Managing Director of Bank Asia signed the agreement on behalf of their respective organizations. High officials of both the organizations were also present at the signing ceremony. As a result of this agreement, Green Delta's Agricultural Insurance will directly cover the credit of marginal farmers associated with Bank Asia's Farmers Center from now on.

1.3 AT THE URGE OF OUR VICTORY

1.3.1 Our Torch Bearers (Directors)



Md. Abdul Karim
Independent Director & Chairman

Md. Abdul Karim, former Principal Secretary to the Government of Bangladesh, is the Managing Director of Palli Karma-Sahayak Foundation (PKSF). Earlier he served as the Secretary to the Government in the Ministries of Commerce, Fisheries and Livestock, Home Affairs, Communications (Bridges Division) and Finance (Internal Resources Division). He also served as the Economic/Commercial Counsellor of Bangladesh Embassy in Belgium. Mr. Karim was Chairman of the National Board of Revenue and Bangladesh Petroleum Corporation. He was Chairperson of a number of national level committees of various Ministries. Mr. Karim obtained M.Sc. degree from the University of Chittagong, Bangladesh and Master of Social Science degree in Development Administration from the University of Birmingham, UK. As the Secretary General of the South East Asian Cooperation (SEACO) Foundation, Mr. Karim is working at civil society level to promote trade and investment among five countries of the South and South East Asian region including Bangladesh. He is the President of Allama Rumi Society, Bangladesh. A Paul Harris Fellow (PHF) Rotarian, Mr. Karim contributes towards improvement of socio-economic condition of the disadvantaged people. Mr. Karim promotes sports and is the President of Bangladesh Deaf Sports Federation.

He is Past President of Bangladesh Scouts (Boy Scouts and Girl Guides) and obtained highest Scout award of Bangladesh. Mr. Karim has travelled to more than fifty countries. He has lectured at various Universities as guest speaker and authored books and articles on local government and other subjects. Mr. Karim is leading the Palli Karma-Sahayak Foundation (PKSF) to implement sustainable, holistic, people centred poverty alleviation and rural development programmes in Bangladesh.



Shamsun Nahar Begum Chowdhury
Vice Chairperson

By virtue of her exposure to several national and global seminars and symposiums, Mrs. Begum Chowdhury brings to the Board cutting-edge international practices that has not only resulted in the establishment of several innovative customer centric products but has also helped reinforce Company systems and protocols. An avid traveller, Mrs. Begum Chowdhury is also involved with multiple social and welfare organizations across Bangladesh.

Her stature as a renowned professional affords the Company to think out-of-the-box, innovate, and think different and unique. Capitalizing on her experience, Green Delta today has been able to offer a bouquet of products which not only fulfil and satisfy customer demands, but also exceed expectations.

With an emphasis on embracing the highest governance standards, Mrs. Begum Chowdhury has helped the organisation in the stewardship of transparency and timely disclosure. Also, as someone who believes in philanthropy and impact-driven social welfare, Mrs. Begum Chowdhury has provided valuable inputs in helping the Company set standards in its corporate responsibility, with the outcome that it is extensively engaged in bringing forward a transformative impact, especially among the base of the societal pyramid.



Khurshida Chowdhury

Director

Before joining the Board of Directors of GDIC, Mrs. Khurshida Chowdhury played important roles as the Director of Union Capital Ltd. and NASCOM (PVT) Ltd. With a rich and diverse corporate experience, she brings forth valuable insights to GDIC which has helped enhance the quality of the business. Mrs. Chowdhury has also played a vital role in initiating various social activities and has contributed to enhancing the life quality of several of her countrymen.

Her commitment to work and overcome challenges is exemplified in the Company's novel initiatives to bring more and more people into the folds of formal insurance. Her work ethics inspire others to work towards their goal and aspire to dream big, even so towards taking the Company to greater heights of excellence.



Dilruba Chowdhury

Director

Has obtained BA (Hons) International Business Degree with double major in Finance and French from Regents' University, University of London, United Kingdom in the year 2008. Currently she is serving the post of Director (Corporate Planning) and Head of Human Resource and Administration at East Coast Group of Companies. She is also the Managing Director of Parkesine Products Ltd. And a permanent Director of Tiger Tours Ltd. Apart from being a Director on the Board of Green Delta Insurance Co. Ltd., currently Ms. Dilruba Chowdhury is the Chairman of the Executive Committee.



Mr. Iqbal Khan (Jamal)
Director

Mr. Iqbal Khan (Jamal) is a prominent industrialist in Bangladesh. As a successful business entrepreneur, he has many achievements to his credit. His able leadership has become more vibrant in area of Textiles, Garments and Buying House in Bangladesh where JANN Group is an epitome of his continued success. Mr. Khan is now leading as Managing Director and CEO of JANN Group. Mr. Khan has brilliant in his academic career. He has obtained Diploma degree on International Marketing from Hague and Paris, resolved on making a start in the line of business in RMG sector and grew as an enormous company as follows JANN Composite Mills Ltd, JANN Apparels Ltd, Emon Fashion Ltd, Arshad Embroidery Ltd, Nafisa International Trading BD Ltd, Amstel Fashion BD Ltd, JANN Global Logistics Ltd, JANN Printing and Embroidery.

Mr. Khan was born in a respected Muslim family in Barisal Bangladesh. He is a member of German Chamber of Commerce, Malaysian Chamber of Commerce and Baridhara Cosmopolitan Club Ltd in Bangladesh.



A Q M Nurul Absar
Director

After graduating in Civil Engineering from BUET in the year 1964, he completed his post graduation in Hydraulic Engineering from DELFT University in The Hague, Netherlands. He served the Water and Power Development Authority - WAPDA, in Bangladesh for 10 years. His professional experience included designing and constructing hydraulic structures like regulators, pump station and sluice gates. Mr. Absar served in reservoir section under the Ministry of Electricity & Water, Kuwait, for 10 years where he was involved in the construction of water reservoirs. Mr. Absar is also the Director of Delta Medical College & Hospital and Delta Life Insurance Co. Ltd.



Kamran Idris Choudhury
Director

Was educated at the prestigious Rugby School in the UK and qualified in London as a Chartered Accountant in 1981. He is a fellow member (FCA) of the Institute of Chartered Accountants in England and Wales (ICAEW) and institute of Chartered Accountants of Bangladesh (ICAB). He worked for Touche Ross in London (currently Deloitte Touche Tohmatsu), prior to returning to Bangladesh in 1988 and joining A Qasem & Co, Chartered Accountants, the member firm of Ernst and Young International in Bangladesh. He was a partner in A Qasem & Co from 1992 up until December 2014 when he retired from the partnership. He is also an Independent Director of Delta Hospital Limited where he is Chairman of the Audit Committee. He has attended many national and international conferences including the Bangladesh Investment Summit Europe in 2013 and has traveled to various countries in Europe, North America and Asia on business. He is also involved with many social work and welfare organizations, both in the UK and Bangladesh. He has two sons who were educated at private boarding schools in the UK, where they both graduated. They are working in the International Hospitality and Investment Banking Sectors respectively, both currently being based in London.



Mesbah Dilwar Rahman
Director

Mr. Mesbah Dilwar Rahman completed his BSc (Hons) from the reputed Goldsmiths College, University of London, and serves as the Marketing Director at ELSATEX Ltd, a firm that is engaged in textile import and onward supply to Europe. Mr. Rahman possesses deep knowledge in international trade and cross-border transactions and hence brings international exposure to GDIC's Board. Having worked on-field for years, Mr. Rahman brings to the table valuable insights on market scenarios and international competitive products, thus enabling Green Delta to invest in global best practices and adopt strategies to be ahead of the curve at all times.



Marufa Anwar
Director

Mrs. Marufa Anwar completed her BA in 1994 and MA (Preliminary) subsequently in 1995. Mrs. Anwar's focus on simplicity and creativity in solving some of the challenges facing our country has helped developed several unique and beneficial product models. Well known in the social circuit, she is an important member of many social and welfare organizations across the country.

Her bottom-to-top approach towards conducting business and developing products in this spectrum, coupled with her ability to touch the lives of others, has enabled Green Delta to create insurance products for the marginalized, thus benefiting the many millions to avail of such facilities with ease.



Razia Rahman
Director

Mrs. Razia Rahman hails from a prominent Muslim family of Sylhet. She studied in Sylhet Government Girls High School and Sylhet Womens' College. Her father late Khan Saheb M.A. Latif Chowdhury was a civil servant in the Assam-Bengal region during the British and Pakistani periods. Mrs. Rahman has travelled extensively to the UK, the US, Saudi Arabia, India, Pakistan, Malaysia and Singapore. She is a well known social worker in Sylhet and has been working together with her husband Mr. M. Muhibur Rahman, who has been a business and social leader, for well over fifty five years. Mrs. Rahman's sensitivity as a social worker is well known, and through her, Green Delta is able to understand customer needs better, and therefore effectively reach out to them, through the creation of products which satisfy consumer needs as also stay relevant in the markets.



Faisal Ahmed Choudhury
Independent Director

Faisal Ahmed Choudhury completed his Masters in Political Science from the University of Dhaka in 1966. Thereafter, he went through a foundation training course in financial services in Lahore in 1970-71, after which he was trained with German customs in 1978 and completed an academic course on international taxation from Harvard University in 1983-84. Earlier, he served as an Officer at United Bank in 1967-69 and also as a Lecturer in Political Science in Dhaka College in 1969-70. Mr. Choudhury is an experienced bureaucrat with 35 years of experience in various ministries/public departments, including water resources, shipping, finance, export promotion, customs, excise and VAT, etc. His various career engagements include, Secretary in the Ministry of Water Resources, 2001-03; Secretary in the Ministry of Shipping, 2000-01; Additional Secretary E.R.D in the Ministry of Finance, 1998-99; Managing Director, Bangladesh Shilpa Rin Sangstha, 1998-99; Vice Chairman, Export Promotion Bureau, Ministry of Commerce, 1996-98; Commissioner, Custom House, Dhaka, 1993-96. Joint Secretary, Finance Division, Ministry of Finance, 1992-93; Director General, Duty Exemption of Drawback Office, N.B.R, 1990-92. Commissioner, Customs, Excise & VAT Commissionerate, Dhaka and in N.B.R, 1987-90; Assistant/Deputy Commissioner, Customs & Excise, Second Secretary and First Secretary, N.B.R, 1973-87. Other principal appointments: Mr. Choudhury also served as a government appointed Director on the Boards of several prestigious institutions spanning two decades. These include Bangladesh Gas Field Ltd, Agrani Bank Ltd, Shilpa Bank Ltd, Bangladesh Shilpa Rin Sangstha, IFIC Bank Ltd and Investment Corporation of Bangladesh. Mr. Choudhury served as an Independent Director on the Board of Golden Harvest Agro Industries Ltd for a period of six years ending December 2018.



Mr. Abul Hasan Chowdhury
Independent Director

Mr. Abul Hasan Chowdhury was born in Dhaka on April 15, 1951. His father Mr. Justice Abu Sayeed Chowdhury was President of Bangladesh after independence. Mr. Abul Hasan Chowdhury, popularly known as Kaiser, matriculated from St. Gregory's High School in 1968 and obtained M.A. from Oxford University in 1976. He was elected for the first time in the Parliament in 1991 as a candidate of Bangladesh Awami League. Mr. Chowdhury was re elected by popular vote as a member of the Parliament from Tangail-1, Madhupur constituency on June 12, 1996. Thereafter he was inducted in the cabinet as State Minister for Foreign Affairs, Government of Bangladesh, a position he held up to 2001.

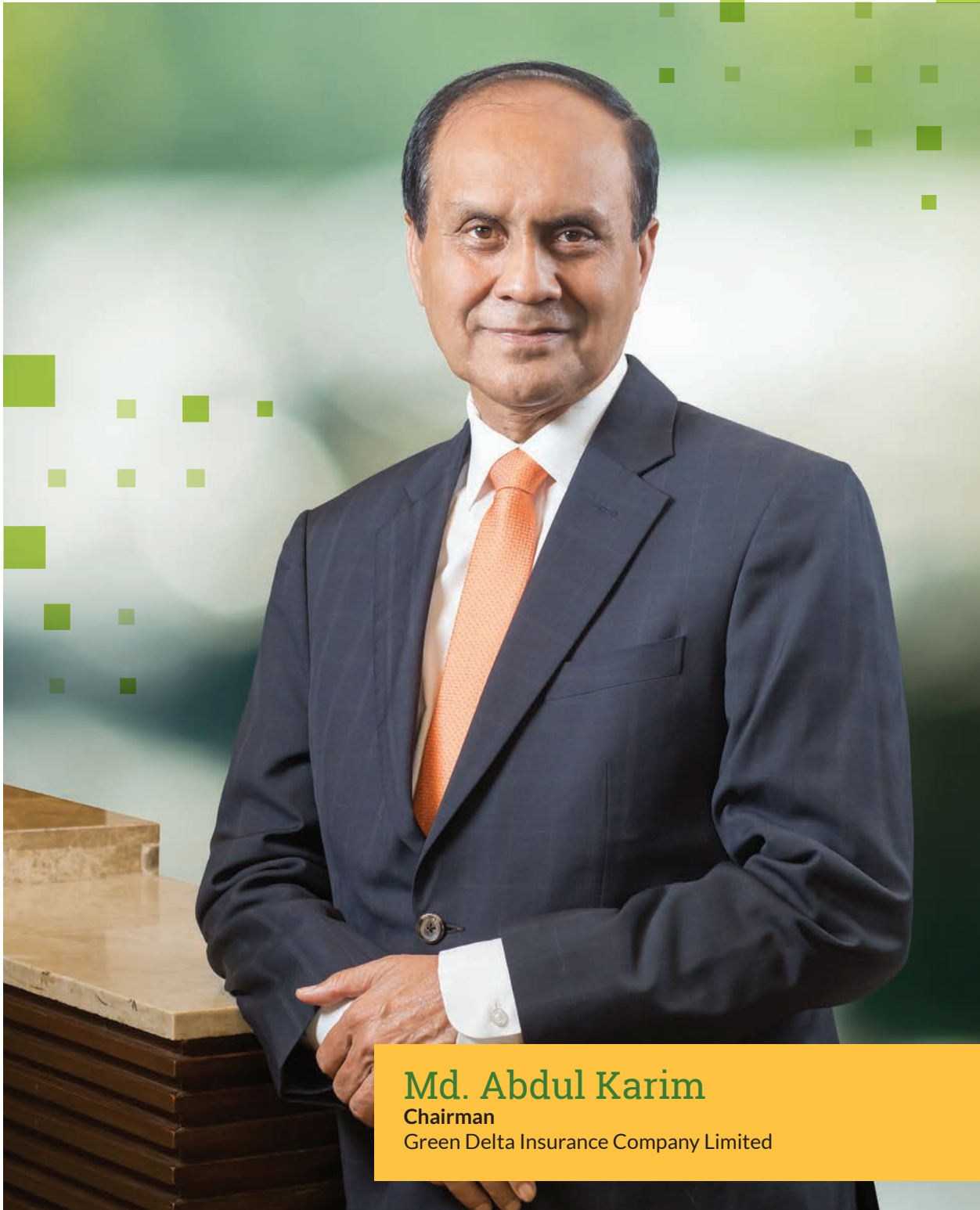
In 2004 Mr. Abul Hasan Chowdhury visited Washington DC and addressed seminar participated by Congressmen and leading officials of the State Department of USA. During this visit he also spent two weeks as a visiting scholar at the Penn State University. He was one of the original signatories of BIMSTEC sub regional grouping. He did not participate in the Elections held in 2001. Since then he is heading a consultancy firm, known as KNS Consultants Ltd, an associate of Nitol Group. He is married to Mrs. Nahid Chowdhury and has one son and one daughter.



Board of Directors of Green Delta Insurance Company Limited



1.3.2 From the Chairman's Desk



Md. Abdul Karim

Chairman

Green Delta Insurance Company Limited

“ This year’s performance is testament to the hard work and dedication of our people around the country. With an agile workforce and an ethic that emphasises on constant learning and adaptability, I am confident in the skills and commitment

Dear shareholders,

The fourth revolution is fast-sweeping the world, resulting in unprecedented reinvention of a number of industries and sectors. From the vantage point that we have, it is clear that insurance is also one such industry where technology is slowly but surely making inroads, transforming the way in which insurance is sold, claims are assessed, risk is commoditised and distribution is achieved at a lower cost.

So, the way technology can transform the insurance business is a given. Consider these examples as an illustration of how technology can alter the contours of the sector. It has been identified that Artificial Intelligence (AI) can swiftly and accurately assess natural catastrophe damage levels through drone footage, leading to an almost instant settlement of claims. Big data could link directly to insurance companies’ systems, creating real-time pricing and policy opportunities. Furthermore, significant opportunities are being unravelled by digital-only insurance ventures that are providing, say, protection against risks in a shared mobility ride from ‘Point A’ to ‘Point B’. Through bite-sized premiums, these businesses are opening up the insurance market, making it easily accessible and very affordable.

At Green Delta Insurance, we recognise the role of technology in insurance and embraced the scope of digital in our mission to serve our customers better. But more about this a bit later as I now give you an overview of the year 2018.

A good financial year

Our strong financial performance was achieved amidst significant political, economic and technological changes. For one, the national elections in December 2018 had a bearing on the business in terms of a slowdown, especially in the run-up to the event. However, with a stable incumbent in place now, we expect the government machinery to frame policies that will create structural growth opportunities in the long-run.

Though Bangladesh is among the fastest-growing nations of the world with regards to its GDP, the growth is non-homogenous, resulting in regions with sluggish demand and consumption, and a general tendency among customers to withhold or cutback on spends because of uncertainty and volatility.

Nevertheless, we remained focused on delivering for our customers, and one of the major steps we took in this direction was with respect to making some of our core retail products available online. These included travel, motor and personal insurance products and we received an encouraging response from the market. The twin benefits of convenience of access and simplification of payment resonated with our online customers. In 2018, almost 30,000 policies were sold online, representing an encouraging validation of our digital strategy even as we now focus on scaling-up this customer base while adding a larger portfolio of products for online purchase.

During the year under report, our revenues scaled to BDT 3678.63 mn, up 11.69% over the previous year. Led by good performance across our subsidiaries, our consolidated income rose to BDT 884.35 mn, representing a 8% growth over the previous year. Paired with growth in our revenues, our consistent focus in optimising overhead costs, led to respectable growth in our post-tax profits to BDT 294.01 mn, up 2% YoY. Notably, the performance of our capital market subsidiaries was specifically strong, with their contribution to our consolidated profits scaling-up from 16% in 2017 to 15% in 2018.

Our markets

The Bangladeshi market holds enormous potential for us and represents strong prospects of higher long-term growth in the future.

There are two aspects to our market potential.

One, substantive growth opportunities exists beyond the key metropolitan area of Dhaka. Regions such as Chattagram, Khulna, Jashore, Sylhet, Rajshahi, Rangpur, Cumilla and Noakhali, etc., are witnessing substantial entrepreneurial activity that is creating a strong economic case for insurance. In response to these opportunities, we established a large branch in Chattagram that provides our customers with all services under a single-roof. In our pursuit of enhancing customer service, we also launched such branches in Dhaka and Badda.

The second part of our market prospects comprises customer segmentation. Identifying the needs of our women customers and designing insurance products to suit their innate requirements, we launched two variants of Nibedita, our flagship insurance platform exclusively created for our women customers. These variants comprised Nibedita Eco and Nibedita Plus, products specifically created for women garment workers. With premium amount straddling from as low as BDT 40 to BDT 10,000, these products have been developed for women living across the socio-economic spectrum.

Overall, going deeper through demographic segmentation and wider through expansion of locational coverage will help us unlock opportunities for strengthening business growth.

Our culture

I am pleased to report that our overall people engagement levels rose substantively during the course of the year. We focused on diversity and inclusivity that celebrated different ideas and insights. Today, our women members comprise almost []% of our aggregate workforce, which

is one of the highest in our industry. We also focused on productivity enhancement to create an energised and motivated workplace environment that thrives on meritocracy and simplicity.

In 2018, our human resource and senior management teams invested a lot of time in developing metrics to assess the Company's culture and its ability to accelerate growth. The members also focused on empowerment and de-centralisation of decision-making, de-layering to create a flatter organisational structure, simplifying and streamlining processes and augmenting the speed of execution. All these are signs of continuing improvement.

Towards creating a great workplace and emerging as an employer of choice, we developed substantial benefits that our employees could avail of. These included customising health insurance, extending maternity benefits, etc., which are best-in-class in our industry.

Our community engagement

I am particularly proud of our commitment to act sustainably and responsibly as part of the wider community where we live and work.

Pioneering the implementation of the United Nation's Sustainable Development Goals (SDGs), we have worked hard on aligning the aspirations of these goals with our business. For instance, our agri-insurance products help our farmer customers face climate change risks with confidence. Almost 2,000 claims were settled with our farmer-customers during the year, providing them with the operational resilience necessary to bounce back and continue with their agri profession. Moreover, our Nibedita insurance platform serves the needs of vulnerable sections of the population and a growing segment of the women population of the country has subscribed to Nibedita.

In-synch with our 'Insurance for All' vision, we underwrote almost 1,000 policies under an interesting public-private partnership project in which employees of the insurance regulator (IDRA) contributed one-day's salary that comprised the premium component of as many 1,000 garment workers. This multi-beneficiary association opens up an exciting phase of such partnerships in the future.

Furthermore, recognising the need to reduce the environmental impact of our business, we are actively leveraging technology with a view to ensure less-paper operations with the vision of creating an eventual paper-less environment in the near future.

2019 challenges

The year 2019 will bring its own set of challenges. For one, there is still uncertainty around Brexit, though there is still a long way to go before the full implications become clear. A large population of Bangladeshis live in the UK and their remittance comprises a part of the nation's GDP. A negative deal around Brexit could impact remittance flow.

One of the other challenges is the unrest among garment workers who are striking for wage revision. The impasse has had a negative impact on the country's garment sector, which is a large constituent of the GDP. Moreover, we believe that the garment sector has to gain a higher share of value-addition in the global textiles chain from the current assembly line operations of cut-make-trim.

Amidst these challenges, Bangladesh is also considered as among the last of the large-opportunity markets of the world. With the nation transitioning from the LDC (Least Developed Nation) rank into a middle-income country, the confluence of higher per capita incomes and pent-up demand will create opportunities like no other country in the world.

Looking forward

2018 was the year in which we accelerated our plans for growth, especially around digital insurance. Going forward, we expect to further intensify our efforts in this arena, and are looking to reinforce our technological backbone with a view to create a scalable support for our front-end customer initiatives.

With convenience becoming a large requirement, we will augment our digital play with the establishment of large branch offices where our customers can avail of all our services in a single location. This physical space will also allow us to create awareness on various insurance services and cross-sell products to gain a larger share of the customer's wallet. These centrally-located establishments will also help shore-up the recognition of brand Green Delta.

Overall, the interplay of digital-physical will enable us to acquire more customers, strengthen our customer service and lead to a superlative customer experience that will ensure that we remain as the most-preferred reference in general insurance.

Acknowledgements

This year's performance is testament to the hard work and dedication of our people around the country. With an agile workforce and an ethic that emphasises on constant learning and adaptability, I am confident in the skills and commitment of my colleagues to deliver for our customers and our shareholders in 2019 and beyond.

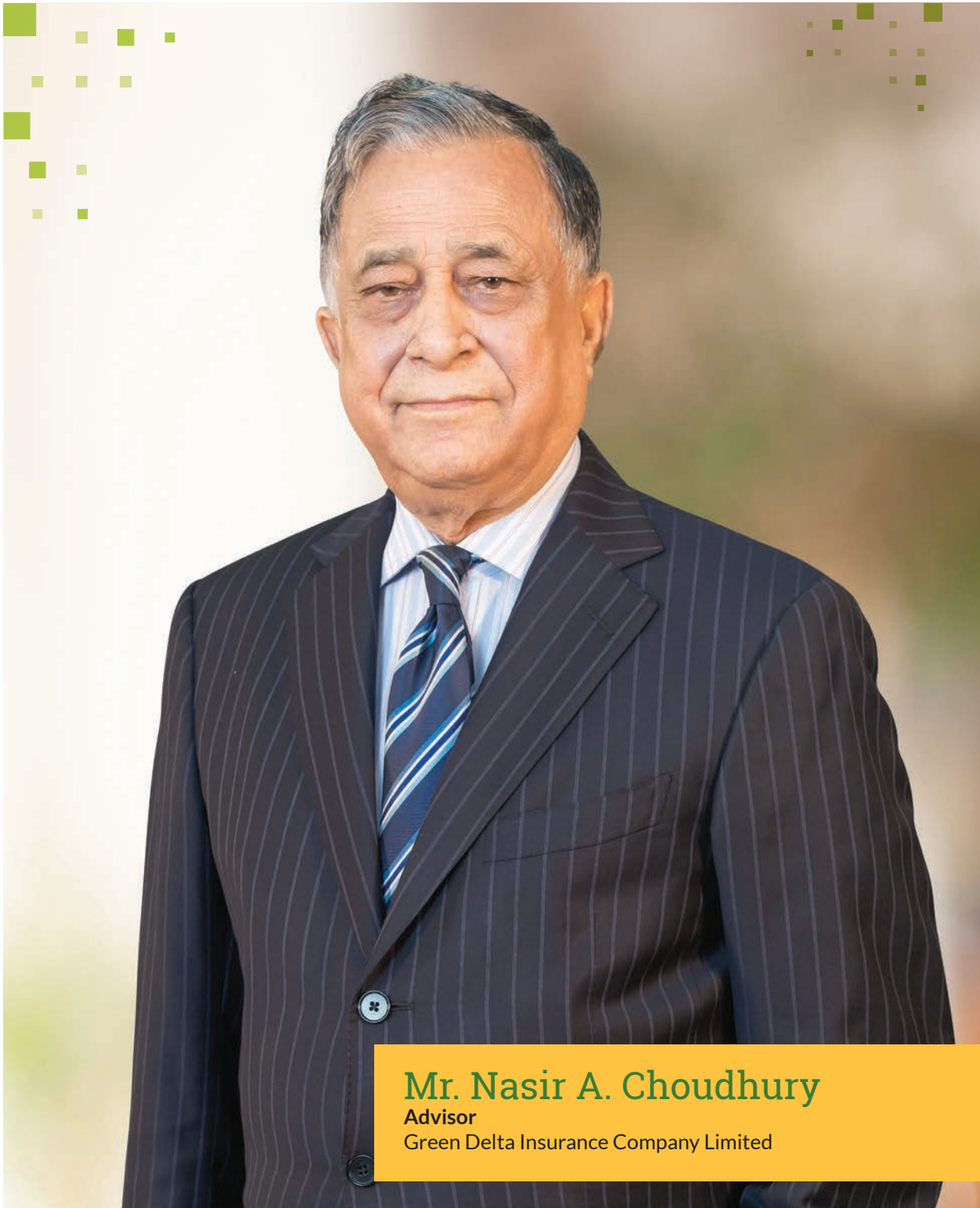
Thank you for being a part of Green Delta!



Md. Abdul Karim
Chairman



1.3.3 From the Advisor's Desk



Mr. Nasir A. Choudhury

Advisor

Green Delta Insurance Company Limited

“ At Green Delta Insurance, we have always viewed technology as an enabler for enhancing insurance penetration, which also aligns wonderfully well with our vision of providing ‘Insurance for All’.

Dear friends,

I extend a very warm welcome to you to our 2018 Integrated Annual Report and thank you for your association with us.

The common belief is that the purpose of a business is to generate value for shareholders. However, what elevates a business from good to great is it having a clear social purpose as well. I'm proud to state that Green Delta Insurance is one such business.

At Our Company, we offer a large portfolio of insurance products to individuals and organisations that provide them the confidence to undertake endeavours they might otherwise have prevented from embarking upon. Our specialist insurance and reinsurance teams enable our customers and clients to build resilience in the face of risk. Indeed, in a risk-prone world, insurance is a valuable tool to defy threats.

However today, insurance coverage is yet to reach the far corners of the world. It has been estimated that almost 90 per cent of economic losses caused by natural disasters in low-income nations remain uninsured. And the World Bank estimates that as many as 26-million people are pushed into poverty every year due to the severe impact of droughts, flooding and powerful storms.

In Bangladesh, as a country that is exposed to both natural and human-created disasters, there is no other parallel

to the economic and social value offered by insurance. However, the biggest challenge is the woefully low insurance penetration in the nation. Hence, in focusing on extending the reach and coverage of insurance, harnessing technology can help increase and extend access. And this is a particularly exciting opportunity to drive progress forward.

Digitalisation is transforming the Bangladeshi economy and is supporting such goals as financial inclusion, including access to insurance. Unquestionably, the driving force behind this is mobile technology. The remarkable point is that rewinding to the 80s, several developed countries were undergoing a major structural shift from analogue to digital technology. Though Bangladesh, like some of the other emerging market countries, has been relatively late on this, the nation has fundamentally leaped from desktop computers, going straight to embracing mobile technologies.

According to the BTRC (Bangladesh Telecommunication Regulatory Commission), the total number of mobile phone subscribers had reached a historic 156.989 million by the end of December 2018. This represents a near 95% mobile telephony penetration, which means that technology has reached in the hands of a vast majority of the people of the country. Furthermore, the total number of internet subscribers had scaled to 91.348 million by the end of December 2018.

Relevantly then, the optimism is firmly anchored on the large swathe of the country's masses migrating to mobile internet with the current penetration levels of only about 21%. Why this migration will happen faster than ever before is that the telecom sector has invested over 1 billion dollars in fourth generation (4G) technology, which will open up the digital ecosystem with much faster speeds over the 2G and 3G networks. Growing access to smartphones, wide-scale availability of affordable data packs and governmental push represent the cornerstones to the digital revolution that Bangladesh is on the throes of.

Glimpses of the potential of this revolution is evident in how mobile technology is fuelling innovation and supporting economic growth. The rise of cashless payments, emergence of e-commerce start-ups, growth of shared mobility ventures, to name a few, have demonstrated how the digital wave can provide consumers with convenience, the masses with sustainable employment opportunities and the government with the much-needed resources for public welfare. I wouldn't be surprised if in some years from now Bangladesh has a few mobile-first businesses as well.

Considering these developments, when it comes to the insurance sector, we have enormous opportunity to tap into Bangladesh's mobile economy and make significant progress in increasing access to insurance products and closing what is typically referred to as the 'protection gap'.

Clearly, technology is one of the biggest areas of opportunities and my own belief is that during the next few years, the insurance industry will see a fundamental shift in the use of technology in terms of advanced data analytics, real-time risk pricing, artificial intelligence and digital and mobile platforms.

At Green Delta Insurance, we have always viewed technology as an enabler for enhancing insurance penetration, which also aligns wonderfully well with our vision of providing 'Insurance for All'. Why technology is the next frontier in insurance is very simple. In a country in which it is difficult to physically reach remote population pools, it is easy to access them virtually. In other words, technology provides seamless and cost-effective access to harder-to-reach markets.

At our Company, there are two reasons that gives me the confidence that we will be able to fully embrace technology going forward. One, our culture is wholly customer-centric and technology will facilitate us to further enrich customer convenience and experience. Two, digital technology will help improve risk assessment and underwriting, while also enabling cost optimisation, leading to the creation of an overall platform of more sustainable cost structures and value creation. In short, technology can have a positive impact on our bottomline.

To ensure we can fulfill our economic and social purpose, both today and for the years to come, we depend on continually reinforcing our fundamentals. This means strengthening our financial position, augmenting our strategy and its execution, and continually aligning with our vision and values that guide in our decision-making process, while helping foster a culture that our employees are proud to be a part of.

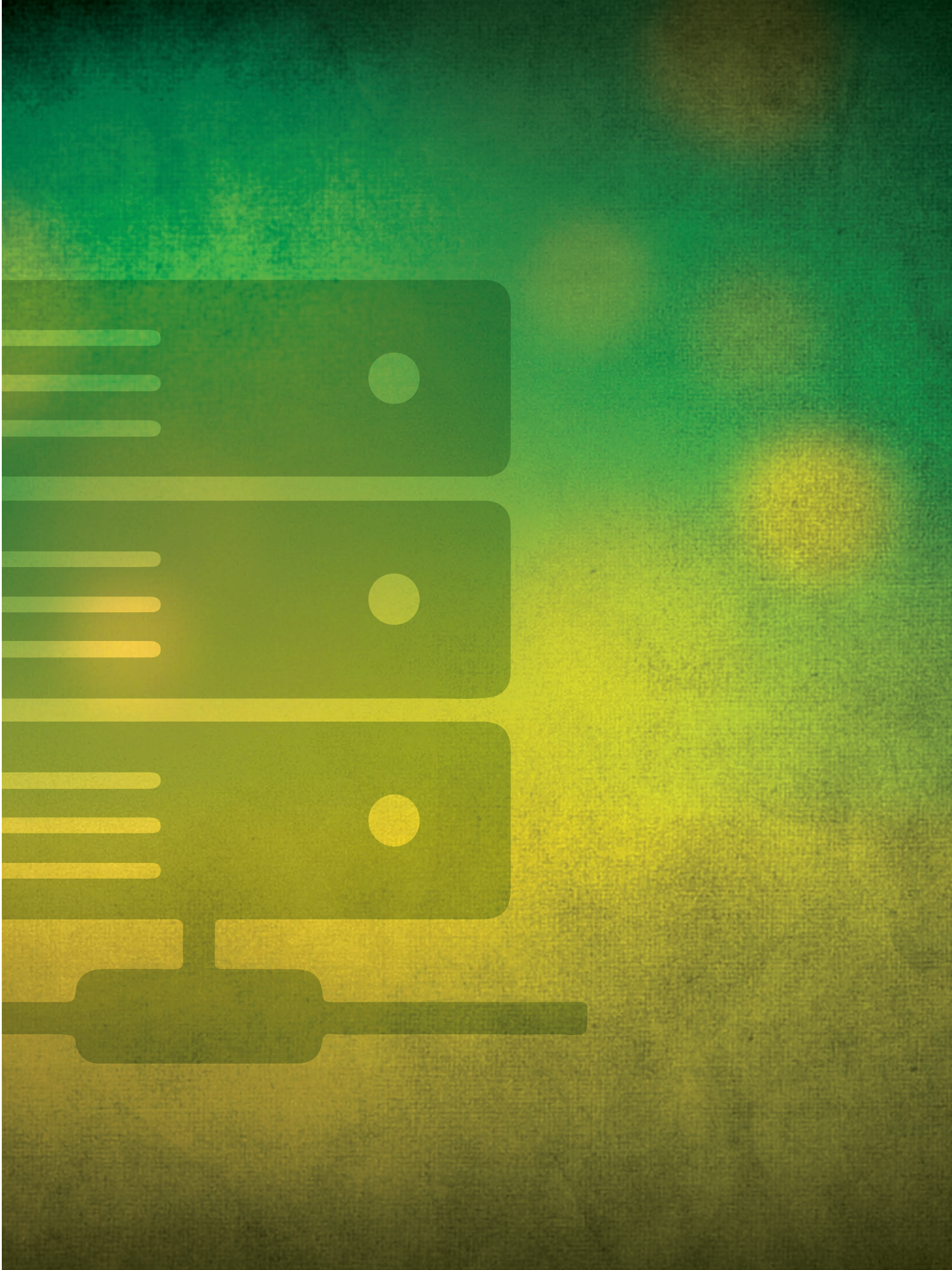
I am happy that our 2018 report demonstrates that the fundamentals are strong and in good shape. Our financial metrics give out a healthy picture; our core strategy, anchored on continuous innovation and value development for our customers, was executed well during the year, leading to strong financial outcomes; and alignment with our values showcased that we upheld high governance standards expected of an institution like ours.

To conclude, I would like to thank you for the trust you place on us day-after-day and for supporting us in our mission to emerge as a reference in effective and responsible general insurance management.

Thank you.



Nasir A. Choudhury
Advisor



1.3.4 MD's and CEO's Reflection



Ms. Farzanah Chowdhury

Chartered Insurer

Managing Director & CEO

Green Delta Insurance Company Limited

“ I am excited about the way digital insurance will shape up and scale up, especially with the major part of our investments already done in 2018. We will build on the traction that has been achieved in our digital insurance business so far, even as we expect to put a larger product portfolio available to our customers through digital channels.

Dear shareholders,

I am pleased to share with you the results of our work in 2018, and of our initiatives to set Green Delta Insurance up for success in the short, medium and long-term. I do feel the deep sense of responsibility to our customers and to the market to ensure that our Company continues to be Bangladesh's general insurance specialist with an unparalleled emphasis on innovation and customer service.

Before I go on to elaborate on the key developments of the year under consideration, and our assessment of the future, it is essential to point out that in a world faced with increasing risk, the role of insurance is more pronounced now than ever before in the history of time.

Insurance: A key risk control mechanism

Insurance is a key mechanism by which humans prepare for risk, and the industry has played a central role in the development of the global economy. In fact, insurance is deeply interlinked with human progress. Consider that insurance policies create confidence, expand risk-taking capacities, help build resilience in both individuals as well as communities, and encourage the spirit of enterprise. For instance, today's commercial aviation and shipping fleet operations wouldn't be able to lift-off without insurance backing their assets or expensive cargo.

On the other side of the coin, where insurance is not available, or has not been acquired, catastrophes can

have a major impact on economies and lives. Assets such as schools, hospitals, businesses and other infrastructure must be rebuilt after major disasters. Without insurance, this burden is often borne by the individuals affected who have lost their homes and their livelihoods, the businesses whose industrial establishments and depots are damaged, and by governments that have to support them. Public funding can take time to come, prolonging hardship and suffering.

However, despite the very apparent benefits of insurance, the 'insurance gap' is hardly closing. Despite the general global economic growth in recent years, a Lloyds report states that the global under-insurance gap stands at a substantial US\$162.5 billion, which is only slightly lower than the 2012 total of US\$168 billion, which means that the insurance gap has closed by just over 3% over the past six years. Irreconcilably, this limited progress in closing the gap has come at a time when the global economy has expanded, the severity and frequency of weather-related catastrophes has increased, and new risks such as cyber crime have emerged to pose new threats to the society.

Furthermore, one of the other primary reasons why the insurance industry has not taken-off very significantly is because of the emerging countries that are the least insured. Consider the fact that developing economies account for US\$160 billion, or over 98%, of the total global insurance protection gap. It is hence clear that the developed world buys more insurance, a statement whose credentials are also certified by the fact that the average

insurance penetration rate in the developed world is twice as high as in emerging countries.

Developing nations: Opportunity in bridging the insurance gap

It is found that Bangladesh, India, Vietnam, the Philippines and Indonesia, among some of the others, have an insurance penetration rate of less than 1% each. Paradoxically, these nations are also among the most exposed to risk, such as those posed by climate change, and among the least able to fund large scale recovery efforts.

Among this pool of nations, Bangladesh is the most under-insured. The country has the highest expected annual loss from natural disasters, and also has the largest insurance gap relative to its GDP, at 2.1%. This insurance gap, when measured materially, amounts to almost US\$6 billion, or about 4%, of the aggregate global insurance gap. Though Bangladesh has achieved substantial progress, both economically as well as socially, over the past few years, this is similar to the levels recorded in 2012, and represents a significant share of the country's economy and major potential loss in the case of a catastrophe.

Today, the insurance premium per capita in Bangladesh is a paltry US\$8, a statistic that masks the fact that the vast number of masses have no insurance at all. Aside from the affordability factor that is a major deterrent in insurance adoption in emerging economies, some of the reasons people choose not to take insurance include little understanding of the value of the product/solution, and a lack of trust in insurance companies. The distribution reach is yet another challenge that obstructs meaningful growth of the industry in the country.

Despite this, it is reassuring that Bangladesh is taking positive initiatives to improve its insurance penetration. For example, in 2017, in partnership with the World Bank, Bangladesh launched an initiative to develop its insurance sector, strengthening the capacity of the local regulator to augment insurance coverage across the country. Furthermore, steps have been initiated for the coming together of public and private institutions to pool complementary competencies, especially in the realm of enhancing affordability and access to organised insurance.

Being located in a geographically-vulnerable area, Bangladesh continues to be prone to flooding, and has an expected annual loss of 0.8% of its GDP from natural catastrophes, the highest among any of the countries of the world. Besides, Bangladesh also remains vulnerable to damage from flood risk because of its population density as most of its landmass forms the delta of three large rivers, and a quarter of the country is less than one metre above sea level. Flooding is a part of the natural environment in Bangladesh. However, the scale of the flooding is difficult to predict. In addition, Bangladesh experiences many tropical

cyclones that can also trigger damaging floods. Human activity, such as building on floodplains and cutting down of trees, exacerbates the effects of rising waters.

Widespread poverty intensifies the impact. Many locals do not have basic amenities, including phones or televisions, making it difficult to issue flood warnings. The challenge for Bangladesh is that as a less economically developed country, it does not have the wherewithal to implement large and meaningful flood defence schemes. The situation is set to become more acute in the coming years. Under the current conditions, it is expected that sea levels will rise by 30cm by 2040, which the World Bank estimates could result in the loss of about 11% of crop production in the Southeast Asia region.

The world over, the significant rise of catastrophes is evident in the fact that last year, Berkshire's insurance business posted a loss for the first time in 14 years on the back of massive hurricanes like Harvey, Irma and Maria.

2018: The year's progress in brief

Green Delta Insurance delivered good business momentum in 2018, meeting our business objectives despite uncertainty in the external environment, especially in the run-up to the national elections in December. We achieved this performance while maintaining prudent risk management and balance sheet resilience. At the same time, we continued to make solid progress in the transformation of our culture, capabilities and technological systems critical for building an insurance management enterprise that is fit and relevant for the future.

During the year under report, we exceeded our revenue targets set at the beginning of the year by over 6%, closing 2018 with BDT 368 crores of revenue. We also achieved respectable growth of about 19% in our net profit, which stood at BDT 25 crores for the year. Strong focus on cost controls, enhanced efficiency and productivity gains across the organisation, and product mix enrichment helped drive profitability momentum during the year. With respect to the last point, we emphasised on trimming the intensity of low-margin products in our portfolio by focusing on downscaling the fire insurance business. Simultaneously, we sought to enhance the contribution of marine insurance to improve our portfolio quality.

Together, these initiatives helped augment our margin profile with our operating margin rising by [] bps to []% in 2018. Paired with this, the launch of digital insurance during the year will go a long way in helping support profitability growth, thereby enabling us to create a more robust platform for sustained shareholder value creation.

Agri-insurance: Building unique defence mechanisms for climate-related risks

Risk protection for crop insurance in Bangladesh has always remained a tentative area because of the country's geographical location that makes it vulnerable to natural disasters. This has deterred insurance providers with the result that farmers have had to succumb to the losses inflicted by regular cyclones and floods in the vast delta regions of the country.

In this context, at Green Delta Insurance, one of the major developments of the year was the conclusion of the joint pilot-phase project for weather index-based agri-insurance with the International Finance Corporation. The efficacy of the program was validated by the fact that it won the third prize at the 'Inclusion Plus Award' organised by MetLife Foundation. Right from the start a few years back when the first policies were issued to 200 tomato farmers for comprehensive insurance coverage, to a recently-concluded global symposium on agri-insurance, this program has indeed come a long way.

Importantly, our weather index-based agri-insurance product is anchored on technology that helps strengthen customer service and builds customer faith in insurance, while also enhancing their sense of trust in us. With claims settlement being a major part of the insurance value chain, we automated the claims settlement process for the program by using satellite data from Bangladesh Meteorological Department and Skymet Weather Services. The integrity and credibility of this data ensured a fair and transparent evaluation methodology.

Today, Green Delta Insurance is on the throes of commercial launch of weather index-based agri-insurance with over 10,000 policyholders-farmers spread over as many as eight districts of the country.

Digital insurance: The start of our nationalistic endeavour of democratising insurance

At Green Delta Insurance, the most fundamental idea behind embracing digital insurance was to be in a position to best serve the needs of a type of customers who will be very different from their counterparts of today.

This thinking is being shaped by the prevalent demographic trends that have pointed to a shift with respect to a growing proportion of digital native consumers. In other words, consumers of all ages are becoming more and more comfortable not only using tablets and smartphones, but also with electronic transactions. They seek out new apps, new ideas and new experiences that can help them make healthier life choices, as well as work more effectively. Notably, new technologies involving big data, cloud computing, artificial intelligence, mobility, social

networking and the 'Internet of Things' have converged in extraordinary ways to enable a new digital economy that places increased value on the needs of these consumers, and the efficient delivery of goods and services.

As a Company that is anticipative of new trends and embraces innovation passionately, we believe that in the future, the insurance marketplace will exist primarily within this digital economy. With data as the new differentiator and experiential engagement as the new driver, we are already embedding the core of digital insurance in our operating model, and are taking decisive and authoritative strides in our journey in digital insurance. This we believe will not only enable us to strengthen our customer service standards, but also augment our profitability. Importantly, digital insurance will also help us meet the exacting compliance standards, bringing forth robust transparency and accountability, which will eventually reinforce customer trust in insurance.

We launched digital insurance for the first time in Bangladesh with a celebratory event held at the Dhaka Club on 13 September 2018. At the event, we launched motor and travel insurance, Nibedita and people's personal accident policy online, and have sold over 20,000 policies so far, which is a remarkable achievement. In 2019, we expect to further invest in reinforcing our backend technologies, while also engaging in the digital launch of more insurance products.

Nibedita new launches: Widening our portfolio for greater insurance inclusion

The year 2018 was also an important milestone as it validated Nibedita as a mature, niche and well-accepted insurance platform.

Nibedita, conceived as a women-exclusive insurance scheme with customised and best-fit products and solutions, witnessed the launch of two new offerings in November 2018, thereby extending and expanding the portfolio size and scale. These products carried the crucial objective of bringing women from all socio-economic classes of the society under formal and comprehensive insurance coverage. The two new offerings include Nibedita Eco and Nibedita Plus, with the earlier Nibedita policy now referred to as Nibedita Regular, consequent to the launch of the two new variants.

Importantly, with the new launches, Nibedita now straddles across a wide range of affordability levels, thereby expanding our ability to meet our objectives of providing an insurance cover to women living across the economic spectrum, while enabling insurance inclusion. Nibedita's portfolio construct has been given hereunder.

Nibedita: Portfolio construct

Specification	Nibedita Eco	Nibedita Regular	Nibedita Plus
Premium amount	Starting from BDT 40	Starting from BDT 580	Starting from BDT 10,470
Sum insured	Minimum: BDT 50,000 Maximum: BDT 2,00,000	Minimum: BDT 1,00,000 Maximum: BDT 10,00,000	Minimum: BDT 5,00,000 Maximum: BDT 10,00,000
Age duration	14-75 years	14-75 years	14-75 years
Trauma allowance	Yes	Yes	Yes
Health insurance	No	No	Yes
Global evacuation	No	No	Yes

A busy year: Other major institutional initiatives of 2018

At Green Delta Insurance, we complemented our efforts in digital insurance by also establishing physical infrastructure through launching our first flagship branch in Nasirabad, Chattagram. The expansive and well-appointed commercial establishment features all services of three of our business units, thereby providing our customers with the convenience of an extensive range of services under one roof. The purpose of the flagship branch is to cater to the multidisciplinary needs of our customers in general insurance, capital markets and health care tourism. The branch was formally established on 12 October 2018.

In yet another innovative initiative, Green Delta Insurance initiated the 'Feeray Ashuk Chithi' campaign on the historic day of 21 February 2018, referred to as the 'International Mother Language Day' in Bangladesh. Handwritten letters, or chithi, are a near-extinct element of our culture. At our Company, we believe in the revival of our heritage, culture and traditions. Through the campaign, we attempted to remind people of this near-forgotten, yet significant medium of communication. We despatched handwritten letters to people at their homes and offices through postmen dressed in traditional 'khaki', going door-to-door while delivering the letters. Our goal was to revive the nostalgia associated with receiving handwritten letters in yellow envelopes, as well as to encourage people to write letters. The initiative received widespread appreciation.

As an organisation that deeply believes in equality, diversity and gender inclusion, we are among the few in our sector to have a large part of our workforce represented by our women employees. In fact, considering the number of women across our enterprise, we thought it fit to

create a forum exclusively for our women employees, and christened it 'Green Delta Women Forum', which was launched on the eve of Women's Day in the first week of March 2018. As part of the celebrations, we also organised 'Amader Kothaboli', a flagship event for our women female employees, which encouraged them to speak about prevalent issues through panel discussions. The top speakers were awarded at the event.

Aligned with our vision of 'Providing insurance for all', our Company, along with the Insurance Development & Regulatory Authority (IDRA) jointly organised an event titled 'Shobar Jonno Bima' in March 2018. IDRA employees donated one-day's salary to bring as many as 1,000 rickshaw pullers/cleaners/community police under insurance coverage with the sum insured of BDT 1 lakh underwritten by Green Delta Insurance. This was a historic moment for the Bangladeshi insurance industry as such an innovative initiative was taken for the first time ever. Going forward, we believe that such collaborations can go a long way in providing formal insurance coverage, especially to the most vulnerable sections of the society.

Considering our responsibility to the wider general insurance industry, Green Delta Insurance conducted a day-long workshop and training seminar on 'Anti-Money Laundering and Branch Compliance in General Insurance' on 1 December 2018. The sessions were conducted by industry experts, including those from IDRA. The event was attended by employees as well as industry experts from different financial institutions.

OUR 2018 TIMELINE

KEY CORPORATE DEVELOPMENTS

FEBRUARY, 2018

MoU signed with Seba on agri-insurance

MARCH, 2018

IDRA and Green Delta Insurance jointly organised 'Shobar Jonno Bima'

MAY, 2018

Green Delta received the 'MetLife Foundation Inclusion Plus Award' for weather index-based agriculture insurance

Ms. Farzanah Chowdhury received the prestigious WEF award on 'Woman of the Decade in Finance & Insurance', awarded by the Women Economic Forum (WEF)

Bagged three awards at the 'Emerging Asia Insurance Awards 2018' organised by the Indian Chamber of Commerce (ICC)

JUNE, 2018

Ms. Farzanah Chowdhury was appointed as CII Goodwill Ambassador

JULY, 2018

Settled claim worth around BDT 38 crores of the Jamuna Group

Received 'AAA' and 'ST1' credit rating by the Credit Rating Agency of Bangladesh (CRAB)

Ms. Farzanah Chowdhury was appointed as the EO Bangladesh President

AUGUST, 2018

Signed MoU with Solargao on agri-insurance

SEPTEMBER, 2018

Received the 'International ARC Award' for the 'Best Presented Annual Report in Insurance Category' for the year 2017

Launched digital insurance for the first time in Bangladesh

Received three awards at the 'Bangladesh Best Employer Brand Awards 2018' organised by World HRD Congress

OCTOBER, 2018

Launched the first-ever flagship branch in Chittagong

NOVEMBER, 2018

Signed MoU with Dotlines

Signed MoU with Bank Asia for insuring marginal farmer credit

Received the 'Gold Award' at the 5th ICSB National Awards 2017

DECEMBER, 2018

Commercial launch of weather index-based agri-insurance, jointly with IFC

Received the first prize at the 'ICMAB Best Corporate Awards 2017'

Bagged the first prize in the insurance category at the '18th ICAB National Awards'

Awards and recognitions: A testament of our excellence in institution-building

At Green Delta Group, we always consider awards and recognitions as an external endorsement of our efforts and initiatives in business innovation and in building a model institution that our stakeholders are proud of.

During the financial year 2018, Green Delta Insurance won the prestigious 'MetLife Foundation Inclusion Plus Award', ranking third for the Company's 'Weather Index-Based Agri Insurance' product. During the award assessment duration of January-May 2018, over 50 projects were submitted and, among these, Green Delta's Weather Index-Based Agri-Insurance Project made it to the list of the top-5 finalists. This award is indeed an assurance of our emphasis on insurance innovation to be able to meet the needs of Bangladesh's agriculturalists, who are one of the most vulnerable segments of the society.

I'm also proud of the fact that Green Delta Insurance won three awards at the prominent industry platform of 'Emerging Asia Insurance Awards 2018', organised by the Indian Chamber of Commerce and held in May 2018. The categories of the awards received by our Company include:

- Best General Insurance Company
- Best Customer Orientation in General Insurance
- Best Service Provider in General Insurance

Our financial prudence and discipline got a major boost when Green Delta Insurance received the 'AAA' (long-term) rating for the fifth time in a row. The Company was assigned the credit rating of 'ST1' (short-term) also for the fifth consecutive year, by the Credit Rating Agency of Bangladesh. It is a matter of pride that our Company is the first and only in the insurance industry in Bangladesh to achieve the 'AAA' rating for the fifth straight year.

At Green Delta Insurance, we place the highest emphasis on investor reporting and transparency, and this philosophy manifests the most in our Annual Report document. This emphasis was validated several times over when Green Delta Insurance won as many as three awards for the Annual Report 2017 at the 'International Annual Report Design Award (IADA) 2018', a platform that recognises the best in annual report design with the ultimate goal of pushing the boundaries with respect to annual report creativity. The Company was also bestowed with the 'Best Presented Annual Report in the Insurance Category for the year of 2017' at the 'International ARC Awards' held in September 2018. This award marked Green Delta Insurance as the first insurance company from Bangladesh to receive the honour for the second consecutive year. As the first 'AAA' credit rated insurance company from Bangladesh, Green

Delta's achievement at the International ARC Award has only added further credence to our status as the leading non-life insurer of the country. We also bagged the first prize for the 'Best Presented Annual Report of 2017' at the 18th ICAB National Awards in the insurance category. In addition, the Company also won the third prize in the 'Corporate Governance Disclosures' category.

On the employee front, Green Delta Insurance won three awards at the 'Bangladesh Best Employer Brand Awards 2018', organised by the World HRD Congress, in September 2018. The categories of the awards received included: 'CEO of the Year', 'Award for Excellence in Training' and 'Promoting Health in the Workplace'.

Group performance: Proud achievements and well-rounded growth

The Green Delta Insurance Group reported strong all-round performance during the year 2018.

Our capital market and investment banking subsidiaries continued with their good performance in 2018 on the back of a team of seasoned specialists, strong research and analytical capabilities, robust infrastructure and deep and wide network. The year 2018 represented the second successive year in which these two subsidiaries continued with their dividend-paying track record to the parent.

We're especially proud of the way GD Assist, our health care tourism enterprise has shaped up, and that too within only a few years of its launch. The year 2018 was one where the company strengthened its lead and competitive edge through key investments in software technology, resources and accreditations, etc. Today, GD Assist has not only expanded as Bangladesh's largest pure-play medical tourism management company, the quality of its services is also far superior, driven in no small measure by its deep and wide hospital network associations in India, Malaysia, Thailand and Singapore. Notably, the flagship branch established in Nasirabad, Chattagram, during the year is the second branch office of GD Assist and also its first outside of Dhaka.

I'm also happy to note that PABL (Professional Advancement Bangladesh Limited) continues to live up to its reputation as a preferred insurance school. During 2018, it extensively engaged in the agent training business that has helped create a pipeline of reliable, industry-ready professionals. PABL also organised a number of national and international insurance seminars and symposiums during the year. In 2019, we hope to achieve greater leadership stability at PABL, which I'm certain will help propel the school to even greater heights.

Our organisational DNA: Embedding the right culture

At Green Delta Insurance, we have further strengthened the connect between culture, conduct and customer outcomes by rejuvenating our culture through providing extensive training, capacity-building and sensitisation programs and exposures to our employees. The purpose of these exercises is to assist in shaping the culture, reputation and customer propositions of our institution through advising the management on conduct, people, community, brand and compliance issues.

A critical part of the challenge in the external environment facing insurance and other institutions is the pace of regulatory initiatives that need to be implemented simultaneously. While we continue to strongly support the materiality of these changes and advocate the need for a robust supervisory environment, the pace of regulatory changes could potentially add to operational risks. In the face of this, we continue to strengthen and reinforce our culture that is anchored on the spirit of compliance, even as we simultaneously work towards shoring-up our internal controls and processes, making them more robust and responsive to regulatory changes.

Our future: Anchored on scalability and sustainability

Standing at the threshold of 2019, I believe Green Delta Insurance and the Group are well-poised to achieve even stronger levels of performance, though headwinds will continue to persist and shape our operating environment. Yet, I'm confident that the skills and expertise of our people,

guided by the experience and insights of our Board, will help us achieve our stated objectives.

Particularly, I'm excited about the way digital insurance will shape up and scale up, especially with the major part of our investments already done in 2018. We will build on the traction that has been achieved in our digital insurance business so far, even as we expect to put a larger product portfolio available to our customers through digital channels. Also, with the commercial launch of agri-insurance, we are confident of successfully ramping-up this product profile that will provide cutting-edge insurance defence mechanisms to our farm communities, while also bringing to them advanced claims assessment methodologies, which will help build their trust in insurance while facing the cyclicity of the agriculture industry with confidence.

Overall, as we look forward to 2019, Green Delta Insurance is well-placed to meet the challenges of continuing to improve the service we provide to our customers, and to realise our ambition to remain as the most preferred general insurance investment platform for our shareholders, while meeting the expectations of our people and our communities.



Farzanah Chowdhury

Chartered Insurer
Managing Director & CEO
Green Delta Insurance Company Limited



1.3.5. Brief Profile of the Management & Observers

Munir Ahmed
Senior Executive Director

Kabir Ahmed Chowdhury
Senior Executive Director

Md. Moniruzzaman Khan
Executive Vice President (Observer)

Syed Forhad Abbas Hussain
Senior Executive Director (Observer)

Wafi Shafique Menhaz Khan
Managing Director & CEO – GDSL

Syed Aliul Ahab
Financial controller (Observer)

Farzanah Chowdhury
Chartered Insurer
Managing Director & CEO







Nasiruddin Ahmad Choudhury
Advisor

By virtue of an experience of more than half a century in the insurance sector, Mr. Nasiruddin Ahmad Choudhury has pioneered the insurance industry of Bangladesh and is a widely respected business veteran. Mr. Choudhury completed his Bachelor's degree from Anando Mohon College, Mymensingh, and Master's degree in Islamic History from Dhaka University, Bangladesh. He is vastly experienced in the field of insurance and is widely respected in the insurance industry and business circles, both locally and globally. Mr. Choudhury joined the

Pakistan Insurance Corporation in Karachi in September 1958. Later, he went to London for training and further traveled to Germany to train at the Munich Reinsurance Company. At Pakistan Insurance Corporation, he held various senior positions till the liberation of Bangladesh. In 1972, fueled by the patriotic urge to engage in nation building, he took up the challenging responsibility of rebuilding the reinsurance department of the Sadharan Bima Corporation as a General Manager. Having achieved his objectives, he left Sadharan Bima in 1983.

By this time, he was also Insurance Adviser of Bangladesh Biman and Bangladesh Shipping Corporation for over 15 years. In 1985, when insurance was opened up to the private sector, Mr. Choudhury established Green Delta Insurance Company Limited, with a couple of close friends, as sponsor and founder Managing Director and CEO. Today, Mr. Choudhury continues to discharge his responsibilities as an Advisor. Throughout his glorious career spanning multiple decades, Mr. Choudhury has been awarded by many renowned national and international organizations

for his unparalleled contribution to the insurance industry of Bangladesh and the world at large. In 2007, the US-based International Who's Who Historical Society acknowledged Mr. Choudhury as a fellow. He was elected as the Director of FBCCI, President of the Insurance Association, Executive Member of the Metropolitan Chamber of Commerce and Industry, President of the Bangladesh German Commerce and Industry. He is also the chairman of Delta Brac Housing Finance Corporation. He has also served as the Chairman and Managing Director of NASSCOM Private Limited. Among the host of prestigious awards he has received is the International Quality Crown Award in the Diamond Category in 2009, in London.

He has also received the DHL-Daily Star Lifetime Achievement Award in 2009, mother Teresa international award for contribution as a social and as also the International Star Award for Leadership in Quality, presented in Paris in the same year. Mr. Choudhury has traveled around the world and is closely associated with insurance majors in countries like Germany, the UK, France, Japan and Malaysia, among others. Under the accomplished mentor ship of Mr. Choudhury, Green Delta Insurance continues to remain the largest non-life insurance company of Bangladesh and has broken new ground with certain exemplary industry firsts, most notable among these is insurance products exclusively designed for women customers, agri-insurance and a state-of-the-art insurance institute, among others. Today, Green Delta Insurance is focused on promoting insurance inclusion and is focused on the overarching ambition of providing 'insurance for all'.



Farzanah Chowdhury

Chartered Insurer
Managing Director & CEO

Ms. Farzanah Chowdhury ACII (UK), Chartered Insurer, is the Managing Director & Chief Executive Officer of Green Delta Insurance Company Limited (GDIC) – the only non-life insurance company with IFC World Bank equity investment in the country which has been awarded with the prestigious AAA rating for three consecutive years. Being the first female Managing Director and CEO in the financial sector of the country, her guiding philosophy has always been driven by the intent of adding value not just in business but in every sphere that touches her life.

Farzanah Chowdhury has recently been recognized as a Local SDG Pioneer 2016 by The UN Global Compact in the Global Leaders' Summit announced by H.E. Ban Ki-moon. She is one of only 10 outstanding individuals from across the world to have received the accolade for her work in achieving SDG 5 for Gender Equality and Women Empowerment. She has been hailed as a Pioneer for Women's Economic Security through Nibedita- the first comprehensive insurance scheme for women in South Asia. She was instrumental in launching the Nibedita Mobile App, to provide one-stop service solution platform for women of the country and ensuring their social and economic security. It was under her stewardship that Green Delta joined hands with the Ministry of Health and Family Welfare, Government of Bangladesh in the Shastho Shuroksha Karmasuchi (SSK) project. Green Delta will be

working as the Scheme Operator of the project to provide health insurance for the rural poor.

She was instrumental in the strategic engagement between Green Delta and the Access to Information (a2i) Program of the Prime Minister's Office under which insurance policies will be provided to the rural population through the 5000 Union Digital Centers across the country.

She holds numerous important positions such as Past National President of JCI (Bangladesh), Vice President (JCI) International (looked after six countries of the Asia Pacific region), a member of the Boards of Trustees of JCI's Global Youth Empowerment Fund, President elect of Entrepreneur Organization (EO) and so on. She is also a Board member of JAAGO Foundation a movement initiated by the young people of Bangladesh to eradicate poverty through education and empowering the youth. She is also a member of various apex business bodies like Metropolitan Chamber of Commerce & Industry, Bangladesh Women Chamber of Commerce & Industry, CACCI and many more. Ms. Chowdhury is a member of the Board Member of Talent Nomics India. With her leadership, Ms. Farzanah has been relentlessly working to bring forth a positive change in the insurance industry by materializing the concept- 'Insurance for Everyone' and growing beyond.



A.S.A. Muiz
Senior Consultant

Mr. Muiz is a Sr. Consultant at Green Delta Insurance (since 2013) and enjoys an entrenched presence in the field of Insurance for over four decades. After his graduation from Dhaka University, he started his insurance career at erstwhile Great Eastern Insurance Co. Ltd. in 1969 as a probationary officer. He joined the Sadharan Bima Corporation after the war of liberation as an Assistant Manager in 1973 and went abroad for higher training and exposure and in the process got associated with large insurance organizations like Lloyds and attended Chartered Insurance College, London. He also received training on Munich Re, Germany, Swiss Re Switzerland and Paris, France.

Upon his return after completion of his training abroad, Mr. Muiz joined Sadharan Bima Corp. and continued working at SBC holding various important and significant post till his voluntary retirement in 1997 as a Deputy General Manager. He then joined Green Delta Insurance as Director, Marketing, in 2001. Until becoming consultant he was Additional Managing Director of Green Delta in charge of HR, Marketing, Underwriting and Branch control and afterward served as Advisor to the Green Delta Insurance.



A.K.M. Iftexhar Ahmad
Consultant

A.K.M. Iftexhar Ahmad is a carrier insurer. After obtaining graduation from Dhaka University he joined the eastern Head Office of erstwhile Muslim Insurance Co. Ltd. on 8 January 1969. Thereafter he joined erstwhile Janata Insurance Co. fully owned by Bengali entrepreneurs in September 1970 as Asstt. Manager. After liberation the Insurance Industry was nationalized. He was absorbed in Sadharan Bima Corporation as Asstt. Manager in 1973. He held important positions in Underwriting, Claims, Branch and other departments till 1996 when he voluntarily retired to join the private sector. In Private Sector he was the CEO of Eastern Insurance Co. Ltd. from 1998 to 2009 and CEO of Sonarbangla Insurance Co. Ltd from 2010 to 2012. He retired from Sonarbangla on attaining the age of superannuation ie. 67 years. Thereafter he joined Insurance Development and Regulatory Authority (IDRA) in July 2013 as Senior Consultant and worked there till June 2016. He was also Member Secretary of Central Rating committee, During his tenure Money Insurance Policy (MIP) was designed by the secretariat and approved by the Authority. He also piloted many new products for non-life insurance viz: Nibedita Comprehensive Insurance for Women, GD Health Insurance, Prime Health Insurance Hajj & Umrah Insurance, Niramay Micro Health Insurance, Weather Index Crop Insurance, Mass Health Insurance, Probashi Insurance for migrant workers, through Central Rating Committee and approved by IDRA. He received extensive training on insurance in home and abroad at various stages of his carrier. He was a member of Central Rating Committee from 2000 to 2012 and also Chairman of Misc Rating Subcommittee for one term. He played an active role in product design and pricing of non-life Insurance. He was an elected member of the Executive Committee of Bangladesh Insurance Association from 2002 to 2008 and played vital role in shaping the industry. He joined GDIC on 4th August 2016 and working as Consultant looking after Underwriting and Claims of the company.



Syed Moinuddin Ahmed
Additional Managing Director & Company Secretary

With an experience spanning over two decades, Mr. Syed Moinuddin Ahmed is a respected banking and finance professional in Bangladesh.

Majoring in Finance from the University of Dhaka, Mr. Ahmed started his career at Southeast Bank, working in credit-related departments. Beginning as a management trainee at the bank, he subsequently drew rich experience by virtue of working with several other reputed commercial banks in the country and across various roles, before joining the renowned GDIC Group in 2009.

Mr. Ahmed's contribution in evolving the GDIC Group into its present exalted status has been a highlight of his long and illustrious career. At Green Delta Insurance, the flagship of the GDIC Group, Mr. Ahmed has worked in many departments and has taken up several responsibilities that include managing Board affairs and engaging in business development, business process optimization and structuring credit facilities, forging strategic alliances, optimising human resource and ensuring project deliverables. The recognition of Mr. Ahmed's relentless efforts in building strong foundations of the Group was his elevation to the role of Additional Managing Director and Company Secretary of Green Delta Insurance Company and Managing Director of GDAssist, a fast-emerging Group company.

Today, Mr. Ahmed continues to lead and inspire his team through his experience and foresight. Having travelled throughout the world for work and having being exposed to several workshops and seminars globally, Mr. Ahmed is passionate about implementing global best practices in Bangladesh, thereby contributing to the country's advancement in his own small way.



Wafi Shafique Menhaz Khan
Managing Director & CEO - GD SL

Mr. Wafi Shafique Menhaz Khan is the Managing Director & CEO of Green Delta Securities Limited, one of the few renowned brokerage houses of Bangladesh. He is also the Deputy Managing Director of Green Delta Insurance and is currently heading Retail & SME. Prior to join Green Delta, he was the Vice-President and Head of Non-funded Business at The City Bank Limited. Mr. Khan has extensive experience in the banking industry and set benchmarks for others to pursue. He started his glorious career from ANZ Grindlays Bank and gradually earned diversified experience while working with BRAC Bank Limited, American Express Bank Ltd. and The City Bank Ltd. He was directly involved with the launching of numerous retail, card and loan products. Throughout his career, he has been assessed as a result oriented & strong team player, activator and developer. He has taken up several successful training and workshops held locally and globally on career management & leadership. He has attended various international conferences held in USA, UK, Dubai, Singapore, Thailand, India and China.



Md. Rafiqul Islam

Managing Director & CEO – GDCL

Md. Rafiqul Islam, Managing Director & CEO of Green Delta Capital Limited, prior to join this position, he was the Chief Investment Officer of the company.

Mr. Islam is a seasoned professional Investment Banker with over 15 years of professional. Mr Islam has the specialization in both Debt and Equity Capital markets products where he comprises in many milestone transactions for raising debt & equity funds including Foreign & local Syndication and IPO in various sectors such as Infrastructure, Power, Energy, Financial, Agro, Textile, Telecom, Manufacturing, FMCG and Food processing sectors. Mr. Islam has wide-ranging experience in Islamic Finance such as Sukuk, from structuring to raising funds through issuance of Sukuk for the corporates. Mr. Islam is also specialized in designing and structuring the Private Public Partnership (PPP) projects & infra deals and converting these as bankable deals.

Mr. Islam began his career with a major conglomerate in Bangladesh in 2002 and then moved to Orascom Telecom Bangladesh (Vimpelcom). Mr. Islam was also with BRAC EPL Investments Limited as Associate Director & Head of Structured Finance.

Mr. Islam perform as key note speaker and panel speaker in various international and national conferences, summit and in TV media on Capital Markets, Investment Banking, Private Equity and Venture Capital, organized by government agencies and private sector organizations. His contribution to promote Bangladesh among foreign investors has also been acknowledged by the Government of Bangladesh. Recently, Mr. Islam has been elected as the Vice President of Bangladesh Merchant Bankers Association (BMBA) for 2018 and 2019.



Md. Anisur Rahman

Deputy Managing Director & Head of Claims

Mr. Md. Anisur Rahman joined Green Delta Insurance Company Limited in November 2018. He brings with him a flamboyant career of more than 29 years of valuable experience in the insurance industry and a total of 36+ years of experience in banking and insurance profession. Before joining our company, he served as the Deputy Managing Director at United Insurance Company Limited. Besides, he previously worked in Reliance Insurance Limited as Executive Director and prior to that in Pragati Insurance Limited and Bangladesh Insurance Academy in different senior positions. Starting his career as a Banker with Standard Chartered Bank in March 1982, he switched to Investment Corporation of Bangladesh and thereafter moved to Bangladesh Krishi Bank. In the transition of his career, he then switched to the insurance industry with Bangladesh Insurance Academy. During his career track, he obtained intensive training program at the University of Philippines at Manila, Reinsurance Management in Bangkok, Thailand organized by Asian Re and attended Annual Seminar of Arab Insurance Group (ARIG) in Bahrain. Mr. Rahman also attended a number of seminars on insurance, claims, and re-insurance at home and abroad including orientation to Lloyd's and London Market organized by Tysers at London, UK. He has obtained B.com (Hons.) and M.com in Marketing from Dhaka University and also attained MBA with major in Finance from the same university.



Kabir Ahmed Chowdhury
Senior Executive Director

Kabir A. Chowdhury, Sr. ED, Head of Internal Audit & Compliance has been working in the insurance industry since last 33 years. He has experience in underwriting, Accounts, Claims and administration. He is also a good business producer in the company. He was the founder manager of several Branches and performed very good result in all the time.

Mr. Chowdhury is presently working as head of internal audit & Compliance with a motive to develop the Branches cost control and improve the office keeping mainly accounts related works and proper recordings of all departmental policies and other documents.

After completion of M.Com in Accounting & Finance from Chittagong University. Mr. Chowdhury joined with Green Delta in November 1986. He has travelling experience in various countries in Europe, America and Asia.



Monir Ahmed
Senior Executive Director

Mr. Munir Ahmed started off his journey with the company back in 1986. He joined the company immediately after completing his BCom honours in Management from Chittagong University and later completed his Masters while working with the company under the same university. He joined as a trainee executive under the Underwriting Department, in the beginning of his career. Over the years, with a degree of responsibility, his role has changed in an upward notion, in the company. He was Branch Manager for 11 years, Zonal Head for 10 years, Head of Claims Department for a year and at present he is working as Senior Executive Director as the Head of Underwriting Management Department.

With an experience of more than three decades, Mr. Ahmed is specialised in- Project Management, Risk Management, Sales and Marketing, Managing crisis situations, Business Plan Development, Strategic Planning

To ensure better set of skills and knowledge, he availed various trainings, summits and conferences such as- Technical Accounting for Reinsurance, -Asian Conference on Micro Insurance, International Summit on Takaful Insurance in Bangladesh, Second long course on insurance for new officers in private insurance company conducted by Bangladesh Insurance Academy in 1988, Foundation course by Bangladesh Insurance Academy in 1999, Reinsurance training course by Bangladesh Insurance Academy, Fire Underwriting course by Bangladesh Insurance Academy and Advance course on executive development by Bangladesh Insurance Academy etc.



Syed Forhad Abbas Hussain
Senior Executive Director (Observer)

Syed Forhad Abbas Hussain was born in 1964 and completed his Masters In Economics with Honours under Chattragram University. He joined the industry in May 1992 through United Insurance Company Limited. During this long time in Insurance industry, he discharged responsibilities under different capacities. Presently he is the Senior Executive Director in the Reinsurance Division of the company. He has received training from Bangladesh Insurance Academy; National Insurance Academy, Pune, India; Insurance Institute of India, Mumbai; GIC Re, Mumbai and School of Insurance Singapore in Marketing, Underwriting and Reinsurance. He attended numbers of conferences and seminars in Insurance and Reinsurance in different parts of the world and visited USA, UK, Sweden, Hongkong, Taiwan, Malaysia, Indonesia, Egypt, Cyprus, India and Singapore. He participated in SIRC's, EAIC's and India Rendezvous, annual and bi-annual conferences in Reinsurance. He visited Lloyd's in 2016 as part of a training program in England.

He is happily married and has two sons.



Md. Murtuza Zaman
Senior Executive Director (Observer)

Mr. Md. Murtuza Zaman joined Green Delta Insurance Company Limited in 1987 as Trainee Executive. During his career he attended a number of training sessions, workshop/seminars on insurance and re-insurance related matters both in Bangladesh and abroad. He is engaged with discharging responsibilities under different capacities in Re-insurance and Specialized Underwriting Division of the company. Currently he is serving Green Delta Insurance Co. Ltd. as a Senior Executive Director.



Syed Aliul Ahabab
Financial controller (Observer)

Syed Aliul Ahabab is the Financial Controller of the Company and is in charge of the operation of the finance and accounts function of the organization including overseeing and supervising the financial reporting and regulatory reporting processes. He is also involved in assisting strategy designing and implementation and continuous process development within the finance function of the Company.

Ahabab is a member of the Association of Chartered Certified Accountants (ACCA, UK).

Prior to joining Green Delta Insurance Company Ltd., Ahabab served as a Senior Manager, Corporate Finance at KPMG in Bangladesh. At KPMG, he was the responsible manager for Deal Advisory and Corporate Finance engagements.

He has extensive knowledge and experience in Financial Reporting, Financial Planning & Budgeting, Statutory & Internal Audit, Internal Control Systems development and Corporate Finance backed up by proficiency on International Financial Reporting Standards, local Tax & VAT laws and Companies Act of Bangladesh.

Ahabab's working experience covers many industries and service sectors, which includes Insurance, Healthcare, Pharmaceuticals, Manufacturing, Textile and Garments, Travel & Tourism, Power, Real Estate, Super Stores, Securities & Stock Exchange and Technology.

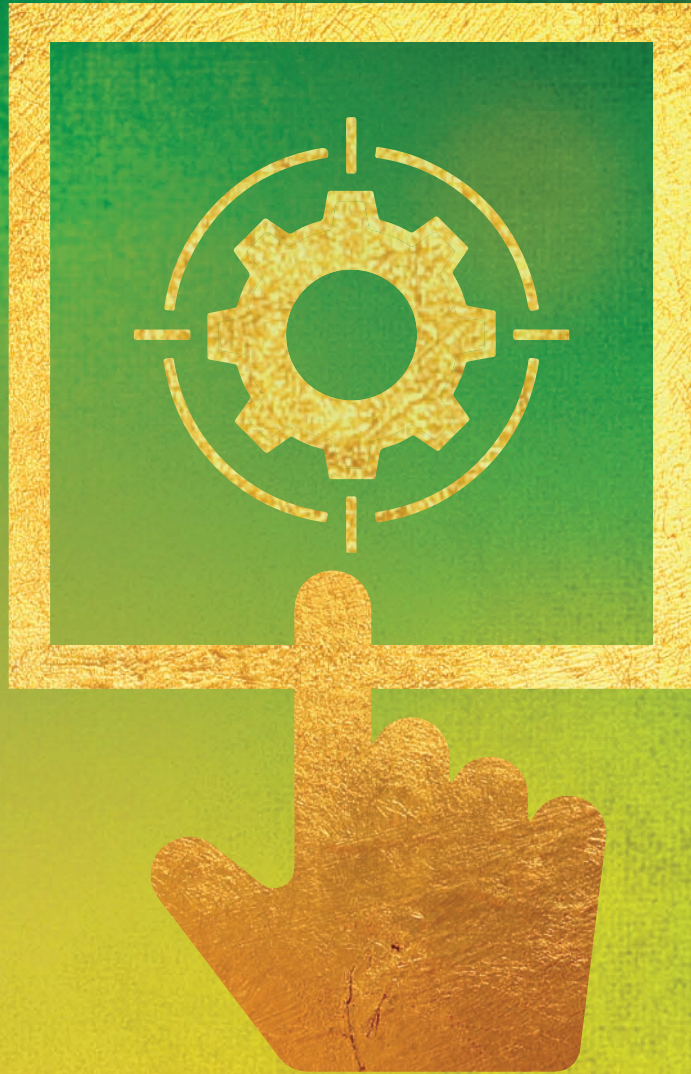


Md. Moniruzzaman Khan
Executive Vice President (Observer)

Md. Moniruzzaman Khan, an experienced marketer with profound experience and knowledge in sales and marketing communications joined Green Delta family in late 2016. He is a seasoned professional in corporate communications, marketing campaigns, digital marketing, media & public relations, corporate affairs, driving value-based brand strategy with exemplary leadership attributes.

Mr. Zaman has completed both his undergraduate (BBA) and post-graduate (MBA) from University of Dhaka, which used to be known as Oxford of the West. After completing his education, Mr. Zaman started his career in the biggest MNC operating in telecom industry – Grameenphone, as a Regional Distribution Officer. During his 12 years long career in GP he worked in almost every avenues of business including retail, distribution, channel & customer marketing. Before joining Green Delta Insurance, he served as Deputy General Manager and Head of Consumer Engagement. Being part of GP, he participated in several local and foreign trainings which actually helped him to sharpen his career and drive more passionately.

He is currently responsible for Brand and communication strategy for overall Green Delta family. His high level of adaptive aptitude enabled him to get suited in the new organization pretty soon. Ever since joining Green Delta Insurance, he has worked in numerous projects in market communication which actually got huge attention amongst the industry. Firey Ashuk Chithi, Augmented Reality Desk Calendar, Country's first hand made SDG themed desk calendar are few of them. His prudent leadership, superior networking skill and cutting edge knowledge on brand communication strategy has taken the Green Delta brand to a new height as he continues to make marvels happen to deliver the optimum brand value and exceed his own legacy every day.



MANAGEMENT DISCUSSION & ANALYSIS

2.1 Review of our Financial Capital

Having streamlined our business operations and strengthened our balance sheet, Green Delta Insurance is at an inflection point in terms of developing capacity for further growth.

As we continue to build upon the strategic levers that drive business growth, including new product innovation and launch, expanding distribution network, developing human resource capacity, etc., we continue to prioritise investments and reallocate our resources towards activities that enable us to drive maximum growth. Overall, our financial capital management strategy is anchored on strengthening cost efficiency by reorganising functional processes through a

shared approach, and augmenting our revenue growth from our core business as well as through ancillary opportunities in our Group companies.

2018 review

In the year 2018, our major geographical market areas in Bangladesh demonstrated strength and resilience with the result that we delivered increasing premium volumes. This, paired with our ongoing focus on cost and debt optimisation enabled the company to report a 3% net profit growth during the year, which is among the fastest growth rates in the country's insurance industry.

Condensed profit and loss statement review BDT in Million

Particulars	2018	2017	
Premium income	3678.63	3293.55	→ Customer base expansion + Rising premium values
Direct expenses	547.35	396.59	
Staff expenses	481.21	535.88	
Operating profit	403.07	399.96	→ Augmented compensation + Increase in staff base
Finance costs	52.75	71.59	
Taxation	69.48	64.68	→ Focus on debt optimization + Emphasis on source diversification
Net profit	249.41	243.11	
Earnings per share (BDT)	3.09	3.01	→ Respectable revenue growth + Results on cost reduction initiatives

Our general insurance business made continued progress in 2018, increasing net written premiums by 12%, the outcome of ongoing product and channel mix refinement. Operating profit grew 1% to BDT 403.07 mn (2017: BDT 399.96 million) due to improved underwriting capabilities and better screening and selection of business. Our combined operating ratio was stable at 93%, helping to generate underwriting result of BDT 403.07 mn (2017: BDT 399.96 mn). During the year, we paid claims of BDT 470.93 mn (2017: BDT 371.16 mn), which were largely out of fire insurance. Strong underlying liquidity enabled the facilitation of these claims on a timely basis.

Building on the foundations of 2018, our priority for the current year and beyond is to accelerate the performance of our businesses and translate this into attractive and dependable growth in operating profit and dividends.

Delivering shareholder value

Protecting shareholder value and delivering long-term return requires us to adhere to the highest standards of corporate governance and financial control. Our Code of Conduct provides standards for integrity, competence, responsibility, accountability, fairness and transparency, and sets the tone from the top. Furthermore, we have dedicated initiatives to promote our corporate values, business principles and the Code within the organisation.

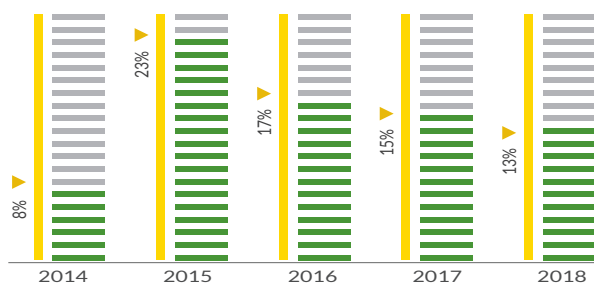
At our Group, we embrace initiatives that we believe will unlock sustainable long-term shareholder gains, and help us create a culture that embodies consistent value creation. Over the past three years, we have returned BDT 524.49 mn in dividends to our shareholders, maintaining a strong dividend yield. Our return on capital employed (ROCE) remained fairly stable over the past few years (3.94% in 2016, 3.32% in 2017 and 3.46% in 2018). Notably, the 6% appreciation in our market value on the Dhaka Stock Exchange (DSE) – from BDT 4954.44 mn at year start to BDT 5244.93 mn at year close – is a fair measure of the recognition of our initiatives in value creation.

