

ANNUAL
REPORT
2020



CHALLENGING
CONVENTIONS



CHALLENGING CONVENTIONS!

Green Delta Insurance Company Limited

Annual Report 2020

GREEN DELTA INSURANCE AND OUR INTEGRATED REPORTING JOURNEY

Embracing our Integrated Reporting journey, Green Delta Insurance has been able to forge greater levels of trust with its stakeholders.

Farzanah Chowdhury
MD & CEO, Green Delta Insurance

As the COVID-19 pandemic continues to grip the world, especially with the new and more virulent mutant that has already plunged countries like the United Kingdom into fresh lockdown, companies, industries and the wider economy continue to be severely impacted. It has been challenging for most companies to deal with the immediate impact of the pandemic and to re-focus their businesses towards normalcy.

Though the economic impact of the pandemic is yet to be fully ascertained, early indications are that the financial impact across most sectors is significant. Equally important is the non-financial impact, especially on the human capital front as the pandemic tests the social contract between employers and employees.

At Green Delta Insurance, as we take stock of the risks that the new operating environment poses, we believe it is imperative to not only consider the next steps, but also take into cognisance life beyond COVID-19. I believe there is unprecedented opportunity thus to re-look at the way we do things, re-evaluate our strategies and re-position our business towards a more responsible and sustainable future. Indeed, COVID-19 has brought a paradigm shift and we are focused to tap into the extraordinary opportunity that exists in pivoting our enterprise to challenge conventions, explore new frontiers and expand our horizons. To be sure, though much has changed, one thing that hasn't is our commitment to sustainable value creation, and we will continue to relentlessly pursue this well into the new environment.

At Green Delta Insurance, we have always believed that an important aspect of our integrated reporting journey has been our focus on providing both a detailed update on our business strategies, as well as a transparent and candid narration on our outlook. As part of our integrated reporting framework, throughout this report, we have also explained the challenges and uncertainties the organisation is likely to face in pursuing its growth strategy. We have focused on being balanced and transparent.

We are proud to adhere to the guiding principles and content elements of the International <IR> Framework and, in doing so, sustained a reporting practice that only fosters greater levels of trust with our stakeholder communities.

Thank you for your interest in our Annual Report 2020!



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INSURANCE

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INSURANCE

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Achieving transformation in a changing world

As the largest general insurance Company of Bangladesh with a history of supporting the socio-economic aspirations of the nation, Green Delta Insurance has come to stand for many things to many people. While for our customers we are a beacon of hope in turbulent waters, for our employees we are the preferred choice for a long-term specialist career in insurance. While for our shareholders we are a secure investment case in the underpenetrated insurance landscape of the country, for our community members we are a helping hand and a shoulder to lean on. While for our intermediaries and agents we are a dependable and trustworthy business partner, for our Government we are a devoted insurance institution that responsibly fulfils its national obligations.

Thus, contributing value to our stakeholders, we have developed many positive attributes over the years, including growth-oriented business segments, a product mix anchored on innovation and diversification, skilled and dedicated staff, an unwavering focus on sustainability and ESG, and a large and loyal base of customers and intermediary partners. Indeed, our brand resonates with our customers and partners due to our track record of helping people to manage life's uncertainties better by insuring what matters the most to them.

In a changing world, as we challenge conventions and achieve transformation to continue on our journey of sustainable value creation for our shareholders and stakeholders, we will focus on achieving greater business sustainability. We will achieve this through a relentless emphasis on customer service and underwriting rigor as we execute our business plans to maximise performance.

COVID-19 presents a new uncertainty in 2021 and at least into the medium-term. Hence, our primary focus is the operational readiness and safety for our customers and staff such that we continue to deliver on our promises. Our scale, diversity and the strength of our balance sheet equips us well to meet any short-term challenges. Yet, we will continue to simplify our business, optimise costs and navigate competitive market scenarios to make our Company a stronger, simpler and better enterprise.

Importantly, we will continue to direct capital towards digital and technology. The integration of our digital activities into our business units will not only facilitate customer service, but also result in expense savings, while enhancing IT resilience and ensuring that our businesses are able to offer harmonious service to our customers and distribution partners that is fast, fair and efficient.

Our foundations are strong and we have the necessary skills and specialist resources and competencies to succeed. Our brand is well regarded by our customers and business partners and our capital position and risk management capabilities provide a secure footing. We have a team of talented colleagues across the group who are passionate about customer service. Thus, we will continue to challenge conventions with one overarching objective: To become better every day!

2020 AT A GLANCE

Business Highlights



3+ TRILLION

SUM INSURED



33000+

NEW CLIENTS SERVED



8000+

CLAIMS SETTLED



39590+

FARMERS COVERED
THROUGH AGRI-INC



160K+

ACRE OF LAND
COVERED BY AGRI-INC



42 DISTRICT

COVERED THROUGH
MICRO INSURANCE



121000+

HOUSEHOLD REACHED
BY MICRO INSURANCE



9000+

HANDLED CUSTOMER
CALL (HEALTH)

SUPREME IN THE GLORIOUS

JOURNEY OF

35 YEARS

ICSB
GOLD AWARD
winner for 6 consecutive
years

AAA
CREDIT RATING
for 7 consecutive years

EXCELLENCE
IN SUSTAINABILITY
Special recognition by World
Economic Forum



ICAB
NATIONAL AWARDS
6 times 1st prize winner



ICMAB
BEST CORPORATE AWARDS
4 times Gold Award Winner



SUPERBRAND
THE ONLY BANGLADESHI
INSURANCE BRAND

ABOUT THIS ANNUAL REPORT

REPORTING BOUNDARY FOR OUR INTEGRATED REPORT 2020 IN TERMS OF RISKS, OPPORTUNITIES AND OUTCOMES.

Integrated thinking and reporting

At Green Delta Insurance, we have always believed that sustained value creation neither happens in isolation nor is an outcome of sporadic initiatives. In fact, it is a sustained process and our approach to embedding integrated thinking in our organisation is continuous and takes into account the relationship between the capitals that we use or affect and the potential trade-offs inherent in our strategic choices. We strive to report transparently, reflecting the value created and preserved. By understanding how these elements interact, we are better able to deliver sustained value for all stakeholders in the short-, medium- and long-term.

Report objective and scope

Our integrated report for the year 2020 presents a holistic view of Green Delta Insurance Company Limited and its subsidiaries for the year ended 31 December 2020. It includes information on our performance, governance and prospects to enable stakeholders to make an informed assessment of our ability to create and sustain value over the various cycles of our business. It also articulates our sustainability initiatives aligned with the UN's Sustainability Development Goals (SDGs).

While the information disclosed in this report is for our primary audience comprising providers of financial capital, including our shareholders, investors and our banking consortium, it also has information panels that cater to a much wider stakeholder audience. The report covers Green Delta Insurance's operations in Bangladesh and also the activities of its Group subsidiaries and associates.

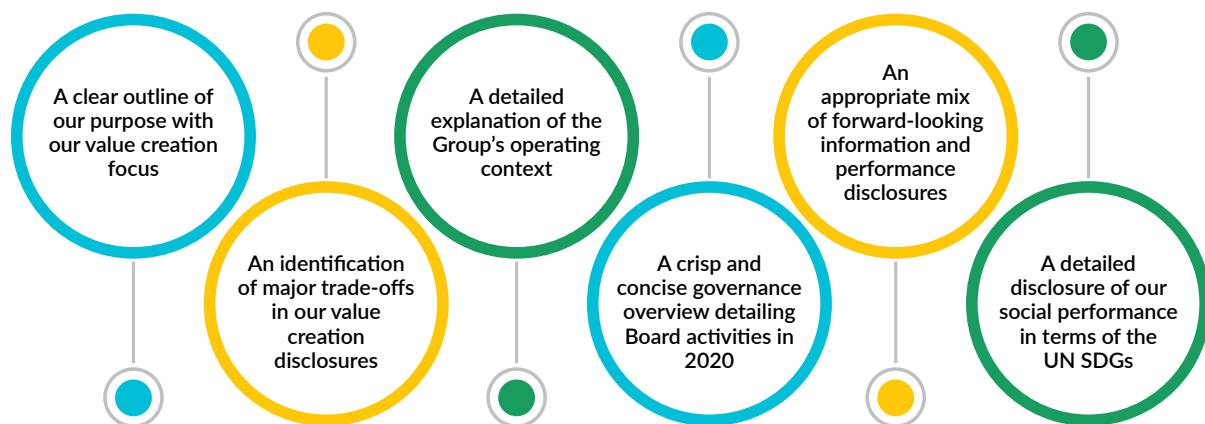
For ensuring completeness of information, we have included material events for the year 2020 and also for the few months before the publication of the report, which is up till February 2021.

Reporting boundary

In line with the International Integrated Reporting Council <IR> Framework, in determining the boundary for this report, we work outward from the primary financial reporting entity, Green Delta Insurance, to identify risks, opportunities and outcomes associated with stakeholders that have a significant effect on our ability to create and sustain value.

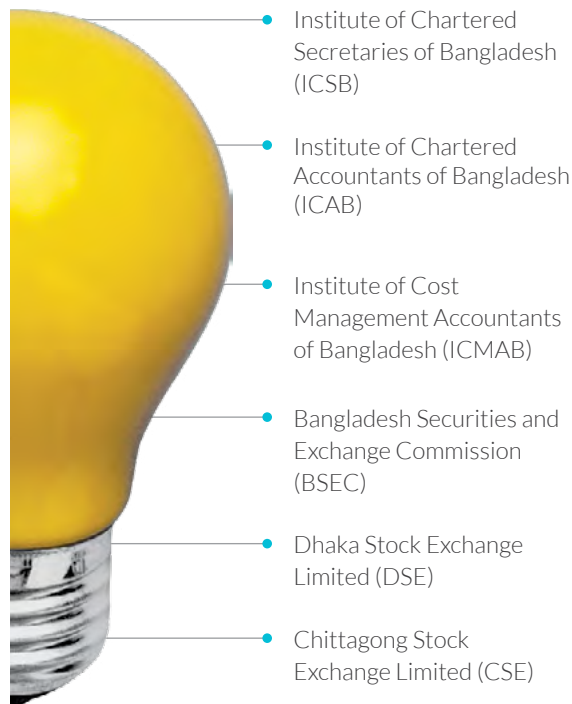
This Integrated Report provides an overview of our strategy and performance primarily for the financial year 1 January 2020 to 31 December 2020.

Major improvements to this report:



Reporting frameworks and regulations

We have applied the guiding principles and content elements of the <IR> framework and also the following reporting frameworks and regulations in preparing this report:



Materiality

This report focuses on matters that substantively affect our ability to create and sustain value over the short-, medium- and long-term. Our approach to managing these is reflected in the matters flowing from our strategy.

Strategic matters were determined and disclosed in an integrated process by understanding:

- How we create value
- The impact of our operating context on value creation
- The material needs, interests and expectations of our key stakeholders
- Risks and opportunities facing the Company and the Group

Assurance

We use a combined assurance model to manage various aspects of our operations, including external reporting. These assurances are provided by the management, our Board of Directors and our external auditors, S.F. Ahmed & Co, Chartered Accountants. Specific non-financial elements are externally assured and/or audited to ensure legal compliance or adherence to our governance standards.

Forward-looking statements

This integrated report contains forward-looking statements that, unless indicated, reflect the Company's and the Group's expectations at best. Actual results may differ from our expectations. The Company cannot guarantee that any forward-looking statement will materialise and, accordingly, readers are cautioned not to place undue reliance on them. The Company disclaims any intention and assumes no obligation to revise any forward-looking statement, even if new information becomes available, other than as stipulated by the DSE listings requirements and other applicable regulations.

Approval of our 2020 integrated report

The Board, supported by the audit and risk committee, acknowledges its responsibility to ensure the integrity of the 2020 integrated report. The audit and risk committee has, accordingly, applied its collective mind and, in its opinion, this integrated report addresses all material matters and offers a balanced view of the Company's strategy and how it relates to the organisation's ability to create value in the short-, medium- and long-term.

The report adequately addresses the use of and effects on key resources and the manner in which the availability of these resources are impacting Green Delta Insurance's strategy and value creation model. We, as the Board, believe that this report has been prepared in accordance with the International Integrated Reporting Council <IR> Framework.

The Board authorised this report for release on 14 March 2021.

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OVERVIEW

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, 2020

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 on December 31, 2020 and Income Statements, Cash Flow Statements and Changes in equity statements for the year ended December 31, 2020 along with notes thereon of Green Delta Insurance Company Ltd. and its subsidiaries for your record/necessary action.

Information given in our Annual Report-2020 is complete, full and in line with Bangladesh Accounting Standard and International Accounting Standard. We hope that the report will be of use to you today and tomorrow.

Best regards,

Sincerely yours,

Sd/-

Syed Moinuddin Ahmed
Company Secretary

1.2 NOTICE OF THE 35TH ANNUAL GENERAL MEETING

Notice of the 35th Annual General Meeting (Virtual Shareholder Meeting) of Green Delta Insurance Company Ltd.

Notice is hereby given that the 35th Annual General Meeting (AGM) of Green Delta Insurance Company Limited will be held on Tuesday, 30th March, 2021 at 11.00 am by using Digital Platform through the Link <https://greendelta.bdvirtualagm.com> to transact the following Business:

Agenda:

- 1: To Receive, Consider and Adopt the Audited Financial Statements of the Company for the year ended on 31st December, 2020 and Report of the Auditor and Director thereon for the said year.
- 2: To declare **24.5% Cash** and **7.5% Stock Dividend** for all the shareholders for the year ended 31st December, 2020 as recommended by the Board of Directors.
- 3: To Elect/re-elect Directors.
- 4: To approve the appointment of Statuary Auditors of the company for the year- 2021 and fix their remuneration.
- 5: To approve appointment of Compliance Auditor as per Corporate Governance code and to fix their remuneration.

NOTES:

1. **Monday, 08 March, 2020** was the "Record Date" for entitlement of Dividend. The Shareholders, whose names will appear in the Depository (CDBL) Register on that date, shall be entitled to participate in the 35th AGM through digital platform.
2. A Shareholder is entitled to participate and vote at this virtual AGM, may appoint a Proxy to participate and vote. The Proxy form, a specimen of which is enclosed, duly filled, signed and stamped at Tk. 20 (Revenue stamp) must be sent through email to share@green-delta.com not later than 48 hours before commencement of AGM.
3. The Shareholders will join the virtual AGM through the Link <https://greendelta.bdvirtualagm.com>. The shareholders will be able to submit their questions/comments electronically before 24 (twenty-four) hours of commencement of the AGM through this link and during the AGM, for logging into the system the Members need to put their 16-digit Beneficiary Owners (BO) Account Number.
4. Pursuant to the Bangladesh Securities and Exchange Commission (BSEC) Notification No. BSEC/CMRRCD/2006-15B/208/ Admin/81 dated 20 June 2018, the soft copy of the Annual Report- 2020 to be sent to the email addresses of the Members, available in their Beneficial Owner (BO) accounts maintained with the Depository. The soft copy of the Annual Report-2020 will also be available of the Company's website at: www.green-delta.com

Thank you.

Sd/-

Syed Moinuddin Ahmed

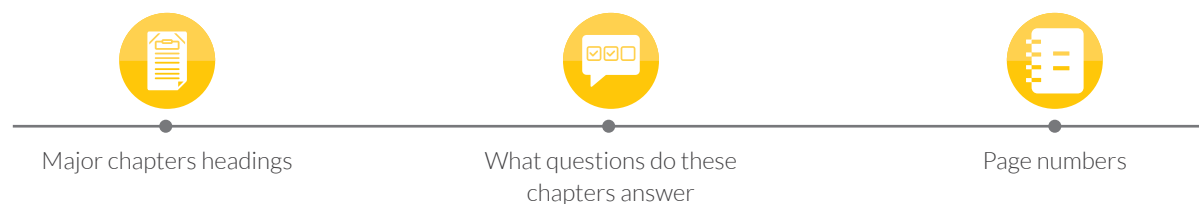
Company Secretary





Date: March 09, 2021









1.3 DOCUMENT NAVIGATION NOW IN YOUR HANDS

Document navigation now in your hands

At Green Delta Insurance, our content framework and reporting philosophy with regards to our Annual Report is rooted in providing our readers with ease of navigation. Thus, to facilitate quicker access to information, as well as to ensure transparency not only in disclosure but also in helping readers locate necessary information quickly, especially in our integrated reporting section, we have tabulated a content dial with the following facets:



MAJOR CHAPTER HEADS	WHAT MAJOR QUESTIONS DO THESE CHAPTERS ANSWER	PAGE NUMBER
 <p>Theme of our annual report, 2020</p>	<ul style="list-style-type: none"> What is “challenging conventions” and why is it important at Green Delta Insurance? 	109
 <p>About our integrated report</p>	<ul style="list-style-type: none"> Why is integrated reporting important at Green Delta Insurance? What is our materiality determination process? What are our major material matters? Who has sanctioned external assurance and approval of the report? 	6
 <p>Leadership messages</p> <ul style="list-style-type: none"> From our Advisor From our Chairman From our Managing Director & CEO 	<ul style="list-style-type: none"> What was the COVID-19 impact on the business? What were the broad characteristics of our operating environment? How did Green Delta Insurance respond to the external environment? What was the Company’s strategic response during the year? What is the forward outlook? 	19, 23, 27
 <p>Governance and leadership profiles</p>	<ul style="list-style-type: none"> What are the various facets of governance at Green Delta Insurance? What is our Board construct, composition and quality? What is the profile of the leadership team? 	33, 42, 112

 <p>Directors' responsibility</p>	<ul style="list-style-type: none"> • What is our Directors' philosophy and responsibility in stewarding the organisation? • What are some of our key internal control mechanisms? 	48
 <p>Management's review and responsibility</p>	<ul style="list-style-type: none"> • What is the overall synopsis of the year gone by? • What is our focus on responsible organisational stewardship? • Why are we excited about the future? 	49, 50
 <p>About our Company</p>	<ul style="list-style-type: none"> • What is our legacy and what are our values on the basis of which we steward the Company? • What is the insurance chain and how integrated it is? • What are our strategic business objectives and how do we respond to/thwart competitive pressures? • What are our various products/services? 	60, 62 65, 67
 <p>Management's discussion and analysis</p>	<ul style="list-style-type: none"> • How are we supporting progress of the society through insurance? • What was the major financial progress achieved during the year and what was our contribution to the exchequer? • What are our major products and solutions? • What is the impact of these products on our customers? • What is our human resource responsibility and agenda, and how do we rejuvenate our human capital? 	93
 <p>Governance</p>	<ul style="list-style-type: none"> • What is the importance/emphasis that we place on good governance? • What is our governance philosophy and framework? • What is the composition of our various committees and how are these committees the custodians of good governance? 	112, 124
 <p>Integrated reporting</p>	<ul style="list-style-type: none"> • What are our various capitals and how do these influence value creation at Green Delta Insurance? • How is our business viewed with respect to the major management models? • What is our business/operating model and our strategy for resource allocation? 	15, 171, 174, 196
 <p>Sustainability reporting</p>	<ul style="list-style-type: none"> • What is the importance we place to sustainability and broader community development? • How do we analyse our business with regards to the broader parameters of ESG? • How do we create societal value within the purview of the UN SDGs? 	164
 <p>Risk report</p>	<ul style="list-style-type: none"> • What is our 3 lines of defence risk framework? • What is our overall risk reporting/mitigation methodology? • What are the major risks influencing our business and what is our risk mitigation/control strategy? 	192

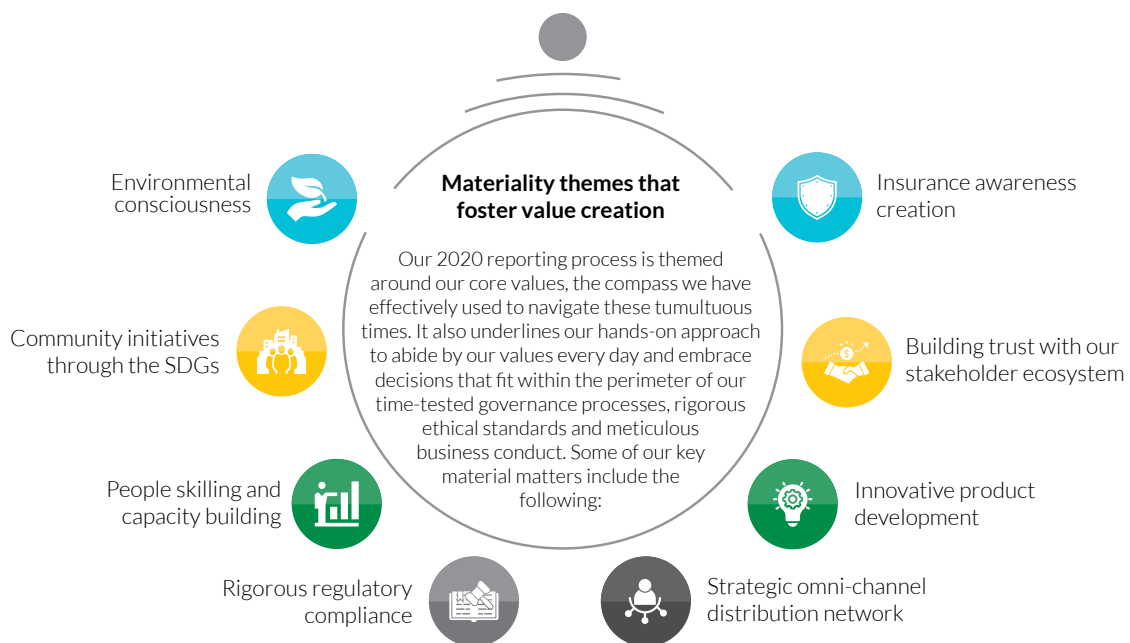
1.4 MATERIALITY AND OUR VALUE CREATION FOCUS

FOCUSED ON CREATING VALUE THROUGH OUR CORE VALUES
Reporting boundary for our integrated report 2020 in terms of risks, opportunities and outcomes

Our core values

Encapsulated by our ‘customer first’ philosophy, our core values include edicts that have remained central to the sustainability of our organisation. Our core values include:

- Fostering trust with our stakeholders
- Ensuring that organisational goals are front and centre, above individual goals
- Embracing high standards of personal and business conduct
- Nurturing an empowered culture of shared ownership
- Setting benchmarks by adopting the highest operating standards
- Inculcating the spirit of adventure through encouraging calculated risk-taking
- Respecting diversity of identity, thoughts, beliefs and practices



Creating value through our six capitals

All organisations depend on various forms of capital for their value creation. In the International <IR> Integrated Reporting Framework, these capitals are defined as



Financial

Our shareholders' equity and debt mobilised from our financial institutions consortium that are used to support our business and operational activities.



Natural

The use of natural capital in our operations and our influence through our business activities.



Human

Our culture, our people and our collective knowledge, skills and experience that enable innovative and competitive solutions for our clients.



Social relationships

Stakeholder relationships, including the communities that we serve, as we recognise the role of insurance in building a resilient society as well as a thriving financial ecosystem.



Intellectual

Our brand value, research and innovation capacity, reputation and strategic partnerships.



Manufactured

Our business structure and operational processes, including our physical and digital assets, infrastructure, our products, as well as our information technology platform that enables business conduct.

Delivering societal value through our core purpose

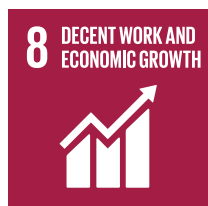
Our core purpose is to create a better, healthier and safer future for all through insurance. We find that the United Nations' Sustainable Development Goals (UN SDGs) provide the best articulation of what a better future should look like, thus setting a clear long-term plan to end poverty, foster learning and education, protect the

planet and ensure prosperity for all by 2030. As Bangladesh's leading general insurance company, we have a shared responsibility to the attainment of these goals,

supporting our government, businesses, individuals and communities to build a better future. Through our core business of providing a wide array of insurance products and solutions, we are making a valuable contribution to meeting national developmental goals and objectives.

Green Delta Insurance has identified and prioritised the following 10 SDGs where we believe we can have the most meaningful impact. We review our approach to delivering on these goals in this report. Further, we are perhaps the only in Bangladesh to have introduced an exclusive SDG Performance Report 2019, which can be accessed from our website: <https://green-delta.com/sdg-report/>

Our priority SDGs:



1.5 GREEN DELTA INSURANCE AT A GLANCE

GREEN DELTA INSURANCE IS BANGLADESH'S LARGEST AND MOST RESPECTED GENERAL INSURANCE INSTITUTION WITH A LONGSTANDING HERITAGE.

Committed to our purpose of creating value through our insurance expertise, Green Delta Insurance offers a wide range of accessible, affordable and competitive insurance solutions that have been classified under two broad heads: digital insurance and impact insurance.

In Bangladesh, we have a strong insurance franchise, evidenced by a 12-13% share of the national general insurance market. Notably, despite competitive pressures from existing players as well as new entrants, we have been able to ensure stabilisation of our share, a testament of the enduring trust we have been able to

gain from our customers and our ecosystem.

As a Company that has remained highly proactive in identifying customer needs and developing products that meet those needs the most efficiently and effectively in a regulatory-compliant manner has been the hallmark of our operational capabilities. Thus, we have been able to launch a number of novel products that are not only industry-firsts, but have also helped reinforce our reputation as one of the pioneers of the insurance industry of Bangladesh.

Our key differentiators



Purpose-driven insurance business with an energetic culture of innovation, empowerment and entrepreneurialism



Commitment to doing business in a way that positively builds society at large



Well-defined technology strategy that position us to be more digital, agile, competitive and resilient



Leadership position in the general insurance industry with strong market credibility and reputation



Prudent underwriting practices and strong risk control mechanisms



Continuing focus on cost optimisation through pragmatic expense management

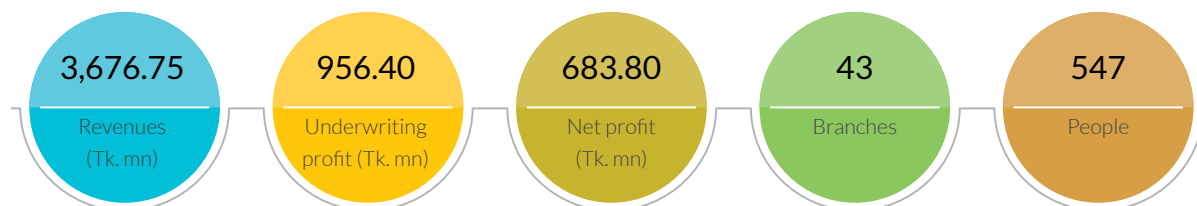


Ongoing emphasis on customer service and satisfaction



Strong focus on governance and community welfare through the SDGs

Our major financials, 2020





NASIR A. CHOUDHURY
Advisor

1.6 REFLECTIONS FROM THE ADVISOR

“ AT GREEN DELTA INSURANCE, OUR PURPOSE IS TO LEVERAGE OUR INSURANCE EXPERTISE TO RESTORE NORMALCY AND CREATE A MORE SUSTAINABLE FUTURE FOR BANGLADESH. ”

Ladies and gentlemen,

The COVID-19 pandemic has taken the lives of hundreds of thousands of people, challenged business models globally, upended traditional ways of working, decimated demand across sectors and severely constrained consumer spend.

Though the world has experienced natural catastrophes and viral outbreaks such as Severe Acute Respiratory Syndrome (SARS) and Middle East Respiratory Syndrome (MERS) before, the global nature and scale of the COVID-19 crisis has been unprecedented.

At Green Delta Insurance, in responding to the global pandemic, we have implemented numerous measures to ensure the safety of our employees and people across our wider ecosystem, while harnessing the unique power of insurance in a collective effort to flatten the curve. Today, in delivering our purpose, we are committed to the social contract, guided by four core principles:



To promote a duty of care to our customers by raising awareness on the importance of insurance, while fulfilling the discharge of our insurance obligations to our customers



To ensure the safety of our people by practicing safe and flexible work strategies, while extending full institutional support to help them overcome any exigent challenges



To fulfil our responsibility in community outreach through donations to charitable causes, direct community action and employee volunteerism



To demonstrate responsible leadership and innovation in driving transformation towards a digital insurance ecosystem

OUR PURPOSE

In these extraordinarily uncertain times, the need for business leadership has never been greater. I believe companies that will survive and prosper in this uncertainty are those that have the resilience to adapt rapidly to changing circumstances and those that have the right commitment and culture to deliver broader societal value.

Green Delta Insurance's strong growth – not over the last few years alone, but last few decades – is founded on its capacity for innovation, underpinned by the substantial societal value it has provided through innovative, inclusive and impact-driven insurance solutions. These are the characteristics that I believe will ensure our continued resilience and growth. Though the Company has witnessed a number of disruptions in its journey, I am satisfied how our leadership and teams have responded to the crisis to pivot our organisation towards a new and better future.

Throughout all of this change, it has been and continues to be our core purpose which illuminates our path forward. Our focus on 'Insurance for all' is perhaps more critical now than ever before and we will continue with our public advocacy around insurance as the most effective approach to comprehensive risk mitigation. We are proud to say not only to our customers but to our people, our partners and our communities, that we will be with you today, for a better tomorrow. This means our customers can count on us to be there for them if things go wrong, and to help them plan for their future. While the words used to express our purpose may have evolved, what remains sanctified is the underlying promise that we navigate our Company by, just as it has been over the last 40+ years of our corporate history.

OUR CUSTOMERS

The absolute commitment our people show to our customers every day remains unchanged. I have always

believed that their determination to live up to our core 'customer first' philosophy is amongst our greatest assets. This is one of the reasons why it is so important to incorporate our people's perspective as we set about creating a new articulation of our shared purpose of nurturing an insurance platform for our customers that is increasingly digital and impact-driven.

The human connections that our people forge with our customers are really special. Insurance is a people business and our clean and impeccable reputation has had a major influence in our success over the years. We stand by our insurance obligations and our teams have been empowered to ensure the quickest possible disbursement of claims once they meet our process controls. Insurance is a subject matter of solicitation and we abide by this tenet by living up to the trust reposed by our customers in us.

We are there to support our customers through some of the most important decisions and emotional moments in their lives. By drawing on our expertise and empathy to give them the best possible outcomes, we make a real difference to people when it matters the most. And in doing so, we ensure our financial strength and secure our long-term future.

OUR PEOPLE

With the outbreak of the COVID-19 pandemic, the health, safety and well-being of our employees has become more important than ever.

From the onset of the crisis, the Board increased its oversight of the workplace measures put in place across the Group's operations to minimise the risk of infection to employees, particularly those required to go into work every day to ensure operational sustainability. We have been pleased with the actions taken to implement the required workplace health and safety protocols, as well as the measures taken to address the mental and social aspects impacting employee well-being during these challenging times.

Further, the pandemic has laid bare the fragility of the social contract between employers and employees. Mass layoffs, furloughs and pay cuts have been rampant across the corporate world. At our Company, employee safety from a health perspective is important, yet what is more so is their financial safety. We take their financial security very seriously and hence at our Company there was not a single layoff, no salary deductions and no forced leaves. We even disbursed the bonus due for the year. It is our belief that our people will lead the recovery of the

business, and extending wholehearted support to them not only makes business sense but is also fundamental to the way we are perceived by our employees – both present and prospective. I truly thank our people in the way they have risen tall to the challenges.

OUTLOOK

As we look ahead, the only certainty is that high levels of uncertainty about the future will prevail for at least some time. Though the world is also witnessing early stages of vaccination, risks abound, including the re-emergence of new waves of COVID-19 that may push the authorities to reinstate travel bans and lockdowns.

Yet, I remain confident in the resilience of domestic insurance. For one, per capita insurance in Bangladesh is abysmally low; two, the nation has a population of over 165-mn that is largely underpenetrated; three, regions beyond the cities of Dhaka and Chittagong are primarily untapped and hence a rich source of opportunity; and four, the pandemic has brought forward the importance of insurance as a tool that can provide certainty amidst gloom. Even as we pivot our business towards digital insurance, the structural drivers of the industry position Bangladesh as one of the most attractive markets of the world.

As we resume full-scale operations in the future, it is crucial that we put ourselves in the customer's shoes. Before the COVID-19 pandemic, customer experience management was focused on promoting and fostering positive customer perceptions through their interactions with our people. Today, it is also about insurance soothing customer emotions and this is a new opportunity for us to get closer to our customers and enhance our engagement with them, with added focus on the essentials: heightened safety and wellness.

APPRECIATION

I extend my sincere appreciation to my colleagues on the Board for their wise counsel, support and insightful guidance during this challenging year.

I would also like to especially thank Farzanah Chowdhury, our MD & CEO, for her invaluable contributions to the Company. She, along with the senior leadership, has stewarded the organisation in these unprecedented times with compassion, empathy, care and forward-thinking, and I believe the long-term future of our Company is in safe hands.

I also wish to express my deep gratitude to all of Green Delta Insurance's employees for their collective effort

and contribution to the Company's success. They have continued to remain committed, energetic and positive in serving our customers, and there are many instances of how they have gone out of the way to help them and each other in these challenging times. I would like also to thank our regulators, shareholders, business partners and other stakeholders whom I have engaged with over the years.

We are all facing a particularly uncertain future. Yet, the insurance sector has a profoundly important role to play in helping us to navigate through this uncertainty. I am

confident that, Green Delta Insurance has the right vision and strategy, as well as the culture and leadership teams, to re-commit to something that remains an enduring vision:

Insurance for all!

Stay safe, stay well,

Sd/-

NASIR A. CHOUDHURY

Adviser

A PRESTIGIOUS ACCOLADE FOR OUR ADVISOR

Our Advisor and Founding Managing Director, Nasir Ahmad Choudhury, was honoured with a 'Lifetime Achievement Award' by the Birla Institute of Management Technology (BIMTECH), an international forum in India, for his outstanding contribution to insurance in Bangladesh. BIMTECH bestowed the prestigious recognition on our Advisor, a veteran in the insurance industry of Bangladesh and also widely credited with pioneering the development of the industry in the country, at the fourth edition of BIMTECH Insurance Colloquium held virtually on 23 October 2020.



ABDUL HAFIZ CHOUDHURY
Chairman

1.7 LETTER FROM THE CHAIRMAN'S DESK

“ AS A PIONEER IN GENERAL INSURANCE, OUR TRANSFORMATION PIVOT SUPPORTS NATIONAL STRATEGIC PRIORITIES, PROMOTES ENHANCED ACCESS TO INSURANCE AND AUGMENTS THE INSURANCE INDUSTRY OF BANGLADESH. ”

Dear shareholders,

In a difficult and challenging environment, the beginning of a new year – and a new decade – always brings with it a sense of renewed hopefulness and optimism that things will be better in the months and years ahead.

Indeed, the way the Government, led by Hon'ble PM Sheikh Hasina, has come forward to support industries, businesses and the public at large is credible. Proactive policy support as well as a carefully structured stimulus

package have been the highlights that have buoyed optimism among corporate leaders to prepare for the world beyond the virus. Healthy collections in tax revenues post the lockdown months, increased government spending commitments, development of large public-facing infrastructure projects and structural focus to remove impediments that withhold business investments are some of the major positives of this government. This, together with the fundamental country-specific advantages like an excellent demographic, rising remittances and unconstrained entrepreneurialism, especially in new-age businesses like digital, convince me that this decade will more firmly place the spotlight on Bangladesh. Thus, regulatory, legislative and policy certainties will continue to weigh positively on business and investor confidence.

THE YEAR IN REVIEW

It is no doubt that the outbreak of COVID-19 and the ensuing social and economic turmoil has changed the world forever, requiring unprecedented responses from governments, society and businesses alike. As a general insurance Company with a major impact on Bangladesh, the Board has remained focused on our purpose, guided by our values, in ensuring continued support to our customers amidst the challenging times, keeping our employees safe, operating the business in a regulatory-compliant manner and positioning the Company for sustainable performance through this challenging period. The commitment of our workforce and resilience of our business model, supported by a robust business continuity system, has enabled us to continue to navigate through the COVID-19 pandemic with vigilance and agility and to deliver a performance we can take much pride in.

Following the promising performance in the first three months of the year, income for the first half was subdued after the nation-wide lockdown was enforced starting from late March. Despite these circumstances, the Company delivered a solid performance for the whole year, with a 133% increase in underwriting profit and a 127% increase in post-tax profit. In fact, our 2020 net profit enables us to re-acquire leadership status in domestic sectoral profitability.

A performance summary of 2020 is provided below

Gross premium income Tk. 3,676.75 mn	Net premium income Tk. 1,609.36 mn	Underwriting profit rose by 133% to Tk. 965.40 mn	Investment income grew by 2% to Tk. 299.80 mn	Profit before tax was up by 127% to Tk. 683.80 mn
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The Board and I thank the executive leadership team and every employee across the Group for their brave and untiring efforts and dedication, not only in achieving these pleasing results, but in upholding the values of the Group while working tirelessly to ensure continued insurance support to our customers.

We have, however, not been immune to the devastating impact of COVID-19 and have, sadly, lost colleagues and their loved ones to the illness, while others have had to fight to recover from this disease. On behalf of the Board and the entire Green Delta Insurance staff, I wish to convey our heartfelt condolences to the families and friends of our colleagues who have succumbed to this virus, while wishing those still suffering from an infection, or its effects, a speedy recovery. Green Delta Insurance has done its utmost to ensure employee's remain safe and protected against this virus and will continue to do so, as we fight side-by-side with governments, regulators and healthcare professionals to overcome it.

DIGITAL TRANSFORMATION

Though COVID-19 creates uncertainty, it is a disruption that presents strong opportunities for companies to adapt to the new operating environment. Despite the near-term challenges caused by the COVID-19 pandemic, the broader outlook for the insurance industry remains positive, with growing demand from emerging markets like Bangladesh being a major factor contributing to anticipated long-term growth.

The Fourth Industrial Revolution, accelerated by the onset of the pandemic, presents many opportunities for organisations that embrace digital transformation. The Board supports the shift to digital as a key driver of the Company's strategy with the required investment in new and more advanced technological platforms. As the

digitalisation of operations increases over time, the Board has placed enhanced focus on emerging cyber risks and the need for robust governance of our information and technology assets.

Creating an impact through digital insurance is the way forward, and I am pleased that our new mobile app, which has seen hundreds of downloads since it was launched on iOS and Android platforms in December 2020, will help increase affordable digital access to a wide gamut of our insurance products. Further, as feature phones replace smartphones with 4G mobile networks being extended across the length and breadth of the country, there

exists major scope for getting the public, especially in the hinterlands, under the folds of a proper insurance cover.

Today, we are also engaged in strategy discussions on enhancing operational digitalisation with a focus on less-paper, less in-person interactions both on the policy acquisition and claims disbursement time. Digitalisation will also have a major role in cost optimisation through efficiency enhancement across the lifecycle of an account – from acquisition to servicing to retention, which will thus represent a strategic profitability driver.

Given the challenging macroeconomic environment, we will, as always, continue to look for innovative ways to assist our clients to weather the storm and deliver great client experiences to ensure their loyalty and our continued license to operate, especially in a world that is digitalising at a rapid pace.

TRANSITIONING SKILLSETS

It is evident how new technologies are shifting customer behaviour and how they consume insurance services. Thus, a constantly learning workforce that is adaptable to these changes is a key competitive advantage and reskilling is therefore a strategic imperative for us to remain relevant. Transitioning workforce skillsets in a changing operating landscape is also crucial to secure our competitive position. This has meant that some roles continue to be impacted by digitisation. As a result, 2020 required of us to step up our efforts of reskilling and responsible redeployment. I am happy to note how our human resources team stepped up their efforts in workforce skillsets management and how our employees responded to this call with enthusiasm, energy and the right attitude.

Our PM has always called on businesses to play an active role in the fight against poverty, unemployment and inequality to help build an inclusive and transforming economy for the benefit of all our citizens. Skill development and capacity building have been prioritised by the government for increasing the demographic value-add and I am happy how our subsidiary, Professional Advancement Bangladesh Limited, is integrating with this mission to not only develop insurance industry-ready professionals, but also leading insurance thought leadership in the country by organising roundtables, seminars and symposiums, thus bringing the ecosystem together and enhancing the spirit of collaboration.

OUR COMMITMENT TO SAFETY AND SUSTAINABILITY

Responding to a changing world and an industry context in which there are increasing expectations for businesses to operate in a socially and environmentally-responsible manner, our sustainability commitments remain a cornerstone of our business strategy.

We recognise that our ability to deliver returns to our shareholders is inextricably linked to the broader

prosperity which we are able to foster amongst communities. To this end, we have aligned our efforts to those Sustainable Development Goals (SDGs) to which we believe we can make the most meaningful impact and contribution. We recognise that we need to always strive to make sustained contributions and, in this regard, our planning for 2021 includes an augmented focus on climate change, a more thorough assessment of the risks and opportunities that the transition to a low carbon economy presents and the role on insurance in these societal shifts and trends.

Board's strategic priorities for 2021



Strategy development for long-term value creation

The Board will enhance oversight of the crafting of the sustainable business strategy which is aimed at delivering long-term value for all of our stakeholders, especially in the aftermath of the pandemic.



Ethical leadership and governance

Our Board is re-committed to uphold its high governance standards and abide by all regulatory rules and statutes without any deviation.



Furthering commitment to sustainability

Responding to a changing world in which climate change is increasingly becoming a part of public consciousness, we are focused in weaving a tighter integration between decision-making and sustainability.

CONVEYING MY SINCERE THANKS

I thank my fellow Green Delta Insurance Board members for their support, with a special word of appreciation to our Advisor, Nasir Chowdhury. His longstanding experience, wisdom, guidance and intellect were especially invaluable in stewarding the enterprise through the high tide unleashed by the pandemic. In addition, thank you to Farzanah Chowdhury, our MD & CEO, and her wonderful team for their very active involvement in steadying the ship and navigating it to safer shores. I would also like to thank our stakeholder community and our whole ecosystem for their support and cooperation.

Readying ourselves for the second decade of this century, we are preparing to be future-fit. As a trusted brand with

a growing footprint in Bangladesh and innovative new products and services, I believe our Company is well-positioned to build on the positive and sustainable impact it has already made. Indeed, we look forward with energy, enthusiasm and positivity to continuing delivering on our purpose to use our insurance expertise to do good for individuals, businesses and the society. Though much has changed, what remains unchanged is our emphasis on creating sustainable for all our stakeholders.

Thank you,

Sd/-

ABDUL HAFIZ CHOWDHURY
CHAIRMAN



FARZANAH CHOWDHURY

Chartered Insurer

Managing Director & CEO

1.8 STATEMENT TO STAKEHOLDERS FROM THE **MANAGING DIRECTOR & CEO**

“ THE PANDEMIC HAS FIRMLY ESTABLISHED THE INTRINSIC SOCIAL PURPOSE OF INSURANCE, AND AT GREEN DELTA INSURANCE, WE ARE COMMITTED TO USE THIS AS AN OPPORTUNITY TO CREATE AWARENESS ON THE IMPORTANCE OF INSURANCE FOR PEOPLE TO GAIN A Foothold ON THE LADDER OF PROGRESS AND FINANCIAL INCLUSION. ”

DEAR SHAREHOLDERS AND STAKEHOLDERS OF GREEN DELTA INSURANCE

Navigating the context we find ourselves in can be overwhelming, with the unknowns far outnumbering the knowns. COVID-19 has not only affected the health of millions of people around the globe, but its immense secondary effects on our economies and communities continue to evolve. In this context, business-as-usual is no longer an option. In 2020, though social distancing became a fact of life and a part of public consciousness, yet our hands-on approach never wavered. We had to stay apart, yet we never lost touch or stopped lending a helping hand.

As a purpose-led business, we strive to live our values daily. This consistent focus enables us to navigate our way through the headwinds to ensure we continue to create long-term value for our shareholders and stakeholders alike. We know that the decisions we make today will undoubtedly shape our tomorrow. While we have faced unprecedented challenges in the past year, we have remained focused and committed in our efforts towards a better tomorrow for everyone.

BUILDING PUBLIC TRUST IN INSURANCE - ONE CUSTOMER, ONE ENGAGEMENT AT A TIME

Insurance as a concept has matured and is well-accepted the world over. It has become highly recognised and acceptable as a counter in a world that is becoming increasingly risk-prone.

Yet in Bangladesh, the proportion of the insured population is miniscule – less than 1% – of the overall

population size of about 166 mn. My synopsis is that just as important as it was building the confidence of the unbanked in conducting financial transactions through mobile phones, it is important that we focus on building public trust and awareness in insurance. This entails helping people to cultivate new habits. The public would need to be made aware of the risk of severe, and sometimes even unbearable, costs of recovery from a disaster, like an illness requiring hospitalisation or an untoward business incident like fire, and instead turn to a formal insurance cover that can substantively help in recovery after an adverse risk event.

At Green Delta Insurance, we know habits would take time to develop, but could be encouraged through awareness-building, education and hand-holding. Hence, we have consistently rolled out large-scale insurance outreach campaigns, especially in the hinterlands, about the criticality of insurance. Such campaigns and outreach initiatives to educate potential customers about the benefits of such a service and how to identify and take the right risk cover are being supplemented by other broad-based initiatives through step-by-step guidance by our expansive agent network as well.

Thus, our objective is to take our message far and wide that insurance can assist the “un-included” or the large missing-middle population to gain a firm foothold on the ladder of financial inclusion and sustainable progress.

COVID-19: A TIPPING POINT IN INSURANCE

COVID-19 is a new situation. This crisis is unique. In insurance, while we often deal with disasters that can be serious but are most often limited in their locational occurrence, spread and impact, the ongoing pandemic

is a “total” crisis. Almost, all the countries in the world are being affected simultaneously. More than half of the world’s population is locked-up in their home and the world’s economy is coming to a halt.

It is also a complex crisis. While it has put our health systems under severe strain, causing more than 2 million deaths to date, it is an economic crisis too, with economic shutdowns sparking off one of the worst recessions since World War II. Already, new mutations of the virus are enforcing fresh lockdowns and hence the crisis could become social, or even political. Today, we see a greater appreciation in the value of human life and also greater appreciation of the natural habitat and that is to be welcomed.

This crisis also illustrates a major new phenomenon: the interconnectedness of risk. Standardisation of lifestyles and globalisation now play a key role in the spread of risk. It is a powerful accelerator. This prompted us to develop new actuarial models for pandemics, aligned to the reality of the situation. Further, rising awareness among corporate companies about group health insurance also accelerated enquiries and conversions in this segment.

Today, as insurers, we are rising up to our responsibility and playing our role in protection and normalisation. We are honouring contracts, particularly in health insurance, and also making exceptional solidarity efforts. We believe that this crisis can be a tipping point for insurance. On the one hand, it has revealed the sector’s underestimation of health risks. While major pandemics seemed a thing of the past, this incident has revealed that the risk is still present and that the “protection gap” remains very significant, especially in a highly underpenetrated country like Bangladesh. Moving forward, we will continue to vigorously pursue our objective of leaving no one behind as we focus on closing the gap as much as possible by taking insurance right up to the doorstep of our customers.

CLOSING THE PROTECTION GAP, ENHANCING HUMANITY’S ABILITY TO COPE

Governments the world over are borrowing trillions of dollars to prevent further loss of life, supporting faltering economies and responding to critical societal needs. Millions of people and several countless businesses – from large conglomerates to small enterprises – are facing the brunt of the serious threat many have ever faced. As per Lloyd’s the insurance sector is paying out claims estimated at \$107 billion to customers, while also witnessing the value of its global assets collapse by \$96 billion, together making it the industry’s largest ever loss. Indeed, the magnitude of the pandemic’s financial and social impacts has exposed the shortcomings of society’s preparedness for, and resilience to, systemic risks of this scale and nature, including the ability of some risk transfer products and structures to provide protection.

Notably, while banking and mobile financial services are highly dense sectors in terms of their penetration in Bangladesh, growth has failed to catch up in the insurance industry, which is a crucial arch of the financial inclusion circle. On the health insurance front, over 60% of the expenditure is met through out-of-pocket expenses. In a developing country with low per capita income, the impact of this metric is profound, as it shows that either health issues are not addressed properly because of budgetary constraints, or borrowings over the budget to meet the expenditure is pushing people back into poverty. Thus, a health issue in the family has the potential to undermine all the gains of lifting people out of the poverty trap.

Some of the other industry-specific matrices are equally stark: there is only 1 community clinic per 6,000 people and there are only about 8 health care workers per 10,000 people, against WHO’s recommendation of 45. It is instructive how our government mobilised over 2,000 doctors and 5,000 nurses to meet the Covid-19 challenges. Our sense is that there is growing realisation among the authorities on the need for a more structured approach to public health care, especially since the state acquired hundreds of Covid-19 insurance policies for medical workers and frontline responders, thus also bringing to the forefront growing public interest in insurance.

Quite truly, the pandemic has brought forward the crucial importance of insurance in life and, together with our focus on making insurance more accessible and hence affordable, we believe the shift towards “insurance inclusion” will only gather pace hereon.

INSURTECH: A REVOLUTIONARY APPROACH TO MAKING INSURANCE ACCESSIBLE

The insurance industry is on the cusp of a major revolution, as adoption of “Insurtech” enters a new phase. Insurtech represents the transformation of insurance from an arcane policy-led industry into a dynamic and agile one that succeeds by placing the customer at the heart of everything it does. Data is inarguably the driving force for this innovation.

With the pandemic significantly enhancing digital adoption, and the shift to digital becoming a permanent trend, the coming years will accelerate the level of implementation of new and innovative approaches and technology from a slow trot into a steady gallop. This is also the case with our Company, as we increasingly overhaul and digitise the legacy business, while also demonstrating a different way of working that is more risk and cost efficient, while bringing forward new opportunities and rewarding outcomes.

In a momentous forward-step in Insurtech, we launched an artificial intelligence (AI)-based mobile application called “InsuMama”. This is the first-of-its-kind mobile app in the general insurance industry of Bangladesh, featuring instant account opening and instant online policy purchase. Further, policyholders can also pay premiums online and renew policies with just a single tap on the digital platform, which is available on both Android as well as iOS smart-phone architectures.

The pandemic, while bringing out the fragility of the health care sector, provides a unique opportunity to rebuild an accessible and affordable system that will address the triple burden of disease. Thus, it provides an opportunity to create a playbook on combating any future exigent events through enhanced technological access. This app, which is the first in this direction, has been conceived to not only ensure affordable and universal access to insurance, but it will also go a long way in ensuring insurance inclusion.

Further, under the august leadership of PMSheikh Hasina, the government is implementing the “Digital Bangladesh” programme, ensuring digital connectivity for all. Our app is in line with the vision of the government and is a part of our broader play in connecting digital services delivery nationwide, while promoting innovative and inclusive insurance products. Inspired by the theme of “Insurance for everyone”, our comprehensive insurance mobile app with a whole host of smart features will provide hassle-free insurance services to all with end-to-end encrypted data to secure personal information of our policyholders.

Earlier in 2016, we had introduced the first-ever mobile app exclusively for our Nibedita policyholders, comprising a comprehensive insurance scheme for women that provides a safety net against various risks and uncertainties faced by women.

“AMRA KORBO JOY”: FOSTERING A POSITIVE IMPACT ON AGRICULTURE

In April 2020, Green Delta Insurance and Nagad, a mobile financial services company, jointly organised a fundraising initiative for helping farm communities of Bangladesh under the platform “Amra Korbo Joy”.

Agriculture is the lifeline of Bangladesh, employing around 45% of the country’s total population and contributing to over 14% of the national GDP. The coronavirus pandemic has had an adverse impact on farm communities, jeopardising lives and livelihoods. At our Company, we have always worked with the marginal population of the country and are passionate about ensuring financial security of the vulnerable. We believe that agricultural insurance can go a long way in helping Bangladesh to achieve the SDG goals in the long run.

The fundraising initiative was thus structured to receive donations through the “AmraKorboJoy.net” website, which has proper payment integration from multiple

platforms, including credit and debit cards, as well as key mobile finance platforms. At Green Delta Insurance, we donated 1-day’s salary to this platform, even as it was able to mobilise Tk. 1.5 million. The donations to the farmer communities were made through Nagad’s transactional services platform.

Further, under the supervision of the Department of Financial Institutions of Bangladesh Bank, Green Delta Insurance also organised a workshop on the importance of index-based agricultural insurance for the Haor region, a flood-prone area, at the CIRDAP center. During “Mujib Borsho”, the government has targeted to increase insurance penetration to 1% and index-based agricultural insurance will be a momentous step forward to realise the objective of Bangladesh becoming a developed country by 2041.

Paradoxically, farmers in the Haor area realised the importance of agricultural insurance when super-cyclone Amphan caused damages to their farm. Thus, in support of our agricultural communities and demonstrating the positive impact of insurance amongst the vulnerable in distress, we settled an amount of Tk. 150,000 as claims disbursed to farmers under our revolutionary index-based crop insurance protection scheme, in July 2020. While the spread of the pandemic has impacted all walks of life, we are committed to stand beside marginal farmers. Today, we are re-energised to take our insurance solutions to cover every farmer and farmland of our country.

MAKING ALL-ROUND PROGRESS DESPITE CHALLENGES

Diversifying our product basket beyond mainstream insurance, we ventured into microfinance in the early part of the last decade by partnering with the Institute of Microfinance to provide micro-health insurance to the poor in the Mymensingh area.

Under the scheme, policyholders would get up to Tk. 40,000 as health care coverage by paying a nominal Tk. 1,700 annually. The health insurance holder would be able to stay up to 21 days in the hospital without cost. The initiative later worked well when it was assigned to manage claims of the Health Ministry’s Shasthyo Surokhsha Karmasuchi (SSK), comprising a micro health insurance programme for the poor in Tangail. The Ministry selected our Company as SSK’s scheme operator and thus our journey began in enrolling beneficiaries for the programme based on a baseline survey to identify people below the poverty line. With a view to ensure widespread outreach, the Company embraced innovation by establishing booths in various micro-localities to enrol beneficiaries. Thereafter, we also hired the services of a team of agents to explain the concept of insurance and register beneficiaries by visiting door-to-door.

It was unimaginable amongst people at that time that they could be financially supported during an illness. Today, under SSK, beneficiaries get coverage for 78 diseases free of cost as the government fully subsidises the expense. As scheme operator, GDIC works to manage and process 15,122 claims as well as monitors registrations. So far, we have directly served 63,763 people across three upazilas of Tangail.

Soon, public trust began to build in insurance coverage after they started to receive their claims. Encouraged by the success of SSK, the government decided to expand the coverage of the social health protection programme to more upazilas and hence our Company has been mandated with the responsibility to manage the SSK scheme in four more upazilas in Tangail, even as we target to enrol 100,000 families from these areas over the next few years.

As one thing led to another, we strategised to extend the influence of insurance to other rural communities, and thus conceived scientifically-evidenced farmer insurance products through taking into cognisance such facets as 32-year weather data into account. Today, under the index-based crop insurance, Green Delta Insurance provides support to nearly 63,763 farmers, with claims settled amongst over 15,122 farmers. We also offer insurance for 20 crops, including rice, wheat, maize and tomato.

As a yet further and forward-looking extension, we have reached 36 districts with livestock insurance. Under this innovative initiative, we monitor cattle through radio-frequency and have disbursed a fairly large number of policies in this subsegment within a relatively short period of time.

OUR BUSINESS PRACTICES FOSTER RELEVANT CONTRIBUTION AND SECURE MEANINGFUL RECOGNITION

In February 2020, Green Delta Insurance launched Bangladesh's first-ever report in the private sector on the Sustainable Development Goals (SDGs). Our Company, in partnership with the CSR Centre and Credit Rating Agency of Bangladesh, published the country's first sustainability report based on the SDGs to implement the SDGs in Bangladesh based on UNGC principles, GRI (Global Reporting Initiative) standards and OECD guidelines. Bangladesh was an early initiator of SDGs implementation and we see the SDG goals as an opportunity to step up on sustainability, providing better services to more people and delivering on an aspiration of zero environmental impact by 2030. Going forward, to contribute to achieving the 169 targets in the SDGs, we aim to work through partnerships with both public and private organisations across multiple goals. We remain committed to support the government to realize the SDG Agenda by 2030.

I'm also happy to note that we continued with our dream run at the ICAB National Awards by winning the first prize in the insurance category at the 20th ICAB National Awards for the "Best presented annual report of 2019" at an award ceremony held in Dhaka in November 2020. This validation only encourages us to further advance our efforts in transparent, honest and detailed corporate reporting and communication with a view to continue to build trust with our stakeholders.

Further, Green Delta Insurance bagged a joyous global recognition in November 2020 as a "New Champion" in the category of "Excellence in sustainability" at the Pioneers of Change Summit 2020, organised by the World Economic Forum (WEF). This summit aims to explore the innovation needed to bounce back from the pandemic, while also recognising projects and initiatives that have the potential to deliver a substantial impact on business and society, be financially viable and ready to operate at scale or are already doing so. This award recognises our sustainability initiatives in everything we do, even as we place special emphasis on benefitting the marginal population most adversely impacted by the pandemic.

In yet another milestone achieved in November 2020, we secured "AAA" credit rating (long-term) for the 7th consecutive year (in 2020) from Credit Rating Agency of Bangladesh (CRAB). Green Delta is the only and the first insurance company in Bangladesh to secure this rating for 7 years in a row. This credit rating is the highest such an organisation can get and reflects positive assessment across a number of crucial organisational factors, including financial strength, corporate governance, management practices, claims payment ability, compliance etc. Further, we also secured the "ST-1" (short term) rating from CRAB, representing a strong recognition of our business responsibility and sustainability initiatives.

Also in November 2020, Green Delta Insurance was awarded with the prestigious "Superbrand" status and is the only in the general insurance industry of the country to be bestowed with this prestigious recognition.

FOSTERING A NEW ERA FOR HUMAN RESOURCES

The pandemic has laid bare the importance of the "social contract", and we have used the pandemic as a unique opportunity to mark the beginning of a new era for human resources at our Company. Our primary aim is to improve the health and well-being of our 547 (as at the end of 2020) employees by strengthening prevention and access to the right medical care. The idea is also to better support employees who encounter difficulties in their professional or personal lives, especially on account of the pandemic. Our brave approach, which reinforces our ambition to become one of the best companies to work for, is contrary to the general trend of retrenchment, furloughs and layoffs seen across industries and sectors.

Our human resources approach, reinforced by our sensitive, caring and empathetic people practices, illustrates an important dimension of the HR function that has been highlighted by the crisis: supporting employees in the area of well-being and, first and foremost, health. This has become an important issue in terms of the engagement and attraction of talent.

With the onset of the crisis in late March 2020, we had an intuition that this had the classical makings of a pandemic, and our first priority was to safeguard the health of our employees. Everywhere, we took the most appropriate measures to protect them. We operationalised remote working, with only certain critical services remaining open because of requirement of on-site presence. Of course, coming on-site was subject to strict health protocols.

The other area concerns the massive use of digital technology and digital ways of working. Indeed, the crisis brought our HR team closer to our IT team, who have worked together to make remote working and online tools more widespread, simple to understand and easy to use. This was quickly deployed and the technology offered us the possibility of rich and innovative exchanges and better teamworking and collaboration.

Beyond technology, we need to reinvent management and collaboration methods in a sustainable way.

Remote working needs to be organised, especially in times like these. The remote working transformation is not something transient but a profound trend that lays the foundations for a new, more responsive and more agile work environment. We are convinced that time in the office is precious for creating relationships and corporate culture, innovating and thinking together, yet a balance of time at the office and time at home also allows for a better work-life balance. Work-life balance is fragile in this new environment and we extended full support to ensure the mental and physical wellbeing of our employees through various virtual and online meets and sessions.

TOWARDS A BETTER AND MORE OPTIMISTIC FUTURE

At Green Delta Insurance, secure in the learnings and initiatives of the past year, we are moving towards the future with positivity and confidence.

We have made rapid strides in IT and automation, reflected in initiatives that are transpiring across the organisation at a brisk pace. We have been able to fast-track processes with greater transparency and efficiency, reflected in the fact that almost 80% of the approval

process has shifted online, thus also making decision-making more rapid and that too in a more environment-friendly way through the use of less paper. We are also in the process of changing our insurance platform that will be a major step towards realising our objectives in Insurtech.

Further, on the distribution side we are looking to increasingly diversify our channels, and one of the major things we are looking forward to in 2021 is bancassurance. Developing this channel will enable us to tap into a much larger and secure customer base, even as it will help the insurance sector to more closely integrate with the country's financial services industry, while also ensuring more cost-effective distribution.

The year 2021 looks very promising on the basis of several macro developments, including a highly resilient economy that has returned close to normalcy, a large government stimulus package for the private sector, record levels of remittance already starting to flow into Bangladesh from across the world, and increasing

expectations of Bangladesh becoming a more integral part of global supply chains, especially in the face of China-US geopolitical developments. One of the other major reasons of optimism is the government's thrust on infrastructure development which has significant potential to catalyse economic growth.

I believe the government also needs to start spending more every year on health care for the next few years, even as there exists significant scope to prioritise universal health care with the provision of a social safety net for the most vulnerable sections of the society. There is also an accelerated need to invest in digital infrastructure and I believe the vision and scale of "Digital Bangladesh" will open up an exciting new era for Bangladesh.

Today, with a robust and secure general insurance platform that we have been able to create in our 35-year journey, together with our exciting plans and initiatives for the future, we are well-positioned of the many possibilities of sustainable shareholder value creation going into our next 35 years and beyond!

Thank you very much for being a part of our journey.

Best wishes,

Sd/-

FARZANAH CHOWDHURY

Chartered Insurer
Managing Director & CEO



INTENDANCY

2.1 THE BOARD OF DIRECTORS

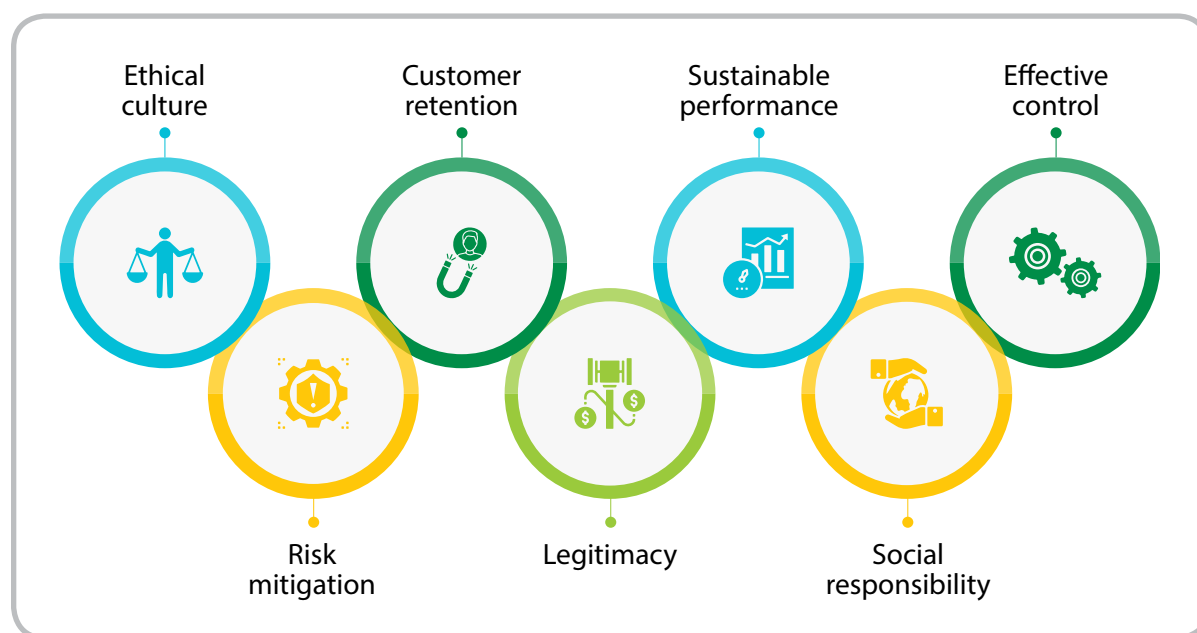
WHILE OUR BOARD COMPRISES EMINENT LUMINARIES WITH DIVERSE AND MULTIFARIOUS PROFESSIONAL EXPERIENCE, ITS CONSTRUCT DRIVES THE ESSENCE OF EFFECTIVE GOVERNANCE. WE HAVE A UNITARY BOARD WITH 9 DIRECTORS, THE MAJORITY OF WHOM ARE NON-EXECUTIVE DIRECTORS. OUR CHAIRMAN IS AN INDEPENDENT NON-EXECUTIVE DIRECTOR.

BOARD GOVERNANCE

Green Delta Insurance is committed to the highest standards of business integrity, ethics and professionalism.




Our Board takes the overall responsibility for stewarding the Company. Its role is to exercise leadership and sound judgement in directing the organisation to achieve

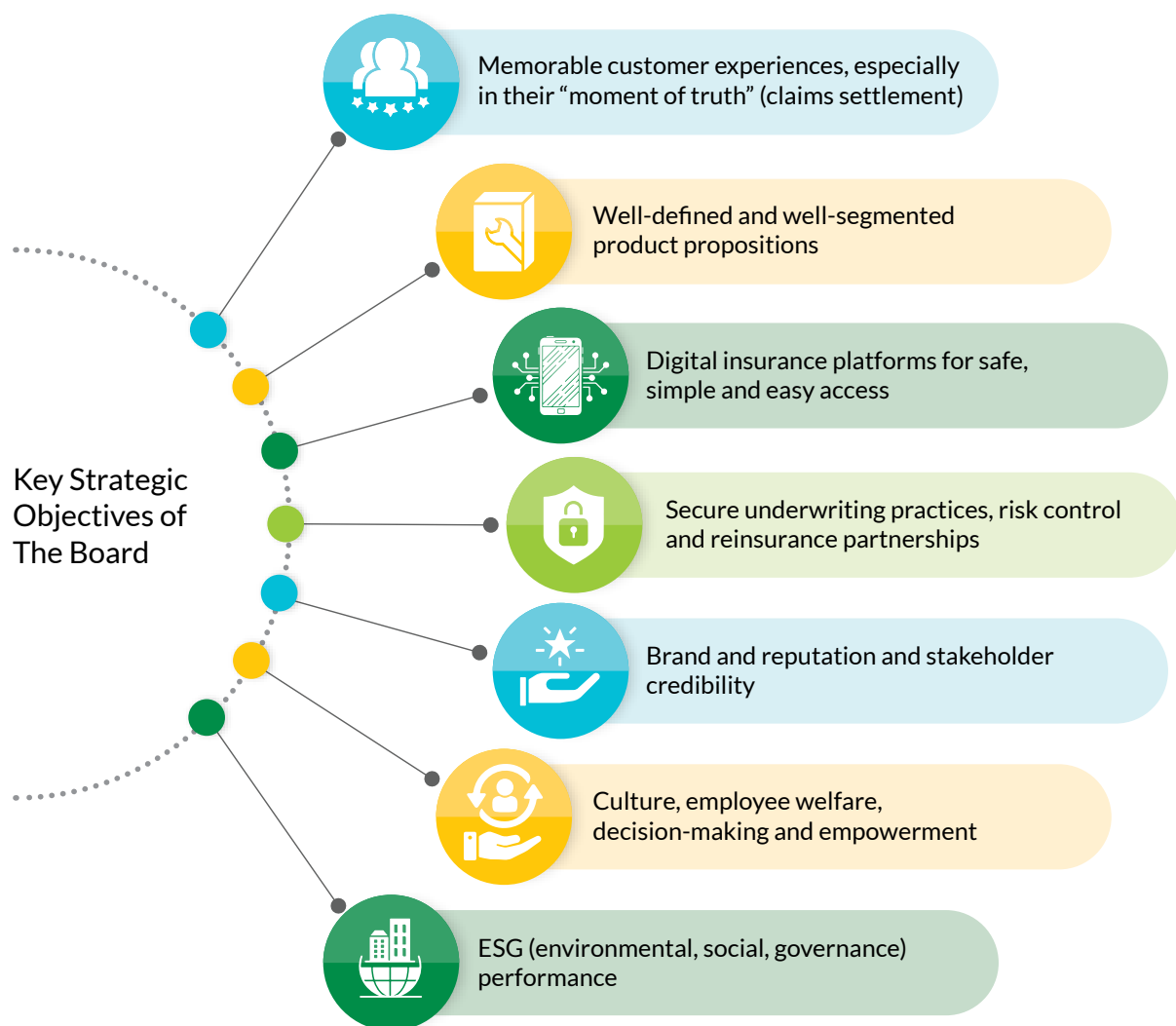
sustainable performance and growth and act in the best interests of shareholders and other stakeholders. While our emphasis on corporate governance is advocated by an outcome- and evidenced-based approach, what fundamentally defines our governance practice is the exercise of ethical and effective leadership towards the attainment of the following governance goals and outcomes:



Our focus on fostering conscientious governance practices is underpinned by the principles espoused in our Code of Conduct and are entrenched in our internal controls, policies and procedures governing corporate conduct. The Board is satisfied that Green Delta Insurance has primarily applied the principles and embraced the guidelines of Bangladesh Bank, Bangladesh Securities and Exchange Commission (BSEC) and Insurance Development and Regulatory Authority of Bangladesh (IDRA).

As on end December 2020, our Board comprised of the following committees:

-  Audit Committee
-  Executive Committee
-  Nomination & Remuneration Committee



Key focus areas of the Board during the year 2020 included the following:

- Business and work continuity planning in the wake of the COVID-19 enforced shutdowns and movement control orders
- Employee protection and welfare, along with adherence to all civic rules and guidelines
- Emphasis on Insurtech, including digital platforms and digitalising processes
- Product innovation and partnerships
- Major claims settlement
- Engagement with stakeholders and government /industry liaison
- Skills and talent development
- Long-term business sustainability



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

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 had served number of years as an Independent Director in the Board 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 currently serving as an Independent Director and Chairman of Green Delta Insurance Co. Ltd.

He is married to Rasheda K. Choudhury and they have two sons and a 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., New York 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
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 was 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.

2.2 LEADERSHIP TEAM PROFILE

AT GREEN DELTA INSURANCE, OUR BOARD IS SUPPORTED BY A STRONG SENIOR MANAGEMENT TEAM THAT HAS VERSATILE AND SPECIALIST EXPERIENCE ACROSS DIVERSE BUSINESS FACETS, THUS HELPING IN THE COLLECTIVE REALISATION OF BUSINESS GOALS, OBJECTIVES AND AMBITIONS. OUR SENIOR MANAGEMENT TEAM COMPRISES 15 MEMBERS.



Nasiruddin Ahmad Choudhury

Advisor

By virtue of an experience of more than half a century in the insurance sector, Mr. Nasiruddin Ahmad Choudhury has pioneered the insurance industry of Bangladesh and is a widely respected business veteran. Mr. Choudhury completed his Bachelor's degree from Anando Mohon College, Mymensingh, and Master's degree in Islamic History from Dhaka University, Bangladesh. He is vastly experienced in the field of insurance and is widely respected in the insurance industry and business circles, both locally and globally. Mr. Choudhury joined the Pakistan Insurance Corporation in Karachi in September 1958. Later, he went to London for training and further traveled to Germany to train at the Munich Reinsurance Company. At Pakistan Insurance Corporation, he held various senior positions till the liberation of Bangladesh. In 1972, fueled by the patriotic urge to engage in nation building, he took up the challenging responsibility of rebuilding the reinsurance department of the Sadharan Bima Corporation as a General Manager. Having achieved his objectives, he left Sadharan Bima in 1983.

By this time, he was also Insurance Adviser of Bangladesh Biman and Bangladesh Shipping Corporation for over

15 years. In 1985, when insurance was opened up to the private sector, Mr. Choudhury established Green Delta Insurance Company Limited, with a couple of close friends, as sponsor and founder Managing Director and CEO. Today, Mr. Choudhury continues to discharge his responsibilities as an Advisor. Throughout his glorious career spanning multiple decades, Mr. Choudhury has been awarded by many renowned national and international organizations for his unparalleled contribution to the insurance industry of Bangladesh and the world at large. In 2007, the US-based International Who's Who Historical Society acknowledged

Mr. Choudhury as a fellow. He was elected as the Director of FBCCI, President of the Insurance Association, Executive Member of the Metropolitan Chamber of Commerce and Industry, President of the Bangladesh German Commerce and Industry. He is also the chairman of Delta Brac Housing Finance Corporation. He has also served as the Chairman and Managing Director of NASSCOM Private Limited. Among the host of prestigious awards he has received is the International Quality Crown Award in the Diamond Category in 2009, in London.

He has also received the DHL-Daily Star Lifetime Achievement Award in 2009, mother Teresa international award for contribution as a social and as also the International Star Award for Leadership in Quality, presented in Paris in the same year. Mr. Choudhury has traveled around the world and is closely associated with insurance majors in countries like Germany, the UK,

France, Japan and Malaysia, among others. Under the accomplished mentor ship of Mr. Choudhury, Green Delta Insurance continues to remain the largest non-life insurance company of Bangladesh and has broken new ground with certain exemplary industry firsts, most notable among these is insurance products exclusively designed for women customers, agri-insurance and a state-of-the-art insurance institute, among others. Today, Green Delta Insurance is focused on promoting insurance inclusion and is focused on the overarching ambition of providing 'insurance for all'.



Farzanah Chowdhury

Chartered Insurer
Managing Director & CEO

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

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

Green Delta joined hands with the Ministry of Health and Family Welfare, Government of Bangladesh in the Shastho Shuroksha Karmasuchi (SSK) project. Green Delta is working as the Scheme Operator of the project to provide health insurance for the rural poor, which is providing universal health coverage to more than 6.5 lac people living under poverty line.

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

She holds numerous important positions such as Advisory Board Member of New Champion Community of World Economic Forum (WEF), Member of Bangladesh Board of Advisors (BBA) of Asian University of Women (AUW), Board Member of UNGC Local Network, Goodwill Ambassador of Chartered Insurance Institute (UK), Former President (2018-19), EO Bangladesh, Ambassador of Woman of EO (South Asia), Past National President of JCI (Bangladesh), Vice President (JCI) International (looked after six countries of the Asia Pacific region), a member of the Boards of Trustees of JCI's Global Youth Empowerment Fund and so on. She is also a Board member of JAAGO Foundation a movement initiated by the young people of Bangladesh to eradicate poverty through education and empowering the youth. She is also a member of various apex business bodies Metropolitan Chamber of Commerce & Industry, Bangladesh Women Chamber of Commerce & Industry, CACCI and many more. Ms. Chowdhury is also a Board Member of Talent Nomics India. With her leadership, Ms. Farzanah has been relentlessly working to bring forth a positive change in the insurance industry by materializing the concept- 'Insurance for Everyone' and growing beyond.

In the near future, Ms. Chowdhury intends to bring about more innovations and introduce InsurTech in Bangladesh. She believes that sustainable business practices are instrumental for holistic growth and therefore sustainability has been integrated into everything GDIC does as an organization. Toward that goal, Ms. Chowdhury tends to lean on SDGs to transform risk into opportunity, innovation into outreach and actions into impact, with the aim to leave no one behind.



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

Additional Managing Director & Company Secretary

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

Majoring in Finance from the University of Dhaka, Mr. Ahmed started his career at Southeast Bank, working in

credit-related departments. Beginning as a management trainee at the bank, he subsequently drew rich experience by virtue of working with several other reputed commercial banks in the country and across various roles, before joining the renowned GDIC Group in 2009.

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

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



Wafi Shafique Menhaz Khan

Managing Director & CEO – 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

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

Mr. Islam is a seasoned professional Investment Banker with over 15 years of professional. Mr Islam has the specialization in both Debt and Equity Capital markets products where he comprises in many milestone transactions for raising debt & equity funds including

Foreign & local Syndication and IPO in various sectors such as Infrastructure, Power, Energy, Financial, Agro, Textile, Telecom, Manufacturing, FMCG and Food processing sectors. Mr. Islam has wide-ranging experience in Islamic Finance such as Sukuk, from structuring to raising funds through issuance of Sukuk for the corporates. Mr. Islam is also specialized in designing and structuring the Private Public Partnership (PPP) projects & infra deals and converting these as bankable deals.

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

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



Md. Anisur Rahman

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 30 years of valuable experience in the insurance industry and a total of 37+ 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

Head of Branches and Distribution

Kabir A. Chowdhury, Sr. ED, Head of Branches and Distribution 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

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 USA, UK, Sweden, Hongkong, Taiwan, Malaysia, Indonesia, Egypt, Cyprus, India, Singapore, Bahrain and Morocco. He participated in FAIRs, SIRCs, 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.



Syed Aliul Ahabab FCCA

Financial controller

Syed Aliul Ahabab is the Financial Controller of the Company and is in charge of the operation of the finance and accounts function of the organization including overseeing and supervising the financial reporting and regulatory reporting processes. He is also involved in

assisting strategy designing and implementation and continuous process development within the finance function of the Company.

Mr. Ahabab is a fellow member of the Association of Chartered Certified Accountants (FCCA, UK).

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

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



Md. Moniruzzaman Khan

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. He is a seasoned professional in corporate communications, marketing campaigns, digital marketing, media & public relations, corporate affairs, driving value-based brand strategy with exemplary leadership attributes.

After completing his undergrad (BBA) and post-graduate (MBA) from University of Dhaka, Mr. Zaman started his career in the biggest MNC operating in telecom industry - Grameenphone, as a Regional Distribution Officer. 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.

Mr. Zaman is currently heading the Digital Business department at Green Delta Insurance. 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 as the Head of Digital Business. Since taking the helm, he has been working relentlessly to build up a digital ecosystem through partnerships and collaborations with different digital service providers. He intends to embrace technology in every aspect of the service delivery and change the customer behavior by providing with end-to-end transparent customer experience. He believes that digital services has the edge over traditional services in terms of transparency and faster delivery of services, which would help changing the prevailing negative perception of customers and has the potential to take insurance to every household of the country. With the same vision in mind, the comprehensive mobile insurance app "InsuMama" was launched in 2020, which lets customers buy policies in minutes, renew policy with one click and ensures customer's data privacy at the same time.

Besides fulfilling his new role as the Head of Digital Business, Mr. Zaman is also the custodian of the Brand & Communication department. Ever since joining Green Delta Insurance, he has worked in numerous projects, which received widespread appreciation within the industry besides changing the prevailing negative perception of customers. His prudent stewardship, superior networking and cutting edge knowledge on brand communication strategy has taken the brand to an even greater height in 2020 with Green Delta earning the internationally renowned Superbrand recognition as the first and only Bangladeshi insurance company.



Rubaiyat Ahmed

Head of Human Resources

Rubaiyat Ahmed is an experienced HR professional with a demonstrated history of working in the retail and automobile industry and conglomerate bringing exceptional skills on Change Management, Leadership and Training & Development. He has a proven track record of proactive and hands on approach in 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.

Mr. 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, and Rancon Holdings Ltd.



Shubasish Barua, CERT CII (UK)

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 startup 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 an 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. Also, 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 a shining Bangladesh.



Anupam Das

Head 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 organizations, 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 organization, 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 organization.

2.3 DIRECTORS' RESPONSIBILITY STATEMENT

AT GREEN DELTA INSURANCE, WE BELIEVE THAT GOOD GOVERNANCE IS OF FUNDAMENTAL IMPORTANCE. WE HAVE A CLEAR AND SHARED PURPOSE, WHICH IS TO SUPPORT OUR CUSTOMERS TODAY AND WELL INTO TOMORROW. THUS, OUR DIRECTORS STEWARD OUR ORGANISATION WITH RESPONSIBILITY AND EMPATHY, WHILE ALWAYS TAKING DECISIONS WITH A LONG-TERM VIEW.

Green Delta Insurance: Internal control governance

At Green Delta Insurance, we recognise that good governance requires 100 per cent Board ownership and accountability for driving the necessary behaviours and culture that we are striving to achieve. Good governance drives robust internal control with an effective framework that supports the sustainable performance and superior customer outcomes that we continue to target on a daily basis.

While the year 2020 brought about a completely new way of working and thinking, more aptly captured in “the new normal”, the Board continued to focus on the Company’s overall control environment. Today, though there are early signs of an economic revival, while vaccination against the coronavirus has also started in many countries around the world, there remains considerable political and economic uncertainty. This has led us to continue to review and improve the Company’s risk indicators and our financial and operational risk appetite monitoring, for example around underwriting, persistency and customer retention.

During the year 2020, the Board continued to build on its internal control framework, which reflects how the Board, through the Managing Director & CEO and leadership team, delivers key customer, shareholder and broader stakeholder outcomes and how this is oversighted through the organisation. The internal control governance framework incorporates the legal and regulatory flow of accountability, stipulated delegations of authority and the supporting ancillary frameworks, policies and standards involved in the management of our business, including the three lines of defence model which assesses the effectiveness of controls and enables risks to be controlled and mitigated in a prudent and secure manner. Notably, the governance and control frameworks also apply to each subsidiary across the Group and also attested to on an annual basis. This underpins our focus on Board effectiveness at every level of the organisation.

Our culture of responsibility

The Board continues to focus on fostering a culture rooted in empowerment, diversity and entrepreneurialism within the organisation. This includes broadening the measures which the Board uses to assess and drive the expected culture. We are also placing emphasis on the core elements of accountability, safety, diversity of thought and opinion and customer service. Evidence shows that these specific cultural traits have a lasting positive impact on workforce productivity and performance.

On a broader societal level, we seek to grasp opportunities to support the transition to a more environmentally-conscious economy and promote activities that secure a better future for our customers and the wider society. We develop ‘climate conscious’ products, one of the key examples being our weather index-based agricultural insurance, which provides an element of adaptation/resilience or additional cover for those customers at risk of extreme weather impacts of climate change. Further, as mandated by our Board, we continue to reduce the environmental impact of our claims processing chain and implement changes that benefit customers and minimise the amount of waste to landfill or recycling. This has had a positive cost impact too as it has helped us lower electricity and stationery expenses, while also driving greater computerisation and digitalisation across the business.

Financial reporting

As a law-abiding Company that embraces regulatory guidelines and statutes both in letter and spirit, we have a robust financial reporting practice that is anchored on transparency, accountability and detailed disclosure. While our financial reports meet all the disclosure guidelines as prescribed by our regulators, their presentation contributes to better navigability and hence understanding. Wherever possible, we have also appended detailed explanations and qualifications in support of certain financial interpretations that are also rooted in transparency and conservatism.

2.4 MANAGEMENT'S REVIEW AND OVERALL RESPONSIBILITY

WITH CUSTOMER TRUST AS THE FOUNDATION FOR ALL OUR ACTIVITIES, GREEN DELTA INSURANCE STRIVES TO CONTINUALLY RAISE CORPORATE VALUE.

Management's responsibility and review statement

Through the provision of the highest quality general insurance products and services, we aim to deliver the safety and security of insurance protection to all our customers. Further, by formulating relevant, profitable and innovative insurance solutions, we focus on achieving our objective of insurance for all and leaving no one behind. Today, being on the throes of dynamic change, we will continue to build an open and vibrant corporate culture that enables each and every employee to demonstrate his or her full creative potential. Moreover, by aligning with the goals envisioned under the UN SDGs, we will continue to not only enable Bangladesh to achieve a better society, but also contribute to the broader socio-economy aspirations of the country in attaining a middle-income nation status over the near future.

At Green Delta Insurance, our purpose is to protect our customers and society in times of need. We are able to achieve our purpose and ensure ongoing performance and growth on the back of three core strengths that we continue to refine.

