

# INCLUSIVE

Insurance, Innovation & Inclusion

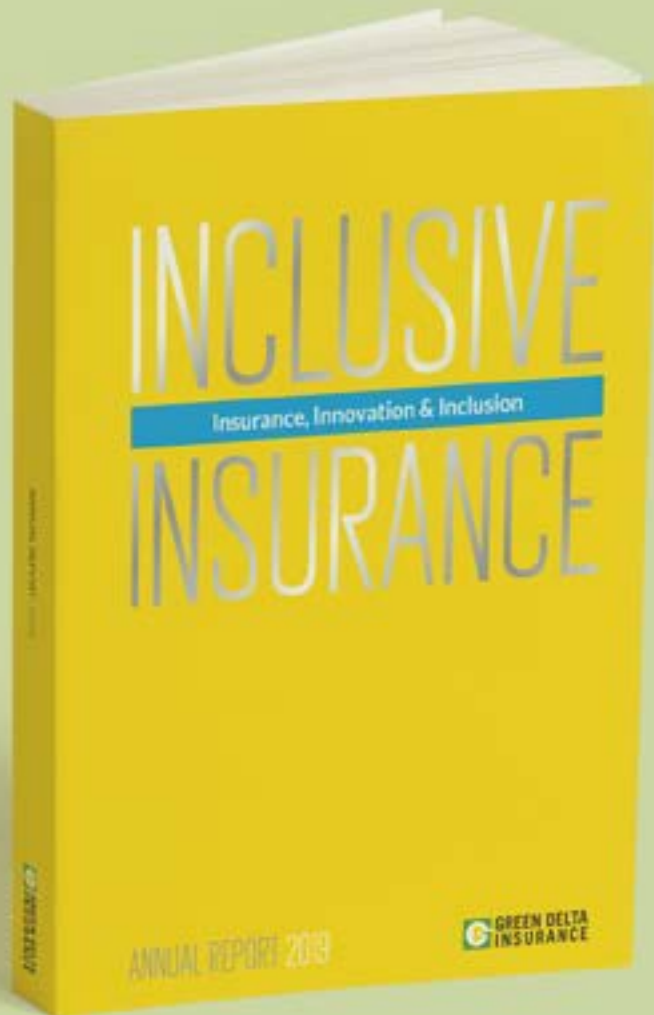
# INSURANCE

ANNUAL REPORT 2019





# Insurance, Innovation & Inclusion







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# INTRODUCTION

# FINANCIAL PROGRESS

As a leading general insurer in Bangladesh, Green Delta Insurance has taken the onus of ensuring that Bangladeshi families have adequate financial security through insurance protection.

At Green Delta Insurance, we have embarked on our mission to insure Bangladesh through our overarching vision of providing insurance for all. Striving to fulfil the objective of this mission, we are focused on conveying the importance of insurance in securing a family's financial future, especially those from backward and underprivileged areas. Thus, in providing insurance solutions that represent just peace-of-mind for our customers, we have stewarded our enterprise towards financial stability and sustainability.

<b>Gross Premium</b> Tk. <b>4,164.15</b> <sup>mn</sup> CAGR - 8%	<b>Number of Clients</b> More than <b>1</b> <sup>mn</sup> Clients Served	<b>Total Asset</b> Tk. <b>11,099.72</b> <sup>mn</sup> CAGR - 4%
<b>Claims Settled</b> Tk. <b>565.48</b> <sup>mn</sup> Tk. 470.93 mn in 2018	<b>Net Profit</b> Tk. <b>300.71</b> <sup>mn</sup> CAGR - 7%	<b>Earnings Per Share</b> Tk. <b>3.39</b> Tk. 3.09 in 2018
<b>Solvency Ratio</b> <b>2.8</b> <sup>Times</sup> 5.5 Times in 2018	<b>Dividend Announced For 2019</b> <b>20%</b>	<i>All figures pertain to those of 2019, unless otherwise stated</i>

# 1.1

## 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, 2019**

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, 2019 and Profit & Loss Appropriation account, Profit & Loss account Cash Flow Statements and Changes in equity statements for the year ended December 31, 2019 along with notes thereon of Green Delta Insurance Company Ltd. and its subsidiaries for your record/necessary action.

Information given in our Annual Report-2019 is complete, full and in line with 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

# 1.2

## NOTICE OF THE 34TH ANNUAL GENERAL MEETING

Notice is hereby given that the Thirty Fourth Annual General Meeting of Green Delta Insurance Company Limited will be held at Spectra Convention Center Limited, House # 19, Road # 7, Gulshan-1, Dhaka on Monday, 30th March 2020 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 31st December 2019
2. To declare Dividend for the financial year ended 31st December 2019
3. To elect / re-elect Directors
4. To appoint Statutory Auditors for the year -2020 and fix their remuneration
5. To appoint Compliance Auditor as per Corporate Governance Code-2018 for the year-2020

By Order of the Board



**Syed Moinuddin Ahmed**  
Company Secretary  
March 12, 2020

**Registered Office**  
51-52, Mohakhali C/A  
Dhaka

### Notes:

1. 02.03.2020 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 2019 is available in the website of the Company [www.green-delta.com](http://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 2020, 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 34th Annual General Meeting.



## **Abdul Hafiz Choudhury**

**Chairman**  
Green Delta Insurance Company Limited



# 1.3

## MESSAGE FROM THE CHAIRMAN

**Through its focus on inclusive insurance, Green Delta Insurance is delivering inclusive value, sharing success with investors, customers, employees and the society**

**It is a great privilege to report to you at the start of my term as your Chairman. The year 2019 was a period of further achievement and considerable success, as we continued to accelerate growth in our key focus areas, while continuing to serve our customers with relevant, high-quality and value-based insurance products and services.**

### OVERVIEW

At Green Delta Insurance, our purpose is to help remove uncertainty from and provide our customers with what they require the most as they embark on the big events of their life – financial peace of mind.

We strive to create an inclusive insurance platform that serves diverse communities. We focus on maximising the impact of insurance by raising awareness about the importance of financial protection through insurance among our customers by embracing prudent underwriting practices, by meeting claims on a timely basis and by controlling liquidity in a regulatory-complaint manner that enables enhancement of our solvency. By enabling our customers access to insurance, we also help build stronger communities and drive continuity in achieving circular sustainable growth.

Our strategy is aligned to certain key structural trends - the protection

needs of the fast-growing middle-class of Bangladesh, the financial security needs of businesspeople as they embark on new ventures or scale up existing businesses, and the self-assurance needed by neglected groups, including women, informal, impoverished workers and migrants, etc., to break out of their socio-economic circumstances.

We have continued to develop our products and our capabilities in order to improve the way we meet our customers' needs. We are creating new, better and more personalised products, and we have a flexible, collaborative approach to incorporating the most suitable digital technologies into our operations.

The gap between the insurance cover of people in Asia and what they need in order to maintain the living standards of their families. I'm proud that as the largest general insurance company of Bangladesh with a base of over 1mn customers, we help to bridge this gap with a broad range of insurance products and solutions

in a market that needs insurance protection the most.

## A SUCCESSFUL STRATEGY

We deliver on our clear strategy and our long-term opportunities by paying close attention to the needs of our customers, by responding to those needs with products that fit their changing requirements, and by improving our capabilities continually in order to deliver the best products in the most effective and economical way.

One of the key components of our strategy is to engage in collaborative, synergistic and consequential partnerships that help us meet the ultimate objective of maximising the impact of insurance among our customers, especially those that require insurance protection the most.

For example, our partnership with the International Finance Corporation to provide weather-related risk insurance has enabled us to successfully strengthen the techno-financial capabilities of the farmer-lender ecosystem. This has helped to seamlessly administer agricultural insurance, facilitated by not obstructing credit mobilisation constraints faced by farm communities, thereby enabling sustainable agri transformation. Hundreds of farmers have benefited from this and we hope the demonstrated impact gets an increasingly larger agricultural acreage under insurance protection.

Envisioning inclusive insurance, we believe such collaborative partnerships will become even more potent with the strong digital tech layer that we are enconcing our retail insurance platform with.

## SUPPORTING CUSTOMERS AND COMMUNITIES

With climate change resulting from global warming, demographic changes and technological progress, we are witnessing rapid changes in the society, the economy and the broader operating environment today.

In 2019, 820 natural catastrophes caused overall losses of US\$ 150bn. This was due to the high share of losses from floods, which is often not insured to the same extent as wind damage in most industrial countries. This is evidence that large sections of the global market remain uninsured, especially in emerging and developing countries. On average over the past 30 years, about 52,000 people per year have lost their lives in natural catastrophes.

The purpose of Green Delta Insurance's business is to support customers and societies in times of need – and part of accomplishing this purpose is to protect customers after the accidents and disasters and also to support them in tackling new challenges of tomorrow.

To ensure that we are always able to accomplish our business purpose of meeting customer claims, we have been gradually expanding and diversifying our insurance platform such that no one particular product segment or industry exposure exceeds our set limits.

These efforts were reflected in the Company's financial results for 2019. Though Bangladesh was struck by natural disasters and other catastrophes, our overall financial results were supported by our robust diversification measures. So, our ability to continue to stably operate our business, even in years with high frequency of natural disasters and other catastrophes, has enhanced the confidence of our shareholders in our business and operating model.

## STRENGTHS THAT SUPPORT OUR MODEL

At Green Delta Insurance, we will continue to develop our strengths which drive our operating model to create sustainable value.

### ■ Culture and DNA

Our key strength and differentiator is our focus on the long-term that enables us to take decisions that are in the best interests of our stakeholders and that create sustainable value. Our Group culture is also what differentiates us, and we have always worked with people and the society to help them face challenges through liability insurance. In recent years, our business has nationalised rapidly, and we have welcomed a diverse range of employees from different backgrounds.

### ■ Portfolio balance

Our next strength is the balance that we have been able to achieve within our portfolio. After deriving success in general insurance, we have embarked on offering our customers specialised and targeted insurance products and services that are anchored on meeting specific needs. Our focus on innovation and partnerships have also led us to diversify and broad-base our insurance platform. Today, we are focusing on expanding retail insurance and providing personalised solutions, aligned with the trend of a growing and unprotected middle-class population in Bangladesh.

### ■ Network

Our network both inside and outside of Bangladesh represents a key competitive driver too. Within Bangladesh, our home country, we have a wide network of both retail distribution and claim services that enable us to be responsive in addressing customer needs and in supporting claims. Outside Bangladesh, our network spans both developed and emerging countries through our partnerships with reinsurance companies and others in the insurance ecosystem.

## ■ Insurance knowledge

Our other core strength is our high level of specialty and accumulated knowledge in insurance. The insurance business demands a high level of specialised knowledge - from product development, underwriting, risk management and claim service to regulatory compliance. We have been able to utilise our expertise developed over the years to create innovative products and services that continue to meet the evolving needs of our customers.

## ■ Balance sheet

Our next strength is our sound financial base. Insurance is a business rooted in the community and the need to provide safety and security to customers. This requires stability, and we derive that stability from a sound financial base. Today, we continue to develop our stable business portfolio through risk diversification and, as evidence, we have the highest credit rating in the insurance sector of Bangladesh.

## A POSITIVE OUTLOOK

We have a clear strategy that is focused on long-term trends in Bangladesh - expanding middle-class that is becoming increasingly rich and is yet under-protected, growing out-of-pocket healthcare spends driven by higher healthcare costs and rising incidence of diseases, and near non-existent farm insurance protection leaving vast swathes of people at risk due to any crop failures, to indicate a few.

Bangladesh is on the throes of a massive transformation, with the per capita GDP expected to top India's during this year. It is compelling to note that the mean income divide between India and Bangladesh has sharply narrowed from 87 per cent in 2011 to about 25 per cent today.

Taking advantage of favourable headline indicators and a time-tested business model, we're pushing ahead with our focus on inclusive insurance in our endeavour to close the insurance protection gap in Bangladesh by as much as possible.

## CONCLUDING NOTE

Customers have been at the heart of our company for over 40 years now. It is by serving all our customers well that we are able to generate strong returns for our shareholders, provide rewarding roles for our people and invest in our local communities, in effect, driving economic activity and growth.

Alongside acknowledging these benefits, the Board also ensures it engages with our regulators and the wider civil society to promote the interests of our customers that enable us to serve them better. We are focused on building a sustainable business and this focus ensures we are able to keep the vital promises that we have made to our customers.

I sincerely thank you for being a part of our journey and look forward to having you with us now and well into the future.

Thank you,



**Abdul Hafiz Choudhury**  
Chairman



## **Nasir A. Choudhury**

**Advisor**

Green Delta Insurance Company Limited

# 1.4

## MESSAGE FROM THE ADVISOR

**Green Delta Insurance is a well-balanced business, primed to create sustainable value for customers, shareholders and employees**

**I am pleased to introduce Green Delta Insurance's 2019 Annual Report. The Company has once again produced a respectable set of results over a year of challenge and change.**

### GLOBAL CONTEXT

2019 was a year that witnessed volatility and complexity with respect to major shifts in the global economy, causing worldwide uncertainty.

In Asia, while China is being impacted by strained trade relations with the US, the recent corona virus outbreak will complicate matters even more for the country as it battles the economic slowdown. India's economy is decelerating at multi-year lows too, with the banking and financial services, auto and consumer industries being severely impacted by the economic deceleration. The referendum in the United Kingdom has tilted the balance in favour of it exiting the EU, but at what terms is as yet ambiguous.

Talk on climate change has come to the fore like never before, and the severe cyclones in 2019 have only highlighted how natural climate variations influence weather catastrophes. Longer-term climate

change effects can already be seen causing humanitarian tragedies and losses of tens of billions of dollars all around the world. In fact, natural catastrophes have caused overall losses to the extent of US\$ 150bn, with insured losses of US\$ 52bn. Such a magnitude has only underlined the importance of knowledge about changes in risk and how crucial insurance can be to extend effective support against financial losses caused by disasters.

### CIRCUMSTANCES IN BANGLADESH

Driven by a large population with an attractive demographic profile, Bangladesh's economy will outshine India's and China's, with GDP growth expected to expand by 7-8% in 2019. Though Bangladesh faces all the classical challenges of a developing market, certain structural advantages remain to propel the national per capita GNI to take the country to a middle-income status in the next few years. These structural positives include:

- Bangladesh increasingly linking with global supply chains
- Sustained inward remittances from a large global diaspora
- Expansion of micro finance to cover the unbanked populations
- Public investments in mega infrastructure projects

As economic formalisation picks up pace, I'm enthused by the fact that the insurance sector of Bangladesh is well-positioned for achieving multi-year growth because of a vast uninsured population and insurance deficit among businesses as they scale up. However, key challenges remain, some of which are high competition that sometimes breeds unethical practices and insufficient regulations that prevent the growth of the industry in a structured and sustainable way.

## OUR RELEVANCE

Against this backdrop, Green Delta Insurance has demonstrated that we have the right strategy, management team, geographic mix and product diversity to succeed. Our robust governance and decision-making processes have enabled us to react swiftly to the unexpected and unpredictable. With robust customer propositions, our business is well-balanced and well-placed to succeed across economic and political cycles.

On a material level, it is during times of great uncertainty that insurance is the most relevant. At Green Delta Insurance, we look to provide financial peace-of-mind to our customers, whatever the external environment. Our expertise in reducing risk allows our customers to plan for their future with confidence, whether by protecting them against ill-health, protecting their businesses against catastrophes or protecting their farms against weather-related impacts. Indeed, we offer protection to some of the most vulnerable communities against myriad threats.

Take women for example. Women and girls are among those who benefit the least from today's economic system. They spend billions of hours cooking, cleaning and caring for children and the elderly. Unpaid care work is the 'hidden engine' that keeps the wheels of our economies, businesses and societies moving. It is driven by women who often have little time to get an education, earn a decent living or have a say in how our societies are run. They are therefore trapped at the bottom of the economy.

Research has also revealed that women do more than three-quarters of all unpaid care work. They often have to work reduced hours or entirely drop out of the workforce because of their care workload. Across the globe, as many as 42 per cent of women cannot get jobs because they are responsible for all the care-giving, compared to just 6 per cent of men.

Taking cognisance of this reality, Green Delta Insurance's Nibedita insurance platform has been developed to target the very challenges faced by women today in a bid to help them overcome these so that women empowerment goes beyond a philosophical discussion to a certainty on ground.

Or take the case of rickshaw pullers. There are hundreds of thousands of people from this impoverished community, and our insurance program in association with the IDRA (Insurance Development and Regulatory Authority of Bangladesh) served the purpose of providing them with financial protection and also a life of dignity and worth.

Seeking such novel initiatives where we are able to maximise the impact of insurance is at the heart of our strategy of insurance inclusion, which is to provide insurance to diverse people from all walks of life.

## GOVERNANCE

In order to fulfil the promises we make to our customers, Green Delta Insurance needs to be operating

smoothly, which means it must demonstrate robust governance standards to ensure organisational sustainability.

Further, in a rapidly transforming business environment, Board expertise is essential, as it is constantly required to make strategic decisions that can have short, medium and long-term impacts. In this respect, the stability and diversity we have created at our Board has enabled us to continue to strengthen our governance framework.

We also have an active programme of engagement and we consider it to be important to hear the views and perspectives of our investors to be able to have an open and constructive dialogue with them. As Advisor, I have found this regular engagement particularly helpful, and receiving input has ensured high-quality and well-informed discussions that have only contributed to positive performance.

## OUR PEOPLE

Our teams are focused on delivering value for our customers and this I find is our biggest asset and major differentiator. It is truly the diligence, creativity, commitment and hard work of these teams that enable us to succeed. Their contribution is vital and it is the responsibility of our executive management to consider their team's interests in every decision they make.

Our people ensure we can continue to respond to the changing external environment, and in 2019, their resilience to perform against the odds, their enthusiasm to put in their best and their excitement to embrace our vision for insurance were crucial to achieving results. Indeed, their commitment to our customers provides me with great confidence for the future.

## OUR COMMUNITIES

As a responsible business that invests in and gives back to our local communities, I am proud



that we are a major direct and indirect employment generator in the insurance sector, alongside the tax revenue we provide to the government. In Bangladesh where formal employment is the need of the hour, we are proud that our company and our extended group provide people with respectable pay, while also opening up life transformation opportunities for them.

We are proud of our work in the fields of education – both general and insurance-centric, in disaster preparedness and in social inclusion. Our large number of beneficiaries and our direct grassroots impact

are compelling enough to push us to create a stronger and more broad-based social and societal impact.

## CLOSING THOUGHTS

Green Delta Insurance's performance has been strong. It is a testament to the commitment and calibre of our people and the quality of the products and services we provide to our customers that we were able to drive performance. As I look to the future, I am confident that our people, our customer propositions and our culture will enable us to continue to grow sustainably over the years and decades ahead.

Thank you and we look forward to receive your continuous support in our joint path ahead to realise our shared vision of providing 'Inclusive insurance – Insurance for the people, of the people, by the people'.

Sincerely yours,



**Nasir A. Choudhury,**  
Advisor

## Our Inclusive Insurance Focus:



**SIMPLE**

We continue to reduce the complexity of our products and processes to make our offerings more intuitive, and we believe this will free-up more time for us to serve our customers.



**DIGITAL**

We will progressively digitalise our products, solutions and processes, and use data analytics to improve product construct as well as pricing and claims, and win new customer accounts.



**SCALABLE**

We are harmonising our products and processes across our product lines. By using knowledge, best practices and technology at scale, we relentlessly aim to become the go-to insurance platform for all our customers.



## Farzanah Chowdhury

*Chartered Insurer*

**Managing Director & CEO**

**Green Delta Insurance Company Limited**



# 1.5

## MESSAGE FROM THE MANAGING DIRECTOR AND CEO

**By supporting the dual objectives of both risk-taking as well as risk-protection anchored on insurance, Green Delta Insurance creates long-term value for our customers, our shareholders and the communities we serve**

**Through our focus on deepening insurance inclusion in Bangladesh, our overall purpose is to improve the lives of our policyholders, create value for our shareholders, and build a better society for the long-term. This shapes every aspect of how we do business.**

**Ladies and gentlemen,**

I extend a very welcome to you to Green Delta Insurance Company Limited's Annual Report for the year 2019, and take pleasure to address you through these pages, especially at a time when your company registered a strong all-round performance during the year.

In 2019, gross premium receipts surged 13 per cent to Tk. 4164.15 mn, net profit rose 21 per cent to Tk. 300.71 mn and EPS (earnings per share) rose 10% to Tk. 3.39. Such a financial performance expanded the scope of our dividend distribution strategy. The result is that we have announced a 15% cash and 5 % stock dividend for 2019, which is up by 50% cash and reduce 50% stock dividend disbursed during the last year. This remains aligned with our focus on enhancing value consistently and sustainably in the hands of our share owners.

### **2019 OUTLINE**

Bangladesh's economy is surging ahead at 8 per cent GDP growth, ahead of both China and India. The country has also provided a secure business climate, thanks to political stability and the government's pro-business stance. This in turn has offered an enabling environment for businesses to plan for future investments and contribute to increased employment.

Bangladesh has also been quick to capitalise on the opportunities emerging out of disruptions in global supply chains, especially those originating out of the United States and China. Indeed, there have been reports that to escape higher Chinese tariffs, large US retailers are shifting orders to Bangladesh. Resultantly, Bangladesh's share of US trade has increased, and overall merchandise exports have grown at double-digits in fiscal year 2019. This bodes well for both the employment scenario in Bangladesh, as well as in increasing the share of manufacturing and services to the national GDP.

### Annual General Meeting 2019

10 am on 30 March 2019, at Spectra Convention Centre Ltd. House#19, Road#7, Gulshan-1, Dhaka

### Dividend Policy

We are a long-term business and set our dividend annually. The Board has adopted a progressive dividend policy, premised on generating sustainable value for our shareholders and investors.

### Tk. 177.52 mn

Dividend announced for 2019

A strong and resilient economy, a facilitative and supportive climate and improving country-specific socio-economic indicators will continue to strongly aid Bangladesh in achieving its aspirations of emerging as a middle-income nation by 2024, as per UN parameters, thus lifting tens of thousands out of baseline poverty and enabling millions of others to access a better life and lifestyle.

## 34 YEARS OF CONTRIBUTION TO NATION-BUILDING

At the dawn of 2020, Green Delta Insurance celebrated its 34th anniversary and market leadership, commemorating the joyous occasion of 34 years of supremacy of the organisation in the insurance industry, and of our influence on the developmental path of Bangladesh. While this represented a great start to the new year, it was also a time to reflect on our past and draw inspiration to stride towards an exciting future.

In serving our bigger cause of fostering a stronger developmental impact through insurance, we have gained strong global as well as national recognition in acknowledgement of our ability to conceive innovative insurance products and solutions that suit the specific needs of the masses, in embracing the highest levels of transparency and accountability in our governance practices and financial reporting standards and in advancing the cause of sustainability in Bangladesh.

As our people rally around the cause of nurturing an enterprise anchored on excellence, I'm proud that we

are the first insurance company in Bangladesh to have received the 'AAA' credit rating for six years in a row, demonstrating high-quality financial credentials, and the prestigious ICSB Gold Award for five consecutive years and the ICMA first prize for three consecutive years, reflecting the robust quality of our governance framework and standards.

These awards are an encouragement for us to remain undaunted and continue to strive towards creating a meaningful impact in the lives of our customers through insurance and, in doing that to the best of our abilities, ensure that we not only align with all the regulations and regulatory guidelines, but also create sustainable value for all stakeholders, including our customers, employees and beneficiary communities and societies.

## OUR 2019 PERFORMANCE FRAMEWORK

In the year 2019, we were able to expand our gross premium receipts by 13 per cent to Tk. 4164.15 mn, thus registering a 3-year CAGR of 8 per cent.

Notably, the expansion in our premium receipts was driven by underwriting almost Tk.4164.15 mn of components of mega infrastructure projects being executed across the country for private sector players engaged in various parts of the value chain. Though this is a largely one-off business, we will focus all our energies on further deepening our engagement in the country's infrastructure development space.

During the year 2019, our emphasis was three-fold:

- Diversifying our product mix
- Premiumising our portfolio
- Optimising our cost structures

In the year under report, we channelised our energies on portfolio diversification, with the result that the share of retail and SME insurance businesses scaled up from under 3 per cent in 2018 to above 5 per cent during the year, enabling us to stay true to our overarching philosophy of providing insurance for all. Especially, in retail insurance, we witnessed sharp organic growth in travel insurance, facilitated by ease in customer access to our broad range of travel insurance products through digital insurance, propelled by the theme of increased travel among Bangladeshis. In addition to fulfilling our focus on digital insurance, increased focus on travel insurance was also representative of our concerted push in impact insurance.

With a view to augment our profitability and achieve our aspirations, we also emphasised on premiumising our portfolio. The outcome was that though our retail insurance policy sales declined sharply during the year, this drop was more than compensated by strong growth achieved in premiums collected. Going forward, we will continue to embrace ways that helps us enrich our portfolio quality, while also focusing on achieving volume sales that will have an additional positive impact on our profits. We will also impart a greater focus on marine and motor insurance in 2020 and beyond. These businesses typically offer a higher risk-reward.

Foreseeing a challenging macro-economic environment in Bangladesh, we embraced several proactive steps in 2019 with a view to prune costs and re-engineer processes, focusing on taking-out or minimising the impact of any activity that was a cost burden and did not deliver commensurate or expected value. We also undertook a number of human resource productivity enhancement initiatives to boost our people value-add, while also increasingly incorporated technology with a view to enable the switch from routine manual tasks to eventual automation. In the context of technology, we are also embracing advanced tech solutions in the fields of machine learning and even artificial intelligence to strengthen our actuarial practice, which will only buttress our underwriting standards.

During the year in review, we also focused on re-organisation of our branches, creating unified zones under a central command for ensuring streamlined operations, while also enabling a more localised approach to enable us to stay closer to customer needs, requirements and realities.

## PROVIDING MASS HEALTH INSURANCE THROUGH SSK

Green Delta Insurance joined hands with the Ministry of Health and Family Welfare, Government of Bangladesh, for the implementation of the second phase of the Shasthyo Shuroksha Karmasuchi (SSK) project. Green Delta is the scheme operator of the project that provides health insurance to the rural poor living below the poverty line.

Green Delta Insurance has been working as the scheme operator of SSK since the launch of the program in March 2016. With the government initiating the second phase in certain areas in Bangladesh, Green Delta Insurance has continued its services as the scheme operator. Working in alignment with the WHO's (World Health Organization's) 'Universal

Health Coverage (UHC)' ambition to ensure health care for everyone, regardless of their social status, the government resolved to take up the challenge to achieve UHC by the year 2032 through implementing the SSK project.

The project was originally taken up in Kalihati of Tangail district and was seen as a consequential step in revolutionising healthcare delivery through micro-insurance. Under the scheme, the poor, selected under certain criteria, get a card to receive treatment for 50 common diseases. The treatment is dispensed in district health facilities of the government. The government gives Tk. 1,000 per family each year as the premium for a pool fund. One family gets Tk. 50,000 treatment a year.

I am proud that through our involvement with the SSK, we are contributing to:

- Reduced out-of-pocket payments amongst the poor
- Increased access to hospital services by the poor
- Defined quality standards for clinical service
- Improved efficiency and transparency in hospital management

## FURTHERING THE CAUSE OF INSURANCE EDUCATION IN BANGLADESH

Insurance is a highly specialised business requiring knowledge, skills and aptitude for customer service. Further, the sector is also a dynamic one, requiring the need to constantly update to adapt to the changing landscape.

In this context, Green Delta Insurance, in association with Professional Advancement Bangladesh Limited (PABL), conducted a day-long workshop and training seminar on 'Anti-Money Laundering & CFT Compliance in General Insurance' in December 2019 in Dhaka for our employees. Training on various topics was

conducted by our highly-experienced personnel and also external industry experts who were invited as guest speakers.

Such sessions are a demonstration of our commitment to insurance and its impact, encompassing our focus on customer service, compliance with regulations and also our emphasis on ensuring that all our employees remain up-to-date with all policy guidelines and statutes.

Further, PABL and Chartered Insurance Institute (CII) also jointly organised a regional session of 'Dive In Festival 2019' in Dhaka in September 2019, sponsored by Green Delta Insurance. Interestingly, 'Dive In' is a global movement in the insurance sector to support an inclusive workplace culture, celebrating diversity and inclusivity in insurance. The purpose of the 2019 Dive In festival was to explore institutional support and talent development in a multi-generational place of work.

In addition to the presence of a number of eminent personalities from across the educational and corporate spectrum at Dive In 2019, the event had also invited a number of other insurance companies of the country, in a true measure of the festival's spirit of inclusion and inclusivity.

I must also mention that being committed to insurance education among the youth of the country so that they can become a part of the mainstream workforce in the future, we relocated PABL to a new address in Gulshan, Dhaka, in May 2019. This larger and more modernised premises with state-of-the-art facilities that enhances student-teacher engagement and augments the learning experience, expresses our desire to continue to provide training to high-quality insurance industry professionals in partnership with CII of the UK.

PABL also arranged a world-class workshop titled 'Micro insurance Master class' in July 2019 at its new premises. The 2-day workshop

was designed with key insights from the Micro insurance Master Leadership Program, offered by Micro insurance Master, featuring two globally-respected experts, Mr. Bert Opdebeeck, Founder, Micro insurance Master, and Mr. Geric Laude, former Head of Pioneer Insurance, the Philippines. At the session, practical examples from different micro insurance champions around the world were introduced to give participants in-depth practical knowledge about various micro insurance models. The international workshop was attended by many insurance professionals and reinsurance brokers from Bangladesh and around the world.

## OUR FOCUS ON AGRI PROTECTION THROUGH INSURANCE

Bangladesh's agricultural sector has achieved tremendous progress in feeding the expanding population of the country. Yet however, the farm segment of the country continues to remain vulnerable and is plagued by the adverse impact of climate change, including flooding, drought and salt water intrusion. This vulnerability has typically deterred insurance providers from venturing into the risk-prone segment, resulting in farmers having to dishearteningly bear the losses inflicted by regular cyclones and floods in the vast delta of Bangladesh. Indeed, farm lives and livelihoods can be swept away by the floods in one swift stroke.

Considering the fact that interventions in this field are not just important but imperative, we ventured into agri-insurance with the purpose of meeting the critical needs of farmers to help them protect their farms and incomes against natural adversities through insurance support. Towards this extent, our pilot project to introduce a weather index-based agri-insurance product for bringing hope to farms won the third prize at Inclusion Plus Awards, a global

competition organised by Metlife Foundation.

We initiated the pilot project in 2015, jointly with International Finance Corporation (IFC), which was supported by USAID's Agricultural Value Chains Activity and BFP-B Challenge Fund. We launched our first few policies for 200 tomato farmers with technical assistance from the IFC and World Bank. The policy included coverage for such diverse uncertainties as unseasonal rainfall, cold spells and droughts, and we conceptualised the products to be area-specific, crop-specific and weather-specific, thereby trying to be as accurate as possible in the face of many variables.

Further, we also automated the claim settlement process, hence augmenting customer confidence in our product and also in our ability to service any claims. Besides, satellite data and Bangladesh Meteorological Department and Skymet Weather Services data was used to ascertain damage. Altogether, the integrity and credibility of this data ensured a fair and transparent evaluation and claims disbursement methodology.

As a result of our 2015 initiative to launch the weather index-based insurance project, IFC developed and deployed a weather data grid providing a spatially-smooth source of interpolated weather data, including for rainfall and temperature, for every 10 sq. km of Bangladesh. This was the first time in Bangladesh where an agri-insurance product was designed for cash crops, such as industrial potato, vegetables, hybrid rice, cassava, etc., across the country.

Demonstrating our end-to-end capabilities, we also settled the country's first agri-insurance claims because of heavy rains and also due to a cold wave. This boosted farmers' morale and, consequently, 2,000 additional farmers purchased weather insurance from us in the next season. We also engaged in partnerships with specific micro-communities to create a network

and a robust grassroots ecosystem to make this practice scalable, secure and sustainable. Our partner agencies have discovered value in such an approach since their businesses also become more secure in a risk-off situation where agriculture is protected through insurance.

Today, enthused by the success of our weather insurance platform, we are working on digitalisation, as well as incorporating agriculture micro finance in the insurance network. We hope that such institutional capacity-building initiatives will only contribute to formalisation of farm incomes, reinforcing the sector's capability and credibility in mobilising formal credit.

Further, because of how the data is used, no assessor is needed for claims settlement, making the process smooth, quick and confidence-enhancing. Taking a step forward, we also introduced weekly weather forecasts and crop advisory for our farmer community. We also established call centre infrastructure for farmers to access crop advisory on any crop, free of cost.

Going forward, our ambition is to forge a network association with relevant partners who are complementary parts of the value chain, including banks, seed and fertiliser companies and other agriculture aggregators so that we can provide bundled insurance coverage to our farmers, thereby further reinforcing the value proposition among them.

In yet another initiative, we signed an agreement with Syngenta Foundation for weather index-based crop insurance in April 2019. Under this agreement, Green Delta Insurance will provide insurance coverage to paddy and vegetable farmers in the northern parts of Bangladesh through different NGOs, MFIs and farmers' hubs, with contribution from the Swiss Agency for Development.

## USHERING FARM REVOLUTION THROUGH LIVESTOCK INSURANCE

Livestock is an integral asset of any rural household. In fact, livestock is essential for rural communities to escape out of penury and deprivation.

Considering this reality, at Green Delta Insurance, we signed a MoU with iFarmer on livestock insurance, in October 2019. The purpose of this MoU was to set out the framework of collaboration between the two partners to develop a meaningful livestock insurance product that could reduce vulnerability of farmers associated with iFarmer, with the overall intent of testing the product's viability through pilot projects.

Further, we also partnered with Info Corp Partners for activating a pilot to deploy tamper-proof livestock identification technology through Info Corp's Farm Trek app for registration of livestock and livestock owner's identity, issuance and storage of livestock insurance policies and tracking and identification of livestock via the use of NFC collar livestock tag.

This association represents a significant event in Bangladesh for enabling the delivery of social and economic empowerment to cattle farmers in the country which has an estimated 25 million cattle population. The association will strive to develop a comprehensive financial ecosystem that solves the risks associated with livestock insurance by responding to such key issues as identity and asset ownership frauds and data security and credit security risks. This will create a strong developmental platform for enabling unbanked farmers to eventually use their livestock as collateral or mortgage for institutional credit. Eventually, the solution is expected to create a livestock insurance platform through block chain.

Singapore-based Info Corp is the world's first block chain company that created a platform for livestock-backed financial services through developing an inexpensive sensor-based collar for cattle. Cattle farmers can download a mobile app that would aid them to keep up-to-date with livestock activity levels, health, age, location and other key behaviours like reproduction, etc., which would enable owners to improve their profitability. Bangladesh is the second market where Info Corp is bringing its block chain platform, after Myanmar.

With a view to further create farm value, we signed an agreement with Daak box Limited, a diversified enterprise also engaged in the agri value chain, on weather index-based crop insurance, livestock insurance and other insurance products that could reduce vulnerability of the farmers of Daak box.

## TAKING INSURANCE TO THE DOORSTEP OF RURAL SMALLHOLDER FARMERS

In a unique initiative that is expected to create a high impact by securing farming for rural smallholder farmers through insurance coverage, we expect to pilot a project with CARE Bangladesh's Krishi Utsho Micro franchise, with funding from MEDA (Mennonite Economic Development Associates), Canada. The MoU has been designed to initiate a non-traditional financing scheme for rural smallholder farmers of Bogra and Jessore by taking insurance to their doorstep. Krishi Utsho is an emerging social enterprise that is working towards helping secure farming for smallholder rural farmers through agri-centric loans and insurance services.

## BICCHURON – AN IDEA WHOSE TIME HAS COME

The Centre for Research and Information (CRI), Ministry of Power, Energy and Mineral Resources, and Green Delta Insurance signed a MoU in September 2019, encompassing a collaborative agreement to find, promote and nurture new innovation, talent and solutions in the realm of non-conventional energy. The partnership worked towards engaging and marshalling Young Bangla, representing the youth network of CRI, in a project named 'Bicchuron – Idea search on adaptive technologies for renewable energies'.

Introduction and promotion of sustainable and renewable energy in the private sector and at the community-level is a priority in Bangladesh to assist in solving power and energy challenges among marginalised groups. Sustainable electrification among these communities can have a transformative impact on their lives and livelihoods.

Bicchuron was an open competition for the youth of Bangladesh, with the winners selected on the basis of their innovative ideas supported by basic scientific principles and covering design, operations and functionality across renewable power comprising solar, wind and biogas.

We received over 700 applications with tremendous ideas as a result of a month-long online and offline call for application campaign across 50 universities and local institutions throughout the country. After a preliminary screening, the top-100 projects received invitation to come to Dhaka for an official pitch. Out of these, 30 teams were further short listed by the jury. The selected teams got the unique opportunity to attend a three-day residential boot camp. Thereafter, the top-ten finalists were selected in a gala event in Dhaka and provided with funds to venture into commercial operations and sustainable scale-up. Ideas around



mini-hydropower, hydrothermal biomass processing, solar dryer, electricity from plants and other unique solutions were some of the highlights of Bicchuron.

A sum of Tk. 50 lacs was budgeted for funding the top ideas, and selected projects received technical, strategic and logistical support for seamless roll out. Today, we hope to make Bicchuron an annual exercise

## GREEN DELTA INSURANCE AND THE SDGs

At Green Delta Insurance, we are assisting in the global efforts to meet the targets under the United Nations' SDGs. We have succeeded in getting the SDGs into our culture and, enthused by the influence of these on innovation, outreach and impact, we are leading by example of how they can have a transformative effect.

Today, I'm proud that we are weaving the goals of the SDGs to develop a wide range of insurance products and solutions that target the needs of specific marginalised and often vulnerable communities, including women, the youth of our country, farmers and agriculturalists and SMEs. Importantly, each of our schemes are supporting our country to achieve a wide range of SDGs.

Take the case of Nibedita, which is not just an insurance product, but a platform for women's economic security.

Nibedita has brought Green Delta Insurance global recognition and is the first insurance product in South East Asia that has been exclusively developed for women and women empowerment. Nibedita works as a support partner for women to help them reach their goals in the society, workplace and within familial settings.

Comprehensively addressing SDG-5 under 'Gender Equality' through Nibedita, I'm proud that today, our women customers under Nibedita

have forged a unique bond of intimacy with our women workforce with the result that almost 12-13% of our Nibedita policies are sold by our women employees.

Or take the example of SDG-13 'Climate Action', where we are implementing the vision of this goal having partnered with the IFC to provide insurance services to address weather-related risks faced by both lenders and farmers in Bangladesh. Today, we have successfully strengthened the techno-financial capabilities of the ecosystem to administer agricultural insurance that will eventually help remove credit mobilisation constraints faced by our farm communities, thereby facilitating direct and sustainable agricultural transformation.

Through our partnership with the IFC, and indeed with several other developmental agencies and strategic partners for other products, we are contributing to SDG-17 'Partnerships for the Goals'.

There are several other instances by which we are meeting our commitment to offer insurance protection to communities through the SDGs.

Our partnership with the Access to Information (a2i) program of the Prime Minister's Office supports us to offer insurance services from nationwide Union Digital Centres and, along with our focused retail insurance division, we are driving insurance penetration and inclusion across the country.

Further, we have also joined hands with the Ministry of Health and Family Welfare, Government of Bangladesh, in the Shasthyo Shuroksha Karmasuchi (SSK) project, under which we are working as the Scheme Operator to provide health insurance to the rural poor. These partnerships help us meet the goals enshrined under SDG-17 and also SDG-1 'No Poverty'.

I am also proud that expanding access to insurance will be

tremendously facilitated by our initiatives and investments in digital insurance, even as we have initiated online payment services to make payment methods easier for our customers. Increasing insurance digitalisation will help us directly contribute to the cause of SDG-13 'Climate Action'.

In effect, all our products and schemes cater to the overarching mission of the SDGs, where we cater to the immediate needs of our customers and also serve to help them explore and realize their full potential.

Consistent value creation has only contributed to strengthening the Green Delta brand, with the result that today, our stakeholders are proud of their association with us. This has put in motion our virtuous cycle for growth.

However, rather than sitting on our laurels, we are pushing forward with greater SDG adoption to bring forth a stronger intensification of impact, and optimism prevails that mainstreaming the SDGs in Bangladesh is not only possible but is imminent too.

## MAKING INSURANCE INCLUSIVE AND HIGH-IMPACT

Lack of insurance literacy, absence of awareness around the benefits of insurance and lax compliance standards are some of the key barriers that come in the way of boosting the growth of the insurance sector in Bangladesh, whose contribution to the country's economy remains incongruously low. Hence, with a view to enhance the contribution of insurance to the national GDP and attract talent, stakeholders have to focus on awareness-building and strengthening compliances.

Insurance has a history of more than 45 years in Bangladesh, yet it has not received the attention or focus it needs. As a result, there are many misconceptions and misperceptions

about the sector, aroused in no small measure by a large number of companies venturing into insurance without fully adhering to compliance and governance standards.

Further, the sole state-sponsored insurance company has a relatively weak reinsurance practice with the result that some business originating out of Bangladesh is going to overseas reinsurance players. Therefore, strengthening this state-owned company through capitalisation and other measures is crucial for the long-term sustainability of the re/insurance sector of the country. Moreover, the national insurance policy, if implemented across scale and with respect to the true spirit with which it was conceived, will further help expand the insurance industry. Also, there are a few crucial acts and policies in the insurance sector that have not been reviewed yet. These issues need to be addressed swiftly.

Regulations and enforcement have to be tightened as well to bring to task any misconduct with stringent penal action, as well as to prohibit players from engaging in unfair practices like collecting customer deposits but failing to discharge payments upon scheme maturity. Such acts paint the whole industry with suspicion and makes our task all the more difficult to restore public confidence on insurance.

Further, the insurance regulator, IDRA (Insurance Development & Regulatory Authority) has capped agent commissions to 15 per cent for non-life insurance companies and we are following the directive 100 per cent across our businesses. However, my personal opinion is that there should be no concept of commission in the insurance sector, which will progressively go a long way in eliminating commission-based bias in sales, thus taking it solely on the merit of the product. As regulatory enforcements become highly stringent and non-negotiable, we expect smaller players to find compliance increasingly difficult, which will sweep in consolidation into the industry, as well as reinforce

price discipline, while also benefiting customers through average lower policy prices.

The need of the hour is to make insurance compulsory in every sphere of our public life, and the support of all stakeholders is crucial for realising this vision. For instance, personal accident insurance should be mandatory. Every vehicle on the road must have an insurance policy. This level of insurance inclusion can have holistic socio-economic benefits. For instance, if could alter driving behaviour on the roads, it could make people take their health more seriously, etc. Insurance can usher wider changes that can also help the government meet its democratic mandate with regards to public welfare, etc.

I believe such measures will go a long way in enhancing the insurance sector's contribution to the GDP, which is less than 1% today.

## OUTLOOK

At Green Delta Insurance, we aspire to create a one-stop financial services platform for insurance of international standards. Creating a platform thus will also enable us to diversify our bouquet of services, enabling us to extend into other financial products as well.

So what does all this mean for our shareholders?

Motivated by our successes and performance in 2019, we feel confident in committing to ambitious targets for the upcoming years. Our plan is to increase our earnings per share and to grow our return on equity. At the same time, we will not compromise on our balance sheet strength and keep the target solvency capitalisation ratio secure.

We are aware that we continue to have a lot of work ahead of us. In particular, we need to become more productive and we need to be quicker and more rigorous in tackling necessary changes, especially in the area of digital insurance. This will be one of the most urgent goals to

pursue in 2020 and over the next few years.

We also believe the key levers are to reduce complexity and to consistently simplify products and sales processes. We also need to increase organisational agility to be able to respond to customer needs faster and better, establish scalable and dependable platforms, and, of course, continue digitalising everything we do. We want to let go of things that generate costs without adding any incremental value to make our organisation leaner and more cost-efficient.

Going forward, our aim is to utilise the valuable time and energy of our dedicated staff, both in our back office and in our sales force, to provide even more personalised support services to our customers. High productivity is directly reflected in customer value, brand value and growth, which is why we will continue to invest in our employees so that they can remain fit for the future and strengthen contribution to our aspirations and goals.

With 34 years of supremacy in Bangladesh's insurance industry, we want to look at the future as being better than our past. I believe one of the key ways to make this happen is to be able to shape change rather than merely reacting to it.

We will remain a solid and trusted partner at our customers' side and a strong value creator for our investors. Thank you for trusting us to keep creating value for you in the future.

Warm regards,



**Farzanah Chowdhury**  
Managing Director &  
Chief Executive Officer



ABOUT  
GREEN DELTA  
INSURANCE CO. LTD.



# 2.1

## GDIC STORY

Green Delta Insurance Company Limited (GDIC) is the largest and pioneering general insurance company in Bangladesh. GDIC was incorporated in December 14, 1985 as a public limited company, under the Companies' Act 1913 and its operation commenced on 1st January 1986, with a paid up capital of BDT 30.00 million. Now, Green Delta Insurance Company Ltd. has amassed more than BDT 887 million with the highest credit rating of AAA (long term) and ST1 (short term) 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 Ltd. and GD Assist Ltd. are four of the subsidiaries. Green Delta Securities Ltd. (GDSL) provides stock brokerage services, while Investment Banking and capital management services are provided 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 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 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 Mediclaim 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, Livestock insurance and Probashi- Comprehensive Insurance Scheme for Migrant workers. Green Delta Insurance is also the first in Bangladesh to launch digital insurance for some of its services including motor, travel, PPA (People's Personal Accident), nibedita for women 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 and Livestock Insurance with an aim to mitigate farmers' risk and shield their investments. 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.

Besides offering mainstream insurance products, Green Delta Insurance Company is an active operator and collaborator of different pilot initiatives of the government. In order to ensure universal healthcare, Bangladesh Government has taken up a timely initiative named 'Shashtha Suroksha Karmashuchi' (SSK) 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 and Green Delta Insurance is the scheme operator for the whole project. Moreover, Green Delta is eyeing the scope of digital insurance and has initiated online payments services in 2018 to make the payment methods easier for its customers and have heavily invested to build up a strong

IT infrastructure to be aligned with government's recent approaches towards a more digitalized and greener future.

Green Delta Insurance has maintained its market leadership and supremacy over the journey of these 34 glorious years with the vision to build a secure Bangladesh. During this time, Green Delta Insurance gained many recognition because of transparency of financial reporting, strong corporate governance, professionalism, and innovative activities. As the first insurance company in Bangladesh, Green Delta Insurance Company has earned AAA Credit Rating for 6 consecutive years and ICSB Gold Award for 5 consecutive years and 1st Prize in ICMAB Awards for 3 consecutive awards. Apart from these notable awards, we have bagged almost every single national and international awards in our field of works and more in 2019. For the pioneering contribution in the development of the insurance industry and for maintaining the standard of its service, Green Delta Insurance 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.

# 2.2

## MISSION, VISION, VALUES AND CODE OF CONDUCT



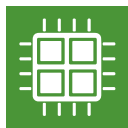
### Mission

We will always endeavour 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

Customer First Always



Trust



Organization Above Self



Respect for Diversity



Spirit of Adventure



Shared Ownership



High Standards



### 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 have 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.

# 2.3

## OVERALL STRATEGIC OBJECTIVES

**Our purpose is enshrined in our focus to improve the lives of our customers, to build a better society for the long-term and to create value for our shareholders. This shapes every aspect of how we do business and comprises our core strategic objective**

At Green Delta Insurance, we are simple and straightforward in how we communicate. We are fair, transparent, open to feedback and focused on driving meaningful change across our organisation. We are collaborative in how we work, focused on solving challenges constructively, while seeking out authenticity in ideas and valuing the diversity of our teams. We are purposeful in achieving a balance between our performance and our principles, while taking ownership in delivering excellence.

Some of our other key strategic objectives comprise the following:

### **We are customer-centric**

We conceive products and solutions to build financial resilience among our customer groups and to meet their present and future financial goals. We strive to provide value in terms of our product features and our pricing plans, while delivering high levels of responsiveness and excellent service.

### **Strategy in motion:**

- We communicate with our customers in a clear, hassle-free and fair way, avoiding misleading technical language.
- Our product life-cycle management – right from underwriting risk to settling claims – is governed by a behaviour anchored on customer-centricity.
- We continually engage in reviewing our existing products and services, which helps us to improve our services and processes.

### **We foster an economically and socially useful insurance platform**

We aim to ensure our products and services demonstrate both economic and social / societal value. Our focus on promoting long-term financial sustainability is to benefit our

customers, employees, shareholders, suppliers and the society at large.

**Strategy in motion:**

- We aim to embed our responsibility in everything we do across our business. At the heart of our operations is empowering our customers with financial security through a diverse range of insurance products.
- We aim to improve the performance of the insurance sector as a whole through our engagement with our regulators and industry bodies / business chambers.
- We are committed to embrace good environmental, social and governance (ESG) practices.

## **We are focused on being fair and transparent**

We endeavour to meet our stakeholders' expectations and deal with them with integrity and openness. We also promote honesty and transparency in how we make decisions and manage risk.

**Strategy in motion:**

- We pledge to our cultural commitment of listening and acting on feedback from our employees.
- We engage in forging strategic developmental partnerships where we believe we can drive the maximum insurance-led impact for our customers.
- We conduct business with our vendor-partners in a fair and ethical way, opening the doors for them to imbibe best practices in business

## **We are inclusive**

We value inclusiveness and embrace differences to engage our people and empower them to deliver excellent customer outcomes and stronger performance. We recognise and reward success, investing in the development and well being of our employees.

**Strategy in motion:**

- We develop insurance products that are inclusive and benefit people from all segments of the society – this is the basic tenet of inclusive insurance at our company.
- We strive to be a vibrant business that values inclusiveness and embraces diversity.
- We are focused on enhancing the participation of women in our workforce and today, almost 24% of our employee base comprises women. We also emphasise on conducting various programs, including self-defence classes and open forums, especially for our women employees.

# 2.4

## CORPORATE DIRECTORY



### Legal Form

Green Delta Insurance Company Limited (GDIC) is one of the leading public non-life insurance companies in Bangladesh. GDIC was incorporated in December 14, 1985 as a public limited company and its operation started on 1st January 1986, with a paid-up capital of BDT 30.00 million.

#### 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](http://www.green-delta.com)

#### Email

[info@green-delta.com](mailto: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

S F Ahmed & Co. Chartered Accountants  
House- 51(2nd floor), Road- 9  
Block- F, Banani, Dhaka 1213

#### Membership Local

- Bangladesh Insurance Association
- Bangladesh Insurance Academy
- 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
- International Network Partner
- Dhaka Chamber of Commerce and Industry
- The Dhaka Chapter of Indus Entrepreneurs (TiE)
- Rotary Club of Dhaka North
- Privileged World Trade Solution Ltd.
- Junior Chamber international Bangladesh
- The Federation of Chamber of Commerce and Industry
- Baridhara Cosmopolitan Club Ltd.
- Australia Bangladesh Chamber of Commerce and Industry (ABCCI)

### **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 (Office),

Mob: 01713110408, 01911421998

E-mail: musfiquefcs@gmail.com,  
info@suraiyaparveenandassociates.com

Web: www.suraiyaparveenandassociates.com

#### **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)

### **Stock Exchange Listing**

Ordinary share of the company is listed with both Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited. Shares of GDIC are categorized as 'A' in both the Stock Exchanges.

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### **Listing Year**

Dhaka Stock Exchange Limited	:	12 January 1990
Chittagong Stock Exchange Limited	:	21 October 1995

### **Capital (31 December 2019)**

Authorized Capital	:	5000 Million
Paid- up Capital	:	887.60 Million

### **Accounting Year**

1st January to 31st December

### **Tax Consultant**

K.M Hasan & Co, Chartered Accountants



# 2.5 PRODUCTS AND SERVICES

Putting the customer at the center of whatever we do remains a key priority. In this context, we covered significant ground in 2019 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.

 <ul style="list-style-type: none"> <li>Fire Insurance</li> <li>Marine Cargo Insurance</li> <li>Marine Hull Insurance</li> <li>Motor Insurance</li> <li>Health Insurance</li> <li>Personal Accident Insurance</li> <li>Burglary Insurance</li> <li>Workmen's Compensation Insurance</li> </ul> <p><b>CORE INSURANCE</b></p>	 <ul style="list-style-type: none"> <li>Micro Health Insurance</li> <li>Overseas Med claim Insurance</li> <li>Comprehensive Travel Insurance</li> <li>Personal Accident Health Insurance</li> <li>Household Insurance</li> <li>People's Personal Accident policy</li> </ul> <p><b>RETAIL/SME/MICRO</b></p>	 <ul style="list-style-type: none"> <li>Aviation Insurance</li> <li>Engineering Insurance</li> <li>Crop Insurance</li> <li>Weather Index Based Insurance</li> <li>Live Stock Insurance</li> <li>Nibedita-Comprehensive insurance for Women</li> </ul> <p><b>SPECIALIZED</b></p>	 <ul style="list-style-type: none"> <li>Professional Indemnity Insurance</li> <li>Comprehensive general Liability</li> <li>Product &amp; Public Liability</li> <li>Director's &amp; Officer's Liability</li> <li>Money Insurance Policy</li> <li>Banker's Blanket Bond</li> </ul> <p><b>CORPORATE</b></p>
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# 2.6

## FEATHERS IN THE CAP

### (AWARDS & RECOGNITION)

#### GDIC & PABL bag prestigious 'Public Trust Award' by CII UK

Chartered Insurance Institute UK (CII UK) has recently awarded Professional Advancement Bangladesh Ltd. (PABL) and Green Delta Insurance Company (GDIC) with their most prestigious award for the category of Building Public Trust in Financial Services & Insurance at the "CII Presidents Dinner & Public Trust Awards 2019". Farzanah Chowdhury, Chartered Insurer, MD & CEO of Green Delta Insurance Company (GDIC) and Director of Professional Advancement Bangladesh Ltd. (PABL), received the prestigious award on behalf of GDIC and PABL at Painted Hall, Old Royal Naval College, London from Mr. Jonathan Clark (President, Chartered Insurance Institute, UK) on April 11th, 2019. CII's Public Trust Awards reflect the CII's purpose to build public trust and recognise work in the public arena by key individuals and companies going that extra mile to promote professionalism and drive forward the public trust agenda. Building Public Trust in Insurance Award is given to an individual from inside the general insurance profession, who has made a significant impact by championing the issue of public interest, either amongst internal staff, across the profession as a whole or with the wider public.



#### MD & CEO, Farzanah Chowdhury wins "Woman Leader of the Year" award in Asia Insurance Industry Awards 2019

Our very own dynamic MD & CEO, Ms. Farzanah Chowdhury, is the first Bangladeshi woman to be recognized as "Woman Leader of the Year" in the 23rd Asia Insurance Industry Awards 2019, which was organized in Singapore recently (29 October 2019) by Asia Insurance Review at the SIRC (Singapore Reinsurance Conference 2019).

The "Woman Leader of the Year Award" category was launched last year and celebrates the crucial contribution that women make to the insurance industry in Asia. As the insurance industry improves its diversity and inclusion efforts, Farzanah Chowdhury was recognized for her professional accomplishments and was conferred the aforementioned award.



## Nasir A. Choudhury honored with Lifetime Achievement Award while GDIC bags 4 awards in Emerging Asia Insurance Awards 2019

Mr. Nasir A. Choudhury, Founding Managing Director & Advisor of Green Delta Insurance Company Limited, has been honored with the Lifetime Achievement Award by Indian Chamber of Commerce (ICC) at the Emerging Asia Insurance Awards 2019 held in Bangkok last month. At the same conclave, Green Delta Insurance Company Limited has won 4 awards. Ms. Farzanah Chowdhury (Chartered Insurer, Managing Director & CEO) was crowned as the Women in Insurance Leadership and GDIC won other 3 awards for Best General Insurance Company, Best Health Insurance Company and Best Practices in Crop Insurance of the Year.



## Green Delta Insurance Bags 1st prize in 19th ICAB National Awards

Green Delta Insurance has won the first prize in Insurance Category in the 19th ICAB National Awards once again for the best presented annual report of 2018. In addition, Green Delta Insurance has also won the third prize in Corporate Governance Disclosure category. Ms. Farzanah Chowdhury, MD & CEO of Green Delta Insurance Company had the honor of receiving the trophy of this prestigious national award from the Chief Guest of the event, Mr. Tipu Munshi MP, Honorable Minister, Ministry of Commerce, at the awarding ceremony held in the Capital on November 30, 2019.



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## Green Delta Insurance bags 1st Prize in Insurance Category in ICMAB Best Corporate Awards 2018

Green Delta Insurance Company Limited has been awarded once again with the first prize of the prestigious ICMAB Best Corporate Award in Insurance category for the year of 2018. The awarding ceremony of ICMAB Best Corporate Award 2018, hosted by the Institute of Cost & Management Accountants of Bangladesh (ICMAB), was held on 15 December, 2019 in Dhaka. Mr. Syed Moinuddin Ahmed, Additional Managing Director and Company Secretary of Green Delta Insurance Company Ltd., received the trophy for the aforementioned award from the chief guest of the event, Mr. MA Mannan MP, Honorable Planning Minister, Govt. of People's Republic of Bangladesh.



## Green Delta Insurance bags Gold again in 6th ICSB National Award 2018

Green Delta Insurance Company Limited has been awarded with the prestigious ICSB Gold Award for corporate governance excellence in Insurance Companies category for 5 consecutive years including the year of 2018. The ceremony of 6th ICSB National Award 2018, hosted by Institute of Chartered Secretaries of Bangladesh (ICSB), was held on 21 December 2019 in Dhaka. Ms. Farzanah Chowdhury (MD & CEO), Mr. Syed Moinuddin Ahmed (AMD & Company Secretary) and Syed Aliul Ahabab (Finance Controller) received the trophy and certificate for the Gold Award from Mr. A B M Md. Azizul Islam (Former Adviser, Caretaker Government) and Mr. Md. Abdul Karim (Former Principal Secretary, Govt. of People's Republic of Bangladesh), who were present respectively as chief guest and special guest of the prestigious event.



## GDIC bags Bronze in Mobile category in Commward 2019

Green Delta Insurance Company Ltd.'s Augmented Reality Desk Calendar was the proof of our brand's aptitude to try out new things before anyone else and it earned widespread recognition from not only the brand communication professionals, but also from the most prestigious brand communication award of the country, namely, Commward. The AR Desk Calendar brought home the first ever brand centric award for Green Delta Insurance Company. In the Commward 2019 held in August, GDIC's AR calendar was awarded Bronze award in mobile category. With this award, GDIC became the first ever insurance company to win any brand centric award.



## Green Delta Insurance gets AAA rating 6th 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 2018 in IADA 2019

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 2019, Green Delta Insurance has secured three awards for its Annual Report of the year 2018, including: 1) Integrated Design, 2) Interior Design, and 3) Cover Design.



## ARC award recognizes GDIC for its transparency and impressions again for Annual Report 2018

Green Delta Insurances received International ARC Awards in 2019 once again for Best Presented Annual Report in Insurance Category for the year of 2018 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.



# 2.7

## CORPORATE ORGANOGRAM





# 2.8

## BRANCH NETWORK

### 01. Principal Branch

Green Delta Aims Tower (1st Floor), 51-52, Mohakhali C/A Dhaka -1212  
Tel: 9851163, Fax-9851138  
Mob: 01714-094-154

### 02. Gulshan Branch

Sheba House (Northern Side) 2nd Floor, House No.34, Road No.46, Gulshan-2, Dhaka-1212  
Tel: 985-4257  
Mob: 01847-189-684

### 03. Imamgonj Branch

77/3, Moulvibazar (2nd Floor) Lalbagh, Dhaka  
Tel: 5-731-1681  
Mob:01713-379-806  
01847-043-048

### 04. Elephant Road Branch

Pearson Tower (4th Floor) 299, Elephant Road, Dhaka  
Tel: 58610892  
Mob: 01711075966  
01766684510

### 05. B.B. Avenue Branch

Green White Bhaban (4th Floor), 28, Bangabandhu Avenue, Dhaka  
Tel: 7126095, Fax-7122036  
Mob:01755-627-232,  
01733-718-305

### 06. Kawranbazar Branch

The Dhaka Trade Center (5th floor), 99, Kazi Nazrul Islam Avenue, Dhaka  
Tel: 912-4450,  
Fax: 8115210  
Mob: 01763-796-431

### 07. Mohakhali Branch

Red Crescent Concord Tower (2nd floor), 17, Mohakhali C/A, Dhaka-1212  
Tel:5 881-3634,  
Fax - 8828065  
Mob: 01711-819-481

### 08. Dhaka EPZ Branch

Hasan Apartment Ganak Bari Savar, Dhaka  
Tel: 7788346, Fax-7789198  
Mob: 01714-037-860

### 09. Uttara Branch

Sophia Villa House No. 38 (2nd floor) Road- Garib-E- Newaz Avenue, Sector No. 11, Uttara Model Town, Dhaka-1230  
Tel: 8991229  
Mob: 01928-638-113

### 10. Narsingdhi Branch

Mijan Market (2nd floor) C & B Road, Narsingdi Bazar Narsingdi.  
Tel: 9462014,  
Mob: 01626-012-460

### 11. Principal Branch

Makka Madina Trade Center (3rd Floor), 78, Agrabad C/A Chittagong  
Tel: (031) 716-233,  
723-491,723717  
Mob: 01711-721-946

### 12. Khatungonj Branch

Khatungonj Trade Center (4th Floor), Ramjoy Mohajan Lane, Khatungonj, Chittagong  
Tel:(031) 622002,  
Mob: 01819-317-664  
Fax: (031) 622-360

### 13. Regional Office

Madhuban Super Market (3rd Floor), Bandar Bazar Sylhet  
Tel: (0821) 728230  
Mob: 01711-356-447

### 14. Moulvibazar Branch

Lake View Building 36, Sreemongal Road Moulvibazar  
Tel: 01716-441-222

### 15. Narayangonj Branch

ECHO Tower (2nd Floor) 20/2, S.M. Maleh Road, Tanbazar, Narayangonj  
Tel: 7633945  
Mob:01819-195-658

### 16. Barisal Branch

58, Munnu Super Market Katpatty Road, Barisal  
Tel: (0431)63367  
Mob:01727-223-743

### 17. Pirojpur Branch

Post Office Road Pirojpur  
Tel: (0461)62837  
Mob:01711-819-482

### 18. Faridpur Branch

Bari Plaza Shopping Complex 91, Thana Road, Faridpur  
Tel: (0631)64313,  
Mob:01927-385-634

- 19. Jessore Branch**  
17, Netaji Subash Chandra Road, Gari Khana, Jessore  
Tel: (0421)68737  
Mob: 01711-819470
- 20. Noapara Branch**  
Yeasin Plaza (2nd Floor)  
Noapara, Jessore  
Tel: 01918-616-230
- 21. Khulna Branch**  
1, P.C. Road Road, Khulna  
Tel: (041) 720063  
Mob: 01711-341-050
- 22. Kushtia Branch**  
Lovely Tower (7th Floor)  
Room No.7F-4, 55/1,  
Sirauddowla Road, Kushtia  
Tel: (071) 73108  
Mob: 01719-572-295
- 23. Madaripur Branch**  
Amin Super Market  
Puranbazar, Madaripur  
Mob: 01930-958-147
- 24. Habiganj Branch**  
Sultania Library (1st Floor)  
Cinema Hall Road Point  
Habigonj  
Mob: 01711-861-135
- 25. Dinajpur Branch**  
Goneshtala,  
Charu Babur More, Dinajpur  
Tel: (0531) 63373  
Mob: 01714-090-481
- 26. Pabna Branch**  
Abdus Sattar Biswas Market  
(1st Floor), Traffic More  
Abdul Hamid Road, Pabna  
Tel: (0731) 64709  
Mob: 01711-819-472
- 27. Rajshahi Branch**  
Holding No.381 (2nd Floor)  
Shaheb Bazar, Monichattar  
Sonadigir More, Ghoramara  
Boalia, Rajshahi  
Tel: (0721) 776176  
Mob: 01714-022-151
- 28. Rangpur Branch**  
Mansur Bhavan (2nd Floor)  
Station Road, Rangpur  
Tel: (0521) 65997  
Mob: 01718-543-181
- 29. Bhairab Branch**  
Cinema Hall Road  
Bhairab, Kishorgonj  
Mob: 01977-612-682  
01925-145-510
- 30. Mymensingh Branch**  
6, Sawdeshi Bazar Road  
Mymensingh  
Tel: (091) 67308  
Mob: 01713060014
- 31. Tangail Branch**  
Hazi Mansion (2nd Floor)  
Kalibari Road, Adalatpara,  
Tangail  
Tel: (0921) 63436,  
01762150745
- 32. Chandpur Branch**  
Mir Shopping Complex  
J.M. Sen Gupta Road, Chandpur  
Tel: (0841) 65663,  
Mob: 01714-103-698
- 33. Bogra Branch**  
Hafiz Bhaban, Kabir Market,  
Boro Gola Road, Bogra  
Tel: (051)666-77  
Mob: 01714-094-151
- 34. Chaumuhani Branch**  
Jaheda Tower (3rd Floor)  
Feni Road, Chaumuhani,  
Noakhali  
Tel: (0321) 51538  
01711-819-480
- 35. Mirpur Branch**  
Central Plaza (6th Floor)  
231, Sen Para Parbata  
Mirpur Circle-10, Dhaka  
Tel: 9009923  
Fax-8031575  
Mob: 01714-094-312
- 36. Dilkusha Branch**  
Hadi Mansion (6th Floor)  
2, Dilkusha C/A, Dhaka-1000  
Tel: 9578798  
Fax: 47118200  
Mob: 01713-000-070
- 37. Dhanmondi Branch**  
KB Square (7th Floor)  
736, Satmasjid Road  
Dhanmondi R/A, Dhaka-1205  
Mob: 01914-602-149
- 38. RSM Branch, Nasirabad Chittagong**  
Avenue Centre (6th Floor)  
787/A, CDA Avenue (GEC  
Circle), East Nasirabad,  
Chattogram  
Mob: 01819-629-088
- 39. Comilla Branch**  
Kazi Tower (3rd Floor)  
Rajgonj Bazar, Comilla  
Tel: (081) 65223,  
Mob: 01978-377-444
- 40. Kakrail Branch**  
Rupayan Karim Tower (8th  
Floor), Apartment No.8/A  
80, V.I.P. Road, Kakrail, Dhaka  
Tel: 9357210  
Fax-8332980  
Mob: 01711-612-045
- 41. Syedpur Branch**  
Amin Plaza (2nd Floor)  
Shaheed Doctor Zikrul Haque  
Road, Syedpur  
Mob: 01773-025-030
- 42. Badda Branch**  
GA-131/2, Middle Badda (3rd  
Floor), Pragati Sarani,  
Badda, Dhaka-1212  
Mob: 01714-094-318
- 43. RSM Branch Gulshan**  
Giashuddin Tower (3rd Floor)  
31, Gulshan Avenue  
Gulshan-1, Dhaka-1212  
Mob: 01847-189-749



# 2.9 KEY CORPORATE MILESTONES

1985	1986	1989	1990	1995
<p><b>Dec 14, 1985</b> Incorporation of the Company</p>	<p><b>Jan 01, 1986</b> Commencement of business</p> <p><b>Jan 02, 1986</b> Signing of First Insurance business</p>	<p><b>Aug 19, 1989</b> Received consent from SEC for issuance of Public Share of BDT 30 million</p> <p><b>Dec 31, 1989</b> Increase of paid up capital to BDT 60 million</p>	<p><b>Jan 12, 1990</b> Listing with Dhaka Stock Exchange Limited</p> <p><b>Jan 14, 1990</b> First trading at Dhaka Stock Exchange Limited</p>	<p><b>Oct 21, 1995</b> Listing with Chittagong Stock Exchange Limited</p> <p><b>Oct 22, 1995</b> First trading at Chittagong Stock Exchange Limited</p>
1997	2004	2005	2006	2007
<p><b>Oct, 1997</b> Investment in Delta Brac Housing as equity share holders</p>	<p><b>May 05, 2004</b> Issuance of Right Share</p> <p><b>Oct 30, 2004</b> Awarded "A" category insurance Co. By CRISL</p>	<p><b>Dec 31, 2005</b> Capital increased to BDT 108 million</p> <p><b>June 12, 2005</b> Formation of Green Delta Aims Limited, a joint venture construction firm</p> <p><b>May 11, 2005</b> Launching of Islamic Takaful Insurance</p> <p><b>May 12, 2005</b> Dhaka Stock Exchange Membership Purchased</p> <p><b>Oct 13, 2005</b> Incorporation of Green Delta Financial Services Limited</p>	<p><b>Nov 28, 2006</b> Investment in United Hospital</p> <p><b>June 30, 2006</b> Issuance of Bonus Share</p> <p><b>July 1, 2006</b> Startup of the Operations of Green Delta Financial Services Limited</p> <p><b>Dec 31, 2006</b> Capital increased to BDT 151.20 million</p>	<p><b>Feb 15, 2007</b> Startup of the Construction of own building named Green Delta Aims Tower a joint venture project with-Mr. Mainul Islam</p>
2008	2009	2010	2011	2012
<p><b>June 26, 2008</b> Capital increased to BDT 200 million.</p> <p><b>Sep 17, 2008</b> Awarded "AA2" rating in the long term and ST-1 rating in the short term by CRAB</p> <p><b>Dec 31, 2008</b> Raising of Paid up capital to BDT 408.24 million</p>	<p><b>June 20, 2009</b> Donation of 550 wheel chairs among the war wounded freedom fighters</p> <p><b>August 20, 2009</b> MOU Signing with LR Global Bangladesh AMC Ltd.</p>	<p><b>Mar 30, 2010</b> Approval for Green Delta Mutual Fund for BDT 150.00 crore</p> <p><b>June 30, 2010</b> Authorized capital increased to BDT 100.00 crore</p> <p><b>Oct 31, 2010</b> Change in the denomination of Face Value (BDT 10/-) and Market Lot (from 10 to 100)</p> <p><b>Dec 1, 2010</b> Approval of Merchant Banking license in the name of the subsidiary Green Delta LR Financial Services Ltd.</p> <p><b>Dec 20, 2010</b> Has been accredited T.Q.M Aptitude seal for high quality performance and best customer satisfaction</p> <p><b>Dec 20, 2010</b> Has been selected for Platinum Technology Award for Quality and Best Trade Name</p> <p><b>Dec, 2010</b> First Prize winner of "Best Published Accounts" in the 10th ICAB National Awards 2009 (Non Banking Category-Insurance Sector)</p>	<p><b>April, 2011</b> Has been awarded for The Platinum Technology Award for Quality &amp; Best trade name by Association Other Ways in Berlin.</p> <p><b>Aug, 2011</b> Awarded "The BIZZ Award-2011" by World Business Confederation of Business, USA for Leadership, Excellence in management, Quality and Marketing</p> <p><b>Nov, 2011</b> Awarded "The Diamond Eye Award for Quality &amp; Excellence "By Bid Other Ways</p> <p><b>Nov, 2011</b> Awarded "International Quality Crown Award "By Bid International in London</p> <p><b>Nov, 2011</b> First Prize in ICMA Best Corporate Award-2011 in Insurance category.</p> <p><b>Nov, 2011</b> Conferred the 'Certificate of Merit' for the Best Presented Accounts Award 2010 in the category 'Insurance Sector' by the South Asian Federation of Accountants (SAFA).</p>	<p><b>April, 2012</b> Moved to new Head Office (Green Delta AIMS Tower) at 51-52 Mohakhali C/A, Dhaka</p> <p><b>Sep, 2012</b> Invested in BD Venture Limited, country's first Venture Capital company</p> <p>Oct, 2012</p> <p>Introduced People's personal Accident Policy for the students of South-East University, the first of its kind in Bangladesh</p> <p>Nov, 2012</p> <p>Awarded "AA1" rating in the long term and "ST-1" rating in the short term respectively by CRAB</p>

**2013****March, 2013**

Equity Partnership with International Finance Corporation (IFC) of World Bank Group. First Foreign Direct Investment of IFC in the Insurance Sector of Bangladesh

**May, 2013**

Launch of 'Nibedita' on pilot basis, a comprehensive Insurance scheme solely for women for the first time in Bangladesh

**Oct, 2013**

Farzanah Chowdhury officially takes over as The Managing Director and CEO of GDIC becoming the first ever female MD in the insurance sector of Bangladesh.

**Dec, 2013**

Awarded "AA1" rating in the long term and "ST-1" rating in the short term respectively by CRAB

**Dec, 2013**

Officially launched 'Cellular phone insurance' for the first time in Bangladesh signing deal with Rialto Technologies

**2014****April, 2014**

Formal launching of Nibedita

**May, 2014**

Won 2nd prize in ICMA Best Corporate Award 2013 (Non life insurance category)

**May, 2014**

Launching of the 3rd subsidiary of GDIC- Professional Advancement Bangladesh Limited (PABL)

**Aug, 2014**

Received Best Non Life Insurance Company Bangladesh award from International Finance Magazine

**Oct, 2014**

Became the first insurance company of Bangladesh to get AAA rating credit accreditation by CRAB

**Oct, 2014**

Launching of the 4th Subsidiary of GDIC- GD Assist Limited

**Nov, 2014**

Received first prize for best presented annual report in insurance sector from ICAB

**Nov, 2014**

Launched GD Health- the first comprehensive health insurance product in Bangladesh with Global Emergency Medical Evacuation

**Dec, 2014**

Received first prize for best presented annual report in insurance sector from SAFA

**2015****Feb 2015**

Settles the biggest claim in GDIC's history by Handing over a check worth BDT 68 crore to Akij Group (Dhaka Tobacco Limited)

**Feb, 2015**

Green Delta, IFC, join hands to pioneer the Weather Index Based Agri Insurance in Bangladesh

**May, 2015**

Agreement signing with ROBI Axiata Ltd. regarding insurance for their retailers and employees

**May, 2015**

Agreement signing ceremony with IDLC regarding providing Nibedita to the Female entrepreneurs

**Sep, 2015**

Receives World Finance Award for Best Non-Life Insurance Company, Bangladesh

**Sep, 2015**

Receives International ARC Award for Best Presented Annual Report

**Oct, 2015**

Receives AAA rating for the consecutive 2nd year as the first Insurance Company in Bangladesh

**Nov, 2015**

Receives International Finance Magazine Award 2015 for Best Non-Life Insurance Company, Bangladesh

**Nov, 2015**

Receives First Prize in Insurance Category in ICSB Corporate Governance Excellence Awards

**Dec, 2015**

Receives First Prize in Insurance Category in ICAB National Awards for Best Presented Annual Reports

**Dec, 2015**

Signing with City Bank & Dutch Bangla Bank Limited regarding online payment services

**Dec, 2015**

Signing of Contract between Health Economics Unit of Ministry of Health, Bangladesh Government & Green Delta Insurance for Implementation of SSK Piloting

**Dec, 2015**

Green Delta Insurance signs MoU on "Agriculture Weather Index Insurance" with Sylvan Agriculture Limited (Sister Concern of PRAN-RFL GROUP)

**2016****January, 2016**

Celebration of 30th Anniversary of Green Delta Insurance

**March, 2016**

Settled 2 of the largest claims of Dignity Textile Mills and Highspeed Group

**May, 2016**

MoU signing with Jaago Foundation to sponsor a class of 40 kids till they graduate from the school

**June, 2016**

Partnership with A2i of Prime Minister's Office for activating sales of insurance through Union Digital Centers

**June, 2016**

Ms. Farzanah Chowdhury, Chartered Insurer and MD & CEO of Green Delta gets recognition from UN Global Compact as one of the 10 Local SDG Pioneers for her contribution towards Women's Economic Security and Gender Equality which was portrayed through the Green Delta Insurance's flagship women's product- Nibedita

**August, 2016**

Handover of a cheque worth BDT 25 lacs to International Chamber of Commerce for capacity building

**Sep, 2016**

Receives International ARC Award for Best Presented Annual Report

**Sep, 2016**

Signing with Ghurbo.com to introduce Domestic Medclaim Insurance for the first time in Bangladesh

**Oct, 2016**

Launch of Nibedita Mobile App

**Oct, 2015**

Receives AAA rating for the consecutive 3rd year as the first Insurance Company in Bangladesh

**Nov, 2015**

Receives International Finance Magazine Award 2016 for Best Non-Life Insurance Company, Bangladesh

**Nov, 2016**

Receives First Prize in Insurance Category in ICAB National Awards for Best Presented Annual Reports

**Dec, 2016**

Receives First Prize in Insurance Category in ICSB Corporate Governance Excellence Awards

**Dec, 2016**

Large claim settlement of Meghna Insurance

**2017****January, 2017**

Green Delta Settles crop insurance claim

**January, 2017**

Partnership with East West University

**February, 2017**

Partnership with ICT Ministry

**March, 2017**

Gulshan Market Fire victims get claims settled

**July, 2017**

2nd Phase of SSK commences

**July, 2017**

Partnership with Sylhet Sixers

**August, 2017**

Partnership with BASIS

**September, 2017**

Donation to PM's office for the flood victims

**October, 2017**

Claim settlement of 6 corporates

**October, 2017**

AAA Credit Rating-4th year in a row

**December, 2017**

ICSB Corporate Governance Excellence Award as the Best Insurance Company

**December, 2017**

1000 farmers get their claims settled in Chitolmari

**2018****February, 2018**

MoU signing with Seba on Agriculture Insurance

**March, 2018**

IDRA & Green Delta Insurance jointly organize 'Shobar Jonno Bima'

**May, 2018**

Receives MetLife Foundation Inclusion Plus Award for Weather Index-based Agriculture Insurance

**May, 2018**

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

**May, 2018**

Receives 3 awards in Emerging Asia Insurance Awards 2018 by Indian Chamber of Commerce (ICC)

**June, 2018**

Ms. Farzanah Chowdhury gets selected as the prestigious CII Goodwill Ambassador

**July, 2018**

Settled claim worth approx. 38 crore of Jamuna Group

**July, 2018**

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

**July, 2018**

Ms. Farzanah Chowdhury gets announced as the EO Bangladesh President

**August, 2018**

Signing of MoU with Solargao on Agriculture Insurance

**September, 2018**

Receives International ARC Awards for Best Presented Annual Report in Insurance Category for the year of 2017

**September, 2018**

Launched Digital Insurance for the first time in Bangladesh

**September, 2018**

Received 3 awards at the Bangladesh Best Employer Brand Awards 2018 organized by World HRD Congress

**October, 2018**

Launched the first ever flagship branch at Nasirabad, Chittagong

**November 2018**

MoU signing with Dotlines

**November, 2018**

MoU signing with Bank Asia for insuring the credit of marginal farmers

**November, 2018**

Receives Gold Award in 5th ICSB National Award 2017

**December, 2018**

Commercial launching of Weather Index-based Agri-Insurance jointly with IFC

**December, 2018**

Receives 1st prize in ICMA Best Corporate Award 2017

**December, 2018**

Receives 1st prize in Insurance category in the 18th ICAB National Awards

**2019****January 2019**

GDIC & PABL receive the Public Trust Award by CII (UK) for building public trust in insurance

**April 2019**

Signing of MoU with Syngenta Foundation on Agriculture Insurance

**April 2019**

Signing of MoU with CARE Bangladesh on Agriculture Insurance

**June 2019**

Mr. Nasir A. Chowdhury gets the Lifetime Achievement Award by Indian Chamber of Commerce (ICC) at the Emerging Asia Insurance Awards 2019

**August 2019**

Received Commward 2019 by Bangladesh Brand Forum in mobile category for Augmented Reality Calendar 2019

**August 2019**

First Ever Livestock Insurance Scheme launched for Cattle Farmers in association with Brac Bank

**October 2019**

Farzanah Chowdhury wins "Woman Leader of the Year" award in Asia Insurance Industry Awards 2019

**November 2019**

Received 1st prize in Insurance category in the 19th ICAB National Awards

**December 2019**

Received 1st Prize in Insurance Category in ICMA Best Corporate Awards 2018

**December 2019**

Received Gold Award in 6th ICSB National Award 2018

# GREEN DELTA STEWARDSHIP



# 3.1

## BOARD OF DIRECTORS



**Abdul Hafiz Choudhury**  
Independent Director & Chairman

Abdul Hafiz Choudhury FCA, currently partner (inactive), was former senior partner of Rahman Rahman Huq, Chartered Accountants (a member firm of KPMG International). He was President of the Institute of Chartered Accountants of Bangladesh (ICAB) in 1988 and also a Council member of ICAB for nine years. Having completed his B.Com (Hons) and M.Com from Dhaka University in 1959 and 1960 respectively, he went to England to study Chartered Accountancy in 1961 and became a member of the Institute of Chartered Accountants in England & Wales in 1966. He became a member of the CA Institute in erstwhile Pakistan in 1967.