Priorities for 2019

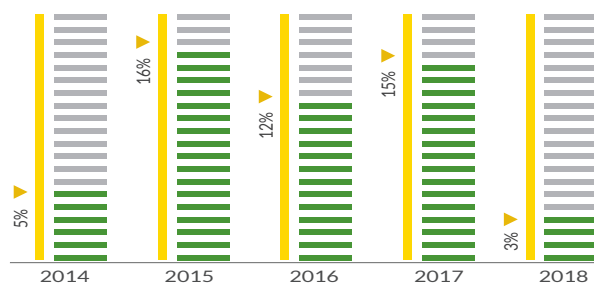
- Growing sales of our newly launched products (especially under Nibedita) to eventually augment our revenues
- Engaging more in skill development and competence-building among our teams to enable stronger cross-functional expertise, multitasking and productivity levels
- Optimising our cost base further through identification of functional opportunities for downsizing costs
- Expanding shareholder value through emphasis on leveraging our strong and solid insurance management platform

2.2 Growth Trend, Profitability and Ratios

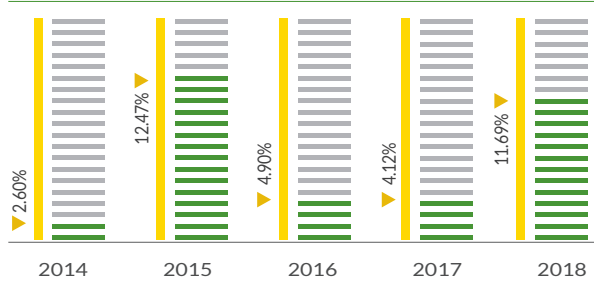
Current Assets



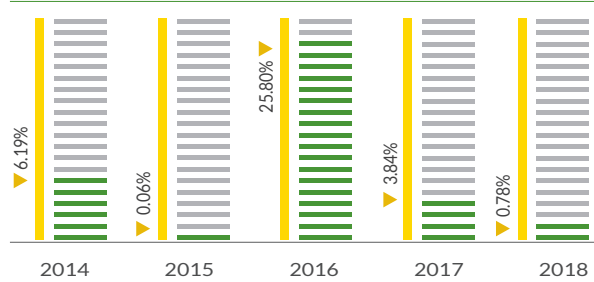
Total Assets



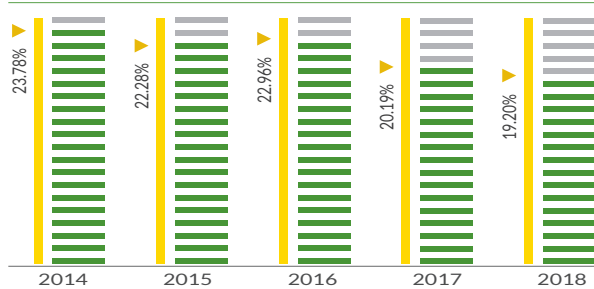
Gross Premium Earning



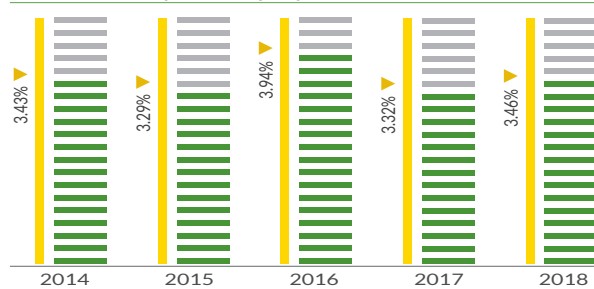
Operating Earning Ratio



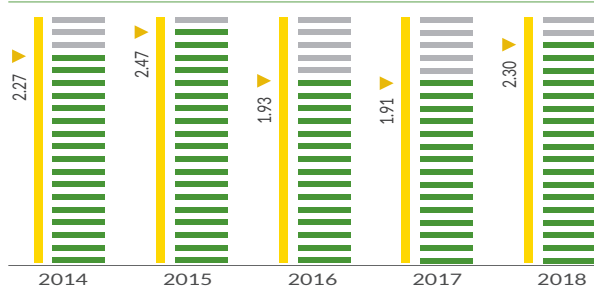
Gross Profit Ratio



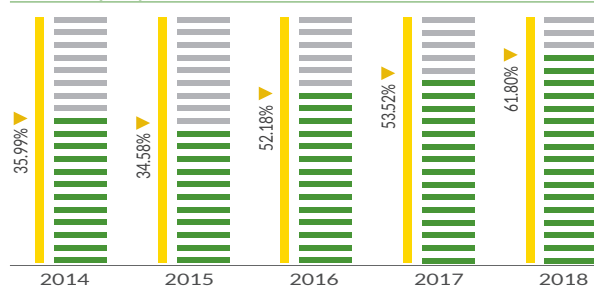
Return on Capital Employed



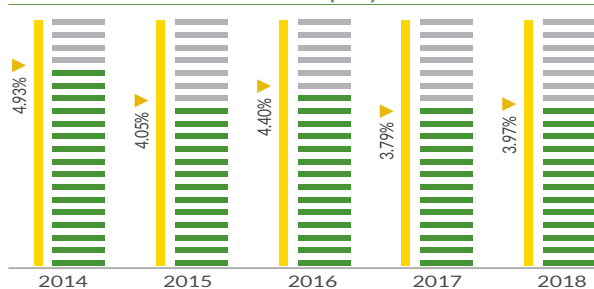
Current Ratio



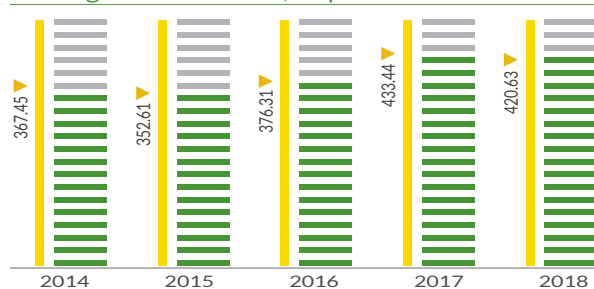
Debt Equity Ratio



Return on Share Holders Equity



Earning Before Interest, Depreciation & Tax



2.3 Review of Assets Quality

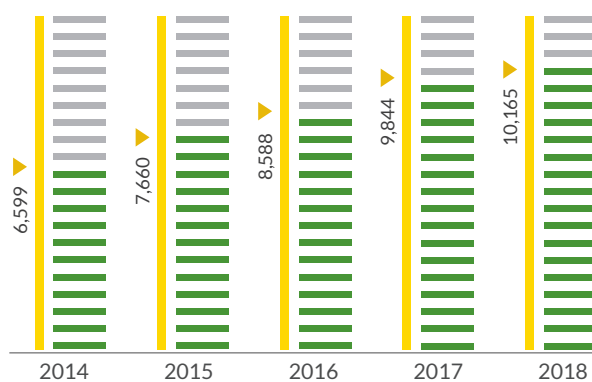
Position of Total Assets

BDT in Million

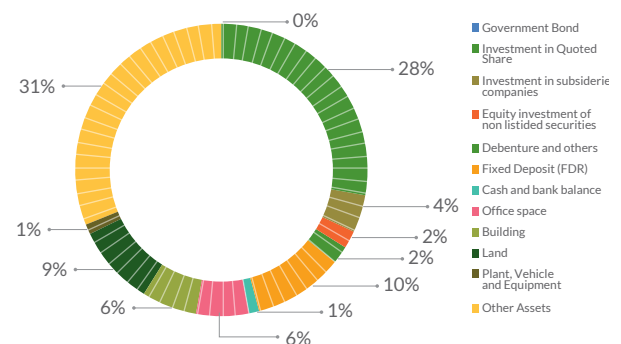
	2018	2017	2016	2015	2014
Investment	3,940.11	4210.11	3,492.29	3,279.29	2,392.63
Cash and Cash Equivalent	896.92	983.35	1,095	975	1,181
Fixed Assets	2,149.21	2179.87	2,212.33	2,236.99	2,084.34
Other Assets	3,179	2471	1,789	1,169	942
Total	10,165.42	9,843.85	8,588.24	7,660.46	6,599.35

Particulars of assets	Year -2018			Total(%)	Growth (%)	Year -2017			Total(%)	
	Short term	Long term	Total			Short term	Long term	Total		
Investable assets	Government Bond	0.00	25.00	25.00	0.25%	0%	0.00	25.00	25.00	0.25%
	Investment in Quoted Share	2,878.36	0.00	2,878.36	28.32%	-7%	3,093.09	0.00	3,093.09	31.42%
	Investment in subsidiaries companies	0.00	395.97	395.97	3.90%	9%	0.00	362.49	362.49	3.68%
	Equity investment of non listed securities	0.00	209.71	209.71	2.06%	-34%	0.00	318.09	318.09	3.23%
	Debenture and others	225.00	0.00	225.00	2.21%	0%	225.00	0.00	225.00	2.29%
	Sub Total	3,103.36	630.68	3,734.04	36.73%	-7%	3,318.09	705.58	4,023.67	40.87%
	Fixed Deposit (FDR)	1,019.55	0.00	1,019.55	10.03%	-10%	1,134.45	0.00	1,134.45	11.52%
	Cash and bank balance	83.41	0.00	83.41	0.82%	136%	35.32	0.00	35.32	0.36%
	Sub Total	1,102.96	0.00	1,102.96	10.85%	-6%	1,169.77	0.00	1,169.77	11.88%
	Other Assets	0.00	607.56	607.56	5.98%	-1%	0.00	613.99	613.99	6.24%
Other Assets	Building	0.00	591.33	591.33	5.82%	-1%	0.00	597.71	597.71	6.07%
	Sub Total	0.00	1,198.89	1,198.89	11.79%	-1%	0.00	1,211.70	1,211.70	12.31%
	Land	0.00	859.97	859.97	8.46%	0%	0.00	859.97	859.97	8.74%
Other Assets	Plant, Vehicle and Equipment	0.00	90.34	90.34	0.89%	-17%	0.00	108.22	108.22	1.10%
	Other Assets	0.00	3,179.18	3,179.18	31.27%	29%	0.00	2,470.52	2,470.52	25.10%
Total assets		4,206.32	5,959.06	10,165.38	100.00%	3%	4,487.86	5,355.99	9,843.85	100.00%

Position of total Assets



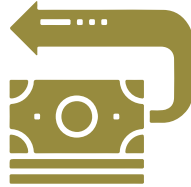
Position of total Assets



2.4 Investor Friendly Information



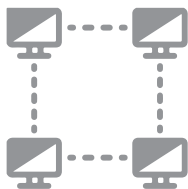
DIVIDEND 20%



**RETURN
ON EQUITY 4%**



**NET PROFIT
MARGIN 7%**



**DEBT TO
EQUITY 62%**



**GROSS PREMIUM
BDT 3678.63 MIL.**



**NET CLAIMS
BDT 470.93 MIL.**

Net Profit Margin: Sales are meaningless if we aren't making money. Investors also want to see our profit margins both overall and at the individual product level. They compare our margins against our competitors and their other available investment opportunities. Higher margins generally lead to a better return for investors.

Dividend: GDIC pays dividend for a variety of reasons, and the developments can have different implications and interpretations. Dividends are expected by the shareholders as a reward for their trust in a company, and the GDIC management aims to honor this sentiment by maintain a robust track record of dividend payments. GDIC has been paying 20% cash dividend in the last two years which is highest among its competitors.

Return on Equity: The return on equity ratio or ROE is a profitability ratio that measures the ability of GDIC to generate profits from its shareholders investments in the company. ROE is also a indicator of how effective GDIC

management is at using equity financing to fund operations and grow the company. GDIC earned 4%

Debt to Equity: The debt to equity ratio is a financial, liquidity ratio that compares a company's total debt to total equity. The debt to equity ratio shows the percentage of company financing that comes from creditors and investors. A higher debt to equity ratio indicates that more creditor financing (bank loans) is used than investor financing (shareholders) 62%

Gross premium: Gross general insurance premiums comprise the total premiums received for the whole period of cover provided by contracts entered into during the accounting period. They are recognized in the year on which the policy issued 153,469

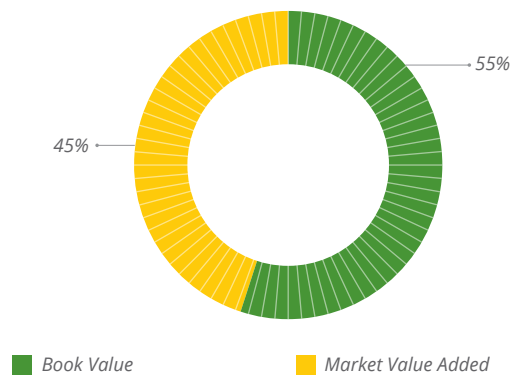
Net Claims: A demand made by the insured or the insured's beneficiary for payment of the benefit as provided by the policy 470.93 million.

2.5 Value Added Statement

For the Year ended 31st December,2018

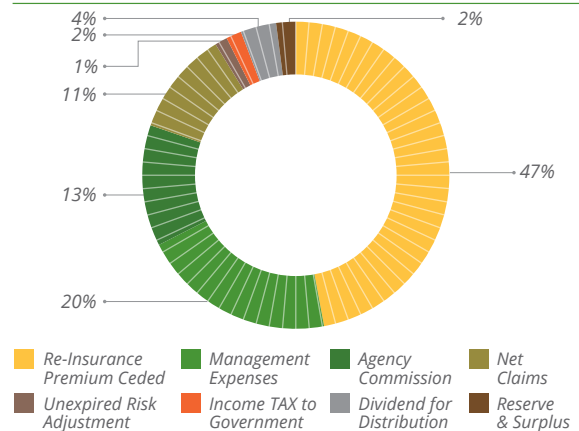
Value Added	Taka in million
Gross Premium	3,678.63
Commission on Re-insurance	371.45
Investment and Others Income	238.99
Total	4,289.07

Market Value Added Statetment 2018



Distribution of Value Addition :	Taka in million
Re-Insurance Premium Ceded	2,018.10
Management Expenses	877.44
Agency Commission	547.35
Net Claims	470.93
Unexpired Risk Adjustment	56.37
Income TAX to Government	69.47
Dividend for Distribution	161.38
Reserve & Surplus	88.03
Total	4,289.07

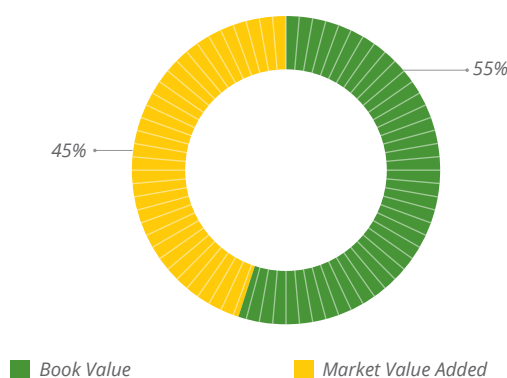
Distribution of Value Addition



2.6 Market Value Added Statement

Particulars	Number of Share	Value Per Share (Taka)	Total Value (Taka in Million)
Market Value	80,691,187	65.00	5,244.93
Book Value	80,691,187	77.86	6,282.76

Market Value Added Statement 2018



2.7 Economic Value Added Statement

For the year ended 31st December	Amount in BDT				
	2018	2017	2016	2015	2014
Average shareholders' equity at the end	2,866,983,447	2,758,509,138	2,655,609,118	2,588,540,023	2,448,782,609
Cost of equity (%)	8.50%	8.50%	8.50%	8.50%	9.50%
Net Profit After Tax	249,410,888	243,105,029	248,582,533	230,297,607	239,255,718
Less: Cost of equity	243,693,593	234,473,277	225,726,775	220,025,902	232,634,348
Economic Value Added	5,717,295	8,631,752	22,855,758	10,271,705	6,621,370

Land revaluation reserve and fair value adjustment of shares were not considered while computing average shareholders' equity.

It is the opportunity cost i.e. the expected risk free return on investments, plus a risk premium. Interest on Bangladesh Government Sanchaya Patra plus 2% risk premium has been assumed to be the cost of equity.

2.8 Capital Adequacy Ratio

Year	Shareholders Equity	Change (%)
2018	6282.76	-2.02%
2017	6412.19	13.62%
2016	5643.42	-0.86%
2015	5692.23	17.29%
2014	4852.92	9.73%
2013	4422.41	14.62%
2012	3858.35	53.70%
2011	2510.33	-19.73%
2010	3127.20	46.15%
2009	2139.76	24.50%

2.9 Contribution to the National Economy/exchequer

Amount in BDT				
Contribution to the National Exchequer	2018	2017	2016	2015
TAX Deducted on Various Account	4,673,362	6,181,107	4,188,583	4,144,467
TAX Deducted on Agency Commission	25,713,867	18,265,098	19,540,057	22,298,050
VAT Deducted on Various Account	11,004,632	9,642,300	8,209,995	9,111,777
VAT Deducted on Survey fee	2,564,311	2,918,814	2,293,621	2,180,046
Company TAX	96,329,390	73,984,504	33,906,938	51,272,739
TAX Deducted from Salary	27,131,832	28,608,703	17,292,376	18,427,430
	167,417,394	139,600,526	85,431,570	107,434,509

2.10 Transformation to our Human Capital

In order to realize GDIC's vision in the industry and reach greater heights of success, employees and the organization need to share the same amount of passion, dedication and commitment. Our human capital entails the following to ensure that:



1. Human Capital Management in GDIC

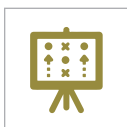
GDIC has always recognized the importance human capital management in the organization as we consider our employees as the lifeline of our company. Our policies are designed in ways that aims towards catering incumbents, developing their skills as well as taking leverage of the knowledge and competencies of the incumbents. This major force not only allows the emergence of personal development within the employees but also improves the overall sustainable growth of the organization as a whole.

Human Capital Management in GDIC focuses on hiring, managing, training and retaining talented and high performing individuals. Since we always consider the value of our human resource, a substantial amount of investment is made by the company every year for their growth and development in order to achieve sustainable results.



2. Merit Based Recruitment:

Merit based talent acquisition for the right kind of position is one of the most crucial responsibilities of human resource professionals, often neglected in most organizations. GDIC does not simply hire someone just to fill a vacant position. We analyze the background of an individual thoroughly to ensure that our human resource professionals hire individuals who is really the perfect fit for a particular job role and truly deserves to be in the organization. We believe that recruiting the right talent for the right kind of position is of utmost importance, which ultimately benefits both the employees and the organization in the long run.



3. Succession Planning:

The need for succession planning by all organisations, large or small is arguably more important today than ever before for

two basic reasons. Firstly, to deal with the sudden exit of a key member of an organization through death, accident or resignation; and secondly, to satisfy motivational issues such as career planning. In GDIC, this process of succession planning concentrates on:

- Understanding the organization's long-term goals and objectives
- Identifying the development needs of potential star employees and nurturing them for the future.

The process entails on matching the knowledge, skills and abilities of the potential candidates to the goals of the organization.



4. Performance Appraisal System:

GDIC's performance appraisal is an annual systematic evaluation of the performance of employees to understand the abilities of an individual for further growth and development. We use the traditional Graphic Rating Scale system to measure the pay of employees and compare it with targets and plans. Supervisors are assigned to analyze the factors behind work performances of employees and how to guide them for a better performance.



5. Promotion, Rewards & Motivation:

In GDIC, we promote our employees based on their merits and achievements. Those who worked hard to prove themselves to the organization, receives a well-deserved promotion from the company. We believe that by enhancing competencies, capabilities and working experience of an employee, we can also enhance their abilities to innovate even further. We also provide yearly incentive bonus to all our employees for all their hard work and dedication throughout the year. Besides these, we also arrange various events, focus on job enrichment, send employees for training programs, giving job security, delegating authority and most importantly ensure a clean, healthy and friendly work environment in order to keep our valuable employees motivated.



6. Disciplinary, Grievance Management & Counselling:

GDIC HR effectively responds to grievance calls in order to minimize disruption and promote a healthy and safe work environment. We realize that there is no 'cookie cutter' solution for managing grievances, hence our HR tries their level best to respond appropriately by considering the type of grievance or complaint that has been made and the specific issues at hand.

We are open to informal counselling in order to resolve personal issues that have been causing significant disruption in an individual's work. On the other hand, we also maintain toxic free office practice & decorum allegations to ensure a healthy work environment. We also have zero-tolerance policies and take swift actions against bullying, harassment or discrimination after thorough investigation on the matter.



7. Remuneration & Incentives:

GDIC follows a compensation strategy which is affordable, structured and reasonably competitive in accordance to our industry's unique business circumstances. We also have incentives for our regular cadres such as:

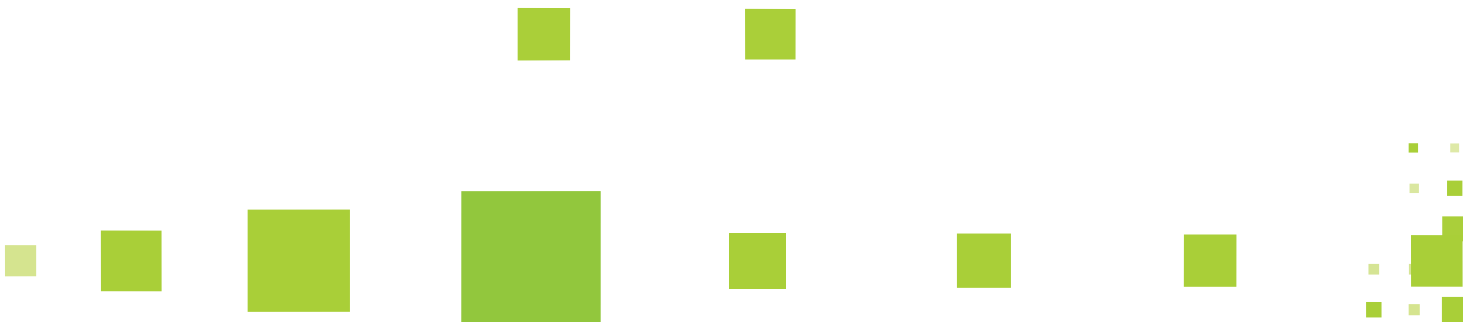
- House rent allowance
- Conveyance allowance
- Medical allowance
- Entertainment allowance

- Dearness Allowance
- Festival Bonus
- Performance Bonus
- Yearly Performance appraisal
- Loan facility
- Mobile allowance
- Lunch Facility
- Transport Facility
- Training & Development
- Family health insurance scheme
- Provident Fund Loan
- Group Life Insurance
- Stock purchasing options

Besides that we also have a commission based earning system for our employees working on marketing & sales. We believe these benefits act as drivers not only to keep our employees satisfied, but also attracting the best employees in the industry.

GDIC also provides the following benefit plans to its employees on severance or retirement according to individuals' entitlement:

- Provident Fund
- Gratuity fund
- Encashment of earned leaves



2.11 Sustainable HR Development

Our HR plays a pivotal role in implementing sustainable practices throughout the organization and its branches across the county. We strongly believe that companies that focus on sustainability are often viewed more favourably by the public, which can affect the way that employees feel about working for the company and even the way that customers or clients feel about interacting with GDIC.

Our HR encourage sustainable practices throughout employee life cycles and daily tasks by the help of our HRIS software that takes care of things like time and attendance tracking, scheduling, succession planning, and goal setting.

GDIC has also helps employees to engage with sustainability by introducing programs or asking for employee feedback and ideas to help develop our organizational practices and sustain them in the long run.

Record Keeping



Our HR keeps electronic records employee information in our HRIS database to save paper and office space. Depending on the structure of the company, it may be possible to use a smaller space and in turn use less energy as a result of the space savings, further progressing sustainability goals.

Recruitment



One of our core value is touting sustainability which helps us to attract the best and brightest talents the insurance industry. Green Delta has always put ethics over profit. That is one of the

main reason why so many talented individuals are interested to join us. It is also true that this practice has helped enrich the talent pool, raise recruiting standards and build better teams for the organization.

Health and Safety



GDIC is always concerned regarding the health and well-being of its employees. We are aware of the fact that medical expenses are very expensive these days. Hence the company makes sure that

all its regular cadre are under health insurance coverage which is renewed each year. This not only helps the employee financially, but also encourages employees to go through medical check-ups from time to time and not worry about the cost. As the saying goes "Better to stay safe now than be sorry later". Our health insurance covers not only the employees, but as well their spouse and up to two children under 24 years. The health claim can be made in three categories:

1. Hospitalization Claim, 2. Maternity Claim and
3. Out Patient Treatment Claim

In 2018, every regular cadre were provided free health cards from one of GDIC's fully own subsidiary, GD Assist Ltd. (GDAL), who specializes in Medical Tourism. This health card, enables employees to get discounts from a huge list of hospitals and pharmacies around Dhaka. GDAL is also in an ongoing process to enlist hospitals and pharmacies outside Dhaka to make it easier for our employees stationed outside Dhaka. Besides discounts, these health cards also provides the scope of cashless service for the card holders.

GDIC maintains a clean and hygienic office environment to ensure a healthy workplace for its employees. We have air purifiers, installed in every floors of the office to keep the air circulation as clean and pure as possible. Our cleaning staff is always on standby and immediately takes care of any sort cleaning duty when called for.

Safety measures were the primary criteria before getting employees in the office. GDIC offers the standard measures of ensuring safety for employees. The building itself was built through keen inspection, making sure that it is resistant to natural disasters or any sort of threats like thievery. Within the building we have installed fire alarms, smoke detectors, water sprinklers, fire extinguisher, etc. on every corner of each floor. We have a sturdy fire exit in case of fire. Aside from that all employees of GDIC follows the practice of switching off their computers and plug points to avoid fire from the inside. We also have ample amount of security forces who properly check visitors and their vehicles before they are allowed in the premises. 24 hours Security cameras cover every nook and crony of the office premises for the detection on any irregular activities. Scheduled maintenance of the office premises especially the elevator are conducted to ensure the safety of our employees.

Work-Life Balance



The search for work-life balance is a process in which people seek to change things in accordance with changes in their own priorities, physical, psychological or both, and these can be triggered in their turn by factors such as: age; changes in working conditions; the demands of new technology; and poor management. In other words, striking that perfect balance between career and family has always been a challenge for the workforce. Our schedules are getting busier than ever before, which often causes our work or our personal lives to suffer. GDIC understands that work-life balance involves juggling workplace stress with the daily pressures of family, friends, and self. Modern employees demand greater control over their lives and a bigger say in the structure of their jobs. Because we understand the importance of a proper work life balance we try to ensure that our employees feel a greater sense of control and ownership over their own lives, by being able to

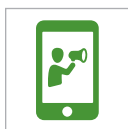
have better relationships with management and are able to leave work issues at work and home issues at home. We have seen that ever since the inception of this practice, the balanced employees tend to feel more motivated and less stressed out at work, which thereby increases company productivity and reduces the number of conflicts among co-workers and management. We have a strict office time schedule which involves the employees coming at 10:00 am in the morning and leaving before 06:30 pm. No employees are allowed to stay and work after 06:30 pm without prior authorization. Even though office time starts at 10:00 am we provide 15 minutes of breathing time so that the employees don't feel like they were late for a short time difference. Furthermore our managers often considers late attendance or short leaves for personal or family affairs. For encouraging the practice of work-life balance, GDIC has become more attractive to workers over the recent years as well as draws a valuable pool of candidates for new job openings. For that we also tend to enjoy higher employee retention rates than most organization, which results in less time-consuming training, more loyalty, and a higher degree of in-house expertise.



Employee Development

One of the best ways to boost employee morale and help workers get to know each other in a non-stressful capacity is by offering an occasional company outing. Every year GDIC arranges events like the Annual Picnic, Mezban and as well as other miscellaneous events that take place under different regular/irregular occasions. Training programs can also be included as a breath of fresh air from their regular work as these programs are not only designed to be educational but also interactive and fun. This is done so that employees get to experience a refreshing change of pace in between the rigorous work life.

GDIC's HR works hard on developing their employees. Every year employees receive the opportunity to attend and participate in various training programs to enhance their skills, knowledge and abilities to in order to become more efficient in the organization. Not only does this benefit the company, but also raises the motivation, confidence level and self-actualization among those employees. We also motivate our employees to pursue further education, consult in career planning and promoting individual responsibility and participation when deemed necessary. Through encouraging employees for training, workshops, and education, we were able to help GDIC's employees master new practices and technological advancements to enhance their work process as a whole.



HR Marketing

The role of HR has evolved significantly in recent years. Attracting, engaging, and retaining top talent is a high priority for executives, and most companies place this responsibility on HR. GDIC is always concerned that it's getting harder to recruit and keep the people who are both skilled high-performers and 'fit' within their organization's culture. Without top talent, maintaining a

competitive advantage, adapting to industry change, and growing business is nearly impossible. Fierce marketplace competition makes it difficult for candidates to know if they are a good fit for the brand without some guidance. Ensuring employee 'fit' is what GDIC strives to achieve through every recruitment. Our employer brand works hard on being clear and consistent about its promises, communicating an authentic, meaningful brand experience across all touch points. We believe that an employer brand helps attract the right talent, allows prospects to self-select for fit with your organization, and increases the likelihood that they will develop into long-term, low-churn, high-producing members.

GDIC's Managing Director & Chief Executive Officer Ms. Farzanah Chowdhury, ACII (UK) is the first female Managing Director and CEO in the financial sector of the country plays a huge role in our HR Branding. Besides having the most prestigious ACII in the insurance sector she introduced numerous successful integrated insurance models to assist the poor demography of our country as well displayed pioneering efforts in women empowerment for which she is the perfect role model for our HR Marketing especially in terms of attracting promising female candidates.



Retention Efforts

GDIC has a good culture and incentive program to keep employees satisfied. We provide a clean and toxic free environment with friendly and helpful people. We understand that have good colleagues works as a vital part of an employee's motivation in an office environment, hence we ensure that all members of GDIC uphold that culture. Aside from that we provide various incentives and benefits to our permanent employees like Festival Bonus, Incentive Bonus, Loan facility with very little interest, Mobile allowance, Lunch Facility, Transport Facility, Training & Development, Annual Excursions, Family health insurance, Provident Fund, Gratuity Fund, Encashment of Earned Leaves, Group Life Insurance, etc. to keep our employees from switching. We also have the practice of Job Rotation within functions or departments to achieve job enrichment for our employees who are not comfortable with monotonous work life.



Feedback

GDIC has been operating for over three decades and has been the leading non-life insurance company since its inception in terms of service to our customers and employees. It would not have been possible without taking feedback. Our management has always listened to employee feedback and acted accordingly if the feedback was considered valid. HR plays a huge role in our organization in enhancing employee experience though taking feedback from employees. Our HR also takes exit interviews from employees who leave our organization to understand the reasons for that particular decision. We try to learn regarding any kind of short comings from our end so that we can improve on it to retain our existing employees.

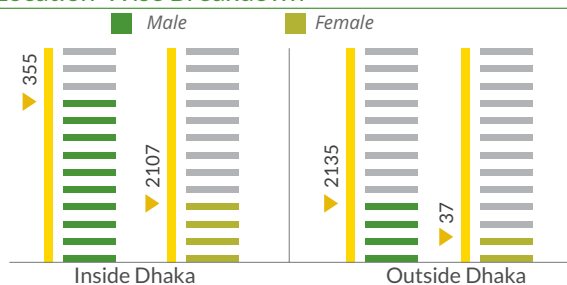
2.12 HR Accounting & Additional Disclosure

1. Employee breakdown:

As of the end of 2018, GDIC has 43 registered and full-fledged operational branches along with the Head Office, both inside and outside Dhaka, in order to insure the risks of all Bangladesh. 04 new branches has opened in 2018 in Badda, Dhanmondi, Gulshan – 1 Circle from Dhaka and Nasirabad from Chattagram. More new branches are in the pipeline for opening in 2019 as we aim to take our service to as many areas in Bangladesh as possible.

Location	No. of Branches	Male	Female	Total
Inside Dhaka	15	355	107	462
Outside Dhaka	28	135	37	172

Location-Wise Breakdown



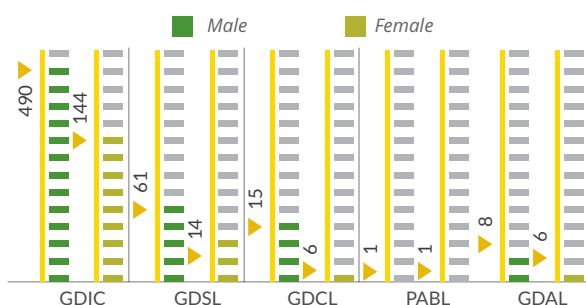
GDIC is a large organization with a centralized HR department. Currently we have four fully owned subsidiaries under our wing which are as follows:

- Green Delta Securities Ltd.
- Green Delta Capital Ltd.
- Professional Advancement Bangladesh Ltd.
- GD Assist Ltd.

In total, we currently have 746 employees working for us thought out the mother company and its subsidiaries. Out of total number of 746 employees, 171 employees are female and 575 male. GDICL has been always trying to balance the male and female ratio which is not only reflected on the board of directors but also in the organization's management at different levels. As of now the male-female ratio is a little over 1:3, meaning roughly 27% of the total employees are female.

Particulars	GDIC	GDSL	GDCL	PABL	GDAL	Total
Male	490	61	15	1	8	575
Female	144	14	6	1	6	171
Total	634	75	21	2	14	746

Distribution of Male-Female Employees



We have a vision that by the year 2021, there will be an equal distribution of male and female employees to strengthen our equal employment opportunity policy as well as increase female participation in the insurance industry as a whole.

2. Employees by Grade

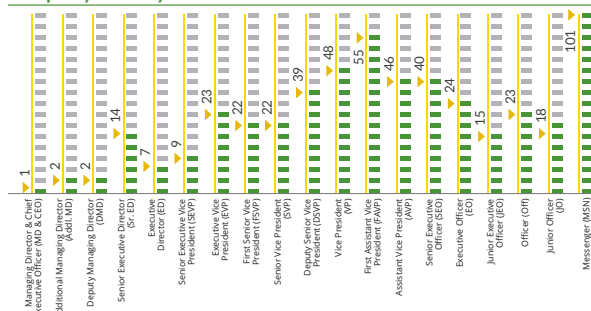
By following the regulations of our regulatory body (IDRA), GDIC's regular employee grades were designed. From top to bottom there are 19 grades to climb in total. They are as follows:

- Managing Director & Chief Executive Officer (MD & CEO)
- Additional Managing Director (Addl. MD)
- Deputy Managing Director (DMD)
- Senior Executive Director (Sr. ED)
- Executive Director (ED)
- Senior Executive Vice President (SEVP)
- Executive Vice President (EVP)
- First Senior Vice President (FSVP)
- Senior Vice President (SVP)
- Deputy Senior Vice President (DSVP)
- Vice President (VP)
- First Assistant Vice President (FAVP)
- Assistant Vice President (AVP)
- Senior Executive Officer (SEO)

- Executive Officer (EO)
- Junior Executive Officer (JEO)
- Officer (Off)
- Junior Officer (JO)
- Messenger (MSN)

Designation	No. of Employees
Managing Director & Chief Executive Officer (MD & CEO)	1
Additional Managing Director (Addl. MD)	2
Deputy Managing Director (DMD)	2
Senior Executive Director (Sr. ED)	14
Executive Director (ED)	7
Senior Executive Vice President (SEVP)	9
Executive Vice President (EVP)	23
First Senior Vice President (FSVP)	22
Senior Vice President (SVP)	22
Deputy Senior Vice President (DSVP)	39
Vice President (VP)	48
First Assistant Vice President (FAVP)	55
Assistant Vice President (AVP)	46
Senior Executive Officer (SEO)	40
Executive Officer (EO)	24
Junior Executive Officer (JEO)	15
Officer (Off)	23
Junior Officer (JO)	18
Messenger (MSN)	101

Employees by Grade



We also have many contractual positions in our organization for different functional roles whose seniority in the organizational hierarchy is decided by the management committee. Positions such as Advisor, Senior Consultant & Consultant are positions who play a role in the management committee. On the marketing and sales spectrum there are contractual positions such as Marketing Director, Senior Marketing Manager, Marketing Manager, Senior Marketing Executive, Marketing Executive, Senior Business Executive and Business Executive, etc. whose sole function is to bring business for the company. Besides these, there are other

contractual designations within the organization who play different functional roles.

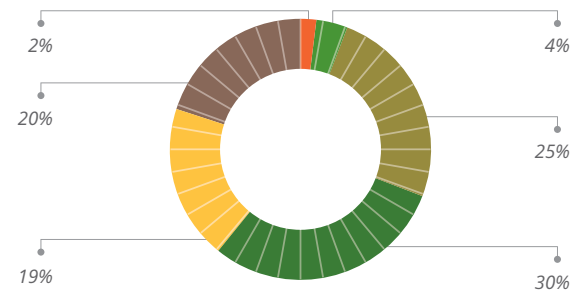
If we break our organization but functional structure there are 6 divisions within our organization. They are:

- Management Committee
- Senior Employees
- Upper Mid-Level Employees
- Mid-Level Employees
- Junior Employees
- Support team

The management committee plays a functional role of holding weekly meetings, engaging in discussions regarding issues, development, changes, etc. and making decisions which are followed by the rest of the organization. The senior employees manage the upper mid-level employees who act as mid-level managers. The upper mid-level employees manage the mid-level, junior employees and support team. Our support team are basically people playing a clerical function in our organization.

Particulars	No. of Employees
Management Committee	10
Senior Employees	29
Upper Mid-Level Employees	158
Mid-Level Employees	189
Junior Employees	119
Support Team	129

Human Resource Composition



- Upper Mid Level Employees
- Mid Level Employees
- Support Team
- Junior Employees
- Management Committee
- Senior Employees

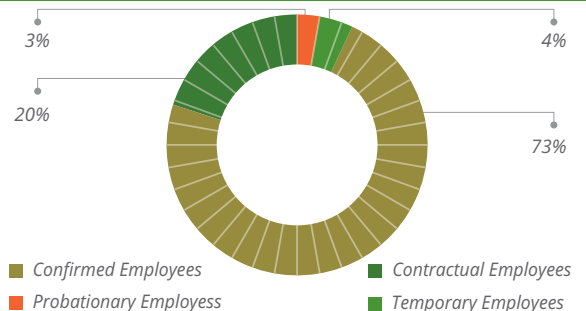
3. Employment Status:

As of 2018, we have 465 permanent employees, 124 contractual employees, 18 probationary employees and 27 temporary employee. Total number of employees remained the same from 2017. This stagnant growth is an impact that results from learning curve which helps us to increase our market share without acquiring additional headcount.



Employment Status	No. of Employees
Confirmed Employees	465
Contractual Employees	124
Probationary Employees	18
Temporary Employees	27
Grand Total	634

Employment Status

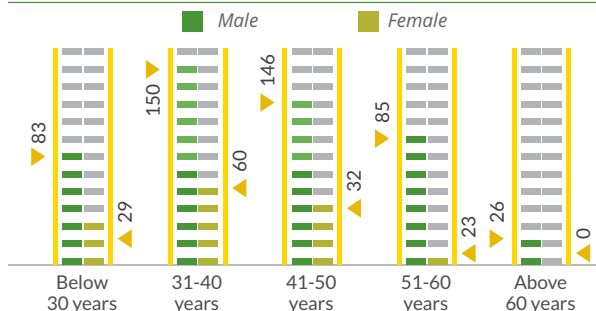


4. Employee Age Analysis:

We have wide variety of mixture between experienced generation and new generation having an average age of 41 years. Where the experienced possess great knowledge, the new generation possess great expertise in technology. This combination not only increases the cooperation and sharing knowledge and expertise among both generations but also helps close the contrasting gap between them. The age distribution among the employees of GDIC are mentioned below.

Age Group	Male	Female
Below 30 years	83	29
31-40 years	150	60
41-50 years	146	32
51-60 years	85	23
Above 60 years	26	0

Age Distribution



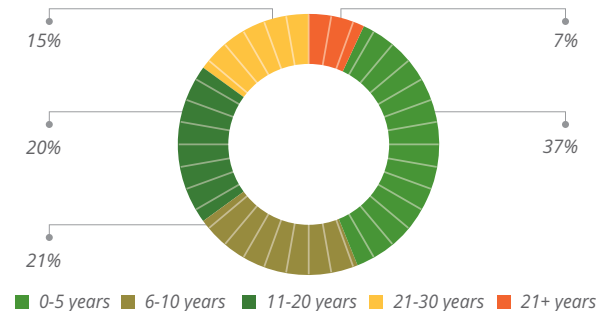
5. Employee Service Analysis:

A rare and remarkable phenomenon in GDIC is the fact that we have a high retention rate in employees. Even though the employee turnover has increased over the years due to the development of job switching trend, GDIC's manages to keep majority of its employees who have been loyal for

years. GDIC makes sure that all its employees are satisfied with their job. The average service period of our company is 11 years which only means that job satisfaction among the employees of GDIC is very high.

Service Period	No. of Employees
0-5 years	238
6-10 years	131
11-20 years	127
21-30 years	94
31+ ears	44

Service Period



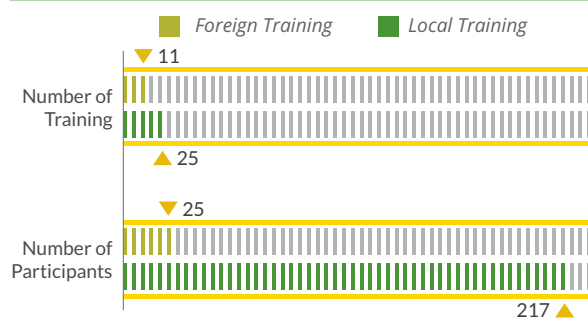
6. Training & Development:

Training and development is one of the key HR functions in GDIC. Every year to cope with the constantly evolving nature of this fast paced industry, GDIC provides multiple in-house, local & overseas training opportunities to its employees, aimed to improve or develop additional competency or skills in an employee on the job one currently holds in order to increase the performance or productivity.

We prepare our training calendars at the beginning of the financial year where a training need analysis is conducted to identify the training needs of our employees. During this year, we have invested around over BDT 12 million in developing our employees by providing trainings.

Training Category	Participants	Trainings
Local Training	271	25
Foreign Training	25	11

Training Composition



2.13 Responsibilities Towards Employees

Employees are said to be the true assets of an organization. Even the best of technology or best of infrastructure would not be of much use if employees do not perform up to the mark and are not satisfied with their current jobs. Thankfully GDIC realizes that and takes upon the responsibility to ensure the satisfaction of its employees.

GDIC realizes that it is unethical to treat employees as mere machines and expect them to work continuously for eight to nine hours at a stretch just because they are being paid. Hence, we avoid such practice in our organization. Our management ensures that individuals associated with their organization are actually enjoying what they are doing and also growing with time. Work time is strictly maintained as all employees are instructed to come to work on time and leave on time besides exceptional cases. Job profiles are delegated equally as per expertise, knowledge and educational qualification of individuals so that no one is overburdened. We ensure that our employees are provided healthy working conditions and assigned to proper workstations or cubicles for them to work comfortably and eventually deliver their level best. As everyone needs some amount of privacy, GDIC makes sure that their employees get the same so that they would not be frustrated with their job.

Our HR takes time to sit with the employees from time to time and try to find out whether they are happy with their job or not and if at all they are facing any problems in the current system as it is the responsibility of the organization to look after the mental health and safety of its employees. Our office building is designed resistant to fire and earthquake and proper provisions are made such as fire alarm, water sprinklers, fire exits, fire extinguishers etc. Till the time an employee is on official duty, management takes responsibility to assist him/her in case of a medical emergency or other serious concern.

It is understandable that sudden crisis may come anytime. In 2018 we have provided a substantial amount of provident fund loan to employees in order to assist them during their time of need. In cases when employee meets an accidental death, we make sure you extend our sympathies and support to his/her family members to cope up with such an irreparable loss. Whenever our employees need your help, we try to make sure that we are there with them, we take good care of them and treat all of the employees as part of one big family. The large number of loyal employees still working in GDIC is the result of GDIC's efforts to take responsibilities towards its employees.

Our culture promotes employees to encourage, praise and appreciate one another. They are given fair and ample opportunities to show their talent. Employees are provided an environment where they can hone their skills with time. Job rotation and interchanging roles is also a regular practice in our organization, so that everyone gets to learn and work on something new. Timely delivery of annual performance appraisals are an important function of our organization. Our management takes upon the responsibility to ensure that employees who are working really hard and showing progress throughout a fiscal year are suitably rewarded on time with incentives, cash prizes,

bonuses which go a long way in not only motivating the employees but also creating a healthy and positive ambience at the workplace.

Line managers in GDIC have a unique role in helping employees work together to accomplish a reasonable work-life balance. These professionals are often tasked with the responsibility of supporting team development and challenging industry working condition standards. Ultimately, these are tasks that are crucial to individual and organizational productivity in the workplace. Maintaining structural consistency, offering engagement opportunities, allowing schedule flexibility, engaging in team-building exercises, allowing leave without pay for personal reasons or any kind of emergency situations, etc. are some of the few things that we do for the welfare of our employees.

Today, business organizations are considered to be social institutions, apart from being economic entities for two reasons. Firstly, business organizations exist and operate within a social structure. We need to win social acceptance for our survival. Secondly, GDIC needs to be socially responsible as we exercise a wide influence on the society's life style. Corporations no longer exist to only earn profits, but also strive to satisfy various societal needs. These societal needs are towards our customers, employees, shareholders, investors, community and the environment and we take it as our responsibility to cater them.

Our employees, also referred to as the "Human Resources" of our organization are described GDIC's pillars of success and glory. These employees are the backbone of this organization. Taking good care of its employees is the responsibility of the organization and its management. The scope of these responsibilities is determined by the nature of employment. Usually our permanent employees enjoy trust and job security. But we don't want our temporary and probationary employees are the ones whose interests are sacrificed whenever there is a crisis in an organization so we take it as our responsibility to foster a sense of belonging among all employees an organization and maintain a healthy work environment where following responsibilities are adhered to towards all employees:

- To provide adequate compensation based on experience and standard of living conditions
- To provide working conditions that respect each employee's health and dignity
- To be honest in communicating with employees and transparent in sharing information
- To listen to and where possible, act on employee suggestions, ideas, requests and complaints
- To engage in negotiations in order to resolve conflicts whenever they arise
- To avoid discriminatory practices and guarantee equal treatment and opportunity regardless of gender, age, race and religion
- To protect employees from avoidable injury and illness in the workplace
- To encourage and assist employees in developing skill and knowledge which are required for accomplishing the task.

2.14 Environment related Initiatives

It is now generally recognized that environmental issues have become an increasingly important variable in the context in which business and non-business entities operate. Even those who are sceptical of the validity of scientific claims for phenomena such as climate change cannot ignore the legislation and policies of governments which take a different view; and in any case the increasing constraints posed by other environmental impacts such as waste disposal and water use are not in contention. A few years ago, the main immediate pressure of environmental issues on business was the need to comply with legislation and regulations. As public awareness of these issues has increased, the implications for business have changed. Improved environmental performance can be used to enhance reputation, reduce costs and as a source of competitive advantage. The scope of environmental issues' relevance for business has also evolved over time, particularly in the area of climate change. At one time the only issue of significant concern was to minimize or at least mitigate the adverse effects of business activities by, for example, reducing emissions and wastes, in order to avoid penalties or benefit from incentives, and to protect reputation. More recently there has been at least a tacit acceptance in several quarters that some degree of climate change is probably now inevitable and that in many places certain business-critical resources such as water are becoming increasingly scarce. This will create both threats and opportunities for businesses which we need to recognize and respond to, so the focus has broadened from mitigation alone to include adaptation too.



Our Response

At Green Delta Insurance, we are increasingly focusing on leveraging the value of our products and solutions to drive environmental and social benefits that help mitigate the risks that our country faces today. We are also working closely with the Bangladesh government, focusing on meeting their legislative objectives with the overall well being of the nation in mind. In this context, Green Delta has also taken up several initiatives to spread insurance in a country that has a population of over 160 million and where insurance penetration is less than 1% and 52% of the population consists of women. The Company believes in working in tandem with all the stakeholders to spread awareness among the masses on the importance and benefits of insurance.

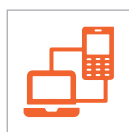


GENDER EQUALITY

Moreover, Green Delta is the only Company in Bangladesh to sign the Women's Empowerment Principles (WEP) of the UN Global Compact. It has been recognized by the body for its stellar role in contributing to women empowerment. The seven principles of WEP include:

- Establish high-level corporate leadership for gender equality.
- Treat all women and men fairly at work – respect and support human rights and non-discrimination.
- Ensure the health, safety and well-being of all women and men
- Promote education, training and professional development for Implement enterprise development, supply chain and marketing practices that empower Promote equality through community initiatives and advocacy.
- Measure and publicly report on progress to achieve gender.

When it comes to innovation and risk-taking, insurance, of course, has a critical role to play. And perhaps most importantly of all, insurance gives entrepreneurs the economic protection they need to take calculated risks. And this protection supports greater risk-taking across the whole economy.



DIGITAL INSURANCE

At Green Delta Insurance, we have also taken initiatives to promote online and digital insurance by joining hands with banks and mobile payment platforms. We also developed the Nibedita app for mobile phones for easy access. Moreover, with the growth in the information and communication technology sector in Bangladesh, including the recent setting up of a hi-tech park, there exists an enormous opportunity to tap into.



GREEN FUTURE

At our Company, we are also increasingly envisioning a future that is green, sustainable and inclusive and this is the direction we have chosen to take for ourselves even as we focus on our vision of 'insurance for all' and foresee a country where citizens recognize the value of insurance to their financial and social well being.



VISION 2021

With an eye on the future, we are also working with the Bangladesh government on their 'Vision 2021' platform that aims to develop the country into a modern economy through the efficient use of information and communication technology. This goal, described as 'Digital Bangladesh', is aligned with fostering growth of the country's ICT sector that is growing at an estimated 20% per year. One of the strategic goals of Vision 2021 is to expand broadband to 40% in 2021. With this explosion of digital access, cyber security will be a risk to watch out for and we are also closely monitoring the developments in this field.



SUSTAINABLE BUSINESS

At our Company, we believe that green businesses are socially and environmentally responsible. Green companies embrace principles and practices that protect people and the planet. They challenge themselves to weave together the goals of social and economic justice, environmental sustainability as well as community health and development, into all of their activities – from assessing risk to employee relations to customer service.



FAIRNESS AND EQUITABLE TREATMENT

Green businesses also care for their workers. They ensure they don't use child labor or engage in practices that are in deviation with the law. Everyone who works directly for them operates

in healthy conditions. These enterprises create jobs that empower workers and honour their humanity. They also serve as models for the role businesses can play in the transformation of our society to one that is socially-just and environmentally- sustainable.

At Green Delta Insurance, we have been relentlessly promoting green insurance for such businesses. As a prudent, forward- looking practice, we take up only those projects that are environmentally-compliant and sustainable. We are also pursuing paper-less operations even as we firmly believe that saving on and optimizing the usage of resources is a key towards achieving a sustainable environment, both internally and externally. This is also why we promote the usage of emails, meetings through video-conferencing and the Intranet for internal communication

2.15 Environmental & Social Obligation

As a Company that reconciles its operations with the needs of the planet (sustainability), we are strongly of the opinion that sustainable businesses are the businesses of the future. In this context, aligning the 3P concept (People,

Planet and Profit) to our operations, we look at issues holistically and with a long-term lens to drive the maximum benefits for our stakeholder ecosystem



We foster a culture of developing the most relevant products and services that not only suit the needs of our customers but also fit into the purposes demanded by our planet. We only choose to work with green enterprises towards cultivating an emphasis on environmental protection and preservation. We also align the impact of our organization with the outcome demanded by the Sustainable Development Goals



We believe that our people are our core assets. In this context, we reinforce our human resource capacities and capabilities in ensuring a motivated and loyal workforce while also simultaneously providing them with career progression benefits. For the other key stakeholders in our ecosystem, we maintain an ongoing dialogue with them, informing them of key developments while also disseminating information on material developments.



We are proud of the fact that our relentless social and environmental efforts and initiatives have created robust business stability and sustainability, reflecting in the ultimate measure of our performance – our net profit. Our net profit stood at Taka 389.004 crore in 2018, which 1.00% increase from the previous year

2.16 Certificate of Memorandum Given by BAPLC

As per SEC Notification #SEC/CMRRCD/2006-161/324 dated on April 11, 2010; the Certificate of Memorandum given by Bangladesh Association of Publicly Listed Companies (BAPLC) is presented below:





INTEGRATED & SUSTAINABILITY REPORTING

3.1 Our Approach to Integrated Reporting

Thank you for reading Green Delta Insurance Limited's Integrated Report for the year ended 31 December 2018. The overall aim of our report is to provide our stakeholders with a concise, material, transparent and clear assessment of our performance, strategy, governance and prospects.

Scope and framework

With Integrated Reporting being at the heart of our communication process, we have been guided by the principles and requirements contained in the International Financial Reporting Standards (IFRS), the International Integrated Reporting Councils (IIRC's) <IR> Framework and the DSE listings requirements. We have provided the full suite of information in this report, which is also available online on our web site.

This Integrated Report provides a concise review of Green Delta's strategy and business model, risks and opportunities, and operational and governance performance, for the financial year 1 January 2018 to 31 December 2018, comprising the period of 12 months. The report covers the activities of the Group and all our operating subsidiaries. Our financial data and non-financial information from our subsidiaries are fully consolidated.

Materiality: Assessing value creation

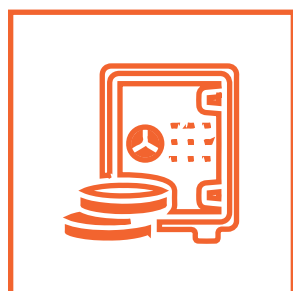
Our Integrated Report provides information on all those matters and topics that we believe could substantively affect value creation at our Company and at the Group-level. Created primarily for current and prospective investors, the report is of interest to any stakeholder who

wishes to make an informed assessment of Green Delta's ability to create value over time. In the belief that all the information in this report is material, we do not seek to provide a simple listing of material issues.

To identify and prioritise the matters for inclusion in this report, we undertook a structured process involving senior decision-makers from across the Group. The process involved a considered review of our company's business model, our interaction with the six capitals (financial, manufactured, human and intellectual, social and relationship, and natural capital), our operating context and environment, the risks facing our business and our control and mitigation measures, the interests of our key stakeholders, and our strategy. The outcomes of this process were reviewed and signed-off by the Audit, Risk and Compliance Committee.

Integrated thinking: Our approach to the six capitals

Integrated thinking is intrinsic to how we manage our business and to our internal strategy and reporting practices. Our strategy development process included a review of Green Delta's business model and our interaction and interdependency with the external societal context. The resulting strategic priorities and goals and targets have been developed to ensure that we manage the resources and relationships needed to create value over time. A considered assessment of the six capitals (as referred to in the IIRC's <IR> Framework) informed both our strategy and the internal materiality process used to determine the content and structure of this report.



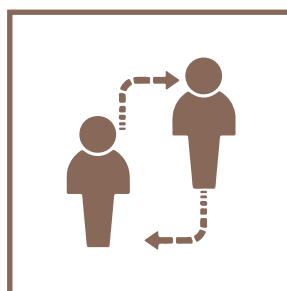
Financial capital

Determines our ability to create financial value for our shareholders and other stakeholders.



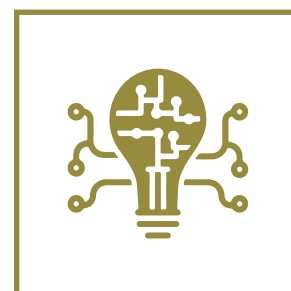
Natural capital

Determines our focus on the responsible use of our natural resources.



Social capital

Determines our key relationships and community-based model



Intellectual capital

Determines our insights and knowhow of insurance and risk management

Combined assurance

We use a combined assurance model to provide us with the certainty obtained from our management as well as from internal and external assurance service providers. [Name of auditors] audited our annual financial statements 2018. Our Audit Committee provides internal assurance to the Board on an annual basis on the execution of the combined assurance plan. The Group's financial, operating, compliance and risk management controls are assessed by the Group's internal audit function, which is overseen by the Audit, Risk and Compliance Committee.

Board approval

The Board is responsible for ensuring the integrity of our Integrated Report. The Board believes that the report addresses all the relevant material issues and presents

a balanced and fair account of the Group's performance. The Integrated Report has been developed in accordance with the guidance provided in the latest <IR> Framework developed by the IIRC. On the recommendation of the Audit, Risk and Compliance Committee, the Board approved the annual financial statements and the Integrated Report on [Please give the date of the Board Meeting].

We encourage our stakeholders to read this report and to share any feedback on our disclosures, our performance and our strategic roadmap for delivering value.



Md. Abdul Karim
Chairman



Farzanah Chowdhury
MD and CEO



3.2 Future Orientation

The rapidly developing digital environment, and continuing regulatory and market uncertainty, highlights the need for us to be agile and highly responsive in our operations. The anticipated sustained pressure on consumers due to inflationary trends and a general note of caution and restraint, highlights the relevance of taking a more segmented consumer view, and introducing personalised and best-fit offerings that are anchored on affordability and accessibility.

Regulatory and policy developments remain an important challenge across our markets. In Bangladesh, we held constructive engagements with regulatory authorities helping information, communication and technology fields. We are especially optimistic that the Government, energised by a fresh mandate in December 2018, will formulate prudent and pragmatic policies that empower businesses with structural opportunities, while infusing confidence for enabling sustained long-term investments.

With digitalisation promising to transform a number of industries in its wake, we are embracing proactive initiatives with a view to provide digital insurance solutions to our customers and promoting greater levels of convenience in accessing our products, while also making them more reasonably priced. We are also fully committed to the overarching aims of the Government's ambitious Digital Bangladesh platform and have a shared interest in promoting universal access to basic connectivity, ensuring the success of internet and digital penetration and fostering the important socio-economic benefits that insurance provides. We will continue to engage with the Government and the relevant regulators for the fructification of the aims under Digital Bangladesh.

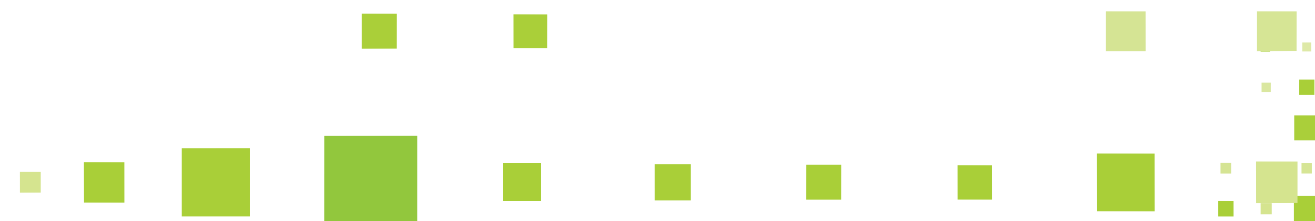
In our bid to pioneer the digital insurance efforts in the country, we are cognizant of the associated as well as extraneous risks to our business. In our broad analysis and assessment, we highlight the potential implication of these on our business model and our future performance.

High-impact trends	Implications for our strategy	Initiatives to restore business growth
<p>Challenging global macroeconomic conditions:</p> <p>Worldwide, there exists uncertainty around 'Brexit' (the United Kingdom's proposed exit out of the European Union); protracted trade dispute between the US and China, two of the world's largest economies that has impacted global supply chains and investment optimism; and diminishing consumer spending power on account of rising taxes and interest rates, exacerbated by constrained wage increases.</p>	<p>Our preparedness:</p> <p>These challenges in macroeconomic indicators highlight the importance of maintaining a strong cost-efficiency drive, as well as providing targeted products and services across the span of consumer income groups. A key focus of our strategy is on developing segmented propositions, including specifically for low-spend customers.</p>	<p>Key 2018 initiatives:</p> <ul style="list-style-type: none"> ■ Launch of Nibedita Eco that seeks to expand insurance inclusion among the lower socioeconomic consumer segments ■ Organisation-wise focus on optimising direct expenses, including distribution costs, have yielded encouraging results

High-impact trends	Implications for our strategy	Initiatives to restore business growth
<p>Rising competitive intensity:</p> <p>The insurance industry in Bangladesh is highly competitive with the presence of several players. With the growing penetration of digital access, though nascent, we also foresee the rise of new competitors in the form of digital-first insurance product and service providers. There is also a war for specialised talent, especially in the non-traditional area of technology.</p>	<p>Our preparedness:</p> <p>As a pioneer in the general insurance industry in Bangladesh, we are committed to lead the digital insurance revolution in the country. We have already constituted teams with committed resources, tasked with helping us draw our digital-technological roadmap, which will also help us stay ahead of the competition.</p>	<p>Key 2018 initiatives:</p> <ul style="list-style-type: none"> ■ We established three strategic branches across major locations in the country, with the core proposition of offering all our products and services under a single-roof ■ We are reinforcing our competitive position in upcoming insurance areas that include agricultural insurance
<p>Regulatory intervention and policy uncertainty:</p> <p>We operate in an industry environment that is characterised by strong regulatory scrutiny and interventions. Besides, Bangladesh is a country that is growing in rank and this has created issues pertaining to policy uncertainty.</p>	<p>Our preparedness:</p> <p>As a Group, we continue to engage with regulators across our operations on challenges that could have a material impact on our operations, our revenues and our cost controls.</p>	<p>Key 2018 initiatives:</p> <ul style="list-style-type: none"> ■ We maintain a strong focus on developing positive and constructive relationships with the Government and regulators, anticipating and responding to regulatory and policy developments ■ We also focus on creating a position for ourselves that is anchored on being a reference for any policies, etc. that our regulatory authorities may develop from time to time
<p>Digital disruptions and the connected world:</p> <p>Digital technology is disrupting traditional business models and significantly reshaping consumer behaviour, presenting unprecedented opportunities for reaching out to newer consumers/consumer segments. Furthermore, digitally-connected customers are altering key consumption patterns.</p>	<p>Our preparedness:</p> <p>Specific to our industry, with 'insurtech' (amalgamation of insurance and technology) emerging as the next frontier of growth, we are focusing on engaging with our policymakers to provide a framework anchored on digital insurance that is conducive to the long-term growth prospects of our industry.</p>	<p>Key 2018 initiatives:</p> <ul style="list-style-type: none"> ■ We launched our motor, health and personal insurance products for online purchase that helped ease consumer access to key insurance products, seamlessly facilitating last-minute purchase ■ We plan to commence work on a technology blueprint that will help map our future initiatives in digital insurance

As a company with long-standing presence in the general insurance space, we believe we have the operational resilience, deep domain knowledge and well-entrenched capabilities that will position us well to manage the risks

and realise the opportunities, thereby helping us minimise any material impacts and sustaining our long-term value creation agenda.



3.3 Strategic Focus for Sustainability

We believe sustainability reporting is the practice of measuring, disclosing and accounting to internal and external stakeholders regarding organisational performance towards the goal of sustainable development. The information in this report sets out Green Delta's sustainable business practices for the year ended 31 December 2018.

Importantly, as an organisation that promotes sustainability through insurance-driven risk management, we embrace sustainability as an element that has been integrated as a part of our corporate culture. Perhaps, the most visible instance of our sustainability emphasis outcome is the fact that we

have been in the business for several decades now, and enjoy a leadership position in the general insurance industry of Bangladesh, having maintained this lead consistently over the years.

As an institution that takes its sustainability responsibility seriously, we have described our sustainability measurement and progress through the six capitals. This is also aligned with the broader tenets of Integrated Reporting, and is a showcase of our intent in creating sustainable value through an equal emphasis on the capitals impacting our business.

Events	Financial Capital	Human Capital	Social And Relationship Capital	Intellectual Capital	Manufactured Capital	Natural Capital
Sustainability focus area	<ul style="list-style-type: none"> ■ Group and segment profitability ■ Positive cash flow generation ■ Strategic capital allocation with efficient deployment 	<ul style="list-style-type: none"> ■ Ongoing training and skill building ■ Safety and health 	<ul style="list-style-type: none"> ■ Stakeholder relations ■ Delivering strong social value ■ Timely and comprehensive disclosure of material events 	<ul style="list-style-type: none"> ■ Protection of intellectual capital and 'institutional memory' ■ Brand and reputation management ■ Robust archival and documentation practices 	<ul style="list-style-type: none"> ■ Maintenance of information technology infrastructure ■ Emphasis on scaling-up digital presence ■ Development of physical infrastructure 	<ul style="list-style-type: none"> ■ Use of natural resources in a prudent and responsible manner ■ Use of technology
Response to sustainability focus areas	<ul style="list-style-type: none"> ■ Ongoing analysis and monitoring of financial performance ■ Responsible treasury management practices ■ Quarterly/annual reporting to shareholders ■ Ongoing engagement with various stakeholders ■ Use of conservative forecasts, budgets and projections to manage liquidity 	<ul style="list-style-type: none"> ■ Opportunity provided to staff with respect to skill-building and career enhancement ■ In-house training facilitated by external experts and senior employees ■ Provision for a healthy and safe working environment ■ Best-in-class compensation standards and other incentives 	<ul style="list-style-type: none"> ■ Timely dissemination of relevant updates on material developments ■ Emphasis on transparency and governance 	<ul style="list-style-type: none"> ■ Safeguarding the Group's intellectual property through restricting access ■ Aligning employee ambitions with corporate interests ■ Regular review of the brand to ensure relatability with various stakeholder propositions 	<ul style="list-style-type: none"> ■ Major step embraced through launching products for online sales, including motor, personal and health insurance products ■ Focus on large one-stop-shop establishments to make all services available conveniently available 	<ul style="list-style-type: none"> ■ Building facilities responsibly ■ Using video-conference facilities, etc., to minimise onsite travel, thereby lowering our carbon footprint ■ Fostering awareness on responsible use of resources, including paper, electricity and water

Key sustainability initiative

Green Delta Insurance has always been supportive of an organisation engaged with the deprived and underprivileged community of the society. Towards this extent, the Company sponsored as many as 40 children studying at the Jaago Foundation schools, who are now known as 'Green Delta Kids'. As a measure of the support, Green Delta Insurance not only

provides for their education, but also for their school uniform, textbooks, stationery, etc. The children are studying in Class 1 and the Company will sponsor them up to their graduation (SSC). We believe this comprehensive sponsorship comprises our responsibility towards them and understand that it will lead to their healthy upbringing with strong foundations through provision of high-quality education.

To check on their progress, on 4 December 2018, a group of Green Delta employees visited Karail school of Jaago Foundation to spend a day with the Green Delta Kids. The visit included Ms. Farzanah Chowdhury (MD & CEO), Mr. Nasir A. Chowdhury (Advisor & Founding MD) and other senior officials of the Green Delta family. On the occasion of the grand visit, there was a festive atmosphere in the school with balloons, mascots, bioscope, magician, candy-floss, etc., all of which were thoroughly enjoyed by the children.

The visit to Jaago's Karail school encompassed a special agenda besides spending the day with the kids, which was to celebrate the birthday of our Advisor, Mr. Nasir A. Chowdhury, with the Green Delta Kids. The Green Delta team was welcomed by the children, along with the founder of Jaago Foundation, Mr. Korvi

Rakshand. Following a tour of the school, Mr. Chowdhury had an immersive interactive session with the children, who shared their dreams and also had the opportunity to learn from the valuable life experiences of Mr. Chowdhury. The program ended with cake-cutting and gift distribution, followed by a sumptuous lunch.

The Green Delta team had a memorable day with the children and were received with warmth and affection. Towards the end of the visit, Mr. Korvi thanked Green Delta Insurance for the support extended to the children, which amounts up to BDT 10 lakh annually, and concluded with the hope that the Green Delta family will visit the children often and be a part of their upbringing and growth.

3.4 Report Parameter

The Integrated Annual Report 2018 has been developed to enable Green Delta Insurance shareholders and stakeholders to make an informed assessment about our ability to create value over the long-term. To facilitate such an assessment, the report parameter and scope has been anchored on a structured and clear narrative, which include the following:

- Providing a high-level strategic overview in the statements by the top management of the company
- Introducing the company, outlining who we are, what we do, and how we create and sustain value
- Providing an operational summary of our performance and strategy in the MD & CEO's statement
- Identifying the matters that have a material impact on value creation in terms of our operating environment, our key relationships, and the principal risks and opportunities facing our company
- Reflecting on our strategic responses that takes our value creation mandate ahead, reviewing our performance and plans, and providing a summary of our key financial indicators across our operations
- Reviewing our leadership team and governance and remuneration practices in our detailed corporate governance section and elsewhere in this report

Importantly, this report is also woven around the common theme of integrated reporting, which is an intrinsic and inherent part of our sustainable value creation strategy. Our broad strategy, premised on our five key pillars, ensure that we align and manage the resources and relationships needed for us to create long-term value. Our five key pillars, the various facets of which have been captured across this report in an interconnected way, also enable us to measure our progress from time to time.

The five key pillars of our corporate strategy include the following:

- Developing and launching segmented, customised and best-fit insurance products and solutions
- Expanding our market coverage to align with our vision of ensuring 'Insurance for All'
- Aligning our resources towards the common purpose of realising our vision, as well as creating deep crests of organisational value
- Building shareholder transparency through reporting all material developments comprehensively and on time
- Meeting all regulatory decrees and instructions in the spirit of adopting the highest levels of governance standards at all times

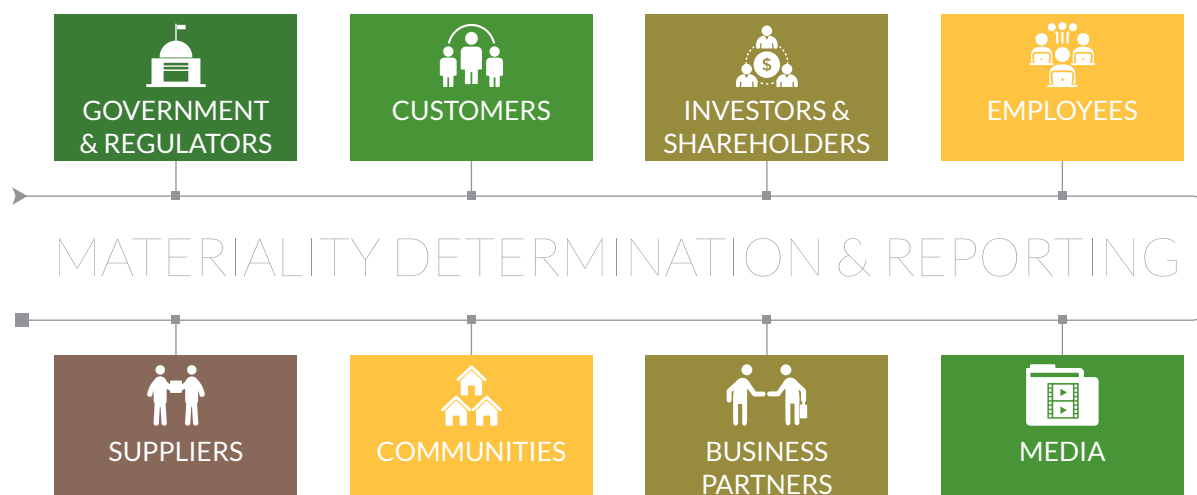
3.5 Materiality Determination & Reporting

This section discusses the material interests of our key stakeholder groups.

As a company that is deeply entrenched in Bangladesh's soil, we realise that we do not operate in isolation. Rather, our ability to deliver value depends on the contribution and activities of a range of our stakeholders. With a view to enable a better assessment of the material impacts of key stakeholder groups on our ability to deliver value, we have outlined how they impact on our value creation agenda,

while also identifying some of their primary interests relating to our business activities.

In the following tabular representation, we have identified our key stakeholder groups, their material relationships with us, their means of engagement with our Group, and their material interests. As per our considered determination, our key stakeholder groups include the following:



Key stakeholder group	Material relationships	Means of engagement	Material interests
Government and regulators	<ul style="list-style-type: none"> Provides access to operating license, which is at the heart of our value creation focus Imposition of regulatory directives and measures that can have a potential negative disruption and/or cost implication 	<ul style="list-style-type: none"> Partnering on key programs pertaining to our vision of 'insurance inclusion' Sustained participation in public forums and other consultations Engagement on draft regulations Engagement through industry bodies and responsible advocacy 	<ul style="list-style-type: none"> Ensuring our license to operate is managed as a strategic resource, driven by our contribution to widescale insurance access, especially in underserved and rural markets Protecting customer interests on costs, service quality and claims settlement Promoting opportunities for job creation and socioeconomic development Regulatory compliance on issues such as pricing, claims servicing and environmental, social and governance (ESG) performance Contribution to tax resources for public welfare

Key stakeholder group	Material relationships	Means of engagement	Material interests
Customers	<ul style="list-style-type: none"> ■ Purchase our products and services, providing the basis for revenue growth and continuing of business operations ■ With the rise of mass mediums, including social media, customer advocacy is growing in stature and hence response to their grievances need to be addressed with sensitivity and speed 	<ul style="list-style-type: none"> ■ Multiple access points, including call centre, retail outlets and online ■ Nibedita mobile app enables 24x7 access exclusively to our women customers ■ Feeds on social media ■ Green Delta Insurance website ■ Flagship stores that are strategically located, enabling customers to access our full suite of services under one-roof 	<ul style="list-style-type: none"> ■ Better value offerings in terms of product design and pricing ■ Faster response to claims settlement ■ Making it simpler and quicker for our customers to deal with us ■ Integrated solutions for our business customers ■ Privacy of data and information
Investors and shareholders	<ul style="list-style-type: none"> ■ Provide financial capital that is essential for growth and business sustenance 	<ul style="list-style-type: none"> ■ Ongoing investor interactions, including conferences and meetings 	<ul style="list-style-type: none"> ■ Strategy to ensure sustained financial performance ■ Reinforce our investment case, anchored on sustainable growth, prudent risk control, timely opportunity capture and strategic diversification ■ Responsible and accountable allocation of capital ■ Sound corporate governance practices ■ Transparent remuneration policies ■ Stable dividend disbursement
Employees	<ul style="list-style-type: none"> ■ Employee skills, motivation, productivity and involvement determine our ability to realise our vision of becoming a leading insurance company premised on empowering the society 	<ul style="list-style-type: none"> ■ Internal website and electronic communication ■ Specific employee councils, including a women-only council, among others ■ Communication from the top management 	<ul style="list-style-type: none"> ■ High levels of employee engagement ■ Clear career progression opportunities ■ Strong training and skill-building focus ■ Improved knowledge-sharing across the Group ■ Clear and transparent reward structures ■ Competitive remuneration and other benefits

Key stakeholder group	Material relationships	Means of engagement	Material interests
Communities	<ul style="list-style-type: none"> ■ Meeting our corporate/ social responsibility by strengthening the socioeconomic context in which we operate ■ Community welfare also reinforces our license to operate and builds on the long-term viability of our business 	<ul style="list-style-type: none"> ■ Alignment with several of the United Nation's Sustainable Development Goals (SDGs) that are rooted in solving some of the most pressing challenges facing the world today ■ Focus on grassroots community welfare activities that enables capacity creation and vocational orientation 	<ul style="list-style-type: none"> ■ Investment in community development initiatives, including basic infrastructure development ■ Constant community engagement based on sustainability
Business partners	<ul style="list-style-type: none"> ■ Represent a key interface with our customers and are the custodians of our reputation ■ They are critical to ensuring the effective delivery of the best customer experience 	<ul style="list-style-type: none"> ■ Training on new products and services ■ Business partner seminars and conferences 	<ul style="list-style-type: none"> ■ Fair and remunerative terms of association ■ Empowerment for enhanced decision-making
Media	<ul style="list-style-type: none"> ■ Critical role in keeping stakeholders informed of business developments, new products and services, and the impact of our business operations on the wider society 	<ul style="list-style-type: none"> ■ Dissemination of detailed media releases ■ Continuous media engagement through various forums 	<ul style="list-style-type: none"> ■ High levels of transparency and openness in media interactions ■ Timely and detailed information release pertaining to key activities, corporate developments and product launches



STAKEHOLDERS' ENGAGEMENT

4.1 Stakeholders' Identification and Engagements

Identification of Stakeholder

Identification of stakeholders is the key to understanding the expectations from the company and as such helps pave the pathway towards delivering value and fulfilling those expectations. While shareholders, customers, suppliers and employees are the prime stakeholders; the regulators, local community, and the environmentally interested groups complete stakeholder circle of GDIC.

Engagement with Stakeholders

The first step of Stakeholder Engagement process for GDIC is to establish the three pronged sustainability dimension- economic, social and environmental. The key stakeholders are hence aligned with these dimensions and sustainable business objectives are identified by understanding correlated stakeholder expectations. By gauging these objectives, GDIC has formulated strategies through aligning the business model with the value creation process that targets stakeholders' expectations. This is summarized in the table below

Sustainability Dimension	Key Stakeholders	Business Objectives	Our Response
Economic	Shareholders	<ul style="list-style-type: none"> Maximizing shareholder wealth by declaring good dividend annually 	<ul style="list-style-type: none"> Planning well ahead to react on challenges and identifying opportunities. Sound corporate governance and effective risk management framework. GDIC follows COSO framework for evaluating internal controls in the organization.
	Customers	<ul style="list-style-type: none"> Provide quality insurance service that meets absolute needs of customers Careful management of operations so as to protect insurance holder's interest. 	<ul style="list-style-type: none"> Enhancing existing insurance service to cater to diversified customer requirements. Continuous innovation of insurance products and operational process to meet customers demand in the most efficient manner.
	Suppliers/ Service Providers	<ul style="list-style-type: none"> Follows proper procurement regulations while maintaining a good business relationships with the service providers 	<ul style="list-style-type: none"> Extensively following internal procurement policy and regularly updates policy to ensure strong control and fair treatment of suppliers.
	Regulators	<ul style="list-style-type: none"> Ensure compliance with all regulatory bodies 	<ul style="list-style-type: none"> Maintaining sound relation with regulatory bodies
Social	Employees	<ul style="list-style-type: none"> Encouraging employees of working towards creating a healthy, ethical and supportive work environment Fostering human capital to ensure sustained collaboration with the organization 	<ul style="list-style-type: none"> Engaging employees in activities other than business as usual, to achieve a balanced productive environment which is beneficial to both employees and GDIC Arranging wide range of training programs for every member of the human capital to ensure personal and professional development
	Local Communities	<ul style="list-style-type: none"> Adding value to the society Conducting business without causing disruptions in the society 	<ul style="list-style-type: none"> Supports marginalized population by enhancing financial access Most importantly, adding value to the society by being a good and transparent corporate citizen. GDIC always envision to be good corporate citizen by adding value to the society

Sustainability Dimension	Key Stakeholders	Business Objectives	Our Response
Environment	Environmentally Interested groups/ Non-Government Organizations	■ Conducting business without harming the environment	■ Firm control on energy consumption to reduce wastage

4.2 Our Endeavors to Enhance Stakeholder Relationships

Our endeavors to enhance stakeholder relationships

For any business to succeed, stakeholders must be well taken care of. These are your clients, employees, shareholders regulators and the broad community who have an interest in your business. When a stakeholder is not taken care of, the effects can be felt in various parts of the business. Building strong relationships with stakeholders and maintaining them takes effort, time and a well thought out action plan. GDIC applies six ways to build and maintain healthy stakeholder relationships which are presented below.

i) We actively build strong relationships from the start

We know what we would like to achieve, and we also know what it will take to achieve that vision. Sharing this vision with our stakeholders on a more regular basis increases confidence amongst us. We don't wait for structured meetings, we use every opportunity to have our stakeholder on the same page.

ii) We involve our stakeholders

It is our vision to involve our stakeholders but its execution and success depends on how enthusiastic our stakeholders are. We ask for their advices. A very powerful question we can ask, "How can we best serve you...?" the answer is forward looking and we have a real chance of doing what is asked.

iii) We schedule periodic touch-base sessions

We sometimes underestimate the importance of staying top of mind, especially where clients are concerned. To support the first point of actively building strong relationships outside structure, have a structure built in

as well. Regular meetings keeps us and our stakeholders on the same page and this means we are able to pick up on potential challenges before they even arise.

iv) We keep our word

We deliver what we promise. When we say we will call back, we do call back. When we say we will have something

Important finished by a particular date, we do it. To build lasting stakeholder relationship we do we have promised. It is our integrity, trustworthiness and the respect we have for ourselves and the other person.

v) We have an open mind

When we are after win-win relationships, we understand that the job of the other party is not to feed our ego. They could have contradictory opinions and say things which we don't like to accept. It is actually a good thing because the last thing we want us to surround ourselves with 'ego feeders' who does not help us to grow. We always have the big picture in mind and listen to suggestions, thank people for their inputs and genuinely consider what they have to say.

vi) We address issues as and when they arise

In keeping with positive relationship building with all your stakeholders, we make sure we are open and transparent. If something is bothering us, we talk about it and reconcile the differences. We approach all our stakeholder relationships with the view to continuously improve them, the other party will know it and this will set the bar on how they respond to us. In business, we have more allies and champions than adversaries. For our vision to be realized, we work constantly on our relationships.

4.3 Engagement Highlights/Memories

It is the Company's policy that all external communication by the Company will:

- Be factual and subject to internal vetting and authorization before issue;
- Not omit material information; and
- Be expressed in a timely, clear and objective manner.

GDIC strongly believes that all stakeholders should have access to complete information on its activities, performance and product initiatives.

Strategy to facilitate effective communication with shareholders and other stake holders:

Communication through quarterly reports

The Company reports to its shareholders four times a year through quarterly and half-yearly reports and a detailed Annual Report.

Communication through AGM

All shareholders have the right to attend the Annual General Meeting where they can meet and communicate with the Directors and express their views regarding the Company's business, its future prospects and other matters of interest. The shareholders are always encouraged to attend the meetings or, if they are unable to attend, to appoint proxies.

Communication through website

The Company's website www.green-delta.com displays, inter-alia, the Annual Reports, half yearly reports, quarterly reports, monthly business reviews, product offerings, recent announcements, Presentations and event updates. All disclosures required by the Bangladesh Securities and Exchange Commission, Listing Regulations of the Dhaka Stock Exchange Limited and the Chittagong Stock Exchange Limited and the Insurance Development and Regulatory Authority in the form of Price Sensitive Information (PSI) are made adequately and promptly.

In addition to ensuring timely compliance, this also enables dissemination of information to all stakeholders

and the public through print and online media. We are committed to open and timely disclosure with all shareholders and regular communication is maintained with various stakeholders in the Group such as:

- Institutional investors
- Investment analysts
- Shareholders
- Employees
- Communities at large

The board encourages shareholders to attend the general meetings and also provides a full explanation of the effects of resolutions to be proposed. The results of all decisions taken at shareholders' meetings are disseminated by way of written minutes to ensure that all shareholders are timorously informed.

- The Group communicates to shareholders in the following way:
- Annual report sent to shareholders (Dual medium – English and Bangla)
- Final results published in the newspaper (Dual medium – English and Bangla)
- Interim report published in the newspapers (Dual medium – English and Bangla)
- Annual General Meeting

All financial results and the annual report are also made available on the website.

Participation of Shareholders in the Annual General Meeting and providing reasonable opportunity for the shareholders participation in the AGM: 32nd Annual General Meeting was attended by a large number of Sponsor Directors and shareholders, and was presided over by Mr. Md. Abdul Karim, Chairman of the Company

A good number of Shareholders were seen at the AGM. Many of them spoke in the meeting and highly appreciated the Board of Directors and Management of GDIC for their outstanding performance, declaration of Dividend and publishing an informative annual report.

MEMORIES FORM 32ND AGM



4.4 Shareholders as Dividend

The Economy of Bangladesh has rapidly been shifting from agricultural to the services sector. The role so played by the service sector is burgeoning as well. Insurance is one of the ingredients of the financial services industry has a lot to play. In spite of the stable growth rate (around 4%) of the Bangladesh insurance industry in the last few years, the expansion of the insurance business, particularly the non-life sector, has experienced a downward trend in the year 2016 because of poor investment and slowdown of

economic activities led by the political unrest. According to the statistics of Bangladesh Insurance Association (BIA), The gross premium income of non-life private sector insurance companies stood at BDT. 26,899 million in FY2017. Marine insurance is considered to be the lifeguard for the non-life insurance business. Marine insurance completely depends on imports which is frequently being disturbed by the political unrest but the market is expected to improve in the coming years.

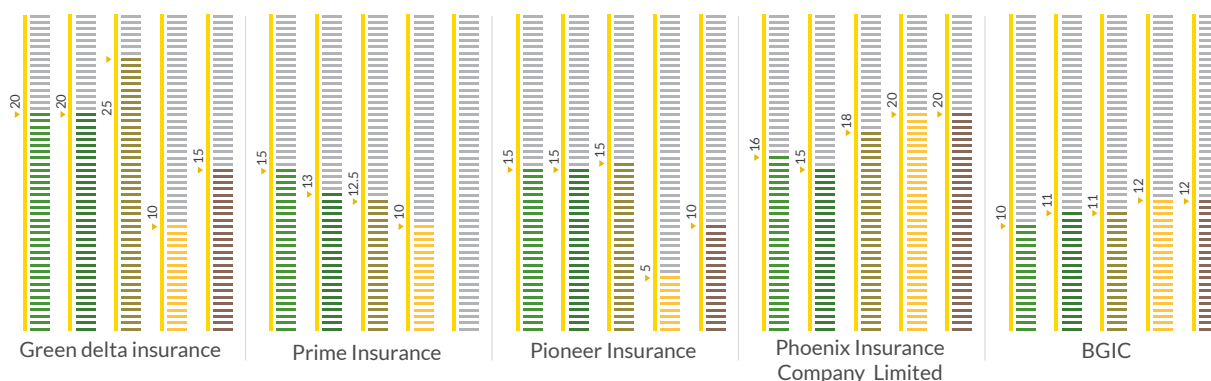
Figure in BDT

EPS	2017	2016	2015	2014	2013
Green delta insurance	3.59	3.46	3.05	3.61	3.72
Prime Insurance	2.17	1.82	2.15	2.53	2.56
Pioneer Insurance	3.43	1.8	2.21	2.02	2.52
Phoenix Insurance Company Limited	2.76	2.44	2.84	3.42	2.71
BGIC	1.1	0.97	1.14	1.31	1.36

Green Delta Insurance Company Limited made constant growth over the years. The EPS stood at Tk. 3.59 in FY2017 which was Tk. 3.05 in FY 2015. Whereas most of the non-life insurance companies have failed to earn an EPS of BDT 3.00 or above which shows GDIC commanding position in this industry. In terms of dividend payment GDIC has

always kept its promises of declaring a cash dividend in the range of 20% to 25% with a dividend payout of more than 54% whereas all the major non-life insurance companies have declared cash dividend of around 15% this reflects GDIC's good responsibilities towards its shareholders.

Stock Dividends



4.5 Redressal of Investors' Complaint

GDIC strongly believes in equitable treatment to every shareholder. We resolve any shareholders' complaint on a priority basis and have committed to serve the appropriate mechanism to address the shareholders' grievance within the time frame stipulated by us.

GDIC covers the following issues:

- Receiving the complaints for non receipt of dividend warrant, dividend intimation letter, cash dividend;
- Transfer of shares from suspense account to the shareholders BO account;
- Clarification of any price sensitive information over telephone;
- Grievance for not receiving of Annual Report, half-yearly financial position timely;
- Concerns relating to share dematerialization (DEMAT);

- Queries about and clarification on recent or upcoming price sensitive information over telephone, etc.

Our Response

- Shareholders are properly communicated for collection warrants which have been refunded for non-delivery by the courier
- Dividend warrants Revalidate the upon demand
- Bank account information are corrected while sending dividend through BEFTN system
- Dividend warrants are reissued in case of failure to send dividend through BEFTN system
- Issue shareholding certificate, dividend certificate as and when required
- e-TIN number is collected in case of cash dividend

Any queries relating to shareholdings for example transfer of shares, changes of name and address, and payment of dividend should be sent to the following address:



SHARE DEPARTMENT

Green Delta Insurance Company Limited
Green Delta AIMS Tower (6th Floor)
51-52 Mohakhali C/A, Dhaka-1212

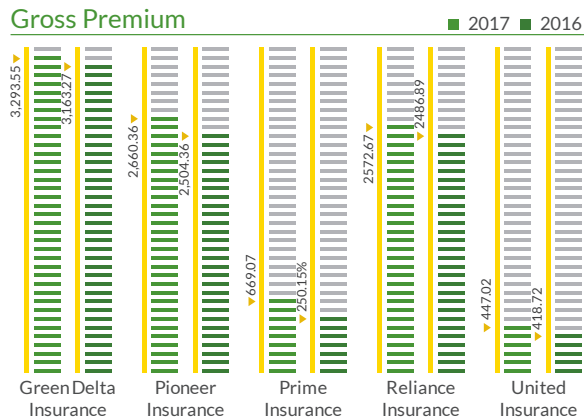
4.6 Redressal of Clients' Complaint

Insurance being a service industry, clients' satisfaction is of foremost importance in maintaining existing client base and for new business, thereby to achieve satisfactory business growth in the long run. GDIC always attends to its clients complaints – whether related to its services or claim settlement. GDIC encourages its clients to come forward with any complaint they may have and the top management is completely accessible to all of them. Complaints can be lodged with the management in writing, over telephone, by

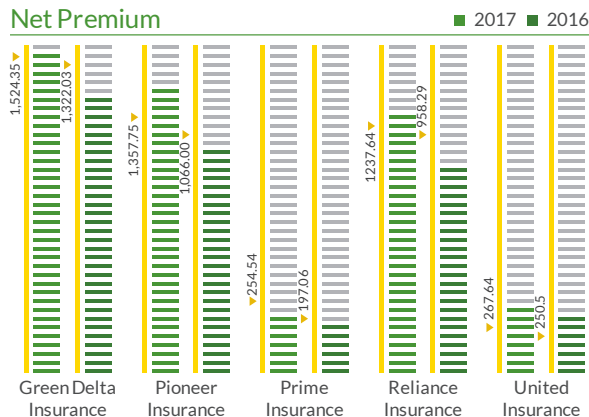
e-mail. During regular meetings with its clients of various types, the management actively solicits the clients' views on the Company's services, shortcomings, if any, and their suggestions. Clients views and complaints are discussed at the management committee meeting held at Head Office and also during meetings with Branch Managers. This aspect also features prominently at the Annual Conference of the Company.