- First, we have the ability to deliver what is perceived as an intangible, and yet is highly useful as a crucial support in any exigent or emergency situations: safety and security. We have enjoyed consistent growth over the years through a deep understanding of the insurance landscape as it changes with the times and of issues facing customers and society at large. Indeed, we advance our purpose by creating and providing a diverse range of products and services that resolve these challenges.
- Second, we have the ability to implement positive risk outcomes in a sustainable way. As insurance is a business that underwrites risk, we are therefore diversifying risk in order to stabilise our business and ensure that we are able to offer support in times of need or in "moments of truth". Through prudent and vigilant risk underwriting, we are striving to

build a robust management base by diversifying risk while also driving sustainable performance.

- Third, we have the Group's collective strength. Insurance is often referred to as a "peoples' business" because personal engagement is essential when selling and servicing high-involvement intangible products. As social issues are becoming more globalised, Green Delta Insurance leverages its collective strength through the optimal allocation of talent, and by putting a high level of expertise at the core of its strategy.

Some of the key facets of our business that help us foster our strengths and further our purpose as a responsible insurance institution of Bangladesh comprises the following:

- Creation of a simple and speedy claims settlement process
- Prompt claims payment/disbursement, which has helped us nurture our reputation as a credible insurance partner
- Competence to detect issues and trends and transform these into relevant and high-impact products for the benefit of customers and society
- Ability to develop products and services that help resolve issues, while enabling us to calculate appropriate premiums commensurate with risk and have sufficient capital to underwrite it stably

The situation in Bangladesh presents its own unique challenges. Fire and marine insurance accounts for the majority share of our insurance premiums, making it a growth driver for the Company as a whole. Although we view these sectors' growth potential as sustainable over the near to mid-term, negative factors loom ahead. For instance, massive rate revisions by regulators for marine insurance products and cap imposed on agent

commissions pressured the business. With a view to thwart these we focused on ensuring 100 per cent regulatory alignment, while also ensuring regular consultation and dialogue with our customers and agents. This helped offset the negative impact to some extent by ensuring higher policy sales during the year, which was of course challenged by the COVID-19 pandemic.

Further, automobile insurance is also a fairly mature business and yet, increasing congestion on the roads, the acceptance and growth of the ride-sharing economy, advances made in autonomous driving and other disruptors will in all probability undermine demand. Thus, before we are impacted, we must accurately identify market changes and create new growth drivers. Some of these include products specific to audiences, including Nibedita that has been exclusively conceived for our women customers, and also agricultural insurance and livestock insurance that target the agro and dairy communities of the country. These products have been given greater focus and impetus by disaggregating and classifying them as under “impact insurance”.

Disruptive technology and globalization are spawning new risks for corporates. This, in turn, generates opportunities for us to expand our specialty and digital insurance offerings. Although market penetration of these lines of business is still very low among small and medium-sized companies, in particular, we see vast growth potential ahead.

Over the decades, we have grown and addressed social issues by creating products that meet customer needs based on a firm grasp of the changing risk environment. When the Company was founded, we provided ocean marine insurance to support international trade; during Bangladesh’s post-war economic boom, it was fire insurance to assist growth in industrialization, and also automobile insurance to support motorization. Over the next phase or wave, we see cyber-risk protection and innovations in the healthcare sector as areas where we can further develop our insurance expertise. Already, the advent of digital, especially through the “Digital Bangladesh” initiative of the Government and the many companies that are developing business in consumer internet, may create cyber-security risks. Also, advances in health care, especially with breakthroughs in vaccine development and other health care-specific innovation and technologies, as also telemedicine, may create new risk pools.

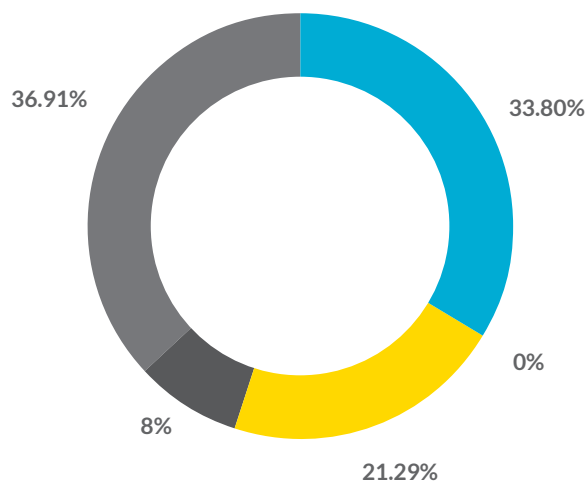
At Green Delta Insurance, our focus is clear: We deliver safety and security by staying close to our customers. Through this approach, we are developing businesses that will continue to fuel growth for Green Delta Insurance, while optimizing our portfolio to adapt to the transforming needs of a changing world.

2.5 SHAREHOLDING PATTERN

(as on 31st December 2020)

Group Name	Number of shareholders	Percentage
Director & Sponsor	20	33.80
Government	0	-
Institute	224.00	21.29
Foreign Company	1	8.00
General Public	3744	36.91

Shareholding Position



● Director & Sponsor ● Government ● Institute ● Foreign Company ● General Public

2.6 FUTURE PROSPECTS AND OUTLOOK

WITH THE PANDEMIC USHERING A NEW ERA WHERE MOST OF WORK, LEARNING AND SHOPPING IS BEING DONE FROM HOME, IT IS EXPECTED THAT SOME OF THE TRENDS WITNESSED NOW WILL HAVE PERMANENCY. FURTHER, THE FUTURE OF INSURANCE HAS ALSO CHANGED, OPENING UP NEW PROSPECTS, RISKS AND OPPORTUNITIES.

An evolving insurance landscape

The global insurance industry entered 2020 in good shape. In 2019, premiums increased by 4.4%, the strongest ever since 2015. Then, the COVID-19 pandemic hit the world economy hard. The sudden halt of economic activity around the globe battered insurance demand too, with global premium income expected to shrink by 3.8% in 2020, as much as three times the pace witnessed during the global financial crisis of 2008. Compared to the pre-COVID-19 growth trend, the pandemic is expected to obliterate around €358bn from the global premium pool. In line with the U-shaped recovery scenario for the world economy, premium growth is expected to rebound in 2021 to 5.6%, while consolidated premium income should return to the pre-crisis level too during the year.

In many ways, the current pandemic is being seen as a game-changer and in insurance it may amplify and reinforce existing trends, including digitalisation and the pivot to Asia, which will emerge faster and stronger from COVID-19. With growth expected at 8.1% per year until 2030, Asia, ex-Japan, is expected to grow almost twice as fast as the global market. It is forecast to add a massive €1,277bn to the global premium pool, twice as much as North America and four times as much as Western Europe. Asia's rising middle-class will increasingly play the role of the consumer of last resort with huge pent-up demand, reflecting weak social security systems and especially protection gaps in natural catastrophes and health. Consequently, the region's share (without Japan) of the global premium pool is anticipated to rise from 24.2% (2019) to 35.3% (2030). Already, the Union Budget 2021 in India has lifted FDI cap in insurance from 49% to 74%, which is a development that will open up the country's insurance sector to foreign capital and lead to increasing insurance penetration.

With digital insurance slowly coming to the fore, it is expected that Bangladesh's insurance penetration, which is currently at under 1%, will rise over the long-term. Even a 1% growth will bring a larger population under the folds of formal insurance and still have significant catchup

potential. The world average in insurance penetration is about 7.3%.

Yet another trend that may benefit from COVID-19 is ESG. If the coronavirus crisis taught the world anything, it is the need for more resilience. Thus, increasingly, ESG will be seen not only as an indispensable tool to screen long-term risks to improve investment returns, but also as an insurance business-enabler. As more and more companies implement ESG strategies, the demand for accompanying products and services is set to rise rapidly. Hence, a new era of "impact underwriting" will emerge, representing a strong new opportunity avenue for insurance companies.

COVID-19 and insurance demand

The slowdown in economic activity will weigh on top-line growth in the insurance industry. Yet on the other hand, insurers might benefit from greater risk awareness. This was the experience of SARS (Severe Acute Respiratory Syndrome) as in its aftermath, demand for health care insurance in Asia grew by double digits. Thus, a similar willingness to buy more insurance cover exists, especially for health insurance. In the longer run, the industry is expected to come under increasing pressure from clients, policymakers and regulators to come up with more comprehensive and simpler solutions. This might even compromise their ability to price risk properly. Further, since every risk covered through every insurance policy requires capital to be kept aside, insurers will become more selective in the risk they underwrite, thus choosing capital conservatism over unsustainable business expansion.

Overall, global property and casualty (P&C) premiums are set to have declined by 2.9% in 2020, shaving off around €44bn from the 2019 global insurance premium pool. Although the coronavirus spared no region, mature markets with their strict lockdowns may be the hardest hit, with premium income collapsing by around 5% and 4.5% in North America and Western Europe, respectively. Most emerging markets, on the other hand, will manage to increase their premium pools, albeit by very low rates.

In times of crisis, households become more risk-averse and may shy away from consuming or investing, building up precautionary savings instead. With COVID-19, this behavior might be even more pronounced as lockdowns made consumption in many areas – from eating out to travelling – literally impossible. Private consumption is set to drop by an estimated 35% on average during the lockdowns. Although household income too is set to decline because of rising unemployment, the blow is expected to be further mitigated by government stimulus/rescue programs.

Pandemic insurance

A pandemic is essentially uninsurable. By definition, it impacts all households and businesses at the same time. COVID-19 is a case in point and raises the important question: How could an economic crisis which is likely to have decimated USD9 trillion from the 2020 global output be insured privately? That's why the insurance industry, aware of the possibly devastating impact of a pandemic, excluded communicable diseases from most of its standard policies.

Societies- with only a few exceptions in East Asia- were deplorably under-prepared for the advent of COVID-19. It is now becoming increasingly clear that in the years since the SARS epidemic, little has been done to establish effective pandemic risk protection. This time, the lessons should be learnt. First and foremost, societies must boost their economic resilience. Insurance can and should play a role here.

Ex-ante (based on forecasts) risk protection schemes, be it against pandemics, natural catastrophes or terrorism are instrumental in ensuring that all participants have a strong self-interest in taking preventive and preparatory measures. There is a long list of measures businesses should take to strengthen their resilience against future outbreaks: from stronger balance sheets and more robust and diversified supply chains to broader succession planning; from infrastructure to enable remote working and regular health checks-ups of employees to new standards of hygiene. Further, it is of critical importance to have the right incentives in place by harnessing the market dynamics of private insurance. Yet another advantage would be that private insurers could provide the necessary infrastructure, processes and knowhow to check the claims and make pay-outs swiftly and efficiently.

Insurance and technology

For most part of the last decade, the insurance industry was trying to catch up with technology. However, just as COVID-19 spread across the globe, insurers were forced to adopt digital measures that would have, under normal circumstances, taken years to implement. While there are several reasons why insurance has been deemed a laggard- mainly because of dependence on legacy systems- the prevalent situation and technological

innovations will push the insurance industry to speed up the adoption of new tech across their ecosystems.

Further, through the increase in communication channels, insurers can profit from the data access and create new analytical tools for pricing and underwriting. One of the most popular applications is machine learning (ML), which is currently being used for customer service, fraud detection and increased operational efficiency. Algorithms are being increasingly used to support classification of risks and to calculate more accurate predictive pricing models that ultimately drive lower loss ratios. Moreover, ML-powered tools can also be used to create insights from massive volumes of health data to deliver lower costs, an improved quality of customer care and fraud detection. Other scalable technologies that will help drive this change are 5G networks and the Internet of Things (IoT) to help share and monitor data. Another prominent field where new technology can play out is policy management claims handling.

Lastly, the enhanced use of analytics, automation and risk management will help the industry transform into a more customer-centric business. The rise of innovation labs and transition from legacy systems into new ways of working will become the "new normal" for insurance. Business strategies coming out of the crisis will make the sector look fundamentally different. Building in-house and developing digital capabilities with alliances and partnerships are expected to be the path forward. While this crisis has brought many challenges, it also provided opportunities to come out of it stronger, more efficient and digitally-enabled.

Top trends to watch for in the insurance industry

- Enhanced digitization, with insurers adopting business process transformation and becoming "change-makers"
- Insurtech will gain bigger prominence as insurance companies look to move where all the action is – the smart-phone
- Increased awareness around insurance as a critical tool for protection, especially against completely unexpected events
- Heightened awareness around insurance as a means of reinforcing individual, business as well as societal resilience
- Increased awareness around proper health, wellness and healthcare, as well as about health insurance
- Rising corporate insurance awareness as a means for companies to not only enhance engagement with their employees but also extend this engagement in the realm of protection support





THE COMPANY

3.1 GDIC STORY



Foreword

Green Delta Insurance Company Limited (GDIC) is the largest and pioneering publicly listed general insurance company in Bangladesh and the only Bangladeshi insurance company to earn internationally renowned 'Superbrands' recognition. GDIC was incorporated in December 14, 1985 as a public limited company 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 931 million with the highest credit rating of AAA (long term) and ST1 (short term) for 7 consecutive years 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 43 branches, Green Delta Insurance Company has ensured presence in the strategically important parts of the country. Besides, Green Delta Insurance Company also has equity participation in Delta BRAC Housing Ltd., Progressive Life Insurance Co Ltd, Lankan Alliance Finance Limited, 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 direct subsidiaries of GDIC.



Service Portfolio

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 Bangladesh 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 with the motto 'Insurance for Everyone'. The main retail products 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. In addition, GDIC has launched "Impact Insurance" department in 2020, which deals with micro insurance products for marginal people, such as, 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 (comprehensive insurance 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 UN Global Compact (UNGC) as a local SDG pioneer in gender equality in 2016.

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. Through this SSK project, GDIC has been able to directly impact more than 80,000 households and provide universal healthcare to more than 6.5 million marginal people living below poverty line. For this pioneering contribution towards sustainability of marginal population, World Economic Forum's New Champion Community recently recognized GDIC in the category of "excellence in sustainability". Moreover, eyeing the scope of digital insurance, Green Delta has

initiated online payments services in 2018 to make the payment methods easier for its customers and has also heavily invested to build up a strong IT infrastructure to be aligned with government's recent approaches towards a more digitalized and greener future.

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.



Social Responsibility

In addition to creating value through its business operation, Green Delta Insurance Company is also an active patron of women and youth empowerment, social progress and development. For ensuring the future of the deprived kids, GDIC sponsors a class of 40 kids of Jaago Foundation and will continue to look after them and their expenses up to their SSC graduation. Besides, GDIC have always tried to give the youths platforms to shine, a prime example of which is the project named “Bichchuron”- a nationwide idea hunt competition on sustainable renewable energy among the youth, in association with Young Bangla and CRI. Moreover, GDIC has been a prime driver of SDGs in Bangladesh and is also the first organization of Bangladesh to introduce and publish Sustainability Reporting (SDG Report) in partnership with CSR Centre and CRAB.



Awards & Recognitions

Green Delta Insurance has maintained its market leadership and supremacy over the journey of these 35 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. Most recently, Green Delta has earned the globally renowned “Superbrands” recognition as the only Bangladeshi insurance company. As the first insurance company in Bangladesh, Green Delta Insurance Company has also earned AAA Credit Rating for 7 consecutive years and ICSB Gold Award for 5 consecutive years and 1st Prize in ICMAB Awards for 2 consecutive awards. It's also worth mentioning that the company has been awarded with 'Six first prizes' in ICAB National Awards Since the year 2010 for best presented annual reports in the category of insurance sector. Apart from these notable awards, we have bagged almost every single national and international awards in our field of works and more in recent years. 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. Also, GDIC has been glorified with many national and international awards like – 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.

3.2 CORPORATE DIRECTORY



Registered Office

Green Delta Insurance Company Ltd.
Green Delta AIMS Tower (6th floor)
51-52 Mohakhali C/A, Dhaka 1212, Bangladesh.
Phone: +(880-2)222261170, +(880-2)222263902
Fax: +(880-2)222281124

Corporate Website

www.green-delta.com

Email

info@green-delta.com

Nature of Business

All kinds of non-life insurance business

Subsidiaries

Green Delta Securities Ltd.

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

Green Delta Capital Ltd.

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

Professional Advancement Bangladesh Ltd.

Green Delta AIMS Tower
51-52 Mohakhali C/A, Dhaka

GD Assist Ltd.

Green Delta AIMS Tower
51-52 Mohakhali C/A, Dhaka

Auditor

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

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

- 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.
- Dhaka Club Ltd.
- Gulshan Club Ltd.
- Junior Chamber international Bangladesh
- The Federation of Chamber of Commerce and Industry
- Baridhara Cosmopolitan Club Ltd.
- Gulshan North 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.

Listing Year

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

Capital (31 December 2020)

Authorized Capital	:	5000 Million
Paid-up Capital	:	931.98 Million

Accounting Year

1st January to 31st December

Tax Consultant

M/s. K. M. Hasan & Co, Chartered Accountants

Legal Advisors

Barrister A.S.M Abdur Razzaque
Barrister Junayed Ahmed Chowdhury
Barrister Farzana Begum
Syed Ridwan Husain
Mohammed Faiz Ullah
Mr. Saikat Ahmed Al-Bari

Barrister Rezwana Yusuf
Barrister Tanjib-ul-Alam
Barrister Tanzim Karim Chowdhury
Syed Jawad Quader
Md. Shahidul Alam
Mr. M.A. Hannan

3.3 MISSION, VISION, CORE VALUES AND CODE OF CONDUCT





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.

3.4 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 2020 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 longstanding reputation, we offer the broadest portfolio of insurance (non-life) products and solutions.



Core insurance products (Corporate /individual)

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



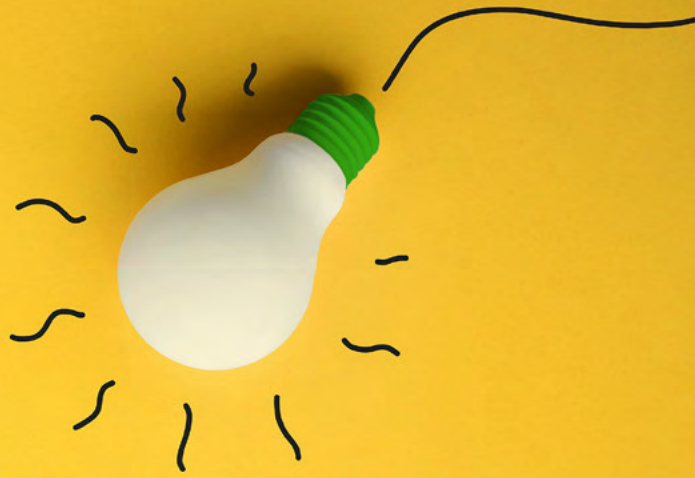
Corporate

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



Financial

- Money Insurance for Commercial Banks
- Cash-in-safe, cash-in-transit and cash-on-counter insurance
- Portfolio cover fraud
- Credit card travel insurance
- Bankers blanket/bond insurance
- Bank lockers insurance
- ATM booth insurance



Retail, SME (small and medium-enterprises) & Micro

- Personal accident
- Health insurance
- Overseas mediclaim insurance
- Micro insurance
- Micro health insurance
- Nibedita – comprehensive insurance policy for women
- Household insurance
- Motor insurance
- Peoples' personal accident policy
- Comprehensive travel insurance



Specialized

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

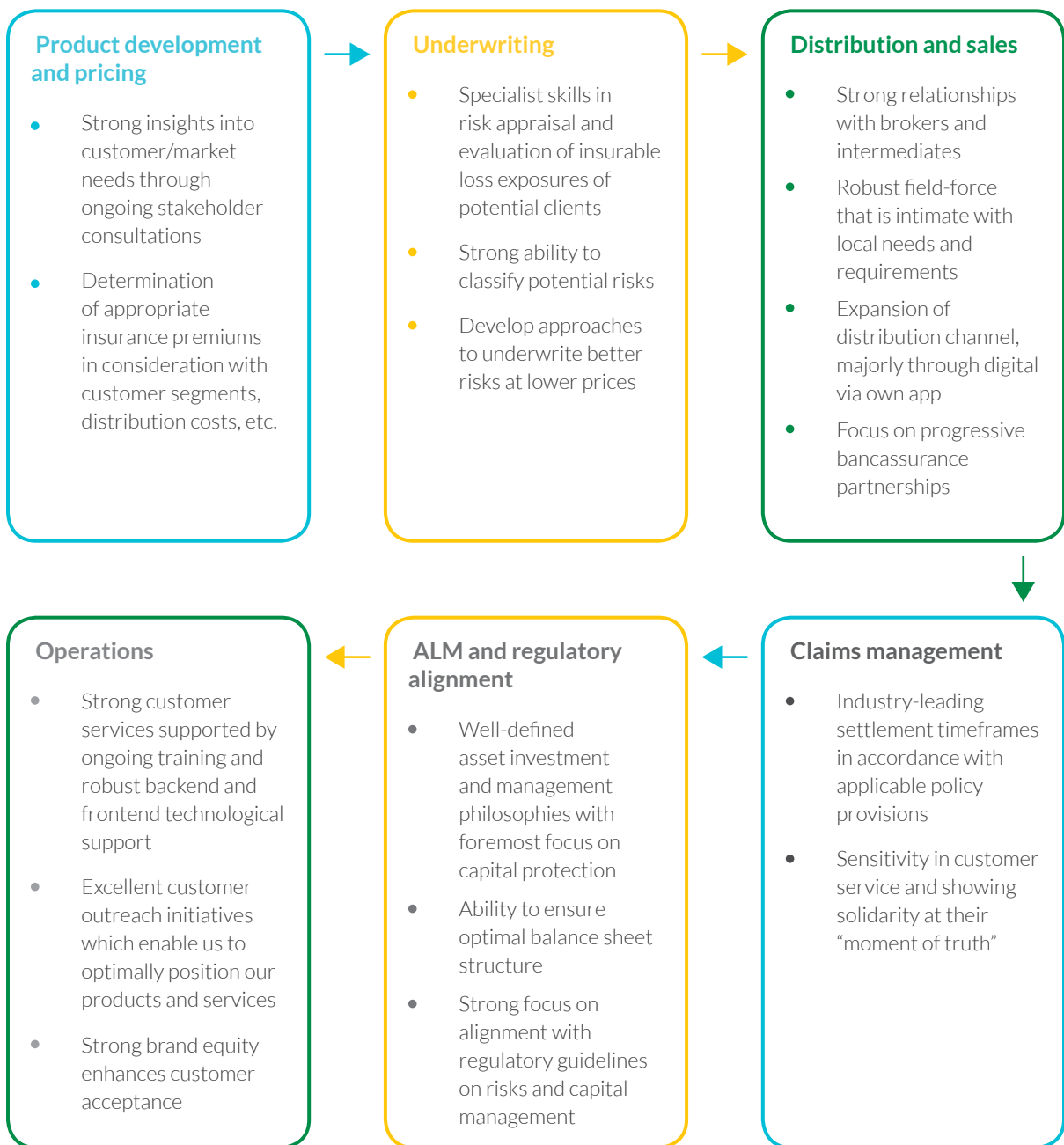


Investment and portfolio management services

- Underwriting
- Pre-IPO placement syndication
- Trusteeship

3.5 VALUE CHAIN

WE OPERATE AN INTEGRATED VALUE CHAIN THAT ENCOMPASSES RIGHT FROM PRODUCT DEVELOPMENT AND COMMERCIALISATION TO CUSTOMER FACILITATION AND SERVICE. THUS, A CONTROL ACROSS THE VARIOUS BUSINESS SPECTRUMS NOT ONLY ENABLE US TO HAVE BETTER GOVERNANCE AND CONTROL, BUT ALSO ALLOWS US TO MEET CUSTOMER REQUIREMENTS WITH SPEED, RESPONSIVENESS AND RESPONSIBILITY.



3.6 GDIC'S STRATEGIC OBJECTIVES

GREEN DELTA INSURANCE'S STRONG COMMITMENT TO SUSTAINABILITY IS FUNDAMENTAL TO OUR BUSINESS, AND OUR STRATEGIC OBJECTIVES AND GOALS WILL HELP FOSTER LONG-TERM VALUE FOR ALL OUR STAKEHOLDERS.

Our business objectives are rooted in responsible value creation

At Green Delta Insurance, we focus on profitable long-term growth and therefore aim for low risk in our insurance book, stability in our earnings and higher cost efficiencies in our operations. Together with an innovative corporate culture, this creates the foundations for value creation for both our customers and shareholders/investors.

Premised on the solidity of our business model, though the year 2020 was a highly challenging one because of the outright lockdowns that virtually halted operations for close to four months (beginning March 2020) paired with gradual demand recovery upon unlocking of activity, our business performed well, with gross premium income

BDT 3,676.75 million, underwriting profit grew by 133% and net profit expanded by 127% for the year. We believe that the way we have addressed some cost items- for instance through digital- will create a structural advantage over the years to come.

What we also believe to be a considerable competency driver is our human resources who are focused on expanding the scope of the business and serve pockets of pent-up demand with passion and enthusiasm, while also catering to the needs of our regular clients. On our part, we have not laid-off even a single employee because of the pandemic, while also keeping remuneration structures largely intact.

Today, standing on the cusp of better days anticipated ahead, some of our key strategic objectives include the following points.

OUR STRATEGIC OBJECTIVES	STRATEGIES THAT ENABLE ACHIEVEMENT OF OUR OBJECTIVES	OUTCOMES
Increase customer value	Customer value, together with customer satisfaction, trust codes and a positive brand image, explains why customers choose our insurance products and services. High customer value is a precondition to sustainable profitability. We track customer value delivered through our own surveys to measure satisfaction, among other metrics.	38% New customer achieved in 2020
Enhance employee engagement	Engaged and proud employees contribute to a successful business and satisfied customers. This requires that they have an opportunity to develop, feel that they have an influence, contribute to the Company's purpose and goals, and are proud of Green Delta Insurance as a professional employer of choice. Sustainable staffing is fundamental if we are going to continue to offer products and services of high quality. We work continuously to develop and monitor areas that are vital to our human resource practices.	92.3% Average retention, which is among the highest in the insurance industry of Bangladesh

OUR STRATEGIC OBJECTIVES	STRATEGIES THAT ENABLE ACHIEVEMENT OF OUR OBJECTIVES	OUTCOMES
Extend our thrust on innovation	Green Delta Insurance has a strong innovation culture. Over the years we have often been the first to launch new products for our customers, in addition to also being the first in our industry to launch an insurance app for customers as they become more digitally active. This is a result of our large retail customer base, our focus on enhancing insurance affordability and accessibility, and the growing IT competence of our organisation.	05 New products launched in the past three years
Achieve high cost efficiencies	Digitisation is increasing competition and transparency in parts of the market at the same time that insurance products and services are becoming more standardised. As a result, the way our insurance policies are priced is becoming more important than ever. To remain competitive in the long-term requires continuous improvement in cost efficiency and internal processes, which create opportunities to invest in enhancing customer value.	43% Expenses as a percentage of total gross premium income for the year 2020, which is highly competitive in the industry
Push the boundaries of underwriting	As insurers, we analyse the impact and frequency of risks to set prices (premiums). Through improving our underwriting standards we are developing ways to extend the scope of insurance coverage. For instance, we are innovating to enable populations who have traditionally been less well protected- such as women- to access insurance. This facet also helps develop solutions to cover new types of risks such as COVID-19, weather risks, etc.	55% Growth in our underwriting profits over the past three years (2020 vs 2017)
Taking responsibility for climate change and society	Our aim is to promote sustainable development and to help people and companies make sustainable choices. Sustainable choices means how and which companies we insure as well as how we manage capital. It also means teaching students to underwrite risk through our sister concern, PABL, which is an insurance school, promoting the SDG goals, or setting high sustainability standards in everything we do.	01 World Economic Forum 2020 awards won in sustainability in the past three years

3.7 GDIC'S OPERATING CONTEXT

AS THE COVID-19 PANDEMIC RAVAGED THE NATIONAL ECONOMY, GREEN DELTA INSURANCE, THROUGH ITS SPECIALIST EXPERTISE IN GENERAL INSURANCE, IS ENABLING THE SOCIETY TO COPE BETTER.

Market landscape – Transforming challenges into opportunity

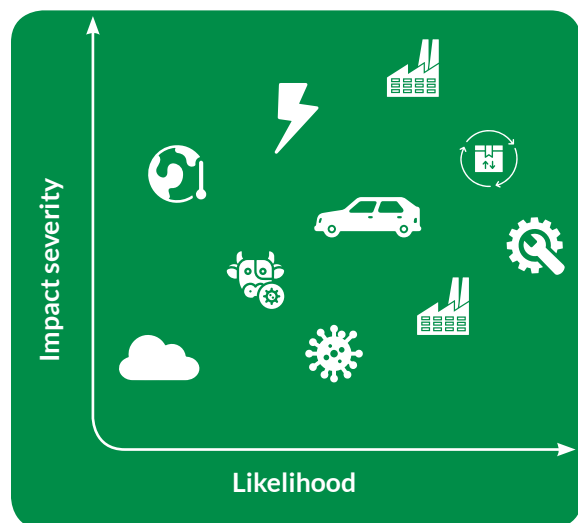
The devastating human loss and economic impacts of the COVID-19 pandemic is a global catastrophe that is stretching society's capacity and resources. The pandemic has already claimed over 2 million lives and has caused economic destitution to many thousands of businesses. While small and medium businesses are stressed due to tepid consumer demand and disruptions in the global supply chain- in no small measure also because of US-China geopolitical tensions- Bangladesh's insurance industry is also hit because of the woefully low awareness around insurance and hence extremely low levels of insurance penetration. Insurance penetration in Bangladesh, with a population of around 165 mn people, is considered to be under 1%, with insurance practically non-existent in the hinterlands.

The global insurance sector is paying out claims estimated at \$107 bn to customers, while also seeing the value of its global assets drop by \$96bn, together making

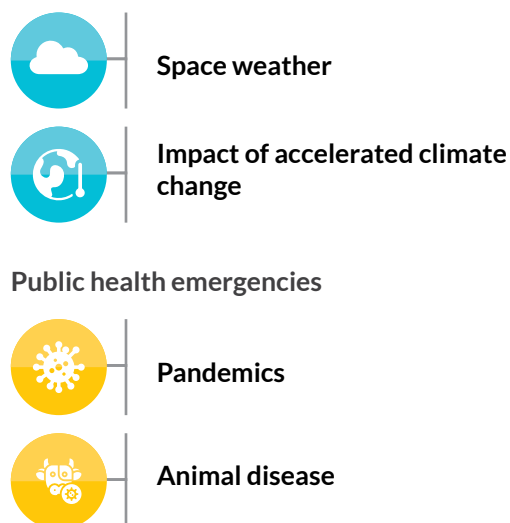
it the industry's largest ever loss, as per a Lloyds report. In fact, the magnitude of the pandemic's financial and social impacts has exposed the shortcomings of society's preparedness for, and resilience to, systemic risks of this scale and nature, including the ability of some risk transfer products and structures to provide protection.

Incidentally, the speed and intensity of the virulence was completely unexpected and so was the Government's sudden decisions to clamp down cities and economies. What cultivated the deep uncertainty further was also the extent to which the Government would keep economies under lockdown. Today, though large parts of the world are witnessing early stages of a vaccination, even as the fear factor has somewhat receded, new strains or mutations of the virus are already expected to have reached some countries around the world. In fact, the UK, coming out of the EU grouping on 31 December 2020, imposed fresh lockdowns in early January 2021 because of the new transmuted virus, thus further subduing its economy.

Risk impact severity and possibility of likelihood chart



Risk impact severity and possibility of likelihood chart



Other risks



Widespread electricity failure



Widespread transport disruption



Widespread industrial disruption



Critical resources supply chain failure



Utilities failure (including internet)



Widespread cyber attack



Preparing better for systemic events

Systemic catastrophic events are the most difficult to quantify, understand and protect against. These can be global in impact, often hitting multiple industries, countries and billions of people all at the same time, with potentially devastating consequences. Their impact requires resources that can only be accessed by governments, with response and recovery requiring international cooperation and cross-industry collaboration. The aftershocks from these events mean the human and economic impacts can take years or even decades to fully recover from. The COVID-19 pandemic is such a “black swan” event whose likelihood was absolutely unanticipated.

At Green Delta Insurance, we will continue to formulate relevant products and solutions, including our COVID-19 insurance cover that is amongst the best in the market today, to close the protection gap and provide the public the supportive and reassuring cover of insurance to face any exigent situation with confidence.



Beginning of the end

In any crisis, the first responsibility is to end it. That this end is now moving into sight is a mark of success and a genuine cause for cautious optimism. As with many crises, there are positive developments too, including radical new health technologies such as the mRNA vaccines that may help contain future viruses, and efforts to “build back better” that could help contain climate risks as well. Bangladesh is a highly resilient economy and economic rebound has already started to transpire with most major headline indicators demonstrating green shoots beginning from the last quarter of 2020 and early 2021.

At Green Delta Insurance, we will look to capitalize on the recovery, especially through such efforts as going digital, which has been embraced better and faster by the public on account of the lockdown. Our app, InsuMama, launched in December 2020, is already gaining visible traction.



Government stimulus

On 19 March 2020, Bangladesh Bank announced moratorium on loan payments until 30 September 2020 and that such borrowers would not be classified as default accounts. Further, on 31 March 2020, the Government announced details of its Tk. 50 bn stimulus package for export-oriented industries, which was supplemented by another stimulus announced on 5 April 2020 comprising a packages of Tk. 677.5 bn to be implemented in the immediate, short and long phases through programs such as increasing public expenditure, widening the social safety net coverage, increasing monetary supply, etc. On 13 April 2020, the PM announced direct cash assistance of Tk. 7.6 bn for informal sector workers; health insurance of Tk. 5-10 lakh for health workers including doctors, nurses and others and bankers in case of COVID-19 infection and Tk. 25-50 lakh in case of death, the cumulative fund allocated being of value of Tk. 7.5 bn. Moreover, special honorarium of Tk. 1 bn was allocated for bankers, health care workers and others.

At Green Delta Insurance, though we are supportive of the Government’s stimulus package, especially in health insurance, we hope this is just a start in the journey to focus on addressing structural issues, like health infrastructure etc., that will help foster a more vibrant insurance industry in the country.



Anticipated aftermath of the pandemic

The pandemic and its aftermath will continue to dominate market conditions in 2021. Though recent vaccine developments offer a clear route out of the acute phase of the crisis, the general assumption remains that COVID-19 will come under control only gradually through a combination of vaccines, medical treatments and testing. This should allow for many social distancing measures to be lifted, resumption of international travel, and a rebound in private demand. At that point, governments may be able to gradually phase-out the prevalent extraordinary fiscal support, which has witnessed a spurt in global liquidity.

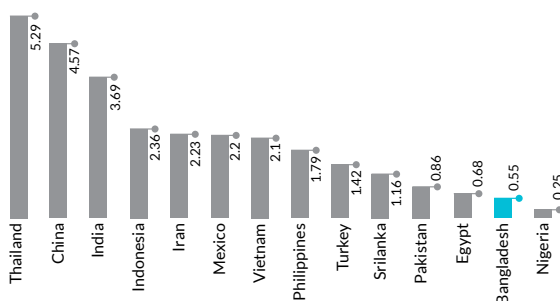
At Green Delta Insurance, we will focus on catering to pent-up/recovery demand, as the economic normalisation process takes hold and gathers speed.



Competitive intensity

It is clear that while Bangladesh has taken huge strides on the path to economic prosperity, its insurance sector is a vital area that can considerably benefit from regulatory reform. Although Bangladesh's insurance sector has witnessed some growth in comparison with other emerging nations, there exists substantive room for improvement. According to the Seventh Five Year Plan (2016–2020) of the Government of Bangladesh, insurance penetration-insurance premiums as a share of GDP- in Bangladesh was 0.55% in 2017. It is estimated to be just under 1% today. Further, compared to its South Asian counterparts, Bangladesh has the lowest premium per capita. In emerging markets, the average per capita spending on insurance increased by 13% to \$166 in 2017, while Bangladesh's average per capita insurance spends are seen to be languishing in much lesser figures.

Insurance penetration: Premiums as a percentage of GDP



At Green Delta Insurance, we are fully aware of the competitive intensity, yet we are focused on conducting our business aligning with all the regulatory guidelines and statutes. We are also hopeful that strong evidence-based regulatory reforms will usher in a new era for the insurance industry of the country and help serious and frontline players like us offer insurance protection better to corporates and individuals.



Articulating our macro-economic context through PESTEL

PESTEL analysis comprises a strategic framework that is used to evaluate the external environment facing a business by segregating the opportunities and risks into the facets of: Political, Economic, Social, Technological, Environmental and Legal factors.

At Green Delta Insurance, we consider PESTEL analysis to be an effective framework that facilitates corporate strategic planning and enables the identification of the pros and cons of our business strategy. Conducting a PESTEL analysis starts with thinking through meticulously and then planning the process. This means embracing the following steps:

- Identifying the scope of the research, covering present and possible future scenarios, and applying it to areas in the context of our business operations or the landscape in which we operate
- Evaluating how the information will be collected, and distinguishing appropriate sources of information, which could comprise various stakeholder constituencies
- Analysing the findings and disseminating/discussing the findings with key stakeholders and decision-makers for consensus-building
- Deciding what actions need to be taken, and which trends to monitor on an ongoing basis

On an overall basis, Green Delta Insurance operates in a favorable external landscape considering Bangladesh's few major structural advantages, including a large and youthful population, relatively stable disposable incomes and a huge protection gap, which means many millions remain uninsured in the country. Yet, the insurance sector is highly competitive with the presence of a large number of players and that too with less-than-fair practices witnessed in some pockets of the industry. Thus, tighter regulations will not only enable the insurance industry to flourish, but will also enable the Government to more seamlessly achieve its public and asset safety objectives

in insurance. Further, it will also enhance the capacity of the sector in exchequer disbursements.

One of the other major impacts of the pandemic has been that it has brought forward digital adoption, thus the speed of technological change has enhanced in the sector. Today, InsurTech and digitalization of key processes is a

major thrust area at Green Delta Insurance, as we secure our place with consumers who are increasingly becoming more mobile and smart-phone savvy. Going forward, we will also appraise a major technological upgrade of our legacy systems, a move that will further strengthen our digital capabilities and customer-facing strategies.

Our PESTEL analysis is indicated below:





3.8 KEY CORPORATE MILESTONES



Dec 14, 1985
Incorporation of the Company

Jan 01, 1986
Commencement of business

Jan 02, 1986
Signing of First Insurance business

Aug 19, 1989
Received consent from SEC for issuance of Public Share of BDT 30 million

Dec 31, 1989
Increase of paid up capital to BDT 60 million

Jan 12, 1990
Listing with Dhaka Stock Exchange Limited

Jan 14, 1990
First trading at Dhaka Stock Exchange Limited

Oct 21, 1995
Listing with Chittagong Stock Exchange Limited

Oct 22, 1995
First trading at Chittagong Stock Exchange Limited

Oct, 1997
Investment in Delta Brac Housing as equity share holders

1985

1986

1989

1990

1995

1997



May 05, 2004
Issuance of
Right Share

Oct 30, 2004
Awarded
"A" category
insurance Co.
By CRISL

Dec 31, 2005
Capital increased
to BDT 108 million

June 12, 2005
Formation of
Green Delta
Aims Limited,
a joint venture
construction firm

May 11, 2005
Launching of
Islamic Takaful
Insurance

May 12, 2005
Dhaka Stock
Exchange
Membership
Purchased

Oct 13, 2005
Incorporation of
Green Delta
Financial
Services Limited

Nov 28, 2006
Investment in
United Hospital

June 30, 2006
Issuance of
Bonus Share

July 1, 2006
Startup of the
Operations of
Green Delta
Financial
Services Limited

Dec 31, 2006
Capital increased
to BDT 151.20
million

Feb 15, 2007
Startup of the
Construction of
own building
named Green Delta
Aims Tower
a joint venture
project with-
Mr. Mainul Islam

June 26, 2008
Capital increased
to BDT 200 million.

Sep 17, 2008
Awarded "AA2"
rating in the long
term and ST-1
rating in the short
term by CRAB

Dec 31, 2008
Raising of Paid up
capital to BDT
408.24 million

June 20, 2009
Donation of 550
wheel chairs among
the war wounded
freedom fighters

August 20, 2009
MOU Signing with
LR Global Bangladesh
AMC Ltd.

2004

2005

2006

2007

2008

2009



Mar 30, 2010
Approval for Green Delta Mutual Fund for BDT 150.00 crore

June 30, 2010
Authorized capital increased to BDT 100.00 crore

Oct 31, 2010
Change in the denomination of Face Value (BDT 10/-) and Market Lot (from 10 to 100)

Dec 1, 2010
Approval of Merchant Banking license in the name of the subsidiary Green Delta LR Financial Services Ltd.

Dec 20, 2010
Has been accredited T.Q.M Aptitude seal for high quality performance and best customer satisfaction

Dec 20, 2010
Has been selected for Platinum Technology Award for Quality and Best Trade Name

Dec, 2010
First Prize winner of "Best Published Accounts" in the 10th ICAB National Awards 2009 (Non Banking Category- Insurance Sector)

April, 2011
Has been awarded for The Platinum Technology Award for Quality & Best trade name by Association Other Ways in Berlin.

Aug, 2011
Awarded "The BIZZ Award-2011" by World Business Confederation of Business, USA for Leadership, Excellence in management, Quality and Marketing

Nov, 2011
Awarded "The Diamond Eye Award for Quality & Excellence" By Bid Other Ways

Nov, 2011
Awarded "International Quality Crown Award "By Bid International in London

Nov, 2011
First Prize in ICMA Best Corporate Award-2011 in Insurance category.

Nov, 2011
Conferred the 'Certificate of Merit' for the Best Presented Accounts Award 2010 in the category 'Insurance Sector' by the South Asian Federation of Accountants (SAFA).

April, 2012
Moved to new Head Office (Green Delta AIMS Tower) at 51-52 Mohakhali C/A, Dhaka

Sep, 2012
Invested in BD Venture Limited, country's first Venture Capital company

Oct, 2012
Introduced People's personal Accident Policy for the students of South-East University, the first of its kind in Bangladesh

Nov, 2012
Awarded "AA1" rating in the long term and "ST-1" rating in the short term respectively by CRAB

March, 2013
Equity Partnership with International Finance Corporation (IFC) of World Bank Group, First Foreign Direct Investment of IFC in the Insurance Sector of Bangladesh

May, 2013
Launch of 'Nibedita' on pilot basis, a comprehensive Insurance scheme solely for women for the first time in Bangladesh

Oct, 2013
Farzana Chowdhury officially takes over as The Managing Director and CEO of GDIC becoming the first ever female MD in the insurance sector of Bangladesh.

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

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

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 ICBS 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)



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 Mediclaim 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

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

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 ICAB Best Corporate Award 2017

December, 2018
Receives 1st prize in Insurance category in the 18th ICAB National Awards

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. Choudhury 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 ICAB Best Corporate Awards 2018

December 2019
Received Gold Award in 6th ICSB National Award 2018

February 2020
GDIC launched first ever sustainability report (SDG Report) of Bangladesh in association with CSR Centre & CRAB

April 2020
GDIC launched flood-index based insurance coverage for Haor areas

May 2020
GDIC launched fundraising platform titled 'Amra Korbo Joy' for helping corona-affected farmers

June 2020
GDIC launched digital premium payment system for convenience of clients

August 2020
Earned AAA credit rating for 7th consecutive year

October 2020
GDIC organized the first ever Webinar series on "InsurTech" in Bangladesh

October 2020
GDIC advisor, Nasir A Choudhury, honored with 'lifetime achievement award' by BIMTECH

November 2020
MoU Signing between GDIC and MTBL for serving women banking customers

November 2020
Earned World Economic Forum's New Champion Award for "excellence in sustainability"

November 2020
Earned international 'SuperBrands' recognition as the 1st Bangladeshi insurance company

November 2020
Received 1st prize in Insurance category in the 20th ICAB National Awards

December 2020
MoU signing between GDIC and AB Bank Ltd. regarding BBB & ECC Insurance Policy

December 2020
GDIC announced launch of comprehensive mobile insurance app titled 'InsuMama'

2016

2017

2018

2019

2020

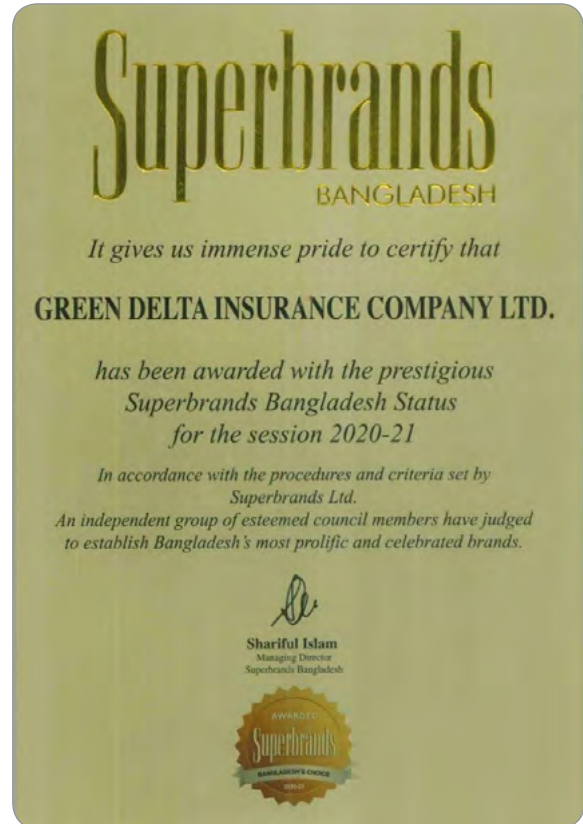
3.9 AWARDS & ACCOLADES

Green Delta Insurance becomes the first Bangladeshi Insurance SuperBrand

Superbrands Bangladesh for the year 2020-21 were revealed through a grand virtual award ceremony on Thursday, 19 November 2020, honoring the 40 most prestigious and valuable brands from diverse industries of Bangladesh. The ceremony also marked the unveiling of Superbrands publication for the next two years. Salman Fazlur Rahman MP, Advisor to the Honorable Prime Minister, Private Sector & Investment, Government of the People's Republic of Bangladesh graced the award ceremony as the Hon'ble Chief Guest.

Among 40 different industry categories, Green Delta Insurance Company has been awarded with the SuperBrands recognition as the first Bangladeshi Insurance Company in the category of non-life insurance.

Superbrands is a global arbiter for brands which operates in 90 countries around the world. Launched in 1994, Superbrands has become the most prominent success symbol for brands. Superbrands are selected through a process which involves independent and voluntary panels of experts from a range of backgrounds, known as the 'Brand Council'. In Bangladesh, Superbrands for the year 2020-2021 were selected by a brand council consisting of eminent experts.



Green Delta secures AAA credit rating 7 years in a row as the first insurance company of Bangladesh

Green Delta Insurance Company has secured “AAA” credit rating for the 7th consecutive year in 2020 from Credit Rating Agency of Bangladesh (CRAB). Green Delta is the only and the first insurance company in Bangladesh to earn AAA rating for 7 years in a row.

The credit rating of aims to measure the financial strength of an organization based on assessment of few crucial factors including corporate governance, management practices, claim payment ability, compliance etc. AAA rating is the highest credit rating an organization can get for its financial strength, and therefore Green Delta securing AAA rating 7 years in a row as the only insurance company of Bangladesh reflects the strong corporate governance practices Green Delta employs to maintain such financial strength.



Green Delta Insurance bags World Economic Forum's New Champion Award for "excellence in sustainability" in the "Pioneer of Change Summit 2020"



Green Delta Insurance has bagged a prestigious global recognition on 16 November 2020 at the "Pioneers of Change Summit 2020" by World Economic Forum (WEF) in the category of "excellence in sustainability". This special recognition was awarded for the Shastho Shurokkha Karmashuchi (SSK) project with Ministry of Health & Economics of Bangladesh government, for which Green Delta Insurance is the sole scheme operator.

The Pioneers of Change summit (16-20 November) aims to explore the innovation needed to bounce back from the pandemic. As a part of the summit, WEF also hosted the

New Champions awards and recognized organizations with the potential to create real long-term change through the areas of sustainability, digital disruption and agile governance. The World Economic Forum's New Champion companies explore or already use business models, technologies and sustainable growth strategies that will be needed in the Fourth Industrial Revolution. The aim of these awards is to recognize such projects or initiatives that have the potential to deliver a substantial impact on business and society, be financially viable and ready to operate at scale or already doing so.

Green Delta Insurance bags 1st prize in 20th ICAB National Awards for 2nd Consecutive Year

Green Delta Insurance has won the first prize in Insurance Category in the 20th ICAB National Awards once again for the best presented annual report of 2019. Mr. Syed Moinuddin Ahmed, Additional Managing Director of Green Delta Insurance, received the trophy of this prestigious award from the Chief Guest of the event,

Honorable Commerce Minister, Mr. Tipu Munshi MP, at the awarding ceremony held in the Capital on November 26, 2020. Along with Green Delta total 18 entities received the certificates of merit from the Institute of Chartered Accountants of Bangladesh (ICAB).



Green Delta Insurance bags Gold again in the 7th ICSB National Award 2019 for 6 times in a row

Green Delta Insurance Company has secured the prestigious ICSB Gold Award once again for corporate governance excellence in the category of “insurance companies” at the 7th ICSB National Award 2019. This is the 6th consecutive year that GDIC has bagged ICSB Gold Award including the year of 2019. The ceremony of 7th ICSB National Award 2019, hosted by Institute of Chartered Secretaries of Bangladesh (ICSB), was held at the capital on 23rd January 2021.

Mr. Md. Anisur Rahman (DMD & Head of Claims, GDIC) and Mr. Syed Aliul Ahabab (SEVP & Financial Controller, GDIC) received the certificate and the trophy for the 7th ICSB Gold Award from Mr. Tipu Munshi MP (Honorable Minister, Ministry of Commerce) and Mr. Shibli Rubaiyat-UI-Islam (Chairman, Bangladesh Securities & Exchange Commission, BSEC), who were present respectively as the chief guest and the special guest of the prestigious event.



Green Delta Insurance bags 1st Prize in Insurance Category in ICMAB Best Corporate Awards 2019 for 3rd Consecutive Year

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 2019. This is the third consecutive year that GDIC has bagged the first prize in ICMAB Corporate Awards. The awarding ceremony of ICMAB Best Corporate Award 2019, hosted by the Institute of Cost & Management Accountants of Bangladesh (ICMAB), was held on 25 February, 2021 in the capital.

Director and Company Secretary of Green Delta Insurance Company Ltd., received the trophy for the award from the chief guest of the event, Mr. Tipu Munshi MP (Honorable Minister, Ministry of Commerce). Among others, Prof. Shibli Rubaiyat-UI-Islam (Chairman, Bangladesh Securities & Exchange Commission, BSEC), Dr. Md. Jafar Uddin (Secretary, Ministry of Commerce) and Mr. A.K.M Delwar Hussain FCMA (President, SAFA) were also present as special guests of the prestigious event.



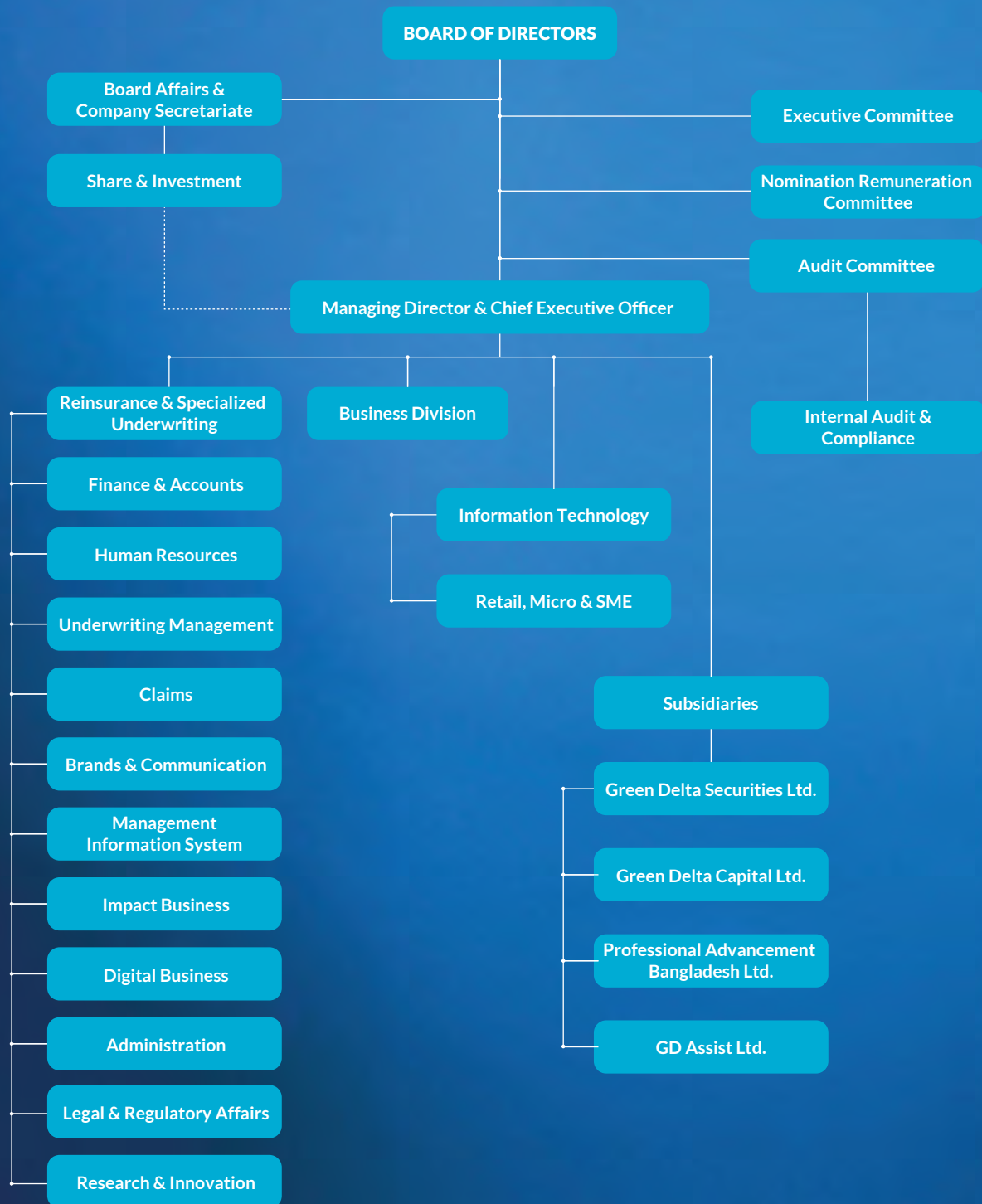
3.10 BRANCH NETWORK

<p>01. Principal Branch, Dhaka Green Delta Insurance Co. Ltd. Green Delta Aims Tower (1st Floor) 51-52, Mohakhali C/A, Dhaka -1212</p>	<p>13. Sylhet Branch Green Delta Insurance Co. Ltd. Madhuban Super Market (3rd Floor) Bandar Bazar, Sylhet</p>
<p>02. Gulshan Branch Green Delta Insurance Co. Ltd. Sheba House (Northern Side) House No.34 (2nd Floor), Road No.46 Gulshan-2, Dhaka-1212</p>	<p>14. Moulvibazar Branch Green Delta Insurance Co. Ltd. Lake View Building 36, Sreemongal Road, Moulvibazar</p>
<p>03. Imamgonj Branch Green Delta Insurance Co. Ltd. 77/3, Moulvibazar (2nd Floor) Lalbagh, Dhaka</p>	<p>15. Narayangonj Branch Green Delta Insurance Co. Ltd. ECHO Tower (2nd Floor) 20/2, S.M. Maleh Road Tanbazar, Narayangonj</p>
<p>04. Elephant Road Branch Green Delta Insurance Co. Ltd. Pearson Tower (4th Floor) 299, Elephant Road, Dhaka</p>	<p>16. Barisal Branch Green Delta Insurance Co. Ltd. 58, Munnu Super Market Katpatty Road, Barisal</p>
<p>05. B.B. Avenue Branch Green Delta Insurance Co. Ltd. 05, Bangabandhu Avenue (2nd Floor) Dhaka</p>	<p>17. Pirojpur Branch Green Delta Insurance Co. Ltd. Post Office Road, Pirojpur</p>
<p>06. Kawranbazar Branch Green Delta Insurance Co. Ltd. The Dhaka Trade Center (5th Floor) 99, Kazi Nazrul Islam Avenue, Dhaka</p>	<p>18. Faridpur Branch Green Delta Insurance Co. Ltd. Bari Plaza Shopping Complex (4th Floor), 91 Thana Road, Faridpur</p>
<p>07. Mohakhali Branch Green Delta Insurance Co. Ltd. Red Crescent Concord Tower (2nd Floor) 17, Mohakhali C/A, Dhaka-1212</p>	<p>19. Jessore Branch Green Delta Insurance Co. Ltd. 17, Netaji Subash Chandra Road Gari Khana, Jessore</p>
<p>08. Dhaka EPZ Branch Green Delta Insurance Co. Ltd. Hasan Apartment Ganak Bari Savar, Dhaka</p>	<p>20. Noapara Branch Green Delta Insurance Co. Ltd. Yeasin Plaza (2nd Floor), Noapara, Jessore</p>
<p>09. Uttara Branch Green Delta Insurance Co. Ltd. Sophia Villa, House No.38 (2nd Floor) Garib-E- Newaz Avenue, Sector-11 Uttara Model Town, Dhaka-1230</p>	<p>21. Khulna Branch Green Delta Insurance Co. Ltd. 1, P.C. Roy, Road, Khulna</p>
<p>10. Narsingdhi Branch Green Delta Insurance Co. Ltd. Mijan Market (2nd Floor), C & B Road Narsingdi Bazar, Narsingdi.</p>	<p>22. Kushtia Branch Green Delta Insurance Co. Ltd. Lovely Tower (7th Floor), Room No.7F-4, 55/1 Sirauddowla Road, Kushtia</p>
<p>11. Principal Branch, Chattogram Green Delta Insurance Co. Ltd. Makka Madina Trade Center (3rd Floor) 78, Agrabad C/A, Chattogram</p>	<p>23. Habiganj Branch Green Delta Insurance Co. Ltd. Sultania Library (1st Floor) Cinema Hall Road Point, Habiganj</p>
<p>12. Khatungonj Branch Green Delta Insurance Co. Ltd. Khatungonj Trade Center (4th Floor) Ramjoy Mohajan Lane, Khatungonj, Chattogram</p>	<p>24. Dinajpur Branch Green Delta Insurance Co. Ltd. Goneshtala, Dinajpur</p>
	<p>25. Pabna Branch Green Delta Insurance Co. Ltd. Haji Akbor Ali Super Market (4th Floor) Abdul Hamid Road, Pabna</p>

<p>26. Rajshahi Branch Green Delta Insurance Co. Ltd. Holding No.381 (2nd Floor) Shaheb Bazar, Monichattar Sonadigir More, Ghoramara Boalia, Rajshahi</p>
<p>27. Rangpur Branch Green Delta Insurance Co. Ltd. Mansur Bhaban (2nd Floor) Station Road, Rangpur</p>
<p>28. Bhairab Branch Green Delta Insurance Co. Ltd. Cinema Hall Road, Bhairab, Kishorgonj</p>
<p>29. Mymensingh Branch Green Delta Insurance Co. Ltd. ৬, Sawdeshi Bazar Road, Mymensingh</p>
<p>30. Tangail Branch Green Delta Insurance Co. Ltd. Hazi Mansion (2nd Floor) Kalibari Road, Adalatpara, Tangail</p>
<p>31. Madaripur Branch Green Delta Insurance Co. Ltd. Amin Super Market, Puranbazar Madaripur</p>
<p>32. Bagura Branch Green Delta Insurance Co. Ltd. Talukder Ratul Plaza (3rd Floor) Rangpur Road, Borogola, Bagura</p>
<p>33. Chaumuhani Branch Green Delta Insurance Co. Ltd. Jaheda Tower (3rd Floor) Feni Road, Chaumuhani, Noakhali</p>
<p>34. Mirpur Branch Green Delta Insurance Co. Ltd. Central Plaza (6th Floor) 231, Sen Para Parbata Mirpur Circle-10, Dhaka</p>

<p>35. Dilkusha Branch Green Delta Insurance Co. Ltd. Al- Haj Tower (5th Floor) 82, Motijheel C/A, Dhaka-1000</p>
<p>36. Dhanmondi Branch Green Delta Insurance Co. Ltd. KB Square (7th Floor), 736, Satmasjid Road Dhanmondi R/A, Dhaka-1205</p>
<p>37. RSM Branch Green Delta Insurance Co. Ltd. Avenue Centre (6th Floor) 787/A, CDA Avenue (GEC Circle) East Nasirabad, Chattogram</p>
<p>38. Chandpur Branch Green Delta Insurance Co. Ltd. Mir Shopping Complex J.M. Sen Gupta Road, Chandpur</p>
<p>39. Comilla Branch Green Delta Insurance Co. Ltd. Kazi Tower (3rd Floor), Rajgonj bazrapur, Cumilla</p>
<p>40. Kakrail Branch Green Delta Insurance Co. Ltd. Rupayan Karim Tower (8th Floor) Apartment No.8/A, 80, V.I.P. Road Kakrail, Dhaka</p>
<p>41. Syedpur Branch Green Delta Insurance Co. Ltd. Amin Plaza (2nd Floor) Shaheed Doctor Zikrul Haque Road, Syedpur</p>
<p>42. Badda Branch Green Delta Insurance Co. Ltd. GA-131/2, Middle Badda (3rd Floor) Pragati Sarani, Badda, Dhaka-1212</p>
<p>43. RSM Gulshan Branch Green Delta Insurance Co. Ltd. Giashuddin Tower (3rd Floor) 31, Gulshan Avenue Gulshan-1, Dhaka-1212</p>

3.11 ORGANOGRAM



3.12 HUMAN CAPITAL AND HUMAN RESOURCE ACCOUNTING

Human Capital Management

Green Delta Insurance's human capital comprises the aggregation of its human resources, including accumulated knowledge, expertise, abilities, talents, skills, intelligence, judgment and experience. It also includes our wisdom, individually and collectively, acquired through various initiatives hosted and organized by the Company. Some of the key initiatives revolving around the development of our human capital include the following:

Employee Development Plan

Green Delta Insurance believes that investing in a robust employee development plan is a classic example of a win-win situation for both the employer and the employee in a variety of ways. The outbreak of COVID-19 in the reporting year brought many challenges to the fore, yet during the past year, the Company's HR continued to invest in what mattered the most: Employee training.

The Company initiated effective alternate methods to keep track of the progress achieved on its employee development plan. It was demonstrated that by enhancing employee engagement, we were able to witness an expansion in employee morale, satisfaction and performance, which resulted in increased productivity, efficiency and profitability, despite the challenges unleashed by the ongoing global pandemic. The Company was also able to retain its talented employees, thus protecting and preserving its intellectual capital, while also identifying potential candidates for future leadership roles. Our employee development plan includes the following:

- 1 Identifying skill gaps
- 2 Aligning training and development with strategic goals
- 3 Allaying organizational benefits with employees' priorities
- 4 Attracting new talent via a holistic induction program
- 5 Reducing employing turnover
- 6 Keeping up with changes in the industrial landscape through developing more efficient practices
- 7 Implementing new efficiency-compatible technological changes
- 8 Grooming employees for career advancement, while reinforcing our leadership pipeline

Succession Planning

Green Delta Insurance's succession planning framework evaluates skills of our existing leaders and identifying potential replacement both from within and outside of the Company and, in the case of internal replacements, training those employees so that they're fully-prepared to take over whenever the need arises. Since succession planning is not a one-off event, HR re-evaluates and updates the succession database to ensure that a long-term succession plan is in place, thus assuring redundancy.

Our succession planning starts with global best practices embraced in hiring, which enables us to choose the right candidate with the right capability. We also ensure that eligible candidates undergo the necessary training, which includes leadership skills development as well as in-depth knowledge cultivated regarding the Company and its various department-specific functions. For some, the initiation might encompass cross-training and shadowing leaders across major departments. This ensures that each individual becomes well-rounded and understands the business on a granular level.

Simplifying a complex process, we have identified several advantages of a formalized succession plan for both employers and employees:



We have identified that employees who are aware of strong prospects of career advancement, feel more empowered



Knowing that the Company has strong future opportunities reinforces career development among employees



The management's commitment to succession planning has resulted in supervisors mentoring their subordinates for knowledge and expertise transfer



The management focuses on filling positions from within, which remains strong motivation for our employees



Employees are better able to embrace the Company's vision and values

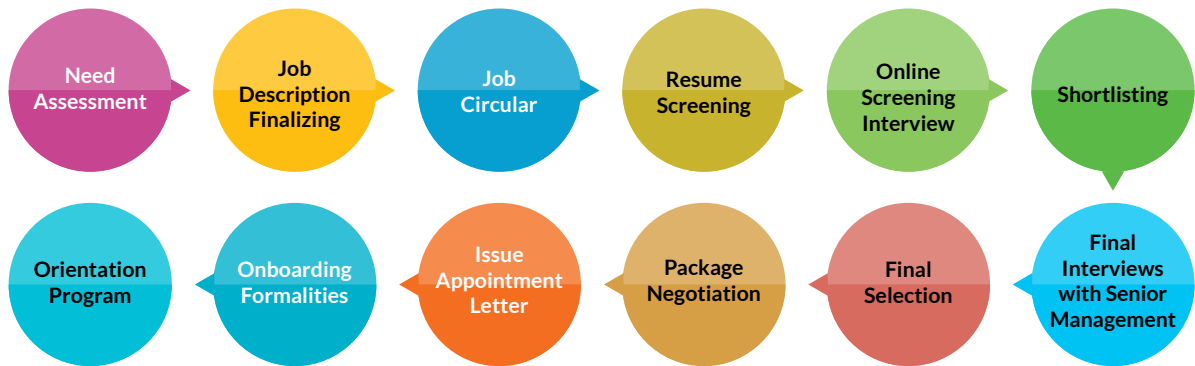
Merit Based Recruitment

'Selection on merit' comprises a process that determines which job-seeker has the skills, abilities and knowledge deemed to be most suitable for the job. Across our merit-based recruitment system, applicants effectively compete for a job.

In our recruitment and selection process, the Company places importance on equal employment opportunity

for all applicants, irrespective of race, religion, ethnicity, gender, sexual orientation, veteran status, age, disability or political affiliation/influence. The recruitment and selection process are consistently applied, is non-discriminatory and promotes fairness, diversity and integrity, in compliance with the State's labor laws. In order to maintain safety protocols during the pandemic, we have shifted our recruitment process online.

RECRUITMENT PROCESS

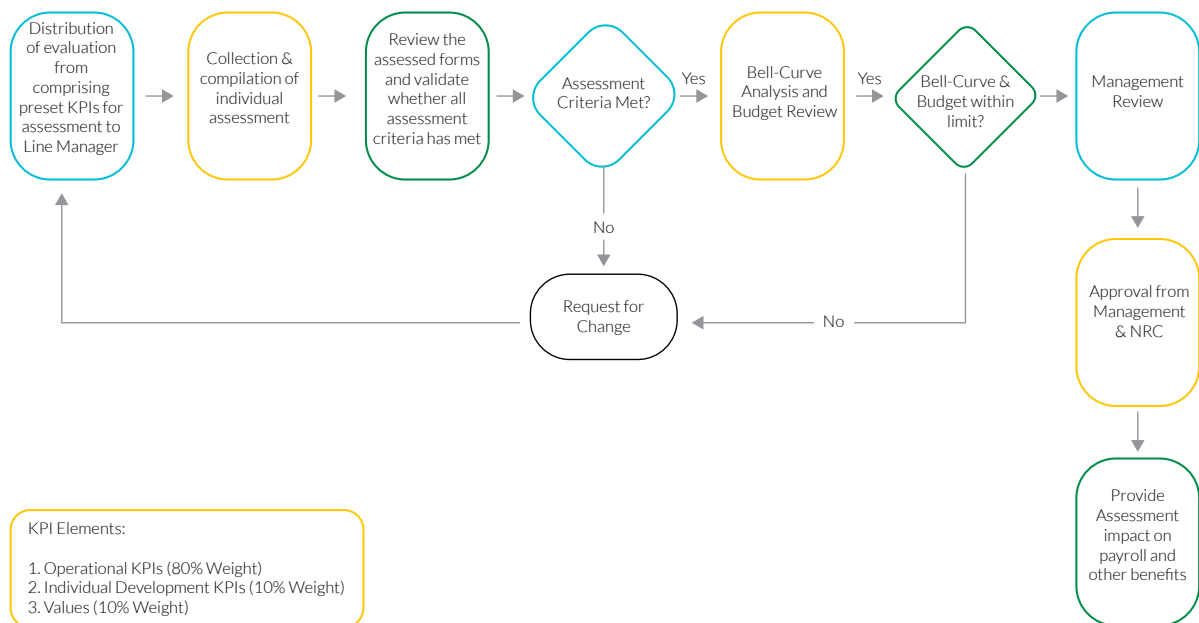


Performance Appraisal System

Green Delta Insurance's performance appraisal process comprises a systematic framework in which employees' KPIs or key performance indicators are evaluated with respect to their assigned projects and also their overall contribution to the organization as a team player. This appraisal system helps our managers/supervisors to place the right employees in the right jobs depending on their skills.

The fundamental premise of our performance appraisal is to identify an employee's worth and contribution to the Company. Few important factors include- attendance, efficiency, attitude, quality of work, etc.

Further, physical or objective factors like attendance, amount of work and efficiency can be measured through records maintained by the HR. Data regarding other operational factors that relate to the employee's core job are obtained from their respective supervisors. Our performance appraisal system is exhibited below:



Promotion, Reward and Motivation

At Green Delta Insurance, we believe that when an organization is armed with the right information and proper operating techniques, seeking to increase employee motivation and productivity via rewards may not be daunting. At our Company, we ensure that our managers are trained in the fine art of motivation through following a fair system that offers financial rewards and non-monetary rewards and recognition. Some of the key practices through which we ensure a fair reward system include:

- Comprehensive employee involvement in the development, implementation and revision of the rewards program to encourage communication/engagement and also ensure complete acceptance from everyone associated with the process
- Ensuring that employees view rewards as worth the effort. Our managers value employee input and select rewards accordingly so that they remain motivated to work hard to achieve predefined results
- Communicating sufficiently so that employees are well-informed and have a comprehensive understanding of what is expected of them and what they need to achieve the rewards
- Setting reasonable and transparent performance standards for rewards so that employees see them as attainable. Further, our online HRM software provides employees with a dashboard where they can view their performance in real-time, thus enabling them to transparently assess their own performance and maintain realistic expectations for rewards
- Anchoring reward determinations on objective performance metrics, employees view the process as fair and also have a more concrete understanding of what is expected of them. This increases their motivation to achieve the desired results
- Following pre-determined rewards policies to ensure that the organisation never engages in favoritism or in unethical practices
- Linking rewards to employee performance and specific results so that they can understand the connect between performance and rewards and remain motivated to perform optimally in the future
- Acknowledging both small and large accomplishments so that employees feel a sense of being recognized for their progress and also know that their behavior is consistent with Company expectations
- Rewarding teamwork and cooperation as team-based incentives are more effective at enhancing

performance over individual incentives. Applying this has had a significant impact on cooperation, employee cohesiveness and the Company's bottom line

- Providing rewards immediately after employees achieve their targets as a means to sustain employee enthusiasm and build trust with them
- Allowing each employee to select their own rewards or deciding what rewards they should receive under predefined circumstances to ensure their commitment to achieving results
- Changing rewards frequently to sustain employee excitement

Employee Remuneration, Benefits & Bonus

Green Delta Insurance remains engaged in developing employees' living standards. We already offer industry-standard remuneration packages, yet at times it is not sufficient motivation for them. Thus, to fulfill their needs holistically, we are providing many extra facilities and benefits, like Provident and

Gratuity fund depending upon their service period. Employees can also avail loans from their Provident Fund at a low interest rate during any financial crisis. The Company also provides loan repayment flexibility of up to 50 installments to ease the burden. It also offers "earned leaves" that regular employees can earn every 15 days. Such leaves can be stored up to 90 days and can be cashed out during separation.

The Company also provides other attractive benefits like corporate mobile SIM card and allowance, car allowance, group health and life insurance, etc., as an extended financial support. The Company also subsidizes 50% cost for office transportation and up to 75% for office lunch. Further, the Company disburses 2 festive bonuses and 1 performance bonus annually to keep employees motivated. With a view to ensure the sanctity of the "social contract" that the Company shares with its employees, it honored its commitment by disbursing the 2 festive bonuses and 1 performance bonus even during 2020, showcasing its responsibility and pledge to sustain employee welfare despite challenging times. By doing so, the Company was perhaps the few in Bangladesh to have kept its remuneration as well as extended benefits structure intact during COVID-19.

Training and Development

At Green Delta Insurance, our training and development programs serve employees in such a way that they learn job-specific knowledge or skills to improve performance within their roles, while also focusing on employee growth as well for future job roles.

We firmly believe that a proper training and development plan for employees helps retain performers, which is beneficial to them as well as the Company. We also foster

healthy competition to ensure an inspiring, challenging and innovations-driven workplace environment. The Company's employee training and development programs are now more focused than ever before. Hiring top talent entails both time and money, and hence we are selective in this process to ensure that we get only the talent that is required. The Company welcomes passionate, adaptable and goal-oriented employees and remains as a top choice for employees with such attributes and characteristics.

With the Company offering a strong platform for employees to grow in the careers, HR provides training and development support to not only foster a competitive culture, but also ensure that the organisation remains on its defined strategic path. Thus, HR designs and develops training programs to meet the Company's overall goals while keeping business goals in focus to ensure that all training and development efforts are aligned with the Company's overall business strategy and strategic road map.

Key Training programs

Green Delta Insurance hosts key training programs for continuous development of employees. In 2020, practicing safety and social distancing norms, the Company opted for online-based training programs. Even though at that time it was a new paradigm for us, still we were able to overcome challenges without facing any major hiccups. Over 265 employees participated in our self-development programs via our official online platform. Some of the major training programs organized during the year include:



Training on Etiquette and Business Communication: This training was designed mostly for freshers, but employees who were interested in this training were free to participate as well. We believe training on etiquette and business communication helps new recruits in building and enhancing their professional relationship at an early stage. Good business communication and adhering to Company rules and regulations is given topmost priority. Hence, this training helps provide an overall picture of the organizational culture, office environment, internal affairs and working procedures.



Risk Inspections and Management training for underwriting professionals: Underwriting professionals are crucial assets for any insurance company. Hence through our well-structured training programs, we keep them updated regarding the latest government policies, inspections assessment processes, safety and security updates and PML analysis, etc.



Training on MS-Excel: Spreadsheets play a vital role in the overall day-to-day operations. In this context, MS-Excel is the most widely used tool. Every year, a handful of employees receive

basic as well as advances training on MS-Excel to improve their efficiency.



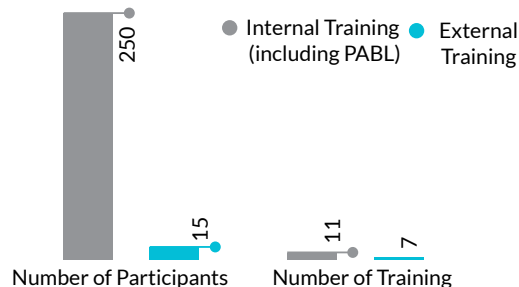
Training on Sales: As a service-oriented product-based company, our salesforce needs to be at the top of their game in order to capture market-share. As a leading Company of the insurance industry of the country, we ensure that our sales professionals are thoroughly trained every year so that they are not only the best representatives of the Company, but are also ambassadors of the industry.



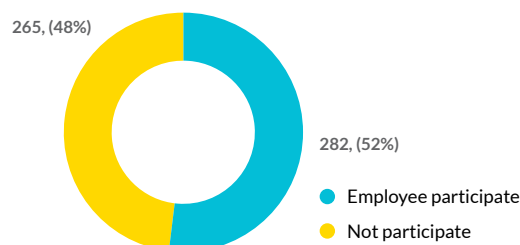
Training on AML and CFT: Money laundering and terrorism finance are alarming global issues and it is most visible in the finance sector. At Green Delta Insurance, we believe that it is our inherent responsibility to create awareness and train our employees regarding the modus operandi of these acts and ways to combat against those. Every year, the Company invites a number of specialists from the finance sector, government officials, intelligence unit, etc., to share their know-how on anti-money laundering and combating finance terrorism.

SL	Training/Tour Category	Number of Participants	Number of Trainings
1	Internal Training (including PABL)	250	11
2	External Training	15	7

Training Chart



Employees Training Chart



In 2020, the Company expensed BDT 4,71,713 on internal and external training. Average training cost per employee stood at BDT 1,800 (approx.) for the year.

Grievance Management and Counselling

The Company treats any grievance seriously and with utmost importance. We understand employees may have reservations about their job and its nature or about management policies and procedures. Hence, we ensure that the management are notified regarding any/all grievances expressed by employees in order to proceed towards corrective actions, if required.

We try to settle grievances as soon as possible to circumvent full-blown disputes or low morale. The Company understands that unattended grievances result in frustration, dissatisfaction, low productivity, lack of interest in work, absenteeism and demotivation.

We keep our doors and minds open for all employees who need any kind of support, not only regarding grievances, but also for any kind of consultation that may improve their morale. We have provided comprehensive personal and professional support and have also created a mechanism to take suggestions and feedback. Further, managers are trained to adopt the following approaches to manage grievance effectively:





- **Quick action:** HR tries to cover all departments and employees under unified supervision. As soon as any grievance arises, our top 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.
- **Acknowledging grievance:** All managers acknowledge the grievance put forward by the employee as manifestation of their true and genuine feelings. This acknowledgement shows that the manager is open to look into the complaint without partiality and bias, which creates a positive impression on employees. Doing so also helps create a more conducive work environment with reduced instances of grievances.
- **Gathering facts:** While dealing with any grievance, it is the manager's duty to gather appropriate and sufficient facts. A record of such facts must be maintained so that these may be used at a later stage for redressal.
- **Appeal process:** HR gives the opportunity to the accused to disprove their guilt. It does not take any kind of action before this process. HR respects every individual's perspective so giving a voice to everyone creates a fair ground to resolve the dispute.
- **Examining the causes of the grievance:** We believe nothing can be solved unless the actual cause of grievance is identified. Hence emphasis is placed

in the investigation of the grievance. Accordingly, remedial measures are taken to prevent repeat of the grievance.

- **Adjudication:** After identifying the causes of grievance, alternative course of action 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 before any decision is arrived at.
- **Execution and review:** Our managers are trained to handle any kind of situation before it creates a negative impact on the office environment. So, after implementing the decision, a follow-up is made to ensure that the grievance has been completely resolved.
- **Opinion survey:** Every employee has their own way of perceiving their work environment and we always respect diverse perspectives. Feedback is sought and accumulated and, if a similar pattern is noticed, we try to address it to minimize further issues regarding that topic.

GENDER EQUALITY

Green Delta Insurance is the sole Company in Bangladesh to be a signatory to the Women's Empowerment Principles (WEP) of the UN Global Compact. The Company has been recognised by the body for its stellar role in contributing to women empowerment. The seven principles of WEP, to which the Company has had a demonstrable impact, 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 to implement enterprise development, supply chain and marketing practices that empower and promote equality through community initiatives and advocacy
-  Measure and publicly report on progress to achieve gender equality

When it comes to innovation and risk-taking, insurance has a critical role to play. Most importantly, insurance offers entrepreneurs the economic protection they need to take calculated risks, and such a protection also provides thrust to risk-taking across the economy.

HR Initiatives during Covid-19 Pandemic

The Covid-19 outbreak really put all organizations to the test. Employers had to figure out how to run the business while ensuring the safety of all its employees. GDIC was one of the first organizations in the country to react quickly to the pandemic. We executed a roster-based work plan for the entire organization as soon as 22nd March, 2020. Only a handful number of employees were present in office at a time maintaining at least 6 meters of distance between them. When lockdown struck from 26th March 2020, it's safe to say the least, this didn't stop GDIC's HR team to plan and execute the Work from Home (WFH) initiative within the next few days. With the help of our capable IT team, we were able to mobilize our operation with almost immediate effect.

During lockdown period Department of Human Resources arranged almost 30 online training programs to keep all employees productive. We also arranged some online engagement activities with the help of GDAL such as celebrating Bengali New Year, hosting Covid-19/ Other health related Awareness Seminars, arraigning Yoga Classes, etc. to boost employee morale.

Throughout this challenging time, HR team was one call away from providing support to any and all employees who needed it during the lockdown. By the 31st May, 2020 GDIC properly reopened their doors to continue regular work with only 40% of its total manpower, so HR with the help of administration team launched an overhauled safety policy which included putting hand sanitizers in every floor, mandatory masks, maintaining social distance during work, routine disinfection of premises, lower work hours, limiting movement from inside and outside, and most importantly proper health guidelines to keep safe. To ensure safety during work we arranged and funded Covid-19 tests for our colleagues when needed with the help of GD Assist, a Healthcare Management company and subsidiary of Green Delta Insurance. We did it for employees who were returning from outside Dhaka, before letting them attend office. HR kept continuous tabs on colleagues who were affected and made arrangements for proper treatment with the help of GD Assist.

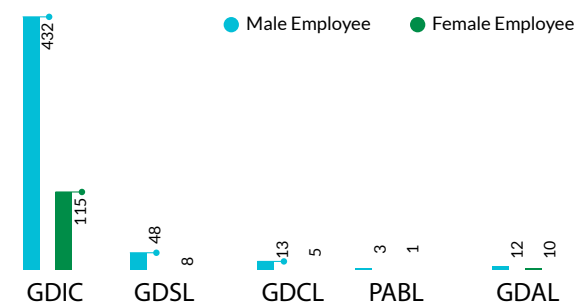
Human Resource Accounting & Analytics:

Green Delta Insurance is a large organization with a centralized HR department. Currently, we have four fully-owned subsidiaries, including:

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

In total, we currently have a total of 647 employees across the Group. Out of this, 139 employees are female and 508 are male. The Company has been endeavored to seek a balance between male and female employees, which is not only our Board's top priority, but also a key focus area for the management. We give opportunities to everyone according to their skills, experience and performance, without any differentiation against gender, thus fostering a balanced and gender-friendly culture

Employee Breakdown



Particulars	GDIC	GDSL	GDCL	PABL	GDAL
Male	432	48	13	3	12
Female	115	8	5	1	10
Female %	21%	14%	28%	25%	45%

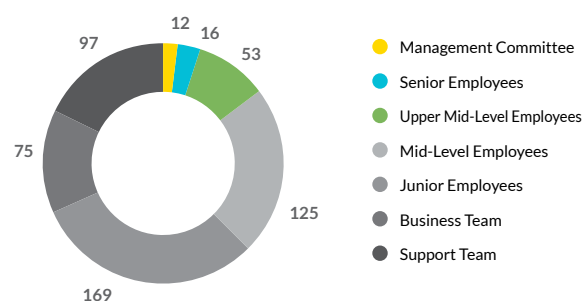
GDSL - Green Delta Securities Ltd.

GDCL - Green Delta Capital Ltd.

PABL - Professional Advancement Bangladesh Ltd.