Hafiz Choudhury is a founder trustee of Independent University, Bangladesh (IUB) and served as its Honorary Treasurer for more than 8 years. He is a member of the Governing and Academic Council of IUB. He was Chairman of the Finance Committee of IUB for number of years and was elected Chairman of the Founding Trust of IUB for one year term. He was also Chairman of Business Advisory Service Centre, a USAID-funded organization set-up to support development of private business enterprises. He was a Director in the Board of Dhaka Electric Supply Company Limited for over nine years and Titas Gas Transmission and Distribution Co. Ltd. for over six years. He served as Director in the

Board of JibanBima Corporation and Rupali Bank Ltd. for number of years and a Director of the Federation of Bangladesh Chamber of Commerce and Industries.

He had been serving as Honorary Treasurer of United Nations Association of Bangladesh since 1976 and currently holding the position of Vice President. He was nominated Conciliator for Centre for Settlement of Investment Disputes (ICSID), an affiliate of World Bank based in Washington, USA, Hafiz Choudhury has held many important positions including Director in the Board of Bangladesh Bank for more than three and a half years, an Executive Committee member of Metropolitan Chamber of Commerce and Industry (MCCI) for number of years and served as Chairman of its various committees and was also elected Vice President for two terms. He was elected President of MCCI in 2009. He is currently serving as an Independent Director and Chairman of Green Delta Insurance Co. Ltd. And also as an Independent Director in the Boards of ICB Islamic Bank Ltd. and Chairman of Risk Management Committee and Internal Control and Compliance Committee of the Bank. He is a Shareholder Director of New Zealand Dairy Products Bangladesh Ltd.

He is married to Rasheda K. Choudhury and they have two sons and daughter. Eldest son M. Sami Hafiz has done his MBA from Texas State University, USA and is now working in Canada. Their second son Dr. Jami Hafiz Ph.D is working as a Scientist in a Nano Industrial Company in USA. Two of his research products have been patented by the US Government Patent Office where he has been named as inventor of those patents. Their daughter Fariah Hafiz is currently working in JP Morgan & Co., Newyork Office as a managing Director, Investment Banking. He is a widely travelled man and has travelled to many countries of Asia, Europe, Africa and USA, Canada and Mexico.



**Khurshida Chowdhury**

Vice Chairperson

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.



**Shamsun Nahar Begum Chowdhury**

Director

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 organization 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.



**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.



**Delwara Absar**

Director

By virtue of her exposure to several national and global seminars and symposiums, Mrs. Delwara Absar 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.

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. Delwara Absar has helped the organisation in the stewardship of transparency and timely disclosure.



**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.



**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.





**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.



**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.

3.2

# SENIOR MANAGEMENT TEAM





**Standing Left to Right**

**Md. Murtuza Zaman**

Senior Executive Director

**Shubasish Barua, CERT CII (UK)**

EVP & Head of Impact Business

**Syed Aliul Ahabab**

SEVP & Financial Controller

**A.S.A. Muiz**

Senior Consultant, Business Division

**Syed Forhad Abbas Hussain**

SED & Head of Reinsurance

**Wafi Shafique Menhaz Khan**

Managing Director & CEO – GDSL

**Kabir Ahmed Chowdhury**

SED & Head of Branches & Distribution

**Md. Rafiqul Islam**

Managing Director & CEO – GDCL

**Md. Anisur Rahman**

DMD & Head of Claims

**Md. Moniruzzaman Khan**

SEVP & Head of Digital Business

**Rubaiyat Ahmed**

EVP & Head of Human Resources

**Anupam Das**

FSVP & In-charge of Internal Audit & Compliance

**Sitting Left to Right**

**A.K.M. Iftekhar Ahmad**

Consultant

**Farzanah Chowdhury**

Managing Director & CEO

**Nasiruddin Ahmad Choudhury**

Advisor

**Syed Moinuddin Ahmed**

AMD & Company Secretary





### **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 mentorship 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, Chartered Insurer, is the Managing Director & Chief Executive Officer of Green Delta Insurance Company Limited. She is the first and youngest female CEO in the industry and is recognized by UN Global Compact as a Local SDG Pioneer in 2016 for Women's Economic Security for her initiatives through Nibedita, which is a comprehensive insurance scheme for women. After receiving the prestigious recognition, she has driven her team more effectively which resulted in sharp rise in Nibedita policy holders in a short period of time on top of adding values through holistic approach in ensuring gender equality and women empowerment. Since 2016, Ms. Chowdhury has been a regular speaker or panelist in the UN SDG Summit every year. Under her charismatic and visionary leadership, GDIC has been a prime driver of SDGs in Bangladesh and GDIC is also the first organization of Bangladesh to introduce and publish Sustainability Reporting (SDG Report) in partnership with CSR Centre and CRAB.

Ms. Chowdhury's recognitions and accolades include a range of local and international awards. She has received awards from Women Economic Forum, Anannya, EO Global, Bangladesh Brand Forum and SAARC Women Association, Asia Insurance Review etc. for her progressive works in woman empowerment as well as her pioneering contribution in insurance sector. She has also received the very prestigious Public Trust Award from CII UK in April 2019 for building public trust in financial services and insurance. Last but not the least, she is the first Bangladeshi woman to have been recognized as "Woman Leader of the Year" in "Asian Insurance Industry Award 2019".

In addition to being the CII Goodwill Ambassador in Bangladesh, she is also a Board Member of CSR Centre in Bangladesh, Impact Chair and former President of EO Bangladesh (Entrepreneurs' Organization), Member of International Insurance Society, Executive Committee Member of Bangladesh Insurance

Association (BIA), Vice President of Bangladesh Insurance Forum, Associate Trustee and Ambassador of Apasen, Member of Advisory Council of TalentNomics, Member of Advisory Board of HerNet TV, Executive Board Member of Employers' Federation, Board of Trustee in JCI Global Youth Fund, Member of Advisory Board in AIESEC, Member of Advisory Board of BRAC Business School and Member of Bangladesh Board of Advisors (BBA) of Asian University of Women (AUW).

While she started her career as an executive (trainee) in Green Delta Insurance, she had the opportunity to work for BRAC as well in the early years of her career. While she was in BRAC, Ms. Chowdhury was exposed to the opportunity of closely analyzing the micro finance sector and, as a result, was successful in establishing a link between micro finance and insurance. As she directly worked with the field level operations of micro finance and insurance simultaneously, the experience and knowhow helped her to develop a model for micro insurance recently. After acquiring professional experience, Ms. Chowdhury pursued her MBA under the Aus Aid scholarship and joined the SME banking division of BRAC Bank and continued her association with Green Delta Insurance. Her utmost sincerity backed by her profound knowledge and experience enabled her to play the role of pioneering driving force behind structuring and development of SME banking division of BRAC Bank. Since she already worked with micro finance and insurance, she was also presented with the extraordinary opportunity to design, develop and implement a successful business model for SME insurance. Till now, the path-breaking Green Delta Insurance-BRAC Bank model of SME insurance is being followed by other commercial banks in the country.

Ms. Farzanah Chowdhury is now one of the most prominent personalities in the Bangladesh Insurance sector for her pioneering contributions and innovative initiatives in Retail & SME insurance, Micro Insurance, Weather Index Based Agriculture Insurance and materializing the concept of Insurance for Everyone. Under her charismatic leadership, Green Delta Insurance has launched digital insurance ecosystem for the first time in Bangladesh and is working relentlessly to bring insurance at everyone's doorstep. She has been the driving force behind launching many innovative insurance products in the market, such as, micro insurance, digital insurance, weather index-based agriculture insurance etc., which are contributing greatly towards the development of the overall sector. 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, which has ensured health coverage of more than 650,000 people under poverty level. In future, she intends to bring about more and more innovative services and implement InsurTech in Bangladesh. 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.





### **A.S.A. Muiz**

Senior Consultant, Business Division

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. Iftekhar Ahmad**

Consultant

A.K.M. Iftekhar 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**  
AMD & 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 – GDSL

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

Rafiqul Islam, Managing Director and CEO of Green Delta Capital Limited, one of the leading Investment Banks in Bangladesh. Prior to his appointment in this position, he was the Chief Investment Officer of the company. He started his career with a major conglomerate in Bangladesh in 2002 and he also worked with Orascom Telecom Bangladesh and BRAC EPL Investments Limited.

His over 17 years of experience encompasses both in Debt and Equity Capital Markets products where he comprises in many transactions for raising funds through Foreign and local currency syndications, PE and IPOs.

Rafiq has built his career on advising clients around debt, equity and M&As in various sectors across the South Asian region. He advised & structured the first ever cross-border M&A transaction for a Bangladeshi conglomerate. Mr. Rafiq is also specialized in structuring the Private Public Partnership (PPP) deals and converting these as bankable deals.

He performs as keynote 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 private sector organizations. His contribution to promote Bangladesh among foreign investors has also been acknowledged by the Government of Bangladesh.

He holds various leadership position in Bangladesh such as Vice-President of Bangladesh Merchant Bankers Association (BMBA) for 2018-19.

He obtained certificate course on Business, International Relations and the Political Economy from London School of Economics and Political Science (LSE) and He holds MBA in Finance from East West University, Bangladesh.



**Md. Anisur Rahman**  
DMD & 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**  
SED & Head of Branches & Distribution

Kabir A. Chowdhury, Sr. ED, Head of Internal Audit & Compliance has been working in the insurance industry since last 34 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.



**Syed Forhad Abbas Hussain**  
SED & Head of Reinsurance

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 Bahrain, Morocco USA, UK, Sweden, Hongkong, Taiwan, Malaysia, Indonesia, Egypt, Cyprus, India and Singapore. He participated in FAIRSs SIRC, EAICs 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

Md. Murtuza Zaman joined Green Delta Insurance Company Limited in 1987 as Trainee Executive. After earning his post graduate degree in Marketing from the University of Dhaka, Mr. Zaman started working at the Rangpur branch of GDIC. In 1992, he joined the GDIC Head office in Dhaka and has been actively engaged with working under the Re-insurance and Specialized Underwriting Division of the company till now. Currently he is serving Green Delta Insurance Co. Ltd. as a Senior Executive Director.

During his career he attended a number of training sessions, workshop/seminars on insurance and re-insurance related matters both at home and abroad, and represented the company across various platforms. He attended various Re-insurance conferences and training sessions held in India, Sri Lanka, Bahrain, Malaysia, Thailand & Singapore.

Besides being an accomplished insurer with a broad knowledge and experience of the field, Mr. Zaman is also actively engaged with social activities. He runs a school for underprivileged children called "Amra korbo joy" in Dhaka, and is also one of the board members at a non-profit development organization, KK Foundation, which is also based in Dhaka.



**Syed Aliul Ahab FCCA**  
SEVP & Financial Controller

Syed Aliul Ahab 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.

Ahab is a fellow member of the Fellow of Chartered Certified Accountants (FCCA, UK).

Prior to joining Green Delta Insurance Company Ltd., Ahab 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 experience of working jointly with many other KPMG offices across the globe.

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.

Ahab'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**  
SEVP & Head of Digital Business

Md. Moniruzzaman Khan, an experienced marketer with profound experience and knowledge in sales and marketing communications, joined Green Delta family in late 2016. His 12 years long experience in technological domain helps him to pursue career in Digital verticals too.

Subsequent to completion of his undergraduate (BBA) and post-graduate (MBA) from University of Dhaka, Mr. Zaman started his career in the biggest MNC operating in telecom industry – Grameenphone. During his 12 years of career in Grameenphone, 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 in Grameenphone. For his remarkable contribution in Brand communications and consumer engagement, he was selected Telenor Top Talent for consecutive two years.

Since joining Green Delta as the Head of Brands & Communication, his passion for embarking on perplexing tasks inspired him to take on the challenge of breaking the myths and negative perception of consumers about the overall insurance industry as well as raising awareness about insurance among general mass, which reflected in different initiatives and projects he has undertaken. A remarkable feat of the Green Delta brand under his stewardship is the bronze award in Commward 2019 for the Augmented Reality Desk Calendar, which is the first-ever brand centric award won by an insurance company in Bangladesh.

Mr. Zaman is currently the Head of Digital Business while he also looks after the Brand and communication strategy of overall Green Delta family. His high level of adaptive capacity backed by his passion for InsurTech and experience of working at the biggest telco company of Bangladesh enabled him to get suited in the new role pretty soon and embark on his journey to make new marvels happen in the horizon of digital business.



**Rubaiyat Ahmed**  
EVP & Head of Human Resources

In August 2019, Rubaiyat Ahmed has joined as Head of Human Resources in Green Delta Insurance Company Ltd. Rubaiyat brought with him 12 years of HR experience with a demonstrated history of working in the retail and automobile industry and conglomerate bringing skills on Transformation, Change Management and Leadership. He has a proven track record of proactive and hands on approach in Organizational Rightsizing, implementing new policies through Planning, Collaboration, Driving Creativity and Effective Communication. He is also experienced in directing diversified HR functions including Budgeting, Recruitment, Talent Assessment, Performance Management and Employee relations.

Rubaiyat has completed his Higher Secondary from Notre dame college, undergraduate program from the University of Dhaka, Bangladesh and Post-Graduation from Kingston University, UK. Prior to joining Green Delta Insurance Company Ltd., Rubaiyat worked for Standard Chartered Bank, Sainsbury's PLC as Operations Manager and Rancon Holdings Ltd. as Divisional Head of HR.



**Shubasish Barua, CERT CII (UK)**

EVP & Head of Impact Business

With an experience of over 19 years in service, trade and Insurance sector Mr,Barua is one of the proficient and creative professional in Insurance sector.

A business graduate from National university and holder of Certificate in Insurance and Financial Services from Chartered Insurance Institute of United Kingdom, started his career as founder of a start up IT business “JSP Interactive” in 1999 . By rendering services towards many local ,international clients he consequently illustrated opulent experience before joining the distinguished Green Delta Family in 2002 as development officer. He has also served as professional photo journalist & contributor in many local and international print and electronic media.

Mr. Barua’s relentless effort in surfacing the Green Delta Insurance’s legacy of being “spearhead” of the sector,has been a acme of his career. He has experience of serving as development officer, underwriter , risk inspector , Legal manager for claims, Brand Manager and Head of Product Development & Innovation. He was also accountable for leading the Health and Micro Insurance team of Green Delta. He has functioned in many successful projects like Nibedita, Sudin & Niramoy Micro Health Insurance ,GD Health, floriculture insurance , core software restructuring , call center setup ,Shatsho Shuraksha Karamshuchi (SSK) ,and so on. He has participated in many local and international trainings both in home and abroad to place himself as one of the best executive.

He is presently leading the Impact Business team . engaged in developing, instigating ,and crafting “IMPACT INSURANCE” eco system for the urban ,rural and marginal customer base by incorporating innovative business model coping with strategic objective of Green Delta aligned with sustainable development goals.

Mr. Barua is obsessive about applying insurance for everyone concept in Bangladesh with his modest effort for making shining Bangladesh.



**Anupam Das**

FSVP & In-charge of Internal Audit & Compliance

Mr. Anupam Das is an accomplished finance professional with multifaceted experience in the fields of statutory, internal and risk-based audit; process development; control and mitigation of risk; financial and statistical analysis; and up gradation of reporting standards, in compliance with applicable rules, regulations and general procedures.

Prior to joining Green Delta Insurance, Mr. Das extensively worked with various organisations, including banking, financial and insurance institutions post completion of his MBA degree majoring in Finance, and also undergoing a Chartered Accountancy course under The Institute of Chartered Accountants of Bangladesh (ICAB). During his eventful career he acquired robust experience. Mr. Das was also exposed to a number of training programs, while also attending several conferences and seminars in insurance, leadership and skills development.

Mr. Das started his career at Green Delta Insurance in 2013. Being entrusted with the responsibility of internal audit and compliance in the company’s Internal Audit & Compliance Department, he diligently worked to nurture a highly-compliant organisation, developing a holistic 360-degree review process to identify compliance gaps, while also ensuring proactive initiatives to plug deficiencies to reinforce the overall audit and compliance practice.

Some of his other core responsibilities at the company include, evaluating and providing reasonable assurance that risk management, control and governance systems are functioning to meet corporate goals, evaluating the efficiency and effectiveness of performance of branches and various departments, evaluating information security and associated risk exposures and evaluating regulatory compliance programs with applicable rules and regulations. Further, he also provides support to the Company’s anti-fraud programs, ensures accuracy of records and transactions, confirms reliability of financial reporting and safety and security of assets, and also provides assurance of good governance in the organisation.

# 3.3

## DIRECTORS' RESPONSIBILITY STATEMENT

### INTERNAL CONTROL, FINANCIAL REPORTING AND CORPORATE GOVERNANCE

At Green Delta Insurance, we have always believed that our corporate culture, our focus on adhering to all regulatory policies and guidelines and our robust internal controls promote good governance practices, strengthen internal controls and facilitate timely, accurate, reliable and detailed financial recording and reporting.

Good governance ensures that decisions are made in the best interests of the business and takes into cognisance the views of all our stakeholders, including our employees and our customers. Our strategy aims to achieve this by ensuring that we have a responsive governance framework that supports and challenges our decision-making capabilities.

#### Governance in the context of Board operations

As part of ensuring efficiency and effectiveness in Board operations, our Board, led by our Chairman, is

responsible for ensuring that Board processes operate effectively and that we establish an appropriate ethos and culture at the Board-level foremost, which sets the tone and tenor from the top around our company and our extended group.

Driving that culture means that Board meetings promote an open debate and a constructive dialogue around issues under discussion. We test issues rigorously and we have a robust and participative decision-making process. We have strong contributions from all our Board members, and the diversity of experience and insights in our Boardroom comes through in the discussions. This ensures our decisions are balanced and all the risks are considered in an appropriate manner.

Further, our governance structures support our strategy and the long-term success of our company. This year specifically, the Board oversaw major initiatives, including those around digital insurance that sought to reach convenience to the

masses with respect to their ability to access insurance. The Board has also studied in detail the contours of all our major product launches, providing us with useful guidance, especially on the regulatory side. The Board has also been instrumental in expediting the disbursement of large customer claims. In each of these initiatives, our management and the Board has worked closely together to ensure the right information was provided and key risks were addressed from the mitigation / control point of view.

We keep our governance structures under constant review to ensure that they suit the evolving needs of our business and our stakeholders. Towards this extent, we have designed a reporting and governance framework and we continually focus on embedding this framework into our organisational culture. Further, we continue to see benefits from the greater alignment of the governance framework within our subsidiary businesses too.



We have also focused on further enhancing the quality of our environmental, social and governance adherence and reporting standards, and, as a showcase of this will, we have published our first dedicated UN SDG (United Nations Sustainable Development Goals) Report, articulating how we are aligning our operations to meet the broader goals expressed in the SDGs. This is perhaps the first-of-its-kind report in Bangladesh and, rightfully, is a clarion call for other businesses and corporates to also come forward and associate with realising the goals. Further, this report provides important information on our approach to managing the business in a sustainable way. It explains our actions to support this approach and the benefits we bring to our customers and stakeholders. We firmly believe this information, coupled with our robust stakeholder engagement standards, improves the quality of the decisions we make. However, we are aware that we need to remain vigilant not only to our internal needs but also to external factors that may require decisions from the Board. It remains critical for the Board to engage with our regulators on public advocacy, which benefits all constituents of the insurance ecosystem.

While the Board can ensure good decision-making at an executive level, it is important that the same approach is taken throughout the organisation. We believe that the best way to achieve this is by ensuring that we have a culture where managers at all organisational levels are responsible and accountable, stakeholder views are genuinely considered and where colleagues feel free to challenge decision-making. We firmly believe the Board determines our culture and the Board aims to exhibit the behaviour we expect from all.

At Green Delta Insurance, we create an environment in which our people find value and meaning in their work. We also foster shared value for our customers, shareholders and communities. Further, the

financial peace-of-mind that we help to provide to our customers remains the focus of our purpose as a business.

Finally, we believe that good governance is based on the right level of oversight and challenge and with these structures in place, it has had a tangible and positive impact on our business.

## Adequacy of internal financial controls

The Company has established a robust internal financial control framework comprising internal controls over financial reporting, operating controls and fraud prevention controls. The framework has been designed to ensure accuracy, completeness and reliability of our financial records, orderly and efficient conduct of our business and safeguarding of our assets as well as detection and prevention of fraud. Key components of our internal financial control framework include:

■ **Entity-level controls: The control environment of the company relies on a set of entity-level controls that operate at an organisational-level and not embedded in any particular single process at the micro-level of the company. Some of the key entity-level controls include the following:**

- Corporate governance framework comprising our Board and its committees for oversight on the overall management of the company.
- Policies commensurate with the company's size and level of complexity to establish standards of conduct, including code of conduct, whistle-blower policy, workplace harassment policy, conflict of interest policy, underwriting and claims settlement policy, insurance awareness and

customer education policy, grievance redressal policy, record maintenance policy and financial accounting policy, etc.

- Risk and fraud management framework to identify, measure, monitor and control various risks, including operational risks for identifying, monitoring and control third-party activities, including external sales network agencies, IT implementation partners, etc.
- Independent internal audit department with oversight from the audit committee.
- Employee management framework comprising hiring, retention, training, performance evaluation, remuneration, KPI planning, etc.
- Framework to ensure compliance to regulations and laws, including compliance certification, communication of changes in regulations / laws, etc., and litigation management.
- Budgeting, monitoring and reporting of performance with an underlying emphasis on key performance indicators.
- Information and cyber security policy and information security framework along with framework to ensure business continuity / tech redundancy, customer privacy protection and disaster recovery.
- **Operating controls: These comprise information technology and other tech process controls operating at a system / process level with the objective of providing assurance at the transaction or customer interface level.**



**Salient aspects of our control framework include the following:**

- Leveraging technology in few core aspects of transaction processing, including policy administration, actuarial computations, claims management, payroll and accounting, etc., to ensure greater control and efficiency.
- Robust IT controls with integrated systems, centralised data management tools and access controls.
- Thorough vendor on-boarding processes with such steps as due diligence, risk assessment, document review and periodic assessment to ensure controls over third-party service providers relevant from an operational point of view.
- Ensuring controls on safeguarding all organisational assets.
- **Review controls: Review controls comprise multiple levels of oversight over financial reporting through a strong reporting and review framework that includes:**
  - Internal audit team exercising independent oversight over operational and financial processes with significant material observations and recommendations presented to the audit committee.
  - Effective organisational structure that segregates duties among business divisions / sub-divisions, thereby ensuring orderly and efficient conduct of business.
- Constitution of various Board committees responsible for key operational areas, formulation of policies and frameworks and identification, assessment and monitoring of principal risks in accordance with policies and procedures.
- **Fraud prevention: The Company has a comprehensive fraud risk management policy, which articulates the following:**
  - Preventive measures and incident management, including fraud risk assessment for design of processes, recovery of loss, detailed investigations and root-cause analysis with fraud incident reporting to our regulators.
  - Ensuring implementation of controls to prevent repeat incidents and initiating disciplinary action against involved employees. It also initiates actions through law enforcement authorities based on the severity of the incident.
  - The Company undertakes several measures from time-to-time to create awareness amongst its employees and customers against fraudulent practices and other malpractices.

## **Internal compliance framework**

Green Delta Insurance has in place an internal audit framework with a risk-based audit approach.

The fundamental premise of risk-based internal audit is to provide reasonable assurance to the Board audit committee and the management about the adequacy and effectiveness of

the risk management and control framework in the company. Review of controls is undertaken through execution of internal audits as per the risk-based audit plan. Internal audit covers auditing of processes, transactions and systems. Key audit observations and recommendations made are reported to the Board audit committee on a quarterly basis. Implementation of the recommendations is actively monitored.

The audit committee also oversees the compliance framework of the company, which has formulated various internal policies / procedures and an employee code of conduct, which together govern the day-to-day activities to ensure the highest levels of compliance. The compliance function is mandated with the objectives of disseminating information regarding the relevant laws, regulations and circulars related to insurance. It also serves as a reference point for the staff for seeking clarifications on applicable laws, regulations and circulars issued by the regulatory authorities.

Our compliance team monitors the adequacy of the compliance framework across the company along with the internal audit function through an integrated risk-based audit plan. Key issues observed as part of this monitoring exercise are reported to the audit committee and implementation of recommendations are actively monitored.

# 3.4

## MANAGEMENT REVIEW AND RESPONSIBILITY

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### Internal controls that strengthen our governance framework

The Board is responsible for leading the company and overseeing its governance practices, initiatives and compliance framework. The Board sets the narrative on adherence with the group's culture, values and ethical behaviours, and we keep the interests of our shareholders, customers, staff and wider stakeholders at the heart of our decision-making process.

Our governance framework means we have a robust decision-making process and a clear framework within which decisions can be made. This is achieved through our delegated authority framework, which ensures that key decisions are taken by the right people at the right level and that there is clear accountability and ownership.

In an ever-changing business environment, it is important for us to ensure that our governance framework evolves with us, and we

need to ensure that this framework meets the needs of the whole business and supports the ongoing delivery of our strategy.

At Green Delta Insurance, we are proud to embrace pristine quality governance standards that have enabled us to emerge as a point of regulatory reference in Bangladesh's insurance sector.

Towards meeting regulatory policies and guidelines issued by our regulators, we have established appropriate systems of internal control that are robust and facilitate us to safeguard our assets and operations from risks that may pose a threat to the sustainability of our enterprise. Particularly, we have adopted the following measures that assure adequacy of our internal controls.

- Review the strength and resilience of our internal audit function, including the structure and composition of the internal audit department, seniority of the officials leading the mandate of the department, reporting

and communication structures, appraisal and evaluation methodologies and coverage and frequency of the internal audit.

- Oversee the efficient and smooth functioning of the internal audit department and engage in thorough and comprehensive reviews. Also monitor the progress made in the rectification of irregularities and other changes in processes, wherever deficiencies or shortcomings have come to be identified.
- Establish procedures, systems and processes to fully address all concerns related to the adequacy of checks and control mechanisms. Also capably demonstrate the resilience of our internal control systems, practices and policies through mock evaluations.
- Discuss with internal auditors of any material findings and follow-up on these on a regular basis to ensure that any

deficiencies are addressed fully and quickly.

- Review the findings / outcomes of any internal investigations conducted by the internal auditors into matters where there is suspected fraud, or any irregularity or abnormality, or a failure of our internal control systems of a material nature, and reporting the matter to the Board on time and with full disclosure.
- Review with the management, the performance of our internal auditors and the adequacy of the internal control systems. Such reviews and discussions also take into account our preparedness for any eventualities in the future.
- Look into reasons for any specific claims raised by the client to verify and assess its authenticity.
- Comprehensively review the functioning of the whistle-blower / vigil mechanisms. Also assure the security of whistle-blower policies and mechanisms to be able to build confidence among potential whistle-blowers to disclose any irregularities or fraud or rackets without having fear of retribution or retaliation.

## Directors' responsibility statement

In accordance with the requirements of the guidelines of corporate governance, the Board of Directors confirms that they have reviewed the adequacy of the internal financial controls:

- In the preparation of the annual financial statements, the applicable accounting standards have been followed, along with proper explanation relating to any material departures
- That the Board of Directors have selected such accounting policies and practices and

applied them consistently and made fair judgments and prudent estimates that are reasonable and pragmatic so as to give a true and fair material view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period

- That the Board of Directors have taken proper, sufficient and full care for the maintenance of adequate accounting records, in accordance with the provisions for safeguarding the assets of the company, and also for preventing and detecting fraud and other irregularities
- That the Board of Directors have prepared the annual accounts on a going concern basis
- That they have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively
- That they have devised proper systems and strictures that are also regulatory-aligned to ensure compliance with the provisions of all applicable laws and provisions and that such systems were adequate and operating effectively

## Compliance and ethics

With a view to ensure that our company adopts and practices compliance and ethics in all its dealings and functioning, the Board is responsible for:

- Monitoring the compliance function and the company's risk profile / appetite in respect of compliance with external laws and regulations, as well as with internal policies, including the company's code of ethics and conduct
- Review compliance reports and adopt compliance activities

and measures with a proactive stance, aimed at progressing the company's ability to meet its legal and ethical obligations on identified lapses, breaches or violations, and the controls and other measures in place to help detect and address these issues

- Discuss the level of compliance in the company and also any associated risks, while also monitoring and reporting to the Board and the auditors on any significant compliance breaches, deviations or violations
- Supervise and monitor matters reported using the company's whistle-blowing mechanisms or other confidential mechanisms for employees and others to report ethical and compliance concerns or breaches or violations
- Advise the Board on the impact of violations / breaches on the company's conduct of business and also help the Board set the right tone from the top on compliance and adherence by narrating, or supporting the narrative, on the importance of ethics and compliance in operating a socially-responsible and ethically-compliant business
- Approve compliance programmes, reviewing their effectiveness on a regular basis and also giving consent on any material compliance issues or matters
- Review issues around conflict of interest, while also clearly enunciating the company's stand on conflict of interest
- Review anti-money laundering policies annually and also review policy guidelines and announcements dispatched by our regulators from time to time
- Review compliance with Insurance Development & Regulatory Authority (IDRA) guidelines and ensure that they are followed in both letter and spirit

- Monitor the directives issued / penalties imposed / penal action taken against the company under various laws and statutes and action taken for corrective measures
- Approve key appointments that help secure core functions across our organisation

## Board operations in strengthening governance

The Board is led by the Chairman, Mr. Abdul Hafiz Choudhury. The day-to-day management of the company is led by Ms. Farzanah Chowdhury, the Managing Director & Chief Executive Officer. Our Board comprising non-executive and independent directors play a key role in contributing to the delivery of strong organisational governance.

The Board is accountable for the long-term success of the company by setting the company's strategic objectives, and monitoring performance against those objectives. The Board meets formally on a regular basis and, at each meeting, considers business performance, strategy, large claims, financial updates, human resource training / appointments and material transactions. The company and its subsidiaries operates within a clearly-defined framework, which has been fully embedded across the company and the wider group. The delegated authority framework ensures that there is an appropriate level of Board contribution to and oversight of key decisions and that the day-to-day business is managed effectively with full ownership and accountability.

## Board endorsement on assurance

At its meeting held on [give date], our audit & risk committee reviewed and recommended the Integrated Annual Report for 2019 for approval by the Directors. The Directors acknowledge that they are responsible for the content of the Integrated Annual Report 2019. The Board has applied its mind to this report and confirms that it addresses all material issues and fairly represents the financial, operational and sustainability performance of the company. Our auditors have provided an opinion on the financial statements and assurance over the annual financial statements is included in the Integrated Annual Report 2019. Further, our internal audit function assisted by external experts, wherever necessary and appropriate, has provided the relevant assurance on the following material aspects of this report:

- Risk review and management
- Ethics and compliance with all regulatory statutes and guidelines
- IT investments and technological efficiency
- Material financial systems
- Material business systems protecting our internal controls

## Shareholder engagement broadens our compliance emphasis

As with most other publicly-traded companies, shareholders play an extremely crucial role in supporting the company's vision and growth plans, and we believe that the wider investor community continues to be an influential force in shaping our corporate governance practices and our disclosure standards.

We value on open and constructive dialogue with our shareholders and our continual engagement provides them with an opportunity to share particular areas of interest and to raise any concerns. Our annual general meeting (AGM) also provides a valuable opportunity for our shareholders to hear more about how we have performed during the year and to meet our Board. It is our continual endeavour to invite our shareholders to attend our AGM.

# 3.5

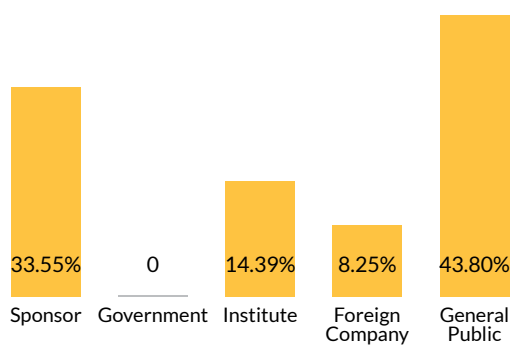
## SHAREHOLDING PATTERN

Shareholding Position 31.12.2019

Group Name	Number of shareholders	Percentage(%)
Sponsor	19	33.55
Government	0	-
Institute	55	14.39
Foreign Company	2	8.25
General Public	3155	43.81

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% of Shareholding Position





CORPORATE  
STRENGTH  
& PERFORMANCE  
ANALYSIS



# 4.1

## PERFORMANCE & MANAGEMENT EFFICIENCY

Particulars	2015	2016	2017	2018	2019
Gross premium	3,015.63	3,163.27	3,293.55	3,678.63	4,164.15
Net premium	1,254.47	1,322.03	1,524.36	1,660.53	1,996.82
Net claims	301.49	334.48	371.15	470.93	565.48
Underwriting profit	306.18	385.15	399.96	403.07	413.55
Investment income	210.07	175.52	188.45	208.58	263.41
Earnings before interest and tax	300.99	314.08	378.35	371.18	522.59
Net profit after tax	230.30	248.58	243.10	249.41	300.71
Investments	4,867.75	5,135.98	5,806.57	5,361.18	5,346.07
Current assets	4,839.46	5,669.38	6,958.39	7,385.50	8,314.40
Total assets	7,660.46	8,588.24	9,843.85	10,165.42	11,099.72
Total liability	1,968.24	2,944.82	3,431.66	4,419.08	5,241.25
Shareholders' equity	5,692.23	5,643.42	6,412.19	5,746.34	5,858.47

## Earnings Ratio

Particulars	2015	2016	2017	2018	2019
Premium growth	12%	5%	4%	12%	13%
Risk retention ratio	42%	42%	46%	45%	48%
Re-insurance Commission yield	19%	25%	19%	18%	15%
Net loss ratio	24%	25%	24%	28%	28%
Management expense ratio	40%	41%	40%	39%	38%
Combined ratio (gross basis)	50%	51%	51%	52%	51%
Investment yield	4%	3%	3%	4%	5%
Underwriting profit margin	10%	12%	12%	11%	10%
Net profit margin	8%	8%	7%	7%	7%
Return on Equity (ROE)	4%	4%	4%	4%	5%
Return on Asset (ROA)	3%	3%	2%	2%	3%
Dividend yield	5%	4%	3%	3%	4%
Dividend payout ratio	88%	65%	66%	65%	59%
Price Earning ratio	18.82	16.13	20.38	21.03	15.41
Earnings per share	2.85	3.08	3.01	3.09	3.39
Management Expenses to Net Premium	62%	64%	60%	53%	47%
Agency Commission to Net Premium	35%	33%	26%	33%	31%
Underwriting Profit on Gross Premium	10%	12%	12%	11%	10%
Net Asset Value (NAV) Growth	17%	-1%	14%	-10%	2%

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## Liquidity Ratio

Particulars	2015	2016	2017	2018	2019
Liquid asset to technical reserve ratio	30.44	24.64	33.79	29.04	31.21
Current ratio	2.46	1.93	2.03	1.67	1.59
Cash Ratio	50%	37%	29%	20%	18%
Total Liquid Assets to Total Assets	63%	66%	71%	73%	75%

## Solvency Ratio

Particulars	2015	2016	2017	2018	2019
Debt to equity ratio	35%	52%	54%	77%	89%
Operating leverage	22%	23%	24%	29%	34%
Financial expenses coverage ratio	14.0	29.8	5.4	7.1	3.2

## CSR

Particulars	2015	2016	2017	2018	2019
CSR to Net Income	9%	11%	12%	3%	5%

# 4.2

## FIVE YEARS FINANCIAL PROGRESSION

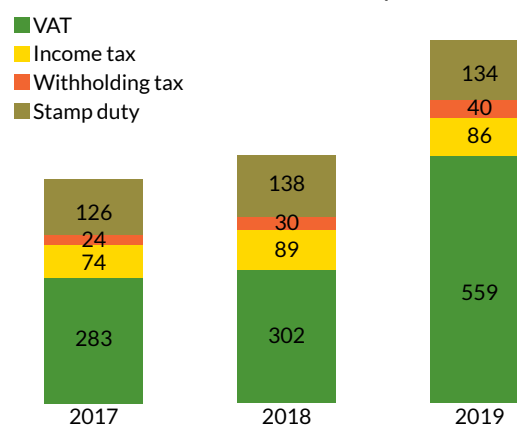
Particulars	2015	2016	2017	2018	2019
Gross Premium Income	3,015.63	3,163.27	3,293.55	3,678.63	4,164.15
Net Premium Income	1,254.47	1,322.03	1,524.35	1,660.53	1,996.82
Net Claims	301.49	334.48	371.15	470.93	565.48
Underwriting Profit	306.18	385.16	399.96	403.06	413.55
Investment Income	212.48	181.34	208.94	238.99	294.73
Profit before Tax	279.52	303.53	307.80	318.89	360.60
Profit after Tax	230.30	248.58	243.10	249.41	300.71
Paid up Capital	806.91	806.91	806.91	806.91	887.60
Share Holder's Equity	5,692.23	5,643.42	6,412.19	5,746.34	5,858.47
Total Liabilities	1,968.24	2,944.82	3,431.66	4,419.08	5,241.25
Total Reserves	4,497.15	4,461.79	5,203.88	4,512.57	4,494.38
Total Assets	7,660.46	8,588.24	9,843.85	10,165.42	11,099.72
Total Investment	3,279.29	3,492.29	4,210.11	3,940.11	3,900.95
Fixed Assets	2,236.99	2,212.33	2,179.87	2,149.21	2,140.61
Earnings per Share (EPS) Taka	2.85	3.08	3.01	3.09	3.39
P/E Ratio (Times)	18.82	16.13	20.38	21.03	15.41
Book Value per Share (NAVPS) (Reasted)	70.54	69.94	79.47	71.21	66.00
Market Value Per Share (Taka)	53.70	49.70	61.40	65.00	52.20
Required Solvency Margin	364.94	390.18	401.07	473.59	511.79
Available Solvency Margin	3,957.54	4,001.00	3,407.01	2,589.57	1,433.87
% of Dividend Paid ( Cash)	25%	20%	20%	10%	15%
% of Dividend Paid ( Stock)	-	-	-	10%	5%

## 4.3

CONTRIBUTION TO  
THE NATIONAL EXCHEQUER

Particulars	2017	2018	2019
VAT	282,660,119	302,063,476	559,243,078
Income tax	73,984,504	89,096,664	85,663,912
Withholding tax	24,446,205	30,387,229	39,518,215
Stamp duty	126,172,395	137,811,838	134,189,928
<b>Total</b>	<b>507,263,223</b>	<b>559,359,207</b>	<b>818,615,132</b>

Contribution to National Exchequer



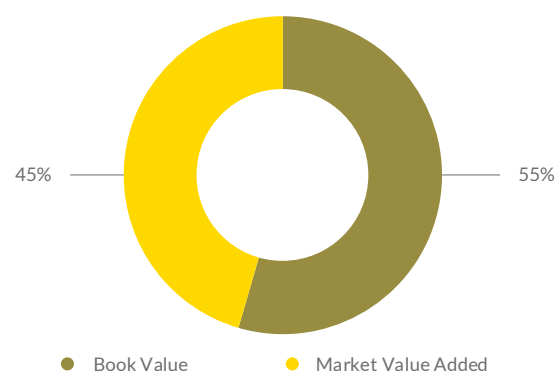
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## 4.4

## MARKET VALUE ADDED STATEMENT

Particulars	Number of Share	Value Per Share (Taka)	Total Value (Taka in Million)
Market Value	88,760,305	52.20	4,633.29
Book Value	88,760,305	66.00	5,858.47

Market Value Added Statement



# 4.5

## ECONOMIC VALUE ADDED STATEMENT

Particulars	2015	2016	2017	2018	2019
Average shareholders' equity	2,588,540,023	2,655,609,118	2,758,509,138	2,873,169,073	2,929,233,182
Cost of equity (%)	8.5%	8.5%	8.5%	8.5%	8.5%
Net Profit After Tax	230,297,617	248,582,536	243,105,029	249,410,888	300,710,215
Less: Cost of equity	220,025,902	225,726,775	234,473,277	244,219,371	248,984,820
Economic Value Added	10,271,715	22,855,761	8,631,752	5,191,517	51,725,395

# 4.6

## GREEN DELTA GROUP PERFORMANCE

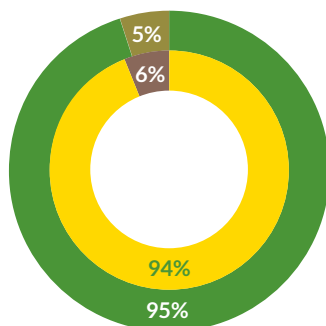
### Group Assets

Particulars	2018	2019
GDIC	10,165.42	11,099.72
Subsidiary contribution	669.19	588.28
<b>Total</b>	<b>10,834.61</b>	<b>11,688.00</b>

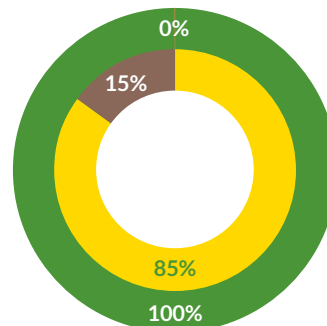
### Group Net profit

Particulars	2018	2019
GDIC	249.41	300.71
Subsidiary contribution	44.60	0.41
<b>Total</b>	<b>294.01</b>	<b>301.12</b>

Group Asset Contribution



Group Profit Contribution

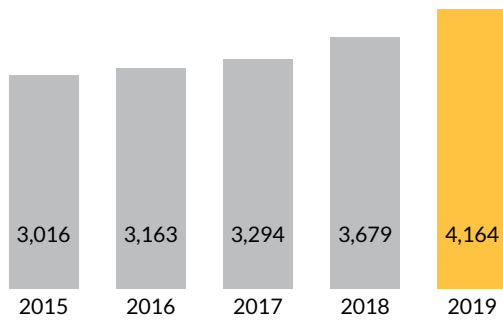


# 4.7

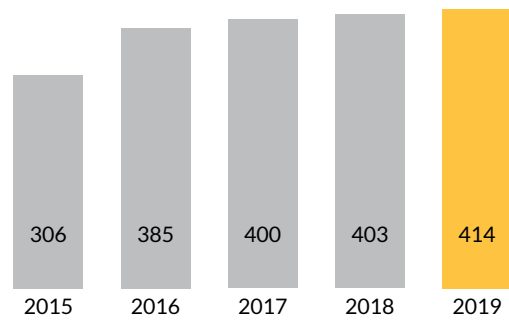
## HORIZONTAL AND VERTICAL ANALYSIS

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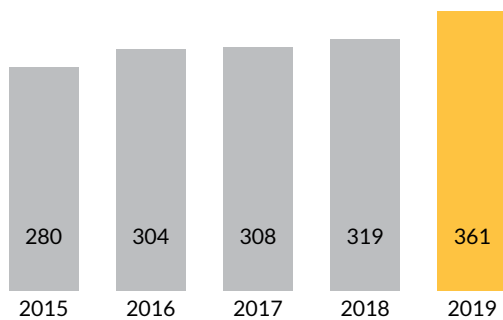
Gross Premium



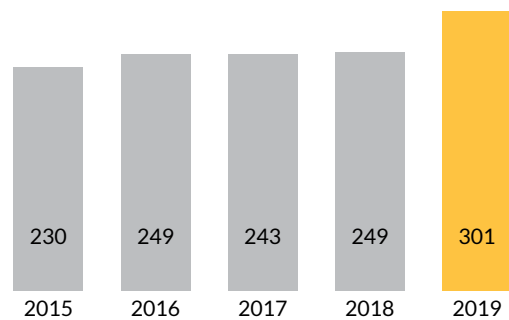
Operating profit



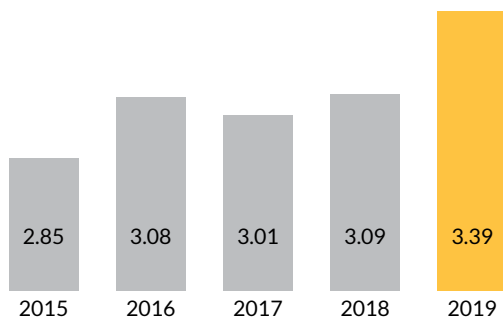
Profit before tax



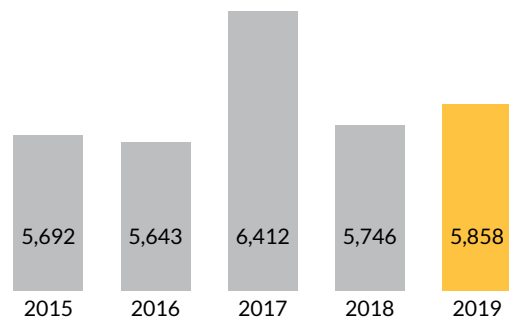
Profit after tax



EPS

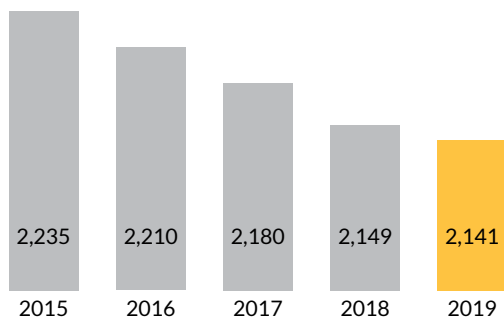


Share holders fund

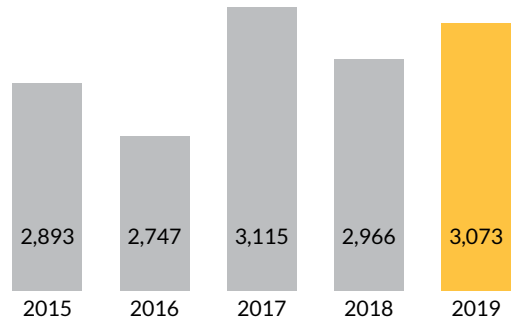




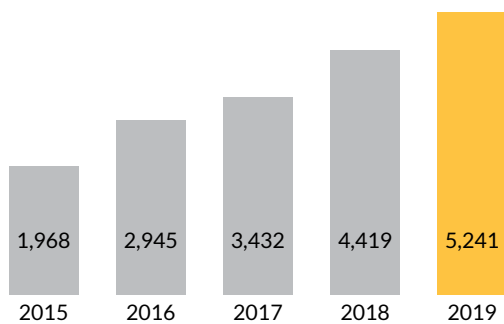
Property, plant & equipment



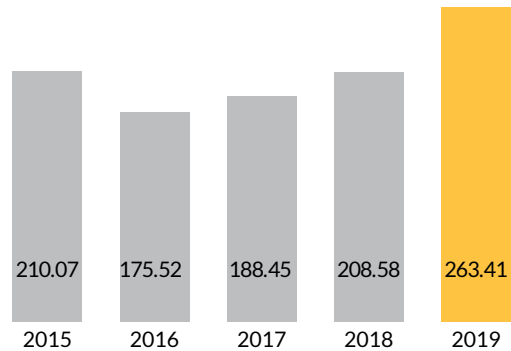
Net current asset



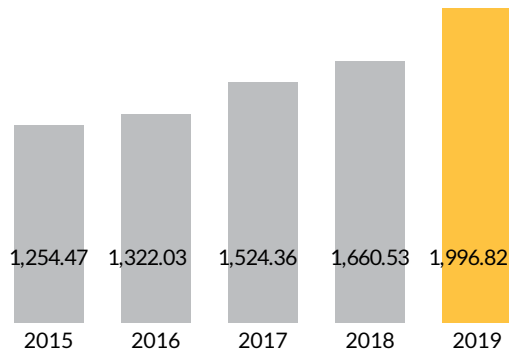
Total current liabilities



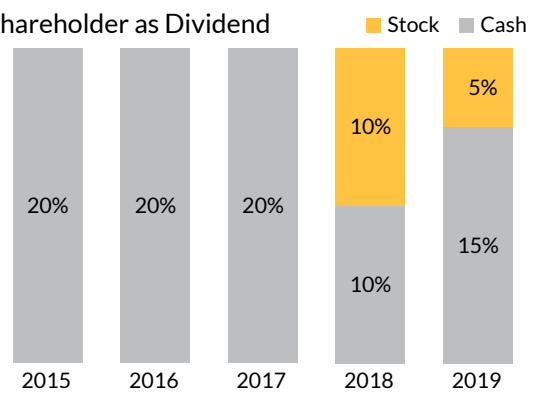
Investment income



Net premium



Shareholder as Dividend

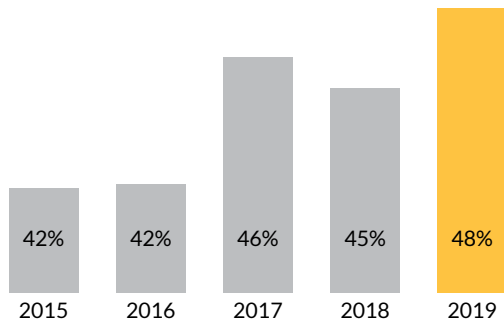


# 4.8

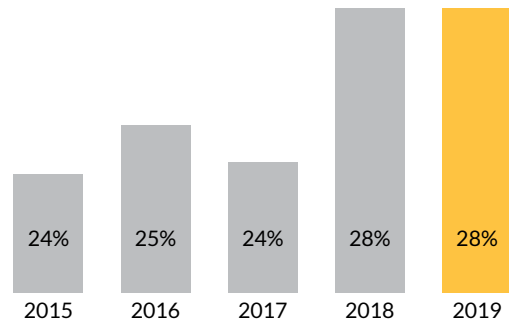
## PERFORMANCE & LIQUIDITY RATIOS

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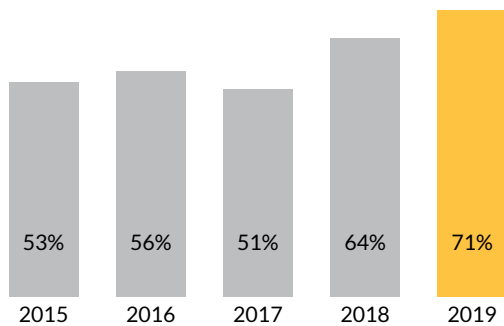
Retention ratio



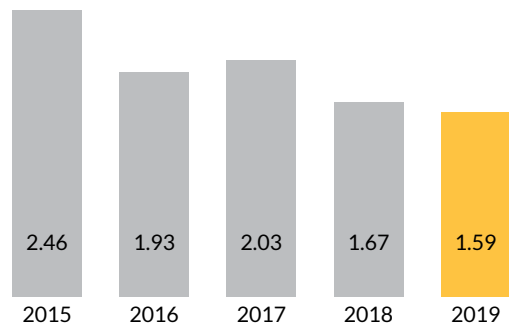
Net claim ratio



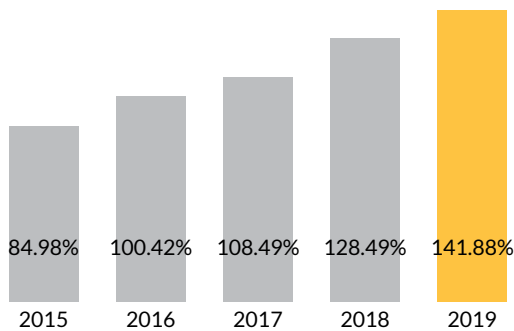
Gross premium to equity



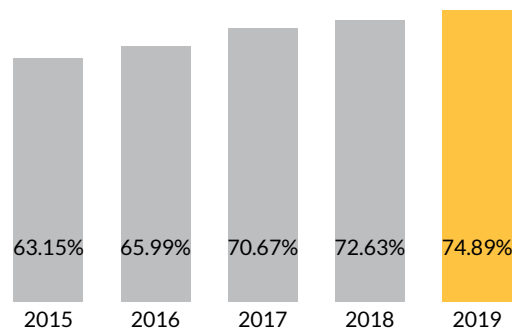
Current ratio



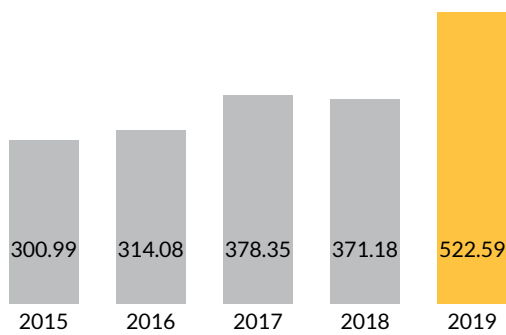
Liquid assets to total insurance fund



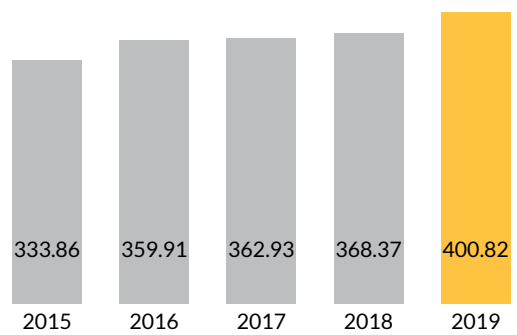
Liquid assets to total assets



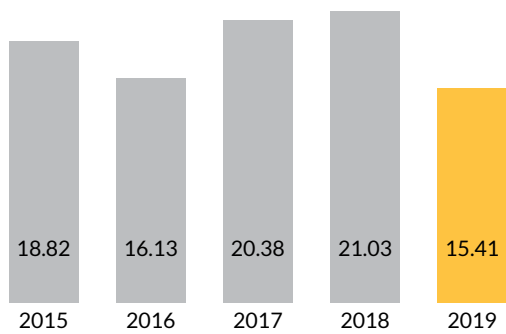
Earnings before interest and tax



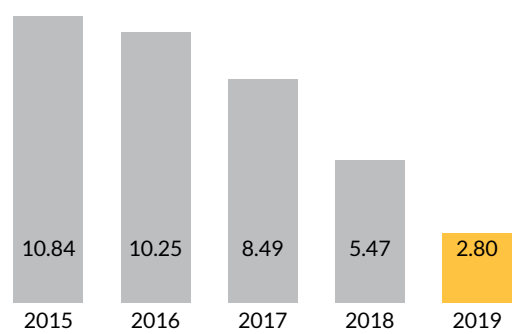
Profit before depreciation and tax



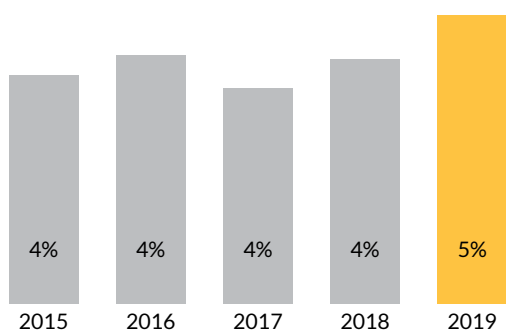
Price earnings ratio



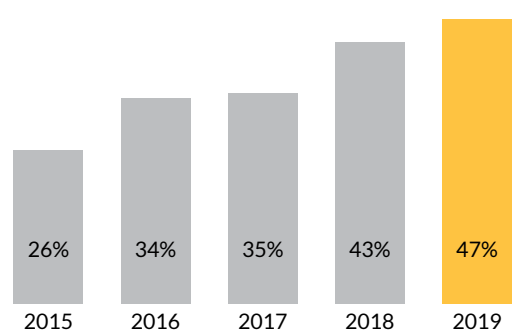
Solvency ratio



Return on capital employed



Debt equity ratio



# 4.9

## DIRECTORS' REPORT

### Dear Shareholders,

At the outset, we, the Board of Directors of your company Green Delta Insurance Company Limited, welcome you to the 34th Annual General Meeting and would like to thank you for your continued patronage and support over the 34 years. We are very delighted to present before you the Annual Report along with the Audited Financial Statements for the year ended 31st December 2019 and the Auditor's Report thereon for kind consideration and adoption.

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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 2019. In fact the year 2019 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 2019 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 (%)
2019	4164	13%
2018	3,679	12%
2017	3,294	4%
2016	3,163	5%
2015	3,016	12%
2014	2,681	3%
2013	2,613	1%

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

Business Segments	2019	2018	Growth (%)
Fire Insurance	1,860	1,693	10%
Marine Insurance	1,471	1,262	17%
Motor Insurance	184	181	1%
Miscellaneous Insurance	650	542	20%

### Segregation of Net Premium

Business Segments	2019		2018		Growth (%)
	Amount (in Million Taka)	Business Mix of Net Premium (%)	Amount (in Million Taka)	% of Total Net Premium	
Fire Insurance	631	32%	463	28%	36%
Marine Insurance	928	46%	930	56%	0%
Motor Insurance	159	8%	163	10%	-3%
Miscellaneous Insurance	279	14%	105	6%	166%
<b>Total</b>	<b>1,997</b>	<b>100%</b>	<b>1661</b>	<b>100%</b>	<b>20%</b>

### Claim and Loss Ratio

Year	Net Claim (in Million Taka)	Change (%)
2019	565	20%
2018	471	27%
2017	371	11%
2016	334	11%
2015	302	-13%
2014	347	-6%
2013	373	84%

### Segregation of Net Claim

Business Segments	2019		2018		Growth (%)
	Amount (in Million Taka)	% of Total Net Premium	Amount (in Million Taka)	% of Total Net Premium	
Fire Insurance	297	47%	223	48%	33%
Marine Insurance	133	14%	188	20%	-29%
Motor Insurance	35	22%	34	21%	4%
Miscellaneous Insurance	101	36%	27	25%	280%
<b>Total</b>	<b>565</b>	<b>28%</b>	<b>471</b>	<b>28%</b>	<b>20%</b>

## FINANCIAL PERFORMANCE

Performance of the company in terms of key performance indicators has been shown in a separate statement under title "Five years Financial Progression". Moreover, some highlights are given in items below:

### Capital Adequacy

The following table shows gradual increase in the shareholders equity.

Year	Shareholder's Equity (in Million Taka)	Change (%)
2019	5,858	2%
2018	5,746	-10%
2017	6412	14%
2016	5643	-1%
2015	5692	17%
2014	4853	10

### Solvency Margin

The following table shows that the solvency margin of the company is above the required level. (In Million Taka)

Particulars	2019	2018	2017	2016	2015	2014
Available Solvency [ AS ]	1,434	2590	3407	4,001	3958	3560
Required Solvency [ RS ]	512	474	401	390	365	331
Solvency Margin [AS/RS] (Times)	23	5	8	10	11	11

### 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.S.T 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 (%)						
	2019	2018	2017	2016	2015	2014	2013
Fire Insurance	34%	27%	26%	24%	26%	25%	44%
Marine Insurance	63%	74%	97%	66%	64%	78%	74%
Motor Insurance	87%	90%	90%	91%	76%	37%	91%
Miscellaneous Insurance	43%	19%	24%	25%	27%	28%	16%
<b>Total</b>	<b>48%</b>	<b>45%</b>	<b>46%</b>	<b>42%</b>	<b>42%</b>	<b>46%</b>	<b>50%</b>

### Reserve Adequacy

The following table shows reserve adequacy of the company.

Year	Amount of Reserve (in Million Taka)	Change (%)
2019	4,494	-0.4%
2018	4,513	-13
2017	5,204	17
2016	4,462	-0.9
2015	4,497	22
2014	3,685	12

## 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 (%)				
	2019	2018	2017	2016	2015
Fire Insurance	3%	5%	36%	33%	19%
Marine Insurance	91%	78%	44%	57%	80%
Motor Insurance	4%	14%	12%	9%	-1%
Miscellaneous Insurance	2%	3%	7%	2%	2%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

## 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 Underwriting performance				
	2019	2018	2017	2016	2015
Fire Insurance	13	20	146	126	58
Marine Insurance	377	315	177	220	244
Motor Insurance	16	56	48	33	-2
Miscellaneous Insurance	8	13	29	6	6

## 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	2019		2018	
	Amount (in Million Taka)	% of Total Investment	Amount (in Million Taka)	% of Total Investment
NIB	25	1%	25	1%
Fixed Deposit	188	5%	206	5%
Quoted Shares	2,863	73%	2,878	73%
Un-Quoted Shares	210	5%	210	5%
Investment in Subsidiaries	410	11%	396	10%
Investment in GDSDL as Margin Loan	205	5%	225	6%
<b>Total</b>	<b>3,901</b>	<b>100%</b>	<b>3,940</b>	<b>100%</b>



### Segregation of Investment Income and Other Income

Green Delta Insurance reported healthy growth across all its investment income and other income constituents with dividend income comprising the largest chunk at 45%

besides, interest income also contributed a healthy 33% 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	2019		2018	
	Amount (in Million Taka)	% of Total Investment Income & Other Income	Amount (in Million Taka)	% of Total Investment Income & Other Income
Interest Income	98	33%	102	43%
Dividend	133	45%	72	30%
Profit from Sale of Shares	2	1%	6	2%
Other Income	62	21%	60	25%
<b>Total</b>	<b>295</b>	<b>100%</b>	<b>239</b>	<b>100%</b>

## 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 8.

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### DISCLOSURE REGARDING EXTRA-ORDINARY GAIN OR LOSS

There was no extra-ordinary gain or extra-ordinary loss during the year 2019.

### 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 IS 24: Related Party Disclosure. A statement on the related party transactions has been disclosed under item no. 26 of the notes of the financial statements.

### 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 8,000 (BDT eight thousand only) per Meeting of the Board and Committees. During the year 2019, a total amount of BDT 1,387,386 was given to the Directors as Remuneration/Meeting Attendance Fee, Travel expenses and others.

## DISCLOSURE ON PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

The Board of Directors places before you the financial statements for the year ended 31 December 2019 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/IFRS, 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 Controller have jointly certified to the Board that-
  - (a) They have reviewed the financial statements of the company for the year ended 31 December 2019 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: 3.3.

## 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 “Five Years Financial Progression” at Chapter:4.2 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 “Five Years Financial Progression” 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 “Five Years Financial Progression” 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 2019 do not significantly vary from those of the last year.

## PROPOSED DIVIDEND

The Directors recommended 15% Cash and 5 % Stock Dividend for the year ended 2019 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: “Report on Corporate Governance, Corporate Culture, other Committees of Board” at Chapter: 5.1

## 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. The details of in this regards have been presented at chapter 4.11.

## 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 6 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 Hockey 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 company's Act -1994 at the Ordinary Meeting in every year, one-third (1/3) of the Directors shall retire from the office and they would be eligible for re-election / re-appointment.

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 34th Annual General Meeting and they shall be eligible for re-election:

01. Dilruba Chowdhury
02. Iqbal Khan (Jamal)

The Board of Directors on 23.12.2019 appointed Mr. Abdul Hafiz 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. Abdul Hafiz Chowdhury shall retire from office at the 34th 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 03 June 2018, (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. Abdul Hafiz Chowdhury (whose fresh appointment shall be approved in 34th AGM), (ii) Mr. Faisal Ahmed Choudhury (whose 1st tenure is going on) and (iii) Mr. Abul Hasan Chowdhury (whose 1st tenure is going on). 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. Abdul Hafiz Chowdhury shall be considered for this tenure. However, the details of independent director are presented at section: 3.1(Board of Directors)

## MANAGEMENT DISCUSSION AND ANALYSIS:

Detailed discussion and analysis by the Managing Director and CEO is appended under section; 1.5 .

## DECLARATION OR CERTIFICATION BY THE CEO AND THE FINANCE CONTROLLER TO THE BOARD:

The Details of discussion of declaration by the CEO and Finance Controller is appended under section; 5.8.

### APPOINTMENT/RE-APPOINTMENT OF AUDITORS

S F Ahmed & Co., Chartered Accountants, was appointed as the external auditor for the year ended 31 December 2019. The firm will retire at the conclusion of 34th AGM. Being eligible the firm has expressed their interest to be re-appointed for the next term. The audit committee has recommended for re-appointment of S. F Ahmed & Co., Chartered Accountants, as the external auditor at a remuneration of BDT 3.00 lac net of applicable taxes and the Board of Directors has endorsed the same. The shareholders may re-appoint S. F Ahmed & Co., Chartered Accountants, as the external auditor of the company.

### 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



**Abdul Hafiz Choudhury**  
Chairman

# 4.10

## HUMAN CAPITAL & HUMAN RESOURCE ACCOUNTING

### Human Capital:

Human capital is the measure of the economic value that an employee provides, through their knowledge, skills, and abilities. On an average, total human capital costs are close to 70 percent of a company's total operating expenses. For that very reason, GDIC continuously invests in employee development plans to add value to its human capital.

### Employee Development Plan

GDIC is heavily focused on developing the new and young talents. But even though they come from a different generation, we found out that these individuals need to be managed in the same way as the previous one. We believe the emerging generation should have opportunities to learn, lead, fail and succeed. They want to be treated as adults, and not necessarily tied to a cubicle for nine hours a day. Salary is important to them, but so are benefits and corporate perks. GDIC relentlessly tires to create a path for every employee that could one day, lead as high as they want to go – even as high as CEO. Our employee development plan includes:

1. Increasing employee motivation thorough assigning realistic goals, empowerment and industry standard compensation & benefits
2. Improving retention rates through managing expectations and delivering what was promised to the employees.

3. Developing employee engagement through events and activities throughout the year
4. Improving Return on Investment (ROI) through proper performance management.
5. Improving organizational communication by allowing two-way communication and idea sharing.
6. Recruitment and Selection keeping Equal Employment Opportunities, hiring biases, necessary & additional skill set and development prospect into account.
7. Foster Performance Based Culture to increase in house competitiveness.

### Succession Planning

Succession planning and management is an essential component of GDIC's broader human resources planning process. It involves an integrated, systematic approach for identifying, developing, and retaining capable and skilled employees in line with current and projected business objectives.

1. Job design: Planning the stages of a succession plan requires an understanding of job design concepts. Understanding specific position attributes allows the us to perceive the relationship between the incumbents success in one job and the potential for success in the next job, as well as the individual's appropriateness for a role based on personal preferences. Specialization and task variety, task identity, task significance, autonomy, span

of control, independence and interdependence, and job pace are all salient position attributes we generally consider.

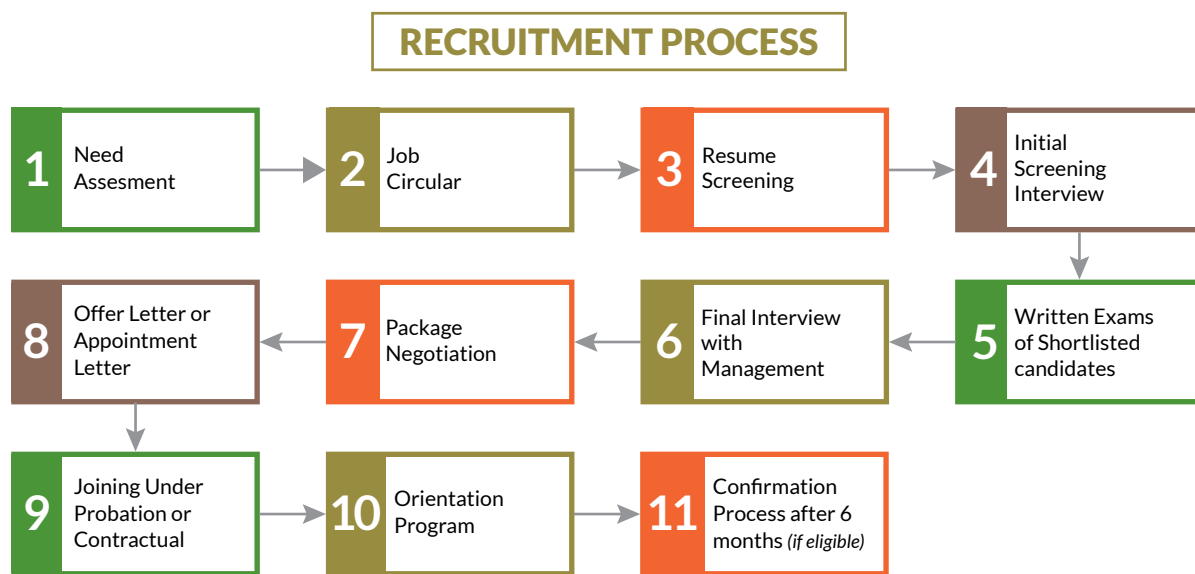
2. Standards and metrics: Establishing clear standards and specific metrics i.e. what success looks like and how it will be measured is a critical part of our method to determine whether our succession planning program has been effective or not. We decide beforehand on what constitutes a successful program including finding methods to gauge employee satisfaction with personal development, management satisfaction with employee performance and job readiness, the extent of goals achieved, and the time to full-function attainment.
3. Planning: GDIC’s in-advance nature of succession planning significantly enhances the transition for all concerned parties. The employee, new leader and team have the opportunity to interact and develop a work style. We also have an overarching culture of employee development as an investment in the interest of the organization as a whole, as well as a practice of ongoing transitions and shared expertise.
4. Alignment: GDIC’s succession planning cannot be accomplished as a stand-alone process. The

principles that support succession planning must also influence the selection process and performance management. Identifying roles eligible for succession planning requires us to plan in advance during the selection phase to ensure that the right person, with development potential, is chosen. It is a future-focused performance management practice that highlight personal initiative, skill acquisition and development of our employees.

**Merit Based Recruitment**

‘Selection on merit’ is the process we use to determine which job seeker has the skills, abilities and knowledge deemed to be most suitable for the job. In our merit-based system, applicants effectively compete for a job.

In our recruiting and selection process, GDIC gives equal employment opportunity to all applicants, without regard to race, religion, color, national origin, gender, sexual orientation, veteran status, age, disability, or political affiliation/ influence; and will be based solely on job related criteria. The recruitment and selection process will be consistently applied, nondiscriminatory, and promote fairness, diversity, and integrity as per state labor law. Our recruitment process goes like:



**Performance Appraisal System**

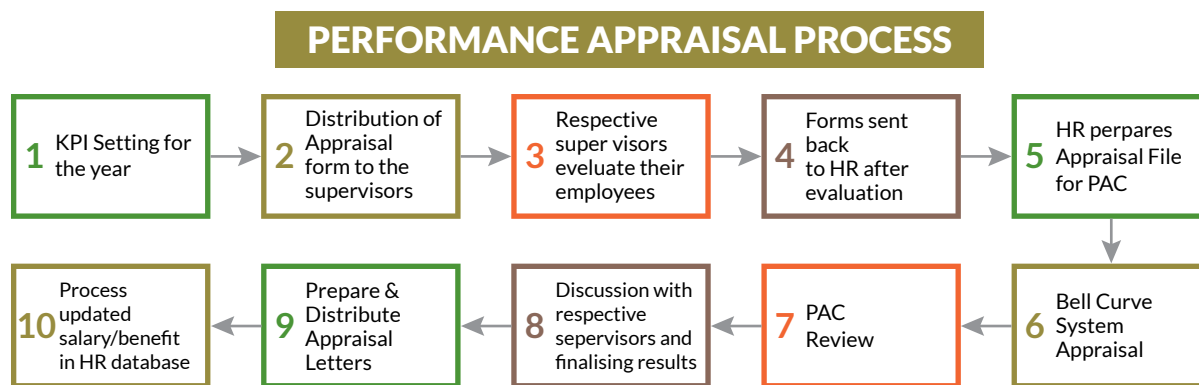
GDIC’s performance appraisal is a systematic process in which our employees’ job performance is evaluated in relation to the projects on which the employees have worked and their contribution to the organization. This system helps our managers/supervisors to place the right employees for the right jobs, depending on their skills.

The basic purpose of our performance appraisal is to identify an employee’s worth and contribution to the

company. Important factors include – attendance, efficiency, attitude, quality of work, amount of work are just a few important factors.

The physical or objective factors like attendance, amount of work, efficiency can be easily measured by the records maintained by the Human Resource Department. Data regarding other operational factors which relates to the employee’s core job are obtained from their respective supervisors. Our performance appraisal system goes like:





*Note: PAC = Performance Appraisal Committee*

### Promotion, Reward and Motivation

All employees join GDIC within certain level of expectation of reward. Some expects better salary and wages while others seek for facilities like accommodation, transportation, health, safety and other benefits as reward. Some also come with an expectation of a high growth fast track career. To make effective reward management, we have prepared an appropriate reward system. Attractive and transparent reward system that has the quality to motivate and empower the dedicated and reliable employees. This reward management also assists in planning the long-term financial management.

GDIC's reward management focuses on ascertaining and providing the reward to an employee according to their job performance and maintaining the record of this. This motivates our employees to make their effort in achieving organizational goal. Our reward management assists in making different identification among the organization. We have tried to make an appropriate, up to date, transparent and competitive reward management that provides high morale to our employees so that they can feel proud to be associated with GDIC's banner. We also consider rewards as a benefit, facility and career development for the employees. We always try to match our reward management system with the job performance level, employee's requirement and overall organizational capacity.

### Training and Development

Training isn't just important to GDIC, it is vital. Although there are many categories of training such as management training and or sales training, employees with Project Management skills are an important asset to our organization. These trainings present a prime opportunity to expand the knowledge base of all GDIC employees despite potential drawbacks such as high expense, sacrificing work time, delay of completion of assignments. However, training and development provides both the individual and our organization as a whole with benefits that make the cost and time a

worthwhile investment. The return on investment from training and development of employees is really a no brainer.

Improved employee performance, improved employee satisfaction and morale, addressing weaknesses, consistency in performance, increased productivity, adherence to quality standards, increased innovation in new strategies and products, reduced employee turnover rate, and enhancing company reputation are some of the key results that GDIC obtained from all the training.

Types of training that our organization has to offer are:

- On-the-job learning
- Mentoring schemes
- In-house training
- Individual study
- Local/Foreign Training

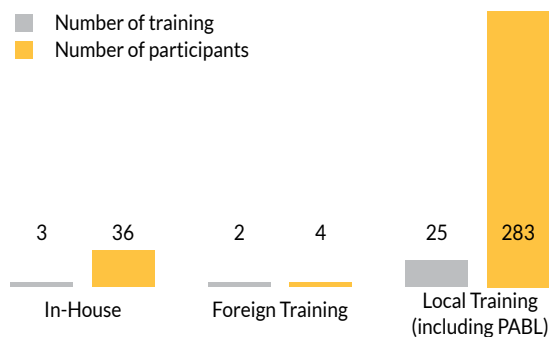
GDIC is trying to adapt "Blended Learning" which is becoming more and more popular in recent times. As a company, we have seen a definite increase in this method of training over the last year. Blended Learning is the effective combination of online learning and classroom learning. GDIC prefers their staff to learn on-site rather than attend off-site training programmes – especially in the insurance industry where it is often very impractical to attend off-site courses. On-site learning programmes like the blended learning approach, allows us to train more people working across a larger footprint. This makes it much more cost-effective and allows for greater process consistency.