4.7 Market Share Information With Competitors

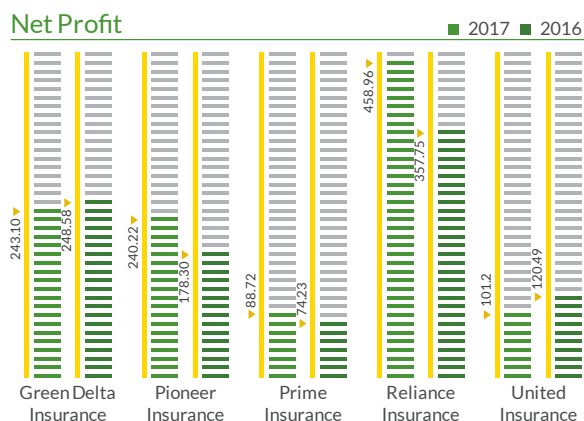
Gross Premium



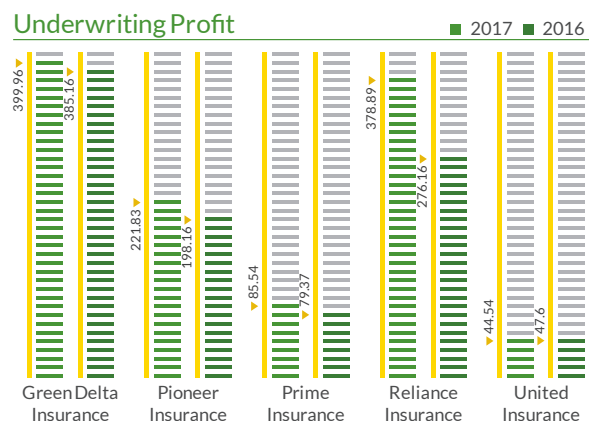
Net Premium



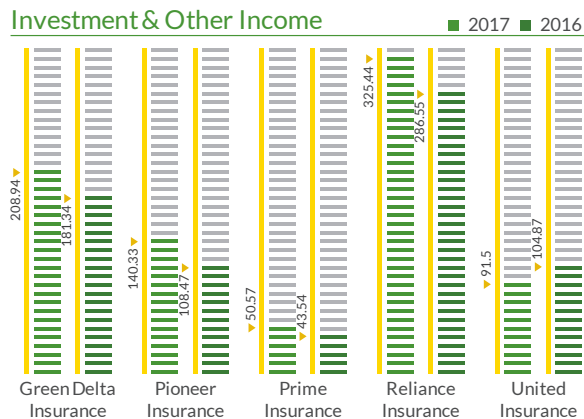
Net Profit



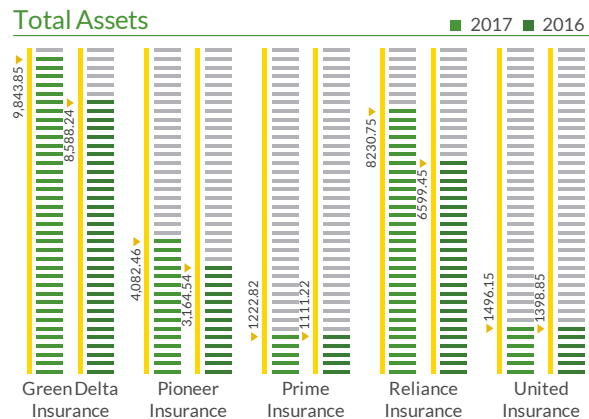
Underwriting Profit



Investment & Other Income



Total Assets



4.8 Market Price Information of GDIC

Particulars	DSE	CSE
Share Symbol	GREENDELTA	GREENDELTA
Company Code	25702	11003
Share Listing Date	1989	21.10.1995
Market Category	"A"	"A"
Electronic Share	Yes	Yes
Face Value of Share (Taka)	10	10
Total Number of Outstanding Securities	80,691,187	80,691,187
Closing Market Price of Share	65.0	60.1
Highest Price of Share	67.0	65.3
Lowest Price of Share	51.1	50.1

4.9 DSE Price Volume Movement of GDIC Share

Year-2018	DSE				CSE		
	Highest	Lowest	Average	Volume	Highest	Lowest	Average
January	63.8	59.7	61.52	534,313			
February	67	58	60.97	231,889	60.2	57.1	58.50
March	62.2	56.3	58.10	373,659	58.50	56	57.91
April	61.6	56.2	58.84	628,071	58.1	58.1	58.1
May	61.6	57.4	59.32	1,524,976	58.1	57	57.57
June	59.3	55.6	57.34	542,708	58	57.2	57.8
July	59.3	55	56.86	307,749	57.5	53.6	55.86
August	59.8	54.3	58.65	190,701	55.5	55	55.47
September	59.8	55.3	57.15	224,121	57.7	57.2	57.24
October	60	51.3	54.33	186,868	57.5	50.1	54.66
November	56.4	51.1	53.27	124,323	55.1	50.1	51.45
December	66.5	55.2	59.92	714,820	65.30	54.80	58.48

4.10 Capital Market Exposure

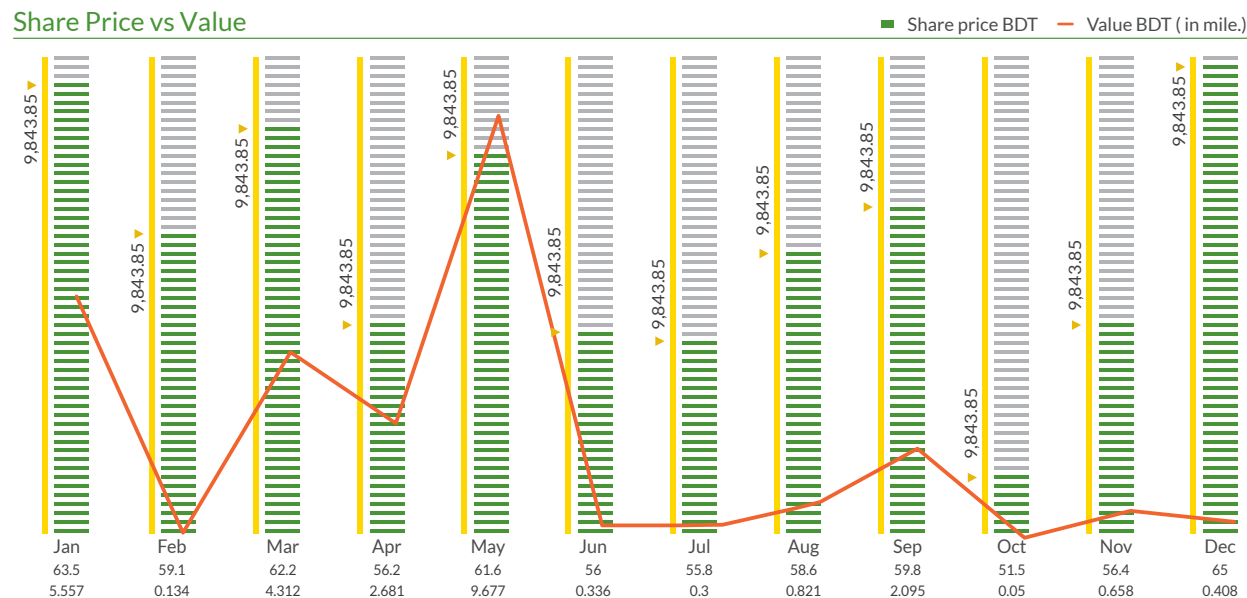
An Overview

Stock markets in Bangladesh experienced a strong bullish trend from 2008-10. Average daily turnover almost doubled (Tk281.8 crore) from 2007. The positive sentiment persisted through 2009-10. However, nearing the end of 2010, the bullish trend turned into an erratic bubble. The DSE index reached its historic high of 8,919, while the highest turnover recorded in a single day stood at Tk3,250 crore. Market capitalization as a percentage of GDP went up to 35.0% while the average market P/E shot up to 29.2 times in 2010. The Nominal Gross Domestic Product (GDP) of the country grew moderately, by 13.2%, whereas the equity market capital grew by more than 80.0%. As such, market headed towards an inevitable downturn, with the bubble bursting in the latter half of December 2010. The downward spiral continued throughout 2011 and 2012, with the index bottoming out at 3,610 in April,

2013. Investors lost confidence in the capital market in the aftermath of the debacle, resulting in subdued trading activity. Recurrent political turmoil aggravated the situation further. GDIC is also affected by the downturn. During the last quarter of 2010 the shares were traded between 180 and 234. Tk. The severe downfall hit on the mid of 2011 when the price of GDIC sharply declined. During 2012 and 2015 the market become inactive as most of the investors lost faith in the market and stringent government regulation. However, from the second half of 2016, revamped-enthusiasm among investors was witnessed. The market became highly active, particularly in the last quarter of 2017, with an average daily turnover of Tk. 696.5 crore. This positive trend is slightly halted due to volatility expected of possible turbulence in the election year. It is expected institutional investors will be cautious of their investment decision.

GDIC Stock Performance

Share Price vs Value



The share price of GDIC was traded between Tk. 64 and Tk. 68. on the first month of 2018, although after the declaration of 20% dividend the share price plummeted to Tk. 57.19 reflecting shareholders dissatisfaction. From February to November the shares were mostly traded between 55 to 60 Tk. In this timeframe there were some uptrend in the market but the growth did not sustained.

There was a significant movement of GDIC share during May when the shares were traded around Tk.60, while rest of the year until mid-December the market was sluggish. Although towards the end of the year a sharp rise in GDIC share is reckoned reflecting GDICs acceptance among shareholders.

Particulars	GDIC	Reliance	Prime Insurance	Pioneer	BGIC
Share price (BDT.) December 31, 2018	65.00	45.00	13.7	29.1	20.00
Market capitalization (Amount in mil.)	5,244.92	4,302.04	560.02	2,036.43	1,080.54

GDIC is the highest valued non life insurance company in DSE. As on December 31, 2018 total market value stood

at BDT. 5244.92 million followed by Reliance Insurance Company valued at BDT 4302.04 million.

Share price December 31,2018 *Share price BDT.*



4.11 Financial Calendar

Items	2018	2017
Dividend Proposed/Paid	10% Cash & 10% Stock (proposed)	20% Cash
Date of AGM	29.03.2018	30.30.2017
1st quarter ended March 31, 2018 (unaudited) approved by the Board of Directors	08.05.2018	14.05.2017
2nd quarter/Half Yearly ended June 30, 2018 (unaudited) approved by the Board of Directors	30.07.2018	26.07.2017
3rd quarter ended September 30, 2018 (unaudited) approved by the Board of Directors	31.10.2018	26.10.2017
4th quarter/Year ended December 31, 2018 & 2017 (audited) recommended by the Board of Director	10.02.2019	11.02.2018



OUR GOVERNANCE & RISK MANAGEMENT

5.1 Letter from the Board of Directors Presented by the Company Secretary

Dear Valued Shareholders,

On behalf of the Board, we are pleased to present the corporate governance report of your company for the year ended December 31, 2018. The purpose of this report is to explain how GDIC is directed and governed and to summarize the corporate governance activities that have taken place during the year. In addition to its overall responsibilities for corporate governance, the Board's duties include setting the company's strategy and values and overseeing and supporting management in their day to day running of the business. We continue to believe that our Board demonstrates the appropriate behaviors and has the diversity, skills, independence and knowledge of the business to enable it to successfully discharge its duties. The principal corporate governance rules applying to GDIC are not only contained to the Corporate Governance Guidelines (CGG) issued by Bangladesh Securities and Exchange Commission (BSEC), but also covers the global best practices applicable for us. Throughout the year, GDIC has complied with all relevant provisions set out in the CGG issued by BSEC. The said compliances are also vetted and certified by the independent auditors by **M/S. Suraiya Prveen & Associates**. The report along with the compliance status are enclosed with our annual report 2018 under section 5.10 and 5.11.

We will continue to put our best effort to remain compliant with all the regulations.

Yours faithfully

On behalf of the Board



Syed Moinuddin Ahmed
Company Secretary



5.2 Statement of Corporate Governance

Preface

Corporate governance entails a set of relationships between a company's management, its board, its shareholders and other stakeholders. It does also endow with the structure through which the objectives of the company are set, and the means of attaining those objectives and monitoring performance are determined. Effective corporate governance is indispensable to the proper functioning of the insurance sector and the economy as a whole.

The Main objective of our corporate governance is to safeguard the stakeholders' interest in conformity with applicable rules and regulations on a sustainable basis.

Sound Corporate Governance

Our supervisors have a keen interest in our sound corporate governance, as it is an essential element in the safe functioning of the company and may adversely affect the company's risk profile if not operating effectively.

Well-governed banks contribute to the maintenance of an efficient and cost-effective supervisory process, as there is less need for supervisory intervention. Effective implementation of sound corporate governance requires relevant legal, regulatory and institutional foundations. A variety of factors, including the system of insurance business laws, stock exchanges rules, BSEC regulation and international accounting standards, affects market integrity and systemic stability. Such factors, however, are often outside the scope of banking supervision. Supervisors are nevertheless encouraged to be aware of legal and institutional impediments to sound corporate governance, and to take steps to foster effective foundations for corporate governance where it is within their legal authority to do so. Where it is not, supervisors may wish to consider supporting legislative or other reforms that would allow them to have a more direct role in promoting or requiring sound corporate governance

Corporate governance determines the allocation of authority and responsibilities by which the business and affairs of an insurance are carried out by its shareholders, board and senior management, including how they

- Set the Company's strategy and objectives;
- select and oversee personnel;

- operate the Insurance's business on a day-to-day basis;
- protect the interests of depositors, meet shareholder obligations, and take into account the interests of other recognized stakeholders;
- align corporate culture, corporate activities and behaviour with the expectation that
- the insurance will operate in a safe and sound manner, with integrity and in compliance with applicable laws and regulations; and
- Establish control functions.

The following sections describe the Board's primary corporate governance policies and practices with specific references to the Principles of the Code. These policies and practices are constantly reviewed as the corporate governance environment continually evolves.

This statement outlines the key aspects of the Insurance's corporate governance framework. The company is committed to ensuring that its policies and practices reflect a high standard of governance. The Board has adopted a comprehensive framework of Corporate Governance Guidelines, designed to balance properly performance and conformance. In Green Delta, corporate governance means increasing the stakeholders' value by being efficient & professional to the organization, transparent and accountable to the shareholders and responsible to the society and the environment. The Board of directors plays a key role in corporate governance. It is their responsibility to endorse the organization's strategy, develop directional policy, appoint and supervise senior executives and to ensure accountability of the organization to its owners and regulatory authorities

Practices we admire

- Chairman leads the Board of Green Delta Insurance Co. Ltd.
- Representation of women on the Board is encouraging.
- The Company is being run in line with Corporate Governance Policy of the regulators.
- Shareholders vote for individual directors.
- All Board's Committees meet independent guidelines in respect of composition.

- The Board conducts an annual review of its performance and that of its Committees.
- An orientation program is in place for all new directors.
- All directors, executives/officers and employees of Green Delta are required to acknowledge their adherence annually to Insurance's guidelines for business conduct

BOARD OF DIRECTORS, CHAIRMAN AND CEO

Structure of the Board

The Board of Directors (BoD) currently comprises 12 Directors among all of them are Non-Executive Directors including the Chairman and 1 (one) is the Managing Director (Ex-Oficio). The existing BoD of the Bank includes three independent Directors as prescribed in the BSEC Corporate Governance Guidelines.

Company's Policy on Appointment of Directors

As per the Companies Act 1994 the office of non-executive director is subject to retirement. At least one third of the non executive Directors shall retire by rotation in every Annual General Meeting. The Tenure of an independent Director is three years and may be extended by another three years. The members of the Board of Directors of Green Delta Insurance Company Limited are appointed pursuant to the provision of Companies Act 1994, Insurance Act 2010, Bangladesh Securities

and Exchange Commission (BSEC) Notifications and Memorandum & Articles of Association of the company. Independent Directors have been appointed by the Board as per regulatory requirement. The Board is comprised of experienced members from diverse professions like businesses, administration, banking & finance, Insurance, accounting, general management, teaching, and engineers which make the Board very executive and balanced in deciding and directing various issues of the Bank.

Selection and Appointment of New Directors

The selection and appointment of new directors and the reappointment of existing Directors are being made in line with the following obligations and duties:

1. Frequent assessment of the size and structure of the Board and the mix of knowledge, skills, experiences and perceptions that may be necessary to allow the Board to perform its functions.
2. Recognizing the capabilities and following the approved procedure to ascertain that an applicant designated by the shareholders possesses the same. The directors are selected by the shareholders in the Annual General Meeting. Casual vacancy, if any, are filled up by the Board in accordance with the conditions mentioned in the Companies Act and Articles of Association of the Company, one-third Directors shall retire in the 33th AGM and they are also eligible for re-election.

New Director Recommendation

Nominated Director
Nominated by Sponsor Director/Shareholder

Independent Director
Recommended from various sources

Appointment by the Board

Newly appointed Director

Existing Director- subject to rotation

Casual vacancies are filled by the board

Retire at the AGM but are eligible for re-appointment

Approval by Shareholders at the AGM

Approval of appointment of Independent Director

Re-appointment of existing directors or new one by rotation

BOARD SIZE AND ITS CONSTITUTION

Adequate representation of Non Executive Directors

We maintain the minimum requirement of non-executive directors as per guideline of CGG as the only Executive Director is the CEO & Managing Director while the rest 12 are Non-Executive Directors (including 3 independent Directors)

Composition of the Board, ensuring adequate number of Non-Executive Directors and their independence

GDLC's Board comprises twelve (12) Non-Executive Directors including three (3) Independent Directors. Ms. Farzanah Chowdhury, CEO & Managing Director as Ex-officio of the board. Directors possess a wide range of skills and experience over an array of professions, businesses and services. All the Directors bring forth independent judgment and considerable knowledge to perform their roles effectively. The Board of Directors ensures that the Company's activities are always conducted with

Board Composition	Number
Independent Directors	3
Non-executive Directors	9
Executive Directors	0
Total	12

Role and responsibilities of the Board

The Board is committed to the Company to achieve superior financial performance and long-term prosperity, while meeting stakeholder expectations of sound corporate governance practices. The Board determines the corporate governance arrangements for the Company. As with all its business activities, the Board is proactive with regards to corporate governance and puts in place those arrangements that it considers in the best interest of the Company and its shareholders and consistent with its responsibilities to other stakeholders

CHAIRMAN AND CHIEF EXECUTIVE OFFICER (CEO)

Position of Chairman and the Chief Executive Officer:

The positions of the Chairman of the Board and the Chief Executive officer (CEO) of GDCIL have been filled by different individuals as precondition 1.4 of the guidelines. From among the directors of the company Mr. Md. Abdul Karim, one of the Independent Directors, has been elected as the Chairman, while Ms. Farzanah Chowdhury ACII (UK)

adherence to stringent and the highest possible ethical standards and in the best interests of all stakeholders. None of the directors of the Board, except the CEO & Managing Director, are involved in the day-to-day operations of the Company; rather, they provide their valuable insights and guidance to the management in the meeting of the Board and its committees.

Adequate number of Independent Directors in the Board and their independence

As per the revised Corporate Governance Guideline of Bangladesh Securities and Exchange Commission (BSEC), at least one-fifth of the total directors of the Board shall be Independent Directors. Thus, in compliance with the guideline, three (3) Directors out of the total twelve (12) Directors are independent, having no share or interest in GDIC. Independence of the respective Independent Directors is confirmed during selection and appointment of the Directors and they remain committed to continue with such independence throughout their tenure

has been the Managing Director & CEO of the Company.

The functional responsibilities of the Chairman of the Board and of the Managing Director and CEO are kept separate and independent of each other.

Roles and Responsibilities of the Chairman:

The Chairman of the Board of Director is responsible for leading the Board and overseeing the entire functioning of the Company. The success of a Board meeting is dependent almost entirely on the art of conduct of the same by its chairman. Mr. Md. Abdul Karim is the current Chairman of the Board. Through his dynamic leadership, he is leading the Board towards the success of the Company.

The Chairman of the Board is elected to the office of Chairman by the Directors. The Chairman's primary responsibility is to lead the Board, to ensure a common purpose and effectiveness as a group to uphold and promote high standards of integrity, probity and corporate governance. The Chairman has the link between the Board and the Company.

The Major Roles and Responsibilities of the Chairman are as follows:

- a.** The Chairman of the Board does not participate in or interfere into the administrative or operational affairs of the company since he does not personally possess the jurisdiction to apply policy making or executive authority.
- b.** Sometimes the Chairman conducts on-site inspection of financing activities under the purview of the oversight responsibilities of the Board. He has the right to call for any information relating to company's operation for investigation into any such affairs and thereby submit such information or investigation report to the meeting of the Board or to the executive committee and, if considered necessary, with the approval of the Board, he may adopt pragmatic initiatives with reference to the set rules through the CEO.
- c.** For the business interest of the Company, the Chairman may be offered an office room, a personal secretary/assistant, an office telephone, a mobile phone and a car for using within the country.

Managing Director and Chief Executive Officer

Company's MD and CEO is Ms. Farzanah Chowdhury. The detail information of MD and CEO is given in separate under section: 1.3.7

Roles and Responsibilities of the Managing Director and CEO:

The Managing Director and CEO is responsible for implementation of Board policies and overall Management of the company. She discharges her duties under the delegation of financial, business and administrative authority given to her by the Board. The Main Responsibilities and Authorities of the Managing Director are as follows:

The CEO undertakes her own responsibilities when the board vests the financial, business and administrative authorities on her. She remains accountable for achievement of financial and other business targets by means of business plan, efficient implementation and prudent administrative and financial management. The CEO ensures compliance of the Insurance Act, 2010 and

other relevant laws and regulations in performing routine functions of the company. At the time of presenting any memorandum by the management in the Board Meeting or Board Committee Meeting, the CEO points out if there is any deviation from the Insurance Act, 2010 and other relevant laws and regulations. The CEO remains accountable to report to IDRA if any violation of the Insurance Act, 2010 or of other laws/regulations is occurred etc. Appraisal of the Board's Performance Green Delta Insurance Company Limited has not set any option for annual appraisal of the board's performance. However, evaluation of the Board is performed at the AGM by the shareholders.

Appraisal and evaluation of CEO by the Board

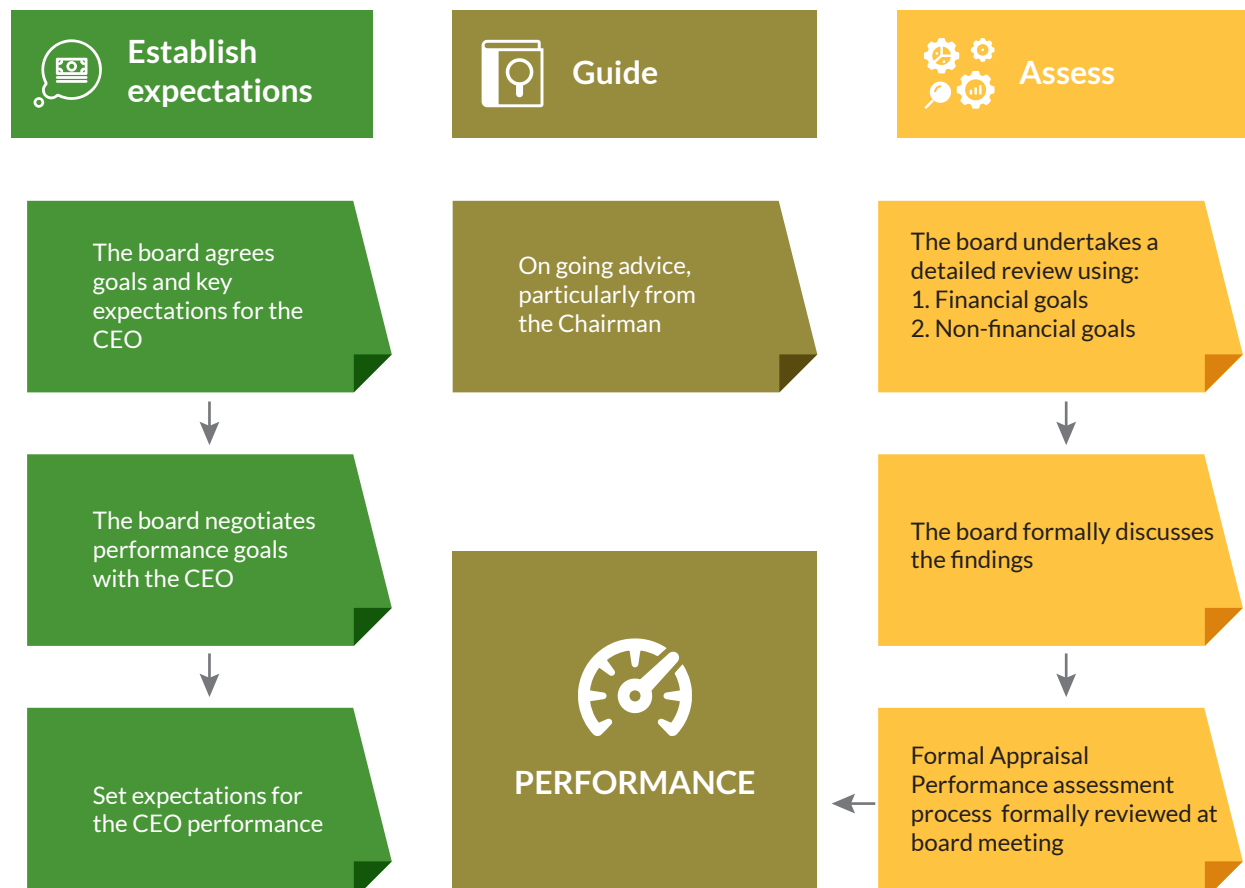
While reappointing CEO, an evaluation report approved by the board of directors submitted to IDRA by the chairman of the Board. Besides, key evaluation indicators for CEO as well as Management is profitability, yearly budget achievement, dividend ratio, return on equity, return on assets, earnings per share, CAMELS ratings, credit rating, classified loan ratio etc. which are reviewed by Board of Directors on periodically basis. Mechanism to provide advice to the Board GDIC maintains transparent and close communication with its shareholders. With this view we publish annual & semi-annual reports, publish quarterly financials and price sensitive information (PSI) in newspapers for

shareholders, investors, capital market experts, and other equity participants in a complete, fair, accurate, timely and understandable manner within the framework of generally accepted accounting principles and legislation provisions. Our company's shareholders can also use their query rights or can provide any recommendations or direction to the Board of directors at the annual general meeting and the Board answers all questions of shareholders. Prior to AGM, the meeting date, venue and agenda are announced and also the annual report is submitted to the shareholders through our company's website or through different channels. After getting feedback from shareholders at AGM, the Board then directs the management to implement the recommendations of the shareholders. If the Management requires making any change in policy or practice, the Board approves those changes; otherwise if this authority of approval is beyond the power of the Board, this can be approved by the shareholders of GDIC at AGM through voting.

Annual evaluation of the CEO & Managing Director by the Board

The Board of Directors evaluates the CEO & Managing Director based on the goals set for him considering the

company vision and mission at the beginning of each year. The annual financial budget and other job objectives are discussed, reviewed and finalized by the Board at the start of the financial year. The Board considers both financial and non-financial goals during the appraisal.



Evaluation based on financial performance

At the end of each quarter, the CEO & Managing Director is evaluated based on the financial targets. The evaluation is done based on both:

- Achievement of targets against budget;
- Achievement of targets against the achievement of those targets in the previous year.

Evaluation based on Non-Financial goals

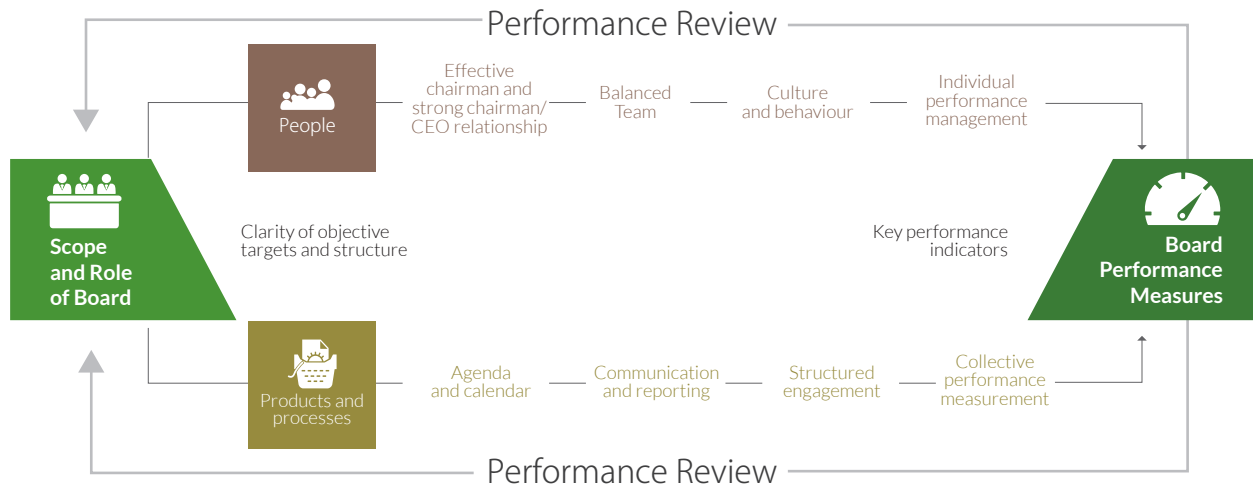
The CEO & Managing Director is also evaluated based on non-financial goals in an ongoing basis. The non-financial criteria include, but are not constricted to things such as:

- The confidence of the shareholders in the CEO, as reflected in the stock price of the company;
- The relationship of the company with the regulators;

In addition, at the end of each year, an annual assessment and evaluation of the achievements of pre-agreed targets is done. During this evaluation, the deviations from target, and the reasons for the deviations are discussed and assessed.

Annual appraisal of the Board's performance and disclosure

Any discussion of performance appraisals must necessarily cover two broad areas—the what and the how. In the case of a board, what should be appraised first is its ability to define its responsibilities and establish annual objectives in the context of those general responsibilities, and then its record in achieving those objectives. An appraisal must also look at what board requirements in terms of resources and capabilities the board needs and what is available to perform its job. The how of board appraisal is, of course, the process the board uses to evaluate its own performance



Training program of Directors

The Board recognizes the importance of ensuring that Directors are continuously being developed to acquire or enhance the requisite knowledge and skills to discharge their duties effectively.

Company Secretary also provides the new Directors with an information kit regarding disclosure obligations of a Director, Board Charter, Code of Ethics, the Constitution of the Company, Board Committees' Terms of Reference, and Schedule of Matters Reserved for the Board, amongst others.

In addition, the Directors are constantly updated on information relating to the Group's development and industry development through discussion at Board meetings with the Senior Management team.

The Board ensures that a structured Director Learning and Education Programme is in place for its members. This programme shall ensure members have access to an appropriate continuing education programme and are kept up to date with current business, industry, regulatory and legislative developments and trends that will affect the Company's business operations.

Financial and accounting knowledge and expertise of Directors

Our Board of Directors consists of members who possess a wide variety of knowledge and experience in finance, economy, management, business administration, marketing and law. This ensures that together, they formulate the right policy for the development of the business while having the specialized skills and the ability to foresee developments across a larger perspective and with enough independence to audit the management in a balanced manner.

Holding of Board meetings

In compliance, the meeting of the Board of Directors is normally held at the registered Corporate Head Office of the Company. The meeting is held frequently, at least once a month, to help the Board discharge its responsibilities and functions as mentioned above. The meeting is scheduled well in advance and the notice of each Board meeting is given in writing to each Director by the Company Secretary.

Process of holding Board meetings

The Company Secretary prepares the detailed agenda for the meeting. The Board papers comprising the agenda, explanatory notes and proposed resolutions are circulated to the Directors well in advance for their review enabling them to work efficiently. The members of the Board are also free to recommend inclusion of any matter in the agenda for discussions, subject to the permission of the Chairman of the meeting. The Company Secretary and the Chief Financial Officer always attend the Board meetings and the senior management is invited to attend the Board meetings to provide additional inputs of the items being discussed by the Board and make necessary presentations. The details of attendance along with the amount of remuneration of Directors in the meeting of the Board and its committees are enclosed in the Directors' Report. The amount of remuneration paid to the Directors is also disclosed in the audited financial statements.

Number of Board meetings held in 2018

The number of meetings of the Board and its committees held during the accounting year and the attendance of the Directors at those meetings and their respective remuneration are disclosed in Annexure-II of the Directors' Report of this annual report.

Key Activities of the Board in 2018

Quarter-wise Overview of the Main Recurring Board Activities-2018

January – March	<ul style="list-style-type: none"> Authorization of Financial Statements and Annual Report 2018 Dividend declaration Renew of the term of the Auditors and determination of Audit Fees Approval of Performance Bonus for 2018 Holding of Annual General Meeting Review of Base Rate for the Fourth Quarter 2018
April – June	<ul style="list-style-type: none"> Endorsement of First Quarter Financial Statement 2018 (January – March) Employee Salary revision Review of Base Rate for the First Quarter 2018
July – September	<ul style="list-style-type: none"> Endorsement of Second Quarter Financial Statement 2018 (April – June) Review of Base Rate for the Second Quarter 2018
October – December	<ul style="list-style-type: none"> Endorsement of Third Quarter Financial Statement 2018 (July – September) Approval of Budget for the year 2018 Modification of Credit Policy Review of Base Rate for the Third Quarter 2018

Key Activities of the Board in 2018



Directors' report on preparation and presentation of financial statements and corporate governance

The Companies Act, 1994, requires the Directors to prepare financial statements for each accounting year. The Board of Directors accepts the responsibility for the preparation of the financial statements, maintaining adequate records for safeguarding the assets of the Company, preventing and detecting fraud and/ or other irregularities, selecting suitable accounting policies and applying those policies consistently and making reasonable and prudent judgments and estimates where necessary. The Board of Directors are also responsible for the implementation of the best and the most suitable corporate governance practices. A separate statement of the Directors' responsibility for financial reporting and

corporate governance is given in this Annual Report.

Role of the Company Secretary

The Company Secretary acts as a mediator between the Company, its Board of Directors, stakeholders, the government and regulatory authorities. He has expertise in corporate laws, capital markets, security laws and corporate governance. He also advises the Board of Directors on the kind of practices to be adopted in upholding the high levels of corporate governance. He represents the Company among internal and external stakeholders, co-ordinates the policies of the Company, fulfills the management function and provides guidance on strategic decisions for the improvement and growth of the Company.

In compliance with the Corporate Governance guidelines, the Company Secretary has a defined role and responsibilities approved by the Board.

Committees of the Board

The Board has established two permanent Committees to assist, advice and make recommendations to the Board

on matters falling within their respective responsibilities as per BSEC. Each Committee is governed by a formal charter approved by the Board, setting out its objectives, responsibilities, structures and operations. The membership of the Board committees, as at the date of authorization of this Annual Report, is set out below



Continuous Development Program

GreenDelta believes that regular training and development are essential to equip all directors with the appropriate skills and knowledge to perform their roles on the Board and Board Committees effectively. On an annual basis, the Board assesses the skills that the Board collectively needs in order to discharge its responsibilities effectively and identifies steps to improve effectiveness. Green Delta Insurance Company Limited

Delegation by the Board

The Board delegates authority and powers to Board Committees to oversee specific responsibilities without abdicating its responsibilities. These Committees report on a periodical basis to the Board and enable the Board to carry out its stewardship and fiduciary responsibilities in an efficient manner.

Board Induction

A formal letter of appointment setting out the director's duties and obligations is provided to every new director. Comprehensive and tailored induction is provided to incoming directors joining the Board. The induction program allows the director to assimilate into his or her new role as soon as possible.

Meetings of the Board of Directors

The Directors hold regular meetings to ensure smooth operation of the Company. At least 4 (four) such meetings are held every year and at least 1 (one) in each quarter. During the year 2018 Four (04) meetings of the Board were held.

Chief Financial Officer (CFO), Head of Internal Audit and Company Secretary (CS)

Three separate persons, each of different specialized discipline, have been appointed. Their role has been defined by the Board. The CFO/CS regularly attend the Board Meeting.

Duties of Chief Financial Officer (CFO)

The Provision of BSEC regulations are being complies with on regular basis

Subsidiary Company

As required by condition 5 of the guidelines,

- (i) The provisions relating to the composition of Board of Directors for each subsidiary company have been complied with.
- (ii) At least 1 (one) independent director on the Board of Directors of GDICL is a director on the Board of Directors of its subsidiary company.
- (iii) The minutes of Board Meetings of the subsidiary companies are placed for review at the following Board Meeting of GDICL.
- (iv) The minutes of the respective Board Meeting of GDICL states that the Board has reviewed the affairs of the subsidiary companies.
- (v) The Audit Committee of GDICL also reviews the financial statements of, and in particular the investments made by, the subsidiary companies

Report on Compliance with best Practices on Corporate

Governance that is reviewed by External Auditors. The Directors confirm that the company has also complied with all conditions of Corporate Governance

Guidelines issued by BSEC. As required by condition 7 of the guidelines,

(i) The company engages a Practicing Chartered Secretary for issuance of a certificate regarding compliance of conditions of Corporate Governance Guidelines of BSEC and sends the certificate to the shareholders along with the Annual Report

- (ii) The director's states, in accordance with the Annexure to the guidelines, in the directors' report whether the company has complied with all the conditions of the guidelines
- (iii) For the year 2018, Status of Compliance of Corporate Governance Guidelines is shown separately
- (iv) For the year 2018, Practicing Chartered Secretary Ms. Suraiya Parvin FCS was engaged for issuing a certificate regarding such compliance and the Certificate be annexed

Pattern of Shareholding

SL	Name of Shareholders	Description	Number of Shares	%
A. Parent/Subsidiary/Associated Companies and related parties (name wise details)			nil	
B (I) Directors and their spouses and their minor children (name wise details)				
01	Md. Abdul Karim	Independent Director & Chairman	nil	nil
02	Shamsun Nahar Begum Chowdhury	Vice Chairperson	1,633,319	2.02
03	Mesbah Dilwar Rahman	Director	1,633,245	2.02
04	Marufa Anwar	Director	3,016	0.00
05	Abul Quasem Mohammad Nurul Absar	Director	1,633,210	2.02
06	Dilruba Chowdhury	Director	1,659,322	2.06
07	Iqbal Khan (Jamal)	Director	1,633,319	2.02
08	Kamran Idris Chowdhury	Director	400,382	0.50
09	Khurshida Chowdhury	Director	4,253,306	5.27
10	Razia Rahman	Director	48,186	0.06
11	Faisal Ahmed Choudhury	Independent Director	nil	nil
12	Abul Hasan Chowdhury	Independent Director	nil	nil
B(ii) Managing Director, Company Secretary, & Head of Internal Audit and their spouses and minor children (name wise details)				
01	Farzanah Chowdhury Chartered Insurer	Managing Director and CEO	4,034,560	5.00
02	Syed Moinuddin Ahmed	Additional Managing Director & Company Secretary	nil	nil
03	Kabir Ahmed Chowdhury	Head of Internal Audit	nil	nil
C. Executives [Top 5 Salaried Employees]				
01	Nasir A. Chaudhury	Advisor	3,182,382	3.94
02	Farzanah Chowdhury	Managing Director & CEO	4,034,560	5.00
03	A.S.A Muiz	Sr. Consultant	30,643	0.04
04	Syed Moinuddin Ahmed	Additional Managing Director & Company Secretary	nil	nil
05	A. K. M. Iftekhar Ahmed	Sr. Consultant	nil	nil

Shareholders holding ten percent (10) or more voting interest in the company

5.3 Charter of the Board and its Committees

COMMITTEES OF THE BOARD, MANAGEMENT AND EXECUTIVES

Committees of the Board

(I) Audit Committee

Name	Status
Md. Abdul Karim	Chairman
Marufa Anwar	Member
Razia Rahman	Member
Mesbah Dilwar Rahman	Member
Iqbal Khan (Jamal)	Member
Nasir A. Choudhury	Advisor
Farzanah Chowdhury	Managing Director and CEO as Ex-Officio
Syed Moinuddin Ahmed	Secretary

(II) Executive Committee

Name	Status
Dilruba Chowdhury	Chairperson
A. Q. M. Nurul Absar	Member
Kamran Idris Chowdhury	Member
Khurshida Chowdhury	Member
Shamsun Nahar Begum Chowdhury	Member
Faisal Ahmed Choudhury	Member
Nasir A. Choudhury	Advisor
Farzanah Chowdhury	Managing Director and CEO as Ex-Officio
Syed Moinuddin Ahmed	Secretary

(iii) Nomination & Remuneration Committee

Abul Hasan Chowdhury	Chairman
Khurshida Chowdhury	Member
Shamsun Nahar Begum Chowdhury	Member
Nasir A. Choudhury	Advisor
Farzanah Chowdhury	Managing Director and CEO as Ex-Officio
Syed Moinuddin Ahmed	Secretary

Committees of the Management and Executives:

(I) Etiquette Committee

Name	Status
Farzanah Chowdhury	Managing Director and CEO
Nasir A. Choudhury	Advisor
A. S. A. Muiz	Senior Consultant
Syed Moinuddin Ahmed	Additional Managing Director and Company Secretary

(ii) Management Committee (ManCom) and Observers

Name	Status
Farzanah Chowdhury	Managing Director & CEO
Nasir A. Choudhury	Advisor
A. S. A. Muiz	Senior Consultant
A. K. M. Iftekhar Ahmad	Consultant
Syed Moinuddin Ahmed	Addl. Managing Director and Company Secretary
Md. Anisur Rahman	Deputy Managing Director
Wafi Shafique Menhaz Khan	Managing Director and CEO - GDSL
Rafiqul Islam	Managing Director and CEO - GDCL
Kabir Ahmed Chowdhury	Sr. Executive Director
Monir Ahmed	Sr. Executive Director
Syed Forhed Abbas Hussain	Sr. Executive Director - Observer
Mohammad Murtuza Zaman	Sr. Executive Director - Observer
Syed Aliul Ahabab	Financial Controller - Observer
Md. Moniruzzaman Khan	Executive Vice President - Observer

(III) Investment Committee

Name	Status
Farzanah Chowdhury	Chairperson
Syed Moinuddin Ahmed	Secretary
Wafi Shafiq Menhaz Khan	Member
Md. Rafiqul Islam	Member
Syed Jahangir Azam	Observer
Syed Aliul Ahabab	Observer
Enayet Karim Parvez	Observer
Chinmoy Chakrabarty	Observer
Md. Oliullah Khan ACS	Observer

(IV) Claim Assessment Committee

Name	Status
Farzanah Chowdhury	Chairperson
Nasir A. Choudhury	Member
Iftekhar Ahmed	Member
Md. Anisur Rahman	Member

(V) Steering Committee on Purchase and Procurement

Name	Status
Syed Moinuddin Ahmed	Convener
Wafi S. M. Khan	Member
M. A. Malik	Member
Kabir Ahmed Chowdhury	Member
Al-Mamun	Member
Representative of the respective Department/Branch Member	Member
Golam Sibbir Chowdhury	Secretary

5.4 World Economy

Summary

- Global growth for 2018 is estimated at 3.7 per cent, as in the October 2018 World Economic Outlook (WEO) forecast, despite weaker performance in some economies, notably Europe and Asia. The global economy is projected to grow at 3.5 per cent in 2019 and 3.6 per cent in 2020, 0.2 and 0.1 percentage point below the last projections of October 2018.
- The global growth forecast for 2019 and 2020 had already been revised downward in the last WEO, partly because of the negative effects of tariff increases enacted in the United States and China earlier that year. The further downward revision since October 2018 reflects in part the carryover from softer momentum in the second half of 2018—including in Germany following the introduction of new automobile fuel emission standards and in Italy where concerns about sovereign and financial risks have weighed on domestic demand—but also weakening financial market sentiment as well as a contraction in Turkey now projected to be deeper than anticipated.
- Risks to global growth tilt to the downside. An escalation of trade tensions beyond those already incorporated in the forecast remains a key source of risk to the outlook. Financial conditions have already tightened. A range of triggers beyond escalating trade tensions could spark a further deterioration in risk sentiment with adverse growth implications, especially given the high levels of public and private debt. These potential triggers include a heightened 'no-deal' withdrawal of the United Kingdom from the European Union and a greater-than-anticipated slowdown in China.
- The main shared policy priority is for countries to resolve cooperatively and quickly their trade disagreements and the resulting policy uncertainty, rather than raising harmful barriers further and destabilising an already slowing global economy. Across all economies, measures to boost potential output growth, enhance inclusiveness, and strengthen fiscal and financial buffers in an environment of high debt burdens and tighter financial conditions remain key imperatives.

Overview

The steady expansion underway since mid-2016 continues, with global growth for 2018-19 projected to remain at its 2017 level. Simultaneously however, the expansion has become less balanced and may have peaked in some major economies. Downside risks to global growth have risen in the past six months and the potential for upside surprises has receded.

Global growth is projected at 3.7 per cent for 2018-19, about 0.2 percentage point lower for both years than forecast in April 2018. In the United States, momentum is still strong as fiscal stimulus continues to increase, but the forecast for 2019 has been revised downwards due to the recently-announced trade measures, including the tariffs imposed on USD 200 billion of US imports from China. Growth projections have been moderated for the Euro area and the United Kingdom, following surprises that suppressed activity in early 2018.

Among emerging market and developing economies, the growth prospects of many energy exporters have been lifted by higher oil prices. However, growth was revised downwards for Argentina, Brazil, Iran, and Turkey, among others, reflecting country-specific factors, tighter financial conditions, geopolitical tensions, and higher oil import bills. China and a number of Asian economies are also projected to experience somewhat weaker growth in 2019 in the aftermath of the recently announced trade measures. Beyond the next couple of years, as output gaps close and monetary policy settings continue to normalise, growth in most advanced economies is expected to decline to potential rates—well below the averages reached before the global financial crisis of a decade ago.

Principal economic factors

Slower expansion in the working-age population and projected lacklustre productivity gains are the prime drivers of lower medium-term growth rates. US growth is expected to decline as fiscal stimulus begins to unwind in 2020, at a time when the monetary tightening cycle is expected to be at its peak. Growth in China is projected to decline gradually as the impact of US-imposed tariffs intensify, and prospects remain sub-par in some emerging

market and developing economies, especially for per capita growth, including in commodity exporters that continue to face substantial fiscal consolidation needs or are mired in geopolitical conflict.

Risks to global growth skew to the downside in a context of elevated policy uncertainty. A number of downside risks highlighted in the April 2018 World Economic Outlook (WEO), including rising trade barriers and a reversal of capital flows to emerging market economies with weaker fundamentals and higher political risk, have become more pronounced or have partially materialised. While financial market conditions remain accommodative in advanced economies, they could tighten rapidly if, for instance, trade tensions and policy uncertainty were to intensify.

Monetary policy is another potential trigger. The US economy is above full employment, yet the path of interest rate increases that markets anticipate is less steep than that projected by the Federal Reserve. Unexpectedly high and sticky inflation readings in the United States could therefore lead investors to abruptly reassess risks. Tighter financial conditions in advanced economies could cause disruptive portfolio adjustments, sharp exchange rate movements, and further reductions in capital inflows to emerging markets, particularly those with greater vulnerabilities.

The recovery has helped lift employment and income, strengthened balance sheets, and provided an opportunity to rebuild buffers. Yet, with risks shifting to the downside, there is greater urgency for policies to enhance prospects for strong and inclusive growth. Avoiding protectionist reactions to structural change and finding cooperative solutions that promote continued growth in goods and services trade remain essential to preserve and extend global expansion. At a time of above-potential growth in many economies, policymakers should aim to enact reforms that raise medium-term incomes to the benefit of all. With shrinking excess capacity and mounting downside risks, many countries need to rebuild fiscal buffers and strengthen their resilience to an environment in which financial conditions could tighten suddenly and sharply.

In advanced economies, economic activity lost some momentum in the first half of 2018 after peaking in the second half of 2017. Outcomes fell short of projections in the Euro area and the United Kingdom; growth in world trade and industrial production declined and some high-frequency indicators moderated. Core inflation remains very different across advanced economies—well below objectives in the Euro area and Japan, but close to target in the United States.

Uncertainty-induced loss of momentum

One-off factors including new fuel emission standards in Germany and natural disasters in Japan, weighed on activity in large economies. However, these developments occurred against the backdrop of weakening financial market sentiments, trade policy uncertainty, and concerns around China's economic outlook. While the December 1, 2018 announcement that tariff hikes have been put on hold for 90 days in the US-China trade dispute is welcome, the possibility of tensions resurfacing in the spring casts a shadow over global economic prospects.

Some of the key points to note include the following:

High-frequency data signal subdued momentum: Outside the United States, industrial production has decelerated, particularly of capital goods. Global trade growth has slowed to well below 2017 averages. The true underlying impetus could be even weaker than the data indicate, as the headline numbers may have been lifted by import frontloading ahead of tariff hikes, as well as by an uptick in tech exports with the launch of new products. Consistent with this interpretation, purchasing managers' indices, notably in the category of new orders, point to less buoyant expectations of future activity.

Commodities and inflation: Crude oil prices have been volatile since August 2018, reflecting supply influences, including US policy on Iranian oil exports and fears of softening global demand. As of early January 2019, crude oil prices stood at around \$55 a barrel and markets expected prices to remain broadly at that level over the next 4-5 years. Prices of metals and agricultural commodities have softened slightly since August 2018, in part due to subdued demand from China. Consumer price inflation (CPI) has generally remained contained in recent months in advanced economies but has inched up in the United States, where above-trend growth continues. Among emerging market economies, inflationary pressures are easing with the drop in oil prices.

Tightening financial conditions in advanced economies: Equity valuations that were stretched in some countries have been pared back with diminished optimism about earnings prospects amid escalating trade tensions and expectations of slower global growth. Concerns over a US government shutdown further weighed on financial sector sentiment toward year-end. While the US Fed raised the target range for the federal funds rate to 2.25–2.50 per cent in December 2018, it signalled a more gradual pace of rate hikes in 2019 and 2020. The European Central Bank (ECB) ended its net asset purchases in December 2018. However, it also confirmed that monetary policy would remain amply accommodative, with no increase in policy rates until at least summer 2019.

Outlook and projections

Global growth for 2018 is estimated to be 3.7 per cent, as it was last fall, but signs of a slowdown in the second half of 2018 have led to downward revisions for several economies. Weakness in the second half of 2018 is expected to carry over to the coming quarters, with global growth is projected to decline to 3.5 per cent in 2019 before picking up marginally to 3.6 per cent in 2020.

Notably, this growth pattern reflects a persistent decline in the growth rate of advanced economies from above-trend levels, together with a temporary decline in the growth rate for emerging market and developing economies in 2019, reflecting contractions in Argentina and Turkey, as well as the impact of trade actions on China and other Asian economies.

Specifically, growth in advanced economies is projected to slowdown from an estimated 2.3 per cent in 2018 to 2.0 per cent in 2019 and 1.7 per cent in 2020. This estimated growth rate for 2018 and the projection for 2019 are 0.1 percentage point lower than in the October 2018 WEO, mostly due to downward revisions for the Euro area.

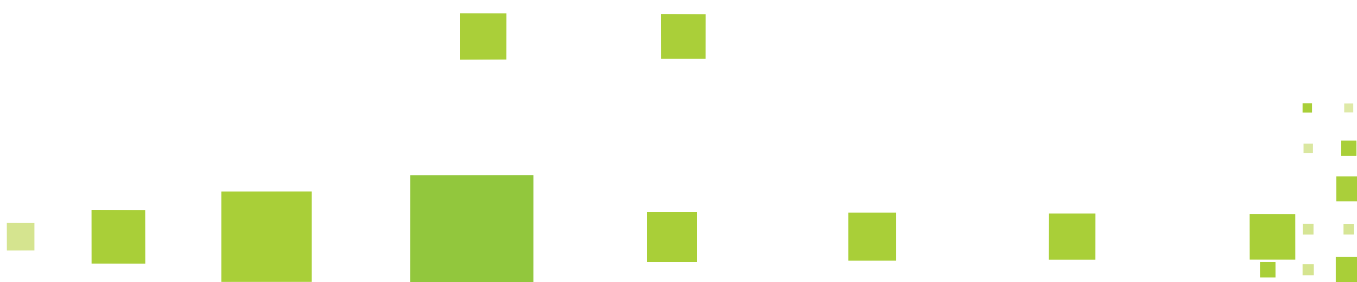
Growth in the Euro area is set to moderate from 1.8 per cent in 2018 to 1.6 per cent in 2019 and 1.7 per cent in 2020. Growth rates have been marked down for many economies, notably Germany (due to soft private consumption, weak industrial production following the introduction of revised auto emission standards, and subdued foreign demand); Italy (due to weak domestic demand and higher borrowing costs as sovereign yields remain elevated); and France (due to the negative impact of street protests and industrial action).

In sub-Saharan Africa, growth is expected to pick up from 2.9 per cent in 2018 to 3.5 per cent in 2019, and 3.6 per

cent in 2020. For all years, the projection is 0.3 percentage point lower than last the projection last made in October 2018, as softening oil prices have caused downward revisions for African countries like Angola and Nigeria. The headline numbers for the region mask significant variation in performance, with over one-third of sub-Saharan economies expected to grow above 5 per cent in 2019-20.

There is substantial uncertainty around the baseline projection of about 1.5 per cent growth in the United Kingdom in 2019-20. The unchanged projection relative to the October 2018 WEO reflects the offsetting negative effect of prolonged uncertainty about the Brexit outcome and the positive impact from fiscal stimulus announced in the 2019 budget. This baseline projection assumes that a Brexit deal is reached in 2019 and that the UK transitions gradually to the new regime. However, as of end-January 2019, the shape that Brexit will ultimately take remains highly uncertain and unpredictable.

The growth forecast for the United States also remains unchanged. Growth is expected to decline to 2.5 per cent in 2019 and soften further to 1.8 per cent in 2020 with the unwinding of fiscal stimulus and as the federal funds rate temporarily overshoots the neutral rate of interest. Nevertheless, the projected pace of expansion is above the US economy's estimated potential growth rate in both years. Strong domestic demand growth will support rising imports and contribute to a widening of the US current account deficit. Furthermore, with the uncertainty around the abatement of the tariff dispute with China, there exists structural opportunities for low-cost emerging destinations like Bangladesh, Vietnam, etc., to become a more critical and integral part of global supply chains. Specifically, Bangladesh has an opportunity to further imprint its presence in the global textiles sector, as well as in other emerging industries.



5.5 Bangladesh Economy

Summary

- Bangladesh is a country that is on the move. With the recent electoral mandate reinstating the incumbent back to power in December 2018, the Government has, ahead of it, the unprecedented opportunity to continue with its developmental agenda, anchored on the key themes of infrastructure creation, jobs generation, inclusive socio-economic growth and regional cooperation-driven trade and commerce.
- Bangladesh is undergoing a significant transformation from a low-income to a middle-income economy. The South Asian country continues to generate strong growth, projected at around 7 per cent for 2018, which is among the fastest-growing economic growth rates of the world. This economic momentum will be driven by increased consumer spending and emphasis on public investment.
- With policies that are geared to promote the broader agendas of financial inclusion and financialisation of savings through the establishment of bank branches, especially in rural areas, there is expected to be greater consumption tendencies, driving the overall economic growth.
- With the Government also developing progressive policies on ICT (information, communication and technology), there is expected to be greater thrust in digital penetration that will drive transformative change in the business models of companies, as well as in their engagement with their customers. Digitalisation is also expected to add to the country's gross domestic product (GDP).
- Potential output growth, enhance inclusiveness, and strengthen fiscal and financial buffers in an environment of high debt burdens and tighter financial conditions remain key imperatives.

Key Socio-Economic Themes Influencing Bangladesh

Increased thrust on boosting public investment to upgrade infrastructure, spur more private sector activity and ultimately create more jobs

Tax revenues in Bangladesh are currently low at 9 per cent of GDP, and the country needs more revenues to finance its infrastructure ambitions and social spending. The average tax revenue-to-GDP ratio for non-resource rich, low-income countries is around 15 per cent. Hence,

there is priority to implement the delayed value-added tax, with the general consensus of a single rate, to help raise much-needed revenues. Tax policy reform should also be supported by continued efforts to strengthen tax administration and improve tax compliance with online registration and filing of tax returns.

Strengthening of the banking and financial sectors

Banks remain the principal source of financing for companies in Bangladesh, and their ability to extend credit at reasonably-priced terms is important to keep credit offtake strong and economic growth consistent. However, this requires strong bank balance sheets and efficient operations. In this respect, there is significant elbow for improvement, given that non-performing loans (NPLs) continue to increase, particularly in state-owned commercial banks. In response to this, the Government is focusing on strengthening banks' internal control and governance standards, expediting loan recovery procedures and improving creditors' rights with a more effective legal system. Simultaneously, regulators are also focusing on stricter enforcement of regulatory standards and dealing promptly with banks that fail to observe these standards.

Enhancing access of the organised financial services sector to the wider public

Increasing the penetration of the organised financial services sector is becoming increasingly important, and this is being powered in no small measure by digitalisation. This is helping promote financial inclusion in the country at a faster rate, especially in the rural areas. Bangladesh has been a pioneer in financial inclusion, with notable initiatives being the introduction of microfinance, mobile financial services, and agent-based banking. The authorities are also exploring advanced technologies, including the secure blockchain ledger system, to promote lending for small- and medium-sized enterprises (SMEs) and women entrepreneurs. This system is believed to strengthen credit appraisal and, subsequently, help keep a strong check on defaults and NPLs. It must be noted that M/SMEs are the backbone of the Bangladesh's industrial economy, making substantial contributions to the nation's overall economic growth.

Enhancing organised financial services access has also contributed to improving the ratio of bank deposit accounts in the adult population and credit extended to small and medium-sized enterprises run by women. It has

also helped to boost the number of women entrepreneurs and the number of active mobile money accounts. Today, several industrial pockets of the country are focusing on specific and also innovative trades, including floriculture, bee-keeping, etc.

The payout of the Rohingya refugee crisis

As a humanitarian measure, the Bangladeshi Government kept its borders open and welcomed close to 700,000 refugees in a very short period. The economic and budgetary impact has been limited so far, thanks partly to the attention and financial support of the international community. However, spending pressures could increase in the future, and important challenges remain, including providing for such huge numbers that might create budgetary strains, going forward.

Bangladeshi economy overview

Growth in Bangladesh has averaged more than 6 per cent over the last decade, significantly lifting per capita incomes. Poverty has declined steadily and other social indicators, like gender disparity in education and maternal mortality, have also improved. Throughout this transition, the country has increasingly diversified away from an agrarian to a more industrial and manufacturing-based economy with rapid growth in the ready-made garment (RMG) industry.

Maintaining its growth resilience, the Bangladeshi economy is also now being powered by robust internal consumption too. Following a poor show in FY17, exports and remittances have recovered impressively in FY18. With agriculture on the uptick, and with imports of machinery and industrial raw materials being buoyant, the resilience of the Bangladeshi economy is now being dispute, though consistency with high frequency indicators remains an issue.

As per the Government's 2018-19 Union Budget, for FY19, GDP growth target has been set at 7.80% with 7.65% being provisional estimates for FY18 and 7.28% for FY17. What is becoming increasingly evident from economic statistics is that private investment is on the rise, estimated to be 25.1% of GDP and representing a sharp 1.9 percentage point increase from FY18. The Budget estimates that in FY19, around Tk. 117,000 crore will be additionally required for private investment (22.7% increase in nominal terms), and about Tk. 30,000 crore will be additionally required for public investment (16.1% increase in nominal terms) in the same year. With prudent monetary policies taking effect, inflation targeting is expected to be under control, and is assumed to remain stable at 5.6%. However, there is some cause of concern on this front as upward trends have been observed in general, food and non-food inflation in the closing months of FY18. Yet, a focus on improving agri-yields and oil prices expected to remain principally stable, the Government has put a strong emphasis on inflation targeting.

On the monetary policy and external sector fronts, the Budget has anticipated a stable outlook during FY19 to FY21. Growth of credit to the private sector is expected to be moderate, pegged at 16.5%, for FY19, which is expected to reach 16.9% in FY21. Besides, growth target for export has been set at 10% in FY19, with the cumulative export growth touching 6.7% up to May 2018, mainly driven by the mainstay, which is the RMG sector. Growth target for import has been set at 12% in FY19. Up to March FY18, the consolidated import growth was pegged at 24.5%, which is expected to come down to 20% by the end of FY19. The target for FY19 appears to be on the lower side, given the high import demand of ongoing and upcoming large infrastructure projects.

The Budget has estimated a remittance growth target for FY19 at 15% on the back of growth in overseas employment. Up to May FY18, remittance inflow grew at 17.7%. There is expected pressure to be on this front, considering certain structural issues facing the world today, including the uncertainty around Brexit, with the most possible anticipation of a 'no-deal' Brexit, that is expected to result in the loss of several thousands of jobs in Europe and elsewhere. Furthermore, with no respite to the tariff dispute between China and the United States, there is expected to be a severe impact on global supply chains that might have a tendency to slow down growth. Both these factors might have an impact on remittance inflow in Bangladesh, especially since the country has a large migrant population spread across the globe. The exchange rate is expected to be stable, with the Budget projecting a Tk. 82/USD on an average in FY19. However, the pressure on Tk. may increase if the current account falters further.

A number of laudable fiscal measures have been taken to strengthen domestic-oriented industries and enhance revenue earnings and cash flows. Furthermore, the Budget has also made provisions for providing support to social safety net programs.

Macroeconomic analysis

On a more macro-level, Bangladesh is making rapid progress to secure its socio-economic future by fostering some structural changes.

The size of the Budget for FY19 was estimated at Tk 64,307 crore or 16.07 per cent higher than the original budget size of Tk 4,00,266 crore of the outgoing fiscal year (FY18). As much as Tk 2,91,573 crore was allocated for non-development and other expenditure, while the development expenditure was estimated at Tk 1,73,000 crore. Besides, Tk 7,869.17 crore was allocated for projects to be implemented through self-finance of autonomous bodies. As a result, the total size of the ADP (Annual Development Program) is estimated to stand at Tk 1,80,869.17 crore. Out of the overall ADP allocation, Tk. 1,19,810.95 crore is proposed to flow from local sources,

while Tk 61,058.22 crore from foreign sources.

The original ADP outlay for the FY19 is estimated at 16.59 per cent or Tk. 24,619 crore higher than that of the revised allocation for the current fiscal year of FY18. The target for GDP growth has been set at 7.8 per cent in FY20, while the target for containing inflation in the next fiscal year has been set at 5.6 per cent. The overall budget deficit is estimated at Tk 1,25,293 crore, which is 4.9 per cent of the GDP. Of the amount, Tk 54,067 crore will be financed from external sources, while an amount of Tk 71,226 crore will be financed from domestic sources. Of the domestic sources, Tk 42,029 crore will be borrowed from the banking system, while Tk 29,197 crore from National Savings Schemes and other non-bank sources.

Public borrowing accounts for 26 per cent of the total income in the Budget. Overall, the level of debt in Bangladesh has been rising over time. However, the ratio of external debt-to-GDP is on the decline, while the ratio of domestic debt-to-GDP is on the rise. Increasing share of domestically-held public debt enables the country to use domestic resources to service it. Bangladesh owes about 75 per cent of external debt to two institutions - the World Bank (WB) and Asian Development Bank (ADB).

Direct taxes constitute only about 30 per cent of the total tax revenues and less than 2 per cent of the 163-million people pay income tax. Tax reforms over the last few decades have brought little change and it is hoped that the new Government at the centre will initiate reforms in the tax regime that can not only grow the tax base, but also enhance the sense of compliance.

It is now widely recognised that the commercial banking sector in Bangladesh has serious liquidity issues. Hence, sweeping measures are the need of the hour to ensure higher monetary stability. In the country's drive to pursue economic growth through industrialisation, the key mantra is to create a capital-friendly taxation system. That is reflected in the widespread use of tax incentives, including tax exemptions for domestic capital. At the same time, the need to attract foreign direct investment (FDI) also requires to create a business-friendly environment that enables businesses to operate freely.

The domestic manufacturing sector, including the RMG industry, benefits from tariff protection. The use of tariffs is widespread and Bangladesh is the most protected country in the South Asian region. Import and supplementary duties account for a quarter of total revenue receipts for the Budget year 2018-19. The continuing substantive reliance on import tax, along with supplementary duties, for revenue generation poses challenges for further trade liberalisation. To make the tax system fair, equitable and transparent, attaining an optimal income tax system for revenue generation has now become a critical issue for Bangladesh.

Economic outlook

The global credit ratings of Bangladesh have also been impressive. Moody's rating for Bangladesh has been at Ba3 since 2010 till 2017. This rating applies to both foreign & local currencies. S&P rated Bangladesh as BB (Stable) & BB-for foreign and local currency in the long term. Fitch has assessed Bangladesh at BB-(stable) from 2011 till 2029 for both local & foreign currencies in the long term.

The power sector, which is the industrial backbone of the country, has been performing well as the installed production capacity is over 16,000 MW now. Around 80 per cent of the population has access to electricity. At least 52 power projects are in the pipeline, which once completed can add another 18,415 MW to the production capacity. Once these projects are complete, more people in Bangladesh will have access to electricity, which will be a paradigm in socio-economic transformation. The Government is working and planning on more projects that will lead to a total production capacity of 60,000 MW by 2050.

HSBC recently made a forecast that placed Bangladesh as the 23rd economy with a GDP of over US\$ 1.5 trillion by 2030. All these are happening despite persistent governance issues, lack of accountability and transparency. HSBC's long-term growth model projections for real GDP growth also showed that Bangladesh is on top of the five fastest-growing economies in Asia. The country is projected to grow above 7 per cent annually through 2030.

As per projections, Bangladesh is the only country to maintain 7%-plus growth rate annually up to 2030 and even beyond.

In terms of sectoral development, education and health care have received the most importance in Bangladesh. The gender equity is also a priority. The GDP growth has been stable after getting out of the 6 per cent growth mould. Most importantly, aspirations in the country are on the rise. The per capita GDP of Bangladesh has been a unique indicator which is uniformly scaling-up. It was US\$ 318 in 1972. In 2017-18, it rose to \$ 1,751 per capita. The purchasing power parity in 2018 was at \$ 4,571.

The journey to a 'middle-income country' (MIC) and beyond is now on a stable course. Bangladesh has met all three conditions required to be recognised as MIC, with two out of three being the prerequisites. With the new Government at the helm, Bangladesh looks forward to a greater alignment between democracy and development.

Citations: *World Bank's Bangladesh Development Update, April 2018, IMF, Bangladesh Bureau of Statistics (BBS), cpd.org.bd, HSBC research*

5.6 Directors' Report to the Shareholders

Dear Shareholders,

At the outset, we, the Board of Directors of your company Green Delta Insurance Company Limited, welcome you to the 33rd Annual General Meeting and would like to thank you for your continued patronage and support over the 33years. We are very delighted to present before you the Annual Report along with the Audited Financial Statements for the year ended 31st December 2018 and the Auditor's Report thereon for kind consideration and adoption.

This Report of the Board of Directors of your company has been prepared in compliance with the provisions of section 184 of the Companies Act 1994 (Act No. XVIII of 1994) and other relevant rules and notifications issued by the regulatory bodies.

Through this report the Directors have made relevant disclosures and explanations pertaining to the issues to

ensure compliance, transparency and good corporate governance practices along with the details of the business performance, operations and achievements of the company for the year ended 31 December 2018. In fact the year 2018 is very significant in the life of the company in terms of performance and achievements not only within the industry but also in the entire economy.

SEGMENT-WISE PERFORMANCE

In line with the general practices, the underwriting business of the company covers fire insurance, marine insurance, motor insurance and miscellaneous insurance businesses. Out of total premium earned, it is found that major contribution is made by the fire insurance, followed by marine insurance and miscellaneous insurance. The Directors takes pleasure to report that in 2018 Green Delta had another year of growth in premium earnings. Over-all and segment-wise performance of your company is shown in tables below:

Gross Premium Income

Year	Gross premium (in Million Taka)	Growth (%)
2018	3,678.63	11.69%
2017	3,293.55	4.12%
2016	3,163.27	04.90%
2015	3,015.63	12.47%
2014	2,681.37	02.60%
2013	2,613.45	00.39%

Business Segment-wise Gross Premium Income(in Million Taka)

Business Segments	2018	2017	Growth (%)
Fire Insurance	1,692.79	1553.02	9.00
Marine Insurance	1,262.31	1124.80	12.23
Motor Insurance	181.15	194.93	(7.07)
Miscellaneous Insurance	542.39	420.80	28.89

Segregation of Net Premium

Business Segments	2018		2017		Growth (%)
	Amount (in Million Taka)	% of Total Net Premium	Amount (in Million Taka)	% of Total Net Premium	
Fire Insurance	462.65	27.86	401.09	26.31%	15.35
Marine Insurance	929.55	55.98	845.23	55.45%	9.98
Motor Insurance	163.48	9.84	175.89	11.5%	(7.06)
Miscellaneous Insurance	104.85	6.31	102.15	6.70%	2.64
Total	1660.53	100.00	1524.36	100.00	8.93

Claim and Loss Ratio

Year	Net Claim (in Million Taka)	Change (%)
2018	470.93	26.88%
2017	371.16	10.97
2016	334.48	10.94
2015	301.49	-13.02
2014	346.61	-06.87
2013	372.60	84.49

Segregation of Net Claim

Business Segments	2018		2017		Growth (%)
	Amount (in Million Taka)	% of Total Net Premium	Amount (in Million Taka)	% of Total Net Premium	
Fire Insurance	222.73	47.30	105.09	28.31	111.94
Marine Insurance	188.11	39.94	163.62	44.08	14.97
Motor Insurance	33.55	7.12	36.11	9.73	(7.10)
Miscellaneous Insurance	26.54	5.64	66.34	17.87	(59.99)
Total	470.93	100.00	371.16	100%	26.88

FINANCIAL PERFORMANCE

title “Key Operating Financial Highlights”. Moreover, some highlights are given in items below:

Performance of the company in terms of key performance indicators has been shown in a separate statement under

Capital Adequacy

The following table shows gradual increase in the shareholders equity

Year (in Million Taka)	Shareholder's Equity Change (%)	Change (%)
2018	6282.76	-2.02%
2017	6412.19	13.62
2016	5643.42	-00.86
2015	5692.23	17.29
2014	4852.92	09.73

Solvency Margin The following table shows that the solvency margin of the company is above the required level.

Particulars	2018	2017	2016	2015	2014	2013
Available Solvency [AS] (in Million Taka)	2589.57	3407.01	4,001.00	3957.54	3560.37	3265.33
Required Solvency [RS] (in Million Taka)	473.59	401.07	390.18	364.94	331.15	334.09
Solvency Margin [AS/RS] (Times)	5.47	8.49	10.25	10.84	10.75	9.77

Re-insurance Utilization and Risk Retention Ratio

The Company has re-insurance treaty agreement with Shadharan Bima Corporation (SBC), General Insurance Corporation of India (Rated A- by A.M Best), Arab Insurance Group (Rated B++ by A.M Best), Asian Reinsurance Corporation (rated B by A.M. Best), J.B. Bora Insurance

Services (L) BHD and B.E.ST Reinsurance (rated A by A.M. BEST) against all classes of general insurance business.

You may be aware that usually high risk retention level signals inadequate reinsurance protection while low risk retention level hampers profitability. Segment-wise Risk Retention Ratios of the Company for the last few years are shown in the table below.

Business Segments	Year-wise Risk Retention Ratio (%)						
	2018	2017	2016	2015	2014	2013	2012
Fire Insurance	27.33	25.83	23.53	26.31	25.23	43.92	36.89
Marine Insurance	73.64	97.59	65.79	64.01	78.01	74.03	78.21
Motor Insurance	90.25	90.24	91.47	76.14	37.19	91.45	85.34
Miscellaneous Insurance	19.33	24.27	24.59	26.66	27.85	15.67	12.87
Total	45.14	46.28	41.79	41.59	45.58	50.39	46.58

Reserve Adequacy

The following table shows reserve adequacy of the company..

Year (in Million Taka)	Shareholder's Equity Change (%)	Change (%)
2018	5,049.00	-2.98
2017	5,203.88	16.63
2016	4,461.79	-00.97
2015	4,497.15	22.04
2014	3,684.88	11.85

Profitability

Since the source of revenue of the company is premium income from underwriting business under fire insurance, marine insurance, motor insurance and miscellaneous

insurance businesses and other income like income from investments, its profitability depends upon these sources.

The following table shows the contributions of different business segments in the underwriting profit (loss) in last four years.

Business Segments	Contribution to Underwriting Profit (%)				
	2018	2017	2016	2015	2014
Fire Insurance	4.88	36.46	32.61	18.81	37.86
Marine Insurance	78.22	44.36	57.16	79.80	75.06
Motor Insurance	13.80	12.03	08.58	(0.55)	11.91
Miscellaneous Insurance	3.10	7.15	01.65	1.94	(24.83)
Total	100.00	100.00	100.00	100.00	100.00

Underwriting Performance/Quality

The quality of underwriting is a significant practice at Green Delta Insurance and this activity directly contributes to the quality of growth of the Company. The underwriting practice at the Company comprises thorough evaluation, prudent financial modeling and accurate risk pricing that protects the shareholders' interests in the company while also creating value at large. It is to be noted that while marine reported good underwriting profit growth year-

on-year, and slightly increase underwriting profit from previous year higher claims dented underwriting profit during the year under report for fire and miscellaneous insurance. However, we are undertaking all the necessary action across our business which will reinforce our ability to deliver quality underwriting profit growth across our various classes of business.

The following table shows the segment-wise underwriting performance of the company in the last few years.

Business Segments	Year-wise Risk Retention Ratio (%)				
	2018	2016	2015	2014	2013
Fire Insurance	19.66	145.82	125.59	57.63	115.84
Marine Insurance	315.28	177.44	220.14	244.33	229.68
Motor Insurance	55.63	48.06	33.06	(1.69)	36.43
Miscellaneous Insurance	12.50	28.61	6.37	5.93	-75.97
Combined Ratio		110.09	122.97	121.30	123.32

Investment Profile

The following table shows the status of investment portfolio of the company in the last year comparing with those of the previous year..

Components of Investment	2018		2017	
	Amount (in Million Taka)	% of Total Investment	Amount (in Million Taka)	% of Total Investment
NIB	25.00	0.63	25.00	.58
Fixed Deposit	206.04	5.23	321.33	7.40
Quoted Shares	2878.36	73.05	3093.09	71.19
Un-Quoted Shares	209.71	5.32	292.09	6.72
Investment in Subsidiaries	395.99	10.05	388.49	8.94
Investment in GDSL as Margin Loan			225.00	5.18
Others			-	-
Total			4345.00	100.00

Segregation of Investment Income and Other Income

Green Delta Insurance reported healthy growth across all its investment income and other income constituents with interest income comprising the largest chunk at 42.5%

besides, dividend income also contributed a healthy 30.2% to the overall pie. Profit from sale of shares and other

income comprised the rest of the investments and other income line.

The following table shows the status of the contributions of different sources in the investment income and other income in the last year comparing with those of the previous year.

Heads of Income	2018		2017	
	Amount (in Million Taka)	% of Total Investment Income & Other Income	Amount (in Million Taka)	% of Total Investment Income & Other Income
Interest Income	101.63	42.5	70.05	35.33
Dividend	72.12	30.2	64.05	41.67
Profit from Sale of Shares	5.54	2.3	6.12	01.40
Other Income	59.70	25.00	68.72	21.60
Total	239.00	100.00	208.94	100.00

RISK AND CONCERN

As Green Delta Insurance continues to invest in new ways to gain a better understanding of the dynamic and constantly changing risk environment, it remains at the forefront of risk and resilience, enhancing risk mitigation strategies for businesses, governments and the civil society as well as informing the public policy agenda at large. A detailed report on risk management framework has been made separately in "Chapter V - Our Governance and Risk Management"

DISCLOSURE REGARDING EXTRA-ORDINARY GAIN OR LOSS

There was no extra-ordinary gain or extra-ordinary loss during the year 2018..

DISCLOSURE REGARDING RELATED PARTY TRANSACTION

In ordinary course of business, related party transactions take place with other entities that fall within the term related party as defined in BAS 24: Related Party Disclosure. A statement on the related party transactions has been disclosed under item no. of the notes of the financial statements Disclosure Regarding Utilization Of Proceeds From Public Issues, Rights Issues And/Or Any Other Instruments.

DISCLOSURE REGARDING UTILIZATION OF PROCEEDS FROM PUBLIC ISSUES, RIGHTS ISSUES AND/OR ANY OTHER INSTRUMENTS

Under a deal between Green Delta insurance Company Ltd and International Finance Corporation (IFC) in 2013 IFC took 8% equity stake in the company. Shares were allotted in favor of IFC at book value of BDT 107 per share considering 6-month average of high-low price. Proceeds received from IFC have been kept as Fixed Deposit in several banks.

INFORMATION REGARDING IPO OF THE COMPANY

Green Delta floated its ordinary shares initially in 1989 through IPO. The net proceeds from the IPO were used for company's operational activities.

DISCLOSURE REGARDING VARIANCE BETWEEN QUARTERLY FINANCIAL PERFORMANCE AND ANNUAL FINANCIAL STATEMENTS

Statement of Quarterly Financial Statement is given separately. There were some variances in the financial results from quarter to quarter. But they are not very significant or material in nature.

DISCLOSURE ON REMUNERATION OF THE DIRECTORS

The Directors including Independent Directors, all being Non-Executive Directors, are given only Meeting Attendance Fee of BDT 5,000 (Bangladeshi Taka Five Thousand only) per Meeting of the Board and Committees. During the year 2018, a total amount of BDT 10.16 lacs was given to the Directors as Remuneration / Meeting Attendance Fee and travel expenses.

DISCLOSURE ON PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

The Board of Directors places before you're the financial statements for the year ended 31 December 2018 for their adoption. The Directors of the confirm, to the best to their knowledge, that

- (i) The financial statements present fairly its state of affairs, the result of its operations, cash flows and changes in equity;
- (ii) Proper books and accounts of the company have been maintained;
- (iii) Appropriate accounting policies have been applied consistently in preparation of the financial statements

and the accounting estimates are based on reasonable and prudent judgment;

- (iv) IAS/ BAS/ IFRS/ BFRS, as applicable in Bangladesh, have been followed in preparation of the financial statements;
- (v) As required by condition 6 of the guidelines, the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) have jointly certified to the Board that-
 - (a) They have reviewed the financial statements of the company for the year ended 31 December 2018 and to the best of their knowledge and belief:
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.
 - (b) There are, to the best of their knowledge and belief, no transactions entered into by the company during the year are fraudulent, illegal or violation of the company's code of conduct.

DISCLOSURE ON INTERNAL CONTROL SYSTEM

The Board takes the responsible for the oversight of Green Delta's business and management, including risk management and putting up internal controls. The Directors state that the systems of internal control are sound and have been implemented and monitored effectively. Details of Internal Control System of the Company has been reported under chapter: Our Governance and Risk Management.

PROTECTION OF MINORITY SHAREHOLDERS

This is to certify that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress.

GDIC'S ABILITY TO CONTINUE AS GOING CONCERN

The Directors declare that there are no significant doubts upon the company's ability to continue as a going concern. For this purpose of assessment whether GDIC has ability to continue as a going concern, the following issues have been considered::

- The commitment towards the claims filed and its ability to meet contractual obligations as they become due

- Liquidity-related actions and plans to stabilize the businesses and repay the outstanding debt
- The level of GDIC's realized and unrealized losses and the negative impact of these losses on shareholders' equity and on the capital levels of GDIC's insurance subsidiaries
- The financial position and performance of significant subsidiaries

In considering these items, significant judgments and estimates with respect to the potentially-adverse financial and liquidity effects of GDIC's risks and uncertainties have been made.

YEAR-WISE PERFORMANCE FOR THE LAST FIVE YEARS

Year-wise Performance of the company for last five years has been depicted in a separate statement under title "Key operating financial highlights" at Section 1.2.2 which shows steady growth in most of the parameters that matter. Statements in this report under Segment-Wise Performance also provide you with information regarding performance for last five years.

KEY OPERATING AND FINANCIAL DATA OF PRECEDING FIVE YEARS

Key operating and financial data of preceding five years has been depicted in the statement titled "Key operating financial highlights". Statements under sub-title Segment-Wise Performance in this report provide you with information regarding performance for last five years.

EXPLANATION ON ANY SIGNIFICANT DEVIATION FROM THE OPERATING RESULTS OF THE LAST YEAR

The statement titled "Key operating financial highlights" showing the operating results of last five years proves that GDIC has a long outstanding reputation of being a financially solvent company. The statement also shows that operating results of the year 2018 do not significantly vary from those of the last year.

PROPOSED DIVIDEND

At GDIC the Board of Directors has developed and put in place a "Shareholders as Dividend". In line with this, the Directors recommend 10% Cash and 10% Stock Dividend for the year ended 2018 for consideration by the shareholders in the AGM.

The Board states that no bonus share or stock dividend has been or shall be declared as interim dividend.

BOARD MEETINGS

The Directors of GDICL meet on a regular basis. A detail statement showing Attendance of the Directors in the Board Meetings is placed herewith under section: 5.8 at Chapter: Our Governance and Risk Management.

SUBSIDIARY OPERATIONS

Green Delta Insurance Company Ltd. has 4 (four) subsidiary companies namely Green Delta Securities Ltd, Green Delta Capital Ltd, Professional Advancement Bangladesh Limited and GD Assist Ltd. Financial Statements and brief of business operations of those subsidiary companies have also been furnished herewith.

HR PRACTICES

GDICL is committed to providing equal opportunities to all employees, irrespective of their gender, race, nationality, ethnic origin, or religion. GDIC is an inclusive employer and values diversity in its employees. These extend to recruitment and selection, training, career development, flexible working arrangements, promotion and performance appraisal. Our corporate goal is to improve staff engagement by measuring and responding to staff members' views and willingness to exert extra effort to achieve business success. We provide necessary support to staff in order to manage change effectively. We credit the strength of our people for our organization's success, their understanding of strategy and goals, as well as their satisfaction with the work they do and how it contributes, are of critical importance throughout our companies. We continue our efforts to create and maintain a highly skilled and motivated workforce. Through our succession planning initiatives, leadership capacity is identified and developed to ensure ongoing success.

INFORMATION TECHNOLOGY

Information and Communication Technology (ICT) has become indispensable for Insurance Companies in ensuring smooth operation and providing efficient services. Recognized this fact the Board has adopted a comprehensive ICT policy for the company. IT system of GDIC has been upgraded for further strengthening and securing the automation of services. The highly experienced and trained IT professionals of GDIC are working on maintaining and developing the company's IT infrastructure and constantly innovating and writing in-house programs to meet the needs of the company. Local

Area Network (LAN) has been in operation in the Head office and Branch offices.

CREDIT RATING

For the consecutive 4 years GDICL has been awarded AAA (Pronounced Triple A) rating in the long term and ST-1 in the short term by the Credit Rating Agency of Bangladesh Limited in the first ever history in Insurance Industry. A Certificate in this regard is given herewith.

CORPORATE SOCIAL RESPONSIBILITY

The Directors are sincere to discharge corporate responsibilities to the society. As a part of discharging corporate social responsibilities, GDIC has initiated various projects and programs and has been sponsoring various sports activities, besides patronizing cultural activities in the country since its inception. GDIC is the proud sponsor of first and second division Hockey League since 1987. From time to time GDIC has been sponsoring national premier Cricket league, numerous seminars and conferences organized by Institute of Chartered Accountants of Bangladesh, Institute of Cost and Management Accountants of Bangladesh, Institute of Chartered Secretaries etc.

CORPORATE GOVERNANCE

The Directors of GDICL are committed in adopting the highest governance standard and implementing them in protecting the interests of shareholders, policy holders and all other stakeholders. A detailed report on corporate governance is given herewith separately.

RETIREMENT AND ELECTION/RE-ELECTION OF DIRECTORS

As per Articles 102 and 103 of Articles of Association of the company at the Ordinary Meeting in every year, one-third (1/3) of the Directors representing the sponsor shareholders inclusive of co-opted Directors for the time being and one-third (1/3) of the Directors from public subscribers including IFC shall retire from the office and they would be eligible for re-election / re-appointment, however, Retiring Sponsor(s) shall be re-elected by the sponsor shareholders while Retiring Director(s) from Public Subscribers shall re-elected by the public subscribers.

In view of the above and pursuant to Regulation 80 of Schedule-I of the Companies Act 1994, considering the longest tenure on the Board of GDIC, the directors listed below shall retire from the Board at the 31st Annual General Meeting and they shall be eligible for re-election:

Sl. No.	Sponsor Directors	Sl. No.	Public Directors
01	Shamsun Nahar Begum Chowdhury	01	Kamaran Idris Chowdhury
02	Mesbah Dilwar Rahman		

The Board of Directors on 30.10.2018 appointed Mr. Faisal Ahmed Chowdhury and Mr. Abul Hasan Chowdhury, as an Independent Director on the Board Since such appointment is an addition to the Board, pursuant to Regulation 86 of Schedule-I of the Companies Act 1994, appointed Mr. Faisal Ahmed Chowdhury and Mr. Abul Hasan Chowdhury shall retire from office at the 33rd AGM but shall be eligible for re-election.

A brief resume of each of retiring directors who are eligible for re-election mentioning nature of his expertise in specific functional areas and names of the companies in which he also holds directorship and membership of committees of the board may be seen under Profiles of Directors

APPOINTMENT/RE-APPOINTMENT OF INDEPENDENT DIRECTORS

As per the BSEC's Corporate Governance Guidelines dated 07 August 2012, (i) At least one fifth (1/5) of the total number of directors in the company's board shall be independent directors, (ii) Independent Director(s) shall be appointment by the Board of Directors and approved by the shareholders in the Annual General Meeting (AGM), and (iii) the tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only. Accordingly, the Board of Director of GDICL appointed 3 (three) Independent Directors and such appointments have subsequently been approved by the shareholders in the AGMs. The Independent Directors are: (i) Mr. Md. Abdul Karim (whose 2nd tenure is going on)(ii) Mr. Faisal Ahmed Choudhury (whose fresh appointment shall be approved in 33rd AGM), and (iii) Mr. Abul Hasan Chowdhury (whose fresh appointment shall be approved in 33rd AGM).As per Articles 102 and 103 of Articles of Association of the

company at the Ordinary Meeting in every year, one-third (1/3) of the Independent Directors shall retire from the office and would be eligible for re-election / re-appointment. Accordingly, a retirement and re-election of Mr. Md. Abdul Karim shall be considered for this tenure. However, the details of independent director is presented at section: 1.3.1.

MANAGEMENT DISCUSSION AND ANALYSIS:

Detailed discussion and analysis by the Managing Director and CEO is appended at section 1.3.4

DECLARATION OR CERTIFICATION BY THE CEO AND THE FINANCIAL CONTROLLER TO THE BOARD:

The Details of discussion of declaration by the CEO and CFO is appended at section 5.14

APPOINTMENT/RE-APPOINTMENT OF AUDITORS

M/s A Quashem & Co., Chartered Accountants, was selected as the external auditor for the year ended 31 December 2018. Since they have completed 03(three) years of tenure as per the regulation, the external auditor will be changed. Green Delta Insurance received letters of interest (LOI) from several audit firms. The board of directors, considering the overall position, have recommended M/S S.F Ahmed & Co. Chartered Accountants for the company for the year 2019 with the remuneration at BDT 3.00 Lac plus applicable vat. Hence, the recommendation is to be placed in the 33rd Annual General Meeting for approval.

ACKNOWLEDGEMENT

The Directors take this opportunity to express heartfelt gratitude to, all the valued shareholders, clients and all well-wishers in home and aboard for their wholehearted co-operation and active support in discharging the responsibilities reposed on the Board during the year under review.

The Directors express sincere gratitude would be to the Ministry of Commerce, the Ministry of Finance, Insurance Development and Regulatory Authority, Registrar of Joint Stock Companies and Firms, Bangladesh Securities and Exchange Commission, Government and Non-Government organizations, Sadharan Bima Corporation, Dhaka and Chittagong Stock Exchanges, Bangladesh Insurance Association and all the Scheduled Banks and Leasing Companies for their sincere support and whole hearted cooperation.

The Directors express deep appreciation for the services and loyalty of the executives, officers and employees of the company at all levels without which results could have not been achieved.

The Directors like to thank and express gratitude to Managing Director & CEO Ms. Farzanah Chowdhury and Advisor Mr. Nasir A. Choudhury for their hard work, commitment and dedication to the development of the company.

At the last but not the least certainly, the Directors express sincerest gratitude to all clients for their loyalty and patronage over the period.

With our very best regards to all our valuable shareholders, we promise to continue the growth with your support.