GDAL - GD Assist Ltd

Role Position-Wise Headcount



Role Positioning	Headcount
Management Committee	12
Senior Employees	16
Upper Mid-Level Employees	53
Mid-Level Employees	125
Junior Employees	169
Business Team	75
Support Team	97

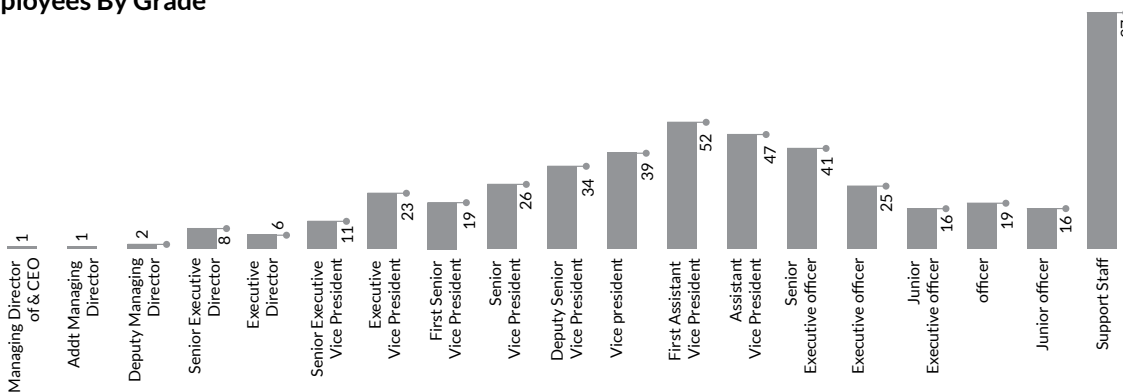
1. Employment Status:

As of 2020, we had 445 permanent employees, 89 contractual employees, 12 probationary employees and 1 temporary employee. Total employee base was slightly lower vs. 2019. This is an outcome of our steep learning curve, which helps us to increase our market share without acquiring additional headcount.

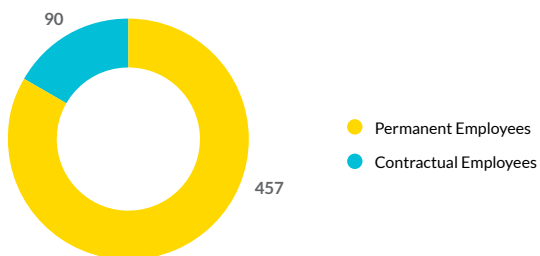
Designation	No of Employees
Managing Director & CEO	1
Addl. Managing Director	1
Deputy Managing Director	2
Senior Executive Director	8
Executive Director	6
Senior Executive Vice President	11
Executive Vice President	23
First Senior Vice President	19
Senior Vice President	26
Deputy Senior Vice President	34

Designation	No of Employees
Vice President	39
First Assistant Vice President	52
Assistant Vice President	47
Senior Executive Officer	41
Executive Officer	25
Junior Executive Officer	16
Officer	19
Junior Officer	16
Support Staff	97

Employees By Grade



Employment Category-Wise Headcount



GDIC Employment Category	Headcount
Permanent Employee	457
Contractual Employees	90
Total:	547

2. Employee Age Analysis:

We have wide range of employees segregated as per age and experience. The average age of the organization is 42 years. While the experienced possess knowledge and skills, the youth bring energy and understanding of new-age technologies. This combination not only enhances cooperation and knowledge and expertise sharing among both generations, but also helps close the gap between them. Age distribution among the employees is indicated below.

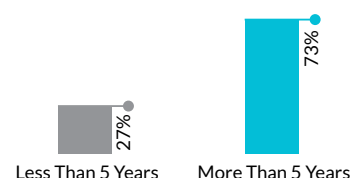
Age	Male	Female	No of Employees
Below 26 Years	24	4	28
26-30 Years	35	17	52
31-35 Years	61	13	74
36-45 Years	143	38	181
46-60 Years	151	33	184
Above 60 Years	17	1	18

3. Employee Service Analysis:

One of our biggest competitive strength comprises our high retention rate. Even though employee turnover has increased over the years (due to the trend of job switching), the Company has managed to secure employee loyalty. The Company ensures that all its employees are satisfied with their job. The average service period at our Company is 13 years, which only means that job satisfaction is very high.

Length of Service	Male	Female	Total Employee	Employee % with Service Tenure More Than 5 Years
Less Than 5 Years	110	37	147	73%
6-10 Years	96	29	125	
11-20 Years	107	28	135	
21-30 Years	86	9	95	
Above 30 Years	33	12	45	

Employee % with Service Tenure More Than 5 Years



4. Other Key Facts & Figures

FY'2020 Attrition Rate	7.70%
FY'2020 Retention Rate	92.30%
Increment Budget Increased By	33.00%
Promotion Given for the Appraisal Period 2020	22% Higher Than Previous Year
Average Training Hours / Employee	2 Hours
Retrenchment Headcount During COVID-19 in FY'2020	0

3.13 RESPONSIBILITIES TOWARDS EMPLOYEES (INCLUDING HEALTH & SAFETY)

Responsibilities towards Employees

In Bangladesh, the role of the HR specialists is typically alluded to administrative duties, as they have traditionally worked in establishing and enforcing company regulations. Yet, unlike most organizations in the country, Green Delta Insurance recognizes that HR's role is shifting to align with more forward-thinking practices. The Company's HR managers contribute to ideas and lead in advancing corporate objectives as follows but not limited to:

Responsibility 1: Participate in Planning and Development

In the modern workplace, human resource managers serve as strategic partners. They participate in the identification, development and execution of corporate objectives. In this capacity, our HR managers align their responsibilities with the business unit to achieve Company's objectives. Participation in planning allows us to gain a profound understanding of organizational activities needed to aid in the sustainable growth of the enterprise.

Responsibility 2: Provide Employees with Career Assistance

Periodically, our HR managers conduct staff evaluations. They take an active role in helping 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 assisting employees with career development, as HR professionals we gain deeper insights into the 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 work demands.

Responsibility 3: Find and Recruit Employees that Advance Company Objectives

Today's human resource managers do more than post ads and interview job candidates to fill open positions. Our HR managers have formulated an employer brand that is designed to attract the right job candidates. Within the purview of this responsibility, our HR managers work to promote the Company as a highly favorable workplace. Our HR managers foster a positive culture and are critical in helping meet the staffing goals of the Company.

Responsibility 4: Serve as Leaders of Change

The Company's HR managers frequently lead change initiatives. As a result, our HR managers demonstrate robust project management skills. Our team is skilled at aiding stakeholders to make the connect between change initiatives and strategic needs, thus 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 the Company's human resource team's scope of responsibility.

Responsibility 5: Advocate for Employees

While fulfilling their roles as employee advocates, the Company's HR managers play an integral part in the success of the organization. In this regard, our HR 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 customer experiences

Responsibility 6: Zero Tolerance for Workplace Harassment

A recent survey from BGMEA indicated that 1 in 4 women and 1 in 7 men in Bangladesh are victims to workplace harassment. In cognizance of this reality, the Company's HR professionals have developed a strict "Zero Tolerance" policy against workplace harassment, executing prompt action against perpetrators in order to ensure no employee feels unsafe no matter the nature of the issue. To encourage positive behavior, our human resource team strives to promote an organizational culture where staff members do not feel intimidated or ashamed to approach and consult with us regarding their harassment concerns.

Responsibility 7: Ensuring Workplace Health & Safety

The Company is always concerned regarding the health and well-being of its employees. We are aware of the rising medical expenses and hence ensure that all in our regular cadre are under health insurance coverage, which is renewed every year. This not only helps employees financially, but also encourages them to undergo regular medical check-ups without worrying about the cost. Our health insurance policy covers not only employees, but their spouse and up to two children under 24 years. Health claims can be raised in three categories:



Every member in the regular cadre is provided a free health card from one of GDIC's fully-owned subsidiary, GD Assist Ltd (GDAL), which specializes in healthcare & medical tourism. This health card enables employees to get discounts from a large number of hospitals and pharmacies in Dhaka that have partnered with GDAL. GDAL is also in the process of enlisting hospitals and pharmacies outside of Dhaka to make it easier for our employees stationed outside the metropolitan city. Besides discounts, these health cards also provide the scope of cashless service for cardholders.

The Company maintains a clean and hygienic office environment to ensure a healthy workplace for employees. We have air purifiers installed in every floors of the office to ensure air continuous circulation. Further, we have a well-equipped cleaning staff as well.

Safety measures remain a key priority before getting employees into the office and the Company offers standard measures of ensuring safety for all employees. The building itself was built through keen inspection, ensuring resistance to natural disasters or any threats like robbery. Within the building we have installed fire alarms, smoke detectors, water sprinklers, fire extinguishers, etc., too in every corner of each floor. We have a sturdy fire exit in case of fire. This aside, all employees follow the practice of switching-off their computers and plug-points to avoid any fire mishaps. We also have a sufficient security apparatus who properly check visitors and their vehicles before they are allowed inside the premises. Further, 24x7 security cameras offer a sweeping protective cover over the office premises for the detection on any irregular activities. Scheduled maintenance of office premises, especially elevators, is conducted to ensure user safety.

Responsibilities 8: Fair Performance Evaluation to Flourish Employees

Performance evaluation has always helped Green Delta Insurance to monitor and improve employee performance

on an ongoing basis. Our HR professionals draw authentic feedback from employees' actual output to ensure a fair performance evaluation. At the Company, we strongly believe that job responsibilities and organizational goals have to be the same track. Hence, HR is making sure that all allocated work complements with the employee's choice of career path. Further, we've put in our best efforts in our performance management system so that it helps employees know his position with the top management. We further ensure that employee promotion is compatible according to their determination, integrity, loyalty and hard work. More importantly, we see whether those promoted are ready to take up higher responsibilities that come along with promotion.

Responsibilities 9: Equal Treatment for all

At Green Delta Insurance, equality doesn't merely translate to equal treatment for all; it is about actively promoting an individual's right to be different. Thus, our primary ideas of equality comprise diversity and inclusion. To us, diversity is understanding, accepting and valuing differences. By inclusion, we ensure that when everyone in the workplace is valued, heard, supported and respected, they develop a strong sense of belonging. Establishing the culture of equality was one of our top focus areas. Equality means making sure each employee has been given an equal opportunity, equal pay (as per function) and are accepted for their differences. Our goal is to create an inclusive and conducive work environment where our employees feel secure and content. We have strived to ensure removal of any discrimination in the workplace, thus fostering diversity and inclusivity, which represents a key facet of our preferred employer proposition.

Responsibilities 10: Promote Performance Based Culture

Our performance-based culture focuses on ensuring that our employees are as effective as possible in their roles. These roles support not only the overall goals of the organization, but also helps in developing individual's skill-sets, which ultimately helps opt for success in their career. It is our responsibility as HR to ensure that all our employees have the necessary support and tools to achieve optimal results. Practices like sustaining healthy competition among peers, prioritising people over numbers, achievable goal-setting, etc., are some of the key elements in achieving a sustainable growth-oriented culture.



CORPORATE STABILITY & ASSESSMENT

4.1 MANAGEMENT DISCUSSION & ANALYSIS

THE CURRENT CRISIS HAS REINFORCED THE UTILITARIAN VALUE OF INSURANCE AND BROUGHT TO LIGHT THAT WE NEED TO THINK ABOUT WAYS TO EXTEND THE SCOPE OF INSURANCE COVERAGE FOR THE MASSES IN A COUNTRY WHERE THE “PROTECTION GAP” IS EXTREMELY LARGE. IT HAS ALSO BROUGHT TO FOCUS THE FACT THAT AT GREEN DELTA INSURANCE, WE HAVE TO FURTHER ACCELERATE OUR MISSION OF INSURANCE FOR ALL AND LEAVING NO ONE BEHIND.

-Farzanah Chowdhury, Managing Director & CEO

Supporting societal progress

Our mission of supporting human progress and human endeavours by protecting what matters the most, reflects our aim of supporting our customers and the society to move forward with confidence and optimism.

Green Delta Insurance's strategic agenda has been very busy over the last few years and we found it useful to take the time, as a Group, to formulate our role for customers and the society, what drives us every day – now and in the long-term. After extensive consultations it was clear that as the largest general insurance Company of Bangladesh, we needed to advocate for the very premise of insurance as a tool of immense value in restoring normalcy after an exigency. The COVID-19-induced lockdowns came as a wake-up call too many to take an insurance cover to protect themselves against any unforeseen circumstance. Today, vast swathes of people and small businesses have realised that insurance equals to peace-of-mind and quicker restoration to normalcy.

Going forward, with a view to support greater public awareness, we will mobilise bigger campaigns around our insurance products and solutions, while also seeking to develop newer products or product extensions relevant to the evolving needs of our customers. This emphasis thus clearly reflects our aim of supporting our customers, both individuals and companies, and even society as a whole, to move forward. It also evokes the notion of protection, that's at the very core of our business as an insurance Company, enabling customers to plan for the future with peace-of-mind. Alongside our values, which are an asset we can build on, this purpose of fostering insurance inclusion helps inspire and engage all of our employees. It connects to the Group's history and charts a course for the future. In this way, it serves as a guide for the Group's decision-making and commitments too, while also being fully integrated into our reflections as

we focus on delivering on our strategic plans in Insurtech and digital insurance in a much faster way.

Though despondency descends when one thinks of the human and economic cost of the pandemic, companies must identify opportunities in crisis to driver greater societal resilience. Indeed, the pandemic has encouraged us to rechart our future while enabling us to explore and identify the direction we need to go in, while also providing a framework for our actions, both in the short-term to protect our employees and customers, and in the longer-term to create mechanisms for future coverage and support.

Engaging all economic stakeholders, as well as the society, in the fight against climate change is a natural step for Green Delta Insurance. As a Company that is intimate with risk and risk control, we identified long before that risks associated with climate change will be very big in the future. In other words, the world will be more prone to risks related to changes in the weather or climate change. Further, human-related disturbances in the natural habitat can also pose a very big risk, as laid bare by the current coronavirus pandemic.

Thus, at Green Delta Insurance, our mission encapsulates the responsible prerequisite for building a more sustainable, inclusive world. Today, citizens of emerging countries are the ones suffering the most from the impacts of climate change, especially Bangladesh that is also slightly more disadvantaged in terms of its topography and thus more prone to adverse climate events. Thus, accessible insurance products as protection must be universalised as an enduring need and hence we have made insurance inclusion a major driver of our action, while setting the tone for the long-term. More generally, we need to think about ways to extend the scope of insurance coverage. The current crisis has brought this to light in a particularly striking way.

Some of our key products and their impact on the society is encapsulated in the table below:

Key products	Their impact on society	Key outcomes achieved, 2020
Fire insurance	<ul style="list-style-type: none"> Wide range of fire insurance protection solutions offered These include fire incidents caused by both natural as well as manmade causes Incidentally, aircraft damage caused by fire is also being covered 	BDT 1.6+ Trillion Aggregate sum insured pool
Marine insurance	<ul style="list-style-type: none"> We enjoy specialist experience in marine insurance on account of our longstanding presence and experience in the business We offer a comprehensive range of marine insurance products, including cargo insurance, hull insurance, etc., while also covering extraneous risks 	BDT 296+ Billion Aggregate sum insured pool
Health insurance	<ul style="list-style-type: none"> We provide a whole host of products that cover the health insurance needs of a very wide segment of the public Through GD Assist, our Group company, we offer medical tourism and telemedicine services, the second specially witnessing a surge on account of the pandemic-induced lockdown 	BDT 1.9+ Billion Number of Customers served
Motor insurance	<ul style="list-style-type: none"> We offer immediate policy issuance, thus providing the policyholder an instant cover or protection The liability covered include bodily injury or death and even third party property damage cover 	BDT 9.2+ Billion Aggregate sum insured pool
Personal accident insurance	<ul style="list-style-type: none"> We provide insurance covering a wide range of accidents or incidents We also provide group personal insurance cover 	BDT 9.8+ Billion Aggregate sum insured pool
Nibedita	<ul style="list-style-type: none"> We offer a dedicated and affordable insurance platform especially for women under Nibedita Sum insured ranges widely from Tk. 1-10 lakh, thus providing sufficient compensation against any untoward accidents or incidents 	BDT 36+ Million Aggregate sum
Burglary insurance	<ul style="list-style-type: none"> We underwrite risk arising from any burglaries or forced housebreaking events 	BDT 6.4+ Billion Aggregate sum insured pool
Agriculture insurance	<ul style="list-style-type: none"> We have pioneered weather index-based agricultural insurance that protects our agricultural communities from any exigent events, like droughts, floods, etc. Our agriculture insurance products are designed such that they help cover risks of any season, any crop, in any area of Bangladesh We also offer a revolutionary new product under livestock insurance that helps protect the policyholder from any risk or loss to cattle, which is considered an asset in rural households Our partnerships-centric approach has not only enabled us to pool complementary strengths, but also extend impact to a larger population base 	BDT 414+ Million Aggregate sum insured pool

Towards re-energising health insurance

With rapid scientific and technological progress on the one hand, most evidenced by the commercialisation of the coronavirus vaccine, at least for emergency use authorisation, in a highly compressed time-frame, and reduced government health care budgets and also difficulties in access to affordable and high-quality health care on the other, the health landscape has changed dramatically over the last decade. Further, the pandemic has also brought the focus back on health and wellness and public consciousness over good health has increased considerably over the last few months.

Moreover, while offering a wider variety of treatment and disease prevention solutions, as well as more channels for dialogue with health care professionals, including digital, this landscape has also become more complex. Finding

the right practitioner quickly and affordably has become a challenge in many countries, especially developing economies, a trend that has given impetus to such new-age businesses as medical service operators who, on the back of their wide network, link patients with the right health care providers/institutions.

Today, few of the major articulated patient needs comprise access to quality and affordable health care, reimbursement, choice of treatment and transparent information disclosure, among others. At Green Delta Insurance, in response to both the stated as well as unstated needs of patients, we are working on solutions to guarantee quick and easy reimbursements and transparent coverage. Further, we are focusing on simplifying policy wordage and documents, while also training our sales and network partners to be fully transparent and ethical in dealing/interfacing with customers.

Shasthyo Surokhsha Karmasuchi: Advancing support to the grassroots through low-cost insurance

Shasthyo Surokhsha Karmasuchi, or SSK, is the social health protection scheme of the Ministry of Health and Family Welfare, Government of Bangladesh, with support from a global developmental agency, German Development Cooperation, through the KfW Development Bank. SSK has been envisioned as a social health insurance model delivered through public-private partnership with the objective of lowering costs on the one hand and enhancing insurance access on the other. The scheme, in which Green Delta Insurance has been appointed as an operator, is upon consideration of its expertise in affordable insurance, its deep and wide distribution network and strong regulatory alignment. SSK has been developed over a period of more than three years through extensive consultations with diverse stakeholders.

Some of the key intentions of SSK include the following:



Considering the successful delivery of targets as SSK insurance operator (Scheme Operator) in the first phase, Green Delta Insurance has also been entrusted with the scheme operator status for the second phase of the pilot implementation to be carried out in the Kalihati, Modhupur and Ghatail upzilas in the Tangail district.

The Company conducts core SSK operations through SSK membership and Social Health Insurance Card management, SSK claims and finance management and providing management and contracting to ensure successful facilitation of the scheme.

One of the important facets of SSK is that it enables Green Delta Insurance to create a direct connect with large grassroots communities and regions where insurance penetration is virtually nil, thus facilitating awareness generation about the importance of insurance and taking forward the broader social agenda of inclusive insurance and insurance for all.

Nibedita

Driving meaningful outcomes through a robust insurance-led women empowerment platform

Female entrepreneurship is conclusively on the rise, as reflected in a Global Entrepreneurship Monitor report, which assesses the level of entrepreneurial activity in 48 countries. The report indicates a ratio of 7 female to 10 male entrepreneurs. Yet, these figures eclipse the wide gaps in pay, sector presence and geographical distribution of entrepreneurs. In addition, psychological barriers continue to obstruct women who would like to launch

a business. According to the Global Entrepreneurship Monitor report, only 35% of women in developed countries consider themselves capable of creating their own companies.

In Bangladesh too, the situation is no different. Despite the obstacles, women entrepreneurship is generally on the rise, especially on the back of facilities like microinsurance and proliferation of social media driving new age businesses, including online sales. Further, online learning platforms have revolutionised access to and consumption of learning, thus equipping new entrepreneurs with newer skills and insights. Thus, as

a larger number of women get into mainstream work, insurance is a critical protection tool for them to face any adversity with confidence and peace-of-mind. Moreover, there are a large number of women in Bangladesh who are prone to myriad risks and yet have no insurance protection. Thus, Nibedita has been conceived as not just as an insurance product but a holistic platform for women's economic security and entrepreneurial empowerment.

At Green Delta Insurance, our ability to identify needs and develop relevant, cost-friendly and regulatory-compliant insurance products is best reflected in Nibedita. It has also brought Green Delta Insurance global recognition and is the first insurance product in South East Asia that has been exclusively developed for women. In response to facilitate action to reduce the risk to female entrepreneurs and also break gender stereotypes, Nibedita has today emerged as a robust answer to solve some of the pressing challenges faced by women in Bangladesh today.

Impact insurance Continuing to drive meaningful change in a more risk-prone, yet risk-aware world

The coronavirus pandemic has shaken the foundations of industry through prolonged lockdowns and shutdowns that evaporated demand and disrupted global supply chains. The speed of the virulence and the global nature of the pandemic forced almost all parts of the globe to close down. Today, businesses are still reeling from the shocks of the pandemic that has adversely impacted the global economy. Further, a few sectors like hospitality, tourism and aviation have witnessed major impairment.

However, COVID-19 is only a part of the long list of challenges, with the others including adverse climate events, geographical and political instability and fast-changing technologies that have enhanced uncertainty and made it harder for companies to predict the future and lay out a dependable roadmap. Yet, a clear vision of what lies ahead is essential for them to invest, develop projects and achieve transformation. At the same time, global economic, social and environmental transitions are challenging business models more than ever before, forcing companies to review their ways of working and adapt accordingly.

As we ask the question: "How can an insurer help companies manage their risks for them to boldly plan for the future?", what is appearing as the most plausible solution is a tailored approach to risk. Hence, at Green Delta Insurance, we work with our client companies to understand their businesses, define and assess their risks, and advise them on the best ways to manage these risks. Such a meticulous, personalised, approachable and non-pretentious approach has proven its worth,

which together with a robust underwriting practice, has enabled us to primarily retain large clients, while also optimising the propensity of claims, thus protecting the quality, integrity and sustainability of our corporate insurance book.

As a compass for encouraging responsible choices, at Green Delta Insurance, we foster the sense of responsibility in the corporate landscape of the country. Thus, in addition to offering greater confidence in the future, our insurance products also empower companies to make more sustainable choices.

Today, we believe that our insurance book is well-diversified and well-balanced, which enables us to de-risk from overt sectoral or geographical concentration. This has also encouraged us to power the engines of innovation to launch new-age impact and digital insurance products that meet the key needs, desires and requirements of our clients, while also enabling us to respond to any regulatory amendments with surety.

Digital insurance Ushering a new era in insurance

We believe that insurance is all about fostering trust, and one of the most effective and impactful ways to do so is through build an ecosystem of partnerships with partners bringing complementary strengths to the table. Such an ecosystem would ultimately benefit customers in terms of not only making insurance more affordable but also more accessible and universal too. Further, articulating our vision for building enduring competitive advantage, we are building upon four key attributes that are essential components to generate value:

- **Focus-** On building an effective and harmonious insurance ecosystem
- **Efficiency-** In processes, costs and customer service
- **Agility-** In responding to trends and risks quickly and effectively
- **Trust-** In creating stronger bonds with customers

At Green Delta Insurance, these are essential for us to help our customers face the global megatrends over the coming decades, including demographic, social, environmental and technological change. We believe harnessing these traits, integrating them into the very fabric of our business model and supporting operations, will empower us to recognise, adapt to and succeed in the face of ever-shifting economic, political and market conditions, while positioning us to leverage new digital technologies, react to competitive threats and seize emerging opportunities.

The case for going digital is compelling, as evident in the following:

- Global smartphone sales are now double PC and tablet sales combined
- 34 per cent of consumers now prefer to access the internet by smartphone (the number rises to as many as 68 per cent among Gen Y)
- Consumers spend 4x more time on smartphones, accessing apps than the web
- It has been estimated that digital adoption has been vastly accelerated by the COVID-19 pandemic as the world moved online
- In Bangladesh, people have become more comfortable with digital money

Source: AITE, US

At Green Delta Insurance, we have embraced Insurtech and digital insurance in meaningful ways. During the year 2020, we launched Bangladesh's general insurance industry's first digital app, InsuMama, available both on iOS and Android operating systems. Through InsuMama, our policyholders can avail of a wide range of insurance policies at the simple click of a button, thus circumventing the need for physical visits for purchase. Further, we have also digitised a number of internal processes with the result that both policy issue and claims disbursement efficiencies have improved considerably, thus enabling us to further customer service and lower costs.

Meeting societal needs with empathy and responsibility

Green Delta Insurance integrates its business objectives and operations with the United Nation's SDGs. Out of the 17 goals, the Company aligns with 10 goals, considering its investment decisions, customer relationships and broader responsibility towards the society. A detailed note on how we create value that further advance the objectives enshrined in each goal is provided elsewhere in this report.

Employees are at the heart of Green Delta's success. The company recognises its human resources as its important asset and helps foster an environment where employees feel motivated and committed towards achievement of unified goals. Some of the key HR initiatives comprise:

- Alignment of corporate goals with individual employee performance
- Investing in employee relations through regular and ongoing employee engagement platforms
- Offering employees with robust training, skill development and capacity augmentation platforms

both in Bangladesh as well as through international training exposure

- Providing employee compensation that is the best-in-class with a number of benefits that go beyond statutory requirements
- Talent attraction through a wide range of platforms, including social media
- Talent retention through KPIs and showcasing career growth

Notably, we retained the sanctity of the "social contract" with our employees by keeping our workforce and their salary structures intact, despite the pandemic and its adverse effects.

Sustainable partnerships

At Green Delta Insurance, we have always focused on co-building value with stakeholders through forging relevant complementary partnerships to anticipate and integrate society's needs into our business decisions and commitments.

For instance, with a view to ensure the most effective risk insurance framework for agriculture and also with a view to offer a specialised product that protect farm communities holistically in the case of adverse climate events, we have forged partnerships and joined hands with a number of international developmental agencies, including International Finance Corporation (IFC), Agriculture Value Chain (AVC) – USAID and Business Finance for the Poor (BFPB) – Challenge Fund.

Further, leveraging the reach of NGOs who also have a strong connect with rural communities and low-income households to be able to drive insurance awareness, we have partnered with Care Bangladesh, Oxfam, Syngenta Foundation, Gram Unnayan Karma and Eco-Social Development Organisation, among others. Moreover, we have also collaborated with farm input organisations such as Seba Limited and Renaissance Enterprise and also seed companies such as Supreme Seed Company Ltd., to develop effective forward linkages with farmers.

Developing the youth of Bangladesh

Bangladesh is in the midst of a huge demographic advantage, with almost 30-40 per cent comprising the youth population out of about 165 million. Such a large and vibrant constituency holds enormous potential not just as earners but also as consumers, developing the foundations for sustained economic growth over the years to come. This population is digitally-savvy too and hence are potential customers of the insurance industry.

Yet, employability levels are relatively deficient with low value-add. A large youth population is associated

with the informal sector, thus creating a wide gap in management and other specialist roles. At Green Delta Insurance, we understand that it is crucial for employers to be able to attract and retain the best talent available. The Company visits leading universities for creating awareness regarding career opportunities in insurance and also within the extended Green Delta Group. It has also participated in many career fairs and other placement platforms. Further, the Company also fosters robust internship opportunities to augment youth engagement.

Incidentally, one of Green Delta Insurance's subsidiaries, Professional Advancement Bangladesh Limited (PABL), offers specialist courses in insurance with a view to contribute to youth development in specialist roles. The vision of PABL is to develop and train both corporates and individuals so that they can advance in their careers, while also contributing to the socio-economic development of the country.

Green Delta Insurance's human resources team regularly engages in fostering a young and youthful corporate culture.

Forward outlook

At Green Delta Insurance, we will continue to focus on building a more robust, digital and impact-driven insurance platform that helps to raise awareness about insurance, builds trust in the system and advances the agenda of protection against exigent adversities. Further, we will continue with our journey of developing meaningful partnerships that contribute to and support customer value creation, while meeting the twin objectives of insurance accessibility and affordability. We will also continue with regulatory liaison, building stronger channels of communication with the Government, while also supporting key governmental themes of insurance inclusion and protection, industrialisation, employment generation and sustainable socio-economic progress.

Performance & Management Efficiency

Figures in BDT million

Particulars	2016	2017	2018	2019	2020
Gross premium	3,163.27	3,293.55	3,678.63	4,164.15	3,676.75
Net premium	1,322.03	1,524.36	1,660.53	1,996.82	1,609.36
Net claims	334.48	371.15	470.93	565.48	389.77
Underwriting profit	385.15	399.96	403.07	413.55	965.40
Investment income	175.52	188.45	208.58	263.41	299.80
Earnings before interest and tax	314.08	378.35	371.18	522.59	1,111.33
Net profit after tax	248.58	243.10	249.41	300.71	683.80
Investments	5,135.98	5,806.57	5,361.18	5,346.07	5,432.46
Current assets	5,669.38	6,958.39	7,385.50	8,314.40	8,495.17
Total assets	8,588.24	9,843.85	10,165.42	11,099.72	11,304.98
Total liability	2,944.82	3,431.66	4,419.08	5,241.25	5,062.75
Shareholders' equity	5,643.42	6,412.19	5,746.34	5,858.47	6,242.22

Earnings ratio

Particulars	2016	2017	2018	2019	2020
Premium growth	5%	4%	12%	13%	-12%
Risk retention ratio	42%	46%	45%	48%	44%
Re-insurance Commission yield	25%	19%	18%	15%	27%
Net loss ratio	25%	24%	28%	28%	24%
Management expense ratio	41%	40%	39%	38%	32%
Combined ratio (gross basis)	51%	51%	52%	51%	43%
Investment yield	3%	3%	4%	5%	5%
Underwriting profit margin	12%	12%	11%	10%	26%
Net profit margin	8%	7%	7%	7%	19%
Return on Equity (ROE)	4%	4%	4%	5%	11%
Return on Asset (ROA)	3%	2%	2%	3%	6%
Dividend yield	4%	3%	3%	4%	5%
Dividend payout ratio	65%	66%	65%	59%	44%
Price Earning ratio	16.13	20.38	21.03	15.41	8.40
Earnings per share	3.08	3.01	3.09	3.39	7.34

Liquidity Ratio

Particulars	2016	2017	2018	2019	2020
Liquid asset to technical reserve ratio	24.64	33.79	29.04	31.21	21.79
Current ratio	1.93	2.03	1.67	1.59	1.68
Cash Ratio	37%	29%	20%	18%	21%

Solvency Ratio

Particulars	2016	2017	2018	2019	2020
Debt to equity ratio	52%	54%	77%	89%	81%
Operating leverage	23%	24%	29%	34%	26%
Financial expenses coverage ratio	30	5	7	3	12

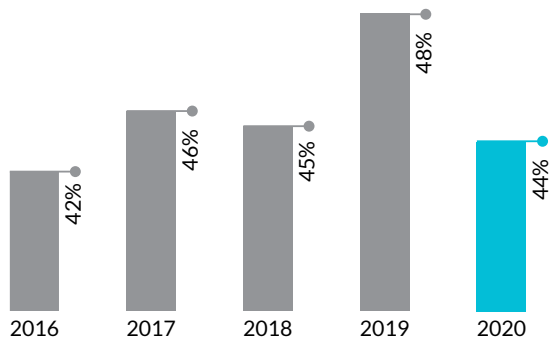
4.2 FIVE YEARS' FINANCIAL PROGRESSION

Figures in BDT million

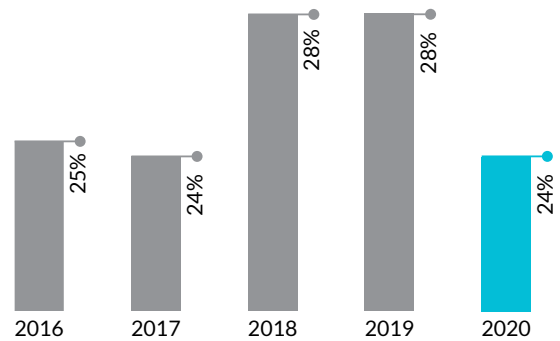
Particulars	2016	2017	2018	2019	2020
Gross Premium Income	3163.27	3293.55	3678.63	4,164.15	3,676.75
Net Premium Income	1322.03	1524.35	1660.53	1,996.82	1,609.36
Net Claims	334.48	371.15	470.93	565.48	389.77
Underwriting Profit	385.16	399.96	403.06	413.55	965.40
Investment Income	181.34	208.94	238.99	294.73	299.80
Profit before Tax	303.53	307.80	318.89	360.60	1,016.58
Profit after Tax	248.58	243.10	249.41	300.71	683.80
Paid up Capital	806.91	806.91	806.91	887.60	931.98
Share Holder's Equity	5643.42	6412.19	5746.34	5,858.47	6,242.22
Total Liabilities	2944.82	3431.66	4419.08	5,241.25	5,062.75
Total Reserves	4461.79	5203.88	4512.57	4,494.38	4,389.79
Total Assets	8,588.24	9843.85	10165.42	11099.72	11,304.98
Total Investment	5,135.98	5806.574666	5361.178316	5,346.07	5,432.46
Fixed Assets	2212.33	2179.87	2149.21	2,140.61	2,115.12
Earnings per Share (EPS) Taka	3.08	3.01	3.09	3.39	7.34
P/E Ratio (Times)	16.13	20.38	21.03	15.41	8.40
Book Value per Share (NAVPS)	69.94	79.47	71.21	66.00	66.98
Market Value Per Share (Taka)	49.70	61.40	65.00	52.20	61.60
Required Solvency Margin	390.18	401.07	473.59	511.79	442.30
Available Solvency Margin	4001	3407.01	2589.57	1,433.87	1,830.79
% of Dividend Paid (Cash)	20%	20%	10%	15%	24.50%
% of Dividend Paid (Stock)	-	-	10%	5%	7.50%

4.3 PERFORMANCE & LIQUIDITY RATIOS

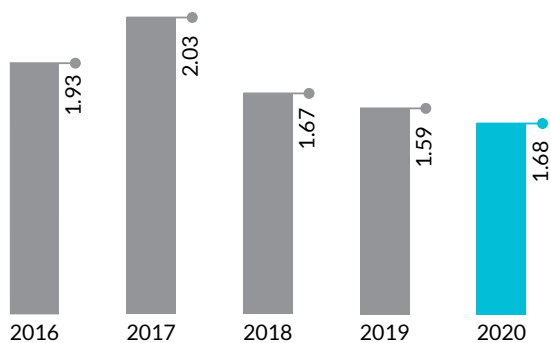
Retention ratio



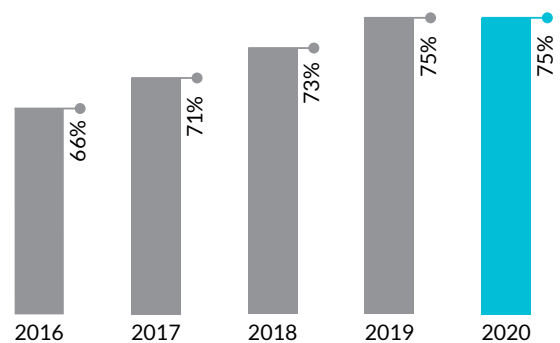
Net claim ratio



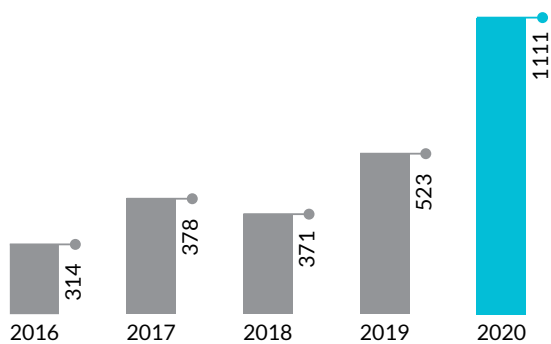
Current ratio



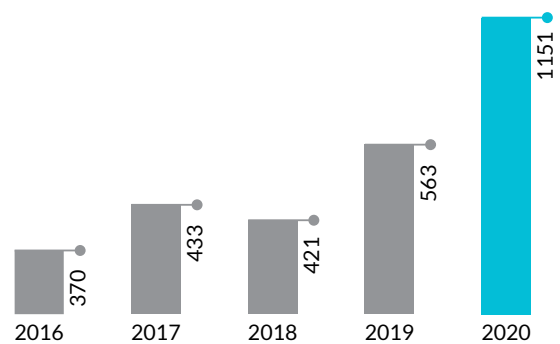
Liquid assets to total assets



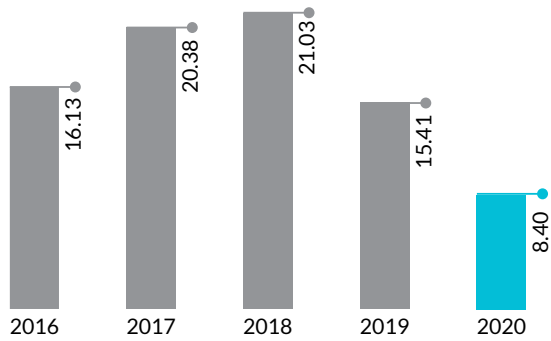
Earnings before interest and tax



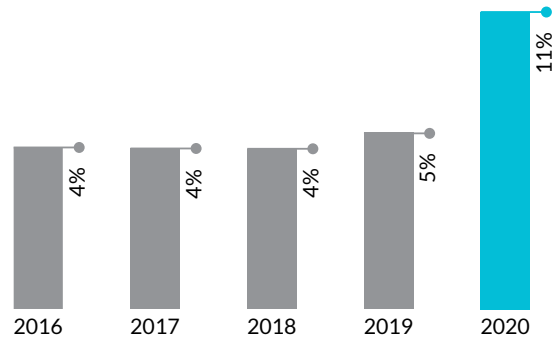
EBITDA



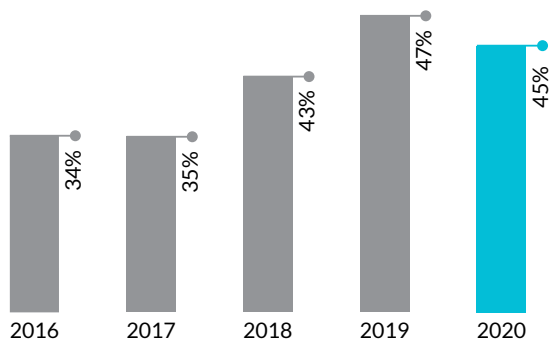
Price earnings ratio



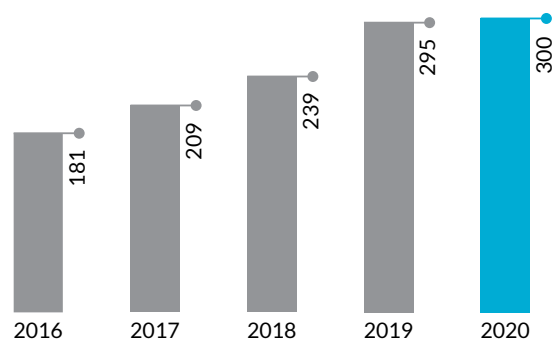
Return on capital employed



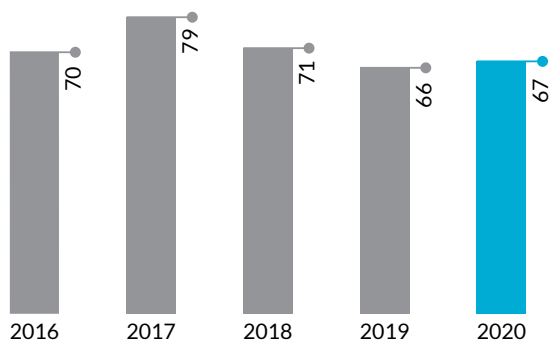
Debt equity ratio



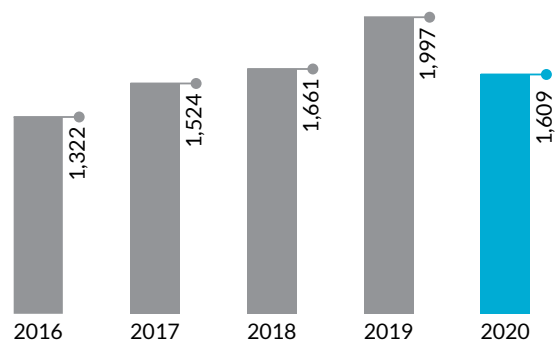
Investment Income



Net Asset Value Per Share

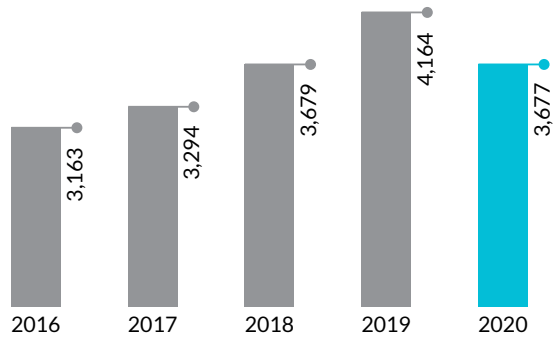


Net Premium Income

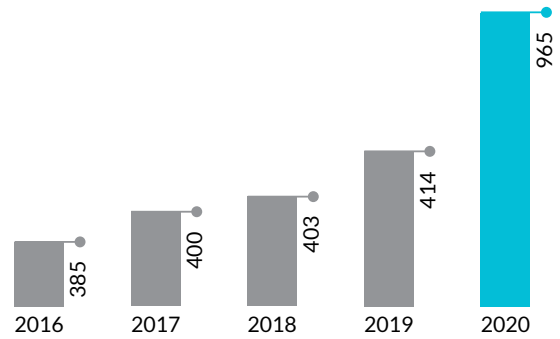


4.4 HORIZONTAL & VERTICAL ANALYSIS

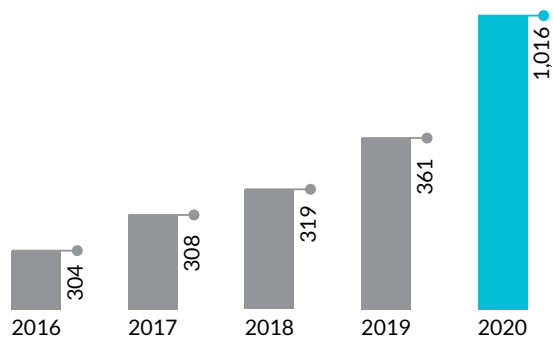
Gross Premium (BDT million)



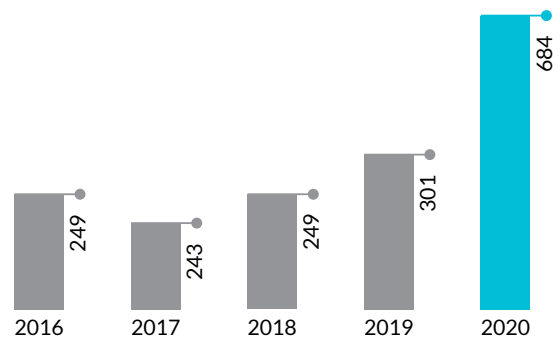
Operating profit (BDT million)



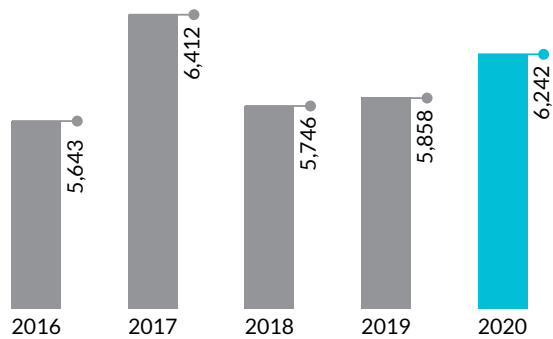
Profit before tax (BDT million)



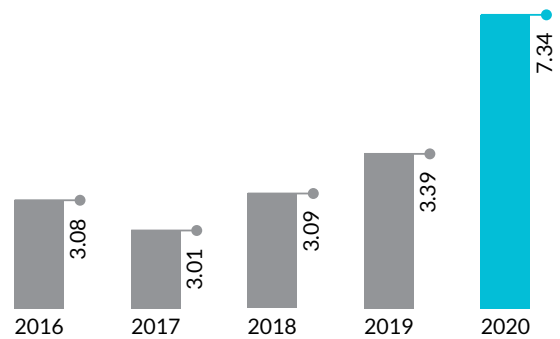
Net profit (BDT million)



Net assets (BDT million)



Earnings Per Share (Taka)

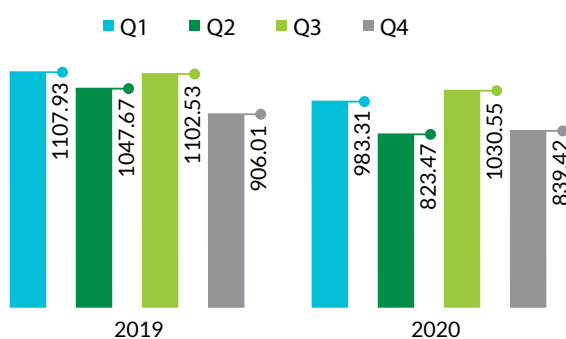


4.5 EVALUATION OF QUARTERLY FINANCIAL PERFORMANCE

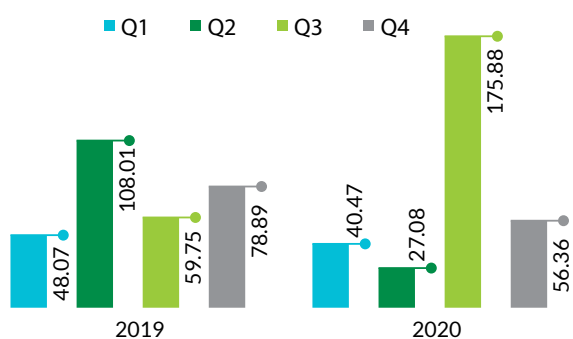
Figures in BDT million

Particulars	2019					2020				
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
Gross premium income	1107.93	1047.67	1102.53	906.018	4164.15	983.31	823.47	1030.55	839.42	3676.75
Net premium income	543.63	338.57	469.38	645.24	1996.82	363.22	336.06	330.05	580.02	1609.36
Re-insurance commission earned	96.86	136.78	127.67	-29.384	331.93	94.45	132.41	206.75	114.31	547.91
Investment & others income	48.07	108.01	59.75	78.895	294.73	40.47	27.09	175.89	56.36	299.80
Total Income	688.56	583.36	656.8	694.751	2623.47	498.14	495.55	712.69	750.70	2457.08
Management expenses with claims & agency commission	527.25	421.23	435.74	530.978	1915.20	318.61	293.90	409.93	169.43	1191.87
Management expenses (un-allocable)	63.29	106.43	131.03	46.918	347.67	62.10	83.97	30.77	71.78	248.62
Total expenses	590.54	527.66	566.77	577.896	2262.87	380.71	377.875	440.703	241.206	1440.49
Profit before tax	98.02	55.7	90.03	116.855	360.60	117.43	117.68	271.98	509.49	1016.58
Tax expense	25.00	15.00	15.00	4.89	59.89	25	50.5635	67.7542	189.397	332.71
Net profit	73.02	40.7	75.03	111.96	300.71	92.43	67.11	204.23	320.09	683.87
EPS	0.82	0.46	0.85	1.26	3.39	1.04	0.76	2.19	3.43	7.34

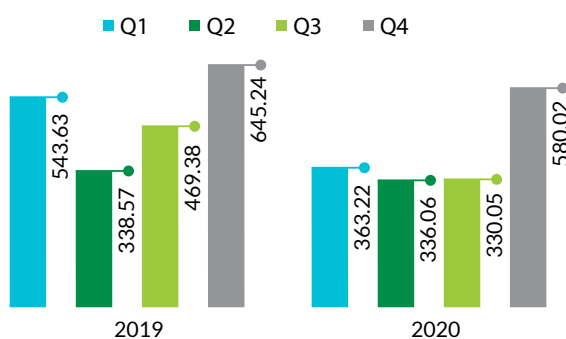
Gross Premium



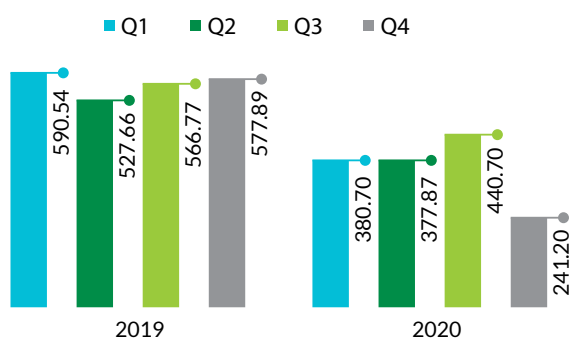
Investment Income



Net Premium



Total Expense



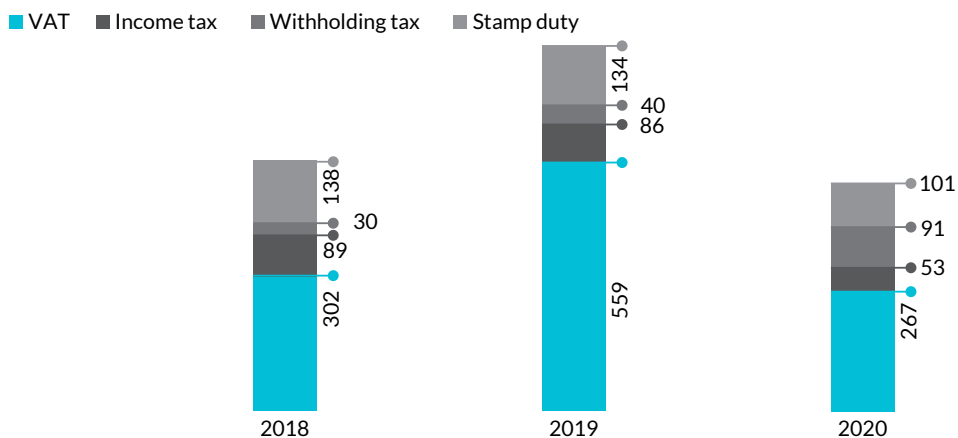
4.6 CONTRIBUTION TO THE NATIONAL EXCHEQUER

As a responsible corporate citizen, GDIC continue to remain transparent in adherence with the local direct and indirect tax requirements and have contributed BDT 511.04 million to the national exchequer as Value Added Tax (VAT), Supplementary Duty (SD) & Income Tax. Also GDIC maintains timely submission of VAT return, withholding tax return, income tax return & related all others required return in due time.

Figures in BDT

	2018	2019	2020
VAT	302,063,476	559,243,078	266,659,508
Income tax	89,096,664	85,663,912	52,720,512
Withholding tax	30,387,229	39,518,215	90,781,901
Stamp duty	137,811,838	134,189,928	100,873,213
Total	559,359,207	818,615,132	511,035,134

Contribution to the National Exchequer



4.7 GREEN DELTA GROUP PERFORMANCE

Group Asset Contribution

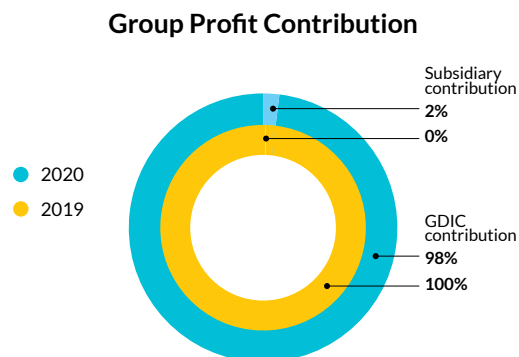
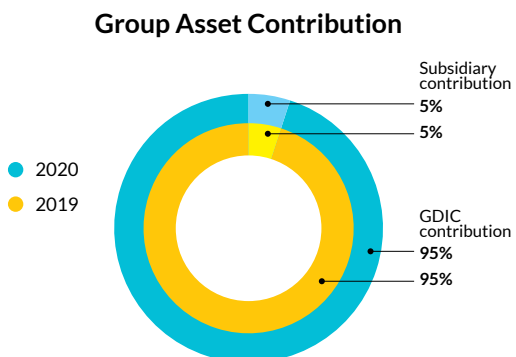
Figures in BDT million

	2019	2020
GDIC	11,099.72	11,304.98
Subsidiary contribution	588.28	653.49
Total	11,688.00	11,958.46

Group Net profit

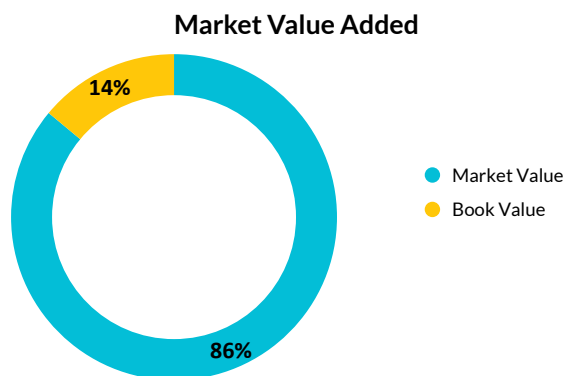
Figures in BDT million

	2019	2020
GDIC	300.71	683.80
Subsidiary contribution	0.41	-16.16
Total	301.12	667.64



4.8 MARKET VALUE ADDED STATEMENT

Market Value Added	Number of Share	Value Per Share (Taka)	Total Value (BDT in Million)
Market Value	93.20	61.60	5,741.02
Book Value	93.20	10.00	931.98
Market Value Added			4,809.03



4.9 ECONOMIC VALUE-ADDED STATEMENT

Figures in BDT

	2016	2017	2018	2019	2020
Average shareholders' equity	2,655,609,118	2,758,509,138	2,873,169,073	2,929,233,182	3,121,110,920
Cost of equity (%)	8.5%	8.5%	8.5%	8.5%	5.3%
Net Profit After Tax	248,582,536	243,105,029	249,410,888	300,710,215	683,800,479
Less: Cost of equity	225,726,775	234,473,277	244,219,371	248,984,820	164,669,001
Economic Value Added	22,855,761	8,631,752	5,191,517	51,725,395	519,131,478

4.10 VALUE ADDED STATEMENT

Value Added Statement

for the year ended 31 December 2020

The value added statement shows the total worth created and how it was distributed to meet certain obligation and the portion retained for the continued operation and expansion of the company.

	31 Dec. 2020 (BDT in million)	%	31 Dec. 2019 (BDT in million)	%
Operating revenue	2,157.27		2,328.75	
Other income	299.80		294.73	
Total Income	2,457.07		2,623.48	
Operating expenses excluding staff costs and depreciation	(908.10)		(1,701.31)	
Value added	1,548.98	100%	922.16	100%
To employees as remuneration	493.12	32%	521.33	57%
To Government as taxes	332.78	21%	59.89	6%
To Shareholders as dividend	228.34	15%	133.14	14%
Retained in the business	494.75	32%	207.79	23%
as capital & revenue reserve	455.46	29%	167.57	18%
as depreciation	39.28	3%	40.22	4%
	1,548.98	100%	922.16	100%



CHALLENGING THE CONVENTION

5.0 CHALLENGING CONVENTIONS: DRIVING TOWARDS A NEW AND BETTER TOMORROW

AT GREEN DELTA INSURANCE, WE KNOW THAT CHALLENGES ARE UNIQUE OPPORTUNITIES FOR REINVENTION AND REVITALISATION FOR ACHIEVING ACCELERATED GROWTH IN THE FUTURE. WE BELIEVE THAT CHALLENGING THE STATUS-QUO IS THE ONLY WAY TO MOVE AHEAD AND FORWARD.

Maturing of the InsurTech domain

Ever since it emerged as an independent outgrowth of the burgeoning FinTech sector, InsurTech has come to encapsulate well the expectations of customers in the digital era. Although rooted in the principles of an industry that was founded centuries ago, companies focused on innovation have recognised that aspects of its operations, delivery and customer experience are in need of a cutting-edge update.

InsurTech has experienced a steady build-up of momentum over the last decade or so, diversifying away from legacy insurance systems and more towards leveraging data and digital technologies from back-end processes including underwriting and policy administration, to front-end use cases like customer service, quotations and claims management and overall engagement.

As customers become acclimatised of the digital experience throughout their daily lives, whether for shopping, finance, lifestyle management, etc., the importance of a refined strategy to reflect changing preferences becomes indispensable. This is especially more so because of the COVID-19 pandemic that has advanced digital adoption by several years in just a few months because of the lockdowns. Such a sweeping digital embrace is no less true for insurance too, which, although a centuries-old industry, cannot escape the call for better, faster and more convenient service. As consumer shopping and purchasing habits have shifted more toward digital or online means, it's signalled an acceptance and an interest in digital experience across categories. Today, digital technologies can replace a portion of the more routine or mundane parts of the process, which frees-up human capacity and endeavour

to participate in the parts of the process in which they can add the most value, like assessing and underwriting risk.

Indeed, technology has the power to fundamentally alter the principal operations of insurance. Today, modern InsurTech is being propelled by four key innovations: artificial intelligence (AI), robotics, internet of things (IoT) and blockchain. Automation of process-driven business, richer streams of analysable customer data and increased transparency all serve to optimise customer outcomes and needs to be investigated and utilised fully. Moreover, digital also facilitates the value-adding power of social media to engage directly with customers in a way which not only amplifies brand awareness, but also fosters trust and transparency.

Devising an overall digital strategy

At Green Delta Insurance, we believe that a digital strategy within insurance should revolve around facilitating quality and seamless services, have cutting-edge analytical facilities and be data-focused. As we embark on our digital transformation journey, the evolution of insurance and InsurTech will be an ongoing and exciting process. One possible effect of the COVID-19 pandemic is the acceleration of burgeoning changes within insurance generally. In terms of strategy, this presents us with a golden opportunity to re-model and pivot our business in the 'new normal' by addressing important challenges surrounding legacy operating methods, i.e., social distancing, remote working, etc. In this regard, InsurTechs may have a unique opportunity to gain share by being nimble and adaptive to change. On the other hand, the reality also exists of lower demand due to remote working, loss of income from furloughs or lay-offs and supply chain disruptions may hinder the Company's ability to meet growth and customer

service goals. This underscores that our digital strategy, particularly during a turbulent economic time, needs to be thoughtfully developed, technologically robust and collaborative in order to yield enduring success.

Engaging customers with simple products and omni-channels

At Green Delta Insurance, we believe that simpler products and streamlined experiences hold the key to success in the digital age.

In the shift to digital distribution channels, it has become clear that some products were complex for customers to understand without the help of traditional agents. In response, we have had to either support our agents with enhanced knowledge/tools for selling, or simplify the products. We believe that we may need to do both in the future. Simpler products are necessary to support digital business models. Further, intuitive experiences are increasingly the baseline for customer expectations in the digital age. They require a strong digital architecture, which means we either need to work around the constraints of legacy systems or replace them outright, and we are currently evaluating all possible options and opportunities. Thus, simpler products, integrated channels and elegant customer experiences represents the cornerstone of our vision for our future. Indeed, the COVID-19 pandemic has brought that future forward.

Sustainability at the centre of the agenda

Talent is as important as technology in keeping pace. At our Company, we understand that no amount of systems investment can equip a business to compete if its workforce is trapped in analogue. Thus, we are making headway in digital upskilling and even articulating a vision of the functional skill requirements of the future.

Health, climate and insurance inclusion are the three topics on which the insurance industry has deep knowledge and capability. Yet, the barrier to capitalising on this opportunity and to increased public-private partnership is trust. Without winning trust, it is difficult for insurers to bring their expertise to bear. Thus, we find that focusing on sustainability is our opportunity to demonstrate the value of insurance and strengthen public credibility, and it's only achievable if businesses act with care and integrity in all other aspects of their operations.

In our view, the defining characteristic is our ability to respond to unfolding opportunities. We're forging a culture of innovation, agility and collaborative ecosystems that will enable us to spot openings and quickly capitalise on them, especially in an opportunity-rich market like Bangladesh where insurance penetration is less than 1%. At the heart of our sustainability agenda is also our following priorities:



Execution capability as a competitive advantage:

We are combining a strong ability to execute strategy with leadership focus, appropriate decision-making processes, meaningful investments in resources and capabilities, readiness to challenge convention and support to generate and explore new ideas.



Ability to innovate at scale:

We have developed strong competencies in experimentation and developing partnerships to innovate across our both our major business segments – digital insurance and impact insurance. This we believe will enable quicker movement from pilot to market.



Forging a deeply rooted culture of cost-effectiveness, productivity and operational excellence:

Organisational resilience and agility will be key to success in the face of tomorrow's uncertainties and challenges. In addition to eliminating unnecessary efforts and driving down costs, we will need to align our operating model, workforce, digital labour, culture and ways of working in the most agile, productive and customer-friendly way.

The pandemic represents an opportunity to reaffirm the purpose of insurance: protecting people, communities and businesses from unexpected risk, while embracing rising societal concerns around sustainability and fairness. As the situation plays out in 2021 and beyond, we will play an important societal role. For one, we seek to accelerate claims processing and streamline our customer service functions. We are also engaging with our regulators to demonstrate leadership in the restoration of the national economy, and to develop public-private solutions for protection against future events. More broadly, we are reflecting on the broader societal trends and our ability to adapt to them. We have embraced environmental, social and governance (ESG) principles and are extending that to our underwriting capabilities.

Thus, preparing our role as an insurer of tomorrow, today, we are building on the foundations of transformation through competitive reinvention. We believe that what will support us in this endeavour is our core essentials of skills, scale and productivity, with the execution capabilities to bring innovations to market at pace, as well as the ability to create solutions for the challenges facing a fast-developing society.



GOVERNANCE & STAKEHOLDERS

6.1 REPORT ON CORPORATE GOVERNANCE AND CORPORATE CULTURE

COMMITTED TO EMBRACING BEST PRACTICES IN INSTITUTIONAL GOVERNANCE

Governance letter from our Chairman

“ Green Delta Insurance continues to drive high standards of governance at all levels. I am satisfied that the current Board brings the right balance of experience, skills and diversity of perspective needed to provide the governance, oversight and strategic direction to ensure the Company’s continued resilience ”

- Abdul Hafiz Choudhury, Chairman

Fostering governance best practices aligned with our purpose

Good governance is of fundamental importance to Green Delta Insurance. At our Company, we have a shared purpose, which is to ensure insurance for all by building public trust in insurance. With good governance, underpinned by our values and our culture, we are able to deliver on this promise for our customers and all our stakeholders, including investors and shareholders. I also believe that our strong and consistent approach to governance enables us to deliver on our strategy

to ensure affordable, simple and convenient access to insurance through an omni-channel network, including digital.

Consistent with our purpose, our governance framework provides role clarity by clearly delineating roles and areas of accountability and recognises the independent roles and duties required to effectively govern the Company. Our governance framework, practices and processes enable the Board and the senior leadership team to create value by stewarding the enterprise through prevalent challenges.

Pillars of our governance framework



A diverse and transforming culture based on gender diversity and skills and experience for the future, especially in the realm of digital



Independent and free-thinking to secure our position in a fast-transforming sector and economy



Focused and informed decision-making with dedicated committees operating under clearly defined terms of reference and strategic roadmap

Further, in keeping with the spirit of sound leadership, the Board and the senior management team promote strong principles of integrity and ethics within the Company, which aids in entrenching excellence in every facet of our business. Further, as a Company that operates in a “sensitive” sector that needs to be highly customer-centric and public-facing, we believe that our reputation, upheld by our people, is our biggest asset and the most significant foundation of our governance processes. Our Board is the overall custodian of good corporate governance and is fully committed to the key governance outcomes of fostering an ethical culture, good performance, effective control and integrity.

The Board plays a key role in setting the strategic direction of the Company. The Board also provides continuous oversight of material matters, acting as an independent check and balance for the executive management team, whose main responsibility remains the management of the business. The Directors are diverse in their academic qualifications, industry knowledge, experience, race and gender. This diversity encourages robust debate and dialogue at Board and committee-level meetings to ensure that appropriate and effective judgement and supervisory guidance are provided to the management in facilitating the delivery of the Company’s strategic objectives.

Progress made during the year 2020

The year 2020 was an extraordinary one, not just for Green Delta Insurance, but for the country and the world as a whole. The onset of the COVID-19 pandemic, the speed of virulence transmission and uncertainty around the disease caused the authorities to shutdown entire cities and countries for over 3-4 months, which is unprecedented in modern history. The lockdowns, it has been estimated, have wiped out millions of jobs around the world, pushed hundreds of thousands back into poverty and caused corporate bankruptcies. In such an operating environment, our Board took an incisive decision to not cut any jobs at the Company or the Group and protect the sanctity of employment and the long-term relationships we share with our people. Further, we

also kept compensation structures untouched, while also disbursing bonus as per policy.

The other material issues deliberated on by the Board comprised safety and security of our people, business continuity planning, assessing external demand environment and the needs and expectations of key stakeholders, digital insurance, etc. Notably, deliberations of the various committees enabled the Board discussions to be more focused on strategic matters. The outcome of this contributed to not just greater business sustainability in a volatile and unpredictable year, but also to our 2020 financial performance in a big way.

Our focus areas for 2021

Employee experience remains critical for us and we will continue to enhance our reward communication and understanding for our employees and focus on fair pay principles across the Group. Further, digital capability building remains an ongoing focus area and our reward strategy is aimed at assisting us in acquiring and developing talent for a digital organisation. We will also continue to accelerate our leadership development in a digital world.

We are also very committed to maintaining a strong relationship with our shareholders, which is built on trust and a clear understanding of our policies and the practices that have been implemented organisation-wide.

Ultimately, we will continue to drive and embed our purpose deeper into our enterprise.

Thank you for your continued faith in us.

Sincerely,

Sd/-

Abdul Hafiz Choudhury

Chairman

Governance in the context of Board leadership and Company purpose

Green Delta Insurance is committed to the continuous enhancement of corporate value by fulfilling its responsibilities to customers, shareholders, employees, society and other stakeholders, as set forth in the corporate philosophy as well as articulated in our code of business conduct. For this purpose, the Company has established a robust, sound and transparent corporate governance system and deeply recognises the importance of appropriate control over its subsidiaries (Group companies), defining the rights of shareholders and the responsibilities of the Board of Directors, among others. The Group has established a framework of prudent and effective controls to enable risk to be

assessed and managed, further information on which can be found in the risk report on page 192.

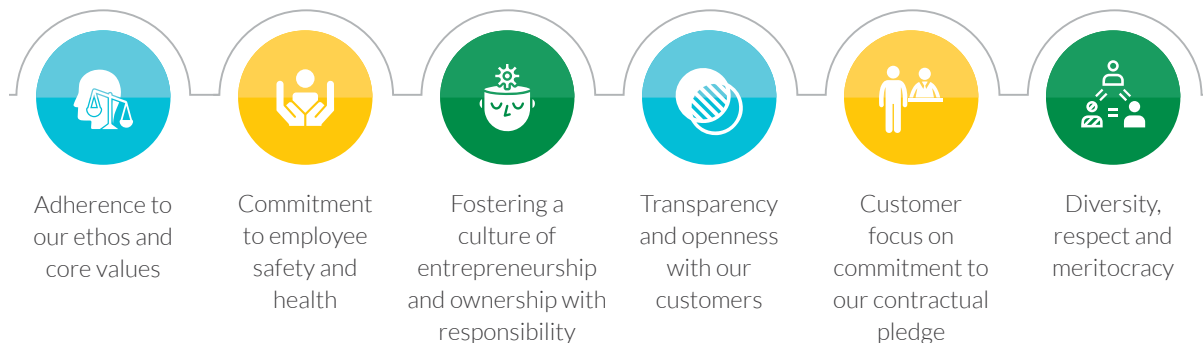
The Board is responsible for leading the Group in an efficient and entrepreneurial manner, for establishing the Group’s purpose, values and strategy, and satisfying itself that these and the Group’s culture are aligned. It focuses primarily upon strategic and policy issues and is responsible for ensuring the long-term sustainable success of the Company and the extended Group. It sets the strategy, oversees the allocation of resources and monitors the performance of the Group. It is also responsible for effective risk assessment and management. In the discharge of these duties, the Board takes into cognisance the interests of the Company’s key stakeholders and is aware of the potential impact of the decisions it makes on the wider society.

Fulfilling our governance model through advancing our purpose

At Green Delta Insurance, our stated purpose is to ensure “Insurance for all”. In order to achieve this, the Company develops innovative solutions that enable our customers to protect their assets and all that which is important to them. Further, we are focused on optimising cost by driving efficiency in our processes and also making insurance accessible and affordable to all through our


growing focus on an omnichannel distribution network. The Company aims to deliver sustainable, profitable growth to provide its shareholders with a superior return on their investment, whilst providing each of its employees with a safe and inspiring workplace environment where they are recognised, developed and properly rewarded.


The Board has identified six key strategic objectives which form the basis for achieving this long-term sustainable success.




Corporate governance system

Green Delta Insurance’s corporate governance system is designed as a structure whereby the Nomination Committee and Compensation Committee are established, in addition to the fundamental structure of a Company with an audit and supervisory board. The Company believes such a structure is optimal and in light of the following measures taken:

 Determines significant business execution by resolution of the Board of Directors

 Makes high-quality decisions reflecting the insights of external directors

 Ensures transparency of the decision-making process of nomination and compensation of directors, audit and supervisory members, and executive officers through deliberations at the nomination and remuneration committee

With a view to fortify our corporate governance system and ensure effective stewardship, the Board

has three sub-committees, created 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. These include: nomination and remuneration committee (or compensation committee), executive committee and audit committee (or internal control committee).

Well-balanced and represented Board composition

In a rapidly transforming business environment, director expertise is essential, as the Board is constantly required to make strategic decisions that can have all three short-

medium- and long-term impacts. The Company's core business of insurance and other Group-wide businesses are directed by leading professionals in the 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 verticals. In addition, our rich Board diversity provides varied perspectives that enrich the quality of the discussions and decisions. Particularly, Independent Directors leverage their expertise and skills in myriad fields, including the public sector, finance, law, administration, human resources and even ESG (environment, social and governance) to contribute to the Board's informed and objective decision-making process.



Board of Directors

Number of meeting held in 2020: **6**



Executive Committee

Number of meeting held in 2020: **3**



Audit Committee

Number of meeting held in 2020: **4**



NRC Committee

Number of meeting held in 2020: **2**

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, with 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).

At Green Delta Insurance, our Board comprises of 9 directors, aligned with BSEC rules and guidelines. For more information on our Board members, please visit pages 33-39.

Roles and responsibilities of the Board and key personnel

Code of Conduct

1. The Chairman

- The Board Members shall elect a Chairman from amongst themselves for such a period as may be decided by the Board. If at any meeting of the Board, the Chairman be not present at the time appointed for holding the same, the Board Members shall choose another Director to preside over that meeting.
- The Chairman is expected to lead the Board of Directors with reasonable restraint and should at all times strive to build consensus on all contentious matters where there is divergence of opinion expressed in the course of performance of their jobs as such.
- The Chairman as the first among equals should act as an honest spokesperson of the Board

and air only views already debated and decided upon by the Board. In other words, his/her personal opinions/ wish lists should be avoided in press conferences and meets. It would be proper to have certain key issues decided at the Board before they are made public.

2. General Duties

- **Fiduciary Duties**

The duties imposed on Board Members are fiduciary duties, similar to those that the law imposes on those in similar positions of Trust: Agents and Trustees.

- **Powers vs Duties**

The duties apply to each Board Member separately, while the powers apply to the Board jointly.

- **Contribution in Meetings/Debates**

The Board Members are expected to contribute to the debates in the Board without any personal biases or other prejudices with the conviction and belief that the outcome of every debate would be towards the advancement of the company.

3. Proper purpose

- Board Members must exercise their powers for a proper purpose.

4. Unfettered discretion

- Board Members cannot, without the consent of the company, fetter their discretion in relation to the exercise of their powers, and cannot bind themselves to vote in a particular way at future board meetings.

5. Transactions with the company

- A Board Member shall not enter into a transaction with a company where there is a conflict between his interest and duty without the knowledge of the Board.
- It is a statutory duty of the director(s) to declare interests in relation to any transactions, and to make proper disclosure thereof.

6. Use of corporate property, opportunity or information

- A Board Member must not, without the informed consent of the company, use company's assets, opportunities, or information for his/her own profit.

7. Competing with the company

- A Board Member must not compete directly with the company without a conflict of interest arising.
- A Board Member should not act as a director of any competing companies, as his/her duties to each company would conflict with each other.

8. Confidentiality

- Each Board Member must use utmost care and discretion in the handling of confidential information and other information not normally available to the public, generally coming to them by reason of their directorship, office or employment. Such information shall, subject to certain limited circumstances, not be disclosed to third parties and shall not be used for personal benefit or for the benefit of family, friends, or associates.

9. Conflict of duty and interest

- As fiduciaries, the Board Members must not put themselves in a position where their interests and duties conflict with the duties that they owe to the company.
- Each and every Board Member has an obligation of loyalty to the company and should subordinate his/her personal interest when they conflict with or threaten to conflict with the best interests of the company.
- Each and every Board Member shall declare all actual or potential material conflicts that may arise between their duty to (i) the company and (ii) their personal obligations, other fiduciary duties or financial interests (direct or indirect) and these conflicts shall be reported to the Chair.
- A Board Member should not engage directly or indirectly, as a director, officer, employee, consultant, partner, agent or major shareholder in any business or undertaking that competes with, does business with or seeks to do business with the company.
- With respect to restricted party transactions, full disclosure of material transactions shall be recorded in the board's minutes and will be transacted in accordance with legislated restrictions.
- To avoid conflicts of interest, the Board Members must do more than merely act within the law. They must conduct their affairs in such a manner that their performance

will at all times bear public scrutiny. The appearance of conflict of interest as well as the conflict itself must be avoided.

10. Accepting Gifts

- No Board Member shall accept any gift, hospitality or favour offered or tendered by virtue of the position with the company.
- When dealing with public officials whose responsibilities include the business of the company, acts of hospitality should be of such a scale and nature so as to avoid compromising the integrity or reputation of either the public official or the company. Such acts of hospitality should be undertaken in the expectation that they could well become a matter of general knowledge and public record.

11. Reporting of Questionable or Fraudulent Actions

- The Board Members shall report to the Board or to the audit committee about their awareness of any situation which might adversely affect the reputation of the company. This would include any questionable, fraudulent or illegal events or material actions in violation of company policy which comes to their attention.

12. Cooperation with Auditors

- Every Board Member is expected to comply promptly with any request from internal and/or external auditors for assistance and to provide full disclosure of any situation under investigation.



Skills and experience of our Directors

There are 9 non-executive directors in the Board of Green Delta Insurance Company. A variety of skills have been maintaining by the directors of the company. The specific skills are



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

Leveraging external Board members' expertise

The Company intends to make full use of the knowledge and experience of its outside (external) directors and outside auditors when considering and developing management strategies to achieve sustainable growth and increase corporate value over the medium- to long-term. To this end, the Board of Directors holds discussions on corporate strategy on themes such as the management environment and issues faced by the Company. Topics are selected based on external environment, as well as topics that come up in independent directors / auditors' meetings.

Information and support

The Board ensures that it receives, in a timely manner, information of an appropriate quality to enable it adequately to discharge its responsibilities. Papers are provided to the Directors in advance of the relevant Board or Committee meeting to enable them to make further enquiries about any matters prior to the meeting should they so wish. This also allows Directors who are unable to attend to submit views in advance of the meeting. In addition to the formal Board processes, the Managing Director & Chief Executive Officer provides updates on important Company business issues between meetings, and the Board is provided with a comprehensive report of key financial and management information, including information on safety and quality performance. Regular updates on shareholder issues are provided to the Directors as well. Further, in addition to the dissemination of all information, directors also have the right to call for any information they seek. In this regards, all directors have access to the advice and services of the Company secretariat.

Principal points of discussion at Board meetings in 2020

BSEC Rule

Date of meeting	Major topics of discussion
10.02.2020	<ul style="list-style-type: none"> • Notice of the 34th Annual General Meeting (AGM) of the Company • Authorized Signatories to the Financial Statements for the year-2019 • Retirement and Election of Board of Directors • Appointment/Re-new term of the of External Auditor • Appointment/Re-new term of the of Secretarial Auditor for Corporate Governance Audit • Annual Accounts/Financial Statements of the Company for the year-2019 along with its subsidiaries. • Dividend Recommendation • "Directors Report" for the annual report 2019
14-06-2020	<ul style="list-style-type: none"> • 1st Quarter Financial Statements (un-audited) of Green Delta Insurance Company Limited • To Fix the date and Time of Postponed 34th Annual General Meeting (AGM)
30-07-2020	<ul style="list-style-type: none"> • 2nd Quarter Financial Statements (un-audited) of Green Delta Insurance Company Limited and its subsidiaries for the year-2020
29-10-2020	<ul style="list-style-type: none"> • 3rd Quarter Financial Statements (un-audited) of Green Delta Insurance Co. Ltd. and its subsidiaries for the year-2020

The following major points have also been discussed in the Board sub committees like: Executive Committee, Audit Committee and Nomination and Remuneration Committee

- Insurance Claim settlement etc.
- Employees Increment, promotion, bonus and any other matter related to employee oriented.
- Appointment of Directors, remuneration etc.

Compensation framework and policies

At Green Delta Insurance, the broad policy for determining compensation is as follows:

- Ensure transparency, fairness, and objectivity regarding compensation for all members of the organisation
- Strengthen incentives for enhancing the business performance of the Company by introducing a well-articulated performance-linked compensation system
- Enhance accountability through introducing a compensation system linked to meeting the Company's business results based on the management strategy and code of business conduct
- More fully implement a performance-based compensation system through processes designed to objectively evaluate individual performance with respect to management objectives

Bonus disbursement Policy for staff:

The bonuses are determined solely at the company's discretion. They are not promised to employees and there is never a guarantee that anyone will receive them. For instance, it can be paid as a reward to an individual employee for an outstanding performance at a particular time only.

Succession planning and next-gen talent development

This matter has been discussed under Chapter:03-Human capital and Human Resource Accounting and Responsibilities towards employees (including health and safety)

Development of next-gen talent

In order for the Company to continue to grow in a changing environment, the Company utilises all of the knowledge, know-how and experience of the entire Group to confront issues it faces and to solve them. In order to achieve so, it is imperative to take initiative

to develop a large pipeline of talent that will lead the management to the next era.

In this context, the Company executes an executive program for its senior employees as a form of succession management. Through forging strong bonds, a strong relationship of trust develops among participants, while at the same time fostering mindsets from a Group perspective and further expanding synergies across the Group. In addition, the Company is enhancing the Group management sustainability by executing training programs for every employee layer. Thus, an ongoing focus on training and development and capacity and skills-building enables us to spot promising talent early, leading to extensive grooming for helping build 3600 understanding of our industry environment, key issues facing our sector and our business, our culture and values, our growth aspirations and, most importantly, our mindset of always remaining a challenger-company despite occupying leadership positions in the sector.

Directors' conflict of interest

The Board has established a formal system to authorise situations where a Director has an interest that conflicts, or may possibly conflict, with the interests of the Company (situational conflicts). Directors declare situational conflicts so that they can be considered for authorisation by the non-conflicted Directors. In considering a situational conflict, these Directors act in the way they consider would be most likely to promote the success of the Company and may impose limits or conditions when giving authorisation or subsequently if they think this is appropriate.

The Company Secretary records the consideration of any conflict and any authorisations granted. The Board believes that the approach it has in place for reporting situational conflicts continues to operate effectively. No situational conflicts were presented to the Board for authorisation during the year under review.

1.1 GDIC's policy on appointment of Directors

All the Directors of Green Delta Insurance Company Limited are Non-executive Directors. The recommendations regarding their appointment are received from various sources for highly capable and seasoned professionals.

In relation to the selection and appointment of new Director, the existing Board of Directors possess the following duties and responsibilities:

- Regularly review the size and composition of the Board and the mix of expertise, skills, experience and perspectives that may be desirable to permit the Board to execute its functions;

- Identify any competencies not adequately represented and agreed to the process necessary to be assured that a candidate nominated by the shareholders with those competencies is selected;
- The Directors are appointed by the shareholders in the Annual General Meeting (AGM). Casual vacancies, if any, are filled by the Board in accordance with the stipulations of the Companies Act, 1994, and the Articles of GDIC;
- The Managing Director and CEO is appointed by the Board subject to the consent of the shareholders in the Annual General Meeting (AGM) and approval of IDRA;
- Any change in the members of the Board requires intimation to all the scheduled banks and Financial Institutions (FIs), Bangladesh Securities and Exchange Commission (BSEC) and the stock exchanges (if necessary).

1.2 Adequate representation of non-executive directors

We maintain the minimum requirement of non-executive directors as per guideline of IDRA and BSEC, as the only Executive Director is the Managing Director & CEO while the rest 9 are Non-Executive Directors (including 3 independent Directors).

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

GDIC's Board comprises of eleven (9) Non-Executive Directors including three (3) Independent Directors and one (1) Executive Director, the Managing Director & CEO. Directors possess a wide range of skills and experience over an array of professions, businesses and services. All the Non-Executive Directors are nominated by their respective institutions except for the Independent Directors. All the Directors bring forth independent judgment and considerable knowledge to perform their roles effectively. The Board of Directors ensures that the Company's activities are always conducted with adherence to stringent and the highest possible ethical standards and in the best interests of all stakeholders.

None of the directors of the Board, except the Managing Director & CEO, are involved in the day-to-day operations of the Company; rather, they provide their valuable insights and guidance to the management in the meeting of the Board and its committees.

1.3 At least one independent director on the board and affirmation of the board on such director's independence

As per the revised Corporate Governance Code (CGC) of Bangladesh Securities and Exchange Commission (BSEC), at least one-fifth of the total directors of the Board shall be Independent Directors. Thus, in compliance with the guideline, three (3) Directors out of the total nine (9) Directors are independent, having no interest in GDIC. Independence of the respective Independent Director is confirmed during selection and appointment of the Directors and they remain committed to continue with such independence throughout their tenure.

1.4 Chairman to be independent of CEO

The Chairman of the Board is not the Chief Executive of the Company. The Chairman and the Managing Director & CEO are different individuals. The role of the Chairman and the Managing Director & CEO are independent and separate.

1.5 Responsibilities of the Chairman of the Board appropriately defined and disclosed. Disclosure of independence of Non-Executive Directors

In GDIC, the Chairman runs the Board. The Chairman serves as the primary link between the Board and the management and works with the CEO and Company Secretary to set the agenda for Board meetings. It is the Chairman's responsibility to provide leadership to the Board and ensure that the Board works effectively and discharges its responsibilities as Directors of the Company. The key roles and responsibilities of the Chairman of the Board is well defined and set by the Board.

Role and Responsibilities of the Chairman

The primary role of the Chairman is to ensure that the Board is effective in its task of setting and implementing the Company's direction and policy. The Chairman is appointed by the Board. The principal structures of the role of the Chairman comprise the following:

- Providing leadership to the Board;
- Taking responsibility for the Board's composition and development;
- Ensuring proper information for the Board; Planning and conducting Board meetings effectively;
- Getting all Directors involved in the Board's work;
- Ensuring the Board's focus on key tasks;

- Engaging the Board in assessing and improving its performance;
- Overseeing the induction and development of Directors; and
- Supporting the Managing Director & CEO.