One of our subsidiaries, Professional Advancement Bangladesh Ltd. (PABL) are primarily working on providing both technical and soft training across the country. Most of GDIC's local training are arranged by PABL.

The List below shows the number of trainings and participants that we have arranged for our organization in 2019:

Training/Tour Category	Number of Participants	Number of Training
Local Training (including PABL)	283	25
Foreign Training	4	2
In-house	36	3

### Training Composition



In 2019 GDIC has spent BDT 3,862,428 /- on Local & In-house trainings and BDT 562,943/- on foreign trainings.

### Grievance Management and Counselling

In GDIC's definition, grievance may be any genuine or imaginary feeling of dissatisfaction or injustice which an employee experiences about his job and its nature, about the management policies and procedures. It must be expressed by the employee and brought to the notice of the management and the organization in order to proceed forward for proper action.

We try to settle our grievances as soon as we get wind of it before it takes the form of collective disputes and lower the morale and efficiency of the employees. GDIC understands that unattended grievances result in frustration, dissatisfaction, low productivity, lack of interest in work, absenteeism, etc. In short, we are fully aware that grievance arises when employees' expectations are not fulfilled from the organization as a result of which a feeling of discontentment and dissatisfaction arises. But we make sure that dissatisfaction has cropped up from employment issues and not from any kind of personal issues.

GDIC HR is always keenly observing to prevent kind of grievance that may arise from factors such as Improper working conditions, strict standards, unsafe workplace, bad relation with managers, Irrational management policies such as overtime, transfers, demotions, inappropriate salary structure, Violation of organizational rules and practices.

We immediately try to identify all grievances and proactively take appropriate steps to eliminate the causes of such grievances so that the employees remain

loyal and committed to their work. We believe effective grievance management is an essential part of personnel management. The managers are trained to adopt the following approach to manage grievance effectively-

- **Quick action:** As soon as the grievance arises, our main priority is to identify the issue and resolve it. Our managers are provided with ample training relating to grievance management so that they are able to act effectively and timely when the need arises. This will lower the detrimental effects of grievance on the employees and their performance.
- **Acknowledging grievance:** We believe all managers must acknowledge the grievance put forward by the employee as manifestation of true and real feelings of the employees in order to solve them. Acknowledgement by the manager implies that the manager is eager to look into the complaint impartially and without any bias, which creates a positive impression in the employees. Doing so helps us create a conducive work environment with instances of grievance reduced.
- **Gathering facts:** While dealing with grievance, it is the manager's duty to gather appropriate and sufficient facts before explaining the grievance's nature. A record of such facts must be maintained so that these can be used in later stage of grievance redressal.
- **Examining the causes of grievance:** We believe nothing can be solved unless the actual cause of grievance is identified, hence a lot of emphasis is put in the investigation of the grievance. Accordingly, remedial actions are taken to prevent repetition of the grievance.
- **Decisioning:** After identifying the causes of grievance, alternative course of actions is put up to manage the grievance. The effect of each course of action on the existing and future management policies and procedure are analyzed and accordingly before taking any kind of decision.
- **Execution and review:** Our managers are trained to execute the decision quickly, ignoring the fact, that it may or may not hurt the employees concerned. After implementing the decision, a follow-up is made to ensure that the grievance has been resolved completely and adequately.

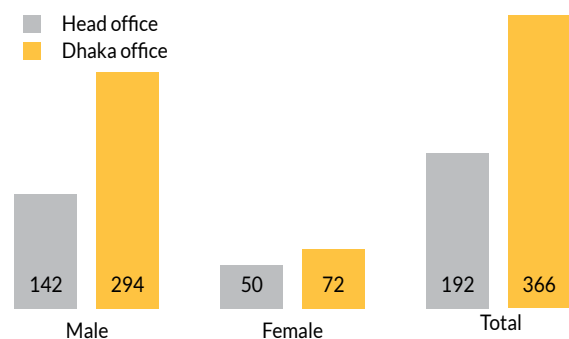
## Human Resource Accounting:

### 1. Employee breakdown:

As of the end of 2019, 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. More branches are in the pipeline for opening in 2020 as we aim to take our service to as many areas in Bangladesh as possible.

Location	Male	Female	Total
Head Office	142	50	192
Outside Dhaka	294	72	366
Total	436	122	558

### Employee Breakdown



### Training cost per employee:

Training/ Tour Category	Number of Participants	Number of Training	Cost
Local Training (including PABL)	283	25	Total Cost: Tk.38,62,428 Per Employee Cost Tk.12,108
Foreign Training	4	2	Total Cost: Tk.5,62,943 Per Employee Cost Tk.1,40,736

Per Employee Average Salary: Tk.47,304.00 is being paid from Messenger to AMD while the total number of employee is 553.

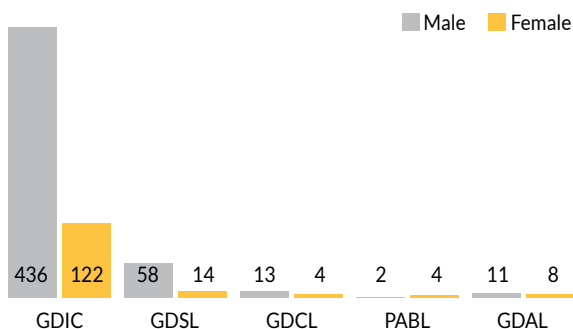
GDIC is a large organization with a centralized HR department. Currently we have four fully owned subsidiaries under our wing which are as follows:

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

In total, we currently have 670 employees working for us throughout the mother company and its subsidiaries. Out of total number of 670 employees, 151 employees are female and 519 are male. GDIC 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 female male ratio is a little over 1:3, meaning roughly 23% of the total employees are female.

Particulars	GDIC	GDSL	GDCL	PABL	GDAL	Total
Male	436	58	13	2	11	519
Female	122	14	4	4	8	151
Total	558	72	17	6	19	670

### 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:

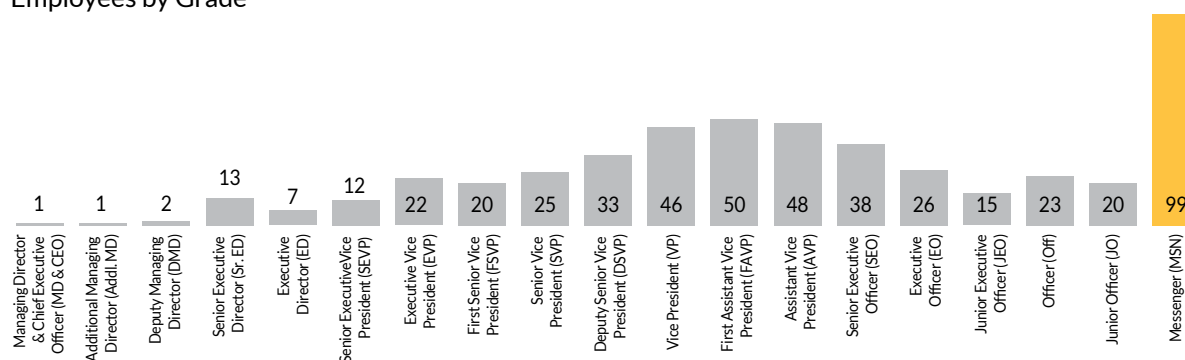
- Managing Director & Chief Executive Officer (MD & CEO)
- Additional Managing Director (Addl. MD)
- Deputy Managing Director (DMD)
- Senior Executive Director (Sr. ED)
- Executive Director (ED)
- Senior Executive Vice President (SEVP)
- Executive Vice President (EVP)
- First Senior Vice President (FSVP)
- 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)	1
Deputy Managing Director (DMD)	2
Senior Executive Director (Sr. ED)	13
Executive Director (ED)	7
Senior Executive Vice President (SEVP)	12
Executive Vice President (EVP)	22
First Senior Vice President (FSVP)	20
Senior Vice President (SVP)	25

Designation	No. of Employees
Deputy Senior Vice President (DSVP)	33
Vice President (VP)	46
First Assistant Vice President (FAVP)	50
Assistant Vice President (AVP)	48
Senior Executive Officer (SEO)	38
Executive Officer (EO)	26
Junior Executive Officer (JEO)	15
Officer (Off)	23
Junior Officer (JO)	20
Messenger (MSN)	99

### Employees by Grade

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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 Senior Relationship Manager, Relationship Manager, Assistant Relationship Manager, Senior Relationship Officer, Relationship Officer, Assistant Relationship Officer 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.

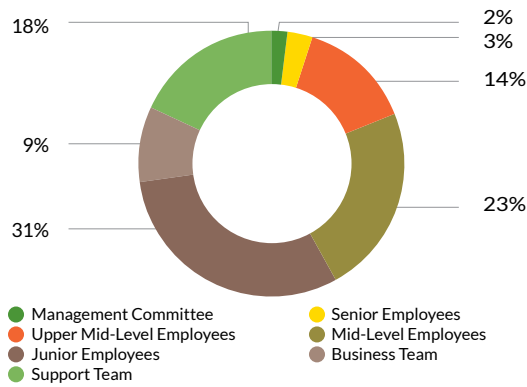
If we break our organization but functional structure there are 6 divisions within our organization. They are:

- 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	19
Upper Mid-Level Employees	79
Mid-Level Employees	129
Junior Employees	170
Business Team	52
Support Team	99

## Human Resource Composition

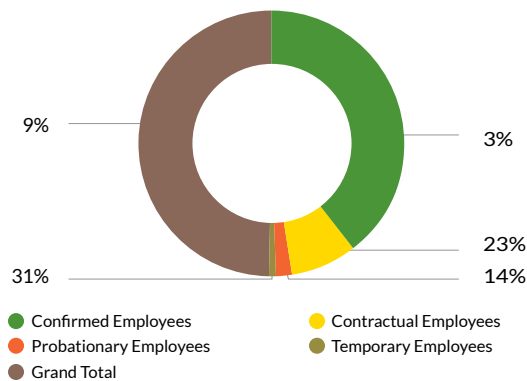


### 3. Employment Status:

As of 2019, we have 444 permanent employees, 89 contractual employees, 22 probationary employees and 3 temporary employees. Total number of employees has slightly gone down in comparison to 2018. This is a result of learning curve which helps us to increase our market share without acquiring additional headcount.

Employment Status	No. of Employees
Confirmed Employees	444
Contractual Employees	89
Probationary Employees	22
Temporary Employees	3
Grand Total	558

## Employment Status

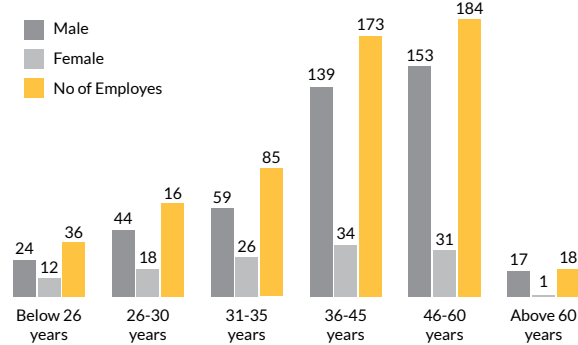


### 4. Employee Age Analysis:

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	No. of Employees
Below 26 years	24	12	36
26-30 years	44	18	62
31-35 years	59	26	85
36-45 years	139	34	173
46-60 years	153	31	184
Above 60 years	17	1	18

## AGE DISTRIBUTION

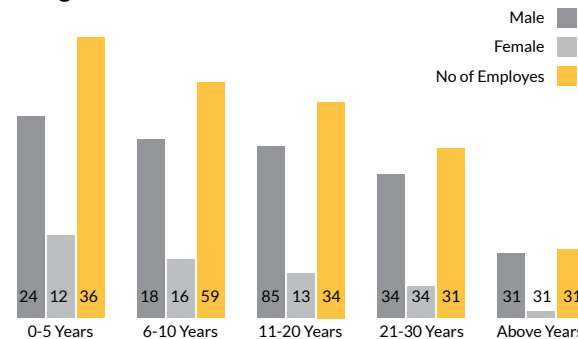


### 5. Employee Service Analysis:

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 12 years which only means that job satisfaction among the employees of GDIC is very high.

Length of Service	Male	Female	No of Employees
0-5 years	116	47	163
6-10 years	103	32	135
11-20 years	99	25	124
21-30 years	82	16	98
Above 30 years	36	2	38

## Length of Service



# 4.11

## RESPONSIBILITIES TOWARDS EMPLOYEES (INCLUDING HEALTH AND SAFETY)

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In Bangladesh, most business leaders consider human resource (HR) specialists as the professionals that ensure that all staff members comply with organizational policies. The role of the human resource specialists is typically associated with administrative duties, such as gathering, filing and storing paperwork, as they have traditionally worked in establishing and enforcing company regulations. In part, this is because the human resource role frequently originated from administrative or finance departments. This is logical, as responsibilities such as payroll, hiring and benefits lie in the scope of those business units.

But unlike most organizations of the country, GDIC recognizes that the HR executive role is shifting to align with more forward-thinking practices. GDIC's human resource executives generally contribute to ideas and lead organizations in advancing corporate objectives. Additionally, GDIC also believes that HR executives needs to grow and change in parallel with the organization. This is especially vital, as large enterprises grow nimbler and consumer-centric. The following 7 passages reveal a few of the relatively newer responsibilities of human resources executives in the modern work environment.

### Responsibility 1: Participate in Planning and Development

In the modern marketplace, human resource executives serve as strategic partners. They participate in the identification, development and execution of corporate

objectives. In this capacity, Our HR executives align their work with the business unit to achieve company goals. The participation in company planning allows us to gain a profound understanding of the organizational activities needed to aid in the sustainable growth of the enterprise.

### Responsibility 2: Provide Employees with Career Assistance

Periodically, our human resource managers conduct staff member evaluations. They take an active role in helping our employees advance their careers. Instead of simply grading employees on a checklist of performance points, our human resource specialists help employees identify areas for improvement and develop specific action steps.

By helping employees with career development, we as HR professionals gain deeper insight into available human capital and the availability of internal candidates for potential role succession. This helps our organization gain a marked advantage in filling future roles and meeting forthcoming market demands.

### Responsibility 3: Find and Recruit Employees That Advance Company Objectives

Today's human resource executives do more than post ads and interview job candidates to fill open positions.

Hence our HR executives have formulated an employer brand that is designed to attract the right job candidates.

In this responsibility, our HR managers work to promote GDIC as highly favorable workplaces. Our HR executives often earn this kind of accolade for organizations by creating a positive culture and providing satisfactory compensation and benefits as ways to attract ideal work candidates.

## Responsibility 4: Serve as Leaders of Change

GDIC's HR managers frequently lead change initiatives for their organizations. As a result, our current HR executives yield strong project management skills in their corporate toolboxes. These professionals are skilled at helping organizational stakeholders make the connection between change initiatives and strategic needs, minimizing change resistance and employee unrest.

Shaping organizational culture, managing staff member satisfaction and weighing the success of change initiatives are all a part of GDIC's human resource professional's scope of responsibility in the modern workplace.

## Responsibility 5: Advocate for Employees

While fulfilling their roles as employee advocates, GDIC's HR executives play an integral part in the success of our organization. In this regard, our human resource professionals contribute to building a work environment where our employees feel satisfied and motivated.

To promote this outcome, our HR managers deployed effective practices such as employee empowerment, goal setting and open communication, resulting in a positive culture that leads to the workforce delivering better consumer experiences.

## Responsibility 6: Zero Tolerance For workplace harassment

Recent survey from BGMEA tells us that 1 in 4 women and 1 in 7 men in Bangladesh are victims to workplace harassments. As a result, GDIC's HR professionals have developed a strict "Zero Tolerance" policy against workplace harassment which takes prompt action against the violators in order to ensure no employee feels unsafe no matter the nature of issue.

To encourage this, our human resource professionals have also been trying to promote an organizational culture where staff members do not feel intimidated or ashamed to approach and consult with our HR professionals with harassment concerns.

## Responsibility 7: Ensuring Workplace Health & 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:

- Hospitalization Claim
- Maternity Claim
- 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 provide 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 is conducted to ensure the safety of our employees.



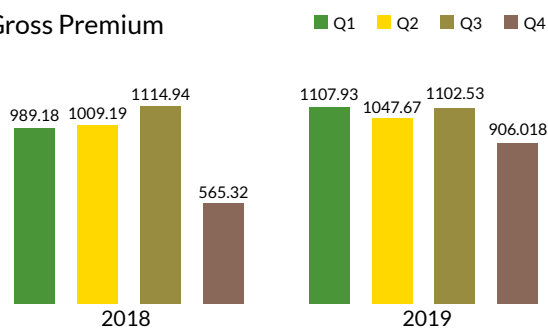
## 4.12

## EVALUATION OF QUARTERLY FINANCIAL PERFORMANCE

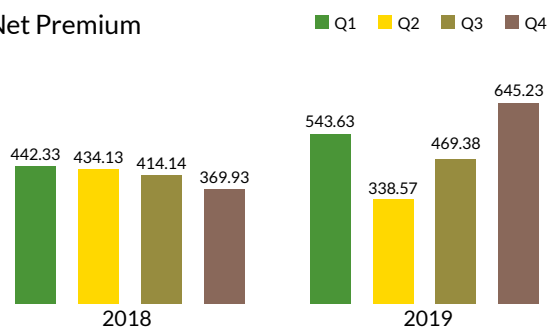
Particulars	2018					2019				
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
Gross premium income	989.18	1009.19	1114.94	565.32	3678.63	1107.93	1047.67	1102.53	906.018239	4164.15
Net premium income	442.33	434.13	414.14	369.93	1660.53	543.63	338.57	469.38	645.23957	1996.82
Re-insurance commission earned	101.22	132.75	101.27	36.21	371.45	96.86	136.78	127.67	-29.383738	331.93
Investment & others income	42.81	109.45	62.96	23.78	239.00	48.07	108.01	59.75	78.895019	294.73
Total Income	586.36	676.33	578.37	429.92	2270.98	688.56	583.36	656.8	694.750851	2623.47
Direct management expenses, claims & agency commission	461.64	464.73	433.41	269.14	1628.92	527.25	421.23	435.74	530.978269	1915.20
Un-allocable management expenses	42.94	134.53	66.09	79.61	323.17	63.29	106.43	131.03	46.918037	347.67
Total expenses	504.58	599.26	499.5	348.75	1952.09	590.54	527.66	566.77	577.896306	2262.87
Profit before tax	81.78	77.07	78.87	81.17	318.89	98.02	55.7	90.03	116.854545	360.60
Tax expense	25.00	15.00	30.00	-0.52	69.48	25.00	15.00	15.00	4.89	59.89
Net profit	56.78	62.07	48.87	81.69	249.41	73.02	40.7	75.03	111.960214	300.71
EPS	0.70	0.77	0.61	1.01	3.09	0.82	0.46	0.85	1.26	3.39

96

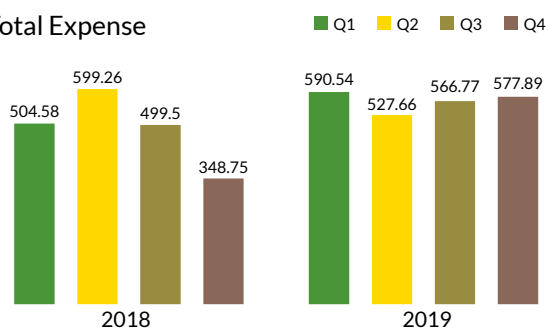
Gross Premium



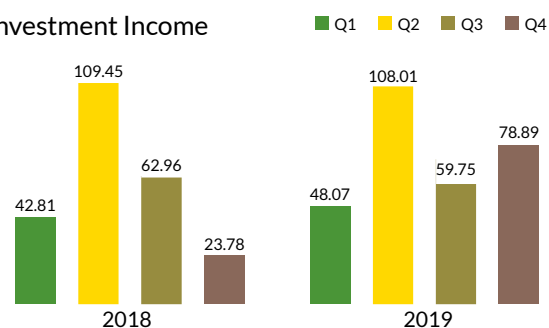
Net Premium



Total Expense



Investment Income



# 4.13

## FUTURE PROSPECTS AND OUTLOOK

**The insurance industry of Bangladesh is transforming fast and is anchored on a favourable outlook. While the insurance gap is estimated at about 2.4 per cent in Asia, which has some of the most populous countries of the world, this figure is even less in Bangladesh, representing strong future prospects for the national insurance industry.**

At Green Delta Insurance, we are the largest general insurance company in Bangladesh, with an average market share of [ ]%, which is higher than the combined share of the second and third largest insurance companies of the country.

While on the one hand, the 165-million strong population has a large and rapidly growing middle-class that is yet unprotected by insurance, insurance penetration and insurance density are both

minuscule fractions. However, aided by the mega-theme of an attractive demographic profile that is on the throes of an economic transformation as the country glides to achieving a middle-income rank by 2024 (according to UN indicators), the insurance industry is poised to achieve robust growth in the years ahead and we are well-positioned to capture the structural opportunities ahead of us.

### OPPORTUNITIES UNBOXED – BANGLADESH

- Large and diverse population
- Surging working age middle-class population
- Increasing consumer affluence
- Minuscule insurance penetration
- Significant health and protection gap
- Growth in online insurance

## Market opportunity

In Bangladesh, we provide diverse insurance solutions that enable our customers of all socio-economic segments to address their health and general insurance protection needs. Notably, demand for our products is underpinned by low levels of existing insurance coverage and is further supported by economic and demographic tailwinds that look set to persist over the coming decades.

Today, consumers in Bangladesh are non-insured and under-insured, which leaves them inadequately prepared for any future contingencies, hence putting them at heightened risk. This is evident from the significant gap in insurance penetration rates compared with Asia or the developed markets.

Furthermore, the absence of a welfare social safety net means that out-of-pocket healthcare spends by people in Asia is three to four times the proportion seen in the established markets of the US and the UK. Healthcare spends will be particularly higher in Bangladesh, as private healthcare is costly and government-sponsored medical access is unreliable. This has given rise to a large medical tourism market with patients seeking treatment in the well-established medical hubs of Singapore, Thailand, India, etc.,. Collectively, these dynamics resulted in an estimated health protection gap of US\$1.8 trillion in 2017 across the Asia region alone (Swiss Re).

The economic growth potential of Bangladesh is widely recognised and is expected to translate into rising levels of affluence. With Bangladesh among the populous nations of Asia, as much as 88 per cent of the next billion entrants into the middle-class are predicted to be based in Asia (Brooking Institution).

Notably, entering the middle-class is typically the trigger for individuals to protect their health and that of their families, while also seeking to protect their businesses and assets against adverse contingencies. Indeed, the total annual expenditure by Asia's middle-class is forecast to reach US\$ 37trillion in 2030 (Bookings Institution), more than double the current amount.

Asia's economies, particularly Bangladesh, are also benefiting from a demographic dividend with improving human / social development indicators, including infant mortality, life expectancy, participation of women in the workforce, etc. In youthful markets such as that of Bangladesh, positive social indicators are creating a surge in the working age population and with that a continued source of demand for our products and solutions.

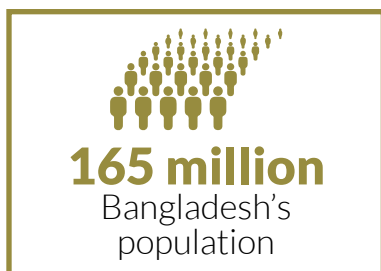
Particularly, across Asia, the working age population is forecast to grow by almost one million people per month between now and 2030 to 2.5 billion people (United Nations). This is expected to spawn demand from a new set of consumers moving up

the economic ranks, as they become more affluent, mobile and digital-navvy.

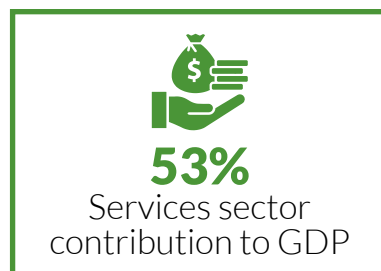
While these trends provide an attractive backdrop, we remain diligent and focused in our execution, as a wide range of external developments can affect our business. Intensifying domestic competition, escalating regional protectionism, instability and economic deceleration in our neighbouring economies and visa rationalisation programs in labour-intensive markets can cause de-stabilisation in Bangladesh. Yet, we continue to push ahead with our active discussions on how we could support our government in their desire to provide greater insurance protection and access to the public.

We also recognise that the insurance industry is not immune to the pervasive impact of technology and the way this is shaping our consumers' expectations and behaviours with regards to accessibility, service and overall experience. These perspectives are instrumental in guiding the decisions we take to position our business for future success.

Today, we are steadfast in our conviction that the structural drivers of consumer demand in Bangladesh are of greater significance to our business than any short-term market or regulatory driven events.



Source: World Economic Forum



# CORPORATE GOVERNANCE



# 5.1

## REPORT ON CORPORATE GOVERNANCE, CORPORATE CULTURE & OTHER COMMITTEES OF BOARD

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### Fostering a culture of governance

According to their fundamental obligation, companies provide customers with value-added products and services, and return profits to various stakeholders through salaries, taxes, dividends and so on. Through their business activities, it is important for companies to make a broad and sustainable contribution to the society. We believe the term governance is best described by the organisational structures and mechanisms that help deepen a company's co-existence with the society. Indeed, corporate governance and value creation go hand-in-hand.

In this context, Green Delta Insurance is committed to the continuous enhancement of corporate value by fulfilling its responsibilities to shareholders, customers, employees, communities and other stakeholders, as enshrined in our corporate philosophy and for this purpose has established a

sound and transparent corporate governance system and recognises the importance of appropriate control over its group companies and defines the rights of shareholders and securing fairness, and the responsibilities of the Board of Directors, etc.

At Green Delta Insurance, we also believe that sustainability is central to who we are and how we operate, and the principles of sustainability governance are a core part of our business operations and an embedded part of our culture. Our code of conduct and our ethics framework that enshrine our focus on sustainability apply to all our Directors, officers and employees across our company and our group.

Sustainability has been part of our core values for decades now, as we strive to act responsibly to meet the expectations of all our stakeholders. The tenets of sustainability are fully integrated in our business, which has enabled us to remain true to our core ethos of insurance – settle customer claims with speed and

sensitivity. Indeed, we are a unique and rare insurance institution in Bangladesh to have established the crucial link between robust governance sustainability practices and positive financial outcomes, manifest in our ability to settle claims with speed and sensitivity. We have demonstrated time and again that relentless compliance (an intangible) can strengthen and support our financial sustainability (a tangible), as both are cyclic and supportive of each other.

Our vision of insurance making a positive contribution to people's lives reflects our purpose and our role in the society and is an embedded part of our governance practices. We strive to do business while always taking into account the highest levels of sustainability impact on our stakeholders, while striving to lead by example. We believe that governance sustainability creates huge opportunities to deliver long-term success and value for all our stakeholders. As a large company, we are proud to have set the example, leading the way for our ecosystem.

The world is changing faster than ever. Expectations on corporate responsibility and governance sustainability are enhancing by the day, and as leaders of the national insurance industry, we are expected to drive outcomes and results that have an extended, sustained, prioritised and consequential impact. We anticipate our stakeholders' requirements, keep abreast of regulations and develop responsible ecosystems that continually monitor and examine our sustainability practices through a prism that applies rigor and objectivity. Importantly, our sustainability culture gives us the financial resources to shape our future. It also gives us the means to recruit, retain and engage the talents necessary to fulfill our objectives.

As sustainability challenges and opportunities are constantly evolving, we continually monitor external trends and emerging issues and challenges. We assess their relevance and importance in terms

Name	Designation/Title
Abdul Hafiz Choudhury	Independent Director & Chairman
Khurshida Chowdhury	Vice Chairperson
Dilruba Chowdhury	Director
Shamsun Nahar Begum Choudhury	Director
Delwara Absar	Director
Mesbah Dilwar Rahman	Director
Iqbal Khan (Jamal)	Director
Faisal Ahmed Choudhury	Independent Director
Abul Hasan Chowdhury	Independent Director

In a post Balance Sheet development, the Board appointed Mr. Abdul Hafiz Chowdhury as Chairman of Green Delta Insurance w.e.f. [give date]. Mr. Chowdhury has longstanding experience in the field of insurance and brings with him insights into strategy, business planning, regulations and human resources, etc.

## Expertise and diversity of our Board

In a rapidly transforming business environment, Director expertise is

of the risk and opportunities for our insurance business and for our group as a whole.

Importantly, sustainability at Green Delta group is driven from the top by our Board of Directors and our MD & CEO.

## Our Board construct

Our Board comprises eminent individuals with diverse and multi-decade professional experience. The very character of our Board structure drives the essence of sustainability governance.

We believe that our optimal strength of 8 Directors on our Board is not only compliant with Bangladesh Securities and Exchange (BSEC) guidelines and notifications, but also fit considering the size of our company and taking into account efficiency of the decision-making process.

As of end December 2019, our Board composition was as follows:

essential, as the Board is constantly required to make strategic decisions that can have short-, medium- and long-term impacts.

The company's core business of insurance and other group-wide businesses are directed by leading professionals from relevant fields who practice responsible management as CEOs and those delegated with authority and also make presentations to the senior management team and the Board, keeping them up-to-date with external factors as well

as performance of their specific verticals.

In addition, our rich Board diversity provides varied perspectives that enrich the quality of our decision-making process and our decisions itself. Particularly, Independent Directors leverage their expertise and skills in diverse fields, including the public sector, finance, law, administration, human resources and ESG (environment, social and governance) to contribute to the Board's informed and objective decision-making process.

As of the reporting date, our Board's diversity and expertise is reflected in the ratio of women Directors on our Board.

## Independence and transparency of our Board

Our Board makes independent judgments and decisions, with Directors appointed through a transparent and regulatory-compliant procedure. To enhance the independence of our Board, we have ensured that our Board is adequately represented by Independent Directors – every four Non-Executive Directors are represented by one Independent Director, which makes a total of two Independent Directors on our Board. In the spirit of transparency and compliance, this meets the requirements prescribed under BSEC guidelines, which states that Independent Directors must constitute one-fifth of the total strength of the Board of a publicly listed company.

As a measure of embracing enhanced transparency, we have also separated the role of the Chairman of the Board and the Managing Director & Chief Executive Officer (MD & CEO). With a view to preserve an objective and candid point of view, we have appointed an Independent Director as the Chairman of our Board and are among the very few in our industry to have done so. The appointment of our Chairman is a post Balance Sheet development.

## Industry firsts!

Received ICSB corporate governance award for six years in a row	Only company in the industry to have an Independent Director appointed as Chairman	Among the select few companies to hold the AGM within the prescribed period of three months from the date of annual accounts closure
Among the few companies to have segregated the role between financial and secretarial audit, making them mutually-exclusive of each other	Board members have to certify in writing the clearly articulated Terms of Reference (ToR) on a periodic basis, representing a hygienic governance practice	'AAA' certification from CRAB, which is the highest financial rating awarded to a general insurance company in Bangladesh

## Sub-committees of the Board

The Board has established three sub-committees, in accordance with BSEC guidelines and as a matter of transparency and openness. Each committee is mandated with the responsibility of stipulating its own organisation, operations and authority in accordance with the regulations of the committees established under the Board.

 <b>Audit Committee</b>	 <b>Executive Committee</b>	 <b>Nomination &amp; Remuneration Committee</b>
<i>Review and audit matters concerning the financial management of the company, including oversight of the financial status and records</i>	<i>Review, assess and direct claims settlement for large claims ranging from Tk 2 - 5 crore, agenda relating to investments, etc.</i>	<i>Ensure objectivity and transparency in all employee-related matters, including compensation, senior-level recruitment, major reappointments</i>

## Directors Meeting and Attendance

SN	Name of Directors	Total Meeting	Meeting Attendance
1	Abdul Hafiz Choudhury	0 (Appointed as on 23-12-2019)	0
2	Khurshida Chowdhury	16	16
3	Dilruba Chowdhury	16	13
4	Shamsun Nahar Begum Choudhury	16	15
5	Mesbah Dilwar Rahman	16	15
6	Iqbal Khan (Jamal)	16	16
7	Delwara Absar	03 (Appointed as on 25-07-2019)	3
8	Faisal Ahmed Choudhury	16	
9	Abul Hasan Chowdhury	16	15



## Summary on Board Meeting along with its subcommittees

Name of the Meeting	Meeting Held	Attendance
Board Meeting	7	90% above
NRC	4	100%
Audit Committee Meeting	5	96%
Total	16	

## Pattern of shareholding as on 31st December, 2019

SL	Name of Shareholder	Description	Number of Shares	Amount (Taka) face value	%
----	---------------------	-------------	------------------	--------------------------	---

### A. Parent/Subsidiary/Associated Companies and other related parties (name wise details)

#### B. (i) Directors and their spouses and minor children (name wise details)

1	Abdul Hafiz Choudhury	Chairman	169,942	1,699,420	0.19
2	Khurshida Chowdhury	Vice Chairman	4,166,696	41,666,960	4.69
3	Dilruba Chowdhury	Director	1,825,254	18,252,540	2.06
4	Shamsun Nahar Begum Choudhury	Director	1,796,650	17,966,500	2.02
5	Mesbah Dilwar Rahman	Director	1,796,569	17,965,690	2.02
6	Iqbal Khan (Jamal)	Director	1,796,650	17,966,500	2.02
7	Delwara Absar	Director	1,796,531	17,965,310	2.02
8	Faisal Ahmed Choudhury	Independent Director	Nil		Nil
9	Abul Hasan Chowdhury	Independent Director	Nil		Nil

#### B. (ii) CFO, Company Secretary & Internal Audit (Co-coordinator) and their spouses and minor children (name wise details)

1	Farzanah Chowdhury	Managing Director & CEO	8,787,270	87,872,700	9.09
2	Syed Moinuddin Ahmed	Additional Managing Director & Company Secretary	Nil		Nil
3	Anupam Das	Head of Internal Audit	Nil		Nil

#### C. Executives [Top 5 salaried employees]

1	Nasir A. Choudhury	Advisor	Nil	Nil	
2	Farzanah Chowdhury	Managing Director & CEO	8,787,270	87,872,700	9.90
3	A.S.A Muiz	Senior Consultant	33,707	337,070	0.04
4	Syed Moinuddin Ahmed	Additional Managing Director & Company Secretary	Nil		Nil
5	A.K.M. Iftekhar Ahmad	Senior Consultant	Nil		Nil

#### D. Shareholders holding ten percent (10%) or more voting interest in the company

# 5.2

## REPORT OF THE AUDIT COMMITTEE

(COMPOSITION, ROLE,  
MEETINGS, ATTENDANCE,  
REMUNERATION ETC.)

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### Background, Purpose and (TOR)

An Audit Committee is a standing committee of the Board of Directors charged with oversight of financial reporting and disclosure. It assists the Board of Directors 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.

Bangladesh Securities and Exchange Commission (BSEC) has issued a notification regarding Corporate Governance Guidelines [Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018]. 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 4 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 and revised the same in the 368th Board Meeting held on 10 February 2019

### Objectives & Activities

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. [Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018]. 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 5 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.

### Abstract

1. The Board of Directors of Green Delta Insurance Company Limited shall constitute, and reconstitute from time to time, an Audit Committee as a sub-committee

- of the Board of Directors.
2. The Audit Committee shall assist the Board of Directors 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.
  3. The Audit Committee shall also evaluate whether the Management has established a sound compliance environment and importance of internal control system in the organization, the officials have been given clear directives regarding their duties and responsibilities in these regards and the Management has entire control thereon.
  4. The Audit Committee shall be responsible to the Board of Directors and shall be responsible for performing the duties set forth below.

## Constitution of the Audit Committee

1. The Audit Committee shall be composed of at least 3 (three) members, who shall be directors of the company, including at least 1 (one) independent director.
2. The Board of Directors shall appoint members of the Audit Committee. It shall also select 1 (one) member, who shall be an independent director, to be its Chairman. Qualification of the members shall conform to the requirements of the Corporate Governance Guidelines.
3. When the term of service of any member expires or there is any circumstance causing any member to be unable to hold office until expiration of the term of service, thus making the number of the members to be lower than 3 (three), the Board of Directors shall appoint new member(s) to fill the vacancy (ies) immediately or not later than 1 (one) month from the date of vacancy (ies) to ensure

continuity of the performance of work of the Audit Committee.

4. The company secretary shall act as the Secretary of the Audit Committee.

## Meetings of the Audit Committee

1. The meetings of the Audit Committee shall be presided over by its Chairman.
2. The quorum of a meeting of the Audit Committee shall constitute by majority of members and shall not constitute without at least 1 (one) independent director.
3. The Audit Committee shall hold at least 4 (four) meetings in a year to perform its duties and responsibilities.
4. The Audit Committee may invite the Chief Executive Officer, Head of Internal Audit or any other officials to attend the meeting.
5. The Audit Committee may request the internal and/or external auditors to submit valuation/evaluation report(s) on any specific issue.
6. All the observations/findings/recommendations of the Audit Committee shall be recorded in the minutes of the Committee.
4. The Secretary shall minute the proceedings and resolutions of all committee meetings, including the names of those present and in attendance and shall circulate the minutes of meetings of the Committee to all members of the Committee.

## Duties and Responsibilities of the Audit Committee

1. The Audit Committee shall be responsible for the following duties:-
  - (i) To oversee the financial reporting process of the company.

- (ii) To monitor choice of accounting policies and principles.
- (iii) To monitor Internal Control and Risk management processes.
- (iv) To oversee hiring (appointment) of external auditors.
- (v) To oversee the performance of external auditors.
- (vi) To review, along with the management, the annual financial statements before submission to the Board for approval.
- (vii) To review, along with the management, the quarterly and half yearly financial statements before submission to the Board for approval.
- (viii) To review the adequacy of Internal Audit function.
- (ix) To review statement of significant related party transactions submitted by the management.
- (x) To review Management Letters/ Management Report/ Letter of Internal Control Weakness issued by the statutory auditors.
- (xi) To conduct a post-audit review of the audit findings including any significant suggestions for improvements provided to management by the statutory auditors.

2. The Audit Committee shall review whether all the applicable Rules, Regulations, Guidelines, Notifications, Directives, etc framed/issued by the regulatory authorities have been complied with.
3. When money is raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Issue of Right Shares the company, the Audit Committee shall ensure that

- (i) the company shall disclose to the Audit Committee about the uses/applications of funds by major category (capital expenditure, sales and marketing expenses, working capital, etc), on a quarterly basis, as a part of their quarterly declaration of financial results; and
- (ii) the company shall, on an annual basis, prepare a statement of funds utilized for the purposes other than those stated in the offer document/prospectus.
4. The Audit Committee shall immediately report to the Board of Directors on the following findings, if any:-
- (a) report on conflicts of interests;
- (b) suspected or presumed fraud/irregularity/material defect in internal control system;
- (c) suspected infringement of laws, including securities related laws, rules and regulations;
- (d) any other matter which shall be disclosed to the Board of Directors immediately.
5. If the Audit Committee has reported to the Board of Directors about anything which has material impact on the financial condition and results of operation and has discussed with the Board of Directors 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 of Directors for three times or completion of a period of 6 (six) months from the date of first reporting to the Board of Directors, whichever is earlier.
6. The Audit Committee shall prepare a report on activities carried out by itself, including

reporting to the Board of Directors, during the year and disclose such report to the Shareholders and General Investors through the annual report of the company.

### Performance Review

- The Audit Committee shall, at least once a year, consider its own performance and terms of reference to ensure that it is operating at maximum effectiveness and shall recommend any changes necessary to the Board for approval.
- The Board also may review the performance of the Audit Committee and give any suggestion(s) for enhancing its effectiveness.

#### Conclusion

- This document is applicable for all concerned with immediate effect.
- The Board shall have the authority to make amendment to this document at any time.

### Composition of the Audit Committee consisting of an Independent Director and Non-Executive Directors

In compliance Corporate Governance Code of BSEC, the Committee consists of four (5) non-executive members of the Board including an Independent Director who is the Chairman of the Committee. The quorum of the meeting shall not be filled until and unless the Independent Director attends the meeting. The Company Secretary acts as the secretary of the Audit Committee.

### Qualification of the Chairman

Mr. Abdul Hafiz Choudhury, one of the Independent and Non-Executive Directors, is the Chairman of the Audit Committee, possessing of vast experience. His qualifications are addressed in detail in the brief profile on page no. 45 of this annual report. All the members of the Committee are 'financially literate' as defined by the corporate governance code.

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) [where presence of an independent director is a must] 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.

### More than two thirds of the members are to be Non-Executive Directors

The Audit Committee comprises of 5 members of the Board, which includes all Non-Executive Directors, which covers the requirement clause of having more than two-thirds of the members being Non-Executive Directors.

## **All members of the audit committee to be suitably qualified and at least one member to have expert knowledge of finance and accounting.**

All four of the Committee incumbents possess working experience in the fields of finance, accounting and audit. Mr. Abdul Hafiz Choudhury FCA is the Fellow members of the Institute of Chartered Accounts of Bangladesh (ICAB), and have specialized expertise required for the role. The qualifications of the members of the Committee are addressed in detail in their brief profile on page no 45 of this annual report.

## **Head of internal audit to have direct access to audit committee**

The Head of Internal Control and Compliance, Mr. Anupam Das has direct access to the Audit Committee, which in turn is directly accountable to the Board.

## **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.**

As per its Terms of Reference and the BSEC Corporate Governance Code dated 03 June 2018, the Audit Committee is required to hold at least four (4) meetings in a year. During the year ended 31 December 2019, the Committee held Six (6) meetings. The details of the meetings held and members' attendance in the meetings are disclosed in Annexure II of the Directors' Report.

## **Statement on Audit Committee's review to ensure that internal controls are well conceived properly administered and satisfactorily monitored**

The Audit Committee is of the view that the internal control and compliance procedures are well conceived, properly administered and satisfactorily monitored which have been stated by the report of the Audit committee at Chapter 5.2 & 3.3 of this annual report.

## **Statement to indicate 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.

## **Statement of Audit committee involvement in the review of the external audit function**

The Statement of Audit Committee involvement in the review of the external audit function is included at Chapter 5.2

## **Ensure independence of external auditors and effective coordination of external audit function**

S. F. Ahmed & Co. has been appointed as an Independence External Auditor for effective coordination of external audit function.

## **To review the external auditors' findings in order to be satisfied that appropriate action is being taken and approval of any non-audit work assigned to the external auditor and ensure that such work does not compromise the independence of the external auditors.**

The Audit Committee does an extensive review on the audit work done by the external auditors after the audited financial statements have been signed. The Audit Committee evaluates the performance of auditors extensively and ensures that there were no threats to independence or any other issues with the auditors. The Audit Committee scrutinizes the applications of the auditors and recommends for appointment/re-appointment of auditors for the next year.

## Recommend external auditor for appointment/reappointment

S. F. Ahmed & Co. has been appointed as External Auditors of the company for the 1st term in the 33rd Annual General Meeting held on 31st March, 2019. They are eligible for re-appointment as per rules in the ensuing 34th Annual General Meeting. Being satisfied with their performance, the Audit Committee of the Board of Directors of the Bank recommended their reappointment for the third term. The External Auditors enjoy full freedom in their audit of Company's financial statements and reporting to the shareholders of the Bank.

## Statement on Audit committee involvement in selection of appropriate accounting policies that are in line with applicable accounting standards and annual review.

While reviewing the financial statements for 2019 by the Audit Committee, they have reviewed that the financial statements were prepared following appropriate accounting policies that are in line with applicable accounting standards adopted by Institute of Chartered Accountants of Bangladesh (ICAB), which was also vetted by the statutory auditors and reflected in their report on page no. .... of this annual report.

## Statement of Audit Committee involvement in the review and recommend to the board of directors, annual and interim financial releases

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.

## Reliability of the management information used for such computation

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.

## 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.

## Response on the effectiveness of the internal controls and the board's responsibility for the disclosures on internal controls to safeguard stakeholder interest

GDIC's Board of Directors acknowledges its overall responsibility for maintaining the adequacy and effectiveness of the Group's system of internal controls. The Board is of the view that the internal control framework is designed to manage the Group's risks within an acceptable risk profile, rather than completely eliminate the risk of failure to achieve the policies, goals and objectives of the Group. The Board therefore believes that it can provide only reasonable, rather than absolute, assurance regarding effectiveness against material mis-statements of management and financial information or against financial losses and fraud.

Review of the activities of the Internal Control and Compliance (ICC)

## Major activities of the ICC department during the year were as follows:

- Execution of risk-based annual audit plan 2019
- Review of internal control system
- Issuance of timely responses to inquiries by regulators and other government agencies
- Coordination of regulatory inspections and statutory external audit
- Coordination of management responses to the external audit and regulatory inspection reports.



**Abdul Hafiz Choudhury**  
Chairman, Audit Committee

# 5.3

## STATUS ON CORPORATE GOVERNANCE CONDITION

### (COMPLIANCE REPORT ON BSEC'S NOTIFICATION )

Status of Compliance with the conditions imposed by the Bangladesh Securities and Exchange Commission's Notification No. BSEC/CMRRC/2006-158/207/Admin/80 dated 3 June, 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

(Report under Condition No. 9)

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
<b>1.00</b>	<b>Board of Directors</b>			
1.1	Size of the Board of Directors: 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)	✓		
<b>1.2</b>	<b>Independent Director</b>			
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	✓		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
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 (NBFI)	√		
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.	√		
<b>1.3</b>	<b>Qualification of Independent Director (ID)</b>			
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.	√		
<b>1.3(b)</b>	<b>Independent director shall have following qualifications:</b>			
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
<b>1.4</b>	<b>Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer</b>			
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	√		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
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.	✓		
<b>1.5</b>	<b>Directors report to shareholders</b>			
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
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

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1.5(xxii)	The total number of Board meetings held during the year and attendance by each director	✓		
<b>1.5 (xxiii)</b>	<b>Report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:</b>			
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)	✓		
<b>1.5(xxiv)</b>	<b>In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders:</b>			
1.5(xxiv)(a)	A brief resume of the director	✓		
1.5(xxiv)(b)	Nature of his or her expertise in specific functional areas	✓		
1.5(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the Board	✓		
<b>1.5(xxv)</b>	<b>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</b>			
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	✓		
<b>1.6</b>	<b>Meetings of the Board of Directors</b>			
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.	✓		
<b>1.7</b>	<b>Code of Conduct for the Chairperson, other Board members and Chief Executive Officer</b>			
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;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
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	✓		
<b>2.00</b>	<b>Governance of Board of Directors of Subsidiary Company</b>			
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	✓		
2 (e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	✓		
<b>3.00</b>	<b>Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS)</b>			
<b>3.1</b>	<b>Appointment</b>			
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)	✓		
<b>3.2</b>	<b>Requirement to attend Board of Directors' Meetings</b>			
3.2	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board:	✓		
<b>3.3</b>	<b>Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)</b>			
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.	✓		
<b>4</b>	<b>Board of Directors' Committee: For ensuring good governance in the company, the Board shall have at least following sub-committees:</b>			
4 (i)	Audit Committee	✓		
4 (ii)	Nomination and Remuneration Committee.	✓		
<b>5</b>	<b>Audit Committee</b>			
<b>5.1</b>	<b>Responsibility to the Board of Directors</b>			
5.1 (a)	The company shall have an Audit Committee as a subcommittee of the Board	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
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	✓		
<b>5.2</b>	<b>Constitution of the Audit Committee</b>			
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;	✓		
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.	✓		
<b>5.3</b>	<b>Chairperson of the Audit Committee</b>			
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.	✓		
<b>5.4</b>	<b>Meeting of the Audit Committee</b>			
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.	✓		
<b>5.5</b>	<b>Role of Audit Committee</b>			
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	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
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	✓		
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	✓		
<b>5.6</b>	<b>Reporting of the Audit Committee</b>			
<b>5.6(a)</b>	<b>Reporting of the Board of Directors</b>			
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	✓		
<b>6</b>	<b>Nomination and Remuneration Committee (NRC)</b>			
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).	✓		
<b>6.2</b>	<b>Constitution of the NRC</b>			
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;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
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;	✓		
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	✓		
<b>6.3</b>	<b>Chairperson of the NRC</b>			
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	✓		
<b>6.4</b>	<b>Meeting of the NRC</b>			
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.	✓		
<b>6.5</b>	<b>Role of the NRC</b>			
6.5(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	✓		
<b>6.5 (b)</b>	<b>NRC shall oversee, among others, the following matters and make report with recommendation to the Board:</b>			
<b>6.5(b)(i)</b>	<b>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:</b>			
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.	√		
<b>7.</b>	<b>External or Statutory Auditors</b>			
<b>7.1</b>	<b>The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:-</b>			
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.	√		
<b>8</b>	<b>Maintaining a website by the Company.</b>			
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).	√		
<b>9</b>	<b>Reporting and Compliance of Corporate Governance.</b>			
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.	√		

# 5.4

## CERTIFICATE ON CORPORATE GOVERNANCE



**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 December 31, 2019. This Code relates to the Notification No. RSEC/CMRRCD/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:

- (a) 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;
- (b) 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;
- (c) 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
- (d) The Governance of the company is satisfactory.

Dhaka, Dated  
February 27, 2020



**For Suraiya Parveen & Associates  
Chartered Secretaries**



**Suraiya Parveen, FCS  
Chief Executive Officer**

Razzak Plaza (5th Floor), Suite . 6C, 01, New Eskaton Road, Ramna, Dhaka- 1000  
Phone : 48321398 (Off) , Mob : 01552363837, 01911421998  
E-mail : musfiquefcs@gmail.com, info@suraiyaparveenandassociates@gmail.com  
Web: www.suraiyaparveenandassociates.com

# 5.5

## 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, 2019. 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 behaviours 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 **Suraiya Prveen & Associates**. The report along with the compliance status are enclosed with our annual report 2019 under section 5.3 and 5.4

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

# 5.6

## REPORT ON CREDIT RATING

CREDIT RATING AGENCY OF BANGLADESH LIMITED



Ref: AGL (01)/RCM/190934/2019-17107

23 September 2019

**Ms. Farzanah 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 Ltd.**

Dear Madam,

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 2020. 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 are transmitting to you the copies of rating report.

We hope the Rating Awards will serve the intended purpose of your organization.

Yours Sincerely,

**Hamidul Haq**  
Managing Director

# 5.7

## CERTIFICATE OF MEMORANDUM FROM - 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:



# 5.8

## REPORT OF THE MANAGING DIRECTOR AND CEO & FINANCIAL CONTROLLER

The Board of Directors  
Green Delta Insurance Company Limited

### Declaration on Financial Statements for the year ended on 31st December, 2019

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/ 2006-158/207/Admin/80 Dated 3 June 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

- (1) The Financial Statements of Green Delta Insurance Company Limited for the year ended on 31st December, 2019 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
- (2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- (3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- (4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- (5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- (6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that: -

- (i) We have reviewed the financial statements for the year ended on 31st December, 2019 and that to the best of our knowledge and belief:
  - (a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (b) These statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- ii) 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 of Directors or its members.



**Farzanah Chowdhury**  
Chief Executive Officer (CEO)  
Green Delta Insurance Company Limited



**Syed Aliul Ahab FCCA**  
Financial Controller  
Green Delta Insurance Company Limited

# 5.9

## ETHICS AND COMPLIANCE

**Our focus on ethics and compliance is anchored on our culture and purpose, which is to improve the lives of our customers through making insurance affordable, accessible and impactful. Our emphasis on ethics and compliance also guide us to building a better society and generating sustainable value for our shareholders.**

As the largest general insurance company of Bangladesh, we are leading the industry in terms of stewarding ethics and compliance, and are increasingly having conversations that aim to foster an ethical industry environment. Further, our engagement with our regulators and industry bodies is premised on having open discussions on how we could invite industry peers to wholeheartedly embrace regulations, while also fostering regulations that benefit all stakeholders in the insurance ecosystem.

### **Our values promote our ethics**

Our focus on embracing ethical operations that are compliant with the laws of the land is enshrined

in our core values that shape everything we do at our company.

We are focused on nurturing shared values that enables us to build a fair, meritocratic, open and dependable organisation that thrives on inclusivity and diversity. Our sense of ethics stems from our product characteristics that are in compliance with applicable laws and regulations. In short, our products conform to all the rules governing our industry. Further, our customer-first approach is anchored on ensuring that our policies are uncomplicated and easy to understand, devoid of excessive technical jargon. Moreover, we ensure quality training among our human resources, especially our sales teams, sensitising them of putting customer interests first, while prohibiting misspelling of any kind.

Our claims policy also enunciate that we respect the 'moment of truth', standing by our customers when they need financial support the most to aid faster recovery post morbidity or after an unforeseen casualty on their business assets or property.

In fact, our claims disbursement practices are acknowledged by the industry, as we focus on settling legitimate claims in the quickest possible time. Our claims settlement time frame spans an average of 15-20 days, one of the lowest in our industry.

### **We are committed to compliance**

As a consumer-facing company that directly impacts the public, we consider compliance to be our topmost priority.

Our sense of compliance spawns from our culture, and our top leadership sets the tone on compliance, taking a rigorous stance to comply with all statutes and regulations. Further, we are also committed to meeting regulatory requirements that are issued from time to time by our regulators. Our compliance department owns the responsibility of observance to all rules and guidelines.

As a publicly-listed company, we are subject to many laws and regulations where the consequences of non-compliance could have a material effect on our financial statements and even, in extreme cases, our licence to operate. We have identified the area of regulatory capital as that most likely to have such an effect, recognising the financial and regulated nature of our activities. Our auditing standards and procedures help us to identify non-compliance with laws and regulations, even as we engage in continual inspection of regulatory and legal correspondence.

Our high levels of compliance is reflected in the fact that we have not received any major regulatory censure since our inception.





INCLUSIVE  
INSURANCE

# 6.1

## STATEMENT ON INCLUSIVE INSURANCE

### Insurance – inclusive and impactful

As has been demonstrated time and again, even among people with meagre disposable incomes, insurance can be a vital tool to manage financial risks. Insurance can help people at the base of the economic pyramid manage the stresses of illness, health emergencies, crop failures, natural disasters, or earnings loss due to the death of a wage-earner. Hence, the role of insurance in addressing natural disasters and other unforeseen contingencies and developing resilience is unquestionable.

Insurance products help people and communities respond to shocks in a formal manner and can even motivate them to avoid shocks before they happen, or to mitigate them once they do. For instance, health insurance encourages people with low incomes to visit the doctor, resulting in reduced morbidity and even infant mortality. Farmers who have insurance can often mobilise

formal credit that allows them to purchase drought-resistant seeds so that if they do experience a drought, they can avoid selling precious assets. Insurance can help families avoid resorting to drastic survival strategies when they experience a shock, such as taking children out of school and putting them to work. Hence, insurance can have a deep impact on lives and livelihoods, especially amongst grassroots and vulnerable communities.

The customers the insurance industry traditionally caters to across emerging economies are either at the top of the pyramid or at the top of its middle part. Right below is where the unserved segments are, and they have a very real demand for protection, considering their social and economic vulnerability. There are hundreds of thousands of such households in Bangladesh.

In the absence of any formal safety nets, these vulnerable populations have informal risk management strategies - precautionary savings

that are often paltry, or loans from their families, or, in worst case scenarios, loans taken from the informal financial channel that often bear exorbitantly high interest rates. These strategies have limitations as it is clear that informal risk management is much less efficient than formal protection mechanisms, and only one emergency can force families to sell productive assets (like cows), move back to their villages, take out children from school to help the household earn extra income and go back into poverty. There are very little chances that a family can beat the deprivation cycle.

This threat is very real in emerging markets like Bangladesh, where public health insurance schemes cover only a small percentage of below-the-poverty line cardholders. Private health insurance is restricted to largely the urban and semi-urban areas, thus exposing a huge gap and endangering the lives and livelihoods of the middle-class.

In this context the principles of inclusive insurance are being

fostered so as to extend the benefits of formal insurance to the masses. Over the years, the industry has taken rapid strides, thanks to increased mobile phone / broadband penetration, access to education - particularly for women - and the focus of the government on financial inclusion. Insuring the emerging middle-class population has become a priority in these markets and this is done through innovative new business models, investing in and collaborating with insurtech companies and tailoring value propositions.

At Green Delta Insurance, we aspire to succeed in inclusive insurance at scale. Our objectives are driven by our long standing experience in the business, our know how and our determination to succeed.

- One, we believe that insurance can serve the twin purposes of financial profitability and social impact. We are increasingly building public-private partnerships to educate unserved customer segments about the benefits and risk mitigation measures of insurance products, while also developing relevant products and solutions in cooperation with others.
- Two, we are spending quality time in the field with our customers to understand their realities to be able to build appropriate products and innovate risk protection solutions. We have also accelerated towards providing value-added services, such that of our product Nibedita. Nibedita has emerged as an exclusive insurance platform for women, and has gone beyond to become an effective tool for women empowerment. We are creating new markets, empowering our customers and looking at insurance holistically as a platform for creating an impact that is both inclusive and sustainable.

## What is inclusive insurance?

Emerging consumers present a promising market for insurance, and innovative insurance companies like Green Delta Insurance have been developing unique models to reach this market and ensure that insurance is accessible and affordable.

Since the 1990s, the micro insurance movement has demonstrated the benefits of insurance for low-income groups and communities, as well as exploring new business models to serve these customers profitably in frontier and emerging markets. Social insurance programs have targeted customers in the informal economy who were under served by mainstream commercial insurance.

The success of micro insurance models has been demonstrated in their ability to match premiums and benefits to the needs of these groups.

Today, inclusive insurance expands this market and product development work to all those who have not been served by traditional insurance, including the lower middle-class, while retaining an emphasis on vulnerable and low-income populations.

At Green Delta Insurance, we have been forward-looking in terms of anticipating risk and driving change to ensure that customers

and communities respond to risk better and are also able to become proactive in preventing harm. While adapting traditional models to serve the unserved and under served, we are rethinking the very fundamental concept of insurance and its critical role in the society in promoting the well-being of individuals, families, communities, and micro-economies. A number of terms related to inclusive insurance are in circulation. But for us, it is about serving emerging consumers in Bangladesh, striving to champion impact insurance.

## 3.8 billion Low income customers in emerging markets (2016, updated World Bank population numbers)

It has been estimated that traditional insurance providers do not reach 3.8 billion customers in emerging markets. This represents a significant market opportunity for responsible companies like Green Delta Insurance, who, with its focus on democratising access to insurance through its focus on 'Insurance for all' serves large groups of underserved and unserved customers.

As can be viewed from the graphic on 'Micro insurance coverage' below, micro insurance cover remains extremely low in emerging / developing markets, including Bangladesh.

## Micro-insurance coverage



The gap between access to insurance in emerging markets and access in high-income markets is notable as a benchmark for estimating the addressable market. Swiss Re's National Catastrophe Database shows that in high-income markets, 42 per cent of losses resulting from natural catastrophes were covered by insurance. In contrast, in emerging markets, only 11 per cent of losses from natural catastrophes were covered by insurance. These figures not only indicate vulnerability of emerging markets that are already prone to catastrophes on account of their stage of development, but also suggest high potential for growth. In a saturated insurance industry, Green Delta Insurance is reaching down into the market and has found an open field and a receptive customer base. This is because customers recognise the value of protection against risk and are willing to purchase products that address this need.

## Closing the insurance gap through inclusive insurance

At Green Delta Insurance, we are taking a stand on closing the insurance gap by as much as possible and also taking advantage of this potential for profit. Our focus on emerging customers targets those transitioning up the economic ladder, which comprises a vast majority of the Bangladeshi population.

The company aims to serve people whose income is generally below \$8-10 per day, but high enough to purchase insurance. Within the next few years, we hope to protect the middle-class of tomorrow. On the other side, for many people living above the poverty line in Bangladesh, one single hospitalisation could send their household back below the poverty line. We are focusing on meeting the insurance needs of this population segment too, with our innovative products.

For instance, we provided insurance to 1,000 rickshaw pullers in Dhaka city in cooperation with the IDRA.

People from this community are in a vulnerable transit as they are generally from rural areas migrating to urban centres for work. However, they cannot cope with shocks and are generally more prone to go back to their villages in emergencies, thus getting pulled back into the deprivation cycle. Hence, our insurance products are designed to protect them in adversities and ensure stable and sustainable livelihoods.

Insurers like us are also making efforts to reach traditionally underserved populations, such as women, rural dwellers and owners of small and medium-sized enterprises (MSMEs). A study in 2015 identified the untapped global market for insurance among women as being up to \$1.7 trillion by 2030, of which a remarkable \$874 billion in annual premium value (APE) would come from women in emerging markets like Bangladesh. We are actively pursuing the women population through our Nibedita product, and have elevated it to build it as a platform for women empowerment. The government of Bangladesh - a country with among the largest numbers of unserved people - are also supporting insurers to reach rural areas. In this context, we are the operating partners of the government's SSK (Shasthyo Suroksha Karmasuchi) programme, where we are embracing the initiatives of providing a health card to a female member of the family.

In a more purely private, but strongly social, effort, we are focusing on agricultural insurance. Through this project, we have demonstrated how rural agri communities can protect themselves from shocks to their farm incomes on account of natural calamities like floods or droughts, while also ensuring that they can build their capabilities to access formal credit and augment their livelihoods. SMEs are yet another significantly underserved group that we are targeting with a whole basket of relevant insurance products and solutions.

In the broadest terms, the challenges of providing insurance to lower-income population segments are similar to those of providing mainstream insurance. However, our long standing experience in the industry and strong insights has enabled us to identify and connect with customers, providing relevant products and carrying out the administrative work of collecting premiums and paying claims, while ensuring that we are compliant with all regulations.

Serving customers at the base of the economic pyramid, the small incomes from which premiums must come, require that we solve these challenges by being highly cost-efficient. Adding to the cost pressure, several factors intensify the challenge of connecting with these customers, including remote locations, much lower awareness levels and lack of experience with formal institutions. At Green Delta Insurance, we hire locally as much as possible to create quicker familiarisation with our customer communities. Further, our ground staff continually remains connected with our customers, thus building intimacy with them. Most importantly, our focus on digital insurance is a bid to manage our costs more efficiently, especially in the realm of insurance distribution. We believe that savings in distribution costs can be passed on to make our products more affordable, thereby enabling us to take insurance to the masses, especially those earning under \$8-10 a day.

In developing countries such as Bangladesh, mobile and internet penetration is sharply on the rise, aided by lower device and mobile internet charges. In fact, the reach of these is much faster than traditional brick-and-mortar, a reality that is setting the foundation for e-commerce and increasing access of financial services over the mobile phone. At Green Delta Insurance, we believe that mobile telephony and mobile internet represent excellent propositions to close the insurance gap by reaching

insurance to the masses and also an excellent facilitator of inclusive insurance. It is for this reason that we have invested in digital technologies with the eventual objective of reaching insurance to the public in an accessible and affordable way. Particularly, mobile and other digital technologies make payment transactions cheaper and easier. Further, mobile payments allow micro insurance customers to make very small premium payments through mobile platforms. We believe such a mega-trend of the rapid rise of the mobile phone has also set the base for us to drive retail insurance penetration, which is the need of the hour, especially among masses on the lower strata of the economic pyramid. We are of the opinion that once we progressively develop the infrastructure, we will be able to build capacity to go much deeper to the vast swathes of lower-income groups and communities.

Hence, aided by digital innovation and the historical shift from low to middle income as Bangladesh prospers on the economic front, the addressable market is not only on the rise but we believe will also raise awareness about better risk management decisions and insurance-led empowerment.

We believe that one of the other ways in which digital technologies will support our inclusive insurance focus is by enabling us to appraise risk through digital data. Historically, there has not been enough data to foster thorough actuarial analysis that can inform a relevant product at a fair and attractive price. However today, data is becoming more and more available among people who have a mobile phone number. Data analytics can then be effective at identifying prospective customers and their behaviour / consumption patterns. Indeed, artificial intelligence and machine learning can aid product development and risk assessment, and with new data tools at hand, the insurance sector can look at risk differently. At our company, this will be a major thrust area of inclusive insurance, going forward.

In our quest for making insurance inclusive, the importance of product simplicity for a market like Bangladesh cannot be over-emphasised. Simplifying product design allow consumers to transact simply with as few clicks as possible, especially in the realm of digital insurance. Simple insurance products are easy to understand, easy for customers to enroll in and easy to claim against. Simplicity is perceived as transparent and friendly, thereby helping to create trust and thus making insurance accessible and inclusive.

Simplicity is also essential not only because it is customer-centric, but also because streamlined products are easy to manage, cutting administrative costs. For instance, the processes involved in assessing claims can offset premium revenue, particularly when a customer does not have a fixed address, is uninformed, or lacks standard documentation. With very small-ticket insurance policies, it becomes crucial to lean on technology with a view to optimise costs, keep product pricing affordable and serve the market on a sustainable basis.

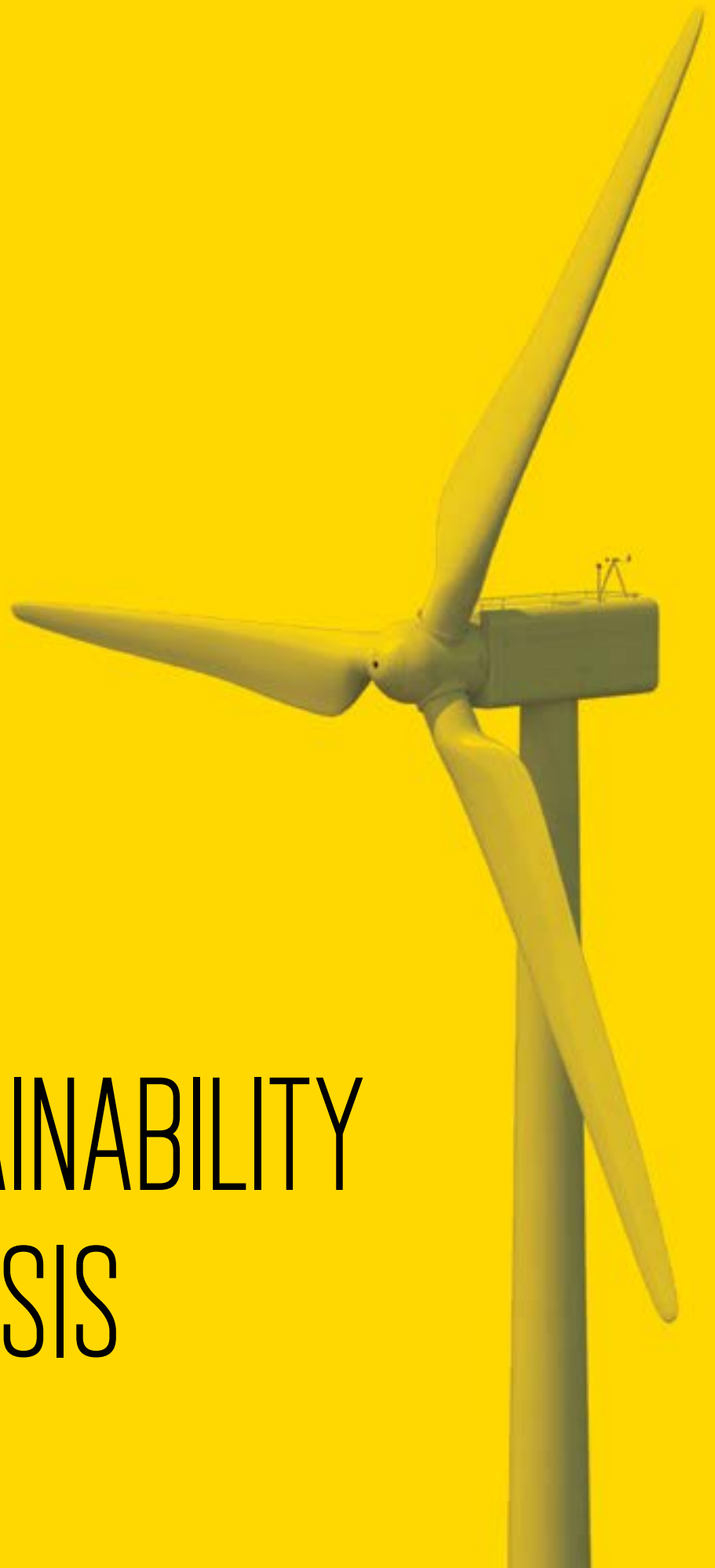
### Concluding note

Building trust and understanding are crucial components of the insurance industry. Customers lack awareness of basic concepts of insurance, much less understanding of specific products. Particularly for low-income people, it is hard to consider putting the little money they have into something that may never yield a tangible benefit. Often, customers may purchase insurance, but if they can't see a benefit either upfront or over a reasonably extended time period, they often do not renew it. Even when the concept is understood, lack of trust is a major stumbling block.

Hence, at Green Delta Insurance, with a view to overcome these challenges, we keep our products and insurance terms as simple as possible, we stand by in the 'moment of truth' by expediting customer claims disbursement as

quickly as possible, we organise major insurance awareness drives and participate in insurance fairs, especially in rural areas, we rely on our experience and progressively on technology with a view to reinforce our underwriting / actuarial practice to price in risks prudently to make our product cost optimal. We also focus on creating robust customer relationships with a view to protect drop outs and ensure that they retain their insurance policies with us on a continual basis.

Through these efforts and initiatives, we believe we are supporting and advocating the cause of inclusive insurance, and we believe we are best placed to close the insurance protection gap as much as possible through our high-impact actions, sustained initiatives and relentless focus on providing insurance-led sustainable customer benefits.



# SUSTAINABILITY ANALYSIS

# 7.1 REPORT ON SUSTAINABILITY ANALYSIS

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**We are committed to take action for a better world. We have chosen to focus on a few core areas which we believe are the most important issues today for any business that wants to act responsibly. As a community-facing enterprise, we know we have a crucial role to improve the society, the economy and the environment, and have linked our sustainability purpose with the Sustainable Development Goals (SDGs) of the United Nations.**

## Sustainability overview


At Green Delta Insurance, we believe that sustainability goes beyond our corporate social responsibility as we strive to achieve our higher calling of attaining the goals articulated in the SDGs.

As a responsible business that acts in the long-term interests of all its stakeholders, we don't simply seek to create short-term financial profit but long-term sustainability that focuses on creating holistic value. Our stakeholders include our customers, employees, shareholders and the communities whose lives we touch and we endeavour to meet the tenets of the following broad focus areas:

- Running our business to a higher standard with the highest levels of regulatory compliance
- Taking action to create a low-carbon economy that helps us minimise our carbon footprint
- Making society more resilient with our insurance solutions

- Focusing on levers that can have the maximum impact on the grassroots economy, eg., education, healthcare and social infrastructure

We have always held the opinion that a sustainable business is one that looks after the long-term well being of all people and cares for the environment for current and future generations. It ensures that wealth is shared fairly and one that creates future opportunities for all people in an inclusive way.



**Tk  
565.48 mn**  
Insurance claims  
paid in 2019



## Our sustainability principles

### Inclusive progress

Inspired by our founder Nasir A. Chowdhury, our Group Advisor, we continued to develop and embody our belief in inclusive progress. This means being economically and socially useful and ensuring our business activities achieve positive outcomes for our society, while generating sustainable returns for our shareholders. As our social investment policies, we invest to benefit as many people as possible in the fields of education, healthcare and social infrastructure. It is evident that when we invest in a project, we are supporting the creation of a long-term future for local people and the grassroots economy.

### Social responsibility

Our social responsibility strategy embraces our principles on inclusive progress to help us operate our business sustainably. It means we can also reach out to local communities through philanthropy, contributing to help people alleviate from social or financial deprivation.

### Benefiting the public

We have always believed that insurance is as much a public service as it is a for-profit business. Focused on creating an insurance-driven impact, we have always kept our customers / policyholders at the heart of everything we do. Our insurance solutions help build financial resilience and is key to restoration of normalcy after a health / property casualty or risk. We strive to deliver sustainable value to our customers, topped by excellent service and deep responsiveness.

### Economically and socially useful

We aim to ensure that our products, services and investments exhibit robust economic and social value. We believe this is our humble contribution to the Bangladeshi society as the country makes the leap to a developing country

status. Notably, our long-term financial sustainability benefits our customers, employees, shareholders, suppliers and our extended communities. Through providing socio-economic value, we are able to support the developmental goals of Bangladesh.

### Fair and transparent

We treat all our customers, employees, investors, suppliers and regulators with integrity and openness. This enables us to remain fair and transparent, enabling us to create a sustainable enterprise and even a predictable operating environment.

### Inclusive

We value inclusiveness and embrace difference to engage and empower our people. We recognise and reward success, investing in the development, welfare and well being of our people.

### Developing a sustainable business

Our business develops insurance products, services and solutions based upon evolving consumer needs and requirements. These in turn build economic, environmental and social value propositions for the society, thereby fostering inclusive growth and helping steward our commitment to developing a sustainable business.

### Board-level accountability

Our executive and leadership team is answerable directly to the Board on our social progress and sustainability agenda. Our Board also allots considerable time during Board meetings to discuss on corporate sustainability and how we could do more for our society. Further, our MD & CEO is a local SDG Pioneer and hence our leadership sets the tone in setting our sustainability priorities and goals.

## Sustainability in action

We have produced our first – and perhaps the country's only – report anchored on the Sustainable

Development Goals (SDGs) of the United Nations. This report articulates our progress achieved in our chosen SDGs where we believe we can have the maximum impact.

- **SDG-1**  
# No poverty
- **SDG-3**  
# Good health and well-being
- **SDG-4**  
# Quality education
- **SDG-5**  
# Gender equality
- **SDG-6**  
# Clean water and sanitation
- **SDG-8**  
# Decent work and economic growth
- **SDG-9**  
# Industry, innovation and infrastructure
- **SDG-10**  
# Reduced inequalities
- **SDG-12**  
# Responsible consumption
- **SDG-16**  
# Peace, justice and strong institutions

Overall, we have been able to achieve progress, evident in the following:

- Our social investments help improve the lives of our communities through our focus on education, healthcare and social infrastructure development
- We embrace diversity and meritocracy by giving opportunities in our company to anyone who has the talents and ambition to succeed
- We believe in inclusivity for everyone in our communities, making sure we reach out to those who need our assistance the most
- We are actively engaging with our vendor-partners to ensure they follow environmentally-sustainable behaviours and other good practices

## Social responsibility

Our corporate social responsibility strategy is to drive positive change for all our stakeholders, while creating value for our customers and shareholders. We want to build a better world by investing in meaningful ways and by helping the disadvantaged in our local communities. We want to inspire all our stakeholders to foster a positive environmental impact and ensure that our businesses embrace corporate responsibility, diversity and inclusive growth.

With an aim to embed corporate and social responsibility into our mainstream business activities, we are aligning our social responsibility strategy to the UN Sustainable Development Goals (SDGs).

### About the global goals

There are 17 United Nations' Sustainable Development Goals (SDGs) that aim to promote prosperity while protecting the planet. They recognise that ending poverty must go hand-in-hand with strategies that build economic growth and address a range of social and societal needs, including education, healthcare, social protection and job opportunities, while also tackling climate change and promoting environmental protection.

At Green Delta Insurance, we strongly support the SDGs and have linked our targets to these goals. As a major insurer in the markets of Bangladesh, we have an important contribution to make in helping provide financial stability, in mitigating risks and in making a shift to ensuring greater environmental protection.

Importantly, the UN goals help guide us, our customers and the society towards a brighter and more sustainable future. We have analysed which SDGs align most closely with our strategic priorities. Though most of the UN's SDGs are relevant for our business, we have focused on alignment with 10 SDGs, selecting those in which we can have the maximum impact and make the most contributions to. Having

said that, we will continue to work with stakeholders and collaborative networks to check that we are actively and materially contributing to the SDGs.

### SDG-1 # No poverty



Green Delta Insurance directly contributes to realising the vision of 'No poverty', as articulated in SDG-1, given that employment creation and employee compensation and benefits comprise the company's core objectives. The company also works hard to recruit more people every year and improve compensation levels and other benefits for its employees. The company also looks to open up indirect job opportunities, wherever possible, most notably through its agent network and other small companies /vendors associated with it.

**Through these activities the company is able to support employment / employment generation, thus contributing to SDG-1.**

### SDG-3 # Good health and well-being



Green Delta Insurance emphasises on the good health and well-being of its employees. In its efforts towards meeting this objective, the company provides a clean, spacious, quiet and temperature-controlled workplace environment. Besides, it has also installed air purifiers to ensure the circulation of purified air. The company also emphasises on employee safety and security, and as such, has enlisted the services of a security agency to man its premises on a 24x7 basis. Besides, it has also installed CCTV

cameras on every floor. Further, the company also embraces all the rules and regulations as prescribed under RAJUK to circumvent the occurrence of any unforeseeable events. Importantly, the company takes care of the physical and mental well-being of its employees.

As a compassionate company that ensures holistic employee well-being, GDIC also values mental health of its employees. Within this purview, the company has effected arrangements for medical consultations for employees.

By virtue of its express business engagement in health insurance, GDIC also fulfils its role in SDG-3 by ensuring the settlement of claims with speed and sensitivity for general health insurance and group health insurance. Further, under the company's group health insurance policy, it also settles claims arising out of meeting the health expenditure of its employees, which can be seen as contributing to SDG-3.

Further, beyond regular health insurance products, the company has extended and diversified its health insurance platform to also offers micro health insurance to those living below the poverty line. The company is also in the final stages of launching a robust and high-impact micro health insurance platform with the USAID and UNFPA.

Under SGD-3, GDIC's involvement under the SSK (Shasthyo Surokshha Karmasuchi) is noteworthy. SSK is the social health protection scheme conceived by the Health Economics Unit of the Ministry of Health and Family Welfare, with support from German Development Cooperation through the KfW Development Bank. This scheme is a model of social health insurance, which has been developed over a period of more than three years through extensive consultations with diverse stakeholders.