Thank you all.

On behalf of the Board



Md. Abdul Karim
Chairman

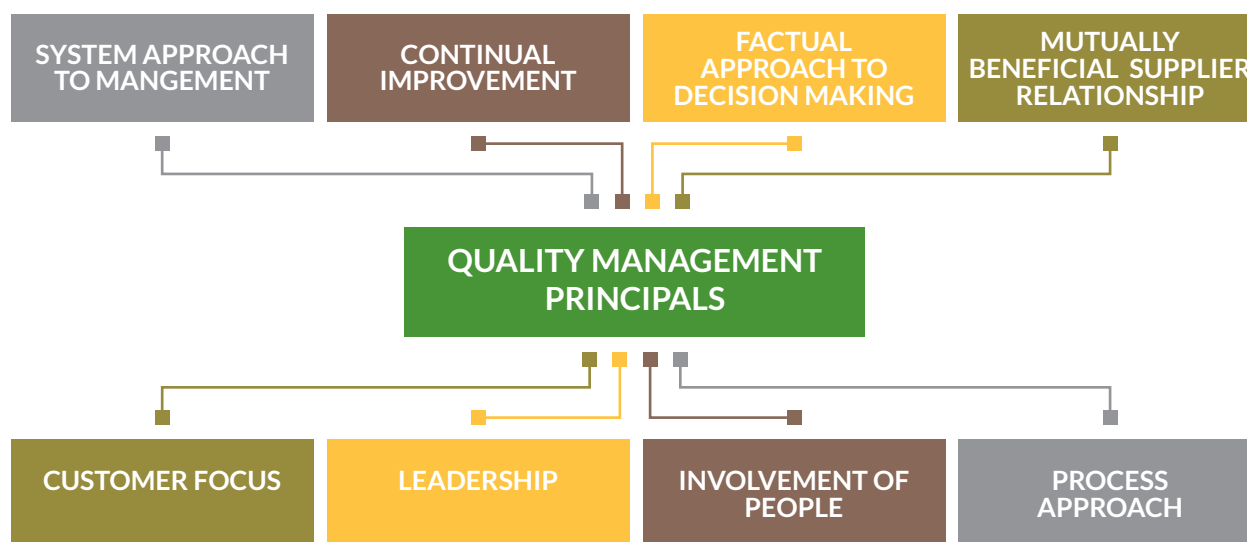


5.7 Management Review, Responsibilities and Evaluation

Quality Management System Review of GDIC

GDIC focuses on promoting the environment of a well-governed and highly regulatory-compliant institution. Importantly, this is drawn from the culture of GDIC that believes in empowering its employees to take decisions that are in the best interests of the Company and as per regulatory frameworks and boundaries. This

decentralization in autonomy has enabled GDIC to create a trustworthy, motivated and engaging workforce that represents a robust competitive edge and a key differentiator in a competitive market environment. At our Company, GDIC core responsibility is to keep its employees happy and contented and secure in the belief that they have a good future with the company.



Formal Appraisal of Employees

The nomination and remuneration committee of the Board approves the compensation and benefits for all Executive Board members. The committee headed by the CEO and MD reviews, evaluates and decides on the annual compensation of officers in the senior management. Broadly, the Chairman, the CEO and MD and the CFO represent the Company in interactions with key stakeholder groups – including investors, the media and press and analysts, among others. In addition, the CEO and MD normally manages interactions and other engagements with clients and employees on a continuous basis.

Risk Management

Risk management is embedded in the organizational structure, culture, operations, systems and process. Business risks across the GDICs addressed in a structured and systematic way through a predefined risk management framework. The Board continuously assess the risks facing

the company and updates policies to strike a balance between risk and growth. While the Board sets the policies, management is responsible for executing those polices across the organization.

Management's Discussion

The management of Green Delta Insurance has provided an exhaustive analysis of the business, retrospectively as well as for the year under report (2018), including listing key developments, initiatives of the present and strategies for the future. Our comprehensive management commentary through extensive reporting has been conceived to maximize the reading benefit of our investors and shareholders and other stakeholder groups, while helping them appraise our future prospects better. Our overarching intent is to grow the understanding of our business in specific and widen the comprehension of the insurance industry in general, raising awareness among our readers while helping our investors take more informed decisions.

5.8 Directors' Meeting & Attendance- 2018

Name of the Directors	Board Directors Meeting				Executive Committee Meeting				Audit Committee Meeting			
	Total BOD meeting Held year 2018	Meeting Attended	Attendance as % of total meeting held	Remuneration paid for attending the meeting	Total IEC meeting Held year 2018	Meeting Attended	Attendance as % of total meeting held	Remuneration paid for attending the meeting	Total BOD meeting Held year 2018	Meeting Attended	Attendance as % of total meeting held	Remuneration paid for attending the meeting
Md. Abdul Karim	6	6	100.00						5	5	100.00	
Shamsun Nahar Begum Chowdhury	6	5	83.33	1	1	100.00						
Mesbah Dilwar Rahman	6	5	83.33						5	4	80.00	
Marufa Anwar	6	5	83.33						5	4	80.00	
Abul Quasem Mohammad Nurul Absar	6	6	100.00	1	1	100.00						
Dilruba Chowdhury	6	4	66.67	1	1	100.00						
Iqbal Khan (Jamal)	6	5	83.33						5	3	60.00	
Kamran Idris Chowdhury	6	3	50.00	1	0							
Khurshida Chowdhury	6	6	100.00	1	1	100.00						
Razia Rahman	6	6	100.00						5	5	100.00	
Arif Ahmed Chowdhury	6	6	100.00						5	3	60.00	
Asif Ahmed Chowdhury	6	6	100.00	1	1	100.00					100	
Steve Murphy	6	5	83.33	1	1	100.00						
Nurul Husain Khan	6	3	50.00	1	1	100.00					80	

5.9 Remuneration and other Commitments of Board

NOMINATION & REMUNERATION COMMITTEE

The company have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board. The NRC assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive.

Charter of the Nomination & Remuneration Committee

- The Committee comprise three members including an independent director;
- All members of the Committee is non-executive directors;
- Members of the Committee is being nominated and appointed by the Board;
- The Board have authority to remove and appoint any member of the Committee;
- In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;
- The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;
- The company secretary shall act as the secretary of the Committee;

Rules relating to:

Chairperson of the NRC

- The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;

- In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;
- The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders;
- Provided that in absence of Chairperson of the NRC, any other member from the NRC shall be selected to be present in the annual general meeting (AGM) for answering the shareholder's queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM.

Meeting of the NRC

- The NRC shall conduct at least one meeting in a financial year;
- The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;
- The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);
- The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.

A Remuneration Committee is a standing committee of the Board of Directors formatting recommendations regarding remuneration policy for executive directors and senior management of the company. It assists the Board of Directors in monitoring level and structure of remuneration of the senior management of the company. Formation of a Remuneration Committee is not mandatory under Corporate Governance Guidelines, however, as per Bangladesh Securities and Exchange Commission (Public Issue) Rules 2015, companies intending to be listed with any stock exchange in Bangladesh are required to make "Disclosure relating to Corporate Governance" which shall contain, among others, details of the issuer's remuneration committee including a summary of the terms of reference under which the committee operates.

In order to ensure proper corporate governance GDICL is in the process of constituting a Remuneration

Committee for the following Roles and Responsibilities:

- I. To oversee the preparation and maintenance of a remuneration philosophy and policy to promote performance culture
- II. To monitor the remuneration structure and levels of Top Executives, Senior Managers and all other Officers
- III. To review the effectiveness of remuneration policy to ensure that whether the Board's set objectives and expectations are being met
- IV. To ensure that the structure and mix of fixed and variable pay and other elements are in alignment with the overall business objectives
- V. To guide and provide proper directives to HRD during preparation and review of any policy or process related to compensation and benefits
- VI. To review the annual salary increment for all employees
- VII. To ensure that all benefits, including retirement benefits and other financial arrangements are justified, appropriately valued and promoting performance based reward & recognition

Key Policies with regard to Remuneration of Directors, Senior Management and Employees

In absence of Remuneration Committee the Board of Directors and Senior Management from time to time evaluate the remuneration and level of employees, Directors and others and decide on these issues as per the company's remuneration policy. The overall objective of the company's remuneration policy is to establish a framework for attracting, retaining and motivating employees, and creating incentives for delivering long term performance within established risk limits. Accordingly, performance of each incumbent is judged, not on what is achieved, but also on how it is achieved as well as alignment to company's value. The quality and commitment of our human

capital is fundamental of company's success and protecting general shareholders' interest. The overall objective of the company's remuneration policy is to establish framework for attracting, retaining and motivating employees, and crating incentives for delivering long-term performance within established risk limits. Performance is judged, not on what is achieved, but also on how it is achieved as well as alignment to company's value. The Board of Directors time to time reviews and evaluates the remuneration paid to all level of employees, directors and others.

The Board of Directors and Senior Management of the company time to time evaluate the remuneration

paid to level of employees, Directors and others decide on the issue. The urgency of the meeting is set as and when required.

Remuneration to Board of Directors:

For attending the Board Meeting, Audit Committee Meeting, Executive Committee Meeting, the Directors receive an honorarium of BDT 8,000 each during the 2018, the expenditures incurred related to directors were BDT 1,016,373 for Directors' honorarium and Directors' Traveling Expenses.

Remuneration of Managing Director and CEO

Managing Director & Chief Executive Officer received the annual remuneration as per the guideline IDRA

Remuneration of the Senior Management/Officials

Employees in the rank of Deputy Managing Director and above are considered as the Senior Management and their all benefits are approved by the Board.

Employees as Remuneration & Bonus

The following Salary & Allowance, Wages, Gratuity, P.F Expenses, Employee Group Insurance, Festival Bonus, Incentive Bonus, Staff Welfare amounting to BDT 481.21 Million have been expensed as Employee Remuneration & Bonus.

Particulars	Amount in BDT (Million)
Salary & Allowance	315.01
Wages	5.46
Gratuity	5.51
P.F Expenses	15.64
Employee Group Ins.	10.72
Festival Bonus	43.05
Incentive Bonus	39.56
Staff welfare	0.27
Total	481.21

5.10 Status of Compliance with the Corporate Governance Guidelines 2018

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1.00	Board of Directors			
	Size of the Board of Directors:			
1.1	The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty)	✓		
1.2	Independent Director			
1.2(a)	At least one-fifth (1/5) of the total number of directors in the company's Board shall be independent directors	✓		
1.2(b)(i)	Do not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company	✓		
1.2(b)(ii)	Do not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company	✓		
1.2(b)(iii)	Who has not been an executive of the company in immediately preceding 2 (two) financial years	✓		
1.2(b)(iv)	Does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies	✓		
1.2(b)(v)	Independent directors are not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange	✓		
1.2(b)(vi)	Independent director is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market	✓		
1.2(b)(vii)	Independent director is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code	✓		
1.2(b)(viii)	They are not the Independent directors in more than 5 (five) listed companies	✓		
1.2(b)(ix)	Who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFIL)	✓		
1.2(b)(x)	Who has not been convicted for a criminal offence involving moral turpitude;	✓		
1.2(c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM)	✓		
1.2(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days			No vacancy occurred
1.2(e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only. A former independent director may be considered for reappointment for another tenure after a time gap of one tenure. The independent director shall not be subject to retirement by rotation as the Companies Act, 1994.	✓		
1.3	Qualification of Independent Director (ID)			

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1.3(a)	independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business.	✓		
1.3(b)	Independent director shall have following qualifications:			
1.3(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association	✓		
1.3(b)(ii)	Corporate leader who is or was a top-level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid-up capital of Tk. 100.00 million or of a listed company	✓		
1.3(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law	✓		
1.3(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law	✓		
1.3(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification	✓		
1.3(c)	The independent director have at least 10 (ten) years of experiences in any field mentioned in clause (b)	✓		
1.3(d)	In special cases, above qualifications or experiences may be relaxed subject to prior approval of the Commission.			N/A
1.4	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer			
1.4 (a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals	✓		
1.4 (b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company	✓		
1.4 (c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company	✓		
1.4 (d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer	✓		
1.4 (e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from nonexecutive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	✓		
1.5	Directors report to shareholders			
1.5(i)	Industry outlook and possible future developments in the industry	✓		
1.5(ii)	Segment-wise or product-wise performance	✓		
1.5(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any	✓		
1.5(iv)	Discussion on cost of goods sold, gross profit margin and net profit margin	✓		
1.5(v)	Discussion on continuity of any Extra-Ordinary gain or loss			N/A

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1.5(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions	✓		
1.5(vii)	Utilization of proceeds from public issues, right issues and/ or through any others instruments	✓		
1.5(viii)	An explanation if the financial results deteriorate after the company goes for IPO, RPO, Rights Offer, Direct Listing etc.			N/A
1.5(ix)	Explanation on significant variance occurs between Quarterly Financial performance and Annual Financial Statements	✓		
1.5(x)	Remuneration to directors including independent directors	✓		
1.5(xi)	The financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity	✓		
1.5(xii)	Proper books of account of the issuer company have been maintained	✓		
1.5(xiii)	Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment	✓		
1.5(xiv)	International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed	✓		
1.5(xv)	The system of internal control is sound in design and has been effectively implemented and monitored	✓		
1.5(xvi)	Minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress	✓		
1.5(xvii)	There is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed	✓		
1.5(xviii)	Significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained	✓		
1.5(xix)	Key operating and financial data of at least preceding 5 (five) years shall be summarized	✓		
1.5(xx)	If the issuer company has not declared dividend (cash or stock) for the year			N/A
1.5(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend			N/A
1.5(xxii)	The total number of Board meetings held during the year and attendance by each director	✓		
1.5 (xxiii)	Report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:			
1.5(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details)	✓		
1.5(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details)	✓		
1.5(xxiii)(c)	Executives	✓		
1.5(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details)	✓		
1.5(xxiv)	In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders:			
1.5(xxiv)(a)	A brief resume of the director	✓		
1.5(xxiv)(b)	Nature of his or her expertise in specific functional areas	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1.5(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the Board	✓		
1.5(xxv)	A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on			
1.5(xxv)(a)	Accounting policies and estimation for preparation of financial statements	✓		
1.5(xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes	✓		
1.5(xxv)(c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof	✓		
1.5(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario	✓		
1.5(xxv)(e)	Briefly explain the financial and economic scenario of the country and the globe;	✓		
1.5(xxv)(f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company	✓		
1.5(xxv)(g)	Future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explain to the shareholders in the next AGM	✓		
1.5(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A	✓		
1.5(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C	✓		
1.6	Meetings of the Board of Directors			
1.6	The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	✓		
1.7	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer			
1.7 (a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the chairperson of the Board, other board members and Chief Executive Officer of the company;	✓		
1.7 (b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency	✓		
2.00	Governance of Board of Directors of Subsidiary Company			
2 (a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company	✓		
2 (b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company	✓		
2 (c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company	✓		
2 (d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
2 (e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	✓		
3.00	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS)			
3.1	Appointment			
3.1 (a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	✓		
3.1 (b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals	✓		
3.1 (c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time	✓		
3.1 (d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS	✓		
3.1 (e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s)	✓		
3.2	Requirement to attend Board of Directors' Meetings			
3.2	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board;	✓		
3.3	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)			
3.3(a)	The MD or CEO and CFO shall certify to the board that they have reviewed financial statements for the year and that to the best of their knowledge and belief			
3.3(a)(i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading	✓		
3.3(a)(ii)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	✓		
3.3(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members	✓		
3.3(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓		
4	Board of Directors' Committee: For ensuring good governance in the company, the Board shall have at least following sub-committees:			
4 (i)	Audit Committee	✓		
4 (ii)	Nomination and Remuneration Committee.	✓		
5	Audit Committee			
5.1	Responsibility to the Board of Directors			
5.1 (a)	The company shall have an Audit Committee as a subcommittee of the Board	✓		
5.1 (b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business	✓		
5.1 (c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing	✓		
5.2	Constitution of the Audit Committee			
5.2 (a)	The Audit Committee shall be composed of at least 3 (three) members;	✓		
5.2 (b)	The Board shall appoint members of the Audit committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
5.2 (c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	✓		
5.2 (d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee			No such situation arisen
5.2 (e)	The company secretary shall act as the secretary of the Committee	✓		
5.2 (f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	✓		
5.3	Chairperson of the Audit Committee			
5.3 (a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	✓		
5.3 (b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b). And the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	✓		
5.3 (c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM): Provided that in absence of Chairperson of the Audit Committee, any other member from the Audit Committee shall be selected to be present in the annual general meeting (AGM) and reason for absence of the Chairperson of the Audit Committee shall be recorded in the minutes of the AGM.	✓		
5.4	Meeting of the Audit Committee			
5.4 (a)	The Audit Committee shall conduct at least its four meetings in a financial year.	✓		
5.4 (b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	✓		
5.5	Role of Audit Committee			
5.5 (a)	Oversee the financial reporting process;	✓		
5.5 (b)	Monitor choice of accounting policies and principles	✓		
5.5 (c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report	✓		
5.5 (d)	Oversee hiring and performance of external auditors;	✓		
5.5 (e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption	✓		
5.5 (f)	Review along with the management, the annual financial statements before submission to the Board for approval	✓		
5.5 (g)	Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval	✓		
5.5 (h)	Review the adequacy of internal audit function	✓		
5.5 (i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report	✓		
5.5 (j)	Review statement of all related party transactions submitted by the management	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
5.5 (k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	✓		
5.5 (l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors	✓		
5.5 (m)	Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission	✓		
5.6	Reporting of the Audit Committee			
5.6(a)	Reporting of the Board of Directors			
5.6 (a)(i)	The Audit Committee shall report on its activities to the Board.	✓		
5.6 (a)(ii)(a)	The Audit Committee shall immediately report to the Board on the following findings report on conflicts of interests	✓		
5.6 (a)(ii)(b)	Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;	✓		
5.6 (a)(ii)(c)	Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations	✓		
5.6 (a)(ii)(d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately	✓		
5.6 (b)	Reporting to the Authorities: If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier			N/A
5.7	Reporting to the shareholders and General Investors : Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company	✓		
6	Nomination and Remuneration Committee (NRC)			
6.1 (a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board	✓		
6.1 (b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	✓		
6.1 (c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No.6(5)(b).	✓		
6.2	Constitution of the NRC			
6.2 (a)	The Committee shall comprise of at least three members including an independent director;	✓		
6.2 (b)	All members of the Committee shall be non-executive directors;	✓		
6.2 (c)	Members of the Committee shall be nominated and appointed by the Board;	✓		
6.2 (d)	The Board shall have authority to remove and appoint any member of the Committee;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
6.2 (e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	✓		
6.2 (f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;	✓		
6.2 (g)	The company secretary shall act as the secretary of the Committee;	✓		
6.2 (h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	✓		
6.2 (i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company	✓		
6.3	Chairperson of the NRC			
6.3 (a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director	✓		
6.3 (b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	✓		
6.3 (c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders; in absence of chairperson of the NRC, any other member from the NRC shall be selected to be present in the annual general meeting (AGM) for answering the shareholders queries and reason for absence of the chairperson of the NRC shall be recorded in the minutes of the AGM	✓		
6.4	Meeting of the NRC			
6.4 (a)	The NRC shall conduct at least one meeting in a financial year;	✓		
6.4 (b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	✓		
6.4 (c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	✓		
6.4 (d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	✓		
6.5	Role of the NRC			
6.5(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	✓		
6.5 (b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:			
6.5(b)(i)	formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:			
6.5(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract retain and motivate suitable directors to run the company successfully	✓		
6.5(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks	✓		
6.5(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
6.5(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality	✓		
6.5(b)(iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board	✓		
6.5(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board	✓		
6.5(b)(v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria	✓		
6.5(b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies;	✓		
6.5(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	✓		
7.	External or Statutory Auditors			
7.1	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:-			
7.1 (i)	Appraisal or valuation services or fairness opinions;	✓		
7.1 (ii)	Financial information systems design and implementation;	✓		
7.1 (iii)	Book-keeping or other services related to the accounting records or financial statements;	✓		
7.1 (iv)	Broker-dealer services;	✓		
7.1 (v)	Actuarial services;	✓		
7.1 (vi)	Internal audit services or special audit services;	✓		
7.1 (vii)	Any service that the Audit Committee determines;	✓		
7.1 (viii)	Audit or certification services on compliance of corporate governance as required under condition No. 9(1)	✓		
7.1 (ix)	Any other service that creates conflict of interest.	✓		
7.2	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company;	✓		
7.3	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	✓		
8	Maintaining a website by the Company.			
8.1	The company shall have an official website linked with the website of the stock exchange	✓		
8.2	The company shall keep the website functional from the date of listing	✓		
8.3	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	✓		
9	Reporting and Compliance of Corporate Governance.			
9.1	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	✓		
9.2	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting	✓		
9.3	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	✓		

5.11 Certificate on Compliance of Condition of CGS



Suraiya Parveen & Associates

(Chartered Secretaries, Financial & Management Consultants)

[Certificate as per condition No.1 (5) (XXVII)]

Report to the Shareholders of Green Delta Insurance Company Limited on compliance on the Corporate Governance Code

We have examined the compliance status to the Corporate Governance Code by Green Delta Insurance Company Limited for the year ended on 31 December 2018. This Code relates to the Notification No. BSEC/CMRRC/2006-158/207/Admin/80 dated 3 June, 2018 of the Bangladesh Securities and Exchange Commission.

Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

- The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission;
- The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws; and
- The Governance of the company is highly satisfactory.

Dhaka,
Dated: March 04, 2019

For Suraiya Parveen & Associates
Chartered Secretaries, Financial & Management Consultants

Suraiya Parveen, FCS
Chief Executive Officer

5.12 Report on Credit Rating

CREDIT RATING AGENCY OF BANGLADESH LIMITED



Ref: AGL (01)/RCM/180729/2018- 13888

02 August 2018

Ms. Farzana Chowdhury
Managing Director and CEO
Green Delta Insurance Company Limited
Green Delta AIMS Tower
51-52 Mohakhali C/A, Dhaka-1212

Subject: Credit Rating – Green Delta Insurance Company Limited

Dear Sir,

We are pleased to inform you that Credit Rating Agency of Bangladesh Ltd. (CRAB) has assigned the following ratings to **Green Delta Insurance Company Ltd.**:

Particulars	Ratings
Long Term	AAA
Short Term	ST-1
Outlook	Stable

The entity rating is valid up to 30 June 2019. The ratings may be changed or revised prior to expiry, if warranted by extraordinary circumstances in the management, operations and/or performance of the entity rated.

We hope the Rating Awards will serve the intended purpose of your organization.

Yours Sincerely,

Hamidul Huq
Managing Director

5.13 Directors Responsibilities for Internal Control & Financial Reporting

Internal Control is a process for assuring achievement of an organization's objectives in operational effectiveness and efficiency, reliable financial reporting, and compliance with laws, regulations and policies. The Board of Directors is primarily responsible to review the adequacy of the system of internal control. Any system of control can only ever provide reasonable and not absolute assurance that control weaknesses or irregularities do not exist or that there is no risk of material errors, losses, fraud or breaches of laws or regulations. Internal Audit Unit of an organization does have valuable contribution towards improving the effectiveness of its systems of internal control. A system of effective controls is a critical component for the safe and sound operation of an organizations. A strong internal controls can help to ensure that the goals and objectives of an organization will be met, that the organization will achieve long-term profitability targets, sustainable growth and maintain reliable financial & managerial reporting. Such a system can also help to ensure that the companies will comply with laws and regulations as well as policies, plans, internal rules and procedures, and decrease the risk of unexpected losses or damage to the bank's reputation. An essential element of a strong internal control system is the recognition by all employees of the need to carry out their responsibilities effectively and to communicate to the appropriate level of management any problems in operations, instances of non-compliance with any code of conduct, or other policy violations or illegal actions that are noticed.

Directors' Role to Establish Appropriate System of Internal Controls

The Board of Directors of Green Delta seeks to establish appropriate systems of internal control. The Board of Directors always promotes a sound and strong internal control system inside the company, and has no consideration for any type of fraud in the company. The Board of Directors always appreciates the internal controls that have been set up by management and gives advices on any matters as and when required.

Directors' Role to Review the Adequacy of the System of Internal Controls

The Board of Directors entrusts upon the Audit Committee to be responsible for ensuring that the system of internal controls is adequate to protect against any type of fraud. The committee reviews the corrective measures taken by the management relating to fraud-forgery and deficiencies in internal control. The Committee performs all oversight functions in relation to Internal Control System of the company and reports to the Board of Directors on a timely basis. In this way, the Directors review the adequacy of the system of internal controls.

The Board of Directors time to time reviews the Internal Control System of the Company and necessary guidance are provided to improve the system. Control activities and segregation of duties Control mechanism is an integral part of the daily activities of the company. An effective internal control system requires that an appropriate control structure be set up, with control activities defined at every business level which is ensured in the company. The control mechanism include top-level reviews, appropriate activity controls for different departments or divisions, physical controls, checking for compliance with exposure limits and follow-up on non-compliance, etc

Directors' Responsibility to Establish and Maintain Internal Control

The Board of Directors of GDIC is responsible to establish and maintain appropriate system of Internal Control. To ensure appropriate level of Internal Control System, a good number of Standard Operating Manuals and Policy Guidelines have been introduced in line with global best practices and Regulatory Guidelines. Delegation of powers in various businesses, administrative and financial areas has also been approved by the Board.

Directors Responsibility for financial statements

The Directors are responsible for ensuring that the GDIC keeps proper books of accounts of all the transactions and prepares financial statements, which give a true and fair view of the state of its affairs and profit/ loss for the year. The Board of Directors accepts responsibility for the integrity and objectivity of the financial statements. It ensures that the estimates and judgments relating to the financial statements were made on a prudent and reasonable basis so that they reflect in a true and fair manner, the form and substance of transactions and reasonably presents the Company's true state of affairs. The Board of Directors confirm that the International Financial Reporting Standard (IFRS) and International Accounting Standards, as adopted in Bangladesh by the Institute of Chartered Accountants of Bangladesh, have been adhered to, subject to any material departure being disclosed and explained in the notes to the accounts. The Board also confirms that the Company keeps accounting records, which disclose with reasonable accuracy, the financial position of the Company, and which enables it to ensure that the financial statements comply with the requirements of the Companies Act, 1994, Securities and Exchange Rules, 1987 and Listing Regulations of Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited and amendments thereto.

5.14 Responsibility of CEO & Financial Controller in Respect of Financial Reporting

To
The Board of Directors

Green Delta Insurance Company Limited
51-52 Mohakhali C/A, Dhaka 1212, Bangladesh.

Sub: **Managing Director's and CEO /Financial Controller's Declaration to the Board regarding integrity of Financial Statements**

We submit the following in our capacity of the Managing Director and CEO and the Financial Controller (FC) of the Company

In accordance with the condition no. 6 of the Bangladesh and Securities Exchange Commission Notification No. SEC/CMRRC/2006-158/134/Admin/44 dated August 07, 2012, we do hereby certify that:

- I) We have reviewed financial statements for the year ended December 31, 2018 and that to the best of our knowledge and belief:
 - a. These statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading;
 - b. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.
- II) To the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violation of the company's code conduct



Syed Aliul Ahab
Financial Controller



Farzanah Chowdhury
Chartered Insurer
Managing Director and CEO

Date: February 10, 2019

5.15 Report of the Audit Committee of the Board

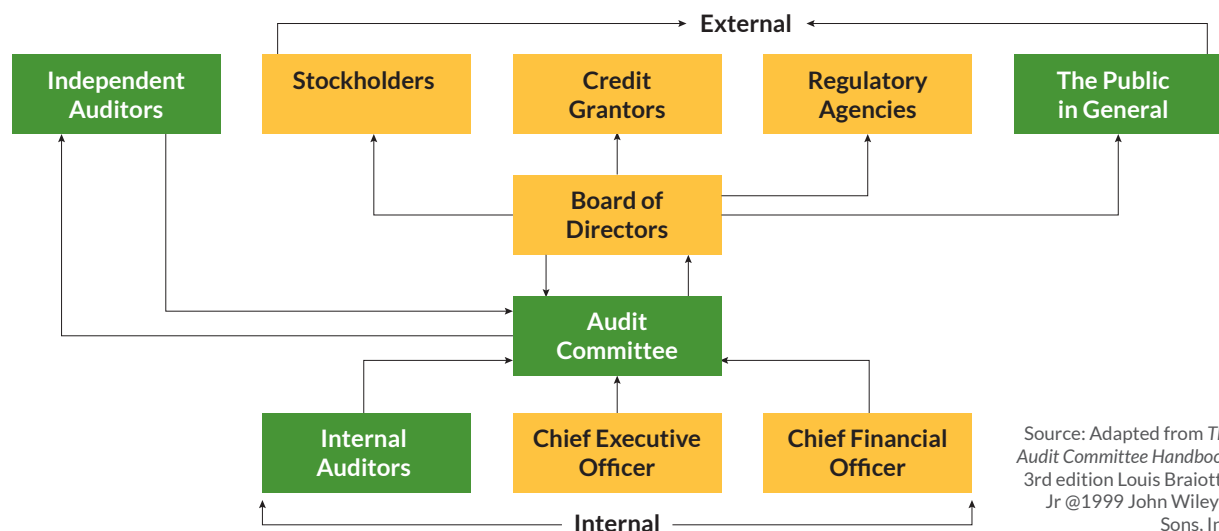
Activities of the Audit Committee

An audit committee is essentially an oversight committee, for it is management who are responsible for the internal controls and the financial statements. The committee, however, has to satisfy itself, on behalf of the board and ultimately the shareholders that key controls are operating, that ethical practices are being reinforced, that key accounting estimates and judgments are being properly made and that internal and external audits are effective.

Bangladesh Securities and Exchange Commission (BSEC) has issued a notification regarding Corporate Governance

Guidelines Notification No. SEC/CMRRCD/2006 158/134/Admin/44 dated 07 August 2012]. The conditions of these are imposed on 'comply' basis aiming to enhance corporate governance in the interest of investors and the capital market. The companies listed with any Stock Exchange in Bangladesh shall have to comply with these conditions. As per condition 3 of the said guidelines, "every listed company shall have an Audit Committee as a sub-committee of the Board of Directors and the duties of the Audit Committee shall be clearly set forth in writing". In view of the above, the Board of Directors of Green Delta Insurance Company Limited approved the Terms of Reference (TOR) for the Audit Committee.

THE AUDIT COMMITTEE'S ACCOUNTABILITY RELATIONSHIP



Rules relating to Audit Committee

The company shall have an Audit Committee as a subcommittee of the Board; The Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business. The Committee shall be responsible to the Board; the duties of the Committee shall be clearly set forth in writing.

Charter of the Audit Committee

- The Audit Committee shall be composed of at least 3 (three) members;

- The Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;
- All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience; The term "financially literate" means the ability to read and understand the financial statements like statement of financial position, statement of comprehensive income, statement of changes in equity and cash flows statement and a person will be considered to have accounting or related financial

management expertise if he or she possesses professional qualification or Accounting or Finance graduate with at least 10 (ten) years of corporate management or professional experiences.

- When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of performance of work of the Audit Committee;
- The company secretary shall act as the secretary of the Committee;
- The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.

Chairperson of the Audit Committee

- The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;
- In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.
- Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM): Provided that in absence of Chairperson of the Audit Committee, any other member from the Audit Committee shall be selected to be present in the annual general meeting (AGM) and reason for absence of the Chairperson of the Audit Committee shall be recorded in the minutes of the AGM.

Meeting of the Audit Committee

- The Audit Committee shall conduct at least its four meetings in a financial year: Provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee;
- The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.

Appointment and Composition of the Audit Committee

- The Audit Committee of Green Delta is composed of 7 (seven) members who are directors of the company appointed by the Board of Directors. Qualification of the members of the Audit Committee conforms to the requirements of the Corporate Governance Guidelines issued by BSEC.
- The Board of Directors has selected one member, who is an independent director, as the Chairman of the Audit Committee.
- The company secretary acts as the Secretary of the Audit Committee.

Chairman of the Audit Committee

The Chairman of the Audit Committee is an Independent Non-Executive Director and he performs his duties independently. The Audit Committee Chairman is an Independent Director and professionally qualified

The Audit Committee Chairman is an Independent Non-Executive Director and professionally qualified. He is an experienced individual, competent to qualify to be the Chairman of Audit Committee and duly approved by IDRA.

More than two thirds of the members are Non-Executive Directors and all members of the audit committee are suitably qualified and at least one member to have expert knowledge of Finance and Accounting

Audit committees are meeting oversight challenge by focusing on ways to improve their effectiveness and efficiency – refining their agendas and oversight processes and reassessing their skills and composition. More than two thirds of the members of the Audit Committee of Green Delta are non-executive directors and are very well qualified and have vast experience in the insurance/ financial organization and various other sectors. They are also very competent in respect of education and come from a variety of educational backgrounds, which brings diversity in the committee. GDIC ensures having in the Audit Committee at least one director who has extensive knowledge in Finance and Accounting.

Terms of Reference and Empowerment to Investigate Employee

Audit committee takes up the responsibilities to supervise the management and control of various risk factors coming up from insurance operation. The committee work to strengthen the internal control system and to act as a connecting force between internal and external auditors in order to bring a disciplined insurance operation. Audit committee reviews the financial reporting process, accounting policies & principles, hiring of external auditors,

significant related party transaction, the system of internal control and management, the audit process, compliance with laws and regulations, and its own codes of business conduct. The audit committee also examines the status of implementation of Insurance Act, BSEC notification/gazette, Company Act 1994, DSE & CSE listing regulation and company's own policies and manuals.

Meeting of Audit Committee

The Audit Committee conducted 04 (four) meetings during the year 2018. The attendance status of the meeting is given at the end of this Report.

Accessibility of Head of Internal Audit to the meeting of the Audit Committee

The Head of Internal Control and Compliance has direct access to the Audit Committee, which in turn is directly accountable to the Board.

Holding of the Audit Committee meeting during 2018

As per the Terms of Reference, the Audit Committee is required to hold at least four (4) meetings in a year. During the year ended 31 December 2018, the Committee held four (4) meetings. The details of the meetings held and members' attendance in the meetings are disclosed in Annexure II of the Directors' Report.

Audit Committee's review to ensure that internal controls are well conceived, properly administered and satisfactorily monitored

The Audit Committee ensures that internal controls are well conceived, properly administered and satisfactorily monitored. It reviews the report submitted by the Internal Audit Division and provides feedback on the lapses found. The Audit Committee also guides the Internal Audit Division on how to properly monitor internal control and ensure that internal controls are being correctly managed throughout the company and maintaining a good supervising system within the company.

Audit Committee's role in ensuring compliance with Laws, Regulations and timely settlements of statutory dues

The Audit Committee supervises and guarantees the Board that the company obeys all the applicable laws, rules and regulations of various regulatory authorities. There are several regulatory authorities like Insurance Development and Regulatory Authority (IDRA) and Bangladesh Securities and Exchange Commission (BSEC). Green Delta being a part of the insurance industry in Bangladesh is obliged to act in accordance with applicable laws and regulations. The Audit Committee takes all measures to ensure that GDIC complies with all laws and regulations and that all statutory dues are being settled timely. Audit Committee's involvement in selection of appropriate accounting policies

that are in line with applicable accounting standards and annual review. The Audit Committee supports the Board of Directors in certifying that the financial statements reflect a true and fair view of the company. The Audit Committee decides whether appropriate accounting policies have been selected and they are in line with the accounting standards as applicable in Bangladesh and adopted by the ICAB and Bangladesh Securities and Exchange Commission. The Audit Committee annually reviews the implementation of appropriate accounting policies and applicable accounting standards and reports to the Board accordingly.

Audit Committee's involvement in the review annual and interim financial releases and recommending to the Board of Directors

GDIC's Audit Committee always reviews / appraises the interim and annual financial releases whether audited or unaudited and prior to placing them before the Board for approval. The Audit Committee assesses the interim and annual financial statements, alongside with management, before proposing to the Board for consideration / approval. The Audit Committee ensures that they reflect a true and fair view of the company, and analyses the financial for any discrepancies.

Audit Committee's role to ensure reliability of management information used for computation in the financial

The Audit Committee ensures that the management information used for computation in the financial is true and fair. In order to ensure reliability of the information, the Audit Committee always has an extensive discussion with management regarding the issues of the financial statements and the issues that are found material and makes sure that management has a proper response to their queries. Through meetings with management the Audit Committee tries to understand the reliability of the information used for computation in the financial.

Dissemination of the statement of ethics and business practices to all directors and employees and their acknowledgment of the same

Green Delta has in place a Code of ethics and Business Conduct applicable for all employees. The code is

Communicated to every employee in the induction training upon joining GDIC. The Board and the

Management confirms that the ethics and business Principles are in practice within the company.



Md. Abdul Karim
Chairman, Audit committee

5.16 Evaluation of Quarterly Financial by the Board and Audit Committee

BDT in Million

Particulars	2018					2017				
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
Gross Premium Income	989.18	1009.19	1114.94	565.32	3678.63	867.94	874.33	863.30	687.98	3293.55
Net Premium Income	442.33	434.13	414.14	369.93	1660.53	421.82	364.17	408.73	329.64	1524.36
Net R/I Commission Earned	101.22	132.75	101.27	36.21	371.45	111.33	47.35	86.25	93.58	338.51
Investment & Others Income	42.81	109.45	62.96	23.78	238.99	40.54	59.08	37.08	72.24	208.94
Total Income	586.36	676.33	578.37	429.92	2270.98	573.69	470.60	532.06	495.46	2071.81
Management Expenses with Claims & Agency Commission	461.64	464.73	433.41	269.14	1628.92	456.99	305.04	438.56	262.29	1462.88
Management expense (un-allocable)	42.94	134.53	66.09	79.61	323.17	44.14	136.07	70.49	50.42	301.12
Total Expenses	504.58	599.26	499.50	348.75	1952.09	501.13	441.11	509.05	312.71	1764.00
Net Profit Before TAX	81.78	77.07	78.87	81.18	318.90	72.56	29.49	23.01	182.75	307.81
Provision for Income TAX	25.00	15.00	30.00	-0.52	69.48	20.00	10.00	10.00	24.68	64.68
Net Profit after TAX	56.78	62.07	48.87	81.70	249.42	52.56	19.49	13.01	158.07	243.13
EPS	0.70	0.77	0.61	1.01	3.09	0.65	0.24	0.16	1.96	3.01

Evaluation of Quarterly Financial by Audit Committee and by the Board

As per the regulatory requirement of Bangladesh Securities and Exchange Commission (BSEC), Bank has prepared and presented Quarter Ended Financial Statements. These statements are prepared in accordance with BAS (Bangladesh Accounting Standards). The

statements are sent to Audit committee for review. After review by the Audit Committee and approval by the Board, the statements are finally submitted to Bangladesh Securities and Exchange Commission (BSEC). Afterwards, the Quarter Ended Financial Statements are published in several daily newspapers. The statement is also published in the website of the bank.

5.17 Report on Internal Control of Financial Reporting

Internal control systems are fundamental to the success and survival of any organization. They keep the organization on the rails. It provides a means of assurance that corporate objectives are being achieved. GDIC follows COSO framework for evaluating internal controls in the organization. The COSO model defines internal control as “a process, effected by an entity’s board of directors, management and other personnel, designed to provide

reasonable assurance of the achievement of objectives in the following categories:

- Effectiveness and efficiency of operations
- Reliability of financial reporting
- Compliance with applicable laws and regulations”

COSO Framework for Internal Control



However, GDIC’s Internal Audit & Compliance Team believes that internal audit activities shouldn’t stop with internal controls. They should also focus on assessing enterprise risk—analyzing people, processes, facilities, and systems—as well as evaluating performance. By taking a more holistic approach to internal audit that encompasses internal controls, risk management, and performance, organizations can create a culture of safety, transparency, efficiency, and effectiveness.

Internal Audit & Compliance Department (IACD): Thinking Holistically, Thinking outside the box

The name of the department itself defines the areas it mainly focuses on. The Internal Audit function is designed to monitor and evaluate the company’s internal control environment as to its adequacy, efficiency and effectiveness. The Compliance function is meant to reasonably ensure that the company is complying with all applicable laws, rules and regulations, as well as internal codes of conduct, policies and procedures.

GDIC’s Internal Audit & Compliance believes in thinking holistically, thinking out of the box and continuous process of upgrading in every segment of the company. With this belief they are working currently on the following methods of improvement:

i. Provide Practical Solution

One of the most common criticisms of internal auditors is that they only provide general recommendations, limiting themselves to identifying the need to develop missing policies, update outdated procedures, simplify processes, or increase effectiveness. But GDIC’S Audit and compliance team are uniquely positioned to deliver solutions, because they can evaluate situations independently and objectively. They share best practices from other organizations, help to guide the process of implementing robust policies and procedures, streamlined processes, and enhanced performance through strong

communication, collaboration, coordination, reporting, and decision making.

ii. Work Collaboratively

GDIC has overcome another misconception which is internal auditors and auditees can't partner to make improvements. Through collaboration, GDIC's audit Team gain insights of auditees, verify facts, and test the practicality of recommendations. As Internal auditors the team think outside the box, and work with the auditees rather than on them and also advises the auditee to seek out best practices from the auditors and tap their expertise for practical advice.

iii. Pulling It All Together

The team is aiming to pull it all together for company's betterment and believes on the fact that the company realize a superior return on investment in internal audit activities when internal auditors:

- Address controls, risks, and performance
- Focus on delivering practical solutions
- Work collaboratively with auditees

At a glance Year 2018:

Throughout the year 2018 the team has conducted department audits, branch audits, surprise inspections, follow up audits, special audits and they provided audit reports with suggestions and recommendations as well as confirmed spot rectification to ensure compliance and better work. At the same time this year the team focused on Anti Money Laundering and Combating Financing Terrorism (AML/CFT) issues on the basis of BFIU guidelines and circulars for insurance sector and IDRA checklist.

IACD is working on the following key elements for AML & CFT management

- Ensuring KYC form is properly filled up or not with appropriate verification of the information provided by the customer to identify and assess the risk of fraud.
- Ensuring the staffs are complying with the policies, create culture of honesty and ethics including understanding and awareness of AML & CFT issues and the consequences among the employees.
- Develop and off-site monitoring process to identify any kind of suspicious transaction.
- Ensuring the company is following and working according the IDRA and BFIU guideline for AML management.

Statement of Directors' Responsibilities to Establish Appropriate System of Internal Control

Internal Control is a process for assuring achievement of an organization's objectives in operational effectiveness and efficiency, reliable financial reporting, and compliance with laws, regulations and policies.

The Board of Directors is primarily responsible to review the adequacy of the system of internal control. As delegated by the Board the Audit Committee ensures that the system of internal control is adequate to protect against any type of fraud. The Audit Committee reviews the corrective measures taken by management relating to fraud-forgery and places report before the Board and regulators and performs all other oversight functions in relation to Internal Control System.

Any system of control can only ever provide reasonable and not absolute assurance that control weaknesses or irregularities do not exist or that there is no risk of material errors, losses, fraud or breaches of laws or regulations. Internal Audit Unit of an organization does have valuable contribution towards improving the effectiveness of its systems of internal control.

Over the last decade, the business world has faced unprecedented changes and challenges, resulting in a slew of compliance regulations. Insurances of all sizes are now more concerned than ever about compliance risk management. New Insurance products, increased government scrutiny and intense focus on compliance requirements bring forth greater risks and a larger set of rules and regulations. Insurance are forced to take a fresh look at their compliance practices and the technology infrastructure that supports them and to pursue a broad range of compliance and risk initiatives across the organization.

A system of effective controls is a critical component of Insurance management and a foundation for the safe and sound operation of banking organizations. A system of strong internal controls can help to ensure that the goals and objectives of a banking organization will be met, that the bank will achieve long-term profitability targets, sustainable growth and maintain reliable financial & managerial reporting. Such a system can also help to ensure that the bank will comply with laws and regulations as well as policies, plans, internal rules and procedures, and decrease the risk of unexpected losses or damage to the bank's reputation. An essential element of a strong internal control system is the recognition by all employees of the need to carry out their responsibilities effectively and to communicate to the appropriate level of management any problems in operations, instances of non-compliance with any code of conduct, or other policy violations or illegal actions that are noticed.

Directors' Role to Establish Appropriate System of Internal Controls

The Board of Directors of Green Delta seeks to establish appropriate systems of internal control. The Board of Directors always promotes a sound and strong internal control system inside the company, and has no consideration for any type of fraud in the company. The Board of Directors always appreciates the internal controls that have been set up by management and gives advices on any matters as and when required.

Directors' Role to Review the Adequacy of the System of Internal Controls

Internal control over financial reporting has always been a major area in the governance of any organization, and this importance has been magnified in recent years. This tool is intended to give audit committees basic information about internal control to understand what it is, what it is not, how it can be used most effectively in a governmental organization, and the requirements of management with respect to the system of internal control over financial reporting. The primary responsibility of the audit committee with respect to internal control is the system of internal control over financial reporting. The Board of Directors entrusts upon the Audit Committee to be responsible for ensuring that the system of internal controls is adequate to protect against any type of fraud.

The Board of Directors time to time reviews the Internal Control System of the Company and necessary guidance are provided to improve the system. Control activities and segregation of duties Control mechanism is an integral part of the daily activities of the company. An effective internal control system requires that an appropriate control structure be set up, with control activities defined at every business level which is ensured in the company. The control mechanism include top-level reviews, appropriate activity controls for different departments or divisions, physical controls, checking for compliance with exposure limits and follow-up on non-compliance, etc.

Directors' Responsibility to Establish and Maintain Internal Control

The Board of Directors of GDIC is responsible to establish and maintain appropriate system of Internal Control. To ensure appropriate level of Internal Control System, a good number of Standard Operating Manuals and Policy Guidelines have been introduced in line with global best practices and Regulatory Guidelines. Delegation of powers in various businesses, administrative and financial areas has also been approved by the Board.

Common Features of an Internal Control System of Business

■ Management Integrity

The moral character of managers at your business sets the overall tone for the workplace. Management's enforcement of policies is the major indicator of an organization's commitment to a successful internal control system.

■ Competent Personnel

Recruiting and retaining competent personnel helps a business properly record accounting transactions from year to year by providing consistency. The retention of employees increases the comparability of financial records from year to year.

■ Segregation of Duties

Proper segregation of duties is a critical component of internal control because it reduces the risk of mistakes and inappropriate actions. An effective system separates authoritative, accounting and custodial functions.

■ Records Maintenance

Keeping appropriate records ensures that documentation exists for each business transaction. Records management involves storing, safeguarding and eventually destroying tangible or electronic records.

■ Physical and Intangible Safeguards

Safeguards keep unauthorized personnel from accessing valuable company assets. Safeguards are physical, such as locks on doors, or intangible, such as computer software passwords, and are a necessary feature of an organization's internal control system.

Review of the Adequacy of the System of Internal Controls by Director

The above controls, which are embedded within the operations of the Board, are reviewed by Company Audit committee. In these reviews, emphasis is focused on areas of greater risk as identified by risk analysis. The Directors confirm that the Board, through its Committees, has reviewed the effectiveness of the Company's systems of internal control for the year ended 31 December 2017. This process involved a confirmation that a system of internal control in accordance with best financial reporting practice was in place throughout the financial year and up to the date of the signing of these financial statements. It also involved an assessment of the ongoing process for the identification, evaluation and management of individual risks and of the role of the various Committees and Company's risk management functions and the extent to which various significant challenges are understood and are being addressed.

5.18 Ethics and Compliance

Statement on Ethics and Values

At the Green Delta Group, we believe we have a responsibility to support action and invest in initiatives that protects our brand. As an institution of longstanding repute and heritage, we embrace the highest standards of governance, with the result that ethical practices and deep adherence to our values have become a part of the culture of our organisation. These are deeply embedded in the way we operate on a day-to-day basis, and also stewards our strategic decisions that have a long-term impact on our operations and sustainability.

Members of the Green Delta community are committed to the highest ethical standards in advancing our mission of creating a world-class general insurance platform. We recognise that we hold the institution in trust for the people of Bangladesh. Our policies, procedures and standards provide guidance for application of the ethical values stated below in our daily life and work as member-custodians of this community.

We are committed to:



Integrity

We will conduct ourselves with integrity in all our dealings with and on behalf of the Green Delta Group.



Adherence to excellence

We will conscientiously strive for excellence in our work, enabling customer delight.



Accountability

We will be accountable as individuals and as members of this community for our ethical conduct, and for compliance with applicable regulatory laws and policies and statutory directives.



Respect

We will respect the rights and dignity of others.



Conflict of interest

We will ensure that our employees work in the best interest of our Company, even as we place our full trust in them, thereby leaving no scope of any conflict of interest.

Standards on ethical and moral conduct



Purpose

We believe that the pursuit of our mission of 'Insurance for All' requires a shared commitment to the core values of the institution, as well as a commitment to the ethical conduct of all our activities and initiatives. In this spirit, the standards of ethical conduct are a statement of our belief in ethical, legal, responsible and professional behaviour in all of our dealings inside and outside the Group.



Applicability

Our standards of ethical and moral conduct apply to all members of the Group community, including senior management personnel, other staff members, business agents and others associated with us. Organisationally, the standards apply to all our branch offices and other business locations across Bangladesh.



Fair dealing

Members of the Green Delta community are expected to conduct themselves ethically, honestly, transparently and with integrity in all the dealings. This means principles of fairness, good faith and respect, consistent with the laws, regulations and policies that govern our conduct with others, both inside and outside the community. We assess each situation in accordance with the standards of ethical and moral conduct. We have a zero tolerance for any unlawful or misguided practice.



Individual responsibility and accountability

Members of the Green Delta community are expected to exercise responsibility appropriate to their position and delegated authorities. They are responsible to each other and to the stakeholders, both for their actions and their decisions. Each individual is expected to conduct business in accordance with the core values and the standards of ethical and moral conduct, exercising sound and fair judgment and serving the best interests of the institution and the larger community.



Respect for others

The Group is committed to the principle of treating each community member with respect and dignity. As strong advocates of meritocracy, we prohibit discrimination and harassment, and provide equal opportunities for all community members and applicants, regardless of their race, ethnicity, religious beliefs or practices, gender identity and marital status. The Group is also committed to creating a safe workplace that is free of fear and oppression.



Compliance with applicable laws and regulations

Insurance is subject to many stringent laws and regulations, particular those governing public entities. Employees are expected to familiarise themselves with the laws and regulations that have a bearing on their areas of responsibility. Failure to comply can have serious adverse consequences, both for individuals and for the institution, in terms of reputation, finances and the health and safety of the community.



Avoid Conflicts of interest

Employee members are expected to devote primary professional allegiance to the Group, and to the larger mission of public service. Outside professional activities, personal financial interests, or acceptance of benefits from third parties are strictly forbidden as it may create perceived conflicts between the Group's mission and an individual's private interests. In all matters, employees are expected to take appropriate steps, including consultation if issues are unclear, to avoid both conflicts of interest and the appearance of such conflicts.



Confidentiality and privacy

The Group is the custodian of many types of information, including that which is confidential, proprietary and private. Individuals who have access to such information are expected to be familiar and to comply with applicable laws, policies, directives and agreements pertaining to access, use, protection and disclosure of such information. Computer security and privacy are also subject to law and Group policies. The public right to access information and the individual's right to privacy are governed by state law, as well as by Group policies and procedures. The legal provisions and the policies are based on the principle that access to information concerning the conduct of the people's business is a fundamental and necessary right of every person, as is the right of individuals to privacy.



Internal control

Internal controls are the processes employed to help ensure that the Green Delta Group's business is conducted in accordance with the highest standards, Group policies and procedures, applicable laws and regulations, and sound business practices. They help to promote efficient operations, accurate financial reporting, protection of assets and responsible fiscal management. All members of the Group are responsible for internal controls. Each business unit or department head is specifically responsible for ensuring that internal controls are established, properly documented and maintained for activities within their jurisdiction.



Use of Group resources

Group resources may only be used for activities on behalf of the Group. They may not be used for private gain or personal purposes except in limited circumstances permitted by existing policy, where incidental personal use does not conflict with and is reasonable in relation to duties. Members of the community are expected to treat Group property with care and to adhere to laws, policies and procedures for the acquisition, use, maintenance, record-keeping and disposal of Group property. For purposes of applying this policy, Group resources are defined to principally include the following:

- Cash and other assets
- Receivables
- Intellectual property
- The 'Green Delta' brand name
- Customer and other classified records
- Information technology infrastructure



Financial reporting

All Group accounting and financial records, tax reports, expense reports, time sheets and other documents, including those submitted to government agencies, are ensured to be accurate, clear and complete. All material published reports make full, fair, accurate, timely and comprehensible disclosures, as required under generally accepted accounting principles (GAAP) for government entities and other requirements. Certain individuals with responsibility for the preparation of financial statements and disclosures may be required to make attestations in support of the standards.



Reporting violations and whistle-blower protection

Members of the Group are encouraged to report all known or suspected/perceived improper conduct or activities, guided by our policy on whistle-blowers. Managers and persons in supervisory roles are required to report allegations presented to them and to report suspected issues that come to their notice in the ordinary course of performing their supervisory duties. Reporting parties, including managers and supervisors, are protected from retaliation for making such a report under our protection policies. Importantly, we have a culture of open reporting and high levels of protection that encourage our members to report irregularities/falsities, without the fear of coercion or retaliation.



Anti-fraud programs

As a business, we establish strong anti-fraud programs and controls that deter the occurrence of fraud. Furthermore, we take stringent penal action against proven irregularities that help in dissuading/putting-off the occurrence of potential fraud. Our standard code guides us in taking action against the detection of fraud.

Our Board-led governance model

Good corporate governance is central to the Green Delta Group's approach to enhance long term shareholder value.

We are governed by a Board of Directors. The Board and management are committed to policies and practices that meet high levels of disclosure and compliance. Importantly, the Board's diverse range of skills, experience and expertise supports the effective governance and robust decision-making of the Group. The Board has determined that collectively, its Directors have extensive experience across the key desired areas.

The Board is accountable to our shareholders who own the company. The primary responsibilities of the Board include the following:

- Establishment of corporate objectives and ensuring alignment
- Fostering a corporate culture that is anchored on ethics, integrity, principles and moral code
- Development of performance analysis metrics and appraisal thereof for the executive and senior management team
- Providing oversight for operations and ensuring alignment with our well-defined code of ethics and values

The Board has a formal Director renewal program that provides for appropriate expertise as well as diversity, commercial experience and fresh perspectives. The renewal program recognises the importance of preserving and building on the Company's history, legacy, values and culture. The Managing Director is charged with the Company's day-to-day leadership and management and is supported by an able and professional team. Together, the Managing Director and the senior management team are responsible for embedding culture and sustainability principles within the business and delivering strategy and leadership, product development, commercial oversight, stakeholder engagement, community partnerships and communications.

Furthermore, as a robust communication and dissemination policy, we circulate our statement of values and ethics and good business practices, and material updates thereof, if any, to all Directors and employees, including new recruits. We understand that they peruse and adhere to these policies and take it as their acceptance of the same.

Addressing modern-day issues

As an institution that is cognisant of some of the broader challenges facing the world today, and as an enterprise that

fully accepts its modern-day responsibilities, we diligently work to comply with initiatives that call for global action. Climate risk is one such.

We are aware of the impact of climate change on the business operations of our customers-policyholders, and on agriculturalists who have an agri-insurance protection with us. Notably, climate change poses significant risks to the sustainability of our planet, including:

- Increasing instances of natural disasters and extreme weather events
- Threats to agriculture through the increased likelihood and severity of droughts and pestilence
- Hazards of intense monsoons that can potentially raise the water level and create flooding, while displacing populations that are living in low-lying areas
- Increasing threats to health posed by air and water pollution

As a Company that provides risk protection to its customers from adverse weather-related events, we actively consider the threats posed by climate change. Furthermore, we are also responding to these events through our advocacy for the transition to a low carbon economy. We believe this transition to a lower carbon environment provides substantive opportunity for new markets, powered by innovative technologies and for new and more sustainable ways of living and working.

We not only responsibly support the management of these risks faced by our customers, we also look internally by minimising the negative environmental impact of our operations by offsetting carbon emissions through leveraging technologies like video-conferencing instead of travel, focusing on reducing electricity consumption as much as possible, raising awareness about more sustainable living and working among our employees and customers, and focusing on limiting the use of precious natural resources like water and paper across our operations.

5.19 Strategy & Resource Allocation

Achieving our true potential

During the period under review, Green Delta Insurance completed the groundwork for the strategy that will guide our institution into the future. The major element of this strategy included the successful launch of digital insurance during the year that will steer our enterprise to keep pace with the changing world.

Developing our strategy for sustainable, profitable growth



PORTFOLIO

Strategy:

- Rejuvenate our operations through the launch of new products
- Develop sharper communication of the value propositions of our existing products
- Embrace portfolio mix enrichment
- Continue to raise mass-scale awareness on insurance

Resource allocation:

- Increase investments in training and capacity-building
- Continue to augment the quality of our agent training programs
- Ensure timely claims settlement to enhance customer/public faith in insurance
- Build trust among the masses through ongoing awareness initiatives and programs



COSTS AND INVESTMENTS

Strategy

- Build a capable and cost-conscious culture
- Focus on optimising and trimming variable costs on an ongoing basis
- Initiate decisions keeping the long-term perspective in mind
- Focus on scale towards cost amortisation

Resource allocation

- Sustain strong budgeting practices that help monitor and contain expenses
- Ensure accountability on costs and returns that vests with the business head/leadership
- Diversify the procurement base and engage in ongoing negotiations with vendors to help further moderate costs



OPERATING MODEL AND ORGANISATIONAL DESIGN

Strategy

- Ensure organisational decentralisation and empowerment
- Business teams empowered to make decisions (within the framework) that enable quicker opportunity capture
- Fostering an entrepreneurial organisational culture that is meritocratic and KPI-driven

Resource allocation

- Familiarisation with organisational culture at induction
- Focused workshops on helping teams strengthen domain knowledge
- Sustaining a relatively flat organisational design with an open-door policy

At Green Delta Insurance, we are focused on driving sustainable growth by:

1. **Growing the core** and expanding into underpenetrated and underserved geographies
2. **Fuelling growth** through maximising alignment between budgeting and spends
3. **Expanding our portfolio** by engaging in strategic product extensions that enable us to serve the needs of a wider and larger customer base across the socio-economic spectrum
4. **Focusing on innovation** especially in the realm of digital insurance that enables us to expand the industry in our home country of Bangladesh
5. **Winning in the market** by building sustainable capabilities anchored on fairness, transparency and a customer-first philosophy

At Green Delta Insurance, we have put in place the foundations for a sustainable future with a compelling strategy and clear targets that will allow us to win with our customers and grow the value of insurance as a critical risk protection tool. This in turn will enable the Group to create predictable value by delivering sustainable financial results and be recognised by all stakeholders as the most preferred general insurance company in Bangladesh, as well as the most desirable growth company in the sector. Fundamental to achieving our mission is attracting the best talent on the basis of being recognised as a great place to work.

5.20 Report on Risk Management Framework

Risk management framework

Green Delta operates in a highly regulated environment and the Board acknowledges that, with the assistance from the Audit and Risk Committee, it is accountable for the risk management processes as well as the systems of internal control. Importantly, risk management is a central part of the Group's strategic management focus. It is a structured process whereby risks associated with the Group's activities are identified and plans are put in place to manage and mitigate those risks.

The Group's risk management objectives ensure that strategic, operational and tactical risks are identified, documented, managed and controlled appropriately. We consider risk management to be an integral part of normal business practice, with a strong culture of risk awareness promoted throughout the Group. Key to this is the management working together to identify the significant risks that the Group faces and developing prudent and calibrated mitigation plans. This includes implementing appropriate internal controls and identifying risk owners to take ownership/responsibility for individual risks and the management of those risks.

Given the diverse nature of the business, Green Delta Insurance is exposed to a wide range of risks, some of which may have a material impact on the business. Identifying these risks and developing plans to manage them is an integral part of each business unit's mandate. Our Group management assesses these risk registers periodically and the Board, through its Audit and Risk Committee, receives assurances from the senior management regarding the effectiveness of the risk management framework and process. The Board remains responsible for the overall risk management and provides supervisory guidance on risk control.

At the Green Delta Group, risk management plans and processes are presented, discussed and approved at the Audit and Risk Committee meetings, in line with the Audit and Risk Committee's work plan for the year. The process encompasses both an enterprise-wide risk assessment and divisional assessments. The plans and processes include risk registers detailing significant strategic and operational risks facing the Group, awareness about the occurrence and intensity of certain risks/risk groups, existing controls, perceived control effectiveness and the level of risk

tolerance. Risks that are below acceptable tolerance levels require a plan for the implementation of additional controls and the management's actions to bring these risks within acceptable limits and levels.

Our Internal Audit provides a documented assessment of the system of internal controls, including financial controls and risk management processes, and conducts annual reviews to assess the adequacy of the risk management process. To meet its obligations, internal audit has to work with the businesses and develop, test and embark on a combined risk assurance review process that is risk-based and draws upon appropriate functional expertise.

Furthermore, each operating subsidiary that is subject to regulatory supervision has an appointed team that is responsible for liaison with the regulator and ensuring the highest level of compliance with all the relevant regulations and also those that are notified from time to time.

At the Green Delta Group, the Board reviews the critical and high strategic risks regularly and approves the Group's risk appetite annually. Directors consider strategic risks when they formulate strategy, approve budgets and monitor progress against business plans. The Group's Audit, Risk and Compliance Committee is responsible for monitoring the risk management function and processes, and assessing significant risks facing the Group. This includes monitoring the liquidity and technology governance framework and associated risks.

The Group Risk Management Committee is responsible for managing risk and implementing appropriate controls anchored on prudence and conservatism. Furthermore, certain specialised risks, such as liquidity risks, customer acquisition risks, technology security risks and treasury and yield risks, have separate structures that monitor the processes and projects related to managing these risks. Notably, our line management throughout the Group is responsible for managing and controlling the occurrence of risks. Risk Management Committees in each operation oversee the process. The respective team leaders and designated risk mandate holders chair these committees, which include the Executive Committee members in each business division.

BOARD – Oversight and governance structure

- Audit Risk and Compliance Committee
- Group Risk Management Committee

MD & CEO and Executive Committee – Management structure

- Tactical risk: Managing executive and Group executives
- Operational risk: Executive heads
- Process risk: Line management
- Project risk: Project manager / Project team head

As articulated above, risk management is key to the Green Delta Group's success. We accept the risks inherent to our core business lines of fire, marine and other accident hazards, health and general insurance. We diversify these risks through our deep country-wide presence, expansive geographic spread, robust product variety to suit various needs and budgets, strong customer service levels that we offer, and the channels through which we sell them.

Importantly, with a view to expand our mission of providing 'Insurance for All', we have further engaged in customer segmentation with the result that within existing product platforms, we have launched new and innovative product variations to suit a wider range of budgets and requirements. Our Nibedita women-only insurance platform is an appropriate instance under which we launched 'Nibedita Eco' and 'Nibedita Plus' products during the year under report (2018) with a view to ensure that a larger population base comes under the folds of formal insurance.

Our business model is centered around the receipt of premiums that we invest in order to maximise risk-adjusted returns so that we can fulfill our assurance to customers in dispensing their claims in a fair, timely and responsible manner. In doing so, we provide a return to our shareholders and embrace strategies that enable us to continually pursue initiatives that we believe are in the best interest of our shareholders. In doing so, we have a preference for retaining those risks that we believe we are capable of managing to generate a fair return.

In the world of today that is being continually disrupted by technology advancements, looking forward, certain key risks facing our business may be magnified or de-magnified by current and emerging external trends that may impact our current and longer-term profitability and viability, in particular our ability to underwrite profitable new business. This includes the risk of failing to adapt our business model to take advantage of these trends. The principal risk trends enable us to identify these trends, their impact, future outlook and how we manage these risks.

How we manage risk

Rigorous and consistent risk management is embedded across the Group through our well-designed and well-tested risk management framework, comprising our

systems of governance, risk management processes and risk appetite framework. This includes risk policies and business standards, risk oversight committees and roles and responsibilities. Line management in the business is accountable for risk management which, together with the risk function and internal audit, form our various lines of defence of risk management. The roles and responsibilities of the Board, Audit and Risk Committees and Management Disclosure and Operational Risk Committees in the oversight of risk management and internal control are well-defined with appropriate accountability.

Our risk management process

Our risk management process comprises the processes we use to identify, measure, manage, monitor and report risks, including the use of our risk models and stress and scenario testing. Having identified and measured the risks of our business, depending on our risk appetite, we either accept these risks or take action to reduce, transfer or mitigate them. Importantly, our continual endeavour is to address risks to convert them into sustainable long-term opportunities that can have a positive bearing in our mission of generating consistent shareholder value.

Our risk appetite framework

Our risk appetite framework refers to the risks we select in pursuit of return, the risks we accept but seek to minimise and the risks we seek to avoid or transfer, including quantitative assumptions of the level of risk we can support. Some of the types of risks/risk groups that are typically inherent to our business model include the following:

Underwriting risks that customers transfer to us:

- General insurance risk includes risk arising from loss events, including fire, flooding, accidents and hazards, etc.
- Accident and health insurance risk covers health care costs and loss of earnings arising from our policyholders (customers) falling ill

Other general business risks:

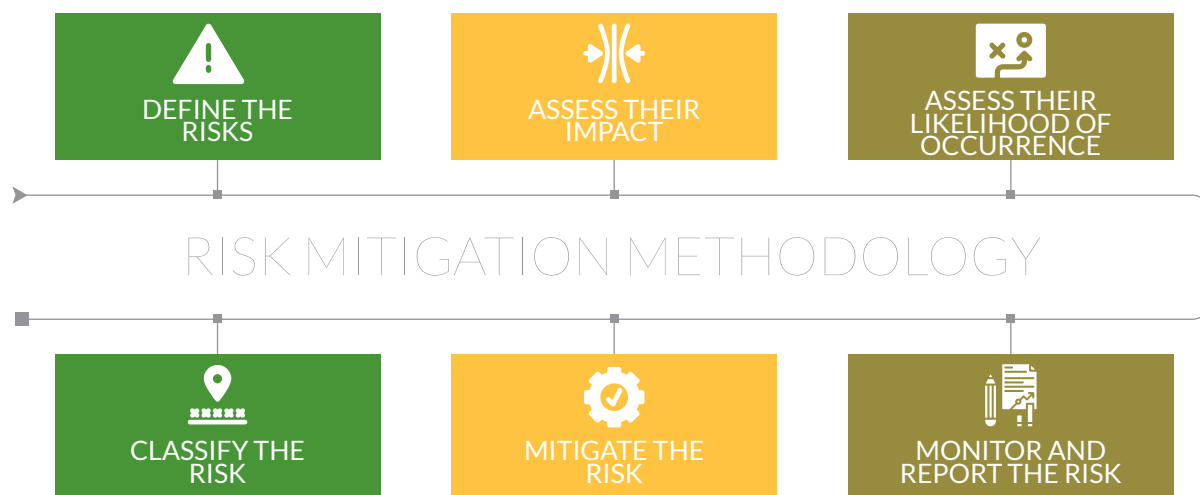
- Credit risks that create uncertainty in our ability to generate minimum investment return on our investments
- Liquidity risk that arises from not being able to disburse claims as they become due because of insufficient liquidity
- Risks from our operations and other business risks, including governance failure, regulatory impositions, etc.

A more detailed explanation, including how we maintain and control these risks, is given elsewhere in this report.

5.21 Risk Mitigation Methodology

At Green Delta Insurance, having acquired strong insights through decades of experience in the insurance business, we have developed and embraced a holistic risk management framework that is anchored on enabling us to more quickly respond to risk events with a view to enable a more effective and tighter control.

Our risk mitigation methodology represents a cyclical chain that not only enables us to act quickly and prudently in the event of risk occurrence, but also helps us create a library of our risk response initiatives with this knowledge representing our core competitive advantage. The principal tenets of our risk mitigation methodology is described below.



Define the risk

Importantly, what acts as a bulwark in our risk mitigation methodology is the various levels of management in each division that define risks at project, process, operational, tactical and strategic levels. This upfront definition of risk creates a strong level of awareness among the various team members and represents the first-step in our risk mitigation methodology.

Assess their impact

Risks are assessed based on their potential impact on our operation (customers, business partners and employees), financial position (notably, liquidity and debt) and reputation (brand). At Level 1, the risk impact is seen as insignificant and at Level 5 as a major event with potential cataclysmic outcomes.

Assess their likelihood of occurrence

Risks are assessed based on the likelihood of them happening after taking into cognisance the controls that are already in place to mitigate them. Here again we use a scale from Levels 1 to 5, where 1 is 'never' and 5 is 'near-certain'. When we rate a risk likelihood as '5', it means the controls in place will not prevent the risk from happening due to factors outside our control or the control effectiveness is poor.

Classify the risk

We classify risks as critical, high, medium and low based on the impact and likelihood score. Where a risk has a high likelihood of occurring and the impact on our operations, financial position or reputation is also high it would be considered critical.

Mitigate the risk

The Green Delta management reviews all critical and high risks to determine which of these need additional treatment to reduce/downscale the risk to 'medium' or 'low'. One such type of treatment is the implementation of additional and more effective controls. An example of this could be a shift in our underwriting practices based on a thorough appraisal of past events/outcomes.

Monitor and report the risk

All risks are captured on the risk management system. This is almost like a dashboard that is almost like a ready-reckoner. Notably, risks are monitored continually and reviewed on a predetermined frequency. Quarterly risk reports are also presented to our reporting heads and subsequently to the Board.

5.22 Disclosure on risk reporting

KEY RISK TYPES

The principal risk types to which the Green Delta Group is exposed to is characterised in the table hereunder. As a dynamic institution, we have a prudent and forward-looking approach to managing and controlling risk.

Risk type	Risk preference	Risk mitigation	Flow through to strategy	Impact on our major capitals
General Insurance Risk <ul style="list-style-type: none"> ■ Catastrophe risks ■ Underwriting risks ■ Expense risks 	<ul style="list-style-type: none"> ■ We adopt general insurance risk in measured amounts for earning a fair return for the risk transferred to us, aligned with our core capabilities in underwriting and pricing. We have a preference for those risks that we have knowledge and knowhow of. 	<ul style="list-style-type: none"> ■ Use of risk pools/ reinsurance to reduce the financial impact of a catastrophe risk ■ Application of robust and consistent underwriting framework to derive accurate estimates with outcomes that are subject to independent and audit reviews ■ Use of past data, financial models and analysis to improve pricing and risk selection ■ Underwriting decisions/ appetite framework linked to delegations of authority that govern such decisions ■ Product development framework that ensures products and propositions meet customer needs ■ Formal and documented claims management procedures 	<ul style="list-style-type: none"> ■ Our well-diversified portfolio of general insurance products enable us to meet varied customer demands, as well as enable business diversification. 	<ul style="list-style-type: none"> ■ Financial capital ■ Manufactured capital
Liquidity Risk <ul style="list-style-type: none"> ■ Insufficient funds ■ Pressure on cash flows 	<ul style="list-style-type: none"> ■ The relatively illiquid nature of insurance liabilities is a potential source of additional investment return by allowing us to invest in higher yielding and conservative assets. However, the right balance is required that enables us to meet disbursement requirements for potential claims with speed. 	<ul style="list-style-type: none"> ■ Maintaining committed borrowing facilities ■ Asset liability alignment methodology develops optimal portfolio maturity structures to ensure sufficiency in cash flows to meet liabilities ■ Contingency fund planning framework to address liquidity requirements in stress scenarios 	<ul style="list-style-type: none"> ■ Our robust liquidity management practices have enabled us to meet the requirements for claims in a swift, fair and responsible manner and this has today emerged as a strong competitive advantage that enables us to differentiate our business. 	<ul style="list-style-type: none"> ■ Financial capital

Risk type	Risk preference	Risk mitigation	Flow through to strategy	Impact on our major capitals
<p>Operational Risk</p> <ul style="list-style-type: none"> ■ Legal and regulatory risks ■ People risks ■ Process risks ■ Technology risks 	<ul style="list-style-type: none"> ■ Group-wide, we focus on reducing operational risk to the extent possible, with a view to ensure business continuity, as well as to ensure resilience in case of any adverse events. 	<ul style="list-style-type: none"> ■ Application of enhanced business standards covering key processes ■ Our operational risk and control management frameworks includes processes and standardised response procedures necessary to identify, measure, manage and monitor on operational risks ■ Ongoing investment in simplifying our technology to improve the resilience and reliability of our systems ■ Strong emphasis on people training and capacity development to ensure alignment with dynamic needs of the business 	<ul style="list-style-type: none"> ■ Our teams ensure full compliance with all regulatory statutes and those that might be issued from time to time. This provides us with a continued license to operate as compliance is an integral part of our operating culture. Furthermore, we aspire to remain one of the most preferred employers in the insurance industry, attracting and retaining quality talent that enables us to materialise our corporate goals and ambitions. We are also looking at increasing technology adoption across our business and aim to foster tech-digital practices that provide enhanced convenience to our customers. 	<ul style="list-style-type: none"> ■ Human capital ■ Intellectual capital ■ Natural capital
<p>Competition Risk</p> <ul style="list-style-type: none"> ■ Increased competition 	<ul style="list-style-type: none"> ■ The competitive intensity has been continually on the rise across our markets, notably with pressures on pricing. In this context, our ability to compete effectively depends on the quality of our products, on our insurance coverage, on competitive pricing of our products and services, on the quality of customer service and on developing new and improved products and services in response to newer customer propositions. 	<ul style="list-style-type: none"> ■ We continue to invest in new product development, while also expanding our coverage and customer service quality levels. ■ We continue to expand product distribution, and our flagship stores that dispense all our products under a single-roof is an evident example of our focus on strengthening customer convenience. ■ We are focused on improving the customer experience across all our touchpoints, and provide continual sensitisation and knowledge training on managing customer expectations. 	<ul style="list-style-type: none"> ■ Our response to competition risk is two-pronged. One, we continue to innovate and launch new products and services that help address newer customer propositions. This helps us stay ahead of the competitive curve. Two, we continue to offer more value to our customers through adopting competitive pricing structures. Moreover, strong liquidity positions has reinforced our ability to service claims in the quickest and most responsible way, which has enabled us to thwart competitive pressures to a large extent. 	<ul style="list-style-type: none"> ■ Financial capital

KEY RISK TRENDS

Since our business is a part of a larger ecosystem and environment, there are external risks that have a bearing on our operations. While these risks/risk types are not directly under our control, we embrace initiatives on a proactive basis with a view to minimise the impact of these risks on our operations.

Key trends	Our response	Looking forward
<p>Advances in medicine and inclination towards healthier lifestyles</p> <p>These support an increase in health levels and thus can have an impact on future health premiums.</p>	<p>We leverage our own experience and insights and analyse external population data to identify emerging trends. Detailed analysis of the factors that influence mortality informs our pricing and reserving policies.</p>	<p>There is considerable uncertainty over the extent that improvements in health expectancy experienced over the last 40 years will continue into the future. For example, lifestyle ailments continue to be rampant.</p>
<p>Climate change and adverse resulting impacts</p> <p>Climate change is a real threat, potentially resulting in higher-than-expected weather-related claims, especially for agri-insurance. Furthermore, climate change can also have an impact on general insurance.</p>	<p>We actively use collaborative technology to engage in weather mapping analytics that help us identify key risk locations, and create pricing strategies accordingly. Furthermore, we remain sensitive to our natural capital and take decisions that take into cognisance our environmental and social issues.</p>	<p>Despite the UNFCCC Paris agreement, the current trend of rising CO2 emissions is expected to continue with global temperatures likely to exceed pre-industrial levels by at least 2oC and weather events increasing in frequency and severity. Disclosure of impacts against climate scenarios will become a key factor facing all companies.</p>
<p>Impact of new technologies</p> <p>Technology today is highly disruptive with a number of new business models taking shape anchored on technology. Failure to keep pace with technology could lead to loss of competitive advantage and underwriting losses.</p>	<p>We are actively appraising transformation through digital technology and automation. During 2018, we created online purchase access for three of our insurance product clusters, including health, motor and personal insurance. We expect to continue with such initiatives into the future too.</p>	<p>Big data is becoming a critical driver of competitive advantage and AI (Artificial Intelligence) and automation are likely to increasingly transform the efficiency of insurance operations, while also contributing to revolutionising the customer experience.</p>
<p>Changes in customer behaviour</p> <p>With a much greater choice available, plus access to more information that is easily accessible, customer behaviour and habits are changing.</p>	<p>We actively listen to our customers to ensure we meet their needs and propositions. As a prudent strategy, we have also segmented our customer profile and have introduced a range of products that increasingly meet their current and emerging needs.</p>	<p>We expect customers will want to access insights and use it to guide their own decisions.</p>
<p>Uncertainty around Brexit</p> <p>Though we do not expect a direct impact on our business because of this major trend, Bangladesh might face some impact on account of a large migrant population residing in the region, and the event could have an impact on jobs and employment.</p>	<p>Brexit does not have a significant operational impact on our Group, and the determination of the impact is too early to say.</p>	<p>Negotiations were underway until end-February 2019, with the uncertainty only increasing. A 'no-deal' Brexit appears to be the most likely outcome at this moment, though nothing can be ruled out fully.</p>



AREAS OF INSURANCE SECTOR

6.1 CLAIMS MANAGEMENT AND DETAILS OF OUTSTANDING CLAIMS

GENERAL INSURANCE CLAIM

Preface

Insurance is a contract in terms of which the insurer undertakes to indemnify the policyholder ("insured") in accordance with the cover detailed in the policy. The basis of insurance is risk pooling, which carries the obligation of paying losses. A poor claim handling service ultimately results in an unfavorable reputation. The claim department can be seen as the 'Shop Window' of the insurance company. This is where an insurer will be judged. It is only upon submitting a claim that the insurance purchaser discover the value of the 'promise to pay' they have bought. Insurance document is an evidence of contract whereby 'contract certainty' is achieved by both parties to the contract i.e. the insured and the insurer. This document/policy has to deal with terms, conditions, provisions, exclusions, exceptions including warranties relating to the class of insurance. Insurance policy should maintain clarity as well as correctness in terms of grammar so as to maintain unqualified interpretation which of course avoids misunderstanding & confusions in assessment of loss and determine the proximate cause of loss.

Policy schedule holds utmost importance to avoid misunderstanding, misconception with the insured. In describing all relevant particulars should be complete in itself and self-explanatory.

Claims management is one of the crucial functions of an insurance company as it is the ultimate test of a responsible and efficient insurer. Especially, in case of a non-life insurance company, where multi-varied lines of insurance products are catered/offered in response to the insured's requirement (whether traditional or non-traditional in nature), procedures of claims management greatly vary with respect to the nature, cause and magnitude of claims on case to case basis.

As such, excellence in claims handling is a competitive edge for an insurance company and it is a service that clients greatly value. Payment of legitimate insurance claims for losses that the insured have reasonably suffered is the primary reason for buying insurance.

Green Delta Insurance has its corporate philosophy on claims management setting out broad approaches aimed at providing high quality service and expeditious settlement of claims. It specifies the nature of claims service and also the IT enabled interactive process to monitor the status of the claim.

Claims Management consists of services as well as advisory support in respect of claims for compensation, restitution, repayment and/or any other remedy for loss or damage. Underwriting and claims settlement are the two vital aspects of operation of an insurance company.

THE CLAIMS PROCESS

Every claim from the most straight forward small loss to the most complex third party claim, must progress through a number of stages. Pertaining to the procedure of handling/settling claim, it should be kept in mind that each and every claim is not identical. No hard and fast rule for proper handling/settling claim can be followed, as each case is different one which should be decided on its own merit. However, extreme caution is required to be exercised and prudent judgment done while dealing with the matter.

An insurer, as a trustee of the fund generated from the premium earned from the insured, is peculiarly placed in his profession. A lot of responsibility devolves on him. In the course of his discharging duty he must ensure that the insured/claimant is indemnified properly/equitably, i.e., the insured/claimant must not receive more or less indemnity than that of his entitlement.

A client obtains an insurance policy by paying a price termed as premium, with the expectation that upon happening of a loss against some named perils to the subject matter of insurance, the financial losses will be indemnified.

The claim handling process starts with the notification of loss to Green Delta Insurance and the company appoints a licensed loss adjuster immediately upon receipt of the intimation. Staffs and officers of Green Delta Insurance always alert in 24-hrs to receive claim intimation over telephone, email, post or online. Meanwhile, we require preliminary survey report to provide a note of possible liability on the occurrence. In order to ensure speedy disposal of claims, the insured and/or their agent are always requested to submit all available supporting documents without delay. A list of minimum requirement of supporting documents/papers for claims arising under each class of business is maintained at the Head Office of Green Delta Insurance.

In fact, Green Delta Insurance manages the claims rather than handling them. Green Delta Insurance undertakes all necessary steps expeditiously in an orderly sequence: contact the insured, arrange to inspect the loss through a loss adjuster, ascertain quantum of loss and company's liability, etc. Green Delta Insurance also suggests their clients the preventive measures to be adopted to avert/minimize the loss and to take steps to protect the salvage.

As soon as Green Delta Insurance receives all necessary papers along with survey report from the loss adjuster, the company quickly scrutinizes all documents against its check list of requirements, verifies the loss adjustment made by the surveyor and if in order, proceeds with the settlement of claim without any loss of time.

Besides settlement of claims that are possible to dispose off during the accounting period, adequate provision for outstanding claims, if any, are also maintained against unsettled claims.

In recognition to the claims services, Green Delta Insurance has been awarded a Credit Rating of AAA in claims pay-ability by the Credit Rating Agency Of Bangladesh Limited (CRAB).

The key distinction of claims management and claims handling encompasses the following ideas:

- The carrying out of the entire claims process from notification to review of performance.
- Including within the review of performance the monitoring of claims expenses, legal costs and claims settlements.
- For self-insurers the review of performance would include attempting to minimize future losses in order to reduce claims cost.

Nevertheless, claims management may define as the carrying out of the entire claims process with a particular emphasis upon the monitoring and lowering of claims costs.

The phrase 'claims handling' was the traditional term for insurance companies handling the various stages of the claim process. Critically, however it encompasses none of the risk management issues and instead emphasis the functions of claims review. Claim investigation and claim negotiations - arguably the most problematical elements of claims work. We can define claims handling as the original term for handling the claim process with emphasis upon claim review, investigation and negotiations, but excluding risks management issues. Out of any insurance contract, the client has the following expectations from the insurer:

- a) Adequate insurance coverage, which does not leave him high and dry in time of need, with appropriate pricing.
- b) Timely delivery of defect-free policy documents with relevant guidelines.
- c) Should a claim happen, quick settlement to the insured's satisfaction.

The Role of Claims Department

Prompt claim settlement is the acid test for an insurance company to their commitment to indemnify the customer as after sale service to retain them. Hence, claim must be paid

fairly and expeditiously. Every insurance company must have its own principles for handling claims. Claims administration also varies from class to class of insurance. The claims department plays a vital role in entire operation of an insurance company. The major roles are as under:

- Strategic role: to provide the insurance/reinsurance company with a high quality service so that it can differentiate itself from its competitors for even to outsource the function if it is unattainable in-house.
- Cost monitoring role: to ensure that the amount paid on any claim is contained within the parameters of the contractual relationship as far as possible.
- Service: to meet or exceed customers' expectations regarding the quality of service, with particular regard to the speed, manner and economic efficiency of the service.
- Management: to meet or exceed the standards of service set and to operate within budget.

Reinsurance & Claims Handling

The vital difference between insurance claims handling and reinsurance claims handling is that reinsurance claims handling involves negotiation between two insurance specialists in a business environment where a continuing business relationship may exist. Insurance claims handling, in comparison, often involves an insurance specialist negotiating with a member of the public where a continued relationship is unlikely if the claim settlement falls to meet the insured's expectations. However, in the case of large insurance claims, insurance specialists or lawyers are likely to represent both the insured and the insurer. Similarly, where large and/or problematic reinsurance claims are involved, specialists such as reinsurance consultants are likely to be engaged.

To conclude the claims department should also bear in mind the under noted factors, which are essential in claims management as well as claims handling: the factors are detecting fraud, lowering the cost and avoiding litigation.

Outstanding claims (IBNR and IBNER) with ageing thereof:

Apart from claims settled in an accounting period, outstanding liabilities against insurance claims may exist or arise in respect of claims which have been reported but not yet settled (IBNER) or against those have been incurred but not yet reported (IBNR).

In general, there might be a delay in the insurer's settlement of the claim, typical reasons are: (i) reporting delay (time gap between claims occurrence and claims reporting at the insurance company); and (ii) settlement delay, because it usually takes time to evaluate the whole size of the claim.

The time difference between claims occurrence and claims closing (final settlement) can take days (e.g. in case of property insurance) but it can also take years (typically in case of liability insurance).

Provisions are created by setting aside a portion of net premium so that the insurer is able to settle all the outstanding claim liabilities that are proximately caused by perils falling within the scope of insurance contracts.

The following formula is usually applied to calculate the provision for such outstanding claims:

Total IBNR = "Pure IBNR" + "IBNER"

For sake of proper accounting practice, reserve for each outstanding claim is maintained in respect of each financial year. Reserve for claims incurred but not reported (IBNR) and Reserve for claims incurred but not enough reported (IBNER) are the two terms that can be regarded as of identical meaning. In some types of work, especially in reinsurance and in the London market IBNR provisions include any IBNER provisions.

Sometimes, the provision for claims incurred on or before the valuation date is referred to as the True IBNR or the pure IBNR. The liability for outstanding claims in the Balance Sheet of a non-life insurance company includes a provision for both IBNR and IBNER. Technically, there is a practice of creating reserve against future liability arising out of claims which have occurred but have not yet been settled.

Incurred But Not Reported (IBNR) losses reserve

IBNR refers to the losses that are not filed with the insurer or re-insurer until years after the insurance policy is sold. It is a reserve to provide for claims in respect of claim events that have occurred before the accounting date but have still to be reported to the insurer by that date.

In case of a re-insurer, the reserve needs also to provide for claims that, although known to the cadent, have not yet been reported to the re-insurer as being liable to involve the re-insurer. IBNR reflects the total amount owed by the insurer to all valid claimants who have had a covered loss but have not yet reported it. Since the insurer knows neither how many of these losses (the frequency) have occurred, nor the severity of each loss. IBNR is necessarily an estimate. The quality of this estimation is often used as a tool in assessing the financial accounting skills of a given insurer. Insurers track IBNR by policy periods (when incepted), along with other categorizations.

The characteristics of IBNR makes it look more like a reserve or provision for the particular types of losses not reported, hence gives a better estimation of profits for the insurer's current business period.

Incurred But Not Enough Reported (IBNER) loss reserve

IBNER refers to a reserve reflecting expected changes (increases and decreases) in estimates for reported claims only. The abbreviation is sometimes stated as applying to "incurred but not enough reserved"

Some liability claims may be filed long after the event that caused the injury to occur. Asbestos-related diseases, for instance, do not show up until decades after the exposure.

Reserve for such outstanding claims also has to be created adequately against IBNER losses.

IBNER also refers to estimates made about claims already reported but where the full extent of injury is not yet known, such as, workmen's compensation claim where the degree to which work-related injuries prevents a worker from earning what he or she earned before the injury unfolds over time. Green Delta Insurance Co. Limited regularly adjusts reserves for such losses as and when new information becomes available.