The Chairman of the Board shall be responsible for the management, development and effective performance of the Board of Directors and provides leadership to the Board for all aspects of the Board's functions. The Chairman is responsible for leadership of the Board. In particular, he will:

- Ensure effective operations of the Board and its committees in conformance with the highest standards of corporate governance;
- Ensure effective communication with shareholders, host governments and other relevant constituencies and ensure that the views of these groups are understood by the Board;
- Set the agenda, style and tone of Board discussions to promote constructive debate and effective decision making;
- Ensure that all Board Committees are properly established, composed and operated;
- Support the Managing Director & CEO in strategy formulation and, more broadly, provide support and give advice;
- Ensure an effective relationship among Directors, acting as the principal conduit for communication and issues relating to business strategy, planned acquisitions and corporate governance;
- Establish a harmonious and open relationship with the Managing Director & CEO;
- Ensure that Board Committees are properly structured and all corporate governance matters are fully addressed; and
- Encourage active engagement by all members of the Board.

Independence of non-executive directors

All the Non-Executive Directors are nominated by their respective institutions except for the Independent Directors. All the Directors bring forth independent judgment and considerable knowledge to perform their roles effectively. The Board of Directors ensures that the Company's activities are always conducted with adherence to stringent and the highest possible ethical standards and in the best interests of all stakeholders. None of the directors of the Board, except the Managing Director & CEO, are involved in the day-to-day

operations of the Company; rather, they provide their valuable insights and guidance to the management in the meeting of the Board and its committees.

1.6 Annual appraisal of the Board's performance and disclosure

Appraising a board's performance can clarify the individual and collective roles and responsibilities of its directors, and better knowledge of what is expected of them can help boards become more effective. Done properly, board appraisals may also improve the working relationship between a company's board and its management.

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

Before a board can even begin to evaluate its performance in these broad areas of responsibility, it must articulate the specific actions that each of them implies. In other words, boards must set objectives for themselves within those broad categories against which they can eventually measure their performance. The board creates a set of objectives annually—generally speaking, at the beginning of the fiscal year—that reflects the directors' collective judgment about which aspects of the board's overall responsibilities need particular attention in the coming year.

A board is a team of knowledge workers, and to do its job, the board needs the same resources and capabilities that any other successful team of knowledge workers needs such as knowledge, information, power, motivation, and time.

Self-evaluation is not an easy issue for any group to deal with. It is particularly difficult in the case of boards because it requires board members to make judgments and decisions about themselves and about issues that affect all stakeholders.

The effectiveness of the evaluation very much depends on how the board structures the evaluation process. It should consist of three phases: The first—setting annual board objectives at the beginning of the fiscal year. The process picks up again at the end of the year, when, in the second phase, the board secretary collects and disseminates information about the board's activities.

With that information in hand, in the third phase, board members can judge how close they came to meeting their objectives while also examining the adequacy of the resources available to them over the year.

1.7 Annual evaluation of the Managing Director & CEO by the Board

The Board of Directors evaluates the Managing Director & CEO based on the goals set for him considering the company vision and mission at the beginning of each year. The annual financial budget and other job objectives are discussed, reviewed and finalized by the Board at the start of the financial year. The Board considers both financial and non-financial goals during the appraisal.

Evaluation based on financial performance

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

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

Evaluation based on Non-Financial goals

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

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

1.8 Training and Development of Directors

The Board recognizes the importance of ensuring that Directors are continuously being developed to acquire or enhance the requisite knowledge and skills to discharge their duties effectively. All new Directors appointed to the Board attend a formal induction programme to familiarize themselves with the Group's strategy and aspiration, understanding of the line of businesses and corporate functions, key financial highlights, audit, compliance and risk management. The programme is conducted by the Managing Director & CEO / Heads of the business units as well as Senior Management. The Company Secretary also provides the new Directors with an information kit regarding disclosure obligations of a Director, Board Charter, Code of Ethics, the Constitution of the Company, Board Committees' Terms of Reference, and Schedule of Matters Reserved for the Board, amongst others.

1.9 Financial and accounting knowledge and expertise of Directors

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

Among them, one Director naming Mr. Abdul Hafiz Choudhury was a member of the Institute of Chartered Accountants in England & Wales in 1966. He was President of the Institute of Chartered Accountants of Bangladesh (ICAB) in 1988 and also a Council member of ICAB for nine years. He provides guidance in matters applicable to accounting and audit-related issues to ensure compliance and reliable financial reporting.

1.10 Number of Board meetings held in 2020

The number of meetings of the Board and its committees held during the accounting year and the attendance of the Directors at those meetings and their respective remuneration are disclosed in the Directors' Report on page no. 129 of this annual report. The number of Directors required to constitute a quorum is five (5), out of the nine Directors. During 2020, a total number of 15 Board and its Committee Meeting were held.

1.11 Directors' report on compliance with best practices on corporate governance that is reviewed by external auditors

The Companies Act, 1994, requires the Directors to prepare financial statements for each accounting year. The Board of Directors accepts the responsibility for the preparation of the financial statements, maintaining adequate records for safeguarding the assets of the Company, preventing and detecting fraud and/ or other irregularities, selecting suitable accounting policies and applying those policies consistently and making reasonable and prudent judgments and estimates where necessary.

The Board of Directors are also responsible for the implementation of the best and the most suitable corporate governance practices. A separate statement of the Directors' responsibility for financial reporting and corporate governance is given on page no. 48 of this Annual Report.

Pattern of shareholding as on 31st December, 2020

SL	Name of Shareholder	Description	Number of Shares	Amount (Taka) face value	%
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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	180,916	1,809,160	0.19
2	Khurshida Chowdhury	Vice Chairperson	4,432,780	44,327,800	4.76
3	Dilruba Chowdhury	Director	1,916,516	19,165,160	2.06
4	Shamsun Nahar Begum Choudhury	Director	1886482	18,864,820	2.02
5	Mesbah Dilwar Rahman	Director	1,886,396	18,863,960	2.02
6	Iqbal Khan (Jamal)	Director	1,886,482	18,864,820	2.02
7	Delwara Absar	Director	1,886,357	18,863,570	2.02
8	Faisal Ahmed Choudhury	Independent Director	0	0	0
9	Abul Hasan Chowdhury	Independent Director	0	0	0

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

1	Farzanah Chowdhury	Managing Director & CEO	9,226,633	92,266,330	9.90
2	Syed Moinuddin Ahmed	Additional Managing Director & Company Secretary	0	0	0
3	Syed Aliul Ahabab FCCA	Financial Controller	0	0	0
4	Anupam Das	Head of Internal Audit & Compliance	0	0	0

C. Executives [Top 5 salaried employees]

1	Nasir A. Choudhury	Advisor	0	0	0
2	Farzanah Chowdhury	Managing Director & CEO	9,226,633	92,266,330	9.90
3	Syed Moinuddin Ahmed	Additional Managing Director & Company Secretary	0	0	0
4	A.K.M. Iftekhar Ahmad	Senior Consultant	0	0	0
5	Syed Forhad Abbas Hussain	Deputy Managing Director	4,152	41,520	0.004

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

6.2 REPORT OF THE AUDIT COMMITTEE AND OTHER COMMITTEES OF THE BOARD (COMPOSITION, ROLE, MEETINGS, ATTENDANCE, REMUNERATION, ETC.)

BACKGROUND AND PURPOSE

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 374th Board Meeting held on 14 February 2021.

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.
7. 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.

Thank You,

Sd/-

Abdul Hafiz Choudhury
Chairman

OUR BOARD STRUCTURE

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 9 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 the end of December 2020, our Board composition is as follows:

SN	Name of Directors	Status
1	Abdul Hafiz Choudhury	Independent Director & Chairman
2	Khurshida Chowdhury	Vice-Chairperson
3	Dilruba Chowdhury	Director
4	Shamsun Nahar Begum Choudhury	Director
5	Mesbah Dilwar Rahman	Director
6	Iqbal Khan (Jamal)	Director
7	Delwara Absar	Director
8	Faisal Ahmed Choudhury	Independent Director
9	Abul Hasan Chowdhury	Independent Director

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 organization, operations and authority in accordance with the regulations of the committees established under the Board.



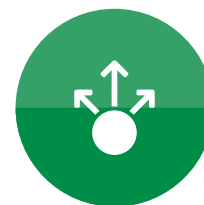
Audit Committee

Review and audit matters concerning the financial management of the company, including oversight of the financial status and records



Executive Committee

Review, assess and direct claims settlement for large claims ranging from Tk 2 crores up to 5 crores, agenda relating to investments, etc.



Nomination & Remuneration Committee

Ensure objectivity and transparency in all employee-related matters, including compensation, senior-level recruitment, major reappointments

AUDIT COMMITTEE OF GDIC

The Audit Committee (AC) was formed as a subcommittee of the Board of Directors to protect the interest of stakeholders. The AC possesses the principal responsibilities of engaging in systematic and continuous reviews, monitoring and assessment of organizational performance against evolving regulatory requirements. Its roles and responsibilities were defined in line with the Corporate Governance Notifications of Bangladesh Securities and Exchange Commission (BSEC).

ROLE AND RESPONSIBILITIES

In Green Delta the Audit Committee plays a vital role in shaping the company's leadership. The Audit Committee

is bestowed with important role and Responsibilities of the company which includes the following: -



Examine any matter relating to the financial affairs of the Company;



Recommend financial statements to the Board for authorization



Recommend external auditors for appointment



Review all audit and inspection reports, internal control systems and procedures, accounting policies and adherence to compliance requirement

Audit Committee	
Name	Status
Abdul Hafiz Choudhury	Chairman of the Audit Committee
Iqbal Khan (Jamal)	Member
Mesbah Dilwar Rahman	Member
Delwara Absar	Member
Abul Hasan Chowdhury	Member

AUDIT COMMITTEE MEETINGS

There are 04(Four) number of meetings held in 2020. The average attendance of the audit committee members was more than 80%.

EXECUTIVE COMMITTEE OF GDIC

The board of directors do the strategic planning and decision-making for their organizations according to the mission, vision and values of the organization. An executive committee is a smaller group with close ties through leadership who can get together, often within short notice, to address pressing issues that affect the organization substantially, such as an emerging crisis. The executive committee has the power to act on behalf of the full board.

ROLES AND RESPONSIBILITIES

- Establishing strategic and operational plans
- Taking prompt decisions to adapt to changes in the market
- Determine and outline the area of business focus area

Executive Committee	
Name	Status
Dilruba Chowdhury	Chairperson of the Executive Committee
Khurshida Chowdhury	Member
Shamsun Nahar Begum Choudhury	Member
Faisal Ahmed Choudhury	Member
Farzanah Chowdhury	Managing Director and CEO (Ex-Officio)

EXECUTIVE COMMITTEE MEETINGS

There are 02(Two) number of meetings held in 2020. The average attendance of the Executive committee members was more than 80%.

NOMINATION & REMUNERATION COMMITTEE OF GDIC

The term nomination committee refers to a committee that acts as part of an organization's corporate governance. A nomination committee evaluates a company's board of directors and examines the skills and characteristics required of board candidates. Nomination

committees may also have other duties, which vary from company to company. In Green Delta Insurance the NRC committee has the following roles and responsibilities: -

ROLE AND RESPONSIBILITIES



Review the framework for the remuneration and terms and conditions of employment of the chairman of the board and of executive directors.



Monitor the level and structure of the remuneration of senior managers.



Set detailed remuneration of the executive directors and chairman including termination payments

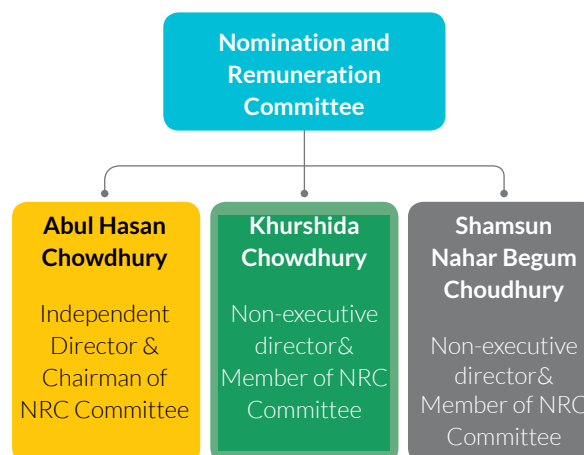


Ensure that executive directors are fairly rewarded for their contribution to the performance of the company



Ensure transparency to shareholders that remuneration of the executive directors is set by individuals with no personal interest in the outcome of the committee decisions

The NRC committee of Green Delta Insurance consists of all the non-executive directors. The structure of the NRC committee is given below:-



Key Policies Regarding Remuneration of Directors, Senior Management and Employees

The objective of the remuneration policy is to enable the Company to attract, motivate, and retain qualified industry professionals for the Board of Management and other executive level in order to achieve the Company strategic goals. The remuneration policy acknowledges the internal and external context as well as the business needs and long-term strategy. The policy is designed to encourage behaviour that is focused on long-term value

creation, while adopting the highest standards of good corporate governance. The policy is built on the following principles:

- i. **VISION AND STRATEGY-** Remuneration and reward frameworks and decisions shall be developed in a manner that is consistent with, supports and reinforces the achievement of the Company's vision and strategy.
- ii. **TRANSPARENT-** The policy and its execution are clear and practical.
- iii. **ALIGNED WITHIN THE COMPANY'S OBJECTIVES -** The remuneration policy is aligned with the company's short term and long-term objectives, compatible with those of management and other employees.
- iv. **LONG-TERM ORIENTATED-** The incentives focus on long-term value creation.
- v. **COMPLIANT-** Company adopts the highest standards of good corporate governance.
- vi. **SIMPLE-** The policy and its execution are as simple as possible and easily understandable to all stakeholders.
- vii. **INTERNAL EQUITY-** The Company shall remunerate the board members and senior management in terms of their roles within the organization. Positions shall be formally evaluated to determine their relative weight in relation to other positions within the Company.
- viii. **EXTERNAL EQUITY-** The Company strives to pay an equitable remuneration, capable of attracting and retaining high quality personnel. Therefore, the Company will remain logically mindful of the ongoing need to attract and retain high quality people, and the influence of external remuneration pressures. Reference to external market norms will be made using appropriate market sources, including relevant and comparative survey data,

as determined to have meaning to the Company's remuneration practices at that time.

- ix. **FLEXIBILITY-** Remuneration and reward offerings shall be sufficiently flexible to meet both the needs of individuals and those of the Company whilst complying with relevant tax and other legislation.
- x. **PERFORMANCE-DRIVEN REMUNERATION-** The Company shall entrench a culture of performance driven remuneration through the implementation of the Performance Incentive System.
- xi. **AFFORDABILITY AND SUSTAINABILITY-** The Company shall ensure that remuneration is affordable on a sustainable basis.

Nomination and Remuneration Committee Meeting:

There are 02(Two) number of meetings held in 2020. The average attendance of the NRC members was 100%

Remuneration of Directors, Chairman, Chief Executive and Senior Executives of NRC Committee

All the members of the NRC are Non-Executive Directors. Hence, they are eligible to receive remuneration as per the guidelines of the Regulatory Authority(ies). On the other hand, the Chief Executive and Senior Executives are Executive Directors so they do not receive any remuneration from the committee.

Nomination and Remuneration Committee	
Name	Status
Abul Hasan Chowdhury	Member
Khurshida Chowdhury	Member
Shamsun Nahar Begum Choudhury	Member
Farzanah Chowdhury	Managing Director & CEO (Ex-Officio)

6.3 DIRECTORS' REPORT

Dear Shareholders,

At the outset, we, the Board of Directors of your company Green Delta Insurance Company Limited, welcome you to the 35th Annual General Meeting and would like to thank you for your continued patronage and support over the 35 years. We are very delighted to present before you the Annual Report along with the Audited Financial Statements for the year ended 31st December 2020 and the Auditor's Report thereon for kind consideration and adoption.

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

Through this report the Directors have made relevant disclosures and explanations pertaining to the issues to ensure compliance, transparency and good corporate governance practices along with the details of the business performance, operations and achievements of the company for the year ended 31 December 2020. In fact, the year 2020 is very significant in the life of the company in terms of pandemic, 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 2020 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 (%)
2020	3,677	-12%
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	2020	2019	Growth (%)
Fire Insurance	2,057	1,860	11%
Marine Insurance	915	1,471	-38%
Motor Insurance	149	184	19%
Miscellaneous Insurance	556	650	14%

Segregation of Net Premium

Business Segments	2020		2019		Growth (%)
	Amount (in Million Taka)	Business Mix of Net Premium (%)	Amount (in Million Taka)	% of Total Net Premium	
Fire Insurance	597	37%	631	32%	-5%
Marine Insurance	633	39%	928	46%	-32%
Motor Insurance	130	8%	159	8%	-18%
Miscellaneous Insurance	250	16%	279	14%	-10%
Total	1,609	100%	1,997	100%	-19%

Claim and Loss Ratio

Year	Net Claim (in Million Taka)	Change (%)
2020	389	-31%
2019	565	20%
2018	471	27%
2017	371	11%
2016	334	11%
2015	302	-13%
2014	347	-6%

Segregation of Net Claim

Business Segments	2020		2019		Growth (%)
	Amount (in Million Taka)	Business Mix of Net Premium (%)	Amount (in Million Taka)	% of Total Net Premium	
Fire Insurance	229	38%	297	47%	-23%
Marine Insurance	103	16%	133	14%	-22%
Motor Insurance	14	11%	35	22%	-59%
Miscellaneous Insurance	43	17%	101	36%	-58%
Total	389	24%	565	28%	-31%

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 (%)
2020	6,242	7%
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.

(Figures in BDT million)

Particulars	2020	2019	2018	2017	2016	2015
Available Solvency [AS]	1831	1,434	2590	3407	4,001	3958
Required Solvency [RS]	442	512	474	401	390	365
Solvency Margin [AS/RS] (Times)	4.14	23	5	8	10	11

Re-insurance Utilization and Risk Retention Ratio

The Company has re-insurance treaty agreement with Shadharan Bima Corporation (SBC), Tryser & Co., J.B. Boda Insurance Service (L) BHD, ED Broking and Protection Insurance 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.

Particulars	Year-wise Risk Retention Ratio (%)						
	2020	2019	2018	2017	2016	2015	2014
Fire Insurance	29%	34%	27%	26%	24%	26%	25%
Marine Insurance	69%	63%	74%	97%	66%	64%	78%
Motor Insurance	87%	87%	90%	90%	91%	76%	37%
Miscellaneous Insurance	45%	43%	19%	24%	25%	27%	28%
Total	44%	48%	45%	46%	42%	42%	46%

Reserve Adequacy

The following table shows reserve adequacy of the company.

Year	Amount of Reserve (in Million Taka)	Change (%)
2020	4,390	-2%
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 (%)					
	2020	2019	2018	2017	2016	2015
Fire Insurance	34%	3%	5%	36%	33%	19%
Marine Insurance	42%	91%	78%	45%	56%	80%
Motor Insurance	8%	4%	14%	12%	9%	-1%
Miscellaneous Insurance	16%	2%	3%	7%	2%	2%
Total	100%	100%	100%	100%	100%	100%

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 (million)					
	2020	2019	2018	2017	2016	2015
Fire Insurance	334	13	20	146	126	58
Marine Insurance	404	377	315	177	220	244
Motor Insurance	75	16	56	48	33	-2
Miscellaneous Insurance	152	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	2020		2019	
	Amount (in Million Taka)	% of Total Investment	Amount (in Million Taka)	% of Total Investment
NIB	75	2%	25	1%
Fixed Deposit	220	6%	188	5%
Quoted Shares	2,649	70%	2,863	73%
Un-Quoted Shares	210	5%	210	5%
Investment in Subsidiaries	410	11%	410	11%
Investment in GDSL as Margin Loan	235	6%	205	5%
Total	3,799	100%	3,901	100%

Segregation of Investment Income and Other Income

Green Delta Insurance reported healthy growth across all its investment income and other income constituents with capital gain comprising the largest chunk at 36% besides, interest income also contributed a healthy 18% 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	2020		2019	
	Amount (in Million Taka)	% of Total Investment Income & Other Income	Amount (in Million Taka)	% of Total Investment Income & Other Income
Interest Income	54	18%	98	33%
Dividend	51	17%	133	45%
Profit from Sale of Shares	107	36%	2	1%
Other Income	88	29%	62	21%
Total	300	100%	295	100%

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 2.3 – Directors' Responsibility Statement and Chapter 2.4- Management's Review and Overall Responsibility"

DISCLOSURE REGARDING EXTRA-ORDINARY GAIN OR LOSS

There was no extra-ordinary gain or extra-ordinary loss during the year 2020.

DISCLOSURE REGARDING RELATED PARTY TRANSACTION

In ordinary course of business, related party transactions take place with other entities that fall within the term related party as defined in BAS 24: Related Party Disclosure. A statement on the related party transactions has been disclosed under item no. 27 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 (Bangladeshi Taka Eight Thousand only) per Meeting of the Board and Committees. During the year 2020, a total amount of BDT 809,286 was given to the Directors as Remuneration / Meeting Attendance Fee and travel expenses.

DISCLOSURE ON PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

The Board of Directors places before you're the financial statements for the year ended 31 December 2020 for their adoption. The Directors of the confirm, to the best to their knowledge, that-

- (i) The financial statements present fairly its state of affairs, the result of its operations, cash flows and changes in equity;
- (ii) Proper books and accounts of the company have been maintained;
- (iii) Appropriate accounting policies have been applied consistently in preparation of the financial statements and the accounting estimates are based on reasonable and prudent judgment;
- (iv) IAS/ BAS/ IFRS/ BFRS, as applicable in Bangladesh, have been followed in preparation of the financial statements;
- (v) As required by condition 6 of the guidelines, the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) have jointly certified to the Board that-
 - (a) They have reviewed the financial statements of the company for the year ended 31 December 2020 and to the best of their knowledge and belief:
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.
 - (b) There are, to the best of their knowledge and belief, no transactions entered into by the company during the year are fraudulent, illegal or violation of the company's code of conduct.

DISCLOSURE ON INTERNAL CONTROL SYSTEM

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

PROTECTION OF MINORITY SHAREHOLDERS

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

GDIC'S ABILITY TO CONTINUE AS GOING CONCERN

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

- The commitment towards the claims filed and its ability to meet contractual obligations as they become due
- Liquidity-related actions and plans to stabilize the businesses and repay the outstanding debt
- The level of GDIC's realized and unrealized losses and the negative impact of these losses on shareholders' equity and on the capital levels of GDIC's insurance subsidiaries
- The financial position and performance of significant subsidiaries

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

YEAR-WISE PERFORMANCE FOR THE LAST FIVE YEARS

Year-wise Performance of the company for last five years has been depicted in a separate statement under title "Five Years Financial Progression" at Chapter- IV 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 2020 do not significantly vary from those of the last year.

PROPOSED DIVIDEND

The Board has proposed Cash Dividend 24.5% and Stock Dividend 7.5% for the year 2020. 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 chapter: 6.1 Report on Corporate Governance, Corporate Culture and other Committees of Board and 6.2 Report of the Audit Committee (Composition, role, meetings, attendance, Remuneration, Etc.).

SUBSIDIARY OPERATIONS

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

HR PRACTICES

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

our companies. We continue our efforts to create and maintain a highly skilled and motivated workforce. Through our succession planning initiatives, leadership capacity is identified and developed to ensure ongoing success.

INFORMATION TECHNOLOGY

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

CREDIT RATING

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

CORPORATE SOCIAL RESPONSIBILITY

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

CORPORATE GOVERNANCE

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

RETIREMENT AND ELECTION/RE-ELECTION OF DIRECTORS

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

In view of the above and pursuant to Regulation 80 of Schedule-I of the Companies Act 1994, considering the longest tenure on the Board of GDIC, the directors listed below shall retire from the Board at the 35th Annual General Meeting and they shall be eligible for re-election:

	Name	Status
01	Delwara Absar	Director
02	Shamsun Nahar Begum Chowdhury	Director
03	Mesbah Delwar Rahman	Director

A brief resume of each of the 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.

MANAGEMENT DISCUSSION AND ANALYSIS:

Detailed discussion and analysis by the Managing Director and CEO is appended on page- 27 & 49

A management's discussion and analysis signed by CEO or Managing Director presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements and also in the Statement to stakeholders from the Managing Director and CEO page- 27 & 49

DECLARATION OR CERTIFICATION BY THE CEO AND THE CFO TO THE BOARD:

The Details of discussion of declaration by the CEO and CFO is appended at page- 154

APPOINTMENT/RE-APPOINTMENT OF AUDITORS

M/s. S F Ahmed & Co., Chartered Accountants, was appointed as the external auditor for the year ended 31 December 2020. The firm will retire at the conclusion of 35th 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 3.10 lac net of applicable Taxes and the Board of Directors has endorsed the same. The shareholders may re-appoint M/s. S. F Ahmed & Co., Chartered Accountants, as the external auditor of the company.

AN INDUSTRY OUTLOOK AND POSSIBLE FUTURE DEVELOPMENTS

The matter has been discussed at section 2.6 "Future Prospects and Outlook"

THE TOTAL NUMBER OF BOARD MEETINGS HELD DURING THE YEAR 2020

In the year-2020, COVID-19 has not only touched our life but also in our business locally and globally as well. Globally, there has been 30%-40% business down. So, there is a lot of impact not only in the business side but also to retain action in other distressed which has impacted us globally and locally also. In spite of those factors, 6 Board meetings were held in support of virtual platform and 90% average attendance was present on an average.

A REPORT ON THE PATTERN OF SHAREHOLDING

Section: 6.1 Report on Corporate Governance, Corporate Culture and other Committees of Board, page- 112

ACKNOWLEDGEMENT

The Directors take this opportunity to express heartfelt gratitude to, all the valued shareholders, clients and all well-wishers in home and abroad 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

Sd/-

Abdul Hafiz Choudhury

Chairman

6.4 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/CMRRCD/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	
1.00	Size of the Board of Directors:			
1.1	The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty)	✓		
1.2	Independent Director			
1.2(a)	At least one-fifth (1/5) of the total number of directors in the company's Board shall be independent directors	✓		
1.2(b)(i)	Do not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company	✓		
1.2(b)(ii)	Do not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company	✓		
1.2(b)(iii)	Who has not been an executive of the company in immediately preceding 2 (two) financial years	✓		
1.2(b)(iv)	Does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies	✓		
1.2(b)(v)	Independent directors are not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange	✓		
1.2(b)(vi)	Independent director is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market	✓		
1.2(b)(vii)	Independent director is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code	✓		
1.2(b)(viii)	They are not the Independent directors in more than 5 (five) listed companies	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
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.	✓		
1.3	Qualification of Independent Director (ID)			
1.3(a)	independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business.	✓		
1.3(b)	Independent director shall have following qualifications:			
1.3(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association	✓		
1.3(b)(ii)	Corporate leader who is or was a top-level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid-up capital of Tk. 100.00 million or of a listed company	✓		
1.3(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law	✓		
1.3(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law	✓		
1.3(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1.3(c)	The independent director have at least 10 (ten) years of experiences in any field mentioned in clause (b)	✓		
1.3(d)	In special cases, above qualifications or experiences may be relaxed subject to prior approval of the Commission.			N/A
1.4	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer			
1.4 (a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals	✓		
1.4 (b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company	✓		
1.4 (c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company	✓		
1.4 (d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer	✓		
1.4 (e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from nonexecutive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	✓		
1.5	Directors report to shareholders			
1.5(i)	Industry outlook and possible future developments in the industry	✓		
1.5(ii)	Segment-wise or product-wise performance	✓		
1.5(iii)	Risks and concerns including internal and external riskfactors, threat to sustainability and negative impact onenvironment, 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	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1.5(xiii)	Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment	✓		
1.5(xiv)	International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed	✓		
1.5(xv)	The system of internal control is sound in design and has been effectively implemented and monitored	✓		
1.5(xvi)	Minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress	✓		
1.5(xvii)	There is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed	✓		
1.5(xviii)	Significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained	✓		
1.5(xix)	Key operating and financial data of at least preceding 5 (five) years shall be summarized	✓		
1.5(xx)	If the issuer company has not declared dividend (cash or stock) for the year			N/A
1.5(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend			N/A
1.5(xxii)	The total number of Board meetings held during the year and attendance by each director	✓		
1.5 (xxiii)	Report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:			
1.5(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details)	✓		
1.5(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details)	✓		
1.5(xxiii)(c)	Executives	✓		
1.5(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details)	✓		
1.5(xxiv)	In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders:			
1.5(xxiv)(a)	A brief resume of the director	✓		
1.5(xxiv)(b)	Nature of his or her expertise in specific functional areas	✓		
1.5(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the Board	✓		
1.5(xxv)	A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on			

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1.5(xxv)(a)	Accounting policies and estimation for preparation of financial statements	✓		
1.5(xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes	✓		
1.5(xxv)(c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof	✓		
1.5(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario	✓		
1.5(xxv)(e)	Briefly explain the financial and economic scenario of the country and the globe;	✓		
1.5(xxv)(f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company	✓		
1.5(xxv)(g)	Future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explain to the shareholders in the next AGM	✓		
1.5(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A	✓		
1.5(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C	✓		
1.6	Meetings of the Board of Directors			
1.6	The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	✓		
1.7	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer			
1.7 (a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the chairperson of the Board, other board members and Chief Executive Officer of the company;	✓		
1.7 (b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency	✓		
2.00	Governance of Board of Directors of Subsidiary Company			

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
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.	✓		
3.00	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS)			
3.1	Appointment			
3.1 (a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	✓		
3.1 (b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals	✓		
3.1 (c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time	✓		
3.1 (d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS	✓		
3.1 (e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s)	✓		
3.2	Requirement to attend Board of Directors' Meetings			
3.2	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board:	✓		
3.3	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)			
3.3(a)	The MD or CEO and CFO shall certify to the board that they have reviewed financial statements for the year and that to the best of their knowledge and belief			
3.3(a)(i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading	✓		
3.3(a)(ii)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
3.3(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members	✓		
3.3(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓		
4	Board of Directors' Committee: For ensuring good governance in the company, the Board shall have at least following sub-committees:			
4 (i)	Audit Committee	✓		
4 (ii)	Nomination and Remuneration Committee.	✓		
5	Audit Committee			
5.1	Responsibility to the Board of Directors			
5.1 (a)	The company shall have an Audit Committee as a subcommittee of the Board	✓		
5.1 (b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business	✓		
5.1 (c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing	✓		
5.2	Constitution of the Audit Committee			
5.2 (a)	The Audit Committee shall be composed of at least 3 (three) members;	✓		
5.2 (b)	The Board shall appoint members of the Audit committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;	✓		
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.	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
5.3	Chairperson of the Audit Committee			
5.3 (a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	✓		
5.3 (b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b). And the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	✓		
5.3 (c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM): Provided that in absence of Chairperson of the Audit Committee, any other member from the Audit Committee shall be selected to be present in the annual general meeting (AGM) and reason for absence of the Chairperson of the Audit Committee shall be recorded in the minutes of the AGM	✓		
5.4	Meeting of the Audit Committee			
5.4 (a)	The Audit Committee shall conduct at least its four meetings in a financial year.	✓		
5.4 (b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	✓		
5.5	Role of Audit Committee			
5.5 (a)	Oversee the financial reporting process;	✓		
5.5 (b)	Monitor choice of accounting policies and principles	✓		
5.5 (c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report	✓		
5.5 (d)	Oversee hiring and performance of external auditors;	✓		
5.5 (e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption	✓		
5.5 (f)	Review along with the management, the annual financial statements before submission to the Board for approval	✓		
5.5 (g)	Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval	✓		
5.5 (h)	Review the adequacy of internal audit function	✓		
5.5 (i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report	✓		
5.5 (j)	Review statement of all related party transactions submitted by the management	✓		
5.5 (k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
5.5 (l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors	✓		
5.5 (m)	Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission	✓		
5.6	Reporting of the Audit Committee			
5.6(a)	Reporting of the Board of Directors			
5.6 (a)(i)	The Audit Committee shall report on its activities to the Board.	✓		
5.6 (a)(ii)(a)	The Audit Committee shall immediately report to the Board on the following findings report on conflicts of interests	✓		
5.6 (a)(ii)(b)	Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;	✓		
5.6 (a)(ii)(c)	Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations	✓		
5.6 (a)(ii)(d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately	✓		
5.6 (b)	Reporting to the Authorities: If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier			N/A
5.7	Reporting to the shareholders and General Investors: Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company	✓		
6	Nomination and Remuneration Committee (NRC)			
6.1 (a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board	✓		
6.1 (b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	✓		
6.1 (c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No.6(5)(b).	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
6.2	Constitution of the NRC			
6.2 (a)	The Committee shall comprise of at least three members including an independent director;	✓		
6.2 (b)	All members of the Committee shall be non-executive directors;	✓		
6.2 (c)	Members of the Committee shall be nominated and appointed by the Board;	✓		
6.2 (d)	The Board shall have authority to remove and appoint any member of the Committee;	✓		
6.2 (e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	✓		
6.2 (f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;	✓		
6.2 (g)	The company secretary shall act as the secretary of the Committee;	✓		
6.2 (h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	✓		
6.2 (i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company	✓		
6.3	Chairperson of the NRC			
6.3 (a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director	✓		
6.3 (b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	✓		
6.3 (c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders: in absence of chairperson of the NRC, any other member from the NRC shall be selected to be present in the annual general meeting (AGM) for answering the shareholders queries and reason for absence of the chairperson of the NRC shall be recorded in the minutes of the AGM	✓		
6.4	Meeting of the NRC			
6.4 (a)	The NRC shall conduct at least one meeting in a financial year;	✓		
6.4 (b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	✓		
6.4 (c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
6.4 (d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	✓		
6.5	Role of the NRC			
6.5(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;			
6.5 (b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:			
6.5(b)(i)	formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:			
6.5(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract retain and motivate suitable directors to run the company successfully	✓		
6.5(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks	✓		
6.5(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals	✓		
6.5(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality	✓		
6.5(b)(iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board	✓		
6.5(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board	✓		
6.5(b)(v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria	✓		
6.5(b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies;	✓		
6.5(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	✓		
7.	External or Statutory Auditors			
7.1	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely: -			
7.1 (i)	Appraisal or valuation services or fairness opinions;	✓		
7.1 (ii)	Financial information systems design and implementation;	✓		
7.1 (iii)	Book-keeping or other services related to the accounting records or financial statements;	✓		
7.1 (iv)	Broker-dealer services;	✓		
7.1 (v)	Actuarial services;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
7.1 (vi)	Internal audit services or special audit services;	✓		
7.1 (vii)	Any service that the Audit Committee determines;	✓		
7.1 (viii)	Audit or certification services on compliance of corporate governance as required under condition No. 9(1)	✓		
7.1 (ix)	Any other service that creates conflict of interest.	✓		
7.2	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company:	✓		
7.3	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	✓		
8	Maintaining a website by the Company.			
8.1	The company shall have an official website linked with the website of the stock exchange	✓		
8.2	The company shall keep the website functional from the date of listing	✓		
8.3	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	✓		
9	Reporting and Compliance of Corporate Governance.			
9.1	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	✓		
9.2	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting	✓		
9.3	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	✓		

6.5 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, 2020. This Code relates to the Notification No. BSEC/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
March 04, 2021



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 : 01735-835482
E-mail : musfiquefcs@gmail.com, info@suraiyaparveenandassociates@gmail.com
Web: www.suraiyaparveenandassociates.com

6.6 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, 2020. The purpose of this report is to explain how GDIC is directed and governed and to summarize the corporate governance activities that have taken place during the year. In addition to its overall responsibilities for corporate governance, the Board's duties include setting the company's strategy and values and overseeing and supporting management in their day to day running of the business. We continue to believe that our Board demonstrates the appropriate behaviors and has the diversity, skills, independence and knowledge of the business to enable it to successfully discharge its duties. The principal corporate governance rules applying to GDIC are not only contained to the Corporate Governance Guidelines (CGG) issued by Bangladesh Securities and Exchange Commission (BSEC), but also covers the global best practices applicable for us. Throughout the year, GDIC has complied with all relevant provisions set out in the CGG issued by BSEC. The said compliances are also vetted and certified by the independent auditors by **M/S. Suraiya Parveen & Associates**. The report along with the compliance status are enclosed with our annual report 2020 under section 138 and 150

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

Yours faithfully

On behalf of the Board

Sd/-

Syed Moinuddin Ahmed

Company Secretary

6.7 REPORT ON CREDIT RATING

CREDIT RATING AGENCY OF BANGLADESH LIMITED



Ref: AGL (01)/RCM/200619/2020- 19334

9 July 2020

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 2021. The ratings may be changed or revised prior to expiry, if warranted by extraordinary circumstances in the management, operations and/or performance of the entity rated.

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

Yours Sincerely,

Hamidul Huq
Managing Director

6.8 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:



6.9 REPORT OF THE MANAGING DIRECTOR AND CEO & THE CHIEF FINANCIAL OFFICER

The Board of Directors

Green Delta Insurance Company Limited

Declaration on Financial Statements for the year ended on 31st December, 2020

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, 2020 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, 2020 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.

Sd/-

(Farzanah Chowdhury)

Chief Executive Officer (CEO)
Green Delta Insurance Company Limited

Sd/-

(Syed Aliul Ahab FCCA)

Financial Controller
Green Delta Insurance Company Limited

6.10 ETHICS AND COMPLIANCE

OUR LONG AND MOMENTOUS HERITAGE IS A TESTAMENT TO THE APPROACH WE HAVE IN STEWARDING OUR BUSINESS, WHICH IS PREMISED ON A FORWARD-THINKING SPIRIT CHARACTERISED BY AN OPEN ACCEPTANCE TO ETHICS, TRANSPARENCY AND HONESTY IN ALL THAT WE DO.

Our corporate culture is rooted in ethical conduct

At Green Delta Insurance, our code of conduct for business ethics and compliance and the internal compliance policies and guidelines as its outgrowth provide all employees, managers and Board members with clear and practical guidance, enabling them to act in line with the values espoused by our Company. The rules of conduct established by the code are binding for all employees and build the basis for our compliance programs.

Our strong reputation as Bangladesh's largest and most respected general insurance company is built on the trust of our customers, shareholders, employees and the general public in our integrity. This trust originates on the quality of our products and services, the sustainable impact we create through insurance, the way we inform and advise our customers, the way our policies are transparently worded, the way we approach claims settlement, and the personal conduct and capability of our employees and representatives.

We have a compliance program that articulates standardised processes and controls for communication, monitoring and review. The program is directly supervised by our senior leadership team. Some of the ways by which we further trust through ethical conduct is by engaging in enhancement of product governance

principles, in building the skills and capabilities of our employees and in continually testing the robustness of our risk framework, etc.

Yet another key feature of our responsible and ethical conduct is our ability to align with regulatory rules and guidelines, especially via our network agents-partners. Moreover, our code also specifies that all our employees must not, either by their actions or statements, seek to mislead the market or individual customers; also, when establishing a customer relationship and that the customer must be supplied with all the information needed to make an informed decision. We have found that this approach fosters customer satisfaction, and satisfied customers are more loyal and even recommend us to their extended communities. Our customers' interests take priority whenever they seek advice from us and conduct of best practices is of particular importance.

Our un-deviated approach to compliance fulfilment

At Green Delta Insurance, integrity is at the core of our compliance programs and management systems and the basis for the trust of our customers, shareholders, business partners and employees. The compliance function fosters a corporate culture of individual and collective responsibility and ownership for ethical conduct and adherence to the rules by several ways, including:



Advising the Board, managers and employees on business conduct that is lawful, ethical and within the perimeter of the prescribed rules and guidelines



Identifying and assessing material compliance risks and overseeing the implementation of adequate and effective internal controls to mitigate them



Providing facility where employees and third-parties can speak up to confidentially address any irregularities or misdemeanours



Communicating transparently and trustfully with supervisory authorities, including IDRA

Notably, our compliance function has set up internal guidelines for the such compliance risk areas as bribery and corruption, money laundering and terrorism financing, capital markets integrity, sales compliance/ customer protection, antitrust, internal fraud and data privacy. In order to convey the principles enshrined in our code and also the compliance programs based on these principles, we deliver interactive and comprehensive training programs. These provide practical guidance that enable employees to make their own decisions within the framework on internal and external requirements as well as ethical principles. Training programs comprise in-person and also e-learning modules.

As a Company with nationalistic interests at heart, we focus on ensuring exchequer value through compliance and ethical conduct that has come to be expected of us. As the leader in the general insurance business, we view it as our responsibility to ensure that we comprehensively embrace the principles of insurance excellence. Further, with a customer first philosophy we always ensure that we keep the best interest of our customers at heart in all our dealings with them. This sense of culture has emerged as a natural and authentic way to ensure compliance with all regulatory rules and guidelines – in both letter and spirit.

6.11.1 GLIMPSES FROM THE 34TH AGM

Green Delta Insurance Company Limited has declared 20% dividend (5% Stock dividend and 15% Cash dividend) for its shareholders for the year ended December 31, 2019. The announcement was made at the 34th Annual General Meeting of the company, held on 30th June 2020 through an online conferencing and broadcasting platform. This is the first time in insurance sector that any organization held its AGM through online platform. The meeting was attended by sponsors, directors and shareholders and was presided over by Mr. Abdul Hafiz Chowdhury, 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 and congratulated and thanked the members of Green Delta family who have invested their apt and sincerest efforts in ensuring the uninterrupted customer service and business operation by redesigning the work culture that accommodates work from home and maintains social distancing. Ms. Farzanah Chowdhury (Chartered Insurer, MD and CEO of Green Delta Insurance) expressed her high hopes about the future of the company riding on a diverse service portfolio featuring comprehensive digitalized solution, automated customer service, insurtech etc., and promised to drive continuous innovation and best in class service to ensure financial stability and sustainable growth of the company.








6.11.2 STAKEHOLDERS' 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.

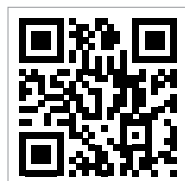
The matrix below provides an overview of how we engage with our stakeholders.

Key stakeholder group	Expectations	Initiatives	Impact
 CUSTOMERS	<ul style="list-style-type: none"> Being simple, straightforward, uncomplicated and responsive Honour claims settlement on a timely basis Treat them with fairness, dignity and respect 	<ul style="list-style-type: none"> Avoidance of excessive technical jargon in policy documents Timely claims payments Highly responsive sales team Dedicated customer service / grievance resolution team 	86,000+ Customer served in 2020 33,000+ New customers acquired in 2020
 SHAREHOLDERS	<ul style="list-style-type: none"> Sustainable value creation Transparency in material information disclosure 	<ul style="list-style-type: none"> Engagement during the AGM (annual general meeting) Timely and accurate disclosure of material information Ongoing quarterly / need-based engagements 	3,988 Shareholders (as on 31st December 2020) 66.2% Share capital owned by foreign, public and institutions
 EMPLOYEES	<ul style="list-style-type: none"> Robust career development prospects Openness and transparency Pride of association 	<ul style="list-style-type: none"> Robust ongoing skill development and capacity-building programs Focus on inclusion through inclusive policies Strong focus on women empowerment through exclusive programs, including self-defence classes, open forums, etc. 	547 Employee strength 35 New employees added in 2020 21% Women in our workforce
 REGULATORS	<ul style="list-style-type: none"> Adherence to rules and guidelines Review of draft policies / guidelines 	<ul style="list-style-type: none"> Non-compromising stance to regulatory adherence Discussions and engagements through industry bodies / chambers, etc. 	10 Strength of our compliance team
 MEDIA	<ul style="list-style-type: none"> Accuracy of information disclosure Access to senior management for performance / outlook commentary 	<ul style="list-style-type: none"> Issue of detailed press notes on material developments Access to management for interviews 	817 Press notes issued in 2020

UNCLAIMED DIVIDEND ACCOUNT

As per the Directive issued by BSEC dated 14th January 2021 Green Delta Insurance is disclosing the Unclaimed Dividend as on 10th November,2020:

Total unpaid/undistributed Dividend for previous years	
Cash in BDT	Stock in Numbers
42,077,804 (as on 31st December 2020)	324,180 (as on 31st December 2020)



OTHER INFORMATION

For any other information regarding the company's Annual Report, Quarterly Report, Price Sensitive Information etc. please visit the official website of Green Delta Insurance Company limited at <https://green-delta.com>.

PERFORMANCE WITH RESPECT TO SHAREHOLDERS

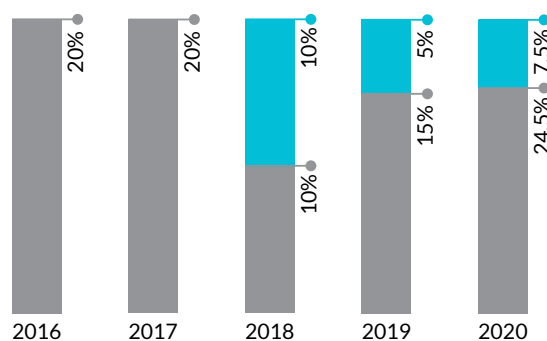
Particulars	2016	2017	2018	2019	2020
Dividend yield	4%	3%	3%	4%	5%
Net Asset Value (NAV) growth	-1%	14%	-10%	-7%	1%

6.11.3 LISTING ANALYTICS

Stock Performance

Equity Statistics	2016	2017	2018	2019	2020
Number of shares outstanding	80,691,187	80,691,187	80,691,187	88,760,306	93,198,320
Year end market price per share	49.70	61.40	65.00	52.20	61.60
Net asset value per share	69.94	79.47	71.21	66.00	66.98
Market capitalization	4,010,351,994	4,954,438,882	5,244,927,155	4,633,287,973	5,741,016,512
Earnings Per Share (EPS)	3.08	3.01	3.09	3.39	7.34
Price Earnings Ratio (P/E)	16.13	20.38	21.03	15.41	8.40

Stock Performance



6.11.4 POLICY OF DIVIDEND DISTRIBUTION

This policy will be applicable to Green Delta Insurance Company Limited ("The Company"). This policy is for declaration and payment of dividend to shareholders of the company. Further, Dividend Policies of the subsidiaries, wherever applicable, will be in line of the company's Dividend policy and confirmed by the respective Board of Directors.

Declaration

Dividend shall be declared or paid out of

- i) Current Year's profit
 - (a) After providing for depreciation and Tax in accordance with law.
 - (b) After transferring to the reserves such amount of Profit as may be prescribed, or
- ii) The Profits for any previous financial year(s)
 - (a) After providing for depreciation in accordance with law, and
 - (b) Remaining undistributed.
 - (c) If the current year's profit is not adequate then the company may declare dividend out of accumulated distributable from previous year or

- iii) Out of i) & ii) both

Board should avoid the practice of payment of dividend from borrowings except for meeting timing difference between payments of dividend and generating positive cash flows provided there is sufficient profit generated. Wide variation in rate of dividend should be avoided.

Dividend Equalization Reserve

A dividend equalization reserve may be created by appropriating a portion of the distributable profit from time to time to enable the company to maintain consistency in distribution of dividend from year to year. In cases where there is inadequacy for current profit for payment of desired dividend amount then it may be transferred from this account to distributable profit to maintain consistency in dividend distribution.

Factors to be considered before declaration of Dividend

The Company strive to distribute the best possible consolidated Profit After Tax (PAT) as dividend. However, since the company is in the initial stage of growth trajectory substantial Capital including internal accruals is required to be reinvested. Therefore, Board for next 3 years would exercise discretion in declaring the dividend based upon the requirement of capital for its portfolio business.

The amounts paid as dividends in the past will not be necessarily indicative of the dividend amounts, if any that may be payable in future. The form, frequency and amount of future dividends shall be at the discretion of our Board and subject to the approval of our shareholders and will depend on various factors including but not limited to:

1. Revenues;
2. Cash Flows;
3. Financial Condition (including capital position);
4. Capital requirements;
5. Profit earned during the financial year;
6. Liquidity;
7. Future expansion plans;
8. Applicable taxes on dividend in hands of recipients including dividend distribution tax, where applicable;
9. Retained earnings vs. expected return from the business;
10. Adequate cash utilization opportunities.

Timing of Dividend

1. Interim dividends as and when decided by Board will be declared after considering the interim P&L Account and Balance Sheet statement for the period for which interim dividends are declared. Interim P&L Account and Balance Sheet Statement will be prepared considering the profit, depreciation for the full year, taxation including the differed tax and any anticipated losses for the year.

2. Final dividends as and when declared at the AGM of the shareholders will be based on the recommendations by Board based on review of audited financial statements of the year.

6.11.5 KEY POINTERS FOR THE STAKEHOLDERS

GDIC is very much concerned of the stakeholders' interest in the company including the potential investors. GDIC with 35 years of financial expertise helps its clients to decide in taking the 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	2020	2019
Publication of Financial Statements for the 1st Quarter	15-06-2020	06-05-2019
Publication of Financial Statements for the Half-year	03-08-2020	28-07-2019
Publication of Financial Statements for the 3rd Quarter	01-11-2020	17-10-2019
Annual Financial statements approved by the Board	14-02-2021	10-02-2020
Date of Record	08.03.2021	02-03-2020
Dispatching notice for the Annual General meeting	09.03.2021	15-03-2020
Dispatching of Annual Report	15.03.2021	15-03-2020
Holding of Annual General Meeting	30.03.2021	30-03-2020
Transfer/ payment of Dividend	By 29.04.2021 (Expected)	09-04-2020 (Expected)

Comparative Shareholding Structure of GDIC as on 31st December 2019 and 2020

Types of Share Holders	2020		2019	
	No. of Shares	% of Shares	No. of Shares	% of Shares
Sponsor/Director	31,506,825	33.80	29,779,065	33.55
Institutions	19,839,160	21.29	12,767,629	14.39
Individuals	34,396,470	36.91	38,887,956	43.81
Foreign	7,455,865	8.00	7,325,655	8.25
Total shares held	93,198,320	100.00	88,760,305	100.00

Equity statistics of GDIC important to the stakeholders:

Particulars	2020	2019	2018	2017	2016
Number of shares in issue (No.)	93,198,320	88,760,306.00	80,691,187.00	80,691,187.00	80,691,187.00
Net asset value per share (BDT)	66.98	66.00	71.21	79.47	69.94
Market Capitalization (BDT in million)	5,741.02	4,633.29	5,244.93	4,954.44	4,010.35
Market value addition per share (BDT)	61.60	52.20	65.00	61.40	49.70
Shareholders' equity (BDT in million)	6,242.22	5,858.47	5,746.34	6,412.19	5,643.42

GDIC's share price as on 31st December 2017 to 2020

Particulars	2020	2019	2018	2017
Highest (BDT)	63.20	52.50	66.10	48.90
Lowest (BDT)	61.00	51.60	60.50	48.10
Closing (BDT)	61.60	52.20	65	49.70
Shares traded (No.)	274	11	20	25
Shareholder's equity (BDT in million)	6,242.22	5858.47	5746.34	6412.19

6.11.6 REDRESSAL OF INVESTOR'S & CLIENT'S COMPLAINTS

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

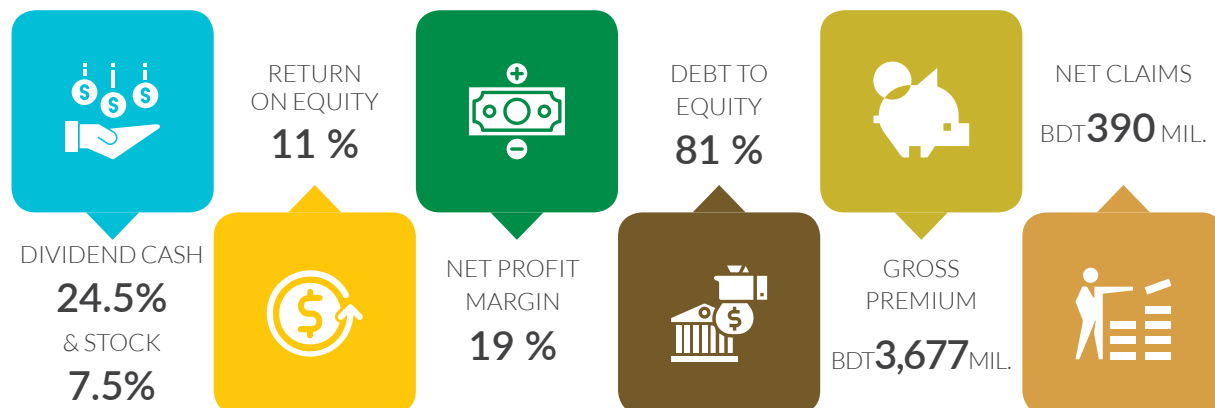
Green Delta Insurance Company Limited
Green Delta AIMS Tower (6th Floor)
51-52 Mohakhali C/A, Dhaka-1212

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.

6.11.7 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.

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 shareholder's 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 11%.

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) 81%.

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 3,677 million.

Net Claims: A demand made by the insured or the insured's beneficiary for payment of the benefit as provided by the policy 390 million.



SUSTAINABILITY & RISK MANAGEMENT

7.1 GREEN DELTA INSURANCE AND SUSTAINABILITY REPORTING

WHILE A THRIVING ECONOMY HAS BROUGHT PROSPERITY AND OPPORTUNITY TO A RISING PROPORTION OF BANGLADESH'S POPULATION, THE CARBON-INTENSIVE NATURE OF DEVELOPMENT IS A CAUSE OF CONCERN. THUS, AT GREEN DELTA INSURANCE, WE ARE FOCUSED ON RESPONSIBLE AND SUSTAINABLE INSURANCE GOVERNANCE.

Overview

The COP21 "Paris Agreement" binds governments to contain global warming well-below 2°C, and explicitly calls for active investor and institutional support to meet this objective.

The IPCC (Intergovernmental Panel on Climate Change) predicts that effects will include further melting ice and rising seas, resulting in flooding and erosion of coastal and low-lying areas. Some developing countries will be most affected, as local populations depend significantly on their natural environment and have less resources to cope with a degraded climate. Heat-related deaths and water-borne illnesses may increase. Many plants and terrestrial, freshwater and marine species are struggling to cope with a fast-changing climate and face an increased risk of extinction. Finally, local economies may suffer from increased damage to property and infrastructure, and certain industries that rely most on environmental factors, such as agriculture, forestry, energy and tourism, may face declining revenues. Hence, in December 2015, 195 countries gathered in Paris to negotiate and adopt the Paris Agreement. Countries that ratified the agreement legally bound themselves to collectively hold warming to "well below 2°C compared to pre-industrial levels" and pursue best efforts to limit warming to 1.5°C by 2100. These thresholds were chosen based on the level of destruction they entail. Indeed, the risks associated with warming are substantially lower at 1.5° C than 2° C. Bangladesh is one of the countries that is a signatory of the Paris Agreement.

More recently, the European Commission (EC) also laid emphasis on the key role that investors and corporate institutions alike are expected to play on several sustainability-related issues, not least with regards to climate change. Further, supporting relevant industry

coalitions, such as the Taskforce on Climate-Related Financial Disclosures (TCFD) or Climate Action 100+, is also gaining traction. Yet, the Paris Agreement's wider call for making finance flows consistent with a low-carbon economy also requires deeper understanding of the climate dynamics of investments. This concept- striving to align investments with the "2°C" trajectory that science and the Paris Agreement are calling for- forms the heart of the TCFD guidelines.

Yet, most investors operate in a business environment which is not fully "Paris-aligned", and where conventional or mainstream investment strategies can only lead to a world which is far above the 2°C-mark. Even though "climate-conscious" investors can proactively reorient some capital flows to make marginal improvements, they remain largely constrained by the broader industrial context trapping economies into carbon-intensive pathways. It is worthwhile to note that this is not a negative conclusion; rather, it is a measurable outlook for action.

Notably, the COVID-19 pandemic has brought forward the anxiety of the potential disruption to humanity caused by man-nature conflicts and even climate change, and hence there is an increased awareness among the general public of the need for greater environmental and sustainability consciousness.

At Green Delta Insurance, we believe that our experience- both with climate-related ("green insurance") and with the adoption of forward-looking risk metrics- provides us with a legitimate voice in the climate change control dialogue. Our conviction is that tackling climate change requires a broad transition effort that investors alone cannot achieve. All sectors and companies have a responsibility to evolve while factoring social and business impacts, and it is the responsibility of investors to identify and support

through engagement the relevant transition strategies while factoring in the financial risk. It is heartening to note that the very essence of this focus was articulated in our “SDG Report”, which is Bangladesh’s first such exclusive report that is a call to action for companies, institutions, investors and the public at large towards embracing the SDGs, launched in March 2020. We will continue to embrace all initiatives and take every action that delivers sustainability, while also giving a voice to our efforts in the realm of business continuity and sustainability.

At our Company, we recognise that climate change presents long-term risks to the sustainability of our business, as well as a range of opportunities associated with the transition to a low-carbon economy. We review the recommendations of the TCFD, which reflects both the growing expectations of our external stakeholders, and our ambition to foster capabilities to pursue the development of products and services that address the impacts of climate change. Moreover, in the face

of technological advancements and evolving customer needs, we actively embrace technology and have started to embed digital capabilities in our business model. We also continually focus towards increasing the automation of our operations in order to improve both business efficiency and customer satisfaction. This process was accelerated during the pandemic and will continue to gain traction as we look at overhauling our legacy systems and upgrade our technological platforms.

Responsible insurance governance

Green Delta Insurance has developed a multifaceted governance mechanism covering ESG, UN SDG and climate issues, which is at the core of our operations, defining our responsible and climate-responsive insurance underwriting framework. Helping us steward and meet our objectives under our responsible insurance governance focus, we have voluntarily created a TCFD-compatible agenda, as articulated in the table below.

TCFD		Corresponding sections
Governance	<ul style="list-style-type: none"> The Board’s oversight of climate-related risks and opportunities The management’s role in assessing and managing climate-related risks 	Governance
Strategy	<ul style="list-style-type: none"> The climate-related risks and opportunities the organisation has identified over the short-, medium- and long-term The impact of climate-related risks and opportunities on the organisation’s businesses, strategy and financial planning 	Climate-related protection through products and solutions
Risk management	<ul style="list-style-type: none"> The organisation’s process for identifying and assessing climate-related risks The organisation’s process for managing climate-related risks 	Internal control and risk modelling
Metrics and targets	<ul style="list-style-type: none"> Metrics used to assess climate-related risks and opportunities in line with our strategy and risk management process 	Deeper assessments

Source: fab-tcfid.org

Meeting our socio-economic obligations

At Green Delta Insurance, we are of the firm opinion that insurance is a major catalyst for economic development and progress in society. It also plays a key role in the allocation of economic resources and the resilience of businesses and individuals in the face of risks. Our aim is to extend the scope of insurance action to reinforce its positive role in society.

Today, we continue to be driven by our enduring philosophy of safeguarding the public and public/private assets from various inherent or exigent risks through our wide range of all-encompassing insurance products and solutions. Further, we identify key shifts and trends with respect to evolving customer needs, aspirations and requirements and transform these into marketable,

affordable and accessible insurance products and solutions that find a best-fit with the broader society. Further, we also engage in identifying the wider socio-economic landscape and through our robust grassroots presence and customer intimacy we are able to develop products and services that help our policyholders protect their livelihood from adverse and uncertain events.

As a Company that is focused on sustainable insurance, we are the first non-life insurance enterprise of Bangladesh to introduce retail insurance. Leveraging our pan-Bangladesh reach through our 43 branches located in different districts of the country and strong capabilities in commercialising personalised products at scale, we achieve our imperatives in sustainable insurance, while also taking insurance at the doorstep of the masses. Some of our key retail customer-facing products include

the following:

- ✓ **Nibedita-** Comprehensive insurance scheme for women
- ✓ **Niramoy-** Micro-insurance for the rural/hinterland populations
- ✓ **Shudin-** Micro-insurance for workers in the RMG segment
- ✓ **Agricultural insurance-** Weather index-based crop insurance
- ✓ **Probashi-** Comprehensive insurance scheme for migrant workers

Further, with a view to support vulnerable communities, the Company regularly launches new products/schemes that serve this population base through insurance. For example, it launched a “Shobar Jonno Bima” campaign that issued PPA insurance to 1,000 rickshaw-pullers in Dhaka city, thus providing them with a much-needed formal protection cover in partnership with IDRA, our regulatory body.

As a Company committed to stand shoulder-to-shoulder with its customer-policyholders, it has one of the lowest settlement durations of about 5-7 days. Such a feature has enabled Green Delta Insurance to carve out a unique edge and stay ahead of the competitive curve, giving it a leadership share of the general insurance industry of the country.

Digital adoption gained rapid acceptance in Bangladesh, driven by the COVID-19 induced shutdowns that locked millions of people in their homes. Thus, the country witnessed the benefits of digital shopping, digital learning, and even conducting work digitally, comprising secular trends that are widely expected to be permanent. Identifying this shift early, we focused on enhancing our presence in the digital world and launched an app InsuMama that enables smart-phone users in the country to easily purchase an insurance policy from the comfort of their homes. Launched in December 2020, the app has witnessed an encouraging number of downloads, something that we see will gain rapid momentum once the public recognises how easy and simple it is to purchase an insurance policy online. One of the other major reasons for launching the app comprised the need to ensure that insurance is available to the maximum public in all the corners of the country.

Working towards our socio-environmental goals

Environmental sustainability has always remained at the forefront at Green Delta Insurance, and we strive to minimise the impact of our activities on the environment and develop products that contribute to

a more environmentally-conscious world. Importantly, our long-standing environmental policy enshrines our commitment to the environment. It outlines our strategy and commitment to optimising our use of natural resources, reducing waste and emissions, and preventing pollution, while complying with all applicable regulatory guidelines. Further, with a view to prevent environmental degradation, we take a precautionary approach when assessing the impacts of new products and services, in line with our environmental policy and our broader commitment to the environment.

As part of our sustained initiatives in addressing challenges in a collaborative way, we actively participate in industry associations and other symposiums with the goal of facilitating the long-term, sustainable growth of the insurance industry across Bangladesh, as well as fostering awareness of the crucial role of insurance in public life. Further, we also extend our expertise to coordinate with several working groups and other associations on harmonising resource conservation, optimising carbon emissions and maximising health and safety towards sharing best practices and also learning from the best practices of others. We also focus on strategically hiring talent with the knowledge, skills, aptitude and behaviour that identifies with our environmental management strategy and systems, as a part of our green recruitment initiatives. Such recruitment practices lend credibility to our efforts on environmental management by also ensuring that new recruits are sensitised to our environmental culture and are capable of upholding our ethos and values.

Some of our major and impactful environmental best practices include the following:

- ✓ Promoting use of both sides of the paper, especially while photocopying documents
- ✓ Augmenting recycling through paper shredding and reuse of waste paper
- ✓ Reusing corrugated boxes to ensure minimum waste sent to the landfill
- ✓ Limiting the use of colour printing
- ✓ Printing in draft mode that enables lower ink consumption
- ✓ Use of recycled toner and ink to lower our metal and plastic waste to landfills
- ✓ Distribution of office memos via email
- ✓ Online storage and archival of manuals, policies and other documents
- ✓ Reduced paper margins that lessen the overall use of paper

- ✓ Changes in thermostat temperatures as per the season to ensure optimal electricity consumption
- ✓ Turning-off the lights when not in use
- ✓ Unplugging vending machines when not in use, thus enabling electricity conservation
- ✓ Unplugging computers and other electronic devices when not in use
- ✓ Increased preference for laptops over desktops, as these are generally more energy-efficient

Driven by the pandemic, digitalisation of our approval processes has had a remarkable impact on paper consumption and this furthers our objectives in fostering a less-paper and eventually paper-less office environment. Moreover, with a view to mobilise our employees to support our green and environmental objectives, we have focused on embedding green practices as a part

of our corporate culture. Thus, we align employee KPIs with the organisation's green goals, which has also raised environmental consciousness among our people.

Green Delta Insurance and the SDGs: Our manifesto for a better world

At Green Delta Insurance, our community investment strategy is closely aligned with our business purpose and with our stakeholders' concerns and interests, and is focused around the principal themes of social inclusion, education and skills development, disaster preparedness and employee engagement. Further, we also take an active approach in helping tackle environmental and social challenges, while also equipping vulnerable communities with resources that enable them to overcome their challenges. Our strong ongoing contribution, harnessing the commitment of our people, continues to foster improvement in lives and building communities, wherever we work.

Identifying our material social issues



The impact we create through the SDGs



People

We empower our teams to achieve excellence in an inspiring diverse and empowering environment.

- Employee development through offering knowledge and opportunity
- Respects for human rights
- Focus on diversity, inclusion and well-being



Community

We strive to usher positive change and make a difference to our communities, every day.

- Health and education
- Community investment
- Resource distribution and disaster relief



Environment

We work to achieve a positive environmental impact through our products, our culture and our grassroots awareness programs.

- Less-paper environment
- Water and energy conservation
- Carbon footprint contra



Integrity

We are guided by our ethical frameworks and have zero tolerance to deviations.

- Ethics and compliance
- Whistle-blower mechanism
- Anti-corruption



Innovation

We are driven by intelligent ideas that further causes that support.

- Sustainable product design
- Scalable and sustainable solutions



Vendor-Partners

We are building capabilities of our vendor-partners, contributing to their sustainable growth and expansion.

- Knowledge sessions
- Training and development
- Exposure to best practices



SDG #1: No Poverty

Green Delta Insurance directly contributes to realising the vision of “No Poverty”, given that employment creation and employee compensation and benefits comprise the Company’s core objective in human resource management.

The Company works hard to foster employment generation every year and improve compensation and benefits packages for its employees. Further, despite the economic impact of the pandemic, we continued to honour the sanctity of the “social contract” we share with our employees by ensuring no loss of jobs and also no reductions or cuts in remuneration. We also disbursed bonus due to our employees for 2020. We have embraced a long-term view on employment and believe that our people will be central to the recovery of business in 2021 and beyond, and extending support in their hour of need is not only about showing solidarity with them, but also about good and credible business practices. Beyond direct employment, the company also looks to open up indirect job opportunities, most notably through its agents and other small companies associated with it.

SDG #3: Good Health and Well Being

Green Delta Insurance places unparalleled importance to assure the good health and well-being of its employees. Aligned with this aim, the Company provides a clean, hygienic, spacious, temperature-controlled workplace environment. Further, the Company extended full institutional support to employees during the challenging times of the lockdown, especially frontline workers who had to be on office premises. We not only ensured adherence to all safety and hygiene protocols as stipulated by regulatory guidelines, but also went a step ahead through close monitoring and grievance redress directly by our top management. Further, we also equipped our members with the tools and insights to ensure smooth remote operations, while also organising many virtual events, including yoga, meditation and wellness sessions, as also learning modules, that not only ensured positive productivity but also gave them comfort that they are a part of an extended family.

Also, with a direct grassroots network, we extended community outreach by distributing safety kits, including masks, sanitisers, etc., while also raising awareness about precautionary measures needed to be adopted against the virus. Thus, we humbly fulfilled our role in public safety and well-being.

In terms of our health insurance products, we are the largest health insurance company in the private sector in Bangladesh. Further, under our SSK (Shasthyo Suroksha Karmasuchi) platform in partnership with the government, we also offer micro health insurance to those living below the poverty line, covering a few major hinterland districts of the country. Also, as a Company that stands with its customers in the “moment of truth”, we fulfil our commitment through settlement of health claims with speed and sensitivity. Further, under the Company’s group health insurance policy, it also settles claims arising out of meeting the health expenditure of its employees.

SDG #4: Quality Education

The insurance industry requires knowledge specialisation since it deals with the qualitative and quantitative appraisal of a diverse variety of risk. The Company provides a number of learning, skills development and capacity-building opportunities both through online and offline means. Especially during the pandemic, the Company exposed its people to several online knowledge sessions for them to keep abreast of global developments in the insurance industry and also the impact of COVID-19 on the sector. Learning opportunities were also provided for our people to understand the shifts in the insurance sector and how we could adjust and adapt to the new normal.

As a public-facing Company, we understand that insurance generates specialist employment which could be useful for the youth of our country. Hence, the Company established Professional Advancement Bangladesh Ltd. (PABL), which was established as a strong educational institution that would provide cutting-edge education on insurance to students so that they become industry-ready and find gainful employment. 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 PABL to develop a modern academic curriculum and educational pedagogy that is not only current but also compatible with global standards.

As a measure of corporate philanthropy, the Company also provides scholarships to meritorious students so that they can continue with their learning journey.

SDG #5: Gender Equality

Green Delta Insurance is focused on meeting the overarching agenda of female empowerment and building a fair, equal and equitable society. The Company envisages a future where women can participate in, contribute to and gain from the mainstream economy. The Company recognises the shifts in the aspirations of women and is focused on catalysing this trend.

The Company achieves gender equality through its holistic insurance platform- Nibedita- that fulfills the needs of women customers. In fact, the Company is perhaps the only in the insurance industry to offer an exclusive insurance platform to its women customers.

Furthermore, Green Delta Insurance encourages diversity and almost 21% of its workforce today comprises women. By prioritising gender-balanced recruitment, the Company has demonstrated the benefits a Company can accrue because of a balanced workforce. Importantly, helmed by an SDG pioneer, Ms. Farzanah Chowdhury (MD & CEO of Green Delta Insurance), she has set a leadership tone that nurtures diversity and inclusivity. Some of the ways by which the Company sustains gender parity includes the following:

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

SDG #6: Clean Water and Sanitation

Green Delta Insurance understands that water is a very valuable resource and hence considers its preservation and conservation as a top priority. Across the organisation, the Company tries in every way possible to ensure that employees are sensitised on water use. Further, the Company has also installed modern and easy-to-use faucets across washrooms to ensure no unnecessary water wastages. As a Company conscious of its responsibility in preserving precious resources, it also engages in regular maintenance to fix leakages in water taps, etc.

SDG #8: Decent Work and Economic Growth

As a Company that focuses on meeting the expectations of employees to realise its ambitions, it offers a fair and decent workplace environment while fostering a culture that is based on collaboration and winning together. The Company also provides a challenging and inspiring work atmosphere where people can thrive and build their careers for the long-term. Further, the Company also offers fair compensation, remuneration and other benefits, which not only sustains human resource productivity but also provides commercially-sound work propositions.

SDG #9: Industry, Innovation and Infrastructure

By the very intrinsic nature of Green Delta Insurance's business, it contributes to the three major pillars of economic growth, including industry, innovation and infrastructure. The Company provides a holistic range of personalised insurance products and solutions that meet the requirements of the industrial landscape of the country.

Further, the Company considers innovation to be a major thrust in not only staying ahead of the competitive curve, but also to ensure that sustainable value is created for all customers. There is case-after-case of how the Company has created pioneering and innovative insurance products that have met both the stated and unstated needs and expectations of its customers.

SDG #10: Reduced Inequalities

Green Delta Insurance helps tackle inequalities in two ways. One, by ensuring a fair and meritocratic workplace environment that is beyond gender disparity. Through this way, the Company ensures that work and performance gain precedence over everything else. Second, the Company focuses on raising awareness among the society of the need for a balanced and

equitable community environment when everyone has an equal chance to succeed. Further, by embracing the themes of women empowerment, the Company fulfills its role as a champion for women equality.

SDG #12: Responsible Consumption

As a Company that is conscious of its role in society, it fosters responsible and sustainable resource practices. Within the office premises itself, the Company engages in a mission to raise awareness among its employees of the need for resource conservation. By inculcating such a culture, we ensure that we draw only as much as we need, while also focusing on reducing our intake as much as possible.

SDG #16: Peace, Justice and Strong Institutions

The Company emphasises on a business conduct that others can be proud of. Thus, it provides extensive training to its people on adherence to its well-articulated code of conduct. Further, it also ensures that deviations are dealt with swiftly through a zero-tolerance policy.

Living up to our good governance promise

Green Delta Insurance's Code of Business Conduct details our required Standards of Business Conduct to be used across the extended Group and covers our employees and individuals or organisations acting on our behalf. The Code sets out our values around ownership, partnership and stewardship, and the personal standards we adhere to in the areas of:

- Avoiding conflicts of interest
- Managing information
- Ensuring equality for our people

Further, our anti-bribery and corruption policy covers our values for reputation, ethical behaviour, transparent business conduct and reliability. As an organisation we are focused on financial practices that align to those values and we prohibit corruption or bribery within our working practices. Besides, our customer commitment charter covers our key pledges and obligations to our customers. These include:

- Treating customers fairly, openly and honestly
- Providing and promoting a wide range of products and services that meet customer needs, are easy to understand and deliver real value
- Maintaining the confidentiality of customer information
- Providing high standards of customer service and monitor these standards rigorously, aligned with our "customer first" brand commitment
- Ensuring that our complaints processes provide an effective and fair means of resolution

7.2 INTEGRATED REPORTING FRAMEWORK

AT GREEN DELTA INSURANCE, INTEGRATED REPORTING ENABLES US TO APPROACH STRATEGY FORMULATION SUCH THAT IT ENSURES IMPROVED OPERATIONAL DECISION-MAKING, THUS DRIVING THE LONG-TERM SUSTAINABILITY OF THE GROUP AND ADVANCING TRANSFORMATION IN THE INSURANCE SECTOR OF THE COUNTRY.

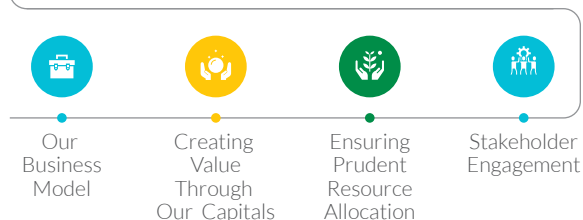
Our strategy in the new normal

Starting fully from the second quarter of the year under review, disruptive global shifts due to COVID-19 had an unexpected impact on our ability to execute our strategy, compelling us to come to grips with the new normal quickly and to adapt accordingly. To survive this challenging time, the current strategy was reviewed considering the new realities of COVID-19. After deep assessments we found that our broader strategic framework is supportive of doing business even in the pressured environment, while the identification of some of the components that we had to build was quickly done and delivered to complete the soundness of our overall strategy. One of the key things under this ambit was to make deeper approaches into Insurtech and digital insurance and one of the major outcomes in this direction was our launch of the “InsuMama” app that could be downloaded on a smart phone and enable users to access a whole host of information on insurance, plus also access policy purchase.

As we enter a new business environment, we believe navigating our new normal goes beyond just cost reduction; it focuses on innovating our business model to adapt to our operating context. Yet, the current challenges we face do not detract us from our commitment to pursuing our agenda of ensuring easy and affordable access to a wide range of general insurance products and services.

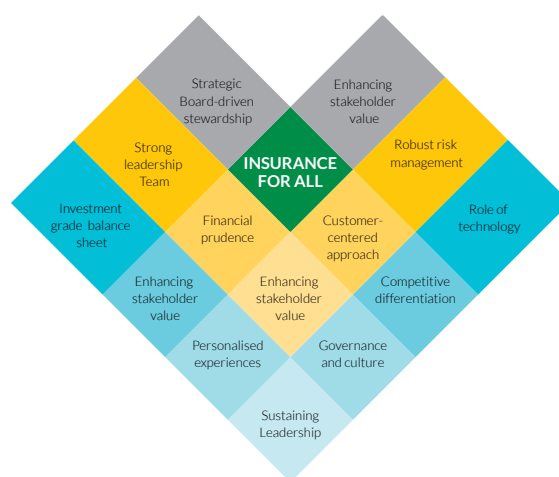
The major elements of our strategy that enable us to ensure sustainable forward value creation include the following:

Our Strategic Framework



Our business model

At Green Delta Insurance, we strive to create sustainable value for our stakeholders by adopting the principles of integrated thinking and doing, while also sustaining our focus on good corporate citizenship. We believe that insurance is an essential public service and all our efforts and initiatives are directed towards ensuring “Insurance for all”.





CAPITAL INPUTS

Financial capital

- Equity Tk. 6,242.22 mn
- Total cash balance Tk. 1,063.39 mn

Manufactured capital

- 43 branches
- 44 offices
- Omni-channel capability launched
- Diversified product portfolio

Intellectual capital

- Customer-focused culture
- Strong brand resonance with customers
- Robust understanding of regulations
- Growing competence in Insurtech

Human capital

- 547 total number of employees
- Experienced and ethical leadership team
- Highly engaged employees
- Significant investment in learning and development

Social and relationship capital

- CSR aligned with UN SDGs
- Focus on responsibility for full value chain
- Rapid ESG adoption

Natural capital

- Focus on sustainable use of our resources



PRIORITISED

- To be a leader in customer satisfaction
- Place the customer at the centre of everything we do
- Increasingly use data to inform all the decisions we make
- Surprise and delight our community of stakeholders with more than they expect of us
- Create an integrated and consistent multi-product and multi-channel customer experience
- Optimise our balance sheet to improve our competitiveness



KEY RISKS

- Underwriting risk
- Strategic risk
- Liquidity risk
- Regulatory risk
- Technology risk
- Human capital risk
- Operational/process risk
- Macroeconomic risk

Supported by our pillars



OUTPUTS

Financial value for shareholders and employees

Wide range of products and services

Cost-effective customer propositions

Impact-driven facilitations

Employer of choice in insurance

Sustainable and investable proposition

Meaningful community assistance

Strong governance compliance standards

Contribution to the SDGs



OUTCOMES

Financial capital

- Net profit Tk. 683.80 mn
- Strong solvency levels
- Positive cash generation

Manufactured capital

- 2 new offices opened

Intellectual capital

- 2 hours man-days of employee training (avge)
- InsuMama digital app launched
- Achieved alignment with ESG principles

Human capital

- 33% increase of implementation of budget-2020
- Tk. 0.5 mn invested in training
- 21% women representation in workforce

Social and relationship capital

- Created impact on 10 SDGs
- Focused on grassroots initiatives

Natural capital

- Made progress towards achieving energy/water consumption optimisation
- Achieved less-paper consumption on account of digitising processes

Customer- centricity

Empowered culture

Code of conduct

Governance framework

7.3 CREATING VALUE THROUGH OUR CAPITALS

Creating value through our capitals

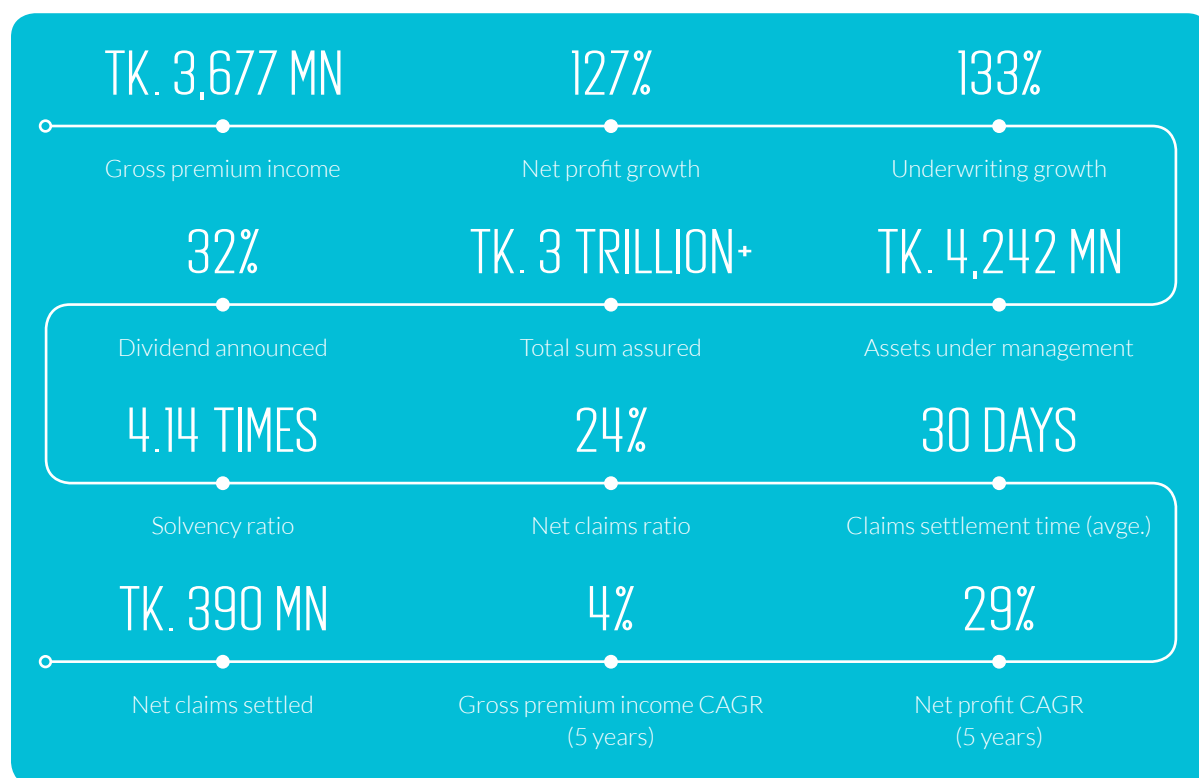
Our pursuit of sustainable value creation incorporates economic prosperity, social responsibility and environmental protection, and we achieve this by incorporating ESG principles and SDGs into our strategy, and by operating our business with tomorrow in mind.

FINANCIAL CAPITAL

Overview

How we manage and utilise our financial capital is fundamental to our ability to create sustained value for our stakeholders. Our ability to access premiums is a key determinant of our success. The sustenance of sound solvency metrics, and our ability to manage our cost of capital, makes a significant contribution to our sustainability and ability to fund expansion of our distributable income-earning platform.

Key outcomes, 2020



Material matters that could have an impact

- Uncertain socio-economic growth factors
- Evolving regulatory and compliance standards
- Managing liquidity and sustainability during COVID-19

Forward outlook

- Expanding and diversifying our business
- Strengthening our balance sheet
- Focusing on further optimising our business mix
- Ensuring stronger and better control of liquidity
- Maintaining stable credit metrics

Our performance for the year 2020 reflects the benefits of our well-positioned and broad-based product portfolio, which has long focused on recurring premium business. Though COVID-19 had a material impact, especially in the second quarter of the year when the lockdown was in full force, subsequent lift-off of sanctions enabled tentative business resumption and by the last quarter of the year, economic recovery had gathered much pace. The net profit has expanded by 127%, an outcome also of our focus on cost restructuring, especially to tide over the pandemic challenges. We believe our cost optimisation initiatives are structural and thus support profitability growth in the future. I'm also proud that the Company continues to make significant tax contributions, with Tk. 511.09 mn remitted to tax authorities in 2020. At a time when government finances are pressured, we will continue to extend our humble support through timely exchequer contributions.

– Syed Aliul Ahabab, Financial Controller, Green Delta Insurance

INTELLECTUAL CAPITAL

Overview

At Green Delta Insurance, we believe that an important determinant of economic value is how we manage and use our assets and adapt to change to ensure that we extract

the most efficient use of our resources, while remaining relevant to our customers' needs and purposes. It is important to have a sound business strategy, yet what is even more important is the agile execution of that strategy, and we do so by leveraging and consistently challenging our intellectual capital to remain relevant and continue on our path of sustainable value creation.

Key outcomes, 2020



Embedding integrated thinking

We understand that our strategic choices have lasting impacts. We strive to integrate sustainable thinking when considering each of these impacts. We have identified the UN SDGs that we believe are most relevant in terms

of potential impact and opportunity for our business to intervene in, and also by considering ESG factors and our future sustainability we can ensure sustainable value creation. We believe that this approach gives us an edge over our competitors, and we strive to entrench this thinking throughout the business.

Striving for best practices in governance

Our approach to governance and leadership forms a part of our intellectual capital and supports our overall value creation process. To achieve sustained value, we establish and maintain trust with our customers and other stakeholders, which would be not be possible without embracing governance as a business enabler. Appropriate governance structures and processes ensure that our Company is well-managed and well-controlled. Our rigorous and inclusive strategy review process considers the risks and opportunities connected to the broader context in which we operate. Our Board is our custodian of governance and assumes collective responsibility for strategy, policy, accountability and stewardship.