**Through these activities the company is able to support good health and well-being, thus contributing to SDG-3.**

## SDG-4 # Quality education



The insurance industry is a knowledge-driven sector requiring robust technical knowledge with respect to underwriting, sales, reinsurance and claims settlement. As a strategic forward-looking initiative, the company has established its education arm under Professional Advancement Bangladesh Ltd. (PABL), which was formed with a view to act as a platform to bridge the skills deficit in insurance in the country.

Today, PABL has emerged as a force for good, providing extensive insurance training and capacity-building services and workshops. PABL has also collaborated with such international bodies as the Chartered Insurance Institute (UK), Insurance Institute of India, etc., which are globally-recognised bodies. These collaborations have enabled the educational institute to develop a modern academic curriculum and educational pedagogy that is not only current but also world-class.

Apart from insurance, PABL also arranges training programs on various subjects for employees, such as on sales, leadership, management information systems (MIS) and more to enable them to align their skills and knowledge in a dynamic environment.

**Through these activities the company is able to support quality education, thus contributing to SDG-4.**

## SDG-5 # Gender equality



Achieving gender equality is important, because it is not only fair and the right thing to do, but because it is also linked to

the country's overall economic performance. Workplace gender equality is associated with:

- Improved national productivity and economic growth
- Enhanced organisational performance
- Enhanced ability of companies to attract talent and retain employees
- Enhanced organisational reputation

Green Delta Insurance achieves gender equality through the development of scalable insurance products that fulfil the needs of the company's women customers. In fact, the company is among the few in the insurance industry of the country to offer an exclusive insurance platform to its women customers. Nibedita is a vivid example of how it has been able to create a robust insurance platform entirely for women. The company has more than [] customers under Nibedita.

Moreover, the company encourages diversity and almost 24 per cent of its workforce today comprises women. By prioritising gender-balanced recruitment, it has shown the path to others in the industry of the benefits of a balanced workforce. Importantly, helmed by an SDG pioneer, Ms. Farzanah Chowdhury (MD & CEO of Green Delta Insurance), has set a top-level tone that nurtures diversity and inclusivity. Gender equality has prevailed within the organisation, and the company is proud of the following achievements:

- Equal pay for work of equal or comparable value
- Removal of barriers and equal participation of women in the workforce
- Access to leadership roles, regardless of gender
- Elimination of discrimination on the basis of gender

**Through these activities the company is able to support gender equality, thus contributing to SDG-5.**

## SDG-6 # Clean water and sanitation



Green Delta Insurance makes no compromise regarding the provision of basic facilities like access to clean potable water and sanitation within the organisation. The company always monitors these and takes prompt action whenever there is a need to address an issue regarding clean water and sanitation.

As a company conscious of its responsibility in preserving precious resources, the company also engages in regular maintenance to fix leakages in faucets, etc., while also building employee awareness on the need to conserve water.

**Through these activities the company is able to support clean water and sanitation, thus contributing to SDG-6.**

## SDG-8 # Decent work and economic growth



Green Delta Insurance ensures decent work and provides a multitude of opportunities for economic growth. Decent work includes a proper workplace environment as well as meaningful / remunerative work, which is both provided by the company to its employees and also providing products and services to it. This harbours productivity, which ultimately results in improved efficiency and sustainable business growth. Hence, improved business means economic growth for the organisation, enabling sustainable value creation.

The company also promotes sustained, inclusive and sustainable economic growth opportunities through providing productive

employment and decent work for all. Operating in a resource-intensive business, GDIC believes in offering meaningful employment opportunities for all.

**Through these activities the company is able to support decent work and economic growth, thus contributing to SDG-8.**

**SDG-9 # Industry, innovation and infrastructure**



Bangladesh's insurance industry is in its growth stage with significant untapped potential on account of a wide insurance gap. In this operating environment, Green Delta Insurance has invested in robust infrastructure to facilitate inclusive and sustainable industrialisation and foster innovation within the organisation. The company has strongly embraced digital insurance with a view to enhance access to affordable insurance and realise its mission of providing insurance for all.

With a view to materialise this vision, the company, in association with various experts, has developed a robust network for facilitating the design and development of products, as well as improve product performance. This helps it to implement innovative ideas that fulfill customer expectations in terms of product attributes and pricing.

Green Delta Insurance builds resilience in the industry and society by promoting formal insurance and its wide-ranging benefits. In

doing so, it promotes sustainable risk-taking and industrialisation. With innovation at the heart of the company's business model, it aims to develop insurance products and solutions that enhance customer's affordability and accessibility to insurance.

**Through these activities the company is able to support industry, innovation and infrastructure, thus contributing to SDG-9.**

**SDG-10 # Reduced inequalities**



Green Delta Insurance ensures that the inequalities that inherently exist in the society do not prevail in its workplace. The company has already reduced inequalities in terms of inclusion, leadership, appraisal, compensation and benefits between all ages, genders, ethnicities, etc. At present, the company is also focusing on encouraging more women representatives to join the insurance industry to balance the difference between both genders.

The company is also emphasising on the quality of work and dedication of its employees, irrespective of their gender. It also invests in its employees and considers them to be invaluable resources that enable the company to attain its goals and objectives.

**Through these activities the company is able to support reduced inequalities, thus contributing to SDG-10.**

**SDG-12 # Responsible consumption**



Green Delta Insurance ensures that its consumption of resources is in a controlled manner. This initiative is not only from a financial standpoint, but also include other resources, such as canteen food, water and electricity. Regarding paper or document use, the company ensures optimised use to save both paper and costs. For this purpose, the company consistently invests in software to ensure greater propensity of e-communication, which has substantially decreased paper consumption over the years.

**SDG-16 # Peace, justice and strong institutions**



Maintaining order and peace is one of the core objectives of Green Delta Insurance. The company ensures stringent compliance with its policies and code of conduct, and every employee has to abide by these. The company also takes punitive action against harassment, theft, hostility and other such criminal offences.

**Through these activities the company is able to support peace, justice and strong institutions, thus contributing to SDG-16.**

# 7.2

## INTEGRATED REPORTING

### (MACRO- MICRO)

#### Our foundations in risk management expertise

Green Delta Insurance is an integrated insurance enterprise, whose business model combines insurance product development and risk expertise that we offer to a wide range of customers across the social and economic pyramid in Bangladesh.

We combine our capabilities in understanding customer needs and in providing them with attractive insurance propositions that has together enabled us to acquire the leading position in the general insurance industry of the country. We have also earned the loyalty of our customers through our commitment to timely claims settlement.

We also possess deep understanding of morbidity risk, the science of health care management, and also unparalleled technical know-how around property-casual insurance that, combined, enables us to serve both business as well as retail customers.

Overall, it is our endeavour to ensure that every Bangladeshi family and business has adequate financial protection through insurance.

#### We are Bangladesh's largest general insurance company

We possess 34 years of supremacy in Bangladesh's general insurance industry

- 56 insurance products

#### We have robust expertise in actuarial sciences

We have a deep understanding of our customers' insurance needs through a wide range of expertise across statistical / actuarial analysis, demography and actuarial modelling

- 69 member sales team
- 11,947 claims settled successfully in 2019

#### Our occupy a unique space in the context of the country's insurance industry

Combining the scale of our operations with robust risk management expertise, we are market leaders in the business of risk transfer

- Market leadership in general insurance
- Among the largest reinsurance books in Bangladesh

#### External influences on our business

Our long-term strategy is driven by several growth drivers. However, in the short- and medium-term, political, economic and competitive factors create opportunities for growth and present risks which need to be managed and mitigated.

#### Growth drivers

##### Demographic profile

- Bangladesh is among the most populous nations in Asia, especially considering its compact landmass, making the country one of the most densely-populated regions in the world
- 165mn+ population
- Population growing by 2-4 per cent per annum
- Large consumer and youthful population

##### Technological innovation

- Consumers, especially the youth, are increasingly seeking digital access and low-cost solutions for financial services products, including insurance
- We are focusing on pioneering digital insurance
- This is the next wave of growth that will transform the industry by making insurance more accessible and affordable

##### Migrant remittances

- Migrant remittances is one of the key components of Bangladesh's GDP, which also contributes to income, including disposable income, in the hands of intended beneficiaries
- Migrant remittance is the second-largest source of foreign exchange earnings in Bangladesh

- These earnings stood at about \$15bn in 2018
- Bangladeshi diaspora numbers around 800,000, mainly located in the Gulf states and south-east Asia

**Agri transformation**

- Agriculture has helped Bangladesh to transform the economy from a state of being chronically food deficient to food adequacy
  - This transformation has been aided by subsidised delivery of seeds, fertiliser and other farm inputs, driven by greater institutional support
  - It has also been driven by improved infrastructure, including irrigation, power, etc., with better market linkages
  - There are also signs of growing farm mechanisation in the country that will progressively support enhancements in crop yield

**What makes us different**

Our business is a customer-facing one and is built on understanding people. What are their basic health care needs, what risks they are comfortable with and their changing needs throughout life.

Further, understanding the needs of the rural and urban poor is all the more thought-provoking, as these communities are aspirational, hardworking and simple. It is instructive for us to raise insurance awareness among our target consumer segments, since insurance is not a business that will provide an upfront tangible benefit, but whose impact can be unprecedented in the face of an unknown or unforeseen shock.

At Green Delta Insurance, we aim to see things before others do and create far-sighted approaches to better meet our customers' needs and better manage their expectations out of insurance and us. This represents a major differentiator as we are willing to see beyond immediate profit in our quest to forge a lifelong relationship with our customers.



Our skills and experience give us the ability to build scale to take our operations and insurance products to across Bangladesh. We possess a breadth of capabilities that straddle across the insurance value chain, thereby enabling us to provide a single-stop convenience to our customers. Since insurance is also a technical subject, we focus on as much simplification as possible, emphasising on wordings in our contracts and policy documents that are easy to understand and free from unwanted and unnecessary jargon.



We focus on creating a responsible and economically-useful impact. With a commitment that is genuine and authentic, our commitment to being responsible is embedded into our business and in everything we do. From our investments which create a better society, to our community work and our strong product value propositions, which are focused to give financial security and generate sustainable value.



**Our strategy for the future**

**INTENT:** Reinforce market leadership

**GROWTH DRIVER:** Attractive demographic profile

**STRENGTHS THAT SUPPORT OUR STRATEGY:**

- Diverse product basket
- Pan-Bangladesh presence
- Professional and well-trained workforce
- Management commitment
- Growing focus on digital insurance

**INTENT:** Focus on innovations-driven product development

**GROWTH DRIVER:** Vast range of unmet consumer needs and requirements

**STRENGTHS THAT SUPPORT OUR STRATEGY:**

- Demonstrated track record in product innovation
- Close customer contact, helping better identification of needs, especially unstated needs
- Emphasis on complementary partnerships to drive credible transformation
- Digital focus that represents innovation in insurance access and distribution

**INTENT:** Ensure enhanced operational sustainability

**GROWTH DRIVER:** Ease pressures on the environment to create a more sustainable economic growth trajectory

**STRENGTHS THAT SUPPORT OUR STRATEGY:**

- Sustainability alignment with the UN SDGs
- Focus on green practices at the workplace
- Select products like agri-insurance focused on mitigating climate change risks



- Focus on addressing pressing grassroots issues, like health care and education
- Conservative financial practices

## Drawing support from our six capitals

All organisations depend on various forms of capital for their value creation. In the International Integrated Reporting <IR> Framework, these capitals are defined as financial, intellectual and manufactured, human, social and relationship and natural capital.

### Financial capital

- Definition: It is the funds we obtain from providers of capital that we use to support our business activities and invest in our strategy
- Outcome: Sound financial performance achieved in 2019
  - Earnings per share stood at Tk. 3.39
  - Capital expenditure for the year stood at Tk. 26.31 mn, mainly towards augmenting our sales network and infrastructure and in digital technology
- Future focus: Optimise our cost and capital structures with a view to become leaner and more fit for the future

### Manufactured capital

- Definition: It is our tangible and intangible infrastructure that enables us to conduct our business activities
- Outcome: Relentless focus on product and sales innovation
  - Nabadita, Eco-plus, Cattle Insurance products launched over the last 3 years
  - Strong focus on alignment of customer value propositions with commercial success of products

- Future focus: Continue to segment the broader consumer population to devise products that better meet and serve their requirements

### Intellectual capital

- Definition: It includes the knowledge of our people, and our brand, reputation and intellectual property
- Outcome: Focus on building the lead in intellectual capital, especially since insurance is a knowledge-driven industry
  - Unparalleled insurance knowledge and knowhow
  - Strong senior management team with over 168 person-years of collective experience
- Future focus: Build on our intellectual capital as a key differentiator in a market that is becoming increasingly specialised

### Natural capital

- Definition: It relates to the natural resources on which we depend to foster value and create returns for our stakeholders
- Outcome: We concentrated on minimising the carbon footprint of our operations by as much as possible
  - Focused in digital insurance to lead to lower dependence on paper-based documentation and policies
  - Emphasis on the conservative use of electricity, water, etc.
- Future focus: Continue to generate awareness on the preservation of the ecology and support our quest for augmenting our natural capital

### Human capital

- Definition: It refers to our people and how we utilise our human resources to fulfill our corporate goals and objectives

- Outcome: We are a preferred employer in Bangladesh's insurance industry
  - Emphasised on exposure to trainings and workshops, both at home as well as abroad
  - Created robust career progression pathways that gave our employees a clear line of sight into opportunities at the company
  - Strong remuneration standards that helped build loyalty and productivity
- Future focus: Focus on manpower training and development and aligning on-ground performance with compensation

### Social and relationship capital

- Definition: It is the cooperative relationships with our stakeholders that enhance our ability to reach our goals, while also helping build operational continuity
- Outcome: Developed socially- and economically-relevant insurance products and services
  - Created strong and sustained engagement with all our stakeholders
  - Fostered our role as a responsible corporate citizen
- Future focus: Especially target grassroots communities to create a transformative and more meaningful impact

**For more information on how we use our capitals, please refer to the section on our business model.**



# 7.3

## CORPORATE SOCIAL RESPONSIBILITY (CSR)

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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 Company actively takes part in social causes that involve culture, heritage, women empowerment, education, youth development, specially abled or deprived children. Some of the notable CSR activities of Green Delta Insurance Company are as follows:

- **Our Kids @ Jaago Foundation:** Green Delta Insurance sponsored 40 kids studying at Jaago Foundation schools four 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 2 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.

- **Apasen School for Specially Abled Children:** Another philanthropic initiative of Green Delta Insurance is the contribution to Apasen school, which is a specialized school for differently-abled children. We strongly believe that all kids are special and each kid deserves the same attention, which is why we contributed to Apasen.

We not only contribute financially for progress of the society and deprived communities, we also try our best to contribute mentally and physically. For example, let us take our sponsored kids at Jaago for example. We, at Green Delta Insurance, believe that sponsoring those kids 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 1, 2019 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, cut outs of their favorite heroes, 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. The kids not only shared that they want to follow the example of Nasir sir and become a real life hero like him, but 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. 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. The kids not only shared that they want to follow the example of Nasir sir and become a real life hero like him, but 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.

# 7.4 EVENTS AND HIGHLIGHTS

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## GDIC brings the 1st ever AR Calendar of Bangladesh

Green Delta Insurance Company Limited (GDICL) has recently launched the very first AR (Augmented Reality) calendar in Bangladesh, which is also the first ever corporate AR calendar in Asia. The AR experience requires involvement of both print and digital media. As such, the whole process of augmented reality experience is delivered through a mobile application. Green Delta has launched a mobile app called “GD Calendar” to provide the experience of Augmented Reality

Calendar of 2019, which is available for download both in iOS AppStore and Android Google Play store. This digital version of a desk calendar works in a way that, when an individual looks at the visual of the desk calendar through the app’s built-in camera, the still images of the calendar turns into a live or animated story while showing the

hidden message. The AR calendar will allow users to access impressive AR features such as animated videos for all 12 months. Green Delta’s AR calendar of 2019 is surely another reflection of Green Delta Insurance’s digital ambition and it shows that the organization is determined to set their footsteps in all aspects of being digitally transformed.



## GDIC's "Firey Ashuk Chithi" Initiative Earns Overwhelming Response This Year

The social initiative of Green Delta Insurance named "Firey Ashuk Chithi" was initiated in 2018 on occasion of international mother language day, which received appreciation from all caste and creed of our society. Considering the widespread response, GDIC initiated "Firey Ashuk Chithi" (meaning - Let letter reappear) again in 2019 on 10 February for the second consecutive year, which continued throughout the month of February. This objective of this specialized social campaign is to bring back the practice of writing letters among mass people.

To remind the countrymen about chithi, which is an almost forgone element of our culture, GDIC

organized public awareness program including 'Letter Festival' at different educational institutes and public hotspots under the campaign in 2019. Besides the awareness campaign and activation, all the logistics and utensils required for letter writing including pen, paper and envelope were being provided by Green Delta Insurance to assist everyone write letters. Bangladesh Post Office was the strategic logistic partner of the campaign for delivery of the letters that were collected throughout the campaign. Around 10000 letters were written during this month long letter festival.



Letter is a part of our culture and history, which is now alien to young generation due to adoption of different technology-driven communication mediums. However, letters contain emotions, love, and affections of interpersonal relationship; it contains a personal touch that's missing in any other communication medium. The campaign is organized to uphold the oldest tradition of communication among mass people in order to revive the culture and practice of letter writing, which is almost forgotten and forgone in modern days due to pace of communication technology.



## Internal Learning Event titled "Meet the Legend" Series Launched at GDIC

Our honourable advisor and Founding MD, Mr. Nasir A. Choudhury, is an unparalleled pioneer in insurance sector of Bangladesh. He is undoubtedly one of the most experienced and knowledgeable personality in insurance sector of Asia. On different occasions over time, we have heard different insurance professionals in Bangladesh mention him as one of the centrifugal forces behind their professional development as well as the development of insurance industry. However, there are a lot of young executive and managers in GDIC who haven't had the chance to see Mr. Choudhury closely despite working in GDIC. The objective behind the "Meet the Legend" series is to introduce this young workforce with the legend and let them interact with him up close. 15 employees of Green Delta family took part in each

of the episodes of "Meet the Legend", where Mr. Choudhury shared stories from his vast experience and knowledge, interacted with the attendees, gave them career tips and answered their questions. We believe, such interactive knowledge sharing sessions with such a profound character would definitely help in the career development and learning curve of the young workforce of GDIC.



## "GD Noborong" – celebration of colors on the occasion of Pohela Boishakh 1426

To celebrate the Bangla New Year 1426, Green Delta organized a celebration event titled "GD Noborong" on April 18, 2019. The celebration featured handful of traditional foods including fuchka, jhalmuri, kulfi, beauty's sharbat, reshmi jilapi etc. as well as different traditional activities including balloon shooting, mehendi, fortune telling etc. Moreover, the celebration also included a cultural program featuring different traditional performances. All employees of the Green Delta family from all across the capital were invited to the celebration. The event was also graced by the higher management of Green Delta family including Ms. Farzanah Chowdhury, Mr. Nasir A. Choudhury and select few invitees from the regulatory authority and the industry. The celebration was truly a festival of colors with all employees dressed in colorful traditional dresses.



## Green Delta Insurance Holds its 33rd AGM

Green Delta Insurance Company Limited declared 20% dividend (10% Stock and 10% Cash) for its shareholders for the year ended December 31, 2018. The announcement was made at the 33rd Annual General Meeting of the company, held on Sunday, 31st March 2019 in Dhaka. The meeting was attended by sponsors, directors and a large number of shareholders and was presided over by Mr. Md. Abdul Karim, the-then Chairman of the company.

The Chairman expressed his appreciation towards the shareholders of the company for their continuous support and cooperation towards the growth of the company. Ms. Farzanah Chowdhury (Chartered Insurer, MD and CEO of Green Delta Insurance) thanked all the shareholders for helping Green Delta Insurance

march ahead in the industry and secure the top position since its inception. Besides expressing her high hopes about the future of the company riding on a diverse service portfolio featuring payment integrated seamless digital insurance services, agriculture insurance, insurtech etc., Ms. Farzanah Chowdhury promised to drive continuous innovation and best in class service to ensure sustainable growth of the company. Advisor and Founding MD of Green Delta Insurance, Mr. Nasir A. Choudhury,

also addressed to the shareholders and expressed his gratitude for their continued support.

A good number of shareholders spoke in the meeting and highly appreciated the board of directors and management of Green Delta Insurance for their outstanding performance, strong corporate governance, declaration of attractive dividend and publishing an extensively informative annual report for the year of 2018.



## GDIC Holds its 33rd Annual Business Conference

The 33rd Annual Business Conference of Green Delta Insurance Company Limited was recently held in Dhaka on April 27, 2019. Mr. Md. Abdul Karim, Chairman of the company, chaired

the event as the chief guest and delivered the inaugural speech for the conference. Managing Director and CEO of Green Delta Insurance, Ms. Farzanah Chowdhury, Chartered Insurer, appreciated the performance of 2018 and shared her aspirations for the year of 2019. Mr. Nasir A. Choudhury, Advisor and Founding Managing Director

of GDIC, also shared his insights regarding the business status and his hope about the future of the company. All the Management Committee members, Zonal Heads, Branch Managers, along with other senior officials of Green Delta Insurance and its subsidiaries from all across the country participated in the conference.



## Green Delta Insurance celebrates its 34 Years of Supremacy

Green Delta Insurance Company have celebrated its 34 years anniversary and market leadership at its head office in Dhaka earlier today (January 01, 2020). The founding Managing Director & Advisor, Mr. Nasir A. Choudhury; Managing Director & CEO, Ms. Farzanah Chowdhury, all management committee members and valued employees of Green Delta family were present to celebrate this joyous occasion of 34 years of supremacy of the organization.



## Grand Finale of the Bichchuron Initiative Successfully Completed

With a vision to encourage the youth to share fresh and innovative ideas on the renewable energy sector to make power/electricity available to all and contribute to the overall sustainable development of Bangladesh, the Bichchuron initiative was launched jointly

in partnership of Green Delta Insurance, Young Bangla and Power Cell (MoPEMR). Over the span of a month-long online and offline call for application for idea submission, a total of 700 application were submitted from more than 50 universities across the country. After a preliminary evaluation, the top hundred projects received an invitation for 'Dhaka Pitching' to pitch their projects. Out of the hundred best projects, thirty teams

primarily got selected by the jury board. These 30 teams got the opportunity to participate in the National Camp followed by the Grand Finale, where the top 10 ideas were selected and awarded with seed fund for executing their ideas into reality.





## Ms. Farzanah Chowdhury attends celebration of “International Day of the Girl Child” as Special Guest

Ms. Farzanah Chowdhury, MD & CEO of GDIC, spoke as a special guest at the celebration of “International Day of the Girl Child” organized by No Passport Voice on October 11, 2019. This special day’s purpose is to highlight and address the needs and challenges that girls often have to face, while also promoting empowerment of girls and fulfilment of their human rights. This year’s International Day of the Girl Child theme is “GirlForce: Unscripted and unstoppable”. The celebration was graced with the honourable Foreign Minister, Dr. AK Abdul Momen as the chief guest, while the Resident Coordinator of UN Bangladesh, Ms. Mia Seppo, was present as the guest of honor.



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## Ms. Farzanah Chowdhury interviewed by CNBC during Making Finance Work for Women Summit 2019 at Singapore

MD & CEO, Ms. Farzanah Chowdhury, attended the Making Finance Work for Women Summit

2019 as a speaker of a panel discussion, held at Singapore on 22-23 October 2019 and hosted by Women’s World Banking. The international summit featured leading international experts in driving innovations in women’s financial inclusion. More than 300 attendees from more than 40 countries participated in interactive workshops, debates, plenary sessions, and the inaugural FinTech

Innovation Challenge. During this summit, Ms. Farzanah Chowdhury was also interviewed on-air at the CNBC booth of the summit, which was broadcasted live in CNBC.



## Mr. Shubashish Barua Brings Home 3rd Prize for Research Paper

Shubashish Barua CERT CII (UK), Head of Product Development of Green Delta Insurance Company has been awarded the 3rd prize for his research paper in the international

seminar in India titled “Capitalizing upon the Emerging Trends in Afro-Asian Region In Quest of Profitable & Sustainable Growth” organized by BIMTECH and Federation of Aro-Asian Insurers & Reinsurers. (F.A.I.R.). Out of total 8 paper presented, 2 were from Bangladesh, 3 from India and 1 each from England, Iran and Egypt. Dr. Madhusudhan Acharya (PhD) from Glasgow Caledonian University (England) won the first prize while two Iranian insurers, namely, Dr. Mohsen Gharakhani (PhD) and Ms. Nadereh Samie from Razi Insurance Company won the second prize.



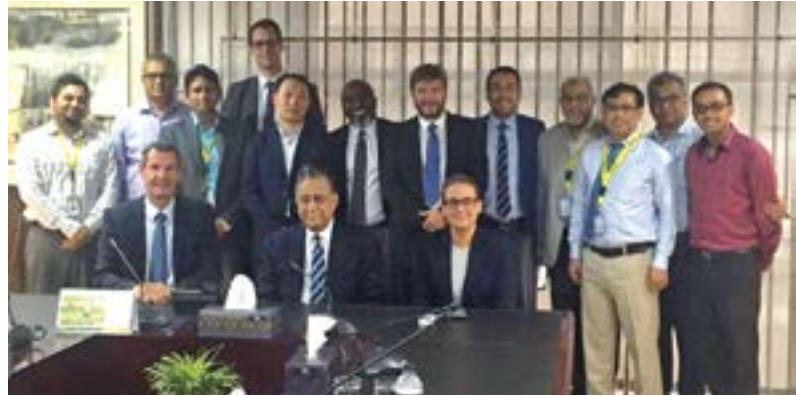


## Team of Foreign Reinsurers from Korea, Switzerland & England Visit GDIC Head Office

A team of foreign re-insurers from SAMSUNG Re (Korea), Helvetia Re (Switzerland) and Tysers (Lloyd's broker, London) visited the head office of Green Delta Insurance last month to exchanged thoughts and views on hardening international insurance market, especially on power sector. The foreign delegates comprised of Mr. Ferdinand DELA TORRE (Head of Facultative, SAMSUNG Re), Mr. Marcus Eung-Chul Kim (Sr. Underwriter,

SAMSUNG Re), Mr. Mark Stevens (Sr. Underwriter, Helvetia Re) and Heiko Hammacher (Sr. Underwriter, Helvetia Re) along with Mr. Rotimi Odeniran (Director of Tysers, Lloyds

Broker) and his team visited Green Delta Insurance to exchanged thoughts and views on hardening international insurance market, especially on power sector.



## Green Delta Family Takes Part in Career Fairs Organized by IUB & BRAC University

In June 2019, the Green Delta Family took part in two career fairs where we had the privilege to meet up with a lot of bright and potential future employees. Green Delta Insurance Co. Ltd. (GDIC), along with Green Delta Securities Ltd. (GDSDL), GD Assist Ltd. (GDAL) and Professional Advancement Bangladesh Ltd. (PABL) took part in these career fairs, where renowned public and private entities, including local and multinational corporates

and development organisations were present. "IUB Job Fair 2019" was organized at IUB campus on 17 June 2019, while "BRAC University National Career Fair 2019" was held at Bangabandhu International

Conference Center (BICC) on 27-28 June 2019. We are delighted to have taken part in these two events and very content with the response received from the fresh graduates as well as the job seekers.



## Green Delta Insurance takes part in INFOCOM 2019

Green Delta Insurance Company being the largest Non-Life Insurance of Bangladesh took part in INFOCOM 2019, organized in association with SAARC Chamber of Commerce & Industry with the theme of "Winning in this VUCA World". Mr. Wafi S M Khan, Deputy Managing Director of Green Delta Insurance & Managing Director & CEO of Green Delta Securities, being one of the speakers, delivered a speech on Leveraging the Power of Insurance for the New Age.

### Green Delta Insurance Settle Claims of 100 Boro Rice Farmers in Birganj, Dinajpur

For the first time in Bangladesh, one hundred fifty Boro rice farmers of Eco Social Development Organization (ESDO) in Birganj (Dinajpur) received claim on 16 July 2019 through Weather Index Insurance Policy, who suffered crop damage due to heavy rainfall. The initiative is under Syngenta Foundation for Sustainable

Agriculture Bangladesh (SFSA Bangladesh) with its “Surokkha” project, part of Swiss Agency for Development and Cooperation

(SDC) & SFSA Bangladesh co-funded project and this insurance was covered by Green Delta Insurance Company (GDIC).



### Green Delta Launch First Ever Livestock Insurance Scheme for Cattle Farmers

Green Delta Insurance Company and BRAC Bank Limited have jointly launched Bangladesh’s first ever livestock insurance coverage facility titled “Cattle Shield Programme” for the cattle farmers on 28 August, 2019 in Dhaka. The new facility is a part of the two organizations’ continued commitment to bring in



innovative products for their valued customers. Green Delta Insurance has introduced a unique system of NFC enabled collar tag for cattle identification and monitoring that will facilitate smooth claim

settlement. The unique scheme will greatly benefit the cattle farmers as it mitigates the risk of livestock loss causing from accidental death, diseases, partial disability or even death during calving.

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### Ms. Farzanah Chowdhury attends UN SDG Summit 2019 at New York

Like every year, Ms. Farzanah Chowdhury was invited to the UN SDG Summit this year too, which was held in September at New York. During this summit, Ms. Chowdhury participated in multiple sessions of the SDG Business Forum as a speaker, which include “Winning Together – Sustainability in action” on 23rd September, “Sustainable Financing for 2030” and “Leadership for the SDGs: Featuring the Young SDG Pioneers” on 25th September. At these forums, she has shed light on various burning issues as well as ways to integrate SDG in the business model for a sustainable future.





## Awareness Program & Staff Training on Livestock Insurance Held at North Bengal

The ground works for the recently launched livestock insurance have successfully been commenced. Recently, a team from Green

Delta visited North Bengal and have conducted two awareness programs, two staff trainings and a FGD on Livestock insurance at Rajshahi & Rangpur as part of the livestock project with Brac Bank named "Cattle Shield". The awareness programs were attended by the Livestock farmers, while the BRAC Bank staff attended the staff trainings. The audience

were introduced to the livestock insurance, how it works, terms and condition etc. through these awareness programs and staff trainings. The main objective was to aware farmers and field level staff about the livestock insurance and collect livestock related information through FGD.



## Green Delta Insurance Company settles a claim of Nibedita at Jessore

Nibedita is the only comprehensive insurance policy of the country for women and one such policyholder is Ms. Shapla Khatun (30), whose house was destroyed by the cyclone Foni in April 2019 at Kotwali, Jessore. Mr. Wafi S M Khan himself (DMD and Head of Retail, SME & Micro of Green Delta Insurance Company) along with his team visited the client at her home and handed over a cheque her place in September 2019.

## GDIC takes part in the 15th IMC held in Dhaka, where Farzanah Chowdhury speaks at multiple sessions

Our MD & CEO, Ms. Farzanah Chowdhury, spoke at the multiple sessions of the 15th IMC held in Dhaka from November 5-7, 2019, while the first session being the Impact Insurance Forum 2019, which focused on the topic “Insurance for women: Opportunities for insurers”. It was the first ever international microinsurance conference for

inclusive insurance organized in Bangladesh, jointly hosted by Bangladesh Insurance Academy (BIA), Munich Re Foundation and Micro Insurance Network. As one

of the proud platinum sponsors, GDIC attended the event with its diversified and most innovative microinsurance portfolio of the country.



## Farzanah Chowdhury Speaks at Dhaka Global Dialogue 2019

Our MD & CEO, Ms. Farzanah Chowdhury, spoke as a panelist at the Dhaka Global Dialogue held in the capital from November 11-13, 2019, which is co-hosted by Bangladesh Institute of International and Strategic Studies (BISS) and the Observer Research Foundation (ORF), India. The two-and-half-day dialogue is a platform designed to discuss and debate the most pressing global sustainable development imperatives. Various renowned personalities from gov. and private sector were also present at the event.



## Green Delta Insurance Settles Claims of 675 Farmers in Bogra

Green Delta Insurance Company Limited has settled claims of 675 aman rice farmers amounting BDT 164,343 on November 3, 2019 at Bogra. These aman rice farmers were members of local micro-credit organization named Gram Unnayan Karma (GUK) and Syngenta Foundation for Sustainable Agriculture (SFSA) Bangladesh played a role of key partner to establish a bridge between Green Delta Insurance

Company Limited and Gram Unnayan Karma (GUK) under their project named “Promoting Climate Change Adaptation Risk Mitigation Measures” (Surokkha). Besides Syed Moinuddin Ahmed, (AMD & Company Secretary of GDIC), and

Green Delta Agriculture Team, Khalil Ahmed, (ED of IDRA) and Professor Dr. Md. Giashuddin Miah (VC, Bangabandhu Sheikh Mujibur Rahman Agricultural University) were also present at the claim settlement ceremony.





## Farzanah Chowdhury chairs as Special Guest at the Launching of “CSR Report in Bangladesh 2019”

CSR Center has been working for about a decade in Bangladesh for promoting structured and sustainable CSR and have been publishing consolidated CSR report with the best CSR practices in Bangladesh since its inception. The 2019 report titled “CSR Report in Bangladesh 2019 - Encouraging Youth as Changemakers” has recently been published and launched in the capital earlier

last month. Our MD & CEO, Ms. Farzanah Chowdhury, was present as Special Guest for the launching ceremony of this year’s CSR report. As Bangladesh strives towards attaining sustainable development with the targets set out in the

Sustainable Development Goals (SDGs), CSR strategies and policies are being integrated in sustainable business model as a part of tending to the communities in which the businesses operate.



## GDIC takes part in the first ever Fintech Summit held in Bangladesh

The first ever fintech summit of Bangladesh was recently organized in the capital by Bangladesh brand Forum. As we attended the “Bangladesh Fintech Summit 2019”, our dynamic MD & CEO Ms. Farzanah Chowdhury spoke at the

summit in a panel discussion titled “Reinventing Insurance”. It was an insightful and enriching experience

for the GDIC team to learn from so many industry experts under one roof.



## Green Delta Acquires New Partners of in the Banner of Nibedita

This year Green Delta Insurance Company has signed MOU with 23

New Organizations in the Banner of Nibedita. Now Nibedita policy holder will get Upto 40% Discount from the respective organizations that includes Restaurants, Beauty Saloon, Fashion House, Jewelry store, Gymnasium, Martial Academy

and many more. GDIC has served Table Top and X- Banner on that places by which customer may easily avail the Discount.



## Livestock Insurance Project titled “Cattle Shield” Running Successfully Across the Country

Through the inauguration of the project “Cattle Shield”, held on 28th August 2019, Green Delta Insurance Company Limited and BRAC Bank Limited have joined hands to serve the livestock sector with the aim of securing the credit and also utilizing the insurance as an asset.

In last 4 months, Green Delta has already insured 176 Cattles, total Sum Insured amounting more than BDT 2.2 crore, scattered across the country while tapping our footprints in 13 districts namely; Dhaka, Chattogram, Feni, Noakhali, Cumilla, Brahmanbaria, Sylhet, Moulovibazar, Sirajganj, Rangpur, Kurigram, Nilphamari, Panchagarh, Bogura of 5 divisions of Bangladesh. Agri team is working behind the backdrop to cover total sum insured amounting 4 Crore which will be disbursed in form of loans. We also tied up with iFarmer which partnership will be

executed in a different model of Livestock Insurance.

Livestock Insurance by Green Delta is the first insurance service in the country which provides insurance coverage for calving complication and partial disability as a comprehensive product along with the uncertainty of livestock arising from death, disease or disability caused by natural disasters, sickness or accident which induce substantial income risks to every walk of farmers of our country.

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The image shows a digital interface for a livestock insurance application. It is divided into several sections:

- Livestock Details:** A table with two columns listing various attributes of the animal.
 

Attribute	Value
Age	5 years
Gender	Female
Color	Black and White
Type	Dairy
Loan Amount	350000
Market Price	0
YKF	1575
Date of Entry	15 December 2019
Remarks	
Height	4 foot 1 inch
GPS Location	22.3506661, 91.8220848
Purchase Price	0
Net Premium	10500
Gross Premium	12075
- Images:** Two photographs of a cow. The top one shows a close-up of the cow's face with a yellow tag. The bottom one shows the cow's body with a yellow tag on its neck.
- Health Card:** A photograph of a grey card with the number '1348' written on it.
- Bottom Section:** Two photographs showing a man in a green shirt interacting with a cow in a farm setting.

# 7.5 AGREEMENT SIGNED



## **Green Delta Insurance & Syngenta Foundation sign agreement on Weather Index Based Crop Insurance**

Green Delta Insurance Company and Syngenta Foundation have signed an agreement on 16 April 2019 (Tuesday) in Dhaka regarding Weather Index Based Crop

Insurance. Under this agreement, Green Delta Insurance will provide insurance coverage for the paddy and vegetable farmers in the Northern part of Bangladesh through different NGO's, MFI's, farmers' hubs with contribution of Swiss Agency for Development (SDC).

Ms. Farzanah Chowdhury (MD & CEO, Green Delta Insurance) and Mr. Farhad Zamil (Country

Director, Syngenta Foundation) signed the Agreement on behalf of their respective organizations. Among others, senior key officials of both organizations including Mr. Syed Moinuddin Ahmed (AMD & Company Secretary, Green Delta Insurance) and Md. Moshir Rahman (Independent Advisor, Syngenta Foundation) were also present at the ceremony.



### Green Delta Insurance Co. Ltd. signs MoU with CARE Bangladesh for non-traditional financing (NTF) for rural smallholder farmers

Green Delta Insurance Ltd. has signed a memorandum of understanding (MoU) with CARE Bangladesh's Krishi Utsho Microfranchise on April 30, 2019 for initiating non-traditional financing (NTF) scheme for rural smallholder farmers of Bogra and Jessore. The MoU signing event was attended by members from CARE and Green Delta Insurance Ltd. Farzanah Chowdhury, Chartered Insurer, Managing Director & CEO of Green Delta Insurance Ltd. and Prabodh Devkota, Assistant Country Director, CARE Bangladesh, signed the

MoU on behalf of their respective organizations.

This initiative is expected to ensure secure farming for rural smallholder farmers through insurance coverage at their doorsteps. This is a pilot that is being initiated by Green Delta Insurance Ltd. and CARE Bangladesh with funding from MEDA

(Mennonite Economic Development Associates), Canada. Krishi Utsho is an emerging social enterprise that is working to ensure secure farming for smallholder rural farmers. Krishi Utsho works with Bank Asia Ltd. and Green Delta Insurance Company to support rural smallholder farmers with loan and insurance services for farming.



### GDIC signs two MoU with Daakbox and iFarmer on Agriculture and Livestock Insurance

Green Delta Insurance has recently signed an agreement with Daakbox Limited on Weather Index Based Crop Insurance, Livestock Insurance and other insurance products that could reduce vulnerability of the farmers of Daakbox. Another MoU with iFarmer has also been signed on Livestock Insurance. The purpose of both MoU is to set out the framework of collaboration of the two parties to develop Weather Index Based Crop Insurance, Livestock Insurance and other insurance products that could reduce vulnerability of the farmers of Daakbox and iFarmer respectively via piloting.

## GDIC & BRAC Bank Join Hands to Offer Livestock Insurance for the First Time in Bangladesh

Green Delta Insurance Company Limited has introduced the first

ever livestock insurance coverage of Bangladesh in association with BRAC Bank for the SME customers of BRAC Bank. This scheme aims to improve the access of livestock owners to finance by moderating the risk of livestock loss causing from accidental death, diseases, partial disability or even death during calving. The livestock insurance

coverage is expected to be an important tool for poverty alleviation and thus safeguard the interest of cattle farmers, particularly in the rural areas of Bangladesh.



## GDIC Signs Agreement for Cash Management Solution with BRAC Bank Limited

Green Delta Insurance Company Limited (GDIC) has recently signed

a Cash Management Solutions agreement with BRAC Bank Limited for Nationwide Collection Services (NCS) including Collection through branch network, Cash Deposit Machine (CDM), Agent Banking, Mobile Financial Services, E-Commerce, Payment Transfer

Services & Online Payment Portals. The purpose of the agreement is for smooth collection & payment services, cash management and reconciliations.






# 7.6 OUR BUSINESS MODEL

We use our six capitals and our unique value drivers to provide high-quality, affordable insurance products and solutions and create value for our stakeholders in a responsible and sustainable way.



**We realise our strategic objectives to reinforce the foundation for our plan of action to achieve our short-, medium- and long-term goals.**



**We rely on our unique value drivers within our six capitals to effectively implement our corporate strategies and achieve positive business outcomes.**

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- To enhance access to effective and affordable insurance products and solutions.
- To achieve strategic advantages through our expansive and omni-channel distribution network.
- To provide a rewarding, challenging, open and inspiring workplace environment to our employees.
- To embrace high-impact corporate social responsibility practices that foster sustainable outcomes.
- To create consistent economic value for all our stakeholders.

**Intellectual**

- Trusted brand
- Diverse high-impact portfolio
- Emerging presence in rural markets
- Robust customer relationships

**Manufactured**

- Focus on innovation
- Integrated product development capabilities
- Strong regulatory alignment competence

**Human**

- High-performance culture
- Ongoing training and capacity development programs
- Industry-leading compensation standards

**Natural**

- Environmental protection culture
- Focus on saving natural resources
- Green office policy

**Social and relationship**

- Ongoing stakeholder engagement
- Strong corporate reputation

**Financial**

- Well-capitalised business
- Cash generation capabilities
- Robust capital allocation strategies



**We create consistent value through our integrated value chain.**



**We provide a high-quality, affordable and diverse insurance portfolio, focusing on meeting the needs of our consumers.**

- Fire Insurance
- Motor Insurance
- Personal Insurance
- Nibedita Insurance
- Agri Insurance

- Marine Insurance
- Health Insurance
- Burglary Insurance
- All-risk Insurance



**Achieving outcomes that foster long-term value for our stakeholders and investors.**

- Intellectual** — Improved peace-of-mind for consumers who use our products
- Manufactured** — Economic stimulation in the regions in which we operate, boosting micro-enterprise and the micro-economy
- Human** — Employment opportunities, training and skills development provide to our 700+ employees
- Natural** — Initiatives that help mitigate the impact of our operations on the environment. Being in the services industry, our impact is limited though
- Social and relationship** — Uplifting the lives in the communities in which we operate. CSR alignment with the UN SDGs
- Financial** — Sustainable earnings growth and returns for shareholders. Contribution to the government through direct and indirect taxation

# 7.7

## STRATEGY AND RESOURCE ALLOCATION

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### Our journey defined by our strategic objectives

At Green Delta Insurance, we have a clearly expressed strategy that is defined on the basis of our short-, medium- and long-term goals.

As a long standing general insurance institution with robust core capabilities, our stated objective over the short-term is to widen our presence in retail insurance, aligned with our intent of providing insurance for all.

With the contribution of insurance less than 1 per cent of the national GDP, there exists immense scope and opportunity for insurance in Bangladesh. Facilitating our short-term plans is the focus on the government as well to reach insurance to the masses. In fact, we are forging public-private partnerships to be able to bring together complementary strengths and achieve our purpose aligned with the national goals. For instance, we have been appointed as the operating partner for the second

phase as well in the government's Shasthyo Suroksha Karmasuchi (SSK) project that aims to widen health insurance access among the rural poor. Further, our association with IDRA in providing claims to as many as 1,000 rickshaw-pullers in Dhaka city is also an illustrative example of our ability to structure complementary partnerships for creating an insurance-led impact among the general public and especially those vulnerable to health or income shocks.

Over the medium-term, we expect to further work on our granular customer segmentation strategy with a view to identify how insurance could benefit key customer groups and support these needs through providing tailored and customised insurance products and solutions. The overall idea is to then scale-up the product line to create a holistic engagement platform among target consumers. For example, our award-winning Nibedita insurance solution is a good instance of how we provide a wide range of insurance services exclusively to women,

suited to the needs and requirements of a wide economic strata of this large consumer segment. We believe that meeting the unmet needs of large population pockets will allow us to scale-up the solution quicker and meet needs that go beyond insurance.

Over the long-term, our stated vision is to leverage our insurance focus with a view to create a comprehensive financial services platform that will enable us to serve a much wider bouquet of consumer-centric financial needs. With economic growth continuously on the rise, we believe that there will be an emerging need for public to access a number of institutional financial services that cater to, say, their savings or retirement needs or to secure a major life goal, for example, house ownership. Our long-range vision will also contribute to the government's focus on financial inclusion that requires vast swathes of the masses to come under the folds of accessing finance and financial services from organised channels.

## Our industry positioning

We possess the largest share of the general insurance market and at the dawn of the new year of 2020, we celebrated our 34 years of supremacy in insurance in the country. Yet, we are not taking our industry positioning lightly or for granted, focusing instead of building our lead by engaging in a plethora of initiatives and activities. Some of these include:

- Developing innovative insurance products and solutions that demonstrate the potential to lead the markets
- Reinforcing our actuarial capabilities with a view to underwrite the risk in a manner that benefits the customer in terms of optimising premium instalments, as well as protects our operational viability in the event of a claim
- Staying true to the 'moment of truth', with the purpose of standing by our customer in the event of a claim, treating the matter with urgency and with a solid focus on customer service
- Providing extensive training to our staff, especially our sales force so that they treat customer needs with respect and service their requirements with sensitivity
- Offering world-class insurance education through PABL, thereby developing a pipeline of professional and educated talent for the industry as a whole
- Engage with micro-communities so that we stay as close to their requirements as possible
- Ensure alignment with all regulatory policies and instructions in the true spirit of compliance

Today, we occupy a large number of the general insurance industry of Bangladesh, which is larger than the combined share of the next two players operating in the market.

## Our resource allocation strategy

We offer a wide range of property-casualty and health insurance products to both retail and corporate customers. For the property-casualty business segment, these include motor, accident, property, general liability, travel insurance and personal insurance, among others, and the health business segment offers savings and investment-oriented products combined with health insurance. We are the leading property-casualty and health insurer in Bangladesh with a combined portfolio of Tk. [ ] mn, as on 31 December 2019. Our key market (in terms of premiums) for both property-casualty and health insurance comprises Bangladesh.

The Board reviews our business strategy and capital allocation plans with the senior management regularly and remains convinced that we are on the right course. Our strategy is based upon multiple growth drivers, which are long-term in nature, and we formulate our capital allocation plans and strategies in the context of these growth drivers. Importantly, these growth drivers help generate sustainable business expansion and increased earnings. Some examples include an attractive demographic profile with a large and youthful population, which inspires us in our quest to develop innovative insurance services that capture the unmet needs of this segment. We are also driven by the financial inclusion focus of the government, ensuring that we serve the needs of the market with organised and mainstream insurance products. We also allocate capital strategically to cater to select goals expressed in the United Nation's Sustainable Development Goals (SDGs), which we consider to be a major long-term growth driver. Right from conceptualising products that align with meeting the objectives of the SDGs, to creating community impact that help solve pressing societal challenges, we are focused on aligning with the government's target of meeting the SDGs by 2030.

Indeed, our resource allocation strategies are anchored on prudence and pragmatism, as we balance the objectives of maximising our strategic impact at optimal investments, premised on meeting the fundamental expectations of all our stakeholders.

## Competitive advantages

With strong expertise in providing sound risk-mitigated solutions, we have developed a few core competitive strategies that facilitate us to achieve multidimensional growth.

- **Fostering true customer-centricity:** We design intuitive products and processes to achieve loyalty leadership in Bangladesh
- **Embracing digital insurance:** We are engaged in the process of replacing legacy- platforms with core processes that are focused on automation and digitalisation
- **Reinforcing technical excellence:** We are moving towards data-led product design, pricing and claims handling, thereby strengthening our whole insurance practice – right from actuarial sciences to claims management
- **Sustainability alignment:** We are focused on aligning operational value with the SDG goals, thereby elevating our focus from only insurance to extended societal good
- **Inclusive meritocracy:** We nurture a culture where both people and performance matter

Our management has also developed a strategy for the management of risk. This risk strategy places particular emphasis on protecting the Green Delta brand and reputation, remaining solvent even in the event of extremely adverse scenarios, maintaining sufficient liquidity to meet financial obligations and providing resilient profitability.

It is because of these core competitive advantages that we have received several national and international awards and recognitions, and this acknowledgement only drives us to improve our performance every day.

### Initiatives that enable holistic stakeholder engagement

Our financial strength coupled with ongoing transformation renders us resilient and allows us to capitalise on new opportunities in a fast-paced business environment. For example:

- By combining close customer understanding and evolving actuarial techniques, we provide superior insurance products and extend tailor-made service offerings.
- As a diversified insurance group that is active across Bangladesh, we can innovate locally, then spread ideas and best practice across the nation in order to exploit economies-of-scale and tap into wider geographic opportunities.
- We seek to grow in fast-growing regions, including the cities of Dhaka and Chittagong, and aim to extend this drive to go deeper into the core heartlands of Bangladesh
- We are building expertise and business models to profit from new risk pools, including cyber risk, etc.

In a continuously evolving market where the demands of customers also constantly change, our knowledge of the industry and demonstrated competences in product development and risk management offer us tremendous opportunities to create customer-focused solutions.

In realising our targets and objectives, we believe that holistic stakeholder engagement is crucial. Hence, we are focused on raising awareness in Bangladesh among our customers on the importance of insurance in mitigating unforeseen risks; we are providing sound training platforms and progressive career development opportunities to our staff; we are focusing on leveraging our competencies in insurance and risk management to generate consistent shareholder value; and we are working with our beneficiary communities to create a meaningful impact that can improve their lives across societies.



# 7.8

## 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.

# 7.9

## ENVIRONMENTAL AND SOCIAL OBLIGATIONS

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.



### PLANET

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.



### PEOPLE

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.



### PROFIT

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.

# RISK MANAGEMENT



# 8.1

## RISK MANAGEMENT AND INTERNAL CONTROL

We promote enterprise-wide risk management as a platform on which we advance our mid- to long-term business plans. Specifically, we remain aware of the relationship between risks, capital and profits to achieve both capital adequacy and profitability relative to risk, thereby realising ongoing material improvements in corporate value.

At Green Delta Insurance, our Board is responsible for ensuring that an appropriate and effective system of internal control and risk management is in place across the organisation. The framework of risk management and internal control is premised on clear delegated authorities to ensure Board oversight and proper execution of important decisions.

Notably, our risk management framework is underpinned by our code of conduct, which sets out the ethical standards that the Board needs to embrace, as also by employees, agents and others working across our organisation and the extended group. The framework is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material impact or loss.

## Risk management at a glance

<b>RISK APPETITE</b>	The group's overall attitude to risk and the ranges and limits of acceptable risk-taking.
<b>RISK-TAKING AUTHORITY</b>	The formal cascade of our risk appetite to managers, empowering them to make decisions within clearly defined parameters.
<b>RISK POLICIES</b>	Our strategies for managing the risks in our operating landscape, so as to ensure residual risk exposures are only those within our risk appetite
<b>RISK IDENTIFICATION AND MEASUREMENT</b>	Tools that help managers identify and evaluate the risks to which our organisation may be exposed to, so that they can be managed in line with our policies
<b>RISK MANAGEMENT INFORMATION / DISCLOSURE</b>	How we report and review ongoing and emerging risks, and assess actual risk positions relative to the risk targets and limits that we set
<b>RISK OVERSIGHT</b>	Review and challenge how we identify and manage / mitigate risk
<b>RISK COMMITTEES</b>	Group-level committees oversee the management of risks and test the efficacy of our risk framework
<b>RISK CULTURE AND REWARD</b>	Performance measures that focus on the delivery of effective risk management across our business strategy, customer retention initiatives and corporate culture

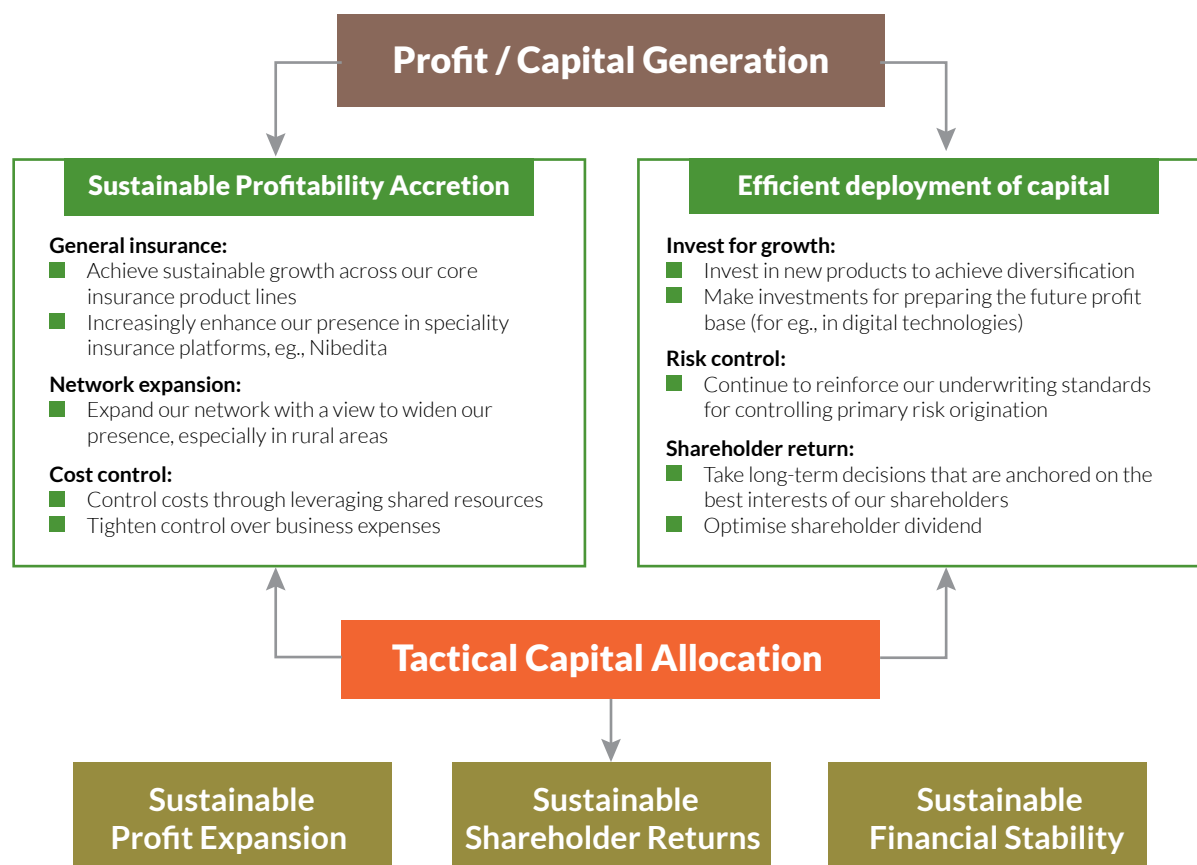
## Risk management framework

At Green Delta Insurance, our risk management framework is designed to provide organisational resilience, while enabling us to realise our corporate objectives. With regard to capital adequacy, we are targetting capital levels that will help maintain our high-quality credit ratings. In terms of profitability, we aim to realise capital efficiency levels that exceed our cost of capital, and we intend to target fairly stable return on equity (ROE) levels in the future.

Looking ahead, we intend to work towards achieving sustainable profitability growth through the enhancement of the effectiveness of our business through maximising the impact of insurance, while also fostering group-wide synergies. The profits and capital thus generated will be dedicated to efficient deployment, which will enable us to maintain our financial soundness and stability, while helping us to further diversify our product portfolio and enhance shareholder return, as we strive to reinforce the foundations for future growth.

At our company, we embrace the following framework that comprises our enterprise risk management focus over the mid- and long-term, thereby helping us secure our operations in a risk-prone industry / operating environment.

## Green Delta's risk management framework:



At Green Delta Insurance, we go beyond conventional risk management, from merely preventing and mitigating risks to embracing a holistic approach to perform quantitative and qualitative risk monitoring in order to appropriately curb risks, protect capital and grow profits through the effective utilisation of risk information.

### Internal control

Our risk management framework sets out delegated authorities and vests ownership with divisional heads leading particular business divisions. Group-wide standards are established through policies and other governance arrangements, which are also included in our code of conduct. Internal controls and processes, based on the provisions established in our code are in place across the company and the group. These include controls for the preparation of financial reporting as well. Importantly, the operation of these controls and processes facilitate the preparation of reliable financial reporting and also the preparation of consolidated financial statements in accordance with the applicable accounting standards and requirements of our statutory / regulatory authorities. These controls include certifications by the Managing Director & Chief Executive Officer (MD & CEO) and Chief Financial Officer (CFO) regarding the accuracy of information provided for use in the preparation of our consolidated financial reporting and the assurance work carried out in respect of local reporting requirements.

As a robust risk governance practice, the Board has delegated the authority to the audit committee to review the framework and effectiveness of the group's systems of internal control. In discharging this responsibility, the audit committee is supported by the assurance work carried out by company- and group-wide internal audits and the work of the business unit audit committees, which oversee the effectiveness of controls in each of our respective business units.



# 8.2

## RISK MITIGATION METHODOLOGY

A key component of our risk management framework is the risk mitigation methodology that articulates best practices in mitigating / controlling / minimising risk. This methodology also sets out our broad risk appetite, which is calibrated as per the larger operating environment and with respect to our own knowhow of specific product lines or customer accounts. Notably, our risk management approach or methodology requires all our business units to establish robust processes for identifying, evaluating and managing the risks facing their respective businesses.

Our risk committee is constituted by the Board for the purpose of assisting it in providing leadership, direction and oversight of the company's overall risk appetite, risk tolerance levels and risk management strategy, and for monitoring the effectiveness of the risk management framework and adherence to the various risk policies. The risk committee also has the authority to review and approve changes made to the risk framework and risk policies, approve changes to risk limits within the overall Board-approved risk appetite, acknowledge the top risks that need to be addressed with priority, and oversee and advise the Board on the current and potential future risk exposures of the company.

Green Delta Insurance's risk governance arrangements, which support the Board, the risk committee and our audit committee, are based on the principles of the three lines of defence model, which include:

- Risk-taking and management
- Risk control and oversight
- Independent assurance

### Our first line of defence (risk-taking and management)

**Aim:** Take and manage risk exposures in accordance with the approved risk appetite, mandate and limits set by the Board

#### Key activities:

- Identify and report the risks that the Group is exposed to, and those that are emerging
- Promptly escalate any limit breaches or any violations of risk management policies, mandates, notifications or instructions
- Identify and escalate significant emerging risk issues
- Ensure that the business / unit is managed to ensure the highest level of compliance with the overall risk management framework, risk policies as well as approval requirements

### Our second line of defence (risk control and oversight)

**Aim:** Engage in active supervision and monitoring of key risk formations and take appropriate risk control / mitigation measures

#### Key activities:

- Assist the Board to formulate and then implement the approved risk appetite and limit framework, risk management plans, risk policies, risk identification processes and risk reporting practices
- Review and assess the risk-taking activities of the first line of defence and, where appropriate, challenge the actions being taken to manage and control risks
- Approve any significant changes to the controls in place

### Third line of defence (independent assurance)

**Aim:** Ensure risk control holistically through independent audit / third-party assurance

#### Key activities:

- Provide independent assurance on the design, effectiveness and implementation of the overall internal control, including risk management and compliance
- Get expert insights into and perspectives of risk control / management

### Formal review of risk controls

A formal evaluation of the systems and processes of internal control and risk management is carried out on a regular basis. The report is considered by the audit committee

and the risk committee prior to the Board reaching a conclusion on the effectiveness of the systems in place.

The Board prioritises discussions on our risk management methodologies with a view to ensure alignment in the specific ways in which we run our business, and also to facilitate orientation with best practices. While engaging in such discussions, our Board not only takes into cognisance regular risks, but also emerging risk formations that can have a material impact on our operations.

As part of risk evaluation, the MD & CEO and CFO certify compliance with the company's governance policies and the risk management

and internal control requirements. Our group-wide risk function facilitates a review of the matters identified by this certification process, and includes:

- Assessment of any risk and control issues reported during the year
- Risk and control matters identified and reported by the risk oversight functions
- Findings from the reviews undertaken by group-wide internal audit, which carries out risk-based audit plans across the group
- Issues arising from any external regulatory engagements or notifications

A crucial component of our approach to mitigating risk is by providing compliance training to our employees. We nurture an awareness of compliance while providing individuals in-charge of business operations with the necessary knowledge about compliance through training on insurance best practices, laws, internal controls, regulations, etc., with which directors, officers and employees must comply. Our heads are also responsible for arranging training sessions, where required, to their teams so as to ensure improved risk control and management among those engaged in the day-to-day operations.

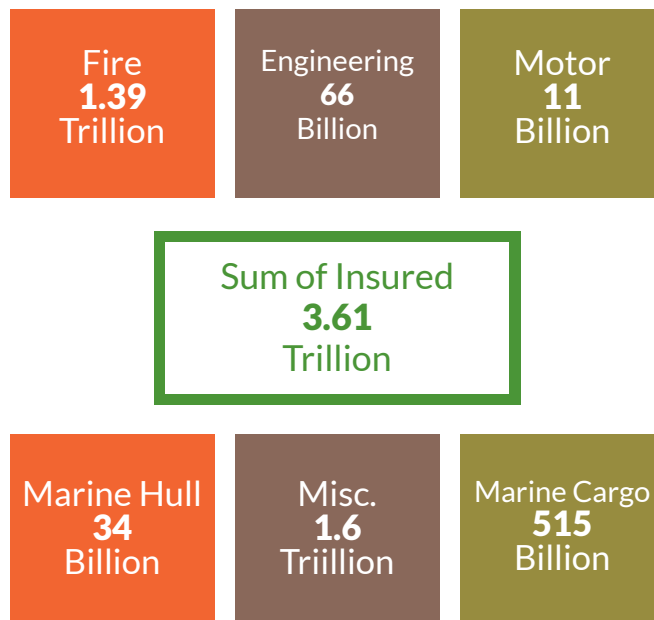
# 8.3

## RISK COVERED & SNAPSHOT OF 2019


  
**13%**  
 Revenue Growth

  
 BDT **416.41**cr  
 Gross Premium

  
**56,389**  
 New Clients



  
 More than **1mn**  
 Clients Served

  
 More than BDT **1.7bn**  
 Claims Paid

  
 More than **12,000**  
 Claims Settled

# 8.4

## DISCLOSURE OF RISK REPORTING

Understanding the risks that we may be exposed to, and deploying prudent strategies to ensure residual exposures remain within acceptable parameters, is an integral part of our business. However, it is also important that we engage in the disclosure of risks through proper risk reporting, enabling us to not only remain transparent and compliant, but also towards acknowledging the occurrence of risks with a view to proactively mitigate them.

As part of our risk reporting / risk disclosure norms, we seek to deeply embed the necessary capabilities to assess and price for those risks that we believe offer sustainable returns within each of our operating businesses, as well as ensuring the skill sets to closely manage those risk factors which could otherwise lead to unexpected or undesired outcomes.

Our risk reporting framework supports informed risk-taking by our businesses, setting out those risks that we are prepared and willing to be exposed to, and the risks that we want to altogether avoid. Together with risk limits and standards of internal control, we are able to ensure exposures remain within our overall risk appetite. With risk reporting going hand-in-hand with our risk control objectives, we are able to achieve the twin objectives of proper risk control driving prudent risk disclosure and vice-versa.

Importantly, our straightforward, purposeful and uncomplicated behaviours underpin the operations of our risk reporting framework, providing a culture of openness and transparency in how we make decisions and manage risks,

and balancing performance with principles to do what's right for the business and our customers.

Our risk reporting practices take into account the broad risk landscape comprising the key risks that we are exposed to, which fall into the categories of:

- Morbidity and business insurance risks that are transferred to us by our customers across our liability protection and general insurance businesses. The period that customers continue their policies is also important for profitability and this is shared in our disclosures.
- Investment and counterparty risks from holding asset portfolios to meet our obligations to our customers in case of claims and to deliver returns to our shareholders.

Operational risks in respect of our business processes and IT systems, as well as the broader regulatory and legislative risks that can arise in the environments in which we operate. Essentially, our risk reporting expresses our overall attitude to risk using the following statements and measures:

- **Strategy**
  - We manage a diversified range of insurance products in which we accept risk in the normal course of business and aim to deliver sustainable returns on risk-based capital which is in excess of the cost of capital.

- We have an expressed appetite for risks we understand and are rewarded for, and which are consistent with the delivery of our strategic objectives.

### ■ Capital

- We aim to maintain an appropriate buffer of capital resources over the minimum regulatory capital requirements. Our risk disclosure norms feature minimum capital coverage ratios.

### ■ Earnings

- We have a low appetite for volatility of earnings, and hence prefer stability and consistency. Our risk control / reporting norms takes this objective clearly into account.

### ■ Customers

- We treat our customers with integrity and act in a manner that protects / enhances our brand and our reputation.

### ■ Liquidity

- We expect to be able to meet our claims payment obligations under extreme, but plausible, liquidity scenarios.

Our risk reporting objectives take into account risk tolerances, covering our specific exposures to credit, market, insurance and operational risks including, where appropriate, limits on concentrations and significant aggregation or formation of risks.

# 8.5

## BRIEF SUMMARY OF THE BUSINESS AND OTHER RISKS FACING THE ORGANIZATION AND STEPS TAKEN TO EFFECTIVE MANAGE SUCH RISK

To ensure financial soundness and sustainability of our business operations, we have identified the various risks surrounding our business and implement appropriate risk management corresponding to the nature, status and other characteristics of risks. Notably, the company also manages quantitative risks in order to maintain credit ratings and to forestall insolvency.

Among the various risks, the company recognizes that insurance underwriting risks and investment risks (core risks) must be managed well to prevent volatility in earnings. The company therefore controls these risks considering the balance between risk and return.

The company also identifies administrative risks, systemic

risks and other associated risks (non-core risks) that arise from business activities. We strive to prevent the occurrence of or reduce these risks to the maximum extent possible. Through these measures, the company executes proper risk management and ensures stable business operations that reinforces sustainable value creation for all our stakeholders.

### Our business aspirations through risk management

**Outperform:**

We seek to move ahead of our competitors - both traditional insurance businesses and disruptors (insurtech)

**Transform:**

We seek to become digital by embracing digital insurance to enhance customer convenience and make our business more scalable

**Expand:**

We seek to further build on our market-leading positions, as well as innovate insurance products and services to realise our vision of providing insurance for all

### Our business strategy to realise our aspirations

**Customer-Centricity**

Design intuitive insurance products and processes to achieve loyalty leadership in Bangladesh

**Going Digital**

Build digital tech platforms with an emphasis on automation and data analytics

**Technical Excellence**

Progressively shift to data-driven product design, pricing and claims handling

**Spirit of Innovation**

Strengthen product launch cycle by targetting large specific customer communities and also by engaging in collaborative partnerships

**Inclusivity Focus**

Reinforce a culture where both people and performance matter over hierarchy

## Material risks and their management

### Material Risk Groups



As an inherent part of our insurance operations, we collect premium from our policyholders and invest them in a variety of safe assets with the ultimate objective of ensuring capital protection and earning risk-mitigated returns out of the invested capital. The resulting investment portfolio backs any future claims and benefits to our customers.

In addition, we also invest shareholders' capital, which is required to support the business. Asset / liability management (ALM) decisions are taken considering both the risks and the returns offered by various yield-generative instruments. As the fair value of our investment portfolio and liabilities depend on changes in the financial markets, we are exposed to the risk of adverse financial market developments.

With a view to minimise the effects of market risks to our investment portfolio, our asset allocation model is anchored on safety of capital and risk-mitigated returns. This has expanded our ability to support customer claims through disbursements in a timely manner, thereby allowing us to stand with our customers in their time of need. Prudent capital allocation also contributes to our ability to meet the expectations of our investors and shareholders.

### INFLATION RISKS

As an insurance company, we are exposed to changing inflation rates, predominantly due to our general

insurance obligations. Inflation assumptions are taken into account in our product development and pricing / premiums plans. However, unexpected inflation increases both future claims and expenses, leading to greater liabilities. Conversely, if future inflation rates were to be lower than assumed, liabilities would be lower than anticipated. Importantly, the risk of changing inflation rates is incorporated in our internal model.

Bangladesh is a developing market economy and hence the central bank's inflation targeting is aligned with the social expectations of the public with respect to lower inflation-driven commodity prices. This bias towards lower inflation targeting has ensured that inflation rates in the country are historically controlled within the 5-6 per cent range.

### CREDIT RISK

Credit risk is measured as the potential economic loss in the value of our portfolio that would result from either changes in the credit quality of our counter parties (migration risk) or the inability or unwillingness of a counter party to fulfil its contractual obligations (default risk).

The company's credit risk profile originates out of two sources

- Insurance
- External reinsurance

**Insurance:** Credit risks may arise from our inability to meet our claims payment obligations, or our inability to indemnify the loss to the policyholder. We focus on mitigating this risk through proper capital planning and allocation that enables us to meet our liabilities on time and maintain solvency.

**Reinsurance:** Credit risk arises from potential losses from non-recoverability of reinsurance receivables. We select our reinsurance partners carefully and also possess strong multi-year relationships with them, which enables us to mitigate exposure to reinsurance risks.

### UNDERWRITING RISKS

Underwriting risk consists of premium and reserve risks in the property- casualty business segments, as well as risks in the health business segment.

As part of our property-casualty business operations, we receive premiums from our customers and provide insurance protection in return. Premium risk is the risk that actual claims for the business in the current year develop adversely relative to expected claims ratios. We mitigate premium risk by reinsurance, as well as by focusing on excellence in underwriting. Assessing risks as part of the underwriting process is a key element of our risk management framework, which is governed by clear underwriting limits and restrictions, as per our

enterprise-wide risk management framework.

Further, our long standing experience in the insurance sector and robust technical know-how built as a result has enabled us to operate a world-class underwriting practice, which has today become a sharp edge in ensuring operational sustainability.

## HEALTH CLAIMS

Underwriting risks in our health insurance operations primarily include longevity risks. Health underwriting risks arises from profitability being lower than expected. As profitability calculations are based on several parameters, including historical loss information and assumptions on inflation, realised parameters may differ from the ones used for underwriting. For example, higher-than-expected inflation may lead to higher future medical claims. However, beneficial deviations can also occur; for example, a lower morbidity rate than expected will most likely result in lower claims.

## BUSINESS RISKS

Business risks include cost risks and policyholder behaviour risks, and are mostly driven by the health insurance business and to a lesser extent by the property-casualty business. Cost risks are associated with the risk that expenses incurred in administering policies are higher than expected or that new business volume decreases to a level that does not allow us to absorb our fixed costs.

Our cost containments plans enable us to identify all those areas where we can materially lower our expenses. Further, our human resource productivity focus allows us to align our manpower with stated goals and objectives, resulting in an efficient, compact and productive workforce. Moreover, the scale of our operations not only enable stronger negotiations with our vendors, but also help us absorb costs, even as we attempt to variability our expense structure by as much as possible.

## OPERATIONAL RISKS

Operational risks represent losses resulting from inadequate or failed internal processes, human errors, system failures and other external events, and can originate from a wide variety of sources, including potential losses due to a failure to meet the professional obligations or from the design of our products or from misspelling or from non-compliance with internal / external requirements related to our products. Though these losses tend to be of a lower frequency, they have a potentially high financial impact. Other operational risks include fraud, financial risk or a cyber security incident causing business interruption or disruption.

We focus on minimising the occurrence of operational risks as much as possible through engaging in extensive employee training, through creating redundancies across our technology network and through ensuring regulatory compliance – in both letter and spirit.

## STRATEGIC RISKS

Strategic risks are risks that enforce depletion in the company's value, arising from adverse management decisions on business strategies and their implementation.

Strategic risks are identified and discussed in various forums both at the executive and management levels. We also monitor market and competitive conditions, capital market requirements, regulatory alignment, etc., to decide if strategic adjustments are necessary.

We also focus on mitigating strategic risks through realising our aspirations of customer-centricity, going digital, technical excellence, spirit of innovation and inclusivity focus.

## LIQUIDITY RISKS

Liquidity risk is defined as the risk that current or future payment obligations cannot be met or can only be met on the basis of compromised conditions.

We manage our liquidity risks by balancing cash inflows and outflows, and by embracing the time-tested

principles of maximising cash inflows and optimising cash outflows. We also maintain our capital buffers to as per regulatory requirements to prevent capital / liquidity shocks and ensure that there is enough space for us to meet our liability obligations to our policyholders.

## REPUTATIONAL RISKS

Green Delta Insurance's reputation as a well-respected and socially-aware provider of insurance services is influenced by our behaviour in a range of areas, such as product quality, corporate governance, financial performance, customer service, employee relations and corporate responsibility.

We ensure that we meet this risk by aligning our human resources to our values, code of conduct and our expectations, which ensure that they deal with our stakeholders at a level that is expected out of them. As a highly compliant corporate, we also emphasise on meeting all regulatory requirements that our authorities expect out of us, thereby minimising the impact of regulatory risks on our reputation.

As a subset of reputational risk, the management of Environmental, Social and Governance (ESG) risks is supported by a team that helps steward the integration of ESG aspects into our core insurance / investment activities. Significant ESG and other reputational risks identified during the course of business are escalated to the Board / leadership team for assessment and eventual decision-making.

We realise the value of the Green Delta Insurance brand and consider it to be our top priority to protect our brand value and our reputation. As a brand that strongly believes in impact insurance, we believe in the essence of altruism and understand how insurance can have a huge positive impact on humanity in the event of a crisis. Insurance has the power to restore normalcy and dignity and it is this belief that drives everything we do at our company and it is this understanding that forms the core characteristic of our brand value.





SPECIFIC  
AREAS FOR  
INSURANCE  
SECTOR

# 9.1

## CLAIMS MANAGEMENT AND DETAILS OF OUTSTANDING CLAIMS

### (IBNR & IBNER) WITH AGEING THEREOF

#### 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 of 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:

- Adequate insurance coverage, which does not leave him high and dry in time of need, with appropriate pricing.
- Timely delivery of defect-free policy documents with relevant guidelines.
- 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:

$$\text{Total IBNR} = \text{"Pure IBNR"} + \text{"IBNER"}$$

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



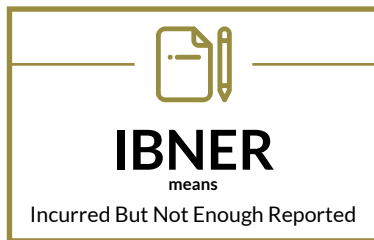
IBNR refers to the losses that are not filed with the insurer or re-insurer until years after the insurance policy is sold. It is a reserve to provide for claims in respect of claim events that have occurred before the accounting date but have still to be reported to the insurer by that date.

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 inception), 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 Reliance 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.

# 9.2

## DISCLOSURES PERTAINING TO SOLVENCY MARGIN

### GREEN DELTA INSURANCE COMPANY LIMITED

#### Assets, Liabilities and Solvency Margin

For the year ended as at 31 December 2019

(Taka in million)

SI No	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	630.89	1,859.83	0.50	929.92	185.98	126.18	185.98
2	Marine Cargo	911.75	1,264.16	0.70	884.91	176.98	182.35	182.35
3	Marine Hull	16.30	206.81	0.50	103.41	20.68	3.26	20.68
4	Motor	159.03	183.54	0.85	156.01	31.20	31.81	31.81
5	Misc	278.85	649.80	0.70	454.86	90.97	55.77	90.97
<b>Total</b>		<b>1,996.82</b>	<b>4,164.14</b>					<b>511.79</b>

Total Assets as per Balance Sheet		11,099.72	Total Liabilities	
Less:			Sundry Creditors	1,561.60
Amount due from others	3,193.54		Amount due to others	953.64
Outstanding premium	116.80		Provision for income tax	59.90
Furniture & Fixture (WDV)	37.20		Deposit Premium	236.91
		3,347.54	Reserve for Unexpired risk	804.18
			Bank Loan	1,358.64
			Reserve for exceptional loss	1,343.44
<b>(A) Total Assets</b>		<b>7,752.18</b>	<b>(B) Total Liabilities</b>	<b>6,318.31</b>
<b>Solvency Margin Available (A - B)</b>		<b>1,433.87</b>		
<b>Required Solvency Margin</b>		<b>511.79</b>		
		<b>2.80</b>		



# 9.3

## ACCOUNTING RATIOS PERTAINING TO INSURANCE SECTORS

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Particulars	2015	2016	2017	2018	2019
(%) of Reinsurance Premium Ceded on Gross Premium	58%	58%	54%	55%	52%
R/I Commission Earned on Gross Premium	11%	14%	10%	10%	8%
R/I Commission Earned on Net Premium	27%	34%	22%	22%	17%
Net Claim Incurred on Gross Premium	10%	11%	11%	13%	14%
Net Claim Incurred on Net Premium	24%	25%	24%	28%	28%
Underwriting Result on Gross Premium	10%	12%	12%	11%	10%
Underwriting Result on Net Premium	24%	29%	26%	24%	21%
Management Expense (Revenue ) on Net Premium	43%	44%	40%	33%	30%
Combined Ratio on Gross Premium	50%	51%	51%	52%	51%
Combined Ratio on Net Premium	121%	123%	110%	114%	107%

Particulars	2015	2016	2017	2018	2019
External Liability Ratio	26%	34%	35%	43%	47%
Internal Capital Generation Ratio	3%	3%	3%	4%	6%
Exceptional Loss Reserve to Net Premium	86%	90%	83%	81%	67%
Capital & Fund to Total Assets	74%	66%	65%	57%	53%
Retention Ratio	42%	42%	46%	45%	48%
Premium to Equity	53%	56%	51%	64%	71%
Underwriting Margin Return on Net Premium	24%	29%	26%	24%	21%
Net Profit Margin on Net Premium	18%	19%	16%	15%	15%
Return on Average Assets (ROAA)	3%	3%	3%	2%	3%
Return on Average Equity (ROAE)	4%	4%	4%	4%	5%

# 9.4

## REVIEW OF ASSETS QUALITY

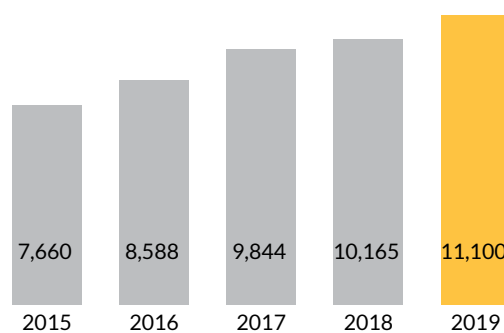
### Position of Total Assets

Figures in million

Particulars	2015	2016	2017	2018	2019
Investment in FDs	1,071	1,176	1,134	1,020	1,032
Investment in equity instruments	2,650	2,679	3,385	3,088	3,073
Investment in subsidiary companies	362	362	388	396	410
Others investments	160	300	250	250	230
Cash in hand & bank	11	70	35	83	97
PPE	2,235	2,210	2,180	2,149	2,141
Receivable from bodies carrying on insurance business	653	1,228	1,756	2,444	3,194
Other assets	517	563	714	735	923
<b>Total</b>	<b>7,660</b>	<b>8,588</b>	<b>9,844</b>	<b>10,165</b>	<b>11,100</b>

Particulars	2018			2019		
	Current	Non-current	Total	Current	Non-current	Total
Investment in FDs	1,020	-	1,020	1,032	0	1,032
Investment in equity instruments	2,878	210	3,088	2,863	210	3,073
Investment in subsidiary companies	-	396	396	-	410	410
Others investments	250	-	250	230	-	230
Cash in hand & bank	83	-	83	97	-	97
PPE	-	2,149	2,149	-	2,141	2,141
Receivable from bodies carrying on insurance business	2,444	-	2,444	3,194	-	3,194
Other assets	735	-	735	924	-	924
<b>Total</b>	<b>7,411</b>	<b>2,755</b>	<b>10,165</b>	<b>8,339</b>	<b>2,760</b>	<b>11,100</b>

### Position of Total Assets



# STAKEHOLDERS INFORMATION



# 10.1

## STAKEHOLDER ENGAGEMENT

It is essential that we engage with our stakeholders on an ongoing basis as part of our good governance practices and under the belief that a continual open dialogue helps foster trust and reliability.