As per the existing directives of our local Insurance Regulatory body IDRA (Insurance Development and Regulatory Authority) of Bangladesh, quarterly reporting of all outstanding claims with aging thereof including their specific reasons for delay in settlement of such respective outstanding claims is mandatory.

Green Delta Insurance maintains an adequate provision against each of such outstanding claims with respective aging thereof. Under the current Insurance Laws of Bangladesh, it is not yet obligatory to provide reserves for IBNR and/or IBNER claims. However, in accordance to the solvency margin regulations proposed under insurance Act 2010, such reserves will be required to be maintained in the manner to be prescribed by the relevant Rules.

Disclosures pertaining to solvency margin

Solvency margin is the amount by which the assets of an insurer exceed its liabilities, and will form part of the insurer's shareholder's funds. Method of valuations of assets and liabilities of an insurer are prescribed in the insurance regulations. The regulations stipulate the minimum solvency margin, which an insurer must maintain at all times. The solvency of Insurance Company corresponds to its ability to pay claims. The solvency of insurance Company or its financial strength depends chiefly on whether sufficient technical reserves have been set up for the obligations entered into and whether the Company has adequate capital as security. The solvency margin functions as the company's safeguard particularly against the risks related to investment activities. At GDIC management is ever-aware of maintaining its solvency up to a standard level. The solvency ratio of an insurance company is the size of its capital relative to all risks it has taken. The solvency ratio is most often defined as: Net Assets is divided by Net Written Premium to arrive at the solvency ratio of a particular insurance company. From the Bangladesh perspective, the compulsory level of solvency margin for insurers has not yet been fixed by IDRA.

6.2 Disclosure of pertaining to Solvency Margin

GREEN DELTA INSURANCE COMPANY LIMITED

Assets, Liabilities and Solvency Margin

For the year ended as at 31 December 2018

BDT in million

SI	Class of Business	Net Premium	Gross Premium	Factor	G.P. after application of Factor	20% of GPF	20% of NP	20% of (NP & GPF) which is higher
1	Fire	462.65	1,692.79	0.50	846.40	169.28	92.53	169.28
2	Marine Cargo	906.92	1,119.35	0.70	783.55	156.71	181.38	181.38
3	Marine Hull	22.63	142.96	0.50	71.48	14.30	4.53	14.30
4	Motor	163.48	181.15	0.85	153.98	30.80	32.70	32.70
5	Misc	104.85	542.38	0.70	379.67	75.93	20.97	75.93
Total		1,660.53	3,678.63					473.59

Total Assets as per Balance Sheet		10,165.42
Less :		
Amount due from others	2,443.92	
Outstanding premium	116.75	
Furniture & Fixture	43.61	
		2,604.28
(A) Total Assets		7,561.14

Total Liabilities	
Sundry Creditors	995.55
Amount due to others	764.21
Provision for income tax	69.47
Deposit Premium	338.99
Reserve for Unexpired risk	674.05
Bank Loan	786.08
Reserve for exceptional loss	1,343.22
(B) Total Liabilities	4,971.57

Solvency Margin Available: BDT 2589.57 Million

Required Solvency Margin: BDT 473.59 Million

6.3 Accounting Ratios Pertaining to Insurance Sectors

Particulars	2018	2017	2016	2015	2014
(%) of Reinsurance Premium Ceded on Gross Premium	54.86%	53.72%	58.21%	58.40%	54.42%
R/I Commission Earned on Gross Premium	10.10%	10.28%	14.29%	11.25%	7.36%
R/I Commission Earned on Net Premium	22.37%	22.21%	34.19%	27.05%	16.15%
Net Claim Incurred on Gross Premium	12.80%	11.27%	10.57%	10.00%	12.93%
Net Claim Incurred on Net Premium	28.36%	24.35%	25.30%	24.03%	28.36%
Underwriting Result on Gross Premium	10.96%	12.14%	12.18%	10.15%	11.41%
Underwriting Result on Net Premium	24.27%	26.24%	29.13%	24.41%	25.03%
Management Expense (Revenue) on Net Premium	33.38%	39.97%	44.28%	42.86%	45.59%
Combined Ratio on Gross Premium	51.53%	50.95%	51.39%	50.46%	56.22%
Combined Ratio on Net Premium	114.16%	110.09%	122.97%	121.30%	123.32%

Particulars	2018	2017	2016	2015	2014
External Liability Ratio	62%	54%	52%	35%	36%
Internal Capital Generation Ratio	4%	3%	3%	3%	3%
Exceptional Loss Reserve to Net Premium	81%	83%	90%	86%	81%
Capital & Fund to total Assets	62%	65%	66%	74%	74%
Retention Ratio	45%	46%	42%	42%	46%
Premium to Equity	59%	51%	56%	53%	55%
Underwriting Result on Net Premium	24%	26%	29%	24%	25%
Net Profit Margin on Net Premium	15%	16%	19%	18%	20%
Return on Average Assets (ROAA)	2%	2%	3%	3%	4%
Return on Average Equity(ROAE)	4%	4%	4%	4%	5%



DIGITAL INSURANCE

7.1 Report on Digital Insurance

Overview

More and more people of all ages and demographics around the world are living their lives on the internet. The younger generation, particularly the millennials (young adults), are extensively using social media to share structured and unstructured data across multiple means and channels in an integrated fashion. This is creating a tremendous need for digital relevance, which companies cannot afford to ignore.

The digital model has effected a shift from face-to-face to computer, phone and mobile devices. Furthermore, with the launch of new mobile payment options, traditional wallets are becoming obsolete. A report by Allied Market Research has indicated that mobile payments will grow to a mammoth size of \$4,573.8 billion in 2023, registering an incredible 33.8% CAGR between 2017-23. Some of the reasons attributed to this growth include a rise in the penetration of smartphones, increase in adoption of mobile payments in emerging economies, and growth in m-commerce, among others.



\$4,573.8 bn

Projected world mobile payments market in 2023

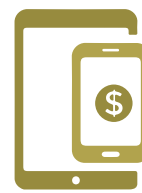
Digital Insurance: A huge opportunity pool in Bangladesh

The Bangladeshi insurance industry is a largely untapped geography. However, the paradox is that though there are as many as 66 insurance companies operating in the life and non-life insurance categories, the combined market penetration is less than 1%. This is minuscule, even more so when one looks at the insurance market penetration in neighbouring countries like India, which is at about 3-4%. However, with the growing presence of digital among the other major structural industry drivers, this scenario is likely to change fast in the near future.

Bangladesh has a growing middle-income population out of a total population base of about 163-million people. The current per capita income is \$1,751. A few years ago, this metric was insignificant. Dependable analysis indicates that the per capita income could touch \$2,000 by 2020. Furthermore, the year 2018 is the eighth consecutive year that Bangladesh's GDP

In the digital world, customers expect experiences to be integrated and consistent. Hence, the increased availability of, and access to, data is what will bring insurance to life in the digital world. Today, with the advent of the digital revolution, products and services are being introduced at a much faster. Moreover, the adoption of new technologies is also much quicker and, naturally, consumers have higher expectations in terms of insurance companies' digital output and functionality. It is clear that insurance companies have to build compelling capabilities via digital models in order to be relevant in the marketplace.

A report titled 'Digital Insurance Platform Market - Global Forecast to 2023' by www.marketandmarket.com indicates that the digital insurance platform market size is expected to grow from \$86.20 billion in 2018 to \$164.13 billion by 2023, at a CAGR of 13.7% during the forecast period. The significant increase in the use of smart devices and internet services, growth in the adoption of cloud-based solutions, and a rise in the technological limitations of traditional systems are some of the key factors driving the demand for implementing digital insurance platforms.



\$164.13 bn

Digital insurance platform market size in 2023

has exceeded 6%+ growth. With increasing awareness, innovation in distribution and rise in disposable incomes, insurance penetration is expected to rise at a fast clip in the medium- to long-term.

Bangladesh has witnessed unprecedented growth in mobile phones and internet penetration. There are more than 80 million internet users and around 10 million smartphone users. These trends will fundamentally shape the future of many industries and insurance is one of them.

Green Delta Digital Insurance: Furthering our mission of 'Insurance for All'

As in most developing countries, insurance is not yet commonplace in Bangladesh, a market characterised by significant insurance under-penetration. The primary reasons behind this comprise the lack of awareness about insurance among the population on the one hand, and the absence of large-scale reach of the industry beyond the metropolitan limits of the country on the other. The end result is that the industry has tailed

the growth of banking, its closest peer, in the financial services industry ecosystem. Take the instance of Green Delta Insurance's PPA or People's Personal Accident Policy product that provides an annual coverage of up to BDT 1 lakh for a one-time premium of only BDT 74, a minuscule amount for almost anyone.

As is obvious, the benefits of such a product compared with the quantum of the premium is stark. However, two issues are at work here: First, most people don't know about PPA and how it works, and second, many assume it takes significant effort to take a PPA policy, along with the need for lengthy paperwork. They believe that going through this process is a hassle. In effect, many are of the opinion that finding and purchasing an insurance policy is not a great experience yet. This scenario however, aided by the advent of digital, is changing fast.

Companies like Green Delta Insurance are taking the lead and pushing forward with introducing new and innovative products, solutions, ideas and experiments. The Company has actively demonstrated that innovation can prove to be a game-changer for the industry. For example, consider buying insurance sitting in the comforts of your home or office or anywhere for that matter. This is being powered by Green Delta Digital Insurance, which aims to make the insurance-buying experience of the customer as simple, seamless and convenient as possible, facilitated by a few clicks on the mobile phone or computer. This is revolutionary vis-à-vis the traditional process of insurance purchase.

Green Delta Digital Insurance: Making Insurance Simple and Convenient

Generally, it has been found that people face a two-pronged dissonance with insurance:

- Lack of understanding
- Perceived acuity that insurance purchase is a time-consuming process and not a good experience to undergo

At Green Delta Insurance, we believe that digitalisation will help address these twin challenges, and this is precisely where Green Delta Digital Insurance comes in. This effectively makes buying insurance frictionless, and an experience that people would find worth going through.

Green Delta Insurance officially launched Digital Insurance on 13th September 2018. A first-of-its-kind insurance platform in Bangladesh, it aims to offer a seamless insurance experience to customers. This launch marks substantial investments in internal infrastructure and technology development to ensure a world-class user experience.

Green Delta Insurance customers can purchase such insurance policies as Travel, Motor and People's Personal Accident Policy and Nibedita digitally from the comforts of their home or anywhere in the world, effecting premium payments digitally.

This way, the entire process is intuitive and simple, and comprises a 4-step process:

- Logging onto the Green Delta Insurance website
- Selecting an insurance policy
- Filling-up the necessary forms
- Making the payment at checkout by using a card or any digital payment tool

Once this is done, on making the payment, the user will immediately receive the insurance policy via email and as well as the printed hard copy within a few days.

Going forward, Green Delta Insurance expects to make other insurance products available digitally over time.

Green Delta Digital Insurance Works

With Digital Insurance, anyone can purchase an insurance policy from Green Delta directly. One needs to simply logon to www.green-delta.com and follow the simple instructions given online.

Importantly, Green Delta has integrated all secured payment tools, starting from various cards to digital payment services such as iPay, bKash and other payment tools, using which one can pay their premium amount digitally.

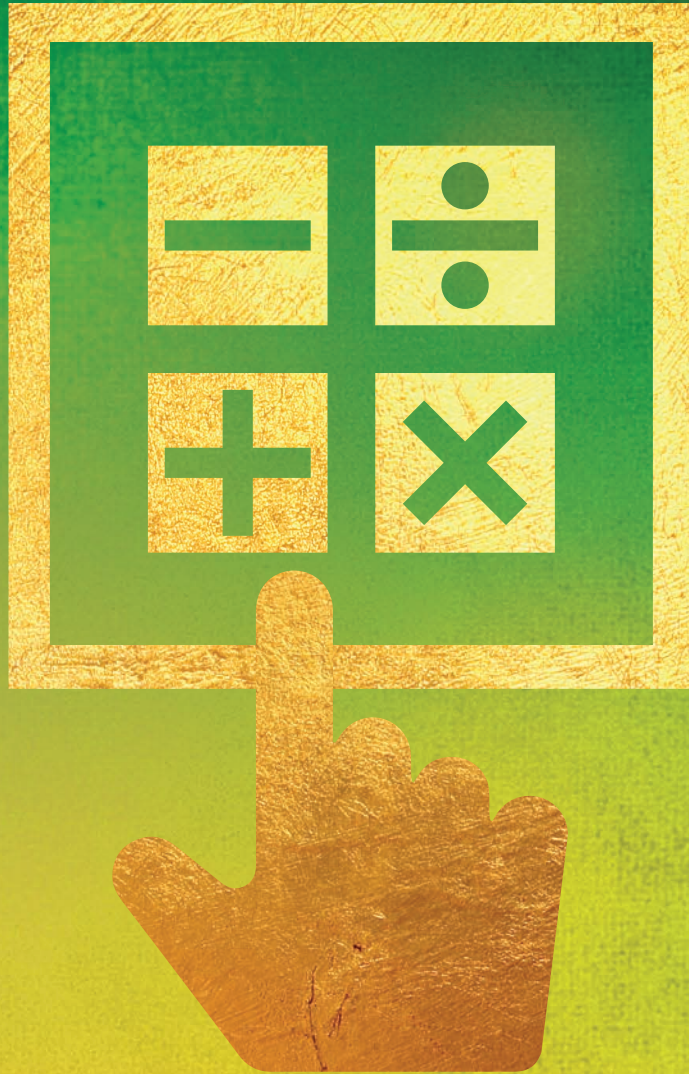
True to the pioneering spirit of the Company, this is the first time that any Bangladeshi insurance company has taken such a leap in digital insurance. Going into the future, Green Delta Insurance has been working on digital insurance initiatives, and the organisation sees huge opportunity in the digital insurance space to serve a growing consumer base that is young and youthful better.

Green Delta Digital Insurance – Insurance at your Fingertips

Green Delta Digital Insurance makes it easy for anyone to buy insurance from anywhere. It fixes one of the critical barriers to access insurance. Today, if one wants to purchase travel insurance at the last minute, one needs to simply log on to Green Delta Insurance website, even sitting in the airport and buying a policy and getting the insurance documents in their email with just a few clicks.

Today, Green Delta continues to work on improving its digital insurance products. Along with a seamless and secure experience, it now offers various cashback deals in partnership with a host of digital payment partners. Going forward, the Company aims to expand its presence in the digital insurance universe by digitising claim settlement, etc., and is working relentlessly on enhancing and enriching customer experience, and also making their lives easier.

With Green Delta Digital Insurance, buying an insurance policy has never been this easy!



**AUDITED FINANCIAL STATEMENTS OF
GREEN DELTA INSURANCE COMPANY LIMITED**

8.1.1 Independent Auditor's Report 2018

TO THE SHAREHOLDERS OF GREEN DELTA INSURANCE COMPANY LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the consolidated financial statements of **Green Delta Insurance Company Limited and its Subsidiaries** (together referred to as the “**Group**”) as well as the separate financial statements of **Green Delta Insurance Company Limited** (the “**Company**”), which comprise the consolidated balance sheet and the separate balance sheet as at 31 December 2018, the consolidated and separate profit and loss accounts, the consolidated and separate profit & loss appropriation account, the consolidated and separate statements of changes in equity and the consolidated and separate cash flow statements for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the company as at 31 December 2018, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Insurance Act 2010, the Insurance Rules 1958, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the auditor's

responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements for 2018. These matters were addressed in the context of the audit of the financial statements as a whole, and in forming the auditor's opinion thereon, and we do not provide a separate opinion on these matters. For each matter below our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters.

Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatements of the financial statements. These results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Risk	Our response to the risk
Premium income	
Gross general insurance premiums comprise the total premiums received for the whole period of cover provided by contracts entered into during the accounting period.	<p>With respect to Premium income in respect of various types of insurance we carried out the following procedures:</p> <ul style="list-style-type: none"> ■ The design and operating effectiveness of key controls around premium income recognition process.

Risk	Our response to the risk
<p>Given the important nature, connections to other items to the financial statements and sensitivity of the item we believe this area pose high level of risk.</p> <p>At year end the 2018, the Group reported total gross premium income of BDT 3,678,628,830 (2017: BDT 3,293,547,119).</p>	<ul style="list-style-type: none"> ■ Carried out analytical procedures and recalculated premium income for the period. ■ Carried out cut-off testing to ensure unearned premium income has not been included in the premium income. ■ On a sample basis reviewed policy to ensure appropriate policy stamp was affixed to the contract and the same has been reflected in the premium register. ■ Ensured on a sample basis that the premium income was being deposited in the designated bank account. ■ Tested on a sample basis to see that appropriate VAT was being collected and deposited to bank through Treasury Challan. ■ For a sample of insurance contracts tested to see if appropriate level of reinsurance was done and whether that re-insurance premium was deducted from the gross premium. ■ Applying specialist judgment ensured if there is any impairment of the reinsurer. ■ Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act 1938 (as amended in 2010), Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.
See note no 23.00 to the financial statements	
Investment fluctuation fund	
<p>Insurance company makes a number of investments in the listed and unlisted capital market with required regulatory permission. Income generated from the investments (realized gain and dividend received) is credited</p> <p>to the Profit & Loss Account. Unrealized capital gain or loss if any is transferred to the Investment Fluctuation Fund subsequently or as per the policy of the company.</p> <p>This item has significant impact on the earnings performance of the company and return to the shareholders and might be prone to misreporting as large unreported fall in the value of any holding may wipe out the value of the portfolio and hamper the distribution capability of the company.</p> <p>At year end the 2018, the Group reported total balance under the head of Investment fluctuation fund of BDT 2,069,906,894 (2017: BDT 2,287,365,792).</p>	<p>We tested the design and operating effectiveness of key controls around monitoring, valuation and updating of prices of the positions held by the company from trusted sources. Additionally, we performed the following:</p> <ul style="list-style-type: none"> ■ Obtained year-end share holding positions from the company and through directional testing assessed the completeness of the report. ■ Ascertained the valuation of the holding as per IFRS 13. ■ Reviewed and challenged the assumptions used for the valuation models for any unquoted securities. ■ Recalculated unrealized gain or loss at the year end. ■ Carried out cut-off testing to ensure unrealized gain or loss was recognized in correct period. ■ Obtained the CDBL report and share portfolio and cross checked against each other to confirm unrealized gain or loss. ■ Check the subsequent positioning of this unrealized amount after the year end.
	<ul style="list-style-type: none"> ■ Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act 1938 (as amended in 2010), Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.
See note no 4.02 to the financial statements	



Risk	Our response to the risk
Estimated liability in respect of outstanding claims whether due or intimated and claim payment	
<p>This account represents the claim due or intimated from the insured and involves significant management judgment and risk of understatement. In extreme scenario this item may have going concern implications for the company.</p> <p>At year end the 2018, the Group reported total balance under the head of estimated liability in respect of outstanding claims whether due or intimated and claim payment of BDT 254,315,406 (2017: BDT 205,933,683).</p>	<p>We tested the design and operating effectiveness of controls around the due and intimated claim recording process. We additionally carried out the following substantive testings around this item:</p> <ul style="list-style-type: none"> ■ Obtained the claim register and tested for completeness of claims recorded in the register on a sample basis. ■ Obtained a sample of claimed policy copy and cross check it with claim. ■ Obtained a sample of survey reports cross checked those against respective ledger balances and in case of discrepancy carried out further investigation. ■ Obtained and discussed with management about their basis for estimation and challenged their assumptions where appropriate. ■ Reviewed the claim committee meeting minutes about decision about impending claims. ■ Tested a sample of claims payments with intimation letter, survey report, bank statement, claim payment register and general ledger. ■ Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act 1938 (as amended in 2010), Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.

See note no 8.00 to the financial statements

Other information

Management is responsible for the other information. The other information comprises all of the information in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements and internal controls

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act 1994, the Insurance Act 2010, the Insurance Rules 1958, the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to

enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

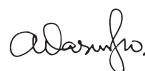
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In accordance with the Companies Act 1994, the Insurance Act 2010, the Insurance Rules 1958, the Securities and Exchange Rules 1987 and relevant notifications issued by Bangladesh Securities and Exchange Commission, we also report that:

1. 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 and made due verification thereof;
2. In our opinion, proper books of accounts, records and other statutory books as required by law have been kept by the Company so far as it appeared from our examinations of those books;
3. The Company management has followed relevant provisions of laws and rules in managing the affairs of the Company and proper books of accounts, records and other statutory books have been properly maintained and (where applicable) proper returns adequate for the purposes of our audit have been received from branches not visited by us;
4. As per section 63(2) of the Insurance Act 2010, in our opinion to the best of our knowledge and belief and according to the information and explanation 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;
5. the financial statements as at 31 December 2018 of the subsidiaries, namely Green Delta Capital Limited, Green Delta Securities Limited, Professional Advancement Bangladesh Limited and GD Assist LTD have been audited by Ahmed Zaker & Co., Chartered Accountants and have been properly reflected in the consolidated financial statements.
6. We report 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 its business re-insured abroad;
7. The balance sheet, profit & loss account appropriation account, profit & loss account, related revenue accounts, statement of changes in equity and statement of cash flows of the Company together with the annexed notes dealt with by the report are in agreement with the books of account and returns; and
8. The expenditure was incurred for the purpose of the Company's business.



A. Qasem & Co.
Chartered Accountants

Dated, Dhaka
10 February 2019

8.1.2 Green Delta Insurance Company Ltd. & Its Subsidiaries' Consolidated Balance Sheet

as at December 31, 2018

	Note	2018	2017
Amount in Taka			
Capital and liabilities:			
Share capital			
Authorized capital	3.00	5,000,000,000	5,000,000,000
Issued, subscribed and paid-up capital	3.00	806,911,870	806,911,870
Share premium		195,113,205	195,113,205
Reserve or contingency account	4.A	5,089,940,617	5,283,952,566
Reserve for exceptional losses		1,343,221,488	1,260,194,875
Investment fluctuation fund		2,069,906,895	2,287,365,792
General reserve		180,000,000	180,000,000
Dividend equalization fund		110,000,000	110,000,000
Revaluation reserve	4.B	1,386,812,234	1,446,391,899
Profit & loss appropriation account	5.A	443,664,020	435,037,735
Non controlling interest	5.B	4,009	3,950
Total shareholders' equity		6,535,641,921	6,721,024,527
Balance of fund accounts	6.00	674,051,405	617,680,534
Fire insurance business		184,144,543	160,024,788
Marine insurance business		383,795,721	347,864,489
Motor insurance business		64,466,505	69,362,139
Miscellaneous ins. business		41,644,636	40,429,118
Premium deposit	7.00	338,990,220	105,759,559
Liabilities and provisions:		3,285,926,674	3,060,222,416
Estimated liability in respect of outstanding claims whether due or intimated	8.00	254,315,406	205,933,683
Amount due to other persons or bodies carrying on insurance business	9.00	764,205,552	966,061,124
Sundry creditors (Including outstanding expenses, taxes & provisions)	10.A	1,284,741,017	1,032,041,527
Loan Received	11.A	982,664,699	856,186,082
Total liabilities		4,298,968,299	3,783,662,507
Total liabilities & shareholders' equity		10,834,610,220	10,504,687,034

		Amount in Taka	
	Note	2018	2017
Assets and properties			
		7,434,597,337	7,047,950,712
Investment	12.A	3,874,299,943	4,162,476,782
Outstanding premium	13.00	116,750,321	146,797,559
Amount due from other persons or bodies carrying on insurance business	14.00	2,443,917,092	1,756,205,360
Sundry debtors (including advances and deposits)	15.A	999,629,981	982,471,011
Cash and cash equivalent	16.A	1,217,141,985	1,257,789,705
Other accounts			
Land property and office space with building project	17.00	859,974,010	859,974,010
		1,322,896,888	1,338,972,607
Fixed assets (at cost less depreciation)	18.A	1,316,943,022	1,330,408,008
Intangible assets	18.B	4,003,533	6,573,623
Stock of printing, stationery and stamps	19.00	1,950,333	1,990,976
Total assets and properties		10,834,610,220	10,504,687,034

The accompanying notes 1-27 form an integral part of these financial statement.



Md. Abdul Karim
Chairman



Syed Aliul Ahab
Financial Controller



Shamsun Nahar Begum Chowdhury
Director



Farzanah Chowdhury
Managing Director & CEO



Syed Moinuddin Ahmed
Company Secretary



A. Qasem & Co.
Chartered Accountants

Place: Dhaka
10 February 2019

Signed as per our separate report of even date



8.1.3 Green Delta Insurance Company Ltd.

Consolidated Profit and Loss Appropriation Account

for the year ended December 31, 2018

	Note	2018	2017
Amount in Taka			
Balance brought forward from last year		339,114,929	293,941,926
Net profit for the year brought down		389,004,565	382,413,894
TOTAL		728,119,494	676,355,820
Reserve for exceptional losses	4.01	83,026,613	76,217,883
Provision for income tax		85,515,236	73,083,995
Deferred tax liability/ (asset) during the year		9,476,963	19,681,640
Dividend and Reserve distributed from last year :		196,882,374	168,257,374
Cash		196,882,374	168,257,374
General Reserve		-	-
Dividend Equalization Fund		-	-
Profit for the period of continuing operation		210,985,753	213,305,204
Balance transferred to balance sheet		353,218,308	339,114,928
TOTAL		728,119,494	676,355,820
Earning per share	24.A	3.64	3.59

The accompanying notes 1-27 form an integral part of these financial statement.



Md. Abdul Karim
Chairman



Shamsun Nahar Begum Chowdhury
Director



Farzanah Chowdhury
Managing Director & CEO



Syed Aliul Ahab
Financial Controller



Syed Moinuddin Ahmed
Company Secretary



A. Qasem & Co.
Chartered Accountants

Place: Dhaka
10 February 2019

Signed as per our separate report of even date

8.1.4 Green Delta Insurance Company Ltd. & Its Subsidiaries Consolidated Profit and Loss Account for the year ended December 31, 2018

	Note	2018	2017
Amount in Taka			
Investment income		124,434,315	159,606,344
Income from share business	21.A	47,371,468	3,883,500
Brokerage commission & others less direct expenses		126,083,316	140,171,807
Interest & others income	21.B	183,394,209	112,702,036
Total investment income		481,283,308	416,363,687
Fire insurance revenue account		19,655,493	145,817,050
Marine insurance revenue account		315,277,178	177,439,871
Motor insurance revenue account		55,633,672	48,096,325
Misc. insurance revenue account		12,499,920	28,611,601
Total revenue income		403,066,263	399,964,847
Total income		884,349,571	816,328,534
Management expenses	21.C	429,466,561	363,423,284
Director's fee & expenses		1,016,373	1,034,170
Audit fees		345,000	345,000
Depreciation		56,506,909	61,612,187
Total expenditure		487,334,843	426,414,641
Profit before provision & tax		397,014,728	389,913,894
Others provision		8,010,163	7,500,000
Net profit for the year		389,004,565	382,413,894
Profit attributable to GDIC		389,004,506	382,413,746
Share of non-controlling interest		59	148
		389,004,565	382,413,894

The accompanying notes 1-27 form an integral part of these financial statement.



Md. Abdul Karim
Chairman



Shamsun Nahar Begum Chowdhury
Director



Farzanah Chowdhury
Managing Director & CEO



Syed Aliul Ahabab
Financial Controller



Syed Moinuddin Ahmed
Company Secretary



A. Qasem & Co.
Chartered Accountants

8.1.5 Green Delta Insurance Company Ltd. Its Subsidiaries Consolidated Statement of Changes in Equity

For the year ended December 31, 2018

Particulars	Amount in Taka										
	Share Capital	Share Premium	Reserve for Exceptional Losses	General Reserve	Dividend Equalization Fund	Revaluation Reserve	Investment Fluctuation Fund	Retained Earnings	Total	Non Controlling Interest	Total
Balance at January 1, 2018	806,911,870	195,113,205	1,260,194,874	180,000,000	110,000,000	1,446,391,899	2,287,365,792	435,037,795	6,721,015,375	3,950	6,721,019,325
Revaluation adjustment during the period						(59,579,665)	-	20,445,794	(39,133,871)		(39,133,871)
Appropriation to sale for reserve								(25,922,830)	(25,914,628)		(25,914,628)
Cash dividend paid for the year 2017								(196,882,374)	(196,882,374)		(196,882,374)
Profit after tax								294,012,307	294,012,307	59	294,012,367
Appropriation to reserve								(83,026,614)	(217,458,898)		(217,458,898)
Balance as on December 31, 2018	806,911,870	195,113,205	1,343,221,488	180,000,000	110,000,000	1,386,812,234	2,069,906,894	443,664,019	6,535,637,912	4,009	6,535,641,921



Md. Abdul Karim
Chairman



Farzanah Chowdhury
Managing Director & CEO



Syed Aliul Ahab
Financial Controller



Syed Moimuddin Ahmed
Company Secretary



A. Qasem & Co.
Chartered Accountants

Place: Dhaka
10 February 2019

Signed as per our separate report of even date.

8.1.6 Green Delta Insurance Company Ltd. & Its Subsidiaries Consolidated Statement of Cash Flows for the year ended December 31, 2018

	2018	2017
Amount in Taka		
Cash flows from operating activities		
Collections from premium and other income	4,763,305,014	3,858,592,676
Payments for management expense, re-insurance and claims	(4,590,134,245)	(4,598,726,348)
Income tax paid	(113,313,938)	(101,346,597)
Net cash provided by operating activities	59,856,831	(841,480,269)
Cash flows from investing activities		
Investment in share and others	(677,658,956)	(538,623,248)
Income from share trading	5,541,405	6,115,971
Interest received/((Paid)	24,509,829	(6,086,419)
Income from office rent	23,510,808	15,574,817
Advance Received /((Paid) to Green Delta Securities Ltd.	37,879,317	50,000,000
Dividend income	72,124,941	64,049,571
Purchase of fixed assets	(41,111,611)	(32,639,748)
Disposal of fixed assets	6,549,350	18,237,459
Interest on FDR	54,096,212	72,162,257
Receivable from Green Delta Capital Ltd.	4,998,717	9,094,432
Receivable from GD Asset Management	-	(26,617)
Advance for fixed assets part payment	(9,771,922)	(4820157)
Investment in others	(4,648,832)	(130,126,857)
Investment in ACME Laboratories Ltd.	-	28,732,364
Advance for office space Rupayan	-	15,657,096
Advance for office space (Khatungonj, Ctg.)	-	1,235,628
Advance for office space	-	(2,096,932)
Trustee commission	12,170,000	5,820,000
Bank loan/Overdraft	536,076,165	336,118,429
Net cash used in investing activities	44,265,424	(91,621,956)
Cash flows from financing activities:		
Share Capital	7,500,000	-
Dividend paid	(194,684,244)	(164,948,842)
Temporary loan paid	11,951,731	(11,138,627)
Client account	30,462,538	(113,505,156)
Net cash used in financing activities	(144,769,975)	(289,592,625)
Net increase/(decrease) in cash & cash equivalents during the year	(40,647,722)	(1,222,694,848)
Cash & cash equivalents at the beginning of the year	1,257,789,705	2,480,484,555
Cash & cash equivalents at the end of the year	1,217,141,985	1,257,789,705
Net Operating Cash Flows per Share (NOCFPS)	0.74	(10.43)

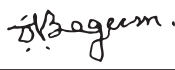
The accompanying notes 1-27 form an integral part of these financial statement.



Md. Abdul Karim
Chairman



Syed Aliul Ahabab
Financial Controller



Shamsun Nahar Begum Chowdhury
Director



Farzanah Chowdhury
Managing Director & CEO



Syed Moinuddin Ahmed
Company Secretary



A. Qasem & Co.
Chartered Accountants

Place: Dhaka
10 February 2019

Signed as per our separate report of even date

8.2.1 Green Delta Insurance Company Ltd.

Balance Sheet

As at December 31, 2018

	Note	2018	2017
Amount in Taka			
Capital and liabilities:			
Share capital			
Authorized share capital	3.00	5,000,000,000	5,000,000,000
Issued, subscribed and paid-up capital	3.00	806,911,870	806,911,870
Share premium		195,113,205	195,113,205
Reserve or contingency account:	4.00	5,049,002,964	5,203,881,042
Reserve for exceptional losses	4.01	1,343,221,488	1,260,194,875
Investment fluctuation fund	4.02	2,069,906,895	2,287,365,792
General reserve	4.03	180,000,000	180,000,000
Dividend equalization fund	4.04	110,000,000	110,000,000
Revaluation reserve	4.05	1,345,874,581	1,366,320,375
Profit & loss appropriation account	5.00	231,736,883	206,289,188
Total shareholders' equity		6,282,764,922	6,412,195,305
Balances of funds & accounts:	6.00	674,051,405	617,680,532
Fire insurance business		184,144,543	160,024,788
Marine insurance business		383,795,721	347,864,489
Motor insurance business		64,466,505	69,362,137
Miscellaneous insurance business		41,644,636	40,429,118
Premium deposit	7.00	338,990,220	105,759,559
Liabilities and provisions		2,869,613,355	2,708,216,486
Estimated liability in respect of outstanding claims whether due or intimated	8.00	254,315,406	205,933,683
Amount due to other persons or bodies carrying on insurance business	9.00	764,205,552	966,061,124
Sundry creditors (including outstanding expenses, taxes & provisions)	10.00	1,065,016,232	823,216,310
Loan Received	11.00	786,076,165	713,005,369
Total liabilities		3,882,654,980	3,431,656,577
Total liabilities & shareholders' equity		10,165,419,902	9,843,851,882

		Amount in Taka	
	Note	2018	2017
Assets and properties			
		7,117,338,755	6,678,634,253
Investment	12.00	3,940,108,689	4,210,106,520
Outstanding premium	13.00	116,750,322	146,797,559
Amount due from other persons or bodies carrying on insurance business	14.00	2,443,917,092	1,756,205,360
Sundry debtors (including advances and deposits)	15.00	616,562,652	565,524,814
Cash and cash equivalents	16.00	896,917,653	983,356,799
		2,151,163,494	2,181,860,830
Land	17.00	859,974,010	859,974,010
Fixed assets & intangible assets	18.00	1,289,239,151	1,319,895,846
Stock of printing, stationery and stamps	19.00	1,950,333	1,990,974
Total assets and properties		10,165,419,902	9,843,851,882

The accompanying notes 1-27 form an integral part of these financial statement.



Md. Abdul Karim
Chairman



Syed Aliul Ahabab
Financial Controller



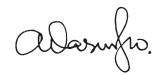
Shamsun Nahar Begum Chowdhury
Director



Farzanah Chowdhury
Managing Director & CEO



Syed Moinuddin Ahmed
Company Secretary



A. Qasem & Co.
Chartered Accountants

Place: Dhaka
10 February 2019

Signed as per our separate report of even date



8.2.2 Green Delta Insurance Company Ltd.

Profit and Loss Appropriation Account

For the year ended December 31, 2018

	Note	2018	2017
Amount in Taka			
Balance brought forward from last year		82,759,861	77,255,089
Net profit for the year brought down		318,887,851	307,786,669
TOTAL		401,647,712	385,041,758
Reserve for exceptional losses	4.01	83,026,613	76,217,883
Provision for income tax		60,000,000	45,000,000
Provision for deferred tax expense		9,476,963	19,681,640
Dividend and Reserve distributed from last year Profit :		161,382,374	161,382,374
Cash Dividend		161,382,374	161,382,374
General Reserve		-	-
Dividend Equalization Fund		-	-
Profit for the period of continuing operation		166,384,275	166,887,146
Balance transferred to balance sheet		87,761,762	82,759,861
TOTAL		401,647,712	385,041,758
Earning Per share		3.09	3.01
P/E Ratio		21.03	20.38

The accompanying notes 1-27 form an integral part of these financial statement.



Md. Abdul Karim
Chairman



Shamsun Nahar Begum Chowdhury
Director



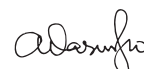
Farzanah Chowdhury
Managing Director & CEO



Syed Aliul Ahab
Financial Controller



Syed Moinuddin Ahmed
Company Secretary



A. Qasem & Co.
Chartered Accountants

Place: Dhaka
10 February 2019

Signed as per our separate report of even date

8.2.3 Green Delta Insurance Company Ltd.

Profit and Loss Account

For the year ended December 31, 2018

	Note	2018	2017
Amount in Taka			
Expenses of management (not applicable to any particular fund or account)		189,847,521	244,611,386
		133,326,054	56,509,515
Director's fee & expenses		1,016,373	1,034,170
Audit fees	20.00	345,000	345,000
Depreciation		49,480,681	55,130,345
Bad Debt Expenses		82,484,000	-
Net profit for the year carried down to profit & loss appropriation account		318,887,851	307,786,667
TOTAL		642,061,426	608,907,568
Investment & others income	21.00	238,995,163	208,942,722
Profit & loss transferred from :		403,066,263	399,964,846
Fire insurance revenue account		19,655,493	145,817,050
Marine insurance revenue account		315,277,178	177,439,871
Motor insurance revenue account		55,633,672	48,096,325
Miscellaneous insurance revenue account		12,499,920	28,611,600
TOTAL		642,061,426	608,907,568

The accompanying notes 1-27 form an integral part of these financial statement.



Md. Abdul Karim
Chairman



Shamsun Nahar Begum Chowdhury
Director



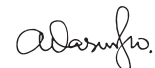
Farzanah Chowdhury
Managing Director & CEO



Syed Aliul Ahabab
Financial Controller



Syed Moinuddin Ahmed
Company Secretary



A. Qasem & Co.
Chartered Accountants

Place: Dhaka
10 February 2019

Signed as per our separate report of even date



8.2.4 Green Delta Insurance Company Ltd. Statement of Changes in Equity For the year ended December 31, 2018

Particulars	Amount in Taka								
	Share Capital	Share Premium	Reserve for Exceptional Losses	General Reserve	Dividend equalization fund	Investment Fluctuation Fund	Revaluation Reserve	Retained Earnings	Total
Balance as on January 1, 2018	806,911,870	195,113,205	1,260,194,874	180,000,000	110,000,000	2,287,365,790	1,366,320,377	206,289,189	6,412,195,310
Transfer for 2018	-	-	-	-	-	(20,445,794)	20,445,794	-	-
Cash dividend paid for 2017	-	-	-	-	-	-	-	(161,382,374)	(161,382,374)
Profit after tax	-	-	-	-	-	-	-	249,410,888	249,410,888
Appropriation to reserve	-	-	83,026,614	-	-	(217,458,898)	-	(83,026,613)	(217,458,898)
Balance as on December 31, 2018	806,911,870	195,113,205	1,343,221,488	180,000,000	110,000,000	2,069,906,892	1,345,874,581	231,736,883	6,282,764,922


Md. Abdul Karim
Chairman


Shamsun Nahar Begum Chowdhury
Director


Farzana Chowdhury
Managing Director & CEO


Syed Alilul Ahabab
Financial Controller


Syed Moinuddin Ahmed
Company Secretary


A. Qasem & Co.
Chartered Accountants

Place: Dhaka
10 February 2019

Signed as per our separate report of even date.

8.2.5 Green Delta Insurance Company Ltd.

Cash Flow Statement

For the year ended December 31, 2018


	Amount in Taka	
	2018	2017
Cash flows from operating activities:		
Collections from premium and other income	4,509,952,700	3,772,594,505
Payments for management expense, re-insurance and claims	(4,432,172,534)	(3,718,492,520)
Income tax paid	(89,111,023)	(73,984,504)
Net cash outflow from operating activities	(11,330,857)	(19,882,519)
Cash flows from investing activities:		
Investment in share	(640,709,546)	(520,978,039)
Income from share trading	5,541,405	6,115,971
Interest received	24,509,829	28,481,024
Income from office rent	23,510,808	15,574,817
Advance received/(Paid) to Green Delta Securities	-	50,000,000
Dividend income	72,124,941	64,049,571
Purchase of fixed assets	(19,444,303)	(24,873,008)
Disposal of fixed assets	6,549,350	18,237,459
Interest on FDR	73,596,212	60,917,790
Receivable from Green Delta Capital	(76,984)	9,094,432
Receivable from GD Asset Management	-	(26,617)
Advance for fixed assets part payment	(9,771,922)	(4,820,157)
Advance for office space Rupayan	-	15,657,096
Investment in GD Assist Paid up Capital	-	(7,497,000)
Investment in GD Assets Management Paid up Capital	-	(26,000,000)
Office space for Bangla Motor	-	(2,096,932)
Advance for office space (Khatungonj.Ctg.)	-	1,235,628
Beximco Pharma Preferred Share	-	522,700
Trustee commission	12,170,000	5,820,000
Investment in ACME Laboratories Ltd.	-	28,732,364
Bank loan	536,076,165	213,005,369
Net cash from (used) in investing activities	84,075,955	(68,847,532)
Cash flows from financing activities:		
Dividend paid	(159,184,244)	(158,073,842)
Net cash used in financing activities	(159,184,244)	(158,073,842)
Net Increase/(Decrease) in cash & cash equivalents during the year	(86,439,146)	(111,900,559)
Cash & cash equivalents at the beginning of the year	983,356,799	1,095,257,358
Cash & cash equivalents at the end of the year	896,917,653	983,356,799
Net Operating Cash Flows per Share (NOCFPS)	(0.14)	(0.25)

The accompanying notes 1-27 form an integral part of these financial statement.


Md. Abdul Karim
Chairman


Syed Aliul Ahab
Financial Controller


Shamsun Nahar Begum Chowdhury
Director

Farzanah Chowdhury
Managing Director & CEO

Syed Moinuddin Ahmed
Company Secretary

A. Qasem & Co.
Chartered AccountantsPlace: Dhaka
10 February 2019

Signed as per our separate report of even date

8.2.6 Green Delta Insurance Company Ltd.

Consolidated All Business Revenue Account

For the year ended December 31, 2018

	Note	2018	2017
		1,572,546,927	1,377,048,827
Claims under policies less re-insurance		470,932,340	371,156,842
Agency commission		547,345,549	396,593,922
Expenses of management		554,269,038	609,298,063
Profit transferred to profit & loss account		403,066,268	399,964,848
Balance of accounts at the end of the year as shown in the balance sheet		674,051,405	617,680,534
TOTAL		2,649,664,600	2,394,694,209
Balance of account at the beginning of the year		617,680,534	531,825,313
Gross premium		3,678,628,830	3,293,547,119
Re-insurance premium		(2,018,096,565)	(1,769,189,457)
Net premium		1,660,532,264	1,524,357,662
Commission on re-insurance ceded		371,451,798	338,511,234
		-	-
TOTAL		2,649,664,600	2,394,694,209

The accompanying notes 1-27 form an integral part of these financial statement.



Md. Abdul Karim
Chairman



Shamsun Nahar Begum Chowdhury
Director



Farzanah Chowdhury
Managing Director & CEO



Syed Aliul Ahab
Financial Controller



Syed Moinuddin Ahmed
Company Secretary



A. Qasem & Co.
Chartered Accountants

Place: Dhaka
10 February 2019

Signed as per our separate report of even date

8.2.6 Green Delta Insurance Company Ltd.

Fire Insurance Revenue Account

For the year ended December 31, 2018

		Amount in Taka	
	Note	2018	2017
		638,455,922	477,645,945
Claims under policies less re-insurance	22.00	222,732,869	105,087,174
Expenses of management		163,132,818	190,258,694
Agency commission		252,590,235	182,300,077
Profit transferred to profit & loss account		19,655,494	145,817,050
Balance of account at the end of the year as shown in the balance sheet (reserve for unexpired risks)		184,144,543	160,024,788
TOTAL		842,255,958	783,487,783
		842,255,958	783,487,783
Balance of account at the beginning of the year		160,024,788	145,925,148
Premium less re-insurance	23.00	462,654,480	401,090,823
Commission on re-insurance ceded		219,576,691	236,471,812
TOTAL		842,255,958	783,487,783

The accompanying notes 1-27 form an integral part of these financial statement.



Md. Abdul Karim
Chairman



Shamsun Nahar Begum Chowdhury
Director



Farzanah Chowdhury
Managing Director & CEO



Syed Aliul Ahabab
Financial Controller



Syed Moinuddin Ahmed
Company Secretary



A. Qasem & Co.
Chartered Accountants

Place: Dhaka
10 February 2019

Signed as per our separate report of even date



8.2.6 Green Delta Insurance Company Ltd.

Marine Insurance Revenue Account

For the year ended December 31, 2018

	Note	2018	2017
		674,975,573	661,486,171
Claims under policies less re-insurance	22.00	188,109,870	163,619,067
Expenses of management		294,331,937	337,392,128
Agency commission		192,533,767	160,474,976
Profit transferred to profit & loss account		315,277,178	177,439,871
Balance of account at the end of the year as shown in the balance sheet (reserve for unexpired risks)		383,795,721	347,864,489
TOTAL		1,374,048,471	1,186,790,531
		1,374,048,471	1,186,790,531
Balance of account at the beginning of the year		347,864,489	280,120,545
Premium less re-insurance	23.00	929,548,609	845,226,674
Commission on re-insurance ceded		96,635,374	61,443,312
TOTAL		1,374,048,471	1,186,790,531

The accompanying notes 1-27 form an integral part of these financial statement.



Md. Abdul Karim
Chairman



Shamsun Nahar Begum Chowdhury
Director



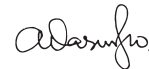
Farzanah Chowdhury
Managing Director & CEO



Syed Aliul Ahabab
Financial Controller



Syed Moinuddin Ahmed
Company Secretary



A. Qasem & Co.
Chartered Accountants

Place: Dhaka
10 February 2019

Signed as per our separate report of even date

8.2.6 Green Delta Insurance Company Ltd.

Motor Insurance Revenue Account

For the year ended December 31, 2018

	Note	2018	2017
		117,413,492	133,375,057
Claims under policies less re-insurance	22.00	33,547,913	36,108,650
Expenses of management		57,068,703	69,490,104
Agency commission		26,796,876	27,776,303
Profit transferred to profit & loss account		55,633,672	48,096,325
Balance of account at the end of the year as shown in the balance sheet (reserve for unexpired risks)		64,466,505	69,362,137
TOTAL		237,513,669	250,833,519
		237,513,669	250,833,519
Balance of account at the beginning of the year		69,362,137	69,842,541
Premium less re-insurance	23.00	163,479,811	175,895,052
Commission on re-insurance ceded		4,671,721	5,095,926
TOTAL		237,513,669	250,833,519

The accompanying notes 1-27 form an integral part of these financial statement.



Md. Abdul Karim
Chairman



Shamsun Nahar Begum Chowdhury
Director



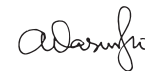
Farzanah Chowdhury
Managing Director & CEO



Syed Aliul Ahabab
Financial Controller



Syed Moinuddin Ahmed
Company Secretary



A. Qasem & Co.
Chartered Accountants

Place: Dhaka
10 February 2019

Signed as per our separate report of even date

8.2.6 Green Delta Insurance Company Ltd.

Miscellaneous Insurance Revenue Account

For the year ended December 31, 2018

	Note	2018	2017
		141,701,940	104,541,653
Claims under policies less re-insurance	22.00	26,541,688	66,341,950
Expenses of management		39,735,581	12,157,137
Agency commission		75,424,671	26,042,566
Profit transferred to profit & loss account		12,499,920	28,611,600
Balance of account at the end of the year as shown in the balance sheet (reserve for unexpired risks)		41,644,636	40,429,118
TOTAL		195,846,496	173,582,373
		195,846,496	173,582,373
Balance of account at the beginning of the year		40,429,118	35,937,079
Premium less re-insurance	23.00	104,849,365	102,145,113
Commission on re-insurance ceded		50,568,012	35,500,181
TOTAL		195,846,496	173,582,373

The accompanying notes 1-27 form an integral part of these financial statement.



Md. Abdul Karim
Chairman



Shamsun Nahar Begum Chowdhury
Director



Farzanah Chowdhury
Managing Director & CEO



Syed Aliul Ahabab
Financial Controller



Syed Moinuddin Ahmed
Company Secretary



A. Qasem & Co.
Chartered Accountants

Place: Dhaka
10 February 2019

Signed as per our separate report of even date

8.2.6 Green Delta Insurance Company Ltd.

Form "AA"

For the year ended December 31, 2018

Sl. No.	Class of Assets	Book Value (Taka)
1	Investment in government bond	25,000,000
2	Shares listed on DSE & CSE (market price)	2,878,364,905
3	Alliance Leasing and Finance	120,000,000
4	Green Delta AIMS Ltd. (paid up capital)	4,500,000
5	United Hospital	56,100,000
6	Investment in GD SL as margin loan (Note: 12.1)	225,000,000
7	Green Delta Capital Ltd.	249,999,900
9	Financial Excellence	3,000,000
10	CDBL	1,138,890
11	BD Venture	20,000,000
12	Professional Advancement Bangladesh Ltd.	9,996,000
13	Green Delta Securities Ltd	99,999,900
14	GD Assist Ltd.	9,996,000
15	GD Asset management Ltd.	26,000,000
16	Energypac Power Generation Ltd.	4,972,000
17	Fixed deposit	1,019,546,762
18	Cash at bank on STD and current account	83,411,985
19	Outstanding premium	116,750,323
20	Amount due from other persons or bodies carrying on insurance business	2,443,917,092
21	Sundry debtors (including advance and deposits)	616,562,653
22	Land property	859,974,010
23	Fixed assets (at cost less depreciation)	1,289,239,151
24	Stock of stationery and stamps	1,950,333
	TOTAL	10,165,419,902



Md. Abdul Karim
Chairman



Shamsun Nahar Begum Chowdhury
Director




Farzanah Chowdhury
Managing Director & CEO



Syed Aliul Ahabab
Financial Controller



Syed Moinuddin Ahmed
Company Secretary



A. Qasem & Co.
Chartered Accountants

Place: Dhaka
10 February 2019

Signed as per our separate report of even date

8.2.7 Green Delta Insurance Company Ltd.

Notes to the financial statements

as at and for the year ended 31 December 2018

1. Legal status and nature of the company

(a) Legal status and country of operation

Green Delta Insurance Company Limited (GDICL) was incorporated as a public limited company on 14 December 1895 and obtained the certificate of commencement of business as on 1 January 1986 under the Companies Act 1913 which was amended in 1994. The company obtained insurance license from the Controller of Insurance in 1986. GDICL went for public issue in 1990 and the shares of the company are listed in both Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited.

The company has investment in four subsidiaries. The details of the investments are provided in Note 'C'.

The registered office of the Company is located at Green Delta AIMS Tower, 51-52 Mohakhali C/A, Dhaka 1212, Bangladesh. The operation of the company are being carried out through its 43 Branches located in different division of Bangladesh.

(b) Nature of business

i) The principal activities of the company is to offer general insurance products that includes fire and allied perils insurance, marine cargo and hull insurance, aviation insurance, automobile insurance and miscellaneous insurance. These products offer protection of policyholders' assets and indemnification of other parties that have suffered damage as a result of policyholders' accident. Non-life healthcare contracts provide medical cover to policyholders. Revenue under above activities is derived primarily from insurance premiums.

(c) Subsidiary companies

Green Delta Insurance Company Limited is a parent company of four subsidiary companies namely Green Delta Securities Limited, Green Delta Capital Limited, Professional Advancement Bangladesh Limited and GD Assist Limited, details of which are given below:

Green Delta Securities Limited (GDSL)

GDSL is takeover by GDICL in the year 2013. GDICL holds 99.999% of the shares and 0.0001% is hold by an individual shareholder. The GDSL was mainly established as a brokerage house with a view to cope with the business needs of the stock buying and selling in the market as a member of the DSE and CSE under the aegies of operating stock broker and stock dealer.

Green Delta Capital Limited (GDCL)

GDICL holds 99.999% of the shares and 0.0001% is hold by an individual shareholder. The principal activities of GDCL is to carry on trade, business of indenture, dealers, traders, brokers, importers and exporters and operate and provide marchant banking services, underwrite, manage distribute issue of securities, stocks, share, bonds, debenture stock and investment instruments.

Professional Advancement Bangladesh Limited (PABL)

GDICL holds 99.96% of the shares and 0.04% is hold by an individual shareholder. The principle activities of PABL is to provide quality level training to individuals, to become professionals in the insurance and financial field to develop and strengthen vocational and non vocational training at all level through formal and non formal mode.

GD Assist Limited (GDAL)

GDICL holds 99.96% of the shares and 0.04% is hold by an individual shareholder. The principle activities of GDAL is to provide promotional and marketing services to local and foreign clients regarding publicity and brand management of product and organization.

(d) Structure, content and presentation of financial statements

Being the general purpose financial statements, the presentation of these financial statements is in accordance with the guidelines provided by per requirement of Insurance Act 1938 and International Accounting Standard 1: Presentation of Financial Statements. A complete set of financial statements comprise:

- i) Balance sheet as at 31 December 2018;
- ii) Profit and Loss Account for the year ended 31 December 2018;
- iii) Profit and Loss Appropriation Account for the year ended 31 December 2018;
- iv) Statement of Changes in Equity for the year ended 31 December 2018;
- v) Statement of cash flows for the year ended 31 December 2018;

- vi) Consolidated all Business Revenue Account for the year ended 31 December 2018;
- vii) Fire Insurance Revenue Account for the year ended 31 December 2018;
- viii) Motor Insurance Revenue Account for the year ended 31 December 2018;
- ix) Marine Insurance revenue Account for the year ended 31 December 2018;
- X) Miscellaneous Insurance Revenue Account for the year ended 31 December 2018; and
- xi) Notes comprising a summary of significant accounting policies and other explanatory information to the accounts for the year ended 31 December 2018.

2. Summary of significant accounting policies & basis of preparation

A summary of the principle accounting policies which have been applied consistently (unless otherwise stated), is set out below:

2.01 Basis of preparation

The Financial Statements have been prepared on going concern and accrual basis under the historical cost convention. The preparation and presentation of the financial statements and the disclosure of information have been made in accordance with the Insurance Act 1938 (as amended in 2010), the Insurance Rules 1958 and in conformity with International Financial Reporting Standards (IFRS), the Companies Act 1994, the Securities and Exchange Rules 1987 (as amended in 1997), the listing rules of Dhaka Stock Exchange Limited and Chittagong Exchange Limited and other applicable laws & regulations in Bangladesh.

2.02 Basis of consolidation

The financial statements of the Company and its subsidiaries have been consolidated in accordance with International Accounting Standard 27: Consolidated and Separate Financial Statements. The consolidation of the financial statements has been made after eliminating all intra-group balances, transactions, income and expenses and profits and losses resulting from intra-group transactions. The consolidated financial statements comprise the financial statements of the Group as at 31 December each year.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases. The financial statements of the subsidiaries are prepared for the same reporting year as the parent company, using consistent accounting policies.

Losses within a subsidiary are attributed to any non-controlling interest, even if this results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognizes the assets (including goodwill) and liabilities of the subsidiary
- Derecognizes the carrying amount of any non-controlling interest
- Derecognizes the cumulative translation differences recorded in equity
- Recognizes the fair value of the consideration received
- Recognizes the fair value of any investment retained
- Recognizes any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognized in other comprehensive income to profit or loss or retained earnings, as appropriate

2.03 Going concern

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The accompanying financial statements does not include any adjustments should the Green Delta Insurance Company Limited be unable to continue as a going concern.

2.04 Functional and presentation currency

These financial statements are presented in Bangladeshi Taka (BDT), which is the company's functional currency except as indicated.

2.05 Use of estimates and judgments

The preparation of financial statements require management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

2.06 Materiality and aggregation

Each material item considered by management as significant, has been presented separately in the financial statements. No amount has been set off unless GDICL has a legal right to set off the amounts and intends to settle on net basis. Income and expenses are presented on a net basis only when permitted by the relevant accounting standards.

2.07 Foreign currency transactions

Transactions in currencies other than the Company's functional currency (foreign currencies) are recorded at the rates of exchange prevailing at the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are translated at the rates prevailing at the reporting date. Exchange differences are recognized currency fluctuation reserve.

2.08 Property, plant and equipments**a. Recognition and measurement**

The cost of an item of property, plant and equipments shall be recognized as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the entity, and the cost of the item can be measured reliably.

Fixed assets have been accounted for at cost less accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs of enhancement of an existing asset are recognized as a separate asset, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of such items can be measured reliably. All other expenditures are charged to the Profit & Loss account during the financial period in which they are incurred.

Property, plant and equipment have been revalued in the year 2012 under "Current Cost Method" by an independent valuer namely "KPMG in Bangladesh" to reflect the fair value (prevailing market price). As the fair value of the assets does not differ significantly from its carrying amount as at 31 December 2018 so no revaluation has been made as on that date.

b. Depreciation

Fixed assets are recorded at historical cost less accumulated depreciation as per International Accounting Standard 16: Property, plant and equipment. Depreciation is charged on straight line method based on the following useful lives on all fixed assets:

Category of assets	Rates depreciation per annum
Furniture & Fixture	10 years
Equipment	7 years
Vehicles	5 years
Building	99 years

Depreciation on newly acquired assets are calculated for the whole year irrespective of the date of acquisition and no depreciation is charged for the year in which the assets are disposed off.

c. Sale of fixed assets

Sale price of fixed assets are determined on the basis of fair value of the assets. Gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between sales proceeds and carrying amount of the asset and is recognized in profit or loss account as per provision of IAS 16.

d. Impairment

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset should be reduced to its recoverable amount. That reduction is an impairment loss. An impairment loss is recognized as an expenses in the income statement.

2.09 Sales and lease back finance

Pursuant to International Accounting Standard 17: Leases, fixed asset (motor vehicle) acquired under sales and lease back finance is accounted for at the lower of present value of minimum lease payments under the lease agreement and the fair value of asset. The related obligation under the lease is accounted for as liability. Finance charges are allocated to accounting period in a manner so as to provide a constant rate of charge on the outstanding liability.

2.10 Intangible assets

Intangible assets (computer software) are recorded at historical cost less accumulated amortization. These are amortized on straight line method using the rate at 15%.

2.11 Investment in share

Investments are initially recognized at cost including acquisition charges with the investments. After initial recognition, investments in marketable ordinary shares have been valued at market price on an aggregate portfolio basis. Investment in non-marketable shares have been valued at cost. Full provision for diminution in value of shares as on closing of the year on aggregate portfolio basis is made in the financial statements.

2.12 Cash and cash equivalents

Cash and cash equivalents consist of cash, cash in clearing account, fixed deposit receipts, and bank balances. For the purpose of statement of cash flow, cash and cash equivalents are prepared net off bank overdrafts.

2.13 Cash flow statements

Cash flow statement is prepared in accordance with International Accounting Standard 7: Statement of Cash Flows. Cash flows from operating activities have been presented using Direct Method.

2.14 Revenue recognition**Gross premiums**

Gross general insurance premiums comprise the total premium received for the whole period of cover provided by contracts entered into during the accounting period. They are recognized in the year on which the policy issued. Re-insurance premium are deducted from the gross premium to present the net premium income from insurance business.

Unearned premiums are those proportions of premiums written in a year that relate to periods of risk after the reporting date. Unearned premiums are calculated as required by the Insurance Act 1938 as amended in 2010. The proportion attributable to subsequent periods is deferred as a provision for unearned premiums.

Re-insurance commission

Re-insurance commission are recognized as revenue over the period in which the related services are performed.

Investment income

Interest income is recognized in the profit & loss account as it accrues and is calculated by using the effective interest rate method. Fees and commissions that are an integral part of the effective yield of the financial asset or liability are recognized as an adjustment to the effective interest rate of the instrument. Interest income

Interest income from loans - secured is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset (Loans-secured) to that asset's net carrying amount.

All other interest income is recognized on accrual basis except interest of the loan accounts considered as non-performing. Interest income is suspended and full provision is made against the interest receivables on all non-performing loans when the installments are outstanding and considered doubtful of recovery on the basis of qualitative judgment.

Dividend income and profit/(loss) on sale of marketable securities

Dividend income is recognized on accrual basis in the period in which the dividend is declared and approved in annual general meeting whereas profit or loss arising from the sale of securities is accounted for only when shares are sold in the market and profit is realized and loss is incurred.

Interest on fixed deposit

Interest income from fixed deposit is recognized on an accrual basis in the period in which the income is accrued.

2.15 Benefits, claims and expenses recognition**Gross benefits and claims**

General insurance and health claims include all claims occurring during the year and related internal and external claims handling costs that are directly related to the processing and settlement of claims, a reduction for the value of salvage and other recoveries, and any adjustments to claims outstanding from previous years.

Reinsurance claims

Reinsurance claims are recognized when the related gross insurance claim is recognized according to the terms of the relevant contract.

2.16 Retirement Benefit Costs**i) Gratuity fund**

The Company has a funded gratuity scheme for all eligible employees who complete minimum 5 years of confirmed service with the Company. Required amount of gratuity is calculated on the basis of last basic pay depending on

the length of service for every completed year as well as proportionate to the fraction period of service as of the respective financial year. This scheme is approved by the National Board of Revenue (NBR) and administered by an independent Board of Trustees.

Following benefits are payable on retirement, death or leaving service:

- less than 10 year of confirmed service - Nil
- confirmed service between 10 and 15 year - One month's last drawn basic pay for every completed year of service.
- on completion of 15 years confirmed service and above - Two month's last drawn basic pay for every completed year of service subject to maximum 50 times of basic pay.

ii) Contributory provident fund

The Company has a contributory provident fund for its regular employees. The fund is approved by the National Board of Revenue (NBR), administered separately by a Board of Trustees and is contributed equally by the Company and the employees.

iii) Medical assistance

In addition to the above core benefit schemes GDIC also support medical assistance annual health check-up benefit and death & disability benefit to his employees as per their requirement.

iv) Home loan and transport assistance

To secure long term commitment of deserving employees GDIC introduced employees home loan and transport facilities. An employee served in the company for a continuous period of five years (3 years for the employees started from the position of AVP and above) is entitled to avail the loan to purchase residential apartment, purchase of land and construction of house thereon etc. Interest rate of the said loan is ranging from 10 to 15 percent.

v) Incentive bonus

The company has resorted a policy namely incentive bonus scheme for its employees who meets certain criteria based on their annual performance ascertained on net profit after tax with the approval in the annual general meeting and the paid amount are accounted for the year to which same relates.

2.17 Taxation

Income tax on earnings for the year comprises current and deferred tax and is based on the applicable tax law in Bangladesh. It is recognized in the income statement as tax expense.

Current tax

Current tax is the expected tax payable on taxable income for the year, based on tax rates (and tax laws) which are enacted at the reporting date, including any adjustment for tax payable in previous periods. Current tax for current and prior periods is recognized as a liability (or asset) to the extent that it is unpaid (or refundable).

Provision for income tax has been made at best estimate keeping in view the provisions of Income Tax Ordinance 1984 and amendment made thereto from time to time. Applicable rate of income tax for the company is 37.5%.

Deferred tax

The Corporation accounted for deferred tax as per International Accounting Standard 12: Income Taxes. Deferred tax is accounted for using the comprehensive tax balance sheet method. It is generated by temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax base.

Deferred tax assets, including those related to the tax effects of income tax losses and credits available to be carried forward, are recognized only to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences or unused tax losses and credits can be utilized.

Deferred tax liabilities are recognized for all taxable temporary differences. They are also recognized for taxable temporary differences arising on investments and it is probable that temporary differences will not reverse in the foreseeable future. Deferred tax assets associated with these interests are recognized only to the extent that it is probable that the temporary difference will reverse in the foreseeable future and there will be sufficient taxable profits against which to utilize the benefits of the temporary difference.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period(s) when the asset and liability giving rise to them are realized or settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date. The measurement reflects the tax consequences that would follow from the manner in which the corporation at the reporting date, recovers or settles the carrying amount of its assets and liabilities.

2.18 Provision for outstanding claims

For non-life insurance contracts, estimates have to be made both for the expected ultimate cost of claims reported at the reporting date and for the expected ultimate cost of claims incurred, but not yet reported, at the reporting date.

2.19 Reserve or Contingencies

a) Reserve for Exceptional Losses

As per Insurance Act 1938 as amended 2010, 5% statutory reserve is maintained out of profit by the Company to meet any possible future claims.

b) Foreign Currency Fluctuation Fund

The Company maintained a foreign currency (FC) account with the Pubali Bank Limited for the overseas transactions and creates a reserve for foreign currency fluctuation to avoid future losses due to change in foreign currency translation rate.

c) Investment fluctuation fund

The Company made investments in the capital market in a large portfolio and income generate from the investment (realized gain and dividend received) is credited to the profit & loss Account. Unrealized capital gain if any is transferred to the investment fluctuation fund subsequently.

d) General reserve

The Company creates a general reserve from the current year profit to avoid future contingency.

e) Dividend equalization fund

Dividend equalization fund is created for making proposed and approved dividend payments consistently to the shareholders in the event of worst business situation of the company.

2.20 Disclosure of departure from few requirements of IFRS due to mandatory compliance of Insurance Act's requirements

a) The Green Delta Insurance Company Limited management has followed the principles of IFRS consistently in preparation of the financial statements to that extent as applicable to the GDICL. Some requirements of Insurance Act 1938 and Insurance Rules 1958 and regulations contradict with those of financial instruments and general provision standards of IFRS. As such the GDICL has departed from those contradictory requirements of IFRS in order to comply with the rules and regulations of IDRA which are disclosed below along with financial impact where applicable:

b) As per Insurance Act 1938 (as amended 2010), investments in quoted shares and unquoted shares are revalued at the year end at market price and as per book value of last audited balance sheet respectively. Provisions has been made by netting off any unrealized gain/(loss) arising at the Balance sheet date. However as per requirements of IAS 39 investment in shares falls either under "at fair value through profit and loss account" or under "available for sale" where any change in the fair value at the year-end is taken to profit and loss account or other comprehensive income respectively.

c) General provision on insurance premium and re-insurance premium are followed as per Insurance Act 1938 (as amended 2010) . However such general provision cannot satisfy the conditions of provision as per IAS 37. At the year end the GDICL has recognized provision of BDT 658, 163,95 as balance of fund and liabilities in the balance sheet under liabilities.

d) Insurance Act 1938 has issued templates for financial statements which will strictly be followed by all general and life insurance company. The templates of financial statements issued by Insurance Act does not include other comprehensive income (OCI) nor are the elements of other comprehensive income allowed to include in a single comprehensive income (OCI) Statement. As such the GDICL does not prepare the other comprehensive income statement. However the GDICL does not have any elements of OCI to be presented.

e) As per IDRA guidelines, financial instruments are categorized, recognized and measured differently from those prescribed in IAS 39. As such some disclosure and presentation requirements of IFRS 7 and IAS 32 have not been made in the accounts.

2.21 Interest expense

The Company has incurred interest and related expenses on account of overdraft, finance lease and short term loan. In terms of provision of the International Accounting Standard 1: Presentation of Financial Statements, interest expenses are recognized on accrual basis.

2.22 Earnings per share

Earnings per share have been calculated in accordance with International Accounting Standard 33: Earnings Per Share, and shown on the face of profit and loss account and computation shown in note # 24.

Basic earning per share

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

Basic earnings

This represents earnings for the period ended on 31 December 2018 attributable to the ordinary shareholders.

Weighted average number of ordinary shares outstanding during the year

This represents the number of ordinary shares outstanding at the beginning of the year plus the number of ordinary shares issued (as bonus share) during the year multiplied by a time weighting factor. The time-weighting factor is the numbers of days the specific shares are outstanding as a proportionate of the number of days in the year.

Diluted earnings per share

Diluted EPS is calculated if there is any commitment for issuance of equity shares in foreseeable future, i.e., potential shares, without inflow of resources to the Company against such issue. There was no such commitment during the year and accordingly no dilution is required in the year 2018.

2.23 Accounting for changes in accounting estimates

IAS 8 states that the effect of a change in an accounting estimate is to be applied prospectively by inclusion in the current accounting period and, if relevant, in future accounting period. The carrying amount of assets, liabilities, or equity may be changed following a change in accounting estimates in the period of the change.

2.24 Related party disclosure

As per International Accounting Standards: 24 Related Party Disclosures, parties are considered to be related if one of the party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The Company carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with its related parties. Related party disclosures have been given in Note: 27.

2.25 Events after the reporting period

There is no material adjusting or non adjusting events after the balance sheet date.

2.26 Contingent liability and contingent assets

The company does not recognize contingent liability and contingent assets but discloses the existence of contingent liability in the financial statements. A contingent liability is probable obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of uncertain future events not within the control of the company or present obligation that is not recognize because outflow of resources is not likely or obligation cannot be measured reliably.

2.27 Branch accounting

The Company has 43 branch offices with no overseas branch as on 31 December 2018. Accounts of the branches are maintained at the head office which are included in the accompanying financial statements.

2.28 Consistency of Presentation

In accordance with the IFRS framework for the presentation of financial statements together with IAS 1 and IAS 8, Green Delta Insurance Company Limited applies the accounting disclosure principles consistently from one period to the next. Where selecting and applying new accounting policies, changes in accounting policies applied, correction of errors, the amounts involved are accounted for and disclosed retrospectively in accordance with the requirement of IAS 8. We have applied the consistent accounting and valuation principles.

2.29 Comparative information

Comparative information has been disclosed in respect of the period ended 31 December 2018 for all numerical data in the financial statements and also the narrative and descriptive information when it is relevant for better understanding of the current year's financial statements. Prior year figures have been restated and rearranged whenever considered necessary to ensure comparability with the current period.

2.30 Director responsibility

The Board of Director takes the responsibility for the preparation and presentation of the financial Statements.

2.31 Authorization date for issuing financial statements

The financial statements were authorized by the Board of Directors on 10 February 2018 for public issue.

2.32 General

- a) Figures appearing in these financial statements have been rounded off to the nearest BDT amount.
- b) Previous year's figures have been rearranged/restated/reclassified, where necessary, in order to conform to current period's presentation.

2.33 Reporting Currency

The financial statements are prepared and presented in Bangladesh Taka (BDT), which is the company's financial currency. A sizeable amount have however been received in foreign currency.

2.34 Reporting Period

The financial period under audit of the company covering (12) twelve months from of 01 January 2018 to 31 December 2018.

		Amount in Taka		
		2018	2017	
3.00	Authorised share Capital:			
	500,000,000 Ordinary Shares of Tk. 10 each	5,000,000,000	5,000,000,000	
	Issued, subscribed & paid up capital			
	80,691,187 ordinary shares of Tk. 10 each fully paid up in cash	806,911,870	806,911,870	
	Classification of shareholders by holdings as on December 31, 2018.			
	Range of share holding	No. of Shareholders	No. of Shares	% of Holdings
	Less than 500 Shares	2146	325,486	0.40%
	501 - 5,000	978	1,440,183	1.78%
	5,001 - 10,000	74	552,801	0.69%
	10,001 - 20,000	46	645,236	0.80%
	20001 - 30000	19	458,519	0.57%
	30001 - 40000	9	306,834	0.38%
	40,001 - 50,000	9	403,273	0.50%
	50,001 - 60,000	4	216,293	0.27%
	60,001 - 70,000	6	386,859	0.48%
	70,001 - 80,000	6	459,656	0.57%
	80,001 - 90,000	6	513,786	0.64%
	90,001 and above	102	74,982,261	92.92%
		3,405	80,691,187	100.00%
				806,911,870
4.00	Reserve or contingency account			
	Reserve for exceptional losses (Note: 4.01)	1,343,221,488	1,260,194,875	
	Investment fluctuation fund (Note: 4.02)	2,069,906,894	2,287,365,792	
	General reserve (Note: 4.03)	180,000,000	180,000,000	
	Dividend equalization fund (Note: 4.04)	110,000,000	110,000,000	
	Revaluation reserve (Note: 4.05)	1,345,874,581	1,366,320,375	
	Total	5,049,002,964	5,203,881,042	
4.01	Reserve for exceptional losses			
	Opening balance	1,260,194,875	1,183,976,992	
	Addition during the year (5% of net premium income)	83,026,613	76,217,883	
	Sub Total	1,343,221,488	1,260,194,875	
4.02	Investment fluctuation fund			
	Opening balance	2,287,365,792	1,600,316,872	
	Add/(less) during the year	(217,458,898)	687,048,920	
	Sub Total	2,069,906,894	2,287,365,792	
4.03	General reserve			
	Opening balance	180,000,000	180,000,000	
	Addition during the year	-	-	
	Sub Total	180,000,000	180,000,000	
4.04	Dividend equalization fund			
	Opening balance	110,000,000	110,000,000	
	Less: Transfer to retained earnings	-	-	
	Sub Total	110,000,000	110,000,000	

Amount in Taka

	2018	2017
4.05 Revaluation reserve		
Opening balance	1,366,320,375	1,387,497,741
Addition during the year	-	-
Less: Transfer to retained earnings	(20,445,794)	(21,177,366)
Sub Total	1,345,874,581	1,366,320,375
4.A Consolidated reserve for contingency account		
Green Delta Insurance Company	5,049,002,964	5,203,881,042
Green Delta Securities Limited	40,937,653	80,071,524
Total	5,089,940,617	5,283,952,566
4.B Consolidated revaluation reserve		
Green Delta Insurance Company	1,345,874,581	1,366,320,375
Green Delta Securities Limited	40,937,653	80,071,524
Sub Total	1,386,812,234	1,446,391,899
5.00 Profit and loss appropriation account		
Opening Balance (accumulated undistributed profit)	206,289,189	179,607,051
Add: Net profit for the year	318,887,851	307,786,669
Less : Reserve for exceptional losses	(83,026,613)	(76,217,883)
Less : Provision for income tax	(60,000,000)	(45,000,000)
Less : Deferred tax provision	(9,476,963)	(19,681,640)
Less : Cash Dividend paid for the year 2017	(161,382,374)	(161,382,374)
Less : Transfer to General Reserve	-	-
Less : Transfer to Dividend Equalization Fund	-	-
Add: Realize from Dividend Equalization Fund	-	-
Add: Transfer from Asset revaluation reserve	20,445,794	21,177,366
Total	231,736,883	206,289,188
5.A Consolidated profit and loss appropriation account		
Green Delta Insurance company	231,736,883	206,289,189
Green Delta Capital Limited	23,110,002	47,282,763
Green Delta Securities Ltd.	193,458,487	185,978,314
GD Assist Ltd.	2,830,064	3,014,779
Professional Advancement Bangladesh Ltd.	(7,471,416)	(7,527,309)
Total	443,664,020	435,037,735
5.B Non-controlling interest		
Green Delta Capital Limited	246	237
Green Delta Securities Ltd.	369	367
GD Assist Ltd.	2,384	2,358
Professional Advancement Bangladesh Ltd.	1,010	988
Total	4,009	3,950
6.00 Balance of fund account		
Fire Insurance business	184,144,543	160,024,788
Marine Insurance business	383,795,721	347,864,489
Motor Insurance business	64,466,505	69,362,137
Misc. Insurance business	41,644,636	40,429,118
Total	674,051,405	617,680,534

Above business insurance accounts maintained as reserve for unexpired risks based on following percentages on premium income excluding Public Sector Business at the following rates :

Particulars	Total Net Premium (without SBC)	%	Balance of Fund	
Fire	460,361,357	40%	184,144,543	160,024,788
Marine Cargo	903,024,662	40%	361,209,865	328,721,393
Marine Hull	22,585,856	100%	22,585,856	19,143,096
Motor	161,166,262	40%	64,466,505	69,362,137
Miscellaneous	104,111,591	40%	41,644,636	40,429,118
Total	1,651,249,728		674,051,405	617,680,534
7.00 Premium deposits				
Marine cargo			338,990,220	105,759,559
Total			338,990,220	105,759,559
This represents the amount of premium deposited with the company against cover notes for which no policy has been issued up to the end of the year.				
8.00 Estimated liability in respect of outstanding claims whether due or intimated				
Fire			190,194,936	101,948,993
Marine Cargo			37,954,040	61,198,866
Marine Hull			138,485	628,331
Motor			5,684,125	9,611,350
Miscellaneous			20,343,820	32,546,143
Total			254,315,406	205,933,683
9.00 Amount due to other persons or bodies carrying on insurance business				
This represents the amount payable to Shadharan Bima Corporation and other re-insurers and private sector insurance companies on account of re-insurance and co-insurance premium as at December 31, 2018.				
Payable against co-insurance premium			72,216,701	59,578,458
Overseas re-insurer			691,988,851	906,482,666
Total			764,205,552	966,061,124
10.00 Sundry creditors				
Liability for expenses			45,837,455	12,749,418
Others payable			441,956,965	304,920,175
Provision for income tax (Note : 10.01)			420,435,571	360,435,571
Deferred tax liabilities/(asset) (Note : 10.02.01)			119,668,557	110,191,594
Unclaimed dividend			37,117,683	34,919,552
Total			1,065,016,232	823,216,310
10.01 Provision for income tax				
Opening balance			360,435,571	315,435,571
Add : Addition during the year			60,000,000	45,000,000
Sub Total			420,435,571	360,435,571
10.02 Deferred tax Expenses/ (Income):				
Deferred Tax Assets / (Liabilities) at the end of the year			119,668,557	110,191,594
Deferred Tax Assets / (Liabilities) at the Beginning of the year			(110,191,594)	(90,509,954)
Sub Total			9,476,963	19,681,640

Amount in Taka

		2018	2017
10.02.01	Deferred tax assets/(liabilities) as on 31 December 2018		
	WDV as per accounts	WDV as per tax	Taxable/Deductible temporary differences
	Property, plant & Equipment excluding land	678,037,269	358,921,117
	Applicable tax rate		319,116,152
			37.50%
	Deferred tax assets/(liabilities)		119,668,557
10.02.02	Deferred tax assets/(liabilities) as on 31 December 2017:		
	Property, plant & Equipment excluding land	666,253,021	390,774,036
	Applicable tax rate		275,478,985
			40%
	Deferred tax assets/(liabilities)		110,191,594
10.A	Consolidated sundry creditors		
	Green Delta Insurance Company Ltd.	1,065,016,232	823,216,310
	Green Delta Capital Limited	43,946,834	17,440,485
	Green Delta Securities Limited	166,425,168	178,341,043
	Professional Advancement Bangladesh Ltd.	147,929	186,559
	GD Assist Ltd.	9,204,854	12,857,130
	Total	1,284,741,017	1,032,041,527
11.00	Loan Received		
	Bank Overdraft	446,550,218	713,005,369
	Short term loan	339,525,947	-
	Total	786,076,165	713,005,369
	The due amount has received from the Marcantile bank Limited, Mohakhali branch, @ 12% interest in favor of the company.		
11.A	Consolidated bank overdraft		
	Green Delta Insurance Company Limited	786,076,165	713,005,369
	Green Delta Securities Limited	196,588,534	143,180,713
	Total	982,664,699	856,186,082
12.00	Investment		
	Investment in Government Bond	25,000,000	25,000,000
	Investment in GDSL as Margin Loan (Note: 12.1)	225,000,000	225,000,000
	Investment in quoted shares (Market Price)	2,878,364,905	3,093,091,275
	Investment In FDR (Maturity more than 3 months)	206,041,094	186,425,555
	Investment in unquoted share:		
	Jalalabad Telecom Ltd.	-	82,384,000
	Green Delta AIMS Ltd.	4,500,000	4,500,000
	United Hospital	56,100,000	56,100,000
	Alliance Leasing and Finance	120,000,000	120,000,000
	Financial Excellence	3,000,000	3,000,000
	CDBL	1,138,890	1,138,890
	BD Venture	20,000,000	20,000,000
	Energypac Power Generation Ltd.	4,972,000	4,972,000
	Investment in Subsidiaries:		
	Green Delta Capital Limited	249,999,900	249,999,900
	Green Delta Securities Ltd.	99,999,900	99,999,900
	GD Assist Ltd.	9,996,000	2,499,000
	Professional Advancement Bangladesh Ltd.	9,996,000	9,996,000
	GDAAsset management Ltd.	26,000,000	26,000,000
	Total	3,940,108,689	4,210,106,520

		Amount in Taka	
		2018	2017
12.01	Investment in GDSL as margin loan		
	Margin Loan of Green Delta Securities Ltd.	225,000,000	225,000,000
	Sub Total	225,000,000	225,000,000
	The amount was invested in GDSL as margin loan amount of taka 225,000,000 @ 10% interest annually.		
12.A	Consolidated investment		
	Investment of Green Delta Insurance Co. Ltd.	3,345,116,889	3,622,611,720
	Investment of Green Delta Capital Ltd.	237,780,338	252,271,428
	Investment of Green Delta Securities Ltd.	255,120,180	256,724,593
	Investment of Professional Advancement Bangladesh Ltd.	12,630,103	13,439,300
	Investment of GD Assist Ltd.	23,652,433	17,429,741.00
	Total	3,874,299,943	4,162,476,782
13.00	Outstanding premium		
	Outstanding premium represents instalments due as on the Balance Sheet date on account of Marine & Aviation Business.		
	Marine hull	36,254,142	39,795,560
	Aviation hull	80,496,179	107,001,999
	Total	116,750,321	146,797,559
14.00	Amount due from other persons or bodies carrying on insurance business		
	This represents the amount receivable from private sector insurance companies on account of co-insurance premium and claim as on December 31, 2018.		
	Co-insurance premium receivable	17,622,429	16,277,686
	Co-insurance claim receivable	8,207,932	8,207,932
	Amount due from overseas re-insurer	2,418,086,732	1,731,719,743
	Total	2,443,917,092	1,756,205,360
15.00	Sundry debtors (including advance and deposits)		
	Advance rent	15,354,089	15,704,908
	Advance salary	829,404	74,341
	Car lease for employees(advance)	201,116	1,055,172
	Other advances	586,955,049	537,251,129
	Security deposit	3,747,303	2,946,393
	Accrued interest	9,475,691	8,492,872
	Total	616,562,652	565,524,814
15.A	Consolidated sundry debtors		
	Green Delta Insurance Company Ltd.	518,429,976	477,977,638
	Green Delta Capital Limited	38,030,516	33,249,758
	Green Delta Securities Limited	417,379,852	442,737,466
	Professional Advancement Bangladesh Ltd.	12,958,268	7,455,350
	GD Assist Ltd.	12,831,369	21,050,799
	Total	999,629,981	982,471,011
16.00	Cash and cash equivalent		
	Fixed deposits	813,505,668	948,031,014
	STD and current account	74,308,788	32,029,508
	Cash in hand	9,103,197	3,296,277
	Total	896,917,653	983,356,799

Amount in Taka

	2018	2017
16.A Consolidated cash and cash equivalent		
Green Delta Insurance Company Ltd.	896,917,653	983,356,799
Green Delta Capital Limited	35,982,686	21,974,175
Green Delta Securities Limited	282,161,265	251,233,337
Professional Advancement Bangladesh Ltd.	1,267,526	910,044
GD Assist Ltd.	812,855	315,350
Total	1,217,141,985	1,257,789,705
17.00 Land property & office space		
Land at revalued price(Mohakhali)	800,000,000	800,000,000
Land at Aftabnagar (Cost Price)	59,974,010	59,974,010
Total	859,974,010	859,974,010

Land property has revalued as per decision of the board and stated at new revalued price which was measuring 6 (Six) khatha and 4 (four) Chataks situated at 51, Mohakhali C/A , Dhaka-1212. Moreover company has purchased two plots (10 Katha) at AftabNagar, Eastern Housing , Rampura , Dhaka.