Ingraining innovation as part of our DNA

Today, technology and innovation are major drivers of long-term value creation. To remain competitive, we encourage the creativity and flexibility that promote innovative thinking, while managing risk within our predefined framework. To ensure there is appropriate governance of this process, our risk, compliance and technology focus areas offer support to the business with regard to reviewing, advising and approving all aspects of IT and digitisation at the Company, including governance, strategy, operations and major risks. The pandemic has underscored the importance of innovation and differentiation to long-term sustainability and we are reviewing structural trends and shifts to gear our business to capitalise on or accommodate these changes.

Using technology to ensure business continuity

To ensure business continuity, our technology team quickly enabled a smooth transition to work-from-home,

with virtually all of our workforce able to do so during the lockdown. We also introduced engagement tools to ensure smooth employee interaction and collaboration, while promoting and protecting our business operations from any cybersecurity threats.

Investing in our brand

Our brand is a critical element of our intellectual property and an important driver of our business strategy and decisions. We use our brand and our culture to align our people and business processes to our brand promise. Our integrated stakeholder engagement strategy is a critical focus area, forming part of our larger reputation management process. Further, the trust reposed by our customers in our brand is our biggest intangible asset and a major confidence driver in introducing and launching new products.

Material matters that could have an impact

- Heightened demands in regulatory and compliance context
- Emphasis on skills transformation in an evolving environment
- Disruptive technologies and growing competitive pressures

Forward outlook

- Striving for best practices in governance
- Focusing on innovation as part of our culture
- Using technology to cater to the shift in digital adoption
- Identifying opportunities for furthering customer service and business excellence

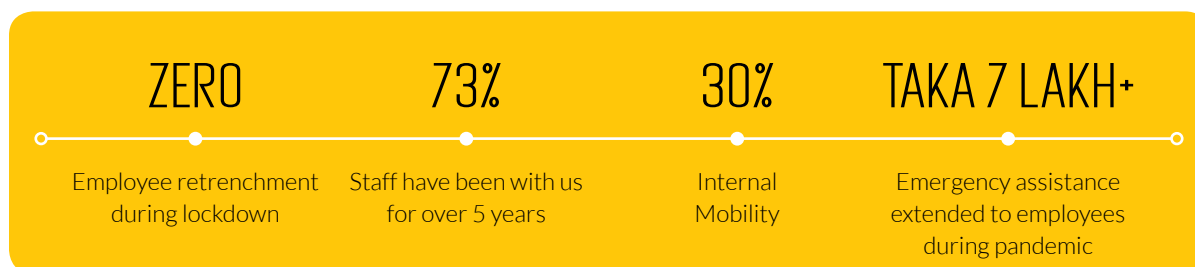
HUMAN CAPITAL

Overview

At Green Delta Insurance, empowering our workforce is an important aspect of nurturing a high-performance culture, and we acknowledge the importance of inspiring and allowing our people to become the best they can

be. The energy and enthusiasm our people bring to every interaction with our stakeholders strengthens our brand reputation. Our approach to empowerment is about creating a fulfilling environment where, guided by our purpose, values and code of conduct, our people feel inspired and able to take positive action to drive our business forward. Empowering our workforce is a crucial aspect of nurturing a high-performance culture.

Key outcomes, 2020



Material matters that could have an impact

- Talent scarcity, especially senior specialist talent
- Health and wellbeing of our employees
- Rising costs of retaining top talent

Forward outlook

- Focusing on employee health, safety and wellness

- Attracting and retaining top talent
- Supporting continuous learning and development
- Focusing on diversity and inclusion
- Deepening engagement with our employees
- Preparing for the changing world of work
- Continuing to foster a values-driven culture, while embedding ethics throughout the organisation

MANUFACTURED CAPITAL

Overview

At Green Delta Insurance, being a part of the services industry, our manufactured capital primarily represents our offices across Bangladesh and other customer touchpoints.

Key outcomes, 2020



Optimisation initiatives

We focused on the optimal utilisation of our branch network that covers the country through both – fostering a welcoming environment for our customers and also administering business development targets. Further, during the pandemic, we also focused on rental negotiations with property owners, making overall progress on optimising rent costs. Further, we also relocated or shifted a few branches with a view to not only move closer to our customers, but also escape higher cost rents.

Material matters that could have an impact

- Sustainable business uptick, especially post lockdown release
- Adverse outcomes in rental negotiations
- Consolidation of office space

Forward outlook

- Establish commercial footprint in promising locations
- Extract further utilisation from our office portfolio
- Ensure optimised staff at our branches with a clear focus on business growth

SOCIAL AND RELATIONSHIP CAPITAL

Overview

At Green Delta Insurance, our social landscape shapes our strategic direction. We recognise that a socio-economic context defined by rising unemployment, tepid

economic growth and pockets of social instability is by no means conducive to sustainable business. We therefore seek to engage positively and thus have a meaningful impact on our social landscape. Through informed and targeted initiatives that create mutual benefits for our Company and our stakeholders, we ensure the long-term resilience of our operations.

Key outcomes, 2020



Enhancing involvement and innovation

We firmly believe that to create a more sustainable future, we need to evolve from social investment to social involvement and innovation. As the pandemic continues to unfold, we remain focused on what we can control – making strategic decisions to ringfence our future and to ensure that we emerge from this crisis stronger. While we recognise that the current socio-economic context in which we operate is fraught with uncertainty, we remain committed to continue to deliver long-term value to our stakeholders by making strategic decisions that safeguard the future. As a Group, we align our efforts to build long-term partnerships with our key stakeholders such as investors, employees, brokers, suppliers and local communities. By assessing what value means to each stakeholder, we identify potential opportunities to involve and innovate.

Engaging to build sustainable value

We are committed to ensuring that every interaction is transparent, inclusive and constructive. This relationship-oriented approach to business enables us to achieve our mission of value sustenance. We believe that it is our unique approach to relationships, which is a strategic imperative, that sets us apart and allows us to deliver inclusive value to all our stakeholders.

Furthering employee engagement

Our goal is to inspire our employees to achieve excellence in all aspects of what they do by taking initiative and being passionate about their work. Employee engagement is

vital to maintain a connected, motivated and engaged workforce. Indeed, our employees are fundamental to growing our brand and to the delivery of high-quality service. We are committed to enhance and deepen employee engagement through various forums and platforms, ensuring that our employees have a voice and are able to speak up for us to achieve continuous improvement.

Focusing on broad-based transformation

As an organisation, we pride ourselves on an agile and forward-looking approach to transformation, and align our operational plans with our transformation objectives. In this way, work has already begun on our broader transformation goals, for instance in Insurtech, and we look forward to shifting the transformation needle in the coming years.

Material matters that could have an impact

- Social volatility driven by the pandemic
- Limited in-person engagements on account of social distancing norms
- Failure to meet stakeholder expectations

Forward outlook

- Enhance involvement and engagement
- Understand evolving stakeholder expectations
- Continually achieve business and societal transformation

NATURAL CAPITAL

Overview

Preserving the natural resources we rely on to run our business is not just a green objective; in fact, it is an overarching business reality that will define our success for years to come. We strive to not only limit our negative contributions towards climate change, but also ensure that our business is resilient in the face of this growing risk.

Key outcomes, 2020



Getting a better grip on our environmental impact

We recognise that effective environmental stewardship requires collective effort and responsibility. Our key environmental focus areas include climate change and resilience, energy, water, waste and disclosure. In each of these focus areas, we aim to understand our impact, create awareness and influence the right behaviours among our employees, brokers/agents, etc.

Enhancing climate resilience

We believe that building climate resilience is a vital mitigation tool against climate change risks, safeguarding assets against extreme weather and other catastrophic events. Realising the impact of climate change on a vital part of Bangladesh's economy- agriculture- we launched a weather index-based insurance product that offers farmer-policyholders with holistic protection. Crop 19 and agriculture 173 policies have been sold from 01.01.2020 - 31.12.2020, showing increasing acceptance of insurance across the farmlands of the country.

Focusing on reducing natural resource utilisation

We continuously seek opportunities to reduce energy/water/paper consumption across our business operations. We also implement efficiency initiatives, where feasible, to achieve further reductions.

Material matters that could have an impact

- Major unpredictable weather events
- Depleting natural resources crowded-out because of increased demand
- Growing costs, especially associated with disposal of waste

Forward outlook

- Advocate climate action through various leadership forums
- Align climate goals with those of the Government and the UN SDGs
- Continue to focus on reducing our carbon footprint
- Replace travel with virtual meetings as much as possible
- Identify opportunities for providing insurance against climate change events

7.4 CORPORATE SOCIAL RESPONSIBILITY (CSR)

Green Delta Insurance has always been a very supportive 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 and regular CSR activities of Green Delta Insurance Company are as follows:



Green Delta Kids @ Jaago Foundation:

Green Delta Insurance sponsored 40 kids studying at Jaago Foundation schools five 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.



Patronage of National Hockey:

Green Delta has been a loyal patron of Bangladesh National Hockey for 34 years since the very birth of GDIC. Since 1986, Green Delta has been the most reliable and dependable support of Bangladesh hockey through the thick and thin.

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 Foundation 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 spend a day with these deprived kids every year. On occasion of such visits, a festive atmosphere is usually arranged at the school with balloons, cut outs of their favorite heroes, candy floss, magic show etc., all of which are thoroughly enjoyed by the kids.

In 2020, Green Delta Insurance undertook some special CSR activities considering the extraordinary situation presented by coronavirus epidemic. GDIC has always

worked with the marginal population of the country and is passionate about ensuring financial security of this population. Therefore, inspired by the belief that our farmer community needs to be saved from the adversity of coronavirus epidemic for ensuring continued food security of Bangladesh, GDIC felt the urge to stand by their side and thus the fundraising platform "Amra Korbo Joy" was initiated in association with Nagad for the countrymen to contribute for the farmer's community of our country. The employees of Green Delta family also donated their salary of one day to this fund, amounting BDT 10 lac in total. With the fund raised through this initiative, around 1100 farmers were helped with cash donations which were disbursed to the farmers through Nagad, the digital financial service of Bangladesh Post Office. In addition, Green Delta Insurance has also contributed to the Prime Minister's Relief Fund for the victims of coronavirus pandemic.



Together we can make big difference

Farmers are the backbone of the nation.
We have initiated a fund to help the
farmers who are affected by the COVID-19
pandemic.

Let's Come Forward

**log on to
amrakorbojoy.net**

7.5 EVENTS & HIGHLIGHTS

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 on 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.



GDIC participated & won the first prize for the best stall at Bima Mela 2019

Green Delta Insurance Company (GDIC) has won the first prize for the best stall in non-life category for the third time in the row at Bima Mela. GDIC participated in the fourth 'Bima Mela' held in Khulna on January 24 and 25, organized by the Insurance Development & Regulation Authority (IDRA) and the financial institution division of the Ministry of Finance. The opening ceremony of the two-day insurance fair was held at Khulna Circuit House ground in the afternoon of January 24. The fair was open

to all from 9 am to 9 pm. Along with the two government insurance companies, 76 private insurance companies participated in the fair.

Begum Mannujan Sufian - MP of Khulna-3 constituency and the current State Minister of Labour and Employment, inaugurated the fair being the Chief Guest of the event. Sheikh Salahuddin Jewel - MP of Khulna-2 constituency, Md. Asadul Islam - Senior Secretary of the Financial Institutions Division, MoF, and Khulna Divisional Commissioner, and Dr. Md. Anwar Hossain Howlader were also present on the occasion.



34th Annual Business Conference of Green Delta Insurance Company Held

34th Annual Business Conference of Green Delta Insurance Company Limited was held on 12 February 2020 at the capital. The newly elected Chairman of the company and the chief guest, Mr. Abdul Hafiz Choudhury, delivered the inaugural speech for the conference. Managing Director and CEO of Green Delta Insurance, Ms. Farzanah Chowdhury, Chartered Insurer, played a

dynamic role in anchoring the conference by placing her timely reviews and reminding the to-dos for delivering a superior service while being compliant at the same time. Founding MD and Advisor of the company, Mr. Nasir A Chowdhury, also gave his insights regarding the business status of the company. All the Management Committee members, Zonal Heads, Branch Managers, along with other senior officials of GDIC and the subsidiaries also participated in the conference.



First ever 'SDG Report' launched in Bangladesh by GDIC

Country's first ever report on sustainable development goals from private sector launched by GDIC on Thursday to enhance growth in collective effort. Green Delta Insurance Company Ltd., in partnership with the CSR Centre and CRAB Ltd. (Credit Rating Agency of Bangladesh) has published country's First Sustainability Report (SDG Report) in the private sector to implement the SDGs in Bangladesh, based on UNGC Principles, GRI (Global Reporting Initiative) standards & OECD Guidelines.

Foreign Minister, A. K. Abdul Momen MP, was the chief guest at the SDG Report launching ceremony at Westin Dhaka while Green Delta Insurance Managing Director Farzanah Chowdhury chaired over the function. Financial Institution Division Senior Secretary, Mr. Ashadul Islam; Insurance Development Regulatory Authority's Member, Dr. M Mosharraf Hossain; British High Commissioner to Bangladesh, HE Robert Chatternton-Dickson and UN Resident Coordinator in Bangladesh, Ms. Mia Seppo, were present on the occasion. CSR Centre Chairman Mr. Farooq Sobhan moderated the pre-launching discussion meeting.



Green Delta Insurance Celebrates Women's Day in Full Force

Green Delta Insurance Company has joyously celebrated the Women's Day of 2020 in the Head Office at Mohakhali. Energized by the theme of 2020's Women's Day, #EachforEqual, a variety of day-long activities were arranged for the women employees. Different activities such as free Consultation with Gynecologist, free Bone, Hair, Skin & Dental Check-ups, Yoga Session and 'Amader Kotha Boli' were arranged at different times of the day. At the flagship event called "Amader Kotha Boli", inspiring and successful women

from different walks of lives were invited to share their stories.

In 2020, the inspiring women who were invited to 'Amader Kotha Boli' as special guests to share their stories were Wing Commander Nasrin Sultana Siddiqua, PSC, and the only female Train Driver of Bangladesh Railway, Ms. Salma Khatun. Apart from the female employees of GDIC, MD & CEO, Ms. Farzanah Chowdhury, Advisor & Founding MD, Mr. Nasir A Choudhury, Vice Chairman of Board of Directors, Ms. Khurshida Chowdhury, Director Shamsun Nahar Begum Chowdhury and other high officials of Green Delta Insurance Company were also present at the flagship event.



Green Delta Insurance organizes workshop on the significance of agricultural insurance for Haor region

Under the supervision of the Department of Financial Institutions of Bangladesh Bank, Green Delta Insurance recently organized a workshop on the importance of index-based agricultural insurance for the Haor region at the CIRDAP center on March 10, 2020. The workshop was inaugurated with the welcome speech of Ms. Farzanah Chowdhury, MD & CEO of Green Delta Insurance Company Limited (GDIC). In her inaugurating speech, she expressed her concern regarding the misery of people in flood prone area and also mentioned that bringing the farmers living in Haor area can increase the

penetration of insurance also ensure the contribution of rural sector in national economy and eventually increase the contribution of agriculture in national GDP.

Followed by the inauguration speech, Md. Asadul Islam, Senior Secretary of Financial Institution Division, Ministry of Finance (MoF) also expressed their interest in establishing Crop Insurance across Bangladesh. And as MoF and FID has directed, the initiative will start by having a yearlong pilot project in North Eastern Haor area of Bangladesh.

Md. Zafar Iqbal ndc, Additional Secretary, Financial Institutions Division, MoF, Mohammad Iftekhar Hossain, Deputy Secretary, Financial Institution Division, MoF,

S.M Ibrahim Hossain, ACII (UK), Chief Faculty Member, Bangladesh Insurance Academy, Surajit Ghosh, Regional Researcher, International Water Management Institute (IWMI), Dr. Shameem Hassan Bhuiyan, Chief Advisor,

Save Earth Climate Services Limited, Mr. Shubasish Barua, Head of Impact Business and EVP & Mr. Ali Tareque Parvez, SVP, Agriculture Team, Impact Business, GDIC also expressed their opinion at the event.



GDIC Observes Bangla Noboborsho 1427 Maintaining Social Distancing

In 2020, GDIC observed the bangla noboborsho 1427 in a much different manner compared to previous years. Considering the pandemic and the social distancing required as preventive measure, GDIC arranged an

online live program on a social media platform for its employees to celebrate the bangla new year from the safety of home. The live program included a mental health awareness session and different entertainment sessions e.g. live music, comedy and magic show, followed by a short speech by the founding Managing Director & Advisor, Mr. Nasir A Choudhury.

বাংলা নববর্ষ ১৪২৭ উপলক্ষে
ফেসবুক লাইভ-এ গ্রীন ডেল্টা পরিবারের ভিন্নধর্মী নববর্ষ ১৪২৭ উদযাপন

● এসময় বাসা ও অফিস সমন্বয়ের বিষয়ে মনোবিজ্ঞানীর সাথে আলোচনা ● কমেডি ও ম্যাজিক শো ● সংগীতানুষ্ঠান
● গ্রীন ডেল্টার প্রতিষ্ঠাতা ও উপদেষ্টা জনাব নাসির এ চৌধুরীর ধন্যবাদ জ্ঞাপন

GDIC initiates “Amra Korbo Joy” fundraising platform jointly with Nagad for helping the farmers affected by Coronavirus Pandemic

Inspired by the belief that our farmer community needs to be saved from the adversity of coronavirus epidemic for ensuring continued food security of Bangladesh, GDIC and Nagad jointly launched a fundraising platform titled

“Amra Korbo Joy” in May 2020. Donations were collected through “AmraKorboJoy.net” website, which had proper payment integration from multiple platforms including credit and debit cards as well as some MFS platforms, e.g bKash, Nagad etc. GDIC and its subsidiaries have donated 1 day worth of their salary totaling BDT 10 lac to this fund. The raised fund was distributed among 1100 farmers through Nagad’s transaction services.



Green Delta Insurance Stands beside Amphan Stricken Farmers of Haor Areas While a Pandemic on Rage

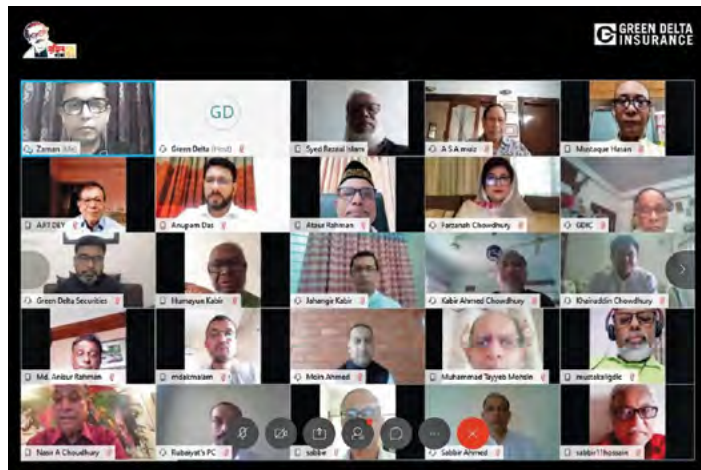
Green Delta Insurance Company Limited declared an amount of BDT 150,000 as a claim to be paid to the Haor farmers under its Index-Based Crop Insurance in July 2020. Green Delta Insurance Company Limited and its distribution channel partner OXFAM Bangladesh

and local associate Sancred Welfare Foundation (SWF) insured 316 Boro farmers of Tahirpur, Sunamganj Haor Area, who were under the protection of Index-Based Crop Insurance from 28th April to 22nd May when the Super Cyclonic Storm “Amphan” hit Bangladesh on 20th May. Due to the effect of the cyclone, though not being directly under the surge, the farmers in the Haor area observed Heavy Rainfall in the last 3 days of their insurance policy coverage which entitled them to receive the claim amount.



GDIC observes National Mourning Day through an online Dua-Mahfil

On the National Mourning Day 2020 and 45th martyrdom anniversary of Bangabandhu Sheikh Mujibur Rahman and his family, GDIC organized an online discussion and dua-mahfil considering the social distancing measure required during current coronavirus situation. Besides Managing Director and CEO – Ms. Farzanah Chowdhury; Advisor and Founding Managing Director – Mr. Nasir A. Chowdhury, all mancom members and other senior officials of Green Delta family were present at the discussion and dua-mahfil.



Ms. Farzanah Chowdhury speaks as a panelist in “Youth at Work” Session of Let’s Talk series hosted by Young Bangla & CRI

Considering the fact that the youth are facing multiple difficulties including disruptions in employment and income generation because of COVID-19 outbreak, Young Bangla and CRI have recently organized an online panel discussion session titled “Youth at Work & COVID-19 Recovery” under their signature “Let’s Talk” series on September 5, 2020. Our dynamic MD & CEO,

being a role model for youth development and women empowerment, attended the session as an honored guest and panelist. Other distinguished personalities such as Dr. Muhammad Abdur Razzaque MP (Honorable Minister, Ministry of Agriculture), Md Ashadul Islam (Sr. Secretary, BFID, Ministry of Finance), Sheikh Fazle Fahim (President, FBCCI) were also present as guests and panelists of the session. The session focused on creating opportunities for young people to enter the labour market, ensuring allocations for MSMEs, and strategies to generate employment for young people.



Month-long Webinar Series on InsurTech arranged by GDIC

With a view to make the concept of InsurTech familiar and to unravel the scopes for instilling its foundation in Bangladesh, Green Delta Insurance Company and ICE

Business Times organized a signature webinar series of 4 episodes titled “Instituting InsurTech in Bangladesh” in association with Shurokha (an online insurance portal) and with support of iDEA project of ICT division and BASIS (Bangladesh Association of Software & Information Services).

The 4 episodes of the month-long webinar series were held on every Saturday at 7:30pm, starting from October 17, 2020 to November 7, 2020. These webinars were broadcasted live on the official Facebook pages of Ice Business Times and Green Delta Insurance Company. With industry experts of both insurance and IT industries as participants, the aim was to unravel the prospects,

challenges, required policy reforms and the way forward for instituting InsurTech in Bangladesh through the month-long Webinar Series, featuring 4 episodes on 4 contextual topics related to InsurTech. After finishing the webinar series, a set of solid recommendations were made, which were also shared with relevant policy makers with periodical follow-ups.

GREEN DELTA INSURANCE presents

Instituting InsurTech in Bangladesh

4 episodes featuring 4 Cracking Topics on InsurTech

17 October to 07 November
Every Saturday @ 7.30 PM

Stay Tuned to watch the webinars LIVE on official Fb pages of

GREEN DELTA INSURANCE **Business Times**

In association with **Surokkha** Online Insurance Portal

Supported by **IDEA** **BASIS**

Green Delta advisor honored with 'lifetime achievement award' in India forum

Green Delta Insurance Company's (GDIC) Advisor and Founding Managing Director Nasir Ahmad Choudhury is honored with 'lifetime achievement award' by an international forum in India for outstanding contribution in insurance inclusion in Bangladesh. Indian Birla Institute of Management Technology (BIMTECH) announced the recognition to the Bangladesh veteran in insurance sector at fourth edition of BIMTECH Insurance Colloquium held virtually on October 23, 2020.

Regarding the achievement, GDIC Managing Director Farzanah Chowdhury said the achievement of our respected advisor added another feature of success as Nasir Ahmad Choudhury has shown pathway of insurance inclusion in Bangladesh. DBH chairman Nasir Ahmad Choudhury, a widely respected business veteran, pioneered the insurance industry of Bangladesh. In 1985, when insurance was opened up to the private sector, Nasir Ahmad established Green Delta Insurance with a couple of close friends, as sponsor and founding managing director and chief executive officer.

BIMTECH BIRLA INSTITUTE OF MANAGEMENT TECHNOLOGY

4th BIMTECH INSURANCE COLLOQUIUM (Online)
23rd October, 2020 (Friday)

Honoring
Mr. Nasir A Choudhury
Founding Managing Director & Advisor
Green Delta Insurance Company Limited

with

BIMTECH Lifetime Achievement Award -2020
For his outstanding contributions to the growth of Bangladesh Insurance Industry

GDIC signs MoU with MTBL for serving the Women Banking Customers with Nibedita

Green Delta Insurance Company and Mutual Trust Bank Limited signed a Memorandum of Understanding on November 9th, 2020, marking the official cooperation between the two financial companies. Under this agreement, GDIC will provide all the services of Nibedita Eco for MTBL upcoming women banking customers. MTBL customer will also be able

to enjoy Nibedita App and some additional health assistant services.

Wafi Shafique Menhaz Khan, Deputy Managing Director of GDIC and Syed Rafiqul Haq, Additional Managing Director & CBO of MTBL, signed the agreement on behalf of their respective organizations. Farzanah Chowdhury, MD & CEO of GDIC and Syed Moinuddin Ahmed, AMD & Company Secretary of GDIC along with other high officials of MTBL were also present at the signing ceremony held at MTBL head office.



GDIC settles Index-based insurance claim payment to the flood affected marginalised farmers in 3 northern districts

Green Delta Insurance Company Limited has recently declared an amount of BDT 87,06,240 (Eighty-seven Lac six Thousand two hundred and forty) as a claim to cover wage loss which will be paid to the Flood-struck marginal farmers in Kurigram, Shirajgonj and Gaibandha area under Flood Index Insurance Coverage.

Green Delta Insurance Company Ltd. initiated the on-demand risk transfer solution to protect the casual agricultural laborers from the catastrophic flood events earlier in 2020 with the collaboration of National Development Programme (NDP), Manab Mukti Sangstha (MMS) and SKS Foundation with support of United Nations World Food Program (WFP) and Oxfam.

The program was developed recognizing the wage loss of casual labourers engaged in agriculture due to the natural calamities during the monsoon period from 1st July to 30 September 2020.

Total 3,000 daily laborers have received the compensation under this policy. 1000 Household in Jatrapur Union (under Kurgram Sadar Upazila), 1000 Household in Ranigonj Union (under Chilmari Upazila, Kurigram), 234 Household in Gharjan Union (Chauhali Upazila, Shirajgonj), 266 Household in Sthal Union (Chauhali Upazilla, Shirajgonj), 475 Household in Fulchori Upazila and 25 Household in Saghata Upazila in Gaibandha District, were under the protection of Flood Index Insurance. During the policy coverage period, the devastating flood hit different regions of Bangladesh, which entitled these labourers to receive the claim amount.

GDIC & PABL jointly held workshop on 'Anti-money Laundering & CFT Compliance in General Insurance'

Green Delta Insurance Company (GDIC), in association with PABL, organised an online workshop and knowledge sharing session titled "Anti-money Laundering and CFT Compliance in General Insurance" to improve staffer's

knowledge and skills for preventing money laundering and combating financing of terrorism (CFT) in November 2020.

IDRA chairman, Dr. Mosharraf Hossain was the chief guest, while Bangladesh Financial Intelligence Unit (BFIU) deputy head Eskandar Miah was present as special guest in the workshop. Among other experts from Bangladesh

Bank, IDRA and GDIC, BFIU General Manager - Mohammad Mahbub Alam, GDIC advisor and founding managing director - Nasir A Chowdhury and additional

managing director - Syed Moinuddin Ahmed were also connected to the online workshop presided by GDIC's Managing Director and CEO Farzanah Chowdhury.



GDIC signs deal with AB Bank Ltd. regarding BBB & ECC Insurance Policy

Green Delta Insurance Company Limited has signed a MoU with AB Bank Limited on December 3, 2020. Under this agreement, the bank will avail Bankers Blanket Bond (BBB) and Electronic Computer Crime (ECC) insurance policy from the Green Delta Insurance Company Limited.

Sajjad Hussain, Additional Managing Director of AB Bank and Syed Moinuddin Ahmed, Additional Managing Director and Company Secretary of Green Delta Insurance Company Limited, signed the agreement on behalf of their respective organizations. Other senior officials from both organizations were also present on the occasion.



Green Delta introduces AI-based mobile insurance app named 'InsuMama'

Green Delta Insurance Company (GDIC) has introduced and launched an artificial intelligence (AI)-based mobile application named "InsuMama" through an online conferencing and broadcasting platform on 20 December 2020. This app is the first of its kind in the non-life insurance segment featured with instant account opening and online policy purchase tool. Through this app titled 'InsuMama', policy holders also can pay the premium online and renewal of policies with a single tap on the digital platform.

Dr. M. Mosharraf Hossain FCA, Chairman, Insurance Development and Regulatory Authority (IDRA) was the chief guest, while Bangladesh Insurance Association President Sheikh Kabir Hossain was the Guest of Honor and Bangladesh Association of Software and Information Services (BASIS) President Syed Almas Kabir was the Special Guest in the meeting. Managing Director of Green Delta Insurance Ms. Farzanah Chowdhury presided over the session. Founding Managing Director and Advisor Mr. Nasiruddin Ahmed Choudhury was also present at the session.



7.6 GREEN DELTA INSURANCE AND RISK CONTROL

AT GREEN DELTA INSURANCE, WE ENABLE BUSINESS GROWTH AND EFFECT POSITIVE CHANGE THROUGH OUR PRUDENT RISK MITIGATION PRACTICES AND ROBUST INTERNAL CONTROL MECHANISMS.

Risk management and internal control

Our Group Risk Framework and risk appetite have allowed us to control our risk exposure successfully throughout the year. Our governance, processes and controls enable us to deal with uncertainty effectively, which is critical to the achievement of our strategy of helping our customers achieve their long-term life and business goals.

Increasingly, a strong sense of purpose for an enterprise is being seen as a driver of long-term profitability, and this is making companies evaluate their place in, and contribution to, the society. Thus, at Green Delta Insurance, understanding and managing the environmental, social and governance (ESG) implications of the Company's business is fundamental to our brand, reputation and, eventually, long-term success. Ensuring high levels of transparency and responsiveness to stakeholders is a key aspect of this. Key social issues with implications for the Green Delta Group include risks arising from demographic changes as well as those arising from privacy and data security requirements and expectations.

Recent changes in demographic, geographical and environmental factors have driven public health trends, such as obesity, and changed the nature, likelihood and impact of extreme events such as pandemics, with a consequential impact on our underwriting policies and even product construct. Given the unique set of variables associated with the occurrence of extreme events, just like the COVID-19 pandemic, past experience is not an indication of the likely impact or ability to deal with future occurrences. The coronavirus outbreak demonstrates the unpredictable nature of such events and the impact on the functioning of society, with consequential disruption to business operations, staff, customers and sales.

In such a context, the Company is actively managing this impact, including assisting affected policyholders

and staff in meeting their needs. Further, in support of increased social inclusion and to meet evolving customer needs, the Company is increasing its use of digital services, technologies and distribution methods for the products and services that it offers. One of the major initiatives of the year 2020 was the launch of the InsuMama digital app that easily enables our customers to purchase an insurance policy online from wherever they are, without having to make physical visits. Underlying the app is our focus on enhancing our digital foray to increasingly automate and digitise processes, while also opening up greater engagement with our customers through online channels and means. Further, regulations in this realm are still evolving and we are adopting every precaution with a view to secure our operations from any cyber threats, while also protecting customer data.

These changes to the Company's use of technology and distribution models, including bancassurance, that we hope to progressively enter into, have broad implications, touching on our conduct of business, increasing the risks of technology and distribution, and any other new and unforeseen regulatory issues.

Risk reporting disclosures and enterprise risk management (ERM)

Green Delta Insurance has formulated basic policies for internal controls. In accordance with these policies, the Company has established an internal control system for the entire Group that encompasses structures for management control, compliance, risk management and internal auditing of Group companies. In addition, the Company monitors the status and practical application of its internal control system. The Board deliberates on the results of this monitoring and it also confirms the details of these deliberations. Moreover, the Company continually strengthens and improves its internal control system in light of the results of this monitoring. Especially, it has heightened its controls in the wake of the COVID-19 pandemic.

Further, the Company is committed to enterprise risk management (ERM) and considers it as the management platform for advancing its business plans. Specifically, it ensures that we constantly remain aware of the relationship between risk, capital and profit, and by realising capital adequacy and profitability in relation to risk, we strive to achieve sustainable growth in corporate value. Further, we constantly work towards our aim to achieve sustainable profit growth as well as to re-allocate the profits and capital generated for the effective use of capital, while maintaining financial soundness, such as further diversifying our portfolio and enhancing shareholder returns, which we believe only lead to further growth.

Importantly, the Company continues to take steps to further strengthen its ERM framework to address increasingly diverse and complex risks. For example, its leadership and C-suite executives regularly discuss ERM strategies and policies with a view to ensure compliance, while also adopting necessary steps for course correction.

Risk governance

Approach to governance

Appropriately managed risks allow Green Delta Insurance to take business opportunities and enable the growth of its business. Effective risk management is therefore fundamental in the execution of the Company's business strategy. Our approach to risk management is both well-embedded and rigorous, being closely aligned to the expectations of key stakeholders. As the economic and political environment in which we operate changes, it is also sufficiently broad, dynamic and flexible to respond to these changes.

Green Delta Insurance has in place a robust system of governance that promotes and embeds a clear ownership of risk, processes that link risk management to business objectives, and a proactive Board and senior management team providing oversight of risks. Further, mechanisms and methodologies to review, discuss and communicate risks are in place, together with risk policies and standards to ensure risks are identified, measured, managed, monitored and reported.

How is 'risk' defined

Green Delta Insurance defines 'risk' as the uncertainty that is faced in implementing the Group's strategies and achieving its objectives successfully, and includes all internal or external events and acts or omissions that have the potential to threaten the long-term viability of the Company. Accordingly, material risks are retained selectively when it is considered that there is value in doing so, and where it is consistent with the Group's risk appetite and philosophy towards risk-taking.

How is risk managed

Risk management is embedded across the Group through the group risk framework, which is owned by the Board and details the Company's risk governance, risk management processes and risk appetite. The Group's risk governance arrangements are based on the concept of the 'three lines of defense' model, comprising:



This has been developed to monitor the risks to our business. The aggregate Group exposure to our key risk drivers is monitored and managed by the overall risk function, which is responsible for reviewing, assessing, providing oversight and reporting on the Company's and Group's risk exposure and solvency position from the economic, regulatory and ratings standpoints. Further, the frameworks relating to oversight of transformation risk was further embedded, and the Group focused on the development of an organisation-wide customer conduct risk framework, building on its existing customer commitment policy.

Culture is a strategic priority of the Board, which recognises its importance in the way that the Group conducts its business. Risk culture is a subset of our broader organisational culture, which shapes the organisation-wide values and ethos that we use to prioritise risk management behaviours and practices. Notably, risk culture forms a part of our ERM and the Group works to promote a responsible risk culture via the following ways:

Our senior management in business units promote a responsible culture of risk by emphasising the importance of balancing risk with profitability and growth in the decision-making process. This balance is included in the performance evaluation of key individuals, including both senior management and those directly responsible for risk management, or the risk owners

The Company works to build skills and capabilities in risk management, which are needed by both senior management and risk management specialists, while attempting to allocate scarce resources appropriately

Employees understand and care about their role in managing risk. They are aware of and discuss risk openly as part of the way they perform their role. Importantly, communication and dialogue over risk is always encouraged. We reinforced the robustness of our ERM during the COVID-19 pandemic with a view to ensure that we focus on minimising risk as much as possible, while also looking at ways to assess the occurrence/impact of risk in our operating landscape

How is risk controlled

The control procedures and systems established within the Group are designed to manage the potential risk of failing to meet business objectives. These focus on aligning the levels of risk-taking with the Group's strategy and can only provide reasonable, and not absolute, assurance against material misstatement or loss. Risk

management and control requirements are set out in the Company's risk policies, and form a part of the holistic risk management approach. These risk policies define:

The Group's risk appetite in respect of material risks, and the framework under which the Group's exposure to those risks is limited

The processes to enable Group's leadership and senior management to effect the measurement and management of material risk profiles in a consistent, coherent and sustainable way

The flows of management information required to support the measurement and management of the Company's material risks

Green Delta Insurance's risk matrix

Risk governance and culture

Risk governance comprises the Board, organisational structures, reporting relationships, delegation of authority, roles and responsibilities and risk policies. Risk culture is a subset of broader organisational culture, and shapes the organisation-wide values used to prioritise risk management behaviours.

Business strategy

Business strategy and the business plan provide direction on future growth and inform the level of limits on solvency, liquidity and earnings for our key risks. The risk function provides inputs and opinions on key aspects of our business strategy.

Capital management

Capital adequacy is monitored to ensure that internal and regulatory capital requirements are met, and that solvency buffers are appropriate, over the business planning horizon and also under stress scenarios.

Stress and scenario testing

Stress and scenario testing is performed to assess the robustness of capital adequacy and liquidity, and the appropriateness of risk limits. Recovery planning assesses the effectiveness of the Group's recovery measures and the appropriateness of activation points.

Risk mitigation at Green Delta Insurance

At Green Delta Insurance, our strategy is to capture the long-term structural opportunities resident across our underpenetrated markets and geographies that present a wide “insurance protection gap”, while operating with discipline and seeking to enhance our capabilities through innovation to deliver high-quality resilient outcomes for our customers. Some of the key risks and their mitigation measures are tabulated as under.

Significant risks arising from the delivery of our strategy	Managing our risks
Transformation risks around key change programmes, including those related to the Group's digital strategy	<ul style="list-style-type: none"> Continuing the focus on, and ensuring consistency in transformation of risk management across the Group's business units. Provision of independent risk assurance, challenge and advice on first line programme risk identification and assessments.
Group-wide regulatory risks	<ul style="list-style-type: none"> Engagement with the national government, regulators and industry groups on systemic risk-related regulatory initiatives, regulatory capital standards and other initiatives that demonstrate Group-wide impacts. Engagement with our regulators on an ongoing basis with a view to assist in the development of evolving regulatory rules and guidelines.
Information security and data privacy risks	<ul style="list-style-type: none"> Continuing the implementation of revamping our legacy tech systems into a modern insurance platform. Focus on compliance with applicable laws across the Group and the appropriate use and protection of customer data.
Business disruption and third-party risks	<ul style="list-style-type: none"> Continued application of the Group's business continuity management, with enhanced focus on operational resilience. Ensure adaptability and agility with a view to stay relevant to an evolving operating landscape.
Conduct risk	<ul style="list-style-type: none"> Continuing the enhancement of the Group-wide customer commitments policy with a view to ensure that we keep our customers at the core of our business strategy. Ensure that our employees are fully aware of, and practice the tenets enshrined in, our code of business conduct.
Financial risk	<ul style="list-style-type: none"> Maintaining and enhancing, where necessary, risk limits and implementing business initiatives to manage financial risks, including product repricing and reinsurance, where required. Ensuring strong balance sheet stability through ongoing focus on debt optimisation.

Concluding note

Risk management is key to Green Delta Insurance's success. We accept the risks inherent to our core business lines of health and general insurance and asset management. We diversify these risks through our scale, geographic spread, the variety of the products and services we offer and the channels through which we sell them. Though the COVID-19 pandemic completely overturned the world as we knew it, we have ensured

quick adaption to the new normal while also adjusting our risk appetite and framework accordingly. Over our several decades of presence in the insurance industry of Bangladesh, we have witnessed many industry cycles and have also overcome many challenges that have come our way. Thus, with our experience of a large insurance institution and the agility and dynamism of a new age business, specially through a focus on digital, we are confident to come out of the pandemic stronger and more ready to take on the future.

7.7 STRATEGY AND RESOURCE ALLOCATION

TO REALISE OUR GOALS AND OBJECTIVES, WE ADOPT A LONG-TERM STRATEGY AND ROAD MAP AND DIRECT CAPITAL, OR ALLOCATE RESOURCES, DEPENDING UPON THE INTENSITY OF NEED AND EXPECTED OUTCOMES, BOTH IN TERMS OF CUSTOMER AS WELL AS COMMERCIAL IMPACT.

Our strategy for prudent resource allocation

At Green Delta Insurance, we help people and businesses enhance sustainability by insuring what matters the most to them. Through this way we ensure that are policyholders are prepared for any exigent situations and are able to bounce-back quickly from any untoward events.

Our strategy guides our day-to-day actions to drive long-term value creation. It focuses on meeting the needs of our client segments, while ensuring that our business remains profitable and sustainable. Our business model aims to deliver innovative client-centric solutions while ensuring strong corporate governance. Our high-performing human capital, strong brand, growing range of digitalised products and robust balance sheet differentiate us from peers and new entrants. Further, our agile, high-engagement model means that we deliver solutions based on a deep understanding of our clients and their businesses. This approach enables us to compete effectively, while also ensuring that one of the pillars of our strategic framework is how we allocate our resources.

It is worthwhile to note that our resource allocation strategies are premised on their effective ability to meet are predefined outcomes. We engage in extensive and consultative planning with a view to ensure that we direct optimal capital to those business segments that either support our profitability aspirations or demonstrate a robust outlook for growth. We understand that capital is scarce and precious and hence we focus on conservative and evidence-based capital allocation that enable us to meet our return on capital expectations.

We believe that capital and resource allocation has gained critical importance in light of the pandemic

that has created uncertainty while also having led to virtual demand destruction majorly during the lockdown months. As businesses regather and regroup their strategies with a view to ensure the continued effectiveness of their business model and their continued focus on sustainable stakeholder value creation, it is imperative that they rebalance their resource allocation framework to achieve better and more stable outcomes at lower capital requirements.

Digital app vs. development costs: A case of conservative capital allocation

One of our most visible examples of prudent capital allocation comprises our launch of a digital app that we believe will revolutionise the general insurance landscape of Bangladesh.

While we engaged in strategic mapping of what our app can do for our customers and the cost of developing and maintaining such an app, we identified that the benefits far outweigh the capital cost of development. For one, digitising our products has the potential for them to reach a far higher number of customers who may not be easily serviceable by our existing network infrastructure. Thus, any incremental policy sales would be an added benefit that would enable us to move towards recovering our investment.

Further, through the launch of a digital app we have demonstrated our conviction in the way e-commerce and digital should take-off in the country considering the example of our proximate neighbour, India. Already, the pandemic has accelerated digital adoption in Bangladesh as customers and users become more friendly with digital features and also build trust in the payments system. What is also important to note is that our capital allocation for app development was prudent and proactive considering the “Digital Bangladesh” aspirations of our government

and also the rising penetration of smart phones and broadband in the country.

Directing capital towards impact insurance

As one of the longstanding insurance companies of Bangladesh, we have developed unmatched insights into the evolving insurance landscape of the country.

Through extensive consultations with our clients and by intimately mapping their needs and requirements, we could foresee that while agricultural insurance was a pressing requirement, there were no concerted efforts by any company to create a product that would fully address the vagaries of adverse weather events on crops and incomes.

Identifying this essential gap, we extensively engaged in developing a holistic agricultural insurance product that would scientifically map future weather patterns and bundle potential risks and outcomes into a product that would pay farmers for any loss arising out of adverse climate change events on their farmlands. Such an insurance product is already starting to create an impact with 39,000 farmers across the country being provided

with an affordable and impact-driven insurance policy that directly supports their livelihood.

Thus, at Green Delta Insurance we always focus on taking a bold step forward to identify needs and gaps and support our customers by creating relevant, affordable and regulatory-compliant products, while also building our service infrastructure and competencies with a view to serve our policyholders with sensitivity and diligence at the time of claims settlement.

Stakeholder engagement

At Green Delta Insurance, we understand the importance of managing our stakeholder relationships. We know that we operate in an ecosystem where all our stakeholders impact on our ability to create value in the short-, medium- and long-term. Thus, properly assessing these relationships is critical to the Company. This allows us to understand the needs and interests of our stakeholders, and respond to each group through our decisions, actions and performance in our journey to meeting their expectations. Our stakeholder engagement matrix is evidenced in the following table.

STAKEHOLDER CONSTITUENCY	THEIR NEEDS AND EXPECTATIONS	THE VALUE WE CREATE FOR THEM
Customers	<ul style="list-style-type: none"> • Smooth and hassle-free claims settlement process • Transparency in policy wordings • Relevant/cost-friendly products that provide value • Convenience of access to our products through their channel of choice • Empowering information leading to informed decision-making • Better-than-expected services • Ethical and fair treatment 	<ul style="list-style-type: none"> • Clear and transparent communication • Ethical conduct with ongoing governance monitoring • Omni-channel distribution capability simplifying the ways customers can interact with us using the channel of their choice • Optimised branch network offering customers greater convenience through proximity of presence • Focus on data ensures that we have the right information at the right time to give our customers what they need • Stable and secure IT systems

STAKEHOLDER CONSTITUENCY	THEIR NEEDS AND EXPECTATIONS	THE VALUE WE CREATE FOR THEM
People	<ul style="list-style-type: none"> ● Job security ● Great employee experience ● Strong career development pathways ● Robust learning and development opportunities ● Fair remuneration and incentives ● Strong leadership who instills trust ● Skills transformation for relevance in a dynamic environment 	<ul style="list-style-type: none"> ● Leadership that inspires inclusion, believes in meritocracy and champions diversity ● Honouring the “social contract” ● Creating a rewarding place to work by providing a holistic offering that satisfies employee needs ● Environment that is collaborative, productive and energetic ● Focus on talent management to attract and retain the best human capital ● Incentives and bonuses that help sustain performance and motivation ● Significant learning opportunities ● Respect for employee rights
Investors	<ul style="list-style-type: none"> ● An investable proposition in insurance ● Diversified and sustainable business model ● Strong and robust balance sheet ● Transparency in information disclosure ● Competent and effective leadership team ● Robust strategic roadmap 	<ul style="list-style-type: none"> ● Comprehensive strategic planning to deliver performance and growth ● Integrated business model and diversified product mix to ensure sustainability ● Strong solvency levels ● Integrated and comprehensive risk management process to monitor, measure and manage risks ● Transparent, accurate and timely communication on performance/material matters through a variety of channels
Society and communities	<ul style="list-style-type: none"> ● Sensitivity towards needs and expectations ● Financial and non-financial support ● Community investments to support basic necessities ● Aid during emergencies 	<ul style="list-style-type: none"> ● Meaningful participation in communities ● Goals and objectives aligned with the UN SDGs ● Contributions through various channels for community uplift ● Group-wide societal interventions to enhance grassroots impact

STAKEHOLDER CONSTITUENCY	THEIR NEEDS AND EXPECTATIONS	THE VALUE WE CREATE FOR THEM
Regulators	<ul style="list-style-type: none"> • Compliance with all legal and regulatory requirements • Effective governance adherence • Financial and operational stability • Responsible taxpayer 	<p>Constructive and principle-based engagement with regulators</p> <ul style="list-style-type: none"> • Strong regulation and good governance resulting in reduction of systemic risks • Timely and detailed reporting of any material developments • Contribution to exchequer through tax contributions
Associations/industry bodies	<ul style="list-style-type: none"> • Good corporate citizenship • Conducive insurance environment 	<ul style="list-style-type: none"> • Committed and engaged participation • Sharing and applying best practices • Active liaison for draft regulatory guidelines, etc.
Business partners and suppliers	<ul style="list-style-type: none"> • Clear agreements on terms and adherence to agreements • Mutual benefit and focus on win-win partnerships • Robust governance processes and ethical principles 	<p>Constructive and mutually-beneficial relationships</p> <ul style="list-style-type: none"> • Timely fulfillment of all financial obligations • Sharing of best practices • Contribution to business growth

7.8 ENVIRONMENT-RELATED INITIATIVES

It is now generally recognised that environmental issues have become an increasingly important variable in the context in which business and non-business entities operate. The impact of climate change is well-substantiated today, with governmental legislations focusing on curbing corporate actions that are deemed to adversely affect the environment. Further, major environmental concerns around waste disposal and water use are also being amplified as governments and citizens become more “environmentally aware”.

A few years ago, pressures of environmental issues on business and industry comprised the need to only comply with legislations and regulations. Yet, as public awareness of these issues has increased, the implications for business have changed. Improved environmental performance, especially judged through the ESG principles, can be used to enhance reputation, reduce cost and even attract “green funds”. The scope of environmental issues’ relevance for business has also evolved over time, particularly in the area of climate change.

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 recognise and respond to, so the focus has broadened from sole mitigation to holistic adaptation.

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 Bangladesh faces today. We are also working closely with the Bangladesh Government, focusing on meeting their legislative and even citizenship objectives that are principally premised on the overall wellbeing of the nation. In such a context, Green Delta Insurance has also embraced several initiatives to grow acceptance to insurance in a country that has a population of over 163 million, where insurance penetration is under 1% and nearly 52% of the population comprises women. In a fragile socio-environment that exhibits a huge “insurance gap”, the Company is concertedly working towards building trust with all stakeholders to spread awareness among the masses on the importance and benefits of insurance.

DIGITAL INSURANCE

At Green Delta Insurance, we have taken several 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 ease of access. Moreover, with the growth in the information and communications 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 envision a future that is green, sustainable and inclusive, and this is the direction we have chosen to take even as we place continued emphasis on our vision of ‘Insurance for all’ and foresee a country where citizens recognise the deep value of insurance for their financial and social wellbeing.

VISION 2021

With an eye on the future, we are concertedly 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 communications technology. This goal, articulated as ‘Digital Bangladesh’, is aligned with fostering growth of the country’s ICT sector that is growing at an estimated 20% growth rate per year. One of the strategic goals of Vision 2021 is to expand broadband to 40% of the population in 2021. With this explosion of digital access, cyber-security will be a risk that will call for greater vigilance and we are closely monitoring the developments in this field.

SUSTAINABLE BUSINESS

At our Company, we believe that green businesses are socially and environmentally responsible. Green companies holistically embrace the principles and practices that protect people and the planet in their pursuit of an economic profit. 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 care for their workers. They ensure they don’t use child labor or engage in practices that are in deviation of the law. They respect human rights and ensure empowerment of workers. They also serve as models for the role businesses can play in the transformation of 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 use of resources is a key towards achieving a sustainable environment, both internally and externally. This is also why we promote the use of emails, meetings through video-conferencing and the intranet for internal communication.

7.9 ENVIRONMENTAL AND SOCIAL OBLIGATIONS

As a Company that unites its operations with the broader needs of the planet (sustainability), we are strongly of the opinion that sustainable businesses represent the businesses of the future. In this context, alluding the “3P” concept (People, Planet and Profit) to our operations, we evaluate issues holistically and with a long-term lens to drive the maximum benefit to our stakeholder ecosystem.





DISTINCT AREAS FOR INSURANCE SECTOR

8.1 CLAIMS MANAGEMENT AND DETAILS OF OUTSTANDING CLAIMS (IBNR & IBNER) WITH AGEING THEREOF

General Insurance



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 discovers 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.

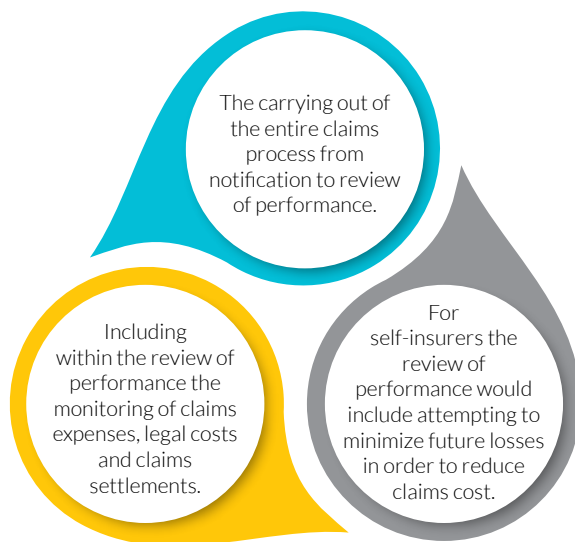
In fact, Green Delta Insurance manages the claims rather than handling them. Green Delta Insurance undertakes all necessary steps expeditiously in an orderly sequence: contact the insured, arrange to inspect the loss through a loss adjuster, ascertain quantum of loss and company's liability, etc. Green 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:



Nevertheless, claims management may define as the carrying out of the entire claims process with a particular emphasis upon the monitoring and lowering of claims costs.

The phrase 'claims handling' was the traditional term for insurance companies handling the various stages of the claim process. Critically, however it encompasses none of the risk management issues and instead emphasis the functions of claims review. Claim investigation and claim negotiations - arguably the most problematical elements of claims work. We can define claims handling as the original term for handling the claim process with emphasis upon claim review, investigation and negotiations, but excluding risks management issues. Out of any insurance contract, the client has the following expectations from the insurer:

- a) Adequate insurance coverage, which does not leave him high and dry in time of need, with appropriate pricing.
- b) Timely delivery of defect-free policy documents with relevant guidelines.
- c) Should a claim happen, quick settlement to the insured's satisfaction.

The Role of Claims Department: Prompt claim settlement is the acid test for an insurance company to their commitment to indemnify the customer as after sale service to retain them. Hence, claim must be paid fairly and expeditiously. Every insurance company must have its own principles for handling claims. Claims administration

also varies from class to class of insurance. The claims department plays a vital role in entire operation of an insurance company. The major roles are as under:

- **Strategic role:** to provide the insurance/reinsurance company with a high quality service so that it can differentiate itself from its competitors for even to outsource the function if it is unattainable in-house.
- **Cost monitoring role:** to ensure that the amount paid on any claim is contained within the parameters of the contractual relationship as far as possible.
- **Service:** to meet or exceed customers' expectations regarding the quality of service, with particular regard to the speed, manner and economic efficiency of the service.
- **Management:** to meet or exceed the standards of service set and to operate within budget.

Reinsurance & Claims Handling: the vital difference between insurance claims handling and reinsurance claims handling is that reinsurance claims handling involves negotiation between two insurance specialists in a business environment where a continuing business relationship may exist. Insurance claims handling, in comparison, often involves an insurance specialist negotiating with a member of the public where a continued relationship is unlikely if the claim settlement falls to meet the insured's expectations. However, in the case of large insurance claims, insurance specialists or lawyers are likely to represent both the insured and the insurer. Similarly, where large and/or problematic reinsurance claims are involved, specialists such as reinsurance consultants are likely to be engaged.

To conclude the claims department should also bear in mind the under noted factors, which are essential in claims management as well as claims handling: the factors are detecting fraud, lowering the cost and avoiding litigation.

Outstanding claims (IBNR and IBNER) with ageing thereof:

Apart from claims settled in an accounting period, outstanding liabilities against insurance claims may exist or arise in respect of claims which have been reported but not yet settled (IBNER) or against those have been incurred but not yet reported (IBNR).

In general, there might be a delay in the insurer's settlement of the claim, typical reasons are: (i) reporting delay (time gap between claims occurrence and claims reporting at the insurance company); and (ii) settlement delay, because it usually takes time to evaluate the whole size of the claim.

The time difference between claims occurrence and claims closing (final settlement) can take days (e.g. in case of property insurance) but it can also take years (typically in case of liability insurance).

Provisions are created by setting aside a portion of net premium so that the insurer is able to settle all the outstanding claim liabilities that are proximately caused by perils falling within the scope of insurance contracts.

The following formula is usually applied to calculate the provision for such outstanding claims:

$$\text{Total IBNR} = \text{"Pure IBNR"} + \text{"IBNER"}$$

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.

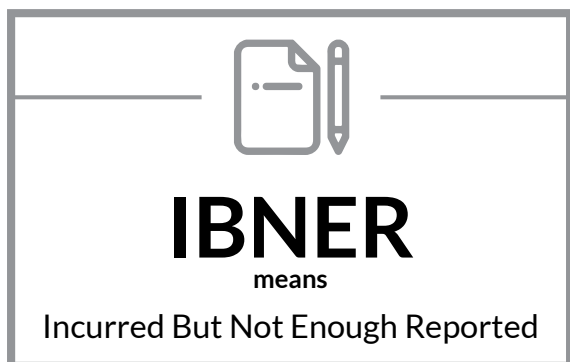


IBNR refers to the losses that are not filed with the insurer or re-insurer until years after the insurance policy is sold. It is a reserve to provide for claims in respect of claim events that have occurred before the accounting date but have still to be reported to the insurer by that date.

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.



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 claims 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.

8.2 PROFITABILITY & MANAGEMENT EFFICIENCY

Particulars	2020	2019	2018
Return on Average Assets (ROAA)	6%	3%	2%
Return on Average Equity (ROAE)	11%	5%	4%
Available Solvency margin	1830.79	1433.87	2589.57
Management Expense to Net premium	33%	30%	33%
Agency Commission to Net premium	26%	31%	33%
Underwriting Profit on Gross Premium/Gross			
Underwriting Margin Return	26%	10%	11%

8.3 DISCLOSURES PERTAINING TO SOLVENCY MARGIN

(Figures in BDT million)

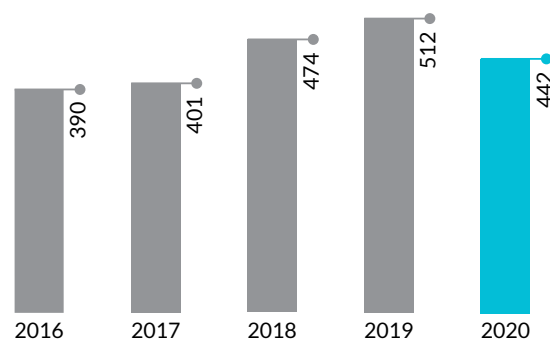
Sl	Class of Business	Net Premium	Gross Premium	Factor	G.P. after application of Factor	20% of GFP	20% of NP	20% of (NP & GFP) which is higher
1	Fire	596.80	2,057.20	0.50	1,028.60	205.72	119.36	205.72
2	Marine Cargo	590.71	768.57	0.70	538.00	107.60	118.14	118.14
3	Marine Hull	41.91	146.13	0.50	73.07	14.61	8.38	14.61
4	Motor	130.14	149.15	0.85	126.78	25.36	26.03	26.03
5	Misc	249.80	555.69	0.70	388.98	77.80	49.96	77.80
Total		1,609.36	3,676.74					442.30

Total Assets as per Balance Sheet		11,304.68
Less:		
Amount due from others	3,386.22	
Outstanding premium	50.50	
Furniture & Fixture (WDV)	31.93	
	3,468.65	
	7,836.03	

Total Liabilities		
Sundry Creditors		1,654.20
Amount due to others	3,386.22	1,086.08
Provision for income tax	50.50	332.79
Deposit Premium	31.93	250.26
Reserve for Unexpired risk		664.71
Bank Loan		593.30
Reserve for exceptional loss		1,423.90
(B)Total Liabilities		6,005.24

Solvency Margin Available (A - B)	1,830.79
Required Solvency Margin	442.30
	4.14

Required Solvency Margin



8.4 ACCOUNTING RATIOS PERTAINING TO INSURANCE SECTOR

Particulars	2016	2017	2018	2019	2020
(%) of Reinsurance Premium Ceded on Gross Premium	58%	54%	55%	52%	56%
R/I Commission Earned on Gross Premium	14%	10%	10%	8%	15%
R/I Commission Earned on Net Premium	34%	22%	22%	17%	34%
Net Claim Incurred on Gross Premium	11%	11%	13%	14%	11%
Net Claim Incurred on Net Premium	25%	24%	28%	28%	24%
Underwriting Result on Gross Premium	12%	12%	11%	10%	26%
Underwriting Result on Net Premium	29%	26%	24%	21%	60%
Management Expense (Revenue) on Net Premium	44%	40%	33%	30%	33%
Combined Ratio on Gross Premium	51%	51%	52%	51%	43%
Combined Ratio on Net Premium	123%	110%	114%	107%	98%

Particulars	2016	2017	2018	2019	2020
External Liability Ratio	34%	35%	43%	47%	45%
Internal Capital Generation Ratio	3%	3%	4%	6%	14%
Exceptional Loss Reserve to Net Premium	90%	83%	81%	67%	88%
Capital & Fund to Total Assets	66%	65%	57%	53%	55%
Retention Ratio	42%	46%	45%	48%	44%
Premium to Equity	56%	51%	64%	71%	59%
Underwriting Margin Return on Net Premium	29%	26%	24%	21%	60%
Net Profit Margin on Net Premium	19%	16%	15%	15%	42%
Return on Average Assets (ROAA)	3%	3%	2%	3%	6%
Return on Average Equity (ROAE)	4%	4%	4%	5%	11%

8.5 CAPITALIZATION, SOLVENCY AND TECHNICAL

Particulars	2020	2019	2018
External Liability Ratio	45%	47%	43%
Internal Capital Generation Ratio	14%	6%	4%
Exceptional Loss Reserve to Net premium	88%	67%	81%
Capital & Fund to total assets	55%	53%	57%
Retention Ratio	44%	48%	45%
Claim Ratio	24%	28%	28%
Premium to Equity	59%	71%	64%

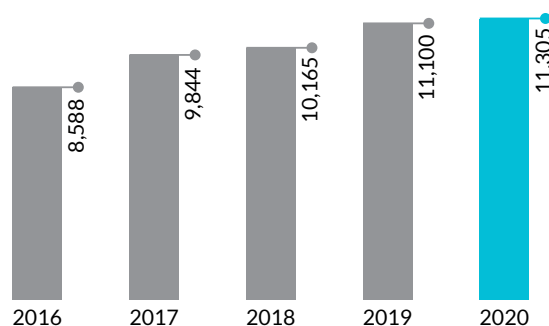
8.6 REVIEW OF ASSETS QUALITY

Position of Total Assets

(Figures in BDT million)

	2016	2017	2018	2019	2020
Investment in FDs	1,175.72	1,134.46	1,019.55	1,031.92	1,258.76
Investment in equity instruments	2,679.45	3,385.19	3,088.08	3,073.03	2,859.02
Investment in subsidiary companies	362.49	388.49	395.99	409.99	409.98
Others investments	300.00	250.00	250.00	230.00	310.00
Cash in hand & bank	69.88	35.33	83.41	97.12	24.18
PPE	2,209.97	2,179.87	2,149.21	2,140.62	2,115.12
Receivable from bodies carrying on insurance business	1,227.96	1,756.21	2,443.92	3,193.54	3,386.22
Other assets	562.77	714.31	735.26	923.50	941.69
Total	8,588	9,844	10,165	11,100	11,305

Position of total Assets



8.7 LIQUIDITY AND FUNDING

Particulars	2020	2019	2018
Current Ratio	1.68	1.59	1.67
Liquid Assets to Total Insurance Fund	136%	142%	128%
Total Liquid Assets to Total Assets	75%	75%	73%



INDEPENDENT AUDITORS REPORT OF GDIC

9.1 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

Qualified 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 2020 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, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, 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 2020, 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 Qualified Opinion

An advance of Taka 121,000,000 was given to different branches of the Company during the year ended 31 December 2019. Subsequently an adjustment was made for an amount of Taka 77,000,000 by debiting accounts head "Agency Commission" as expenses and crediting accounts head "Advance Miscellaneous" during the year ended 31st December 2020 for which adequate documents could not be provided by the management of the Company. Furthermore, we could not confirm the remaining unadjusted advance of Taka 44,000,000 as at 31 December 2020 which has been presented in the note no. 15 "Sundry Debtors" of the separate financial statements.

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.

Emphasis of Matter

We draw attention to Note 2.16 (v) of the Financial Statements, which describes the reason for not establishing Workers' Profit Participation Fund by the Company according to Bangladesh Labor Act 2006 (as amended in 2013). Our opinion is not modified in respect of these matter.

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>Premium Income</p>	
<p>Premium income is the most financially significant item in the statement of profit and loss account & profit and loss appropriation account. The company has reported gross premium income of Taka 3,676,748,740 for the year ended 31 December 2020.</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>	<p>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 & Rules.</p> <p>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.</p> <p>Our audit approach was a combination of test of internal controls and substantive procedures which included the following:</p> <ul style="list-style-type: none"> ● Evaluated the design of internal controls relating to recording of efforts incurred and estimation of efforts required to complete the performance obligations. ● We conducted analytical procedures & recalculation of premium income. ● 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 & VAT has been reflected in the premium register. ● We ensured that premium income was being deposited in the designated bank account on a sample basis. ● 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. ● We tested on a sample basis that appropriate VAT was collected & deposited through Treasury Chalan to Bank. ● 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. ● 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. ● 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.

Key Audit Matters	How our audit addressed the key audit matters
Property, Plant & Equipment	
<p>The carrying value of property, plant & equipment amounts to Taka 2,115,121,768. This represents a significant amount in the company's statement of financial position as at 31 December 2020.</p> <p>There is a risk of:</p> <ul style="list-style-type: none"> ● determining which costs meet the criteria for capitalisation; ● determining the date on which the assets is recognised to property, plant and equipment and depreciation commences; ● the estimation of economic useful lives and residual values assigned to Fixed asset. <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 & 18 to the financial statements.</p>	<p>Our audit procedures to assess the carrying value of property, plant & 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"> ● 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. ● 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. ● 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. ● Reconcile on a sample basis the additional capitalised costs for the year to the underlying invoices and supporting documents. ● We reviewed minutes of board meetings for approval of the total capitalisation cost. ● We assessed the company's capitalisations policy for compliance with IAS 16 and tested the expenditure capitalised against the capitalisations policy. ● We traced payments to supporting documents. ● We assessed the adequacy of the disclosures of the financial statements.
Deferred tax liability	
<p>Company reported net deferred tax liability totaling Taka 625,165,134 as at 31 December 2020.</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 & 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"> ● 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. ● We also assessed the completeness and accuracy of the data used for the estimations of future taxable expense. ● We tested the mathematical accuracy in calculation of deferred tax. ● 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. ● We assessed the adequacy of the company's disclosures setting out the basis of deferred tax liability balances and the level of estimation involved. ● We also assisted in evaluating the tax implications, the reasonableness of estimations and calculations determined by management. ● 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. ● Finally assessed the appropriateness and presentation of disclosures against IAS 12 Income Taxes.

Key Audit Matters	How our audit addressed the key audit matters
Investment fluctuation fund	
<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 & 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 2020, the Group reported total balance under the head of Investment fluctuation fund of Taka 1,635,351,212.</p> <p>See note no. 2.20 & 4.C to the financial statements.</p>	<p>We have obtained an understanding of the policy & operating effectiveness related with the key controls of investment fluctuation fund. Moreover, its valuation & 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"> ● We have ensured the year end share holding positions from the company. ● We have reviewed the assumptions used for the valuation models for any unquoted securities ● Recalculation has been done on the unrealized gain or loss at the year end. ● 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.
Estimated liability in respect of outstanding claims whether due or intimated and claim payment	
<p>Green Delta Insurance company Limited has represented the amount related with the claim due or intimated from the insured which involves management judgement & risk of over & 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 31 December 2020, 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 488,210,687.</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"> ● Obtained the claim register and tested for completeness of claims recorded in the register on a sample basis. ● Obtained a sample of claimed policy copy and cross check it with claim. ● Obtained a sample of survey reports cross checked those against respective ledger balances and in case of discrepancy carried out further investigation. ● Obtained and discussed with management about their basis for estimation and challenged their assumptions where appropriate. ● Reviewed the claim committee meeting minutes about decision for impending claims. ● Tested a sample of claims payments with intimation letter, survey report, bank statement, claim provisional register and general ledger. ● Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act 1938 (as amended in 2010), Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.

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:

- a) 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;
- b) 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;
- c) 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;
- d) 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;
- e) 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;
- f) 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
- g) The expenditure was incurred for the purpose of the Company's business

Firm's Name : S. F. Ahmed & Co., Chartered Accountants

Firm's Registration No. : 10898 E.P, As Partnership Act 1932

Signature : *S. F. Ahmed Co.*

Engagement Partner Name : Md. Enamul Haque Choudhury, FCA, Senior Partner/Enrollment No. 471

DVC Number : 2103140471AS986796

Date : 14 February 2021

9.2 GDIC & its Subsidiaries Consolidated Balance Sheet

CONSOLIDATED BALANCE SHEET

As at 31 December 2020

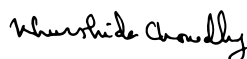
		Amount in Taka	
	Notes	2020	2019
Capital and liabilities:			
Share capital			
Authorized capital	3.00	5,000,000,000	5,000,000,000
Issued, subscribed and paid-up capital	3.00	931,983,200	887,603,050
Share premium		70,041,875	114,422,025
Reserve or contingency account	4.A	4,417,526,336	4,515,944,100
Reserve for exceptional losses		1,423,904,445	1,343,436,409
Investment fluctuation fund	4.C	1,635,351,212	1,802,886,562
General reserve		180,000,000	180,000,000
Dividend equalization fund		110,000,000	110,000,000
Revaluation reserve	4.B	1,068,270,679	1,079,621,129
Profit & loss appropriation account	5.A	1,006,584,916	547,175,861
Non controlling interest	5.B	19,369	12,383
Total shareholders' equity		6,426,155,696	6,065,157,419
Balance of fund accounts	6.00	664,711,158	804,175,230
Fire insurance business		238,042,086	251,465,340
Marine insurance business		276,114,945	378,853,332
Motor insurance business		50,910,492	62,588,656
Miscellaneous ins. business		99,643,635	111,267,902
Premium deposit	7.00	250,257,092	236,909,826
Liabilities and provisions:		4,617,339,873	4,581,756,468
Estimated liability in respect of outstanding claims whether due or intimated	8.00	488,210,687	266,386,721
Amount due to other persons or bodies carrying on insurance business	9.00	1,086,087,021	953,638,605
Sundry creditors (Including outstanding expenses, taxes & provisions)	10.A	2,215,304,179	1,763,064,934
Loan received	11.A	827,737,986	1,598,666,208
Total liabilities		5,532,308,123	5,622,841,524
Total liabilities & shareholders' equity		11,958,463,819	11,687,998,943

		Amount in Taka	
	Notes	2020	2019
Assets and properties			
		8,459,835,081	8,357,789,032
Investment	12.A	3,674,502,637	3,813,416,474
Outstanding premium	13.00	50,499,003	116,799,873
Amount due from other persons or bodies carrying on insurance business	14.00	3,386,518,199	3,193,543,266
Sundry debtors (including advances and deposits)	15.A	1,348,315,242	1,234,029,419
Cash and cash equivalent	16.A	1,338,901,583	1,149,950,331
Other accounts			
Land property and office space with building project	17.00	859,974,010	859,974,010
		1,299,753,145	1,320,285,570
Fixed assets	18.A	1,291,663,650	1,310,614,547
Intangible assets	18.B	5,464,402	7,360,735
Stock of printing, stationery and stamps	19.00	2,625,093	2,310,288
Total assets and properties		11,958,463,819	11,687,998,943

The accompanying notes on page no. 19-38 form an integral part of these financial statements.



Chairman



Vice Chairperson



Managing Director & CEO



Financial Controller



Company Secretary

Signed as per our separate report of even date

Dated, Dhaka
14 February 2021

S. F. Ahmed & Co.

Md. Enamul Haque Choudhury, FCA

Senior Partner
Enrolment No- 471

S. F. Ahmed & Co.
Chartered Accountants

Firm Registration Number: 10898
DVC: 2103140471AS986796

Green Delta Insurance Company Ltd. & Its Subsidiaries
**CONSOLIDATED PROFIT AND LOSS
 APPROPRIATION ACCOUNT**

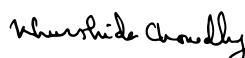
For the year ended 31 December 2020

	Notes	Amount in Taka	
		2020	2019
Balance brought forward from last year		438,558,582	353,718,308
Net profit for the year brought down		1,008,969,200	372,379,669
Total		1,447,527,782	726,097,977
Reserve for exceptional losses	4.01	80,468,036	99,840,978
Current tax expense		331,071,405	81,188,196
Deferred tax (income)/expenses		10,257,211	(9,930,966)
Adjustment for GDSDL		-	-
Dividend and reserve distributed from last year :		133,140,458	116,441,187
Cash		133,140,458	116,441,187
Profit for the period of continuing operation		587,172,548	201,281,461
Balance transferred to balance sheet		892,590,672	438,558,582
Total		1,447,527,782	726,097,977
Earning per share (Adjusted EPS of 2019)	24.A	7.16	3.23

The accompanying notes on page no. 19-38 form an integral part of these financial statements.



Chairman



Vice Chairperson



Managing Director & CEO



Financial Controller



Company Secretary

Signed as per our separate report of even date

Dated, Dhaka
14 February 2021

S. F. Ahmed & Co.

Md. Enamul Haque Choudhury, FCA

Senior Partner
Enrolment No:- 471

S. F. Ahmed & Co.

Chartered Accountants

Firm Registration Number: 10898

DVC: 2103140471AS986796

Green Delta Insurance Company Ltd. & Its Subsidiaries

CONSOLIDATED PROFIT AND LOSS ACCOUNT

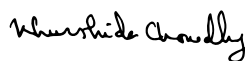
For the year ended 31 December 2020

		Amount in Taka	
	Notes	2020	2019
Investment income		96,235,406	177,342,663
Income from share business	21.A	116,179,049	7,917,146
Brokerage commission & others less direct expenses		82,261,154	100,401,893
Interest & other income	21.B	157,523,895	179,967,165
Total investment income		452,199,504	465,628,867
Fire insurance revenue account		334,466,172	12,897,064
Marine insurance revenue account		404,259,478	376,608,571
Motor insurance revenue account		74,554,020	16,495,723
Misc. insurance revenue account		152,121,495	7,546,205
Total revenue income		965,401,165	413,547,563
Total income		1,417,600,669	879,176,430
Management expenses	21.C	358,415,079	454,055,815
Director's fee & expenses		809,286	1,387,386
Audit fees		345,000	690,000
Depreciation		49,062,105	48,163,559
Total expenditure		408,631,470	504,296,760
Profit before tax and other provision		1,008,969,200	374,879,669
Others provision		-	2,500,000
Net profit before tax		1,008,969,200	372,379,669
Profit attributable to GDIC		1,008,978,214	372,379,495
Share of non-controlling interest		(9,014)	174
		1,008,969,200	372,379,669

The accompanying notes on page no. 19-38 form an integral part of these financial statements.



Chairman



Vice Chairperson



Managing Director & CEO



Financial Controller



Company Secretary

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Dated, Dhaka
14 February 2021

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DVC: 2103140471AS986796

Green Delta Insurance Company Ltd. & Its Subsidiaries

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2020

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
Opening balance as on 01 January 2020	887,603,050	114,422,025	1,343,436,409	180,000,000	110,000,000	1,079,621,130	1,802,886,562	547,175,859	6,065,145,036	12,383	6,065,157,419
Depreciation on asset revaluation for 2020	-	-	-	-	-	(18,160,722)	-	18,160,722	-	-	-
Deferred tax on revaluation reserve	-	-	-	-	-	6,810,271	-	-	6,810,271	-	6,810,271
Stock dividend @5% for the year-2019	44,380,150	(44,380,150)	-	-	-	-	-	-	-	-	-
Cash dividend paid @15% for the year 2019	-	-	-	-	-	-	-	(133,140,458)	(133,140,458)	16,000	(133,124,458)
Profit after tax	-	-	-	-	-	-	-	667,640,584	667,640,584	(9,014)	667,631,570
Changes in unrealized gain/(loss) from investment in quoted share	-	-	-	-	-	-	(186,836,996)	-	(186,836,996)	-	(186,836,996)
Deferred tax on investment fluctuation fund	-	-	-	-	-	-	19,301,646	-	19,301,646	-	19,301,646
Appropriation to reserve for exceptional loss	-	-	80,468,036	-	-	-	-	(93,251,791)	(12,783,755)	-	(12,783,755)
Balance as on 31 December 2020	931,983,200	70,041,875	1,423,904,445	180,000,000	110,000,000	1,068,270,679	1,635,351,212	1,006,584,916	6,426,136,327	19,369	6,426,155,696
Balance as on 31 December 2019	887,603,050	114,422,025	1,343,436,410	180,000,000	110,000,000	1,079,621,130	1,802,886,562	547,175,859	6,065,145,036	12,383	6,065,157,419


Chairman

Chairman


Vice Chairman

Vice Chairman


Managing Director & CEO

Managing Director & CEO


Financial Controller

Financial Controller


Company Secretary

Company Secretary

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14 February 2021

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S. F. Ahmed & Co.
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Green Delta Insurance Company Ltd. & Its Subsidiaries

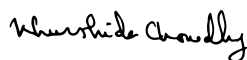
CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2020

	Amount in Taka	
	2020	2019
Cash flow from operating activities		
Collections from premium and other income	4,396,584,813	4,543,617,886
Payments for management expense, re-insurance and claims	(3,436,927,938)	(4,484,371,695)
Income tax paid	(98,101,806)	(97,202,806)
Net cash inflow/(outflow) from operating activities	861,555,069	(37,956,615)
Cash flow from investing activities		
Investment in share and others	(71,986,712)	(497,894,049)
Loan given to GDSL	(34,900,000)	-
Investment in subsidiary company	16,000	-
Dividend received	51,263,064	128,216,464
Interest received on FDR	52,919,800	70,468,246
Other investment income	170,149,105	63,758,167
Purchase of fixed assets	(30,256,333)	(35,353,736)
Disposal of fixed assets	9,090,076	12,199,440
Receipts/Investment in others	8,061,981	(8,846,935)
Net cash outflow from investing activities	154,356,981	(267,452,403)
Cash flows from financing activities:		
Dividend paid	(133,140,548)	(116,441,188)
Loan repaid	(552,211,510)	598,906,947
Finance cost	(141,305,984)	(220,228,230)
Client account	(302,756)	(24,020,165)
Net cash generated from financing activities	(826,960,798)	238,217,365
Net cash inflow or (outflow) during the year	188,951,252	(67,191,653)
Cash & cash equivalents at the beginning of the year	1,149,950,331	1,217,141,985
Cash & cash equivalents at the end of the year	1,338,901,583	1,149,950,331
Net Operating Cash Flows Per Share (NOCFPS)	9.24	(0.43)



Chairman



Vice Chairperson



Managing Director & CEO



Financial Controller



Company Secretary

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Senior Partner
Enrolment No:- 471

S. F. Ahmed & Co.

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Firm Registration Number: 10898
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Green Delta Insurance Company Ltd.

BALANCE SHEET

As at 31 December 2020

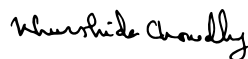
		Amount in Taka	
	Notes	2020	2019
Capital and liabilities:			
Share capital			
Authorized share capital	3.00	5,000,000,000	5,000,000,000
Issued, subscribed and paid-up capital	3.00	931,983,200	887,603,050
Share premium		70,041,875	114,422,025
Reserve or contingency account:	4.00	4,389,786,197	4,494,383,427
Reserve for exceptional losses	4.01	1,423,904,445	1,343,436,409
Investment fluctuation fund	4.02	1,677,133,039	1,850,847,854
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	998,748,713	1,010,099,164
Profit & loss appropriation account	5.00	850,410,568	362,057,861
Total shareholders' equity		6,242,221,840	5,858,466,363
Balances of funds & accounts:	6.00	664,711,158	804,175,230
Fire insurance business		238,042,086	251,465,340
Marine insurance business		276,114,945	378,853,332
Motor insurance business		50,910,492	62,588,656
Miscellaneous insurance business		99,643,635	111,267,902
Premium deposit	7.00	250,257,092	236,909,826
Liabilities and provisions		4,147,786,529	4,200,169,348
Estimated liability in respect of outstanding claims whether due or intimated	8.00	488,210,687	266,386,721
Amount due to other persons or bodies carrying on insurance business	9.00	1,086,087,021	953,638,605
Sundry creditors (including outstanding expenses, taxes & provisions)	10.00	1,980,185,830	1,621,501,212
Loan received	11.00	593,302,991	1,358,642,810
Total liabilities		5,062,754,779	5,241,254,404
Total liabilities & shareholders' equity		11,304,976,619	11,099,720,767

		Amount in Taka	
	Notes	2020	2019
Assets and properties			
		8,123,844,099	8,015,680,568
Investment	12.00	3,798,558,384	3,900,951,294
Outstanding premium	13.00	50,499,003	116,799,873
Amount due from other persons or bodies carrying on insurance business	14.00	3,386,518,199	3,193,543,266
Sundry debtors (including advances and deposits)	15.00	888,268,513	804,386,135
Cash and cash equivalents	16.00	1,063,385,659	941,113,001
		2,117,746,861	2,142,927,198
Land	17.00	859,974,010	859,974,010
Fixed assets & intangible assets	18.00	1,255,147,758	1,280,642,900
Stock of printing, stationery and stamps	19.00	2,625,093	2,310,288
Total assets and properties		11,304,976,619	11,099,720,767

The accompanying notes on page no. 19-38 form an integral part of these financial statements.



Chairman



Vice Chairperson



Managing Director & CEO



Financial Controller



Company Secretary

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Senior Partner

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Green Delta Insurance Company Ltd.

PROFIT AND LOSS APPROPRIATION ACCOUNT

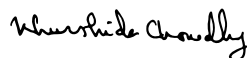
For the year ended 31 December 2020

		Amount in Taka	
	Notes	2020	2019
Balance brought forward from last year		207,939,811	87,761,762
Net profit for the year brought down		1,016,584,200	360,604,545
Total		1,224,524,011	448,366,307
Reserve for exceptional losses	4.01	80,468,036	99,840,978
Current tax expense	10.01	322,526,510	69,825,297
Deferred tax (income) / expense	10.02	10,257,211	(9,930,966)
Dividend and reserve distributed from last year Profit :		133,140,458	80,691,187
Cash dividend		133,140,458	80,691,187
Profit for the period of continuing operation		603,332,443	200,869,236
Balance transferred to balance sheet		678,131,796	207,939,811
Total		1,224,524,011	448,366,307
Earning per share (Adjusted EPS of 2019)		7.34	3.23
P/E Ratio		8.40	16.18

The accompanying notes on page no. 19-38 form an integral part of these financial statements.



Chairman



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Managing Director & CEO



Financial Controller



Company Secretary

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Enrolment No.- 471

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Firm Registration Number: 10898

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Green Delta Insurance Company Ltd.

PROFIT AND LOSS ACCOUNT

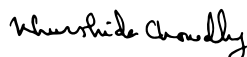
For the year ended 31 December 2020

		Amount in Taka	
	Notes	2020	2019
Expenses of management (not applicable to any particular fund or account)		208,183,896	305,371,311
		40,436,578	42,296,726
Director's fee & expenses		809,286	1,387,386
Audit fees	20.00	345,000	690,000
Depreciation		39,282,292	40,219,340
Net profit for the year carried down to profit & loss appropriation account		1,016,584,200	360,604,545
Total		1,265,204,674	708,272,582
Investment & others income	21.00	299,803,509	294,725,019
Profit & loss transferred from :		965,401,165	413,547,563
Fire insurance revenue account		334,466,172	12,897,064
Marine insurance revenue account		404,259,478	376,608,571
Motor insurance revenue account		74,554,020	16,495,723
Miscellaneous insurance revenue account		152,121,495	7,546,205
Total		1,265,204,674	708,272,582

The accompanying notes on page no. 19-38 form an integral part of these financial statements.



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Financial Controller



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Enrolment No.- 471

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Chartered Accountants

Firm Registration Number: 10898

DVC: 2103140471AS986796

Green Delta Insurance Company Ltd.


STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2020

Particulars	Share capital	Share premium	Reserve for exceptional losses	General reserve	Dividend equalization fund	Investment fluctuation fund	Revaluation reserve	"Retained earnings"	Total
Opening balance as on 1 January 2020	887,603,050	114,422,025	1,343,436,410	180,000,000	110,000,000	1,850,847,854	1,010,099,164	362,057,861	5,858,466,363
Depreciation on asset revaluation for 2020	-	-	-	-	-	-	(18,160,722)	18,160,722	-
Deferred Tax on revaluation reserve	-	-	-	-	-	-	6,810,271	-	6,810,271
Stock dividend @ 5% for the year 2019	44,380,150	(44,380,150)	-	-	-	-	-	-	-
Cash dividend paid @15% for the year 2019	-	-	-	-	-	-	-	(133,140,458)	(133,140,458)
Profit after tax	-	-	-	-	-	-	-	683,800,478	683,800,478
Changes in unrealized gain/(loss) from investment in quoted share	-	-	-	-	-	(193,016,461)	-	-	(193,016,461)
Deferred tax on investment fluctuation fund	-	-	-	-	-	19,301,646	-	-	19,301,646
Appropriation to reserve for exceptional loss	-	-	80,468,036	-	-	-	-	(80,468,036)	-
Closing balance as on 31 December 2020	931,983,200	70,041,875	1,423,904,445	180,000,000	110,000,000	1,677,133,039	998,748,713	850,410,568	6,242,221,840
Balance as on 31 December 2019	887,603,050	114,422,025	1,343,436,410	180,000,000	110,000,000	1,850,847,854	1,010,099,164	362,057,861	5,858,466,363



Chairman



Vice Chairman



Managing Director & CEO



Financial Controller



Company Secretary

Dated, Dhaka
14 February 2021

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S. F. Ahmed & Co.
Md. Enamul Haque Choudhury, FCA
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Green Delta Insurance Company Ltd.

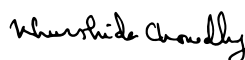
STATEMENT OF CASH FLOWS

For the year ended 31 December 2020

	Amount in Taka	
	2020	2019
Cash flow from operating activities:		
Collections from premium and other income	4,278,840,044	4,358,903,007
Payments for management expense, re-insurance and claims	(3,436,256,772)	(4,314,894,109)
Income tax paid	(76,804,091)	(85,722,627)
Net cash inflow/(outflow) from operating activities	765,779,181	(41,713,729)
Cash flow from investing activities:		
Investment in share and FDR	(72,987,090)	(512,951,762)
Loan given to GDSL/Recovery of loan to GDSL	(34,900,000)	20,000,000
Investment in subsidiary company	16,000	(1,000,000)
Dividend received	51,263,064	128,216,464
Interest received on FDR	52,919,801	67,476,131
Other investment income	170,149,105	63,758,167
Purchase of fixed assets	(15,432,979)	(21,676,754)
Disposal of fixed assets	9,090,076	12,199,440
Net cash outflow from investing activities	160,117,977	(243,978,314)
Cash flow from financing activities:		
Bank loan	(575,742,650)	572,566,644
Finance cost	(94,741,302)	(161,988,065)
Dividend paid	(133,140,548)	(80,691,188)
Net cash generated from financing activities	(803,624,500)	329,887,391
Net increase/(decrease) in cash & cash equivalents during the year	122,272,658	44,195,348
Cash & cash equivalents at the beginning of the year	941,113,001	896,917,653
Cash & cash equivalents at the end of the year	1,063,385,659	941,113,001
Net Operating Cash Flows Per Share (NOCFPS)	8.22	(0.47)



Chairman



Vice Chairperson



Managing Director & CEO



Financial Controller



Company Secretary

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Senior Partner
Enrolment No.- 471

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Chartered Accountants

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Green Delta Insurance Company Ltd.

CONSOLIDATED ALL BUSINESS REVENUE ACCOUNT

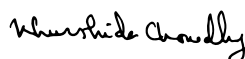
For the year ended 31 December 2020

		Amount in Taka	
	Notes	2020	2019
		1,331,337,539	1,785,074,444
Claims under policies less re-insurance	22.00	389,774,817	565,480,832
Agency commission		414,723,100	624,622,236
Expenses of management		526,839,622	594,971,376
Profit transferred to profit & loss account		965,401,168	413,547,563
Balance of accounts at the end of the year as shown in the balance sheet	6.00	664,711,158	804,175,230
Total		2,961,449,865	3,002,797,237
Balance of account at the beginning of the year		804,175,230	674,051,405
Gross premium		3,676,748,740	4,164,148,240
Re-insurance premium		(2,067,388,030)	(2,167,328,670)
Net premium	23.00	1,609,360,710	1,996,819,570
Commission on re-insurance ceded		547,913,925	331,926,262
Total		2,961,449,865	3,002,797,237

The accompanying notes on page no. 19-38 form an integral part of these financial statements.



Chairman



Vice Chairperson



Managing Director & CEO



Financial Controller



Company Secretary

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Senior Partner

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Green Delta Insurance Company Ltd.

FIRE INSURANCE REVENUE ACCOUNT

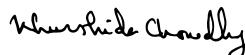
For the year ended 31 December 2020

	Notes	Amount in Taka	
		2020	2019
		672,340,762	722,359,509
Claims under policies less re-insurance	22.00	229,394,341	296,806,852
Expenses of management		197,468,227	146,578,443
Agency commission		245,478,194	278,974,214
Profit transferred to profit & loss account		334,466,172	12,897,064
Balance of account at the end of the year as shown in the balance sheet (reserve for unexpired risks)		238,042,086	251,465,340
Total		1,244,849,020	986,721,913
		1,244,849,020	986,721,913
Balance of account at the beginning of the year		251,465,340	184,144,543
Premium less re-insurance	23.00	596,808,942	630,897,067
Commission on re-insurance ceded		396,574,739	171,680,303
Total		1,244,849,020	986,721,913

The accompanying notes on page no. 19-38 form an integral part of these financial statements.



Chairman



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Managing Director & CEO



Financial Controller



Company Secretary

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Senior Partner

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Green Delta Insurance Company Ltd.

MARINE INSURANCE REVENUE ACCOUNT

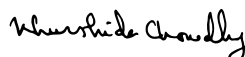
For the year ended 31 December 2020

	Notes	Amount in Taka	
		2020	2019
		404,830,760	634,865,686
Claims under policies less re-insurance	22.00	103,387,537	132,797,337
Expenses of management		205,000,184	281,421,957
Agency commission		96,443,039	220,646,392
Profit transferred to profit & loss account		404,259,478	376,608,571
Balance of account at the end of the year as shown in the balance sheet (reserve for unexpired risks)		276,114,945	378,853,332
Total		1,085,205,183	1,390,327,589
		1,085,205,183	1,390,327,589
Balance of account at the beginning of the year		378,853,332	383,795,721
Premium less re-insurance	23.00	632,629,431	928,049,302
Commission on re-insurance ceded		73,722,420	78,482,566
Total		1,085,205,183	1,390,327,589

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Managing Director & CEO



Financial Controller



Company Secretary

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Green Delta Insurance Company Ltd.

MOTOR INSURANCE REVENUE ACCOUNT

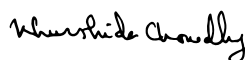
For the year ended 31 December 2020

		Amount in Taka	
	Notes	2020	2019
		71,477,831	153,687,695
Claims under policies less re-insurance	22.00	14,417,314	34,940,302
Expenses of management		42,598,917	91,215,992
Agency commission		14,461,600	27,531,401
Profit transferred to profit & loss account		74,554,020	16,495,723
Balance of account at the end of the year as shown in the balance sheet (reserve for unexpired risks)		50,910,492	62,588,656
Total		196,942,343	232,772,074
		196,942,343	232,772,074
Balance of account at the beginning of the year		62,588,656	64,466,505
Premium less re-insurance	23.00	130,128,828	159,026,499
Commission on re-insurance ceded		4,224,859	9,279,070
Total		196,942,343	232,772,074

The accompanying notes on page no. 19-38 form an integral part of these financial statements.



Chairman



Vice Chairperson



Managing Director & CEO



Financial Controller



Company Secretary

Signed as per our separate report of even date

Dated, Dhaka
14 February 2021

S. F. Ahmed & Co.

Md. Enamul Haque Choudhury, FCA

Senior Partner

Enrolment No:- 471

S. F. Ahmed & Co.

Chartered Accountants

Firm Registration Number: 10898

DVC: 2103140471AS986796

Green Delta Insurance Company Ltd.

MISCELLANEOUS INSURANCE REVENUE ACCOUNT

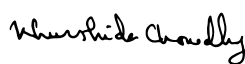
For the year ended 31 December 2020

		Amount in Taka	
	Notes	2020	2019
		182,688,186	274,161,556
Claims under policies less re-insurance	22.00	42,575,625	100,936,341
Expenses of management		81,772,294	75,754,985
Agency commission		58,340,267	97,470,230
Profit transferred to profit & loss account		152,121,495	7,546,205
Balance of account at the end of the year as shown in the balance sheet (reserve for unexpired risks)		99,643,635	111,267,902
Total		434,453,316	392,975,663
		434,453,316	392,975,663
Balance of account at the beginning of the year		111,267,902	41,644,636
Premium less re-insurance	23.00	249,793,507	278,846,703
Commission on re-insurance ceded		73,391,907	72,484,324
Total		434,453,316	392,975,663

The accompanying notes on page no. 19-38 form an integral part of these financial statements.



Chairman



Vice Chairperson



Managing Director & CEO



Financial Controller



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Green Delta Insurance Company Ltd.

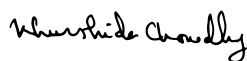
FORM "AA"

Classified Summary of Assets as at 31 December 2020

Sl. No.	Class of Assets	Book Value BDT
1	Investment in government bond	75,000,000
2	Shares listed on DSE & CSE (market price)	2,649,313,272
3	Alliance Leasing and Finance	120,000,000
4	Green Delta AIMS Ltd.	4,500,000
5	United Hospital	56,100,000
6	Investment in GDSL as margin loan (Note: 12.1)	235,000,000
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.	49,980,000
14	Energypac Power Generation Ltd.	4,972,000
15	Fixed Deposit	1,258,762,865
16	Cash at bank on STD and current account	24,181,216
17	Outstanding premium	50,499,003
18	Amount due from other persons or bodies carrying on insurance business	3,386,518,199
19	Sundry debtors (including advance and deposits)	888,268,513
20	Land property	859,974,010
21	Fixed assets (at cost less depreciation)	1,255,147,758
22	Stock of stationery and stamps	2,625,093
Total:		11,304,976,619



Chairman



Vice Chairperson



Managing Director & CEO



Financial Controller



Company Secretary

Signed as per our separate report of even date

Dated, Dhaka
14 February 2021

S. F. Ahmed & Co.

Md. Enamul Haque Choudhury, FCA

Senior Partner
Enrolment No:- 471

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Chartered Accountants

Firm Registration Number: 10898

DVC: 2103140471AS986796

Green Delta Insurance Company Limited

NOTES TO THE FINANCIAL STATEMENTS

As at and for the year ended 31 December 2020

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 1985 and obtained the certificate of commencement of business as on 24 December 1985 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

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 is takeover by GDICL in the year 2013. GDICL holds 99.999% of the shares and 0.0001% is hold by an individual shareholder. The GDSL was mainly established as a brokerage house with a view to cope with the business needs of the stock buying and selling in the market as a member of the DSE and CSE under the agencies of operating stock broker and stock dealer.

Green Delta Capital Limited (GDCL)

GDICL holds 99.999% of the shares and 0.0001% is hold by an individual shareholder. The principal activities of GDCL is to carry on trade, business of indenture, dealers, traders, brokers, importers and exporters and operate and provide 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 is to provide promotional and marketing services to local and foreign clients regarding publicity and brand management of product and organization.

(d) Structure, content and presentation of financial statements

Being the general purpose financial statements, the presentation of these financial statements is in accordance with the guidelines provided by per requirement of Insurance Act 1938 and International Accounting Standard 1: Presentation of Financial Statements. A complete set of financial statements comprise:

- i) Balance sheet as at 31 December 2020;
- ii) Profit and loss account for the year ended 31 December 2020;
- iii) Profit and loss appropriation account for the year ended 31 December 2020;
- iv) Statement of changes in equity for the year ended 31 December 2020;
- v) Statement of cash flows for the year ended 31 December 2020;
- vi) Consolidated all business revenue account for the year ended 31 December 2020;
- vii) Fire insurance revenue account for the year ended 31 December 2020;

- viii) Motor insurance revenue account for the year ended 31 December 2020;
- ix) Marine insurance revenue account for the year ended 31 December 2020;
- x) Miscellaneous insurance revenue account for the year ended 31 December 2020; and
- xi) Notes comprising a summary of significant accounting policies and other explanatory information to the accounts for the year ended 31 December 2020.

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 accrual basis under the historical cost convention. The financial position has been prepared in accordance with the regulations as contained in parts I of the First Schedule and as per From "A" as set forth Part II of that schedule, Statement of Profit or Loss & Other Comprehensive Income and Statement of Profit or Loss Appropriation Account has been prepared in accordance with the regulations as contained in Part I of the Second Schedule and as per From "B" & "C" as set forth in Part II of that Schedule respectively and the Revenue Accounts of each class of General Insurance business has been prepared in accordance with the regulation as contained in part I of the Third Schedule and as per From "F" as set forth in Part II of the Schedule of the Insurance Act, 1938. 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.

Implications of COVID-19 on our business

Main impact of Covid 19 on GDICL relates to decline in Revenue. Overall revenue has decreased by 12% in 2020. Lockdown resulted to deferral in policy renewals and auto-renewal of motor policies, however the policies were renewed later post lockdown. Marine business was also impacted due to drop in international trade. However, 11% growth was achieved in Fire portfolio as it is renewal driven.

Operation was in progress through online system and with the help of central work-from-home team during the lockdown situation. Due to the technological improvements made over the years and with the lockdown support, smooth operation could be ensured along with timely claim and other payments.

Moreover, in 2020, claims and expenses are significantly lower than 2019. Due to the lockdown followed by limited operations and automobile movement, there were lower incidents of claim. Resultantly, claim expense decreased by 31%. Additionally, various measures were implemented enabling the company to reduce operational expenses by 18%.

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.

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 2020 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

Depreciation on newly acquired assets are calculated from the date when the related assets are available for use and charged until 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 is reduced to its recoverable amount. That reduction is an impairment loss. An impairment loss is recognized as an expenses in the profit and loss account.

2.09 Intangible assets

Intangible assets (computer software) are amortized on straight line method based on the useful lives of the assets which is 7 years.

2.10 Leases

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

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 and 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 service.
- 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 is ascertained on net profit with approval in the Annual General Meeting and the expense is accounted for in the year to which same relates.

v) Workers' Participation Fund and Welfare Fund

Section 234 of chapter 15 of Labor Law 2006 (as amended in 2013) requires every company to establish a workers' Participation Fund and Welfare Fund. However, BFID, on behalf of the financial institution sector, requested clarification from the Labor Ministry regarding the applicability of the provisions for the sector. Similarly Bangladesh Insurance Association has corresponded with Financial Ministry on this matter requesting for exemption for Insurance Companies. As no decision has been yet concluded on such communications, we are yet to provide for the said provision.

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

Deferred tax was accounted for as per International Accounting Standard 12: Income Taxes. Deferred tax is accounted for using the comprehensive tax balance sheet method. It is generated by temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax base.

Deferred tax assets, including those related to the tax effects of income tax losses and credits available to be carried forward, are recognized only to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences or unused tax losses and credits can be utilized.

Deferred tax liabilities are recognized for all taxable temporary differences. They are also recognized for taxable temporary differences arising on investments and it is probable that temporary differences will not reverse in the foreseeable future. Deferred tax assets associated with these interests are recognized only to the extent that it is probable that the temporary difference will reverse in the foreseeable future and there will be sufficient taxable profits against which to utilize the benefits of the temporary difference.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period(s) when the asset and liability giving rise to them are realized or settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date. The measurement reflects the tax consequences that would follow from the manner in which the corporation at the reporting date, recovers or settles the carrying amount of its assets and liabilities.

2.18 Provision for outstanding claims

For non-life insurance contracts, estimates have to be made both for the expected ultimate cost of claims reported at the reporting date and for the expected ultimate cost of claims incurred, but not yet reported, at the reporting date.

2.19 Reserve or contingencies

a) Reserve for exceptional losses

As per Insurance Act 1938 as amended 2010, 5% statutory reserve is maintained out of profit by the Company to meet any possible future claims.

b) Foreign currency fluctuation fund

The Company maintains foreign currency account for overseas transactions and recognizes foreign currency gain / (loss) 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 once it is realized.

d) General reserve

The Company creates a general reserve from the current year profit to avoid future contingency as and when decided by the Board.

e) Dividend equalization fund

Dividend equalization fund is created for making proposed and approved dividend payments consistently to the shareholders in the event of worst business situation of the company.

2.20 Disclosure of departure from few requirements of IFRS due to mandatory compliance of Insurance Act's requirements

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:

- a) a) As per Insurance Act 1938 (as amended 2010), investments in quoted shares is revalued at the year end at market price and unquoted shares is revalued at the year end at cost price and as per book value of last audited balance sheet respectively. Provisions has been made by netting off any unrealized gain/(loss) arising at the Balance sheet date. 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.
- b) 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 the GDICL has recognized provision of BDT 664,711,158 as balance of fund and liabilities in the balance sheet under liabilities.
- c) Insurance Act 1938 has issued templates for financial statements which is to be followed strictly by all general and life insurance company. The templates of financial statements issued by Insurance Act does not include other comprehensive income (OCI). However, deferred tax related to revaluation reserve & investment fluctuation reserve has been shown through statement of changes in equity.
- d) As per IDRA guidelines, financial instruments are categorized, recognized and measured differently from those prescribed in IFRS 9. Disclosures in the prescribed templates of IDRA guidelines are disclosed only.

2.21 Interest expense

The Company has incurred interest and related expenses on account of overdraft and short term loan. In terms of provision of the International Accounting Standard 1: Presentation of Financial Statements, interest expenses are recognized on accrual basis.

2.22 Earnings per share

The Company presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Detail computations provided in note 24.

2.23 Accounting for changes in accounting estimates

IAS 8 states that the effect of a change in an accounting estimate is to be applied prospectively by inclusion in the current accounting period and, if relevant, in future accounting period. The carrying amount of assets, liabilities, or equity may be changed following a change in accounting estimates in the period of the change.

2.24 Related party disclosure

As per International Accounting Standards: 24 Related Party Disclosures, parties are considered to be related if one of the party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The Company carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with its related parties. Related party disclosures have been given in Note: 27.

2.25 Events after the reporting period

There is no material adjusting or non adjusting events after the balance sheet date.

Board of Directors has recommended cash dividend of 24.5% and stock dividend of 7.5% for the year ended 31 December 2020. In compliance with section 16G and 16F of ITO 1984 more than 30% of net profit for the year has been recommended as dividend for the year comprising of higher cash dividend than stock dividend.

2.26 Contingent liabilities and contingent assets

The company does not recognize contingent liability and contingent assets but discloses the existence of contingent liability in the financial statements. A contingent liability is probable obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of uncertain future events not within the control of the company or present obligation that is not recognize because outflow of resources is not likely or obligation cannot be measured reliably.

2.27 Branch accounting

The Company has 43 branch offices with no overseas branch as on 31 December 2020. Accounts of the branches are maintained at the head office which are included in the accompanying financial statements.

2.28 Consistency of Presentation

In accordance with the IFRS framework for the presentation of financial statements together with IAS 1 and IAS 8, Green Delta Insurance Company Limited applies the accounting disclosure principles consistently from one period to the next. Where selecting and applying new accounting policies, changes in accounting policies applied, correction of errors, the amounts involved are accounted for and disclosed retrospectively in accordance with the requirement of IAS 8. We have applied the consistent accounting and valuation principles.

2.29 Comparative information

Comparative information has been disclosed in respect of the period ended 31 December 2020 for all numerical data in the financial statements and also the narrative and descriptive information when it is relevant for better understanding of the current year's financial statements. Prior year figures have been restated and rearranged whenever considered necessary to ensure comparability with the current period.

2.30 Director responsibility

The Board of Director takes the responsibility for the preparation and presentation of the financial Statements.

2.31 Authorization date for issuing financial statements

The financial statements were authorized by the Board of Directors on 14 February 2021 for public issue.

2.32 General

Figures appearing in these financial statements have been rounded off to the nearest BDT amount.

2.33 Reporting Currency

The financial statements are prepared and presented in Bangladesh Taka (BDT), which is the company's functional currency.

2.34 Reporting Period

The financial period under audit of the company covering (12) twelve months from of 01 January 2020 to 31 December 2020.

		Amount in Taka		
		2020	2019	
3.00	Authorised share capital:			
	500,000,000 ordinary shares of BDT 10 each	5,000,000,000	5,000,000,000	
	Issued, subscribed & paid up capital			
	93,198,320 ordinary shares of BDT 10 each fully paid up in cash	931,983,200	887,603,050	
	Classification of shareholders by holdings as on 31 December 2020.			
Range of share holding	No. of Shareholders	No. of Shares	% of Holdings	Value of Share in BDT
Less than 500 Shares	2,127	349,021	0.37%	3,490,210
501 - 5,000	1,369	2,379,581	2.55%	23,795,810
5,001 - 10,000	163	1,209,438	1.30%	12,094,380
10,001 - 20,000	113	1,601,475	1.72%	16,014,750
20001 - 30000	46	1,132,967	1.22%	11,329,670
30001 - 40000	18	645,706	0.69%	6,457,060
40,001 - 50,000	20	903,673	0.97%	9,036,730
50,001 - 60,000	12	647,852	0.70%	6,478,520
60,001 - 70,000	8	528,754	0.57%	5,287,540
70,001 - 80,000	6	452,863	0.49%	4,528,630
80,001 - 90,000	2	175,129	0.19%	1,751,290
90,001 and above	104	83,171,861	89.24%	831,718,610
	3,988	93,198,320	100.00%	931,983,200
4.00	Reserve or contingency account			
	Reserve for exceptional losses (Note: 4.01)	1,423,904,445	1,343,436,409	
	Investment fluctuation fund (Note: 4.02)	1,677,133,039	1,850,847,854	
	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)	998,748,713	1,010,099,164	
	Total	4,389,786,197	4,494,383,427	
4.01	Reserve for exceptional losses			
	Opening balance	1,343,436,409	1,343,221,488	
	Add: Addition during the year (5% of net premium income)	80,468,036	99,840,978	
	Less: Adjustment During the year	-	(99,626,057)	
	Sub Total	1,423,904,445	1,343,436,409	
4.02	Investment fluctuation fund			
	Opening balance	1,850,847,854	1,862,916,205	
	Unrealised gain/(loss) made during the year	(193,016,461)	(13,409,279)	
	Deferred tax on unrealised gain/(loss) during the year	19,301,646	1,340,928	
	Sub Total	1,677,133,039	1,850,847,854	
4.03	General reserve			
	Opening balance	180,000,000	180,000,000	
	Addition during the year	-	-	
	Sub Total	180,000,000	180,000,000	
4.04	Dividend equalization fund			
	Opening balance	110,000,000	110,000,000	
	Less: Transfer to retained earnings	-	-	
	Sub Total	110,000,000	110,000,000	
4.05	Revaluation reserve			
	Opening balance	1,010,099,164	1,016,438,495	
	Realized through excess depreciation on revaluation of assets	(11,350,451)	(6,339,331)	
	Sub Total	998,748,713	1,010,099,164	

		Amount in Taka	
		2020	2019
4.A	Consolidated reserve for contingency account		
	Green Delta Insurance Company	4,389,786,197	4,494,383,429
	Green Delta Securities Limited	27,740,139	21,560,672
	Total	4,417,526,336	4,515,944,101
4.B	Consolidated revaluation reserve		
	Green Delta Insurance Company	998,748,713	1,010,099,164
	Green Delta Securities Limited	69,521,966	69,521,965
	Sub Total	1,068,270,679	1,079,621,129
4.C	Consolidated Investment fluctuation fund		
	Green Delta Insurance Company	1,677,133,039	1,850,847,854
	Green Delta Securities Limited	(41,781,828)	(47,961,292)
	Total	1,635,351,211	1,802,886,562
5.00	Profit and loss appropriation account		
	Opening Balance (accumulated un distributed profit)	362,057,861	231,736,883
	Add: Net profit for the year	1,016,584,200	360,604,544
	Less : Transfer to reserve for exceptional losses	(80,468,036)	(99,840,978)
	Less : Current tax expense	(322,526,510)	(69,825,297)
	Less : Deferred tax income / (expense)	(10,257,211)	9,930,966
	Less : Cash dividend paid for the year 2019	(133,140,458)	(80,691,187)
	Add: Transfer of excess depreciation from asset revaluation reserve	18,160,722	10,142,929
	Total	850,410,568	362,057,861
5.A	Consolidated profit and loss appropriation account		
	Green Delta Insurance company	850,410,568	362,057,860
	Green Delta Capital Limited	23,499,749	27,244,473
	Green Delta Securities Ltd.	159,848,719	162,210,211
	GD Assist Ltd.	(15,085,230)	2,989,411
	Professional Advancement Bangladesh Ltd.	(12,088,887)	(7,326,095)
	Total	1,006,584,919	547,175,861
5.B	Non-controlling interest		
	Green Delta Capital Limited	352	352
	Green Delta Securities Ltd.	458	454
	GD Assist Ltd.	15,365	6,467
	Professional Advancement Bangladesh Ltd.	3,194	5,110
	Total	19,369	12,383
6.00	Balance of fund account		
	Fire insurance business	238,042,086	251,465,340
	Marine insurance business	276,114,945	378,853,332
	Motor insurance business	50,910,492	62,588,656
	Misc. insurance business	99,643,635	111,267,902
	Total	664,711,158	804,175,230

Above business insurance accounts maintained as reserve for unexpired risks based on following percentages on premium income excluding Public Sector Business at the following rates :

Particulars	Total Net Premium (without SBC)	%	Balance of Fund	
			2020	2019
Fire	595,105,216	40%	238,042,086	251,465,340
Marine Cargo	585,566,386	40%	234,226,555	362,600,820
Marine Hull	41,888,390	100%	41,888,390	16,252,512
Motor	127,276,230	40%	50,910,492	62,588,656
Miscellaneous	249,109,088	40%	99,643,635	111,267,902
Total	1,598,945,310		664,711,158	804,175,230

		Amount in Taka		
		2020	2019	
7.00	Premium deposits			
	Marine cargo	250,257,092	236,909,826	
	Total	250,257,092	236,909,826	
	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	423,461,723	241,056,633	
	Marine Cargo	41,186,202	2,712,386	
	Marine Hull	12,601,939	5,480,538	
	Motor	6,115,191	7,677,600	
	Miscellaneous	4,845,632	9,459,564	
	Total	488,210,687	266,386,721	
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	51,725,256	62,295,443	
	Overseas re-insurer	1,034,361,765	891,343,162	
	Total	1,086,087,021	953,638,605	
10.00	Sundry creditors			
	Liability for expenses	9,852,604	17,470,868	
	Others payable	490,302,910	433,777,766	
	Provision for income tax (Note : 10.01)	812,787,378	490,260,868	
	Deferred tax liabilities (Note : 10.02)	625,165,134	641,019,839	
	Unclaimed dividend	42,077,804	38,971,870	
	Total	1,980,185,830	1,621,501,212	
10.01	Provision for income tax			
	Opening balance	490,260,868	420,435,571	
	Add : Addition during the year	322,526,510	69,825,297	
	Sub Total	812,787,378	490,260,868	
10.02	Deferred tax (asset)/liability			
	Opening balance	641,019,840	656,095,332	
	Deferred tax obligation / (benefit) during the year	10,257,211	(9,930,966)	
	Deferred tax obligation / (benefit) during the year related to investment fluctuation fund and excess depreciation on revaluation reserve	(26,111,917)	(5,144,526)	
	Total	625,165,134	641,019,840	
10.02.01	Deferred tax assets/(liabilities) as on 31 December 2020 :			
	As at 31 December 2020	Carrying amount	Tax base value	Applicable tax rate
	Property, Plant and Equipment at cost	708,819,192	388,833,055	37.5%
	Revaluation of Land	778,963,925	-	15%
	Revaluation of Property, Plant and Equipment	538,607,007	-	37.5%
	Unrealized gain on marketable securities	1,863,481,149	-	10.0%
	Total deferred tax liabilities	3,889,871,273	388,833,055	625,165,134
10.02.02	Deferred tax assets/(liabilities) as on 31 December 2019 :			
	As at 31 December 2019	Carrying amount	Tax base value	Applicable tax rate
	Property, Plant and Equipment at cost	723,875,172	431,241,597	37.5%
	Revaluation of Land	778,963,925	-	15.0%
	Revaluation of Property, Plant and Equipment	556,767,729	-	37.5%
	Unrealized gain on marketable securities	2,056,497,616	-	10.0%
	Total deferred tax liabilities	4,116,104,441	431,241,597	641,019,839

		Amount in Taka	
		2020	2019
10.A	Consolidated sundry creditors		
	Green Delta Insurance Company Ltd.	1,980,185,830	1,621,501,212
	Green Delta Capital Limited	12,256,827	17,533,689
	Green Delta Securities Limited	214,148,672	117,241,121
	Professional Advancement Bangladesh Ltd.	2,430,113	447,921
	GD Assist Ltd.	6,282,737	6,340,991
	Total	2,215,304,179	1,763,064,934
11.00	Loan received		
	Bank overdraft	593,302,991	1,288,642,910
	Loan from Green Delta Capital	-	69,999,900
	Total	593,302,991	1,358,642,810
11.A	Consolidated bank overdraft		
	Green Delta Insurance Company Ltd.	593,302,991	1,288,642,910
	Green Delta Securities Limited	229,646,615	221,717,813
	Green Delta Capital Limited	-	83,985,989
	GD Assist Ltd.	4,788,380	4,319,496
	Total	827,737,986	1,598,666,208
12.00	Investment		
	Investment in government bond	75,000,000	25,000,000
	Investment in GDSL as margin loan (Note: 12.01)	235,000,000	205,000,000
	Investment in quoted shares (Market Price)	2,649,313,272	2,863,321,038
	Investment In FDR (maturity more than 3 months)	219,558,422	187,927,566
	Investment in unquoted share(Note: 12.02)	209,710,890	209,710,890
	Investment in Subsidiaries (Note: 12.03)	409,975,800	409,991,800
	Total	3,798,558,384	3,900,951,294
12.01	Investment in GDSL as margin loan		
	Margin Loan of Green Delta Securities Ltd.	235,000,000	205,000,000
	Sub Total	235,000,000	205,000,000
12.02	Investment in unquoted share		
	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
	Sub Total	209,710,890	209,710,890
12.03	Investment in Subsidiaries		
	Green Delta Capital Limited	249,999,900	249,999,900
	Green Delta Securities Ltd.	99,999,900	99,999,900
	GD Assist Ltd.	49,980,000	49,996,000
	Professional Advancement Bangladesh Ltd.	9,996,000	9,996,000
	Sub Total	409,975,800	409,991,800
12.A	Consolidated investment		
	Investment of Green Delta Insurance Co. Ltd.	3,153,582,584	3,285,959,494
	Investment of Green Delta Capital Ltd.	207,393,242	229,669,340
	Investment of Green Delta Securities Ltd.	274,858,351	259,955,501
	Investment of Professional Advancement Bangladesh Ltd.	10,876,057	13,097,511
	Investment of GD Assist Ltd.	27,792,403	24,734,628
	Total	3,674,502,637	3,813,416,474

		Amount in Taka	
		2020	2019
13.00	Outstanding premium		
	Outstanding premium represents installments due as on the reporting date on account of Marine & Aviation Business.		
	Marine hull	30,514,330	61,429,105
	Aviation hull	19,984,673	55,370,768
	Total	50,499,003	116,799,873
14.00	Amount due from other persons or bodies carrying on insurance business		
	This represents the amount receivable from private sector insurance companies on account of co-insurance premium and claim as on 31 December:		
	Co-insurance premium receivable	40,027,286	30,583,936
	Co-insurance claim receivable	10,753,354	11,788,513
	Amount due from overseas re-insurer & SBC	3,335,737,559	3,151,170,817
	Total	3,386,518,199	3,193,543,266
15.00	Sundry debtors (including advance and deposits)		
	Advance rent	7,547,637	10,325,845
	Advance salary	30,749	52,261
	Other advances	870,764,877	780,725,411
	Security deposit	3,396,300	3,927,303
	Accrued interest	6,528,950	9,355,315
	Total	888,268,513	804,386,135
15.A	Consolidated sundry debtors		
	Green Delta Insurance Company Ltd.	784,581,689	729,214,403
	Green Delta Capital Limited	54,932,380	67,847,091
	Green Delta Securities Limited	480,657,455	401,932,872
	Professional Advancement Bangladesh Ltd.	15,170,668	17,297,389
	GD Assist Ltd.	12,973,050	17,737,664
	Total	1,348,315,242	1,234,029,419
16.00	Cash and cash equivalent		
	Fixed deposits	1,039,204,443	843,988,921
	Cash at Bank	23,670,390	94,798,585
	Cash in hand	510,826	2,325,495
	Total	1,063,385,659	941,113,001
16.A	Consolidated cash and cash equivalent		
	Green Delta Insurance Company Ltd.	1,063,385,659	941,113,001
	Green Delta Capital Limited	14,016,822	6,540,870
	Green Delta Securities Limited	255,996,621	195,704,881
	Professional Advancement Bangladesh Ltd.	3,043,002	421,432
	GD Assist Ltd.	2,459,479	617,0147
	Total	1,338,901,583	1,149,950,332
17.00	Land		
	Land at revalued price (Mohakhali)	800,000,000	800,000,000
	Land at Aftabnagar (cost Price)	59,974,010	59,974,010
	Total	859,974,010	859,974,010

Land 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.

	Furniture & Fixtures	Office & Electrical Equipments	Vehicles	Building & Real Estate		Total
				Own Used	Investment Property	
18.00 Fixed asset						
Cost/Revaluation						
As at 01 January 2020	90,434,693	114,169,265	114,764,480	631,699,128	636,884,423	1,587,951,989
Additions during the year	4,492,638	6,629,545	3,638,356	-	-	14,760,539
Adjustment during the year	780	(864,944)	276,530	-	-	(587,634)
Disposal during the year	(2,380,696)	(957,400)	(1,901,980)	-	-	(5,240,076)
Total as at 31 December 2020	92,547,415	118,976,466	116,777,386	631,699,128	636,884,423	1,596,884,818
Depreciation						
As at 01 January 2020	53,231,548	83,575,093	95,196,817	46,746,563	35,753,640	314,503,661
Charged during the year	9,303,437	7,420,778	7,946,172	6,380,799	6,433,176	37,484,362
Adjustment during the year	38	(65,814)	-	-	-	(65,776)
Disposal during the year	(1,914,467)	(917,128)	(1,901,979)	-	-	(4,733,574)
Total as at 31 December 2020	60,620,556	90,012,929	101,241,010	53,127,362	42,186,816	347,188,672
Sub Total written down value of fixed asset	31,926,859	28,963,537	15,536,376	578,571,766	594,697,607	1,249,696,146
Sub Total written down value of intangible assets (Note 18.01)						5,451,612
Total written down value as at 31 December 2020	31,926,859	28,963,537	15,536,376	578,571,766	594,697,607	1,255,147,758
Written down value at 31 December 2019	37,203,145	30,594,172	19,567,663	584,952,565	601,130,783	1,273,448,328
Written down value of intangible assets						7,194,572
Total Written down value at 31 December 2019	37,203,145	30,594,172	19,567,663	584,952,565	601,130,783	1,280,642,900

		Amount in Taka	
		2020	2019
18.01	Intangible assets		
	Opening balance	12,568,816	7,172,697
	Add : Addition during the year	395,128	5,396,119
	Add: Adjustment during the year	864,944	-
	Less: Disposal during the year	3,850,000	-
		9,978,888	12,568,816
	Less : Amortization during the year	1,797,930	1,436,909
	Add: Disposal during the year	2,710,454	-
	Less: Adjustment during the year	65,556	-
	Less : Accumulated amortization	5,374,244	3,937,335
	Sub Total	5,451,612	7,194,572
18.A	Consolidated fixed assets		
	Green Delta Insurance Company Ltd.	1,249,696,146	1,273,448,328
	Green Delta Capital Limited	9,666,617	4,773,403
	Green Delta Securities Ltd.	11,818,243	13,549,094
	Professional Advancement Bangladesh Ltd.	6,252,562	3,833,796
	GD Assist Ltd.	14,230,082	15,009,926
	Total	1,291,663,650	1,310,614,547

		Amount in Taka	
		2020	2019
18.B	Consolidated intangible assets		
	Green Delta Insurance Company Ltd.	5,451,612	7,194,572
	Green Delta Capital Limited	12,790	166,162
	Total	5,464,402	7,360,734
19.00	Stock of printing, stationery & stamps		
	Printing	1,334,274	1,567,988
	Stationery	4,621	10,703
	Insurance policy stamps	1,286,198	731,597
	Total	2,625,093	2,310,287
20.00	Audit fees		
	Statutory audit	345,000	690,000
	Total	345,000	690,000
21.00	Investment and others income		
	Interest on FDR & STD and others	53,696,390	75,001,158
	Net profit from shares trading	106,536,684	2,428,240
	Interest on national bond	2,132,780	1,717,400
	Gain from asset disposal	(794,198)	3,332,490
	Dividend income	51,470,886	132,700,216
	Interest income from GDSL	20,012,978	21,333,255
	Co-ins service charges	4,491,790	6,572,520
	Sundry income	10,020,504	8,150,051
	Rental income	29,409,261	30,229,830
	Income from trustee commission	23,447,034	13,320,000
	Currency exchange gain/ (loss)	(620,600)	(60,141)
	Total	299,803,509	294,725,019
21.A	Consolidated income from share		
	Green Delta Insurance Company Ltd.	106,536,684	2,428,240
	Green Delta Capital Limited	8,246,453	2,946,008
	Green Delta Securities Ltd.	1,395,912	2,542,898
	Total	116,179,049	7,917,146
21.B	Consolidated interest & others income		
	Green Delta Insurance Company Ltd.	112,386,677	129,366,733
	Green Delta Capital Limited	18,667,618	30,792,126
	Green Delta Securities Ltd.	56,909,682	57,960,621
	Professional Advancement Bangladesh Ltd.	649,364	486,239
	GD Assist Ltd.	1,823,203	2,602,546
		190,436,544	221,208,265
	Less: Inter company transaction	32,912,649	41,241,100
	Total	157,523,895	179,967,165
21.C	Consolidated management expenses		
	Green Delta Insurance Company Ltd.	208,183,896	305,371,311
	Green Delta Capital Limited	36,304,011	46,635,701
	Green Delta Securities Ltd.	110,685,225	125,438,669
	Professional Advancement Bangladesh Ltd.	8,565,264	7,569,085
	GD Assist Ltd.	27,589,332	10,282,149
		391,327,728	495,296,915
	Less: Inter company transaction	32,912,649	41,241,100
	Total	358,415,079	454,055,815

22.00 Claims under policies less re-insurance

	Fire	Marine Cargo	Marine Hull	Motor	Miscellaneous	Total
Claims paid during the year	46,989,251	54,556,639	3,235,681	15,979,723	47,189,557	167,950,851
Claims outstanding at the end of the year	423,461,723	41,186,202	12,601,939	6,115,191	4,845,632	488,210,687
Claims outstanding at the beginning of the year	(241,056,633)	(2,712,386)	(5,480,538)	(7,677,600)	(9,459,564)	(266,386,721)
Total amount (year - 2020)	229,394,341	93,030,455	10,357,082	14,417,314	42,575,625	389,774,817
Total amount (year - 2019)	296,806,852	121,830,947	10,966,389	34,940,302	100,936,341	565,480,832

23.00 Premium less re-insurance

	On Direct Business	On Re-ins Accepted	On Re-ins. Ceded	Total Amount in 2020	Total Amount in 2019
Class of business :					
Fire	2,057,201,922	-	(1,460,392,980)	596,808,942	630,897,067
Marine Cargo	768,574,671	-	(177,858,397)	590,716,274	911,748,119
Marine Hull	146,132,299	-	(104,219,142)	41,913,157	16,301,182
Motor	149,147,018	-	(19,018,190)	130,128,828	159,026,499
Miscellaneous	555,692,830	-	(305,899,323)	249,793,507	278,846,703
Total amount (31 December 2020)	3,676,748,740	-	(2,067,388,030)	1,609,360,710	1,996,819,570

24.00 Earning per share (EPS)

Basic earning per share (EPS) on net profit after tax	7.34	3.23
Earnings attributable to ordinary shares:	683,800,478	300,710,215
Profit as per profit & loss account	1,016,584,200	360,604,544
Less: Income tax provision	322,526,510	69,825,297
Less: Deferred tax expenses	10,257,211	(9,930,966)
Number of outstanding shares:	Number of shares as at 31.12.2020	Number of shares as at 31.12.2019
Shares outstanding as on 1 January	88,760,305	80,691,187
Bonus share issued	4,438,015	8,069,118
	93,198,320	88,760,305
	683,800,478	300,710,213
	93,198,320	93,198,320
24.A Basic earnings per shares	7.34	3.23
		Amount in Taka
	2020	2019

25.00 Net assets value

The offer price of the common stock of Green Delta Insurance Co. Ltd. has been determined on the basis of net assets value, the break up is given below:

A. Assets.		
Investment	3,798,558,384	3,900,951,294
Outstanding premium	50,499,003	116,799,873
Amount due to other persons or bodies carrying on insurance business	3,386,518,199	3,193,543,266
Sundry debtors	888,268,513	804,386,135
Cash and bank balance	1,063,385,659	941,113,001
Land, fixed asset & others	2,117,746,861	2,142,927,197
Total Assets	11,304,976,619	11,099,720,767

		Amount in Taka	
		2020	2019
	B. Liabilities		
	Balance of fund accounts	664,711,158	804,175,230
	Premium deposit	250,257,092	236,909,826
	Estimated liability in respect of outstanding claims whether due or intimated	488,210,687	266,386,721
	Amount due to other persons or bodies carrying on insurance business	1,086,087,021	953,638,605
	Sundry creditors	1,980,185,830	1,621,501,212
	Bank loan	593,302,991	1,358,642,810
	Total liabilities	5,062,754,779	5,241,254,403
	Net Assets (A - B)	6,242,221,840	5,858,466,364
	Number of shares outstanding during the year	93,198,320	88,760,305
	Net assets value per share	66.98	66.00
25.01	Consolidated Net Assets Value per share		
	Consolidated Net assets	6,426,155,696	6,065,157,419
	Number of shares outstanding during the year	93,198,320	88,760,305
	Net assets value per share	68.95	68.33
26.00	Reconciliation of net operating cash flow with net profit		
	Profit before tax	1,016,584,200	360,604,545
	Adjusting non-cash items		
	Depreciation	39,282,292	40,219,340
	Opening unexpired risk reserve	(804,175,230)	(674,051,405)
	Closing unexpired risk reserve	664,711,158	804,175,230
	Finance cost	94,741,302	161,988,065
	Investment income	(283,374,463)	(269,084,695)
	Adjusted profit	727,769,259	423,851,081
	Working capital movement		
	Movement in OS claim	221,823,966	12,071,315
	Payable to RI	132,448,417	189,433,053
	Movement in other liabilities	(42,249,193)	372,510,424
	Movement in outstanding premium	66,300,868	(49,551)
	Receivable from RI	(192,677,493)	(749,626,174)
	Movement in other assets	(84,179,818)	(102,100,857)
	Movement in premium deposit	13,347,266	(102,080,394)
	Cash generated from operating activities		
	Tax paid	(76,804,091)	(85,722,627)
	Net cash generated by operating activities	765,779,181	(41,713,729)

		Amount in Taka	
		2020	2019
26.01	Reconciliation of net operating cash flow with net profit (Consolidated)		
	Profit before tax	1,008,969,200	374,879,671
	Adjusting non-cash items		
	Depreciation	49,062,105	48,163,559
	Opening unexpired risk reserve	(804,175,230)	(674,051,405)
	Closing unexpired risk reserve	664,711,158	804,175,230
	Finance cost	141,867,417	220,673,904
	Investment income	(328,280,378)	(318,008,610)
	Other Provision	-	2,500,000
	Adjusted profit	732,154,272	458,332,350
	Working capital movement		
	Movement in OS claim	221,823,966	12,071,315
	Payable to RI	132,448,417	189,433,053
	Movement in other liabilities	121,359,191	383,642,232
	Movement in outstanding premium	66,300,868	(49,551)
	Receivable from RI	(192,677,493)	(749,626,174)
	Movement in other assets	(135,146,293)	(132,476,642)
	Movement in premium deposit	13,347,266	(102,080,394)
	Cash generated from operating activities		
	Tax paid	(98,055,126)	(97,202,805)
	Net cash generated by operating activities	861,555,068	(37,956,615)

27.00 Related party transactions

The Company has entered into transactions with other entities in normal course of business that fall within the definition of related party as per International Accounting Standard-24 "Related Party Disclosure". The terms of related party transaction are not significantly different from those that could have been obtained from their parties. The significant related party transactions are as follows:

Name of the Party	Relationship	Nature of Transaction	2020	2019
Green Delta Securities Ltd.	Subsidiary Company	Intercompany Credit	291,946,171	248,412,176
Green Delta Capital Ltd.	Subsidiary Company	Inter Company Transaction	265,022	(69,767,537)
Professional Advancement Bang. Ltd.	Subsidiary Company	Inter Company Transaction	35,001,869	31,527,193
GD Assist Ltd.	Subsidiary Company	Inter Company Transaction	11,473,763	(7,952,061)

28.00 Number of employees

During the year under audit, there were 519 employees for the full year and 28 employees for less than full year.

Status of compliance of International Accounting Standards and International FINANCIAL REPORTING STANDARDS

Name of the IAS	IAS No.	Status
Presentation of financial statements	1	**
Inventories	2	N/A
Cash flow statement	7	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	N/A
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	Complied
Agriculture	41	N/A
Name of the IFRS	IFRS No.	Status
Share based payment	2	N/A
Business combination	3	Complied
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	**
Consolidated financial statements	10	Complied
Joint arrangements	11	N/A
Disclosure of interests in other entities	12	N/A
Fair value measurement	13	Complied
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.

Green Delta Insurance Company Ltd.

CALCULATION OF CURRENT TAX PROVISION

For the year ended 31 December 2020

Annexure-II

Net Profit Before Tax			1,016,584,200
Add: Expenses charged to Profit and Loss Account			
(1) Depreciation	39,282,292		
(2) Entertainment	499,350	39,781,641	
		1,056,365,841	
Deduct: Income incorporated in Profit and Loss Account			
(1) Capital gains from share trading	106,536,684		
(2) Dividend income	51,470,884	158,007,569	
		898,358,273	
Add: Excess Perquisites		34,293,019	
		932,651,291	
Less: Allowable expenditures			
(1) Depreciation as per 3rd Schedule	48,474,133		
(2) Reserve for exceptional Losses (Fourth Schedule Part 6-(2)	80,468,036		
(3) Entertainment expenses allowable as per limit u/s 30(i) Rule 65	499,350	129,441,518	
Total income from Insurance Business		803,209,773	
(1) Capital gains from share trading	106,536,684		
(2) Dividend income	51,470,884	158,007,569	
Assessed profit before tax		962,217,342	

Category of Income	Income	Rate	Tax Liability
Income from Insurance Business	804,209,773.58	37.5%	301,578,665
Tax on Dividend Income	51,470,884.44	20%	10,294,177
Capital Gain on sale of shares	106,536,684.21	10%	10,653,668
Gross current tax expense for period ended on 30 June 2020	962,217,342.23		322,526,510
Deferred Tax (benefit)/obligation to Profit and Loss Account			10,257,210
Total Tax Provision For the year ended 31 December 2020			332,783,721



SUBSIDIARY OVERVIEW

REPORT ON GREEN DELTA SECURITIES LTD.



Wafi Shafique Menhaz Khan
Managing Director & CEO

Message from CEO

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.

NEVER, did we imagine the world-wide pandemic that isolated us in our homes, put us in masks whenever we did venture out and kept our children out of school since end-March. It caused so much financial stress in our community and the world, along with the mental anguish of not being able to shake hands, hug, or be socially close to our family and friends. But here we are, preparing to

take things forward during these unusual and difficult times in the history of present generations

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.

we look at these changes and challenges as a time of opportunity! It is a time for all of us to open ourselves up to learning new skills and doing business in new ways. How disconnected our work would have become without the web-based video conferencing tool, Zoom, that allows us to meet on-line together, safely in the

convenience of our home as we continue our work as the “People of Action” in our capital market and around the world.

Despite the turmoil in the Capital Market all the year round at 2020, GDSL focused on a New Strategy to exist in the Market Shares of Trading and sustainability by virtual Awareness Sessions for the Investors., 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.

To ensure sustainability during the pandemic situation, we have decided to take number of initiatives to reduce the down the cost by introducing home office platform, promoting digital platform based services to our investors and virtual sessions for our team to uphold the mental health.

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 2020, GDSL have formed its Business Team with the introduction of Digital Sales Force, 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.

Despite the turmoil and hindrances in 2020 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 2021 and at the same time, we will remain focused this year and beyond for another prosperous year with you.


Thank you

Sd/-

Wafi Shafique Menhaz Khan
Managing Director & CEO



Mission
Ensuring the best service by maintaining strong compliance.



Vision
To be the preferred brokerage for individuals and institutional clients.



The Board of GDSL:

Our Board of Directors is formed with following persons:

- Mr. Nasir A. Choudhury, Chairman
- Mr. Nadeem Ahmed Chaudhury
- Ms. Naima Chowdhury
- Ms. Farzanah Chowdhury
- Mr. Abdul Hafiz Chowdhury
- Mr. Syed Moinuddin Ahmed



Brief profile of the Board of Directors

Mr. Nasir A. Choudhury, Chairman, is a visionary and a highly experienced professional. He has over 50 years of experience in the insurance industry and considered to be a living legend in this field. He started his career with Pakistan Insurance Corporation head office at Karachi, Pakistan in 1958. He is the Advisor and founder Managing Director of Green Delta Insurance Co. Ltd. the leading General Insurance Company in Bangladesh since its inception at 1986. He is also the Director, Chairman, Sponsor Director and Vice Chairman in several renowned organizations like Delta BRAC Housing Finance Corporation Ltd., Progressive Life Insurance Co. Ltd., Union Capital Ltd. etc. He received many prestigious awards not only for his contribution in the insurance industry but also for the overall economy.

Mr. Nadeem Ahmed Chaudhury, is a dynamic professional having many years of experience in several organizations like Eastern Housing Ltd; currently he is working as Chief Executive Officer of Bengal Development Corporation Ltd. he is also the Sponsor Director of Enrilco Ltd. He has experience in the Real Estate business for more than 18 years.

Ms. Naima Chowdhury, is a qualified professional having experience of managing renowned business portfolio of East Coast Group related to real estate. She is also the director of East Coast Group, Bangladesh.

Ms. Farzanah Chowdhury, is a qualified professional having working experience directly and indirectly with the insurance sector of the country since 1998. She also worked in the field of micro finance with BRAC and Small and Medium Enterprise (SME) financing with BRAC Bank Ltd. where she has been deeply involved to design, develop and implementing insurance coverage for the related beneficiaries. She has done her Masters of Business Administration from Monash Business School, Monash University, Melbourne, Australia, also a Diploma in Insurance from The Chartered Insurance Institute (CII-UK) and from Malaysia Insurance Institute (DMII). She is currently serving as the Managing Director & CEO of Green Delta Insurance Co. Ltd.

Mr. Abdul Hafiz Chowdhury, Abdul Hafiz Choudhury FCA has 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

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 also served as Director in the Board of Jiban Bima Corporation and Rupali Bank Ltd. for number of years and a Director of the Federation of Bangladesh Chamber of Commerce and Industries.

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 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. He is married to Rasheda K. Choudhury and they have two sons and daughter.

Mr. Syed Moinuddin Ahmed, 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, optimizing 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 GD Assist, 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.



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.

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 18 years of experience in related jobs.



Md. Fakruddin Ali Ahmed Rajib

Head of Business

Md. Fakruddin Ali Ahmed Rajib, former Head of student banking & AVP of City Bank, is the Executive Vice President & Head of Business of Green Delta Securities Ltd. Earlier he was in UAE Exchange & Eastern Bank Limited as an Officer. He was also awarded as the Best Branch Employee of the Month in Khorfakkan Branch of UAE Exchange. Mr. Rajib has more than 15 years of Experience in related 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 did 'AML protection' & 'How to greet with various nationality' training under UAE Exchange. He has also done 'Service Quality: Spirit to Serve" a Customer Service Training, 'Student file & Medical file Operation & Related Foreign Exchange Reporting', 'Product Knowledge' & 'Sales & Service Skill' under The City Bank Limited. He has attended & participated various conferences & Trainings 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 22 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 17 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. He is also an active member of BASIS.



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 M/S. Bobby Garments Limited as "Commercial Officer" since 1989 to 1996 & M/S. Sweater Fashions Ltd. M/S. Posh Sweater Ltd. & M/S. Scan Trade Ltd. as "Commercial Manager. Since 1997 to 2010 He has completed Graduation 1985 from Tejgaon College, Dhaka under Dhaka University. He has taken up several successful training and workshops on negotiation skill and vendor management etc.



Liakat Hossain

SEO & Assistant Manager
Internal Audit & Compliance

Mr. Liakat Hossain joined Green Delta Securities Ltd. In 2015, currently he is head of the Internal Audit & Compliance department. He has completed his Masters of Business Administration (MBA) from Prime University. Throughout the career he has participated in different training programs related to Compliance from different regulatory bodies. He has also participated in CAMLCO Conference jointly organized by Bangladesh Financial Intelligence Unit (BFIU) and Bangladesh Securities and Exchange Commission (BSEC) as Chief Anti Money Laundering Compliance Officer (CAMLCO) of Green Delta Securities Limited. His work experience in Bangladesh Capital Market is more than 7 years.



Adiba Khandoker

EO and Assistant Manager
HR Department, MD & CEO's Office

Adiba Khandoker is Head of Human Resources, working with Green Delta Securities Limited since 2018.

Ms. Adiba Khandoker did her graduation from American International University- Bangladesh on Accounting & Finance. She is a former executive Officer of TNT International Express (Represented by Bangladesh Trade Syndicate Limited- East Coast Group). She joined Green Delta securities Ltd as an Assistant Manager of Internal Audit and Compliance Department, she worked under Business Department as well. In between she participated in training on Sales Excellence.

2020 at a glance



Introducing Bkash and Nagad as deposit / collection channel



Establishment of a payment gateway through SSL Wireless



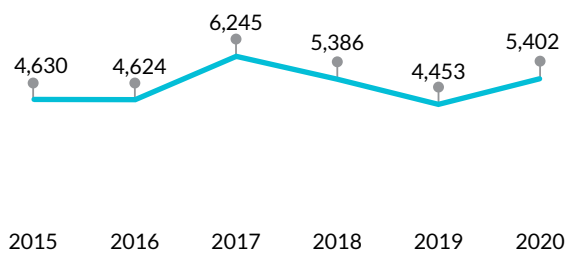
Launching of Online BO opening process



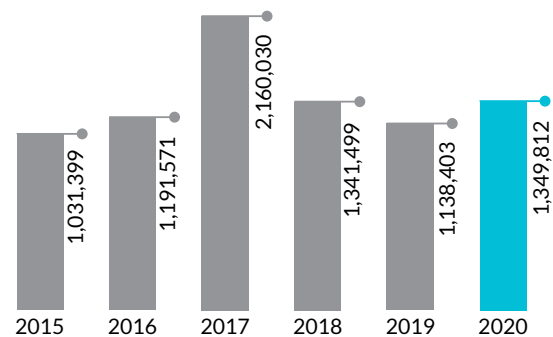
Shifting of principle branch from "2 Dilkusha C/A, Hadi Mansion (6th Floor)" to "82 Motijheel, Al Haj Tower (4th Floor)"

Graphical presentation

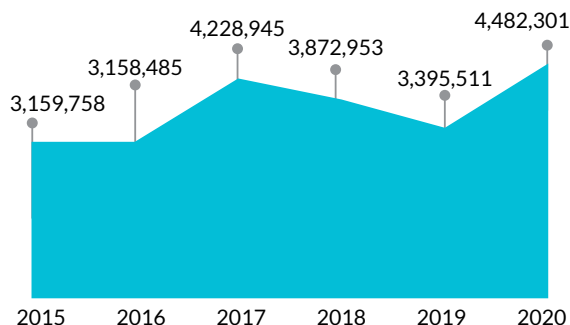
DSE Index (Year End)



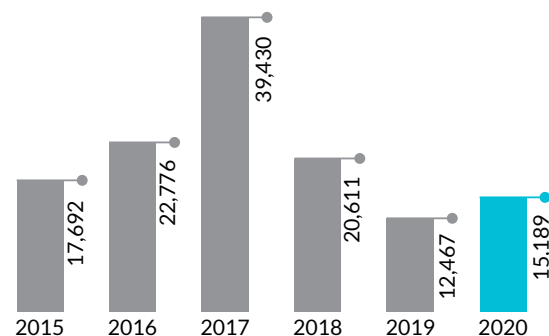
DSE Trade (Yearly Total)



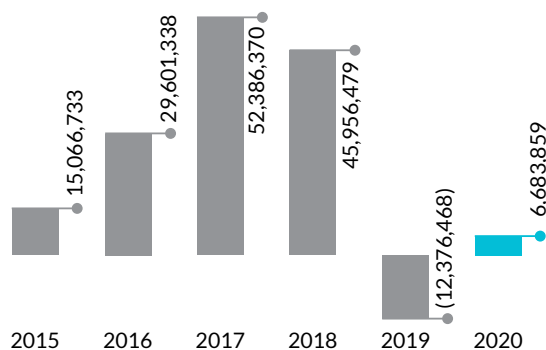
DSE Market Cap (Year End)



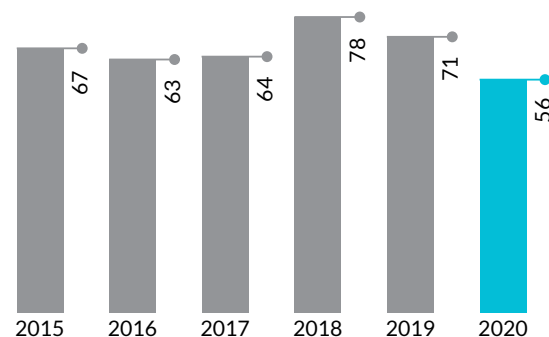
GDSL Trade (Yearly)



GDSL Pre Tax Profit



GDSL head count



Our Branch Offices:

 GREEN DELTA SECURITIES	
HEAD OFFICE & PRINCIPAL BRANCH	GULSHAN BRANCH
Al Haj Tower, (4th Floor), South Side, 82 Motijheel, C/A, Dhaka1000. Tel: +88-02-9567505, Ext: 101, Fax: 880 (2) 9567548, Mobile: +8801971405238 Email: a.malek@gdslbd.com	Giasuddin Tower (3rd Floor) 31 Gulshan Avenue, Gulshan-1, Dhaka-1212 Mobile: +8801614009092 Email: islam@gdslbd.com
DHANMONDI BRANCH	AGRABAD (CTG) BRANCH
Rupayan Prime (7th Floor) Road 7, Plot 2, Dhanmondi, Dhaka. Mobile: +8801612796266 Email: saydur@gdslbd.com	Makka Madina Trade Center (3rd Floor) 78, Agrabad C/A, Chattogram-4100 Tel: 031-2517845-46, Fax: 880 (031) 2514693 Mobile: +8801920684862 Email: mashiur@gdslbd.com
NASIRABAD (CTG) BRANCH	SYLHET BRANCH
Avenue Center (6th Floor), 787/A, CDA Avenue, East Nasirabad, Chattogram Mobile: +8801938707271 Email: gargidas@gdslbd.com	JR Tower (2nd Floor) 23 Abas, Jail Road, Sylhet-3100 Tel: +88-0821-711483 Fax: +88-0821-714255 Mobile: +8801611507991 Email: alamgir@gdslbd.com

10.1.2 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 15th 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 2020 and the Auditor's Report thereon for kind consideration and adoption.

Operational Highlights:

(Amount in absolute)

Particulars	2020	2019	2018
Number of BO Accounts at the beginning	6,482	7,597	6,625
Accounts opened during the year	780	581	1,902
Number of BO Accounts at year end	6,277	6,482	7,597
Growth (year-on-year)	(205)	(1,115)	972

Financial Highlights:

(Amount in million)

Particulars	2020	2019	2018
Net Brokerage Income	39.15	33.12	49.50
Net Interest income	14.07	11.02	11.00
Income from Share market investment	1.40	2.77	3.65
Operating Expenses	66.70	76.24	77.22
Net profit before tax and provision	6.68	(12.38)	45.96
Net profit after tax	0.33	(15.50)	23.23
Total Shareholders' Equity	287.59	283.77	334.40
Earnings Per Share	0.03	(1.48)	2.21

Operational Expenses:

(Amount in million)

Particulars	2020	2019	2018
Salary and Allowance	38.87	48.79	43.41
Data Connectivity	1.68	1.82	1.98
Office Maintenance	0.33	0.41	1.28
Office rent	8.14	9.15	9.68
Electrical and Utilities	1.86	2.95	3.02
Others	15.82	13.11	17.86

GDSL Trade

(Amount in crore, excluding Dealer Portfolio)

Particulars	2020	2019	2018
GDSL Trade	1,517	1,247	2,070

No of employees:

Particulars	2020	2019	2018
No of Employees	56	70	78

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 2020, The company reported profit/(loss) of Taka 6,508,376 in the year 2020 (AFS reserve BDT 6,179,464). 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 10% Cash Dividend to the shareholders of the company for 2020.

Appointment of Auditors

The company shall, at each AGM appoint/reappoint an auditor to hold office until the next AGM. The Auditors of the company M/S Ahmed Zaker & Co. Chartered accountants, has completed year 2020 as the auditor of the company. They are eligible for re-appointment as auditor of the company for the year 2021 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 2021 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,

Sd/-

Nasir A. Choudhury

Chairman

Green Delta Securities Limited

10.1.3 INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF GREEN DELTA SECURITIES LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Green Delta Securities Limited which comprise the Statement of Financial Position as at December 31, 2020, 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, 2020 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.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from

fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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.

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.



AKM Mohitul Haq FCA

Senior Partner

Enrolment No.- 458

Ahmed Zaker & Co.

Chartered Accountants

Firm Registration Number: [N/A]

DVC: 2103020458AS788668

Location: Dhaka

Dated: February 04, 2021

GREEN DELTA SECURITIES LTD.

STATEMENT OF FINANCIAL POSITION

As at December 31, 2020

Particulars	Notes	Amount in Taka	
		31.12.2020	31.12.2019
ASSETS			
Non-Current Assets		149,971,500	146,869,017
Property, Plant & Equipment	4	11,818,243	13,549,094
Investment in Stock Exchange for Membership	5	96,986,590	96,986,590
Investment in Bond & Others	6	41,166,667	36,333,333
Current Assets		873,359,170	724,273,331
Advances, Deposits and Prepayments	7	32,563,905	31,951,275
Receivable from Clients	8	416,100,522	356,668,820
Receivable from DSE & CSE	9	28,313,783	9,633,532
Investment in shares	10	136,705,094	126,635,578
Accounts Receivable	11	3,679,245	3,679,245
Cash and cash equivalents	12	255,996,621	195,704,881
TOTAL ASSETS		1,023,330,670	871,142,348
SHAREHOLDERS EQUITY AND LIABILITIES			
Shareholders equity		287,589,214	283,771,239
Share Capital	13	105,000,000	105,000,000
Retained Earnings	14	154,849,078	157,210,565
AFS Reserve	10.01	(41,781,828)	(47,961,292)
Revaluation Reserve	15	69,521,965	69,521,965
Long Term Liabilities		235,000,000	205,000,000
Loan From GDIC	16	235,000,000	205,000,000
Current Liabilities		500,741,457	382,371,110
Payable to Clients	17	174,996,469	84,105,353
Payable to DSE & CSE	18	3,818,866	29,306
Payable to IPO Issuer	19	18,658,800	-
Payable to GDIC (Management Expenses)	20	7,498,881	8,449,388
Interest Payable (GDIC)	21	32,890,177	32,922,025
Bank Overdraft	22	229,646,613	221,717,813
Liabilities for Expenses	23	7,099,981	7,932,185
Provision for Income Tax	24	25,508,594	25,387,324
Other Provision	25	623,076	1,827,716
TOTAL SHAREHOLDERS EQUITY AND LIABILITIES		1,023,330,670	871,142,348

The accompanying policies and explanatory notes 1-33 from an integral part of these financial statements.



Chairman



Director



Managing Director & CEO



Company Secretary



Head of Finance



AKM Mohitul Haq FCA

Senior Partner

Enrolment No.- 458

Ahmed Zaker & Co.

Chartered Accountants

Firm Registration Number: [N/A]

DVC: 2103020458AS788668

Signed as per our separate report of same date.

Place: Dhaka

Date: February 04, 2021

GREEN DELTA SECURITIES LTD.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended December 31, 2020

Particulars	Notes	Amount in Taka	
		31.12.2020	31.12.2019
Revenue		107,114,605	102,796,677
Brokerage Income	26	46,414,827	39,524,701
Interest Income on Margin Loan	27	56,402,120	57,960,621
Capital (Loss)/Gain from Investment in Shares	28	1,395,912	2,542,898
CDBL fees and others	29	2,901,746	2,768,457
Less: Cost of services		7,260,597	6,406,886
Direct Charge	30	7,260,597	6,406,886
Gross Profit		99,854,008	96,389,791
Add: Other non operational Income		15,862,820	14,412,618
Non operating Income	31	15,862,820	14,412,617
Less: Operating expenses		66,697,161	76,236,144
Office and administrative expenses	32	66,697,161	76,236,144
Less: Financial expenses		42,335,808	46,942,733
Interest expenses	33	42,335,808	46,942,733
Profit/ (Loss) before Tax (PBT)		6,683,859	(12,376,468)
Less: Provisions		6,354,947	3,121,825
Provision for Taxation	24	6,354,947	3,121,825
Other provision	25	-	-
Profit/ (Loss) after tax (PAT)		328,912	(15,498,293)
Other Comprehensive Income			
AFS Reserve		6,179,464	(19,376,980)
Total Comprehensive Income		6,508,376	(34,875,273)

The accompanying policies and explanatory notes 1-33 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 04, 2021



AKM Mohitul Haq FCA

Senior Partner

Enrolment No.- 458

Ahmed Zaker & Co.

Chartered Accountants

Firm Registration Number: [N/A]

DVC: 2103020458AS788668

GREEN DELTA SECURITIES LTD.

STATEMENT OF CHANGES IN EQUITY

For the year ended December 31, 2020

Amount in Taka

Particulars	Share Capital	Revaluation Reserve	AFS Reserve	Retained Earnings	Total Shareholders Equity
Balance as at January 01, 2020	105,000,000	69,521,965	(47,961,292)	157,210,565	283,771,239
AFS Reserve	-	-	6,179,464	-	6,179,464
Net profit/(Loss) for the year	-	-	-	328,912	328,912
Previous Year Adjustment	-	-	-	(2,690,400)	(2,690,400)
Cash Dividend	-	-	-	-	-
Balance as at December 31, 2020	105,000,000	69,521,965	(41,781,828)	154,849,078	287,589,214

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, 2019	105,000,000	69,521,965	(47,961,292)	188,458,858	315,019,531
Net profit for the year	-	-	-	(15,498,293)	(15,498,293)
Cash Dividend	-	-	-	(15,750,000)	(15,750,000)
Balance as at December 31, 2019	105,000,000	69,521,965	-	157,210,565	283,771,239



Chairman



Director



Managing Director & CEO



Company Secretary



Head of Finance

Signed as per our separate report of same date.

Place: Dhaka
Date: February 04, 2021



AKM Mohitul Haq FCA

Senior Partner

Enrolment No.- 458

Ahmed Zaker & Co.

Chartered Accountants

Firm Registration Number: [N/A]

DVC: 2103020458AS788668

GREEN DELTA SECURITIES LTD. STATEMENT OF CASH FLOWS

For the Year ended December 31, 2020

Particulars	Amount in Taka	
	31.12.2020	31.12.2019
Cash Flow from Operating Activities:		
Cash Received from Customers and others	44,865,472	130,514,321
Cash Paid to Customers, Suppliers, Employees & others	42,636,365	(113,474,793)
Income Tax paid & other Provision & Adjustment	(10,170,356)	(7,837,533)
Net Cash (used) /flows from operating activities	77,331,480	9,201,996
Cash Flow from Investing activities :		
Acquisition of Property, Plant & Equipment	(3,877,496)	(10,078,126)
Investment	(3,890,052)	(9,513,602)
Received from Sale of DSE Share	-	-
Investment in Bond & Others	(4,833,334)	(18,333,333)
Net Cash flows from Investing activities:	(12,600,882)	(37,925,062)
Cash Flow from Financing activities:		
Share Capital	-	-
Loan paid GDIC	30,000,000	(20,000,000)
Overdraft	7,928,800	25,129,279
Interest	(42,367,656)	(47,112,595)
Cash Dividend Paid	-	(15,750,000)
Net Cash (used) /flows from Financing activities:	(4,438,856)	(57,733,316)
Net increase/(decrease) in cash & cash equivalents	60,291,740	(86,456,383)
Add: Cash & Cash equivalents at the beginning of the year	195,704,881	282,161,264
Cash & Cash equivalents at the end of the year	255,996,621	195,704,881



Chairman



Director



Managing Director & CEO



Company Secretary



Head of Finance

Signed as per our separate report of same date.

Place: Dhaka
Date: February 04, 2021



AKM Mohitul Haq FCA

Senior Partner

Enrolment No.- 458

Ahmed Zaker & Co.

Chartered Accountants

Firm Registration Number: [N/A]

DVC: 2103020458AS788668

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2020

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. (GDSSL) effective September 13, 2009.

Registered Office of the Company:

Registered Office of the Company is situated at Al Haj Tower (4th floor), South Side, 82 Motijheel C/A, Dhaka.

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) International 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 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 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" "Revenue from Contract with Customers".

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, 2020 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).

The Board of Directors has proposed 10% Cash dividend on the paid up capital of the company's shareholders which is to be confirmed in the next Annual General Meeting (AGM) by the shareholders.

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
Green Delta Insurance Company Limited	Common Shareholder	Loan from GDIC	205,000,000	310,000,000	280,000,000	235,000,000
		Payable to GDIC (Management Expense)	84,49,388	48,08,072	57,58,579	74,98,881
		Interest Payable	32,992,025	20,158,041	20,189,889	32,890,177
		Receivable from GDCL	11,74,771			11,74,771
		Receivable from Nascom LTD.	21,851			21,851
		Receivable from GDICL. Car Sale proceeds	14,94,791			14,94,791
		Payable to GDICL office renovation.				20,12,683
		Interest Expense				20,158,041

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- 24 Related Party Disclosure
- IFRS-7 Financial Instruments Disclosure
- IFRS-13 Fair value Measurement
- IFRS-15 " Revenue from Contract with Customers"

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, 2020.
- b) Statement of Profit or Loss and Other Comprehensive Income for the year ended December 31, 2020.
- c) Statement of Changes in Equity for the year ended December 31, 2020.
- d) Statement of Cash flows for the year ended December 31, 2020.
- 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, 2020 to December 31, 2020.

Particulars		Amount in Taka	
		31.12.2020	31.12.2019
4.00	Property, Plant & Equipment		
	Cost:		
	Balance as at 01.01.2019	55,840,177	45,762,051
	Add: Addition during the year	3,877,496	10,078,126
		59,717,673	55,840,177
	Less: Adjustment during the year	-	-
	Balance as at 31.12.2020	59,717,673	55,840,177
	Depreciation:		
	Balance as at 01.01.2020	42,291,083	38,143,989
	Add: Charged during the year	5,608,347	4,147,094
		47,899,430	42,291,083
	Less: Adjustment during the year	-	-
	Balance as at 31.12.2020	47,899,430	42,291,083
	Written down value as at 31.12.2020	11,818,243	13,549,094
	Details of Property, Plant & Equipment is given in Annexure-A		
5.00	Stock Exchanges Membership		
	Dhaka Stock Exchange Limited - Membership	54,113,290	54,113,290
	Chittagong Stock Exchange Limited - Membership	42,873,300	42,873,300
		96,986,590	96,986,590
	Dhaka Stock Exchange (DSE) has sold 25% ordinary shares of DSE to be its strategic partners to a Chinese consortium [the consortium of Shenzhen Stock Exchange (SZSE) and Shanghai Stock Exchange (SSE)] that becomes a strategic partner of DSE.		
6.00	Investment in Bond & Others		
	Investment in Bond (LankaBangla Finance Ltd)	6,666,667	8,333,333
	Strategic Investment in Electro LED and Lights Ltd.	28,000,000	28,000,000
	Investment in BD Thai & Beverage Ltd.	6,500,000	-
		41,166,667	36,333,333
7.00	Advances, Deposits and Prepayments		
	Office rent (Advances)	2,120,184	3,179,537
	Advance to employee (Salary)	3,249,342	3,952,450
	Advance to employee (Car)	1,778,036	2,196,308
	Bloomberg Prepayment	-	1,143,317
	TDS on Car	275,000	190,000
	TDS on FDR Interest (Note-7.01)	5,835,901	5,359,467
	TDS on Bond (Note-7.02)	554,899	494,482
	TDS on Dividend of DLR (Note-7.03)	11,158,312	9,202,038
	Tax on Transaction (Note-7.04)	7,592,231	6,233,676
		32,563,905	31,951,275
7.01	TDS on FDR & STD Interest		
	Opening balance	5,359,467	4,668,976
	Add: Addition during the year	476,434	690,491
		5,835,901	5,359,467
	Less: Adjusted during the year	-	-
		5,835,901	5,359,467

Particulars		Amount in Taka	
		31.12.2020	31.12.2019
7.02	TDS on Bond		
	Opening balance	494,482	399,794
	Add: Addition during the year	60,417	94,688
		554,899	494,482
	Less: Adjusted during the year	-	-
		554,899	494,482
7.03	TDS on Dividend of DLR		
	Opening balance	9,202,038	8,383,359
	Add: Addition during the year	1,956,274	818,678
		11,158,312	9,202,038
	Less: Adjusted during the year	-	-
		11,158,312	9,202,038
7.04	Tax on Transaction		
	Opening balance	6,233,676	10,351,721
	Add: Addition during the year	7,592,231	6,233,676
		13,825,907	16,585,397
	Less: Adjusted during the year	6,233,676	10,351,721
		7,592,231	6,233,676
	As per Section 82 (C) of ITO 1984, the company made a provision for income tax Taka 7,592,231 against turnover tax applying a rate of 0.050% for the year 2020		
8.00	Receivable from Clients		
	Receivable from clients for share trading	416,100,522	356,668,820
		416,100,522	356,668,820
9.00	Receivable from DSE & CSE		
	DSE	26,161,212	7,330,674
	CSE	8,906	159,193
	Dividend Receivable from CSE	2,143,665	2,143,665
		28,313,783	9,633,532
10.00	Investment in Shares	Market Value	Market Value
	Bank	68,303,804	76,728,650
	Engineering	385,109	567,184
	Financial Institutions	50,300,350	40,544,500
	IT Sector	-	512,136
	Pharmaceuticals & Camicals	2,646,040	152,953
	Textile	7,727,110	7,968,425
	Travel & Leisure	147,522	161,731
	Miscellaneous	570,000	-
	Ceramics Sector	984,000	-
	Telecommunication	5,212,527	-
	Insurance	428,633	-
	IPO Investment	-	-
		136,705,094	126,635,578
		Cost Value	Cost Value
	DLR Investment at cost	178,486,922	174,596,869
	IPO Share at cost	-	-
		178,486,922	174,596,869

The above amount represents investment made in the DLR portfolio & IPO (at cost value) shown at market value as current assets during the year as per International Financial Reporting Standard.

Particulars	Amount in Taka	
	31.12.2020	31.12.2019
10.01 AFS Reserve		
Market Value of Share	136,705,094	126,635,578
Cost Value of Share	(178,486,922)	(174,596,869)
AFS Reserve Transferred to other comprehensive Income	(41,781,828)	(47,961,292)
11.00 Accounts Receivable		
Green Delta Insurance Co. Ltd. (Car Sale Proceeds)	1,494,791	1,494,791
Nascom Pvt. Ltd.	21,851	21,851
Green Delta Capital Ltd.	1,174,771	1,174,771
Receivable from Employees & others	987,832	987,832
	3,679,245	3,679,245
12.00 Cash and Cash Equivalents		
Cash in hand (12.01)	50,745	104,154
Cash at bank (12.02)	255,945,876	195,600,727
	255,996,621	195,704,881
12.01 Cash in hand		
Head Office	48,906	99,903
Chittagong	16	1,582
Sylhet	1,823	2,669
	50,745	104,154
12.02 Cash at bank		
Pubali Bank Ltd. A/C # 3555102001816 [CCA]	-	335,844
The City Bank Ltd. A/C # 3101063925001 [CCA]	-	156,299
Mutual Trust Bank Ltd A/C # 0023-0210002631 [CCA]	25,907	25,597
Mutual Trust Bank Ltd A/C # 0023-0320000792 [OPT]	359	2,230
Pubali Bank Ltd. A/C # 2592102000255 [OPT]	-	34
Trust Bank Ltd. A/C # 0017-0210007009 [CCA]	-	1,177
Standard Chartered Bank A/C # 01-1053200-01 [OPT]	6,959,878	8,037,127
Standard Chartered Bank A/C # 01-1053200-02 [CCA]	162,894,691	106,203,012
Standard Chartered Bank A/C # 01-1053200-03 [DLR]	1,665,678	237,291
Standard Chartered Bank A/C # 01-1053200-04 [IPO]	9,278,055	27,945
Standard Chartered Bank A/C # 01-1053200-05 [ICB Loan]	310	-
Mercantile Bank Ltd. A/C # 011311100007952 [OPT]	44,240	293,924
FDR A/C (Note-12.02.1)	75,076,758	80,280,247
	255,945,876	195,600,727
12.02.1 FDR A/C		
Trust Bank Ltd. A/C # 0017-0330015050	-	9,117,122
BRAC Bank A/C # 1501301898188006	36,932,003	35,023,207
BRAC Bank A/C # 1501301898188007	36,932,003	35,023,207
IDLC # 10252226268901	890,012	816,712
Lankabangla Finance Ltd # 001329100000010	322,740	300,000
	75,076,758	80,280,247
13.00 Share capital		
13.01 Authorized Capital		
Two Million (20,000,000) ordinary shares of Tk.10/- each		
The authorized share capital of the company is Taka 200 Million (two hundred million) divided into 20,000,000 (Twenty Million) ordinary shares of Taka 10/- each.		

		Amount in Taka	
Particulars	31.12.2020	31.12.2019	
13.02 Issued, subscribed and paid up Capital			
(10,500,000) One Million ordinary shares of Tk.10/- each fully paid	105,000,000	105,000,000	
13.03 Shareholding Position of the Company			
Name of Share Holder			
Green Delta Insurance Company Ltd.	10,499,990	10,499,990	
Nasir A Choudhury	10	10	
	10,500,000	10,500,000	
14.00 Retained Earnings			
Opening balance	157,210,565	188,458,858	
Add: Addition during the year	328,912	(15,498,293)	
	157,539,478	172,960,565	
Less: Cash Dividend	-	(15,750,000)	
Less: Previous Year Adjustment	(2,690,400)		
	154,849,078	157,210,565	
15.00 Revaluation Reserve			
Opening balance	69,521,965	69,521,965	
Less: Adjustment for sale during the year	-	-	
	69,521,965	69,521,965	
Revaluation reserve represents the amount of gain on revaluation on Investment in Stock Exchange for obtaining membership of DSE and CSE.			
16.00 Loan from GDIC (Margin Loan & DLR)			
Opening balance	205,000,000	225,000,000	
Addition during the year	310,000,000	50,000,000	
	515,000,000	275,000,000	
Paid during the year	280,000,000	70,000,000	
	235,000,000	205,000,000	
The loan amount has been received from the GDIC bearing average interest @ 8.75% per annum which is being paid by the company regularly and charged the sum in the statement of Profit or Loss and other comprehensive Income.			
17.00 Payable to Clients			
Payable to clients for share trading.	174,996,469	84,105,353	
	174,996,469	84,105,353	
18.00 Payable to DSE & CSE			
DSE	1,408,333	29,306	
CSE	2,410,533	-	
	3,818,866	29,306	
19.00 Payable to IPO Issuer			
Energy Pac Power Generation Ltd.	9,262,800	-	
Mir Akhter Hossain Limited	9,396,000	-	
	18,658,800	-	
"IPO Bank balance" is lower than "Payable to IPO Issuer" for BDT (15,255) as deposited against regular bank charge and BDT 9,396,000 for "Mir Akhter Hossain Limited" IPO amount. Last application date of "Mir Akhter Hossain Limited" was 30-Dec-2020. BDT 9,396,000 will be transferred to respective IPO bank account on following trade day.			
20.00 Payable to GDIC (Management Expenses)			
Opening balance	8,449,388	7,960,046	
Add: Addition during the year	4,808,072	6,460,068	
	13,257,460	14,420,114	
Less: Adjustment during the year	(5,758,579)	(5,970,726)	
	7,498,881	8,449,388	
Above amount represents payable to GDIC for meeting day to day management expense, which were expended by the GDIC on behalf of GDSL.			

		Amount in Taka	
Particulars	31.12.2020	31.12.2019	
21.00 Interest Payable (GDIC)			
Opening balance	32,922,025	33,091,887	
Add: Addition during the year	20,158,041	21,333,256	
	53,080,066	54,425,143	
Less: Adjustment during the year	20,189,889	21,503,118	
	32,890,177	32,922,025	
22.00 Bank Loan (Overdraft)			
Loan from BRAC Bank Limited	229,646,613	221,717,813	
	229,646,613	221,717,813	
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 9.00%.			
23.00 Liabilities for Expenses			
Payable to Executive Machines Ltd.	-	17,000	
Payable to Green Delta AIMS Tower	28,600	28,600	
Audit Fees	125,000	125,000	
Payable to Birds Bangladesh	4,366	5,890	
Payable to JR Tower	11,465	10,817	
GF Payable	2,028,253	4,223,316	
Payable to GDCL	40,490	125,440	
Accrued Expense	-	194,566	
Payable to Monna Traders	-	63,572	
Office Rent, Electricity & Utility Payable to GDIC	2,236,556	1,883,764	
Payable to GDIC (Office Renovation)	2,012,683	921,558	
Accounts Payable to Tina's Flavor	-	14,226	
Accounts Payable to Yolo Limited	-	14,069	
Accounts Payable to Fine Bangladesh	172,475	-	
Accounts Payable to Abdul Ali & Brothers	30,223	-	
CDDBL Charges Payable (23.01)	257,651	71,467	
TDS and VAT Payable (23.02)	152,219	232,900	
	7,099,981	7,932,185	
23.01 CDDBL Charges Payable			
Opening balance	71,467	101,581	
Add: Addition during the year	3,255,868	3,181,847	
Less: Adjustment during the year	(3,069,684)	(3,211,961)	
	257,651	71,467	
23.02 TDS and VAT Payable			
Salary	83,700	91,400	
House rent TDS	9,796	2,821	
TDS payable on suppliers	1,148	1,322	
House rent VAT	57,575	137,357	
	152,219	232,900	
24.00 Provision for Tax			
Opening balance	25,387,324	33,914,733	
Add: Provision during the year	10,254,947	8,121,825	
Less: Prior year Excess Tax Provision Reverse	(3,900,000)	(5,000,000)	
	31,742,270	37,036,559	
Less: Adjusted during the year	6,233,676	11,649,235	
	25,508,594	25,387,324	

During the year Tax provision has made Tk. 6,354,947 in the statement of Profit or Loss and other Comprehensive Income. The Required Tax provision of the company during the year is Tk. 10,254,947 but The company has over tax provision previous years. Therefore, during the Tk. 3,900,000 has adjusted with required tax provision of Tk. 10,254,947. Accordingly, net effect Tk. 6,354,947 has charged as Tax provision in the statement of Profit or Loss and other Comprehensive Income.