Our major stakeholder groups comprise our customers, our shareholders / investors, our employees, our agent network, our regulators and the media. At our company, we embrace a holistic approach to engagement, ensuring that we disseminate accurate information on a timely basis.

The matrix below provides an overview of how we engage with our stakeholders.

Key stakeholder group	Expectations	Initiatives	Impact
 <p><b>CUSTOMERS</b></p>	<ul style="list-style-type: none"> <li>Being simple, straightforward, uncomplicated and responsive</li> <li>Honour claims settlement on a timely basis</li> <li>Treat them with fairness, dignity and respect</li> </ul>	<ul style="list-style-type: none"> <li>Avoidance of excessive technical jargon in policy documents</li> <li>Timely claims payments</li> <li>Highly responsive sales team</li> <li>Dedicated customer service / grievance resolution team</li> </ul>	
 <p><b>SHAREHOLDERS</b></p>	<ul style="list-style-type: none"> <li>Sustainable value creation</li> <li>Transparency in material information disclosure</li> </ul>	<ul style="list-style-type: none"> <li>Engagement during the AGM (annual general meeting)</li> <li>Timely and accurate disclosure of material information</li> <li>Ongoing quarterly or need-based engagements</li> </ul>	<p><b>3,244</b> Shareholders</p> <p><b>32.11%</b> Share capital owned by foreign &amp; domestic financial institutions</p>

Key stakeholder group	Expectations	Initiatives	Impact
 <p><b>EMPLOYEES</b></p>	<ul style="list-style-type: none"> <li>Robust career development prospects</li> <li>Openness and transparency</li> <li>Pride of association</li> </ul>	<ul style="list-style-type: none"> <li>Robust ongoing skill development and capacity-building programs</li> <li>Focus on inclusion through inclusive policies</li> <li>Strong focus on women empowerment through exclusive programs, including self-defence classes, open forums, etc.</li> </ul>	<p><b>558</b> Employee strength</p> <p><b>23%</b> Women in our workforce</p>
 <p><b>AGENTS</b></p>	<ul style="list-style-type: none"> <li>Transparency in dealings</li> <li>Timely payment disbursement</li> <li>Dissemination of product / technical knowhow</li> </ul>	<ul style="list-style-type: none"> <li>Knowledge sessions and capacity-building initiatives</li> <li>Timely funds disbursement</li> <li>Compliance support</li> </ul>	<p><b>61</b> Our agent network</p> <p><b>4</b> Agents added in 2019</p>
 <p><b>REGULATORS</b></p>	<ul style="list-style-type: none"> <li>Adherence to rules and guidelines</li> <li>Review of draft policies / guidelines</li> </ul>	<ul style="list-style-type: none"> <li>Non-compromising stance to regulatory adherence</li> <li>Discussions and engagements through industry bodies / chambers, etc.</li> </ul>	<p><b>15</b> Strength of our compliance team</p>
 <p><b>MEDIA</b></p>	<ul style="list-style-type: none"> <li>Accuracy of information disclosure</li> <li>Access to senior management for performance / outlook commentary</li> </ul>	<ul style="list-style-type: none"> <li>Issue of detailed press notes on material developments</li> <li>Access to management for interviews</li> </ul>	<p><b>29</b> Press notes issued in 2019</p>

# 10.2 GLIMPSES FROM THE 33RD AGM



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# 10.3

## KEY POINTERS FOR THE STAKEHOLDERS

GDIC is very much concerned of the stakeholders' interest on the company including the potential investors. GDIC with 34 years of financial expertise helps its clients to decide in taking right financial decisions. The following historical information will help our current and potential investors for their decision making:

### Financial calendar to the stakeholders

Events for the year	2018	2019
Publication of Financial Statements for the 1st Quarter	08-05-2018	06-05-2019
Publication of Financial Statements for the Half-year	29-07-2018	28-07-2019
Publication of Financial Statements for the 3rd Quarter	24-10-2018	17-10-2019
Annual Financial statements approved by the Board	10-02-2019	10-02-2020
Date of Record	04-03-2019	02-03-2020
Dispatching notice for the Annual General meeting	17-03-2019	15-03-2020
Dispatching of Annual Report	14-03-2019	15-03-2020
Holding of Annual General Meeting	31-03-2019	30-03-2020
Transfer/ payment of Dividend	08-04-2019	09-04-2020 (Expected)

### Comparative Shareholding Structure of GDIC as on 31st December 2018 and 2019

Types of Share Holders	2018		2019	
	No. of Shares	% of Shares	No. of Shares	% of Shares
Sponsor/Director	39,153,561	48.52	29,779,065	33.55
Institutions	11,083,117	13.74	12,767,629	14.39
Individuals	23,794,822	29.49	38,887,956	43.81
Foreign	6,659,687	8.25	7,325,655	8.25
Total shares held	80,691,187	100.00	88,760,305	100.00

### Equity statistics of GDIC important to the stakeholders

Particulars	2015	2016	2017	2018	2019
Number of shares in issue (No.)	80,691,187.00	80,691,187.00	80,691,187.00	80,691,187.00	88,760,306.00
Net asset value per share (BDT)	70.54	69.94	79.47	71.21	66.00
Market Capitalization (BDT in million)	4,333.12	4,010.35	4,954.44	5,244.93	4,633.29
Market value addition per share (BDT)	53.70	49.70	61.40	65.00	52.20
Shareholders' equity (BDT in million)	5,692.23	5,643.42	6,412.19	5,746.34	5,858.47

### GDIC's share price on 31 December 2016 to 2019

Particulars	2016	2017	2018	2019
Highest (BDT)	53.90	48.90	66.10	52.50
Closing (BDT)	52.80	48.10	60.50	51.60
Lowest (BDT)	53.70	49.70	65.00	52.20
Shares traded (No.)	29	25	20	11
Shareholders' equity (BDT in million)	5,643.42	6412.19	5746.34	5858.47

# 10.4

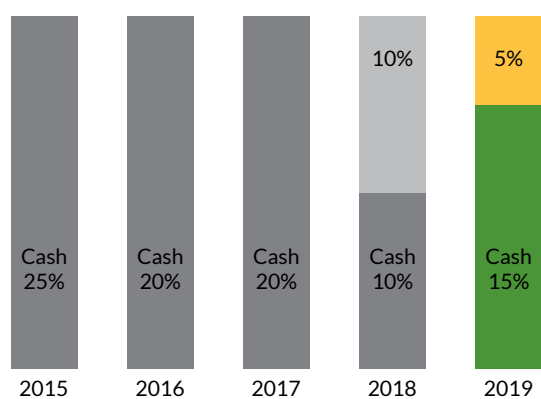
## LISTING ANALYTICS

### Stock Performance

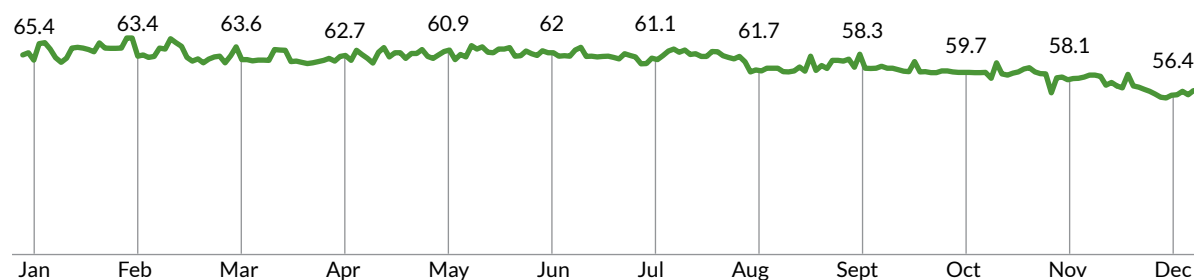
in BDT million

Equity Statistics	2015	2016	2017	2018	2019
Number of shares outstanding	80,691,187	80,691,187	80,691,187	80,691,187	88,760,306
Year end market price per share	53.70	49.70	61.40	65.00	52.20
Net asset value per share	70.54	69.94	79.47	71.21	66.00
Market capitalization	4,333,116,742	4,010,351,994	4,954,438,882	5,244,927,155	4,633,287,973
Earnings Per Share (EPS)	2.85	3.08	3.01	3.09	3.39
Price Earnings Ratio (P/E)	18.82	16.13	20.38	21.03	15.41

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### Market Price of Greent Delta Insurance Company



# 10.5 REDRESSAL OF INVESTOR'S & CLIENT'S COMPLAINTS

## Redressal of investor's 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:



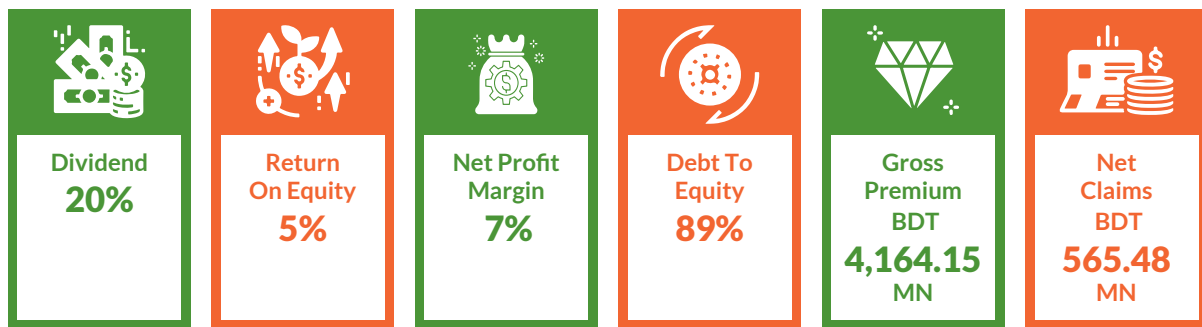
**SHARE DEPARTMENT**  
**Green Delta Insurance Company Limited**  
**Green Delta AIMS Tower (6th Floor)**  
**51-52 Mohakhali C/A**  
**Dhaka-1212**

## Redressal of Client's 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 client's 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.

# 10.6

## INVESTOR FRIENDLY INFORMATION



**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 three 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 an indicator of how effective GDIC management is at using equity financing to fund operations and grow the company. GDIC earned 5%.

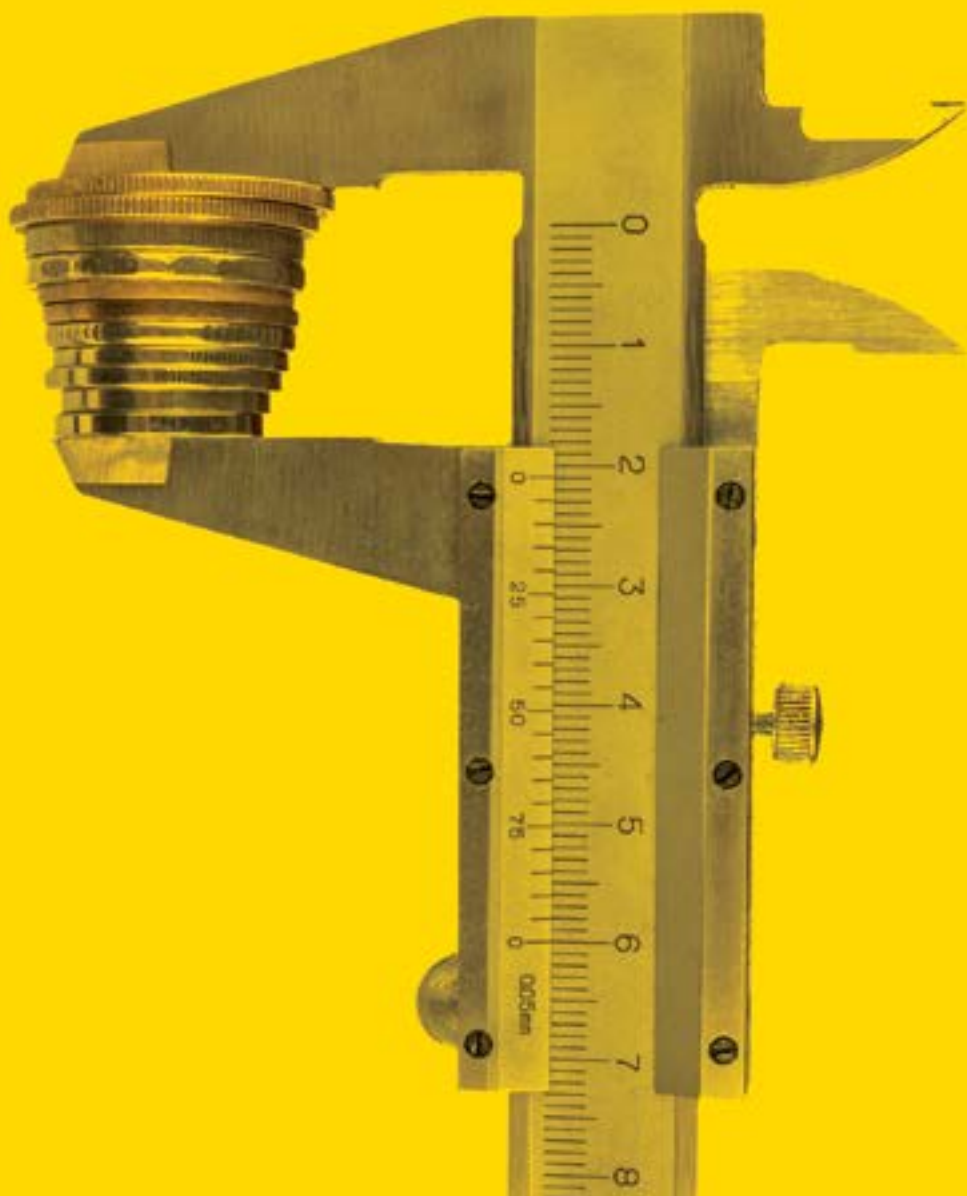
**Debt to Equity:** The debt to equity ratio is a financial, liquidity ratio that compares a company's total debt to total equity. The debt to equity ratio shows the percentage of company financing that comes

from creditors and investors. A higher debt to equity ratio indicates that more creditor financing (bank loans) is used than investor financing (shareholders) 89%.

**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 4,164.15

**Net Claims:** A demand made by the insured or the insured's beneficiary for payment of the benefit as provided by the policy 565.48 million.

# FINANCIAL STATEMENTS



# 11.0

## INDEPENDENT AUDITOR'S REPORT OF GDIC

### To The Shareholders of Green Delta Insurance Company Limited

### Report on the Audit of the Consolidated and Separate Financial Statements

#### Opinion

We have audited the 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 and Separate Balance Sheets as at 31 December 2019 and the Consolidated and Separate Profit and Loss Accounts, the Consolidated and Separate Profit and Loss Appropriation Accounts, the related Revenue Accounts, the Consolidated and Separate Statement of Changes in Equity and the Consolidated and Separate Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view of the consolidated balance sheet of the Group and the separate balance sheet of the Company as at 31 December 2019, and of its consolidated and separate profit and loss accounts and its consolidated and separate 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 as explained in notes 1 to 27.

#### 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 Auditors' Responsibilities for the Audit of the consolidated and separate Financial Statements section of our report. We are independent of the Group and the Company 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 and Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. 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 our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters.



Key Audit Matters	How our audit addressed the key audit matters
<p><b>Premium Income</b></p> <p>Premium income is the most financially significant item in the statement of profit and loss account &amp; profit and loss appropriation account. The company has reported gross premium income of Taka 4,164,148,240 for the year ended 31 December 2019.</p> <p>Gross general insurance premium comprises the total premium received during the accounting period for the entire period of cover for which insurance policy has been issued by contracts with Green Delta Insurance company Limited. As the premium income recognition, due to the significance of the balance to the financial statements as a whole, we regard this as a key audit matter.</p>	<ul style="list-style-type: none"> <li>■ Our procedures included obtaining an understanding of management’s premium income recognition process. We tested a sample of transactions to verify whether the revenue was accounted for in accordance with the revenue recognition policy as disclosed in Note- 2.14 and 23 of the financial statements. In addition, we assessed whether the disclosed revenue recognition policy was in accordance with relevant Insurance Act &amp; rules.</li> <li>■ For the revenue recognized throughout the year, we tested selected key controls, including results reviews by management, for their operating effectiveness and performed procedures to gain sufficient audit evidence on the accuracy of the accounting for customer contracts and related financial statement captions.</li> <li>■ Our audit approach was a combination of test of internal controls and substantive procedures which included the following:             <ul style="list-style-type: none"> <li>■ Evaluated the design of internal controls relating to recording of efforts incurred and estimation of efforts required to complete the performance obligations.</li> <li>■ We conducted analytical procedures &amp; recalculation of premium income.</li> <li>■ On a sample basis, we reviewed policy to ensure the appropriate policy stamp was affixed to the contract and amount for deposit premium along with amount for policy stamp &amp; VAT has been reflected in the premium register.</li> </ul> </li> <li>■ We ensured that premium income was being deposited in the designated bank account on a sample basis.</li> <li>■ We carried out on a sample basis if appropriate re-insurance has been done on treaty basis and moreover, appropriate re insurance premium was deducted from the gross premium.</li> <li>■ We tested on a sample basis that appropriate VAT was collected &amp; deposited through Treasury Chalan to Bank.</li> <li>■ We conducted substantive testing of premium income recorded over the year using sampling techniques by examining the relevant supporting documents including policy, premium register, bank reconciliation report, bank statement and also, we confirmed selected customers’ outstanding premium at the financial position date, selected on a sample basis by considering the amount outstanding with those customers.</li> <li>■ We specifically put emphasis on those transactions occurring close before or after the financial position date to obtain sufficient evidence over the accuracy of cut-off to ensure unearned premium income has not been included in the premium income.</li> <li>■ 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.</li> </ul>

Key Audit Matters	How our audit addressed the key audit matters
<p><b>Property, Plant &amp; Equipment</b></p> <p>The carrying value of property, plant &amp; equipment amounts to Taka 2,140,616,910. This represents a significant amount in the company's statement of financial position as at 31 December 2019</p> <p>There is a risk of:</p> <ul style="list-style-type: none"> <li>■ determining which costs meet the criteria for capitalisation;</li> <li>■ determining the date on which the assets is recognised to property, plant and equipment and depreciation commences;</li> <li>■ the estimation of economic useful lives and residual values assigned to Fixed asset.</li> </ul> <p>We identified the carrying value of property, plant and equipment as a key audit matter because of the high level of management judgement involved and because of its significance to the financial statements.</p> <p>See note no 2.08, 17 &amp; 18 to the financial statements.</p>	<p>Our audit procedures to assess the carrying value of property, plant &amp; equipment included the following:</p> <p>Our audit procedures included controls testing and substantive procedures covering, in particular:</p> <ul style="list-style-type: none"> <li>■ Assessing the design, implementation and operating effectiveness of key internal controls over the completeness, existence and accuracy of property, plant and equipment including the key internal controls over the estimation of useful economic lives and residual values;</li> <li>■ Assessing, on a sample basis, costs capitalised during the year by comparing the costs capitalised with the relevant underlying documentation, which included purchase agreements and invoices, and assessing whether the costs capitalised met the relevant criteria for capitalization.</li> <li>■ Testing the key controls over the management's judgment in relation to the accounting estimates of the depreciable lives and residual values of property, plant and equipment.</li> <li>■ Reconcile on a sample basis the additional capitalised costs for the year to the underlying invoices and supporting documents.</li> <li>■ We reviewed minutes of board meetings for approval of the total capitalisation cost.</li> <li>■ We assessed the company's capitalisations policy for compliance with IAS 16 and tested the expenditure capitalised against the capitalisations policy.</li> <li>■ We traced payments to supporting documents.</li> <li>■ We assessed the adequacy of the disclosures of the financial statements.</li> </ul>
<p><b>Deferred tax liability</b></p> <p>Company reported net deferred tax liability totaling Taka 641,019,840 as at 31 December 2019.</p> <p>Significant judgment is required in relation to deferred tax liability as their liability is dependent on forecasts of future profitability over a number of years.</p> <p>See note no. 2.17 &amp; 10.02 to the financial statements</p>	<p>Our audit procedures to assess the carrying value of Deferred Tax liability included the following:</p> <ul style="list-style-type: none"> <li>■ We obtained an understanding, evaluated the design and tested the operational effectiveness of the Company's key controls over the recognition and measurement of Deferred Tax Assets and Liabilities and the assumptions used in estimating the future taxable expense of the company.</li> <li>■ We also assessed the completeness and accuracy of the data used for the estimations of future taxable expense.</li> <li>■ We tested the mathematical accuracy in calculation of deferred tax.</li> <li>■ We evaluated the reasonableness of key assumptions, timing of reversal of temporary differences and expiration of tax loss carry forwards, recognition and measurement of Deferred Tax Liability.</li> <li>■ We assessed the adequacy of the company's disclosures setting out the basis of deferred tax liability balances and the level of estimation involved.</li> <li>■ We also assisted in evaluating the tax implications, the reasonableness of estimations and calculations determined by management.</li> <li>■ We also involved our internal experts from the tax area in the analysis of the reasonableness of the tax assumptions on the basis of the applicable legislation.</li> <li>■ Finally assessed the appropriateness and presentation of disclosures against IAS 12 Income Taxes.</li> </ul>

Key Audit Matters	How our audit addressed the key audit matters
<p><b>Investment fluctuation fund</b></p> <p>Green Delta Insurance company Limited has made a number of investments in the listed and unlisted capital market with required regulatory permission. Income generated from the investments (realized gain and dividend income) is credited to the Profit &amp; Loss Account. Unrealized capital gain or loss if any is transferred to the Investment Fluctuation Fund subsequently and 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 2019, the Group reported total balance under the head of Investment fluctuation fund of Taka 1,802,886,562.</p> <p>See note no. 2.20 &amp; 4.C to the financial statements.</p>	<p>We have obtained an understanding of the policy &amp; operating effectiveness related with the key controls of investment fluctuation fund. Moreover, its valuation &amp; updated prices of the positions of portfolio held by the company has been reviewed from related sources. Additionally, we have performed the following:</p> <ul style="list-style-type: none"> <li>■ We have ensured the year end share holding positions from the company.</li> <li>■ We have reviewed the assumptions used for the valuation models for any unquoted securities</li> <li>■ Recalculation has been done on the unrealized gain or loss at the year end.</li> <li>■ We have also carried out cut-off test to ensure the recognition of the unrealized gain or loss in the correct period. Moreover, subsequent positioning of the unrealized amount has been verified after the year end.</li> </ul>
<p><b>Estimated liability in respect of outstanding claims whether due or intimated and claim payment</b></p> <p>Green Delta Insurance company Limited has represented the amount related with the claim due or intimated from the insured which involves management judgement &amp; risk of over &amp; understatement of the value.</p> <p>As a result, financial statements may show distorted amount which may also concern going concern issue for the company.</p> <p>At year end the 2019, the Group reported total balance under the head of estimated liability in respect of outstanding claims whether due or intimated and claim payment of Taka 266,386,721.</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 testing's around this item:</p> <ul style="list-style-type: none"> <li>■ Obtained the claim register and tested for completeness of claims recorded in the register on a sample basis.</li> <li>■ Obtained a sample of claimed policy copy and cross check it with claim.</li> <li>■ Obtained a sample of survey reports cross checked those against respective ledger balances and in case of discrepancy carried out further investigation.</li> <li>■ Obtained and discussed with management about their basis for estimation and challenged their assumptions where appropriate.</li> <li>■ Reviewed the claim committee meeting minutes about decision for impending claims.</li> <li>■ Tested a sample of claims payments with intimation letter, survey report, bank statement, claim provisional register and general ledger.</li> <li>■ 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.</li> </ul>

## Other Information

Management is responsible for the other information. The other information comprises all the information in the Annual Report other than the financial statements and our auditors' report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated and separate 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 consolidated and separate financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

After going through the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the board of directors of the company.

## Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and separate 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 as explained in note 2 and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and 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 Group and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Company's financial reporting process.

## Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate 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 skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate 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, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- 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 Group's and 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 consolidated and separate 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 Group and the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and performance of the Group and the Company audit. We remain solely responsible for our audit opinion.

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 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:

- 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;
- In our opinion, proper books of accounts, records and other statutory books as required by law have been kept by the Group and the Company so far as it appeared from our examinations of those books;
- The Company management has followed relevant provisions of laws and rules in managing the affairs of 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;
- 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;
- 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;
- 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
- The expenditure was incurred for the purpose of the Company's business

*S. F. Ahmed & Co.*

**S. F. Ahmed & Co.**

Chartered Accountants

Dated, Dhaka;  
10 February 2020





## GREEN DELTA INSURANCE COMPANY LTD. &amp; ITS SUBSIDIARIES

## CONSOLIDATED BALANCE SHEET

AS AT 31 DECEMBER 2019

Amount in BDT

	Notes	2019	2018
<b>Capital and liabilities:</b>			
<b>Share capital</b>			
Authorized capital	3.00	5,000,000,000	5,000,000,000
Issued, subscribed and paid-up capital	3.00	887,603,057	806,911,870
Share premium		114,422,018	195,113,205
<b>Reserve or contingency account</b>	4.A	<b>4,515,944,100</b>	<b>4,553,513,841</b>
Reserve for exceptional losses		1,343,436,409	1,343,221,488
Investment fluctuation fund	4.C	1,802,886,562	1,834,331,893
General reserve		180,000,000	180,000,000
Dividend equalization fund		110,000,000	110,000,000
Revaluation reserve	4.B	1,079,621,129	1,085,960,460
<b>Profit &amp; loss appropriation account</b>	5.A	<b>547,175,861</b>	<b>443,664,020</b>
<b>Non controlling interest</b>	5.B	<b>12,383</b>	<b>12,209</b>
<b>Total shareholders' equity</b>		<b>6,065,157,419</b>	<b>5,999,215,145</b>
<b>Balance of fund accounts</b>	6.00	<b>804,175,230</b>	<b>674,051,405</b>
Fire insurance business		251,465,340	184,144,543
Marine insurance business		378,853,332	383,795,721
Motor insurance business		62,588,656	64,466,505
Miscellaneous ins. business		111,267,902	41,644,636
Premium deposit	7.00	236,909,826	338,990,220
<b>Liabilities and provisions:</b>		<b>4,581,756,468</b>	<b>3,822,353,450</b>
Estimated liability in respect of outstanding claims whether due or intimated	8.00	266,386,721	254,315,406
Amount due to other persons or bodies carrying on insurance business	9.00	953,638,605	764,205,552
Sundry creditors (including outstanding expenses, taxes & provisions)	10.A	1,763,064,934	1,821,167,793
Loan received	11.A	1,598,666,208	982,664,699
<b>Total liabilities</b>		<b>5,622,841,524</b>	<b>4,835,395,075</b>
<b>Total liabilities &amp; shareholders' equity</b>		<b>11,687,998,943</b>	<b>10,834,610,220</b>

Amount in BDT

	Notes	2019	2018
<b>Assets and properties</b>			
		<b>8,357,789,032</b>	<b>7,434,597,337</b>
Investment	12.A	3,813,416,474	3,874,299,943
Outstanding premium	13.00	116,799,873	116,750,321
Amount due from other persons or bodies carrying on insurance business	14.00	3,193,543,266	2,443,917,092
Sundry debtors (including advances and deposits)	15.A	1,234,029,419	999,629,981
Cash and cash equivalent	16.A	1,149,950,331	1,217,141,985
<b>Other accounts</b>			
Land property and office space with building project	17.00	859,974,010	859,974,010
		<b>1,320,285,570</b>	<b>1,322,896,888</b>
Fixed assets	18.A	1,310,614,547	1,316,943,021
Intangible assets	18.B	7,360,735	4,003,533
Stock of printing, stationery and stamps	19.00	2,310,288	1,950,333
<b>Total assets and properties</b>		<b>11,687,998,943</b>	<b>10,834,610,220</b>

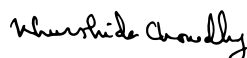
The accompanying notes page no 19 to 37 form an integral part of these financial statements.



**Abdul Hafiz Chowdhury**  
Chairman



**Syed Aliul Ahab**  
Financial Controller



**Khurshida Chowdhury**  
Vice Chairperson



**Farzanah Chowdhury**  
Managing Director & CEO



**Syed Moinuddin Ahmed**  
Company Secretary



**S.F. Ahmed & Co.**  
Chartered Accountants

Place: Dhaka  
10 February 2020

# GREEN DELTA INSURANCE COMPANY LTD. & ITS SUBSIDIARIES

## CONSOLIDATED PROFIT AND LOSS APPROPRIATION ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2019

Amount in BDT

	Notes	2019	2018
Balance brought forward from last year		353,718,308	339,114,929
Net profit for the year brought down		372,379,669	389,004,565
<b>Total</b>		<b>726,097,977</b>	<b>728,119,494</b>
Reserve for exceptional losses	4.01	99,840,978	83,026,613
Current tax expense		81,188,196	85,515,236
Deferred tax (income)/expense		(9,930,966)	9,476,963
Dividend and reserve distributed from last year :		<b>116,441,187</b>	<b>196,882,374</b>
Cash		116,441,187	196,882,374
Profit for the period of continuing operation		<b>201,281,461</b>	<b>210,985,753</b>
Balance transferred to balance sheet		438,558,582	353,218,308
<b>Total</b>		<b>726,097,977</b>	<b>728,119,494</b>
<b>Earning per share (EPS)</b>	<b>24.A</b>	<b>3.39</b>	<b>3.64</b>

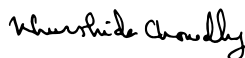
The accompanying notes page no 19 to 37 form an integral part of these financial statements.



**Abdul Hafiz Chowdhury**  
Chairman



**Syed Aliul Ahabab**  
Financial Controller



**Khurshida Chowdhury**  
Vice Chairperson



**Farzanah Chowdhury**  
Managing Director & CEO



**Syed Moinuddin Ahmed**  
Company Secretary

**S. F. Ahmed & Co.**

**S.F. Ahmed & Co.**  
Chartered Accountants

Place: Dhaka  
10 February 2020

# GREEN DELTA INSURANCE COMPANY LTD. & ITS SUBSIDIARIES

## CONSOLIDATED PROFIT AND LOSS ACCOUNT

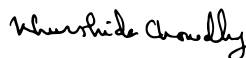
FOR THE YEAR ENDED 31 DECEMBER 2019

		Amount in BDT	
	Notes	2019	2018
Investment income		177,342,663	124,434,315
Income from share business	21.A	7,917,146	47,371,468
Brokerage commission & others less direct expenses		100,401,893	126,083,316
Interest & other income	21.B	179,967,165	183,394,209
<b>Total investment income</b>		<b>465,628,867</b>	<b>481,283,308</b>
<b>Total revenue income</b>		<b>413,547,563</b>	<b>403,066,263</b>
<b>Total income</b>		<b>879,176,430</b>	<b>884,349,571</b>
Management expenses	21.C	454,055,815	429,466,561
Director's fee & expenses		1,387,386	1,016,373
Audit fees		690,000	345,000
Depreciation		48,163,559	56,506,909
<b>Total expenditure</b>		<b>504,296,760</b>	<b>487,334,843</b>
<b>Profit before tax and other provision</b>		<b>374,879,669</b>	<b>397,014,728</b>
Others provisions		2,500,000	8,010,163
<b>Net profit before tax</b>		<b>372,379,669</b>	<b>389,004,565</b>
<b>Profit attributable to GDIC</b>		<b>372,379,495</b>	<b>389,004,506</b>
Share of non-controlling interest		174	59
		<b>372,379,669</b>	<b>389,004,565</b>

The accompanying notes page no 19 to 37 form an integral part of these financial statements.



**Abdul Hafiz Chowdhury**  
Chairman



**Khurshida Chowdhury**  
Vice Chairperson



**Farzanah Chowdhury**  
Managing Director & CEO



**Syed Aliul Ahab**  
Financial Controller



**Syed Moinuddin Ahmed**  
Company Secretary

Place: Dhaka  
10 February 2020

**S. F. Ahmed & Co.**  
**S.F. Ahmed & Co.**  
Chartered Accountants

# GREEN DELTA INSURANCE COMPANY LTD. & ITS SUBSIDIARIES

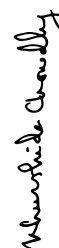
## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2019

Particulars	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
<b>Balance as on 1 January 2019</b>	<b>806,911,870</b>	<b>195,113,205</b>	<b>1,343,221,488</b>	<b>180,000,000</b>	<b>110,000,000</b>	<b>1,085,960,461</b>	<b>1,834,331,893</b>	<b>443,664,020</b>	<b>5,999,202,936</b>	<b>12,209</b>	<b>5,999,215,145</b>
Depreciation on asset revaluation for 2019	-	-	-	-	-	(10,142,929)	-	10,142,929	-	-	-
Deferred tax on revaluation reserve	-	-	-	-	-	3,803,598	-	-	3,803,598	-	3,803,598
Cash dividend paid for 2018	-	-	-	-	-	-	-	(80,691,187)	(80,691,187)	-	(80,691,187)
Stock dividend paid for 2018	80,691,187	(80,691,187)	-	-	-	-	-	-	-	-	-
Profit after tax	-	-	-	-	-	-	-	301,122,266	301,122,266	174	301,122,439
Changes in unrealized gain / loss from investment in quoted share	-	-	-	-	-	-	(32,786,259)	-	(32,786,259)	-	(32,786,259)
Deferred tax on investment fluctuation fund	-	-	-	-	-	-	1,340,928	-	1,340,928	-	1,340,928
Appropriation to reserve for exceptional loss	-	-	214,921	-	-	-	-	(127,062,167)	(126,847,245)	-	(126,847,245)
<b>Balance as on 31 December 2019</b>	<b>887,603,057</b>	<b>114,422,018</b>	<b>1,343,436,409</b>	<b>180,000,000</b>	<b>110,000,000</b>	<b>1,079,621,130</b>	<b>1,802,886,562</b>	<b>547,175,859</b>	<b>6,065,145,036</b>	<b>12,383</b>	<b>6,065,157,419</b>
<b>Balance as on 31 December 2018</b>	<b>806,911,870</b>	<b>195,113,205</b>	<b>1,343,221,488</b>	<b>180,000,000</b>	<b>110,000,000</b>	<b>1,085,960,461</b>	<b>1,834,331,893</b>	<b>443,664,020</b>	<b>5,999,202,936</b>	<b>12,209</b>	<b>5,999,215,145</b>



**Abdul Hafiz Chowdhury**  
Chairman



**Khurshida Chowdhury**  
Vice Chairman



**Farzana Chowdhury**  
Managing Director & CEO



**Syed Aliul Ahabab**  
Financial Controller



**Syed Moinned Ahmed**  
Company Secretary

**S. F. Ahmed & Co.**

**S.F. Ahmed & Co.**

Chartered Accountants

Place: Dhaka  
10 February 2020

# GREEN DELTA INSURANCE COMPANY LTD. & ITS SUBSIDIARIES

## CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2019

Amount in BDT

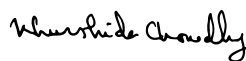
	2019	2018
<b>Cash flow from operating activities</b>		
Collections from premium and other income	4,543,617,886	4,763,228,030
Payments for management expense, re-insurance and claims	(4,484,371,695)	(4,537,844,971)
Income tax paid	(97,202,806)	(113,313,938)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>(37,956,615)</b>	<b>112,069,121</b>
<b>Cash flow from investing activities</b>		
Investment in shares and FDRs	(497,894,049)	(677,658,956)
Dividend income	128,216,464	72,124,941
Interest on FDR	70,468,246	54,096,212
Other investment income	63,758,167	108,687,060
Purchase of fixed assets	(35,353,736)	(50,883,533)
Disposal of fixed assets	12,199,440	6,549,350
Investment in others	(8,846,935)	(4,648,831)
<b>Net cash outflow from investing activities</b>	<b>(267,452,403)</b>	<b>(491,733,757)</b>
<b>Cash flows from financing activities:</b>		
Share capital	-	7,500,000
Dividend paid	(116,441,188)	(194,684,244)
Loan	598,906,947	548,027,896
Finance cost	(220,228,230)	(52,289,274)
Client account	(24,020,165)	30,462,539
<b>Net cash generated from financing activities</b>	<b>238,217,365</b>	<b>339,016,917</b>
<b>Net cash inflow or (outflow) during the year</b>	<b>(67,191,653)</b>	<b>(40,647,720)</b>
<b>Cash &amp; cash equivalents at the beginning of the year</b>	<b>1,217,141,985</b>	<b>1,257,789,705</b>
<b>Cash &amp; cash equivalents at the end of the year</b>	<b>1,149,950,331</b>	<b>1,217,141,985</b>
<b>Net Operating Cash Flows Per Share (NOCFPS)</b>	<b>(0.43)</b>	<b>1.39</b>



**Abdul Hafiz Chowdhury**  
Chairman



**Syed Aliul Ahabab**  
Financial Controller



**Khurshida Chowdhury**  
Vice Chairperson



**Farzanah Chowdhury**  
Managing Director & CEO



**Syed Moinuddin Ahmed**  
Company Secretary

Signed as per our separate report of even date

Place: Dhaka  
10 February 2020

**S. F. Ahmed & Co.**  
S.F. Ahmed & Co.  
Chartered Accountants



## GREEN DELTA INSURANCE COMPANY LTD.

## BALANCE SHEET

AS AT 31 DECEMBER 2019

Amount in BDT

	Notes	2019	2018
<b>Capital and liabilities:</b>			
<b>Share capital</b>			
Authorized share capital	3.00	5,000,000,000	5,000,000,000
Issued, sub scribed and paid-up capital	3.00	887,603,057	806,911,870
Share premium		114,422,018	195,113,205
<b>Reserve or contingency account:</b>	4.00	<b>4,494,383,427</b>	<b>4,512,576,188</b>
Reserve for exceptional losses	4.01	1,343,436,409	1,343,221,488
Investment fluctuation fund	4.02	1,850,847,854	1,862,916,205
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	1,010,099,164	1,016,438,495
Profit & loss appropriation account	5.00	<b>362,057,861</b>	<b>231,736,883</b>
<b>Total shareholders' equity</b>		<b>5,858,466,363</b>	<b>5,746,338,146</b>
<b>Balances of funds &amp; accounts:</b>			
Fire insurance business	6.00	251,465,340	184,144,543
Marine insurance business		378,853,332	383,795,721
Motor insurance business		62,588,656	64,466,505
Miscellaneous insurance business		111,267,902	41,644,636
Premium deposit	7.00	236,909,826	338,990,220
<b>Liabilities and provisions</b>		<b>4,200,169,348</b>	<b>3,406,040,131</b>
Estimated liability in respect of outstanding claims whether due or intimated	8.00	266,386,721	254,315,406
Amount due to other persons or bodies carrying on insurance business	9.00	953,638,605	764,205,552
Sundry creditors (including outstanding expenses, taxes & provisions )	10.00	1,621,501,212	1,601,443,008
Loan received	11.00	1,358,642,810	786,076,165
<b>Total liabilities</b>		<b>5,241,254,404</b>	<b>4,419,081,756</b>
<b>Total liabilities &amp; shareholders' equity</b>		<b>11,099,720,767</b>	<b>10,165,419,902</b>

Amount in BDT

	Notes	2019	2018
<b>Assets and properties</b>			
		<b>8,015,680,568</b>	<b>7,117,338,755</b>
Investment	12.00	3,900,951,294	3,940,108,689
Outstanding premium	13.00	116,799,873	116,750,322
Amount due from other persons or bodies carrying on insurance business	14.00	3,193,543,266	2,443,917,092
Sundry debtors (including advances and deposits)	15.00	804,386,135	616,562,652
Cash and cash equivalents	16.00	941,113,001	896,917,653
		<b>2,142,927,198</b>	<b>2,151,163,494</b>
Land	17.00	859,974,010	859,974,010
Fixed assets & intangible assets	18.00	1,280,642,900	1,289,239,151
Stock of printing, stationery and stamps	19.00	2,310,288	1,950,333
<b>Total assets and properties</b>		<b>11,099,720,767</b>	<b>10,165,419,902</b>

The accompanying notes page no 19 to 37 form an integral part of these financial statements.

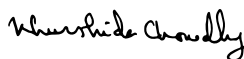
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**Abdul Hafiz Chowdhury**  
Chairman



**Syed Aliul Ahab**  
Financial Controller



**Khurshida Chowdhury**  
Vice Chairperson



**Farzanah Chowdhury**  
Managing Director & CEO



**Syed Moinuddin Ahmed**  
Company Secretary



**S.F. Ahmed & Co.**  
Chartered Accountants

Place: Dhaka  
10 February 2020

# GREEN DELTA INSURANCE COMPANY LTD.

## PROFIT AND LOSS APPROPRIATION ACCOUNT

### FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	2019	2018
Balance brought forward from last year		87,761,762	82,759,861
Net profit for the year brought down		360,604,545	318,887,851
<b>Total</b>		<b>448,366,307</b>	<b>401,647,712</b>
Reserve for exceptional losses	4.01	99,840,978	83,026,613
Current tax expense	10.01	69,825,297	60,000,000
Deferred tax (income)/expense	10.02	(9,930,966)	9,476,963
Dividend distributed from last year's profit		<b>80,691,187</b>	<b>161,382,374</b>
Cash dividend		80,691,187	161,382,374
Profit for the period of continuing operation		<b>200,869,236</b>	<b>166,384,275</b>
Balance transferred to balance sheet		207,939,811	87,761,762
<b>Total</b>		<b>448,366,307</b>	<b>401,647,712</b>
<b>Earning per share</b>		<b>3.39</b>	<b>3.09</b>
<b>P/E Ratio</b>		<b>15.41</b>	<b>21.03</b>

Amount in BDT

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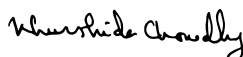
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**Abdul Hafiz Chowdhury**  
Chairman



**Syed Aliul Ahabab**  
Financial Controller



**Khurshida Chowdhury**  
Vice Chairperson



**Farzanah Chowdhury**  
Managing Director & CEO



**Syed Moinuddin Ahmed**  
Company Secretary



**S.F. Ahmed & Co.**  
Chartered Accountants

Place: Dhaka  
10 February 2020

GREEN DELTA INSURANCE COMPANY LTD.  
**PROFIT AND LOSS ACCOUNT**  
 FOR THE YEAR ENDED 31 DECEMBER 2019

		Amount in BDT	
	Notes	2019	2018
Expenses of management (not applicable to any particular fund or account)		305,371,311	189,847,521
		<b>42,296,726</b>	<b>133,326,054</b>
Directors fee & expenses		1,387,386	1,016,373
Audit fees	20.00	690,000	345,000
Depreciation		40,219,340	49,480,681
Write off investment		-	82,484,000
Net profit for the year carried down to profit & loss appropriation account		360,604,545	318,887,851
<b>Total</b>		<b>708,272,582</b>	<b>642,061,426</b>
Investment & other income	21.00	294,725,019	238,995,163
Profit & loss transferred from :		<b>413,547,563</b>	<b>403,066,263</b>
Fire insurance revenue account		12,897,064	19,655,494
Marine insurance revenue account		376,608,571	315,277,178
Motor insurance revenue account		16,495,723	55,633,672
Miscellaneous insurance revenue account		7,546,205	12,499,920
<b>Total</b>		<b>708,272,582</b>	<b>642,061,426</b>

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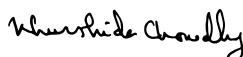
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**Abdul Hafiz Chowdhury**  
Chairman



**Syed Aliul Ahabab**  
Financial Controller



**Khurshida Chowdhury**  
Vice Chairperson



**Farzanah Chowdhury**  
Managing Director & CEO



**Syed Moinuddin Ahmed**  
Company Secretary



**S.F. Ahmed & Co.**  
Chartered Accountants

Place: Dhaka  
10 February 2020

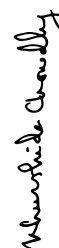
# GREEN DELTA INSURANCE COMPANY LTD. STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2019

Particulars	Share capital	Share premium	Reserve for exceptional losses	General reserve	Dividend equalization fund	Investment fluctuation fund	Revaluation reserve	Retained earnings	Total
<b>Opening balance as on 1 January 2019</b>	<b>806,911,870</b>	<b>195,113,205</b>	<b>1,343,221,488</b>	<b>180,000,000</b>	<b>110,000,000</b>	<b>1,862,916,205</b>	<b>1,016,438,495</b>	<b>231,736,883</b>	<b>5,746,338,146</b>
Depreciation on asset revaluation for 2019	-	-	-	-	-	-	(10,142,929)	10,142,929	-
Deferred tax on revaluation reserve	-	-	-	-	-	-	3,803,598	-	3,803,598
Stock dividend paid for 2018	80,691,187	(80,691,187)	-	-	-	-	-	-	-
Cash dividend paid for 2018	-	-	-	-	-	-	-	(80,691,187)	(80,691,187)
Profit after tax	-	-	-	-	-	-	-	300,710,215	30,071,021.5
Changes in unrealized gain/loss from investment in quoted share	-	-	-	-	-	(13,409,279)	-	-	(13,409,279)
Deferred tax on investment fluctuation fund	-	-	-	-	-	1,340,928	-	-	1,340,928
Appropriation to reserve for exceptional loss	-	-	214,921	-	-	-	-	(99,840,978)	(99,626,057)
<b>Balance as on 31 December 2019</b>	<b>887,603,057</b>	<b>114,422,018</b>	<b>1,343,436,410</b>	<b>180,000,000</b>	<b>110,000,000</b>	<b>1,850,847,854</b>	<b>1,010,099,164</b>	<b>362,057,861</b>	<b>5,858,466,363</b>
<b>Balance as on 31 December 2018</b>	<b>806,911,870</b>	<b>195,113,205</b>	<b>1,343,221,488</b>	<b>180,000,000</b>	<b>110,000,000</b>	<b>1,862,916,205</b>	<b>1,016,438,495</b>	<b>231,736,883</b>	<b>5,746,338,146</b>



**Abdul Hafiz Chowdhury**  
Chairman



**Khurshida Chowdhury**  
Vice Chairman



**Farzana Chowdhury**  
Managing Director & CEO



**Syed Aliul Ahab**  
Financial Controller



**Syed Moinnedin Ahmed**  
Company Secretary

**S. F. Ahmed & Co.**

Chartered Accountants

Place: Dhaka  
10 February 2020

# GREEN DELTA INSURANCE COMPANY LTD.

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2019

Amount in BDT

	2019	2018
<b>Cash flow from operating activities:</b>		
Collections from premium and other income	4,358,903,007	4,509,875,716
Payments for management expense, re-insurance and claims	(4,314,894,109)	(4,379,883,260)
Income tax paid	(85,722,627)	(89,111,023)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>(41,713,729)</b>	<b>40,881,433</b>
<b>Cash flow from investing activities:</b>		
Investment in shares and FDR	(512,951,762)	(640,709,546)
Recovery of loan to GDSL	20,000,000	-
Investment in subsidiary company	(1,000,000)	-
Dividend income	128,216,464	72,124,941
Interest on FDR	67,476,131	73,596,212
Other investment income	63,758,167	65,732,042
Purchase of fixed assets	(21,676,754)	(29,216,225)
Disposal of fixed assets	12,199,440	6,549,350
<b>Net cash outflow from investing activities</b>	<b>(243,978,314)</b>	<b>(451,923,226)</b>
<b>Cash flow from financing activities:</b>		
Bank loan	572,566,644	536,076,165
Finance cost	(161,988,065)	(52,289,274)
Dividend paid	(80,691,188)	(159,184,244)
<b>Net cash generate from financing activities</b>	<b>329,887,391</b>	<b>324,602,647</b>
<b>Net increase/(decrease) in cash &amp; cash equivalents during the year</b>	<b>44,195,348</b>	<b>(86,439,146)</b>
<b>Cash &amp; cash equivalents at the beginning of the year</b>	<b>896,917,653</b>	<b>983,356,799</b>
<b>Cash &amp; cash equivalents at the end of the year</b>	<b>941,113,001</b>	<b>896,917,653</b>
<b>Net Operating Cash Flows Per Share (NOCFPS)</b>	<b>(0.47)</b>	<b>0.51</b>

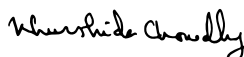
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**Abdul Hafiz Chowdhury**  
Chairman



**Syed Aliul Ahabab**  
Financial Controller



**Khurshida Chowdhury**  
Vice Chairperson



**Farzanah Chowdhury**  
Managing Director & CEO



**Syed Moinuddin Ahmed**  
Company Secretary



**S.F. Ahmed & Co.**  
Chartered Accountants

Place: Dhaka  
10 February 2020



GREEN DELTA INSURANCE COMPANY LTD.  
**CONSOLIDATED ALL BUSINESS REVENUE ACCOUNT**  
 FOR THE YEAR ENDED 31 DECEMBER 2019

		Amount in BDT	
	Notes	2019	2018
		<b>1,785,074,444</b>	<b>1,572,546,927</b>
Claims under policies less re-insurance	22.00	565,480,832	470,932,340
Agency commission		624,622,236	547,345,549
Expenses of management		594,971,376	554,269,038
Profit transferred to profit & loss account		413,547,563	403,066,268
Balance of accounts at the end of the year as shown in the balance sheet	6.00	804,175,230	674,051,405
<b>Total</b>		<b>3,002,797,237</b>	<b>2,649,664,600</b>
Balance of account at the beginning of the year		674,051,405	617,680,534
Gross premium		4,164,148,240	3,678,628,830
Re-insurance premium		(2,167,328,670)	(2,018,096,565)
Net premium	23.00	<b>1,996,819,570</b>	<b>1,660,532,264</b>
Commission on re-insurance ceded		331,926,262	371,451,798
<b>Total</b>		<b>3,002,797,237</b>	<b>2,649,664,600</b>

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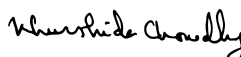
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**Abdul Hafiz Chowdhury**  
Chairman



**Syed Aliul Ahabab**  
Financial Controller



**Khurshida Chowdhury**  
Vice Chairperson



**Farzanah Chowdhury**  
Managing Director & CEO



**Syed Moinuddin Ahmed**  
Company Secretary



**S.F. Ahmed & Co.**  
Chartered Accountants

Place: Dhaka  
10 February 2020

GREEN DELTA INSURANCE COMPANY LTD.  
**FIRE INSURANCE REVENUE ACCOUNT**  
 FOR THE YEAR ENDED 31 DECEMBER 2019

		Amount in BDT	
	Note	2019	2018
		<b>722,359,509</b>	<b>638,455,922</b>
Claims under policies less re-insurance	22.00	296,806,852	222,732,869
Expenses of management		146,578,443	163,132,818
Agency commission		278,974,214	252,590,235
Profit transferred to profit & loss account		12,897,064	19,655,494
Balance of account at the end of the year as shown in the balance sheet		251,465,340	184,144,543
<b>Total</b>		<b>986,721,913</b>	<b>842,255,958</b>
		986,721,913	842,255,958
Balance of account at the beginning of the year		184,144,543	160,024,788
Premium less re-insurance	23.00	630,897,067	462,654,480
Commission on re-insurance ceded		171,680,303	219,576,691
<b>Total</b>		<b>986,721,913</b>	<b>842,255,958</b>

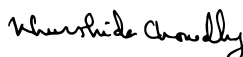
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**Abdul Hafiz Chowdhury**  
Chairman



**Syed Aliul Ahab**  
Financial Controller



**Khurshida Chowdhury**  
Vice Chairperson



**Farzanah Chowdhury**  
Managing Director & CEO



**Syed Moinuddin Ahmed**  
Company Secretary



**S.F. Ahmed & Co.**  
Chartered Accountants

Place: Dhaka  
10 February 2020

# GREEN DELTA INSURANCE COMPANY LTD.

## MARINE INSURANCE REVENUE ACCOUNT

### FOR THE YEAR ENDED 31 DECEMBER 2019

		Amount in BDT	
	Notes	2019	2018
		<b>634,865,686</b>	<b>674,975,574</b>
Claims under policies less re-insurance	22.00	132,797,337	188,109,870
Expenses of management		281,421,957	294,331,937
Agency commission		220,646,392	192,533,767
Profit transferred to profit & loss account		376,608,571	315,277,178
Balance of account at the end of the year as shown in the balance sheet		378,853,332	383,795,721
<b>Total</b>		<b>1,390,327,589</b>	<b>1,374,048,471</b>
		<b>1,390,327,589</b>	<b>1,374,048,471</b>
Balance of account at the beginning of the year		383,795,721	347,864,489
Premium less re-insurance	23.00	928,049,302	929,548,609
Commission on re-insurance ceded		78,482,566	96,635,374
<b>Total</b>		<b>1,390,327,589</b>	<b>1,374,048,471</b>

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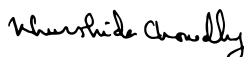
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**Abdul Hafiz Chowdhury**  
Chairman



**Syed Aliul Ahabab**  
Financial Controller



**Khurshida Chowdhury**  
Vice Chairperson



**Farzanah Chowdhury**  
Managing Director & CEO



**Syed Moinuddin Ahmed**  
Company Secretary



**S.F. Ahmed & Co.**  
Chartered Accountants

Place: Dhaka  
10 February 2020

GREEN DELTA INSURANCE COMPANY LTD.  
**MOTOR INSURANCE REVENUE ACCOUNT**  
 FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	2019	2018
		<b>153,687,695</b>	<b>117,413,492</b>
Claims under policies less re-insurance	22.00	34,940,302	33,547,913
Expenses of management		91,215,992	57,068,703
Agency commission		27,531,401	26,796,876
Profit transferred to profit & loss account		16,495,723	55,633,672
Balance of account at the end of the year as shown in the balance sheet		62,588,656	64,466,505
<b>Total</b>		<b>232,772,074</b>	<b>237,513,669</b>
		232,772,074	237,513,669
Balance of account at the beginning of the year		64,466,505	69,362,137
Premium less re-insurance	23.00	159,026,499	163,479,811
Commission on re-insurance ceded		9,279,070	4,671,721
<b>Total</b>		<b>232,772,074</b>	<b>237,513,669</b>

Amount in BDT

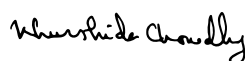
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**Abdul Hafiz Chowdhury**  
Chairman



**Syed Aliul Ahab**  
Financial Controller



**Khurshida Chowdhury**  
Vice Chairperson



**Farzanah Chowdhury**  
Managing Director & CEO



**Syed Moinuddin Ahmed**  
Company Secretary

**S. F. Ahmed & Co.**

**S.F. Ahmed & Co.**  
Chartered Accountants

Place: Dhaka  
10 February 2020

GREEN DELTA INSURANCE COMPANY LTD.  
**MISCELLANEOUS INSURANCE REVENUE ACCOUNT**  
 FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	2019	2018
		<b>274,161,556</b>	<b>141,701,940</b>
Claims under policies less re-insurance	22.00	100,936,341	26,541,688
Expenses of management		75,754,985	39,735,581
Agency commission		97,470,230	75,424,671
Profit transferred to profit & loss account		7,546,205	12,499,920
Balance of account at the end of the year as shown in the balance sheet		111,267,902	41,644,636
<b>Total</b>		<b>392,975,663</b>	<b>195,846,496</b>
		<b>392,975,663</b>	<b>195,846,496</b>
Balance of account at the beginning of the year		41,644,636	40,429,118
Premium less re-insurance	23.00	278,846,703	104,849,365
Commission on re-insurance ceded		72,484,324	50,568,012
<b>Total</b>		<b>392,975,663</b>	<b>195,846,496</b>

Amount in BDT

212

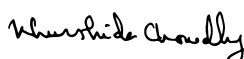
The accompanying notes page no 19 to 37 form an integral part of these financial statements.



**Abdul Hafiz Chowdhury**  
Chairman



**Syed Aliul Ahabab**  
Financial Controller



**Khurshida Chowdhury**  
Vice Chairperson



**Farzanah Chowdhury**  
Managing Director & CEO



**Syed Moinuddin Ahmed**  
Company Secretary



**S.F. Ahmed & Co.**  
Chartered Accountants

Place: Dhaka  
10 February 2020

# GREEN DELTA INSURANCE COMPANY LTD.

## FORM "AA"

### CLASSIFIED SUMMARY OF ASSETS AS AT 31 DECEMBER 2019

Sl. No.	Class of Assets	Book Value Taka
1	Investment in government bond	25,000,000
2	Shares listed on DSE & CSE (market price)	2,863,321,038
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)	205,000,000
7	Green Delta Capital Ltd.	249,999,900
8	Financial Excellence	3,000,000
9	CDBL	1,138,890
10	BD Venture	20,000,000
11	Professional Advancement Bangladesh Ltd.	9,996,000
12	Green Delta Securities Ltd	99,999,900
13	GD Assist Ltd.	49,996,000
14	Energypac Power Generation Ltd.	4,972,000
15	Fixed Deposit	1,031,916,487
16	Cash at bank on STD and current account	97,124,080
17	Outstanding premium	116,799,873
18	Amount due from other persons or bodies carrying on insurance business	3,193,543,266
19	Sundry debtors (including advance and deposits)	804,386,135
20	Land property	859,974,010
21	Fixed assets	1,280,642,900
22	Stock of stationery and stamps	2,310,287
<b>Total</b>		<b>11,099,720,767</b>

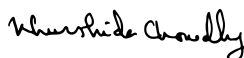
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**Abdul Hafiz Chowdhury**  
Chairman



**Syed Aliul Ahabab**  
Financial Controller



**Khurshida Chowdhury**  
Vice Chairperson



**Farzanah Chowdhury**  
Managing Director & CEO



**Syed Moinuddin Ahmed**  
Company Secretary



**S.F. Ahmed & Co.**  
Chartered Accountants

Place: Dhaka  
10 February 2020



# GREEN DELTA INSURANCE COMPANY LTD.

## NOTES TO THE FINANCIAL STATEMENTS

### CLASSIFIED SUMMARY OF ASSETS AS AT 31 DECEMBER 2019

#### 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 from 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)

GDICL holds 99.999% of the shares and 0.0001% is held 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 aegis of operating stock broker and stock dealer.

##### Green Delta Capital Limited (GDCL)

GDICL holds 99.999% of the shares and 0.0001% is held 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 merchant 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 are 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

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 2019;
- ii) Profit and loss account for the year ended 31 December 2019;
- iii) Profit and loss appropriation account for the year ended 31 December 2019;
- iv) Statement of changes in equity for the year ended 31 December 2019;
- v) Statement of cash flows for the year ended 31 December 2019;
- vi) Consolidated all business revenue account for the year ended 31 December 2019;
- vii) Fire insurance revenue account for the year ended 31 December 2019;
- viii) Motor insurance revenue account for the year ended 31 December 2019;
- ix) Marine insurance revenue account for the year ended 31 December 2019;
- x) Miscellaneous insurance revenue account for the year ended 31 December 2019; and
- xi) Notes comprising a summary of significant accounting policies and other explanatory information to the accounts for the year ended 31 December 2019.

## 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 Reporting Act, 2015 (FRA) was enacted in 2015. The Financial Reporting Council (FRC) under the FRA has been formed in 2017 but the Financial Reporting Standards (FRS) under this council is yet to be issued for public interest entities such as general insurance companies. As the FRS is yet to be issued as per the provisions of the FRA, the consolidated and separate financial statements of the Group and the Company have been prepared in accordance with International Financial Reporting Standards (IFRSs) and the requirements of the Insurance Act 1938 (as amended in 2010), the Insurance Rules 1958 and in conformity the Companies Act 1994, the Securities and Exchange Rules 1987, the listing rules of Dhaka Stock Exchange Ltd. (DSE) and Chittagong Exchange Ltd (CSE) and other applicable laws & regulations in Bangladesh.

The financial statements have been prepared on going concern and accruals 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 balance sheet has been prepared in accordance with part I and "Form A" in Part II of the First Schedule. The revenue account for fire, marine and miscellaneous business has been prepared in accordance with "Form F" in Part II of the third schedule. Statement of cash flow and Statement of changes in equity has been prepared in accordance with IFRS.

### 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 and dividends. 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 equipment's****a. Recognition and measurement**

The cost of an item of property, plant and equipment's is 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 2019 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 of the fixed assets:

Category of assets	Rates depreciation per annum
Furniture & Fixture	10 years
Equipment	7 years
Vehicles	5 years
Building	99 years
Land	Nil

Depreciation on newly acquired assets are calculated from the date when the related assets are available for use 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 Intangible assets**

Intangible assets (computer software) are recorded at historical cost less accumulated amortization. These assets are amortized on straight line method based on the useful lives of the assets which is 7 years.

#### **2.10 Lease**

Financial Reporting Principles IFRS 16 Leases effective from annual periods beginning on or after January 1, 2019 has changed how the company accounts for its lease contracts. The company leases a number of office space in addition to service sites. Before the adoption of IFRS 16, all lease contracts were classified as operating leases. IFRS 16 requires all contracts that contain a lease to be recognized on the balance sheet as a right-of-use asset and lease liability. Only certain short-term and low-value leases are exempted.

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

#### **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, short term fixed deposits and bank balances.

#### **2.13 Cash flow statements**

##### **Gross premiums**

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 premium**

Gross general insurance premium 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 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 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 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 instalments 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 during the year paid outstanding at the reporting along with related 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 Employee benefits**

#### **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 5 years of confirmed service - Nil
- Confirmed service between 5 and 10 years - One month's last drawn basic pay for every completed year of
- On completion of 10 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 its employees as per their requirement.

#### **iv) Incentive bonus**

The company has a policy namely incentive bonus scheme for its employees who meets certain criteria based on their annual performance bonus ascertained on net profit with approval in the Annual General Meeting and the expense accounted for in 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 Prior year adjustment (error occurred in recognizing deferred tax)**

During the current year, deferred tax has been recognized for revaluation reserve in respect of property, plant and equipment & Investment fluctuation fund in conformance with IAS 12: Income Taxes. The prior non recognition of deferred tax is classified as an error under IAS 8: Accounting policies, changes in accounting estimates and error and has been rectified with retrospective adjustment. Accordingly, deferred tax liability has been recognized for Tk. 580,523,749 with the corresponding adjustment to revaluation reserve & Investment fluctuation fund. Detailed calculation has been shown under note no. 4.02,4.05 & 10.02.

#### **2.19 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.

#### **2.20 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 gain or loss is transferred to the investment fluctuation fund. The income is transferred to profit or loss account ones it is realized.

##### **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 to propose and approve dividend payments consistently to the shareholders in the event of worst business situation of the company.

#### **2.21 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 company. 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 have been made by netting off any unrealized gain/(loss) arising at the Balance sheet date. Under IFRS 9, on initial recognition, a financial asset is classified as measured at: amortised cost; Fair Value through Other Comprehensive Income (FVOCI) – debt investment; Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or Fair Value Through Profit or Loss (FVTPL). The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

On initial recognition of an equity investment that is not held for trading, the company may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income (OCI). This election is made on an investment-by-investment basis.

These assets are subsequently measured at fair value. Other net gains and losses are recognised in OCI

c) Unexpired risk 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 GDICL has recognized provision of BDT 804,175,230 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 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 IFRS 9. As such some disclosure and presentation requirements of IFRS 7 and IAS 32 have not been made in the accounts.

## 2.22 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.

## 2.23 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.

### 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 2019.

## 2.24 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.

## 2.25 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: 26.



**2.26 Events after the reporting period**

There is no material adjusting or non adjusting events after reporting date.

**2.27 Contingent liabilities and contingent assets**

The company does not recognize 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.

**2.28 Branch accounting**

The Company has 43 branch offices with no overseas branch as on 31 December 2019. Accounts of the branches are maintained at the head office which are included in the accompanying financial statements.

**2.29 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.

**2.30 Comparative information**

Comparative information has been disclosed in respect of the period ended 31 December 2019 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.

**2.31 Director responsibility**

The Board of Director takes the responsibility for the preparation and presentation of the Financial Statements.

**2.32 Authorization date for issuing financial statements**

The financial statements were authorized by the Board of Directors on 10 February 2020 for public issue.

**2.33 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.

**2.34 Reporting Currency**

The financial statements are prepared and presented in Bangladesh Taka (BDT), which is the company's functional currency.

**2.35 Reporting Period**

The financial period under audit of the company covering (12) twelve months from of 1 January 2019 to 31 December 2019.

Amount in BDT

	2019	2018
<b>3.00 Authorised share capital:</b>		
500,000,000 ordinary shares of BDT 10 each	5,000,000,000	5,000,000,000
<b>Issued, subscribed &amp; paid up capital</b>		
88,760,306 ordinary shares of BDT 10 each fully paid up in cash	887,603,057	806,911,870

**Classification of shareholders by holdings as on 31 December 2019.**

Range of share holding	No. of Shareholders	No. of Shares	% of Holdings	Value of Share in Taka
Less than 500 Shares	2,035	313,239	0.35%	3,132,387
501 - 5,000	916	1,353,421	1.52%	13,534,210
5,001 - 10,000	74	489,968	0.55%	4,899,680
10,001 - 20,000	46	596,002	0.67%	5,960,020
20001 - 30000	19	531,790	0.60%	5,317,900
30001 - 40000	9	383,110	0.43%	3,831,100
40,001 - 50,000	9	133,529	0.15%	1,335,290
50,001 - 60,000	4	390,598	0.44%	3,905,980
60,001 - 70,000	6	321,643	0.36%	3,216,430
70,001 - 80,000	6	668,234	0.75%	6,682,340
80,001 - 90,000	6	249,936	0.28%	2,499,360
90,001 and above	102	83,328,836	93.88%	833,288,360
	<b>3,232</b>	<b>88,760,306</b>	<b>100.00%</b>	<b>887,603,057</b>

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<b>4.00 Reserve or contingency account</b>		
Reserve for exceptional losses (Note: 4.01)	1,343,436,409	1,343,221,488
Investment fluctuation fund (Note: 4.02)	1,850,847,854	1,862,916,205
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)	1,010,099,164	1,016,438,495
<b>Total</b>	<b>4,494,383,427</b>	<b>4,512,576,188</b>
<b>4.01 Reserve for exceptional losses</b>		
Opening balance	1,343,221,488	1,260,194,875
Addition during the year (5% of net premium income)	99,840,978	83,026,613
Less: Adjustment During the year	(99,626,057)	-
<b>Total</b>	<b>1,343,436,409</b>	<b>1,343,221,488</b>
<b>4.02 Investment fluctuation fund</b>		
Opening balance	1,862,916,205	2,287,365,792
Adjustment during the year due to recognition of deferred tax liability	-	(228,736,579)
<b>Adjusted opening balance</b>	<b>1,862,916,205</b>	<b>2,058,629,213</b>
Unrealised gain/(loss) made during the year	(13,409,279)	(217,458,898)
Deferred tax on unrealised gain/(loss) during the year	1,340,928	21,745,890
<b>Total</b>	<b>1,850,847,854</b>	<b>1,862,916,205</b>
<b>4.03 General reserve</b>		
Opening balance	180,000,000	180,000,000
Addition during the year	-	-
<b>Total</b>	<b>180,000,000</b>	<b>180,000,000</b>

Amount in BDT

	2019	2018
<b>4.04 Dividend equalization fund</b>		
Opening balance	110,000,000	110,000,000
Less: Transfer to retained earnings	-	-
<b>Total</b>	<b>110,000,000</b>	<b>110,000,000</b>
<b>4.05 Revaluation reserve</b>		
Opening balance	1,016,438,495	1,366,320,375
Adjustment during the year due to recognition of deferred tax liability	-	(351,787,170)
<b>Adjusted opening balance</b>	<b>1,016,438,495</b>	<b>1,014,533,205</b>
Realized through excess depreciation on revaluation of assets	(6,339,331)	1,905,290
<b>Total</b>	<b>1,010,099,164</b>	<b>1,016,438,495</b>
<b>4.A Consolidated reserve for contingency account</b>		
Green Delta Insurance Company	4,494,383,428	4,512,576,188
Green Delta Securities Limited	21,560,672	40,937,653
<b>Total</b>	<b>4,515,944,100</b>	<b>4,553,513,841</b>
<b>4.B Consolidated revaluation reserve</b>		
Green Delta Insurance Company	1,010,099,164	1,016,438,495
Green Delta Securities Limited	69,521,965	69,521,965
<b>Sub Total</b>	<b>1,079,621,129</b>	<b>1,085,960,460</b>
<b>4.C Consolidated investment fluctuation fund</b>		
Green Delta Insurance Company	1,850,847,854	1,862,916,205
Green Delta Securities Limited	(47,961,292)	(28,584,312)
<b>Sub Total</b>	<b>1,802,886,562</b>	<b>1,834,331,893</b>
<b>5.00 Profit and loss appropriation account</b>		
Opening Balance (accumulated un distributed profit)	231,736,883	206,289,188
Add: Net profit for the year	360,604,544	318,887,851
Less : Transfer to reserve for exceptional losses	(99,840,978)	(83,026,613)
Less : Current tax expense	(69,825,297)	(60,000,000)
Less : Deferred tax income/(expense)	9,930,966	(9,476,963)
Less : Cash dividend paid for the year 2018	(80,691,187)	(161,382,374)
Add: Transfer of excess depreciation from asset revaluation reserve	10,142,929	20,445,794
<b>Total</b>	<b>362,057,861</b>	<b>231,736,883</b>
<b>5.A Consolidated profit and loss appropriation account</b>		
Green Delta Insurance company	362,057,860	231,736,883
Green Delta Capital Limited	27,244,473	23,110,002
Green Delta Securities Ltd.	162,210,211	193,458,487
GD Assist Ltd.	2,989,411	2,830,064
Professional Advancement Bangladesh Ltd.	(7,326,095)	(7,471,416)
<b>Total</b>	<b>547,175,861</b>	<b>443,664,020</b>
<b>5.B Non-controlling interest</b>		
Green Delta Capital Limited	352	346
Green Delta Securities Ltd.	454	469
GD Assist Ltd.	6,467	6,384
Professional Advancement Bangladesh Ltd.	5,110	5,010
<b>Total</b>	<b>12,383</b>	<b>12,209</b>

Amount in BDT

	2019	2018
<b>6.00 Balance of fund account</b>		
Fire insurance business	251,465,340	184,144,543
Marine insurance business	378,853,332	383,795,721
Motor insurance business	62,588,656	64,466,505
Misc. insurance business	111,267,902	41,644,636
<b>Total</b>	<b>804,175,230</b>	<b>674,051,405</b>

Above business insurance accounts are 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	%	Balance of Fund	
			2019	2018
Fire	628,663,349	40%	251,465,340	184,144,543
Marine Cargo	906,502,050	40%	362,600,820	361,209,865
Marine Hull	16,252,512	100%	16,252,512	22,585,856
Motor	156,471,640	40%	62,588,656	64,466,505
Miscellaneous	278,169,755	40%	111,267,902	41,644,636
<b>Total</b>	<b>1,986,059,306</b>		<b>804,175,230</b>	<b>674,051,405</b>

Amount in BDT

	2019	2018
<b>7.00 Premium deposits</b>		
Marine cargo	236,909,826	338,990,220
<b>Total</b>	<b>236,909,826</b>	<b>338,990,220</b>

This represents the amount of premium deposited with the company against cover notes for which no policy has been issued upto the end of the year.

**8.00 Estimated liability in respect of outstanding claims whether due or intimated**

Fire	241,056,633	190,194,936
Marine Cargo	2,712,386	37,954,040
Marine Hull	5,480,538	138,485
Motor	7,677,600	5,684,125
Miscellaneous	9,459,564	20,343,820
<b>Total</b>	<b>266,386,721</b>	<b>254,315,406</b>

**9.00 Amount due to other persons or bodies carrying on insurance business**

This represents the amount payable to overseas re-insurers and private sector insurance companies on account of re-insurance and co-insurance premium as at 31 December:

Payable against co-insurance premium	62,295,443	72,216,701
Overseas re-insurer	891,343,162	691,988,851
<b>Total</b>	<b>953,638,605</b>	<b>764,205,552</b>

**10.00 Sundry creditors**

Liability for expenses	17,470,868	45,837,455
Others payable	433,777,766	441,956,965
Provision for income tax (Note : 10.01)	490,260,868	420,435,571
Deferred tax liabilities/(asset) (Note : 10.02)	641,019,839	656,095,332
Unclaimed dividend	38,971,870	37,117,683
<b>Total</b>	<b>1,621,501,212</b>	<b>1,601,443,008</b>

Amount in BDT

	2019	2018
<b>10.01 Provision for income tax</b>		
Opening balance	420,435,571	360,435,571
Add: Addition during the year	69,825,297	60,000,000
<b>Total</b>	<b>490,260,868</b>	<b>420,435,571</b>
<b>10.02 Deferred tax liability / (asset)</b>		
Opening balance	656,095,332	110,191,594
Adjustment due to recognition of deferred tax liability	-	580,523,749
<b>Adjusted opening balance</b>	<b>656,095,332</b>	<b>690,715,343</b>
Deferred tax obligation / (benefit) during the year	(9,930,966)	9,476,963
Deferred tax obligation / (benefit) during the year related to investment fluctuation fund and excss depreciation on revulation reserve	(5,144,526)	(44,096,974)
<b>Closing liability / (asset)</b>	<b>641,019,840</b>	<b>656,095,332</b>

**10.02.01 Deferred tax assets/(liabilities) component**

	Carrying amount	Tax base	Deferred tax (asset)/liability 2019	Deferred tax (asset)/liability 2018
Carrying value of property, plant & equipment	723,875,172	431,241,597	109,737,591	119,668,557
Investment fluctuation fund	2,056,497,616	-	205,649,762	206,990,689
Revaluation on land	778,963,925	-	116,844,589	116,844,589
Revaluation on others components of property plant & equipment	556,767,729	-	208,787,898	212,591,496
<b>Total deferred tax liability as at</b>	<b>4,116,104,442</b>	<b>431,241,597</b>	<b>641,019,839</b>	<b>656,095,332</b>

Amount in BDT

	2019	2018
<b>10.A Consolidated sundry creditors</b>		
Green Delta Insurance Company Ltd.	1,621,501,212	1,601,443,008
Green Delta Capital Limited	17,533,689	43,946,834
Green Delta Securities Limited	117,241,121	166,425,168
Professional Advancement Bangladesh Ltd.	447,921	147,929
GD Assist Ltd.	6,340,991	9,204,854
<b>Total</b>	<b>1,763,064,934</b>	<b>1,821,167,793</b>
<b>11.00 Loan Received</b>		
Bank overdraft	1,288,642,910	446,550,218
Short term loan	-	339,525,947
Loan from Green Delta Capital	69,999,900	-
<b>Total</b>	<b>1,358,642,810</b>	<b>786,076,165</b>

Amount in BDT

	2019	2018
<b>11.A Consolidated bank overdraft</b>		
Green Delta Insurance Company Ltd.	1,288,642,910	786,076,165
Green Delta Securities Limited	221,717,813	196,588,534
Green Delta Capital Limited	83,985,989	-
GD Assist Ltd.	4,319,496	-
<b>Total</b>	<b>1,598,666,208</b>	<b>982,664,699</b>
<b>12.00 Investment</b>		
Investment in government bond	25,000,000	25,000,000
Investment in GDSL as margin loan (Note 12.01)	205,000,000	225,000,000
Investment in quoted shares	2,863,321,038	2,878,364,905
Investment In FDR (maturity more than 3 months)	187,927,566	206,041,094
Investment in unquoted share (Note 12.02)	209,710,890	209,710,890
Investment in subsidiaries (Note 12.03)	409,991,800	395,991,800
	<b>3,900,951,294</b>	<b>3,940,108,689</b>
<b>12.01 Investment in GDSL as margin loan</b>		
Margin Loan of Green Delta Securities Ltd.	205,000,000	225,000,000
<b>Total</b>	<b>205,000,000</b>	<b>225,000,000</b>
The amount was invested in GDSL as margin loan.		
<b>12.02 Investment in unquoted share</b>		
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
	<b>209,710,890</b>	<b>209,710,890</b>
<b>12.03 Investment in Subsidiaries</b>		
Green Delta Capital Limited	249,999,900	249,999,900
Green Delta Securities Ltd.	99,999,900	99,999,900
GD Assist Ltd.	49,996,000	9,996,000
Professional Advancement Bangladesh Ltd.	9,996,000	9,996,000
GDAsset management Ltd.	-	26,000,000
<b>Total</b>	<b>409,991,800</b>	<b>395,991,800</b>
<b>12.A Consolidated investments</b>		
Investment of Green Delta Insurance Co. Ltd.	3,285,959,494	3,345,116,889
Investment of Green Delta Capital Ltd.	229,669,340	237,780,338
Investment of Green Delta Securities Ltd.	259,955,501	255,120,180
Investment of Professional Advancement Bangladesh Ltd.	13,097,511	12,630,103
Investment of GD Assist Ltd.	24,734,628	23,652,433
<b>Total</b>	<b>3,813,416,474</b>	<b>3,874,299,943</b>

Amount in BDT

	2019	2018
<b>13.00 Outstanding premium</b>		
Outstanding premium represents installments due as on the reporting date on account of Marine & Aviation Business.		
Marine hull	61,429,105	36,254,142
Aviation hull	55,370,768	80,496,179
<b>Total</b>	<b>116,799,873</b>	<b>116,750,321</b>
<b>14.00 Amount due from other persons or bodies carrying on insurance business</b>		
This represents the amount receivable from private sector insurance companies on account of co-insurance premium and claim as on 31 December:		
Co-insurance premium receivable	30,583,936	17,622,429
Co-insurance claim receivable	11,788,513	8,207,932
Amount due from overseas re-insurer & SBC	3,151,170,817	2,418,086,732
<b>Total</b>	<b>3,193,543,266</b>	<b>2,443,917,092</b>
<b>15.00 Sundry debtors (including advance and deposits)</b>		
Advance rent	10,325,845	15,354,089
Advance salary	52,261	829,404
Car lease for employees (advance)	-	201,116
Other advances	780,725,411	586,955,049
Security deposit	3,927,303	3,747,302
Accrued interest	9,355,315	9,475,692
<b>Total</b>	<b>804,386,135</b>	<b>616,562,652</b>
<b>15.A Consolidated sundry debtors</b>		
Green Delta Insurance Company Ltd.	729,214,403	518,429,976
Green Delta Capital Limited	67,847,091	38,030,516
Green Delta Securities Limited	401,932,872	417,379,852
Professional Advancement Bangladesh Ltd.	17,297,389	12,958,268
GD Assist Ltd.	17,737,664	12,831,369
<b>Total</b>	<b>1,234,029,419</b>	<b>999,629,981</b>
<b>16.00 Cash and cash equivalent</b>		
Fixed deposits	843,988,921	813,505,668
Cash at bank	94,798,585	74,308,788
Cash in hand	2,325,495	9,103,197
<b>Total</b>	<b>941,113,001</b>	<b>896,917,653</b>
<b>16.A Consolidated cash and cash equivalent</b>		
Green Delta Insurance Company Ltd.	941,113,001	896,917,653
Green Delta Capital Limited	6,540,870	35,982,686
Green Delta Securities Limited	195,704,881	282,161,265
Professional Advancement Bangladesh Ltd.	421,432	1,267,526
GD Assist Ltd.	6,170,147	812,855
<b>Total</b>	<b>1,149,950,332</b>	<b>1,217,141,985</b>
<b>17.00 Land</b>		
Land at revalued price (Mohakhali)	800,000,000	800,000,000
Land at Aftabnagar (cost Price)	59,974,010	59,974,010
<b>Total</b>	<b>859,974,010</b>	<b>859,974,010</b>

Land has been 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 Aftab Nagar, Eastern Housing, Rampura, Dhaka.