18.00 Fixed Assets (at cost less depreciation)	Furniture & Fixtures	Office & Electrical Equipments	Vehicles	Building & Real Easted		Total
				Own Used	Investment Property	
Cost						
As at January 01, 2018	77,691,187	90,431,706	124,240,350	631,699,128	636,884,423	1,560,946,794
Additions during the year	10,348,107	9,096,196	-	-	-	19,444,303
Disposal during the year	(213,350)	-	(6,336,000)	-	-	(6,549,350)
As at December 31, 2018	87,825,944	99,527,902	117,904,350	631,699,128	636,884,423	1,573,841,747
Depreciation						
As at January 01, 2018	35,801,129	60,688,904	91,948,695	33,984,965	22,887,288	245,310,981
Charge during the year	8,542,360	13,590,527	13,509,148	6,380,799	6,433,176	48,456,010
Disposal during the year	(122,836)	-	(5,806,196)	-	-	(5,929,032)
As at December 31, 2018	44,220,653	74,279,431	99,651,647	40,365,764	29,320,464	287,837,959
Sub Total	43,605,291	25,248,471	18,252,703	591,333,364	607,563,959	1,286,003,788
Written down value of Intangible assets (Note 18.01)						3,235,362
Written down value at December 31, 2018	43,605,291	25,248,471	18,252,703	591,333,364	607,563,959	1,289,239,151
Written down value at December 31, 2017	41,890,058	29,742,802	32,291,655	597,714,163	613,997,135	1,319,895,846

		Amount in Taka	
		2018	2017
18.01	Intangible assets (computer software)		
	Opening balance	7,172,697	5,082,697
	Add : Addition during the year	-	2,090,000
	Less : Amortization during the year (15%)	1,024,671	787,252
	Less : Accumulated Amortization	2,912,664	2,125,412
	Written Down Value	3,235,362	4,260,033
18.A	Consolidated fixed assets (at cost less depreciation)		
	Green Delta Insurance Company Ltd.	1,286,003,788	1,315,635,813
	Green Delta Capital Limited	4,732,746	5,074,924
	Green Delta Securities Ltd.	7,618,063	3,426,935
	Professional Advancement Bangladesh Ltd.	4,057,394	4,522,081
	GD Assist Ltd.	14,531,030	1,748,255
	Total	1,316,943,021	1,330,408,008
18.B	Consolidated Intangible assets (at cost less amortization)		
	Green Delta Insurance Company Ltd.	3,235,362	4,260,033
	Green Delta Capital Limited	768,171	2,313,590
	Total	4,003,533	6,573,623
19.00	Stock of printing, stationery & stamps		
	Printing	1,560,532	1,714,066
	Stationery	9,279	12,633
	Insurance policy stamps	380,522	264,277
	Total	1,950,333	1,990,976
20.00	Audit fees		
	Statutory audit	345,000	345,000
	Half yearly Audit	-	-
	Total	345,000	345,000
21.00	Investment and others income		
	Interest on FDR & STD and others	77,475,880	67,129,585
	Net profit from shares trading	5,541,405	6,115,971
	Interest on National Bond	1,898,531	2,922,800
	Gain from Asset disposal	2,712,283	4,944,691
	Dividend income	72,124,941	64,049,571
	Interest Income from GDSL	22,253,427	25,133,562
	Co-ins service charges	3,699,799	3,955,424
	Sundry income	10,721,522	9,450,285
	Rental income	29,286,868	17,275,666
	Income from Trustee Commission	12,170,000	5,820,000
	Currency Exchange gain/ (loss)	1,110,507	2,145,167
	Total	238,995,163	208,942,722
21.A	Consolidated income from share business		
	Green Delta Insurance Company Ltd.	5,541,405	6,115,971
	Green Delta Capital Limited	5,830,089	24,862,948
	Green Delta Securities Ltd.	35,999,974	(27,095,419)
	Total	47,371,468	3,883,500

Amount in Taka

	2018	2017
21.B Consolidated interest & others income		
Green Delta Insurance Company Ltd.	132,041,949	63,780,104
Green Delta Capital Limited	14,070,656	12,785,902
Green Delta Securities Ltd.	56,493,786	55,099,783
Professional Advancement Bangladesh Ltd.	1,485,343	1,205,860
GD Assist Ltd.	1,555,902	4,963,949
	205,647,636	137,835,598
Less: Inter company transaction	22,253,427	25,133,562
Total	183,394,209	112,702,036
21.C Consolidated management expenses		
Green Delta Insurance Company Ltd.	272,331,521	244,611,386
Green Delta Capital Limited	34,911,971	30,082,896
Green Delta Securities Ltd.	129,691,466	99,455,686
Professional Advancement Bangladesh Ltd.	8,001,858	6,898,599
GD Assist Ltd.	6,783,172	7,508,279
	451,719,988	388,556,846
Less: Inter company transaction	22,253,427	25,133,562
Total	429,466,561	363,423,284

22.00 Claims under policies less re-insurance

	Fire	Marine Cargo	Marine Hull	Motor	Miscellaneous	Total
Claims paid during the year	134,486,926	208,488,601	3,355,941	37,475,138	38,744,011	422,550,617
Claims outstanding at the end of the year	190,194,936	37,954,040	138,485	5,684,125	20,343,820	254,315,406
Claims outstanding at the beginning of the year	(101,948,993)	(61,198,866)	(628,331)	(9,611,350)	(32,546,143)	(205,933,683)
Total amount (Year - 2018)	222,732,869	185,243,775	2,866,095	33,547,913	26,541,688	470,932,340
Total amount (Year - 2017)	105,087,174	162,242,797	1,376,271	36,108,650	66,341,950	371,156,842

23.00 Premium less re-insurance Class of business :

	On Direct Business	On Re-ins Accepted	On Re-ins. Ceded	Total Amount in 2018	Total Amount in 2017
Fire					401,090,823
Marine Cargo	1,119,349,597	-	(212,426,792)	906,922,804	825,946,561
Marine Hull	141,816,255	1,142,800	(120,333,251)	22,625,804	19,280,113
Motor	181,147,999	-	(17,668,188)	163,479,811	175,895,052
Miscellaneous	542,385,635	-	(437,536,270)	104,849,365	102,145,113
Total amount (December 31, 2018)	3,677,486,030	1,142,800	(2,018,096,565)	1,660,532,264	1,524,357,662

		Amount in Taka	
		2018	2017
24.00	Earning per share (EPS)		
	Basic earning per share (EPS) on net profit after tax (Par value of Tk.10)	3.09	3.01
	Earnings attributable to ordinary shares:	249,410,888	243,105,029
	Profit as per profit & loss account	318,887,851	307,786,669
	Less: Income tax provision	60,000,000	45,000,000
	Less: Deferred tax expenses	9,476,963	19,681,640
	Less: Loss from discontinued business	-	-
	Number of shares:	80,691,187	80,691,188
	Number of shares Outstanding:	Number of shares as at 31.12.2018	Number of shares as at 31.12.2017
	Shares outstanding as on 01.01.2018	80,691,187	80,691,187
	Bonus share issued during the year	-	-
	New share issued .	-	-
		80,691,187	80,691,187
	Basic earnings per shares C=(A/B) = $\frac{\text{Earnings attributable to ordinary shareholders}}{\text{Weighted average number of shares}}$	249,410,888 80,691,187	243,105,029 80,691,187
		3.09	3.01
24.A	Consolidated earning per share (EPS)		
	Earnings attributable to ordinary shares:	294,012,366	289,648,259
	Profit as per profit & loss account	389,004,565	382,413,894
	Less: Income tax provision	85,515,236	73,083,995
	Less: Deferred tax expenses	9,476,963	19,681,640
	Consolidated EPS = $\frac{\text{Consolidated net profit after tax}}{\text{Total no. of shares outstanding during the year}}$	294,012,366 80,691,187	289,648,259 80,691,187
		3.64	3.59
25.00	Net assets value		
	The offer price of the common stock of Green Delta Insurance Co. Ltd. has been determined on the basis of net assets value, the break up is given below:		
	A. Assets.		
	Investment	3,940,108,689	4,210,106,520
	Outstanding premium	116,750,323	146,797,559
	Amount due to other persons or bodies carrying on insurance business	2,443,917,092	1,756,205,360
	Sundry debtors	616,562,653	565,524,814
	Cash and bank balance	896,917,653	983,356,799
	Land, fixed asset & others	2,151,163,494	2,181,860,830
	Total Assets	10,165,419,903	9,843,851,882
	B. Liabilities		
	Balance of fund accounts	674,051,405	617,680,532

Amount in Taka

	2018	2017
Premium deposit	338,990,220	105,759,559
Estimated liability in respect of outstanding claims whether due or intimated	254,315,406	205,933,683
Amount due to other persons or bodies carrying on insurance business	764,205,552	966,061,124
Sundry creditors	1,065,016,232	823,216,310
Bank loan	786,076,165	713,005,369
Total liabilities	3,882,654,980	3,431,656,577
Net Assets (A - B)	6,282,764,924	6,412,195,304
Number of shares outstanding during the year	80,691,187	80,691,188
Net assets value per share	77.86	79.47
26.00 Related party transactions		

The Company has entered into transactions with other entities in normal course of business that fall within the definition of related party as per International Accounting Standard-24 "Related Party Disclosure". The terms of related party transaction are not significantly different from those that could have been obtained from their parties. The significant related party transactions are as follows:

Name of the Party	Relationship	Nature of Transaction	Closing balance
Green Delta Securities Ltd.	Subsidiary Company	Intercompany Credit @ 10%	264,869,149
Green Delta Capital Ltd.	Subsidiary Company	Inter Company Transaction	237,375
Professional Advancement Bang. Ltd.	Subsidiary Company	Inter Company Transaction	28,235,768
GD Assist Ltd.	Subsidiary Company	Inter Company Transaction	29,790,385

27.00 Number of employees

During the year under audit, there were 634 employees for the full year and 22 employees for less than full year.

Status of compliance of International Accounting Standards and International Financial Reporting Standards.

Name of the IAS	IAS No.	Status
Presentation of financial statements	1	**
Inventories	2	N/A
Cash flow statement	7	Applied
Accounting policies, change in accounting estimates and errors	8	Applied
Events after the balance sheet date	10	Applied
Construction contracts	11	N/A
Income taxes	12	Applied
Property, plant and equipment	16	Applied
Lease	17	Applied
Revenue	18	Applied
Employee benefits	19	Applied
Accounting for government grants and disclosure of governments assistance	20	Applied
The effect of change in foreign exchange rates	21	Applied
Borrowing cost	23	Applied
Related party disclosure	24	Applied
Accounting and reporting by retirement benefits plan	26	Applied
Consolidated and separate financial statements	27	Applied
Investment in associates	28	N/A
Investment in joint ventures	31	N/A
Financial instruments: disclosure and presentations	32	**
Earning per share	33	Applied
Interim financial reporting	34	Applied
Impairment of assets	36	Applied
Provision, contingent liabilities and contingent assets	37	Applied
Intangible assets	38	Applied
Financial instruments: recognition and measurement	39	**
Investment property	40	N/A
Agriculture	41	N/A
Name of the IFRS	IFRS No.	Status
Share base payment	2	N/A
Business combination	3	N/A
Insurance contracts	4	**
Non-currents assets held for sale and discontinued operation	5	N/A
Exploration for and evaluation of mineral resources	6	N/A
Financial instruments : disclosure	7	**
Operating segment	8	N/A

** Green Delta Insurance Company Limited management has followed the principles of IAS & IFRS consistently in the preparation of the financial statements to that extent as applicable to Insurance Company. Some of the standards have not been complied with, about which IDRA has special guideline.



REPORTS ON SUBSIDIARIES & THEIR FINANCIAL STATEMENTS

9.1 Report on Green Delta Securities Limited



“ Green Delta Securities Limited, one of the leading Stock Brokerage houses of the country, set foot in the capitalized brokerage business in the year 2006. Green Delta Securities is a 100% subsidiary of Green Delta Insurance Company Limited, and is the most preferred and prominent wide-ranging Stock Brokerage house in Bangladesh. Within a short period of time GDSL has succeeded to find itself among the league of state of the art securities companies of Bangladesh offering full-fledged global standard brokerage services for retail and institutional clients.

MANAGING DIRECTOR AND CEO'S MESSAGE

Green Delta Securities Ltd. is renowned as the most accountable business partner, conduct and associate. Our mission is to provide the best and innovative services to our valuable clients in terms of trading, technology and other support services. We strongly believe that real success of a business is not just about earning profits measured in numbers and reaching the top most level, but also keeping our clients satisfied by providing them with the best in class services. We believe in focusing on delivering the best possible services backed by research and insights through the right process and the best result is just the logical outcome. Our corporate strategy is justifiable business practices and balancing accountability along with growth as well as productivity which is reflected in our commitment.

Green Delta Securities is the first brokerage house in Bangladesh that introduced tailored products for the different customer segments in terms of facilities and benefits. These wide array of products have already been introduced in the capital market. Since introducing these tailored services, we received very positive responses for all the customer segments, especially for Nibedita and Bijoy. Besides new customers from local market, due to our business relation with foreign fund managers, we have been able to acquire NRB investors from around the globe. Each of our products is unique in terms of features, benefits and target groups for who the services are tailored for. Through these varied and tailored services, we believe that GDSL will able to attract more investors in our capital market from all levels of the society in the near future.

This is a matter of great pleasure and honor that the visionary board members and the highly competent management team have taken the company to even greater heights in 2018 with their holistic understanding and valuable experience in the financial sector of the country. Green Delta Securities Limited is the first and only brokerage house from Bangladesh to have received the prestigious CFI Award in 2014 as the "Best Stock Broker". We strongly believe that Green Delta Securities, with its most diligent, proficient and vibrant team in the industry, can make it possible to earn such recognitions every year.

As we have entered an age of information technology and its multi-lateral impacts have extended in the horizon of business too. To survive and excel in this fast paced environment, we continuously need to keep ourselves updated with the latest trends and practices. Moreover, GDSL strongly believe that the human assets are the

crucial for any service, and therefore GDSL invests in its employees. For equipping our employees with the most recent and cutting edge knowledge, we have initiated overseas training for our employees. Besides enriching the skills and knowledge of our employees, we are active in making the investors informed too. As a part of that effort, we have taken part in a series of awareness program for the investors under the initiative of Bangladesh Security & Exchange Commission (BSEC).

In addition, GDSL has increased its footprint and set foot in the port city Chattagram. With opening of its new branch at Nasirabad, GDSL is now able to cater to the need of the investors residing in Chattagram. And given that Nasirabad is a very important area of Chattagram commercially, I am confident that ensuring our presence there was a strategically prudent move from our part. Besides increasing our footprint geographically, GDSL has equipped each of its branch with direct sales force, who are trained to deliver door to door services to our clients and investors, which is a unique addition to our service portfolio I believe.

GDSL has been active in securing foreign clients from around the globe too, for which we have attended to road shows abroad to attract foreign clients. In 2018, GDSL have increased its foreign trade significantly as a result of our presence in these global road shows, which reflects the rich portfolio of foreign clients that we have.

Despite all the hindrances in 2018, GDSL has accomplished much in terms of market share and also managed to maintain strong compliance. Currently, GDSL holds 1.76% share of the market. It's a pleasure to report that GDSL has successfully secured its position among the top stockbrokers in DSE and CSE ranking list. The belief that our clients are our utmost priority has always played a major role in the quality of our services, because such belief made us consider the clients as our strategic business partner toward the goal of mutual benefit.

We are determined to accomplish our goal with our clients by our sides. Toward that goal, our solid proficiency and attention to detail can offer revenue-building prospects for your business. Success comes from having a long term vision, especially when it comes to building long term relationships. As resonated by our corporate values, we understand the importance of integrity and sense of assurance of our clients. Our compensations allow you to run transaction professionally and our support will help you to maximize your performance, making sure that you are investing in the right basket and not being misled.

Green Delta Securities is closer to achieving its goal to become the finest brokerage house of the country. Green Delta believes in intelligence at work to maximize growth and profitability both for the clients and the organization itself. As such, we inspire the clients to be more focused on their trading and have a clearer vision while investing. It is our ambition to live up to your prospects by providing seamless, secure, reliable and competitive online trading

services. We look forward to welcoming you at Green Delta family in 2019 and at the same time, we will remain focused this year and beyond for another prosperous year with you.



Wafi Shafique Menhaz Khan

Managing Director & Chief Executive Officer

GDSL AT A GLANCE

Green Delta Securities Limited, one of the most renowned brokerage houses of the country, set foot in the capitalized brokerage business in the year 2005. Within a short period of time it has succeeded to find itself among the league of state of the art securities companies of Bangladesh. Green Delta Securities is a 100% subsidiary of Green Delta Insurance Company Limited and offers full-fledged global standard brokerage services for retail and institutional clients.

Green Delta Securities Limited is the only brokerage house from Bangladesh to have received the prestigious CFI Award in 2014. Currently the company is being run under the skillful leadership of Mr. Wafi S M Khan who is the Managing Director & Chief Executive Officer of the organization. The visionary board members and the management team have taken the company far among the other notable corporates of the country.

Established	16 October, 2005
Member of	Dhaka Stock Exchange Ltd (059) & Chittagong Stock Exchange Ltd (130)
No of Offices	10
No of Clients	Individual 7,500+ High Net Worth Clients 100+ AMC 12+ Institutional Clients 132+
No of Employee	78
Market share	<> 1.76%

Green Delta Securities Limited is running their business with a good number of branches in the strategically important locations of the country. The stock brokerage industry of the country lacks glamour unlike the western countries. Stock brokerage or investment banking is not yet the first pick of the youth as their dream profession. Green Delta Securities has a reputation of being the agent of change when it comes to the brokerage business. They are taking up initiatives to change the negative perspective that people are holding toward the capital

market and motivating investors to invest wisely and timely. As the industry won't flourish without the presence of qualified and experienced people in this sector, Green Delta Securities Limited is hand picking the cream of the professionals from the industry.

Green Delta Securities has a vision to be the most preferred brokerage house for individual and institutional clients. They have made sure that the services clients are getting are of best quality and they are maintaining strong compliance. Green Delta Securities Limited offers highest quality service at a competitive price for all the capital market needs. Their services are comprehensive in nature, including brokerage, CDBL, Tele trading and custodian services. They provide all types of Brokerage Services through DSE and CSE starting from Beneficiary Account (BO) opening to CDBL related services, notification of corporate announcements like AGM, Cash Dividend, Right Bonus etc.

Understanding the significance of well-built IT infrastructure for smoother business operation, GDSL has installed state of the art back office software, uninterrupted data connectivity links, NPS (National Payment System) & RTGS (Real time gross settlement) across all branches and the stock exchanges, latest hardware and other accessories.

They also have an Online Share Order (OSO) software platform through which the clients, both local and international, can place their buy/sell orders through online which are then executed in the shortest possible time and confirmation are sent thereby.

With the aim to provide the best Financial Services with new and innovative investment products for the capital market investors, Green Delta Securities Ltd. is committed to recruit the resources/staffs with high proficiency and proper know how. With the investment in IT infrastructure; efficient customer service, innovative services to make trade operation convenient, Green Delta Securities Limited is closer to achieving its goal to become the finest brokerage house of the country. Green Delta believes in intelligence at work to maximize growth and profitability both for the clients and the organization itself.

OUR VISION

To be the preferred brokerage for individuals and institutional clients.

OUR MISSION

Ensuring the best service by maintaining strong compliance.

OUR STRENGTH

Strong employee attitudes, excellent customer service, personal relationships with customers, leadership in product innovation are the key qualities that contributes to our strength.

CORPORATE GOVERNANCE

GDSL always reviews corporate governance practices to ensure complete transparency and hence established the following roles and responsibilities as discussed below:

Role of the Board of Directors

The Board is completely responsible for long-term establishment of the organization and to ensure the implementation of the corporate governance at all level. The Board duly complies with the guideline provided by the regulatory body, Bangladesh Security and Exchange Commission. The Board also formulates

the strategic objectives and policy framework for the company.

Role of Chairman

The Chairman runs the board and serves as the primary link between the Board and Management. The Chairman works with the CEO to set the agenda for Board meetings. It is the chairman's responsibility to provide leadership to the Board and ensure that the Board works effectively and discharges its responsibilities as directors of the company.

Role of MD & CEO

The CEO is the responsible for overall business development, target achievements, office management, team development and setting the directions for the company. As the office bearer he is responsible for scheduling the resources in the manner that helps to attain the business goals which he sets with the management team and business team.

Core team

The Core team members are responsible for the strategic and operation plan of their respective service departments which eventually governance and shape up the business. The core team is fully responsible for the functionality of the service departments and smooth running of the operation.



The Business team members are responsible for the strategic and business plan to achieve business target. The business team consists of Branch Managers, Stock Brokers, Business Development Officers and Customer Service Officers who are abundantly dedicated for achievements of the business target and smooth operations of the branches.

MAJOR ACTIVITIES OF THE FIRM

Green Delta Securities Limited offers everything an investor needs for participating in capital market ensuring highest quality service with a lucrative pricing. The services are comprehensive in nature, including brokerage, Settlement, Tele trading, custodian services, VAS. The

firm provides all types of Brokerage Services through DSE and CSE starting from Beneficiary Account (BO) opening, Margin Loan facilitation, CDBL related services, notification of corporate announcements.

BOARD OF DIRECTORS

Our Board of Directors is formed with following professionals:

- Mr. Nasir A. Choudhury, Chairman
- Mr. Abul Qasem Mohammad Nurul Absar
- Mr. Nadeem Ahmed Chaudhury
- Ms. Naima Chowdhury
- Ms. Farzanah Chowdhury

BRIEF PROFILE OF THE BOARD OF DIRECTORS

Mr. Nasir A. Choudhury, Chairman, is a visionary and highly experienced professional. He has over 50 years of experience in the insurance industry and considered to be a living legend in his field. He started his career with Pakistan Insurance Corporation head office at Karachi, Pakistan in 1958. He is the Advisor and also Founder Managing Director of Green Delta Insurance Co. Ltd. the leading General Insurance Co. in Bangladesh since its inception i.e. 1.1.1986. He is also playing the role of Director, Chairman, Sponsor Director and Vice Chairman in different renowned organizations like Delta BRAC Housing Finance Corporation Ltd., Progressive Life Insurance Co. Ltd., Union Capital Ltd. etc. He received many prestigious awards not only for his contribution in the insurance industry but also in overall economy.

Mr. Abul Qasem Mohammad Nurul Absar, is a qualified professional having many years of experience in heading big organizations. He is also the Chairman of Green Delta Insurance Co. Ltd. After graduating in Civil Engineering from BUET in the year 1964, he completed his post-graduation in Hydraulic Engineering from DELFT University in The Hague, Netherlands. He served the Water and Power Development Authority - WAPDA, in

Kuwait for 10 years. Mr. Absar served in reservoir section under the Ministry of Electricity & Water, Kuwait, for 10 years where he was involved in the construction of water reservoirs. Mr. Absar is also the Director of Delta Medical College & Hospital and Delta Life Insurance Co. Ltd.

Mr. Nadeem Ahmed Chaudhury, is a young dynamic professional having many years of experience in heading big organizations like Eastern Housing Ltd; currently he is working as Chief Executive Officer of Bengal Development Corporation Ltd. he is also the Sponsor Director of Enrilco Ltd. He has experience in the Infrastructure Development business of more than 18 years.

Ms. Naima Chowdhury, is a qualified professional having experience of managing renowned business portfolio of East Coast Group related to real estate. She is also the director of East Cost Group, Bangladesh.

Ms. Farzanah Chowdhury, is a qualified professional having working experience directly and indirectly with the insurance sector of the country since 1998. She also worked in the field of micro finance with BRAC and Small and Medium Enterprise (SME) financing with BRAC Bank Ltd. where she has been deeply involved to design, develop and implement insurance coverage for the related beneficiaries. She has done her Masters of Business Administration, Monash Business School, Monash University, Melbourne, Australia, also done Diploma in Insurance from The Chartered Insurance Institute (CII-UK) and from Malaysia Insurance Institute (DMII). She is now the Managing Director & CEO of Green Delta Insurance Co. Ltd.

Logo Changing:

Green Delta Securities Ltd, set foot in the capitalized brokerage business in the year 2006. After 11 years of successful journey, today GDSL is among the top 20 leading brokerage houses in Bangladesh and moving forward with vigor. To start a new journey with a new promise Green Delta Securities Ltd has transformed its logo! But rather than changing into something totally new and unfamiliar, we are carrying the legacy forward and being unified with our parent company. With the launch of this new logo Green Delta Family now looks more united and close to our hearts.

ACTIVITY HIGHLIGHTS 2018

RELOCATION TO NASIRABAD (CHATTOGRAM):

On October 07, 2018 Green Delta Securities Ltd. opened its new branch in Khantunganj Branch. Avenue Center (6th Floor), 787/A, CDA Avenue, East Nasirabad, Chattogram.



RELOCATION OF GULSHAN BRANCH:

On September 30, 2018 Gulshan-2 Branch of Green Delta Securities Ltd. has been shifted at new premises Giasuddin Tower (3rd Floor) 31, Gulshan Avenue, Gulshan-1, Dhaka-1212.



Old Location (Gulshan-2)

Sheba Tower (1st Floor), Plot 34, Road 46, Gulshan-2, Dhaka-1212



New Location (Gulshan-1)

Giash-uddin Tower (3rd Floor), 31 Gulshan Avenue, Gulshan-1, Dhaka-1212

DAY OUT PROGRAM:

Green Delta securities Ltd Organized a day out event for the employees of GDSL on 20th April 2018 at Pubail Socio Cultural Center Resort (PSCC) resort in Pubail, Gazipur.

This program helps the team to remind how they feel about the company and re-connect them with the purpose and mission of GDSL.



GREEN DELTA MEJBAN 2018

Some of distinguished guests who were present at the Green Delta Mejban-2018, On October 12, 2018 at The king of Chattogram, Marrige Garden Road, Panclish



CLIENTS' PAYMENT THROUGH NPS & RTGS:

Green Delta Securities Ltd has added NPSB (National Payment Switch Bangladesh) and RTGS (Real Time Gross Settlement) system for providing better service to clients. NPSB & RTGS both are an advanced technology that facilitates clients for receiving their fund in shortest time.

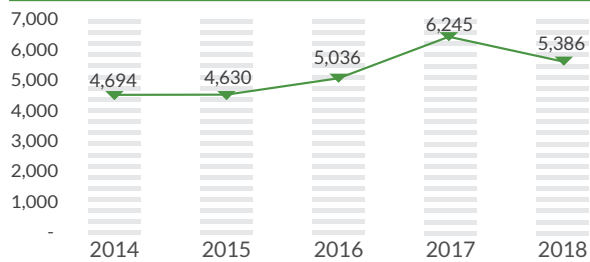


CSE INVESTMENT FAIR 2018:

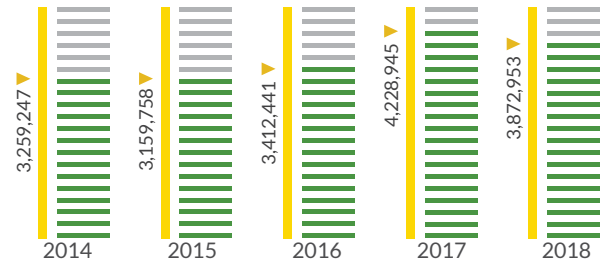
A team lead by the MD and CEO of GDSL joined the CSE Investment Fair 2018 and have gathered valuable links, information and communication among the people and organization of capital market during the three-day fair.



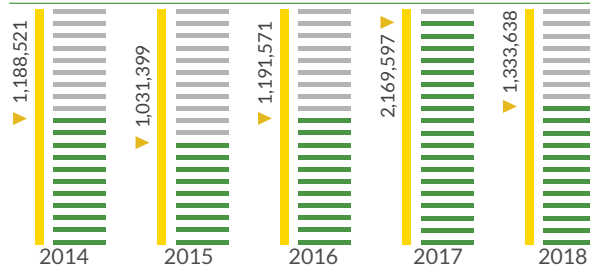
DSE Index Movement



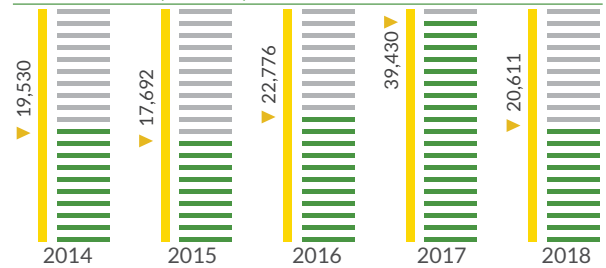
DSE Average Market Capital



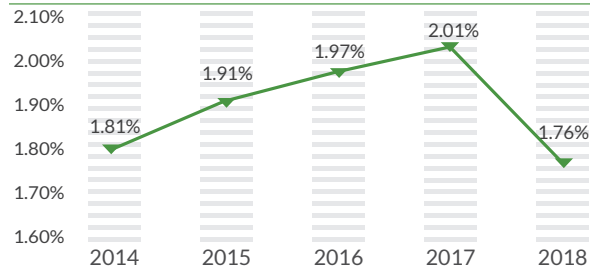
DSE Trade



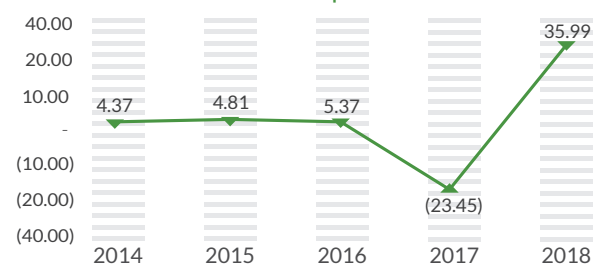
GDSL Trade (X-DLR)



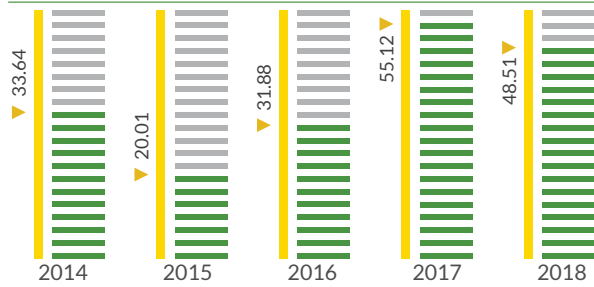
GDSL Market Share



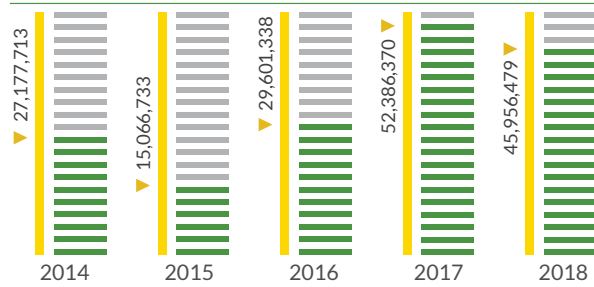
Gain/Loss from Investment portfolio



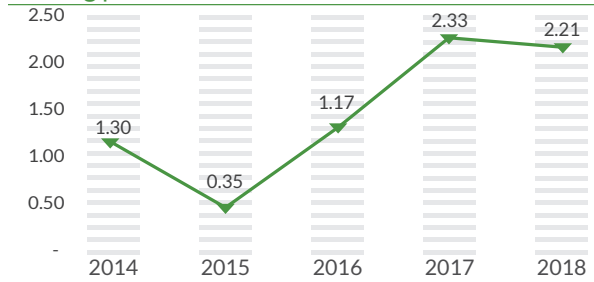
Earning before Depreciation and Tax Million



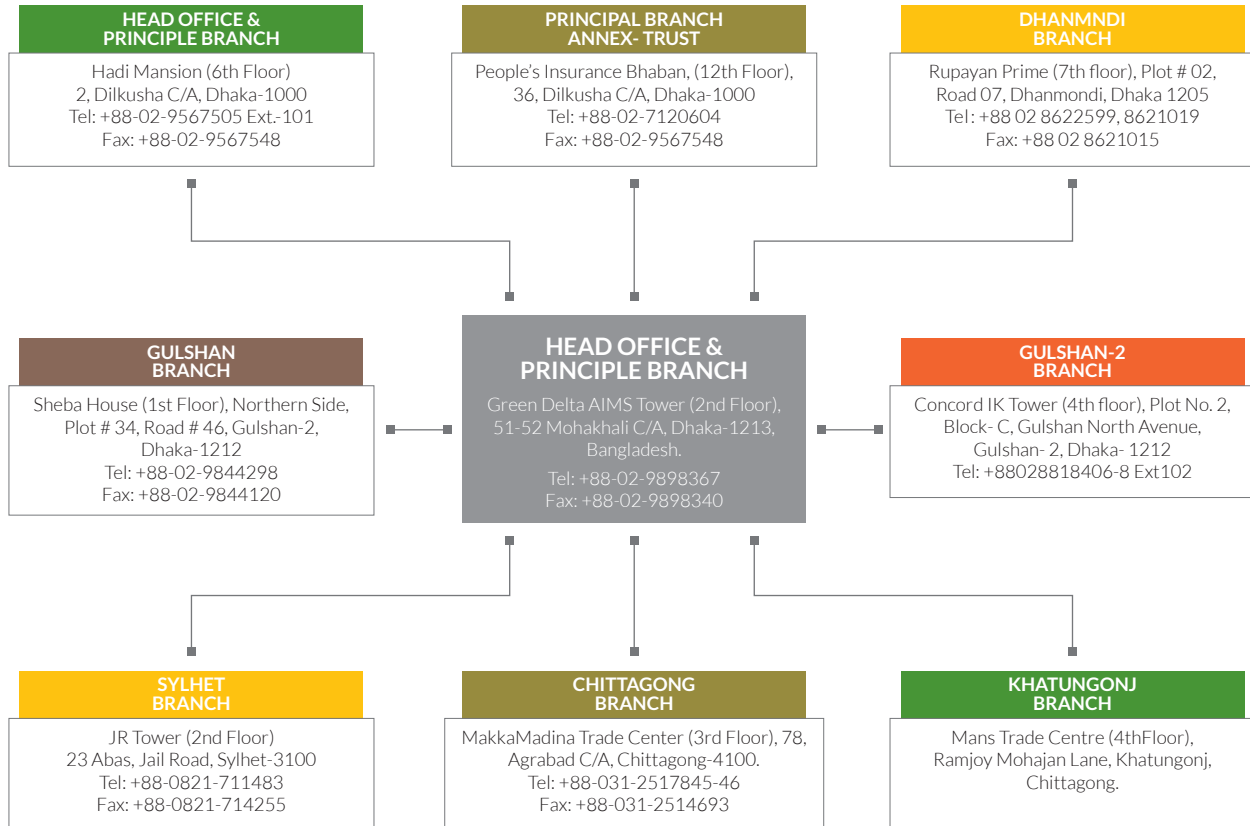
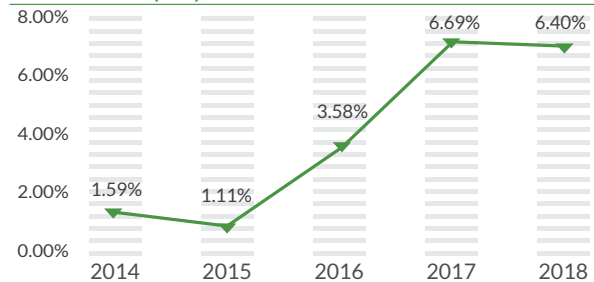
Net Profit Before Tax



Earning per share



Return on Equity



9.2 Green Delta Securities Limited. Directors' Report To The Shareholders

Dear Shareholders,

At the outset, we, the Board of Directors of your company Green Delta Securities Limited, welcome you to the 13th Annual General Meeting and would like to thank you for your continued patronage and support. We are very delighted to present before you the Annual Report along with the Audited Financial Statements for the year ended 31 December 2018 and the Auditor's Report thereon for kind consideration and adoption

Operational Highlights 2018

Particulars	2018	2017
No of Accounts at the Begging	6,625	6,443
Accounts opened during the year	1,902	1,084
Number of accounts at year end	7,597	6,625
Net Growth (year-on-year)	972	182

Financial Highlights 2018

Taka in million	2018	2017
Net Brokerage Income	49.50	102.27
Net Interest Income	66.50	62.23
Income from Share Market Investment	36.00	(27.09)
Operating Expenses	77.22	68.04
Net profit before tax and provision	45.96	52.38
Net profit after tax	23.23	24.48
Total Shareholders' equity	334.40	366.05
Earnings Per Share	2.21	2.33

Total Turnover

2018	2017	2016	2015	2014
20,704	40,079	22,776	17,692	19,530

Operational Expenses

Operational Expenses	2018	2017
Salary & Allowances	43.41	37.50
Data Connectivity	1.98	1.95
Office Maintenance	1.28	1.60
Office rent	9.68	8.76
Electrical & Utility	3.02	2.72
Others	17.86	15.52

Number of Employees

Particulars	2018	2017
No. of Employees	78	62

Books of accounts

Proper books of accounts of GDSL have been maintained. Appropriate accounting policies have been consistently applied in preparation of the financial statements. The accounting estimates are based on reasonable and prudent judgment. IAS/BAS/IFRS/BFRS, as applicable in Bangladesh, have been followed in the preparation of the financial statements and any departure there from has been adequately disclosed.

Proposed dividend:

The Board of Directors of GDSL has proposed 15% equal to 15,700,000 (One Crore Fifty Seven Lac only) final dividend (subject to the approval of AGM) on paid up capital of BDT 10.5 Crore.

Internal Control

The system of internal control is sound in design and has been effectively implemented and monitored. Distribution of Profit for 2018 the company reported profit/(loss) of Taka 23,230,177 in the year 2018. Considering company's growth potentials and comparative cost benefit analysis of paying out dividend and overall better tax management, the Board of GDSL decided to declare 15% cash dividend to the shareholders of the company for 2018.

Appointment of Auditors

The company shall, at each AGM appoint/reappoint an auditor to hold office until the next AGM. The Auditors of the company M/S Ahmed Zaker & Co. Chartered accountants, has completed their 4th year as the auditor of the company. They are eligible for re-appointment as auditor of the company for the year 2019 and they have also offered themselves for re-appointment. The Board recommends to appoint M/s. Ahmed Zaker & Co., Chartered Accountants to the shareholders at the AGM as the auditors of the company for the year 2019 at the remuneration of BDT 60,000.00.

Going concern

There is no significant doubt upon the GDSL ability to continue as a going concern.

Appreciation

I would like to thank my Board colleagues for their continued support and on their behalf would like to express my heartiest gratitude to the entire team of Green Delta Securities Limited. It would be unfair to not acknowledge the exceptional efforts of our employees who worked in praiseworthy partnerships to meet the many challenges of difficult year.

In conclusion, on behalf of the Board, I would like to thank our honourable shareholders for their continued faith and support.

For and on behalf of the Board of Directors,



Nasir A. Choudhury
Chairman
Green Delta Securities Limited

9.3 Independent auditor's report to the shareholders of Green Delta Securities Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Green Delta Securities Limited which comprise the Statement of Financial Position as at December 31, 2018, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Green Delta Securities Limited as at December 31, 2018 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS), Companies Act 1994, The Securities and Exchange Rules 1987, Dhaka Stock Exchange Rule 1954, Chittagong Stock Exchange Rule 1995 and other applicable rules & regulations.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of Green Delta Securities Limited in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRS), where practicable Companies Act 1994, The Securities and Exchange Rules 1987, Dhaka Stock Exchange Rule 1954, Chittagong Stock Exchange Rule 1995 and other applicable rules & regulations and for such internal control as management

determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing Green Delta Securities Limited ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate Green Delta Securities Limited or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing Green Delta Securities Limited financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Report on other legal and regulatory requirements

We also report the following:

- a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by Green Delta Securities Limited so far as it appeared from our examination of those books; and
- c) the statement of financial position and the statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.

9.4 Green Delta Securities Ltd. Statement of Financial Position as at December 31, 2018

	Note	31.12.2018	31.12.2017
Amount in Taka			
ASSETS			
Non-Current Assets		122,604,652	133,451,295
Property, Plant & Equipment	4	7,618,062	3,426,935
Investment in Stock Exchange for Membership	5	96,986,590	115,024,360
Investment in Bond & Others	6	18,000,000	15,000,000
Current Assets		839,674,711	820,671,036
Advances, Deposits and Prepayments	7	34,093,233	36,345,777
Receivable from Clients	8	357,719,817	315,706,335
Receivable from DSE & CSE	9	19,535,227	82,103,774
Investment in shares	10	140,133,590	126,700,233
Accounts Receivable	11	6,031,578	8,581,579
Cash and cash equivalents	12	282,161,264	251,233,337
TOTAL ASSETS		962,279,363	954,122,331
SHAREHOLDERS EQUITY AND LIABILITIES			
Shareholders equity		334,396,511	366,050,205
Share Capital	13	105,000,000	105,000,000
Retained Earnings	14	188,458,858	180,978,681
AFS Reserve	10.01	(28,584,312)	-
Revaluation Reserve	15	69,521,965	80,071,524
Long Term Liabilities		225,000,000	225,000,000
Loan From GDIC	16	225,000,000	225,000,000
Current Liabilities		402,882,852	363,072,126
Payable to Clients	17	117,786,260	131,550,786
Payable to DSE & CSE	18	531,609	573,729
Payable to IPO Issuer	19	15,000	-
Payable to GDIC (Management Expenses)	20	7,960,046	7,973,867
Interest Payable (GDIC)	21	33,091,887	33,028,191
Bank Overdraft	22	196,588,534	143,180,713
Liabilities for Expenses	23	6,603,742	4,907,065
Provision for Income Tax	24	33,914,733	35,525,903
Other Provision	25	6,391,041	6,331,871
TOTAL SHAREHOLDERS EQUITY AND LIABILITIES		962,279,363	954,122,331

The accompanying policies and explanatory notes 1-34 from an integral part of these financial statements.



Chairman



Director



Managing Director & CEO



Company Secretary



Head of Finance

Signed as per our separate report of same date.

Place: Dhaka
Date: February 07, 2019


Ahmed Zaker & Co.
Chartered Accountants

9.5 Green Delta Securities Ltd.

Statement of Profit or Loss and Other Comprehensive Income

For the year ended December 31, 2018

	Note	31.12.2018	31.12.2017
Amount in Taka			
Revenue		155,178,353	150,053,314
Brokerage Income	26	59,035,712	118,314,634
Interest Income on Margin Loan	27	56,493,786	55,099,783
Capital (Loss)/Gain from Investment in Shares	28	35,999,974	(27,095,419)
CDBL fees and others	29	3,648,881	3,734,317
Less: Cost of services		9,531,366	16,038,892
Direct Charge	30	9,531,366	16,038,892
Gross Profit		145,646,987	134,014,422
Add: Other non operational Income		23,022,506	20,559,697
Non operating Income	31	23,022,506	20,559,697
Less: Operating expenses		77,216,210	68,044,966
Office and administrative expenses	32	77,216,210	68,044,966
Less: Financial expenses		45,496,802	34,142,783
Interest expenses	33	45,496,802	34,142,783
Profit/ (Loss) before Tax (PBT)		45,956,481	52,386,370
Less: Provisions		22,726,304	27,899,512
Provision for Taxation	24	18,426,304	23,399,512
Other provision	25	4,300,000	4,500,000
Profit/ (Loss) after tax (PAT)		23,230,177	24,486,858
Other Comprehensive Income			
AFS Reserve		(28,584,312)	-
Total Comprehensive Income		(5,354,135)	24,486,858

The accompanying policies and explanatory notes 1-34 from an integral part of these financial statements.



Chairman



Director



Managing Director & CEO



Company Secretary



Head of Finance

Signed as per our separate report of same date.

Place: Dhaka
Date: February 07, 2019


Ahmed Zaker & Co.
Chartered Accountants

9.6 Green Delta Securities Ltd. Statement of Changes in Equity

For the year ended December 31, 2018

Particulars	Amount in Taka				
	Share Capital	Revaluation Reserve	AFS Reserve	Retained Earnings	Total Shareholders Equity
Balance as at January 01, 2018	105,000,000	80,071,524	-	180,978,681	366,050,205
AFS Reserve	-	-	(28,584,312)	-	(28,584,312)
Net profit for the year	-	-	-	23,230,177	23,230,177
Less: Adjustment for sale during the year	-	(10,549,559)	-	-	(10,549,559)
Cash Dividend	-	-	-	(15,750,000)	(15,750,000)
Balance as at December 31, 2018	105,000,000	69,521,965	(28,584,312)	188,458,858	334,396,511

Green Delta Securities Limited Statement of Changes in Equity

For the year ended December 31, 2017

Particulars	Amount in Taka				
	Share Capital	Revaluation Reserve	AFS Reserve	Retained Earnings	Total Shareholders Equity
Balance as at January 01, 2017	105,000,000	80,071,524	-	156,491,823	341,563,347
Net profit for the year	-	-	-	24,486,858	24,486,858
Balance as at December 31, 2017	105,000,000	80,071,524	-	180,978,681	366,050,205



Chairman



Director



Managing Director & CEO



Company Secretary



Head of Finance

Signed as per our separate report of same date.

Place: Dhaka
Date: February 07, 2019


Ahmed Zaker & Co.
Chartered Accountants

9.7 Green Delta Securities Ltd.

Statement of Cash Flows

For the Year ended December 31, 2018

	31.12.2018	31.12.2017
Amount in Taka		
Cash Flow from Operating Activities:		
Cash Received from Customers and others	170,914,817	23,144,319
Cash Paid to Customers, Suppliers, Employees & others	(104,867,870)	(839,322,436)
Income Tax paid & other Provision & Adjustment	(13,461,338)	(23,399,512)
Net Cash (used) /flows from operating activities	52,585,609	(839,577,629)
Cash Flow from Investing activities :		
Acquisition of Property, Plant & Equipment	(6,744,042)	(2,921,420)
Investment	(42,017,670)	22,309,159
Received from Sale of DSE Share	37,879,317	-
Investment in Bond & Others	(3,000,000)	(11,000,000)
Net Cash flows from Investing activities:	(13,882,395)	8,387,739
Cash Flow from Financing activities:		
Share Capital	-	-
Loan from GDIC	-	(59,138,688)
Overdraft	53,407,821	123,113,060
Interest	(45,433,107)	(34,567,443)
Cash Dividend Paid	(15,750,000)	-
Received from IPO Account	-	(111,450,000)
Net Cash (used) /flows from Financing activities:	(7,775,286)	(82,043,072)
Net increase/(decrease) in cash & cash equivalents	30,927,927	(913,232,961)
Add: Cash & Cash equivalents at the beginning of the year	251,233,337	1,164,466,298
Cash & Cash equivalents at the end of the year	282,161,264	251,233,337



Chairman



Director



Managing Director & CEO



Company Secretary



Head of Finance

Signed as per our separate report of same date.

Place: Dhaka
Date: February 07, 2019


Ahmed Zaker & Co.
Chartered Accountants

9.8 Green Delta Securities Ltd.

Notes to the Financial Statements

For the year ended December 31, 2018

1. Significant Accounting Policies and other Material information:-

Legal form of the Enterprise:

The company namely Green Delta Financial Services Ltd. (GDFSL) was initially incorporated as private limited company with the issuance of certificate of incorporation bearing no.C-54350(1356)/05 on 16.10.2005 by the Registrar of Joint Stock Companies & Firms. With a view to streamline the business policy, the management of the GDFSL changed the name and style under the banner of Green Delta Securities Ltd. (GDSL) effective September 13, 2009.

Registered Office of the Company:

Registered Office of the Company is situated at Hadi Mansion (6th Floor), 2 Dilkusha C/A, Dhaka-1000.

Principal activities and nature of the business:

The principal activities and nature of the business of Green Delta Securities Ltd was to establish as brokerage house with a view to cope with the business needs of the stock buying and selling in the market as a member of the Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) under the aegis of operating Stock broker and Stock dealer.

2. Basis of Presentation of the Financial Statements:

The following underlying assumptions, measurements, base, laws, rules, regulations and accounting pronouncements have been considered in preparing and presenting the financial statement as per IAS-1.

- i) Historical cost convention (Except investment in Stock Exchange membership)
- ii) Accrual except Cash flow Statement
- iii) Bangladesh Accounting Standard
- iv) Going concern
- v) Related party transaction
- vi) Company Act, 1994
- vii) Securities and Exchange rule 1987
- viii) Dhaka Stock Exchange rule 1954
- ix) Chittagong Stock Exchange rule 1995

2. 1) Recognition of Property & Equipment and Depreciation:

In accordance with the Bangladesh Accounting Standard adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) as IAS 16 'Property Plant and Equipments, fixed assets have been accounted for using the straight-line depreciation method. Cost includes expenditure that is directly attributable to the acquisition of the items. Depreciation on all fixed assets has been applied consistently year to year at the following rate.

a)	Computer Software	50%
b)	Computer	30%
c)	Telephone	30%
d)	Office Space Purchased	10%
e)	I.P.S	30%
f)	Office Equipments	30%
g)	Air Conditioner	30%
h)	U.P.S	30%
i)	Computer Server	30%
j)	Furniture & Fixture	30%
k)	Office Renovation	30%
l)	Motor Vehicle	20%
m)	Mobile sets	30%
n)	Projector	30%

Depreciation has been charged in addition of fixed assets when it is available for use and no depreciation is charged in the year of disposal.

2.2**Revenue Recognition:**

Revenue is recognized only when it is probable that the economic benefit of such transaction has been derived as per "IAS-18".

Brokerage commission

Brokerage commission is recognized as income when selling or buying order executed.

Interest Income from margin loan

Interest Income from margin loan is recognized on accrual basis. Such income is calculated on daily margin loan balance of the respective parties. Income is recognized on monthly basis.

Dividend income and profit/ (loss) on sale of marketable securities

Dividend income is recognized when right to receive payment is established whereas profit or loss arising from the sale of securities is accounted for only when shares are sold in the market and profit is realized or loss is incurred.

Income from Bank deposit

Income from short term bank deposit & FDR are recognized when the amount is credited by the bank in the accounts.

2.3)**Taxation:****Current Tax:**

The company's trading income is subject to deduction of tax at source which is at the rate of 0.05% for the year ended December 31, 2018 on the transactions held at the time of stock buying and selling made.

Deferred Taxation:

The company has not recognized any deferred Tax for the year as required under IAS-12, Income Taxes.

2.4)**Client Accounts:**

Client accounts represent the amount which is paid by the company at the time of trading of shares and stocks in the house which is recognized in the account as current assets as per IASB Framework.

2.5)**Cash and cash equivalents:**

Cash and cash equivalents consist of cash in hand, bank balances and deposits held with banks and financial instruments and short term liquid investments that are readily convertible to known amount of cash and that are subject to an insignificant risk of change in value.

2.6)**Cash Flow Statements:**

Cash flow statement has been prepared in accordance with the International Accounting Standards (IAS) 7, "Cash flow statement" under direct method.

2.7)**Investment in Shares:**

The company by virtue of obtaining the license as stock dealer from the Securities and Exchange Commission has invested in the listed securities in its own name and such investment in the listed Securities has been incorporated at cost against which adequate provision has not been made with a bid to reduce its possible losses under its investment portfolio as prescribed in the International Accounting Standard (IAS).

2.8**Events after the Reporting date:**

As per IAS-10 "Event after the Balance Sheet Date" are those event favorable and unfavorable, that occur between the end of the reporting year and the date when the financial statements are authorized for issue. Two types of event can be identified:

- Those that provide evidence of conditions that existed at the end of the reporting year (adjusting events after balance sheet date); and
- Those that is indicative of conditions that arose after the reporting year (Non-adjusting events after balance sheet date).

2.9**Related party disclosure**

As per International Accounting Standards (IAS)-24 "Related Party Disclosures", parties are considered to be related if one of the parties has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The Company carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with related parties.

Name of the Related Party	Nature of Relationship	Nature of Transaction	Opening Balance January 01, 2018	Addition during the year	Payment during the year	Closing Balance as on December 31, 2018
Green Delta Insurance Company Limited	Common Shareholder	Loan from GDIC	225,000,000	-	-	225,000,000
		Payable to GDIC (Management Expense)	79,73,867	67,99,680	68,13,501	79,60,046
		Interest Payable	3,30,28,191	2,22,53,425	2,21,89,729	3,30,91,887
		Interest Expense				45,496,802

2.10 Comparative:

Comparative information have been disclosed in respect of the previous year for all numerical information in the financial statements including narrative and descriptive information when it is relevant for understanding of the current year's financial statements.

Previous year's figure has been re-arranged whenever considered necessary to ensure comparability with the current year's presentation as per IAS-8 "Accounting Policies, Changes in Accounting Estimates and Errors".

2.11 Application of International Accounting Standards (IASs):

The Financial Statements have been prepared in compliance with requirement of IAS as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) and applicable in Bangladesh. The following BASs are applicable for the financial statements for the period under review:

IAS- 1 Presentation of Financial Statements

IAS- 7 Statement of Cash Flows

IAS- 8 Accounting Policies, Changes in Accounting Estimates and Errors

IAS- 10 Events after the Reporting Period

IAS- 12 Income Taxes

IAS- 16 Property, Plant and Equipment

IAS- 18 Revenue

IAS- 23 Borrowing Cost

IAS- 24 Related Party Disclosure

3) Information on Financial Statement:

Responsibility for preparation and presentation of financial statements:

The company's management and the Board of Directors are responsible for the preparation and presentation of Financial Statements according to the Bangladesh Accounting Standard IAS-1 "Presentation of Financial Statements".

Components of the Financial Statements:

Following are the component of the financial statements.

- Statement of Financial Position as at December 31, 2018.
- Statement of Profit or Loss and Other Comprehensive Income for the year ended December 31, 2018.
- Statement of Changes in Equity for the year ended December 31, 2018.
- Statement of Cash flows for the year ended December 31, 2018.
- Notes to the financial statements and Explanatory notes.

General:

- The figure has been rounded off to the nearest Taka.
- The financial Statement has been prepared covering the year from January 01, 2018 to December 31, 2018.

9.8 Green Delta Securities Ltd.

Notes to the Financial Statements

For the year ended December 31, 2018

		Amount in Taka	
		31.12.2018	31.12.2017
4.00	Property, Plant & Equipment		
	Cost:		
	Balance as at 01.01.2018	39,018,009	36,096,589
	Add: Addition during the year	6,744,042	2,921,420
		45,762,051	39,018,009
	Less: Adjustment during the year	-	-
	Balance as at 31.12.2018	45,762,051	39,018,009
	Depreciation:		
	Balance as at 01.01.2018	35,591,075	32,859,011
	Add: Charged during the year	2,552,914	2,732,063
		38,143,989	35,591,074
	Less: Adjustment during the year	-	-
	Balance as at 31.12.2018	38,143,989	35,591,074
	Written down value as at 31.12.2018	7,618,062	3,426,935
	Details of Property, Plant & Equipment is given in Annexure-A		
5.00	Stock Exchanges Membership		
	Dhaka Stock Exchange Limited - Membership	54,113,290	72,151,060
	Chittagong Stock Exchange Limited - Membership	42,873,300	42,873,300
		96,986,590	115,024,360
	Dhaka Stock Exchange (DSE) has sold 25% ordinary shares of DSE to be its strategic partners to a Chinese consortium [the consortium of Shenzhen Stock Exchange (SZSE) and Shanghai Stock Exchange (SSE)] that becomes a strategic partner of DSE.		
6.00	Investment in Bond & Others		
	Investment in Bond (Trust Bank Ltd.)	-	2,000,000
	Investment in Bond (LankaBangla Finance Ltd)	10,000,000	-
	Investment in Green Delta Asset Management Company Ltd.	-	13,000,000
	Investment in Pre-IPO	8,000,000	-
		18,000,000	15,000,000
7.00	Advances, Deposits and Prepayments		
	Office rent (Advances)	3,731,537	1,155,137
	Advance to employee (Salary)	4,381,570	1,219,173
	Advance to employee (Car)	1,379,447	428,560
	Prepayment for others	299,978	2,750,214
	Bloomberg Prepayment	336,850	312,707
	TDS on Car	160,000	100,000
	TDS on FDR Interest (Note-7.01)	4,668,976	3,765,956
	TDS on Bond (Note-7.02)	399,794	387,295
	TDS on Dividend of DLR (Note-7.03)	8,383,359	6,189,260
	Tax on Transaction (Note-7.04)	10,351,721	20,037,474
		34,093,233	36,345,777

9.8 Green Delta Securities Ltd.

Notes to the Financial Statements

For the year ended December 31, 2018

		Amount in Taka	
		31.12.2018	31.12.2017
7.01	TDS on FDR & STD Interest		
	Opening balance	3,765,956	3,109,489
	Add: Addition during the year	903,020	656,467
		4,668,976	3,765,956
	Less: Adjusted during the year	-	-
		4,668,976	3,765,956
7.02	TDS on Bond		
	Opening balance	387,295	362,295
	Add: Addition during the year	12,499	25,000
		399,794	387,295
	Less: Adjusted during the year	-	-
		399,794	387,295
7.03	TDS on Dividend of DLR		
	Opening balance	6,189,260	3,508,690
	Add: Addition during the year	2,194,099	2,680,571
		8,383,359	6,189,260
	Less: Adjusted during the year	-	-
		8,383,359	6,189,260
7.04	Tax on Transaction		
	Opening balance	20,037,474	11,388,033
	Add: Addition during the year	10,351,721	20,037,474
		30,389,195	31,425,507
	Less: Adjusted during the year	20,037,474	11,388,033
		10,351,721	20,037,474
	As per Section 82 (C) of ITO 1984, the company made a provision for income tax Taka 10,351,721 against turnover tax applying a rate of 0.050% for the year 2018		
8.00	Receivable from Clients		
	Receivable from clients for share trading	357,719,817	315,706,335
		357,719,817	315,706,335
9.00	Receivable from DSE & CSE		
	DSE	17,312,923	81,400,785
	DSE(DLR)	74,872	-
	CSE	3,767	702,989
	Dividend Receivable from CSE	2,143,665	-
		19,535,227	82,103,774
10.00	Investment in Shares		
		Cost Value	Market Value
	DLR Investment	165,083,267	136,498,955
	IPO Share at cost	3,634,635	3,458,079
		168,717,902	140,133,590
		168,717,902	126,700,233

The above amount represents investment made in the DLR portfolio & IPO (at cost value) shown as current assets during the year.

9.8 Green Delta Securities Ltd.

Notes to the Financial Statements

For the year ended December 31, 2018

		Amount in Taka	
		31.12.2018	31.12.2017
10.01	AFS Reserve		
	Market Value of Share	136,498,955	-
	Cost Value of Share	(165,083,267)	-
	AFS Reserve Transferred to other comprehensive Income	(28,584,312)	-
11.00	Accounts Receivable		
	Green Delta Insurance Co. Ltd. (Car Sale Proceeds)	1,494,791	1,494,791
	Nascom Pvt. Ltd.	21,851	21,851
	Green Delta Capital Ltd.	1,174,771	1,174,771
	Receivable from Party	2,382,334	4,882,334
	Receivable from Employees & others	957,832	1,007,832
		6,031,579	8,581,579
12.00	Cash and Cash Equivalents		
	Cash in hand (12.01)	174,983	442,389
	Cash at bank (12.02)	281,986,281	250,790,948
		282,161,264	251,233,337
12.01	Cash in hand		
	Head Office	174,484	441,676
	Chittagong	7	152
	Sylhet	492	561
		174,983	442,389
12.02	Cash at bank		
	Pubali Bank Ltd. A/C # STD-1816 [CCA]	326,535	317,486
	City Bank Ltd. A/C # 3101063925001 [CCA]	155,917	152,475
	Mutual Trust Bank Ltd. A/C # 0023-0210002631 [CCA]	26,517	27,667
	Mutual Trust Bank Ltd. A/C # 792 [OPT]	3,380	4,530
	Pubali Bank Ltd. A/C # STD-255 [OPT]	23	12
	Trust Bank Ltd. A/C # 0017-021010007009 [CCA]	2,097	3,247
	Standard Chartered Bank A/C # 01-1053200-01 [OPT]	15,192,500	4,311,568
	Standard Chartered Bank A/C # 01-1053200-02 [CCA]	114,942,139	106,083,013
	Standard Chartered Bank A/C # 01-1053200-03 [DLR]	40,543,682	2,403,077
	Standard Chartered Bank A/C # 01-1053200-04 [IPO]	24,944	4,944
	Marcentile Bank Ltd. A/C # 011311100007952 [OPT]	170,977	198,373
	FDR A/C (Note-12.02.1)	110,597,571	137,284,556
		281,986,281	250,790,948
12.02.1	FDR A/C		
	Trust Bank Ltd. A/C # 0017-0330015050	8,605,203	8,108,748
	BRAC Bank A/C #1501301898188005	-	2,581,014
	BRAC Bank A/C #1501301898188004	-	7,871,129
	BRAC Bank A/C #1501301898188003	-	16,861,521

9.8 Green Delta Securities Ltd.

Notes to the Financial Statements

For the year ended December 31, 2018

	Amount in Taka	
	31.12.2018	31.12.2017
BRAC Bank A/C #1501301898188002	-	17,358,070
BRAC Bank A/C #1501301898188001	-	17,397,573
BRAC Bank A/C #1501301898188006	32,901,324	-
BRAC Bank A/C #1501301898188007	32,901,324	-
SCB Bank # 91053200001	9,782,353	9,521,696
IDLC #10252226268901	755,515	712,732
SCB Bank # 91053200144	7,828,288	7,619,699
ICB ISLAMIC Bank Ltd # 0029676	-	10,000,000
LankaBangla Finance # 0022-22800000009	-	2,067,500
IPDC Finance Limited # 00586	6,412,300	5,892,375
BRAC Bank Ltd # 1521301898188001	-	10,292,500
IDLC # 10552226268906	-	2,000,000
DBH # 55063	-	5,000,000
United Finance Ltd # 035514	5,411,264	5,000,000
IDLC # 10552226268904	-	1,000,000
IDLC # 10552226268905	-	2,000,000
LankaBangla Finance # 002222800000025	-	2,000,000
Mercantile Bank Ltd # 0305591	-	2,000,000
Mercantile Bank Ltd # 0305592	-	2,000,000
ILAFSL # 20336	1,000,000	-
Bank Asia # 0296769	5,000,000	-
	110,597,571	137,284,556
13.00 Share capital		
13.01 Authorized Capital		
Two Million (20,000,000) ordinary shares of Tk.10/- each		
The authorized share capital of the company is Taka 200 Million (two hundred million) divided into 20,000,000 (Twenty Million) ordinary shares of Taka 10/- each.		
13.02 Issued, subscribed and paid up Capital		
(10,500,000) One Million ordinary shares of Tk.10/- each fully paid	105,000,000	105,000,000
13.03 Shareholding Position of the Company		
<u>Name of Share Holder</u>		
Green Delta Insurance Company Ltd.	999,999	999,999
Nasir A Choudhury	1	1
	1,000,000	1,000,000
14.00 Retained Earnings		
Opening balance	180,978,681	156,491,823
Add: Addition during the year	23,230,177	24,486,858
	204,208,858	180,978,681
Less: Cash Dividend	(15,750,000)	-
Less: Bonus Share Issued	-	-
	188,458,858	180,978,681

9.8 Green Delta Securities Ltd.

Notes to the Financial Statements

For the year ended December 31, 2018

		Amount in Taka	
		31.12.2018	31.12.2017
15.00	Revaluation Reserve		
	Opening balance	80,071,524	80,071,524
	Less: Adjustment for sale during the year	(10,549,559)	-
		69,521,965	80,071,524
	Revaluation reserve represents the amount of gain on revaluation on Investment in Stock Exchange for obtaining membership of DSE and CSE.		
16.00	Loan from GDIC (Margin Loan & DLR)		
	Opening balance	225,000,000	284,138,688
	Addition during the year	-	-
		225,000,000	284,138,688
	Paid during the year	-	59,138,688
		225,000,000	225,000,000
	The loan amount has been received from the GDIC bearing average interest @ 10.00% per annum which is being paid by the company regularly and charged the sum in the income statement.		
17.00	Payable to Clients		
	Payable to clients for share trading.	117,786,260	131,550,786
		117,786,260	131,550,786
18.00	Payable to DSE & CSE		
	DSE	188,110	561,919
	DSE(DLR)	56	-
	CSE	343,443	11,810
		531,609	573,729
19.00	Payable to IPO Issuer		
	SEML FBLSL Growth Fund	15,000	-
		15,000	-
20.00	Payable to GDIC (Management Expenses)		
	Opening balance	7,973,867	7,982,579
	Add: Addition during the year	6,799,680	6,808,091
		14,773,547	14,790,670
	Less: Adjustment during the year	(6,813,501)	(6,816,803)
		7,960,046	7,973,867
	Above amount represents payable to GDIC for meeting day to day management expense, which were expended by the GDIC on behalf of GDSL.		
21.00	Interest Payable (GDIC)		
	Opening balance	33,028,191	33,452,851
	Add: Addition during the year	22,253,425	25,133,562
		55,281,616	58,586,413
	Less: Adjustment during the year	22,189,729	25,558,222
		33,091,887	33,028,191
22.00	Bank Loan (Overdraft)		
	Loan from BRAC Bank Limited	196,588,534	143,180,713
		196,588,534	143,180,713
	This represents the overdraft loan amount previously sanctioned by the BRAC Bank Ltd. A/C no. 1501201898188001 in favor of the company at a rate of 12.50%.		

9.8 Green Delta Securities Ltd.

Notes to the Financial Statements

For the year ended December 31, 2018

		Amount in Taka	
		31.12.2018	31.12.2017
23.00	Liabilities for Expenses		
	Payable to Dr. K.M Maqsubur Rahaman	-	29,378
	Payable to Executive Machines Ltd.	17,000	17,000
	Payable to Green Delta AIMS Tower	26,000	26,000
	Audit Fees	62,500	62,500
	Payable to Birds Bangladesh	4,364	5,939
	Payable to Broad Band Telecom Services Ltd	4,350	-
	Payable to JR Tower	11,992	14,671
	Payable to Lazeez Food	-	64,329
	GF Payable	4,500,500	3,500,500
	Payable to GDCL	124,440	123,690
	Accrued Expense	194,566	194,566
	Payable to NN Traders	1,007,663	229,778
	Payable to Monna Traders	38,913	-
	Payable to JDS Company Ltd	34,687	25,803
	Office Rent, Electricity & Utility Payable to GDIC	258,300	-
	Accounts Payable to SNS Traders	41,325	-
	CDBL Charges Payable (23.01)	101,581	241,942
	TDS and VAT Payable (23.02)	175,561	370,970
		6,603,742	4,907,065
23.01	CDBL Charges Payable		
	Opening balance	241,942	448,269
	Add: Addition during the year	4,304,101	6,141,817
	Less: Adjustment during the year	(4,444,462)	(6,348,144)
		101,581	241,942
23.02	TDS and VAT Payable		
	Salary	77,586	58,496
	House rent TDS (Gulshan, TBL & Suppliers)	2,821	12,198
	TDS payable on suppliers	5,640	143,210
	House rent VAT (Gulshan, TBL & Suppliers)	89,514	157,066
		175,561	370,970
24.00	Provision for Tax		
	Opening balance	35,525,903	23,514,424
	Add: Provision during the year	18,426,304	23,399,512
		53,952,207	46,913,936
	Less: Paid during the year	-	-
		53,952,207	46,913,936
	Less: Adjusted during the year	20,037,474	11,388,033
		33,914,733	35,525,903

Provision amounting to Taka 18,426,304 has been made on account of current year's Income Tax payable to Govt. authority.

9.8 Green Delta Securities Ltd.

Notes to the Financial Statements

For the year ended December 31, 2018

		Amount in Taka	
		31.12.2018	31.12.2017
25.00	Other Provision		
	Opening balance	6,331,871	5,603,421
	Add: Addition during the year	4,300,000	4,500,000
		10,631,871	10,103,421
	Less: Adjustment during the year	4,240,830	3,771,550
		6,391,041	6,331,871
<p>As per decision of the board, during the year an amount of Taka 4,300,000 has been made other provision to meet the cash incentives and performance bonus of the employees' of Green Delta Securities Ltd.</p>			
26.00	Revenue from Brokerage		
	Commission Income (Annexure B)	59,035,712	118,314,634
		59,035,712	118,314,634
27.00	Interest Income on Margin Loan		
	Income on Margin Loan	56,493,786	55,099,783
		56,493,786	55,099,783
28.00	Capital (Loss)/Gain from Investment in Shares		
	Gain/Loss from Sold DSE Share	30,391,106	-
	Realized Gain/(Loss) from share trading	5,608,868	(27,095,419)
		35,999,974	(27,095,419)
29.00	CDBL fees and others		
	CDBL Fees	3,037,656	3,350,857
	Margin Documentation	4,500	13,500
	IPO Income	212,720	88,360
	BO Account opening Fee	394,005	281,600
		3,648,881	3,734,317
30.00	Direct Charge		
	Hawla Charge (Annexure B)	29,054	123,850
	Laga charge (Annexure B)	5,055,875	9,773,225
	CSE Commission & Contract Charge	142,336	-
	CDBL Charge	4,304,101	6,141,817
		9,531,366	16,038,892
31.00	Non operating Income		
	Interest from Loan to Employee	258,077	55,895
	Interest from Bond	250,000	500,000
	Interest on Bank and FDR Accounts	9,500,269	6,575,866
	Gain/Loss from Pre-IPo Investment	(100,000)	-
	Dividend Income from DLR	3,755,389	3,640,432
	Dividend Income from Regulatory DSE & CSE	9,358,771	9,787,504
		23,022,506	20,559,697
32.00	Office & Administrative Expenses		
	Salary & Allowances	40,143,421	34,692,739
	Festival Bonus	3,262,450	2,804,500
	Stationery Expenses	962,052	763,446

9.8 Green Delta Securities Ltd.

Notes to the Financial Statements

For the year ended December 31, 2018

	Amount in Taka	
	31.12.2018	31.12.2017
Conveyances	2,950,123	1,913,593
Rent (Office rent)	9,676,060	8,765,628
Telephone, Mobile & Trunk-Call	47,074	51,458
Office Entertainment	359,750	587,197
Business Development	520,264	454,659
Advertisement Expenses	230,750	25,000
Electrical & Utility Expenses	3,015,505	2,724,282
Office Maintenance	1,279,959	1,604,996
Audit Fees	62,500	62,500
Stamps expense	-	200
Software Maintenances	417,214	281,467
Computer Accessories	195,580	7,975
Generator Fuel	20,190	17,625
Repair, Renewal & Maintenance	318,442	394,827
Postage & Courier, Telegram	20,165	17,314
Books, Papers & Periodicals	60,338	50,812
Authorized Representative Expenses	327,800	466,700
Renewal. Fees (Dealer & Broker)	222,600	215,600
Renewal. Fees (Trade License)	52,415	72,085
Data Connectivity Expenses	1,979,577	1,959,051
Subscription	236,660	320,900
Training Expenses	215,973	217,330
Insurance Premium	63,737	79,820
Investor Protection Fund	19,106	41,391
Brokerage Expenses	745,056	2,645,387
Mobile Allowance	819,001	780,921
Car Maintenance Allowances	1,164,354	1,020,000
Depreciation	2,552,914	2,732,063
Food Expenses (Company Part)	419,805	311,654
Uniform & Dress	33,130	38,400
Foreign Travel	1,347,600	901,459
Staff Bus Expenses (Company Part)	53,834	31,883
Bidding Fee(DLR)	48,000	13,000
Award/Reward/Prize Money to Employee	-	116,000
Bloomberg Service Expense	3,068,412	645,204
Research	304,400	215,900
	77,216,210	68,044,966
33.00 Interest expenses		
Bank Charge & Commission	792,774	375,700
IPO Bank Charge & Commission	8,328	4,497
Interest Expenses (GDIC)	22,253,453	25,133,562
Interest Expenses (SCB)	50,696	-
Interest Expenses (BRAC Bank Loan)	22,391,551	8,629,025
	45,496,802	34,142,783

34.00 Events after the balance sheet date : Subsequent to the Statement of Financial Position date, the Board of Directors in their meeting held on 07 February, 2019 recommended 15% cash dividend to the shareholders for the year ended December 31, 2018. The dividend has been approved by the shareholders at the upcoming Annual General Meeting .

9.6 Green Delta Securities Ltd. Schedule of Property, Plant & Equipment

As at Dec 31, 2018

Annexure-A

Sl.No	Name of the Assets	COST				DEPRECIATION				Written down value as at 31.12.2018	
		Balance as at 01.01.2018	Addition during the year	Adjustment /Disposal during the year	Balance as at 31.12.2018	Rate	Balance as at 01.01.2018	Charged during the year	Adjustment during the year		Balance as at 31.12.2018
1	Computer Software	4,539,570	-	-	4,539,570	50%	4,039,570	500,003	-	4,539,573	(3)
2	Computer	5,908,383	448,988	-	6,357,371	30%	5,422,721	248,644	-	5,671,365	686,006
3	Telephone	187,120	-	-	187,120	30%	187,119	-	-	187,119	1
4	Office Space Purchase	600,000	-	-	600,000	10%	572,168	27,831	-	599,999	1
5	I.P.S	115,977	-	-	115,977	30%	115,973	-	-	115,973	4
6	Office Equipments	4,091,995	184,950	-	4,276,945	30%	3,294,884	317,859	-	3,612,743	664,202
7	Air Conditioner	1,495,870	76,560	-	1,572,430	30%	1,449,669	34,026	-	1,483,695	88,735
8	U.P.S	207,518	89,743	-	297,261	30%	199,128	21,476	-	220,604	76,657
9	Computer Server	2,093,890	-	-	2,093,890	30%	2,093,888	-	-	2,093,888	2
10	Furniture & Fixtures	1,581,600	228,000	-	1,809,600	30%	1,495,145	56,881	-	1,552,026	257,574
11	Office Renovation	11,663,988	5,497,807	-	17,161,795	30%	11,519,344	228,831	-	11,748,175	5,413,620
12	Motor Vehicle	4,926,000	-	-	4,926,000	20%	3,659,210	985,200	-	4,644,410	281,590
13	Mobile Sets	678,004	217,994	-	895,998	30%	614,163	132,163	-	746,326	149,672
14	Projector	928,094	-	-	928,094	30%	928,093	-	-	928,093	1
	Balance as at 31.12.2018	39,018,009	6,744,042	-	45,762,051		35,591,075	2,552,914	-	38,143,989	7,618,062
	Balance as at 31.12.2017	36,096,589	2,921,420	-	39,018,009		32,859,011	2,732,063	-	35,591,074	3,426,935

9.8 Green Delta Securities Ltd. DSE, CSE & DLR

Transaction Date: 01/01/2018 to 31/12/2018

Annexure B
Amount in taka

Date	Total Transactions	Commission	Howla	Laga	Tax AMT	Total Expense	Net Earnings
January, 2018	1,715,311,509	5,033,673	5,484	418,143	857,651	1,281,277	3,752,395
February, 2018	1,139,150,624	3,476,417	3,438	281,823	569,575	854,837	2,621,581
March, 2018	1,027,164,603	2,969,904	3,560	249,512	513,580	766,652	2,203,252
April, 2018	2,113,779,585	6,218,132	6,410	500,315	1,056,882	1,563,608	4,654,524
May, 2018	1,785,847,322	5,618,910	5,478	439,728	892,827	1,338,033	4,280,876
June, 2018	1,275,947,902	4,155,167	4,534	313,032	637,974	955,540	3,199,628
July, 2018	3,049,499,035	9,232,527	50	756,164	1,524,747	2,280,961	6,951,567
August, 2018	1,854,523,299	5,478,684	-	455,405	927,262	1,382,666	4,096,018
September, 2018	2,401,717,380	6,313,624	-	580,647	1,200,859	1,781,506	4,532,118
October, 2018	1,756,457,899	4,702,199	50	428,616	878,224	1,306,890	3,395,309
November, 2018	1,436,473,456	3,424,366	-	357,836	718,237	1,076,073	2,348,293
December, 2018	1,147,824,972	2,412,109	50	274,655	573,903	848,608	1,563,501
Total	20,703,697,584	59,035,712	29,054	5,055,875	10,351,721	15,436,651	43,599,061

Total transaction	20,703,697,584
Gross Commission	59,035,712
Reversal Entry of Commission/ Rounding Up Difference	-
Gross Commission After Reversal	59,035,712
Less: Total Howla+Laga+Tax	(15,436,651)
Net Earnings	43,599,061
Less: CSE Commission & Contract Charge	(142,336)
Less: CDBL Charge	(4,304,101)
Net Commission	39,152,624

9.9 Report on Green Delta Capital Limited



Md. Rafiqul Islam

Managing Director & CEO
Green Delta Capital Limited

“ In 2018, we reported record earnings compare to last 5 (five years), up 13.51% from last year. We met or exceeded all of our medium-term objectives, delivered double-digit growth of 57%, involved of raising BDT 5.75 billion in local currency and USD 268 million in foreign currency which is directly impacted to create employments and helping to build a strong business base for our clients.

I begin this letter with a sense of pride about Green Delta Capital Limited. As I look back on last year 2018, it is remarkable how well we have performed.

As an independent Merchant Bank, GDCL differentiates itself from its peers by its highly-personalised methodology to its relationship with clients and by being able to offer appropriate investment banking services and investment strategies that have been structured for the specific needs of these individual clients.

The strong performance in recent years is the result of the focus on the sustainability and we are confident that we will continue to deliver in the future with a wide perspective.

Major Achievement

In 2018 we successfully completed first ever M&A Transaction of Bangladesh.

We are the only local Investment Bank in Bangladesh that has achieved the milestone of completing Cross Border Merger & Acquisition (M&A) for one of the largest conglomerates of Bangladesh, Akij Group. Akij acquired 2 Malaysian Companies to expand its business operation beyond the border By acquiring these two companies, Akij Group has diversified the potential of the export of MDF board and wood floor tiles to the European countries.

We took this historical cross border M&A deal for Akij group with responsibilities of managing equity to debt, structuring the deal and performing the valuation of the target company which ultimately gives us utmost pride. Successful closure of this M&A transaction brings irreplaceable qualitative milestone for Akij group as well as for GDCL which will eventually enhance the brand image of our country.

We have become the best Local Investment Bank (South Asia) for BRI (Belt & Road Initiative) by ASIA MONEY Finance Award,2018 (South Asia New Silk Road Finance Award, 2018). Asiamoney, a financial publication, present this award to recognize the financial institutions leading the way in promoting and financing the Belt & Road Initiative since 2017.

The Belt and Road run through the continents of Asia, Europe and Africa, connecting the vibrant East Asia economic circle at one end and developed European economies at the other, and encompassing countries with huge potential for economic development. Belt and Road Five Priority Areas for Cooperation and Policy coordination, Facilities connectivity including improving the connectivity of Infrastructure construction plans and technical standard systems among countries along the

Belt and Road, Unimpeded trade, including improving investment and trade facilitation, Financial integration, including building a currency stability system, investment and financing system and credit information system in Asia and People-to-people bond.

Over the past 6 years, we were working relentlessly to promoting Bangladesh in the Global market. Being recognized as the Best Local Investment Bank for BRI Projects has been a motivational aspiration for the whole company. With BRI, GDCL can expand its footprint to Asian countries and facilitate more financing opportunities which will ultimately enable Bangladesh to get the full opportunity of BRI.

Sector focus for sustainable Growth

Since inception, GDCL always focused to provide its services to the thrust sectors of Bangladesh such as Power, Infrastructure, Renewable energy etc. We are keen to work for long term environment friendly projects and to bring DFIs which will also boost the economic growth of our country. Environmental and climate protection is one of the major concern of our corporate responsibilities. Our priority is reflected in the development of products and services focusing on green finance. Accordingly, we have been mandated by Spectra Group to arrange fund for their 35 MW Solar power project- Spectra Solar Park in Bangladesh. Successfully, we are on process of completion of the deal.

GDCL has built a reputation for expertise in identifying the right opportunities, and the ability to act nimbly to grasp them. We are continuously looking for new opportunities to serve our customers better and also want to create value added service for the financial sector of Bangladesh. We attended the 3rd Islamic Financing Forum in Sri Lanka where I was invited as panel speaker to discuss and explore the Islamic Financing growth prospect in South Asian countries.

Financial Statement

As growing company, we have already proved that we can sustainably generate profits on a continuous manner and our capacity to do so should increase over time as we grow our business. I am very pleased to share that GDCL completed 2018 with accelerated growth in revenue, EBITDA & Net Profit.

GDCL is now playing a vital role in ensuring a sustainable Investment Banking ecosystem by putting emphasis on meeting client's needs and at the same time emphasising on steady & sustainable company profitability.

Our company realised a net profit of BDT 36.62 million with key financial metrics remaining strong. There was positive operating profit growth of 12.83% compare to the previous year. Our ROI was 14.08% with a positive growth of 13.56%.

We have continued to maintain a strong Balance Sheet. The total Assets of the Company stood BDT 326.52 million.

Retail & Research Team

Despite the challenging capital market environment, GDCL's retail wing, portfolio management team, has also performed exceedingly well throughout the year 2018.

The team is committed & equipped to set forth a strong client base by providing global standard investment analysis solution for its valued clients. In the year 2018, the company signed a significant number of new clients with enormous market presence. They have contributed heavily to the bottom-line profit of the company through own investments in the capital market.

The Portfolio team is supported by a very capable research team that ensures portfolio investments of our clients see

maximum return with minimum levels of risks. Research team is responsible to report on Bangladesh capital market every day, which is also published in the Financial Express, the leading financial newspaper of Bangladesh and are in the talks with a few more newspaper dailies to publish their research on Bangladesh Capital Markets. We are proud that our unique research team contributes to the net revenue through such publications as well as earns goodwill for the company.

Looking forward

We are proud of Green Delta Capital's industry recognition for its diversity and inclusion efforts. It is the talent, ingenuity and dedication of our people, and the progress we have made in the past year, which gives me great confidence for our future.



Md. Rafiqul Islam

Managing Director & Chief Executive Officer

ABOUT GDCL

“ Our business model is aligned with our strategy of being a leading, diversified Investment Bank with global reach

- **Green Delta Capital Limited (GDCL)** is a leading Investment Bank in Bangladesh which started operation in 2011
- Subsidiary of Green Delta Insurance Company Limited (GDIC)
- Licensed and regulated by the Bangladesh Securities and Exchange Commission (BSEC)
- Full-fledged Investment Bank offering one stop global standard Investment Banking solution to its valued clients



Incorporated:

Number: C82746/10 dated: 24 February 2010

Licensed and Regulated by Bangladesh Securities and Exchange Commission:

SEC/Reg/MB-91/2010/469 dated: 01 December 2010

Panel Broker:

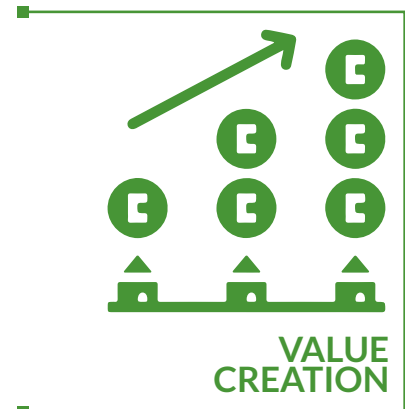
Apex Investments Limited and Green Delta Securities Limited

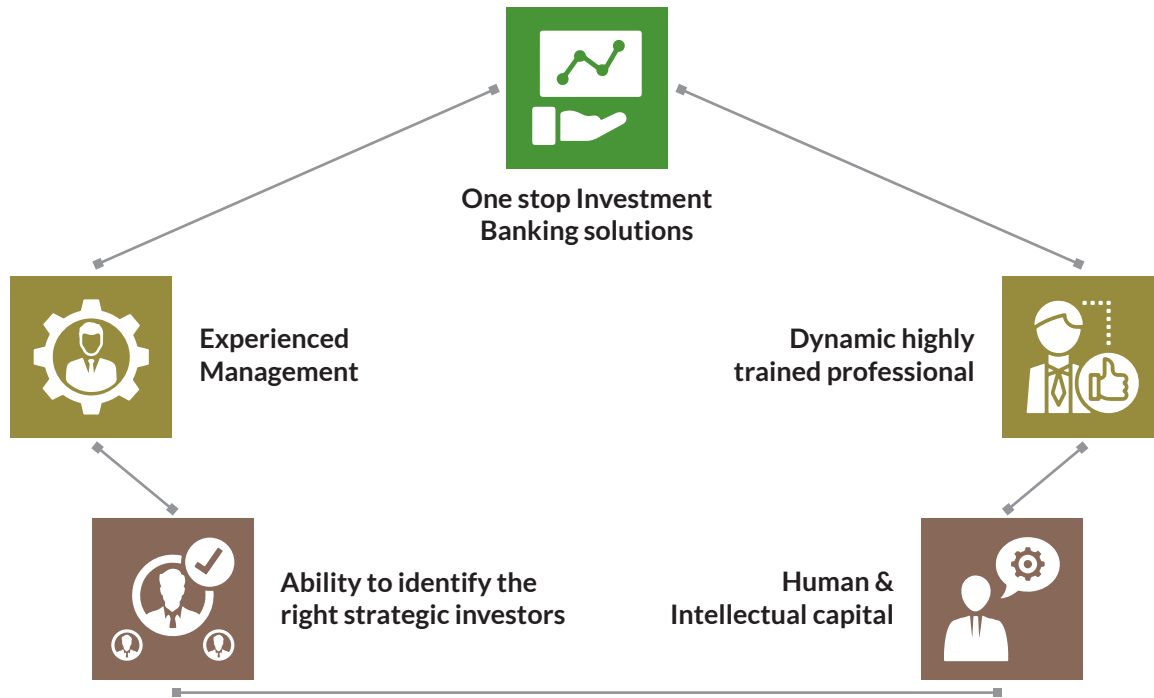
International Footprint of Distribution Network:

East & West

WHAT WE DO AND HOW DO WE ENHANCE VALUE CREATION

GDCL contribute to the economic growth and creation of a flourishing culture by providing financial advisory services and solutions that are innovative and competitive by utilizing our high-quality management resources.





Arrange & Manage Local and Foreign Funds	Believe in Transparency and Disclosure	Enhance professional quality of work
Arrange Funds for infrastructure projects	Providing asset management & portfolio services utilizing efficient capital market Research	Support clients by underwriting bonds and stocks and providing M&A and other advisory services
Emphasise client's interests first, giving our best	Promote entrepreneurial spirit and encourage initiative amongst our people	Enhance human capital, intellectual capital and social capital by improving financial literacy and supporting innovation

Have continuous zero tolerance in Compliance, Audit, Regulatory requirements breach and law of the land; therefore, make an operating platform capable of delivering consistent growth in any environment

CORPORATE STRATEGY AND FUNDAMENTAL APPROACH

“ We believe that the economic and social mission of the financial services sector is to contribute to economic growth and sustainable social development by facilitating the appropriate flow of funds in the capital & money markets that meet the needs of customers and achieving sustainable development goals (SDGs).

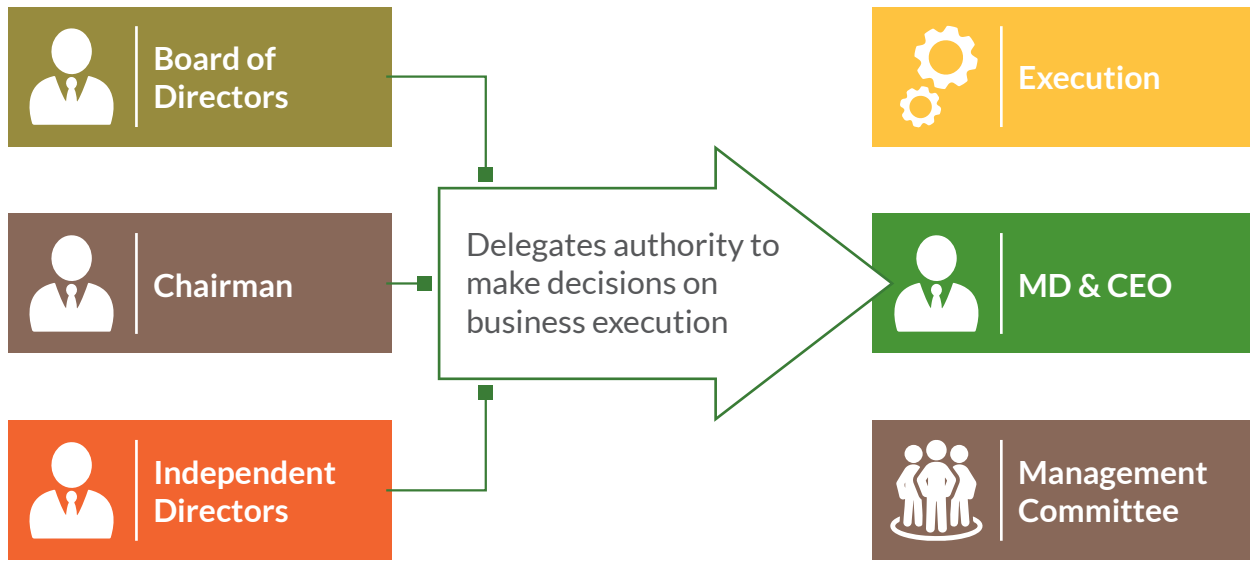


CORPORATE GOVERNANCE SYSTEM AND FEATURES:

Fundamental Approach

GDCL recognizes that the enhancement of corporate governance is one of the most important concerns in terms of achieving management's goals of strengthening corporate value by extending client's trust in the firm and increasing the satisfaction of clients and other stakeholders. We constantly endeavour to improve corporate governance principles and practices that ensure protecting the interests of our shareholders as well as establish a respectable code of ethics.

In GDCL, it is the common practice to review all governance practice to ensure complete transparency and hence, has established the following roles and responsibilities as discussed below:



ROLE OF THE BOARD OF DIRECTORS AND COMPOSITION OF THE BOARD

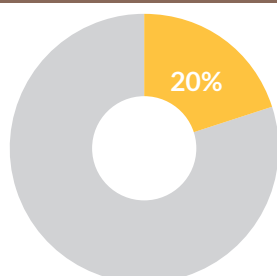


“ Establish appropriate performance measurement with a focus on risk, ensure robust governance and control processes.