Particulars	Amount in Taka	
	31.12.2020	31.12.2019
25.00 Other Provision		
Opening balance	1,827,716	6,391,041
Add: Addition during the year	-	-
	1,827,716	6,391,041
Less: Adjustment during the year	1,204,640	4,563,325
	623,076	1,827,716
Other Privision Includes Provision for Performance Bonus.		
26.00 Revenue from Brokerage		
Commission Income (Annexure B)	46,414,827	39,524,701
	46,414,827	39,524,701
27.00 Interest Income on Margin Loan		
Income on Margin Loan	56,402,120	57,960,621
	56,402,120	57,960,621
28.00 Capital (Loss)/Gain from Investment in Shares		
Realized Gain/(Loss) from share trading	1,395,912	2,542,898
	1,395,912	2,542,898
29.00 CDBL fees and others		
CDBL Fees	1,961,536	2,572,124
Margin Documentation	1,500	-
IPO Income	82,580	117,300
BO Account opening Fee	111,955	79,033
Other Income	744,175	-
	2,901,746	2,768,457
30.00 Direct Charge		
Hawla Charge (Annexure B)	18,550	50
Laga charge (Annexure B)	3,764,296	3,091,509
CSE Commission & Contract Charge	221,884	133,480
CDBL Charge	3,255,868	3,181,847
	7,260,597	6,406,886
31.00 Non operating Income		
Interest from Loan to Employee	230,837	309,854
Interest from Bond	791,667	946,875
Interest on Bank and FDR Accounts	4,770,636	6,918,660
Interest from Dse Share Sold	276,725	-
Dividend Income from DLR	4,943,625	1,387,899
Dividend Income from Regulatory DSE & CSE	4,849,330	4,849,330
	15,862,820	14,412,617

Particulars	Amount in Taka	
	31.12.2020	31.12.2019
32.00 Office & Administrative Expenses		
Salary & Allowances	38,866,049	44,968,952
Festival Bonus	3,507,900	3,821,000
Stationery Expenses	338,163	706,140
Conveyances	248,832	1,711,922
Rent (Office rent)	8,138,413	9,151,776
Telephone, Mobile & Trunk-Call	36,950	31,382
Office Entertainment	9,783	16,531
Business Development	38,228	145,481
Advertisement Expenses	5,750	48,595
Electrical & Utility Expenses	1,857,314	2,951,616
Office Maintenance	325,114	405,440
Audit Fees	62,500	62,500
Software Maintenances	228,794	144,865
Computer Accessories	25,816	21,770
Generator Fuel	20,343	21,035
Repair, Renewal & Maintenance	314,356	147,208
Postage & Courier, Telegram	8,139	17,985
Books, Papers & Periodicals	44,081	63,736
Authorized Representative Expenses	213,650	169,700
Renewal. Fees (Dealer & Broker)	188,600	297,600
Renewal. Fees (Trade License)	98,047	88,255
Data Connectivity Expenses	1,676,256	1,823,492
Subscription	213,695	238,700
Training Expenses	-	59,575
Insurance Premium	70,601	147,912
Investor Protection Fund	10,790	21,574
Brokerage Expenses	-	125,620
Mobile Allowance	302,870	359,326
Car Maintenance Allowances	1,320,000	1,320,000
Depreciation	5,608,341	4,147,094
Food Expenses (Company Part)	79,757	392,684
Uniform & Dress	-	38,154
Foreign Travel	-	936,136
Staff Bus Expenses (Company Part)	23,357	63,946
Bidding Fee(DLR)	19,000	15,000
Bloomberg Service Expense	2,785,972	1,539,363
Research	9,700	14,080
	66,697,161	76,236,144
33.00 Interest expenses		
Bank Charge & Commission	345,276	599,580
IPO Bank Charge & Commission	3,335	6,386
Interest Expenses (GDIC)	20,158,041	21,333,289
Interest Expenses (BRAC Bank Ltd Loan)	21,829,156	24,971,534
Interest Expenses (Lankan Alliance Finance Ltd)	-	31,944
	42,335,808	46,942,733

GREEN DELTA SECURITIES LTD.

SCHEDULE OF PROPERTY, PLANT & EQUIPMENT

As at Dec 31, 2020

Annexure-A

Sl. No	Name of the Assets	COST			Rate	DEPRECIATION				Written down value as at 31.12.2020	
		Balance as at 01.01.2020	Addition during the year	Adjustment /Disposal during the year		Balance as at 31.12.2020	Charged during the year	Adjustment during the year	Balance as at 31.12.2020		
1	Computer Software	4,539,570	305,150	-	4,844,720	50%	4,539,573	57,727	-	4,597,300	247,420
2	Computer	6,967,151	100,000	-	7,067,151	30%	6,046,163	469,653	-	6,515,816	551,335
3	Telephone	187,120	-	-	187,120	30%	187,119	-	-	187,119	1
4	Office Space Purchase	600,000	-	-	600,000	10%	599,999	-	-	599,999	1
5	I.P.S	115,977	-	-	115,977	30%	115,973	-	-	115,973	4
6	Office Equipments	4,376,626	80,062	-	4,456,688	30%	3,970,327	330,666	-	4,300,993	155,695
7	Air Conditioner	1,606,156	-	-	1,606,156	30%	1,532,736	45,686	-	1,578,422	27,734
8	U.P.S	329,761	13,800	-	343,561	30%	252,234	40,187	-	292,421	51,140
9	Computer Server	2,093,890	-	-	2,093,890	30%	2,093,888	-	-	2,093,888	2
10	Furniture & Fixtures	1,869,425	-	-	1,869,425	30%	1,662,686	112,217	-	1,774,903	94,522
11	Office Decoration	22,182,711	3,080,259	-	25,262,970	30%	13,965,889	3,584,925	-	17,550,814	7,712,156
12	Motor Vehicle	9,026,000	-	-	9,026,000	20%	5,472,663	820,000	-	6,292,663	2,733,337
13	Mobile Sets	1,017,696	298,225	-	1,315,921	30%	923,740	147,286	-	1,071,026	244,895
14	Projector	928,094	-	-	928,094	30%	928,093	-	-	928,093	1
	Balance as at 31.12.2020	55,840,177	3,877,496	-	59,717,673		42,291,083	5,608,347	-	47,899,430	11,818,243
	Balance as at 31.12.2019	45,762,051	10,078,126	-	55,840,177		38,143,989	4,147,094	-	42,291,083	13,549,094

GREEN DELTA SECURITIES LTD.
DSE + CSE+DLR

Transaction Date: 01/01/2020 to 31/12/2020

Annexure B

Date	Amount in taka						
	Total Transactions	Commission	Howla	Laga	Tax AMT	Total Expenses	Net Earnings
January, 2020	820,331,028	2,544,578	900	201,427	410,122	612,449	1,932,129
February, 2020	1,388,413,468	4,208,830	600	346,017	694,177	1,040,794	3,168,036
March, 2020	684,493,505	2,157,400	50	164,140	342,244	506,434	1,650,966
April, 2020	-	-	-	-	-	-	-
May, 2020	14,118,770	44,387	-	3,530	7,059	10,589	33,798
June, 2020	163,479,258	441,083	14,800	39,548	80,994	135,342	305,741
July, 2020	666,933,385	2,182,768	-	156,483	333,467	489,950	1,692,818
August, 2020	2,173,392,651	6,693,221	700	542,818	1,086,520	1,630,038	5,063,183
September, 2020	2,647,024,413	8,163,150	50	661,140	1,323,510	1,984,700	6,178,450
October, 2020	1,930,003,284	5,883,250	1,050	481,762	964,689	1,447,501	4,435,749
November, 2020	2,392,481,378	6,951,325	50	592,946	1,196,241	1,790,612	5,160,713
December, 2020	2,306,586,290	7,144,836	350	574,486	1,153,208	1,727,100	5,417,737
Total	15,187,257,431	46,414,827	18,550	3,764,296	7,592,231	11,375,508	35,039,320

Total transaction	15,187,257,431
Gross Commission	46,414,827
Reversal Entry of Commission/ Rounding Up Difference	-
Gross Commission After Reversal	46,414,827
Less: Total Howla+Laga+Tax	(11,375,508)
Net Earnings	35,039,320
Less: CSE Commission & Contract Charge	(221,884)
Less: CDBL Charge	(3,255,868)
Net Commission	31,561,568

10.1 GREEN DELTA CAPITAL LIMITED MANAGING DIRECTOR & CEO'S MESSAGE



Md. Rafiqul Islam
Managing Director
and CEO

Once again, I begin this annual letter with a sense of pride about our company Green Delta Capital Limited and the stakeholders around the world. This year, it is much more special and humbling to share that Green Delta Capital Limited has passed a decade of action with success and setting a benchmark of performance in the country and across the border. We convey our appreciation to our honourable clients, readers and stakeholders for the trust and constant support over the years that has enabled us to come this far. From my chair of authority, as I look back on the last decade a period of profound political and economic changes specially amidst a global pandemic it is remarkable how much we have accomplished, not only in terms of financial performance but in our steadfast dedication to help clients, communities and partnering countries all around the world.

2020 has been an unusual year, one which we never anticipated. However, there's light at the end of the tunnel. Keeping the safety of our stakeholders as our first priority we continued to accelerate investments

in products, services and innovation. We extended our presence in several sectors with new Chase plans and made our successful marks. In addition, to make the best out of the opportunities GDCL broadened the commitment to create opportunities for jobs and prosperity whereas, many organizations faced the hurdles to retain the existing stakeholders during the wave of COVID 19. Consequently, GDCL has sealed few of the groundbreaking deals that will influence the development of the country in next few years.

In a whole 2020 was another strong year for GDCL, with the firm generating revenue and net income, and a pioneering corporate governance. This year we faced the fear of unknown and battled against a global hardship yet came out as one of the greatest performers among all the merchant banks in the Country. We look forward to a better and safe 2021 to be a better playfield for everyone in the business.

Growth Opportunities

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 2021, risk is expected to increase further with ongoing trade tensions and post COVID 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 working on developing the best financial products and up-to-date services that shall leave an overall impact to the aligned parties. 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 2021 and onwards growth of 2022 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 fundamental 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 client's diversifying needs by leveraging the strength in corporate and investment banking. GDCL stands out for the tailor made services towards customer's needs and we promise to continue introducing 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 2020. There has been milestone mandates signed in the field of Solar, Electronic Vehicles and revolutionary three wheeler production plant GDCL is proud to be a part of the revolution of the road transport facilities of the country. We established ourselves in a new area by providing services to business beginners and promising startups. Also, GDCL sealed an extended partnership with PPP that is expected to unleash brand new doors to the organization inclining our expertise.

Social Responsibilities

In order to promote corporate responsibilities, we pursue to expand special financial products for job creation and enterprises with strong social values. As we hold our motto of serving the society, we emphasis on facilitating 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 2021, each of one of our workforce in GDCL shall stay committed to the legacy of 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 staffs, 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 am 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.

Sd/-

Md. Rafiqul Islam
Managing Director & CEO

GDCL at a Glance: A One-Stop Investment Bank

- **Green Delta Capital Limited (GDCL)** is a leading Investment Bank in Bangladesh, licensed and regulated by Bangladesh Securities & Exchange Commission (BSEC)
- Subsidiary of Green Delta Insurance Company Limited (GDIC), largest non-life insurance company in Bangladesh which is partially owned by IFC (World Bank Group)
- Full-fledged Investment Bank offering customize one stop global standard Investment Banking solution to its valued clients

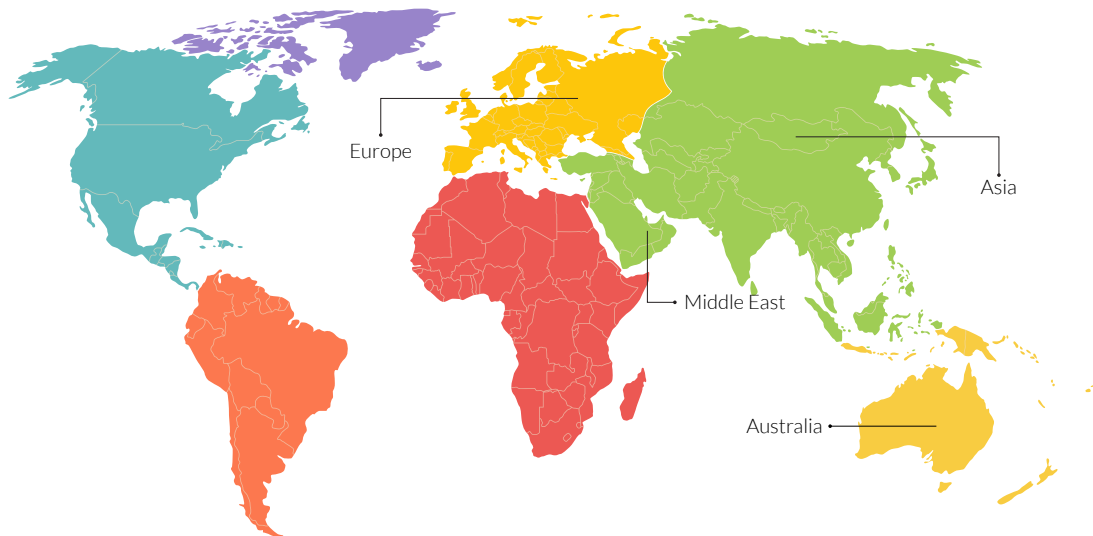


Incorporated: Number: C82746/10 dated: 24 February 2010

Panel Broker: Green Delta Securities Limited

Licensed and Regulated by Bangladesh Securities and Exchange Commission: SEC/Reg/MB-91/2010/469 dated: 01 December 2010

International Footprint of distribution







GDCL Partnership with Public Private Partnership Authority Bangladesh

Green Delta Capital Limited is one of the proud 'PPP Financing Partner' where GDCL would obtain priority access to arrange the financing for PPP Projects in

Bangladesh. PPP Financing Partner runs under the Prime Minister's office. Partnership with Global DFIs across the globe.

Impact Investment Banking

For last 10 years, Green Delta Capital Limited (GDCL) is working relentlessly to improve the Socio Economic prospects of the people and the society.

 <p>Employment Generation (Direct & Indirect)</p>	<p style="text-align: center;">4,100+</p>  <p style="text-align: center;">Employment generation</p> <p>GDCL has been working since 2011 in project financing and already generated employment in various sectors & industries</p>
 <p>Environment Impact</p>	<ul style="list-style-type: none"> • The growing impact investment by GDCL across a wide range of sectors such as sustainable agriculture, renewable energy, SME financing, healthcare etc • Arrange fund for 1st environment friendly private sector river terminal port in Bangladesh by Summit Alliance Port Limited (SAPL) • Also worked to arrange fund for environment friendly Cycle and Cable project of PRAN-RFL Group
 <p>Health & Safety</p>	<ul style="list-style-type: none"> • International Finance Corporation (IFC) of World Bank Group is in the board of Green Delta Insurance Company Limited (GDIC) of GDCL • Thus, while arranging the finance for any company or project, GDCL has to follow the Environmental, Health, and Safety Guidelines (known as the “EHS Guidelines”) of IFC

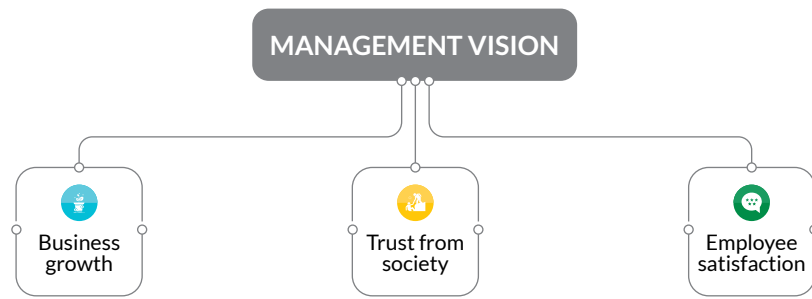
GDCL significantly contribute to arrange Debt & Equity in Power Sector for almost 250 MW, arrange Debt and Equity for first ever private sector Commercial Solar Power Plant of 35MW AC in Bangladesh and Currently working to arrange financing for another Commercial Solar Power Plant of 32MW AC in Bangladesh

MANAGEMENT VISION

OUR INVESTMENT BANKING SPECIALISTS ARE KNOWN FOR THE QUALITY OF OUR IDEAS AS WELL AS THE INNOVATIVE STRATEGIES AND TAILORED SOLUTIONS WE DESIGN. WE PROVIDE SEAMLESS ADVICE AND AN EXCEPTIONAL SUITE OF PRODUCTS, SERVICES, RESEARCH AND TOOLS WITH STRENGTH AND INTEGRITY

In 2020, GDCL stated a new management vision for the year 2025, the 10-year anniversary of its establishment. Under this vision, our aim to realize “business growth” by expanding our business purview from public to private, with our core business (Structure Financing, Corporate Advisory, Loan Syndication, Trustee, Security Agent, Merger & Acquisition, Wealth Management and

Portfolio Management) as the foundation. The ROE target is set at 12-15%. At the same time, we will focus on Environment, Social and Governance elements such as “trust from society” and “employee satisfaction.” By combining “business growth,” “trust from society” and “employee satisfaction” to create synergies, we will achieve sustainable growth and help to solve social issues.

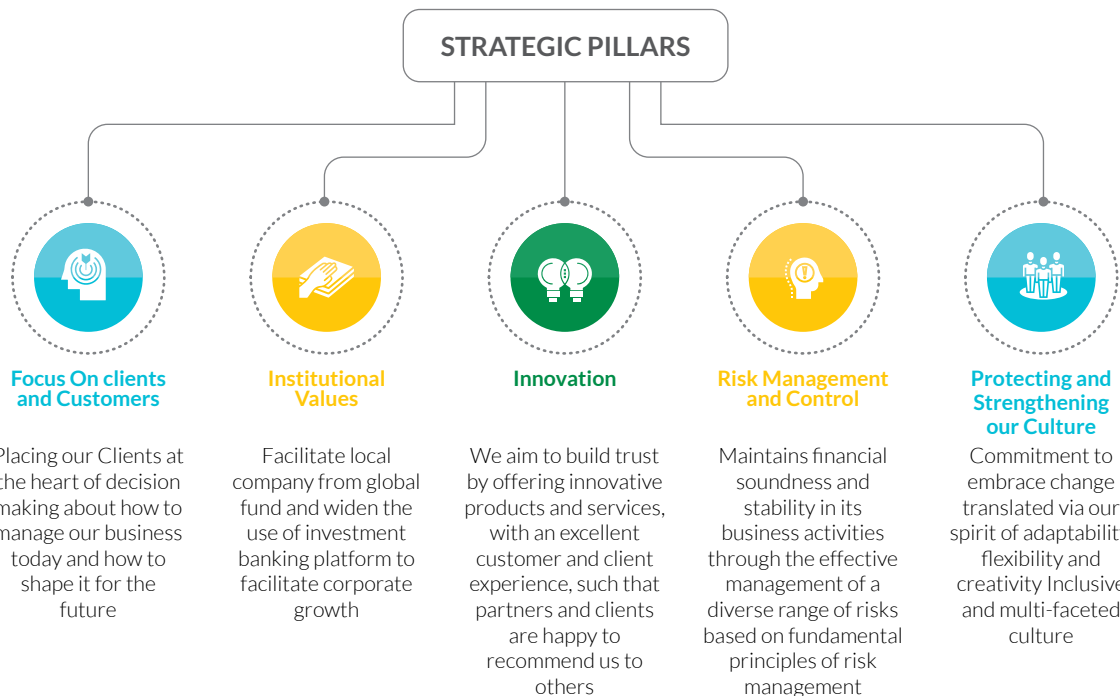


Our Strategy

WE HAVE A DELIGHTED HISTORY AND DEEP ORIGINS IN BANGLADESH, WITH THE SCALE AND DIVERSITY TO SERVE CUSTOMERS AND A BROAD RANGE OF THEIR FINANCIAL NEEDS

Our customers and clients expect us to play a leading role in making Merchant Banking service activities for a better tomorrow with a positive influence to the bigger picture.. Current economic backdrop, particularly low interest rates, recession and pandemic in 2020 will present

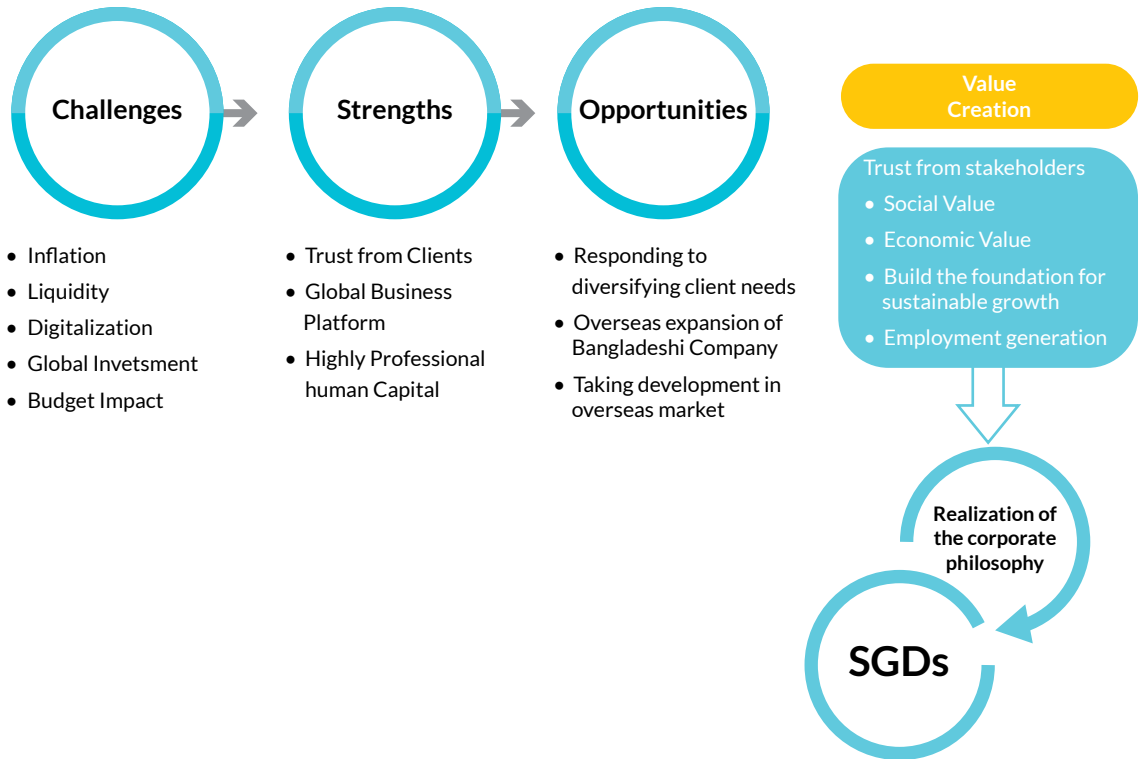
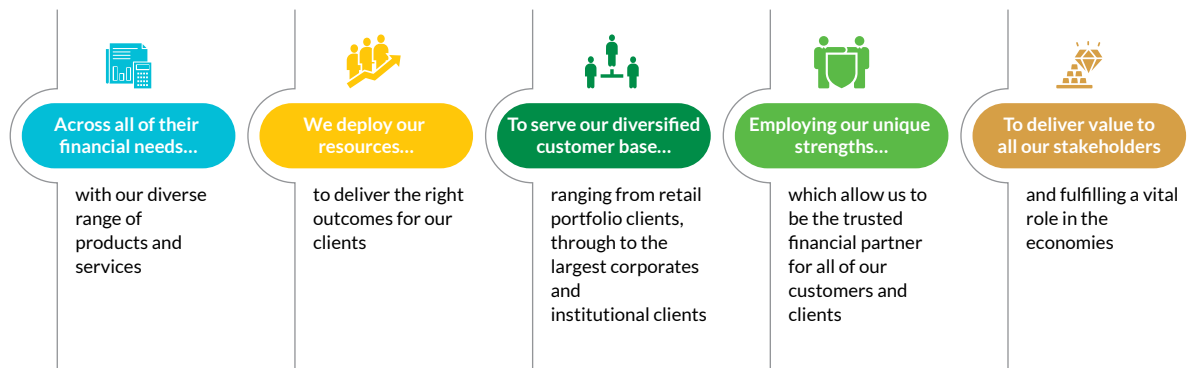
challenges for all our business for the foreseeable future. Our strategy builds on our strengths and will direct us through those challenges. We must deliver for all of our stakeholders by understanding and balancing their different expectations of our business.



Value Creation by serving and engaging with our stakeholders

GDCL aims at creating value for its stakeholders, contributing to the economic growth, balancing across both in the short and the long run by providing financial advisory services. We

engage with our clients, society, investors and Colleagues to better inform them of our activities and to create mutually supportive opportunities and outcomes for them.



Corporate Governance

GDCL RECOGNIZES IN ORDER TO ACHIEVE THE MANAGEMENT'S GOAL TO CREATE VALUES FOR THE BENEFIT OF ITS STAKEHOLDERS THROUGH A RESPONSIBLE AND TRANSPARENT MANAGEMENT SYSTEM; STRENGTHENING CORPORATE GOVERNANCE AND CONTINUOUS PRACTICE OF GOOD CORPORATE GOVERNANCE IS ONE OF THE MOST SIGNIFICANT MATTERS

Enhanced the Board of Directors' oversight function and achieved a high level of impartiality and transparency by separating oversight and business execution functions.

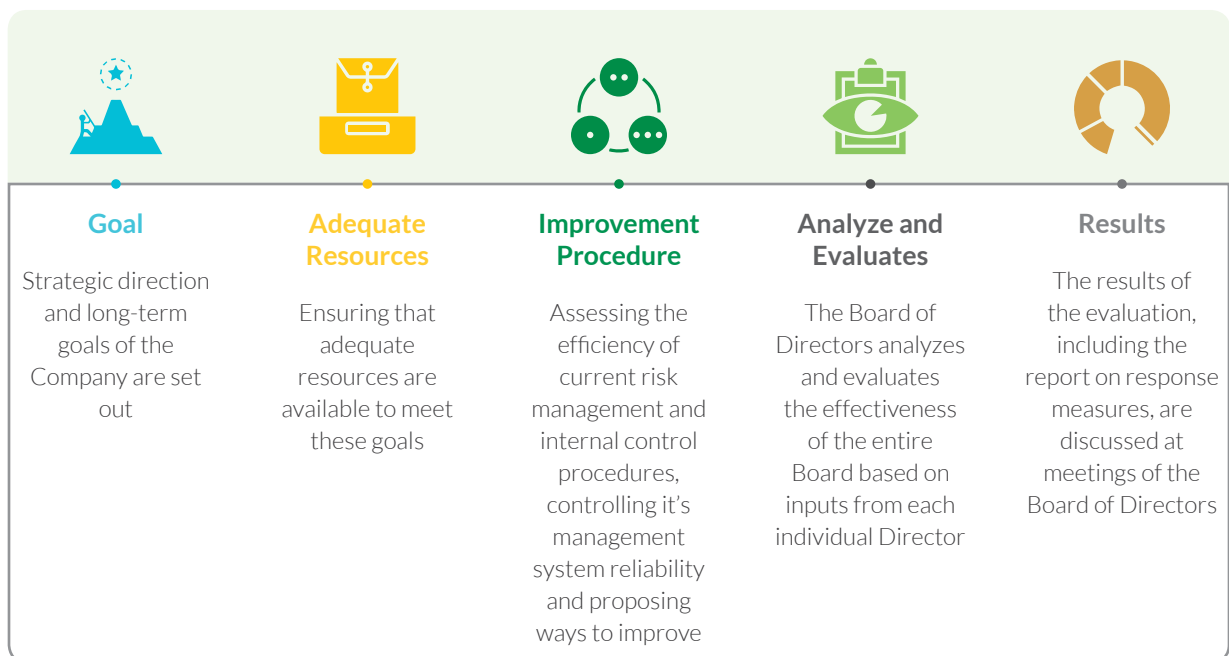
To ensure complete transparency and hence, has established the following roles and responsibilities as discussed below:



This separation of duties strengthens the oversight functions of the Board of Directors and delegation of authority regarding business execution to the CEO's with the aim to accelerate the GDCL's decision-making process.

Role of the Board of Directors and Composition of the Board

Board of Directors is responsible for supervising the management of the business and affairs of GDCL. The Board, either directly or through its committees, is responsible for oversight in the following areas: strategic planning; defining risk appetite; the identification and management of risk; capital management; fostering a culture of integrity; internal controls; succession planning and evaluation of senior management; communication; public disclosure; and corporate governance.



The composition of Board of Directors (as on 31 December 2020)



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)



GDCL is specialized in providing one stop financing solution to its customers

Year on year, we are working towards the improvement to our customer experience and customer value proposition

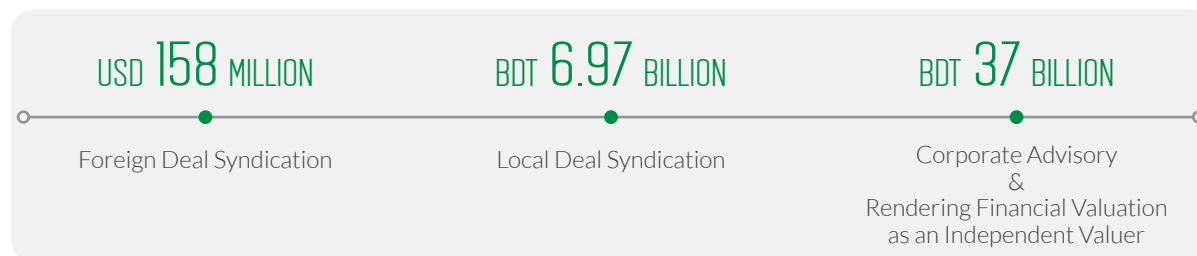
GDCL believes in innovation and utmost customer services with continuous effort

Even in the time of pandemic, GDCL CIIB team maintains the network and activities to facilitate the clients to cope up the hard time.

Milestones for the Year 2020



Journey of C&IB Team in 2020



Successful Deal Closure as the Mandated Lead Arranger and Transaction Adviser for the 35 MW Private Solar Power Project in Bangladesh

GDCL CIIB Team announced a successful closure of first ever 35 MW 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 CTA.

Spectra Solar Park Limited (SSPL), a concern of Spectra Engineers Limited, will set up a 35 MW Grid Tied Solar Power Plant at Paturia, Shibaloy, Manikgonj.

Since inception, GDCL always thrive to work for sustainable environment friendly projects. Working for a Solar Power Plant is another landmark deal for GDCL.



Announce the successful deal closure of

USD 34 Million

For Landmark Private Sector 35-megawatt utility-scale solar photovoltaic plant in Bangladesh

Spectra Solar Park Limited



Signed Mandate with HKGE Consortium Limited for another 32MW Solar Power Project in Bangladesh

GDCL has been mandated as the debt financing facility arranger of for Another Solar Power Project in Bangladesh under HKGE Consortium Limited

Transaction Summary

GDCL has already set a benchmark to arrange global fund for private solar power plant in Bangladesh and in line with this credential, GDCL has successfully signed mandate with HKGE Consortium Limited to arrange Foreign debt financing facility for upcoming 32 MW (AC) Grid Tied Solar PV power plant in Bangladesh.

HKGE Consortium Limited is a concern of Mango Teleservices Limited, the first private Internet gateway operator in Bangladesh.

This signed agreement includes the arrangements of both Local and Foreign debt financing.



Successful deal signing to arrange Foreign debt financing facility of

USD 32 Million

32 MW (AC) Grid Tied Solar PV power plant in Bangladesh

HKGE Consortium Limited



Signed Mandate with BD Autos to raise USD 100 Million

Signed Mandate with BD Autos Limited to raise USD 100 Million for Electronic Vehicle Manufacturing Plant

Transaction Summary

GDCL signed the mandate for raising USD 100 Million of Foreign debt for BD Autos Limited to support the growth of private vehicle experience of the country. This will be the first electric vehicle manufacturing plant of Bangladesh.

The execution of this deal shall enable BD Autos to manufacture Electric Vehicle in a local production plant at Mirershorai, Chattogram.

This new deal is going to be another landmark deal for GDCL, BD Autos as well as for the country.



Mandated Lead Arranger
for
Electric Vehicle
Manufacturing Plant
USD 100 Million

BD Autos Limited



Mandated Lead Arranger for Runner Automobiles Limited (Both Local & Foreign Debt Fund)

Mandated Lead arranger for Runner Automobiles Limited to raise Debt fund of USD 26 Million and BDT 26 Million

Transaction Summary

In line with the vision to work for environment friendly projects, GDCL signed the deal with Runner to channel the global funds in transportation sector. GDCL worked with the expertise and successfully arranged the local fund already.

Under this debt funding deal, Runner will construct environment friendly LPG 3-wheeler Manufacturing Plant at Mymensingh. This lead shall bring the pride and massive change in the transportation business of the country.



Mandated Lead Arranger
**For USD 26 Million &
BDT 26 Million**

To set up
LPG 3-Wheeler
Manufacturing Plant

Runner Automobiles Limited



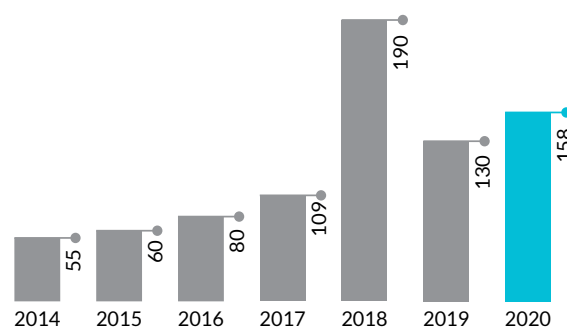
Year on Year Performance of Green Delta Capital Limited

Year on year Foreign Deal Syndication by GDCL (USD MN)

USD 838+ MN Total Foreign Debt Syndication of GDCL since inception

Successfully arranged the financing for Summit Alliance Port Ltd. (SAPL,) to set up the 1st ever private sector Inland Container River Terminal facility of Bangladesh.

Year on year Foreign Deal Syndication by GDCL (USD MN)

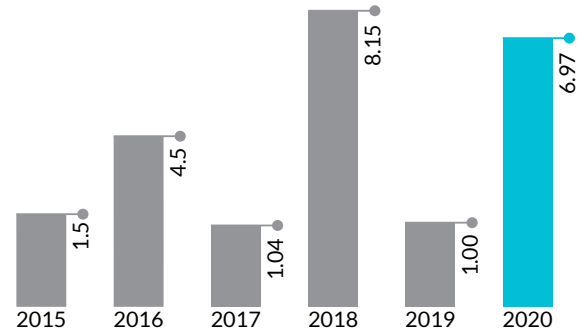


Year on Year Local Deal Syndication by GDCL (BDT BN)

BDT 35.5+ BN Total Local Debt Syndication of GDCL since inception

Successful track record of arranging Commercial Paper, Bonds etc. and completes the local debt syndication covering customers in all sectors & industries with a powerful presence.

Year on Year Local Deal Syndication by GDCL (BDT BN)

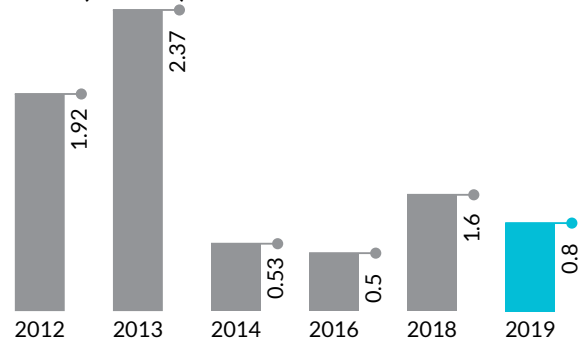


Year on Year Equity Origination Deal by GDCL (BDT BN)

BDT 7+ BN Total Equity Origination Deals of GDCL since inception

GDCL has Highly experienced team with a successful track record of completing Equity Origination Deals GDCL has been worked as Issue Manager to raise fund through Capital Raising, IPO and Preferences.

Year on Year Equity Origination Deal by GDCL (BDT BN)



Portfolio & Wealth Management Service

EXPERTISE YOU NEED. SERVICE YOU DESERVE!

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 very challenging year in 2020 due to the Global pandemic COVID 19. Considering portfolio quality as major focus the Planning directions emphasized focusing on quality operations. Achieving volume targets remains important

for reaching the intended profit, but also as an essential to maintain a high quality portfolio GDCL designed the

2020 Highlights



Total Asset Under Management
BDT 350 Million



Total number of investors
275

operations aligning with logical strategy, strengthening collaboration among the products in order to improve the implementation efficiency. A strong focus on the fund management and portfolio services is essential, while quality supervision by the Portfolio Management Services Team is the key contributor to the quality of projected implementation and outcome. This year our expert team had to have a keener eye than ever to monitor the screen even closely due to the impact of the recent Covid-19 outbreak on overall portfolio performance.

In 2020, 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 that we have maintained over the years. Our financial performance in 2020 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.



22.22%
Growth from 2019

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.

Core Product



GD Perform Max: Discretionary Portfolio Management Scheme

- Utilize the fund of risk taker who likes to invest in Equity market particularly in the **High Growth** stocks to earn more



GD Planner: Discretionary Portfolio Management Scheme

- Deposit of **Small Amount** with in a regular interval & let investment savings grow with GDCL



GD MTF: Non-Discretionary Portfolio Management Scheme

- Facilitate client wants to avail **CREDIT Facility** with competitive interest rate and loan ratio



GD Cash: Non-Discretionary Portfolio Management Scheme

- Facilitate retail investor's **Cash** account with unique feathure

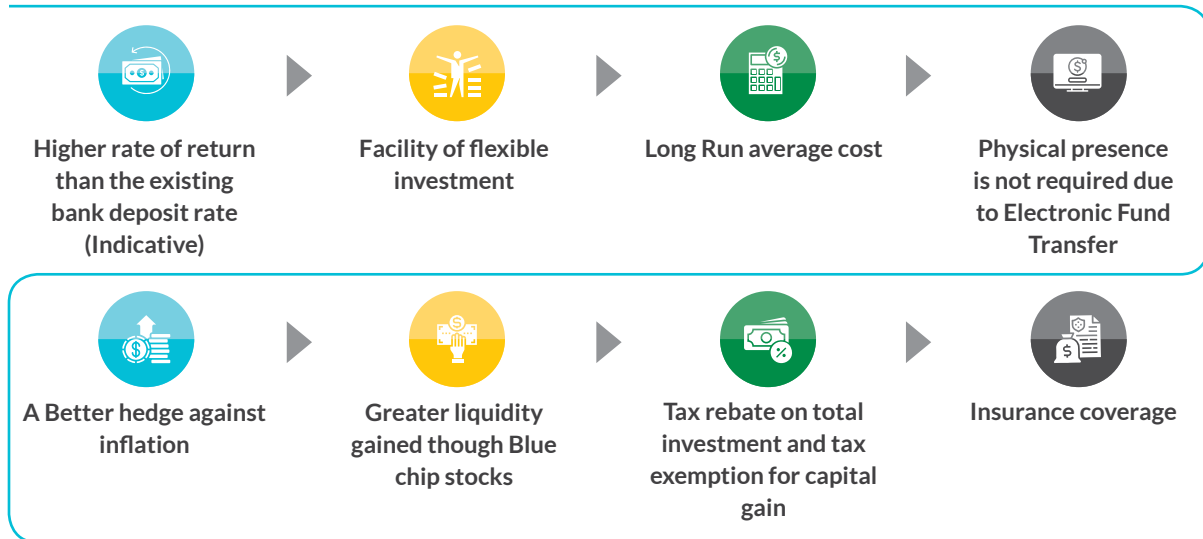
Deposit-based stock market investment : GD Planner



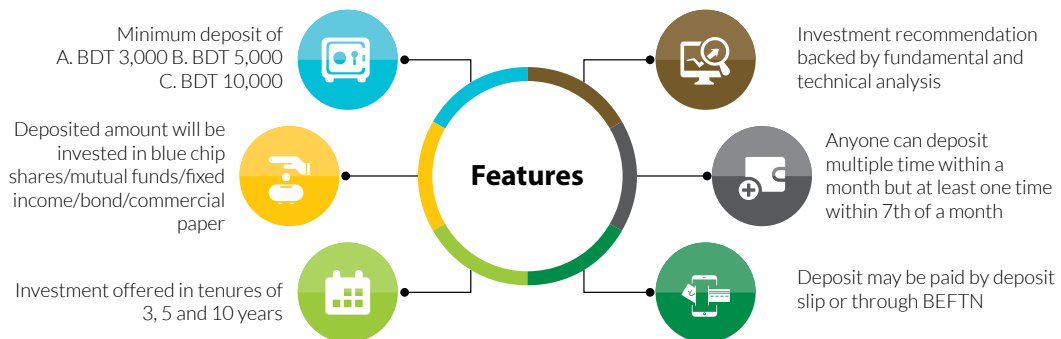
GDCL launched a monthly deposit-based capital market investment product for retail investors, GD Planner.

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. The clients under this product have been rewarded with a benchmark of profit and the financial inclusion has a social impact.

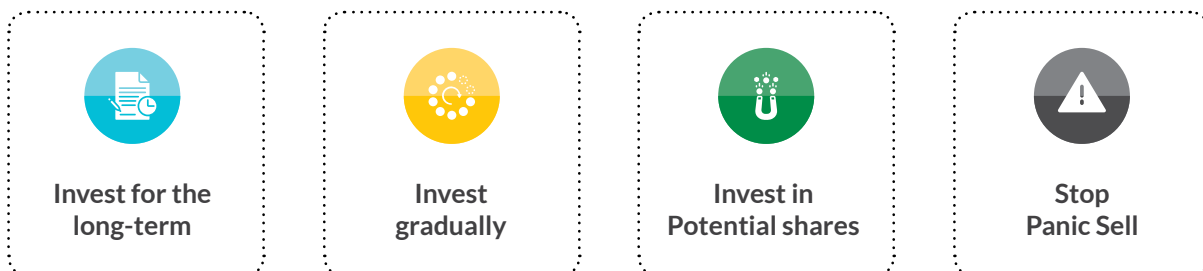
Why GD Planner?



Features of GD Planner



Fund Management Strategy After Lock Down (Covid-19):



Major Pool Strike

The year 2020 has been the year for IPO. Major IPO's like Robi, Walton Hi-Tech Industries Ltd, Mir Akhtar Hossain Limited, Energypac Power Generation Limited and more have continuously grabbed the attention of the investors. Consequently, there were a number of new investment accounts opened from GDCL.

For the 1st time GDCL has opened the distinct door for the IPO investors and followed by a guide to the primary investment in the market.

Also, this year many of the top corporates counted on GDCL, followed by the previous performance of the Portfolio and Wealth Management team.

GDCL Research

Creating platform for a smart future investment

In 2020, we have experienced new ways of living due to the effects of COVID-19. We all have faced a different reality; what it means to self-quarantine, work from home, difficulties in combining academic and administrative work, lose a job or even a loved one, complexity of lockdown and thus financial crisis. Each person's situation was different from another, most faced their first global pandemic, but for sure, the coronavirus left a feeling of insecurity and uncertainty for all.

Looking Back....

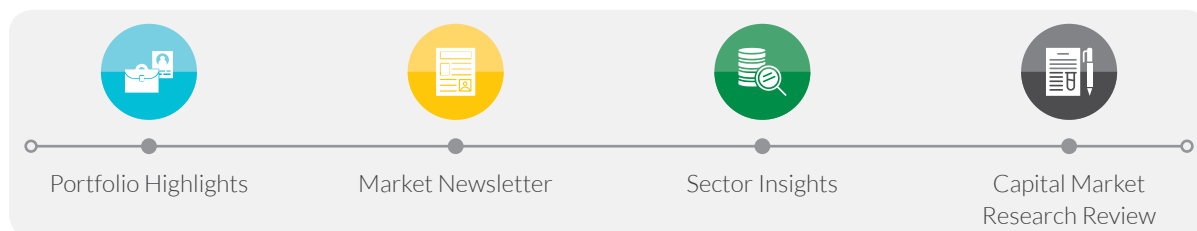
Amidst of the chaos, we have successfully renewed our commitment towards our valued patrons through extending the relationship with them and capabilities to ensure the smooth services as and whenever required; even in the stressful situation in the capital market. Throughout the year, our prudent research analysts have

carefully monitored the market condition and 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.

Takeaways for the year ahead...

As we all know, Bangladesh's capital market has greatly lost the confidence of its investors due to negative performance in the previous two years and the COVID-19 pandemic crisis. Though challenges remain, our plan for 2021 is to mitigate the immediate impact of COVID-19 on research by encouraging the investors to regain their confidence level to invest into the capital market. Under the plan, we will serve our investors through our designated digital platform with diversified research reports and customized services. We believe this platform will help to increase transparency, enhance investors' confidence and accelerate their decision making for a smart future investment.

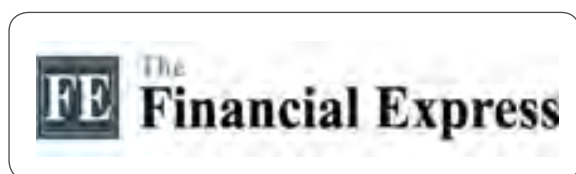
Our Specifications



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



Key Deals Credentials: Foreign Debt Currency Syndication

<p>Spectra Solar Park Limited</p>  <p>USD 34 Million</p> <p>Mandated Lead Arranger (Closed)</p>	<p>HKGE Consortium Limited</p>  <p>USD 32 Million for Solar Power Project</p> <p>Mandated Lead Arranger</p>	<p>BD Autos Limited</p>  <p>USD 100 Million for Electric Vehicle Manufacturing Plant</p> <p>Mandated Lead Arranger</p>
<p>LankaBangla Finance Limited</p>  <p>USD 10 Million</p> <p>Mandated Lead Arranger</p>	<p>Akij Group</p>  <p>USD 58 Million</p> <p>Mandated Lead Arranger (Closed)</p>	<p>Runner Automobiles Limited</p>  <p>USD 26 Million</p> <p>Mandated Lead Arranger</p>
<p>IPDC Finance Limited</p>  <p>USD 10 Million</p> <p>Mandated Lead Arranger</p>	<p>PRAN-RFL Group</p>  <p>USD 25 Million</p> <p>Mandated Lead Arranger (Closed)</p>	<p>LankaBangla Finance</p>  <p>USD 20 Million</p> <p>Mandated Lead Arranger (Closed)</p>

Summit Alliance Port Limited



USD 31 Million

**Mandated Lead Arranger
(Closed)**

LankaBangla Finance Limited



EURO 40 Million

Mandated Lead Arranger

MAX Power Limited



USD 30 Million

**Mandated Lead Arranger
(Closed)**

Hashem Foods Limited



USD 25 Million

**Mandated Lead Arranger
(Closed)**

Key Deals Credentials: Local Debt Currency Syndication & Bond

Runner Automobiles Limited



**Short Term Financing
BDT 500 Million**

Mandated Lead Arranger

LankaBangla Finance Limited



**Bond Issuance of
BDT 3,000 Million**


Mandated Issue Manager

Summit Communications Limited





**Issuance of Mudaraba Bond
BDT 1,000 Million**

Mandated Lead Arranger

<p>PRAN Foods Limited</p>  <p>Issuance of Investment Sukuk of BDT 1,000 Million</p> <p>Mandated Lead Arranger</p>	<p>Green Delta Insurance Company Limited</p>  <p>Commercial Paper of BDT 1,000 Million</p> <p>Mandated Lead Arranger</p>	<p>Spectra Solar Park Limited</p>  <p>Bridge Financing BDT 500 Million</p> <p>Mandated Lead Arranger</p>
<p>Hashem Foods Limited</p>  <p>Commercial Paper of BDT 2000 Million</p> <p>Mandated Lead Arranger</p>	<p>Ingen Technologies Limited</p>  <p>Local Debt Syndication BDT 250 Million</p> <p>Mandated Lead Arranger</p>	<p>Runner Group</p>  <p>Commercial Paper of BDT 500 Million</p> <p>Mandated Lead Arranger</p>
<p>Baraka Shikalbaha Power Limited</p>  <p>Short Term Bridge Financing of BDT 750 Million</p> <p>Mandated Lead Arranger</p>		


Key Deals Credentials: Equity


Raj Lanka Power Company Limited

Initial Public Offering under Book-Building Method
Sole Mandated Issue Manager

EON Animal Health Products Limited

Capital Raising
Mandated Issue Manager

Ananta Apparels Limited

Capital Raising of BDT 600 Million
Mandated Issue Manager

Star Ceramics Limited

Initial Public Offering under Book-Building Method
Registrar to the Issuer

Alliance Holding Limited

Initial Public Offering
Mandated Co-Issue Manager

An Excellent Track Record: Security Agent & Trusteeship

GuarantCo Limited


Issuance of onshore and offshore Bond of USD 50 Million for PRAN Agro Limited
Security Agent


Islamic Corporation for the Development of Private Sector

USD 20 Million financing Facility for Lanka Bangla Finance Limited
Security Agent

APR Energy Holdings Limited

USD 154 Million financing Facility for APR Energy Bangladesh Limited
Security Agent


PRAN Agro Limited

Issuance of Guaranteed Bond of USD 25 Million
Trustee


Golden Harvest Agro Industries Limited

Issuance of Commercial Bond of BDT 600 Million
Trustee

First Cross Border M&A Transaction by a Bangladeshi Conglomerate

M&A Transaction

Corporate Advisory for equity repatriation and foreign debt syndication

Robina Flooring Sdn. Bhd.

Buy Side Advisory
Mandated Advisor to the Transaction


Robin Resources Sdn. Bhd

Buy Side Advisory
Mandated Advisor to the Transaction

Cross Border M&A Transaction

Ananta Apparels Limited


Corporate Advisory for M&A Equity Repatriation

UNDERWRITING DEALS

Rights Offer
United Airways (BD) Ltd.

Underwritten Amount: BDT 112.5 Million
Underwriter

Rights Offer
Lafarge Surma Cement Ltd.

Underwritten Amount: BDT 100 Million
Underwriter

Rights Offer
Trust Bank Ltd.

Underwritten Amount: BDT 110 Million
Underwriter

Rights Offer
First Security Islami Bank Ltd.


Underwritten Amount: BDT 250 Million
Underwriter


Rights Offer
Keya Cosmetics Ltd.

Underwritten Amount: BDT 10 Million
Underwriter

Rights Offer
BRAC Bank Ltd.

Underwritten Amount: BDT 500 Million
Underwriter

Initial Public Offering
Esquire Knit Composite Ltd.

Underwritten Amount: BDT 20 Million
Underwriter

Initial Public Offering
Baraka Patenga Power Ltd.

Underwritten Amount: BDT 12.50 Million
Underwriter

10.2.1 DIRECTORS' REPORT TO THE SHAREHOLDERS

Dear Fellow Shareholders, Clients and partners of Green Delta Capital Limited

I am pleased to share the 2020 Green Delta Capital Annual Report with you. In this report, I share highlights of the progress our company made during the year, which covered a period of growth for our company and our economy.

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, 2020; 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 2020 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 47.34 million which was lower than the previous year's revenue due to Covid 19 effect.

Historical Key performance indicator and financial position

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Particulars	2020	2019	2018	2017	2016
Total Revenue	47,339,946	75,155,765	70,331,952	62,330,740	55,823,592
Profit Before Tax	8,157,645	26,105,669	33,160,240	29,213,760	25,021,324
Net Profit After Tax	6,357,645	15,605,669	21,750,077	21,713,760	19,221,324

STATEMENT OF FINANCIAL POSITION

Particulars	2020	2019	2018	2017	2016
Non-Current Assets	9,679,407	4,939,565	5,500,917	7,388,514	7,277,448
Current Assets	276,342,442	374,057,201	321,022,350	307,495,362	339,738,805
Total Assets	286,021,849	378,996,766	326,523,267	314,883,876	347,016,253
Shareholders' Equity	273,500,000	277,244,725	281,639,057	297,283,000	309,671,810
Long Term Liabilities	-	-	-	-	-
Current Liabilities	12,521,849	101,752,041	44,884,210	17,600,876	37,344,443
Total Shareholders' Equity & Liabilities	286,021,849	378,996,766	326,523,267	314,883,876	347,016,253

STATEMENT OF FINANCIAL POSITION

Particulars	2020	2019	2018	2017	2016
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)	0.24	0.60	0.84	0.84	0.74

PROPOSED DIVIDEND:

The Board of Director's of GDCL has proposed 5% final dividend (subject to the approval of AGM) on paid up capital of BDT 260,000,000 (Twenty Six Crore only).

DIRECTORS' RESPONSIBILITY FOR FINANCIAL REPORTING AND SIGNIFICANT ACCOUNTING POLICIES

The Directors are responsible for the preparation of Financial Statements of GDCL to reflect a true and fair view of its state of affairs. The Directors are of the view that these Financial Statements have been prepared in conformity with the requirements of the Bangladesh Financial Reporting Standards, Companies Act 1994, Bangladesh Securities and Exchange Commission (BSEC) Guidelines and the Corporate Governance Code. Significant Accounting policies adopted in the preparation of the Financial Statements which comply with provisions of BFRSs and the Companies Act 1994.

INTERNAL CONTROL SYSTEM

We are committed to strengthening and improving our internal controls system to promote proper corporate behavior throughout GDCL with the aim of ensuring management transparency and efficiency, complying with laws and regulations, controlling risks, ensuring the reliability of business and financial reports, and promoting the timely and appropriate disclosure of information. The Internal Audit regularly reviews of the GDCL's operations, examine the business processes and evaluate the adequacy and efficiency of financial and operating controls and highlights significant risks.

APPOINTMENT OF AUDITORS

The company shall, at each AGM appoint/reappoint an auditor to hold office until the next AGM. Ahmed Zaker & Co., Chartered Accountants have completed their statutory auditor of the company.

GOING CONCERN

The Board of Directors of GDCL has reviewed and making necessary inquiries including reviews of the business plans, strategies, budget, capital expenditure

requirements, future prospects and risks, cash flows and significant other matters required on Corporate Governance; GDCL has adequate resources to continue operations into the foreseeable future. It is appropriate to adopt going concern assumption and there is no material uncertainty in preparing the Financial Statements.

It is possible that the actual outcome of one or more of management's plans could be materially different or that one or more of management's significant judgments or estimates about the potential effects of the risks and uncertainties could prove to be materially incorrect. There is no significant doubt upon the GDCL ability to continue as a going concern.

THE FUTURE

We expect 2021 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. Though the coronavirus as an invisible threat changed our routine completely. It impacts significantly our tomorrow's business and economy. Covid 19 changes our lives and ways of thinking even after its settle down. Therefore, we need to generate new innovative ideas and strategies about future business. We have to change ourselves and continue to take on new challenges. I believe that we are prosperous in having a management team which is focused persistently on delivering the improvements ahead.

Finally, 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

Sd/-

Nasir A Choudhury
Chairman

10.2.3 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, 2020, 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, 2020 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.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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.

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.



AKM Mohitul Haq FCA

Senior Partner

Enrolment No.- 458

Ahmed Zaker & Co.

Chartered Accountants

Firm Registration Number: [N/A]

DVC: 2103090458AS365208

Location: Dhaka

Dated: February 04, 2021

GREEN DELTA CAPITAL LIMITED

STATEMENT OF FINANCIAL POSITION

As at December 31, 2020

Particulars	Notes	Amount in Taka	
		31.12.2020	31.12.2019
APPLICATION OF FUNDS			
Non-Current Assets		9,679,407	4,939,565
Property, Plant & Equipment	4	9,666,617	4,773,403
Intangible Assets	5	12,790	166,162
Current Assets		276,342,442	374,057,201
Advances, Deposits & Prepayments	6	9,908,163	8,113,120
Investment In Shares	7	116,393,242	127,669,240
Margin Loan To Clients	8	3,153,933	2,273,380
Loan to Green Delta Insurance	9	-	70,000,000
Accounts Receivable	10	10,701,112	30,530,124
Accrued Interest income	11	30,443,655	26,895,304
Receivable From Brokerage	12	725,515	35,163
Investment In FDR	13	91,000,000	102,000,000
Cash and cash equivalents	14	14,016,822	6,540,870
Current Liabilities		12,521,849	101,752,041
Payable To GDIC	15	111,573	111,573
Payable To GDSL	16	1,174,771	1,174,771
Accounts Payable	17	2,237,491	1,740,885
Payable To Clients	18	4,760,892	4,077,241
Short Term Loan	19	-	83,985,989
Other Provision	20	285,325	2,965,275
Provision For Income Tax	21	3,951,797	7,696,307
Net Current Assets		263,820,594	272,305,160
Total Assets		273,500,000	277,244,725
SOURCE OF FUNDS			
Shareholders equity		273,500,000	277,244,725
Share Capital	22	260,000,000	260,000,000
Retained Earnings	23	69,098,961	62,741,316
Available For Sale Reserve	24	(55,598,961)	(45,496,591)
Total Capital Employed		273,500,000	277,244,725

The accompanying policies and explanatory notes 1-31 from an integral part of these financial statements.


Director



Finance Controller


Chairman


Managing Director & CEO

Signed as per our separate report of same date.

Date: February 04, 2021
Place: Dhaka


AKM Mohitul Haq FCA

Senior Partner
Enrolment No.- 458
Ahmed Zaker & Co.
Chartered Accountants

Firm Registration Number: [N/A]
DVC: 2103090458AS365208

GREEN DELTA CAPITAL LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended December 31, 2020

Particulars	Notes	Amount in Taka	
		31.12.2020	31.12.2019
Income			
Operating Income	25	20,425,875	41,417,631
Realised Gain on share trading	26	8,246,453	2,946,008
Other Income	27	18,667,618	30,792,126
Total Operating Income (A)		47,339,946	75,155,765
Operating Expenses			
Operating & Direct Charges	28	-	21,510
Office & Administrative Expenses	29	32,106,985	35,486,622
Financial Expenses	30	4,197,026	11,127,569
Total Operating Expenses (B)		36,304,011	46,635,701
Profit before depreciation & provisions (A-B)		11,035,935	28,520,064
Less: Depreciation & Amortization	31	2,878,290	2,414,395
Profit Before Tax		8,157,645	26,105,669
Other Provision		-	2,500,000
Provision for Tax		1,800,000	8,000,000
Net Profit After Tax		6,357,645	15,605,669
Other comprehensive income			
For diminution in value of investment		(10,102,370)	-
Total comprehensive income		(3,744,725)	15,605,669

The accompanying policies and explanatory notes 1-31 from an integral part of these financial statements.



Director



Finance Controller



Chairman



Managing Director & CEO

Signed as per our separate report of same date.

Date: February 04, 2021

Place: Dhaka



AKM Mohitul Haq FCA

Senior Partner

Enrolment No.- 458

Ahmed Zaker & Co.

Chartered Accountants

Firm Registration Number: [N/A]

DVC: 2103090458AS365208

GREEN DELTA CAPITAL LIMITED

STATEMENT OF CHANGES IN EQUITY

For the year ended December 31, 2020

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)	62,741,316	277,244,725
Net profit during the year	-	-	-	6,357,645	6,357,645
Unrealized Gain/(Loss) on securities available for sale			(10,102,370)		(10,102,370)
Closing Balance	260,000,000	-	(55,598,961)	69,098,961	273,500,000

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)
Closing Balance	260,000,000	-	(45,496,591)	62,741,316	277,244,725



Director



Finance Controller



Chairman



Managing Director & CEO

Signed as per our separate report of same date.

Date: February 04, 2021

Place: Dhaka



AKM Mohitul Haq FCA

Senior Partner

Enrolment No.- 458

Ahmed Zaker & Co.

Chartered Accountants

Firm Registration Number: [N/A]

DVC: 2103090458AS365208

GREEN DELTA CAPITAL LIMITED

STATEMENT OF CASH FLOWS

For the year ended December 31, 2020

Particulars	Amount in Taka	
	31.12.2020	31.12.2019
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Cash Collected from Turnover	44,390,649	30,510,493
Cash Paid to Customers, Suppliers, Employees & others	(29,944,904)	(42,480,126)
Capital Gain from Share	8,246,453	2,946,008
Dividend Income	3,151,463	1,830,184
Income Tax Paid	(10,828,075)	(2,830,726)
Net Cash flow from/(used) Operating Activities	15,015,586	(10,024,167)
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Acquisition of Fixed Assets	(7,618,132)	(1,969,543)
Investment in FDR	11,000,000	15,000,000
(Investment)/ Encashment of Shares	1,000,378	1,139,908
Interest Received from FDR	7,141,688	2,992,115
Net Cash flow from /(Used) in Investing Activities:	11,523,934	17,162,480
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Employee loan adjustment/Given	-	44,503
Financial Expenses	(4,197,026)	(11,127,569)
Margin Loan	(880,553)	4,325,584
Loan Received/Paid	(83,985,989)	83,985,989
Loan given to Gdic	70,000,000	(70,000,000)
Dividend paid	-	(20,000,000)
Payable To Clients	-	(23,808,637)
Share issued	-	-
Net Cash used in Financing Activities:	(19,063,568)	(36,580,130)
D. Net Increase/(Decrease) in cash & cash equivalents during the year (A+B+C):	7,475,952	(29,441,818)
E. Cash & cash equivalents at the beginning of the year	6,540,870	35,982,687
Cash & cash equivalents at the end of the year	14,016,822	6,540,870

GREEN DELTA CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

For the year ended December 31, 2020

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, 2020 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:

Rates

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).

The Board of Director's of GDCL has proposed 5% final dividend (subject to the approval of AGM) on paid up capital of BDT 260,000,000 (Twenty Six Crore only).

2.13 Related party disclosure

As per International Accounting Standards (IAS)-24 "Related Party Disclosures", parties are considered to be related if one of the parties has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The Company carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with related parties.

Name of the Related Party	Nature of Relationship	Nature of Transaction	Balance as on December 31, 2020
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	-
Green Delta Insurance Company Ltd.	Common Shareholder	Interest Income	4,759,999

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, 2020.

- 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- 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, 2020 to December 31, 2020.

		Amount in Taka	
		31.12.2020	31.12.2019
4.00	Property, Plant & Equipment		
	Cost		
	Opening balance	12,319,059	13,844,516
	Add: Addition during the year	7,618,132	1,969,543
		19,937,191	15,814,059
	Less: Disposal during the year	-	3,495,000
		19,937,191	12,319,059
	Less: Depreciation		
	Opening balance	7,545,656	9,111,770
	Add: Charged during the year	2,724,918	1,812,386
		10,270,574	10,924,156
	Less: Adjustment during the year	-	(3,378,500)
	Accumulated depreciation	10,270,574	7,545,656
		9,666,617	4,773,403
	Written Down Value		
	Details of Property, Plant & Equipment is given in Schedule-A		
5.00	Intangible Assets		
	Cost		
	Opening balance	13,240,339	13,240,339
	Add: Addition during the year	-	-
		13,240,339	13,240,339
	Less: Amortization		
	Opening balance	13,074,177	12,472,168
	Add: Charge during the Year	153,372	602,009
		13,227,549	13,074,177
	Written Down Value	12,790	166,162
	Details of Intangible Assets is given in Schedule-B		
6.00	Advances, Deposits & Prepayments		
	Advance Employee Loan/Salary	6.01 -	700,000
	TDS AIT from Interest Income Bank	6.02 1,893	1,527
	TDS AIT from Interest Income FDR	6.03 2,352,668	1,212,914
	TDS AIT from Govt Treasury Advance Tax	6.04 300,000	800,000
	TDS AIT on CAR TAX	6.05 130,000	65,000
	TDS AIT from Dividend Income	6.06 995,753	365,682
	TDS AIT from Fees Income	6.07 4,665,849	717,109
	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 1,200,000	1,000,000
	Advance for Portfolio Management	6.12 -	1,000,000
	Advance to DSE for EOD data	6.13 60,000	-
	Advance to Progress Motors Imports Ltd	-	2,000,000
		9,908,163	8,113,120

		Amount in Taka	
		31.12.2020	31.12.2019
6.01	Advance Employee Loan/Salary		
	Opening Balance	700,000	485,800
	Add: Addition	-	760,000
		700,000	1,245,800
	Less: Adjustment	700,000	545,800
		-	700,000
6.02	TDS AIT from Interest Income Bank		
	Opening Balance	1,527	3,530
	Add: Addition	367	1,527
		1,893	5,057
	Less: Adjustment	-	3,530
		1,893	1,527
6.03	TDS AIT from Interest Income FDR		
	Opening Balance	1,212,914	1,983,931
	Add: Addition	1,139,754	1,212,913
		2,352,668	3,196,844
	Less: Adjustment	-	1,983,930
		2,352,668	1,212,914
6.04	TDS AIT from Govt Treasury Advance Tax		
	Opening Balance	800,000	2,390,000
	Add: Addition	-	468,495
		800,000	2,858,495
	Less: Adjustment	500,000	2,058,495
		300,000	800,000
6.05	TDS AIT on CAR Tax		
	Opening Balance	65,000	15,000
	Add: Addition	65,000	65,000
		130,000	80,000
	Less: Adjustment	-	15,000
		130,000	65,000
6.06	TDS AIT from Dividend Income		
	Opening Balance	365,682	1,159,417
	Add: Addition	630,071	365,682
		995,753	1,525,099
	Less: Adjustment	-	1,159,417
		995,753	365,682
6.07	TDS AIT from Fees Income		
	Opening Balance	717,109	4,053,746
	Add: Addition	3,948,740	717,109
		4,665,849	4,770,855
	Less: Adjustment	-	4,053,746
		4,665,849	717,109

		Amount in Taka	
		31.12.2020	31.12.2019
6.08	Advance Office Expenses		
	Opening Balance	48,889	-
	Add: Addition	924,751	1,582,528
		973,640	1,582,528
	Less: Adjustment	973,640	1,533,639
		-	48,889
6.09	T & T Deposits		
	Opening Balance	2,000	2,000
	Add: Addition	-	-
		2,000	2,000
	Less: Adjustment	-	-
		2,000	2,000
6.10	CDBL Security Deposit		
	Opening Balance	200,000	200,000
	Add: Addition	-	-
		200,000	200,000
	Less: Adjustment	-	-
		200,000	200,000
6.11	Advance to Others		
	Opening Balance	1,000,000	510,000
	Add: Addition	200,000	500,000
		1,200,000	1,010,000
	Less: Adjustment	-	10,000
		1,200,000	1,000,000
6.12	Advance for Portfolio Management		
	Opening Balance	1,000,000	1,200,000
	Add: Addition	-	1,000,000
		1,000,000	2,200,000
	Less: Adjustment	1,000,000	1,200,000
		-	1,000,000
6.13	Advance to DSE for EOD data		
	Opening Balance	-	-
	Add: Addition	60,000	-
		60,000	-
	Less: Adjustment	-	-
		60,000	-
7.00	Investment in Share		
	Investment in Listed Securities	116,393,242	127,495,990
	Investment in Equity of Non listed Co. (Green Delta AMC)	-	-
	Investment in Right Share for own Investment	-	173,250
	Investment in IPO for own Investment	-	-
		116,393,242	127,669,240

		Amount in Taka	
		31.12.2020	31.12.2019
7.01	Investment in Listed Securities		
	Cost Value of Securities	171,992,203	172,992,581
	Less: Provision against diminution in value of investment	(55,598,961)	(45,496,591)
		116,393,242	127,495,990
		Cost Value	Market Value
		171,992,203	116,393,242
		171,992,203	116,393,242
	As per Bangladesh Securities and Exchange Commission (BSEC) Letter No. BSEC/SRI/MB/Policy/5/2020/132 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 2022.		
8.00	Margin Loan to Clients		
	Margin Loan to Clients	3,153,933	2,273,380
		3,153,933	2,273,380
9.00	Loan to Green Delta Insurance Company Ltd.		
	Opening Balance	70,000,000	-
	Add: Addition	-	287,000,000
		70,000,000	287,000,000
	Less: Adjustment during the year	70,000,000	217,000,000
		-	70,000,000
	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 as per International Financial Reporting Standard.		
10.00	Accounts Receivable		
	Receivables from Financial Express Research	60,000	60,000
	Receivable from Agora Limited	-	1,000,000
	Receivable from Spectra Solar Part Ltd	9,445,241	27,369,939
	Receivable from BD Ventute Ltd	-	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	40,490	125,440
	Receivable from HKGE Consortium Limited	1,018,800	-
	Other Receivable (Employee & Others)	136,581	75,023
		10,701,112	30,530,124
11.00	Accrued Interest income		
	Interest Receivable FDR, Head Office	30,443,655	26,895,304
		30,443,655	26,895,304
11.01	Accrued Interest income on FDR		
	Opening Balance	26,895,304	17,350,527
	Add: Addition	10,413,566	12,420,803
		37,308,870	29,771,330
	Less: Adjustment	6,865,214	2,876,026
		30,443,655	26,895,304

		Amount in Taka	
		31.12.2020	31.12.2019
12.00	Receivable From Brokerage		
	Receivable from Brokerage GDSL (Non-Discretionary)	725,515	35,163
		725,515	35,163
13.00	Investment In FDR		
	FDR Lanka Bangla Finance Ltd FDR No 0009 20300000238	20,000,000	20,000,000
	FDR Lanka Bangla Finance Ltd FDR No000920300000216	-	10,000,000
	FDR Lanka Bangla Finance No ' 0016 22800000001	20,000,000	20,000,000
	FDR Lanka Bangla Finance No 0016 22800000045	10,000,000	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 25000001121	-	14,000,000
	FDR IPDC No 0001 25000001685	-	5,000,000
	FDR LanakBangla Finance Ltd No 0026 29100000001	5,000,000	-
	FDR LanakBangla Finance Ltd No 0026 29100000002	5,000,000	-
	FDR LanakBangla Finance Ltd No 0009 29100000037	8,000,000	-
		91,000,000	102,000,000
14.00	Cash and cash equivalents		
	Cash in Hand	94,089	145,968
	Cash at Bank	5,294,200	6,337,995
	Ledger Balance from portfolio investment	8,628,533	56,908
		14,016,822	6,540,870
14.01	Cash in hand		
	Cash in hand, Head Office	94,089	145,968
		94,089	145,968
14.02	Cash with bank		
	SCB_IP A/C (Discretionary) 01-1146314-01 Head Office	47,499	23,247
	SCB_IP A/C (Non-Discretionary) 01-1146314-03 Head Office	4,080,648	4,951,045
	SCB (Own Investment) 01-1146314-02 Head Office	39,512	183,982
	SCB (Operation) 02-1146314-01 Head Office	713,722	796,367
	SCB (IPO Application AC) 01-1146314-04	328,600	
	MCBL (Operation) 011313100000777	84,220	383,353
		5,294,200	6,337,995
15.00	Payable to GDIC		
	Various Expenses payable to GDIC	111,573	111,573
		111,573	111,573
15.01	Various Expenses payable to GDIC		
	Opening Balance	111,573	160,390
	Add: Addition	1,362,883	1,754,238
		1,474,456	1,914,628
	Less: Adjustment	1,362,883	1,803,055
		111,573	111,573

			Amount in Taka	
			31.12.2020	31.12.2019
16.00	Payable to GDSL			
	Other Management Expenses	16.01	1,174,771	1,174,771
			1,174,771	1,174,771
16.01	Other Management Expenses			
	Opening Balance		1,174,771	1,174,771
	Add: Addition		-	-
			1,174,771	1,174,771
	Less: Adjustment		-	-
			1,174,771	1,174,771
17.00	Accounts Payable			
	Audit Fees	17.01	57,500	57,500
	TDS Payable	17.02	6,834	6,109
	VAT Payable	17.03	64,465	29,037
	Employees payable	17.04	1,654,014	1,500,000
	Payable to Party	17.05	113,705	130,076
	Accrued Interest Payable on SOD Loan	17.06	-	-
	IPO Control Account	17.07	328,600	
	Accrued expenses & other payable		12,373	18,163
			2,237,491	1,740,885
17.01	Audit Fees			
	Opening Balance		57,500	57,500
	Add: Addition during the year		57,500	57,500
			115,000	115,000
	Less: Paid during the year		57,500	57,500
			57,500	57,500
17.02	TDS Payable			
	Opening Balance		6,109	6,138
	Add: Addition during the year		88,395	4,079,306
			94,504	4,085,444
	Less: Paid during the year		87,670	4,079,335
			6,834	6,109
17.03	VAT Payable			
	Opening Balance		29,037	33,156
	Add: Addition during the year		381,511	416,028
			410,548	449,184
	Less: Paid during the year		346,083	420,147
			64,465	29,037
17.04	Employees payable			
	Opening Balance		1,500,000	1,300,000
	Add: Addition during the year		500,000	200,000
			2,000,000	1,500,000
	Less: Paid during the year		345,986	-
			1,654,014	1,500,000

		Amount in Taka	
		31.12.2020	31.12.2019
17.05	Payable to Party		
	Payable to CDBL	5,198	1,918
	Payable to Green Delta Aims Ltd	75,969	73,470
	Payable to Radiant Cleaning & Pest Control	12,900	12,752
	Payable to Infobase Ltd	5,000	-
	Payable to Royal Taj Enterprise	10,088	13,017
	Payable to Square Informatix Ltd	4,550	4,550
	Payable to SNS Traders/ Monsoon Catering (Lunch)	-	24,369
		113,705	130,076
17.06	Accrued Interest Payable on SOD Loan		
	Opening Balance	-	-
	Add: Addition during the year	-	11,011,524
		-	11,011,524
	Less: Paid during the year	-	11,011,524
		-	-
17.07	IPO Control Account		
	Opening Balance	-	-
	Add: Addition during the year	1,593,600	1,607,600
		1,593,600	1,607,600
	Less: Adjustment during the year	1,265,000	1,607,600
		328,600	-
18.00	Payable to Clients		
	Client Payable Account	4,760,892	4,077,241
		4,760,892	4,077,241
19.00	Short Term Loan		
	Opening Balance	83,985,989	-
	Add: Addition during the year	32,040,716	138,118,448
	Total	116,026,705	138,118,448
	Less: Paid during the year	116,026,705	54,132,459
	Closing Balance	-	83,985,989
	The above loan is taken from Lankabangla Finance Limited as SOD Loan and fully secured against FDR.		
20.00	Other Provision		
	Opening Balance	2,965,275	4,000,000
	Add: Addition during the year	-	2,500,000
		2,965,275	6,500,000
	Less: Paid during the year	2,679,950	3,534,725
		285,325	2,965,275
21.00	Provision for Income Tax		
	Opening Balance	7,696,307	10,075,856
	Add: Addition during the year	1,800,000	8,000,000
		9,496,307	18,075,856
	Less: Ajustment made for IY 17-18 AY 18-19 and IY 18-19 AY 19-20	-	10,379,549
	Less: Paid during the year for IY 17-18 AY 18-19	509,380	-
	Less: Paid during the year for IY 18-19 AY 19-20	4,535,130	-
	Less: Ajustment made for IY 17-18 AY 18-19 Govt Tax us 64	500,000	-
		3,951,797	7,696,307

		Amount in Taka	
		31.12.2020	31.12.2019
22.00	Share Capital		
	Authorized Share Capital: Taka 1,000,000,000		
	The Authorized Share Capital with which the Company has ventured is taka 1,000,000,000 (One Hundred Crore) divided into 100,000,000 ordinary shares of taka 10 each.		
	Paid up Capital: Taka 260,000,000		
	This represents the paid up capital of the company with 26,000,000 Ordinary Shares of taka 10 each subscribed and paid by the following sponsor shareholders and directors of the company.		
	Particulars	Amount in Taka	
	Green Delta Insurance Co. Ltd	259,999,900	
	Nasir A. Choudhury	100	
		260,000,000	
23.00	Retained Earnings		
	Opening Balance	62,741,316	67,135,648
	Add: Addition during the year	6,357,645	15,605,669
		69,098,961	82,741,316
	Less: Final dividend payment	-	20,000,000
		69,098,961	62,741,316
24.00	Available For Sale (AFS) Reserve		
	Opening Balance	(45,496,591)	(45,496,591)
	Add: Addition during the year	(10,102,370)	-
		(55,598,961)	(45,496,591)
	Less: Adjustment	-	-
		(55,598,961)	(45,496,591)
25.00	Operating Income		
	Margin interest Income, Non -Disc	450,619	759,551
	Structured Finance and Corporate Advisor	18,320,202	38,209,939
	Income from Publication Reserch	1,031,450	1,640,180
	Management Fee (Non-Discretionary A/C)	98,712	137,588
	Management Fee Income, GD perfor-Max (Discretionary)	-	7,500
	Documentation Fees, Non-Discretionary	29,500	24,000
	BO Account Opening Fee, Non-Discretionary	22,500	9,000
	BO Account Opening Fee, Discretionary	-	1,000
	BO Renewal Fee, Non-Discretionary	73,500	77,000
	BO Closing Fee, Non-Discretionary	500	1,500
	Brokerage Commission (Non-Discretionary)	398,501	449,576
	Brokerage Commission, GD Perform Max (Discretionary)	391	496
	CDBL Income	-	302
	Underwriting Commission, Head Office	-	100,000
		20,425,875	41,417,631
26.00	Realised Gain on share trading		
	Realized gains on Share trading	8,246,453	2,946,008
		8,246,453	2,946,008

		Amount in Taka	
		31.12.2020	31.12.2019
27.00	Other Income		
	Dividend Income, Head Office	3,151,463	1,830,184
	Service Charge on IPO Application	1,950	1,755
	Interest Income on FDR, Head Office	10,690,039	12,536,892
	Interest Income on STD Balances, Head Office	3,666	15,270
	Rent Income, Head Office	36,000	40,000
	Interest Income from Green Delta Insurance GDIC SOD LOAN	4,759,999	14,839,525
	Miscellaneous earnings, Head Office	24,500	-
	Gain on sell of Assets	-	1,528,500
		18,667,618	30,792,126
28.00	Operating & Direct Expenses		
	Portfolio Expenses	-	21,510
		-	21,510
29.00	Office & Administrative Expenses		
	Salaries and Allowances	21,633,429	21,335,663
	Festival Bonus	1,615,400	1,656,900
	Office Rent	1,338,876	1,338,876
	Insurance premium	232,499	98,424
	Utility, Electricity & Service Charges	914,874	1,093,258
	Office Pool Car Exp & Driver Salary	397,118	449,141
	Telephone expenses	14,782	17,845
	Mobile Allowances	152,025	223,800
	Stationery expenses	78,650	201,355
	Audit fees	57,500	57,500
	Office maintenance	93,184	79,581
	Software maintenance fees	211,000	255,000
	Repair expenses	14,995	9,466
	Trade License renewal fees	19,000	19,000
	Annual Fees for Merchant Banking License	50,000	57,500
	Car Fuel and maintenance	391,693	773,911
	Membership, renewal fees, Merchant Bank & Other	215,000	215,000
	Data Connectivity Expenses	165,650	186,690
	Training and development expenses	-	30,000
	Corporate Events	56,932	30,693
	Conveyance	589,320	550,518
	Computer Accessories	44,690	22,670
	Traveling Expenses	318,720	167,971
	Internship Program	4,500	4,600
	Foreign travel expenses		892,562
	Paper, Books and periodicals	1,130	39,160
	Entertainment expenses	151,499	517,662
	Marketing Expense for Portfolio Management	2,360,687	4,024,989
	CDBL Charges	43,534	40,555
	Postage & Courier	4,804	809

	Amount in Taka	
	31.12.2020	31.12.2019
Staff food expenses	225,123	436,144
Visa Processing Fees	7,840	159,085
Web Development	81,269	74,665
CDBL Annual Renewal DP PMD	52,500	54,950
Board Meeting Expenses	82,940	34,425
Advertisement expenses	67,730	14,950
Car Allowance	260,000	88,000
Legal & Professional Fees	-	34,500
Cartidge & Tonner	25,192	75,049
RJSC & Govt. Fees	95,000	25,000
Corporate Events Investor	25,900	89,755
IPO Subscription Participation Fees (PMD)	12,000	9,000
	32,106,985	35,486,622
29.01 Marketing Expense for Portfolio Management		
Salary of Contractual Employee	1,935,763	3,296,339
Convayance	295,864	465,420
Mobile bill	58,700	98,000
Food Allowances	70,360	165,230
	2,360,687	4,024,989
30.00 Financial Expenses		
Interest Exp on SOD loan	4,000,716	11,007,859
Bank Charges, Finance	196,310	119,710
Bank Charges, PMD	-	-
	4,197,026	11,127,569
31.00 Amortization, Depreciation & Written Off		
Furniture and fittings	40,802	41,459
Computer	242,015	283,360
Office equipment	196,485	210,720
Office Renovation	97,020	119,911
Systems and softwares	153,372	602,009
Car	2,148,596	1,156,936
	2,878,290	2,414,395

GREEN DELTA CAPITAL LIMITED SCHEDULE OF PROPERTY, PLANT & EQUIPMENT

As at Dec 31, 2020

Annexure-A

Name of the Assets	COST				Rate	DEPRECIATION			Written down value as at 31.12.2020	
	Balance as at 01.01.2020	Addition during the year	Disposal during the year	Balance as at 31.12.2020		Balance as at 01.01.2020	Charged during the year	Adjustment during the year		Balance as at 31.12.2020
Furniture and Fittings	414,805	-	-	414,805	10%	179,833	40,802	-	220,635	194,170
Office Equipment	2,023,295	65,500	-	2,088,795	20%	1,497,611	196,485	-	1,694,096	394,699
Computer	3,195,324	52,632	-	3,247,956	33%	2,877,267	242,015	-	3,119,282	128,674
Car	4,493,000	7,500,000	-	11,993,000	20%	1,126,507	2,148,596	-	3,275,103	8,717,897
Office Renovation	2,192,635	-	-	2,192,635	20%	1,864,438	97,020	-	1,961,458	231,177
Balance as at 31.12.2020	12,319,059	7,618,132	-	19,937,191		7,545,656	2,724,918	-	10,270,574	9,666,617
Balance as at 31.12.2019	13,844,516	1,969,543	3,495,000	12,319,059		9,111,770	1,812,386	3,378,500	7,545,656	4,773,403

GREEN DELTA CAPITAL LIMITED SCHEDULE OF PROPERTY, PLANT & EQUIPMENT

As at Dec 31, 2019

Annexure-B

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		Balance as at 01.01.2019	Charged during the year	Adjustment during the year		Balance as at 31.12.2019
Software	13,240,339	-	-	13,240,339	20%	13,074,177	153,372	-	13,227,549	12,790
Balance as at 31.12.2020	13,240,339	-	-	13,240,339		13,074,177	153,372	-	13,227,549	12,790
Balance as at 31.12.2019	13,240,339	-	-	13,240,339		12,472,168	602,009	-	13,074,177	166,162

10.3.1 REPORT ON PROFESSIONAL ADVANCEMENT BANGLADESH LIMITED (PABL)



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.