**18.00 Fixed assets**

	Furniture & Fixtures	Office & Electrical Equipments	Vehicles	Building & Real Easted		Total
				Own Used	Investment Property	
<b>Cost</b>						
As at 01 January 2019	87,825,944	99,527,902	117,904,350	631,699,128	636,884,423	1,573,841,747
Less: Prior year adjustment	-	-	-	-	-	-
Additions during the year	2,804,849	15,281,363	8,223,470	-	-	26,309,682
Disposal during the year	(196,100)	(640,000)	(11,363,340)	-	-	(12,199,440)
<b>As at 31 December 2019</b>	<b>90,434,693</b>	<b>114,169,265</b>	<b>114,764,480</b>	<b>631,699,128</b>	<b>636,884,423</b>	<b>1,587,951,989</b>
<b>Depreciation</b>						
As at 01 January 2019	44,220,653	74,279,431	99,651,647	40,365,764	29,320,464	287,837,959
Charge during the year	9,143,037	9,935,647	6,889,773	6,380,799	6,433,176	38,782,432
Disposal during the year	(132,142)	(639,985)	(11,344,603)	-	-	(12,116,730)
<b>As at 31 December 2019</b>	<b>53,231,548</b>	<b>83,575,093</b>	<b>95,196,817</b>	<b>46,746,563</b>	<b>35,753,640</b>	<b>314,503,661</b>
<b>Sub total written down value of fixed asset</b>	<b>37,203,145</b>	<b>30,594,172</b>	<b>19,567,663</b>	<b>584,952,565</b>	<b>601,130,783</b>	<b>1,273,448,328</b>
<b>Written down value of intangible assets (Note 18.01)</b>						<b>7,194,572</b>
<b>Written down value at 31 December 2019</b>	<b>37,203,145</b>	<b>30,594,172</b>	<b>19,567,663</b>	<b>584,952,565</b>	<b>601,130,783</b>	<b>1,280,642,900</b>
<b>Written down value at 31 December 2018</b>	<b>43,605,291</b>	<b>25,248,471</b>	<b>18,252,703</b>	<b>591,333,364</b>	<b>607,563,959</b>	<b>1,286,003,788</b>
<b>Written down value of intangible assets</b>						<b>3,235,362</b>
<b>Total Written down value at 31 December 2018</b>	<b>43,605,291</b>	<b>25,248,471</b>	<b>18,252,703</b>	<b>591,333,364</b>	<b>607,563,959</b>	<b>1,289,239,151</b>

Amount in BDT

		2019	2018
<b>18.01</b>	<b>Intangible assets</b>		
	<b>Opening Balance as at 1 January</b>	7,172,697	7,172,697
	Add : Addition during the year	5,396,119	-
	Less : Amortization during the year (15%)	1,436,908	1,024,671
	Less : Accumulated amortization	3,937,335	2,912,664
	<b>Written down value as at 31 December</b>	<b>7,194,573</b>	<b>3,235,362</b>
<b>18.A</b>	<b>Consolidated fixed assets</b>		
	Green Delta Insurance Company Ltd.	1,273,448,327	1,286,003,788
	Green Delta Capital Limited	4,773,403	4,732,746
	Green Delta Securities Ltd.	13,549,094	7,618,063
	Professional Advancement Bangladesh Ltd.	3,833,797	4,057,394
	GD Assist Ltd.	15,009,926	14,531,030
	<b>Total</b>	<b>1,310,614,547</b>	<b>1,316,943,021</b>
<b>18.B</b>	<b>Consolidated intangible assets</b>		
	Green Delta Insurance Company Ltd.	7,194,573	3,235,362
	Green Delta Capital Limited	166,162	768,171
	<b>Total</b>	<b>7,360,735</b>	<b>4,003,533</b>
<b>19.00</b>	<b>Stock of printing, stationery &amp; stamps</b>		
	Printing	1,567,988	1,560,532
	Stationery	10,703	9,279
	Insurance policy stamps	731,597	380,522
	<b>Total</b>	<b>2,310,287</b>	<b>1,950,333</b>

Amount in BDT

		2019	2018				
<b>20.00</b>	<b>Audit fees</b>						
	Statutory audit	690,000	345,000				
	<b>Total</b>	<b>690,000</b>	<b>345,000</b>				
<b>21.00</b>	<b>Investment and others income</b>						
	Interest on FDR & STD and others	75,001,158	77,475,880				
	Net profit from shares trading	2,428,240	5,541,405				
	Interest on national bond	1,717,400	1,898,531				
	Gain from asset disposal	3,332,490	2,712,283				
	Dividend income	132,700,216	72,124,941				
	Interest income from GDSL	21,333,255	22,253,427				
	Co-ins service charges	6,572,520	3,699,799				
	Sundry income	8,150,051	10,721,522				
	Rental income	30,229,830	29,286,868				
	Income from trustee commission	13,320,000	12,170,000				
	Currency exchange gain/ (loss)	(60,141)	1,110,507				
	<b>Total</b>	<b>294,725,019</b>	<b>238,995,163</b>				
<b>21.A</b>	<b>Consolidated income from share business</b>						
	Green Delta Insurance Company Ltd.	2,428,240	5,541,405				
	Green Delta Capital Limited	2,946,008	5,830,089				
	Green Delta Securities Ltd.	2,542,898	35,999,974				
	<b>Total</b>	<b>7,917,146</b>	<b>47,371,468</b>				
<b>21.B</b>	<b>Consolidated interest &amp; others income</b>						
	Green Delta Insurance Company Ltd.	129,366,733	132,041,949				
	Green Delta Capital Limited	30,792,126	14,070,656				
	Green Delta Securities Ltd.	57,960,621	56,493,786				
	Professional Advancement Bangladesh Ltd.	486,239	1,485,343				
	GD Assist Ltd.	2,602,546	1,555,902				
		<b>221,208,265</b>	<b>205,647,636</b>				
	Less: Inter company transaction	41,241,100	22,253,427				
	<b>Total</b>	<b>179,967,165</b>	<b>183,394,209</b>				
<b>21.C</b>	<b>Consolidated management expenses</b>						
	Green Delta Insurance Company Ltd.	305,371,311	272,331,521				
	Green Delta Capital Limited	46,635,701	34,911,971				
	Green Delta Securities Ltd.	125,438,669	129,691,466				
	Professional Advancement Bangladesh Ltd.	7,569,085	8,001,858				
	GD Assist Ltd.	10,282,149	6,783,172				
		<b>495,296,915</b>	<b>451,719,988</b>				
	Less: Inter company transaction	41,241,100	22,253,427				
	<b>Total</b>	<b>454,055,815</b>	<b>429,466,561</b>				
<b>22.00</b>	<b>Claims under policies less re-insurance</b>						
		<b>Fire</b>	<b>Marine Cargo</b>	<b>Marine Hull</b>	<b>Motor</b>	<b>Miscellaneous</b>	<b>Total</b>
	Claims paid during the year	245,945,155	157,072,601	5,624,336	32,946,827	111,820,597	553,409,517
	Claims outstanding at the end of the year	241,056,633	2,712,386	5,480,538	7,677,600	9,459,564	266,386,721
	Claims outstanding at the beginning of the year	(190,194,936)	(37,954,040)	(138,485)	(5,684,125)	(20,343,820)	(254,315,406)
	<b>Total amount (year - 2019)</b>	<b>296,806,852</b>	<b>121,830,947</b>	<b>10,966,389</b>	<b>34,940,302</b>	<b>100,936,341</b>	<b>565,480,832</b>
	<b>Total amount (year - 2018)</b>	<b>222,732,869</b>	<b>185,243,775</b>	<b>2,866,095</b>	<b>33,547,913</b>	<b>26,541,688</b>	<b>470,932,340</b>

23.00	Premium less re-insurance	On Direct Business	On Re-ins Accepted	On Re-ins. Ceded	Total Amount in 2019	Total Amount in 2018
	<b>Class of business :</b>					
	Fire	1,859,828,090	-	(1,228,931,023)	630,897,068	462,654,480
	Marine Cargo	1,264,164,797	-	(352,416,678)	911,748,118	906,922,804
	Marine Hull	206,811,147	-	(190,509,965)	16,301,182	22,625,804
	Motor	183,542,672	-	(24,516,173)	159,026,499	163,479,811
	Miscellaneous	649,801,534	-	(370,954,831)	278,846,703	104,849,365
	<b>Total amount (31 December 2019)</b>	<b>4,164,148,240</b>	<b>-</b>	<b>(2,167,328,670)</b>	<b>1,996,819,570</b>	<b>1,660,532,264</b>

Amount in BDT

		2019	2018
<b>24.00</b>	<b>Earning per share (EPS)</b>		
	<b>Basic earning per share (EPS) on net profit after tax</b>	<b>3.39</b>	<b>3.09</b>
	<b>Earnings attributable to ordinary shares:</b>	<b>A</b>	<b>300,710,215</b>
	Profit as per profit & loss account	360,604,545	318,887,851
	Less: Income tax provision	69,825,297	60,000,000
	Less: Deferred tax expenses	(9,930,966)	9,476,963
	Less: Loss from discontinued business	-	-
	<b>Number of shares:</b>	<b>B</b>	<b>88,760,306</b>
	<b>Number of shares Outstanding:</b>	<b>Number of shares as at 31.12.2019</b>	<b>Number of shares as at 31.12.2018</b>
	Shares outstanding as on 1st January	80,691,187	80,691,187
	Bonus share issued during the year	8,069,118	-
	New share issued .	-	-
		<b>88,760,305</b>	<b>80,691,187</b>
	<b>Number of shares Outstanding:</b>	<b>Number of shares as at 31.12.2019</b>	<b>Number of shares as at 31.12.2018</b>
	Shares outstanding as on 1st January	80,691,187	80,691,187
	Bonus share issued during the year	8069119	-
	New share issued .	-	-
		<b>88,760,306</b>	<b>80,691,187</b>
	<b>Basic earnings per shares C=(A/B) =</b>	<b>300,710,213</b>	<b>249,410,888</b>
		<b>88,760,306</b>	<b>80,691,187</b>
		<b>3.39</b>	<b>3.09</b>
<b>24.A</b>	<b>Consolidated earning per share (EPS)</b>		
	<b>Earnings attributable to ordinary shares:</b>	<b>301,122,439</b>	<b>294,012,366</b>
	Profit as per profit & loss account	372,379,668	389,004,565
	Less: Income tax provision	81,188,196	85,515,236
	Less: Deferred tax expenses	(9,930,966)	9,476,963
		<b>301,122,439</b>	<b>294,012,366</b>
	<b>Consolidated EPS =</b>	<b>88,760,306</b>	<b>80,691,187</b>
		<b>3.39</b>	<b>3.64</b>

**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 down is given below:

**A. Assets.**

Investment	3,900,951,294	3,940,108,689
Outstanding premium	116,799,873	116,750,321
Amount due to other persons or bodies carrying on insurance business	3,193,543,266	2,443,917,092
Sundry debtors	804,386,135	616,562,652
Cash and bank balance	941,113,001	896,917,653
Land, fixed asset & others	2,142,927,198	2,151,163,494
<b>Total Assets</b>	<b>11,099,720,767</b>	<b>10,165,419,901</b>

**B. Liabilities**

Balance of fund accounts	804,175,230	674,051,405
Premium deposit	236,909,826	338,990,220
Estimated liability in respect of outstanding claims whether due or intimated	266,386,721	254,315,406
Amount due to other persons or bodies carrying on insurance business	953,638,605	764,205,552
Sundry creditors	1,621,501,212	1,601,443,006
Bank loan	1,358,642,810	786,076,165
<b>Total liabilities</b>	<b>5,241,254,404</b>	<b>4,419,081,756</b>
<b>Net Assets (A - B)</b>	<b>5,858,466,363</b>	<b>5,746,338,145</b>
<b>Number of shares outstanding during the year</b>	<b>88,760,306</b>	<b>80,691,187</b>
<b>Net assets value per share</b>	<b>66.00</b>	<b>71.21</b>

**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:

Amount in Taka

Name of the Party	Relationship	Nature of Transaction	Closing balance 2019	Closing balance 2018
Green Delta Securities Ltd.	Subsidiary Company	Intercompany Credit	248,412,176	2,64,869,149
Green Delta Capital Ltd.	Subsidiary Company	Inter Company Transaction	(69,767,537)	237,375
Professional Advancement Bang. Ltd.	Subsidiary Company	Inter Company Transaction	31,527,193	28,235,768
GD Assist Ltd.	Subsidiary Company	Inter Company Transaction	(7,952,061)	29,790,385

**27.00 Number of employees**

During the year under audit, there were 519 employees for the full year and 39 employees for less than full year.

# STATUS OF COMPLIANCE OF INTERNATIONAL ACCOUNTING STANDARDS AND INTERNATIONAL FINANCIAL REPORTING STANDARDS

Annexure-I

Name of the IAS	IAS No.	Status
Presentation of financial statements	1	**
Inventories	2	N/A
Cash flow statement	7	Complied
Accounting policies, change in accounting estimates and errors	8	Complied
Events after the balance sheet date	10	Complied
Construction contracts	11	N/A
Income taxes	12	Complied
Property, plant and equipment	16	Complied
Employee benefits	19	Complied
Accounting for government grants and disclosure of governments assistance	20	Complied
The effect of change in foreign exchange rates	21	Complied
Borrowing cost	23	Complied
Related party disclosure	24	Complied
Accounting and reporting by retirement benefits plan	26	Complied
Consolidated and separate financial statements	27	Complied
Investment in associates	28	N/A
Investment in joint ventures	31	N/A
Financial instruments: disclosure and presentations	32	**
Earning per share	33	Complied
Interim financial reporting	34	Complied
Impairment of assets	36	Complied
Provision, contingent liabilities and contingent assets	37	Complied
Intangible assets	38	Complied
Investment property	40	N/A
Agriculture	41	N/A

Name of the IFRS	IFRS No.	Status
Share based 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
Financial instruments	9	**
Leases	16	Complied

\*\* 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.

# SUBSIDIARY OVERVIEW

# 12.1.1

## REPORT ON GREEN DELTA SECURITIES LTD



**Wafi Shafique Menhaz Khan**  
Managing Director & CEO

Since its inception in 2006, Green Delta Securities Limited (GDSL), believes that sustainability can evolve from aspirational ideals to commercial solutions. As a renowned Intermediary GDSL is entrusted to find the right solutions for Capital Market requirements, however big or small. From Investment to Market Research and Analysis, GDSL can deliver the right solutions. The Mission of GDSL is to provide the outmost and innovative services to its valuable clients in terms of Trading, Technology and other related support services. As a corporate Strategy, GDSL ensures

justifiable Business Practices and balancing accountability along with growth as well as productivity.

Innovative ideas and promotions are best practices of GDSL. It is the first Brokerage firm in Bangladesh that introduced Customized Products for different Target Groups in terms of facility and benefits. As all the products are Introduced through massive Marketing in the Capital Market, we are getting immense and positive responses for all the products, especially in NIBEDITA and PREVILEGE. Thus GDSL believes that the company will attract more

investors within the Capital Market in the near future.

This is a matter of honor and valor that, GDSL's visionary Board Members and the Management Team have taken the company into a greater height with their understanding, evaluation and experience in the Financial sector of the country. GDSL is the First and Only Brokerage Firm in the country to receive the prestigious CFI awards in 2014 as the 'Best Stock Broker'. GDSL believe to make it a habit with its efficient and vibrant team in the Industry.



Despite the turmoil in the Capital Market all the year round at 2019, GDSL focused on a New Strategy to exist in the Market Shares of Trading and sustainability by the Awareness Sessions for the Investors. As managers of Portfolio Management in capital Markets, GDSL Believes that, investors have a crucial role to play in supporting economic activity that enhances rather than damages the overall environment, sustains rather than erodes livelihoods, and contributes to rather than undermines economic stability. Many investors know this and GDSL is preaching what has become known as responsible investment.

In 2019, GDSL have facilitated hundreds of Awareness Programs for the General clients as well as Corporate Investors. These Programs are taken by GDSL's highly skilled Business Team, with a step by step Procedure comprising of Statistical Data mingled with Research Reports from Internal and External sources. In this regards, GDSL is sending Market News Data Analysis through Email to the Clients each day within the Market Sessions. Thus these initiatives create a boost up in the minds of Investors to Invest Positively and collectively.

Continuous updates and enhancements of Value Added Services are implemented at GDSL all the year round to make it with

fast pace of Information Technology trends. GDSL believes in a Strong Fleet of Human Resource to carry out the Strategy with knowledge and skills. GDSL took part in the Awareness Programs initiatives by Bangladesh Securities and Exchange Commission (BSEC) and other Regulators regularly.

In 2019, GDSL have formed its Business Team with the introduction of Direct Sales Force, the Direct Sales force are Trained to Deliver Door to Door Services to our Clients and Corporate Investor, which is a unique addition to our service Portfolios. In addition, GDSL have Implemented a Customer Relationship Management Web Based Application for Investors, where new clients can Open BO Account, Take a Survey of their Risk Assessment etc. This is One of a Kind Introduction of GDSL's Technology Based Business Enhancements.

GDSL always focuses on the Footprints with Foreign Fund Managers, Investment Bankers, brokerage Houses and Financial Institutes. GDSL attended Road Shows in USA previously. An agreement with Bloomberg Professional Services is active, and GDSL is connected with Bloomberg Online through the Bloomberg Terminal at its premises. An overseas business investment endeavor is always in the mindsets of GDSL.

Despite the turmoil and hindrances in 2019 in the Capital Market, GDSL is constantly engaged to uphold the Business to a Customer Centric intention. implementation of Business Strategy innovation ahead of the Market gives GDSL a step ahead than that of other Capital Market Intermediaries. GDSL always aims to be on the leading edge of technological transformation by developing and implementing new ways of improving efficiency and thus increase the customer satisfaction. GDSL strongly believes in Intelligence at work to maximize growth and profitability both for the clients and the organization itself. Our team GDSL, always inspire the clients to live up to their prospects by providing seamless, secure, reliable, and competitive Trading services and environments. We look forward to welcoming you at Green Delta Family in 2020 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 and CEO



## Mission

Ensuring the best service by maintaining strong compliance.



## Vision

To be the preferred brokerage for individuals and institutional clients.



## Corporate Governance

GDSL always practices corporate governance to ensure complete transparency and hence establishing the following roles and responsibilities:

### Role of the Board of Directors

The Board is completely responsible for long-term establishment of the organization and also to ensure the implementation of corporate governance at all levels. The Board duly complies with the guidelines 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 to ensure that the Board works effectively and discharges its responsibilities as directors of the company.

### Role of CEO

The CEO is responsible for overall business development, achieving targets, office management, team development and setting the directions for the company. He is also responsible for scheduling the resources so that it helps to attain the business goals by the management as well as the business team.

### Core team

The Core team members are responsible for the strategic and operational plan for their respective departments which eventually shape up the business. The core team is fully responsible for the functionality of the departments and for smooth operations.

### Business team

The Business team members are responsible for implementing the strategic and business plan to achieve business target. The business team consists of Branch Managers, Dealers, Business Development and Customer Service Officers who are dedicated to achieve the business target and keeping a good relationship with the Clients to meet their demands as and when needed.

## The Management Team



### **Wafi Shafique Menhaz Khan**

Managing Director and CEO

Mr. Wafi Shafique Menhaz Khan is the Managing Director and 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 and Micro departments. 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. Mr. Khan have more than 20 Years of Experience in Financial Institutions. 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. Mr. Khan is also member of market development committee of Dhaka Brokers Association (DBA)..



### **Asad Murshed Bin Sher Ali**

Head of Finance and Admin

Mr. Asad Murshed has joined Green Delta Securities Ltd in December, 2010. He has a long working experience in different industry of the country. He started his career in Oponin Pharma and earned diversified experience working with Incepta Pharmaceuticals, Gramophone Ltd and Ananda Ship Yard & Slipways. He was the manager of Budget & Costing at Ananda ship Yard & Slipways before joining Green Delta Securities Limited. Mr. Asad have more than 17 years of experience in related jobs. He is the president Elect (20-21) of Rotary Club of Dhaka Kawran Bazar.

### **Fakruddin Ali Ahmed Rajib**

Head of Business

Mr. Fakruddin Ali Ahmed Rajib, former Head of student banking & Sr. Manager- Payroll Department of The City Bank Ltd., is the Head of Business of Green Delta Securities Ltd. He has worked with International Finance Corporation, (World Bank Group) in a project of Payroll & Student Banking structure development. Before City Bank he was in UAE Exchange LLC, Eastern Bank Limited & Bangladesh Association of Pharmaceutical Industry (BAPI). He was also awarded as the 'Best Branch Employee of the Month' in Khorfakkan Branch of UAE Exchange & 'Best Collection Office' of Eastern Bank Ltd. Mr. Rajib has more than 15 years of experience in financial fields. He obtained Competitive Business Strategy & Innovation (CBSI: Batch-2), Advance Certificate in Business Administration (ACBA: Batch -4) and also Advance Certificate in Managerial Communication (ACMC: Batch -1) IBA, University of Dhaka. He has joined multiple trainings domestically & internationally at Eastern Bank, UAE Exchange, City Bank, Bangladesh Bank, Dhaka Stock Exchange & Green Delta Securities Ltd ( 1. World Class Leadership Development Excellence 2019, 2. Valuation of Securities, 3. Remittance in-flow & out-flow, 4. Foreign Exchange Guideline, 5. Negotiable Instrument Act, 6. AML protection, 7.Spirit to Serve" a Customer Service Training, 8:'Student file & Medical file Operation & Related Foreign Exchange Reporting', 9:'Product Knowledge' & 'Sales & Service Skill'). He has attended & participated various conferences on Capital Market.





**Md. Golam Rasul Majumder**

Regional Head

Mr. Md. Golam Rasul Majumder is the Regional Head and also Principal Branch Manager, working with Green Delta Securities Ltd since 2009. Mr. Majumder completed his Masters from National University in Management. Before joining Green Delta Securities Ltd. Mr. Majumder worked as a Senior Trade Office of Shaymoli Equity Management Ltd, Beximco a renowned brokerage house. He has more than 21 years' experience in Capital market. He has taken up several successful training and workshops on capital market.



**Jadid Farmi Huda**

In-charge of Information Technology

Mr. Jadid Farmi Huda is leading the IT Department in GDSL, who joined in 2010. An MBA in Marketing Mr. Huda completed PGD in IT from NIIT. Before Joining GDSL he worked as Administrator of System & Network of BRAC University (IED-Institute of Educational Development), and he also worked in WWW-IBC (Internet Business Center) as Manager (Overseas Operations). He has more than 16 years of experience in IT Industries. He has participated and achieved many Trainings as Oracle-DBMS (Data Base Management System), Hardware and Basic Software from reputed organizations in Dhaka. Mr. Huda also participated in many Trainings and Workshops in Capital Market. He is an active member of World Wide Web Consortium in Asia and Oceania zone.

**Md. Alamgir**

In-charge of Settlement

Md. Alamgir has over 15 years of experience in Bangladesh Capital Market & significant various renowned organizations. He started his career as a Senior Executive at SR Capital. Mr. Alamgir is currently the In-Charge of Settlement Department. He has vast knowledge on CDBL by-laws, securities laws, and regulatory rules conforming to the capital market and experience in monitoring necessary due diligence activities. He completed his masters in Accounting from Madon Mohan University College, Sylhet, & LLB from Bangabandhu Law College under National University. He actively participates in various conferences and workshops on local capital market. He is the acting president of Podhokheep Shommittee Habigonj.



**Md. Mir Mosharrof Hossain**

Vice President & Manager, Administration Department

Md. Mir Mosharrof Hossain is the Manager of Administration department, working in Green Delta Securities since 1st July, 2010. Before Joining Green Delta Securities Limited he worked several export oriented readymade garments industries like Bobby Garments Limited as "Commercial Officer" since 1989 to 1996 & Sweater Fashions Ltd. Posh Sweater Ltd. & Scan Trade Ltd. as "Commercial Manager. Since 1997 to 2010 He has completed Graduation 1985 from Tejgaon College, Dhaka under Dhaka University. He has more than 30 years of service experience in different industries. He has taken up several successful training and workshops on negotiation skill and vendor management etc.



## Journey of GDSL

Green Delta Securities Ltd. is a 100% subsidiary of Green Delta Insurance Company Limited, set foot in the stock brokerage business in 2006. Here are some briefs on GDSL since inception:

2005	2006	2007	2008	2009
On 15th October, 2005 established with the membership of Dhaka Stock Exchange (059).	Obtained Chittagong Stock Exchange (130) membership Back office Stock Broking software "ADA-SOFT"	Started business by maintaining investment portfolio of parent (GDIC) with few individual clients.	Expansion of Stock broking business by opening two new branches at "AGRABAD" (CTG) and "SYLHET"	Anticipating up-coming share market growth powered by the business numbers. started head hunting and resources allocation for new business expansion.
2010	2011	2012	2013	2014
Signed business agreement with two merchant banks, one asset management and one frontier fund. Expansion of Stock broking business by opening 3 new branches at GULSHAN area and FENI. Shifting of back office software from "ADA-Soft" to "Cygnus Innovation's X BROKER"	Opened branch at KHATUNGONG (CTG). Agreement with "Emerging Bangladesh Ltd" for online order placement on OSO (Online Share Order) software platform developed and maintained by "Emerging Bangladesh Ltd", and establishment of a tele trade center.	Signed business agreement with two new merchant banks	Introduced "M-Stock" as an online trading facility in mobile-based platform.	Signed Brokerage agreement with two merchant banks and Received the prestigious CFI Award.
2015	2016	2017	2018	2019
Launching of Client Group wise Products as NIBEDITA, BIJOY, GD PRIVILEGE, PROBASHI	Signed a custodial agreement with BRAC Bank Ltd. Shifting of back office software from "Cygnus Innovation" to "I-Stock by BOSL"	Installed Bloomberg Terminal to facilitate foreign trade Implementation of Comprehensive VAS as I-Cloud, as on-line customer care module.	Relocation to Nasirabad (Chatto-gram) branch from Khatungonj. Relocation of Gulshan branch from Gulshan-2 to Gulshan-1.	Signed panel broker Agreement with two new merchant banks Implemented online/web based BO opening platform





As we look back at 2019, we had the experience of “shocking free fall of DSE index” went through in the capital market. Index came down to 4,453 points from 5,821 points within 11-months period. After 2010 our capital market never experienced such a big free fall of 1,368 points within a year. Average trade per day came down below BDT 3,000 million.

For the capital market, starting of 2019 was magnificent, Index went up by 435 points in January-2019. Average daily trade went to BDT 9,710 million in January 2019. From February 2019, market moved in to a bearish trend for rest of the year.

In spite of, such sharp fall of DSE index/ Market Capitalization, GDSL management always tried to balance among margin loan exposure, clients' equity and targeted trade execution to generate commission income ie; overall profitability. Considering bearish market behavior round the year, seasoned management of

GDSL instructed the experienced authorized representative to make margin exposure limited through some selective instruments to reduce/mitigate margin risk as low as possible.

During 2019, GDSL tried to keep collecting deposit form margin clients to maintain margin exposure within limit without requesting them (clients) for sell. GDSL convinced clients to understand, 2019 was an exceptional year and holding the securities within the portfolio for a longer period will secure their investment as well as produce rational return in upcoming days.

GDSL always give effort to keep up investors faith on market and to provide them moral support, GDSL arranged 12 Investors awareness programs round the year nationwide. Out of which few were joint effort with regulatory. More than 500 interested individual participated these investor

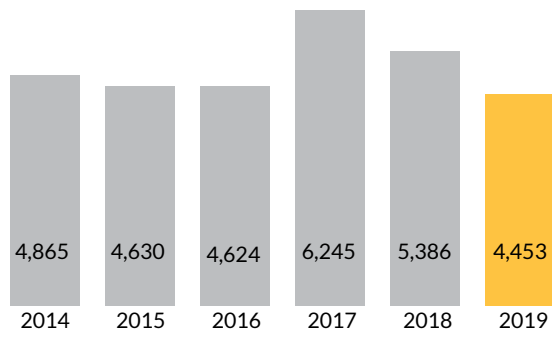
awareness programs.

Priority focus of GDSL was to boost up moral of existing small investors who are experiencing unrealized loss in their portfolio and to show unattended opportunities to the young entrepreneur having idle fund which searching long term sustainable growth prospect. GDSL had successfully shaped up the investment psychology among the young entrepreneurs and obtained spot commitment to invest in capital market for more than 3-5 years.

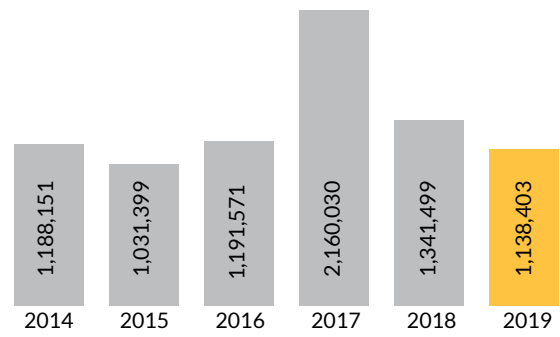
GDSL management shows the operational excellence and flexibility by reducing the team size while market gives a vibe of negative growth. Team size came down to 71, earlier which was a team of 78 (during 2018). This flexibility gives the organization to reduce overall cost and helped to overcome the operational risk raised from challenges of fixed operating expenses.



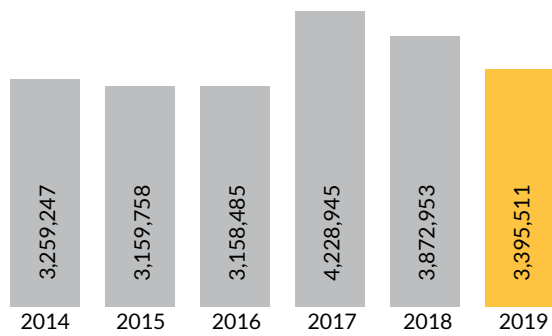
DSE Index (Year End)



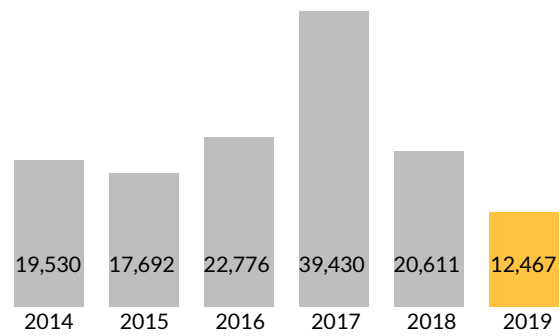
DSE Trade (Yearly)



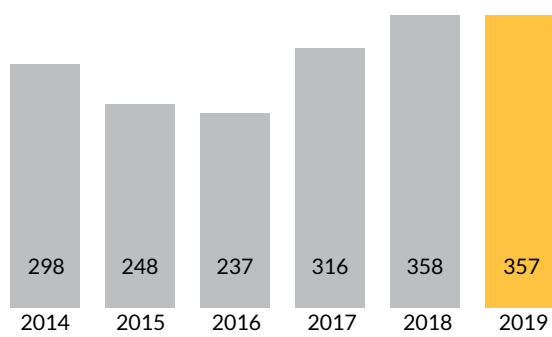
Market Cap (Year End)



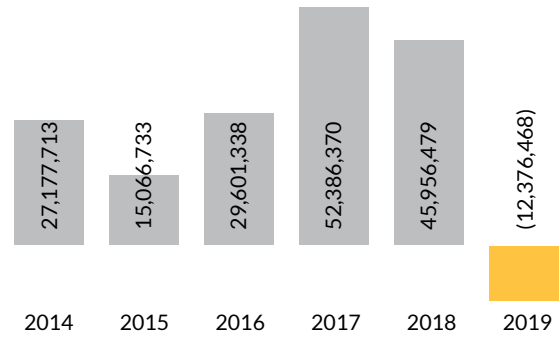
GDSL Trade (Yearly)



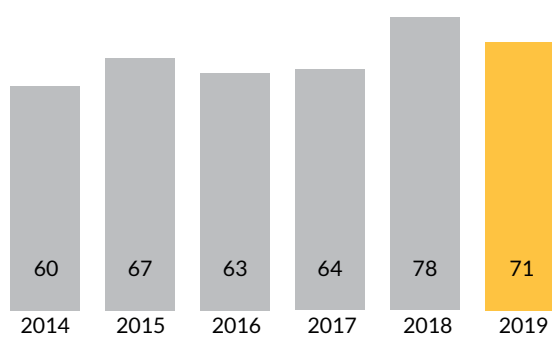
Margin Given (mn)



GDSL Pre Tax Profit



GDSL head count





# 12.1.2

## 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 14th 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 2019 and the Auditor's Report thereon for kind consideration and adoption.

### Operational Highlights

Particulars	2018	2019
Number of Accounts at the Beginning	6,625	7,597
Accounts opened during the year	1,902	581
Number of Accounts at year end	7,597	6,482
Growth (year-on-year)	972	(1,115)

### Financial Highlights

(Taka in million)

Particulars	2018	2019
Net Brokerage Income	49.50	33.12
Net Interest Income	11.00	11.02
Income from Share Market Investment	3.65	2.77
Operating Expenses	77.22	76.24
Net profit before tax and provision	45.96	(12.38)
Net profit after tax	23.23	(15.50)
Total Shareholders' equity	334.40	283.77
Earnings Per Share	2.21	(1.48)

### Operational Expenses

(Taka in million)

Particulars	2018	2019
Salary and Allowance	43.41	48.79
Data Connectivity	1.98	1.82
Office Maintenance	1.28	0.41
Office rent	9.68	9.15
Electrical and Utilities	3.02	2.95
Others	17.86	13.11

**GDSL Trade (Excluding Dealer Portfolio)**

(Taka in million)

2015	2016	2017	2018	2019
1,760	2,277	3,977	2,070	1,247

**No of employees**

Particulars	2018	2019
No of Employees	78	70

**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.

**Internal Control**

The system of internal control is sound in design and has been effectively implemented and monitored. Distribution of Profit for 2019 The company reported profit/(loss) of Taka (34,875,273) in the year 2019 (AFS reserve BDT 19,376,980). 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 no dividend to the shareholders of the company for 2019.

**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 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 2020 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 2020 at the existing 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 honorable shareholders for their continued faith and support.

For and on behalf of the Board of Directors,


**Nasir A. Choudhury**

Chairman

Green Delta Securities Limited

# 12.1.3

## INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF GREEN DELTA SECURITIES LIMITED

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### 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, 2019, 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, 2019 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.



**Ahmed Zaker & Co.**  
Chartered Accountants

Location: Dhaka  
Dated: February 06, 2020

# GREEN DELTA SECURITIES LTD.

## STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2019

Amount in Taka

Particulars	Notes	31.12.2019	31.12.2018
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
		<b>146,869,017</b>	<b>122,604,652</b>
Property, Plant & Equipment	4	13,549,094	7,618,062
Investment in Stock Exchange for Membership	5	96,986,590	96,986,590
Investment in Bond & Others	6	36,333,333	18,000,000
<b>Current Assets</b>			
		<b>724,273,331</b>	<b>839,674,711</b>
Advances, Deposits and Prepayments	7	31,951,275	34,093,233
Receivable from Clients	8	356,668,820	357,719,817
Receivable from DSE & CSE	9	9,633,532	19,535,227
Investment in shares	10	126,635,578	140,133,590
Accounts Receivable	11	3,679,245	6,031,579
Cash and cash equivalents	12	195,704,881	282,161,264
<b>TOTAL ASSETS</b>		<b>871,142,348</b>	<b>962,279,363</b>
<b>SHAREHOLDERS EQUITY AND LIABILITIES</b>			
<b>Shareholders equity</b>			
		<b>283,771,239</b>	<b>334,396,511</b>
Share Capital	13	105,000,000	105,000,000
Retained Earnings	14	157,210,565	188,458,858
AFS Reserve	10.01	(47,961,292)	(28,584,312)
Revaluation Reserve	15	69,521,965	69,521,965
<b>Long Term Liabilities</b>			
		<b>205,000,000</b>	<b>225,000,000</b>
Loan From GDIC	16	205,000,000	225,000,000
<b>Current Liabilities</b>			
		<b>382,371,110</b>	<b>402,882,852</b>
Payable to Clients	17	84,105,353	117,786,260
Payable to DSE & CSE	18	29,306	531,609
Payable to IPO Issuer	19	-	15,000
Payable to GDIC (Management Expenses)	20	8,449,388	7,960,046
Interest Payable (GDIC)	21	32,922,025	33,091,887
Bank Overdraft	22	221,717,813	196,588,534
Liabilities for Expenses	23	7,932,185	6,603,742
Provision for Income Tax	24	25,387,324	33,914,733
Payable to Lankan Alliance Finance Limited	34	-	-
Other Provision	25	1,827,716	6,391,041
<b>TOTAL SHAREHOLDERS EQUITY AND LIABILITIES</b>		<b>871,142,348</b>	<b>962,279,363</b>

The accompanying policies and explanatory notes 1-34 from an integral part of these financial statements.



Chairman



Director



Managing Director &amp; CEO



Company Secretary



Head of Finance

Signed as per our separate report of same date.

Place: Dhaka  
Date: February 06, 2020



**Ahmed Zaker & Co.**  
Chartered Accountants

# GREEN DELTA SECURITIES LTD.

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

AS AT DECEMBER 31, 2019

Amount in Taka

Particulars	Notes	31.12.2019	31.12.2018
<b>Revenue</b>		<b>102,796,677</b>	<b>155,178,353</b>
Brokerage Income	26	39,524,701	59,035,712
Interest Income on Margin Loan	27	57,960,621	56,493,786
Capital (Loss)/Gain from Investment in Shares	28	2,542,898	35,999,974
CDBL fees and others	29	2,768,457	3,648,881
<b>Less: Cost of services</b>		<b>6,406,886</b>	<b>9,531,366</b>
Direct Charge	30	6,406,886	9,531,366
<b>Gross Profit</b>		<b>96,389,791</b>	<b>145,646,987</b>
<b>Add: Other non operational Income</b>		<b>14,412,618</b>	<b>23,022,506</b>
Non operating Income	31	14,412,617	23,022,506
<b>Less: Operating expenses</b>		<b>76,236,144</b>	<b>77,216,210</b>
Office and administrative expenses	32	76,236,144	77,216,210
<b>Less: Financial expenses</b>		<b>46,942,733</b>	<b>45,496,802</b>
Interest expenses	33	46,942,733	45,496,802
<b>Profit/ (Loss) before Tax (PBT)</b>		<b>(12,376,468)</b>	<b>45,956,481</b>
<b>Less: Provisions</b>		<b>3,121,825</b>	<b>22,726,304</b>
Provision for Taxation	24	3,121,825	18,426,304
Other provision	25	-	4,300,000
<b>Profit/ (Loss) after tax (PAT)</b>		<b>(15,498,293)</b>	<b>23,230,177</b>
<b>Other Comprehensive Income</b>			
AFS Reserve		(19,376,980)	(28,584,312)
<b>Total Comprehensive Income</b>		<b>(34,875,273)</b>	<b>(5,354,135)</b>

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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 06, 2020



Ahmed Zaker & Co.  
Chartered Accountants

# GREEN DELTA SECURITIES LTD.

## STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2019

Amount in Taka

Particulars	Share Capital	Revaluation Reserve	AFS Reserve	Retained Earnings	Total Shareholders Equity
Balance as at January 01, 2018	105,000,000	69,521,965	(28,584,312)	188,458,858	334,396,511
AFS Reserve	-	-	(19,376,980)	-	(19,376,980)
Net profit/( Loss) for the year	-	-	-	(15,498,293)	(15,498,293)
Cash Dividend	-	-	-	(15,750,000)	(15,750,000)
<b>Balance as at December 31, 2019</b>	<b>105,000,000</b>	<b>69,521,965</b>	<b>(47,961,292)</b>	<b>157,210,565</b>	<b>283,771,239</b>

# GREEN DELTA SECURITIES LTD.

## STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2018

Amount in Taka

Particulars	Share Capital	Revaluation Reserve	AFS Reserve	Retained Earnings	Total Shareholders Equity
Balance as at January 01 2018	105,000,000	69,521,965	(28,584,312)	165,228,681	311,166,334
Net profit for the year	-	-	-	23,230,177	23,230,177
<b>Balance as at December 31 2018</b>	<b>105,000,000</b>	<b>69,521,965</b>	<b>-</b>	<b>188,458,858</b>	<b>334,396,511</b>



Chairman



Director



Managing Director & CEO



Company Secretary



Head of Finance

Signed as per our separate report of same date.

Place: Dhaka  
Date: February 06, 2020



Ahmed Zaker & Co.  
Chartered Accountants



# GREEN DELTA SECURITIES LTD.

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2019

Amount in Taka

Particulars	31.12.2019	31.12.2018
<b>Cash Flow from Operating Activities:</b>		
Cash Received from Customers and others	130,514,321	170,914,817
Cash Paid to Customers Suppliers Employees & others	(113,474,793)	(104,867,872)
Income Tax paid & other Provision & Adjustment	(7,837,533)	(13,461,338)
<b>Net Cash (used) /flows from operating activities</b>	<b>9,201,996</b>	<b>52,585,607</b>
<b>Cash Flow from Investing activities :</b>		
Acquisition of Property Plant & Equipment	(10,078,126)	(6,744,042)
Investment	(9,513,602)	(42,017,670)
Received from Sale of DSE Share	-	37,879,317
Investment in Bond & Others	(18,333,333)	(3,000,000)
<b>Net Cash flows from Investing activities:</b>	<b>(37,925,061)</b>	<b>(13,882,395)</b>
<b>Cash Flow from Financing activities:</b>		
Share Capital	-	-
Loan paid GDIC	(20,000,000)	-
Overdraft	25,129,279	53,407,821
Interest	(47,112,595)	(45,433,107)
Cash Dividend Paid	(15,750,000)	(15,750,000)
Received from IPO Account	-	-
<b>Net Cash (used) /flows from Financing activities:</b>	<b>(57,733,316)</b>	<b>(7,775,286)</b>
Net increase/(decrease) in cash & cash equivalents	(86,456,383)	30,927,927
Add: Cash & Cash equivalents at the beginning of the year	282,161,264	251,233,337
<b>Cash &amp; Cash equivalents at the end of the year</b>	<b>195,704,881</b>	<b>282,161,264</b>

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Chairman



Director



Managing Director & CEO



Company Secretary



Head of Finance

Signed as per our separate report of same date.

Place: Dhaka  
Date: February 06, 2020



Ahmed Zaker & Co.  
Chartered Accountants

# GREEN DELTA SECURITIES LTD.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

### 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. (GDSDL) 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 Sarver	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 "IFRS"-15".

### 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, 2019 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, 2019	Addition during the year	Payment during the year	Closing Balance as on December 31, 2019
	Common Shareholder	Loan from GDIC	225,000,000	50,000,000	70,000,000	205,000,000
		Payable to GDIC (Management Expense)	7,960,046	6,460,068	5,970,726	8,449,588
		Interest Payable	33,091,887	21,333,256	21,503,118	32,992,025
		Interest Expense				21,333,289

**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.

- a) Statement of Financial Position as at December 31, 2019.
- b) Statement of Profit or Loss and Other Comprehensive Income for the year ended December 31, 2019.
- c) Statement of Changes in Equity for the year ended December 31, 2019.
- d) Statement of Cash flows for the year ended December 31, 2019.
- 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, 2019 to December 31, 2019.

Particulars	31.12.2019	31.12.2018
<b>4.00 Property, Plant &amp; Equipment</b>		
<b>Cost:</b>		
Balance as at 01.01.2019	45,762,051	39,018,009
Add: Addition during the year	10,078,126	6,744,042
	<b>55,840,177</b>	<b>45,762,051</b>
Less: Adjustment during the year	-	-
<b>Balance as at 31.12.2019</b>	<b>55,840,177</b>	<b>45,762,051</b>
<b>Depreciation:</b>		
Balance as at 01.01.2019	38,143,989	35,591,075
Add: Charged during the year	4,147,094	2,552,914
	<b>42,291,083</b>	<b>38,143,989</b>
Less: Adjustment during the year	-	-
<b>Balance as at 31.12.2019</b>	<b>42,291,083</b>	<b>38,143,989</b>
<b>Written down value as at 31.12.2019</b>	<b>13,549,094</b>	<b>7,618,062</b>
Details of Property, Plant & Equipment is given in Annexure-A		
<b>5.00 Stock Exchanges Membership</b>		
Dhaka Stock Exchange Limited - Membership	54,113,290	54,113,290
Chittagong Stock Exchange Limited - Membership	42,873,300	42,873,300
	<b>96,986,590</b>	<b>96,986,590</b>
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.		
<b>6.00 Investment in Bond &amp; Others</b>		
Investment in Bond (LankaBangla Finance Ltd)	8,333,333	10,000,000
Investment in Pre-IPO	28,000,000	8,000,000
	<b>36,333,333</b>	<b>18,000,000</b>
<b>7.00 Advances, Deposits and Prepayments</b>		
Office rent (Advances)	3,179,537	3,731,537
Advance to employee (Salary)	3,952,450	4,381,570
Advance to employee (Car)	2,196,308	1,379,447
Prepayment for others	-	299,978
Bloomberg Prepayment	1,143,317	336,850
TDS on Car	190,000	160,000
TDS on FDR Interest (Note-7.01)	5,359,467	4,668,976
TDS on Bond ( Note-7.02)	494,482	399,794
TDS on Dividend of DLR ( Note-7.03)	9,202,038	8,383,359
Tax on Transaction (Note-7.04)	6,233,676	10,351,721
	<b>31,951,275</b>	<b>34,093,233</b>
<b>7.01 TDS on FDR &amp; STD Interest</b>		
Opening balance	4,668,976	3,765,956
Add: Addition during the year	690,491	903,020
	<b>5,359,467</b>	<b>4,668,976</b>
Less: Adjusted during the year	-	-
	<b>5,359,467</b>	<b>4,668,976</b>

Amount in Taka

Particulars	31.12.2019	31.12.2018
<b>7.02 TDS on Bond</b>		
Opening balance	399,794	387,295
Add: Addition during the year	94,688	12,499
	<b>494,482</b>	<b>399,794</b>
Less: Adjusted during the year	-	-
	<b>494,482</b>	<b>399,794</b>
<b>7.03 TDS on Dividend of DLR</b>		
Opening balance	8,383,359	6,189,260
Add: Addition during the year	818,678	2,194,099
	<b>9,202,038</b>	<b>8,383,359</b>
Less: Adjusted during the year	-	-
	<b>9,202,038</b>	<b>8,383,359</b>
<b>7.04 Tax on Transaction</b>		
Opening balance	10,351,721	2,0037,474
Add: Addition during the year	6,233,676	10,351,721
	16,585,397	30,389,195
Less: Adjusted during the year	10,351,721	20,037,474
	<b>6,233,676</b>	<b>10,351,721</b>
As per Section 82 (C) of ITO 1984, the company made a provision for income tax Taka 6,233,676 against turnover tax applying a rate of 0.050% for the year 2019		
<b>8.00 Receivable from Clients</b>		
Receivable from clients for share trading	356,668,820	357,719,817
	<b>356,668,820</b>	<b>35,771,9817</b>
<b>9.00 Receivable from DSE &amp; CSE</b>		
DSE	7,330,674	17,312,923
DSE(DLR)	-	74,872
CSE	159,193	3,767
Dividend Receivable from CSE	2,143,665	2,143,665
	<b>9,633,532</b>	<b>19,535,227</b>
<b>10.00 Investment in Shares</b>		
	<b>Market Value</b>	<b>Market Value</b>
Bank	76,728,650	84,591,000
Engineering	567,184	134,920
Financial Institutions	40,544,500	41,808,000
IT Sector	512,136	-
Pharmaceuticals & Camicals	152,953	285,883
Textile	7,968,425	8,509,663
Travel & Leisure	161,731	-
Fuel & Power	-	7,129
Miscellaneous	-	256,734
Paper & Printing	-	905,627
IPO Investment	-	3,634,635
	<b>126,635,578</b>	<b>140,133,590</b>
	<b>Cost Value</b>	<b>Cost Value</b>
DLR Investment at cost	174,596,869	165,083,267
IPO Share at cost	-	3,634,635
	<b>174,596,869</b>	<b>168,717,902</b>

The above amount represents investment made in the DLR portfolio & IPO (at cost value) shown at market value as current assets during the year.

Amount in Taka

Particulars	31.12.2019	31.12.2018
<b>10.01 AFS Reserve</b>		
Market Value of Share	126,635,578	136,498,955
Cost Value of Share	(174,596,869)	(165,083,267)
<b>AFS Reserve Transferred to other comprehensive Income</b>	<b>(47,961,292)</b>	<b>(28,584,312)</b>
<b>11.00 Accounts Receivable</b>		
Green Delta Insurance Co. Ltd. (Car Sale Proceeds)	1,494,791	1,494,791
Nascom Pvt. Ltd.	21,851	2,1851
Green Delta Capital Ltd.	1,174,771	1,174,771
Receivable from Party	-	2,382,334
Receivable from Employees & others	987,832	957,832
	<b>3,679,245</b>	<b>6,031,579</b>
<b>12.00 Cash and Cash Equivalents</b>		
Cash in hand (12.01)	104,154	174,983
Cash at bank (12.02)	195,600,727	281,986,281
	<b>195,704,881</b>	<b>282,161,264</b>
<b>12.01 Cash in hand</b>		
Head Office	99,903	174,484
Chittagong	1,582	7
Sylhet	2,669	492
	<b>104,154</b>	<b>174,983</b>
<b>12.02 Cash at bank</b>		
Pubali Bank Ltd. A/C # 3555102001816 [CCA]	335,844	326,535
The City Bank Ltd. A/C # 3101063925001 [CCA]	156,299	155,917
Mutual Trust Bank Ltd A/C # 0023-0210002631 [CCA]	25,597	26,517
Mutual Trust Bank Ltd A/C # 0023-0320000792 [OPT]	2,230	3,380
Pubali Bank Ltd. A/C # 2592102000255 [OPT]	34	23
Trust Bank Ltd. A/C # 0017-0210007009 [CCA]	1,177	2,097
Standard Chartered Bank A/C # 01-1053200-01 [OPT]	8,037,127	15,192,500
Standard Chartered Bank A/C # 01-1053200-02 [CCA]	106,203,012	114,942,139
Standard Chartered Bank A/C # 01-1053200-03 [DLR]	237,291	40,543,682
Standard Chartered Bank A/C # 01-1053200-04 [IPO]	27,945	24,944
Standard Chartered Bank A/C # 01-1053200-05 [ICB Loan]	-	-
Mercantile Bank Ltd. A/C # 011311100007952 [OPT]	293,924	170,977
FDR A/C (Note-12.02.1)	80,280,247	110,597,571
	<b>195,600,727</b>	<b>281,986,281</b>
<b>12.02.1 FDR A/C</b>		
Trust Bank Ltd. A/C # 0017-0330015050	9,117,122	8,605,203
BRAC Bank A/C #1501301898188006	35,023,207	32,901,324
BRAC Bank A/C #1501301898188007	35,023,207	32,901,324
SCB Bank # 91053200001	-	9,782,353
IDLC #10252226268901	816,712	755,515
SCB Bank # 91053200144	-	7,828,288
IPDC Finance Limited # 00586	-	6,412,300
United Finance Ltd # 035514	-	5,411,264
Lankabangla Finance Ltd 001329100000010	300,000	-
	<b>80,280,247</b>	<b>110,597,571</b>



Amount in Taka

Particulars	31.12.2019	31.12.2018
<b>13.00 Share capital</b>		
<b>13.01 Authorized Capital</b>		
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.		
<b>13.02 Issued, subscribed and paid up Capital</b>		
(10,500,000) One Million ordinary shares of Tk.10/- each fully paid	<b>105,000,000</b>	<b>105,000,000</b>
<b>13.03 Shareholding Position of the Company</b>		
<b><u>Name of Share Holder</u></b>		
Green Delta Insurance Company Ltd.	10,499,990	10,499,990
Nasir A Choudhury	10	10
	<b>10,500,000</b>	<b>10,500,000</b>
<b>14.00 Retained Earnings</b>		
Opening balance	188,458,858	180,978,681
Add: Addition during the year	(15,498,293)	23,230,177
	<b>172,960,565</b>	<b>204,208,858</b>
Less: Cash Dividend	(15,750,000)	(15,750,000)
Less: Bonus Share Issued	-	-
	<b>157,210,565</b>	<b>188,458,858</b>
<b>15.00 Revaluation Reserve</b>		
Opening balance	69,521,965	80,071,524
Less: Adjustment for sale during the year	-	(10,549,559)
	<b>69,521,965</b>	<b>69,521,965</b>
Revaluation reserve represents the amount of gain on revaluation on Investment in Stock Exchange for obtaining membership of DSE and CSE.		
<b>16.00 Loan from GDIC (Margin Loan &amp; DLR)</b>		
Opening balance	225,000,000	225,000,000
Addition during the year	50,000,000	-
	275,000,000	225,000,000
Paid during the year	70,000,000	-
	<b>205,000,000</b>	<b>225,000,000</b>
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		
<b>17.00 Payable to Clients</b>		
Payable to clients for share trading.	84,105,353	117,786,260
	<b>84,105,353</b>	<b>117,786,260</b>
<b>18.00 Payable to DSE &amp; CSE</b>		
DSE	29,306	188,110
DSE(DLR)	-	56
CSE	-	343,443
	<b>29,306</b>	<b>531,609</b>
<b>19.00 Payable to IPO Issuer</b>		
SEML FBLSL Growth Fund	-	15,000
	-	<b>15,000</b>

Amount in Taka

Particulars	31.12.2019	31.12.2018
<b>20.00 Payable to GDIC (Management Expenses)</b>		
Opening balance	7,960,046	7,973,867
Add: Addition during the year	6,460,068	6,799,680
	<b>14,420,114</b>	<b>14,773,547</b>
Less: Adjustment during the year	(5,970,726)	(6,813,501)
	<b>8,449,388</b>	<b>7,960,046</b>
Above amount represents payable to GDIC for meeting day to day management expense, which were expended by the GDIC on behalf of GDSL.		
<b>21.00 Interest Payable (GDIC)</b>		
Opening balance	33,091,887	33,028,191
Add: Addition during the year	21,333,256	22,253,425
	<b>54,425,143</b>	<b>55,281,616</b>
Less: Adjustment during the year	21,503,118	22,189,729
	<b>32,922,025</b>	<b>33,091,887</b>
<b>22.00 Bank Loan (Overdraft)</b>		
Loan from BRAC Bank Limited	221,717,813	196,588,534
	<b>221,717,813</b>	<b>196,588,534</b>
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%.		
<b>23.00 Liabilities for Expenses</b>		
Payable to Executive Machines Ltd.	17,000	17,000
Payable to Green Delta AIMS Tower	28,600	26,000
Audit Fees	125,000	62,500
Payable to Birds Bangladesh	5,890	4,364
Payable to Broad Band Telecom Services Ltd	-	4,350
Payable to JR Tower	10,817	11,992
GF Payable	4,223,316	4,500,500
Payable to GDCL	125,440	124,440
Accrued Expense	194,566	194,566
Payable to NN Traders	-	1,007,663
Payable to Monna Traders	63,572	38,913
Payable to JDS Company Ltd	-	34,687
Office Rent, Electricity & Utility Payable to GDIC	1,883,764	258,300
Payable to GDIC ( Office Renovation)	921,558	-
Accounts Payable to SNS Traders	-	41,325
Accounts Payable to Tina's Flavor	14,226	-
Accounts Payable to Yolo Limited	14069	-
CDBL Charges Payable (23.01)	71,467	101,581
TDS and VAT Payable (23.02)	232,900	175,561
	<b>7,932,185</b>	<b>6,603,742</b>
<b>23.01 CDBL Charges Payable</b>		
Opening balance	101,581	241,942
Add: Addition during the year	3,181,847	4,304,101
Less: Adjustment during the year	(3,211,961)	(4,444,462)
	<b>71,467</b>	<b>101,581</b>

Amount in Taka

Particulars	31.12.2019	31.12.2018
<b>23.02 TDS and VAT Payable</b>		
Salary	91,400	77,586
House rent TDS (Gulshan, TBL & Suppliers)	2,821	2,821
TDS payable on suppliers	1,322	5,640
House rent VAT (Gulshan, TBL & Suppliers)	137,357	89,514
	<b>232,900</b>	<b>175,561</b>
<b>24.00 Provision for Tax</b>		
Opening balance	33,914,733	35,525,903
Add: Provision during the year	8,121,825	18,426,304
Less: Prior year Excess Tax Provision Reverse	(5,000,000)	-
	<b>37,036,559</b>	<b>53,952,207</b>
Less: Adjusted during the year	11,649,235	20,037,474
	<b>25,387,324</b>	<b>33,914,733</b>
Provision amounting to Taka 8,121,825 has been made on account of current year's Income Tax payable to Govt. authority.		
<b>25.00 Other Provision</b>		
Opening balance	6,391,041	6,331,871
Add: Addition during the year	-	4,300,000
	<b>6,391,041</b>	<b>10,631,871</b>
Less: Adjustment during the year	4,563,325	4,240,830
	<b>1,827,716</b>	<b>6,391,041</b>
Other Provision Includes Provision for Performance Bonus		
<b>26.00 Revenue from Brokerage</b>		
Commission Income (Annexure B)	39,524,701	59,035,712
	<b>39,524,701</b>	<b>59,035,712</b>
<b>27.00 Interest Income on Margin Loan</b>		
Income on Margin Loan	57,960,621	56,493,786
	<b>57,960,621</b>	<b>56,493,786</b>
<b>28.00 Capital (Loss)/Gain from Investment in Shares</b>		
Gain/(Loss) from Sold DSE Share	-	30,391,106
Realized Gain/(Loss) from share trading	2,542,898	5,608,868
	<b>2,542,898</b>	<b>35,999,974</b>
<b>29.00 CDBL fees and others</b>		
CDBL Fees	2,572,124	3,037,656
Margin Documentation	-	4,500
IPO Income	117,300	212,720
BO Account opening Fee	79,033	394,005
	<b>2,768,457</b>	<b>3,648,881</b>
<b>30.00 Direct Charge</b>		
Hawla Charge (Annexure B)	50	29,054
Laga charge (Annexure B)	3,091,509	5,055,875
CSE Commission & Contract Charge	133,480	142,336
CDBL Charge	3,181,847	4,304,101
	<b>6,406,886</b>	<b>9,531,366</b>
<b>31.00 Non operating Income</b>		
Interest from Loan to Employee	309,854	258,077
Interest from Bond	946,875	250,000
Interest on Bank and FDR Accounts	6,918,660	9,500,269
Gain/Loss from Pre-IPO Investment	-	(100,000)
Dividend Income from DLR	1,387,899	3,755,389
Dividend Income from Regulatory DSE & CSE	4,849,330	9,358,771
	<b>14,412,617</b>	<b>23,022,506</b>

Particulars	31.12.2019	31.12.2018
<b>32.00 Office &amp; Administrative Expenses</b>		
Salary & Allowances	44,968,952	40,143,421
Festival Bonus	3,821,000	3,262,450
Stationery Expenses	706,140	962,052
Conveyances	1,711,922	2,950,123
Rent (Office rent)	9,151,776	9,676,060
Telephone, Mobile & Trunk-Call	31,382	47,074
Office Entertainment	16,531	359,750
Business Development	145,481	520,264
Advertisement Expenses	48,595	230,750
Electrical & Utility Expenses	2,951,616	3,015,505
Office Maintenance	405,440	1,279,959
Audit Fees	62,500	62,500
Software Maintenances	144,865	417,214
Computer Accessories	21,770	195,580
Generator Fuel	21,035	20,190
Repair, Renewal & Maintenance	147,208	318,442
Postage & Courier, Telegram	17,985	20,165
Books, Papers & Periodicals	63,736	60,338
Authorized Representative Expenses	169,700	327,800
Renewal. Fees (Dealer & Broker)	297,600	222,600
Renewal. Fees (Trade License)	88,255	52,415
Data Connectivity Expenses	1,823,492	1,979,577
Subscription	238,700	236,660
Training Expenses	59,575	215,973
Insurance Premium	147,912	63,737
Investor Protection Fund	21,574	19,106
Brokerage Expenses	125,620	745,056
Mobile Allowance	359,326	819,001
Car Maintenance Allowances	1,320,000	1,164,354
Depreciation	4,147,094	2,552,914
Food Expenses (Company Part)	392,684	419,805
Uniform & Dress	38,154	33,130
Foreign Travel	936,136	1,347,600
Staff Bus Expenses (Company Part)	63,946	53,834
Bidding Fee(DLR)	15,000	48,000
Bloomberg Service Expense	1,539,363	3,068,412
Research	14,080	304,400
	<b>76,236,144</b>	<b>77,216,210</b>
<b>33.00 Interest expenses</b>		
Bank Charge & Commission	599,580	792,774
IPO Bank Charge & Commission	6,386	8,328
Interest Expenses (GDIC)	21,333,289	22,253,453
Interest Expenses (SCB)	-	50,696
Interest Expenses (BRAC Bank Ltd Loan)	24,971,534	22,391,551
Interest Expenses ( Lankan Alliance Finance Ltd)	31,944	-
	<b>46,942,733</b>	<b>45,496,802</b>
<b>34.00 Payable to Lankan Alliance Finance Limited</b>		
Opening balance	-	-
Add: Addition during the year	50,000,000	-
	<b>50,000,000</b>	-
Less: Adjustment during the year	(50,000,000)	-
	<b>-</b>	<b>-</b>

# GREEN DELTA SECURITIES LTD. SCHEDULE OF PROPERTY, PLANT & EQUIPMENT

AS AT DEC 31, 2019

Annexure-A

Sl.No	Name of the Assets	COST			DEPRECIATION			Written down value as at 31.12.2019
		Balance as at 01.01.2019	Addition during the year	Adjustment /Disposal during the year	Balance as at 01.01.2019	Addition during the year	Adjustment /Disposal during the year	
1	Computer Software	4,539,570	-	-	4,539,570	50%	4,539,573	(3)
2	Computer	6,357,371	609,780	-	6,967,151	30%	5,671,365	920,988
3	Telephone	187,120	-	-	187,120	30%	187,119	1
4	Office Space Purchase	600,000	-	-	600,000	10%	599,999	1
5	I.P.S	115,977	-	-	115,977	30%	115,973	4
6	Office Equipments	4,276,945	99,681	-	4,376,626	30%	3,612,743	406,299
7	Air Conditioner	1,572,430	33,726	-	1,606,156	30%	1,483,695	73,420
8	U.I.P.S	297,261	32,500	-	329,761	30%	220,604	77,527
9	Computer Server	2,093,890	-	-	2,093,890	30%	2,093,888	2
10	Furniture & Fixtures	1,809,600	59,825	-	1,869,425	30%	1,552,026	206,739
11	Office Decoration	17,161,795	5,020,916	-	22,182,711	30%	11,748,175	8,216,822
12	Motor Vehicle	4,926,000	4,100,000	-	9,026,000	20%	4,644,410	3,553,337
13	Mobile Sets	895,998	121,698	-	1,017,696	30%	746,326	93,956
14	Projector	928,094	-	-	928,094	30%	928,093	1
	<b>Balance as at 31.12.2019</b>	<b>45,762,051</b>	<b>10,078,126</b>	<b>-</b>	<b>55,840,177</b>		<b>38,143,989</b>	<b>4,147,094</b>
	<b>Balance as at 31.12.2018</b>	<b>39,018,009</b>	<b>6,744,042</b>	<b>-</b>	<b>45,762,051</b>		<b>35,591,075</b>	<b>2,552,914</b>
							<b>42,291,083</b>	<b>13,549,094</b>
							<b>38,143,989</b>	<b>7,618,062</b>

# GREEN DELTA SECURITIES LTD.

## DSE + CSE + DLR

TRANSACTION DATE: 01/01/2019 TO 31/12/2019

Annexure B

Date	Amount in taka						
	Total Transactions	Commission	Howla	Laga	Tax AMT	Total Expenses	Net Earnings
January, 2019	2,622,387,803	8,528,278	-	652,688	1,311,194	1,963,882	6,564,395
February, 2019	1,601,105,640	5,117,979	-	397,582	800,553	1,198,134	3,919,844
March, 2019	1,011,216,823	3,254,948	-	252,091	505,608	757,699	2,497,249
April, 2019	756,787,996	2,353,959	-	182,172	378,394	560,566	1,793,394
May, 2019	797,837,952	2,506,146	-	198,932	398,919	597,851	1,908,295
June, 2019	875,873,764	2,693,788	-	218,494	437,937	656,431	2,037,357
July, 2019	993,678,689	3,161,522	-	246,609	496,839	743,448	2,418,074
August, 2019	700,863,284	2,209,853	-	167,292	350,432	517,724	1,692,129
September, 2019	877,203,844	2,781,062	50	218,798	438,600	657,448	2,123,614
October, 2019	703,099,691	2,209,417	-	175,496	351,550	527,046	1,682,371
November, 2019	886,706,309	2,660,596	-	221,372	443,353	664,725	1,995,871
December, 2019	640,595,704	2,047,154	-	159,983	320,298	480,281	1,566,873
<b>Total</b>	<b>12,467,357,500</b>	<b>39,524,701</b>	<b>50</b>	<b>3,091,509</b>	<b>6,233,676</b>	<b>9,325,236</b>	<b>30,199,466</b>

Total transaction

Gross Commission

Reversal Entry of Commission/ Rounding Up Difference

Gross Commission After Reversal

Less: Total Howla+ Laga+ Tax

Net Earnings

Less: CSE Commission & Contract Charge

Less: CDBL Charge

Net Commission

12,467,357,500

39,524,701

-

39,524,701

(9,325,236)

30,199,466

(133,480)

(3,181,847)

26,884,139

# 12.2.1

## GREEN DELTA CAPITAL LIMITED

### MD & CEO'S MESSAGE



**Md. Rafiqul Islam**  
Managing Director & CEO

I would like to express my deep appreciation to our clients, readers and stakeholders for the trust and constant support over the years that enabled us to come this far.

The opportunity to lead Green Delta Capital Limited (GDCL) is extraordinarily humbling and exciting, made even more so as this year is the company's 10th anniversary. Like each of my predecessors, my responsibility is to preserve the legacy of GDCL, while remaining open to the change and innovation that best meets the needs of our clients. We are also intensely focused on ensuring that clients are

at the center of everything we do – and in doing so, creating long-term value for our shareholders.

We can look back on 2019 as a year that was anything but easy for our Merchant Bank. Even with many challenges, we proficient a great deal, made excellent progress in many areas and finally achieved our specified objectives.

#### **Bangladesh Economy:**

In order to promote growth drivers for the future of the Bangladesh economy, we launched the Innovation & Growth Merchant Banking in charge of financially

supporting the country's innovative growth efforts and preparing for the 4th Industrial Revolution. We also strengthened the operations of our market- driven venture investment platform, taking the lead in building a financial ecosystem for innovative ventures and start-ups.

#### **Challenges:**

In 2020, risk is expected to increase further with ongoing trade tensions and slowing global economy. In addition, sufficient liquidity within domestic companies and the strong growth of capital markets in Bangladesh are likely to reduce,



which will in turn further increase competition in the corporate loan market.

**Strategy:**

Strategy 2020–2022 is built on focused growth. We will rely on high technologies and develop the best financial products and up-to-date services. More importantly, we guarantee only the highest quality service to our clients, the level of quality that we have. The expected tough economic conditions of 2019 and onwards growth of 2020 can also be seen as a great chance for growth opportunities. The successful implementation of “execution-driven to result-driven” is a good example of new business development. Domestically, we need to find long-term institutional contracts/clients segments for mandates to enhance our business and at the same time we need to create proper impact on the capital markets to bring the result for the company.

In response to the rising competition in today’s fast changing financial ecosystem, GDCL will expand its financial services that customize to clients’ diversifying needs by leveraging the strength in corporate and investment banking. We will introduce new financial model, develop new products, and adopt network based financing to further

enhance our business capacity while strengthening competencies in the capital markets.

GDCL leverages its global competitiveness and international networks to support overseas expansion of Bangladeshi companies. By offering comprehensive corporate banking services arranging from loans to bond issuance, M&A and corporate advisory.

**Achievement:**

In terms of collaboration with corporate clients and individual entrepreneurs, GDCL enthusiastically engaged with every client segment in 2019. We established ourselves in a new area by providing services to business beginners and promising startups.

**Social Responsibilities:**

In order to promote corporate responsibilities, we pursue to expand special financial products for job creation and enterprises with strong social values. We will arrange facilitate socially responsible investments including climate projects as an implementing entity of the Green Climate Fund and issuance of Green bonds which will be directly impacted to create employments and helping to build a strong business base for our clients.

**Financial Statement:**

GDCL strengthened its financial reliability by marking another profitable year.

In 2019, every one of our workforce in GDCL will make committed efforts to fulfill our roles, thus opening the door to the next 20 years of GDCL.

I am firmly convinced that all our business divisions generate a positive impact for our clients, our staff, our investors and society as a whole. We want to promote economic growth and social progress, in Bangladesh and beyond.

Finally, we face increasingly urgent domestic as well as global challenges and opportunities as a society. I firmly confident that GDCL will be able to meet the challenges in the coming years and will continue to act as a reference point for values-based Investment Banking. Thus we are determined, with the continuing involvement of our stakeholders and clients that GDCL plays a front-running role to meet them.



**Md. Rafiqul Islam**  
Managing Director & CEO

## About GDCL

- 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:**

Green Delta Securities Limited

**International Footprint of Distribution Network:**

East & West

## Vision, Strategy and Fundamental Approach

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**VISION**

GDCL's mission is to contribute to the progress of the financial industry and the national economy of Bangladesh.

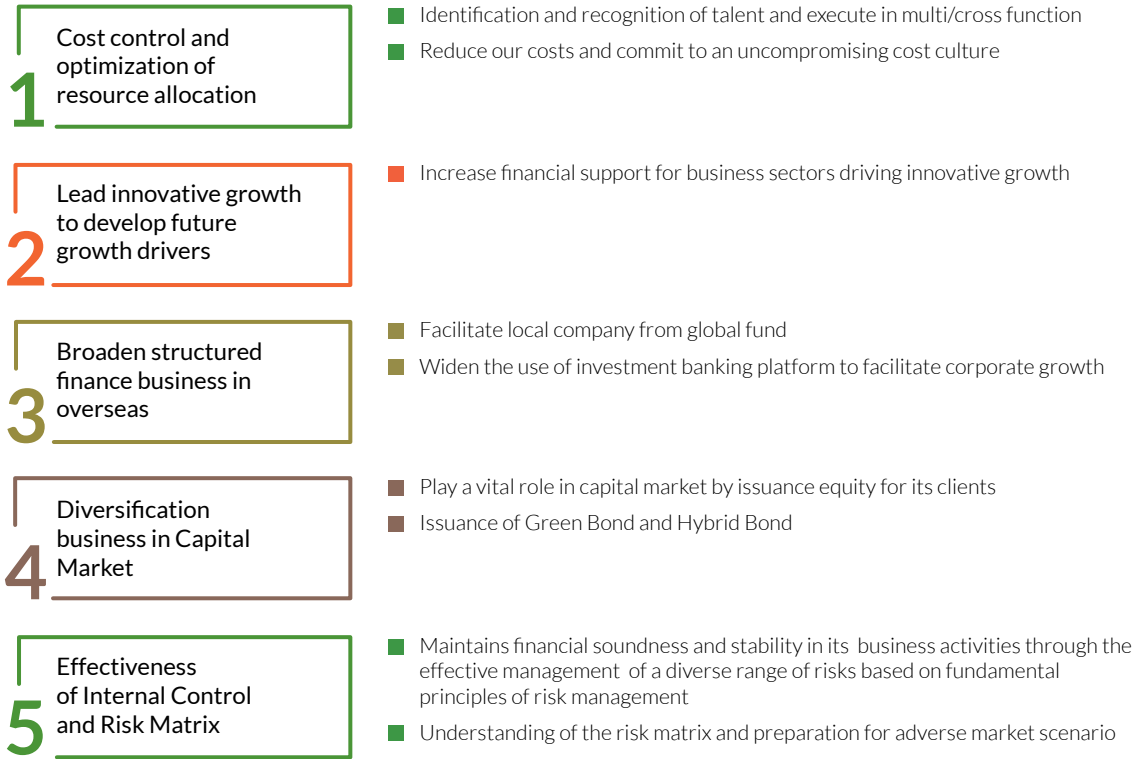


**STRATEGIES**

GDCL is committed to achieving its objectives and mission based on the long-term management strategies as follows.