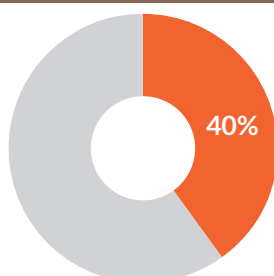
STRATEGIES

Strategic direction and long-term goals of the Company are set out	Ensuring that adequate resources are available to meet these goals	Approving financial and operation plans of the company
Monitoring financial performance and budget variance	Observing and reviewing management performance	Confirming that strategic objectives are met by putting necessary policies & procedures and oversee effective implementation of the same

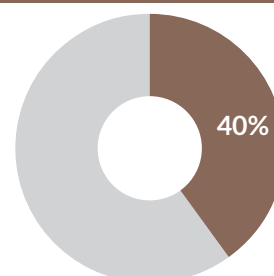
THE COMPOSITION OF BOARD OF DIRECTORS (AS ON 31 DECEMBER 2018)



Shareholder Director



Nominee Director



Independent Director

Role of the Chairman

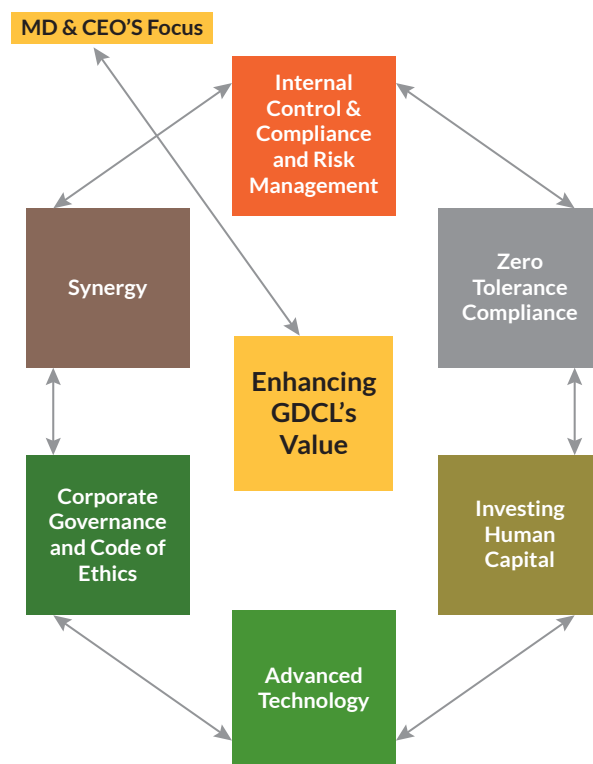
The Chairman runs the Board and serves as the primary link between the Board and management based on Corporate Governance Guidelines issued by Bangladesh securities & Exchange Commission (BSEC) and ensures that the Board is functioning in accordance with the Memorandum and Articles of Association as well as other applicable laws. Chairman's role;

- The Chairman is accountable for the overall leadership and efficient functioning of the Board of Directors
- Maintaining a role in recommending the skills and experience, for its effective operation, encourage active engagement and participation by all members of the Board
- Ensure the long-term sustainability of the Company, fixed the Board's agenda, confirm that the Board of Directors receive accurate, timely and clear information for taking sound decisions

Role of Managing Director & CEO

The Managing Director & CEO of Green Delta Capital Limited is responsible to set the long term sustainable business strategy of the company and oversee

implementation of the strategies set by the Board of Directors. Leading the development and execution of the Company's long-term strategies with a view to create shareholder value.



Management Committee

The Management Committee members are responsible for the strategic and operational plans of the company which eventually governs and shapes up the business portfolio. The management committee is fully responsible for the functionality of the business units and smooth running of the operations. This committee assists the business units with the decision making process which are required to manage the market situation and achieve the business objectives.

Investment Committee

The Investment Committee (IC) of the Company is responsible for uniform investment policies and procedures which, while striving to maximize portfolio performance, will keep the management of the portfolio within the bounds of good corporate practice, minimum risk and adhere to the legal & regulatory requirements of the Company.



GDCL: WHAT WE OFFER

Corporate & Institutional Investment Banking Department

- Loan Syndication (local & Foreign)
- Preferred Shares
- Bonds & Sukuk
- Convertibles & Equity Linked Products
- Asset Backed Securities

Equity Origination

- Initial Public Offering (IPO)
- Underwriting Management
- Repeat Public Offering (RPO)
- Right Issue Offer

Merger & Acquisition (M&A)

- Sales Side Advisory
- Buy Side Advisory
- Valuation and Negotiation Strategy

Portfolio Management

- Discretionary Portfolio Management
- Non-Discretionary Portfolio Management:
 - Wealth management Service
 - Personal Financial Planning

Corporate Advisory

- Advisory services for arranging local fund
- Advisory services for arranging foreign fund
- Valuation services

Private Equity

- Quasi Equity Investment
- Private Equity Deal Structure
- Private Equity Investment
- Venture capital

Wealth Management

- Combination of Structure finance and Portfolio Management Products (Fixed Income + Capital Market)


Public Private Partnership (PPP) Financing

- PPP Project Financing
- PPP Deal Structuring


CORPORATE AND INSTITUTIONAL INVESTMENT BANKING (CIIB)





GDCL is specialized in providing one stop financing solution to its customers


Year on year, we are working towards the improvement to our customer experience and customer value proposition


GDCL believes in innovation and utmost customer services with continuous effort



GDCL is also working to improve the socio economic conditions of Bangladesh and thus targeting to arrange Green Financing and Impact Fund for various projects



GDCL worked as Mandated Lead Arranger and Advisor to the Transaction to close a milestone cross border acquisition deal of Akij Group


Best local Investment Bank in the region for BRI

New Silk Road Finance Awards 2018 (South Asia):



SPECTRA ENGINEERS LIMITED
 (Former Reza Construction Ltd.)


Mandated lead arranger to arrange Debt financig for 1st 35 MW Solar Power plant of Bangladesh



Sole Mandated Lead Arranger for IPO under Book Building Method for Sri Lanka based Power Company, Rajlanka Power Company Limited



Successfully close the Foreign Financing Deal of USD 20 Million for LankaBangla Finance Limited for SME Sector



Mandated Lead Arranger for Tier-II Subordinated Bond of LBFL and already close partially for an amount of BDT 1,810 MN

JOURNEY OF CIIB TEAM IN 2018

USD
268
Million
Foreign Deal Syndication

BDT
4.15
Billion
Local Deal Syndication

BDT
1.6
Billion
Equity Origination

Year 2018 has been a very eventful and successful year for CIIB team of GDCL. GDCL is the only local Investment Bank that has achieved the milestone of completing Cross Border Merger & Acquisition (M&A) for one of the largest conglomerates of Bangladesh, Akij Group for the very first time in the history of Bangladesh.

Akij acquired Robin Resources Malaysia SDN BHD and its subsidiary Robina Flooring SDN BHD both of

which manufacture MDF Board and Wood floor tiles and different wood products and export to about 60 countries. By acquiring these two companies, Akij Group has expanded the potential of the export of MDF board and wood floor tiles to the European countries. GDCL was the Mandated Exclusive Lead Arranger and Advisor to the Transaction and structuring of the whole deal and raised USD 48 Million.



Closing Ceremony for Akij Cross Border Acquisition Deal at Bangladesh



Company Handover ceremony by Akij Group at Malaysia

Appreciation from Lenders regarding successful deal closure:

DEG is happy to act as one of the lenders in this landmark transaction and to support Akij Group. The project will enable a business know-how transfer from Malaysia to Bangladesh. It was a challenge involving a comprehensive legal work in four jurisdictions, but all parties were committed to the successful closing by closely cooperating with each other."

Shuhrat Mirzalimov, CFA,
Vice President, Corporates Asia, DEG

"Standard Chartered conveys its heartiest felicitations to Akij Group for completing this milestone transaction. We are immensely proud to be a partner to the first acquisition by a Bangladeshi enterprise, where we played the role of financier, nominated bank, and security agent amongst others. Helping Bangladesh's businesses succeed in a global scale is a major strategic goal for us in 2018"

Mr. Naser Ezaz Bijoy
CEO, SCB Bangladesh

Green Delta Capital Limited recognised as Best Local Investment Bank (South Asia) for BRI by ASIA MONEY Finance Award, 2018 (South Asia New Silk Road Finance Award, 2018). Asiamoney, a financial publication, present this award to recognize the financial institutions leading the way in promoting and financing the Belt & Road Initiative since 2017.



Managing Director and CEO, of Green Delta Capital Limited, Mr. Md. Rafiqul Islam received the award from the Award Ceremony organized by ASIA MONEY on Tuesday, September 18, 2018, The Ritz-Carlton, Beijing, Financial Street, China.

GDCL continues to look for environment friendly projects. With this focus, GDCL has signed mandate with Spectra Solar Park Limited (SSPL) Mandated Lead Arranger to raise up to USD 40 Million for 35 MW Solar Power Plant. SSPL, a concern of Spectra Engineers Limited, will set up a 35 MW Grid Tied Solar Power Plant at Paturia, Shibhaloy, Manikgonj. GDCL is currently working to arrange foreign currency term loan from foreign lending institutions for this Solar Project.



One of the major Millstone achieved by GDCL in 2018 was the closing of ICD Murabaha Facility deal for Lanka Bangla Finance Limited. The Islamic Corporation for the Development of the Private Sector (ICD), the private sector arm of Islamic Development Bank (IDB) Group, signed a Murabaha Facility of USD 20 Million with LankaBangla Finance Limited (LBFL) to support the growth and productivity of SMEs in Bangladesh. Green Delta Capital Limited (GDCL), who assumed the role of lead advisor, were instrumental in the successful conclusion of this transaction, and will continue to provide expertise in their capacity as a Security Agent.



1st ever NBF Foreign Currency Deal in Bangladesh – the Closing Ceremony where GDCL act as a Lead Advisor & Security Agent.

Green Delta Capital Limited (GDCL) has been mandated by Raj Lanka Power Company Limited (RLPCL) as sole Issue Manager for IPO issuance in Bangladesh under Book Building Method. Rajlanka Power Company Limited (RLPCL) is a subsidiary of Lakdhanavi Ltd (LAK) of Sri Lanka which is a subsidiary of LTL Holdings (Pvt) Ltd, a leading power sector engineering conglomerate in Sri Lanka. Raj Lanka Power Company Limited (RLPCL) is going to set up a 52.2 MW Heavy Fuel Oil (HFO) based power plant in Natore Sadar, Natore, Bangladesh.



Mandate Signing Ceremony with Raj Lanka Power Company Limited

In the year 2018, GDCL has been appointed as register to the issuer for the IPO of Star Ceramics Limited. The company will go for IPO under Book building method. The Road show was very much successful event where eligible investors and general public attended enthusiastically.



MD & CEO of Green Delta Capital Limited posing at the roadshow of Star Ceramics Limited with the management of the Issuer company and Issue manager



GDCL also signed agreement as Lead Arranger with Baraka Shikalbaha Power Limited to arrange fund in the form of Preference Share to finance the Power Project of the company.

Apart from working in Bangladesh, CIIB team has been working to expand its footstep outside of country as well. In July 2018, CIIB team, under the vibrant leadership of MD & CEO, met PowerChina Fund Management Company Limited in China and currently on process of doing the Due Diligence to arrange fund from Global Financier.



The team is also exploring various business opportunities in South Asian countries such as Nepal, Srilanka etc.

The team has visited to Sri Lanka to attend the 3rd Islamic Finance Forum of South Asia (IFFSA). On that Forum, Managing Director & CEO of GDCL was the panel speaker for 2 sessions. For the first session, the topic was 'The outlook for Islamic Finance for Bangladesh and also in South Asia'. The discussion points of the 2nd session were about Cross Market Listing, creation of a South Asian

Association for Islamic Financing. GDCL CIIB team has been working to introduce various Islamic Financing products in our country as well as South Asian Countries. Attending this forum was indeed becoming very positive for the company. The team got a great insight about the prospect of Islamic Financing in South Asian Countries.



Picture from 3rd Islamic Finance Forum of South Asia (IFFSA), MD & CEO of Green Delta Capital Limited attended 2 sessions as panel speaker.

Overall, the year 2018 was full of opportunities and positive prospect for CIIB team of Green Delta Capital Limited. With every passing year, the team is growing tremendously to face more challenges to serve better to its existing and potential client base. The team is committed towards sustainable growth for the company as well as to be a part to create social and economic value for the customers.

ADVISORY SERVICE FOR FIRST EVER MERGERS & ACQUISITIONS DEAL OF BANGLADESH

GDCL CIIB Team acted as Mandated Lead Arranger and Advisor to the Transaction for the first ever Cross Border Merger & Acquisition (M&A) deal of Bangladesh

Transaction Summary

Green Delta Capital Limited performed as exclusive Lead Arranger and Advisor to the Transaction and structuring of Cross Border Merger & Acquisition (M&A) of Akij Group.

Akij Group is one of the largest conglomerates in Bangladesh. Akij acquired Robin Resources Malaysia SDN BHD and its subsidiary Robina Flooring SDN BHD both of which manufacture MDF Board and Wood floor tiles and different wood products and export to about 60 countries.

For this transaction, Bangladesh Bank approved outward capital remittance for Akij Jute Mills Limited (buyer) of Akij Group.



Akij Jute Mills Limited

Akij Jute Mills Limited acquired 2 Malaysian Companies and the total project cost was

USD 78 Million

Lead Arranger and
Transaction to the Advisor



SOLE MANDATED ISSUE MANAGER FOR IPO OF RAJ LANKA POWER COMPANY LIMITED

GDCL has been mandated as Sole Issue Manager for IPO of Raj Lanka Power Company Limited

Transaction Summary

In the year 2018, GDCL has been entered into Issue Management Agreement with Raj Lanka Power Company Limited (RLPCL) for issuance of IPO under Book Building Method.

Rajlanka Power Company Limited (RLPCL) is a subsidiary of Lakdhanavi Ltd (LAK) of Sri Lanka which is a subsidiary of LTL Holdings (Pvt) Ltd, a leading power sector engineering conglomerate in Sri Lanka.

As a full-fledged merchant Bank, it was a continuous effort of GDCL to bring a Multinational company in to the capital market. In this continuation, GDCL has been appointed to work as sole Issue Manager for the upcoming IPO of Raj Lanka Power Company Limited which is another milestone for GDCL for the year 2018.



Raj Lanka Power Company

Raj Lanka Power Company
Limited is going public to raise
BDT 1,000 Million

Sole Mandated Issue
Manager



MANDATED LEAD ARRANGER TO RAISE FUND FOR SPECTRA SOLAR PARK LIMITED

GDCL has been mandated by Spectra Solar Park Limited (SSPL) to act as Mandated Lead Arranger to raise up to USD 40 Million for 35 MW Solar Power Plant of Spectra Solar Park Limited. Advisory service for first ever mergers & acquisitions deal of Bangladesh

Transaction Summary

GDCL has been working to arrange fund of USD 40 Million for first ever commercial solar power plant of Bangladesh, Spectra Solar Park Limited (SSPL).

Spectra Solar Park Limited (SSPL), a concern of Spectra Engineers Limited, will set up a 35 MW Grid Tied Solar Power Plant at Paturia, Shibaloy, Manikgonj.

Since inception, GDCL always thrive to work for sustainable environment friendly projects. Start working for a Solar Power Plant is another landmark deal for GDCL in 2018.



Spectra Solar Park Limited

Spectra Solar Park Limited has
debt financing requirement of
USD 40 Million

Sole Mandated Lead
Arranger



MANDATED ISSUE MANAGER FOR ISSUANCE OF PREFERENCE SHARE FOR BARAKA SHIKALBAHA POWER COMPANY LIMITED

GDCL has been mandated as Issue Manager for issuance of Preference Share for Baraka Shikalbaha Power Company Limited

Transaction Summary

Baraka Shikalbaha Power Limited is another company who mandated Green Delta Capital Limited as Issue Manager for issuance of Preference Share of BDT 730 Million

Baraka Shikalbaha Power Limited (BSPL) is the subsidiary of Baraka Patenga Power Limited (BPPL) and was incorporated on December 13, 2017 as a private limited company. BSPL has got the LOI from Bangladesh Power Development Board (BPDB) for implementing HFO fired IPP power plant having capacity of 105 MW on BOO (Build, Own, Operate) basis at Shikalbaha, Chattagram for term of 15 years.

GDCL is currently working to arrange fund from local source for BSPCL as preference share



FINANCING FACILITY FOR LANKABANGLA FINANCE LIMITED (LBFL) OF USD 20 MILLION

GDCL successfully arrange the foreign financing facility for a NBFI, LankaBangla Finance Limited for the first time in Bangladesh

Transaction Summary

GDCL successfully arrange USD 20 Million from The Islamic Corporation for the Development of the Private Sector (ICD), the private sector arm of Islamic Development Bank (IDB) Group for LankaBangla Finance Limited (LBFL) to support the growth and productivity of SMEs in Bangladesh.

This is the first time in Bangladesh that a non-bank financial institution (NBFI) has sought foreign funds to finance the country's growing SME sector, signifying a landmark deal for GDCL, LBFL as well as for the country.



MANDATED LEAD ARRANGER FOR RAISING EURO 60 MILLION FOR LANKABANGLA FINANCE LIMITED (LBFL)

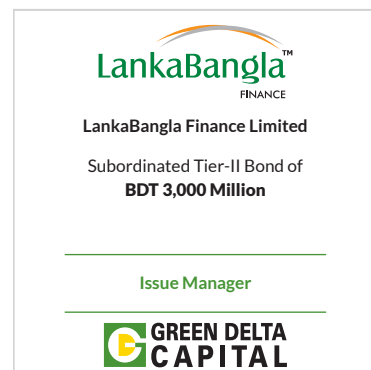
GDCL is working to arrange EURO 60 Million for LankaBangla Finance Limited (LBFL)

Transaction Summary

To meet the growing financing requirement of LBFL, they have mandated GDCL to arrange EURO 60 Million from foreign source.

To finance the pipeline SME/Women Entrepreneur/Green Project of LBFL, GDCL is working as lead arranger. The deal is currently under Due Diligence Process. GDCL is targeting various global DFIs who are interested to invest in SME/ Green Financing Sector.

GDCL believes in working towards the improvement of Socio Economic prospects of the people and the society. This deal will enhance GDCL's capacity in Impact Investment Banking sector.



SUBORDINATED TIER-II BOND FOR LANKABANGLA FINANCE LIMITED (LBFL) OF BDT 3,000 MILLION

GDCL has been mandated by LankaBangla Finance Limited (LBFL) as Lead Arranger for raising of BDT 3,000 Million mergers & acquisitions deal of Bangladesh

Transaction Summary

GDCL acted as Lead Arranger for LankaBangla Finance Limited (LBFL) for the issuance of Subordinated Tier-II Bond of BDT 3,000 Million to strength the capital base of LBFL and to comply with the capital adequacy requirements as per BASEL-II Capital accord.

Within very short period of time, LBFL got the regulatory approval from Bangladesh Securities and Exchange Commission (BSEC) and Bangladesh Bank and arrange fund of BDT 1,810 Million by December 2018.

GDCL is now working to arrange the remaining required fund for LBFL.



Mandated Lead Arranger for raising EURO 15 Million for IPDC Finance Limited

GDCL is working to arrange EURO 15 Million for IPDC Finance Limited

Transaction Summary

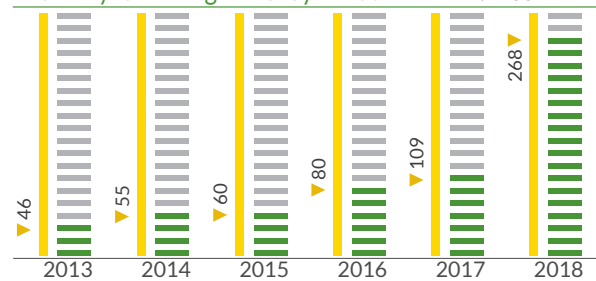
The major focus of GDCL is to work towards the socio economic growth of the Country. In line with this objective, GDCL is now working with IPDC Finance Limited to arrange EURO 15 Million for the SME / Green Finance clients of IPDC

IPDC is the first private sector financial institution of Bangladesh with a strategy of financial inclusion and empowerment of the people of the country.

IPDC will use this fund for the growth of SME Sector and Women Empowerment to create a long term economic impact in the country.

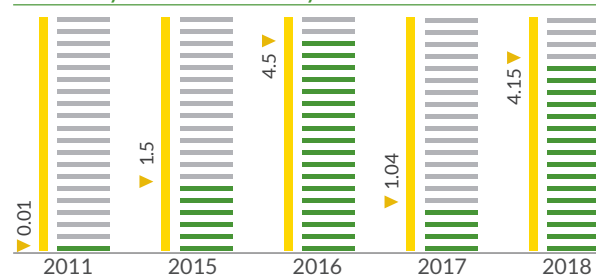


Year on year Foreign Deal Syndication Amount in USD MN

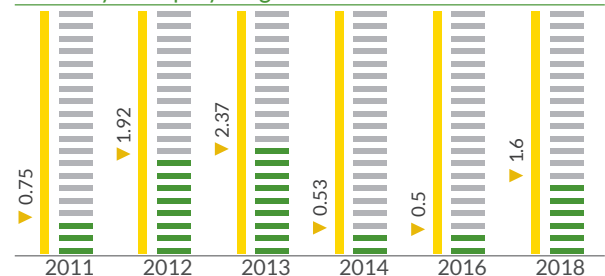


GDCL has always been a pioneer in the Investment Banking Industry in Bangladesh, with a mindset to work to arrange DFIs for Private sector, the foreign deal origination is increasing year on year.

Year on year Local Deal Syndication Amount in BDT BN



Year on year Equity Origination Deal Amount in BDT BN

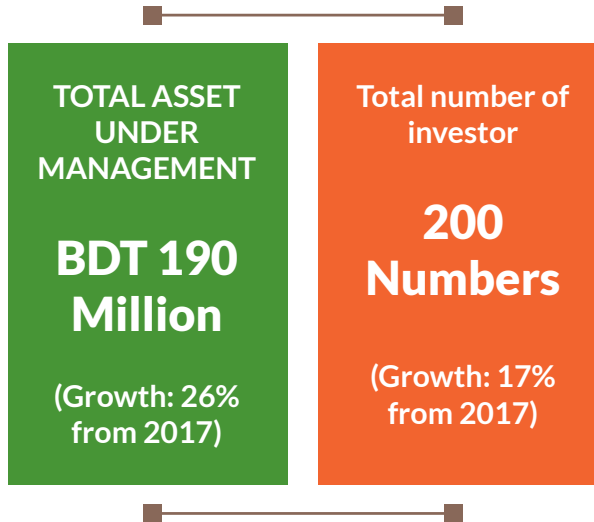


PORTFOLIO & WEALTH MANAGEMENT SERVICE (PMS)

“ Place our clients at the heart of everything we do

GDCL has a strong view in the capital market and an expert understanding of what's driving investment trends for its valued clients with an aim to maximize the return with an acceptable manner. Over the years, it has gathered the experience to act as a Portfolio Manager backed by for both individual as well as institutional investors through its dedicated Relationship Managers along with prudent Research team.

In 2018, GDCL has delivered a consistence results in portfolio management service. We achieved a durable growth in profitability across each of our portfolio schemes that we have maintained over the years. Our financial performance in 2017 once again demonstrates our commitment to deliver resilient results by focusing on the business growth and revenue generation (both in corporate & individual level) in line with the indices movement.



Our Schemes

Our Portfolio Management Services offers professional management of the stock market investments with an aim to deliver consistent returns. It relieves the investors from all monitoring hassles with benefits like regular reviews, strong risk management flexibility and makes it an ideal investment avenue for high net worth investors. Investors can avail our services through:

- Discretionary Portfolio Management Scheme
- Non-Discretionary Portfolio Management Scheme

These two schemes are designed to make differences since we prefer investor's flexibility and choice while making investment decision.

CORE PRODUCT

	<p>GD Perform Max: Discretionary Portfolio Management Scheme</p> <p>Utilize the fund of risk taker who likes to invest in Equity market particularly in the High Growth stocks to earn more</p>
	<p>GD Planner: Discretionary Portfolio Management Scheme</p> <p>Utilize the individuals fund for long term with continuous profit by minimizing the risk</p>
	<p>GD MTF: Non-Discretionary Portfolio Management Scheme</p> <p>Facilitate client wants to avail CREDIT Facility with competitive interest Rate and loan ratio</p>
	<p>GD Cash: Non-Discretionary Portfolio Management Scheme</p> <p>Facilitate retail investor's cash account with unique feathure</p>

GDCL RESEARCH- “A LEGACY OF QUALITY”

In today’s investment-rich economy, taking right investment decision in the ever-changing global financial market is very difficult. It involves careful research and planning, knowledge of the industry trends, and the ability to spot opportunities from huge volumes of the data.

At GDCL Research, our team is composed of a team of experienced and talented analysts focusing on carefully

analysis of research data to provide comprehensive, timely and custom financial research reports that guides investments and aids investors looking to navigate complicated investment markets. Over the years, the team has been actively serving to GDCL in terms of revenue generation, harvesting goodwill and contributing with research materials.



We assist our valued clients a wide variety of investment research solutions with a notable contribution for right investment decision. These include Portfolio Highlights, Monthly Market Review etc. Along with the individual reports, we publish several enriched reports on individual companies and a variety of industry analysis based on micro & macroeconomic scenario and capital market. We have also developed special in-depth reports on quarterly basis covering broad thematic industry conditions integrated

with trusted market news and timely reports focused on developing sector conditions, including specific stock highlights and recommendations and provide updated stock market report in daily basis.

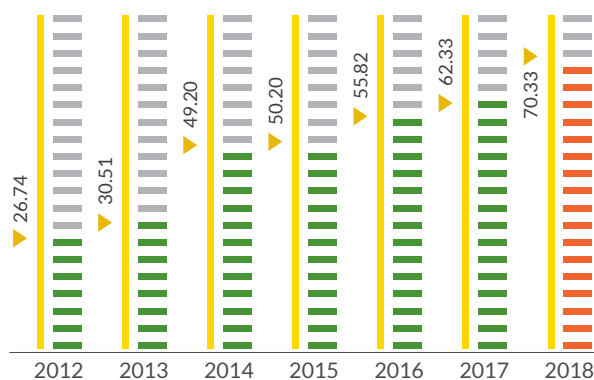
Our research publications are being delivered to the local and international companies, which has made simultaneously a significant and expensive source of competitive differentiation.

AFFILIATIONS

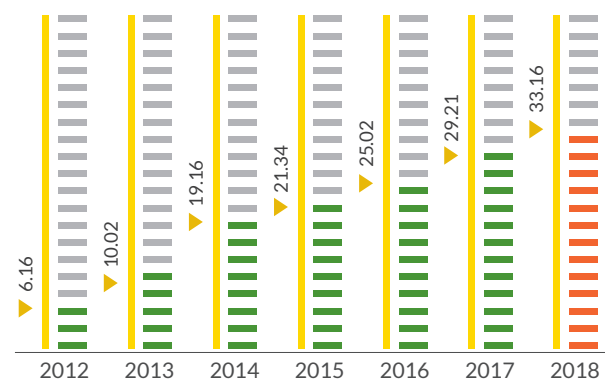


PERFORMANCE AT A GLANCE:

Operating Revenue *BDT in Million*

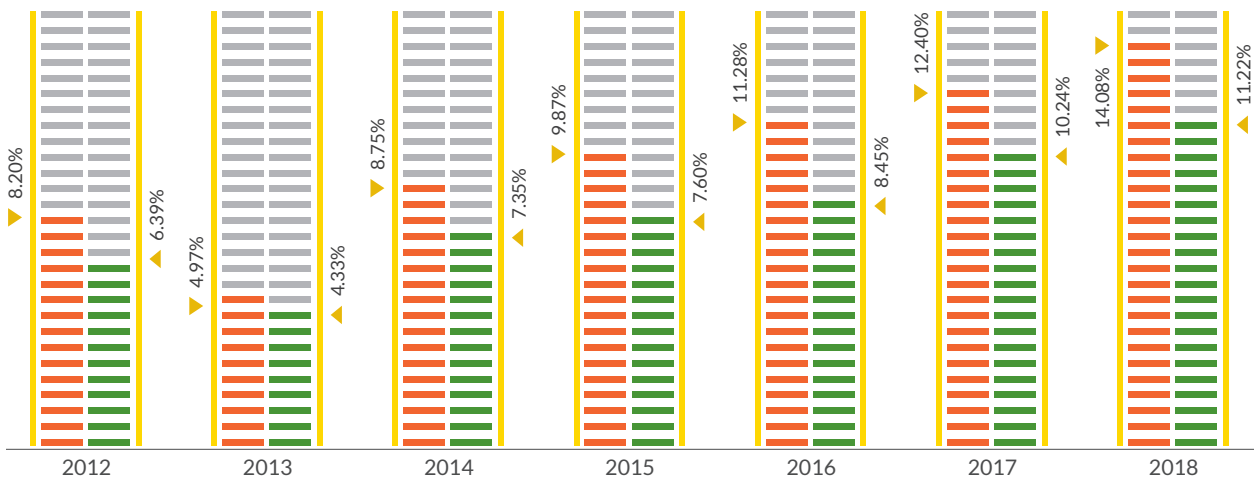


Profit Before Tax *BDT in Million*

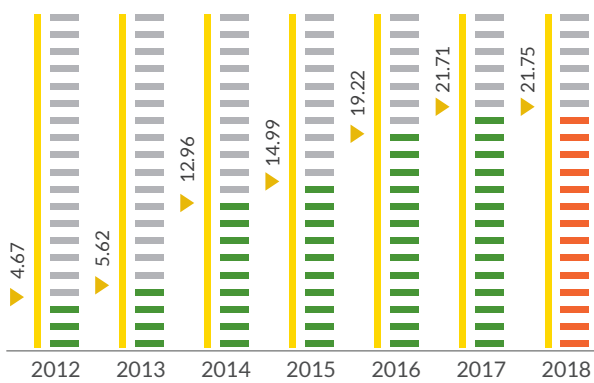


Return on Equity & Return on Assets % BDT in Million

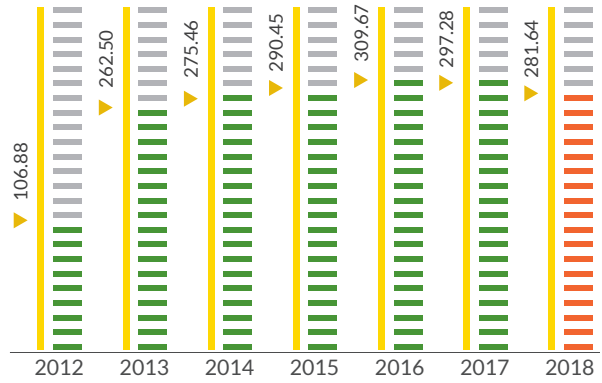
RoE RoA



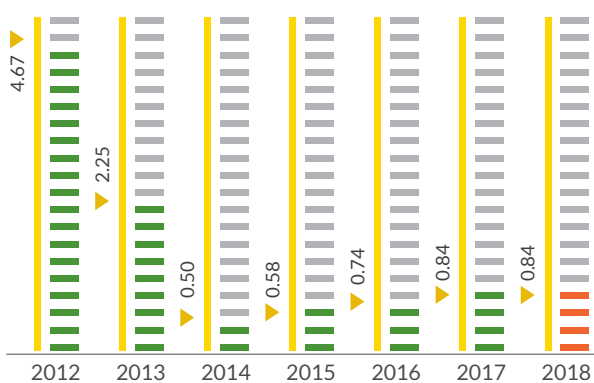
Profit After Tax BDT in Million



Shareholders' Equity* BDT in Million



Earning Value Per Share (EPS)





* Shareholders' Equity decreased by BDT 15.64 Million in 2018 due to made a provision on Available For Sale (AFS) Reserve against diminution in value of investment in share


CREDENTIALS: DEBT & EQUITY DEALS







Foreign Currency Loan	Foreign Currency Loan	Foreign Currency Loan
		
LankaBangla Finance Limited	Spectra Engineers Limited	IPDC Finance Limited
EUR 60 Million	USD 40 Million	EUR 15 Million
Mandated Lead Arranger	Lead Arranger	Lead Arranger
		
Sub-Ordinated Bond	Preference Share	Bridge Finance
		
LankaBangla Finance Limited	Baraka Shikalbaha Power Limited	Spectra Engineers Limited
BDT 3,000 Million	USD 40 Million	BDT 500 Million
Issue Manager and Lead Arranger	Issue Manager and Lead Arranger	Lead Arranger
		
Initial Public Offering	Capital Raising	Foreign Currency Loan (Murabaha Facility)
		
Raj Lanka Power Company Limited	EON Animal Health Products Limited	LankaBangla Finance Limited
BDT 1,000 Million	BDT 118 Million	USD 20 Million
Issue Manager	Issue Manager	Lead Advisor & Security Agent
		


REGISTRAR TO THE ISSUE

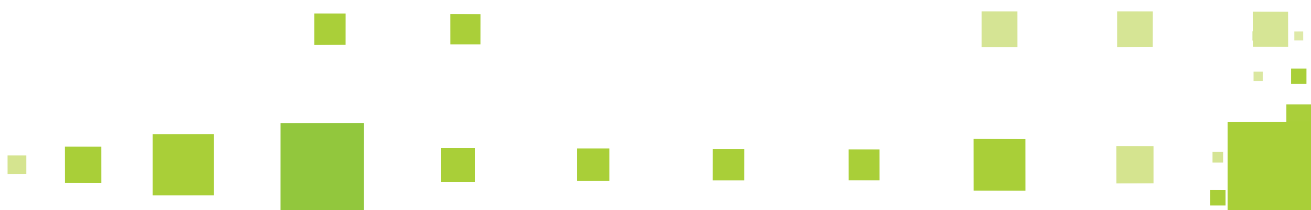
Initial Public Offering

Star Ceramics Limited
Registrar to the Issue


UNDERWRITING DEALS

Initial Public Offering	Rights Offer	Rights Offer
		
Star Ceramics Ltd	Lafarge Surma Cement Ltd.	Underwritten Amount:
Underwritten Amount:	Underwritten Amount:	BDT 110 Million
BDT 17 Million	BDT 100 Million	Underwriter
Underwriter	Underwriter	
		
Rights Offer	Rights Offer	Rights Offer
		
United Airways (BD) Ltd.	Keya Cosmetics Ltd.	BRAC bank ltd
Underwritten Amount:	Underwritten Amount:	Underwritten Amount:
BDT 112.5 Million	BDT 10 Million	BDT 500 Million
Underwriter	Underwriter	Underwriter
		

Rights Offer	Rights Offer	Rights Offer
		
AB Bank Limited Underwritten Amount: BDT 200 Million	First Security Islami Bank Ltd. Underwritten Amount: BDT 250 Million	Delta Hospital Ltd Underwritten Amount: BDT 600 Million
Underwriter	Underwriter	Underwriter
		

Initial Public Offering	Initial Public Offering
	
Esquire Knit Composite Ltd. Underwritten Amount: BDT 20 Million	Amantex Limited. Underwritten Amount: BDT 35 Million
Underwriter	Underwriter
	



9.10 Directors' Report to the Shareholders

Dear Fellow Shareholders,

On behalf of the Board of Directors of Green Delta Capital Limited, I am very happy to welcome you in 9th Annual General Meeting of the Company.

The Board of Directors of Green Delta Capital Limited takes pleasure in presenting the audited financial statements of the Company for the year ended December 31, 2018; the Auditor's Report, along with GDCL's performance; the issues in regard to the Companies Act, 1994, and guidelines issued by the Bangladesh Securities and Exchange Commission (BSEC) and the Bangladesh Accounting and Financial Reporting Standards. This report has been prepared in compliance with section 184 of the Companies Act 1994.

Role of board and review of business

I firmly believe that the role of the Board is to focus on long-term, sustainable value creation. As per declaration of Budget in 2018 with our strategy, is building on our strength as a transatlantic consumer, corporate and investment bank, with global reach. Throughout a period of profound political and economic change in our country as well as globally, our company has been persistent in our dedication to the clients we serve while earning a fair return for our shareholders.

During the year revenue reached BDT 70.33 million which was higher by 12.83% over the previous year's revenue of BDT 62.33 million. Net profit before tax for the year stood BDT 33.16 million which was higher by 13.51% over the previous year's net profit of BDT 29.21 million.

Historical Key performance indicator and financial position

Statement of profit or loss and other comprehensive income

Particulars	2018	2017	2016	2015	2014
Total Revenue	70,331,952	62,330,740	55,823,592	50,195,360	49,199,608
Profit Before Tax	33,160,240	29,213,760	25,021,324	21,343,461	19,158,747
Net Profit After Tax	21,750,077	21,713,760	19,221,324	14,993,461	12,958,747

Statement of financial position

Particulars	2018	2017	2016	2015	2014
Non-Current Assets	5,500,917	7,388,514	7,277,448	10,501,431	14,537,222
Current Assets	321,022,350	307,495,362	339,738,805	327,186,158	295,021,651
Total Assets	326,523,267	314,883,876	347,016,253	337,687,589	309,558,873
Shareholders' Equity	281,639,057	297,283,000	309,671,810	290,450,486	275,457,025
Long Term Liabilities	-	-	-	-	-
Current Liabilities	44,884,210	17,600,876	37,344,443	47,237,103	34,101,848
Total Shareholders' Equity & Liabilities	326,523,267	314,883,876	347,016,253	337,687,589	309,558,873

Equity parameters:

Particulars	2018	2017	2016	2015	2014
Authorized Share Capital	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000
Paid up Capital	260,000,000	260,000,000	260,000,000	260,000,000	260,000,000
No. of Share Outstanding	26,000,000	26,000,000	26,000,000	26,000,000	26,000,000
Earning Value Per Share (EPS)	0.84	0.84	0.74	0.60	0.50

Proposed dividend:

The Board of Directors of GDCL has proposed 7.69% equal to 20,000,000 (Two Crore only) final dividend (subject to the approval of AGM) on paid up capital of BDT 260,000,000 (Twenty Six Crore only)

Directors' responsibility for financial reporting and significant accounting policies

The Directors are responsible for the preparation of Financial Statements of GDCL to reflect a true and fair view of its state of affairs. The Directors are of the view that these Financial Statements have been prepared in conformity with the requirements of the Bangladesh Financial Reporting Standards, Companies Act 1994, Bangladesh Securities and Exchange Commission (BSEC) Guidelines and the Corporate Governance Code. Significant Accounting policies adopted in the preparation of the Financial Statements which comply with provisions of BFRSs and the Companies Act 1994.

Internal control system

We are committed to strengthening and improving our internal controls system to promote proper corporate behavior throughout GDCL with the aim of ensuring management transparency and efficiency, complying with laws and regulations, controlling risks, ensuring the reliability of business and financial reports, and promoting the timely and appropriate disclosure of information. The Internal Audit regularly reviews of the GDCL's operations, examine the business processes and evaluate the adequacy and efficiency of financial and operating controls and highlights significant risks.

Appointment of auditors

The company shall, at each AGM appoint/reappoint an auditor to hold office until the next AGM. Ahmed Zaker & Co., Chartered Accountants have completed their statutory auditor of the company.

Going Concern

The Board of Directors of GDCL has reviewed and making necessary inquiries including reviews of the business plans, strategies, budget, capital expenditure requirements, future prospects and risks, cash flows and significant other matters required on Corporate Governance; GDCL has adequate resources to continue operations into the foreseeable future. It is appropriate to adopt going concern assumption and there is no material uncertainty in preparing the Financial Statements.

It is possible that the actual outcome of one or more of management's plans could be materially different or that

one or more of management's significant judgments or estimates about the potential effects of the risks and uncertainties could prove to be materially incorrect. There is no significant doubt upon the GDCL ability to continue as a going concern.

Looking ahead

We would like to acknowledge and place on record our gratitude to our valued clients, depositors and shareholders for the confidence in GDCL. Our sincere appreciation to the Bangladesh Securities and Exchange Commission (BSEC) and other government bodies Statutory Auditors and Compliance Auditor for their constructive suggestions and cooperation. We also express our appreciation for the good work and efforts put in by the employees at all levels of the Company.

We expect 2019 to be a pivotal year for GDCL's in the delivery of its strategy; a year when we will complete our restructuring and establish ourselves as an investment bank that is recognized for financial strength, financial transparency, operational stability. We are incredibly focused and working hard to prompt respect and trust for our Company and the profession of investment banking, in order to support our customers and clients, to contribute to the Bangladesh's reputation as a place to do business and to deliver long-term value to shareholders.

We would like to thank and express gratitude on behalf of the Board of Directors to Md. Rafiqul Islam, Managing Director and CEO for their hard work, commitment and dedication to the welfare of our company. The Board also acknowledges with thanks, the contribution made by the honorable Directors by guiding and giving proper directions from time to time which made GDCL as Symbol in Merchant Banking industry of Bangladesh.

With our very best regards to all our valuable shareholders, we promise to continue the growth with your support.

For and on behalf of the Board of Directors,

Thank you all.

On behalf of the Board



Nasir A Choudhury
Chairman



9.11 Independent auditor's report to the shareholders of Green Delta Capital Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Financial statements of Green Delta Capital Limited which comprise the Statement of Financial Position as at December 31, 2018, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Green Delta Capital Limited as at December 31, 2018 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS), Companies Act 1994 and other applicable rules & regulations.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of Green Delta Capital Limited in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRS), where practicable Companies Act 1994 and other applicable rules & regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing Green Delta Capital Limited ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate Green Delta Capital Limited or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing Green Delta Capital Limited financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Report on other legal and regulatory requirements

We also report the following:

- a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by Green Delta Capital Limited so far as it appeared from our examination of those books; and
- c) the statement of financial position and the statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.

9.12 Green Delta Capital Limited.

Statement of Financial Position

as at December 31, 2018

	Notes	31.12.2018	31.12.2017
<i>Amount in Taka</i>			
APPLICATION OF FUNDS			
Non-Current Assets		5,500,917	7,388,514
Property, Plant & Equipment	4	4,732,746	5,074,924
Intangible Assets	5	768,171	2,313,590
Current Assets		321,022,350	307,495,362
Advances, Deposits & Prepayments	6	12,003,423	5,559,910
Investment In Shares	7	128,809,148	154,771,428
Margin Loan To Clients	8	6,598,964	5,487,132
Accounts Receivable	9	2,864,445	8,821,220
Accrued Interest Income	10	17,350,527	12,718,874
Receivable From Brokerage	11	368,653	646,786
Loan to Employees	12	44,503	15,836
Investment In FDR	13	117,000,000	97,500,000
Cash and cash equivalents	14	35,982,687	21,974,175
Current Liabilities		44,884,210	17,600,876
Payable To GDIC	15	160,390	160,390
Payable To GDSL	16	1,174,771	1,174,771
Accounts Payable	17	1,587,315	1,239,293
Payable To Clients	18	27,885,878	4,124,108
Other Provision	19	4,000,000	3,000,000
Provision For Income Tax	20	10,075,856	7,902,314
Net Current Assets		276,138,140	289,894,486
Total Assets		281,639,057	297,283,000
SOURCE OF FUNDS			
Shareholders equity		281,639,057	297,283,000
Share Capital	21	260,000,000	260,000,000
Retained Earnings	22	67,135,648	64,885,571
Available For Sale Reserve	23	(45,496,591)	(27,602,571)
Total Capital Employed		281,639,057	297,283,000

The accompanying policies and explanatory notes 1-30 from an integral part of these financial statements.



Director



Accounting Controller



Chairman



Managing Director & CEO

Signed as per our separate report of same date.



Ahmed Zaker & Co.
Chartered Accountants

Place: Dhaka
Date: February 07, 2019

9.13 Green Delta Capital Limited.

Statement Of Profit Or Loss And Other Comprehensive Income

For the year ended December 31, 2018

	Notes	31.12.2018	31.12.2017
Amount in Taka			
Income			
Operating Income	24	50,429,932	24,681,890
Realised Gain on share trading	25	5,830,089	24,862,948
Other Income	26	14,071,931	12,785,902
Total Operating Income (A)		70,331,952	62,330,740
Operating Expenses			
Operating & Direct Charges	27	1,638	28,766
Office & Administrative Expenses	28	33,576,886	29,905,281
Financial Expenses	29	133,447	148,849
Total Operating Expenses (B)		33,711,971	30,082,896
Profit before depreciation & provisions (A-B)		36,619,981	32,247,844
Less: Depreciation & Amortization	30	3,459,741	3,034,084
Profit Before Tax		33,160,240	29,213,760
Other Provision		3,910,163	3,000,000
Provision for Tax		7,500,000	4,500,000
Net Profit After Tax		21,750,077	21,713,760
Other comprehensive income			
For diminution in value of investment		(17,894,020)	(27,602,571)
Total comprehensive income		3,856,057	(5,888,811)

The accompanying policies and explanatory notes 1-30 from an integral part of these financial statements.



Director



Accounting Controller

Place: Dhaka
Date: February 07, 2019

Signed as per our separate report of same date.



Chairman



Managing Director & CEO



Ahmed Zaker & Co.
Chartered Accountants

9.14 Green Delta Capital Limited.

Statement Of Changes In Equity

For the year ended December 31, 2018

Amount in Taka

Particulars	Share Capital	General Reserve	Available for Sale (AFS) Reserve	Retained Earnings	Total Shareholders Equity
Opening balance	260,000,000	-	(27,602,571)	64,885,571	297,283,000
Net profit during the year	-	-	-	21,750,077	21,750,077
Final Dividend	-	-	-	(19,500,000)	(19,500,000)
Unrealized Gain/(Loss) on securities available for sale	-	-	(17,894,020)	-	(17,894,020)
Closing Balance	260,000,000	-	(45,496,591)	67,135,648	281,639,057

Green Delta Capital Limited.

Statement Of Changes In Equity

For the year ended December 31, 2017

Amount in Taka

Particulars	Share Capital	General Reserve	Available for Sale (AFS) Reserve	Retained Earnings	Total Shareholders Equity
Opening balance	260,000,000	-	-	49,671,810	309,671,810
Net profit during the year	-	-	-	21,713,760	21,713,760
Interim Dividend	-	-	-	(6,500,000)	(6,500,000)
Unrealized Gain/(Loss) on securities available for sale	-	-	(27,602,571)	-	(27,602,571)
Closing Balance	260,000,000	-	(27,602,571)	64,885,571	297,283,000



Director



Accounting Controller



Chairman



Managing Director & CEO


Ahmed Zaker & Co.
Chartered Accountants

Signed as per our separate report of same date.

Place: Dhaka
Date: February 07, 2019



9.15 Green Delta Capital Limited.

Statement Of Cash Flows

For the year ended December 31, 2018

	<i>Amount in Taka</i>	
	31.12.2018	31.12.2017
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Cash Collected from Turnover	57,340,248	21,689,629
Cash Paid to Customers, Suppliers, Employees & others	(37,752,857)	(34,099,916)
Capital Gain from Share	5,830,089	24,862,948
Dividend Income	3,689,169	2,146,988
Income Tax Paid	(10,151,332)	(2,686,680)
Net Cash flow from/(used) Operating Activities	18,955,317	11,912,969
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Acquisition of Fixed Assets	(1,578,590)	(3,145,150)
Investment in FDR	(19,500,000)	61,000,000
Investment	8,068,260	(75,026,319)
Interest Received from FDR	5,075,701	11,244,467
Net Cash flow from /(Used) in Investing Activities:	(7,934,629)	(5,927,002)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Employee loan adjustment	(28,667)	37,294
Financial Expenses	(133,447)	(148,849)
Margin Loan	(1,111,832)	(1,883,822)
Temporary Loan paid to Gdic	-	(9,143,250)
Dividend paid	(19,500,000)	(6,500,000)
Payable To Clients	23,761,770	(6,021,353)
Share issued		
Net Cash used in Financing Activities:	2,987,824	(23,659,980)
D. Net Increase/(Decrease) in cash & cash equivalents during the year (A+B+C):	14,008,512	(17,674,014)
E. Cash & cash equivalents at the beginning of the year	21,974,175	39,648,189
Cash & cash equivalents at the end of the year	35,982,687	21,974,175

9.16 Green Delta Capital Limited.

Notes to the Financial Statements and significant accounting policies

For the year ended December 31, 2018

1. Legal status and nature of the company

Legal form and status of the company

Green Delta Capital Limited was incorporated with the Registrar of Joint Stock Companies & Firms vide registration no. C- 827406/10 dated February 24, 2010 as a private company limited by shares namely Green Delta LR Financial Service Limited. Subsequently the company renamed as Green Delta Capital Limited in September 4, 2011.

Registered office and place of business of the company

The Registered office of the company is situated at Green Delta AIMS Tower (3rd Floor), 51-52 Mohakhali, Dhaka-1212.

Principal activities of the company

The principal object of the company is to carry on trade, business of indentures, dealers, traders, brokers, importers and exporters and operate and provide merchant banking services, underwrite, manage distribute issue of securities, stocks, shares, bonds, debentures, debenture stock and investment Instruments.

2. Significant accounting policies

As per the requirements of IAS 1: "Presentation of Financial Statements" financial statements comprise a statement of financial position at the end of the year, a statement of comprehensive income for the year, a statement of changes in equity for the year, a statement of cash flows for the year, liquidity statement, and relevant notes to the financial statements and disclosures.

Financial statements are made as of December 31, 2018 and are prepared under the historical cost convention on Generally Accepted Accounting Principles (GAAP) on going concern basis. Financial statements have been prepared in accordance with the measurements and recognition requirements of International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB).

Adopted International Accounting Standards (IAS), International Financial Reporting Standards (IFRS), the Companies Act 1994 and other applicable rules and regulation have been used as a model for the presentation and disclosure framework to provide additional information and analysis of the key items in the financial statements except as the company considers disclosures inappropriate.

Specific accounting policies selected and applied for significant transactions and events are depicted below.

2.1 Basis of preparation

The financial statements are prepared using the accrual basis of accounting except for the cash flow information where the material class of similar item has been presented separately. As per the requirements of IAS 1: "Presentation of Financial Statements". The figures in the financial statements have been rounded off to the nearest taka.

2.2 Property, Plant and Equipment

i) Recognition and measurement

Owned assets

Items of own property and equipments are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the assets to its working condition for its intended use as per International Accounting Standard (IAS) 16 "Property, Plant and Equipments".

Leasehold assets

Leasehold assets of which the company assumes substantially all the risks and rewards of ownership are accounted for as finance leases and capitalized at the inception of the lease at fair value of the leased property or at the present value of the minimum lease payments, whichever is lower as per International Accounting Standard (IAS) 17 "Leases". The corresponding obligation under the lease is accounted for as liability.

ii) Subsequent expenditure on property and equipment

Subsequent expenditure is capitalized only when it increases the future economic benefit from the assets and that cost can be measured reliably. All other expenditures are recognized as an expense as and when they are incurred.

iii) Depreciation

Depreciation is charged to amortize the cost of assets, over their estimated useful lives, using the straight-line method in accordance with IAS-16 "Property, Plant and Equipment". Depreciation is charged on additions of date when the related assets are put into use and no depreciation is charged from the month of disposal. Asset category wise depreciation rates are as follows:

Furniture and fixtures	10 %
Office equipment	20%
Leasehold motor vehicles	20%
Office Renovation	20%
Computers	33%
Software	20%

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized in the profit and loss account.

Depreciation methods, useful lives and residual values, if any are reviewed at the balance sheet date.

2.3 Intangible assets and amortization of intangible assets

Intangible assets acquired separately are measured on initial recognition at cost and are carried at cost less accumulated amortization and accumulated impairment losses, if any. Amortization is calculated using the straight line method to write down the cost of intangible assets to their residual values over their estimated useful lives based on the management best estimates. Subsequent expenditure on software assets is capitalized only when it increases the future economic benefits in the specifications to which it relates. All other expenditure is treated as expense as incurred.

2.4 Cash flow statement

Cash flow statement is prepared in accordance with IAS 7: "Cash Flow Statement", the cash flow statement shows the structure of and changes in cash and cash equivalents during the financial year. Cash and cash equivalents include notes and coins on hand, unrestricted balance held with the commercial banks. It is broken down into operating activities, investing activities and financing activities. The direct method is used to show the operating activities.

According to IAS 7: "Cash Flow Statements", cash comprises cash in hand and cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Considering the provisions of IAS 7 and IAS 1, cash in hand, fixed deposits and bank balances have been considered as cash and cash equivalents.

2.5 Tax Expenses

IAS 12: "Income Taxes" and Income Tax ordinance 1984.

Current tax expense

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in succeeding years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

2.6 Revenue recognition

The revenue is recognized after satisfying all the conditions for revenue recognition as provided IAS 18: "Revenue". Detailed income wise policy for revenue recognition is as under:

a) Interest income on loans, advances and leases

Interest on loans is recognized as income at the time of its becoming receivable from the client.

b) Other operating income

Income classified as other income has been accounted for on Accrual basis.

2.7 Financial Instruments:**Derivative:**

According to IFRS 7: "Financial Instruments: Disclosures", the company was not a party to any derivative contract (financial instruments) at the Balance Sheet date, such as forward exchange contracts, currency swap agreement or contract to hedge currency exposure related to import of capital machinery to be leased to lessees in future.

Non-Derivative:

A non-derivative financial instrument comprises of accounts and other receivable, borrowings and other payables and is shown at transaction cost as per IAS 39 "Financial Instruments: Recognition and Measurement".

Accounts Receivable

These are carried forward at their original invoiced value amount and represents net realizable value. Management considered the entire bills receivable as good and is collectable and therefore, no amount was provided for as bad debt in the current year's account.

Creditors and Accrued Expenses

Liabilities are recognized for amounts to be paid in future for goods and services received, whether or not billed by the supplier.

2.8 Borrowing costs

Interest on borrowings of fund from different sources is recognized as financial expenses according to IAS 23: "Borrowing Costs". Interest represents amount paid and accrued up to the end of the period.

2.9 Related party transactions

The management has duly identified the party related to the company and disclosed the transactions of the related party as per IAS 24: "Related Party Disclosures"

2.10 Provision for liabilities

According to IAS 37: "Provision, Contingent Liabilities and Contingent Assets" the company recognizes the provision in the balance sheet when the company has a legal or constructive obligation as a result of past event and it is probable that an outflow of economic benefit will be required to settle the obligations.

2.11 Investment in Shares

Investments in shares are recognized at market value as per IAS-32, IAS-39 and IFRS-7. The difference between market value and cost value of the share has charged in the statement of profit or loss and other comprehensive income according to International Financial Reporting Standards (IFRS).

2.12 Events after the Reporting date:

As per IAS-10 "Event after the Balance Sheet Date" are those event favorable and unfavorable, that occur between the end of the reporting year and the date when the financial statements are authorized for issue. Two types of event can be identified:

- Those that provide evidence of conditions that existed at the end of the reporting year (adjusting events after balance sheet date); and
- Those that is indicative of conditions that arose after the reporting year (Non-adjusting events after balance sheet date).

The Board of Director's of GDCL has proposed 7.69% equal to 20,000,000 (Two Crore only) final dividend (subject to the approval of AGM) on paid up capital of BDT 260,000,000 (Twenty Six Crore only).

2.13 Related party disclosure

As per International Accounting Standards (IAS)-24 "Related Party Disclosures", parties are considered to be related if one of the parties has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The Company carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with related parties.

Name of the Related Party	Nature of Relationship	Nature of Transaction	Temporary loan paid during the year ended December 31, 2018	Balance as on December 31, 2018
Green Delta Insurance Company Ltd.	Common Shareholder	Payable/Loan	-	160,390
Green Delta Securities Ltd.	Related party	Payable	-	1,174,771

3. Additional information on financial statements

3.1 Responsibility for preparation and presentation of financial statements

The Board of Directors is responsible for the preparation and presentation of the financial statements under section 183 of the Companies Act 1994 and IAS-1 "Presentation of Financial Statements".

3.2 Components of the financial statements

Following the IAS 1: "Presentation of Financial Statements", the company's complete set of financial statements includes the following components as at December 31, 2018.

- a) Statement of Financial Position.
- b) Statement of profit or loss and other comprehensive Income.
- c) Statement of Changes in Equity.
- d) Statement of Cash Flows.
- e) Notes to the Financial Statements and significant accounting policies.

3.3 Uncertainties for use of estimates in preparation of financial statements

The preparation of financial statements in conformity with the International Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of other information at the date of the financial statements and revenues and expenses during the year reported. Actual results could differ from those estimates.

3.4 Comparative:

Comparative information have been disclosed in respect of the previous year for all numerical information in the financial statements including narrative and descriptive information when it is relevant for understanding of the current year's financial statements.

Previous year's figure has been re-arranged whenever considered necessary to ensure comparability with the current year's presentation as per IAS-8 "Accounting Policies, Changes in Accounting Estimates and Errors".

3.5 Application of International Accounting Standards (IASs):

The Financial Statements have been prepared in compliance with requirement of IAS as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) and applicable in Bangladesh. The following IASs are applicable for the financial statements for the period under review:

- IAS- 1 Presentation of Financial Statements
- IAS- 7 Statement of Cash Flows
- IAS- 8 Accounting Policies, Changes in Accounting Estimates and Errors
- IAS- 10 Events after the Reporting Period
- IAS- 12 Income Taxes
- IAS- 16 Property, Plant and Equipment
- IAS- 17 Leases
- IAS- 18 Revenue
- IAS- 19 Employees Benefit
- IAS- 23 Borrowing Cost
- IAS- 24 Related Party Disclosure
- IAS- 32 Financial Instruments Presentation
- IAS- 37 Provisions, Contingent Liabilities and Contingent Assets
- IAS-38 Intangible Assets
- IAS- 39 Financial Instruments: Recognition and Measurement
- IFRS- 7 Financial Instruments: Disclosures

3.6 Reporting period

Financial statements of the company cover a year from January 1, 2018 to December 31, 2018.

9.16 Green Delta Capital Limited.

Notes to the Financial Statements and significant accounting policies

For the year ended December 31, 2018

		Amount in Taka	
		31.12.2018	31.12.2017
4.00	Property, Plant & Equipment		
	Cost		
	Opening balance	12,386,476	9,241,326
	Add: Addition during the year	1,578,590	3,145,150
		13,965,066	12,386,476
	Less: Disposal during the year	120,550	-
		13,844,516	12,386,476
	Less: Depreciation		
	Opening balance	7,311,552	5,825,760
	Add: Charged during the year	1,914,322	1,485,792
		9,225,874	7,311,552
	Less: Adjustment during the year	(114,104)	-
	Accumulated depreciation	9,111,770	7,311,552
	Written Down Value	4,732,746	5,074,924
	Details of Property, Plant & Equipment is given in Schedule-A/1		
5.00	Intangible Assets		
	Cost		
	Opening balance	13,240,339	13,240,339
	Add: Addition during the year	-	-
		13,240,339	13,240,339
	Less: Amortization		
	Opening balance	10,926,749	9,378,457
	Add: Charge during the Year	1,545,419	1,548,292
		12,472,168	10,926,749
	Written Down Value	768,171	2,313,590
	Details of Intangible Assets is given in Schedule-A/2		
6.00	Advances, Deposits & Prepayments		
	Advance Employee Loan/Salary	6.01 485,800	-
	TDS AIT from Interest Income Bank	6.02 3,530	2,676
	TDS AIT from Interest Income FDR	6.03 1,983,931	2,317,730
	TDS AIT from Underwriting Commission	6.04 -	-
	TDS AIT from Govt Treasury Advance Tax	6.05 2,390,000	500,000
	TDS AIT on CAR TAX	6.06 15,000	-
	TDS AIT from Dividend Income	6.07 1,159,417	1,960,344
	TDS AIT from Fees Income	6.08 4,053,746	-
	Advance Office Expenses	6.09 -	77,161
	T & T Deposits	6.10 2,000	2,000
	CDBL Security Deposit	6.11 200,000	200,000
	Advance to Others	6.12 510,000	500,000
	Advance for portfolio management	6.13 1,200,000	-
		12,003,423	5,559,910

9.16 Green Delta Capital Limited.

Notes to the Financial Statements and significant accounting policies

For the year ended December 31, 2018

		Amount in Taka	
		31.12.2018	31.12.2017
6.01	Advance Employee Loan/Salary		
	Opening Balance	-	710,000
	Add: Addition	1,100,800	470,000
		1,100,800	1,180,000
	Less: Adjustment	615,000	1,180,000
		485,800	-
6.02	TDS AIT from Interest Income Bank		
	Opening Balance	2,676	3,050
	Add: Addition	3,396	134
		6,072	3,184
	Less: Adjustment	2,542	508
		3,530	2,676
6.03	TDS AIT from Interest Income FDR		
	Opening Balance	2,317,730	2,868,600
	Add: Addition	921,370	1,062,561
		3,239,100	3,931,162
	Less: Adjustment	1,255,169	1,613,432
		1,983,931	2,317,730
6.04	TDS AIT from Underwriting Commission		
	Opening Balance	-	50,000
	Add: Addition	-	-
		-	50,000
	Less: Adjustment	-	50,000
		-	-
6.05	TDS AIT from Govt Treasury Advance Tax		
	Opening Balance	500,000	4,137,727
	Add: Addition	2,390,000	500,000
		2,890,000	4,637,727
	Less: Adjustment	500,000	4,137,727
		2,390,000	500,000
6.06	TDS AIT on CAR Tax		
	Opening Balance	-	-
	Add: Addition	15,000	-
		15,000	-
	Less: Adjustment	-	-
		15,000	-

9.16 Green Delta Capital Limited.

Notes to the Financial Statements and significant accounting policies

For the year ended December 31, 2018

		Amount in Taka	
		31.12.2018	31.12.2017
6.07	TDS AIT from Dividend Income		
	Opening Balance	1,960,344	1,742,996
	Add: Addition	735,432	423,986
		2,695,776	2,166,982
	Less: Adjustment	1,536,359	206,638
		1,159,417	1,960,344
6.08	TDS AIT from Fees Income		
	Opening Balance	-	371,950
	Add: Addition	4,053,746	-
		4,053,746	371,950
	Less: Adjustment	-	371,950
		4,053,746	-
6.09	Advance Office Expenses		
	Opening Balance	77,161	-
	Add: Addition	3,110,109	2,208,333
		3,187,270	2,208,333
	Less: Adjustment	3,187,270	2,131,172
		-	77,161
6.10	T & T Deposits		
	Opening Balance	2,000	2,000
	Add: Addition	-	-
		2,000	2,000
	Less: Adjustment	-	-
		2,000	2,000
6.11	CDBL Security Deposit		
	Opening Balance	200,000	200,000
	Add: Addition	-	-
		200,000	200,000
	Less: Adjustment	-	-
		200,000	200,000
6.12	Advance to Others		
	Opening Balance	500,000	500,000
	Add: Addition	10,000	500,000
		510,000	1,000,000
	Less: Adjustment	-	500,000
		510,000	500,000
6.13	Advance for portfolio management		
	Opening Balance		
	Add: Addition	1,200,000	
		1,200,000	-
	Less: Adjustment	-	
		1,200,000	-

9.16 Green Delta Capital Limited.

Notes to the Financial Statements and significant accounting policies

For the year ended December 31, 2018

		Amount in Taka	
		31.12.2018	31.12.2017
7.00	Investment in Share		
	Investment in Listed Securities	7.01 125,174,483	133,803,228
	Investment in Equity of Non listed Co. (Green Delta AMC)	-	19,500,000
	Investment in Right Share for own Investment	-	85,000
	Investment in IPO for own Investment	3,634,665	1,383,200
		128,809,148	154,771,428
7.01	Investment in Listed Securities		
		Cost Value	Market Value
		170,671,074	125,174,483
	Market Value of Securities	170,671,074	133,803,228
8.00	Margin Loan to Clients		
	Margin Loan to Clients	6,598,964	5,487,132
		6,598,964	5,487,132
9.00	Accounts Receivable		
	Receivables from Financial Express Research	60,000	60,000
	Receivables from SAPL SF & CA (Others)	-	317,805
	Receivable from Spectra Solar Part Ltd	750,000	-
	Receivable from Spectra Solar Part Ltd	398,859	-
	Receivable from BD Ventute Ltd	125,000	125,000
	Receivable from Akij Group	-	7,878,178
	Receivable from Akij Group for Other Expenses	-	5,385
	Receivable from Ananta Group	-	300,000
	Receivable from Green Delta Securities Ltd,	124,440	123,690
	Receivable from Lanka Bangla Finance Ltd Other	603,392	-
	Receivable from IPDC Ltd (Foreign)	731,085	-
	Other Receivable (Employee & Others)	71,669	11,162
		2,864,445	8,821,220
10.00	Accrued Interest Income		
	Interest Receivable FDR, Head Office	10.01 17,350,527	12,718,874
		17,350,527	12,718,874
10.01	Accrued Interest income on FDR		
	Opening Balance	12,718,874	14,367,380
	Add: Addition	9,625,099	9,215,169
		22,343,973	23,582,549
	Less: Adjustment	4,993,446	10,863,675
		17,350,527	12,718,874
11.00	Receivable From Brokerage		
	Receivable from Brokerage GDSL (Non-Discretionary)	-	-
	Receivable from APEX Investment (Discretionary)	-	208,099
	Receivable from APEX Investment (Non-Discretionary)	368,653	438,687
		368,653	646,786

9.16 Green Delta Capital Limited.

Notes to the Financial Statements and significant accounting policies

For the year ended December 31, 2018

		Amount in Taka	
		31.12.2018	31.12.2017
12.00	Loan to Employees		
	Mobile Loan	12.01	44,503
			15,836
		44,503	15,836
12.01	Mobile Loan		
	Opening Balance		15,836
	Add: Addition during the year		85,666
		101,502	123,130
	Less: Adjustment made during the year		56,999
		44,503	15,836
13.00	Investment In FDR		
	FDR Lanka Bangla Finance Ltd FDR No 0009 20300000238	20,000,000	20,000,000
	FDR Lanka Bangla Finance Ltd FDR No000920300000216	10,000,000	10,000,000
	FDR Midland Bank No '00111100003154	-	10,000,000
	FDR Lanka Bangla Finance No '0016 22800000001	20,000,000	20,000,000
	FDR Lanka Bangla Finance Ltd No 0016228000000025	-	12,500,000
	FDR Lanka Bangla Finance No 0016 228000000045	10,000,000	10,000,000
	FDR Mercantile Bank Ltd No 111341122855757	10,000,000	10,000,000
	FDR Lanka Bangla Finance No 001329100000001	-	5,000,000
	FDR Midland Bank Ltd. No. 0011-1100010511	6,000,000	
	FDR Lanka Bangla Finance No. 0016-23600000015	10,000,000	
	FDR IPDC No. 0001 25000001025	7,000,000	
	FDR IPDC No. 0001 25000001120	10,000,000	
	FDR IPDC No. 0001 25000001121	14,000,000	
		117,000,000	97,500,000
14.00	Cash and cash equivalents		
	Cash in Hand	14.01	157,098
	Cash at Bank	14.02	33,067,263
	Ledger Balance from portfolio investment		2,758,326
		35,982,687	21,974,175
14.01	Cash in hand		
	Cash in hand, Head Office		157,098
		157,098	63,363
14.02	Cash with bank		
	SCB_IP A/C (Discretionary) 01-1146314-01 Head Office	119,824	127,048
	SCB_IP A/C (Non-Discretionary) 01-1146314-03 Head Office	27,678,968	6,226,487
	SCB (Own Investment) 01-1146314-02 Head Office	266,880	383,148
	SCB (Operation) 02-1146314-01 Head Office	4,991,302	3,084,080
	MCBL (Operation) 011313100000777	10,289	57,338
		33,067,263	9,878,101

9.16 Green Delta Capital Limited.

Notes to the Financial Statements and significant accounting policies

For the year ended December 31, 2018

			Amount in Taka	
			31.12.2018	31.12.2017
15.00	Payable to GDIC			
	Various Expenses payable to GDIC	15.01	160,390	160,390
			160,390	160,390
15.01	Various Expenses payable to GDIC			
	Opening Balance		160,390	111,573
	Add: Addition		1,370,926	1,387,693
			1,531,316	1,499,266
	Less: Adjustment		1,370,926	1,338,876
			160,390	160,390
16.00	Payable to GDSL			
	Other Management Expenses	16.01	1,174,771	1,174,771
			1,174,771	1,174,771
16.01	Other Management Expenses			
	Opening Balance		1,174,771	1,174,771
	Add: Addition		-	75,000
			1,174,771	1,249,771
	Less: Adjustment		-	75,000
			1,174,771	1,174,771
17.00	Accounts Payable			
	Audit Fees	17.01	57,500	57,500
	TDS Payable	17.02	6,138	4,851
	VAT Payable	17.03	33,156	24,601
	Employees payable to GDIC	17.04	1,300,000	1,000,000
	Payable to Party	17.05	166,869	132,373
	Accrued expenses & other payable		23,652	19,968
			1,587,315	1,239,293
17.01	Audit Fees			
	Opening Balance		57,500	57,500
	Add: Addition during the year		57,500	57,500
			115,000	115,000
	Less: Paid during the year		57,500	57,500
			57,500	57,500
17.02	TDS Payable			
	Opening Balance		4,851	4,851
	Add: Addition during the year		3,979,241	1,365,729
			3,984,092	1,370,580
	Less: Paid during the year		3,977,954	1,365,729
			6,138	4,851
17.03	VAT Payable			
	Opening Balance		24,601	16,168
	Add: Addition during the year		372,358	351,305
			396,959	367,473
	Less: Paid during the year		363,803	342,872

9.16 Green Delta Capital Limited.

Notes to the Financial Statements and significant accounting policies

For the year ended December 31, 2018

		Amount in Taka	
		31.12.2018	31.12.2017
		33,156	24,601
17.04	Employees payable to GDIC		
	Opening Balance	1,000,000	1,000,000
	Add: Addition during the year	300,000	-
		1,300,000	1,000,000
	Less: Paid during the year	-	-
		1,300,000	1,000,000
17.05	Payable to Party		
	Payable to CDBL	3,410	3,371
	Payable to Green Delta Aims Ltd	78,358	85,633
	Payable to Radiant Cleaning & Pest Control	12,811	12,176
	Payable to Royal Taj Enterprise	10,590	6,010
	Payable to Lazeez Food	-	18,183
	Payable to Navigator Tourism	54,700	-
	Payable to Square Informatix Ltd	7,000	7,000
		166,869	132,373
18.00	Payable to Clients		
	Client Payable Account	27,885,878	4,124,108
		27,885,878	4,124,108
19.00	Other Provision		
	Opening Balance	3,000,000	2,695,726
	Add: Addition during the year	3,910,163	3,000,000
		6,910,163	5,695,726
	Less: Paid during the year	2,910,163	2,695,726
		4,000,000	3,000,000
20.00	Provision for Income Tax		
	Opening Balance	7,902,314	10,482,569
	Add: Addition during the year	7,500,000	4,500,000
		15,402,314	14,982,569
	Less: Paid during the year for IY 15-16 AY 16-17	1,832,388	7,080,255
	Less: Paid during the year for IY 16-17 AY 17-18	200,000	-
	Less: Adjustment made for IY 16-17 AY 17-18	3,294,070	-
		10,075,856	7,902,314
21.00	Share Capital		
	Authorized Share Capital: Taka 1,000,000,000		

The Authorized Share Capital with which the Company has ventured is taka 1,000,000,000 (One Hundred Crore) divided into 100,000,000 ordinary shares of taka 10 each.

Paid up Capital: Taka 260,000,000

9.16 Green Delta Capital Limited.

Notes to the Financial Statements and significant accounting policies

For the year ended December 31, 2018

Amount in Taka

31.12.2018**31.12.2017**

This represents the paid up capital of the company with 26,000,000 Ordinary Shares of taka 10 each subscribed and paid by the following sponsor shareholders and directors of the company.

Particulars	Amount in Taka	
Green Delta Insurance Co. Ltd		259,999,900
Nasir A. Choudhury		100
		260,000,000
22.00 Retained Earnings		
Opening Balance	64,885,571	49,671,810
Add: Addition during the year	21,750,077	21,713,760
	86,635,648	71,385,571
Less: Final dividend payment	19,500,000	6,500,000
	67,135,648	64,885,571
23.00 Available For Sale (AFS) Reserve		
Opening Balance	(27,602,571)	-
Add: Addition during the year	(17,894,020)	(27,602,571)
	(45,496,591)	(27,602,571)
Less: Adjustment	-	-
	(45,496,591)	(27,602,571)
24.00 Operating Income		
Margin interest Income, Non -Disc	837,039	623,486
Structured Finance and Corporate Advisory	46,121,173	20,330,778
Income from Publication Research	1,630,500	1,607,000
Management Fee (Non-Discretionary A/C)	249,534	376,339
Management Fee Income, GD perfor-Max (Discretionary)	45,000	80,759
Documentation Fees, Non-Discretionary	30,500	46,500
BO Account Opening Fee, Non-Discretionary	13,000	23,500
BO Renewal Fee, Non-Discretionary	75,500	59,000
BO Closing Fee, Non-Discretionary	2,000	4,000
Brokerage Commission (Non-Discretionary)	586,355	1,307,030
Brokerage Commission, GD Perform Max (Discretionary)	9,940	209,238
CDBL Income	4,391	14,260
Issue Management Fees, HO	825,000	-
	50,429,932	24,681,890
25.00 Realised Gain on share trading		
Realized gains on Share trading	5,830,089	24,862,948
	5,830,089	24,862,948
26.00 Other Income		
Dividend Income, Head Office	3,689,169	2,146,988

9.16 Green Delta Capital Limited.

Notes to the Financial Statements and significant accounting policies

For the year ended December 31, 2018

	Amount in Taka	
	31.12.2018	31.12.2017
Service Charge on IPO Application	1,275	1,195
Interest Income on FDR, Head Office	9,707,354	9,595,961
Interest Income on STD Balances, Head Office	33,960	1,338
Rent Income, Head Office	60,000	45,000
Interest Income from investment (Green Delta AMC)	345,091	-
Miscellaneous earnings, Head Office	224,584	995,420
Gain on sell of Assets	10,498	-
	14,071,931	12,785,902
27.00 Operating & Direct Expenses		
Portfolio Expenses	1,638	28,766
	1,638	28,766
28.00 Office & Administrative Expenses		
Salaries and Allowances	18,881,858	17,638,091
Festival Bonus	1,472,378	1,414,600
Performance bonus	500,000	16,274
Office Rent	1,338,876	1,338,876
Insurance premium	79,193	46,491
Utility, Electricity & Service Charges	1,071,100	1,004,965
Office Pool Car Exp & Driver Salary	813,810	506,591
Telephone expenses	15,531	14,849
Mobile Allowances	269,531	270,973
Stationery expenses	139,930	123,402
Audit fees	57,500	57,500
Office maintenance	17,720	21,989
Software maintenance fees	268,794	211,525
Repair expenses	62,586	72,202
Trade License renewal fees	18,000	18,000
Annual Fees for Merchant Banking License	50,000	50,000
Car Repair and maintenance	720,000	820,000
Membership, renewal fees, Merchant Bank & Other	198,333	390,000
Data Connectivity Expenses	189,390	210,603
Training and development expenses	36,000	82,658
Corporate Events	2,146	26,090
Conveyance	701,572	490,400
Computer Accessories	34,990	16,480
Traveling Expenses	299,550	157,642
Internship Program	188,000	1,900
Foreign travel expenses	829,149	742,180
Paper, Books and periodicals	4,356	3,941
Entertainment expenses	250,127	370,487
Marketing Expense for Portfolio Management 28.01	2,564,204	-
Remittance for International Conference	883,827	-

9.16 Green Delta Capital Limited.

Notes to the Financial Statements and significant accounting policies

For the year ended December 31, 2018

	Amount in Taka	
	31.12.2018	31.12.2017
Marketing expenses	-	1,705,113
Management expenses	256,800	808,035
CDBL Charges	61,379	129,976
Postage & Courier	27,459	240
Staff food expenses	436,896	481,841
Visa Processing Fees	148,936	110,070
Web Development	79,271	57,721
CDBL Annual Renewal DP PMD	53,550	41,650
Board Meeting Expenses	96,950	114,800
Advertisement expenses	46,000	4,000
Car Allowance	96,000	96,000
Legal & Professional Fees	-	11,500
Cartridge & Toner	29,200	19,600
RJSC & Govt. Fees	23,000	43,000
Recruitment & HR Audit Cost	75,800	65,482
Corporate Events Investor	48,194	86,544
IPO Subscription Participation Fees (PMD)	39,000	11,000
	33,576,886	29,905,281
28.01 Marketing Expense for Portfolio Management		
Salary of Contractual Employee	2,056,280	-
Conveyance	253,924	-
Mobile bill	96,000	-
Food Allowances	158,000	-
	2,564,204	-
29.00 Financial Expenses		
Bank Charges, Finance	118,947	139,791
Bank Charges, PMD	14,500	9,058
	133,447	148,849
30.00 Amortization, Depreciation & Written Off		
Furniture and fittings	34,420	28,248
Computer	244,473	134,923
Office equipment	195,340	229,046
Office Renovation	231,485	352,108
Systems and softwares	1,545,419	1,548,292
Car	1,208,604	741,467
	3,459,741	3,034,084

9.16 Green Delta Capital Limited Schedule of Property, Plant & Equipment

As at Dec 31, 2018

Name of the Assets	COST				DEPRECIATION				Written down value as at 31.12.2018	
	Balance as at 01.01.2018	Addition during the year	Disposal during the year	Balance as at 31.12.2018	Rate	Balance as at 01.01.2018	Charged during the year	Adjustment during the year		Balance as at 31.12.2018
Furniture and Fittings	285,363	150,342	20,900	414,805	10%	118,410	34,420	14,456	138,374	276,431
Office Equipment	1,677,710	420,692	99,650	1,998,752	20%	1,191,199	195,340	99,648	1,286,891	711,861
Computer	2,545,674	649,650	-	3,195,324	33%	2,349,434	244,473	-	2,593,907	601,417
Car	6,043,000	-	-	6,043,000	20%	2,139,467	1,208,604	-	3,348,071	2,694,929
Office Renovation	1,834,729	357,906	-	2,192,635	20%	1,513,042	231,485	-	1,744,527	448,108
Balance as at 31.12.2018	12,386,476	1,578,590	120,550	13,844,516		7,311,552	1,914,322	114,104	9,111,770	4,732,746
Balance as at 31.12.2017	9,241,326	3,145,150	-	12,386,476		5,825,760	1,485,792	-	7,311,552	5,074,924

Schedule -A/1

Green Delta Capital Limited Amortization Schedule

As at Dec 31, 2018

Name of the Assets	COST				DEPRECIATION				Written down value as at 31.12.2018	
	Balance as at 01.01.2018	Addition during the year	Disposal during the year	Balance as at 31.12.2018	Rate	Balance as at 01.01.2018	Charged during the year	Adjustment during the year		Balance as at 31.12.2018
Software	13,240,339	-	-	13,240,339	20%	10,926,749	1,545,419	-	12,472,168	768,171
Balance as at 31.12.2018	13,240,339	-	-	13,240,339		10,926,749	1,545,419	-	12,472,168	768,171
Balance as at 31.12.2017	13,240,339	-	-	13,240,339		9,378,457	1,548,292	-	10,926,749	2,313,590

Schedule -A/2

9.17 REPORT ON PROFESSIONAL ADVANCEMENT BANGLADESH LIMITED (PABL)



Syed Moinuddin Ahmed

In Charge
PABL

“ Going into 2019 and further, we believe that stability in leadership will provide PABL with a new impetus in the forward direction, even as the institute expects to remain the preferred choice among the future specialists of the insurance industry.

Dear stakeholders,

Welcome to Professional Advancement Bangladesh Limited, PABL, a premier insurance training institute of Bangladesh.

Under the glorious parentage of Green Delta Insurance, PABL has flourished over the years and has come to be recognised as an eminent educational institution that provides a holistic and world-class pedagogy in insurance.

The core objective of PABL is to equip Bangladesh with a pool of qualified insurance professionals who are torchbearers of the industry. The institute also envisages plugging an essential talent gap in insurance by providing the industry with trained manpower with skills and capabilities that are designed to take their business forward. Our endeavours are also focused on enhancing transparency and governance in the insurance industry of the country, and we are actively engaged in this pursuit through our focus on building a deep sense of accountability standards in our candidates.

In 2018, we continued with our mission of providing cutting-edge insurance training, and one of our major

focus areas comprised agent training. Agents are the face of insurance companies among their clients and hence our emphasis was on building their knowledge, as well as soft skills for them to be able to win customer trust – and their business. PABL also conducted a number of seminars and workshops during the year that were well-received by the participants.

Going into 2019 and further, we believe that stability in leadership will provide PABL with a new impetus in the forward direction, even as the institute expects to remain the preferred choice among the future specialists of the insurance industry.

We look forward to receiving your unstinted support and cooperation.

With my best wishes,



Syed Moinuddin Ahmed
In Charge



OVERVIEW



Established
in 2014



Our Vision

To be the best insurance human capital development Centre and create strong International and Financial skilled insurance professionals



Our Mission

Creating strong platform for the insurance sector & adding value as a strategic partners with the insurance community by Creating High level of professionalism in the workplace arranging effective human capital development programs. Promoting insurance education locally & internationally Addressing National & International Issues.



Our Values

- Quality of our service
- Honoring Individuals
- Creative intention
- Transformative Growth
- Integrity
- Respect
- Sustainability



PABL AT A GLANCE: FROM 2014-2018 YEAR



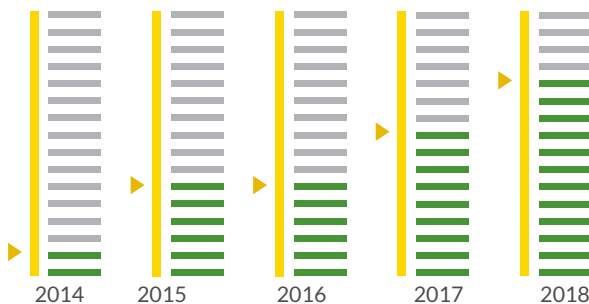
4
MAJOR
STRATEGIC
PARTNER



117
Training Sessions

Total 117 trainings, workshops have been arranged for internal and for industry through PABL.

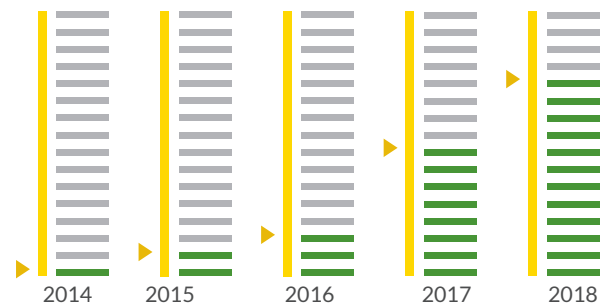
No of Trainings (2014-2018)



9341
No. of Trainees

Total 9341 participated in total of 117 Trainings/ Workshops which had been arranged through PABL.

No of Trainees (2014-2018)



57
CII Registered Students



146
III total subject enrolled

PABL INTERNATIONAL SERVICES

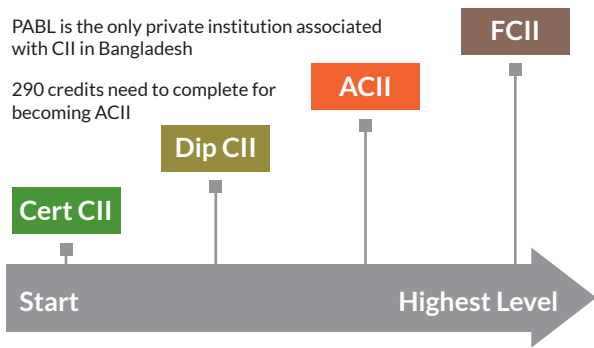
Creating Insurance Professionals in association with CII (UK) and III (India) via different courses

Boosting Insurance Career of Professionals via CII (UK) different cour

Chartered Insurance Institute (CII), UK

PABL is the only private institution associated with CII in Bangladesh

290 credits need to complete for becoming ACII

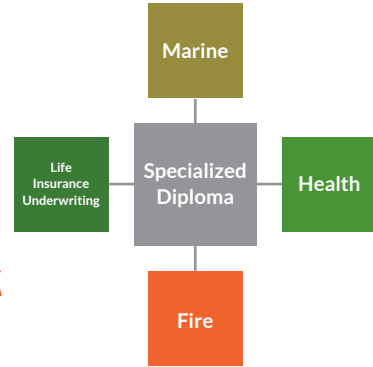


Shaping Careers of Professionals in association with III (India) via different courses

Licentiate
60 Credits

Associateship
250 Credits

Fellowship
490 Credits



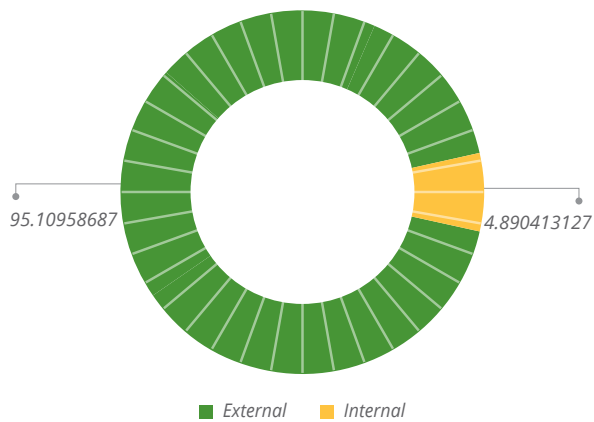
Our Valued Corporate Clientele



FACTS AND FIGURES OF PABL

Fiscal year 2017-2018

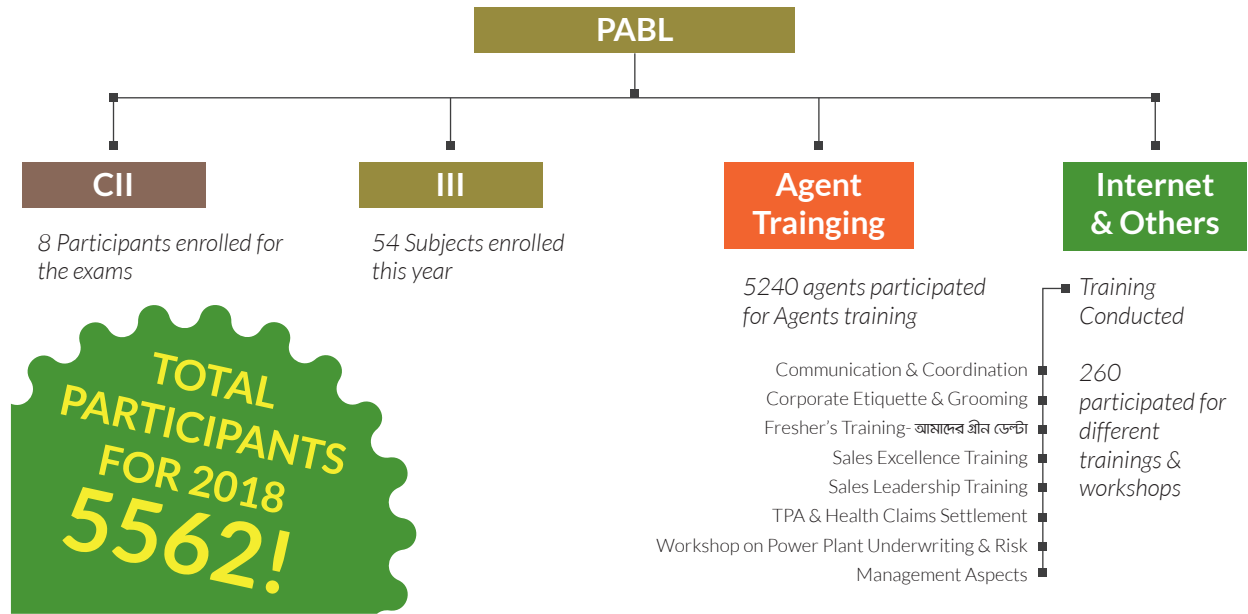
Revenue Proportion 2018



AGENT TRAINING CONDUCTED MAJOR CITIES IN 2018



SERVICE PROVIDED IN THE YEAR 2018



GLIMPSE OF PABL ACTIVITIES -2018

Date: 01/12/2018

Workshop on AML/CFT and Branch Compliance of General Insurance



Professional Advancement Bangladesh Limited organized a 1 day long workshop program on ‘Workshop on AML/CFT and Branch Compliance of General Insurance’ for the Green Delta Insurance Company Limited’s officials and staffs at Spectra Convention Centre. As the Chief Guest Mr. Gokul Chand Das, Member, Insurance Development & Regulatory Authority (IDRA) along with Mr. Borhan Uddin Ahmed, Member, Insurance Development Regulatory Authority (IDRA) as the Guest of Honor was present in the workshop.