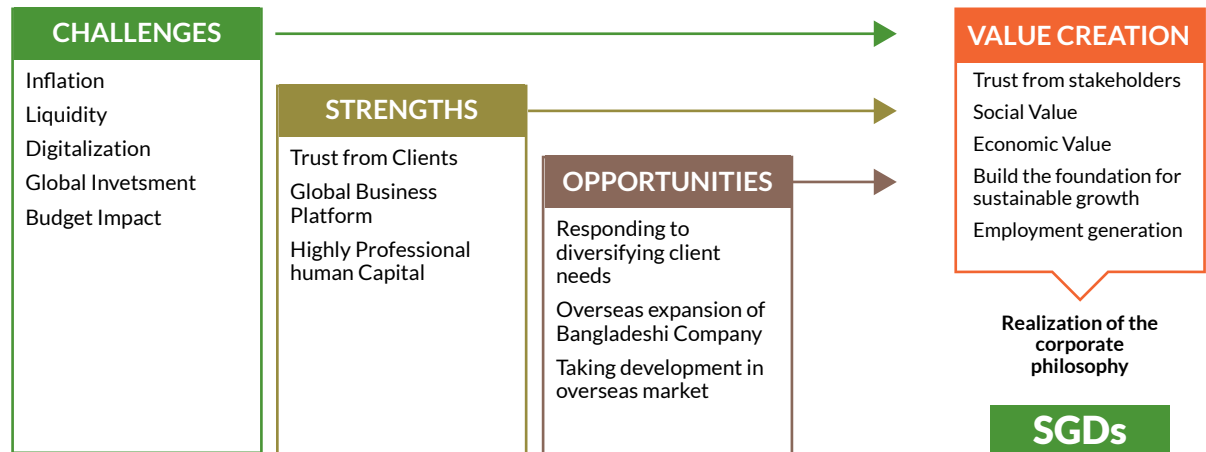
Arrange & Manage Local and Foreign Funds	Believe in Transparency and Disclosure	Enhance professional quality of work
Arrange Funds for infrastructure projects	Providing asset management & portfolio services utilizing efficient capital market Research	Support clients by underwriting bonds and stocks and providing M&A and other advisory services
Emphasise clients' 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

## Management Plan & Strategy



## Track to 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.

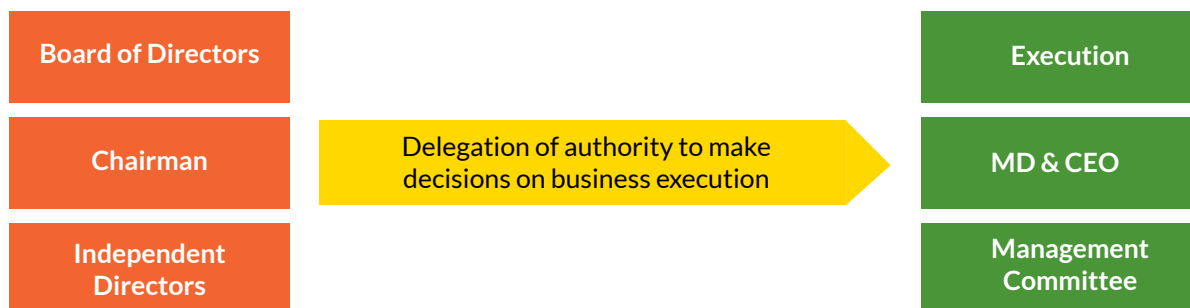


## Corporate governance

### Fundamental Approach

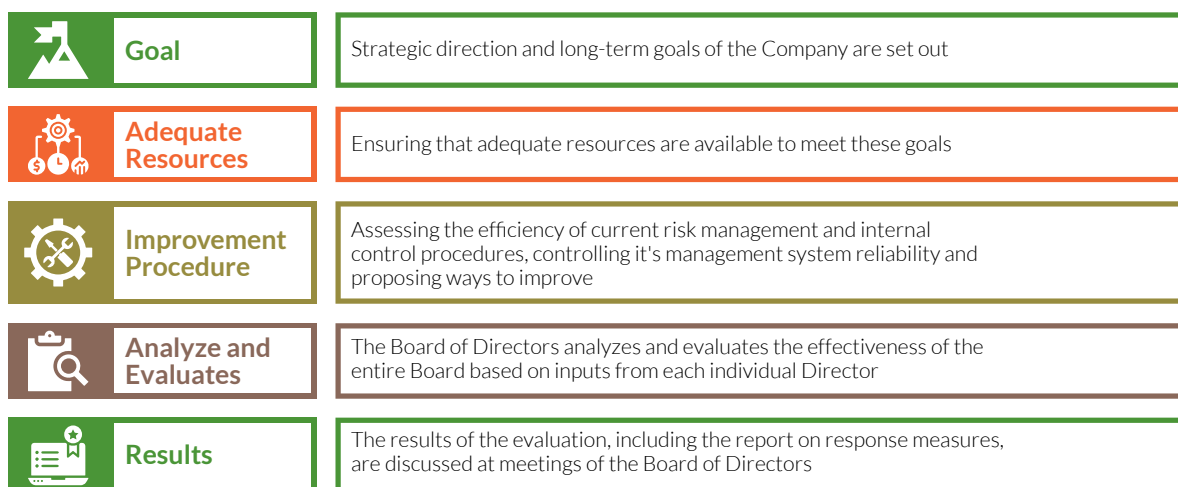
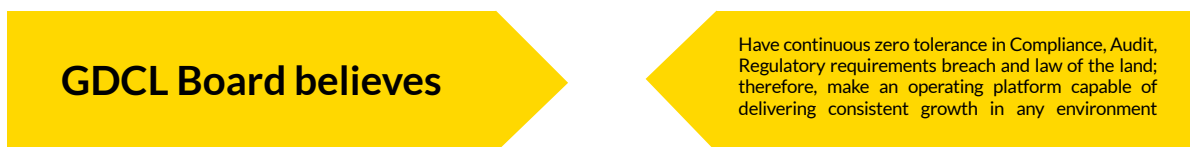
**“GDCL strives to create values for the benefit of its stakeholders through a responsible and transparent management system which is made possible by continuous practice of good corporate governance”.**

GDCL has separated management oversight from business execution. This separation of duties strengthens the oversight functions and transfers authority regarding business execution from the Board of Directors to the Executive Officers for decision-making process. 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

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#### The composition of Board of Directors (as on 31 December 2019)

**20%**  
Shareholder Director

**40%**  
Nominee Director

**40%**  
Independent Director



GDCL Team

## 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

### Corporate Advisory

- Advisory services for arranging local fund
- Advisory services for arranging foreign fund
- Financial Valuation services for Non-listed Companies for Repatriation

### 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)



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**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



Successfully raised the debt from the International Market and signed the Facility Agreements with the lenders for **35 MW AC Solar Power plant** of Bangladesh



Sole Mandated Lead Arranger for Issuance of Fully Redeemable, Non-convertible unsecured Mudaraba Bond for Summit Communications Limited

**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



Signed the mandate for raising **USD 30 Million** for LankaBangla Finance Limited for SME women entrepreneurs and green financing



Mandated Lead Arranger for Tier-II Subordinated Bond of LBFL and already close partially for an amount of **BDT 1,860 MN**



## Journey of C&IB Team in 2019

<p>USD <b>64</b> Million</p> <p>Foreign Deal Syndication</p>	<p>BDT <b>1,000</b> Million</p> <p>Local Deal Syndication</p>	<p>BDT <b>800</b> Million</p> <p>Equity Origination</p>
<p>BDT <b>18.2</b> Billion</p> <p>Corporate Advisory &amp; Rendering Financial Valuation services as an Independent Valuer</p>		

### Mandated Lead Arranger and Transaction Adviser for the largest Solar Power Project in Bangladesh

GDCL CIIB Team closed the deal of first ever 35 MW AC commercial Solar Power plant in Bangladesh by arranging fund of USD 34 Million from Global Source

#### Transaction Summary

In the year 2019, GDCL worked to arrange fund of USD 34 Million for first ever commercial solar power plant of Bangladesh, Spectra Solar Park Limited (SSPL) and successfully closed the deal by signing the facility agreement with ADB and KFW-DEG.

Spectra Solar Park Limited (SSPL), a concern of Spectra Engineers Limited, will set up a 35 MW Grid Tied Solar Power Plant at Paturia, Shibalay, Manikgonj.

Since inception, GDCL always thrive to work for sustainable environment friendly projects. Working for a Solar Power Plant is another landmark deal for GDCL.



Spectra Solar Park Limited  
35MW Solar Power project Debt was  
**USD 34 Million**

**Lead Arranger and Transaction to the Advisor**

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### Sole Mandated Private Placement Agent for Issuance of Mudaraba Bond

GDCL has been mandated as Private Placement Agent for Issuance of Mudaraba Bond of Summit Communications Limited

#### Transaction Summary

Since inception, GDCL always focus to increase its activities toward Islamic Financing. In line with this, GDCL signed mandate with Summit Communications Limited as Lead arranger and Private placement agent to issue Fully Redeemable, Non-Convertible Mudaraba Bond of BDT 1,000 Million.

Summit Communications Limited is the subsidiary of Summit Group and the fastest growing Fiber Optic Network Infrastructure of Bangladesh.



Summit Communications Limited  
Fully Redeemable, Non-convertible Mudaraba Bond  
**BDT 1,000 Million**

**Sole Mandated Private Placement Agent**



## Signed Mandate with LankaBangla Finance Limited (LBFL) for raising of USD 30 Million

### Signed Mandate with LankaBangla Finance Limited (LBFL) for raising of USD 30 Million for SME women entrepreneurs and green financing

#### Transaction Summary

GDCL signed the mandate and completed the Due diligence for raising USD 30 Million from the Development Financial Institutions (DFI's) for LankaBangla Finance Limited (LBFL) to support the growth and productivity of SMEs in Bangladesh.

Previously, GDCL arranged fund for the SME sector and always wanted to be a part of this sector.

This new deal is going to be another landmark deal for GDCL, LBFL as well as for the country.



LankaBangla Finance Limited  
Foreign Financing Facility of  
**USD 30 Million**

**Sole Mandated Lead Arranger**

## Financial Advisory for Green Delta Insurance Company Limited

### Signed Mandate with Green Delta Insurance Company Limited (GDIC) for rendering the corporate advisory services for an amount of BDT 800 million

#### Transaction Summary

Green Delta Insurance Company Limited (GDIC) is the parent company of GDCL. Previously GDCL worked with GDIC and successfully arranged fund for the parent company.

GDCL is always keen to provide services to GDIC so that both the company can grow together and can maximize the company value. As a subsidiary of GDIC, GDCL can understand the need and requirement of its parent company.

Considering the above, GDIC choose GDCL as a Lead Advisor while looking for financing for the company.



Green Delta Insurance Company Limited (GDIC)

Raise Equity Fund of  
**BDT 800 Million**

**Sole Mandated Lead Arranger**

## Corporate Advisory and Valuation Service provided by Green Delta Capital Limited

### GDCL has become the pioneer for providing corporate advisory and financial valuation service for equity repatriation of non-listing companies in Bangladesh

#### Transaction Summary

In the year 2019, GDCL acted as independent valuer and corporate advisor for Popular Pharmaceuticals Limited and STS Holdings Limited.

Popular Pharmaceuticals Limited is a big pharma company in Bangladesh. They had equity partner and for the exit of the equity partner, Popular needed the valuation and corporate advisory services. GDCL successfully completed the deal within shortest possible time.

STS Holding Ltd. is the company who own Apollo Hospital in Bangladesh. GDCL worked as independent valuer for determine the share value of the company.



Popular Pharmaceuticals Ltd.  
Corporate Advisory for Buy back the Equity Portion of  
**BDT 3,000 Million**

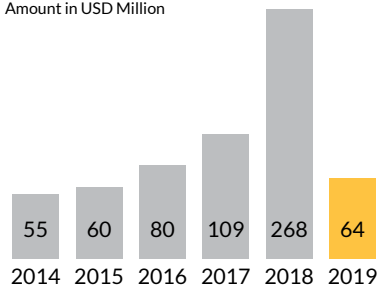
**Corporate Advisory and Financial Valuation**



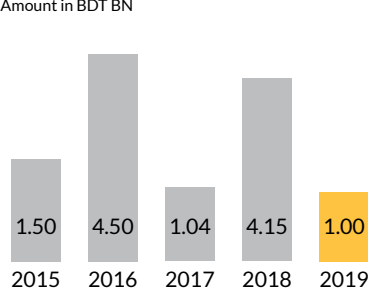
STS Holdings Ltd.  
Corporate Advisory for Buy back the Equity Portion of  
**BDT 2,800 Million**

**Independent Valuation**

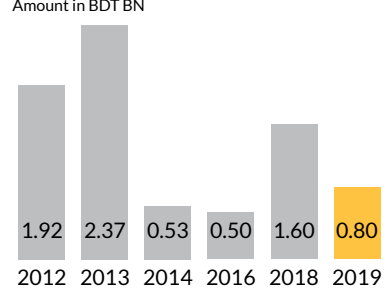
**Year on Year Foreign Deal Syndication**  
Amount in USD Million



**Year On Year Local Deal Syndication**  
Amount in BDT BN



**Year on Year Equity Origination Deal**  
Amount in BDT BN



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.

## Portfolio & Wealth Management Service

“ Place our clients at the heart of everything we do

Green Delta Capital Limited (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.

Capital market of Bangladesh passed a challenging year in 2019. In 2019, GDCL has tried to deliver a consistent result in providing portfolio management services to the investors. We have achieved a stable growth in profitability across each of our portfolio schemes



2019 Highlights

**Total Asset Under Management**  
**BDT 300 Million**

**Total number of investors**  
**225**  
**(Growth: 12.5% from 2018)**

that we have maintained over the years. Our financial performance in 2019 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 & Wealth 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.

## GDCL launches deposit-based stock market investment : GD Planner

On October, 2019 GDCL launched a monthly deposit-based capital market investment product for retail investors, GD Planner.

**GD Planner** is a discretionary portfolio management product designed for our small investor. GD Planner contains deposit of small amount with in a regular interval & let your savings grow with GDCL (Green Delta Capital Limited). As fund manager, GDCL will follow a disciplined and structured investment process, and reduce the risk of market volatility.





## Why GD Planner?

 <p><b>Higher rate of return than the existing bank deposit rate (Indicative)</b></p>	 <p><b>Facility of flexible investment</b></p>	 <p><b>Long Run average cost</b></p>	 <p><b>Physical presence is not required due to Electronic Fund Transfer</b></p>
 <p><b>A better hedge against inflation</b></p>	 <p><b>Greater liquidity gained though Blue chip stocks</b></p>	 <p><b>Tax rebate on total investment and tax exemption for capital gain</b></p>	 <p><b>Insurance coverage</b></p>

## Features of GD Planner

- Minimum deposit of A. BDT 3,000 B. BDT 5,000 C. BDT 10,000
- Deposited amount will be invested in blue chip shares/mutual funds/fixed income/bond/commercial paper
- Investment offered in tenures of 3, 5 and 10 years
- Investment recommendation backed by fundamental and technical analysis
- Anyone can deposit multiple time within a month but at least one time within 15th of a month
- Deposit may be paid by deposit slip or through BEFTN

## Core Product

	<p><b>GD Perform Max:</b> Discretionary Portfolio Management Scheme</p> <p>Utilize the fund of risk taker who likes to invest in Equity market particularly in the <b>High Growth</b> stocks to earn more</p>
	<p><b>GD Planner :</b> Discretionary Portfolio Management Scheme</p> <p>Deposit of <b>Small Amount</b> with in a regular interval &amp; let your savings grow with GDCL</p>
	<p><b>GD MTF:</b> Non-Discretionary Portfolio Management Scheme</p> <p>Facilitate client wants to avail <b>CREDIT Facility</b> with competitive interest Rate and loan ratio</p>
	<p><b>GD Cash:</b> Non-Discretionary Portfolio Management Scheme</p> <p>Facilitate retail investor's <b>Cash</b> account with unique feathure</p>

## GDCL Research- For a Smart Future Investment

2019 was a pivotal year for GDCL Research as we have successfully renewed our commitment towards our valued patrons through extending the relationship with them and capabilities to ensure the smooth services as and whenever required; even in the stressful situation in the capital market.

Throughout the year, we have maintained our strong position in the industry by providing more than just services, but an offering of total investment solutions to the investors. Our experienced and talented analysts have carefully focused on 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. We are actively serving to GDCL in terms of constant revenue generation, harvesting goodwill and contributing with research materials.

### OUR GROWING FUTURE DIRECTIONS

1. **Invest**  
In diversified research to create maximum value
2. **Apply**  
The strategy for local and global clients
3. **Share**  
That value for future expansion

## Our Specifications



Our research publications are being delivered to the local and international companies, which has made simultaneously a significant and expensive source of competitive differentiation.

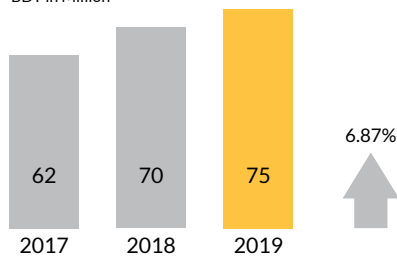
## Affiliations



## Performance At A Glance

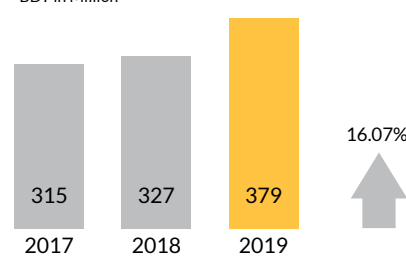
### Operating Revenue

BDT in Million

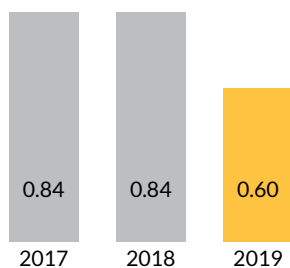


### Total Shareholders' Equity & Liabilities

BDT in Million

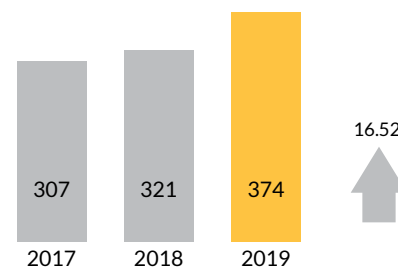


### Earning Value Per Share (EPS)



### Current Assets







BDT in Million















## Credentials: Debt & Equity Deals


<p>Foreign Currency Loan</p>  <p><b>LankaBangla Finance Limited</b></p> <p><b>EUR 60 Million</b></p> <p>Lead Arranger</p> 	<p>Foreign Currency Loan</p>  <p><b>Spectra Solar Park Limited</b></p> <p><b>USD 34 Million</b></p> <p>Lead Arranger</p> 	<p>Foreign Currency Loan</p>  <p><b>IPDC Finance Limited</b></p> <p><b>EUR 15 Million</b></p> <p>Lead Arranger</p> 
<p>Sub-Ordinated Bond</p>  <p><b>LankaBangla Finance Limited</b></p> <p><b>BDT 3,000 Million</b></p> <p>Issue Manager and Lead Arranger</p> 	<p>Preference Share</p>  <p><b>Baraka Shikalbaha Power Limited</b></p> <p><b>BDT 730 Million</b></p> <p>Issue Manager and Lead Arranger</p> 	<p>Foreign Currency Loan</p>  <p><b>LankaBangla Finance Limited</b></p> <p><b>USD 30 Million</b></p> <p>Lead Arranger</p> 
<p>Initial Public Offering</p>  <p><b>Raj Lanka Power Company Limited</b></p> <p><b>BDT 1,000 Million</b></p> <p>Issue Manager</p> 	<p>Capital Raising</p>  <p><b>Eon Animal Health Products Limited</b></p> <p><b>BDT 118 Million</b></p> <p>Issue Manager</p> 	<p>Foreign Currency Loan (Murabaha Facility)</p>  <p><b>LankaBangla Finance Limited</b></p> <p><b>USD 20 Million</b></p> <p>Lead Advisor &amp; Security Agent</p> 

## Advisory

Advisory Service	Advisory & Valuation	Advisory Service
 <b>Popular Pharmaceuticals Ltd</b> <b>BDT 3298 Million</b>	 <b>STS Holdings Limited</b>	 <b>Sk. Akijuddin Limited</b> <b>USD 38 Million</b>
Equity Repatriation Advisory	Advisory & Valuation	Advisory Service
 <b>GREEN DELTA CAPITAL</b>	 <b>GREEN DELTA CAPITAL</b>	 <b>GREEN DELTA CAPITAL</b>

## Underwriting Deals

Initial Public Offering	Rights Offer	Rights Offer
 <b>Star Ceramics Ltd</b> <b>Underwritten Amount: BDT 17 Million</b>	 <b>Lafarge Surma Cement Ltd.</b> <b>Underwritten Amount: BDT 100 Million</b>	 <b>Trust Bank Ltd.</b> <b>Underwritten Amount: BDT 110 Million</b>
Underwriter	Underwriter	Underwriter
 <b>GREEN DELTA CAPITAL</b>	 <b>GREEN DELTA CAPITAL</b>	 <b>GREEN DELTA CAPITAL</b>
Rights Offer	Rights Offer	Rights Offer
 <b>United Airways (BD) Ltd.</b> <b>Underwritten Amount: BDT 112.5 Million</b>	 <b>Keya Cosmetics Ltd.</b> <b>Underwritten Amount: BDT 10 Million</b>	 <b>BRAC Bank Ltd.</b> <b>Underwritten Amount: BDT 500 Million</b>
Equity Repatriation Adviso	Underwriter	Underwriter
 <b>GREEN DELTA CAPITAL</b>	 <b>GREEN DELTA CAPITAL</b>	 <b>GREEN DELTA CAPITAL</b>

<p style="text-align: center;"><b>Rights Offer</b></p> <div style="text-align: center;">  <p><b>AB Bank</b></p> <p>AB Bank Limited</p> <p><b>Underwritten Amount: BDT 140 Million</b></p> <p>Underwriter</p>  </div>	<p style="text-align: center;"><b>Rights Offer</b></p> <div style="text-align: center;">  <p><b>First Security Islami Bank Ltd.</b></p> <p><b>Underwritten Amount: BDT 250 Million</b></p> <p>Underwriter</p>  </div>	<p style="text-align: center;"><b>Rights Offer</b></p> <div style="text-align: center;">  <p><b>Delta Hospital Ltd</b></p> <p><b>Underwritten Amount: BDT 4 Million</b></p> <p>Underwriter</p>  </div>
<p style="text-align: center;"><b>Initial Public Offering</b></p> <div style="text-align: center;">  <p><b>Esquire Knit Composite Ltd.</b></p> <p><b>Underwritten Amount: BDT 20 Million</b></p> <p>Underwriter</p>  </div>	<p style="text-align: center;"><b>Initial Public Offering</b></p> <div style="text-align: center;">  <p><b>Amantex Limited.</b></p> <p><b>Underwritten Amount: BDT 35 Million</b></p> <p>Underwriter</p>  </div>	<p style="text-align: center;"><b>Initial Public Offering</b></p> <div style="text-align: center;">  <p><b>Baraka Patenga Power Ltd.</b></p> <p><b>Underwritten Amount: BDT 12.50 Million</b></p> <p>Underwriter</p>  </div>



# 12.2.2

## DIRECTORS' REPORT TO THE SHAREHOLDERS

### Dear Fellow Shareholders, Clients and partners of Green Delta Capital Limited

On behalf of the Board of Directors of Green Delta Capital Limited, I am very happy to present to you the Annual Report on the activities of GDCL in 2019.

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, 2019; 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 2019 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 75.16 million which was higher by 6.87% over the previous year's revenue of BDT 70.33 million.

### Historical Key performance indicator and financial position

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#### Statement of profit or loss and other comprehensive income

Particulars	2019	2018	2017	2016	2015
Total Revenue	75,155,765	70,331,952	62,330,740	55,823,592	50,195,360
Profit Before Tax	26,105,669	33,160,240	29,213,760	25,021,324	21,343,461
Net Profit After Tax	15,605,669	21,750,077	21,713,760	19,221,324	14,993,461

#### Statement of financial position

Particulars	2019	2018	2017	2016	2015
Non-Current Assets	4,939,565	5,500,917	7,388,514	7,277,448	10,501,431
Current Assets	374,057,201	321,022,350	307,495,362	339,738,805	327,186,158
Total Assets	378,996,766	326,523,267	314,883,876	347,016,253	337,687,589
Shareholders' Equity	277,244,725	281,639,057	297,283,000	309,671,810	290,450,486
Long Term Liabilities	-	-	-	-	-
Current Liabilities	101,752,041	44,884,210	17,600,876	37,344,443	47,237,103
Total Shareholders' Equity & Liabilities	378,996,766	326,523,267	314,883,876	347,016,253	337,687,589

#### EQUITY PARAMETERS

Particulars	2019	2018	2017	2016	2015
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)	0.60	0.84	0.84	0.74	0.60

## PROPOSED DIVIDEND:

The Board of Directors of GDCL has proposed Zero dividend (subject to the approval of AGM) on paid up capital of BDT 260,000,000 (Twenty Six Crore only) due to Bangladesh Securities and Exchange Commission's (BSEC's) restriction as per its circular no. BSEC/SRI/MB/Policy-5/2020/132 dated 30 January 2020 requiring provision on unrealized loss on own portfolio investment in shares.

## 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 2020 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

# 12.2.3

## 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, 2019, 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, 2019 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.



Ahmed Zaker & Co.

Chartered Accountants

Location: Dhaka

Dated: February 06, 2020

# GREEN DELTA CAPITAL LIMITED

## STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2019

Amount in Taka

Particulars	Notes	31.12.2019	31.12.2018
<b>APPLICATION OF FUNDS</b>			
<b>Non-Current Assets</b>		<b>4,939,565</b>	<b>5,500,917</b>
Property, Plant & Equipment	4	4,773,403	4,732,746
Intangible Assets	5	166,162	768,171
<b>Current Assets</b>		<b>374,057,201</b>	<b>321,022,350</b>
Advances, Deposits & Prepayments	6	8,113,120	12,003,423
Investment In Shares	7	127,669,240	128,809,148
Margin Loan To Clients	8	2,273,380	6,598,964
Loan to Green Delta Insurance	9	70,000,000	-
Accounts Receivable	10	30,530,124	2,864,445
Accrued Interest income	11	26,895,304	17,350,527
Receivable From Brokerage	12	35,163	368,653
Loan to Employees	13	-	44,503
Investment In FDR	14	102,000,000	117,000,000
Cash and cash equivalents	15	6,540,870	35,982,687
<b>Current Liabilities</b>		<b>101,752,041</b>	<b>44,884,210</b>
Payable To GDIC	16	111,573	160,390
Payable To GDSL	17	1,174,771	1,174,771
Accounts Payable	18	1,740,885	1,587,315
Payable To Clients	19	4,077,241	27,885,878
Short Term Loan	20	83,985,989	-
Other Provision	21	2,965,275	4,000,000
Provision For Income Tax	22	7,696,307	10,075,856
<b>Net Current Assets</b>		<b>272,305,160</b>	<b>276,138,140</b>
<b>Total Assets</b>		<b>277,244,725</b>	<b>281,639,057</b>
<b>SOURCE OF FUNDS</b>			
<b>Shareholders equity</b>		<b>277,244,725</b>	<b>281,639,057</b>
Share Capital	23	260,000,000	260,000,000
Retained Earnings	24	62,741,316	67,135,648
Available For Sale Reserve	25	(45,496,591)	(45,496,591)
<b>Total Capital Employed</b>		<b>277,244,725</b>	<b>281,639,057</b>

The accompanying policies and explanatory notes 1-32 from an integral part of these financial statements.



Director



Accounting Controller



Chairman



Managing Director &amp; CEO



Ahmed Zaker &amp; Co.

Chartered Accountants

Signed as per our separate report of same date.

Date: February 06, 2020

Place: Dhaka

# GREEN DELTA CAPITAL LIMITED

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2019

Amount in Taka

Particulars	Notes	31.12.2019	31.12.2018
<b>Income</b>			
Operating Income	26	41,417,631	50,429,932
Realised Gain on share trading	27	2,946,008	5,830,089
Other Income	28	30,792,126	14,071,931
<b>Total Operating Income (A)</b>		<b>75,155,765</b>	<b>70,331,952</b>
<b>Operating Expenses</b>			
Operating & Direct Charges	29	21,510	1,638
Office & Administrative Expenses	30	35,486,622	33,576,886
Financial Expenses	31	11,127,569	133,447
<b>Total Operating Expenses (B)</b>		<b>46,635,701</b>	<b>33,711,971</b>
<b>Profit before depreciation &amp; provisions (A-B)</b>		<b>28,520,064</b>	<b>36,619,981</b>
Less: Depreciation & Amortization	32	2,414,395	3,459,741
<b>Profit Before Tax</b>		<b>26,105,669</b>	<b>33,160,240</b>
Other Provision		2,500,000	3,910,163
Provision for Tax		8,000,000	7,500,000
<b>Net Profit After Tax</b>		<b>15,605,669</b>	<b>21,750,077</b>
<b>Other comprehensive income</b>			
For diminution in value of investment		-	(17,894,020)
<b>Total comprehensive income</b>		<b>15,605,669</b>	<b>3,856,057</b>

The accompanying policies and explanatory notes 1-32 from an integral part of these financial statements.



Director



Accounting Controller



Chairman



Managing Director & CEO



Ahmed Zaker & Co.

Chartered Accountants

Signed as per our separate report of same date.

Date: February 06, 2020

Place: Dhaka

# GREEN DELTA CAPITAL LIMITED

## STATEMENT OF CHANGES IN EQUITY

### FOR THE YEAR ENDED DECEMBER 31, 2019

Amount in Taka

Particulars	Share Capital	General Reserve	Available for Sale (AFS) Reserve	Retained Earnings	Total Shareholders Equity
Opening balance	260,000,000	-	(45,496,591)	67,135,648	281,639,057
Net profit during the year	-	-	-	15,605,669	15,605,669
Final Dividend	-	-	-	(20,000,000)	(20,000,000)
Unrealized Gain/(Loss) on securities available for sale	-	-	-	-	-
<b>Closing Balance</b>	<b>260,000,000</b>	<b>-</b>	<b>(45,496,591)</b>	<b>62,741,316</b>	<b>277,244,725</b>

# 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)
<b>Closing Balance</b>	<b>260,000,000</b>	<b>-</b>	<b>(45,496,591)</b>	<b>67,135,648</b>	<b>281,639,057</b>



Director



Accounting Controller



Chairman



Managing Director &amp; CEO



Ahmed Zaker &amp; Co.

Chartered Accountants

Signed as per our separate report of same date.

Date: February 06, 2020  
Place: Dhaka

# GREEN DELTA CAPITAL LIMITED

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2019

Amount in Taka

Particulars	31.12.2019	31.12.2018
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Cash Collected from Turnover	30,510,493	57,340,248
Cash Paid to Customers, Suppliers, Employees & others	(42,480,126)	(37,752,857)
Capital Gain from Share	2,946,008	5,830,089
Dividend Income	1,830,184	3,689,169
Income Tax Paid	(2,830,726)	(10,151,332)
<b>Net Cash flow from/(used) Operating Activities</b>	<b>(10,024,167)</b>	<b>18,955,317</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Acquisition of Fixed Assets	(1,969,543)	(1,578,590)
Investment in FDR	15,000,000	(19,500,000)
(Investment)/ Encashment of Shares	1,139,908	8,068,260
Interest Received from FDR	2,992,115	5,075,701
<b>Net Cash flow from /(Used) in Investing Activities:</b>	<b>17,162,480</b>	<b>(7,934,629)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Employee loan adjustment/Given	44,503	(28,667)
Financial Expenses	(11,127,569)	(133,447)
Margin Loan	4,325,584	(1,111,832)
Loan Received	83,985,989	-
Loan given to Gdic	(70,000,000)	-
Dividend paid	(20,000,000)	(19,500,000)
Payable To Clients	(23,808,637)	23,761,770
Share issued	-	-
<b>Net Cash used in Financing Activities:</b>	<b>(36,580,130)</b>	<b>2,987,824</b>
<b>D. Net Increase/(Decrease) in cash &amp; cash equivalents during the year (A+B+C):</b>	<b>(29,441,818)</b>	<b>14,008,512</b>
<b>E. Cash &amp; cash equivalents at the beginning of the year</b>	<b>35,982,687</b>	<b>21,974,175</b>
<b>Cash &amp; cash equivalents at the end of the year</b>	<b>6,540,870</b>	<b>35,982,687</b>

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Director



Accounting Controller



Chairman



Managing Director & CEO



Ahmed Zaker & Co.

Chartered Accountants

Signed as per our separate report of same date.

Date: February 06, 2020

Place: Dhaka



# GREEN DELTA CAPITAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

FOR THE YEAR ENDED DECEMBER 31, 2019

### 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, 2019 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 IFRS 15: "Revenue from Contracts with customers". 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).

**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	Balance as on December 31, 2019
Green Delta Insurance Company Ltd.	Common Shareholder	Payable	111,573
Green Delta Securities Ltd.	Related party	Payable	1,174,771
Green Delta Insurance Company Ltd.	Common Shareholder	Loan	70,000,000
Green Delta Insurance Company Ltd.	Common Shareholder	Interest income	14,839,525

### **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, 2019.

- 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- 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
- IFRS-15 Revenue from contract with customers

#### **3.6 Reporting period**

Financial statements of the company cover a year from January 1, 2019 to December 31, 2019.

Amount in Taka

		31.12.2019	31.12.2018
<b>4.00</b>	<b>Property, Plant &amp; Equipment</b>		
	<b>Cost</b>		
	Opening balance	13,844,516	12,386,476
	Add: Addition during the year	1,969,543	1,578,590
		<b>15,814,059</b>	<b>13,965,066</b>
	Less: Disposal during the year	3,495,000	120,550
		<b>12,319,059</b>	<b>13,844,516</b>
	<b>Less: Depreciation</b>		
	Opening balance	9,111,770	7,311,552
	Add: Charged during the year	1,812,386	1,914,322
		<b>10,924,156</b>	<b>9,225,874</b>
	Less: Adjustment during the year	(3,378,500)	(114,104)
	Accumulated depreciation	<b>7,545,656</b>	<b>9,111,770</b>
	<b>Written Down Value</b>	<b>4,773,403</b>	<b>4,732,746</b>
	Details of Property, Plant & Equipment is given in Schedule-A/1		
<b>5.00</b>	<b>Intangible Assets</b>		
	<b>Cost</b>		
	Opening balance	13,240,339	13,240,339
	Add: Addition during the year	-	-
		<b>13,240,339</b>	<b>13,240,339</b>
	<b>Less: Amortization</b>		
	Opening balance	12,472,168	10,926,749
	Add: Charge during the Year	602,009	1,545,419
		<b>13,074,177</b>	<b>12,472,168</b>
	<b>Written Down Value</b>	<b>166,162</b>	<b>768,171</b>
	Details of Intangible Assets is given in Schedule-A/3		
<b>6.00</b>	<b>Advances, Deposits &amp; Prepayments</b>		
	Advance Employee Loan/Salary	6.01 700,000	485,800
	TDS AIT from Interest Income Bank	6.02 1,527	3,530
	TDS AIT from Interest Income FDR	6.03 1,212,914	1,983,931
	TDS AIT from Govt Treasury Advance Tax	6.04 800,000	2,390,000
	TDS AIT on CAR TAX	6.05 65,000	15,000
	TDS AIT from Dividend Income	6.06 365,682	1,159,417
	TDS AIT from Fees Income	6.07 717,109	4,053,746
	Advance Office Expenses	6.08 48,889	-
	T & T Deposits	6.09 2,000	2,000
	CDBL Security Deposit	6.10 200,000	200,000
	Advance to Others	6.11 1,000,000	510,000
	Advance for Portfolio Management	6.12 1,000,000	1,200,000
	Advance to Progress Motors Imports Ltd	2,000,000	-
		<b>8,113,120</b>	<b>12,003,423</b>
<b>6.01</b>	<b>Advance Employee Loan/Salary</b>		
	Opening Balance	485,800	-
	Add: Addition	760,000	1,100,800
		<b>1,245,800</b>	<b>1,100,800</b>
	Less: Adjustment	545,800	615,000
		<b>700,000</b>	<b>485,800</b>

Amount in Taka

	<b>31.12.2019</b>	<b>31.12.2018</b>
<b>6.02 TDS AIT from Interest Income Bank</b>		
Opening Balance	3,530	2,676
Add: Addition	1,527	3,396
	<b>5,057</b>	<b>6,072</b>
Less: Adjustment	3,530	2,542
	<b>1,527</b>	<b>3,530</b>
<b>6.03 TDS AIT from Interest Income FDR</b>		
Opening Balance	1,983,931	2,317,730
Add: Addition	1,212,913	921,370
	<b>3,196,844</b>	<b>3,239,100</b>
Less: Adjustment	1,983,930	1,255,169
	<b>1,212,914</b>	<b>1,983,931</b>
<b>6.04 TDS AIT from Govt Treasury Advance Tax</b>		
Opening Balance	2,390,000	500,000
Add: Addition	468,495	2,390,000
	<b>2,858,495</b>	<b>2,890,000</b>
Less: Adjustment	2,058,495	500,000
	<b>800,000</b>	<b>2,390,000</b>
<b>6.05 TDS AIT on CAR Tax</b>		
Opening Balance	15,000	-
Add: Addition	65,000	15,000
	<b>80,000</b>	<b>15,000</b>
Less: Adjustment	15,000	-
	<b>65,000</b>	<b>15,000</b>
<b>6.06 TDS AIT from Dividend Income</b>		
Opening Balance	1,159,417	1,960,344
Add: Addition	365,682	735,432
	<b>1,525,099</b>	<b>2,695,776</b>
Less: Adjustment	1,159,417	1,536,359
	<b>365,682</b>	<b>1,159,417</b>
<b>6.07 TDS AIT from Fees Income</b>		
Opening Balance	4,053,746	-
Add: Addition	<b>717,109</b>	<b>4,053,746</b>
	<b>4,770,855</b>	<b>4,053,746</b>
Less: Adjustment	4,053,746	-
	<b>717,109</b>	<b>4,053,746</b>
<b>6.08 Advance Office Expenses</b>		
Opening Balance	-	77,161
Add: Addition	1,582,528	3,110,109
	<b>1,582,528</b>	<b>3,187,270</b>
Less: Adjustment	1,533,639	3,187,270
	<b>48,889</b>	<b>-</b>

Amount in Taka

		<b>31.12.2019</b>	<b>31.12.2018</b>
<b>6.09</b>	<b>T &amp; T Deposits</b>		
	Opening Balance	2,000	2,000
	Add: Addition	-	-
		<b>2,000</b>	<b>2,000</b>
	Less: Adjustment	-	-
		<b>2,000</b>	<b>2,000</b>
<b>6.10</b>	<b>CDBL Security Deposit</b>		
	Opening Balance	200,000	200,000
	Add: Addition	-	-
		<b>200,000</b>	<b>200,000</b>
	Less: Adjustment	-	-
		<b>200,000</b>	<b>200,000</b>
<b>6.11</b>	<b>Advance to Others</b>		
	Opening Balance	510,000	500,000
	Add: Addition	500,000	10,000
		<b>1,010,000</b>	<b>510,000</b>
	Less: Adjustment	10,000	-
		<b>1,000,000</b>	<b>510,000</b>
<b>6.12</b>	<b>Advance for Portfolio Management</b>		
	Opening Balance	1,200,000	-
	Add: Addition	1,000,000	1,200,000
		<b>2,200,000</b>	<b>1,200,000</b>
	Less: Adjustment	1,200,000	-
		<b>1,000,000</b>	<b>1,200,000</b>
<b>7.00</b>	<b>Investment in Share</b>		
	Investment in Listed Securities	127,495,990	125,174,483
	Investment in Equity of Non listed Co. (Green Delta AMC)	-	-
	Investment in Right Share for own Investment	17,3250	-
	Investment in IPO for own Investment	-	3,634,665
		<b>127,669,240</b>	<b>128,809,148</b>
<b>7.01</b>	<b>Investment in Listed Securities</b>		
	Cost Value of Securities	172,992,581	170,671,074
	Less: Provision against diminution in value of investment	(45,496,591)	(45,496,591)
		<b>127,495,990</b>	<b>125,174,483</b>
		<b>172,992,581</b>	<b>125,174,483</b>
		<b>87,433,719</b>	<b>125,174,483</b>
		<b>172,992,581</b>	<b>87,433,719</b>
		<b>87,433,719</b>	<b>125,174,483</b>

As per Bangladesh Securities and Exchange Commission (BSEC) Letter No. BSEC/SRI/MB/Policy/5/2020/32 dated January 30, 2020 regarding time extension for unrealized loss provision, all Merchant Bank may allow to make provision against unrealized loss on own portfolio Investment equal to 20% for 5 time up to the year 2020. During the year company has not made any provision against diminution in value of investment .

<b>8.00</b>	<b>Margin Loan to Clients</b>		
	Margin Loan to Clients	2,273,380	6,598,964
		<b>2,273,380</b>	<b>6,598,964</b>
<b>9.00</b>	<b>Loan to Green Delta Insurance Company Ltd.</b>		
	Opening Balance	-	-
	Add: Addition	287,000,000	-
		<b>287,000,000</b>	-
	Less: Adjustment during the year	217,000,000	-
		<b>70,000,000</b>	-

During the year interest bearing Short term loan is given to Green Delta Insurance Company Ltd. and income has recognized in the statements of profit or loss & other comprehensive income.



Amount in Taka

		<b>31.12.2019</b>	<b>31.12.2018</b>
<b>10.00</b>	<b>Accounts Receivable</b>		
	Receivables from Financial Express Research	60,000	60,000
	Receivable from Agora Limited	1,000,000	-
	Receivable from Spectra Solar Part Ltd	27,369,939	750,000
	Receivable from Spectra Solar Part Ltd	-	398,859
	Receivable from BD Ventute Ltd	125,000	125,000
	Receivable from STS Holdings Ltd	250,000	-
	Receivable from Lanka Bangla Finance (Foreign/Bond/S Agent)	500,000	-
	Receivable from Green Delta In.Co.Ltd (GDIC) SOD Loan	1,024,722	-
	Receivable from Green Delta Securities Ltd, Head Office	125,440	124,440
	Receivable from Lanka Bangla Finance Ltd Other	-	603,392
	Receivable from IPDC Ltd (Foreign)	-	731,085
	Other Receivable (Employee & Others)	75,023	71,669
		<b>30,530,124</b>	<b>2,864,445</b>
<b>11.00</b>	<b>Accrued Interest income</b>		
	Interest Receivable FDR, Head Office	26,895,304	17,350,527
		<b>26,895,304</b>	<b>17,350,527</b>
<b>11.01</b>	<b>Accrued Interest income on FDR</b>		
	Opening Balance	17,350,527	12,718,874
	Add: Addition	12,420,803	9,625,099
		<b>29,771,330</b>	<b>22,343,973</b>
	Less: Adjustment	2,876,026	4,993,446
		<b>26,895,304</b>	<b>17,350,527</b>
<b>12.00</b>	<b>Receivable From Brokerage</b>		
	Receivable from Brokerage GDSDL (Non-Discretionary)	35,163	-
	Receivable from APEX Investment (Non-Discretionary)	-	368,653
		<b>35,163</b>	<b>368,653</b>
<b>13.00</b>	<b>Loan to Employees</b>		
	Mobile Loan	-	44,503
		<b>-</b>	<b>44,503</b>
<b>13.01</b>	<b>Mobile Loan</b>		
	Opening Balance	44,503	15,836
	Add: Addition during the year	67,000	85,666
		<b>111,503</b>	<b>101,502</b>
	Less: Adjustment made during the year	111,503	56,999
		<b>-</b>	<b>44,503</b>
<b>14.00</b>	<b>Investment In FDR</b>		
	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 Lanka Bangla Finance No ' 0016 22800000001	20,000,000	20,000,000
	FDR Lanka Bangla Finance No 0016 228000000045	10,000,000	10,000,000
	FDR Mercantile Bank Ltd No 111341122855757	-	10,000,000
	FDR Midland Bank Ltd. No. 0011-1100010511	6,000,000	6,000,000
	FDR Lanka Bangla Finance No. 0016-23600000015	10,000,000	10,000,000
	FDR IPDC No. 0001 25000001025	7,000,000	7,000,000
	FDR IPDC No. 0001 25000001120	-	10,000,000
	FDR IPDC No. 0001 25000001121	14,000,000	14,000,000
	FDR IPDC No 0001 25000001685	5,000,000	-
		<b>102,000,000</b>	<b>117,000,000</b>

Amount in Taka

		<b>31.12.2019</b>	<b>31.12.2018</b>
<b>15.00</b>	<b>Cash and cash equivalents</b>		
	Cash in Hand	145,968	157,098
	Cash at Bank	6,337,995	33,067,263
	Ledger Balance from portfolio investment	56,908	2,758,326
		<b>6,540,870</b>	<b>35,982,687</b>
<b>15.01</b>	<b>Cash in hand</b>		
	Cash in hand, Head Office	145,968	157,098
		<b>145,968</b>	<b>157,098</b>
<b>15.02</b>	<b>Cash with bank</b>		
	Eastern Bank Limited AC. No. 1011220001064 Head Office, Head		-
	SCB_IP A/C (Discretionary) 01-1146314-01 Head Office	23,247	119,824
	SCB_IP A/C (Non-Discretionary) 01-1146314-03 Head Office	4,951,045	27,678,968
	SCB (Own Investment) 01-1146314-02 Head Office	183,982	266,880
	SCB (Operation) 02-1146314-01 Head Office	796,367	4,991,302
	MCBL (Operation) 011313100000777	383,353	10,289
		<b>6,337,995</b>	<b>33,067,263</b>
<b>16.00</b>	<b>Payable to GDIC</b>		
	Various Expenses payable to GDIC	111,573	160,390
		<b>111,573</b>	<b>160,390</b>
<b>16.01</b>	<b>Various Expenses payable to GDIC</b>		
	Opening Balance	160,390	160,390
	Add: Addition	1,754,238	1,370,926
		<b>1,914,628</b>	<b>1,531,316</b>
	Less: Adjustment	1,803,055	1,370,926
		<b>111,573</b>	<b>160,390</b>
<b>17.00</b>	<b>Payable to GDSL</b>		
	Other Management Expenses	1,174,771	1,174,771
		<b>1,174,771</b>	<b>1,174,771</b>
<b>17.01</b>	<b>Other Management Expenses</b>		
	Opening Balance	1,174,771	1,174,771
	Add: Addition	-	-
		<b>1,174,771</b>	<b>1,174,771</b>
	Less: Adjustment	-	-
		<b>1,174,771</b>	<b>1,174,771</b>
<b>18.00</b>	<b>Accounts Payable</b>		
	Audit Fees	57,500	57,500
	TDS Payable	6,109	6,138
	VAT Payable	29,037	33,156
	Employees payable	1,500,000	1,300,000
	Payable to Party	130,076	166,869
	Accrued Interest Payable on SOD Loan	-	-
	Accrued expenses & other payable	18,163	23,652
		<b>1,740,885</b>	<b>1,587,315</b>
<b>18.01</b>	<b>Audit Fees</b>		
	Opening Balance	57,500	57,500
	Add: Addition during the year	57,500	57,500
		<b>115,000</b>	<b>115,000</b>
	Less: Paid during the year	57,500	57,500
		<b>57,500</b>	<b>57,500</b>

Amount in Taka

	<b>31.12.2019</b>	<b>31.12.2018</b>
<b>18.02 TDS Payable</b>		
Opening Balance	6,138	4,851
Add: Addition during the year	4,079,306	3,979,241
	<b>4,085,444</b>	<b>3,984,092</b>
Less: Paid during the year	4,079,335	3,977,954
	<b>6,109</b>	<b>6,138</b>
<b>18.03 VAT Payable</b>		
Opening Balance	33,156	24,601
Add: Addition during the year	416,028	372,358
	<b>449,184</b>	<b>396,959</b>
Less: Paid during the year	420,147	363,803
	<b>29,037</b>	<b>33,156</b>
<b>18.04 Employees payable</b>		
Opening Balance	1,300,000	1,000,000
Add: Addition during the year	200,000	300,000
	<b>1,500,000</b>	<b>1,300,000</b>
Less: Paid during the year	-	-
	<b>1,500,000</b>	<b>1,300,000</b>
<b>18.05 Payable to Party</b>		
Payable to CDBL	1,918	3,410
Payable to Green Delta Aims Ltd	73,470	78,358
Payable to Radiant Cleaning & Pest Control	12,752	12,811
Payable to Royal Taj Enterprise	13,017	10,590
Payable to Navigator Tourism	-	54,700
Payable to Square Informatix Ltd	4,550	7,000
Payable to SNS Traders/ Monsoon Catering (Lunch)	24,369	-
	<b>130,076</b>	<b>166,869</b>
<b>18.06 Accrued Interest Payable on SOD Loan</b>		
Opening Balance	-	-
Add: Addition during the year	11,011,524	-
	<b>11,011,524</b>	-
Less: Paid during the year	11,011,524	-
	-	-
<b>19.00 Payable to Clients</b>		
Client Payable Account	4,077,241	27,885,878
	<b>4,077,241</b>	<b>27,885,878</b>
<b>20.00 Short Term Loan</b>		
Opening Balance	-	-
Add: Addition during the year	138,118,448	-
<b>Total</b>	<b>138,118,448</b>	-
Less: Paid during the year	54,132,459	-
<b>Closing Balance</b>	<b>83,985,989</b>	-
The above loan is taken from Lankabangla Finance Limited as SOD Loan and fully secured against FDR.		
<b>21.00 Other Provision</b>		
Opening Balance	4,000,000	3,000,000
Add: Addition during the year	2,500,000	3,910,163
	<b>6,500,000</b>	<b>6,910,163</b>
Less: Paid during the year	3,534,725	2,910,163
	<b>2,965,275</b>	<b>4,000,000</b>

Amount in Taka

	31.12.2019	31.12.2018
<b>22.00 Provision for Income Tax</b>		
Opening Balance	10,075,856	7,902,314
Add: Addition during the year	8,000,000	7,500,000
	<b>18,075,856</b>	<b>15,402,314</b>
Less: Paid during the year for IY 15-16 AY 16-17	-	1,832,388
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
Less: Adjustment made for IY 17-18 AY 18-19 and IY 18-19 AY 19-20	10,379,549	-
	<b>7,696,307</b>	<b>10,075,856</b>
<b>23.00 Share Capital</b>		
<b>Authorized Share Capital: Taka 1,000,000,000</b>		
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.		
<b>Paid up Capital: Taka 260,000,000</b>		
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.		
<b>Particulars</b>	<b>Amount in Taka</b>	
Green Delta Insurance Co. Ltd	259,999,900	
Nasir A. Choudhury	100	
	<b>260,000,000</b>	
<b>24.00 Retained Earnings</b>		
Opening Balance	67,135,648	64,885,571
Add: Addition during the year	15,605,669	21,750,077
	82,741,316	86,635,648
Less: Final dividend payment	20,000,000	19,500,000
	<b>62,741,316</b>	<b>67,135,648</b>
<b>25.00 Available For Sale (AFS) Reserve</b>		
Opening Balance	(45,496,591)	(27,602,571)
Add: Addition during the year	-	(17,894,020)
	<b>(45,496,591)</b>	<b>(45,496,591)</b>
Less: Adjustment	-	-
	<b>(45,496,591)</b>	<b>(45,496,591)</b>
<b>26.00 Operating Income</b>		
Margin interest Income, Non -Disc	759,551	837,039
Structured Finance and Corporate Advisory	38,209,939	46,121,173
Income from Publication Reserch	1,640,180	1,630,500
Management Fee (Non-Discretionary A/C)	137,588	249,534
Management Fee Income, GD perfor-Max (Discretionary)	7,500	45,000
Documentation Fees, Non-Discretionary	24,000	30,500
BO Account Opening Fee, Non-Discretionary	9,000	13,000
BO Account Opening Fee, Discretionary	1,000	-
BO Renewal Fee, Non-Discretionary	77,000	75,500
BO Closing Fee, Non-Discretionary	1,500	2,000
Brokerage Commission (Non-Discretionary)	449,576	586,355
Brokerage Commission, GD Perform Max (Discretionary)	496	9,940
CDBL Income	302	4,391
Issue Management Fees, HO	-	825,000
Underwriting Commission, Head Office	100,000	-
	<b>41,417,631</b>	<b>50,429,932</b>

Amount in Taka

	<b>31.12.2019</b>	<b>31.12.2018</b>
<b>27.00 Realised Gain on share trading</b>		
Realized gains on Share trading	2,946,008	5,830,089
	<b>2,946,008</b>	<b>5,830,089</b>
<b>28.00 Other Income</b>		
Dividend Income, Head Office	1,830,184	3,689,169
Service Charge on IPO Application	1,755	1,275
Interest Income on FDR, Head Office	12,536,892	9,707,354
Interest Income on STD Balances, Head Office	15,270	33,960
Rent Income, Head Office	40,000	60,000
Interest Income from investment (Green Delta AMC)	-	345,091
Interest Income from Green Delta Insurance GDIC SOD LOAN	14,839,525	-
Miscellaneous earnings, Head Office	-	224,584
Gain on sell of Assets	1,528,500	10,498
	<b>30,792,126</b>	<b>14,071,931</b>
<b>29.00 Operating &amp; Direct Expenses</b>		
Portfolio Expenses	21,510	1,638
	<b>21,510</b>	<b>16,38</b>
<b>30.00 Office &amp; Administrative Expenses</b>		
Salaries and Allowances	21,335,663	18,881,858
Festival Bonus	1,656,900	1,472,378
Performance bonus	-	500,000
Office Rent	1,338,876	1,338,876
Insurance premium	98,424	79,193
Utility, Electricity & Service Charges	1,093,258	1,071,100
Office Pool Car Exp & Driver Salary	449,141	813,810
Telephone expenses	17,845	15,531
Mobile Allowances	223,800	269,531
Stationery expenses	201,355	139,930
Audit fees	57,500	57,500
Office maintenance	79,581	17,720
Software maintenance fees	255,000	268,794
Repair expenses	9,466	62,586
Trade License renewal fees	19,000	18,000
Annual Fees for Merchant Banking License	57,500	50,000
Car Fuel and maintenance	773,911	720,000
Membership, renewal fees, Merchant Bank & Other	215,000	198,333
Data Connectivity Expenses	186,690	189,390
Training and development expenses	30,000	36,000
Corporate Events	30,693	2,146
Conveyance	550,518	701,572
Computer Accessories	22,670	34,990
Traveling Expenses	167,971	299,550
Internship Program	4,600	188,000
Foreign travel expenses	892,562	829,149
Paper, Books and periodicals	3,9160	4,356
Entertainment expenses	517,662	250,127
Marketing Expense for Portfolio Management	30.01 4,024,989	2,564,204
Remittance for International Conference	-	883,827

Amount in Taka

	<b>31.12.2019</b>	<b>31.12.2018</b>
Management expenses	-	256,800
CDBL Charges	40,555	61,379
Postage & Courier	809	27,459
Staff food expenses	436,144	436,896
Visa Processing Fees	159,085	148,936
Web Development	74,665	79,271
CDBL Annual Renewal DP PMD	54,950	53,550
Board Meeting Expenses	34,425	96,950
Advertisement expenses	14,950	46,000
Car Allowance	88,000	96,000
Legal & Professional Fees	34,500	-
Cartidge & Tonner	75,049	29,200
RJSC & Govt. Fees	25,000	23,000
Recruitment & HR Audit Cost	-	75,800
Corporate Events Investor	89,755	48,194
IPO Subscription Participation Fees (PMD)	9,000	39,000
	<b>35,486,622</b>	<b>33,576,886</b>
<b>30.01 Marketing Expense for Portfolio Management</b>		
Salary of Contractual Employee	3,296,339	2,056,280
Convayance	465,420	253,924
Mobile bill	98,000	96,000
Food Allowances	165,230	158,000
	<b>4,024,989</b>	<b>2,564,204</b>
<b>31.00 Financial Expenses</b>		
Interest Exp on SOD loan	11,007,859	-
Bank Charges, Finance	119,710	118,947
Bank Charges, PMD	-	14,500
	<b>11,127,569</b>	<b>133,447</b>
<b>32.00 Amortization, Depreciation &amp; Written Off</b>		
Furniture and fittings	41,459	34,420
Computer	283,360	244,473
Office equipment	210,720	195,340
Office Renovation	119,911	231,485
Systems and softwares	602,009	1,545,419
Car	1,156,936	1,208,604
	<b>2,414,395</b>	<b>3,459,741</b>

GREEN DELTA CAPITAL LIMITED  
**SCHEDULE OF PROPERTY, PLANT & EQUIPMENT**

AS AT DEC 31, 2019

Schedule - A/1

Name of the Assets	COST				Rate	DEPRECIATION			Written down value as at 31.12.2019
	Balance as at 01.01.2019	Addition during the year	Disposal during the year	Balance as at 31.12.2019		Charged during the year	Adjustment during the year	Balance as at 31.12.2019	
Furniture and Fittings	414,805	-	-	414,805	10%	41,459	-	179,833	234,972
Office Equipment	1,998,752	24,543	-	2,023,295	20%	210,720	-	1,497,611	525,684
Computer	3,195,324	-	-	3,195,324	33%	283,360	-	2,877,267	318,057
Car	6,043,000	1,945,000	3,495,000	4,493,000	20%	1,156,936	3,378,500	1,126,507	3,366,493
Office Renovation	2,192,635	-	-	2,192,635	20%	119,911	-	1,864,438	328,197
<b>Balance as at 31.12.2019</b>	<b>13,844,516</b>	<b>1,969,543</b>	<b>3,495,000</b>	<b>12,319,059</b>		<b>1,812,386</b>	<b>3,378,500</b>	<b>7,545,656</b>	<b>4,773,403</b>
<b>Balance as at 31.12.2018</b>	<b>12,386,476</b>	<b>1,578,590</b>	<b>120,550</b>	<b>13,844,516</b>		<b>1,914,322</b>	<b>114,104</b>	<b>9,111,770</b>	<b>4,732,746</b>



GREEN DELTA CAPITAL LIMITED  
**LEASE DEPRECIATION SCHEDULE**

AS AT DEC 31, 2019

Name of the Assets	COST			Rate	DEPRECIATION			Written down value as at 31.12.2019
	Balance as at 01.01.2019	Addition during the year	Disposal during the year		Balance as at 01.01.2019	Charged during the year	Adjustment during the year	
Car Lease	1,750,000	-	-	20%	1,750,000	-	-	1,750,000
<b>Balance as at 31.12.2019</b>	<b>1,750,000</b>	<b>-</b>	<b>-</b>		<b>1,750,000</b>	<b>-</b>	<b>-</b>	<b>1,750,000</b>
<b>Balance as at 31.12.2018</b>	<b>1,750,000</b>	<b>-</b>	<b>-</b>		<b>1,750,000</b>	<b>-</b>	<b>-</b>	<b>1,750,000</b>

GREEN DELTA CAPITAL LIMITED  
**AMORTIZATION SCHEDULE**

AS AT DEC 31, 2019

Schedule -A/3

Name of the Assets	COST			Rate	DEPRECIATION			Written down value as at 31.12.2019
	Balance as at 01.01.2019	Addition during the year	Disposal during the year		Balance as at 01.01.2019	Charged during the year	Adjustment during the year	
Software	13,240,339	-	-	20%	12,472,168	602,009	-	13,074,177
<b>Balance as at 31.12.2019</b>	<b>13,240,339</b>	<b>-</b>	<b>-</b>		<b>12,472,168</b>	<b>602,009</b>	<b>-</b>	<b>13,074,177</b>
<b>Balance as at 31.12.2018</b>	<b>13,240,339</b>	<b>-</b>	<b>-</b>		<b>10,926,749</b>	<b>1,545,419</b>	<b>-</b>	<b>12,472,168</b>
								<b>166,162</b>
								<b>166,162</b>
								<b>768,171</b>

# 12.3.1

## REPORT ON PABL



**Munir Chowdhury**  
Chief Executive Officer (CEO)

### Chief Executive Officer's Message

PABL offers world class training and education programs through fully serviced training rooms located in key business location in Gulshan, Dhaka. Through its well-designed trainings, PABL covers all the areas of the insurance services domain. PABL has partnerships with top notch institutions across the world aimed at sharing best practices and domain expertise.

PABL has contributed immensely to the objective of developing a truly world class talent pool of insurance professionals. PABL has added great value to the lives of thousands of learners by helping them with accelerated career growth in insurance services.


### ABOUT US

As a premier training house, Professional Advancement Bangladesh Limited (PABL) established on April 2014 with the intention of educating the emerging Insurance Industry in Bangladesh. At PABL, we aim to inspire our corporate and individual clients to learn valuable skills using existing and emerging technologies so that they and we can be a part of country's sustainable economic growth as well as equality.




**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 VISION**

To be the best insurance human capital development Centre and create strong International and Financial skilled insurance professionals.



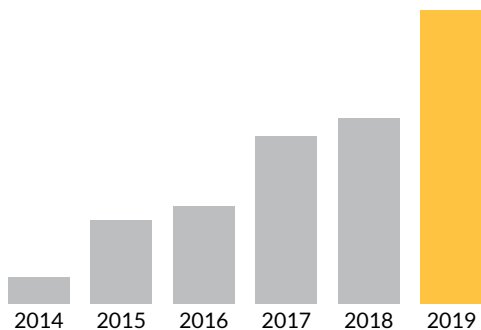
**OUR VALUES**

- Quality of our service
- Honoring Individuals
- Creative intention
- Transformative Growth
- Integrity
- Respect
- Sustainability

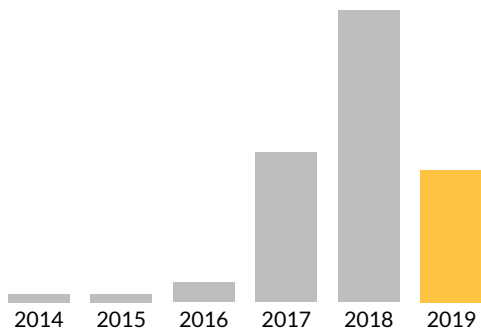
**PABL at a Glance:**


From 2014-2019 year


No of Trainings (2014-2019)




No of Trainees (2014-2019)








**Partnership with 2 Major Educational Partner**




**178 Training Sessions**

Workshops have been arranged for internal and external specific industry participants through PABL.




**79 CII Registered Students**




**11,924 No. of Trainees**

Total 11,924 participated in total of 178 Trainings/Workshops which had been arranged through PABL.



**176 III total subject enrolled**



## Achievement in the year 2019



CII Presidents Dinner & Public Trust Awards 2019

Chartered Insurance Institute UK (CII UK) has recently awarded Professional Advancement Bangladesh Ltd. (PABL) and Green Delta Insurance Company (GDIC) with their most prestigious award for the category of Building Public Trust in Financial Services & Insurance at the “CII Presidents Dinner & Public Trust Awards 2019”. Ms. Farzanah Chowdhury, Chartered Insurer, MD & CEO of Green Delta Insurance Company (GDIC) and Director of Professional Advancement Bangladesh Ltd. (PABL), received the prestigious award on behalf of GDIC and PABL at Painted Hall, Old Royal Naval College, London from Mr. Jonathan Clark (President, Chartered Insurance Institute, UK) on April 11th, 2019.

CII’s Public Trust Awards reflect the CII’s purpose to build public trust and recognize work in the public arena by key individuals and companies going that extra mile to promote professionalism and drive forward the public trust agenda. Building Public Trust in Insurance Award is given to an individual from inside the general insurance profession, who has made a significant impact by championing the issue of public interest, either amongst internal staff, across the profession as a whole or with the wider public.

## Service provided in the year 2019

**2019  
PABL  
SERVICES**



### CII- Exams

22 Participants have enrolled for CII



### III- Online Exams

30 subjects have enrolled this year



### Agent Training

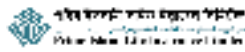
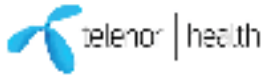
2276 Agents participated for Agent Training



### Other Training/Events

Total 502 have participated in various trainings/Events/Seminar & Discussion

## Valuable Clientele 2019



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## Glimpse of PABL Activities -2019

**Date: December 14, 2019**

### PABL conducts Workshop on AML/CFT Compliance in General Insurance

Professional Advancement Bangladesh Limited (PABL) has conducted jointly with Green Delta Insurance a day long workshop titled "Anti-Money Laundering / CFT Compliance in General Insurance" on December 14, 2019 (Saturday) in Dhaka for Green Delta Insurance employees. The daylong workshop was chaired by Ms. Farzanah Chowdhury, MD & CEO, Green Delta Insurance Company Limited.

Mr. Gokul Chand Das, Member of Insurance Development & Regulatory Authority (IDRA), presided as the Chief Guest of the event, while Mr. Md. Eskandar Miah, Executive Director & Deputy Head of Bangladesh Financial Intelligence Unit (BFIU) was present as Special Guest. The sessions of the day-long training were conducted by industry

experts Mr. Khalil Ahmed (Executive Director & Additional Secretary, IDRA), Mr. Bhaskar Podder (Joint Director, Bangladesh Financial Intelligence Unit) and Mr. Animesh Sinha (Managing Partner, Animesh & Partners) were present as guest speakers. Also this workshop was

conducted by highly experienced GDIC personnel Mr. Syed Aliul Ahabab (Senior Executive Vice President and Financial Controller, Finance and Accounts Department) and Mr. Anupam Das (First Senior Vice President, Internal Audit & Compliance Department).



**Date: December 7-8, 2019**

### Innovations in Insurance Training

Professional Advancement Bangladesh Limited (PABL) and Chartered Insurance Institute (CII) UK has jointly organized two days long International training titled 'Innovations in Insurance' on 7th & 8th December, 2019 at PABL's own premises. The international training was attended by participants from various insurance companies and conducted by International Insurance Broker, Coach and CII Empaneled Trainer Mr. Neil Richard Park. The training was graced by Mr. Syed Moinuddin Ahmed Additional Managing Director and Company

Secretary of Green Delta Insurance Company Limited and In-Charge of Professional Advancement

Bangladesh Limited (PABL) at the closing ceremony.





**Date: November 2-3, 2019**  
**Sales Leadership Training**

Professional Advancement Bangladesh Limited (PABL) and Chartered Insurance Institute (CII) UK has jointly organized two days long International training titled 'Sales Leadership' on 2nd & 3rd November, 2019 at PABL's own premises. The international training was attended by participants from various industries and conducted by the renowned global spokesman, CII Empaneled Trainer and Founder & MD of Archer Training Ltd UK

Mr. Paul F. Archer. The training was graced by the Chairman of PABL and Advisor of Green Delta Insurance

Mr. Nasir A. Choudhury at the closing ceremony.



**Date: October 14 to October 19, 2019**  
**Agent Training- National Life Insurance Company Limited**

PABL was organized a 6 long days program on Agent Training- Khulna” for the National Life Insurance Company agents.



**Date: October 10, 2019**  
**Corporate Business English Course**

On October 10, 2019 Professional Advancement Bangladesh Limited & The Learning Academy had conducted day long training on Professional Corporate Business English Course. 20 participants had attended the highly interactive training session. Basic English, Communication, negotiation and social and professional communication process related topics had discussed.





**Date: October 7, 2019**

### **CII October Session Exam**

PABL has conducted the Award in General Insurance (W01) Examination on October 7, 2019. It was held under the supervision of invigilator. The classes in the course are taken by Mr. A. K. M Iftekhar Ahmad, Consultant, Green Delta Insurance Company Limited.



**Date: September 26, 2019**

### **CII-Dive In-the Festival Event**

Professional Advancement Bangladesh Limited (PABL) and Chartered Insurance Institute (CII) UK have jointly organized the regional session of Dive In Festival 2019 in Dhaka on 26th September 2019, which was sponsored by Green Delta Insurance Company Limited. Dive In is a global movement in insurance sector to support the development of inclusive workplace cultures, it's the festival for the diversity and inclusion in insurance to be precise. The purpose of this year's Dive In festival was "to explore how we support and develop talent as we are working in a multi-generational place of work". Selima Ahmad MP presided as the chief guest of the event, while distinguished personalities such as Dr. Parveen Mahmud (Chairman, UCEP), Ms. Adeeba Rahman, (CEO, Delta Life Insurance), Ms. Shwapna Bhowmick (Country Manager, Marks & Spencer) were present for the panel discussion.

The event was also graced by Mr. Nasir A. Choudhury (Chairman, PABL and Advisor, GDIC), Mr. Syed Moinuddin Ahmed (In-charge, PABL and AMD, GDIC), Mr. Keith Richards (MD of engagements and CEO of Personal Finance Society, CII). The Sainesh Dar, Regional Director, South Asia, CII was moderate the panel session. High officials from IDRA, Green Delta Insurance, many other Insurance and financial companies of Bangladesh were also present.



**Date: July 31, 2019**

**Round Table Discussion on Insurance Industry’s Expectations and Attainments in the Budget 2019-2020**

PABL in association with The Financial Express, has organized a roundtable session titled “Round Table Discussion on Insurance Industry’s Expectations and Attainments in the Budget 2019-2020”. PriceWaterhouseCooper (PWC) Pvt. Ltd. presented a paper on the expectations and gains of insurance industry from budget of fiscal year 2019-20 in the aforementioned roundtable session. Mr. M A Mannan MP, Honorable Minister, Ministry of Planning, Govt. of People’s Republic of Bangladesh, was present as the Chief Guest and Dr. Mosharraf Hossain (Member, IDRA) was present as special guest. While the roundtable was moderated by Ms. Farzanah Chowdhury, Chartered Insurer (MD & CEO of Green Delta Insurance Company Limited), many renowned professionals and high officials from insurance industry, regulatory bodies and government agencies were also present in the roundtable session.



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**Date: July 20-21, 2019**

**Workshop on MicroInsurance Masterclass**

PABL jointly organized with Microinsurance Master a two days long internationally renowned workshop titled ‘Microinsurance Masterclass’ at PABL Premises. The two days workshop is designed with the key insights from the “Microinsurance Master Leadership program” offered by Microinsurance Master, featuring to globally revered experts namely, Mr. Bert Opdebeeck, Founder, Microinsurance Master and Mr. Geric Laude, Former Head of Pioneer Microinsurance in Phillipines. Moreover, practical lessons from different microinsurance champions around the globe was introduced and applied throughout the workshop to give the participants in-depth practical knowledge about Microinsurance. Many insurance and financial professionals, Reinsurance brokers from around the world participated in this workshop. While as the Chief Guest Mr. Nasir



A. Choudhury, Chairman of PABL, Ms. Farzanah Chowdhury, Chartered Insurer, Director of PABL and Mr. Sultan-ul-Abedine Molla, former member of Insurance development and Regulatory Authority (IDRA) and Mr. Syed Moinuddin Ahmed, Incharge of PABL was present in the certificate giving ceremony.



**Date: July 6-7, 2019**

### **Reinsurance & Technical Accounting**

Professional Advancement Bangladesh Limited jointly organized with Arom Grips a two days long training program on ‘Reinsurance and Technical Accounting’ for the Insurance Professionals at PABL Premises. International Expert and Arom Grips Ltd. CEO Mr. Natarajan Murali was conducted the training. Total 35 participants from different insurance professionals were participated the training. As the Chief Guest Mr. Nasir A. Choudhury, Chairman of PABL was present in the closing ceremony.



**Date: June 29 to July 1, 2019**

### **Property and Marine Insurance Training**

Professional Advancement Bangladesh Limited jointly organized with Insurance Foundation of India (IFI) a three days long training program on ‘Property and Marine Insurance’ for the Insurance Professionals at PABL Premises. International Experts of IFI Mr. Mohinder Jindal and Mr. Jotyraditya Pratap Shahi was conducted the training. Total 32 participants from different insurance and other industry professionals were participated the training. As the Chief Guest Mr. Nasir A. Choudhury, Chairman of PABL was present in the workshop.



**Date: July 15-20, 2019**

### **Agent Training- Delta Life Insurance Company Limited**

PABL has conducted Agent Training for 178 Agents of Delta Life Insurance Company Limited at Feni from August 1 to 6 throughout 72 hours (6 days) as per IDRA rules.



**Date: June 1, 2019**

### **Insurance Institute of India (III) - Online Examination**

PABL in association with Insurance Institute of India (III), has successfully conducted online examination.



**Date: May 20, 2019**

### **Inaugural Ceremony of PABL New Premises**

PABL held the launching ceremony of its new premises at Gulshan 1 on May 20, 2019 (Monday). Mr. Keith Richards (MD & CEO of Engagement & Personal Finance Society, CII UK) alongside of Mr. Nasir A. Chowdhury (Advisor & Founding MD of Green Delta Insurance) cut the ribbon and inaugurated the new office and training center of PABL. After ribbon cutting, Mr. Keith Richards expressed his high hopes for PABL in its journey ahead and appreciated its role in producing professionally trained insurers in Bangladesh in partnership of CII UK. Ms. Farzanah Chowdhury, Chartered Insurer (MD & CEO of Green Delta Insurance)

was also present at the inaugural ceremony of PABL's new premises

along with other high officials and employees of Green Delta family.





**Date: April 23, 2019**

### **Business Email Etiquettes and Essential of Written English for Professional Communication**

On April 23, 2019 PABL had conducted day long training on "Business Email Etiquettes and Essential of Written English for Professional Communication". 22 participants had attended the training session. Basic Email etiquettes, Professional Communication process related topics had discussed in the above session.



**Date: April 4, 2019**

### **Coffee with MD & CEO**

PABL has inaugurated a special flagship event titled "Meet the ACII" where professionals get the chance to meet the ACII holders and be informed of the knowledge and experience about their CII journey. In that event, participants got the chance to meet with Ms. Farzanah Chowdhury, Chartered

Insurer, Managing Director & CEO, Green Delta Insurance where she learnt more about her Chartered Insurer journey and how CII degrees accelerated her career. Mr. Keith Richards, (MD & CEO of Engagement & Personal Finance Society, CII UK), Mr. Sainesh Dar, Head of Corporate Development,

South Asia, Chartered Insurance Institute, South Asia Region and Mr. Nasir A. Chowdhury (Advisor & Founding MD of Green Delta Insurance) along with Mr. Syed Moinuddin Ahmed, Additional Managing Director and Company Secretary, GDIC and In-charge of PABL were present in the event.



**Date: March 19 to 25, 2019**

### **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 closing ceremony of this training session.



**Date: March 13 to 19, 2019**

### **Agent Training- National Life Insurance Company Limited- Maulaubazar**

PABL has conducted Agent Training for National Life Insurance Company Limited at Maulaubazar throughout 72 hours (6 days) as per IDRA rules.



**Date: February 26-27, 2019**

### **Transmitting Global Knowledge for Promoting Crop Insurance in Bangladesh**

Professional Advancement Bangladesh Ltd. (PABL), a subsidiary of Green Delta Insurance Company Ltd., in association with Insurance Foundation of India (IFI), has organized a two days long international event titled “Transmitting the Global Knowledge for Promoting Crop Insurance in Bangladesh” in Dhaka starting

today. The event was inaugurated with a series of speeches by high officials and representatives of the different partnering organizations of the event, featuring Farzanah Chowdhury – MD & CEO of Green Delta Insurance, Nasir A. Choudhury – Advisor & Founding MD of Green Delta Insurance and Gokul Chand Das – Member of

Insurance Development Authority of Bangladesh (IDRA). While Mr. Feisal Hussain – Team Leader of BFP-B Challenge Fund, was present as special guest, Mr. Shafiqur Rahman Patwari – Chairman of IDRA, presided as the chief guest of the event.

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# 12.3.2

## DIRECTORS' REPORT TO THE SHAREHOLDERS

Dear Shareholders,

At the outset, we, the Board of Directors of your company Professional Advancement Bangladesh Limited (PABL), welcome you to the 6th 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 2019 and the Auditor's Report thereon for kind consideration and adoption.

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### Operational Highlights:

Taka in million	2018	2019
Revenue from student fees	7.08	7.83
Other income	1.48	0.48
Operating Expenses	4.44	3.55

### Financial Highlights-2018 & 2019

Taka in million	2018	2019
Gross Profit	2.65	4.28
Net Profit/ loss	0.06	0.14

### Number of Employees

Number of Employees	2018	2019
	3	5

### 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/IFRS, 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 2019:**

The company reported profit of Taka 1.45 lac in the year 2019. 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 2019.

**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 Ahmed Zaker & Co. Chartered accountants, has completed their 5th 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 Ahmed Zaker & Co., Chartered Accountants to the shareholders at the AGM as the auditors of the company for the year 2020 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 Processional 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,

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**Nasir A. Choudhury**  
Chairman

# 12.3.3

## 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, 2019, 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, 2019 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.



Ahmed Zaker & Co.  
Chartered Accountants

Location: Dhaka  
Dated: 6 February 2020

# PROFESSIONAL ADVANCEMENT BANGLADESH LIMITED

## STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2019

Amount in Taka

Particulars	Notes	31.12.2019	31.12.2018
<b>ASSETS</b>			
<b>Non-Current Assets</b>		<b>3,833,797</b>	<b>4,057,394</b>
Property, Plant & Equipment	3	3,833,797	4,057,394
<b>Current Assets</b>		<b>30,816,332</b>	<b>26,855,897</b>
Advances, Deposits & Prepayments	4	13,334,861	8,175,344
Receivable from GD ASSIST	5	1,889,530	1,889,530
Accounts Receivable	6	2,072,998	2,893,394
FDR Investment	7	13,097,511	12,630,103
Cash and cash equivalents	8	421,432	1,267,526
<b>TOTAL ASSETS</b>		<b>34,650,129</b>	<b>30,913,291</b>
<b>SHAREHOLDERS EQUITY AND LIABILITIES</b>			
<b>Shareholders equity</b>		<b>2,675,015</b>	<b>2,529,594</b>
Share Capital	9	10,000,000	10,000,000
Retained Earnings	10	(7,324,985)	(7,470,406)
<b>Current Liabilities</b>		<b>31,975,114</b>	<b>28,383,697</b>
Payable to GDIC	11	31,527,193	28,182,934
Accounts Payable	12	181,625	89,694
Provision for Tax	13	266,296	111,069
<b>TOTAL SHAREHOLDERS EQUITY AND LIABILITIES</b>		<b>34,650,129</b>	<b>30,913,291</b>

The accompanying Policies and explanatory notes (1-18) form an integral part of these Financial Statements.



Chairman



Director



CEO



Accounts Officer



Company Secretary

Signed as per our separate report of same date.