Date: 01/12/2018

Insurance Institute of India (III) - Online Examination



PABL in association with Insurance Institute of India (III), has successfully conducted online examination.

Date: 17/11/2018- 18/11/2018

PABL conducts Training on KPI Master Class: Design, Implement and Measure KPI



PABL has organized the two days Training on “KPI Master Class: Design, Implement and Measure KPI” conducted by Mr. Rupak Nasrullah Zaidi, Resource Person, WARD for GDIC Officers. Mr. Nasir A. Chowdhury, Advisor, GDIC was present in the Certificate Giving Ceremony.

Date: 13/11/2018

Fundamental of Reinsurance



This knowledge sharing half day session was conducted by Mr. Golam Mustafa, Senior Consultant, GDIC for Green Delta Insurance officials which gave knowledge about basic knowledge and techniques about reinsurance.

Date: 12/11/2018- 17/11/2018
Agent Training- Delta Life Insurance Company Limited



PABL was organized a 6 long days program on Agent Training- Netrokona” for the Delta Life Insurance agents.

Date: 20/09/2018- 21/09/2018
Sales Leadership Workshop



PABL was organized 2 days long workshop program for GDIC Branch Managers and Unit Heads conducted by 'Mind Mapper Bangladesh' at Long Beach Suit Dhaka. Mr. A. S. A. Muiz, Senior Consultant, GDIC was present in the certificate giving ceremony.

Date: 08/08/2018- 13/08/2018

Agent Training- National Life Insurance Company Limited



PABL was organized a 6 long days program on Agent Training- Mymensingh” for the National Life Insurance Companies agents.

Date: 05/07/2018

Workshop on Power Plants- Underwriting and Risk Management Aspects



PABL organized ‘Workshop on Power Plants- Underwriting and Risk Management Aspects’ for the GDIC’s special clients and officials where Mr. Heiko Hammacher, Senior Underwriter Construction, Helvetia Insurance, Zurich, Switzerland and Mr. Dan Georgescu, Senior Underwriting Construction – International P&C Insurance, XL Catlin, Zurich, Switzerland was conducted the workshop.

Date: 09/06/2018

Training on Third Party Administrator & Health Claim Settlement



PABL has organized this 1 day training program at PABL Premises conducted by LIC of Bangladesh senior officials for GDIC and GDASSIST officials and staffs.

Date: 12/05/2018

Training on Corporate Etiquette and Grooming



PABL has organized this 1 day training program at PABL Premises for Green Delta Securities officials and staffs about basic knowledge of corporate etiquette and grooming.

Date: 16/04/2018- 18/04/2018

Chartered Insurance Institute CII – Public EXAMS

From PABL 7 participants had given public exams of CII UK on April 16 to April 18, 2018. It was held at Bangladesh Insurance Academy.

Date: 27/03/2018

CII-Seminar at Dhaka University – Career path & Professionalism in Insurance Industry



PABL has organized half daylong seminar session on 'Career path & Professionalism in Insurance Industry' held at Dhaka University where Mr. Donald Arthur Richards, CII, CEO, Personal Finance and Society and Managing Director of Engagement and Mr. Sainesh Dar, Head of Corporate Development, South Asia, CII had conducted the seminar to the Dhaka Universities faculties and students.

Date: 27/03/2018

CII-Seminar at East West University – Career path & Professionalism in Insurance Industry



PABL has organized half daylong seminar session on 'Career path & Professionalism in Insurance Industry' held at Dhaka University where Mr. Donald Arthur Richards, CII, CEO, Personal Finance and Society and Managing Director of Engagement and Mr. Sainesh Dar, Head of Corporate Development, South Asia, CII had conducted the seminar to the Dhaka Universities faculties and students.

Date: 28/03/2018

Roundtable Discussion on 'How to overcome the biggest workforce challenge in Insurance Industry through empowerment of professional development.'



PABL jointly organized with GDIC- the roundtable discussion that had held in Daily Star Premises where IDRA's Chairman Mr. Shafiqur Rahman Patwary, was present as Chief Guest and as Moderator Mrs. Farzanah Chowdhury, Chartered Insurer, MD & CEO, GDIC was present in the session. The Insurance Industry senior officials and Mr. Donald Arthur Richards, CII, CEO, Personal Finance and Society and Managing Director of Engagement and Mr. Sainesh Dar, Head of Corporate Development, South Asia, CII were present and contribute their thoughts in this discussion session.

Date: 12/02/2018 to 14/02/2018
Fresher's Training- "আমাদের গ্রীন ডেল্টা"



Professional Advancement Bangladesh Limited conducted a training session for Fresher's of Green Delta Employees at PABL premises. Mr. Nasir A. Choudhury, Advisor, GDIC was present at the opening ceremony of this training session.

Date: 21/01/2018 – 26/01/2018
Agent Training- Pragati Life Insurance Company Limited- Barishal



PABL has conducted Agent Training for Pragati Life Insurance Company Limited at Barishal throughout 72 hours (6 days) as per IDRA rules.

9.18 Directors' Report to the Shareholders

Dear Fellow Shareholders,

At the outset, we, the Board of Directors of your company Professional Advancement Bangladesh Limited (PABL), welcome you to the 5th Annual General Meeting and would like to thank you for your continued patronage and support. We are very delighted to present before you the Annual Report along with the Audited Financial Statements for the year ended 31 December 2018 and the Auditor's Report thereon for kind consideration and adoption.

Operational Highlights:

Taka in million	2018	2017
Revenue from student fees	7.08	3.48
Other income	1.48	1.20
Operating Expenses	4.44	0.75

Financial Highlights-2017 & 2018

Taka in million	2018	2017
Gross Profit	4.14	3.93
Net Profit/ loss	0.06	0.11

Number of Employees

	2018	2017
Number of Employees	3	4

Books of accounts:

Proper books of accounts of PABL have been maintained. Appropriate accounting policies have been consistently applied in preparation of the financial statements. The accounting estimates are based on reasonable and prudent judgment. IAS/BAS/IFRS/BFRS, as applicable in Bangladesh, have been followed in the preparation of the financial statements and any departure there from has been adequately disclosed.

Internal Control:

The system of internal control is sound in design and has been effectively implemented and monitored.

Distribution of Profit for 2018:

The company reported profit of Taka 41.37 lac in the year 2018. Considering company's growth potentials and comparative cost benefit analysis of paying out dividend and overall better tax management, the Board of PABL decided not to declare any dividend to the shareholders of the company for 2018.

Appointment of Auditors

The company shall, at each AGM appoint/reappoint an auditor to hold office until the next AGM. The Auditors of the company M/s Ahmed Zaker & Co. Chartered accountants, has completed their 2nd year as the auditor of the company. They are eligible for re-appointment as auditor of the company for the year 2018 and they have also offered themselves for re-appointment. The Board recommends to appoint M/s. Ahmed Zaker & Co., Chartered Accountants to the shareholders at the AGM as the auditors of the company for the year 2019 at the existing remuneration of BDT 25,000.00.


Going concern

There is no significant doubt upon the PABL ability to continue as a going concern.

Appreciation

I would like to thank my Board colleagues for their continued support and on their behalf would like to express my heartiest gratitude to the entire team of Professional Advancement Bangladesh Limited (PABL). It would be unfair to not acknowledge the exceptional efforts of our employees who worked in praiseworthy partnerships to meet the many challenges of difficult year.

In conclusion, on behalf of the Board, I would like to thank our honourable shareholders for their continued faith and support. For and on behalf of the Board of Directors,



A.Z Mozammel Haque

Chairman

9.19 Independent auditor's report to the shareholders of Professional Advancement Bangladesh Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Professional Advancement Bangladesh Limited which comprise the Statement of Financial Position as at December 31, 2018, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Professional Advancement Bangladesh Limited as at December 31, 2018 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS), Companies Act 1994 and other applicable rules & regulations.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of Professional Advancement Bangladesh Limited in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRS), where practicable Companies Act 1994 and other applicable rules & regulations and for such internal control as management

determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing Professional Advancement Bangladesh Limited ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate Professional Advancement Bangladesh Limited or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing Professional Advancement Bangladesh Limited financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Report on other legal and regulatory requirements

We also report the following:

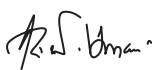
- a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by Professional Advancement Bangladesh Limited so far as it appeared from our examination of those books; and
- c) the statement of financial position and the statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.

9.20 Professional Advancement Bangladesh Limited Statement Of Financial Position

As At December 31, 2018

	Note	31.12.2018	31.12.2017
Amount in Taka			
ASSETS			
Non-Current Assets		4,057,394	4,522,081
Property, Plant & Equipment	3	4,057,394	4,522,081
Current Assets		26,855,897	21,804,694
Advances, Deposits & Prepayments	4	8,175,344	1,929,217
Receivable from GD ASSIST	5	1,889,530	1,803,291
Accounts Receivable	6	2,893,394	3,722,842
FDR Investment	7	12,630,103	13,439,300
Cash and cash equivalents	8	1,267,526	910,044
TOTAL ASSETS		30,913,291	26,326,775
SHAREHOLDERS EQUITY AND LIABILITIES			
Shareholders equity		2,529,594	2,473,679
Share Capital	9	10,000,000	10,000,000
Retained Earnings	10	(7,470,406)	(7,526,321)
Current Liabilities		28,383,698	23,853,097
Payable to GDIC	11	28,182,934	23,662,716
Accounts Payable	12	89,694	131,070
Provision for Tax	13	111,069	59,310
TOTAL SHAREHOLDERS EQUITY AND LIABILITIES		30,913,291	26,326,775

The accompanying Policies and explanatory notes (1-18) form an integral part of these Financial Statements.



Chairman



Director



In charge



Accounts Officer



Company Secretary

Place: Dhaka
Date: February 07, 2019

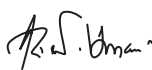
Signed as per our separate report of same date.


Ahmed Zaker & Co.
Chartered Accountants

9.21 Professional Advancement Bangladesh Limited Statement Of Profit Or Loss And Other Comprehensive Income As At December 31, 2018

	Note	31.12.2018	31.12.2017
Amount in Taka			
Operating Income		7,088,876	3,480,582
Revenue from Student Fees	14	7,088,876	3,480,582
Less: Operating Expense		4,437,120	747,518
Operating expense	15	4,437,120	747,518
Gross Profit		2,651,756	2,733,064
Add: Other Income		1,485,343	1,205,860
Other Income	16	1,485,343	1,205,860
Total Income		4,137,099	3,938,924
Less: Office & Administrative Expenses		4,004,148	3,739,642
Office & Administrative Expenses	17	4,004,148	3,739,642
Profit/(Loss) before Interest expense and Tax (PBIT)		132,952	199,282
Less: Financial Expenses		25,278	29,824
Financial Expenses	18	25,278	29,824
Profit/(Loss) before Tax (PBT)		107,674	169,458
Less: Provision for Tax	13	(51,759)	(59,310)
Net Profit/(loss)		55,915	110,148

The accompanying Policies and explanatory notes (1-18) form an integral part of these Financial Statements.



Chairman



Director



In charge



Accounts Officer



Company Secretary



Ahmed Zaker & Co.
Chartered Accountants

Place: Dhaka
Date: February 07, 2019

Signed as per our separate report of same date.

9.22 Professional Advancement Bangladesh Limited Statement Of Change In Equity

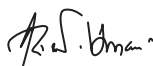
For the year ended December 31, 2018

Particulars	Share Capital	Retained Earnings	Total Shareholders' Equity
Opening Balance	10,000,000	(7,526,321)	2,473,679
Add: Profit/(Loss) during the Year		55,915	55,915
Balance For the Year ended 31.12.2018	10,000,000	(7,470,406)	2,529,594

Professional Advancement Bangladesh Limited Statement Of Change In Equity

For the year ended December 31, 2017

Particulars	Share Capital	Retained Earnings	Total Shareholders' Equity
Opening Balance	10,000,000	(7,636,469)	2,363,531
Add: Profit/(Loss) during the Year		110,148	110,148
Balance For the Year ended 31.12.2017	10,000,000	(7,526,321)	2,473,679



Chairman



Director



In charge



Accounts Officer



Company Secretary

Place: Dhaka
Date: February 07, 2019

Signed as per our separate report of same date.

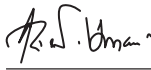

Ahmed Zaker & Co.
Chartered Accountants

9.23 Professional Advancement Bangladesh Limited

Statement Of Cash Flows

As At December 31, 2018

	Amount in Taka	
	31.12.2018	31.12.2017
Cash Flow from Operating Activities:		
Cash Received from Customers and others	9,317,428	3,290,267
Cash Paid to Customers, Suppliers, Employees & others	(10,196,314)	(2,470,709)
Tax Paid	(337,492)	(599,152)
Net Cash (used) /flows from operating activities	(1,216,378)	220,405
Cash Flow from Investing activities :		
Acquisition of Property, Plant & Equipment	-	(15,870)
Encashment of FDR	1,573,860	12,496,735
Investment In FDR	-	(13,000,000)
Net Cash flows from Investing activities	1,573,860	(519,135)
Cash Flow from Financing activities:		
Share Capital	-	-
Net Cash (used) /flows from Financing activities:	-	-
Net increase/(decrease) in cash & cash equivalents	357,482	(298,731)
Add: Cash & Cash equivalents at the beginning of the Year	910,044	1,208,774
Cash & Cash equivalents at the end of the Year	1,267,526	910,044



Chairman



Director



In charge



Accounts Officer



Company Secretary


Ahmed Zaker & Co.
Chartered Accountants

Place: Dhaka
Date: February 07, 2019

Signed as per our separate report of same date.



9.24 Professional Advancement Bangladesh Limited

Notes to The Financial Statements

For the year ended December 31, 2018

1. Legal Status and Nature of the Company:

Legal Status:

Professional Advancement Bangladesh Limited, a Private Limited Company Incorporated in Bangladesh under the Companies Act 1994 with the Registrar of Joint Stock Companies & Firms. The Company was registered on March 3, 2014 with the issuance of certificate no. C-114432/14.

Nature of the Company:

To employ national and foreign trainers to provide quality level training for a fee or subscription or other mode of payment to individuals to become professionals in the insurance and financial field and to develop and strengthen vocational and non-vocational training at all level through formal and non formal mode, with need bases courses of adequate quality level, curriculum, learning resources and teaching learning process, assessment and certification or to institute and award fellowships, scholarships, prizes and medals to the trainees, or to fix, demand and receive fees and other charges as they may deem fit.

2.00 IAS is of Presentation of the Financial Statements:

As per the requirements of IAS 1: "Presentation of Financial Statements" financial statements comprise a statement of financial position at the end of the year, a statement of profit or loss and other comprehensive income for the year, a statement of changes in equity for the year, a statement of cash flows for the year, liquidity statement, and relevant notes to the financial statements and disclosures.

Financial statements are made as of December 31, 2017 and are prepared under the historical cost convention on Generally Accepted Accounting Principles (GAAP) on going concern basis. Financial statements have been prepared in accordance with the measurements and recognition requirements of International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB).

Adopted International Accounting Standards (IAS), International Financial Reporting Standards (IFRS), the Companies Act 1994 and other applicable rules and regulation have been used as a model for the presentation and disclosure framework to provide additional information and analysis of the key items in the financial statements except as the company considers disclosures inappropriate.

2. 1) Recognition of Property & Equipment and Depreciation:

In accordance with the International Accounting Standard adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) as IAS 16 'Property Plant and Equipments, fixed assets have been accounted for using the straight-line depreciation method. Cost includes expenditure that is directly attributable to the acquisition of the items. Depreciation on all fixed assets has been applied consistently year to year at the following rate.

a)	Computer & IT equipment	15%
b)	Office Equipments	15%
c)	Furniture & Fixtures	10%
d)	Books and periodicals	10%

Depreciation has been charged in addition of fixed assets when it is available for use and no depreciation is charged in the year of disposal.

2.2) Revenue Recognition:

Revenue is recognized only when it is probable that the economic benefit of such transaction has been derived as per "IAS-18".

Brokerage commission

Brokerage commission is recognized as income when selling or buying order executed.

Interest Income from margin loan

Interest Income from margin loan is recognized on accrual IAS is. Such income is calculated on daily margin loan balance of the respective parties. Income is recognized on monthly IAS is.

Dividend income and profit/ (loss) on sale of marketable securities

Dividend income is recognized when right to receive payment is established whereas profit or loss arising from the sale of securities is accounted for only when shares are sold in the market and profit is realized or loss is incurred.

Income from Bank deposit

Income from short term bank deposit & FDR are recognized when the amount is credited by the bank in the accounts.

2.5) Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, bank balances and deposits held with banks and financial instruments and short term liquid investments that are readily convertible to known amount of cash and that are subject to an insignificant risk of change in value.

2.6) Cash Flow Statements:

Cash flow statement has been prepared in accordance with the International Accounting Standards (IAS) 7, "Cash flow statement" under direct method.

2.8) Events after the Reporting date:

As per IAS-10 "Event after the Balance Sheet Date" are those event favorable and unfavorable, that occur between the end of the reporting year and the date when the financial statements are authorized for issue. Two types of event can be identified:

- those that provide evidence of conditions that existed at the end of the reporting year (adjusting events after balance sheet date); and
- Those that is indicative of conditions that arose after the reporting year (Non-adjusting events after balance sheet date).

2.9) Related party disclosure

As per International Accounting Standards (IAS)-24 "Related Party Disclosures", parties are considered to be related if one of the parties has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The Company carried out transactions in the ordinary course of business on an arm's length IAS is at commercial rates with related parties.

Name of the Related Party	Nature of Relationship	Nature of Transaction	Opening Balance January 01,2018	Addition during the year	Payment during the year	Closing Balance as on December 31, 2018
Green Delta Insurance Company Limited	Common Shareholder	Payable to GDIC	23,662,716	4,722,565	202,347	28,182,934

2.10) Going Concern:

As per IAS-1, a company is required to make assessment at the end of each year to assess its capability to continue as going concern. Management of the company makes such assessment each year. The company has adequate resources to continue its operation for the foreseeable future and has the ability to discharge its liabilities. For this reason, the Directors continue to adopt the going concern assumption while preparing the financial statements.

2.11) Comparative:

Comparative information have been disclosed in respect of the previous year for all numerical information in the financial statements including narrative and descriptive information when it is relevant for understanding of the current year's financial statements.

Previous year's figure has been re-arranged whenever considered necessary to ensure comparability with the current year's presentation as per IAS-8 "Accounting Policies, Changes in Accounting Estimates and Errors".

3. Information on Financial Statement:**Responsibility for preparation and presentation of financial statements:**

The company's management and the Board of Directors are responsible for the preparation and presentation of Financial Statements according to the International Accounting Standard IAS-1 "Presentation of Financial Statements".

Components of the Financial Statements:

Following are the component of the financial statements.

- a) Statement of Financial Position as at December 31, 2018.
- b) Statement of Profit or Loss and Other Comprehensive Income for the year ended December 31, 2018.
- c) Statement of Changes in Equity for the year ended December 31, 2018.
- d) Statement of Cash flows for the year ended December 31, 2018.
- e) Notes to the financial statements and Explanatory notes.

General:

- i) The figure has been rounded off to the nearest Taka.
- ii) The financial Statement has been prepared covering the year from January 01, 2018 to December 31, 2018.

9.24 Professional Advancement Bangladesh Limited

Notes to The Financial Statements

For the year ended December 31, 2018

		Amount in Taka	
		31.12.2018	31.12.2017
3.00	Property, Plant & Equipment		
	Cost		
	Opening balance as at 01.01.2018	6,141,115	6,125,245
	Add: Addition during the Year	-	15,870
		6,141,115	6,141,115
	Less: Adjustment during the year	-	-
	Balance as at 31.12.2018	6,141,115	6,141,115
	Depreciation		
	Opening balance as at 01.01.2018	1,619,034	1,105,905
	Add: Charged during the Year	464,688	513,129
		2,083,722	1,619,034
	Less : Adjustment during the Year	-	-
	Balance as at 31.12.2018	2,083,722	1,619,034
	Written down value as at 31.12.2018	4,057,394	4,522,081
	Details of Property, Plant & Equipment is given in Annexure-A		
4.00	Advances, Deposits & Prepayments		
	Advance Office Rent	2,480,000	558,000
	Advance against expenses	4,337,893	-
	AIT on FDR	353,932	219,655
	AIT on Bank Deposit	16,167	14,807
	Advance Tax	870,052	532,560
	Advance Agent Training expenses	117,300	604,195
		8,175,344	1,929,217
5.00	Receivable from GD Assist		
	Opening balance	1,803,291	1,486,133
	Add: Addition during the Year	412,722	1,154,571
		2,216,013	2,640,704
	Less: Received during the Year	(326,483)	(837,413)
		1,889,530	1,803,291
6.00	Accounts Receivable		
	Receivable from student	79,000	1,521,897
	Receivable from others	2,814,394	2,200,945
	Accrued Interest on FDR	549,252	-
		2,893,394	3,722,842
7.00	FDR Investment		
	Opening Balance	13,439,300	12,026,950
	Add: Addition during the Year	-	13,000,000
	Add: Interest received during the year	764,663	909,085
		14,203,963	25,936,035
	Less: Encashment during the Year	(1,573,860)	(12,496,735)
		12,630,103	13,439,300

9.24 Professional Advancement Bangladesh Limited

Notes to The Financial Statements

For the year ended December 31, 2018

		Amount in Taka	
		31.12.2018	31.12.2017
8.00	Cash and Cash Equivalents		
	Cash in hand	217,395	24,459
	Cash at Bank	1,050,131	885,585
		1,267,526	910,044
8.01	Cash at Bank		
	Cash at bank (MBL A/C No 111313101700868)	954,281	789,735
	Brac Bank	95,850	95,850
		1,050,131	885,585
9.00	Share capital		
9.01	Authorized Capital		
	Five Million (50,00,000) ordinary shares of Tk.10/- each	50,000,000	50,000,000
9.02	Issued, subscribed and paid up Capital	10,000,000	10,000,000
	This represents the paid up capital of the company with 10,00,000 Ordinary Shares of taka 10 each subscribed and paid by the following sponsor shareholders and directors of the company.		
	Particulars	No. of shares	Amount in Taka
	Mr. Nasir Uddin Ahmad (Director)	400	4,000
	Green Delta Insurance Company	999,600	9,996,000
		1,000,000	10,000,000
10.00	Retained Earnings		
	Opening Balance	(7,526,321)	(7,636,469)
	Add: Profit/(Loss) during the year	55,915	110,148
		(7,470,406)	(7,526,321)
11.00	Payable to GDIC		
	Opening Balance	23,662,716	21,818,512
	Add: Addition during the Year	4,722,565	1,975,759
		28,385,281	23,794,271
	Less: Paid During the Year	(202,347)	(131,555)
		28,182,934	23,662,716
12.00	Accounts Payable		
	Tax payable	59,310	1,620
	VAT payable	1,634	1,350
	Outstanding Liabilities	-	95,850
	Audit fee payable	28,750	28,750
	Internet Payable	-	3,500
		89,694	131,070
13.00	Provision for Tax		
	Opening Balance	59,310	-
	Add: Addition during the Year	51,759	59,310
		111,069	59,310
	Less: Adjustment During the year	-	-
		111,069	59,310

9.24 Professional Advancement Bangladesh Limited

Notes to The Financial Statements

For the year ended December 31, 2018

		Amount in Taka	
		31.12.2018	31.12.2017
14.00	Revenue from Student Fees		
	Basic Under Writing Course	-	450,820
	Fresher Training	14,730	-
	English Language	-	127,969
	Agent Training	6,399,400	2,297,453
	IF-1	52,000	215,395
	Membership Liabrary	14,500	1,000
	IF-3	22,000	-
	IF-4	46,250	134,520
	MIS Training	34,232	108,500
	III(IC01 & IC02)	127,200	144,925
	Training Income from GDIC	378,564	-
		7,088,876	3,480,582
15.00	Operating Expenses		
	Training Expenses	4,371,245	701,453
	Training Expenses (CII)	65,875	11,098
	Car Expense	-	11,467
	Teacher Honorarium	-	23,500
		4,437,120	747,518
16.00	Other Income		
	GD Assist charges for Furniture use	-	252,216
	STD interest	14,049	44,559
	Interest on FDR	1,471,294	909,085
		1,485,343	1,205,860
17.00	Office & Administrative Expenses		
	Salary & Wages	1,043,500	687,527
	Office Maintenance	16,040	112,592
	Class room rent expenses	1,650	1,960
	Festival Bonus	118,584	44,300
	Stationery	10,340	380
	Conveyance & Travel	10,570	1,845
	Office Rent	2,097,830	1,929,240
	Subscription & Fees	-	26,500
	Telephone, Trunk-Call & Internet	66,898	45,338
	Entertainment	1,440	3,274
	Office Tea	887	13,087
	Books & Papers	440	-
	VAT expenses	-	6,910
	Business Development Expense	1,025	25,640
	Electricity & Utility Exp.	97,842	184,194
	Depreciation	464,688	513,129
	Staff Food Exp	26,464	20,076
	Service charge	-	72,000
	Repair, Renewal & Maintenance	17,200	22,900
	Audit fee	28,750	28,750
		4,004,148	3,739,642
18.00	Financial expenses		
	Bank and Other Charges	25,278	29,824
		25,278	29,824

9.24 Professional Advancement Bangladesh Limited Schedule of Property, Plant and Equipment

As at Dec 31, 2018

Name of Assets	COST					DEPRECIATION				Written down value as at 31.12.2018
	Balance as at 01.01.2018	Addition during the year	Adjustment during the year	Balance as at 31.12.2018	Rate	Balance as at 01.01.2018	Charged during the Year	Adjustment during the year	Balance as at 31.12.2018	
Computer & IT Equipment	215,600	-	-	215,600	15%	87,318	19,242	-	106,560	109,040
Office Equipment	174,415	-	-	174,415	15%	53,109	18,196	-	71,305	103,110
Furniture & Fixtures	5,718,442	-	-	5,718,442	10%	1,469,462	424,898	-	1,894,360	3,824,082
Books and Periodicals	32,658	-	-	32,658	10%	9,145	2,351	-	11,496	21,162
Balance as at 31.12.2018	6,141,115	-	-	6,141,115		1,619,034	464,688	-	2,083,722	4,057,394
Balance as at 31.12.2017	6,125,245	15,870	-	6,141,115		1,105,905	513,129	-	1,619,034	4,522,081

9.25 Report on GD Assist Limited



Syed Moinuddin Ahmed

Managing Director
GD Assist

“ In a world where lifestyle diseases and other ailments are only growing, I’m proud to leverage the GD Assist platform to create a strong sense of trust in the wider community, which is truly the most important hallmark of our business.

Dear shareholders,

During the year 2018, we further strengthened our position as the leading pureplay health care facilitation enterprise of Bangladesh, focusing on providing our customers with an unmatched choice with regards to our deep and wide hospital network in the proven medical tourism destinations of India, Malaysia, Singapore and Thailand.

Being a focused health care tourism platform, we keep our customer at the center of everything we do and, paired with our ability to provide end-to-end facilitation services, including logistics and visa processing, etc., we have emerged as the preferred choice among our large and growing customer base.

In addition to keeping the economics of our business favourable with a view to live up to our true objective of facilitating patient care in the best possible way, we are focused on reinforcing our culture. Towards this extent, we put the customer first in everything we do and are building a culture of achievement where our staff are committed to living the values of our organisation. We also care about the health and welfare of our

team, demonstrated by a renewed focus and commitment to staff wellbeing.

In a world where lifestyle diseases and other ailments are only growing, I'm proud to leverage the GD Assist platform to create a strong sense of trust in the wider community, which is truly the most important hallmark of our business.

Thank you for your unstinted support, even as we focus on taking the GD Assist footprint wider and deeper into Bangladesh. This way, we intend to democratise quality health care for all.

With my best wishes,



Syed Moinuddin Ahmed
Managing Director

GD ASSIST: A WELL-RECOGNISED HEALTH CARE MANAGEMENT PLATFORM OF BANGLADESH

During the year 2018, GD Assist embraced strong steps in growing the business. Towards this extent, one of the most important achievements comprised the establishment of a new branch in Chattogram, which is the Company's second office establishment and the first outside of Dhaka. Through the establishment of an official footprint in Chattogram, GD Assist has opened up the potential to directly serve the needs of the patient population in the city.

Furthermore, in a unique and innovative first in the industry, GD Assist instituted a membership service under 'Health@Connect', representing a card that includes health insurance, health care services in domestic and international hospitals, discounts in partner hospitals in Bangladesh, second medical opinion service, health tourism facilities, air ambulance services, tele and video consultation and travel support, including visa processing and other travel-related arrangements. In 2018, the company received good response to its Health@Connect platform, having sold 2,415 health cards. In the current year, we expect to further create awareness about the benefits of our comprehensive health care cards towards enlisting a larger subscriber base.

In yet another forward-looking initiative, in 2018, GD Assist focused on third-party administration between the tripartite of insurance companies, corporates and local hospitals. Under this, we managed the claims processing cycle for the employer (corporate company) in the event of an insurance claim raised by an employee covered under the scheme. As a TPA, we also managed the insurance company's claims processing cycle,

including providing medical documents, patient updates and settlement of medical bills. GD Assist also started working as a TPA for parent Green Delta Insurance. Some of our other customers include SOS international, Global Benefits Group and Asia Medical Assistance Co. Ltd, among others.

Corporate wellness is emerging as a big market, considering that stress and strain is a regular feature in most modern workplaces. To address the opportunity to play a meaningful role in alleviating corporate-related stress, we commenced a holistic corporate wellness program, under which we offer a complete suite of services, including physical examination, yoga and stress management.

GD Assist is one of the most reputed medical tourism providers in Bangladesh with a wide range of network hospitals in some of the top healthcare tourism destinations of the world, including India, Thailand, Malaysia and Singapore. Through this association, the Company is able to set doctor appointments at the best hospitals renowned for their medical specialities within the shortest possible time. GD Assist also offers a comprehensive suite of related products and solutions, including health insurance, visa assistance, air travel and ground transportation services, hotel accommodation, emergency medical evacuation, etc., that greatly add to patient convenience. The Company also offers a wide range of corporate wellness programs for the benefit of organisations to keep their manpower healthy, productive and engaged. Notably, we are also the only in our sector to provide medical emergency evacuation through our air ambulance services.

With a wide range of medical tourism healthcare solutions, dedicated and professional services and customised itineraries, we expect to further strengthen our customer-centric propositions in 2019 and beyond.

EVENTS BY GD ASSIST

Innovation Award at HEALTHCARE REVOLUTION® Conference



GD Assist team is proud to have received the Innovation Award at HEALTHCARE REVOLUTION® Conference held in Orlando, USA. Mr. Syed Moinuddin Ahmed, Managing Director, GD Assist has received the award on behalf of the GD Assist family.

The International Board of Medicine and Surgery (IBMS) Award



is an important partner in the global healthcare community. IBMS certified members are those healthcare providers whose credentials have been reviewed. And GD Assist proudly achieved International Board of Medicine & Surgery in 2018

Stress Management Campaign for GDIC Employee



GD Assist organized stress management workshop for its employees. As stress is our part of life where participants got to know more about what lifestyle elements they can change to reduce stress. This session is conducted by psychotherapist Sonia Parvin who is the founder of Esho Nije Kori, an organization which provides training and workshops on moral development and creates mental health awareness.

Breast Cancer Awareness



Corporate Health Awareness Session at Banglalink Digital Head Office, Tigers' Den (Banglalink's Headquarters). The program was held on breast cancer awareness. A doctor from BRB Hospital took the health Session Awareness.

Health talk Session on Management of Coronary Artery Disease



Conducted by Datuk Dr. Rosli Mohd Ali, Consultant Cardiology, Cardiac Vascular Central, Malaysia. The session was exclusive for our Management members.

GD Assist Organize Health Checkup for Green Delta Insurance Company Limited



On 26th July 2018 GD Assist in collaboration with Praava Health arranged a "Health Campaign" for GDIC Employees pm. The Health Campaign provided free Health Screening for GDIC employees who has Health@Connect Card. Praava Health management including CEO visited us.

Meet The Consultant



Dr. Asha S Vijay ; renowned Gynecologist and Fertility Specialist from India visited Bangladesh on 28th April 2018. Where Dr. Asha consulted more than 20 patients at our network hospitals.

Agreement Signing Ceremony of GD Assist and One Bank



In the medical industry GD Assist and One Bank coming with a product which will provide comprehensive healthcare facilities to all the patient seeking medical attention on various purposes

Agreement Signing Ceremony of GD Assist and Square



GD Assist joined hands with Square Hospital LTD. towards better healthcare facilities for its employees, clients, policyholders and health@connect cardholders who will be entitled to get IPD cashless facilities.

Agreement Signing Ceremony of GD Assist and Labaid



GD Assist and Labaid signs an agreement under which employee, clients and Health@Connect Card holders of GD Assist as well as GDIC and it's subsidiaries will be entitled to avail special discount from Labaid group. All health card holders will be able to avail the discount provided by Labaid.

Malaysia Healthcare Expo 2017



its objective of bringing health and wellness to Bangladesh as well as promoting Malaysia Healthcare's presence. Renowned hospitals from Malaysia like Prince Court Medical Center, Pantai & KPJ Helathcare was participated in this expo

9.26 Directors' Report to the Shareholders

Dear Shareholders,

At the outset, we, the Board of Directors of your company GD Assist Limited welcome you to the 4th Annual General Meeting and would like to thank you for your continued patronage and support. We are very delighted to present before you the Annual Report along with the Audited Financial Statements for the year ended 31 December 2018 and the Auditor's Report thereon for kind consideration and adoption.

Operational Highlights:

Taka In Million	2018	2017
Operating income	5.87	3.10
Other Income	1.56	4.96
Operating Expense	7.03	7.68

Financial Highlights-2017 & 2018

Taka In Million	2018	2017
Profit Before TAX	0.11	0.36
Net Profit	0.06	0.25

Number of Employees

	2018	2017
Number of Employees	14	8

Books of accounts:

Proper books of accounts of GD Assist have been maintained. Appropriate accounting policies have

been consistently applied in preparation of the financial statements. The accounting estimates are based on reasonable and prudent judgment. IAS/BAS/IFRS/BFRS, as applicable in Bangladesh, have been followed in the preparation of the financial statements and any departure there from has been adequately disclosed.

Internal Control:

The system of internal control is sound in design and has been effectively implemented and monitored.

Distribution of Profit for 2018:

The company reported profit of Taka 0.065 million in the year 2018. Considering company's growth potentials and comparative cost benefit analysis of paying out dividend and overall better tax management, the Board of GD Assist decided not to declare any dividend to the shareholders of the company for 2018.

Appointment of Auditors

The company shall, at each AGM appoint/reappoint an auditor to hold office until the next AGM. The Auditors of the company M/s Ahmed Zaker & Co. Chartered accountants, has completed their 3rd year as the auditor of the company. They are eligible for re-appointment as auditor of the company for the year for your continued patronage and support. We are very delighted to present before you the Annual Report along with the Audited Financial Statements for the year ended 31 December 2018 and the Auditor's Report thereon for kind consideration and adoption year 2018 and they have also offered themselves for re-appointment. The Board recommends to appoint M/s. Ahmed Zaker & Co., Chartered Accountants to the shareholders at the AGM as the auditors of the company for the year 2019 at the existing remuneration of BDT 25,000.00

Going concern

There is no significant doubt upon the GD Assist Limited ability to continue as a going concern.

Appreciation

I would like to thank my Board colleagues for their continued support and on their behalf would like to express my heartiest gratitude to the entire team of GD Assist Ltd. It would be unfair to not acknowledge the exceptional efforts of our employees who worked in praiseworthy partnerships to meet the many challenges of difficult year.

In conclusion, on behalf of the Board, I would like to thank our honourable shareholders for their continued faith and support.

For and on behalf of the Board of Directors,

9.27 Independent auditor's report to the shareholders of GD Assist Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of GD Assist Limited which comprise the Statement of Financial Position as at December 31, 2018, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of GD Assist Limited as at December 31, 2018 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS), Companies Act 1994 and other applicable rules & regulations.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of GD Assist Limited in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRS), where practicable Companies Act 1994 and other applicable rules & regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing GD Assist Limited ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate GD Assist Limited or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing GD Assist Limited financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Report on other legal and regulatory requirements

We also report the following:

- a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by GD Assist Limited so far as it appeared from our examination of those books; and
- c) the statement of financial position and the statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.

9.28 GD ASSIST LIMITED

Statement Of Financial Position

As At December 31, 2018

	Note	31.12.2018	31.12.2017
Amount in Taka			
ASSETS			
Non-Current Assets		21,481,030	8,698,255
Property, Plant & Equipment	4	14,531,030	1,748,255
Investment	5	6,950,000	6,950,000
Current Assets		30,346,657	31,845,890
Advance, Deposit & Prepayments	6	8,591,510	17,505,565
Receivable from MHTC	7	432,318	432,318
Accounts Receivable	8	3,807,541	3,112,916
FDR Investment	9	16,702,433	10,479,741
Cash and Cash Equivalents	10	812,855	315,350
TOTAL ASSETS		51,827,687	40,544,145
SHAREHOLDERS EQUITY AND LIABILITIES			
Shareholders Equity		39,832,448	5,517,137
Share Capital	11	10,000,000	2,500,000
Share Money Deposit	12	27,000,000	-
Retained Earnings	13	2,832,448	3,017,137
Current Liabilities		11,995,239	35,027,008
Payable to PABL	14	1,889,530	1,803,291
Lease Finance	15	997,883	1,227,260
Payable to GDIC	16	2,790,385	22,169,879
Others Payable	17	4,024,763	6,252,182
Short Term Loan	18	1,420,045	2,738,937
Provision for Tax	19	872,632	835,460
TOTAL SHAREHOLDERS EQUITY AND LIABILITIES		51,827,687	40,544,145

The accompanying Policies and explanatory notes (1-22) form an integral part of these Financial Statements.



Chairman



Director



Managing Director



Head of Accounts

Signed as per our separate report of same date.



Company Secretary

Place: Dhaka
Date: February 07, 2019


Ahmed Zaker & Co.
Chartered Accountants

9.29 GD ASSIST LIMITED

Statement Of Profit Or Loss And Other Comprehensive Income

For the year ended December 31, 2018

		Amount in Taka	
	Note	31.12.2018	31.12.2017
Income		7,434,541	8,068,482
Operating Income	20	5,878,639	6,747,709
Other Income	21	1,555,902	1,320,772
Total Income		7,434,541	8,068,482
Less: Office and administrative Expenses		7,332,057	7,710,845
Office and administrative Expenses	22	7,332,057	7,710,845
Profit Before Tax		102,484	357,637
Less: Provision for Tax		(37,173)	(125,173)
Net Profit		65,311	232,464

The accompanying Policies and explanatory notes (1-22) form an integral part of these Financial Statements.



Chairman



Director



Managing Director



Head of Accounts

Signed as per our separate report of same date.



Company Secretary

Place: Dhaka
Date: February 07, 2019


Ahmed Zaker & Co.
Chartered Accountants

9.30 GD ASSIST LIMITED

Statement of Cash Flows

As At December 31, 2018

	Amount in Taka	
	31.12.2018	31.12.2017
Cash Flow from Operating Activities:		
Cash Received from Customers and others	6,739,916	8,414,402
Cash Paid to Customers, Suppliers, Employees & others	(5,624,022)	(1,823,291)
Tax Paid	(252,752)	(744,605)
Net Cash flows from operating activities	863,143	5,846,506
Cash Flow from Investing activities :		
Acquisition of Property, Plant & Equipment	(13,344,676)	(1,684,300)
FDR Encashment	-	4,465,715
Investment Made	(6,222,692)	(16,950,000)
Net Cash flows /(Used) from Investing activities	(19,567,368)	(14,168,585)
Cash Flow from Financing activities:		
Share Capital	7,500,000	-
Short Term Loan	(1,318,892)	2,738,937
Share Money Deposit	13,500,000	-
Dividend Paid	(250,000)	(375,000)
Lease Finance	(229,377)	1,227,260
Net Cashflows from Financing activities	19,201,731	3,591,197
Net increase/(decrease) in cash & cash equivalents	497,505	(4,730,882)
Add: Cash & Cash equivalents at the beginning of the year	315,350	5,046,232
Cash & Cash equivalents at the end of the year	812,855	315,350



Chairman



Director



Managing Director



Head of Accounts

Signed as per our separate report of same date.



Company Secretary

Place: Dhaka
Date: February 07, 2019


Ahmed Zaker & Co.
Chartered Accountants

9.31 GD ASSIST LIMITED

Statement of Change in Equity

For the year ended December 31, 2018

Particulars	Share Capital	Share Money Deposit	Retained Earnings	Total Shareholders Equity
Opening Balance	10,000,000	-	3,017,137	13,017,137
Share Money Deposit	-	27,000,000	-	27,000,000
Add: Profit during the year	-	-	65,311	65,311
Less: Dividend Paid	-	-	(250,000)	(250,000)
Balance as at December 31, 2018	10,000,000	27,000,000	2,832,448	39,832,448

GD ASSIST LIMITED

Statement of Change in Equity

For the year ended December 31, 2017

Particulars	Share Capital	Share Money Deposit	Retained Earnings	Total Shareholders Equity
Opening Balance	2,500,000	-	3,159,673	5,659,673
Add: Profit during the year	-	-	232,464	232,464
Less: Dividend Paid	-	-	(375,000)	(375,000)
Balance as at December 31, 2017	2,500,000	-	3,017,137	5,517,137



Chairman



Director



Managing Director



Head of Accounts

Signed as per our separate report of same date.



Company Secretary

Place: Dhaka
Date: February 07, 2019


Ahmed Zaker & Co.
Chartered Accountants

9.32 GD ASSIST LIMITED

Notes to the Financial Statements

for the year ended December 31, 2018

1. Legal Status and Nature of the Company:

Legal Status:

GD ASSIST LIMITED was incorporated with the Registrar of Joint Stock Companies & Firms vide registration no. C-116592/14 dated June 16, 2014 as a private company limited by shares.

Nature of the Company:

To provide promotional and marketing services to local and foreign clients regarding publicity and brand management of product and organizations.

2. IAS is of Presentation of the Financial Statements:

As per the requirements of IAS 1: "Presentation of Financial Statements" financial statements comprise a statement of financial position at the end of the year, a statement of profit or loss and other comprehensive income for the year, a statement of changes in equity for the year, a statement of cash flows for the year, liquidity statement, and relevant notes to the financial statements and disclosures.

Financial statements are made as of December 31, 2017 and are prepared under the historical cost convention on Generally Accepted Accounting Principles (GAAP) on going concern basis. Financial statements have been prepared in accordance with the measurements and recognition requirements of International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB).

Adopted International Accounting Standards (IAS), International Financial Reporting Standards (IFRS), the Companies Act 1994 and other applicable rules and regulation have been used as a model for the presentation and disclosure framework to provide additional information and analysis of the key items in the financial statements except as the company considers disclosures inappropriate.

2.1) Recognition of Property & Equipment and Depreciation:

In accordance with the International Accounting Standard adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) as IAS 16 'Property Plant and Equipments, fixed assets have been accounted for using the straight-line depreciation method. Cost includes expenditure that is directly attributable to the acquisition of the items. Depreciation on all fixed assets has been applied consistently year to year at the following rate.

a)	Computer & IT equipment	15%
b)	Office Equipments	15%
c)	Motor Vehicles	10%
d)	Furniture & Fixtures	10%

Depreciation has been charged in addition of fixed assets when it is available for use and no depreciation is charged in the year of disposal.

2.2) Revenue Recognition:

Revenue is recognized only when it is probable that the economic benefit of such transaction has been derived as per "IAS-18".

Brokerage commission

Brokerage commission is recognized as income when selling or buying order executed.

Interest Income from margin loan

Interest Income from margin loan is recognized on accrual IAS is. Such income is calculated on daily margin loan balance of the respective parties. Income is recognized on monthly IAS is.

Dividend income and profit/ (loss) on sale of marketable securities

Dividend income is recognized when right to receive payment is established whereas profit or loss arising from the sale of securities is accounted for only when shares are sold in the market and profit is realized or loss is incurred.

Income from Bank deposit

Income from short term bank deposit & FDR are recognized when the amount is credited by the bank in the accounts.

2.5) Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, bank balances and deposits held with banks and financial instruments and short term liquid investments that are readily convertible to known amount of cash and that are subject to an insignificant risk of change in value.

2.6) Cash Flow Statements:

Cash flow statement has been prepared in accordance with the International Accounting Standards (IAS) 7, "Cash flow statement" under direct method.

2.8) Events after the Reporting date:

As per IAS-10 "Event after the Balance Sheet Date" are those event favorable and unfavorable, that occur between the end of the reporting year and the date when the financial statements are authorized for issue. Two types of event can be identified:

- those that provide evidence of conditions that existed at the end of the reporting year (adjusting events after balance sheet date); and
- Those that is indicative of conditions that arose after the reporting year (Non-adjusting events after balance sheet date).

2.9) Related party disclosure

As per International Accounting Standards (IAS)-24 "Related Party Disclosures", parties are considered to be related if one of the parties has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The Company carried out transactions in the ordinary course of business on an arm's length IAS is at commercial rates with related parties.

Name of the Related Party	Nature of Relationship	Nature of Transaction	Opening Balance January 01,2018	Addition during the year	Payment during the year	Closing Balance as on December 31, 2018
Green Delta Insurance Company Limited	Common Shareholder	Payable to GDIC	22,169,879	39,247	19,418,741	2,790,385
		Payable to PABL	1,803,291	412,722	326,483	1,889,530

2.10) Going Concern:

As per IAS-1, a company is required to make assessment at the end of each year to assess its capability to continue as going concern. Management of the company makes such assessment each year. The company has adequate resources to continue its operation for the foreseeable future and has the ability to discharge its liabilities. For this reason, the Directors continue to adopt the going concern assumption while preparing the financial statements.

2.11) Comparative:

Comparative information have been disclosed in respect of the previous year for all numerical information in the financial statements including narrative and descriptive information when it is relevant for understanding of the current year's financial statements.

Previous year's figure has been re-arranged whenever considered necessary to ensure comparability with the current year's presentation as per IAS-8 "Accounting Policies, Changes in Accounting Estimates and Errors".

3. Information on Financial Statement:

Responsibility for preparation and presentation of financial statements:

The company's management and the Board of Directors are responsible for the preparation and presentation of Financial Statements according to the International Accounting Standard IAS-1 "Presentation of Financial Statements".

Components of the Financial Statements:

Following are the component of the financial statements.

- a) Statement of Financial Position as at December 31, 2018.
- b) Statement of Profit or Loss and Other Comprehensive Income for the year ended December 31, 2018.
- c) Statement of Changes in Equity for the year ended December 31, 2018.
- d) Statement of Cash flows for the year ended December 31, 2018.
- e) Notes to the financial statements and Explanatory notes.

General:

- i) The figure has been rounded off to the nearest Taka
- ii) The financial Statement has been prepared covering the year from January 01, 2018 to December 31, 2018.

9.32 GD ASSIST LIMITED

Notes to the Financial Statements

for the year ended December 31, 2018

		Amount in Taka	
		31.12.2018	31.12.2017
4.00	Property, Plant & Equipment		
	Cost		
	Opening balance as at 01.01.2018	2,022,825	338,525
	Add: Addition during the Year	13,344,676	1,684,300
		15,367,501	2,022,825
	Less: Adjustment during the year	-	-
	Balance as at 31.12.2018	15,367,501	2,022,825
	Depreciation		
	Opening balance as at 01.01.2018	284,772	71,704
	Add: Charged during the Year	551,699	202,866
		836,471	274,570
	Less : Adjustment during the Year	-	-
	Balance as at 31.12.2018	836,471	274,570
	Written down value as at 31.12.2018	14,531,030	1,748,255
	Details of Property, Plant & Equipment is given in Annexure-A		
5.00	Investments		
	Investments in GD Asset Management	6,500,000	6,500,000
	Investments in Health Care Privilege	450,000	450,000
		6,950,000	6,950,000
6.00	Advance Deposit & Prepayments		
	Advance TDS on FDR	203,084	102,852
	Advance TDS on Bank	90,698	74,395
	Advance TDS on Commission of Ticket sale	215,480	110,355
	Advance Income Tax	725,622	694,530
	Advance To Assist America	106,950	106,950
	Advance office Rent	1,346,000	-
	Advance To 'Chehobo	418,620	418,620
	Advance to others	5,485,056	15,997,863
		8,591,510	17,505,565
7.00	Receivable from Malaysian Health Care Travel Council (MHTC)		
	Opening Balance	432,318	2,575,111
	Add: Addition during the Year	-	-
		432,318	2,575,111
	Less: Received this Year	-	(2,142,793)
		432,318	432,318
8.00	Accounts Receivable		
	Receivable from Paywell	110,767	58
	Receivable From Party (Air Ticket)	2,076,170	1,679,671
	Receivable from Hotel Sale	1,076,069	1,318,954
	Other Receivable (Employees & Others)	27,334	114,233
	Interest receivable on FDR	517,201	-
		3,807,541	3,112,916

9.32 GD ASSIST LIMITED

Notes to the Financial Statements

for the year ended December 31, 2018

		Amount in Taka	
		31.12.2018	31.12.2017
8.01	Receivable from Paywell		
	Opening Balance	58	1,177
	Add: Advance Deposit	100,000	100,000
	Add: Commission	60,649	59,647
		160,707	160,824
	Less: Cash Adjustment during the Year	(49,940)	(160,766)
		110,767	58
8.02	Receivable From Ticket Sales		
	Opening Balance	1,679,671	1,314,866
	Add: Receivable during the Year	42,957,510	34,736,669
		44,637,181	36,051,535
	Less: Received this Year	(42,561,011)	(34,371,864)
		2,076,170	1,679,671
8.03	Other Receivable (Employees & Others)		
	Opening Balance	114,233	-
	Add: Receivable during the Year	140,000	345,382
		254,233	345,382
	Less: Received this year	(226,899)	(231,149)
	-	27,334	114,233
9.00	FDR Investment		
	Opening Balance	10,479,741	4,330,754
	Add: Investment during this Year	6,222,692	10,000,000
	Add: Interest received	-	614,702
		16,702,433	14,945,456
	Less: Encash during this Year	-	(4,465,715)
		16,702,433	10,479,741
10.00	Cash and Cash Equivalents		
	Cash in hand	113,862	3,540
	Cash Margin - Midland	545,000	-
	Cash at Bank	153,993	311,810
		812,855	315,350
10.01	Cash at Bank		
	Mercantile Bank (A/C No: 12588)	24,831	249,890
	Mercantile Bank (A/C No: 25227)	58,329	30,513
	Midland Bank(A/C No: 1984)	413	24,778
	EBL (A/C No:5224)	63,717	5,206
	BRAC Bank (A/C No: 48001)	6,703	1,423
		153,993	311,810

9.32 GD ASSIST LIMITED

Notes to the Financial Statements

for the year ended December 31, 2018

Amount in Taka

	31.12.2018	31.12.2017
11.00 Share Capital:		
Authorized Share Capital: Taka 50,000,000		
The authorized share capital of the company is Taka 50,000,000 (Five Crore) divided into 5,000,000 ordinary shares of Taka 10/- each.		
Paid up Capital: Taka 10,000,000		
This represents the paid up capital of the company with 1,000,000 Ordinary Shares of taka 10 each subscribed and paid by the following sponsor shareholders and directors of the company.		
	No of shares	Amount in Taka
Particulars		
Green Delta Insurance Company Ltd.	999,600	9,996,000
Nasiruddin Ahmed Choudhury	400	4,000
	1,000,000	10,000,000
12.00 Share Money Deposit		
Green Delta Insurance Company Ltd.	13,500,000	-
Add: Transferred from Payable to GDIC	13,500,000	-
	27,000,000	-
13.00 Retained Earnings		
Opening Balance	3,017,137	3,159,673
Add: Net Profit During the Year	65,311	232,464
	3,082,448	3,392,137
Less: Dividend Paid	(250,000)	(375,000)
	2,832,448	3,017,137
14.00 Payable to PABL		
Opening Balance	1,803,291	1,486,133
Add: Addition during the Year	412,722	1,154,371
	2,216,013	2,640,504
Less: Paid during this Year	(326,483)	(837,213)
	1,889,530	1,803,291
15.00 Lease Finance		
Opening Balance	1,227,260	-
Add: Addition during the Year	20,274	1,460,000
	1,247,534	1,460,000
Less: Paid during this year	(249,651)	232,740
	997,883	1,227,260
16.00 Payable to GDIC		
Opening Balance	22,169,879	419,542
Add: Addition during the Year	39,247	22,092,797
	22,209,126	22,512,339
Less: Adjusted During the Year	(19,418,741)	(342,461)
	2,790,385	22,169,879

9.32 GD ASSIST LIMITED

Notes to the Financial Statements

for the year ended December 31, 2018

		Amount in Taka	
		31.12.2018	31.12.2017
17.00	Others Payable		
	Payable to Campaign (Road Show) Expense	241,432	241,432
	TDS payable	98,721	
	VAT payable	198,151	8,054
	TPA Claim Fund (GBG)	409,933	83,409
	TPA Claim Fund others	557,221	-
	Audit Fee payable	28,750	28,750
	Genex	-	166,995
	Md Alamgir Hossain	-	4,000
	Colour Master	-	5,750
	Artisign (PVT) Ltd	-	1,320
	Mark8	-	960
	Shikder Filling Station	-	6,074
	Whistle	-	85,000
	ABC Radio	-	11,500
	Payable to Indigo	147,486	-
	Brand Forum (Brand Zeal)	-	207,000
	Business Times	-	70,000
	Payable to Shuvacha	28,500	-
	Payable to IATA (For Ticket)	661,713	1,586,256
	Payable to Valencia (For Ticket)	730,052	2,110,684
	Payable to Novo Air	30,890	166,643
	Payable to Sky Lounge	91,800	44,800
	Payable to Hotel	800,114	1,423,556
		4,024,763	6,252,182
18.00	Short term Loan		
	Over-draft (Midland Bank A/C: 297)	1,139,951	2,022,765
	Over-draft (Marcantile Bank A/C: 423)	280,095	716,172
		1,420,045	2,738,937
19.00	Provision for Tax		
	Opening Balance	835,460	1,519,172
	Add: Addition during the Year	37,173	125,173
		872,632	1,644,345
	Less: Adjustment during the Year	-	(808,885)
		872,632	835,460

9.32 GD ASSIST LIMITED

Notes to the Financial Statements

for the year ended December 31, 2018

		Amount in Taka	
		31.12.2018	31.12.2017
20.00	Operating Income		
	Consultancy Fee	-	25,833
	Commission - Prince Court Medical Centre	-	75,908
	From Malaysian Health Care Travel Council (MHTC)	-	683,073
	Commission - Institute Jantun Negara(IJN)	-	60,870
	Income from Health Card	1,433,798	20,000
	Income from SMO	-	5,000
	Income from Hospital	392,570	-
	Income from Event	20,081	-
	EBL (Health Seminar)	-	40,350
	Show Case Malaysia	-	1,154,451
	Commission-Vejtani Hospital	-	704,176
	Commission - KLSMC Hospital	-	16,807
	Commission-KPJ Hospital	-	5,880
	Income Received From IJN	-	121,600
	Income Received From Raffles	-	29,665
	Income From TPA	950,077	160,920
	Commission on Ticket Sale	1,586,348	1,623,010
	Income From Hotel	1,495,766	2,020,167
		5,878,639	6,747,709
21.00	Other Income		
	Interest Income from FDR	1,045,131	614,702
	Paywell	60,649	59,647
	VISA Fee	299,384	214,331
	Interest On Bank Balance	18,688	-
	Income from AMG	11,100	-
	Income from Cheoava	-	380,890
	Income from Galileo	116,640	42,049
	OMC-Commission	4,310	9,154
		1,555,902	1,320,772
22.00	Office and administrative Expenses		
	Salary & Wages	4,397,925	3,028,670
	Lunch Company's Part	129,791	128,216
	Car Company's Part	35,867	64,524
	Office Rent	684,020	889,836
	Festival Bonus	309,420	315,812
	Stationery	30,446	79,752
	Uniform Expense	1,990	15,490
	Telephone, Mobile	55,666	48,374

9.32 GD ASSIST LIMITED

Notes to the Financial Statements

for the year ended December 31, 2018

	Amount in Taka	
	31.12.2018	31.12.2017
Conveyance & Travel	18,588	23,330
Visa Expense	32,458	1,750
Foreign TA/DA	90,909	229,850
Training Expense	17,600	51,600
Maintenance Expenses	15,786	50,155
Car Maintenance	-	23,500
Fuel For motor Vehicles	90,939	110,720
Subscription & Fees	208,937	505,764
Advertisement	-	36,075
Health Talk Expense	3,708	165,465
Audit Fees	28,750	28,750
Other Expense	-	1,500
Miscellaneous expense	-	22,364
Insurance Expense	8,638	28,289
Sky Lounge	-	462,400
Photostat	-	4,868
Internet Bill	7,695	21,150
Electrical & Utility Expense	78,161	100,582
Postage & Telegram	13,847	-
Entertainment Expense	1,880	65,929
Office Tea Expense	-	15,644
Bank Charge	64,767	61,094
Business Development	18,041	138,450
Office Maintenance	10,955	146,606
Interest on Loan & OD	400,042	294,550
Vejtani Hospital Event	-	33,300
Health Card Expense	9,562	8,564
Depreciation	551,699	202,866
Various Event Expenses	13,970	110,899
Showcase Malaysia	-	194,158
	7,332,057	7,710,845

9.32 Professional Advancement Bangladesh Limited

Schedule of Property, Plant And Equipment

As at Dec 31, 2018

Schedule - A

Name of Assets	COST				DEPRECIATION			Written down value as at 31.12.2018
	Balance as at 01.01.2018	Addition during the year	Adjustment during the year	Balance as at 31.12.2018	Rate	Charged during the Year	Adjustment during the year	
Computer & IT Equipment					15%			
Office Equipment/Electrical	55,275	15,000	-	70,275	15%	7,868	-	25,692
Motors Vehicles	1,460,000	13,112,560		14,572,560	10%	459,214		605,214
c	162,000			162,000	10%	11,880		55,080
Balance as at 31.12.2018	2,022,825	13,344,676	-	15,367,501		551,699	-	836,471
Balance as at 31.12.2017	338,525	1,684,300	-	2,022,825		202,866	-	274,570



DISCLOSURES CHECK LISTS FOR VARIOUS STANDARDS

10.1 Disclosure Checklist Regarding Corporate Governance

Condition No.	Title	Page
BOARD OF DIRECTORS, CHAIRMAN AND CEO		
1.1	Company's policy on appointment of directors disclosed.	126-134
1.2	Adequate representation of non executive directors i.e. one third of the board, subject to a minimum of two	
1.3	At least one independent director on the board and disclosure /affirmation of the board on such director's independence.	
1.4	Chairman to be independent of CEO	
1.5	Responsibilities of the Chairman of the Board appropriately defined and disclosed. Disclosure of independence of Non Executive Directors	
1.6	Existence of a scheme for annual appraisal of the boards performance	143-151
1.7	Disclosure of policy on annual evaluation of the CEO by the Board.	129-131
1.8	Disclosure of policy on training (including details of the continuing training program) of directors and type and nature of training courses organized for directors during the year Existence of a scheme for annual appraisal of the boards performance	
1.9	At least one director having thorough knowledge and expertise in finance and accounting to provide guidance in the matters applicable to accounting and auditing standards to ensure reliable financial reporting.	
1.10	Disclosure of number of meetings of the board and participation of each director (at least 4 meetings are required to be held)	153
1.11	Directors issue a report on compliance with best practices on Corporate Governance that is reviewed by the external auditors	165
VISION / MISSION AND STRATEGY		
2.1	Company's vision / mission statements are approved by the board and disclosed in the annual report.	13-18
2.2	Identification of business objectives and areas of business focus disclosed	
2.3	General description of strategies to achieve the company's business objectives	
AUDIT COMMITTEES		
3.1	Appointment and Composition	169-191
3.2	Whether the Audit Committee Chairman is an independent Non- Executive Director and Professionally Qualified	
3.3	Whether it has specific terms of reference and whether it is empowered to investigate / question employees and retain external counsel	
3.4	More than two thirds of the members are to be Non Executive Directors	
3.5	All members of the audit committee to be suitably qualified and at least one member to have expert knowledge of finance and accounting.	
3.6	Head of internal audit to have direct access to audit committee	
3.7	The committee to meet at least four times a year and the number of meetings and attendance by individual members disclosed in the annual report.	

Condition No.	Title	Page
3.8	Objectives & Activities	
3.9	Statement on Audit Committee's review to ensure that internal controls are well conceived properly administered and satisfactorily monitored	
3.10	Statement to indicate audit committees role in ensuring compliance – with Laws,	
3.11	Regulations and timely settlements of Statutory dues	
3.12	Statement of Audit committee involvement in the review of the external audit function	169-191
3.13	Ensure effective coordination of external audit function	
3.14	Ensure independence of external auditors	
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5.4	Disclosure of number of meetings and work performed	153

Condition No.	Title	Page
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6.4	Disclosure of the Company's policy / strategy to facilitate effective communication with shareholders and other stake holders	114-123
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6.7	Disclosure of general description of the company's policies and practices relating to social and environmental responsibility of the entity	100-101
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10.2 Disclosure Checklist regarding SAFA Standard

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■ Carrying amount of Net Segment assets	

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EPS	

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Presentation of Financial Statements	
Quality of the Report/ Layout of Contents	
Cover and printing including the theme on the cover page	
Appropriateness and effectiveness of photographs and their relevance	
Effectiveness of Charts and Graphs	
Clarity, simplicity and lucidity in presentation of Financial Statements	
Timeliness in issuing Financial Statements and holding AGMs	
■ 3 months time to produce the Annual Report and hold AGM are considered reasonable for full marks	
■ Delay after the initial period of 3 months - deduction of 2 marks is to be made for each month	
■ If the period is over 6 months - no marks shall be awarded	
Additional Disclosures	
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Accounting ratios pertaining to insurance sector	191
Review of assets quality	87

10.3 Disclosure Checklist regarding Secretarial Standard

Title	Compliance Status ("√" in appropriate column)		Remarks (if any)
	Complied	Not Complied	
Convening of a Meeting			
Authority Any Director of a company including the Chairman may, and the Secretary on the requisition of a Director shall, at any time, summon a Meeting of the Board unless the Articles of the company provide otherwise.	√		
Notice Every Director of the Company shall be entitled to get the Notice of every Meeting in writing in any mode including by hand or by post or by facsimile or by e-mail or by any other electronic mode. A director may specify any particular mode to receive such notices. If any of the Directors so specifies, -the Notice shall be sent to him by such mode.	√		
The Notice of the Meeting shall specify the day, date, time and full address of the venue wherein the Meeting be held.	√		
A Meeting may be held at any place, any time, on any day	√		
The Notice of a Meeting shall be given in respect of all meetings including the Meetings which are held on pre-determined dates or at pre-determined intervals.	√		
Notice shall be given at least seven (7) days before scheduled date of the Meeting unless the Articles of the company denote a longer period for such notice.	√		
Notice need not to be given of an adjourned Meeting other than a Meeting that has been adjourned "sine die". However, Notice of the reconvened adjourned Meeting shall be given to those Directors who were absent in the Meeting which had been adjourned.	√		
Unless a Notice has not been given to the directors then no business shall be transacted at a Meeting.	√		
The Agenda as to be transacted at the Meeting along with Notes to the Agenda shall be circulated or sent at least three (3) days before the date of the Meeting.	√		
Each Agenda to be transacted in the meeting shall be supported by notes, details of the item and, where a Resolution is required to be passed, the draft Resolution shall be attached with the Notice. The Notice may be given at shorter period of time than those respectively stated above if the majority of members of the Board or Committee so agree. The proposal to hold the Meeting at a shorter notice shall be stated in the Notice and the fact that consent thereto was obtained shall also be recorded in the Minutes. Notice, Agenda and Notes on Agenda shall be given to all Directors or to all Members of the Committee, as the case may be, at their respective addresses as provided by them, whether in Bangladesh or abroad, and shall also be given to the Original Director, even when the Notice, Agenda and Notes on Agenda have been sent to the Alternate Director.	√		

Title	Compliance Status ("√" in appropriate column)		Remarks (if any)
	Complied	Not Complied	
<p>Any supplementary item not originally included in the Agenda may be taken up for consideration with the permission of the Chairman and with the consent of the majority of the Directors present in the Meeting. However, no supplementary item which is of significance or is in the nature of unpublished price sensitive information shall be taken up by the Board without prior written Notice.</p> <p>The items of business to be transacted shall be arranged in order of those items that are of a routine or general nature or which merely require to be noted by the Directors, and those items which require discussions and specific approval.</p> <p>Besides the items of business that are required by the Act or any other applicable law to be considered at a Meeting of the Board 'and all material items having a significant bearing on the operations of the company, there are certain items which, if applicable, shall also be placed before the Board. An illustrative list of such items is given at Annexure 'A'.</p> <p>There are certain specific items which shall be placed before the Board at its first Meeting and there are certain items which shall be placed before the Board at the Meeting held for consideration of the year-end accounts.</p>	√		
Frequency of Meetings			
Meetings of the Board	√		
<p>The Board shall meet at least once in every quarter of a calendar year i.e in three months, and at least four Meetings are to be held in each year. The maximum interval between any two Meetings shall not be more than 90 days.</p> <p>Each Meeting shall be of such duration to enable proper deliberations to take place on agenda or items placed before the Board.</p>			
Meetings of Committees	√		
Committees shall meet at least as often as stipulated by the Board or as prescribed by any other authority.			
Quorum	√		
Meetings of the Board			
<p>Quorum shall be present throughout the Meeting. No business shall be transacted unless the Quorum is so present.</p> <p>The Quorum for a Meeting of the Board shall be one-third of the total strength of the Board (any fraction contained in that one-third being rounded off as one), or two Directors, whichever is higher.</p> <p>Where the requirements for the Quorum, as provided in the Articles, are stricter, then the Quorum shall conform to such requirements. If the number of Interested Directors exceeds or is equal to two-thirds of the total strength, the remaining Directors present at the Meeting, being not less than two, shall be the quorum during such time.</p>	√		
<p>Where the number of Directors is reduced below the minimum fixed by the Articles, no business shall be transacted unless the number is first made up by the remaining Director(s) or through a general meeting.</p> <p>If a Meeting of the Board could not be held for want of quorum, then, unless the Articles otherwise provide, the Meeting shall automatically stand adjourned to the same day in the next week, at the same time and place.</p>	√		
Meetings of Committees	√		
<p>The presence of all the members of any Committee constituted by the Board is necessary to form the Quorum for Meetings of such Committee unless otherwise stipulated by the Board while constituting the Committee.</p> <p>Certain guidelines. Rules and Regulations framed under the Act or by any statutory authority may contain provisions for the Quorum of a Committee and such stipulations shall then be followed.</p>			

Title	Compliance Status ("√" in appropriate column)		Remarks (if any)
	Complied	Not Complied	
Attendance at Meetings			
An Attendance Register shall be maintained containing the names and signatures of the Directors present at the Meeting. If an attendance register is maintained in loose-leaf form, it shall be bound at reasonable intervals.	√		
Leave of absence shall be granted to a Director only when a request for such leave has been communicated to the Secretary or to the Board or to the Chairman.	√		
Chairman			
Meetings of the Board.	√		
Every company shall have a Chairman who will preside over the Meetings of the Board.	√		
It will be the duty of the Chairman to look into that the Meeting is duly convened and constituted as per the provisions of the Act or any other applicable guidelines, Rules and Regulations before it proceeds to transact business.	√		
The Chairman shall then conduct the proceedings of the Meeting and ensure that only those items of business as have been set out in the Agenda are transacted and ideally in the order in which the items, appear on the Agenda.	√		
The Chairman shall encourage deliberations and debate and assess the sense of the Meeting. The Chairman shall ensure that the proceedings of the Meeting are correctly recorded and, in doing so, he may include or exclude any matter as he deems fit,	√		
In the case of a public company, if the Chairman himself is interested in any item of business, he shall entrust any other dis-interested Director present to conduct the proceedings in respect of such item. After the transaction of the item of business is over then the Chairman may resume his position.	√		
Meetings of Committees	√		
The Board, while constituting any Committee, shall also appoint the Chairman of the Committee so constituted.	√		
Passing of Resolution by Circulation			
A Resolution proposed to be passed by circulation shall be sent in draft, together with supporting papers to all the Directors separately, and in the case of a Committee, to all the members of the Committee.	√		
It only those matters, which are of an urgent nature are approved through the Resolutions by circulation.	√		
The Resolution as to be passed by circulation and the supporting papers shall be circulated by hand, or by post, or by facsimile, or by e-mail or by any other electronic mode.	√		
The Resolution shall be deemed to have been passed on the date on which it is signed and dated as approved by all the Directors then in Bangladesh, being not less than the Quorum, or on the date on which it is approved by the majority of the Directors entitled to vote on the Resolution, whichever is earlier.	√		
Resolutions sent for passing by circulation shall be noted along with the decision thereof, at the next Meeting of the Board or Committee, as the case may be, and to be recorded in the Minutes of such Meeting.	√		
The annual accounts of a company shall be approved at a Meeting of the Board and shall not be by a Resolution by circulation.	√		
Quarterly or half-yearly financial results shall be approved at a Meeting of the Board or its Committee and shall not be by a Resolution by circulation.	√		

Title	Compliance Status ("√" in appropriate column)		Remarks (if any)
	Complied	Not Complied	
In the case of a listed company, if there is any material variance between un-audited and audited results, the review report of the Auditors shall also be discussed and approved at a Meeting of the Board and not approved by a Resolution by circulation.	√		
Minutes			
Within fifteen days from the date of the Meeting of the Board or Committee or of an adjourned Meeting, the draft Minutes thereof shall be circulated to all the members of the Board or the Committee, as the case may be, for their necessary comments.	√		
The Directors shall forward their comments on the draft Minutes within seven days from the date of circulation thereof, so that the Minutes are finalized and entered in the Minutes Book within the specified time limit of thirty days.	√		
The Minutes of proceedings of a Meeting shall be entered in the Minutes Book within thirty days from the conclusion of the Meeting.	√		
In any case a Meeting is adjourned; the Minutes shall be entered in respect of the original Meeting as well as the adjourned Meeting within thirty days from the date of the respective Meetings. In respect of a Meeting adjourned for want of Quorum, a statement to that effect shall be recorded in the Minutes Book by the Chairman or any Director as designated by the Board who was physically present at the Meeting.	√		
The date of entering the Minutes shall be specified in the Minutes Book by the Secretary.	√		
The Chairman shall put his initial on each page of the Minutes, and put his full signature on the last page of the Minutes along with the date of signing of the Minutes.	√		
While the law requires that Minutes of the proceedings shall be entered in the Minutes Book within thirty days of the Meeting, there is no prescribed time limit within which such Minutes have to be signed. They could be signed beyond a period of thirty days if the succeeding Meeting is held after a period of thirty days from the date of the earlier Meeting. However, it is also not obligatory to wait for the next Meeting in order to have the Minutes of the previous Meeting signed. Such Minutes may be signed by the Chairman of the Meeting at any time before the next Meeting is held.	√		
The Minutes of Meetings of the Board can be inspected by the Directors only. While the Auditors of the company or Chartered Secretary in Practice appointed by the company can also inspect the Minute Books in the course of their audit or certification. A member of the company or any other person has no right to inspect the Minutes of Meetings of the Board or any Committee thereof.	√		
Officers of the Registrar of Joint Stock Companies & Firms, other duly authorized in this behalf under law, during the course of an inspection, can also inspect the Minutes for discharging of their official duties.	√		
Minutes shall not be pasted or attached to the Minutes Book.	√		
Minutes, if maintained in loose-leaf form, shall be bound at intervals coinciding with the financial year of the company.	√		
The pages of the Minutes Book shall be serially numbered and there shall be proper locking device to ensure security and proper control to prevent any sort of removal of the loose leaves of the Minutes Book.			
Extracts of the Minutes shall be given only after the Minutes have duly been signed. However, certified copies of any Resolution passed at a Meeting may be issued even pending signing of the Minutes by the Chairman, if the draft of that Resolution had been placed at the Meeting and was duly approved.	√		
Minutes of an earlier Meeting shall be noted at the next Meeting.	√		
Any alteration, other than grammatical, typographical or minor corrections, in the Minutes as entered, shall be made only under the approval taken in the subsequent Meeting in which such Minutes are sought to be altered.	√		

Title	Compliance Status ("√" in appropriate column)		Remarks (if any)
	Complied	Not Complied	
The Minutes of Meetings of any Committee shall be circulated to the Members of the Board along with the Agenda for the Meeting of the Board next following such Meeting of the Committee and shall be noted at the Board Meeting.	√		
At the time of circulating the Agenda for the Meeting of the Board, if the Minutes of Meetings of any Committee are pending noting by the Committee on such Minutes shall be circulated to the Board in draft form.	√		
Attendance in Meetings and their Recording in the Minutes			
The names of the Directors present in the Meeting along with the names of persons who were in attendance and the names of invitees in the Meeting, if any, shall be recorded in the Minutes.	√		
Apart from the Resolution or the decision, the Minutes shall mention the brief background of the proposal and the rationale for passing the Resolution or taking of the decision.	√		
The names of the Directors who have dissented or have abstained from the decision shall be recorded. Similarly, the fact that an interested Director who did not participate in the discussion or vote on the agenda shall also be recorded in the Minutes.	√		
Wherever any approval of the Board or of the Committee is taken on the basis of certain papers laid before the Board or the Committee, proper identification by initialing of such papers by the Chairman or any Director shall be made and a reference thereto shall be made in the Minutes.	√		
Preservation of Minutes and Supporting Papers			
The Minutes of all Meetings shall be preserved permanently.	√		
If a company has been merged or amalgamated with any other company, the Minutes of all Meetings of the Board and Committees of the transferor company shall be preserved permanently by the transferee company for any future references notwithstanding the fact that the identity of the transferor company may not survive under such arrangement.	√		
All office copies of Notices, Agenda and Notes to Agenda and other related papers shall be preserved in orderly manner for as long as they remain current or for twelve years, whichever is later, and may not be destroyed thereafter without the authority of the Board.	√		
Disclosure			
The Annual Report of a company shall disclose the number of Meetings of the Board and Committees held during the year indicating the number of Meetings attended by each Director.	√		

10.4 Disclosure Checklist as per ICMAB Evaluation Criteria

Sl. No.	EVALUATION CRITERIA	Page No.
1	Capitalization/Solvency	191, 27-28
	External Liab. Ratio	
	Internal Capital Generation (ICGR)	
	Exceptional Loss Reserve to Net Premium	
	Capital & Fund to Total Asset	
2	Technical	191, 27-28
	Retention Ratio	
	Expenses Ratio	
	Claim Ratio	
	Premium to Equity	
3	Liquidity and Funding Flexibility	190
	Current Ratio	
	Liquid Asset to Total Insurance Fund	
	Total Liquid Asset to Total Asset	
4	Profitability	166
	Gross Underwriting Margin Return	
	Return on Average Assets (ROAA)	
	Return on Average Equity (ROAE)	
5	External Credit Rating (ECA)	126
	Short Term	
6	Long Term	134
	Corporate Governance	26
7	Non Shareholding/independent Director	169
	Single Family Domination	26, 134
	Free Float	196-199
	Audit Committee Led by Independent Directors	114-123
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	Auditors Opinion	225
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8	Dividend yield	48
	Net Asset Value (NAV) Growth	
	Capital Appreciation	
9	Employee Focus	91
	Net Employee Turnover	
	Employee Compensation and Benefits	
	Gender Diversity	
10	Training and Development Spending	48
	Corporate Social Responsibility (CSR)	
11	Amount of CSR Expenditure	91
	Quality of CSR Activities	
12	Direct And Indirect Tax	91

10.5 Disclosure Checklist regarding Integrated Reporting

Sl. No.	Particulars	Page No.
1	Elements of an Integrated Report	
1.1	Organizational overview and external environment	
	An integrated report should disclose the main activities of the organization and the environment of which it operates.	104
	An integrated report should identify the organization's mission and vision, and provides essential context by identifying matters such as:	
	The organization's:	
	Culture, Ethics and Values	13, 176
	Ownership and Operating structure including size of the organization, location of its operations	26, 225
	Principal Activities and Markets	24, 120
	Competitive landscape and Market positioning	24
	Position within the value chain	18
	Key quantitative information	
	The number of employees, revenue and number of countries in which the organization operates highlighting, in particular, significant changes from prior periods	30, 67-73, 92-99
	Significant factors affecting the external environment and the organization's response	
	The legitimate needs and interests of key stakeholders	114-116
	Macro and micro economic conditions, such as economic stability, globalization, and industry trends	137, 140, 143
	Market forces, such as the relative strengths and weaknesses of competitors and customer demand	
	The speed and effect of technological change	
	Societal issues, such as population and demographic changes, human rights, health, poverty, collective values and educational systems	104-110
	Environmental challenges, such as climate change, the loss of ecosystems, and resource shortages as planetary limits are approached	
	The legislative and regulatory environment in which the organization operates	
	The political environment in countries where the organization operates and other countries that may affect the ability of the organization to implement its strategy	
1.2	Governance	
	An integrated report should show how the organization's governance structure supports its ability to create value in the short, medium and long term.	
	An integrated report needs to provide an insight about how such matters as the following are linked to its ability to create value:	51-56, 76-83, 104-110, 126, 179
	The organization's leadership structure, including the skills and diversity	
	Specific processes used to make strategic decisions and to establish and monitor the culture of the organization, including its attitude to risk and mechanisms for addressing integrity and ethical issues	

Sl. No.	Particulars	Page No.
	Particular actions those charged with governance have taken to influence and monitor the strategic direction of the organization and its approach to risk management	180-181
	How the organization's culture, ethics and values are reflected in its use of and effects on the capitals, including its relationships with key stakeholders	
	Whether the organization is implementing governance practices that exceed legal requirements/ Key Policies	104-110, 126, 176
	The responsibility those charged with governance take for promoting and enabling innovation	
	How remuneration and incentives are linked to value creation in the short, medium and long term, including how they are linked to the organization's use of and effects on the capitals.	
1.3	Stakeholder Identification/ relationships	
	An integrated report should identify its key stakeholders and provide insight into the nature and quality of the organization's relationships with its key stakeholders, including how and to what extent the organization understands, takes into account and responds to their legitimate needs and interest	108 104-110, 114-115
	Capitals	
	An integrated report needs to provide insight about the resources and the relationships used and affected by the organization, which are referred to collectively as the capitals and how the organization interacts with the capitals to create value over the short, medium and long term	18, 104-110, 179
	An integrated report need to identify the various forms of capitals which are essential for the success of its business operations. Eg: financial, manufactured, intellectual, human, social and relationship, and natural,	
1.4	Business model	
	An integrated report need to describe the business model, including key:	18, 21-22, 104-110, 179
	Inputs	
	Business activities	
	Outputs	
	Outcomes	
	Identification of critical stakeholder and other	
	Connection to information covered by other Content Elements, such as strategy, risks and opportunities, and performance (including KPIs and financial considerations, like cost containment and revenues).	
	Inputs An integrated report shows how key inputs relate to the capitals on which the organization depends, or that provide a source of differentiation for the organization, to the extent they are material to understanding the robustness and resilience of the business model.	
	Business activities	
	An integrated report describes key business activities. This can include:	
	How the organization differentiates itself in the market place	
	How the organization approaches the need to innovate	
	How the business model has been designed to adapt to change	
	Outputs An integrated report identifies an organization's key products and services.	
	Outcomes: An integrated report describes key outcomes, including: Both internal outcomes, and external outcomes, Both positive outcomes and negative outcomes	

Sl. No.	Particulars	Page No.
	When material, an integrated report discusses the contribution made to the organization's long term success by initiatives such as process improvement, employee training and relationships management.	104-110
1.5	Performance	
	An integrated report needs to explain the extent to which the organization has achieved its strategic objectives for the period and what are its outcomes in terms of effects on the capitals?	
	An integrated report should contain qualitative and quantitative information about performance that may include matters such as:	
	Quantitative indicators with respect to targets and risks and opportunities, explaining their significance, their implications, and the methods and assumptions used in compiling them	18, 26, 66, 85,
	The state of key stakeholder relationships and how the organization has responded to key stakeholders' legitimate needs and interests	104-110, 179
	The linkages between past and current performance, and between current performance and the organization's outlook.	
	KPIs that combine financial measures with other components or narrative that explains the financial implications of significant effects on other capitals and other causal relationships may be used to demonstrate the connectivity of financial performance with performance regarding other capitals. In some cases, this may also include monetizing certain effects on the capitals.	
1.6	Risks and opportunities and Internal Controls	
	An integrated report should explain what are the specific risks and opportunities that affect the organization's ability to create value over the short, medium and long term, and how is the organization dealing with them?	
	This can include identifying:	
	The specific source of risks and opportunities, which can be internal, external or, commonly, a mix of the two.	180-183
	The organization's assessment of the likelihood that the risk or opportunity will come to fruition and the magnitude of its effect if it does.	
	The specific steps being taken to mitigate or manage key risks or to create value from key opportunities, including the identification of the associated strategic objectives, strategies, policies, targets and KPIs.	
1.7	Strategy and resource allocation	
	An integrated report should describe its strategic direction (Where does the organization want to go and how does it intend to get there)	
	An integrated report need to identify:	
	The organization's short, medium and long term strategic objectives	
	The strategies it has in place, or intends to implement, to achieve those strategic objectives	
	The resource allocation plans it has to implement its strategy	15, 21-22,
	How it will measure achievements and target outcomes for the short, medium and long term. This can include describing:	143-147, 179-185
	The linkage between the organization's strategy and resource allocation plans, and the information covered by other Content Elements, including how its strategy and resource allocation plans:	
	relate to the organization's business model, and what changes to that business model might be necessary to implement chosen strategies to provide an understanding of the organization's ability to adapt to change '	

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	are influenced by/respond to the external environment and the identified risks and opportunities affect the capitals, and the risk management arrangements related to those capitals	179-185
	What differentiates the organization to give it competitive advantage and enable it to create value	
1.8	Outlook	
	An integrated report should explain what challenges and uncertainties is the organization likely to encounter in pursuing its strategy, and what are the potential implications for its business model and future performance?	66, 101
	An integrated report should highlight anticipated changes over time and provides information on:	
	The organization's expectations about the external environment the organization is likely to face in the short, medium and long term	92-99, 179, 180
	How that will affect the organization	
	How the organization is currently equipped to respond to the critical challenges and uncertainties that are likely to arise.	66, 143, 179
	The discussion of the potential implications, including implications for future financial performance may include:	106
	The external environment, and risks and opportunities, with an analysis of how these could affect the achievement of strategic objectives	20-22, 179, 180-183
	The availability, quality and afford-ability of capitals the organization uses or affects including how key relationships are managed and why they are important to the organization's ability to create value over time.	18, 179
	An integrated report may also provide lead indicators, KPIs or objectives, relevant information from recognized external sources, and sensitivity analyses. If forecasts or projections are included in reporting the organization's outlook, a summary of related assumptions is useful. Comparisons of actual performance to previously identified targets further enables evaluation of the current outlook.	104, 143
	Disclosures about an organization's outlook in an integrated report should consider the legal or regulatory requirements to which the organization is subject.	
1.9	Basis of Preparation and Presentation	
	An integrated report should answer the question: How does the organization determine what matters to include in the integrated report and how are such matters quantified or evaluated?	104-106, 110
	An integrated report describes its basis of preparation and presentation, including:	
	A summary of the organization's materiality determination process	
	Brief description of the process used to identify relevant matters, evaluate their importance and narrow them down to material matters	104, 110
	Identification of the role of those charged with governance and key personnel in the identification and prioritization of material matters.	143
	A description of the reporting boundary and how it has been determined	
	A summary of the significant frameworks and methods used to quantify or evaluate material matters	104, 143
2	Responsibility for an integrated report	
	An integrated report should include a statement from those charged with governance that includes:	
	An acknowledgment of their responsibility to ensure the integrity of the integrated report	
	An acknowledgment that they have applied their collective mind to the preparation and presentation of the integrated report	104-110

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	Their opinion or conclusion about whether the integrated report is presented in accordance with the Framework	104-110
3	Other Qualitative Characteristics of an Integrated Report	
	Consistency and Comparability	
	The information in an integrated report should be presented:	
	On a basis that is consistent over time	104-110
	Presenting information in the form of ratios	
	Connectivity of Information	
	An integrated report should show a holistic picture of the combination, interrelatedness and dependencies between the factors that affect the organization's ability to create value over time.	
	Content elements	
	Past, Present & Future	104-110
	Finance and other information	
	Materiality	
	An integrated report should disclose information about matters that substantively affect the organization's ability to create value over the short, medium and long term	
	Assurance on the Report	
	The policy and practice relating to seeking assurance on the report	
	the nature and scope of assurance provided for this particular report	104-110
	any qualifications arising from the assurance, and the nature of the between the organization and the assurance providers	



Green Delta Insurance Co. Ltd.

Green Delta AIMS Tower (6th floor), 51-52 Mohakhali C/A, Dhaka
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PROXY FORM

I/ We
of
being a member of Green Delta Insurance Company Limited do hereby appoint
Mr./ Mrs./ Miss
of or (failing his/her)
Mr./ Mrs./ Miss
of
as my/ our proxy, to vote for me/ us and on my/ our behalf at the 33rd Annual General Meeting of the company to be held at Trust Milonayaton, Bir Uttom Ziaur Rahman Road, Dhaka on Sunday, 31st March 2019 at 11.00 a.m. and any adjournment thereof or at any ballot to be taken in consequence thereof.

Signed this day of
Signature of proxy Signature of shareholder
Folio No
BO A/C No



- Note
1. This form of proxy, duly completed, must be deposited at least 48 hours before the meeting at the company registered office. Proxy is invalid if not signed and stumped as explained above.
 2. Signature of the Shareholders should agree with the Specimen signature registered with the Company.

N.B: As per BSEC Notification # SEC/CMRRCD/2009-193/154 dated October 24, 2013 "No benefit in Cash or kind, other than in the form of Cash Dividend or Stock Dividend, shall be paid to the holders of equity Securities."



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ATTENDANCE SLIP

I hereby record my attendance at the 33rd Annual General Meeting of the company to be held at Trust Milonayaton, Bir Uttom Ziaur Rahman Road, Dhaka on Sunday, 31st March 2019 at 11.00 a.m.

Name of the Member/ Proxy
Folio or BO A/C No
Signature Date

Note
Shareholders' attending meeting in person or by proxy are requested to complete the Attendance slip and hand it over the entrance of the meeting hall.

N.B: As per BSEC Notification # SEC/CMRRCD/2009-193/154 dated October 24, 2013 "No benefit in Cash or kind, other than in the form of Cash Dividend or Stock Dividend, shall be paid to the holders of equity Securities."





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