Place: Dhaka  
Dated: 6 February 2020



Ahmed Zaker & Co.  
Chartered Accountants

# PROFESSIONAL ADVANCEMENT BANGLADESH LIMITED

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2019

Amount in Taka

Particulars	Notes	31.12.2019	31.12.2018
<b>Operating Income</b>		<b>7,833,856</b>	<b>7,088,876</b>
Revenue from student fees	14	7,833,856	7,088,876
<b>Less: Operating Expense</b>		<b>3,550,177</b>	<b>4,437,120</b>
Operating expense	15	3,550,177	4,437,120
<b>Gross Profit</b>		<b>4,283,679</b>	<b>2,651,756</b>
<b>Add: Other Income</b>		<b>486,239</b>	<b>1,485,343</b>
Other Income	16	486,239	1,485,343
<b>Total Income</b>		<b>4,769,918</b>	<b>4,137,099</b>
Less: Office & Administrative Expenses		<b>4,452,667</b>	<b>4,004,148</b>
Office & Administrative Expenses	17	4,452,667	4,004,148
<b>Profit/(Loss) before Interest expense and Tax (PBIT)</b>		<b>317,251</b>	<b>132,951</b>
Less: Financial Expenses		<b>16,603</b>	<b>25,278</b>
Financial Expenses	18	16,603	25,278
<b>Profit/(Loss) before Tax (PBT)</b>		<b>300,648</b>	<b>107,674</b>
Less: Tax Expenses	13	(155,227)	(51,759)
<b>Net Profit after Tax</b>		<b>145,421</b>	<b>55,915</b>

The accompanying Policies and explanatory notes (1-18) form an integral part of these Financial Statements.



Chairman



Director



CEO



Accounts Officer



Company Secretary

Signed as per our separate report of same date.

Place: Dhaka  
Dated: 6 February 2020

  
Ahmed Zaker & Co.  
Chartered Accountants

PROFESSIONAL ADVANCEMENT BANGLADESH LIMITED  
**STATEMENT OF CHANGE IN EQUITY**

FOR THE YEAR ENDED 31 DECEMBER 2019

Particulars	Share Capital	Retained Earnings	Total Shareholders' Equity
Opening Balance	10,000,000	(7,470,406)	2,529,594
Add: Profit/(Loss) during the Year		145,421	145,421
<b>Balance For the Year ended 31.12.2019</b>	<b>10,000,000</b>	<b>(7,324,985)</b>	<b>2,675,015</b>

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
<b>Balance For the Year ended 31.12.2018</b>	<b>10,000,000</b>	<b>(7,470,406)</b>	<b>2,529,594</b>

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Chairman



Director



CEO



Accounts Officer



Company Secretary

Signed as per our separate report of same date.

Place: Dhaka  
 Dated: 6 February 2020



**Ahmed Zaker & Co.**  
 Chartered Accountants

## PROFESSIONAL ADVANCEMENT BANGLADESH LIMITED

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2019

Amount in Taka

Particulars	31.12.2019	31.12.2018
<b>Cash Flow from Operating Activities:</b>		
Cash Received from Customers and others	8,744,949	9,317,428
Cash Paid to Customers, Suppliers, Employees & others	(8,865,725)	(10,196,314)
Tax Paid	(498,553)	(337,492)
<b>Net Cash (used) /flows from operating activities</b>	<b>(619,329)</b>	<b>(1,216,378)</b>
<b>Cash Flow from Investing activities :</b>		
Acquisition of Property, Plant & Equipment	(226,765)	-
Encasement of FDR	-	1,573,860
Investment In FDR	-	-
<b>Net Cash flows from Investing activities</b>	<b>(226,765)</b>	<b>1,573,860</b>
<b>Cash Flow from Financing activities:</b>		
Share Capital	-	-
<b>Net Cash (used) /flows from Financing activities:</b>	<b>-</b>	<b>-</b>
Net increase/(decrease) in cash & cash equivalents	<b>(846,094)</b>	<b>357,482</b>
Add: Cash & Cash equivalents at the beginning of the Year	1,267,526	910,044
Cash & Cash equivalents at the end of the Year	<b>421,432</b>	<b>1,267,526</b>



# PROFESSIONAL ADVANCEMENT BANGLADESH LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

### 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 Basis 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, 2019 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 "IFRS-15".

#### 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.

**2.5) 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 favourable and unfavourable, 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 01,2019	Addition during the year	Payment during the year	Closing Balance as on December 31, 2019
<b>Green Delta Insurance Company Limited</b>	Common Shareholder	Payable to GDIC	28,182,934	4,172,657	828,398	31,527,193
<b>GD Assist</b>	Sister Concern	Receivable from GD ASSIST	1,889,530	-	-	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 has 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, 2019.
- b) Statement of Profit or Loss and Other Comprehensive Income for the year ended December 31, 2019.
- c) Statement of Changes in Equity for the year ended December 31, 2019.
- d) Statement of Cash flows for the year ended December 31, 2019.
- 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, 2019 to December 31, 2019.

Amount in Taka

	31.12.2019	31.12.2018
<b>3.00 Property, Plant &amp; Equipment</b>		
<b>Cost</b>		
Opening balance as at 01.01.2019	6,141,115	6,141,115
Add: Addition during the year	226,765	-
	<b>6,367,880</b>	<b>6,141,115</b>
Less: Adjustment during the year	-	-
<b>Balance as at 31.12.2019</b>	<b>6,367,880</b>	<b>6,141,115</b>
<b>Depreciation</b>		
Opening balance as at 01.01.2019	2,083,722	1,619,034
Add: Charged during the year	450,362	464,688
	<b>2,534,083</b>	<b>2,083,722</b>
Less : Adjustment during the year	-	-
<b>Balance as at 31.12.2019</b>	<b>2,534,083</b>	<b>2,083,722</b>
<b>Written down value as at 31.12.2019</b>	<b>3,833,797</b>	<b>4,057,394</b>
Details of Property, Plant & Equipment is given in Annexure - A		
<b>4.00 Advances, Deposits &amp; Prepayments</b>		
Advance office rent	3,440,000	2,480,000
Advance against expenses	8,059,003	4,337,893
AIT on FDR	406,979	353,932
AIT on bank deposit	29,677	16,167
Advance tax	1,302,049	870,052
Advance agent training expenses	97,154	117,300
	<b>13,334,861</b>	<b>8,175,344</b>
<b>5.00 Receivable from GD Assist</b>		
Opening balance	1,889,530	1,803,291
Add: addition during the year	-	412,722
	<b>1,889,530</b>	<b>2,216,013</b>
Less: received during the year	-	(326,483)
	<b>1,889,530</b>	<b>1,889,530</b>
<b>6.00 Accounts Receivable</b>		
Receivable from student	79,000	79,000
Receivable from others	1,993,998	2,814,394
Accrued interest on FDR	450,273	549,252
	<b>2,072,998</b>	<b>2,893,394</b>
<b>7.00 FDR Investment</b>		
Opening Balance	12,630,103	13,439,300
Add: Addition during the Year	-	-
Add: Interest received during the year	467,408	764,663
	<b>13,097,511</b>	<b>14,203,963</b>
Less: Encashment during the Year	-	(1,573,860)
	<b>13,097,511</b>	<b>12,630,103</b>
<b>8.00 Cash and Cash Equivalents</b>		
Cash in hand	8,736	217,395
Cash at Bank	412,696	1,050,131
Note: 8.01	<b>421,432</b>	<b>1,267,526</b>

Amount in Taka

	<b>31.12.2019</b>	<b>31.12.2018</b>
<b>8.01 Cash at Bank</b>		
Cash at bank (MBL A/C No 111313101700868)	314,006	954,281
Brac Bank	98,690	95,850
	<b>412,696</b>	<b>1,050,131</b>
<b>9.00 Share capital</b>		
<b>9.01 Authorized Capital</b>		
Five Million (50,00,000) ordinary shares of Tk.10/- each	<b>50,000,000</b>	<b>50,000,000</b>
<b>9.02 Issued, subscribed and paid up Capital</b>	<b>10,000,000</b>	<b>10,000,000</b>
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.		
<b>Particulars</b>	<b>No of shares</b>	<b>Amount in Taka</b>
Mr. Nasir Uddin Ahmad (Director)	400	4,000
Green Delta Insurance Company	999,600	9,996,000
	<b>1,000,000</b>	<b>10,000,000</b>
<b>10.00 Retained Earnings</b>		
Opening Balance	(7,470,406)	(7,526,321)
Add: Profit/(Loss) during the year	145,421	55,915
	<b>(7,324,985)</b>	<b>(7,470,406)</b>
<b>11.00 Payable to GDIC</b>		
Opening Balance	28,182,934	23,662,716
Add: Addition during the Year	4,172,657	4,722,565
	<b>32,355,591</b>	<b>28,385,281</b>
Less: Paid During the Year	(828,398)	(202,347)
	<b>31,527,193</b>	<b>28,182,934</b>
<b>12.00 Accounts Payable</b>		
Tax payable	17,544	59,310
VAT payable	106,581	1,634
Audit fee payable	57,500	28,750
	<b>181,625</b>	<b>89,694</b>
<b>13.00 Provision for Tax</b>		
Opening Balance	111,069	59,310
Add: Addition during the Year	155,227	51,759
	<b>266,296</b>	<b>111,069</b>
Less: Adjustment During the year	-	-
	<b>266,296</b>	<b>111,069</b>
<b>14.00 Revenue from Student Fees</b>		
Fresher Training	-	14,730
English Language	90,037	-
Agent Training	7,272,811	6,399,400
IF-1	-	52,000
Membership Library	-	14,500
IF-3	-	22,000
IF-4	-	46,250
MIS Training	-	34,232
III(IC01 & IC02)	471,008	127,200
Training Income from GDIC	-	378,564
	<b>7,833,856</b>	<b>7,088,876</b>

Amount in Taka

	<b>31.12.2019</b>	<b>31.12.2018</b>
<b>15.00 Operating Expenses</b>		
Training/Direct Expense	2,600,236	4,371,245
Launching Program	216,142	-
Car Expense	121,066	-
English Language Expense	127,022	-
Etiquettes Manners & Grooming	120,403	-
Training/Direct Expenses (CII)	365,308	65,875
	<b>3,550,177</b>	<b>4,437,120</b>
<b>16.00 Other Income</b>		
STD interest	20,559	14,049
Income from office rent	34,205	-
Interest on FDR	431,475	1,471,294
	<b>486,239</b>	<b>1,485,343</b>
<b>17.00 Office &amp; Administrative Expenses</b>		
Salary & Wages	1,670,165	1,043,500
Office Maintenance	197,454	16,040
Class room rent expenses	20,342	1,650
Festival Bonus	159,425	118,584
Stationery	30,779	10,340
Conveyance & Travel	92,774	10,570
Office Rent	1,248,000	2,097,830
Subscription & Fees	77,838	-
Telephone, Trunk-Call & Internet	68,898	66,898
Entertainment	1,805	1,440
Office Tea	11,526	887
Books & Papers	-	440
Business Development Expense	16,929	1,025
Electricity & Utility Exp.	90,300	97,842
Depreciation	450,362	464,688
Staff Food Exp	39,940	26,464
Postage & Courier	2,970	-
Own Security Gurd Expense	240,000	-
Repair, Renewal & Maintenance	4,410	17,200
Audit fee	28,750	28,750
	<b>4,452,667</b>	<b>4,004,148</b>
<b>18.00 Financial expenses</b>		
Bank and Other Charges	16,603	25,278
	<b>16,603</b>	<b>25,278</b>

# PROFESSIONAL ADVANCEMENT BANGLADESH LIMITED

## SCHEDULE OF PROPERTY, PLANT AND EQUIPMENT

AS AT 31 DECEMBER 2019

Annexure-A

Name of Assets	COST			DEPRECIATION			Written down value as at 31.12.2019	
	Balance as at 01.01.2019	Addition during the year	Adjustment during the year	Balance as at 31.12.2019	Rate	Charged during the year		Adjustment during the year
Computer & IT Equipment	215,600	53,073	-	268,673	15%	24,317	-	130,877
Office Equipment	174,415	173,692	-	348,107	15%	41,520	-	112,825
Furniture & Fixtures	5,718,442	-	-	5,718,442	10%	382,408	-	2,276,768
Books and Periodicals	32,658	-	-	32,658	10%	2,116	-	13,612
<b>Balance as at 31.12.2019</b>	<b>6,141,115</b>	<b>226,765</b>	<b>-</b>	<b>6,367,880</b>		<b>450,362</b>	<b>-</b>	<b>2,534,083</b>

# PROFESSIONAL ADVANCEMENT BANGLADESH LIMITED

## SCHEDULE OF PROPERTY, PLANT AND EQUIPMENT

AS AT 31 DECEMBER 2018

Annexure-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	215,600	-	-	215,600	15%	19,242	-	106,560
Office Equipment	174,415	-	-	174,415	15%	18,196	-	71,305
Furniture & Fixtures	5,718,442	-	-	5,718,442	10%	424,898	-	1,894,360
Books and Periodicals	32,658	-	-	32,658	10%	2,351	-	11,496
<b>Total</b>	<b>6,141,115</b>	<b>-</b>	<b>-</b>	<b>6,141,115</b>		<b>464,688</b>	<b>-</b>	<b>2,083,722</b>



# 12.4.1

## REPORT ON GD ASSIST LIMITED

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**Syed Moniuddin Ahmed**  
Managing Director

With an initiative of providing Health Care services which ought to be one of the basic privileges of the community, GD Assist has always been one step ahead. With a growing experience over the years, GD Assist has been adding new credentials to its bucket and this year GD Assist has achieved ISO Certification 9001:2015, and with this certification, GD Assist has been recognized as country's first ISO certified Health Care Management & Medical Tourism Company.

Nevertheless, it has also been nominated as a young "Medical Tourism Company" & "Excellence in Customer Service" in world's biggest medical tourism related award - "International Medical Travel Journal (IMTJ)".

GD Assist's newly launched Health@Connect card has been people's companion. With a total number of 3872 card holders, GD Assist is adding new benefits every day to ease the lifestyle of the customers. Concentrating on

affordability, GD Assist has come up with 4 new health cards - Bronze, Silver, Gold & Platinum, each card with magnificent healthcare benefits making it a complete solution of health package. The Health@Connect card is piled up with benefits like Health Insurance, Basic Health Checkup, Doctor's house visit call, Unlimited hospital appointments, Death Insurance coverage, Second medical opinions, discounts in hospitals, pharmacies, lifestyle outlets, visa invitation letter, tele-video consultation, 0% EMI facilities, Free USB device along with discounts on home service specimen collection. Nevertheless, ealth@connect card holders can avail all these services from our 100 network hospitals located all over Bangladesh.

**Syed Moniuddin Ahmed**  
Managing Director

## GD Assist Corporate Wellness

GD Assist has been promoting the many benefits of a healthy lifestyle to employees through healthy work environments, which can be greatly aided by the support of workplace health promotion activities.

In the modern workplace, corporate wellness programs are becoming more important for retaining top talent and improving employee performance. From healthy snacks to fitness classes, there are plenty of choices for which wellness activities to include, thus the wellness package can be completely tailored as per the needs or requirement of the organization. It's important to note that corporate wellness program doesn't have to be all about fitness. Allowing flexible employee scheduling or telecommuting can work wonders for employee wellness, too. Helping your employees stay happy and healthy will lead to a more engaged and productive workforce, as well as reduced absenteeism and better overall performance.

GD Assist has been appreciated as well as been encouraged by many

corporates and their employees, with a promise of active participation from their end to conduct sessions like Corporate wellness support, healthy behavior in the workplace and so on. GD Assist has been arranging yoga sessions, Mental Stress Management Sessions for different corporate houses for a while now. It might sound surprising, but people from all walks of life have been participating and enjoying such sessions with great enthusiasm.

## GD Assist Third-Party Administrator (TPA)

For increasing its horizon and dimension in healthcare services, GD Assist has been working very closely as a Third-Party Administrator (TPA). GD Assist usually acts as a Third-Party Administrator (TPA) between insurance Companies, corporates and local hospitals.

In the case of insurance claims, GD Assist handles the claims processing for an employer that self-insures its employees. GD assist provides operational services such as claims processing (includes providing medical documents, time to time patient's update and medical bill)

and employee benefits management under contract to insurance companies and self-insured companies. Under this TPA service, GD Assist also provides cashless benefits to the patient.

Since last year, GD Assist has been successfully working as a Third Party Administrative (TPA) and has been settling more than 1000 claims per month. Making claim settlements easier and hassle-free, GD Assist has settled 13000 files starting from 2018.

Being a Global Medical Assistance & by teaming up with some of the renowned global partners like International SOS, International Assistance Group, Bupa, Global Benefits Group, AMA Global Assistance, MayFaire & World Travel Protection, GD Assist strikes to provide 24/7 OPD & IPD assistance to international insurance holders seeking medical assistance.

## GD Assist Air Ambulance service

Choosing an air ambulance service is a serious decision that can weigh heavily on a patient's family and loved



ones. The common questions that can come across someone's mind while considering air ambulance service are - Is the company medically competent? Will it be a safe flight? Will my loved one receive professional yet compassionate care throughout the trip? Is the price competitive?

GD Assist, with its wide array of expertise, has recently handled few critical Air Ambulance cases in 2019. All the service options are offered considering the patient's condition, the urgency of travel, and the financial condition and limitation of the patient's family.

Whether domestic or international air ambulance travel is required, our medical professionals follows every single procedure and protocol strictly, while ensuring the patient's well-being and comfort at the same time, which always remains the primary consideration of GD Assist

## GD Assist Travel

GD Assist Ltd is always present to assist if you need to travel for medical-checkup or for a leisure. For your assured & peaceful journey, you can find us with the expertise to arrange an exceptional one-of-a-kind personalized vacation. With worldwide access to a wide range of hotels/Rentals/Tours of around 450,000, we can offer you to avail the best hotels/Rentals/Tours with best affordable rates.

GD Assist will always go the extra mile to offer the best competitive air ticket prices available. Providing you with a range of all major airlines worldwide, and even private jets. Our staffs are only a call away to serve you round the clock. Being an IATA accredited Travel Agent and having strong business relationships with local and international Travel associates and partners, we are a certified travel agency for all major

airlines. GD Assist is one of the very few ISO certified Travel Agents of Bangladesh ensuring Quality Assurance as per ISO standard.

Visa is one of the most crucial part while you are traveling. GD Assist can provide you with assistance in obtaining a VISA (tourist or medical) for any country. Being a Global Medical Assistant; GD Assist can assist to arrange medical VISA to Malaysia & Singapore with in just 2 working days.

Besides that, GD Assist also provides Travel Insurance (OMC) & cater for Ground Transportation, Destination meetings and Events, Airport services, Familiarization/ Religious tours and so on as per your requirement.

With us you can travel with confidence knowing GD Assist is there for you throughout your Journey.

## News & Events

### Mr. Chong Yee Mun visits GD Assist with PCMC Team for Promoting Malaysian Medical Tourism in Bangladesh

Mr. Chong Yee Mun, CEO of Prince Court Medical Center (PCMC) - a leading Hospital in Malaysia, paid an exploratory visit to the head office of GD Assist on 14 March, 2019. GD Assist is a subsidiary of Green Delta Insurance Company, which is the leading medical tourism operator of Bangladesh. After receiving a warm welcome from the GD Assist team, Mr. Mun along with his team, attended a strategic meeting with key team members and the higher management of GD Assist including Ms. Farzanah Chowdhury (Chartered Insurer, MD & CEO of Green Delta Insurance), Mr. Nasir A. Choudhury (Advisor & Founding MD, Green Delta Insurance) and Syed Moinuddin Ahmed (MD of GD Assist and AMD of Green Delta Insurance). The purpose of Mr. Mun's visit was establishing a strong network as well as strengthening business relationship with GD Assist in order to promote Malaysian medical tourism in Bangladesh.





### GD Assist & Square Hospitals sign MoU



GD Assist, a subsidiary of Green Delta Insurance Company, has signed a MoU with Square Hospitals Limited on 5th February 2019, in order to provide better healthcare facilities for its employees, clients, policyholders and 'health@connect' cardholders, who will be entitled to avail IPD cashless facilities. Mr. Syed Moinuddin Ahmed - Managing Director of GD Assist and Dr. Mohammad Faisal Zaman - Senior Vice President, Marketing & Business Development of Square Hospital signed the MoU on behalf of their respective organizations. Other key officials from both organizations were also present at the signing ceremony.

### GD Assist & One Bank Introduce International Prepaid Medical Card

ONE Bank Limited and GD Assist (a subsidiary of Green Delta Insurance) signed an agreement, for launching an international co-branded Prepaid Medical Card aiming at the health tourism market of Bangladesh. Under the agreement, GD Assist and One Bank have collaborated to introduce the first ever exclusive prepaid Medical Card of the country for overseas treatment. Other than its unique feature of a USD 10,000 limit per year, one would be entitled to enjoy amazing facilities like free appointment booking at hospitals abroad, discounts in listed partnering hospitals & pharmacies, two free Second Medical Opinion from India/Thailand/Malaysia/Singapore, 50% Discounts in tele & video consultation with international doctors, preferred rate international air ticket to worldwide destinations, preferred rate domestic air ticket etc. and more.

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**GD Assist held Tele-video Consultation Session at its premises**

GD Assist had arranged a Tele-video Consultation with Gastroenterologist from Bangalore Institute of Gastroenterology on 10th October at 4:30pm. On that day, Dr. S Divakar Murthy, MBBS, MS, DNB, and Surgical Gastroenterologist, consulted patients, reviewed reports and patients' current medical condition via Tele-video Consultation at GD Assist's premises. Tele-video consultation is one of the popular services of GD Assist, which reflected in the happy faces of the customers coming in for consultation.

**GD Assist Holds Variety of Corporate Wellness Sessions at Different Corporate Houses**



Corporate wellness, being one of the signature services of GD Assist, has gained a lot of traction in the corporate horizon of Bangladesh in recent days. In last month, a variety of corporate wellness sessions were organized by GD Assist in premises of different corporate houses including Marico, Robi and Banglalink. With a view to increase employee productivity and building a healthy and energetic workplace, GD Assist organized an exclusive yoga session at Marico Bangladesh premises, featuring young and talented yoga trainer, Ms. Navila Mushtaque.



Another stress management session was organized at Robi premises aiming to aware the employees realize the importance of sustaining good health and remaining stress free to increase productivity, which was conducted by renowned psychiatrist Dr. Helal Uddin Ahmed. At the later part of last month, GD Assist invited Dr. Anthony Foo Tun Lin from Singapore's leading private hospital, Raffles hospital, who has visited quite a few corporate houses and conducted different sessions during his visit at Bangladesh. The sessions conducted by Dr. Lin include a 'Meet the Consultant' session at Bangladesh Specialized Hospital, a CME session at Prava Health and a corporate wellness session at Banglalink.



## GD Assist successfully handled Air Ambulance Cases



In 2019, GD Assist successfully handled few critical International Air Ambulance Cases. One of the case was such that a foreigner patient was admitted in United Hospital with severe cardiac attack, with need to be transferred to Thailand immediately. GD Assist not only arranged an ICU Ambulance with tarmac clearance to transfer the patient from hospital to Airport, but also arranged an Air Ambulance to send patient to Thailand carefully. GD Assist had only 24hrs in hand to deal with this case with no prior knowledge or notice about the case whatsoever. Timely and prompt service of GD assist while upholding the quality and maintaining protocol strictly not only saved the patient's life, but also helped him get back to a happy and healthy life.



## GD Assist signs with Banker's Club & Two Hospitals at Chattogram

GD Assist has recently signed an agreement with Banker's Club Chattogram. Under the agreement, GD Assist will be the health and travel concierge partner for the club from now on. The members of the Bankers' Club would be eligible for availing the benefits and privilege services offered by GD Assist. On the other hand, GD Assist has recently partnered with Epic Healthcare Center and Max Hospital & Diagnostic Ltd. in Chattogram. From now on, both hospitals will provide diagnostic and medical services at a discounted rate with cashless facilities to in-patients for the employees, clients, policyholders, health@connect cardholders and their eligible dependents.



**GD Assist Organizes Free Health Check-up for GD Employees**

Like every year, GD Assist organized health checkup session for GDIC employees this year too. Spirited with the motto ‘prevention is better than cure’, GD Assist arranged health camp associated with Bio-Xin Cosmeceuticals and New Zealand Dairy as corporate wellness session for GDIC employees recently on 28th August, 2019. The employees were tested BMI (Body mass index) based on the ratio of weight and height through Bio-xin where they got to know about their rates of obesity & general idea of disease risk. On the other session, New Zealand Dairy tested BMD (Bone Mineral Density) of the employees. Here, they came to know about the amount of bone mineral in bone tissue and if they had osteoporosis or fracture risk.



**GD Assist Inks Deal with Modhumoti Bank for sharing Modhumoti Lounge**



GD Assist has recently signed an agreement with Modhumoti Bank Limited, under which all the valuable clients of GD Assist can now avail the luxurious facilities of Modhumoti Lounge at Shah Amanat International Airport, Chattogram. Mr. Syed Moinuddin Ahmed, (MD of GD Assist), Mr. Kazi Ahsan Khalil, (DMD & Chief Business Officer of Modhumoti Bank), Mr. Shah Nawaj Chowdhury (SEVP & COO of Modhumoti Bank), Mr. Md. Shaheen Howlader, (SEVP, Head of SME & Retail Banking Division of Modhumoti Bank) & other concerned officials from both organizations were present at the time of signing.



## GD Assist and MHTC renewed partnership for promoting Malaysia as a health tourism destination



GD Assist has a long standing relationship with MHTC and both parties have been working toward the goal of promoting Malaysia as a health tourism destination in Bangladesh for quite a few years. During the MYHT 2020 event few days ago (Oct. 31 - Nov. 02, 2019), GD Assist and MHTC have renewed partnership, which enables GD Assist to keep serving as a referral point to help patients and their accompanying members on medical enquiries and logistics support in making decisions for their healthcare options and destination in Malaysia as well as to assist in visa application on the grounds of seeking medical treatment or consultation in Malaysia. Apart from CEO of MHTC, Ms. Sherene Azli and MD of GD Assist, Mr. Syed Moinuddin Ahmed, the Deputy Minister of Finance of Malaysia, H. E. Dato' IR Haji Amiruddin Hamzah, was also present at the event for celebrating the success of MYHT 2020 event.

# 12.4.2

## 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 6th 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 2019 and the Auditor's Report thereon for kind consideration and adoption.

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### Operational Highlights

Taka In Million	2018	2019
Operating income	5.86	8.86
Other Income	1.56	2.60
Operating Expense	7.32	11.21

### Financial Highlights-2018 & 2019

Taka In Million	2018	2019
Profit Before TAX	0.10	0.25
Net Profit	0.06	0.16

### Number of Employees

Number of Employees	2018	2019
	13	22

### Books of accounts

Proper books of accounts of GDAL 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/IFRS, 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 2019

The company reported profit of Taka 1.59 lac in the year 2019. Considering company's growth potentials and comparative cost benefit analysis of paying out dividend and overall better tax management, the Board of GDAL decided to declare 1% Cash dividend to the shareholders of the company for 2019.

### 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 Ahmed Zaker & Co. Chartered accountants, has completed their 5th year as the auditor of the company. They are eligible for re-appointment as auditor of the company for the 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 2019 and the Auditor's Report thereon for kind consideration and adoption year 2019 and they have also offered themselves for re-appointment. The Board recommend to appoint Ahmed Zaker & Co., Chartered Accountants to the shareholders at the AGM as the auditors of the company for the year 2020 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,



**Nasir A. Choudhury**  
Chairman

# 12.4.3

## INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF GD ASSIST LIMITED

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### 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, 2019, 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, 2019 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.



Ahmed Zaker & Co.  
Chartered Accountants

Location: Dhaka  
Dated: February 06, 2020

# GD ASSIST LIMITED

## STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2019

Amount in Taka

Particulars	Notes	31.12.2019	31.12.2018
<b>ASSETS</b>			
<b>Non-Current Assets</b>		<b>21,959,926</b>	<b>21,489,747</b>
Property, Plant & Equipment	4	15,009,926	14,539,747
Investment	5	6,950,000	6,950,000
<b>Current Assets</b>		<b>49,644,500</b>	<b>30,337,940</b>
Advance, Deposit & Prepayments	6	7,158,995	8,582,793
Receivable from MHTC	7	432,318	432,318
Accounts Receivable	8	18,098,411	3,807,541
FDR Investment	9	17,784,628	16,702,433
Cash and Cash Equivalents	10	6,170,147	812,855
<b>TOTAL ASSETS</b>		<b>71,604,426</b>	<b>51,827,687</b>
<b>SHAREHOLDERS EQUITY AND LIABILITIES</b>			
<b>Shareholders Equity</b>		<b>52,991,878</b>	<b>39,832,448</b>
Share Capital	11	50,000,000	10,000,000
Share Money Deposit	12	-	27,000,000
Retained Earnings	13	2,991,878	2,832,448
<b>Current Liabilities</b>		<b>18,612,548</b>	<b>11,995,241</b>
Payable to PABL	14	1,889,530	1,889,530
Lease Finance	15	741,852	997,883
Payable to GDIC	16	4,983,713	2,790,386
Others Payable	17	5,839,038	4,024,763
Short Term Loan	18	4,319,496	1,420,046
Provision for Tax	19	838,919	872,633
<b>TOTAL SHAREHOLDERS EQUITY AND LIABILITIES</b>		<b>71,604,426</b>	<b>51,827,687</b>

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


**Ahmed Zaker & Co.**  
Chartered Accountants

Place: Dhaka  
Dated: February 06, 2020

GD ASSIST LIMITED  
**STATEMENT OF PROFIT OR LOSS  
 AND OTHER COMPREHENSIVE INCOME**  
 FOR THE YEAR ENDED DECEMBER 31, 2019

Amount in Taka

Particulars	Notes	31.12.2019	31.12.2018
<b>Income</b>		<b>11,459,794</b>	<b>7,420,571</b>
Operating Income	20	8,857,248	5,864,669
Other Income	21	2,602,546	1,555,902
<b>Total Income</b>		<b>11,459,794</b>	<b>7,420,571</b>
<b>Less: Office and administrative expenses</b>		<b>11,214,517</b>	<b>7,318,087</b>
Office and administrative expenses	22	11,214,517	7,318,087
<b>Profit Before Tax</b>		<b>245,277</b>	<b>102,484</b>
Less: Tax expense		(85,847)	(37,173)
<b>Net Profit</b>		<b>159,430</b>	<b>65,311</b>

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



**Ahmed Zaker & Co.**  
Chartered Accountants

Place: Dhaka  
Dated: February 06, 2020



# GD ASSIST LIMITED

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2019

Amount in Taka

	31.12.2019	31.12.2018
<b>Cash Flow from Operating Activities:</b>		
Cash Received from Customers and others	10,168,924	6,739,916
Cash Paid to Customers, Suppliers, Employees & others	(4,656,942)	(5,624,022)
Tax Paid	(313,366)	(252,752)
<b>Net Cash flows from operating activities</b>	<b>5,198,615</b>	<b>863,142</b>
<b>Cash Flow from Investing activities :</b>		
Acquisition of Property, Plant & Equipment	(1,402,547)	(13,344,676)
FDR	(1,082,195)	(6,222,692)
<b>Net Cash flows /(Used) from Investing activities</b>	<b>(2,484,742)</b>	<b>(19,567,368)</b>
<b>Cash Flow from Financing activities:</b>		
Share Capital	-	7,500,000
Short Term Loan	2,899,450	(1,318,892)
Share Money Deposit	-	13,500,000
Dividend Paid	-	(250,000)
Lease Finance	(256,031)	(229,377)
<b>Net Cashflows from Financing activities</b>	<b>2,643,419</b>	<b>19,201,731</b>
Net increase/(decrease) in cash & cash equivalents	<b>5,357,292</b>	<b>497,505</b>
Add: Cash & Cash equivalents at the beginning of the year	812,855	315,350
Cash & Cash equivalents at the end of the year	<b>6,170,147</b>	<b>812,855</b>

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Chairman



Director



Managing Director



Head of Accounts

Signed as per our separate report of same date.



Company Secretary



**Ahmed Zaker & Co.**  
Chartered Accountants

Place: Dhaka  
Dated: February 06, 2020

# GD ASSIST LIMITED

## STATEMENT OF CHANGE IN EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2019

Particulars	Share Capital	Share Money Deposit	Retained Earnings	Total Shareholders Equity
Opening Balance	10,000,000	27,000,000	2,832,448	39,832,448
Share Money Deposit	27,000,000	(27,000,000)	-	-
Share Capital Receivable	13,000,000			13,000,000
Add: Profit during the year	-	-	159,430	159,430
<b>Balance as at December 31 2019</b>	<b>50,000,000</b>	<b>-</b>	<b>2,991,878</b>	<b>52,991,878</b>

# 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)
<b>Balance as at December 31 2018</b>	<b>10,000,000</b>	<b>27,000,000</b>	<b>2,832,448</b>	<b>39,832,448</b>

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Chairman



Director



Managing Director



Head of Accounts

Signed as per our separate report of same date.



Company Secretary



**Ahmed Zaker & Co.**  
Chartered Accountants

Place: Dhaka  
Dated: February 06, 2020

# GD ASSIST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

### 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, 2019 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	5%
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 "IFRS-15".

##### 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.

# GD ASSIST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

### 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, 2019	Addition during the year	Payment during the year	Closing Balance as on December 31, 2019
Green Delta Insurance Company Limited	Common Shareholder	Payable to GDIC	2,790,386	2,193,327	-	4,983,713
		Payable to PABL	1,889,530	-	-	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.

# GD ASSIST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2019

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, 2019.
- b) Statement of Profit or Loss and Other Comprehensive Income for the year ended December 31, 2019.
- c) Statement of Changes in Equity for the year ended December 31, 2019.
- d) Statement of Cash flows for the year ended December 31, 2019.
- 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, 2019 to December 31, 2019.

	<b>31.12.2019</b>	<b>31.12.2018</b>
<b>4.00 Property, Plant &amp; Equipment</b>		
<b>Cost</b>		
Opening balance as at 01.01.2019	15,367,501	2,022,825
Add: Addition during the Year	1,402,547	13,344,676
	<b>16,770,048</b>	<b>15,367,501</b>
Less: Adjustment during the year	-	-
<b>Balance as at 31.12.2019</b>	<b>16,770,048</b>	<b>15,367,501</b>
<b>Depreciation</b>		
Opening balance as at 01.01.2019	827,754	274,570
Add: Charged during the Year	932,368	553,184
	<b>1,760,122</b>	<b>827,754</b>
Less : Adjustment during the Year	-	-
<b>Balance as at 31.12.2019</b>	<b>1,760,122</b>	<b>827,754</b>
<b>Written down value as at 31.12.2019</b>	<b>15,009,926</b>	<b>14,539,747</b>
Details of Property, Plant & Equipment is given in Annexure-A		
<b>5.00 Investments</b>		
Investments in GD Asset Management	6,500,000	6,500,000
Investments in Health Care Privilege	450,000	450,000
	<b>6,950,000</b>	<b>6,950,000</b>
<b>6.00 Advance Deposit &amp; Prepayments</b>		
Advance TDS on FDR	329,764	203,084
Advance TDS on Bank	144,201	90,698
Advance TDS on Commission of Ticket sale	322,103	215,480
Advance Income Tax	752,182	725,622
Advance To Assist America	106,950	106,950
Advance office Rent	1,070,000	1,346,000
Advance To 'Chehobo	418,620	418,620
Advance to others	3,827,952	5,476,339
Advance to SPICE Jet Aviation	76,417	-
Advance to Biman BD	68,611	-
Deposit to Bikash	4,000	-
DEPOSIT TO RFCDD- EBL BANK	38,195	-
	<b>7,158,995</b>	<b>8,582,793</b>
<b>7.00 Receivable from Malaysian Health Care Travel Council (MHTC)</b>		
Opening Balance	432,318	2,575,111
Add: Addition during the year	-	-
	<b>432,318</b>	<b>2,575,111</b>
Less: Received during the year	-	(2,142,793)
	<b>432,318</b>	<b>432,318</b>
<b>8.00 Accounts Receivable</b>		
Receivable from Paywell	8.01 13,571	110,767
Receivable From Party (Air Ticket)	8.02 2,637,468	2,076,170
Receivable from Hotel Sale	854,174	1,076,069
Other Receivable (Employees & Others)	8.03 27,334	27,334
Interest receivable on FDR	517,201	517,201

Amount in Taka

	<b>31.12.2019</b>	<b>31.12.2018</b>
Investment Income Receivable	985,000	-
Receivable from Sky Lounge	4,400	-
Receivable from Visa	51,263	-
Receivable from AMG	8,000	-
Share Capital Receivable from GDIC	13,000,000	-
	<b>18,098,411</b>	<b>3,807,541</b>
<b>8.01 Receivable from Paywell</b>		
Opening Balance	110,767	58
Add: Advance Deposit	-	100,000
Add: Commission	31,000	60,649
	<b>141,767</b>	<b>160,707</b>
Less: Cash Adjustment during the year	(128,196)	(49,940)
	<b>13,571</b>	<b>110,767</b>
<b>8.02 Receivable From Ticket Sales</b>		
Opening Balance	2,076,170	1,679,671
Add: Receivable during the year	44,712,648	42,957,510
	<b>46,788,818</b>	<b>44,637,181</b>
Less: Received during the year	(44,151,350)	(42,561,011)
	<b>2,637,468</b>	<b>2,076,170</b>
<b>8.03 Other Receivable (Employees &amp; Others)</b>		
Opening Balance	27,334	114,233
Add: Receivable during the year	-	140,000
	<b>27,334</b>	<b>254,233</b>
Less: Received during the year	-	(226,899)
	<b>27,334</b>	<b>27,334</b>
<b>9.00 FDR Investment</b>		
Opening Balance	16,702,433	10,479,741
Add: Investment during the year	4,077,443	6,222,692
Add: Interest received	1,110,820	-
	<b>21,890,696</b>	<b>16,702,433</b>
Less: Encash during the year	(4,106,068)	-
	<b>17,784,628</b>	<b>16,702,433</b>
<b>10.00 Cash and Cash Equivalents</b>		
Cash in hand	256,454	113,862
Cash Margin - Midland	795,000	545,000
Cash at Bank	10.01 5,118,693	153,993
	<b>6,170,147</b>	<b>812,855</b>
<b>10.01 Cash at Bank</b>		
Mercantile Bank (A/C No: 12588)	1,289,901	24,831
Mercantile Bank (A/C No: 25227)	3,808,059	58,329
Midland Bank(A/C No: 1984)	413	413
EBL (A/C No:5224)	13,618	63,717
BRAC Bank ( A/C No: 48001)	6,703	6,703
	<b>5,118,693</b>	<b>153,993</b>



	31.12.2019	31.12.2018
<b>11.00 Share Capital:</b>		
<b>Authorized Share Capital: Taka 50,000,000</b>		
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.		
<b>Paid up Capital: Taka 50,000,000</b>		
This represents the paid up capital of the company with 5,000,000 Ordinary Shares of taka 10 each subscribed and paid by the following sponsor shareholders and directors of the company		
	<b>No of shares</b>	<b>Amount in Taka</b>
Green Delta Insurance Company Ltd.	4,999,600	49,996,000
Nasiruddin Ahmed Choudhury	400	4,000
	<b>5,000,000</b>	<b>50,000,000</b>
<b>12.00 Share Money Deposit</b>		
Green Delta Insurance Company Ltd.	27,000,000	13,500,000
Less: Converted into Share Capital	(27,000,000)	13,500,000
	<b>-</b>	<b>27,000,000</b>
<b>13.00 Retained Earnings</b>		
Opening Balance	2,832,448	3,017,137
Add: Net Profit during the year	159,430	65,311
	<b>2,991,878</b>	<b>3,082,448</b>
Less: Dividend Paid	-	(250,000)
	<b>2,991,878</b>	<b>2,832,448</b>
<b>14.00 Payable to PABL</b>		
Opening Balance	1,889,530	1,803,291
Add: Addition during the year	-	412,722
	<b>1,889,530</b>	<b>2,216,013</b>
Less: Paid during during the year	-	(326,483)
	<b>1,889,530</b>	<b>1,889,530</b>
<b>15.00 Lease Finance</b>		
Opening Balance	997,883	1,227,260
Add: Addition during the year	-	20,274
	<b>997,883</b>	<b>1,247,534</b>
Less: Paid during the year	(256,031)	(249,651)
	<b>741,852</b>	<b>997,883</b>
<b>16.00 Payable to GDIC</b>		
Opening Balance	2,790,386	22,169,879
Add: Addition during the year	2,193,327	39,247
	<b>4,983,713</b>	<b>22,209,126</b>
Less: Adjusted during the year	-	(19,418,741)
	<b>4,983,713</b>	<b>2,790,386</b>

Amount in Taka

		<b>31.12.2019</b>	<b>31.12.2018</b>
<b>17.00</b>	<b>Others Payable</b>		
	Payable to Campaign ( Road Show) Expense	241,432	241,432
	TDS payable	110,752	98,721
	VAT payable	127,641	198,151
	TPA Claim Fund (GBG)	280,933	409,933
	TPA Claim Fund others	-	557,221
	TPA Claim Fund GDIC	3,405,930	-
	Audit Fee payable	28,750	28,750
	Payable to Indigo	247,204	147,486
	Payable to Shuvacha	-	28,500
	Payable to IATA (For Ticket)	451,318	661,713
	Payable to Valencia (For Ticket)	509,941	730,052
	Payable to Novo Air	160,694	30,890
	Payable to Sky Lounge	19,000	91,800
	Payable to Hotel	255,443	800,114
		<b>5,839,038</b>	<b>4,024,763</b>
<b>18.00</b>	<b>Short term Loan</b>		
	Over-draft (Midland Bank A/C: 297)	1,954,036	1,139,951
	Over-draft (Marcantile Bank A/C: 423)	2,365,460	280,095
		<b>4,319,496</b>	<b>1,420,046</b>
<b>19.00</b>	<b>Provision for Tax</b>		
	Opening Balance	872,633	835,460
	Add: Addition during the year	85,847	37,173
		<b>958,480</b>	<b>872,633</b>
	Less: Adjustment during the year	(119,561)	-
		<b>838,919</b>	<b>872,633</b>
<b>20.00</b>	<b>Operating Income</b>		
	Income from Health Card	369,737	1,433,798
	Income from Local Hospital	130,178	-
	Income from International Hospital	20.01 818,293	392,570
	Income from Event	20.02 335,883	6,111
	Income From TPA	4,118,282	950,077
	Commission on Ticket Sale	1,634,237	1,586,348
	Income From Hotel	1,450,638	1,495,766
		<b>8,857,248</b>	<b>5,864,669</b>
<b>20.01</b>	<b>Income from Hospital</b>		
	Income during the year	1,638,537	-
	Less: Hospital Expenses	(820,244)	-
		<b>818,293</b>	<b>-</b>
<b>20.02</b>	<b>Income from Event</b>		
	Income during the year	580,628	20,081
	Less: Event Expenses	(244,745)	(13,970)
		<b>335,883</b>	<b>6,111</b>

Amount in Taka

	<b>31.12.2019</b>	<b>31.12.2018</b>
<b>21.00 Other Income</b>		
Interest Income from FDR	1,252,067	1,045,131
Investment Income	985,000	-
Paywell	31,000	60,649
VISA Fee	79,870	299,384
Interest On Bank Balance	35,557	18,688
Income from AMG	11,200	11,100
Income from Others	37,647	-
Income from Galileo	163,909	116,640
OMC-Commission	6,296	4,310
	<b>2,602,546</b>	<b>1,555,902</b>
<b>22.00 Office and administrative Expenses</b>		
Salary & Wages	6,371,318	4,397,925
Lunch Company's Part	170,120	129,791
Car Company's Part	35,915	35,867
Office Rent	703,800	684,020
Festival Bonus	505,700	309,420
Stationery	102,230	30,446
Uniform Expense	15,610	1,990
Telephone, Mobile	121,722	55,666
Conveyance & Travel	208,757	18,588
Visa Expense	15,740	32,458
Foreign TA/DA	169,132	90,909
Training Expense	53,760	17,600
Maintenance Expenses	19,032	15,786
Fuel For motor Vehicles	197,058	90,939
Subscription & Fees	227,938	208,937
Advertisement	75,902	-
Health Talk Expense	8,000	3,708
Audit Fees	28,750	28,750
Insurance Expense	33,031	8,638
Sky Lounge	3,400	-
Photostat	4,103	-
Internet Bill	51,301	7,695
Electrical & Utility Expense	172,736	78,161
Postage & Telegram	10,006	13,847
Entertainment Expense	7,500	1,880
Bank Charge	45,406	64,767
Business Development	30,550	18,041
Office Maintenance	188,251	10,955
Interest on Loan & OD	490,640	400,042
Health Card Expense	89,844	9,562
Depreciation	932,368	551,699
Interest on lease finance, Head Office	124,897	-
	<b>11,214,517</b>	<b>7,318,087</b>

# GD ASSIST LIMITED

## SCHEDULE OF PROPERTY, PLANT AND EQUIPMENT

AS AT DECEMBER 31, 2019

Name of Assets	COST				Rate	DEPRECIATION				Written down value as at 31.12.2019
	Balance as at 01.01.2019	Addition during the year	Adjustment during the year	Balance as at 31.12.2019		Balance as at 01.01.2019	Charged during the Year	Adjustment during the year	Balance as at 31.12.2019	
	Computer & IT Equipment	562,666	241,196	-		803,862	15%	99,264	-	
Office Equipment/Electrical	70,275	24,257	-	94,532	15%	10,254	-	36,424	58,108	
Motors Vehicles	14,572,560	-	-	14,572,560	5%	698,367	-	1,303,581	13,268,979	
Furnitures & Fixtures	162,000	1,137,094	-	1,299,094	10%	124,482	-	178,752	1,120,342	
<b>Balance as at 31.12.2019</b>	<b>15,367,501</b>	<b>1,402,547</b>	<b>-</b>	<b>16,770,048</b>		<b>932,368</b>	<b>-</b>	<b>1,760,122</b>	<b>15,009,926</b>	
<b>Balance as at 31.12.2018</b>	<b>2,022,825</b>	<b>13,344,676</b>	<b>-</b>	<b>15,367,501</b>		<b>553,185</b>	<b>-</b>	<b>827,754</b>	<b>14,539,747</b>	

Schedule -A

# 13.1

## DISCLOSURE CHECKLIST REGARDING CORPORATE GOVERNANCE

Condition No.	Title	Page
<b>1.</b>	<b>BOARD OF DIRECTORS, CHAIRMAN AND CEO</b>	
1.1	Company's policy on appointment of directors disclosed.	85
1.2	Adequate representation of non executive directors i.e. one third of the board, subject to a minimum of two	85
1.3	At least one independent director on the board and disclosure /affirmation of the board on such director's independence.	101
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 and disclosure of the same.	89
1.7	Disclosure of policy on annual evaluation of the CEO by the Board.	101
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	90
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.	107
1.10	Disclosure of number of meetings of the board and participation of each director (at least 4 meetings are required to be held)	102-103
1.11	Directors issue a report on compliance with best practices on Corporate Governance that is reviewed by the external auditors	78-86, 118
<b>2.</b>	<b>VISION / MISSION AND STRATEGY</b>	
2.1	Company's vision / mission statements are approved by the board and disclosed in the annual report.	29
2.2	Identification of business objectives and areas of business focus disclosed	31
2.3	General description of strategies to achieve the company's business objectives	31-32
<b>3.</b>	<b>AUDIT COMMITTEES</b>	
3.1	Appointment and Composition	106
3.1.1	Whether the Audit Committee Chairman is an independent Non- Executive Director and Professionally Qualified	
3.1.2	Whether it has specific terms of reference and whether it is empowered to investigate / question employees and retain external counsel	
3.1.3	More than two thirds of the members are to be Non Executive Directors	
3.1.4	All members of the audit committee to be suitably qualified and at least one member to have expert knowledge of finance and accounting.	
3.1.5	Head of internal audit to have direct access to audit committee	
3.1.6	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.	107
3.2	Objectives & Activities	104
3.2.2	Statement on Audit Committee's review to ensure that internal controls are well conceived properly administered and satisfactorily monitored	107

## DISCLOSURES CHECKLISTS FOR VARIOUS STANDARDS

Condition No.	Title	Page
3.2.3	Statement to indicate audit committees role in ensuring compliance – with Laws, Regulations and timely settlements of Statutory dues	107
3.2.4	Statement of Audit committee involvement in the review of the external audit function <ul style="list-style-type: none"> <li>■ Ensure effective coordination of external audit function</li> <li>■ Ensure independence of external auditors</li> <li>■ To review the external auditors findings in order to be satisfied that appropriate action is being taken</li> <li>■ Review and approve any non-audit work assigned to the external auditor and ensure that such such work does not compromise the independence of the external auditors.</li> <li>■ Recommend external auditor for appointment/ reappointment</li> </ul>	107
3.2.5	Statement on Audit committee involvement in selection of appropriate accounting policies that are in line with applicable accounting standards and annual review.	108
3.2.6	Statement of Audit Committee involvement in the review and recommend to the board of directors, annual and interim financial releases	
3.2.7	Reliability of the management information used for such computation	
<b>4.</b>	<b>INTERNAL CONTROL &amp; RISK MANAGEMENT</b>	
4.1	Statement of Director's responsibility to establish appropriate system of internal control	61, 163-171
4.2	Narrative description of key features of the internal control system and the manner in which the system is monitored by the Board, Audit Committee or Senior Management	
4.3	Statement that the Director's have reviewed the adequacy of the system of internal controls	62, 163-171
4.4	Disclosure of the identification of risks the company is exposed to both internally & externally	63, 163-171
4.5	Disclosure of the strategies adopted to manage and mitigate the risks	
<b>5.</b>	<b>ETHICS AND COMPLIANCE</b>	
5.1	Disclosure of statement of ethics and values, covering basic principles such as integrity, conflict of interest, compliance with laws and regulations etc.	29, 30, 123
5.2	Dissemination / communication of the statement of ethics & business practices to all directors and employees and their acknowledgement of the same	
5.3	Board's statement on its commitment to establishing high level of ethics and compliance within the organization	29, 30, 61-63, 123
5.4	Establishing effective anti-fraud programs and controls, including effective protection of whistle blowers, establishing a net line reporting of irregularities etc.	29, 30, 63, 123
<b>6</b>	<b>REMUNERATION COMMITTEE</b>	
6.1	Disclosure of the charter (role and responsibilities) of the committee	102
6.2	Disclosure of the composition of the committee (majority of the committee should be non-executive directors, but should also include some executive directors)	
6.3	Disclosure of key policies with regard to remuneration of directors, senior management and employees	83
6.4	Disclosure of number of meetings and work performed	102
6.5	Disclosure of Remuneration of directors, chairman, chief executive and senior executives.	83
<b>7.</b>	<b>HUMAN CAPITAL</b>	
7.1	Disclosure of general description of the policies and practices codified and adopted by the company with respect to Human Resource Development and Management, including succession planning, merit based recruitment, performance appraisal system, promotion and reward and motivation, training and development, grievance management and counseling.	87-93
7.2	Organizational Chart	39
<b>8.</b>	<b>Communication to Shareholders &amp; Stakeholders</b>	
8.1	Disclosure of the Company's policy / strategy to facilitate effective communication with shareholders and other stake holders	181
8.2	Disclosure of company's policy on ensuring participation of shareholders in the Annual General Meeting and providing reasonable opportunity for the shareholder participation in the AGM.	183-184
<b>9.</b>	<b>Environmental and Social Obligations</b>	
9.1	Disclosure of general description of the company's policies and practices relating to social and environmental responsibility of the entity	161
9.2	Disclosure of specific activities undertaken by the entity in pursuance of these policies and practices	138

# 13.2

## DISCLOSURE CHECKLIST REGARDING SAFA STANDARD

Items	Page No
<b>Corporate Objectives, Values &amp; Structure</b>	
Clarity and presentation:	
■ Vision and Mission	29
■ Overall strategic objectives	31
■ Core values and code of conduct/ethical principles	29
■ Profile of the Company	33
■ Director's profiles and their representation on Board of other companies & Organization Chart	45
<b>Management Report/Commentary and analysis including Director's Reports/Chairman's Review/CEO's Review etc.</b>	
■ A general review of the performance of the company	7,11, 19, 69, 71
■ Description of the performance of the various activities / products / segments of the company and its group companies during the period under review. (Weightage to be given for pictorial / graphical / tabular presentations used for this purpose)	35, 78
■ A brief summary of the Business and other Risks facing the organization and steps taken to effectively manage such risks	169
■ A general review of the future prospects/outlook.	97
■ Information on how the company contributed to its responsibilities towards the staff (including health & safety)	94
■ Information on company's contribution to the national exchequer & to the economy	92
<b>Sustainability Reporting</b>	
■ Social Responsibility Initiatives (CSR)	138
■ Environment related Initiatives	159
■ Environmental & Social Obligations	161
■ Integrated Reporting	135
<b>Appropriateness of Disclosure of Accounting policies and General Disclosure</b>	
■ Disclosure of adequate and properly worded accounting policies relevant to assets, liabilities, Income and expenditure in line with best reporting standards.	214-221
■ Any Specific accounting policies	
■ Impairment of Assets	
■ Changes in accounting policies/Changes in accounting estimates	
■ Accounting policy on subsidiaries (if there is no any subsidiary, full marks should be granted)	
<b>Segment Information</b>	
■ Comprehensive segment related information bifurcating Segment revenue, segment results and segment capital employed	



Items	Page No
<ul style="list-style-type: none"> <li>■ Availability of information regarding different segments and units of the entity as well as non-segmental entities/units</li> <li>■ Segment analysis of <ul style="list-style-type: none"> <li>• Segment Revenue</li> <li>• Segment Results</li> <li>• Turnover</li> <li>• Operating profit</li> <li>• Carrying amount of Net Segment assets</li> </ul> </li> </ul>	78-86
<b>Financial Statements (Including Formats)</b>	
■ Disclosures of all contingencies and commitments	214-231
■ Comprehensive related party disclosures	231
■ Disclosures of Remuneration & Facilities provided to Directors & CEO	83
■ Statement of Financial Position / Balance Sheet and relevant schedules	202-203
■ Income Statement / Profit and Loss Account and relevant schedules	205
■ Statement of Changes in Equity / Reserves & Surplus Schedule	206
■ Disclosure of Types of Share Capital	222
■ Statement of Cash Flow	207
■ Consolidated Financial Statement (CFS)	196-201
■ Extent of compliance with the core IAS/IFRS or equivalent National Standards	232
■ Disclosures / Contents of Notes to Accounts	222-231
<b>Information about Corporate Governance</b>	
■ Board Of Directors, Chairman And CEO	45
■ Audit Committee (Composition, role, meetings, attendance, etc) Internal Control & Risk Management	104
■ Ethics And Compliance	123
■ Remuneration and other Committees of Board	83
■ Human Capital	87
■ Communication to Shareholders & Stakeholders <ul style="list-style-type: none"> <li>- Information available on website</li> <li>- Other information</li> </ul>	181
■ Management Review and Responsibility	64
■ Disclosure by Board of Directors or Audit Committee on evaluation of quarterly reports	96
■ Any other investor friendly information	184, 185, 187
<b>Risk Management &amp; Control Environment</b>	
■ Description of the Risk Management Framework	163
■ Risk Mitigation Methodology	166
■ Disclosure of Risk Reporting	168
<b>Stakeholders Information</b>	
■ Distribution of shareholding (Number of shares as well as category wise, e.g Promoter group, FII etc)	103
■ Shares held by Directors/Executives and relatives of Directors /Executives	103
■ Redressal of investors complaints	186
<b>Graphical/ Pictorial Data:</b>	
■ Earnings per Share	74
■ Net Assets	
■ Stock Performance	
■ Shareholders' Funds	
■ Return on Shareholders Fund	

Items	Page No
<b>Horizontal/Vertical Analysis including following.</b> <b>Operating Performance (Income Statement)</b> <ul style="list-style-type: none"> <li>■ Total Revenue</li> <li>■ Operating profit</li> <li>■ Profit Before Tax</li> <li>■ Profit After Tax</li> <li>■ EPS</li> </ul>	74-75
<b>Statement of Financial Position (Balance Sheet)</b> <ul style="list-style-type: none"> <li>■ Shareholders Fund</li> <li>■ Property Plant &amp; Equipment</li> <li>■ Net Current Assets</li> <li>■ Long Term Liabilities/Current Liabilities</li> </ul>	74-75
<b>Profitability/Dividends/ Performance and Liquidity Ratios</b> <ul style="list-style-type: none"> <li>■ Claim Ratio</li> <li>■ Earning before Interest, Depreciation and Tax</li> <li>■ Price earning ratio</li> <li>■ Solvency Ratio</li> <li>■ Return on Capital Employed</li> <li>■ Debt Equity Ratio</li> </ul>	76-77
<b>Statement of Value Added and Its Distribution</b> <ul style="list-style-type: none"> <li>■ Government as Taxes</li> <li>■ Shareholders as dividend</li> <li>■ Employees as bonus/remuneration</li> <li>■ Retained by the entity</li> <li>■ Market share information of the Company's product/services</li> <li>■ Economic value added</li> </ul>	25, 72, 73
<b>Presentation of Financial Statements</b> <ul style="list-style-type: none"> <li>■ Quality of the Report/ Layout of Contents</li> <li>■ Cover and printing including the theme on the cover page</li> <li>■ Appropriateness and effectiveness of photographs and their relevance</li> <li>■ Effectiveness of Charts and Graphs</li> <li>■ Clarity, simplicity and lucidity in presentation of Financial Statements</li> </ul>	
<b>Timeliness in issuing Financial Statements and holding AGMs</b> <ul style="list-style-type: none"> <li>■ 3 months time to produce the Annual Report and hold AGM are considered reasonable for full marks</li> <li>■ Delay after the initial period of 3 months - deduction of 2 marks is to be made for each month</li> <li>■ If the period is over 6 months - no marks shall be awarded</li> </ul>	
<b>Additional Disclosures</b> <b>For Example</b> <ul style="list-style-type: none"> <li>■ Human Resource Accounting</li> <li>■ Any other good additional disclosures (Independence certification Eg. GNV, GRI)</li> </ul>	87, 187
<b>Specific Areas for Insurance Sector</b> <ul style="list-style-type: none"> <li>■ Claims management and details of outstanding claims (IBNR &amp; IBNER) with ageing thereof</li> <li>■ Disclosures pertaining to Solvency Margin</li> <li>■ Certificate of Actuary giving details of the liabilities on account of live policies and estimates/assumptions made for the same</li> <li>■ Accounting ratios pertaining to insurance sector</li> <li>■ Review of assets quality</li> </ul>	173 177 N/A 178 179

## 13.3

DISCLOSURE CHECKLIST  
REGARDING SECRETARIAL STANDARD

Title	Compliance Status (" " in appropriate column)		Remarks (if any)
	Complied	Not Complied	
<b>Convening of a Meeting</b>			
<b>Authority</b> 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.	√		
<b>Notice</b> 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>	√		
<b>Frequency of Meetings</b>			
<p><b>Meetings of the Board</b></p> <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>	√		
<p><b>Meetings of Committees</b></p> <p>Committees shall meet at least as often as stipulated by the Board or as prescribed by any other authority.</p>	√		
<b>Quorum</b>	√		
<p><b>Meetings of the Board</b></p> <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>	√		

Title	Compliance Status (" " in appropriate column)		Remarks (if any)
	Complied	Not Complied	
<b>Meetings of Committees</b>	√		
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. 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.			
<b>Attendance at Meetings</b>			
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.	√		
<b>Chairman</b>			
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 <u>guidelines, Rules and Regulations before it proceeds to transact business.</u>	√		
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.	√		
<b>Passing of Resolution by Circulation</b>			
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 <u>Committee, to all the members of the Committee.</u>	√		
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 <u>the Directors entitled to vote on the Resolution, whichever is earlier.</u>	√		
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 <u>to be recorded in the Minutes of such Meeting.</u>	√		
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.	√		
<b>Minutes</b>			
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.	√		
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.	√		

DISCLOSURES CHECKLISTS FOR VARIOUS STANDARDS

Title	Compliance Status (" " in appropriate column)		Remarks (if any)
	Complied	Not Complied	
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.	√		
<b>Attendance in Meetings and their Recording in the Minutes</b>			
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.	√		
<b>Preservation of Minutes and Supporting Papers</b>			
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.	√		
<b>Disclosure</b>			
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.	√		



# 13.4

## DISCLOSURE CHECKLIST AS PER ICMAB EVALUATION CRITERIA

SN	Key Component	Page No.
<b>A</b>	<b>Capitalization and Solvency</b>	
	External Liability Ratio	70, 178
	Internal Capital Generation Ratio	
	Exceptional Loss Reserve to Net Premium	
	Capital & Fund to Total Asset	
<b>B</b>	<b>Technical</b>	
	Retention Ratio	70, 178
	Claim Ratio	
	Premium to Equity	
<b>C</b>	<b>Profitability &amp; Management Efficiency</b>	
	Gross Underwriting Margin Return	70, 71, 178
	Return on Average Assets (ROAA)	
	Return on Average Equity (ROAE)	
	Available Solvency Margin	
	Management Expense to Net premium	
	Agency Commission to Net Premium	
	Underwriting Profit on Gross premium	
<b>D</b>	<b>Liquidity &amp; Funding</b>	
	Current Ratio	70
	Liquid Assets to Total Insurance Fund	
	Total Liquid Assets to Total Assets	
<b>E</b>	<b>External Credit Rating (ECA)</b>	
	Short Term	120
	Long Term	
<b>F</b>	<b>Corporate Governance</b>	
	No of Non-Shareholding Director	103
	Single Family Domination Board	
	Shareholding Concentration (Public)	67
	Audit Committee Led by Independent Directors	104, 108
	Directors' Minimum Shareholding	103
	Audit Opinion	189
<b>G</b>	<b>Performance with respect to shareholders</b>	
	Dividend yield	70
	Net Asset Value (NAV) Growth	
	Capital Appreciation	
<b>H</b>	<b>Human Resources Management</b>	
	No. of Employee	91
	Per Employee Average Salary	
	Gender Diversity	
	Training Cost per Employee	
<b>I</b>	<b>Corporate Social Responsibility (CSR)</b>	
	CSR to Net Income (%)	70
<b>J</b>	<b>Regulatory Authority</b>	
	Contribution to National Exchequer	72

# 13.5

## DISCLOSURE CHECKLIST REGARDING INTEGRATED REPORTING

Sl. No.	Particulars	Page no.
<b>1</b>	<b>Elements of an Integrated Report</b>	
1.1	Organizational overview and external environment <b>An integrated report should disclose the main activities of the organization and the environment of which it operates.</b> An integrated report should identify the organization's mission and vision, and provides essential context by identifying matters such as:	
	■ <b>The organization's:</b>	
	■ Culture, Ethics and Values	29
	■ Ownership and Operating structure including size of the organization, location of its operations	35, 40, 45
	■ Principal Activities and Markets	33
	■ Competitive landscape and Market positioning	97, 135
	■ Position within the value chain	35
	■ <b>Key quantitative information</b>	
	The number of employees, revenue and number of countries in which the organization operates highlighting, in particular, significant changes from prior periods	40, 87
	■ <b>Significant factors affecting the external environment and the organization's response</b>	
	■ The legitimate needs and interests of key stakeholders	184
	■ Macro and micro economic conditions, such as economic stability, globalization, and industry trends	
	■ 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	135
	■ 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	29
	■ The political environment in countries where the organization operates and other countries that may affect the ability of the organization to implement its strategy	135
<b>1.2</b>	<b>Governance</b>	
	<b>An integrated report should show how the organization's governance structure supports its ability to create value in the short, medium and long term.</b> An integrated report needs to provide an insight about how such matters as the following are linked to its ability to create value:	
	■ The organization's leadership structure, including the skills and diversity	87
	■ Mandatory and voluntary code of corporate governance adopted by the Company.	123
	■ Code of ethical conduct adopted by the Company in relation to ethical business.	123

Sl. No.	Particulars	Page no.
	<ul style="list-style-type: none"> <li>■ 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</li> </ul>	123
	<ul style="list-style-type: none"> <li>■ Particular actions those charged with governance have taken to influence and monitor the strategic direction of the organization and its approach to risk management</li> </ul>	163-169
	<ul style="list-style-type: none"> <li>■ 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</li> </ul>	100
	<ul style="list-style-type: none"> <li>■ Whether the organization is implementing governance practices that exceed legal requirements/ Key Policies</li> </ul>	100, 123
	<ul style="list-style-type: none"> <li>■ The responsibility those charged with governance take for promoting and enabling innovation</li> </ul>	135
	<ul style="list-style-type: none"> <li>■ 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.</li> </ul>	87
<b>1.3</b>	<b>Stakeholder Identification/ relationships</b>	
	<p>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. Stakeholders are the groups or individuals that can reasonably be expected to be significantly affected by an organization's business activities, outputs or outcomes or whose actions can reasonably be expected to significantly affect the ability of the organization to create value.</p> <p>An entity may disclose the following in their integrated reports in respect of stakeholder relationships:</p> <ul style="list-style-type: none"> <li>■ How the company has identified its stakeholders.</li> <li>■ Stakeholder engagement methodology.</li> <li>■ Identification of material matters of stakeholders.</li> <li>■ How the Company has applied such matters.</li> <li>■ How the stakeholders are engaged in assessing impacts, implications and outlook unrespects of Company's business model.</li> </ul>	181-186
	<b>Capitals</b>	
	<p><b>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</b></p> <p>An integrated report needs to identify the various forms of capitals which are essential for the success of its business operations.</p> <p>E.g.:</p> <p>Financial Capital -The pool of funds that is available to the organization for use in the production of goods or provision of services.</p> <p>Manufacturing Capital -Manufactured physical objects that are available to the organization for use in the production of goods and provision of services.</p> <p>Intellectual Capital -Organizational Knowledge based intangibles.</p> <p>Human Capital -People's competencies, capabilities and experience, and their motivations to innovate.</p> <p>Social and Relationship Capital -The institutions and the relationships within and between communities, groups of stakeholders and other networks and the ability to share information to enhance individual and collective wellbeing.</p> <p>Natural Capital -All renewable and non-renewable environmental resources and processes that provide goods and services that support the past, current and future prosperity of the organization.</p> <p>However, an entity can do its own classification of capitals based on its business activities. An entity needs to ensure that it does not overlook a capital that it uses or affects.</p>	87

Sl. No.	Particulars	Page no.
1.4	<b>Business model</b>	
	<p>Inputs</p> <p>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.</p> <p>Business activities</p> <p>An integrated report describes key business activities. This can include:</p> <ul style="list-style-type: none"> <li>■ How the organization differentiates itself in the market place (e.g., through product differentiation, market segmentation, delivery channels and marketing)</li> <li>■ The extent to which the business model relies on revenue generation after the initial point of sale (e.g., extended warranty arrangements or network usage charges)</li> <li>■ How the organization approaches the need to innovate</li> <li>■ How the business model has been designed to adapt to change.</li> </ul> <p>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.</p> <p>Outputs</p> <p>An integrated report identifies an organization's key products and services.</p> <p>There might be other outputs, such as by-products and waste (including emissions), that need to be discussed within the business model disclosure depending on their materiality.</p> <p>Outcomes</p> <p>An integrated report describes key outcomes, including:</p> <ul style="list-style-type: none"> <li>■ Both internal outcomes (e.g., employee morale, organizational reputation, revenue and cash flows) and external outcomes (e.g., customer satisfaction, tax payments, brand loyalty, and social and environmental effects)</li> <li>■ Both positive outcomes (i.e., those that result in a net increase in the capitals and thereby create value) and negative outcomes (i.e., those that result in a net decrease in the capitals and thereby diminish value).</li> </ul> <p>Organizations with multiple business models</p> <p>Some organizations employ more than one business model (e.g., when operating in different market segments). This requires a distinct consideration of each material business model as well as commentary on the extent of connectivity between the business models (such as the existence of synergistic benefits).</p> <p>The integrated report of an organization with multiple businesses needs to balance disclosure with need to reduce complexity; however material information should not be omitted.</p>	154
1.5	<b>Performance</b>	
	<p><b>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?</b></p> <p>An integrated report should contain qualitative and quantitative information about performance that may include matters such as:</p>	
	<ul style="list-style-type: none"> <li>■ Quantitative indicators with respect to targets and risks and opportunities, explaining their significance, their implications, and the methods and assumptions used in compiling them</li> </ul>	169
	<ul style="list-style-type: none"> <li>■ The organization's effects (both positive and negative) on the capitals, including material effects on capitals up and down the value chain</li> </ul>	181
	<ul style="list-style-type: none"> <li>■ The state of key stakeholder relationships and how the organization has responded to key stakeholders' legitimate needs and interests</li> </ul>	97
	<ul style="list-style-type: none"> <li>■ The linkages between past and current performance, and between current performance and the organization's outlook.</li> </ul>	
	<p>KPIs that combine financial measures with other components (e.g., the ratio of greenhouse gas emissions to sales) or narrative that explains the financial implications of significant effects on other capitals and other causal relationships (e.g., expected revenue growth resulting from efforts to enhance human capital) 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 (e.g., carbon emissions and water use).</p> <p>Include instances where regulations have a significant effect on performance (e.g., a constraint on revenues as a result of regulatory rate setting) or the organization's non-compliance with laws or regulations may significantly affect its operations.</p>	

Sl. No.	Particulars	Page no.
1.6	<p>Risks, opportunities and Internal Controls</p> <p>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? and effectiveness of the system of internal controls.</p> <p>This can include identifying:</p> <ul style="list-style-type: none"> <li>■ The specific source of risks and opportunities, which can be internal, external or, commonly, a mix of the two.</li> <li>■ 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.</li> <li>■ 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.</li> <li>■ Risk Management Report (Which includes details about risk, root cause, potential impact, response to risk, risk rating)</li> <li>■ Response on the effectiveness of the internal controls and the board's responsibility for the disclosures on internal controls to safeguard stakeholder interest.</li> </ul>	163
1.7	<p><b>Strategy and resource allocation</b></p> <p><b>An integrated report should describe its strategic direction (Where does the organization want to go and how does it intend to get there)</b></p> <p>An integrated report need to identify:</p> <ul style="list-style-type: none"> <li>■ The organization's short, medium and long term strategic objectives</li> <li>■ The strategies it has in place, or intends to implement, to achieve those strategic objectives</li> <li>■ How the entity has positioned in the wider market.</li> <li>■ How the long term strategies relate to current business model.</li> <li>■ The resource allocation plans it has to implement its strategy</li> <li>■ How it will measure achievements and target outcomes for the short, medium and long term.</li> </ul> <p>This can include describing:</p> <ul style="list-style-type: none"> <li>■ 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: <ul style="list-style-type: none"> <li>■ 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</li> <li>■ 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</li> <li>■ What differentiates the organization to give it competitive advantage and enable it to create value, such as: <ul style="list-style-type: none"> <li>■ The role of innovation</li> <li>■ How the organization develops and exploits intellectual capital</li> <li>■ The extent to which environmental and social considerations have been embedded into the organization's strategy to give it a competitive advantage</li> </ul> </li> <li>■ Key features and findings of stakeholder engagement that were used in formulating its strategy and resource allocation plans.</li> </ul> </li> </ul>	156

Sl. No.	Particulars	Page no.
1.8	<p><b>Outlook</b></p> <p><b>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?</b></p> <p><b>An integrated report should highlight anticipated changes over time and provides information on:</b></p> <ul style="list-style-type: none"> <li>■ The organization's expectations about the external environment the organization is likely to face in the short, medium and long term</li> <li>■ How that will affect the organization</li> <li>■ How the organization is currently equipped to respond to the critical challenges and uncertainties that are likely to arise.</li> </ul> <p>The discussion of the potential implications, including implications for future financial performance may include:</p> <ul style="list-style-type: none"> <li>■ The external environment, and risks and opportunities, with an analysis of how these could affect the achievement of strategic objectives</li> <li>■ 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.</li> </ul> <p>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 enable evaluation of the current outlook.</p> <p>Disclosures about an organization's outlook in an integrated report should consider the legal or regulatory requirements to which the organization is subject.</p>	97
1.9	<p><b>Basis of Preparation and Presentation</b></p> <p><b>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?</b></p> <p>An integrated report describes its basis of preparation and presentation, including:</p> <ul style="list-style-type: none"> <li>■ A summary of the organization's materiality determination process</li> <li>■ Brief description of the process used to identify relevant matters, evaluate their importance and narrow them down to material matters</li> <li>■ Identification of the role of those charged with governance and key personnel in the identification and prioritization of material matters.</li> <li>■ A description of the reporting boundary and how it has been determined</li> </ul> <p>Eg: Include process used for identifying the reporting boundary, geographic scope, the entities represented in the report and the nature of the information provided for each entity</p> <ul style="list-style-type: none"> <li>■ A summary of the significant frameworks and methods used to quantify or evaluate material matters</li> </ul> <p>(e.g., the applicable financial reporting standards used for compiling financial information, a company-defined formula for measuring customer satisfaction, or an industry-based framework for evaluating risks.)</p>	136
2.	<p><b>Responsibility for an integrated report</b></p> <p>An integrated report should include a statement from those charged with governance that includes:</p> <ul style="list-style-type: none"> <li>■ An acknowledgment of their responsibility to ensure the integrity of the integrated report</li> <li>■ An acknowledgment that they have applied their collective mind to the preparation and presentation of the integrated report</li> <li>■ Their opinion or conclusion about whether the integrated report is presented in accordance with the Framework</li> </ul> <p><b>or, if it does not include such a statement, it should explain:</b></p> <ul style="list-style-type: none"> <li>■ What role those charged with governance played in its preparation and presentation</li> <li>■ What steps are being taken to include such a statement in future reports</li> <li>■ The time frame for doing so, which should be no later than the organization's third integrated report that references this Framework.</li> </ul>	83

Sl. No.	Particulars	Page no.
3.	<b>Other Qualitative Characteristics of an Integrated Report</b>	
3.1	<p><b>Conciseness</b></p> <p><b>An integrated report should be concise.</b></p> <p>An integrated report need to include sufficient context to understand the organization's strategy, governance, performance and prospects without being burdened with less relevant information. Eg: Follows logical structure and includes internal cross-reference as appropriate to limit repetition. May link to more detailed information, information that does not change frequently or external sources. Express concepts clearly and in as few words. Favours plain language over the use of jargon or highly technical terminology. Avoids highly generic disclosures.</p>	135-137
3.2	<p>Reliability and completeness</p> <p><b>An integrated report should include all material matters, both positive and negative, in a balanced way and without material error</b></p> <p>The organization achieve the reliability and completeness through, Eg:</p> <ul style="list-style-type: none"> <li>■ Selection of presentation formats that are not likely to unduly or inappropriately influence assessments made on the basis of integrated report.</li> <li>■ Giving equal consideration to both increases and decreases in the capitals, both strengths and weaknesses of the organization, both positive and negative performance etc.</li> <li>■ When information includes estimates, this is clearly communicated and the nature limitations of the estimation process are explained.</li> </ul>	135-137
3.3	<p><b>Consistency and comparability</b></p> <p><b>The information in an integrated report should be presented:</b></p> <ul style="list-style-type: none"> <li>■ <b>On a basis that is consistent over time</b></li> <li>■ <b>In a way that enables comparison with other organizations to the extent it is material to the organization's own ability to create value over time.</b></li> </ul> <p>Eg:</p> <ul style="list-style-type: none"> <li>■ Using benchmark data, such as industry or regional benchmarks</li> <li>■ Presenting information in the form of ratios (e.g., research expenditure as a percentage of sales, or carbon intensity measures such as emissions per unit of output)</li> <li>■ Reporting quantitative indicators commonly used by other organizations with similar activities, particularly when standardized definitions are stipulated by an independent organization (e.g., an industry body).</li> <li>■ Reporting policies are followed consistently from one period to other unless a change is needed to improve the quality of information reported.</li> <li>■ Reporting the same KPIs if they continue to be material across reporting period.</li> <li>■ When a significant change has been made, the organization explains the reasons for the change describing its effect.</li> </ul>	135-137
3.4	<p><b>Connectivity of information</b></p> <p><b>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.</b></p> <p><b>Eg: Connectivity between- Capitals</b></p> <ul style="list-style-type: none"> <li>■ Content elements</li> <li>■ Past, Present &amp; Future</li> <li>■ Finance and other information</li> </ul>	135-137
3.5	<p><b>Materiality</b></p> <p>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</p>	216
3.6	<p>Assurance on the Report</p> <ul style="list-style-type: none"> <li>■ The policy and practice relating to seeking assurance on the report,</li> <li>■ The nature and scope of assurance provided for this particular report</li> <li>■ Any qualifications arising from the assurance, and the nature of the relationship between the organization and the assurance providers</li> </ul>	66











# Green Delta Insurance Co. Ltd.

Green Delta AIMS Tower (6th floor), 51-52 Mohakhali C/A, Dhaka  
Phone: 9851902, 9851170(PABX) FAX: 9851124 www.green-delta.com

## 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 34<sup>th</sup> Annual General Meeting of the company to be held at Spectra Convention Center Limited, House # 19, Road # 7, Gulshan-1, Dhaka on Monday, 30<sup>th</sup> March 2020 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."



# Green Delta Insurance Co. Ltd.

Green Delta AIMS Tower (6th floor), 51-52 Mohakhali C/A, Dhaka  
Phone: 9851902, 9851170(PABX) FAX: 9851124 www.green-delta.com

## ATTENDANCE SLIP

I hereby record my attendance at the 34<sup>th</sup> Annual General Meeting of the company to be held at Spectra Convention Center Limited, House # 19, Road # 7, Gulshan-1, Dhaka on Monday, 30<sup>th</sup> March 2020 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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