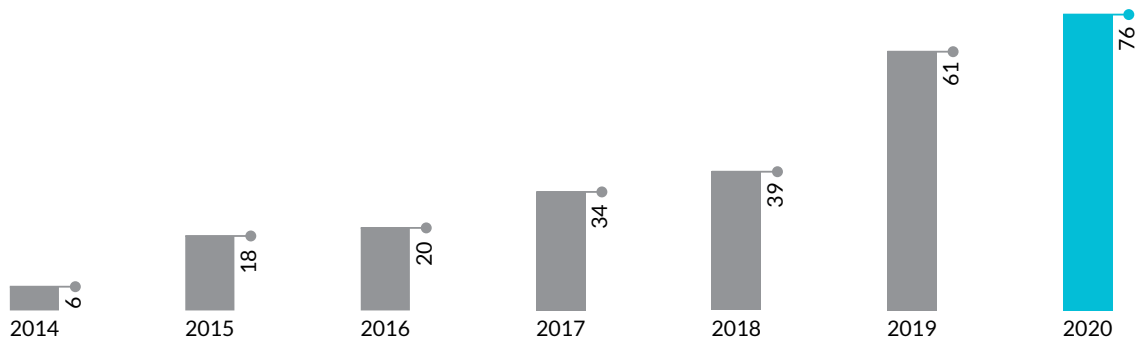
Our Values

- Quality of our service
- Honoring Individuals
- Creative intention
- Transformative Growth
- Integrity
- Respect
- Sustainability

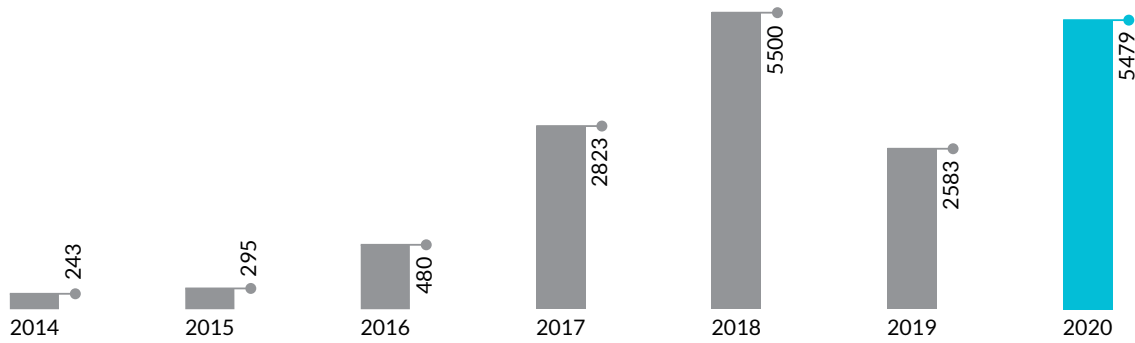
PABL at a Glance:

From 2014-2020 year

No of Trainings (2014-2020)



No of Trainees (2014- 2020)



Partnership with 3 Major Educational /Strategic Partner



254 Training Sessions

Both offline & online Workshops & Webinars have been arranged for internal and external specific industry participants through PABL.



96 CII Registered Students



17,403 No. of Trainees

Total 17,403 participated in total of 254 Trainings/Workshops which had been arranged through PABL this 7 years.



186 III total subject enrolled

Service provided in the year 2020



CII- Exams

17 Participants have enrolled for CII



III- Online Exams

10 subjects have enrolled this year



Other Certified Trainings & Free Webinars

Total 401 have participated in various online and offline certified trainings & 1441 has participated in various webinars



Agent Training

3637 Agents participated for Agent Training

VALUABLE CLIENTELE 2020

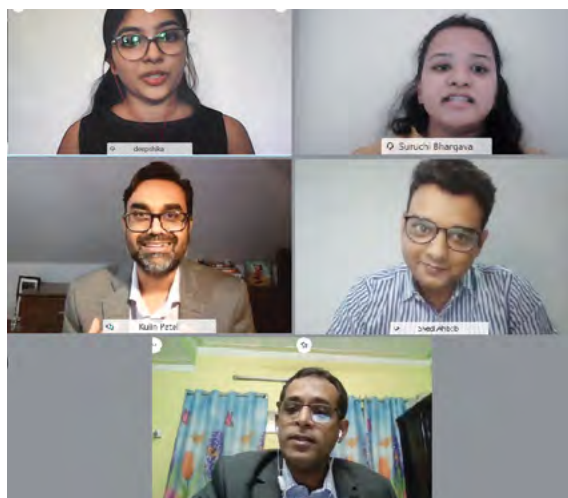


GLIMPSES OF PABL ACTIVITIES -2020

Date: November 21, 2020

Webinar on “Actuarial Valuation as a Tool for Managing Insurance Business”

PABL and M/s K. A. Pandit – Consultants and Actuaries (KAP) have jointly organized 3rd Webinar titled “Actuarial Valuation as a Tool for Managing Insurance Business” on November 21, 2020. The Webinar was hosted by Mr. Munir Chowdhury, Chief Executive Officer, PABL and moderated by Mr. Kulin Patel, Executive Chief Officer, (Actuary/ Partner). Ms. Deepshika Amin, Member of the Institute of Actuaries of India and Institute and Faculty of Actuaries, UK & Ms. Suruchi Bhargava, Actuary/Senior Consultant, KAP were participated the webinar as the speakers. Mr. Syed Aliul Ahabab, Financial Controller, Green Delta Insurance Company Limited was present as the Guest Speaker.



Date: November 4-5, 2020

Online Training on “Risk Inspection Survey & its importance to Underwriting and Risk Management”

PABL and iRCG had jointly organized a 2 days - 6 Hours long online training program titled ‘Risk Inspection Survey & its importance to Underwriting and Risk Management’ on November 4-5, 2020 for Green Delta Insurance employees. It was conducted by Mr. M. R. Khan, CEO, Integrated Risk Consulting Group (iRCG).



Date: October 18-22, 2020

Online Training on “Financial Analysis and Management”

PABL organized an one week long (3 days-9 Hours) online training program titled ‘Financial Analysis and Management’ on October 18-22, 2020. The training was specially designed for Finance and Accounts professionals of Green Delta Insurance Company Limited. It was



conducted by Mr. Munir Chowdhury, CEO, Professional Advancement Bangladesh Limited (PABL).

Date: September 26, 2020

Webinar on “Financial Condition Reporting- gaining business insights”

PABL and M/s K. A. Pandit – Consultants and Actuaries (KAP) have jointly organized an interactive Webinar titled “Financial Condition Reporting- gaining business insights” on September 26, 2020. Ms. Arundhati Ghosal, Actuary/Senior Consultant, KAP, Ms. Jinal Pandit, Actuary/Partner, KAP & Ms. Rashi Manek, Actuarial Manager, KAP were the speakers of the webinar. The total number of 32 participants attended the webinar.



Date: September 23 to October 1, 2020

Agent Training- National Life Insurance Company Limited

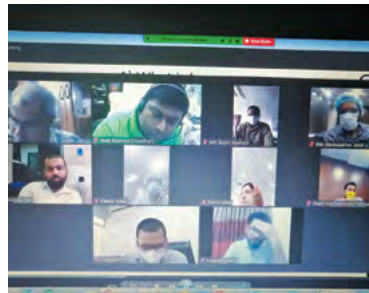
PABL was organized a 6 long days program on Agent Training- Kishorgonj” for the National Life Insurance Company 223 agents in total 6 batches.



Date: September 15, 2020

CII September Session Exam

Professional Advancement Bangladesh Limited (PABL) has conducted the Award in Insurance Underwriting (WUE) Examination on September 15, 2020. It was held under the supervision of invigilator. The classes in the course are taken by Mr. Syed Forhad Abbas Hossain, Sr. ED & Head of Reinsurance, Green Delta Insurance Company Limited.



Date: August 26 to 31, 2020

Agent Training- Delta Life Insurance Company Limited- Tangail

PABL has conducted Agent Training for Delta Life Insurance Company Limited at Tangail throughout 72 hours (6 days) as per IDRA rules.



Date: July 10, 2020

Webinar on “Bangladesh Insurance Industry beyond Covid-19”:

PABL and M/s K. A. Pandit – Consultants and Actuaries (KAP) have jointly organized a Panel discussion titled Webinar on “Bangladesh Insurance Industry beyond Covid-19”. Professor Shibli Rubayat-UI-Islam, Chairman, Bangladesh Security and Exchange Commission (BSEC) presided as the chief guest, and Dr. M Mosharraf Hossain, Member, Insurance Development Regulatory Authority (IDRA Bangladesh) was present as the Special Guest, while distinguished personalities such as Farzanah Chowdhury, Chartered Insurer, MD & CEO, Green Delta Insurance Company Limited, M M Monirul Alam, CEO, Guardian Life Insurance Limited and Arup Dasgupta, MD & CEO, LIC Bangladesh Ltd. were present for the panel discussion. The event was hosted by Mr.



Kulin Patel, CEO (Partner), KAP. Ms. Arundhati Ghosal, Actuary/Senior Consultant, KAP was moderated the panel. Their insightful viewpoints and opinions not only enlightened the attendees of the panel discussion about the impact of Covid-19 in Bangladesh Insurance Industry, but their keen observations also gave solutions regarding how to take action in response to Covid-19.

Date: July 10-11, 2020

Online Workshop session “Stepping Up”

PABL and Mind Mapper Bangladesh have jointly organized an online workshop session titled ‘Stepping Up’ on May 9, 2020. The workshop was specially designed for Team Leaders of Green Delta Insurance Company Limited. It was conducted by Mr. Ejazur Rahman, Managing Director and Lead Consultant of Mind Mapper Bangladesh. A total of 50 participants attended the workshop.



Date: July 6, 2020

Webinar- Roundtable Discussion on “Cyber Risks: Security and Privacy”

PABL along with Green Delta Insurance Company Limited and Marsh India have organized the Webinar-Roundtable Discussion on “Cyber Risks: Security and Privacy” on July 6, 2020. The webinar was moderated by Mr. Bhisma Maheswari, Executive Vice President and Cyber Insurance Practice Leader, Marsh India. Mr. Abu Raihan, Head of Technology, Nagad, Magda Chelly, Phd, S_CISO, CISSP, Head of Cyber Risk Consulting, Marsh Asia, Mr. Linden Reko, Vice President, Regional Cyber & Technical Advisor, Marsh FINPRO Asia, Md. Mushfiqur Rahman, SAVP & Head of IT Security Division,



Dutch Bangla Bank Limited, Mr. Rahat Bin Kamal, Deputy General Manager, United Group, Dr. Asif Naimur Rashid, CIO, Robi Axiata Limited and Mr. B M Zahid UI Haque, Head of Information Security, Brac Bank were present as the panelists and shared their expert opinion on Cyber Risks Security and Privacy.

Date: May 28, 2020

Webinar on Credit Insurance

PABL in association with J B Boda Insurance & Reinsurance Brokers Pvt. Ltd, India had conducted an interactive webinar title “Credit Insurance” on May 28, 2020 where at 100+ employees of Green Delta Insurance Company Limited participated.

Mr. Chandrakant Ramanlal Vaidya, Sr. Executive Director, J B Boda Insurance & Reinsurance Brokers Pvt. Ltd & Mr. Amit Kashyap, Deputy General Manager- J B Boda Insurance & Reinsurance Brokers Pvt. Ltd discussed various aspect of the topic like: Extended Warranty & Trade Credit Insurance.

Mr. Rohit Boda, Managing Director, J B Boda Reinsurance Brokers Pvt. Ltd spoke in the opening session. Ms.

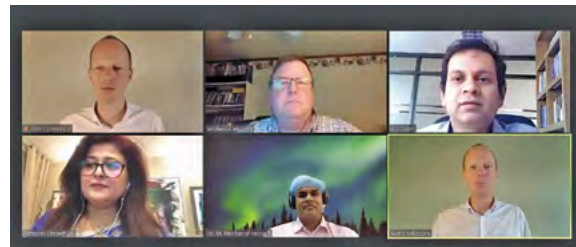


Farzanah Chowdhury, Chartered Insurer, Managing Director & CEO, Green Delta Insurance Company Limited joined the closing ceremony of the session and appreciated the J.B. Boda Group team for conducting the highly impactful training and exploring new business opportunity in the market.

Date: May 19, 2020

Webinar on Role of Microinsurance in response to Covid-19

PABL in association with Microinsurancemaster and MicroInsurance Center at Milliman had arranged a webinar title “What’s the role of Microinsurance in response to Covid-19 in Bangladesh” held on May 19, 2020. An expert panel consists of Farzanah Chowdhury , Chartered Insurer, Managing Director & CEO, Green Delta Insurance Company Limited, Dr. M. Mosharraf Hossain, Member, IDRA Bangladesh , Michael J.MCCORD, Managing Director, MicroInsurance Center at Milliman and Mr. Asif Saleh, Executive Director, BRAC Bangladesh how microinsurance initiatives can help the urban and rural poor to cope with this unprecedented health and economic crisis created due to Covid-19.

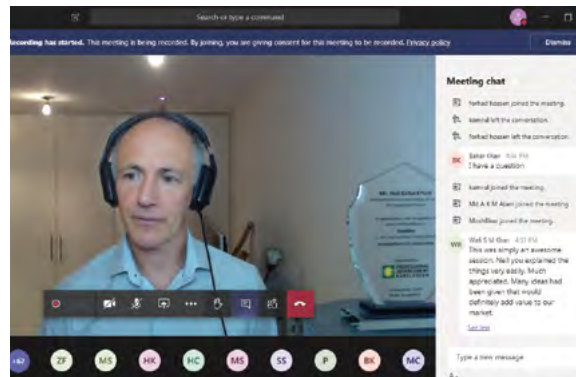


For the webinar over 300 participants had registered around the world. Ms. Farzanah Chowdhury highlighted the initiatives taken by Green Delta Insurance Company Limited to help the affected communities of Bangladesh through Microinsurance projects. She is optimistic that in coming days Microinsurance will pay vital role for bringing the poor and marginal peoples under the safety net of Insurance coverage.

Date: May 16, 2020

Webinar on ‘Covid-19 Insurance Market Impact

PABL in association with Chartered Insurance Institute (CII) UK have organized a webinar titled ‘Covid-19 Insurance Market Impact’ on 16th May, 2020. The webinar was conducted by Mr. Neil Richard Park, International Insurance Broker and Coach & Empaneled Trainer of Chartered Insurance Institute (CII). A total of 87 participants attended this interactive webinar where Mr. Neil shared his expert opinion on classes of insurance that are impacted by such losses, markets responds to the claims, policy coverage that have arisen, COVID-19



exclusions and the overview of the initial estimates of the financial impact on the insurance market.

Date: May 9, 2020

Webinar on Cyber Liability Risks and Insurance Solutions

PABL has organized a webinar titled ‘Cyber Liability Risks and Insurance Solutions’ on May 9, 2020. The webinar was conducted by Mr. Sagar Sanyal, Consultant and Professional Trainer, Non-Life Insurance and Risk Management. A total of 70 participants attended the webinar as Mr. Sanyal shared his expert opinion on Cyber Liability Insurance, its emerging threats and possible solutions to overcome those risks.



Date: May 3, 2020

Panel Discussion - Healthcare and Technology - The Covid 19 Experience & The Way Forward

PABL along with Risk Management Association of India (RMAI) proudly organized a Webinar titled Panel Discussion - Healthcare and Technology - The Covid 19 Experience & The Way Forward on 3rd May, 2020. The webinar was hosted by Dr. Rakesh Agarwal, Secretary General, RMAI and moderated by Prof (Dr) Abhijit K Chatteraj, Chartered Insurer, Chairperson PGDM (Insurance), BIMTECH. Ms. Farzanah Chowdhury, Chartered Insurer, Managing Director & CEO, Green Delta Insurance Company Limited, Prof Rameen Shakur, Jansen Chair in Cardiology, Massachusetts Institute of

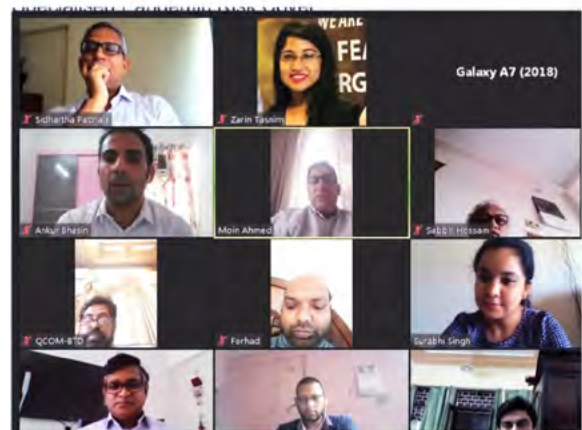


Technology, Boston USA, Mr. Syed Almas Kabir, President, Bangladesh Association of Software & Information Services (Basis), Mr. Joydeep K Roy, Partner, PwC Global Leader - Insurance Digital Assets were present as the panelists and shared their expert opinion on the role of Healthcare and Technology in this pandemic situation and the way forward.

Date: April 28, 2020

Webinar on COVID-19 Impact on Insurance Industry

Professional Advancement Bangladesh Limited (PABL) along with Marsh India have jointly organized a Webinar titled ‘COVID-19 Impact on Insurance Industry’ on April 28, 2020 exclusively for the employees of Green Delta Insurance Company Limited. The webinar was graced by Mr. Syed Moinuddin Ahmed Additional Managing Director and Company Secretary of Green Delta Insurance Company Limited and Director of Professional Advancement Bangladesh Limited (PABL) at the closing ceremony.



Date: March 14, 2020

Insurance Institute of India (III) - Online Examination

PABL in association with Insurance Institute of India (III), has successfully conducted online examination on March 14, 2020.



Date: March 14 to 20, 2020

Agent Training- Delta Life Insurance Company Limited- Munshigonj

PABL has conducted Agent Training for Delta Life Insurance Company Limited at Munshigonj throughout 72 hours (6 days) as per IDRA rules.



Date: March 8, 2020

Risk Inspection Survey & its importance to Underwriting and Risk Management

PABL and iRCG had jointly organized a day long training program titled 'Risk Inspection Survey & its importance to Underwriting and Risk Management' on March 8, 2020 for Green Delta Insurance employees. It was conducted by Mr. M. R. Khan, CEO, Integrated Risk Consulting Group (iRCG).



Date: February 15-16, 2020

Formation of Startup and Venture Capital Funding

Mr. Munir Chowdhury, CEO, Professional Advancement Bangladesh Limited has conducted two days long training program on "Formation of Startup and Venture Capital Funding" from February 15 - 16, 2020. Northern University students were participated in this program.



10.3.2 DIRECTORS REPORT TO THE SHAREHOLDERS

Dear Fellow Shareholders,

At the outset, we, the Board of Directors of your company Professional Advancement Bangladesh Limited (PABL), welcome you to the 7th 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 2020 and the Auditor's Report thereon for kind consideration and adoption.

Operational Highlights:

Taka in million	2020	2019
Revenue from student fees	3.59	7.83
Other income	0.65	0.49
Operating Expenses	1.40	3.55

Books of accounts:

Proper books of accounts of PABL have been maintained. Appropriate accounting policies have

been consistently applied in preparation of the financial statements. The accounting estimates are based on reasonable and prudent judgment. IAS/BAS/IFRS/BFRS, as applicable in Bangladesh, have been followed in the preparation of the financial statements and any departure there from has been adequately disclosed.

Internal Control:

The system of internal control is sound in design and has been effectively implemented and monitored.

Distribution of Profit for 2020:

The company reported loss of Taka 48 lac in the year 2020. 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 2020.

Appointment of Auditors

The company shall, at each AGM appoint/reappoint an auditor to hold office until the next AGM. The Auditors of the company M/s Ahmed Zaker & Co. Chartered accountants, has completed their tenure as an auditor of the company. They are eligible for re-appointment as auditor of the company for the year 2021 and they

Financial Highlights-2020 & 2019

Taka in million	2020	2019
Gross Profit	2.18	4.25
Net Profit/ loss	(4.76)	0.15

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 2021 at the existing remuneration of BDT 25,000.00

Going concern

There is no significant doubt upon the PABL ability to continue as a going concern.

Appreciation

I would like to thank my Board colleagues for their continued support and on their behalf would like to express my heartiest gratitude to the entire team of Professional Advancement Bangladesh Limited (PABL). It would be unfair to not acknowledge the exceptional efforts of our employees who worked in praiseworthy partnerships to meet the many challenges of difficult year.

In conclusion, on behalf of the Board, I would like to thank our honorable shareholders for their continued faith and support. For and on behalf of the Board of Directors,

Sd/-

Nasir A. Choudhury
Chairman

10.3.3 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, 2020, 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, 2020 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.

Emphasis of Matter

1. We draw attention to note # 7 of the financial statements and our report is not modified in respect of this matter.

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.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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.

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.



AKM Mohitul Haq FCA

Senior Partner

Enrolment No.- 458

Ahmed Zaker & Co.

Chartered Accountants

Firm Registration Number: [N/A]

DVC: 2103110458AS180963

Location: Dhaka

Dated: February 04, 2021

PROFESSIONAL ADVANCEMENT BANGLADESH LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2020

Particulars	Notes	Amount in Taka	
		31.12.2020	31.12.2019
ASSETS			
Non-Current Assets		6,252,562	3,833,797
Property, Plant & Equipment	3	6,252,562	3,833,797
Current Assets		29,089,727	30,816,332
Advances, Deposits & Prepayments	4	8,839,008	13,334,861
Receivable from GD ASSIST	5	1,901,230	1,889,530
Accounts Receivable	6	4,430,430	2,072,998
FDR Investment	7	10,876,057	13,097,511
Cash and cash equivalents	8	3,043,002	421,432
TOTAL ASSETS		35,342,289	34,650,129
SHAREHOLDERS EQUITY AND LIABILITIES			
Shareholders equity		(2,089,693)	2,675,015
Share Capital	9	10,000,000	10,000,000
Retained Earnings	10	(12,089,693)	(7,324,985)
Current Liabilities		37,431,982	31,975,114
Payable to GDIC	11	34,091,345	31,527,193
Accounts Payable	12	3,048,909	181,625
Provision for Tax	13	291,728	266,296
TOTAL SHAREHOLDERS EQUITY AND LIABILITIES		35,342,289	34,650,129

The accompanying Policies and explanatory notes (1-18) form an integral part of these Financial Statements.



Chairman



Director



In charge



Accounts Officer



Company Secretary

Signed as per our separate report of same date.

Place: Dhaka
Dated: February 04, 2021



AKM Mohitul Haq FCA

Senior Partner

Enrolment No.- 458

Ahmed Zaker & Co.

Chartered Accountants

Firm Registration Number: [N/A]

DVC: 2103110458AS180963

PROFESSIONAL ADVANCEMENT BANGLADESH LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2020

Particulars	Notes	Amount in Taka	
		31.12.2020	31.12.2019
Operating Income		3,589,280	7,833,856
Revenue from Student Fees	14	3,589,280	7,833,856
Less: Operating Expense		1,404,737	3,550,177
Operating expense	15	1,404,737	3,550,177
Gross Profit		2,184,543	4,283,679
Add: Other Income		649,364	486,239
Other Income	16	649,364	486,239
Total Income		2,833,907	4,769,918
Less: Office & Administrative Expenses		7,559,104	4,452,667
Office & Administrative Expenses	17	7,559,104	4,452,667
Profit/(Loss) before Interest expense and Tax (PBIT)		(4,725,197)	317,251
Less: Financial Expenses		14,079	16,603
Financial Expenses	18	14,079	16,603
Profit/(Loss) before Tax (PBT)		(4,739,276)	300,648
Less: Provision for Tax	13	(25,432)	(155,227)
Net Profit/(loss)		(4,764,708)	145,421

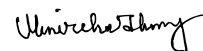
The accompanying Policies and explanatory notes (1-18) form an integral part of these Financial Statements.



Chairman



Director



In charge



Accounts Officer



Company Secretary

Signed as per our separate report of same date.

Place: Dhaka
Dated: February 04, 2021



AKM Mohitul Haq FCA

Senior Partner

Enrolment No.- 458

Ahmed Zaker & Co.

Chartered Accountants

Firm Registration Number: [N/A]

DVC: 2103110458AS180963

PROFESSIONAL ADVANCEMENT BANGLADESH LIMITED
STATEMENT OF CHANGE IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2020

Particulars	Share Capital	Retained Earnings	Total Shareholders' Equity
Opening Balance	10,000,000	(7,324,985)	2,675,015
Add: Profit/(Loss) during the Year		(4,764,708)	(4,764,708)
Balance For the Year ended 31.12.2020	10,000,000	(12,089,693)	(2,089,693)

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
Balance For the Year ended 31.12.2019	10,000,000	(7,324,985)	2,675,015



Chairman



Director



In charge



Accounts Officer



Company Secretary

Signed as per our separate report of same date.

Place: Dhaka
 Dated: February 04, 2021



AKM Mohitul Haq FCA

Senior Partner

Enrolment No.- 458

Ahmed Zaker & Co.

Chartered Accountants

Firm Registration Number: [N/A]

DVC: 2103110458AS180963

PROFESSIONAL ADVANCEMENT BANGLADESH LIMITED

STATEMENT OF CHANGE IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2020

Particulars	Amount in Taka	
	31.12.2020	31.12.2019
Cash Flow from Operating Activities:		
Cash Received from Customers and others	1,869,512	8,744,949
Cash Paid to Customers, Suppliers, Employees & others	1,811,913	(8,865,725)
Tax Paid	(54,265)	(498,553)
Net Cash (used) /flows from operating activities	3,627,160	(619,329)
Cash Flow from Investing activities :		
Acquisition of Property, Plant & Equipment	(3,227,044)	(226,765)
Encashment of FDR	2,221,454	-
Investment In FDR	-	-
Net Cash flows from Investing activities	(1,005,590)	(226,765)
Cash Flow from Financing activities:		
Share Capital	-	-
Net Cash (used) /flows from Financing activities:	-	-
Net increase/(decrease) in cash & cash equivalents	2,621,570	(846,094)
Add: Cash & Cash equivalents at the beginning of the Year	421,432	1,267,526
Cash & Cash equivalents at the end of the Year	3,043,002	421,432

PROFESSIONAL ADVANCEMENT BANGLADESH LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

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. 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, 2020 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 events 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, 2020
Green Delta Insurance Company Limited	Common Shareholder	Payable to GDIC	31,527,193	2,564,152		34,091,345
GD Assist	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, 2020.
- b) Statement of Profit or Loss and Other Comprehensive Income for the year ended December 31, 2020.
- c) Statement of Changes in Equity for the year ended December 31, 2020.
- d) Statement of Cash flows for the year ended December 31, 2020.
- 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, 2020 to December 31, 2020.

		Amount in Taka	
		31.12.2020	31.12.2019
3.00	Property, Plant & Equipment		
	Cost		
	Opening balance as at 01.01.2020	6,367,880	6,141,115
	Add: Addition during the year	3,227,044	226,765
		9,594,924	6,367,880
	Less: Adjustment during the year	-	-
	Balance as at 31.12.2020	9,594,924	6,367,880
	Depreciation		
	Opening balance as at 01.01.2020	2,534,083	2,083,722
	Add: Charged during the year	808,279	450,362
		3,342,362	2,534,083
	Less : Adjustment during the year	-	-
	Balance as at 31.12.2020	3,342,362	2,534,083
	Written down value as at 31.12.2020	6,252,562	3,833,797
	Details of Property, Plant & Equipment is given in Annexure-A		
4.00	Advances, Deposits & Prepayments		
	Advance office rent	640,000	3,440,000
	Advance against expenses	6,308,884	8,059,003
	AIT on FDR	458,999	406,979
	AIT on bank deposit	31,922	29,677
	Advance tax	1,302,049	1,302,049
	Advance agent training expenses	107,704	97,154
		8,849,558	13,334,861
5.00	Receivable from GD Assist		
	Opening balance	1,889,530	1,889,530
	Add: addition during the year	11,50	-
		1,890,680	1,889,530
	Less: received during the year	-	-
		1,890,680	1,889,530
6.00	Accounts Receivable		
	Receivable from student	79,000	79,000
	Receivable from others	4,253,695	1,543,725
	Accrued interest on FDR	97,735	450,273
		4,430,430	2,072,998
7.00	FDR Investment		
	Opening Balance	13,097,511	12,630,103
	Add: Addition during the Year	-	-
	Add: Interest received during the year	462,176	467,408
		13,559,687	13,097,511
	Less: Encashment during the Year	(2,683,630)	-
		10,876,057	13,097,511

FDR Include Tk. 8,207,079 has deposited People leasing & financial services Limited. The company has not received any Interest during the year and People leasing & Financial services Limited is going to liquidation but process is not completed. As a result net realisable value is not ascertaining during the year. Therefore, no provision has been made during the year.

		Amount in Taka	
		31.12.2020	31.12.2019
8.00	Cash and Cash Equivalents		
	Cash in hand	6,077	8,736
	Cash at Bank Note: 8.01	3,036,925	412,696
		3,043,002	421,432
8.01	Cash at Bank		
	Cash at bank (MBL A/C No 111313101700868)	2,938,235	314,006
	Brac Bank	98,690	98,690
		3,036,925	412,696
9.00	Share capital		
9.01	Authorized Capital		
	Five Million (50,00,000) ordinary shares of Tk.10/- each	50,000,000	50,000,000
9.02	Issued, subscribed and paid up Capital	10,000,000	10,000,000
	This represents the paid up capital of the company with 10,00,000 Ordinary Shares of taka 10 each subscribed and paid by the following sponsor shareholders and directors of the company.		
	Particulars	No of shares	Amount in Taka
	Mr. Nasir Uddin Ahmad (Director)	400	4,000
	Green Delta Insurance Company	999,600	9,996,000
		1,000,000	10,000,000
10.00	Retained Earnings		
	Opening Balance	(7,324,985)	(7,470,406)
	Add: Profit/(Loss) during the year	(4,764,708)	145,421
		(12,089,693)	(7,324,985)
11.00	Payable to GDIC		
	Opening Balance	31,527,193	28,182,934
	Add: Addition during the Year	2,564,152	4,172,657
		34,091,345	32,355,591
	Less: Paid During the Year	-	(828,398)
		34,091,345	31,527,193
12.00	Accounts Payable		
	Tax payable	20,402	17,544
	VAT payable	109,281	106,581
	Others Payable	2,832,976	-
	Audit fee payable	86,250	57,500
		3,048,909	181,625
13.00	Provision for Tax		
	Opening Balance	266,296	111,069
	Add: Addition during the Year	25,432	155,227
		291,728	266,296
	Less: Adjustment During the year	-	-
		291,728	266,296

		Amount in Taka	
		31.12.2020	31.12.2019
14.00	Revenue from Student Fees		
	Training Income from Other English Language	159,920	-
	Agent Training	-	90,037
	CII Income	2,560,050	7,272,811
	III(IC01 & IC02)	303,629	-
	Training Income from GDIC	35,550	-
		530,131	471,008
		3,589,280	7,833,856
15.00	Operating Expenses		
	Training Expense from GDIC	348,652	-
	Training Expenses	84,698	2,600,236
	Launching Program(Agent)	657,481	216,142
	Car Expense	53,581	121,066
	English Language Expense	-	127,022
	Etiquettes Manners & Grooming	-	120,403
	Training Expenses (CII)	260,325	365,308
		1,404,737	3,550,177
16.00	Other Income		
	STD interest	22,464	20,559
	Income from office rent	-	34,205
	Interest on FDR	626,900	431,475
		649,364	486,239
17.00	Office & Administrative Expenses		
	Salary & Wages	2,656,000	1,670,165
	Office Maintenance	229,700	197,454
	Class room rent expenses	-	20,342
	Festival Bonus	261,375	159,425
	Stationery	227,864	30,779
	Conveyance & Travel	210,325	92,774
	Office Rent	2,984,000	1,248,000
	Subscription & Fees	36,500	77,838
	Telephone, Trunk-Call & Internet	85,979	68,898
	Entertainment	4,280	1,805
	Office Tea	11,981	11,526
	Business Development Expense	106,225	16,929
	Electricity & Utility Exp.	33,189	90,300
	Depreciation	808,279	450,362
	Staff Food Exp	45,620	39,940
	Postage & Courier	-	2,970
	Advertisement	-	240,000
	Service charge	220,000	-
	Repair, Renewal & Maintenance	4,660	4,410
	Audit fee	28,750	28,750
		7,559,104	4,452,667
18.00	Financial expenses		
	Bank and Other Charges	14,079	16,603
		14,079	16,603

PROFESSIONAL ADVANCEMENT BANGLADESH LIMITED

SCHEDULE OF PROPERTY, PLANT AND EQUIPMENT

As at 31 December 2020

Annexure-A

Name of the Assets	COST				Rate	DEPRECIATION				Written down value as at 31.12.2020
	Balance as at 01.01.2020	Addition during the year	Adjustment during the year	Balance as at 31.12.2020		Charged during the year	Adjustment during the year	Balance as at 31.12.2020	Balance as at 31.12.2020	
Computer & IT Equipment	268,673	1,666,269	-	1,934,942	15%	270,610	-	401,487	1,533,455	
Office Equipment	348,107	4,545	-	352,652	15%	35,974	-	148,799	203,853	
Furniture & Fixtures	5,718,442	1,556,230	-	7,274,672	10%	499,790	-	2,776,559	4,498,113	
Books and Periodicals	32,658	-	-	32,658	10%	1,905	-	15,517	17,141	
Balance as at 31.12.2020	6,367,880	3,227,044	-	9,594,924		808,279	-	3,342,362	6,252,562	

PROFESSIONAL ADVANCEMENT BANGLADESH LIMITED

SCHEDULE OF PROPERTY, PLANT AND EQUIPMENT

As at 31 December 2019

Annexure-A

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	Adjustment during the year	Balance as at 31.12.2019		Charged during the year	Adjustment during the year	Balance as at 31.12.2019	Balance as at 31.12.2019	
Computer & IT Equipment	215,600	53,073	-	268,673	15%	24,317	-	130,877	137,796	
Office Equipment	174,415	173,692	-	348,107	15%	41,520	-	112,825	235,282	
Furniture & Fixtures	5,718,442	-	-	5,718,442	10%	382,408	-	2,276,768	3,441,674	
Books and Periodicals	32,658	-	-	32,658	10%	2,116	-	13,612	19,046	
Balance as at 31.12.2019	6,141,115	226,765	-	6,367,880		450,362	-	2,534,083	3,833,797	

10.4.1 GD ASSIST

This year the world has been faced decade's most horrible time. Where survival was the biggest challenge, business comes last. As a healthcare management company GD Assist in this pandemic situation kept going. GD Assist during this pandemic started providing new healthcare services according to demands.

GD Assist served **12413** clients.

We arranged emergency evacuation to 3 continents, 6 countries for around thousand individuals during pandemic. We arranged first ever webinar on medical tourism and hospitality after Covid-19. Where our participants joined the webinar online from Malaysia, Thailand, India & Singapore. We started providing ECG & X-Ray services to client's doorsteps. Not only that, in lock down situation we started facilitating the delivery of medicines at client's homes.

During lockdown people were suffering from mental trauma. That is why GD Assist took initiatives to calm their mental status and arranged mental health wellness session with psychiatrist. Besides, we also ensure our client's physical well-being so we started Free Yoga session for our stakeholders. Meanwhile, we also started facilitating tele-video consultation sessions so that people can stay home safely and get all the healthcare facilities. We arranged this service

for BRAC Bank, Lanka Bangla Bank & Banker's club Chattogram.

There was medical emergency, but international borders were closed. In that crucial time, GD Assist came steps forward. We arranged air ambulances for serious cancer patients and took the patients from Hazrat Shahjalal International Airport to directly Kuala Lumpur International Airport.

Health is Wealth but in our daily robotic lives we often forget about it. We do not take care of our health properly. To help our stakeholders maintain that we arranged corporate wellness sessions online. also, by ensuring safety we arranged session at corporate's premises. From the beginning of GD Assist's journey, GD Assist engaged with providing services to Corporates. This year, GD Assist was able to add Banglalink's name in its list. Now, GD Assist is the new healthcare provider of Banglalink. Besides, this year GD Assist set-up new travel desk for Mutual Trust Bank's privilege customers at Mutual Trust Bank's head office.

In line with that GD Assist is now providing healthcare services to Eastern Bank Limited, City Alo, BMCCI, JCI Dhaka Cosmopolitan. GD Assist believes in people, their health, their mental wellness so GD Assist will continue moving forward its journey for the people and their well-being.



GD ASSIST Participated in the BASIS SOFT EXPO 2020 at ICCB Dhaka & also hosted a panel discussion titled "Health-Tech in Bangladesh: Scopes & Challenges"



Women’s Day Special “Amader Kotha Boli” for GDIC Employees.



For the 1st time in Green Delta Insurance GD Assist celebrated “Online Pohela Boishakh” where a psychiatrist session, standup comedy,magic show & live singing session were done.

Mother’s Day special program “বসন্তায় মা” as a speaker Farzanah Chowdhury, MD & CEO of Green Delta Insurance, Dr. Tanzila Rahman, Gynaecologist, Marie Stopes Clinic and Mahia Juned, Chief Operating Officer & Deputy MD at City Bank Ltd were present.



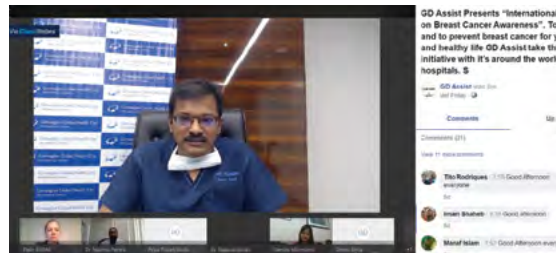
Maternal Health Awareness Session for EBL women Banking clients.



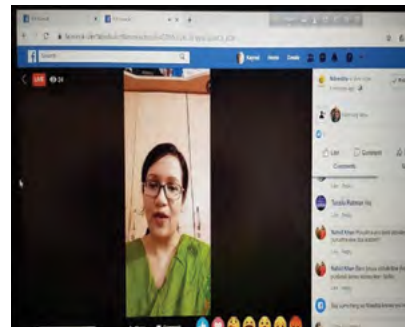
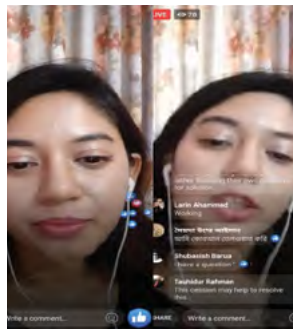
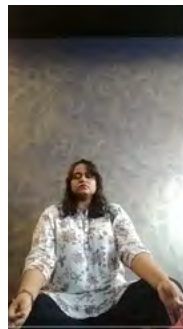
we arranged emergency evacuation for total 563 passengers: Bangkok to Dhaka 48 passengers and 1 dead body, Kuala Lumpur to Dhaka 157 passengers, 1 dead body, Kolkata to Dhaka 42 passengers, Dhaka to Chicago 207 passengers and Dhaka to Paris & New York 107 passengers.

Different International Webinars on different “Healthcare Session”

First ever webinar on Medical Tourism & Hospitality after COVID-19



Online Mental health & Yoga sessions



By ensuring safety we arranged corporate wellness session at Dhaka & Chattogram



Air Ambulance from Hazrat Shahjalal International Airport to Kuala Lumpur International Airport



Inauguration of GD Assist Travel Desk for Mutual Trust Bank privilege customers



Agreement signing ceremony with City Alo



10.4.2 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 7th 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 2020 and the Auditor's Report thereon for kind consideration and adoption.

Operational Highlights:

Taka in million	2020	2019
Operating income	8.93	8.94
Other Income	1.82	2.52
Operating Expense	14.15	11.21

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/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 2020:

The company reported loss of Taka 18.08 million in the year 2020. Considering company's growth potentials and comparative cost benefit analysis of paying out dividend and overall better tax management, the Board of GD Assist decided no dividend to the shareholders of the company for the year 2020.

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 tenure as an 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

Financial Highlights-2020 & 2019

Taka in million	2020	2019
Profit Before TAX	(17.72)	0.25
Net Profit	(18.08)	0.16

Statements for the year ended 31 December 2020 and the Auditor's Report thereon for kind consideration and adoption year 2021 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 2021 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 honorable shareholders for their continued faith and support.

For and on behalf of the Board of Directors,

Sd/-

Nasir A. Choudhury
Chairman

10.4.3 INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF GD ASSIST LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of GD Assist Limited which comprise the Statement of Financial Position as at December 31, 2020, 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, 2020 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.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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.

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.

Sd/-

AKM Mohitul Haq FCA

Senior Partner

Enrolment No.- 458

Ahmed Zaker & Co.

Chartered Accountants

Firm Registration Number: [N/A]

DVC: 2103090458AS183959

Place: Dhaka

Dated: February 04, 2021

GD ASSIST LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2020

Particulars	NOTES	Amount in Taka	
		31.12.2020	31.12.2019
ASSETS			
Non-Current Assets		14,230,083	21,959,926
Property, Plant & Equipment	4	14,230,083	15,009,926
Investment	5	-	6,950,000
Current Assets		43,224,931	49,644,500
Advance, Deposit & Prepayments	6	9,577,351	7,158,995
Receivable from MHTC	7	-	432,318
Accounts Receivable	8	3,395,699	18,098,411
FDR Investment	9	27,792,403	17,784,628
Cash and Cash Equivalents	10	2,459,479	6,170,147
TOTAL ASSETS		57,455,014	71,604,426
SHAREHOLDERS EQUITY AND LIABILITIES			
Shareholders Equity		34,910,135	52,991,878
Share Capital	11	50,000,000	50,000,000
Share Money Deposit	12	-	-
Retained Earnings	13	(15,089,865)	2,991,878
Current Liabilities		22,544,879	18,612,548
Payable to PABL	14	1,890,680	1,889,530
Lease Finance	15	439,096	741,852
Payable to GDIC	16	10,095,169	4,983,713
Others Payable	17	4,176,614	5,839,038
Short Term Loan	18	4,788,380	4,319,496
Provision for Tax	19	1,154,941	838,919
TOTAL SHAREHOLDERS EQUITY AND LIABILITIES		57,455,014	71,604,426

The accompanying Policies and explanatory notes (1-23) form an integral part of these Financial Statements.

Sd/-
Chairman

Sd/-
Director


Sd/-
Managing Director

Signed as per our separate report of same date.

Sd/-
Head of Accounts

Place: Dhaka
Dated: February 04, 2021

Sd/-
Company Secretary


AKM Mohitul Haq FCA
Senior Partner
Enrolment No.- 458
Ahmed Zaker & Co.
Chartered Accountants
Firm Registration Number: [N/A]
DVC: 2103090458AS183959

GD ASSIST LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2020

Particulars	Notes	Amount in Taka	
		31.12.2020	31.12.2019
Operating Income	20	8,929,426	8,943,414
Income or (loss) from Evacuation	21	(13,918,173)	-
Operating Profit/(Loss)		(4,988,747)	8,943,414
Add : Other Income	22	1,823,203	2,516,380
Total Income		(3,165,543)	11,459,794
Less: Office and administrative Expenses		(14,551,685)	(11,214,517)
Office and administrative Expenses	23	(14,551,685)	(11,214,517)
Profit Before Tax		(17,717,228)	245,277
Less: Provision for Tax		(364,516)	(85,847)
Net Profit		(18,081,744)	159,430

The accompanying Policies and explanatory notes (1-23) form an integral part of these Financial Statements.

Sd/-
Chairman

Sd/-
Director

Sd/-
Managing Director

Signed as per our separate report of same date.

Sd/-
Head of Accounts

Sd/-
Company Secretary

Place: Dhaka
Dated: February 04, 2021


AKM Mohitul Haq FCA
Senior Partner
Enrolment No.- 458
Ahmed Zaker & Co.
Chartered Accountants
Firm Registration Number: [N/A]
DVC: 2103090458AS183959

GD ASSIST LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2020

Particulars	Amount in Taka	Amount in Taka
	31.12.2020	31.12.2019
Cash Flow from Operating Activities:		
Cash Received from Customers and others	15,210,670	10,168,924
Cash Paid to Customers, Suppliers, Employees & others	(15,163,990)	(4,656,942)
Tax Paid	(245,019)	(313,366)
Net Cash flows from operating activities	(198,339)	5,198,615
Cash Flow from Investing activities :		
Acquisition of Property, Plant & Equipment	(100,682)	(1,402,547)
Investment	6,500,000	
FDR	(10,077,775)	(1,082,195)
Net Cash flows /(Used) from Investing activities	(3,678,457)	(2,484,742)
Cash Flow from Financing activities:		
Share Capital	-	-
Short Term Loan	468,884	2,899,450
Share Money Deposit	-	-
Dividend Paid	-	-
Lease Finance	(302,756)	(256,031)
Net Cashflows from Financing activities	166,128	2,643,419
Net increase/(decrease) in cash & cash equivalents	(3,710,668)	5,357,292
Add: Cash & Cash equivalents at the beginning of the year	6,170,147	812,855
Cash & Cash equivalents at the end of the year	2,459,479	6,170,147

GD ASSIST LIMITED

STATEMENT OF CHANGE IN EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2020

Particulars	Share Capital	Share Money Deposit	Retained Earnings	Total Shareholders Equity
Opening Balance	50,000,000	-	2,991,878	52,991,878
Add: Profit during the year	-	-	(18,081,743)	(18,081,743)
Balance as at December 31, 2020	50,000,000	-	(15,089,865)	34,910,135

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
Balance as at December 31, 2019	50,000,000	-	2,991,878	52,991,878

GD ASSIST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

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. 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, 20120and are prepared under the historical cost convention on Generally Accepted Accounting Principles (GAAP) on going concern basis. Financial statements have been prepared in accordance with the measurements and recognition requirements of International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB).

Adopted International Accounting Standards (IAS), International Financial Reporting Standards (IFRS), the Companies Act 1994 and other applicable rules and regulation have been used as a model for the presentation and disclosure framework to provide additional information and analysis of the key items in the financial statements except as the company considers disclosures inappropriate.

2.1) Recognition of Property & Equipment and Depreciation:

In accordance with the International Accounting Standard adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) as IAS 16 'Property Plant and Equipments, fixed assets have been accounted for using the straight-line depreciation method. Cost includes expenditure that is directly attributable to the acquisition of the items. Depreciation on all fixed assets has been applied consistently year to year at the following rate.

a) Computer & IT equipment	15%
b) Office Equipments	15%
c) Motor Vehicles	10%
d) Furniture & Fixtures	10%

Depreciation has been charged in addition of fixed assets when it is available for use and no depreciation is charged in the year of disposal.

2.2) Revenue Recognition:

Revenue is recognized only when it is probable that the economic benefit of such transaction has been derived as per "IFRS-15".

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 basis at commercial rates with related parties.

Name of the Related Party	Nature of Relationship	Nature of Transaction	Opening Balance January 01,2020	Addition during the year	Payment during the year	Closing Balance as on December 31, 2020
Green Delta Insurance Company Limited	Common Shareholder	Payable to GDIC	49,83,713	51,11,456	-	1,00,95,169
		Payable to PABL	18,89,530	1,150	-	18,90,680

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.

- Statement of Financial Position as at December 31, 2020.
- Statement of Profit or Loss and Other Comprehensive Income for the year ended December 31, 2020.
- Statement of Changes in Equity for the year ended December 31, 2020.
- Statement of Cash flows for the year ended December 31, 2020.
- Notes to the financial statements and Explanatory notes.

General:

- The figure has been rounded off to the nearest Taka.
- The financial Statement has been prepared covering the year from January 01, 2020 to December 31, 2020.

		Amount in Taka	
		31.12.2020	31.12.2019
4.00	Property, Plant & Equipment		
	Cost		
	Opening balance as at 01.01.2020	16,770,048	15,367,501
	Add: Addition during the Year	100,682	1,402,547
		16,870,730	16,770,048
	Less: Adjustment during the year	-	-
	Balance as at 31.12.2020	16,870,730	16,770,048
	Depreciation		
	Opening balance as at 01.01.2020	1,760,121	827,754
	Add: Charged during the Year	880,526	932,368
		2,640,647	1,760,122
	Less : Adjustment during the Year	-	-
	Balance as at 31.12.2020	2,640,647	1,760,122
	Written down value as at 31.12.2020	14,230,083	15,009,926
	Details of Property, Plant & Equipment is given in Annexure-A		
5.00	Investments		
	Investments in GD Asset Management	-	6,500,000
	Investments in Health Care Privilege	-	450,000
		-	6,950,000
6.00	Advance Deposit & Prepayments		
	Advance TDS on FDR	469,726	329,764
	Advance TDS on Bank	160,882	144,201
	Advance TDS on Commission of Ticket sale	338,172	322,103
	Advance Income Tax	824,489	752,182
	Advance To Assist America	-	106,950
	Advance office Rent	846,000	1,070,000
	Advance To Chehobo	-	418,620
	Advance to others	6,712,667	3,827,952
	Advance to SPICE Jet Aviation	34,101	76,417
	Advance to Biman BD	191,314	68,611
	Deposit to Bikash	-	4,000
	DEPOSIT TO RFCD- EBL BANK	-	38,195
		9,577,351	7,158,995
7.00	Receivable from Malaysian Health Care Travel Council (MHTC)		
	Opening Balance	-	432,318
	Add: Addition during the Year	-	-
		-	432,318
	Less: Received this Year	-	-
		-	432,318

		Amount in Taka	
		31.12.2020	31.12.2019
8.00	Accounts Receivable		
	Accounts Receivable	780,537	-
	Receivable from Local TPA	399,504	-
	Receivable from Int'l TPA	450,214	-
	Receivable from Event Income	12,800	-
	IATA Refund Receivable	25,735	-
	Other Receivable	88,725	-
	Receivable from Paywell	405	13,571
	Receivable From Party (Air Ticket)	512,161	2,637,468
	Receivable from Hotel Sale	32,822	854,174
	Other Receivable (Employees & Others)	28,936	27,334
	Interest receivable on FDR	974,002	517,201
	Investment Income Receivable	-	985,000
	Receivable from Sky Lounge	-	4,400
	Receivable from Visa	73,858	51,263
	Receivable from AMG	-	8,000
	Share Capital Receivable from GDIC	16,000	13,000,000
	Receivable from Health Card	-	-
		3,395,699	18,098,411
9.00	FDR Investment		
	Opening Balance	17,784,628	16,702,433
	Add: Investment during this Year	12,500,000	4,077,443
	Add: Interest received	1,252,246	1,110,820
		31,536,874	21,890,696
	Less: Encash during this Year	(3,744,471)	(4,106,068)
		27,792,403	17,784,628
10.00	Cash and Cash Equivalents		
	Cash in hand	101,224	256,454
	Cash Margin Deposit	795,000	795,000
	Deposit to Rocket	45,000	-
	Deposit to Bikash	37,896	-
	Cash at Bank	1,480,358	5,118,693
		2,459,479	6,170,147
10.01	Cash at Bank		
	Mercantile Bank (A/C No: 12588)	5,909	1,289,901
	Mercantile Bank (A/C No: 25227)	0	3,808,059
	Midland Bank(A/C No: 1984)	-	413
	EBL (A/C No:5224)	40,093	13,618
	BRAC Bank (A/C No: 48001)	634,174	6,703
	Standard Chartered Bank(302)	646,836	-
	Standard Chartered Bank - 02-01	34,233	-
	DEPOSIT TO RFCD- EBL BANK	119,113	-
		1,480,358	5,118,693

NOTE
10.01

11.00 Share Capital:

Authorized Share Capital: Taka 50,000,000

The authorized share capital of the company is Taka 50,000,000 (Five Crore) divided into 5,000,000 ordinary shares of Taka 10/- each.

Paid up Capital: Taka 50,000,000

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.

Particulars	No of shares	Amount in Taka
Green Delta Insurance Company Ltd.	4,998,000	49,980,000
Nasiruddin Ahmed Choudhury	2,000	20,000
	5,000,000	50,000,000
		Amount in Taka
	31.12.2020	31.12.2019
12.00 Share Money Deposit		
Green Delta Insurance Company Ltd.	-	27,000,000
Less: Converted into Share Capital	-	(27,000,000)
	-	-
13.00 Retained Earnings		
Opening Balance	2,991,879	2,832,448
Add: Net Profit During the Year	(18,081,744)	159,430
	(15,089,865)	2,991,878
Less: Dividend Paid	-	-
	(15,089,865)	2,991,878
14.00 Payable to PABL		
Opening Balance	1,889,530	1,889,530
Add: Addition during the Year	1,150	-
	1,890,680	1,889,530
Less: Paid during this Year	-	-
	1,890,680	1,889,530
15.00 Lease Finance		
Opening Balance	741,852	997,883
Add: Addition during the Year	-	-
	741,852	997,883
Less: Paid during this year	(302,756)	(256,031)
	439,096	741,852
16.00 Payable to GDIC		
Opening Balance	4,983,713	2,790,386
Add: Addition during the Year	5,111,456	2,193,327
	10,095,169	4,983,713
Less: Adjusted During the Year	-	-
	10,095,169	4,983,713

		Amount in Taka	
		31.12.2020	31.12.2019
17.00	Others Payable		
	Payable to Campaign (Road Show) Expense	-	241,432
	TDS payable	112,555	110,752
	VAT payable on Supplier Payments	187,241	127,641
	VAT Payable on Office Rent, Head Office	54,450	
	TPA Claim Fund (GBG)	280,933	280,933
	TPA Claim Fund GDIC	1,852,513	3,405,930
	Audit Fee payable	28,750	28,750
	Payable to Indigo	5,940	247,204
	Payable to IATA (For Ticket)	78,932	451,318
	Payable to Valencia (For Ticket)	363,941	509,941
	Payable to Novo Air	44,943	160,694
	Payable to Sky Lounge	-	19,000
	Payable to Hotel	-	255,443
	Payable to Others	900,932	-
	Payable to Party	82,702	-
	EBL Corporate Credit Card-5550	32,765	-
	Others Accounts Payable	101,591	-
	Refund Payable (Air Ticket)	48,426	-
		4,176,614	5,839,038
18.00	Short term Loan		
	Standard Chartered Bank(72301)	4,445,100	-
	Over-draft (Midland Bank A/C: 297)	309,179	1,954,036
	Over-draft (Marcantile Bank A/C: 423)	34,101	2,365,460
		4,788,380	4,319,496
19.00	Provision for Tax		
	Opening Balance	838,919	872,633
	Add: Addition during the Year	364,516	85,847
		1,203,435	958,480
	Less: Adjustment during the Year	(48,494)	(119,561)
		1,154,941	838,919
20.00	Operating Income		
	Income from Medicine	356,167	-
	OMC-Commission	140,514	6,296
	Income from VISA	23,450	-
	VISA Fee	2,000	79,870
	Commisson - Prince Court Medical Centre	403,511	-
	Income from Int'l TPA	335,503	-
	Income from Health Card	538,266	369,737
	Income from Local Hospital	744,981	130,178
	Income from International Hospital	315,736	818,293
	Income from Event	52,850	335,883
	Income From Local TPA	3,838,627	4,118,282
	Commission on Ticket Sale	382,525	1,634,237
	Income From Hotel	48,127	1,450,638
	Income from Telemedicine	351,030	-
	Income from Air Ambulance	620,600	-
	Income from Sample Collection	163,002	-
	Income from Vaccination	5,640	-
	Income from Corporate wellness	606,897	-
		8,929,426	8,943,414

		Amount in Taka	
		31.12.2020	31.12.2019
21.00	Income or loss from Evacuation		
	The amount of taka 13,918,173 has been incurred as a business loss due to pandemic situation in 2020		
22.00	Other Income		
	Interest Income from FDR	1,703,546	1,252,067
	Investment Income	95,532	985,000
	Paywell	3,634	31,000
	Interest On Bank Balance	17,571	35,557
	Income from AMG	400	11,200
	Income from Others	2,520	37,647
	Income from Galileo	-	163,909
		1,823,203	2,516,380
23.00	Office and administrative Expenses		
	Salary & Wages	7,592,560	6,371,318
	Lunch Company's Part	160,535	170,120
	Car Company's Part	-	35,915
	Office Rent	874,000	703,800
	Festival Bonus	541,400	505,700
	Printing & Stationery	67,086	102,230
	Uniform Expense	-	15,610
	Telephone, Mobile	48,600	121,722
	Photostate charges	3,375	4,103
	Conveyance & Travel	191,770	208,757
	Conveyance & Travel - CTG	7,840	-
	Visa Expense	7,575	15,740
	Foreign TA/DA	250,720	169,132
	Local TA/DA	11,356	-
	Training Expense	51,150	53,760
	Maintenance Expenses	12,657	19,032
	Fuel For motor Vehicles	221,021	197,058
	Car Repair & Maintenance	68,393	-
	Subscription & Fees	564,971	227,938
	Miscellaneous	22,710	-
	other Expense	23,774	-
	Telephone & Trunk Call	2,250	-
	Advertisement	560,854	75,902
	Health Talk Expense	17,000	8,000
	Audit Fees	28,750	28,750
	Insurance Expense	35,187	33,031
	Professional and Legal Fee	78,250	
	Sky Lounge	-	3,400
	Internet Bill	98,263	51,301
	Electrical & Utility Expense	165,865	172,736
	Postage & Telegram	11,773	10,006
	Entertainment Expense	10,849	7,500

	31.12.2020	Amount in Taka 31.12.2019
Bank Guarantee Commission	53,704	-
Bank Charge	58,795	45,406
Computer Accessories	8,299	-
Business Development	127,658	30,550
Event Expenses	471,654	-
TPA Expenses	62,519	-
Office Maintenance	310,159	188,251
Interest on Loan & OD	515,109	490,640
Health Card Expense	-	89,844
Office Expenses	63,669	-
Depreciation	880,526	932,368
Interest on lease finance, Head Office	78,172	124,897
Bad Debts Expense	190,886	-
	14,551,685	11,214,517

GD ASSIST LIMITED

SCHEDULE OF PROPERTY, PLANT AND EQUIPMENT

AS AT DECEMBER 31, 2020

Annexure-A

Name of the Assets	COST			Rate	DEPRECIATION			Written down value as at 31.12.2020
	Balance as at 01.01.2020	Addition during the period	Adjustment during the period		Balance as at 31.12.2020	Charged during the period	Adjustment during the period	
Computer & IT Equipment	803,862	28,682	-	832,544	88,677	-	330,041	502,503
Office Equipment/Electrical	94,532	9,000	-	103,532	10,066	-	46,490	57,042
Motors Vehicles	14,572,560	-	-	14,572,560	663,449	-	1,967,030	12,605,530
Furnitures & Fixtures	1,299,094	-	-	1,299,094	112,034	-	290,786	1,008,308
Softwares	-	63,000	-	63,000	6,300	-	6,300	56,700
Balance as at 31.12.2020	16,770,048	100,682	-	16,870,730	880,526	-	2,640,647	14,230,083

GD ASSIST LIMITED

SCHEDULE OF PROPERTY, PLANT AND EQUIPMENT

AS AT DECEMBER 31, 2019

Annexure-A

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	Adjustment during the year		Balance as at 31.12.2019	Charged during the Year	Adjustment during the year	
Computer & IT Equipment	562,666	241,196	-	803,862	99,264	-	241,364	562,498
Office Equipment/Electrical	70,275	24,257	-	94,532	10,254	-	36,424	58,108
Motors Vehicles	14,572,560	-	-	14,572,560	698,367	-	1,303,581	13,268,979
Furnitures & Fixtures	162,000	1,137,094	-	1,299,094	124,482	-	178,752	1,120,342
Balance as at 31.12.2019	15,367,501	1,402,547	-	16,770,048	932,368	-	1,760,122	15,009,926
Balance as at 31.12.2018	2,022,825	13,344,676	-	15,367,501	553,185	-	827,754	14,539,747



DISCLOSURES CHECKLISTS FOR VARIOUS STANDARDS

11.1 DISCLOSURE CHECKLIST REGARDING CORPORATE GOVERNANCE

Condition No.	Title	Page no
1.	BOARD OF DIRECTORS, CHAIRMAN AND CEO	
1.1	Company's policy on appointment of directors disclosed.	112-123
1.2	Adequate representation of non executive directors i.e. one third of the board, subject to a minimum of two	
1.3	At least one independent director on the board and disclosure /affirmation of the board on such director's independence.	
1.4	Chairman to be independent of CEO	
1.5	Responsibilities of the Chairman of the Board appropriately defined and disclosed. Disclosure of independence of Non Executive Directors	
1.6	Existence of a scheme for annual appraisal of the boards performance and disclosure of the same.	
1.7	Disclosure of policy on annual evaluation of the CEO by the Board.	
1.8	Disclosure of policy on training (including details of the continuing training program) of directors and type and nature of training courses organized for directors during the year Existence of a scheme for annual appraisal of the boards performance	
1.9	At least one director having thorough knowledge and expertise in finance and accounting to provide guidance in the matters applicable to accounting and auditing standards to ensure reliable financial reporting.	
1.10	Disclosure of number of meetings of the board and participation of each director (at least 4 meetings are required to be held)	
1.11	Directors issue a report on compliance with best practices on Corporate Governance that is reviewed by the external auditors	
2.	VISION / MISSION AND STRATEGY	
2.1	Company's vision / mission statements are approved by the board and disclosed in the annual report.	60
2.2	Identification of business objectives and areas of business focus disclosed	65
2.3	General description of strategies to achieve the company's business objectives	
3.	AUDIT COMMITTEES	
3.1	Appointment and Composition	124-128
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.	

Condition No.	Title	Page no
3.1.5	Head of internal audit to have direct access to audit committee	124-128
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.	
3.2	Objectives & Activities	
3.2.2	Statement on Audit Committee's review to ensure that internal controls are well conceived properly administered and satisfactorily monitored	
3.2.3	Statement to indicate audit committees role in ensuring compliance - with Laws, Regulations and timely settlements of Statutory dues	
3.2.4	Statement of Audit committee involvement in the review of the external audit function <ul style="list-style-type: none"> • Ensure effective coordination of external audit function • Ensure independence of external auditors • To review the external auditors findings in order to be satisfied that appropriate action is being taken • Review and approve any non-audit work assigned to the external auditor and ensure that such work does not compromise the independence of the external auditors. • Recommend external auditor for appointment/ reappointment 	
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.	
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	
4.	INTERNAL CONTROL & RISK MANAGEMENT	
4.1	Statement of Director's responsibility to establish appropriate system of internal control	48
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	49
4.3	Statement that the Director's have reviewed the adequacy of the system of internal controls	48-49
4.4	Disclosure of the identification of risks the company is exposed to both internally & externally	192-195
4.5	Disclosure of the strategies adopted to manage and mitigate the risks	192
5.	ETHICS AND COMPLIANCE	
5.1	Disclosure of statement of ethics and values, covering basic principles such as integrity, conflict of interest, compliance with laws and regulations etc.	155
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	
5.4	Establishing effective anti-fraud programs and controls, including effective protection of whistle blowers, establishing a net line reporting of irregularities etc.	
6	REMUNERATION COMMITTEE	
6.1	Disclosure of the charter (role and responsibilities) of the committee	124-128
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)	

Condition No.	Title	Page no
6.3	Disclosure of key policies with regard to remuneration of directors, senior management and employees	124-128
6.4	Disclosure of number of meetings and work performed	
6.5	Disclosure of Remuneration of directors, chairman, chief executive and senior executives.	
7.	HUMAN CAPITAL	
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.	82-89
7.2	Organizational Chart	81
8.	Communication to Shareholders & Stakeholders	
8.1	Disclosure of the Company's policy/strategy to facilitate effective communication with shareholders and other stake holders	156-162
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.	
9.	Environmental and Social Obligations	
9.1	Disclosure of general description of the company's policies and practices relating to social and environmental responsibility of the entity	200-201
9.2	Disclosure of specific activities undertaken by the entity in pursuance of these policies and practices	

11.2 DISCLOSURE CHECKLIST REGARDING SAFA STANDARD

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• Core values and code of conduct/ethical principles	60
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• A brief summary of the Business and other Risks facing the organization and steps taken to effectively manage such risks	192
• A general review of the future prospects/outlook.	52
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• Integrated Reporting	6, 13, 15, 52, 64, 65, 67, 155, 156, 171, 174, 196
Appropriateness of Disclosure of Accounting policies and General Disclosure	
• Disclosure of adequate and properly worded accounting policies relevant to assets, liabilities, Income and expenditure in line with best reporting standards.	93, 100, 211
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• 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)	
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• Comprehensive segment related information bifurcating Segment revenue, segment results and segment capital employed	93, 100, 129, 203, 211
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• Segment analysis of	
• Segment Revenue	
• Segment Results	
• Turnover	
• Operating profit	
• Carrying amount of Net Segment assets	

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• Disclosures of all contingencies and commitments	211
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• Disclosures of Remuneration & Facilities provided to Directors & CEO	
• Statement of Financial Position / Balance Sheet and relevant schedules	
• Income Statement / Profit and Loss Account and relevant schedules	
• Statement of Changes in Equity / Reserves & Surplus Schedule	
• Disclosure of Types of Share Capital	
• Statement of Cash Flow	
• Consolidated Financial Statement (CFS)	
• Extent of compliance with the core IAS/IFRS or equivalent National Standards	
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• Communication to Shareholders & Stakeholders <ul style="list-style-type: none"> ● Information available on website ● Other information 	156, 158, 160, 161
• Management Review and Responsibility	49, 93
• Disclosure by Board of Directors or Audit Committee on evaluation of quarterly reports	104
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Risk Management & Control Environment	
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Horizontal/Vertical Analysis including following.	
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• Profit Before Tax	
• Profit After Tax	
• EPS	

Items	Page No
Statement of Financial Position (Balance Sheet) <ul style="list-style-type: none"> • Shareholders Fund • Property Plant & Equipment • Net Current Assets • Long Term Liabilities/Current Liabilities 	211
Profitability/Dividends/ Performance and Liquidity Ratios <ul style="list-style-type: none"> • Claim Ratio • Earning before Interest, Depreciation and Tax • Price earning ratio • Solvency Ratio • Return on Capital Employed • Debt Equity Ratio 	93-98, 101-103, 208
Statement of Value Added and Its Distribution <ul style="list-style-type: none"> • Government as Taxes • Shareholders as dividend • Employees as bonus/remuneration • Retained by the entity • Market share information of the Company's product/services • Economic value added 	105, 135, 84, 211, 62, 107, 158
Presentation of Financial Statements	
• Quality of the Report/ Layout of Contents	
• Cover and printing including the theme on the cover page	
• Appropriateness and effectiveness of photographs and their relevance	
• Effectiveness of Charts and Graphs	
• Clarity, simplicity and lucidity in presentation of Financial Statements	
Timeliness in issuing Financial Statements and holding AGMs	
• 3 months time to produce the Annual Report and hold AGM are considered reasonable for full marks	
• Delay after the initial period of 3 months - deduction of 2 marks is to be made for each month	
• If the period is over 6 months - no marks shall be awarded	
Additional Disclosures For Example <ul style="list-style-type: none"> • Human Resource Accounting • Any other good additional disclosures (Independence certification Eg. GNV, GRI) 	82
Specific Areas for Insurance Sector	
• Claims management and details of outstanding claims (IBNR & IBNER) with ageing thereof	203
• Disclosures pertaining to Solvency Margin	207
• Certificate of Actuary giving details of the liabilities on account of live policies and estimates/assumptions made for the same	N/A
• Accounting ratios pertaining to insurance sector	208
• Review of assets quality	209

11.3 DISCLOSURE CHECKLIST REGARDING SECRETARIAL STANDARD

Title	Compliance Status (" " in appropriate column)		Remarks (if any)
	Complied	Not Complied	
Convening of a Meeting			
Authority Any Director of a company including the Chairman may, and the Secretary on the requisition of a Director shall, at any time, summon a Meeting of the Board unless the Articles of the company provide otherwise.	✓		
Notice			
Every Director of the Company shall be entitled to get the Notice of every Meeting in writing in any mode including by hand or by post or by facsimile or by e-mail or by any other electronic mode. A director may specify any particular mode to receive such notices. If any of the Directors so specifies, -the Notice shall be sent to him by such mode.	✓		
The Notice of the Meeting shall specify the day, date, time and full address of the venue wherein the Meeting be held.	✓		
A Meeting may be held at any place, any time, on any day	✓		
The Notice of a Meeting shall be given in respect of all meetings including the Meetings which are held on pre-determined dates or at pre-determined intervals.	✓		
Notice shall be given at least seven (7) days before scheduled date of the Meeting unless the Articles of the company denote a longer period for such notice.	✓		
Notice need not to be given of an adjourned Meeting other than a Meeting that has been adjourned "sine die". However, Notice of the reconvened adjourned Meeting shall be given to those Directors who were absent in the Meeting which had been adjourned.	✓		
Unless a Notice has not been given to the directors then no business shall be transacted at a Meeting.	✓		
The Agenda as to be transacted at the Meeting along with Notes to the Agenda shall be circulated or sent at least three (3) days before the date of the Meeting.	✓		
Each Agenda to be transacted in the meeting shall be supported by notes, details of the item and, where a Resolution is required to be passed, the draft Resolution shall be attached with the Notice. The Notice may be given at shorter period of time than those respectively stated above if the majority of members of the Board or Committee so agree. The proposal to hold the Meeting at a shorter notice shall be stated in the Notice and the fact that consent thereto was obtained shall also be recorded in the Minutes. Notice, Agenda and Notes on Agenda shall be given to all Directors or to all Members of the Committee, as the case may be, at their respective addresses as provided by them, whether in Bangladesh or abroad, and shall also be given to the Original Director, even when the Notice, Agenda and Notes on Agenda have been sent to the Alternate Director.	✓		

Title	Compliance Status (" " in appropriate column)		Remarks (if any)
	Complied	Not Complied	
<p>Any supplementary item not originally included in the Agenda may be taken up for consideration with the permission of the Chairman and with the consent of the majority of the Directors present in the Meeting. However, no supplementary item which is of significance or is in the nature of unpublished price sensitive information shall be taken up by the Board without prior written Notice.</p> <p>The items of business to be transacted shall be arranged in order of those items that are of a routine or general nature or which merely require to be noted by the Directors, and those items which require discussions and specific approval.</p> <p>Besides the items of business that are required by the Act or any other applicable law to be considered at a Meeting of the Board and all material items having a significant bearing on the operations of the company, there are certain items which, if applicable, shall also be placed before the Board. An illustrative list of such items is given at Annexure 'A'.</p> <p>There are certain specific items which shall be placed before the Board at its first Meeting and there are certain items which shall be placed before the Board at the Meeting held for consideration of the year-end accounts.</p>	✓		
Frequency of Meetings			
<p>Meetings of the Board</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>Meetings of Committees</p> <p>Committees shall meet at least as often as stipulated by the Board or as prescribed by any other authority.</p>	✓		
Quorum	✓		
<p>Meetings of the Board</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</p> <p>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	
<p>Meetings of Committees</p> <p>The presence of all the members of any Committee constituted by the Board is necessary to form the Quorum for Meetings of such Committee unless otherwise stipulated by the Board while constituting the Committee.</p> <p>Certain guidelines, Rules and Regulations framed under the Act or by any statutory authority may contain provisions for the Quorum of a Committee and such stipulations shall then be followed.</p>	✓		
<p>Attendance at Meetings</p> <p>An Attendance Register shall be maintained containing the names and signatures of the Directors present at the Meeting.</p> <p>If an attendance register is maintained in loose-leaf form, it shall be bound at reasonable intervals.</p> <p>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.</p>	✓		
<p>Chairman</p> <p>Meetings of the Board.</p> <p>Every company shall have a Chairman who will preside over the Meetings of the Board.</p> <p>It will be the duty of the Chairman to look into that the Meeting is duly convened and constituted as per the provisions of the Act or any other applicable guidelines, Rules and Regulations before it proceeds to transact business.</p> <p>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.</p> <p>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,</p> <p>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.</p> <p>Meetings of Committees</p> <p>The Board, while constituting any Committee, shall also appoint the Chairman of the Committee so constituted.</p>	✓		
<p>Passing of Resolution by Circulation</p> <p>A Resolution proposed to be passed by circulation shall be sent in draft, together with supporting papers to all the Directors separately, and in the case of a Committee, to all the members of the Committee.</p> <p>It only those matters, which are of an urgent nature are approved through the Resolutions by circulation.</p> <p>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.</p> <p>The Resolution shall be deemed to have been passed on the date on which it is signed and dated as approved by all the Directors then in Bangladesh, being not less than the Quorum, or on the date on which it is approved by the majority of the Directors entitled to vote on the Resolution, whichever is earlier.</p>	✓		

Title	Compliance Status (" " in appropriate column)		Remarks (if any)
	Complied	Not Complied	
Resolutions sent for passing by circulation shall be noted along with the decision thereof, at the next Meeting of the Board or Committee, as the case may be, and to be recorded in the Minutes of such Meeting.	✓		
The annual accounts of a company shall be approved at a Meeting of the Board and shall not be by a Resolution by circulation.	✓		
Quarterly or half-yearly financial results shall be approved at a Meeting of the Board or its Committee and shall not be by a Resolution by circulation.	✓		
In the case of a listed company, if there is any material variance between un-audited and audited results, the review report of the Auditors shall also be discussed and approved at a Meeting of the Board and not approved by a Resolution by circulation.	✓		
Minutes			
Within fifteen days from the date of the Meeting of the Board or Committee or of an adjourned Meeting, the draft Minutes thereof shall be circulated to all the members of the Board or the Committee, as the case may be, for their necessary comments.	✓		
The Directors shall forward their comments on the draft Minutes within seven days from the date of circulation thereof, so that the Minutes are finalized and entered in the Minutes Book within the specified time limit of thirty days.	✓		
The Minutes of proceedings of a Meeting shall be entered in the Minutes Book within thirty days from the conclusion of the Meeting.	✓		
In any case a Meeting is adjourned; the Minutes shall be entered in respect of the original Meeting as well as the adjourned Meeting within thirty days from the date of the respective Meetings. In respect of a Meeting adjourned for want of Quorum, a statement to that effect shall be recorded in the Minutes Book by the Chairman or any Director as designated by the Board who was physically present at the Meeting.	✓		
The date of entering the Minutes shall be specified in the Minutes Book by the Secretary.	✓		
The Chairman shall put his initial on each page of the Minutes, and put his full signature on the last page of the Minutes along with the date of signing of the Minutes.	✓		
While the law requires that Minutes of the proceedings shall be entered in the Minutes Book within thirty days of the Meeting, there is no prescribed time limit within which such Minutes have to be signed. They could be signed beyond a period of thirty days if the succeeding Meeting is held after a period of thirty days from the date of the earlier Meeting. However, it is also not obligatory to wait for the next Meeting in order to have the Minutes of the previous Meeting signed. Such Minutes may be signed by the Chairman of the Meeting at any time before the next Meeting is held.	✓		
The Minutes of Meetings of the Board can be inspected by the Directors only. While the Auditors of the company or Chartered Secretary in Practice appointed by the company can also inspect the Minute Books in the course of their audit or certification. A member of the company or any other person has no right to inspect the Minutes of Meetings of the Board or any Committee thereof.	✓		
Officers of the Registrar of Joint Stock Companies & Firms, other duly authorized in this behalf under law, during the course of an inspection, can also inspect the Minutes for discharging of their official duties.	✓		
Minutes shall not be pasted or attached to the Minutes Book.	✓		
Minutes, if maintained in loose-leaf form, shall be bound at intervals coinciding with the financial year of the company.	✓		
The pages of the Minutes Book shall be serially numbered and there shall be proper locking device to ensure security and proper control to prevent any sort of removal of the loose leaves of the Minutes Book.	✓		

Title	Compliance Status (" " in appropriate column)		Remarks (if any)
	Complied	Not Complied	
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.	✓		
At the time of circulating the Agenda for the Meeting of the Board, if the Minutes of Meetings of any Committee are pending noting by the Committee on such Minutes shall be circulated to the Board in draft form.	✓		
Attendance in Meetings and their Recording in the Minutes			
The names of the Directors present in the Meeting along with the names of persons who were in attendance and the names of invitees in the Meeting, if any, shall be recorded in the Minutes.	✓		
Apart from the Resolution or the decision, the Minutes shall mention the brief background of the proposal and the rationale for passing the Resolution or taking of the decision.	✓		
The names of the Directors who have dissented or have abstained from the decision shall be recorded. Similarly, the fact that an interested Director who did not participate in the discussion or vote on the agenda shall also be recorded in the Minutes.	✓		
Wherever any approval of the Board or of the Committee is taken on the basis of certain papers laid before the Board or the Committee, proper identification by initialing of such papers by the Chairman or any Director shall be made and a reference thereto shall be made in the Minutes.	✓		
Preservation of Minutes and Supporting Papers			
The Minutes of all Meetings shall be preserved permanently.	✓		
If a company has been merged or amalgamated with any other company, the Minutes of all Meetings of the Board and Committees of the transferor company shall be preserved permanently by the transferee company for any future references notwithstanding the fact that the identity of the transferor company may not survive under such arrangement.	✓		
All office copies of Notices, Agenda and Notes to Agenda and other related papers shall be preserved in orderly manner for as long as they remain current or for twelve years, whichever is later, and may not be destroyed thereafter without the authority of the Board.	✓		
Disclosure			
The Annual Report of a company shall disclose the number of Meetings of the Board and Committees held during the year indicating the number of Meetings attended by each Director.	✓		

11.4 DISCLOSURE CHECKLIST AS PER ICMAB EVALUATION CRITERIA

SN	Key Component	Page No.
A	Capitalization and Solvency	
	1. External Liability Ratio	208
	2. Internal Capital Generation Ratio	
	3. Exceptional Loss Reserve to Net Premium	
	4. Capital & Fund to Total Asset	
B	Technical	
	1. Retention Ratio	208
	2. Claim Ratio	
	3. Premium to Equity	
C	Profitability & Management Efficiency	
	1. Gross Underwriting Margin Return	207
	2. Return on Average Assets (ROAA)	
	3. Return on Average Equity (ROAE)	
	4. Available Solvency Margin	
	5. Management Expense to Net premium	
	6. Agency Commission to Net Premium	
	7. Underwriting Profit on Gross premium	
D	Liquidity & Funding	
	1. Current Ratio	209
	2. Liquid Assets to Total Insurance Fund	
	3. Total Liquid Assets to Total Assets	
E	External Credit Rating (ECA)	
	1. Short Term	152
	2. Long Term	
F	Corporate Governance	
	1. No of Non-Shareholding Director	51, 112-123
	2. Single Family Domination Board	123
	3. Shareholding Concentration (Public)	51
	4. Audit Committee Led by Independent Directors	124
	5. Directors' Minimum Shareholding	123, 127-128
	6. Audit Opinion	211
G	Performance with respect to shareholders	
	1. Dividend yield	156
	2. Net Asset Value (NAV) Growth	
	3. Capital Appreciation	
H	Human Resources Management	
	1. No. of Employee	82-89
	2. Per Employee Average Salary	
	3. Gender Diversity	
	4. Training Cost per Employee	
I	Corporate Social Responsibility (CSR)	
	1. CSR to Net Income (%)	180-181
J	Regulatory Authority	
	1. Contribution to National Exchequer	106

11.5 DISCLOSURE CHECKLIST REGARDING INTEGRATED REPORTING

Sl. No.	Particulars	Page no
1	Elements of an Integrated Report	
1.1	<p>Organizational overview and external environment</p> <p>An integrated report should disclose the main activities of the organization and the environment of which it operates.</p> <p>An integrated report should identify the organization's mission and vision, and provides essential context by identifying matters such as:</p> <p>The organization's:</p> <ul style="list-style-type: none"> • Culture, Ethics and Values • Ownership and Operating structure including size of the organization, location of its operations • Principal Activities and Markets • Competitive landscape and Market positioning • Position within the value chain <p>Key quantitative information</p> <p>The number of employees, revenue and number of countries in which the organization operates highlighting, in particular, significant changes from prior periods</p> <ul style="list-style-type: none"> • Significant factors affecting the external environment and the organization's response • The legitimate needs and interests of key stakeholders • 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 • Environmental challenges, such as climate change, the loss of ecosystems, and resource shortages as planetary limits are approached • The legislative and regulatory environment in which the organization operates • The political environment in countries where the organization operates and other countries that may affect the ability of the organization to implement its strategy 	<p>62-63, 79, 82-89, 67, 71</p> <p>60-61</p> <p>67-71</p> <p>64</p> <p>82-89</p> <p>157</p> <p>171-173</p> <p>180-181</p> <p>196-199</p> <p>67-71</p>
1.2	<p>Governance</p> <p>An integrated report should show how the organization's governance structure supports its ability to create value in the short, medium and long term.</p> <p>An integrated report needs to provide an insight about how such matters as the following are linked to its ability to create value:</p> <ul style="list-style-type: none"> • The organization's leadership structure, including the skills and diversity • Mandatory and voluntary code of corporate governance adopted by the Company. • Code of ethical conduct adopted by the Company in relation to ethical business. • 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 • Particular actions those charged with governance have taken to influence and monitor the strategic direction of the organization and its approach to risk management • How the organization's culture, ethics and values are reflected in its use of and effects on the capitals, including its relationships with key stakeholders • Whether the organization is implementing governance practices that exceed legal requirements/ Key Policies • The responsibility those charged with governance take for promoting and enabling innovation • How remuneration and incentives are linked to value creation in the short, medium and long term, including how they are linked to the organization's use of and effects on the capitals. 	<p>64,112-123</p> <p>23-26,46-47</p> <p>33-39</p> <p>155</p> <p>196-199</p> <p>174-179</p>

Sl. No.	Particulars	Page no
1.3	Stakeholder Identification/ relationships	
	<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"> • How the company has identified its stakeholders. • Stakeholder engagement methodology. • Identification of material matters of stakeholders. • How the Company has applied such matters. • How the stakeholders are engaged in assessing impacts, implications and outlook unrespects of Company's business model. 	15, 156-162, 171-179
	Capitals	
	<p>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</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>	64, 174-179, 196-199
1.4	Business model	
	<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"> • How the organization differentiates itself in the market place (e.g., through product differentiation, market segmentation, delivery channels and marketing) • 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) • How the organization approaches the need to innovate • How the business model has been designed to adapt to change. <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>	67-71
		62-66, 171-173

Sl. No.	Particulars	Page no
	<p>Outcomes</p> <p>An integrated report describes key outcomes, including:</p> <ul style="list-style-type: none"> • 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) • 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). <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>	67-71, 105, 170-179
1.5	Performance	
	<p>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?</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"> • Quantitative indicators with respect to targets and risks and opportunities, explaining their significance, their implications, and the methods and assumptions used in compiling them • The organization's effects (both positive and negative) on the capitals, including material effects on capitals up and down the value chain • The state of key stakeholder relationships and how the organization has responded to key stakeholders' legitimate needs and interests • The linkages between past and current performance, and between current performance and the organization's outlook. <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>	52, 64-66, 93-100
1.6	Risks, opportunities and Internal Controls	
	<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"> • The specific source of risks and opportunities, which can be internal, external or, commonly, a mix of the two. • The organization's assessment of the likelihood that the risk or opportunity will come to fruition and the magnitude of its effect if it does. • The specific steps being taken to mitigate or manage key risks or to create value from key opportunities, including the identification of the associated strategic objectives, strategies, policies, targets and KPIs. • Risk Management Report (Which includes details about risk, root cause, potential impact, response to risk, risk rating) • Response on the effectiveness of the internal controls and the board's responsibility for the disclosures on internal controls to safeguard stakeholder interest. 	49-50, 67-71, 192-199

Sl. No.	Particulars	Page no
1.7	<p>Strategy and resource allocation</p> <p>An integrated report should describe its strategic direction (Where does the organization want to go and how does it intend to get there)</p> <p>An integrated report needs to identify:</p> <ul style="list-style-type: none"> • The organization's short, medium and long term strategic objectives • The strategies it has in place, or intends to implement, to achieve those strategic objectives • How the entity has positioned in the wider market. • How the long term strategies relate to current business model. • The resource allocation plans it has to implement its strategy • How it will measure achievements and target outcomes for the short, medium and long term. <p>This can include describing:</p> <ul style="list-style-type: none"> • 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"> • 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 • 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 • What differentiates the organization to give it competitive advantage and enable it to create value, such as: <ul style="list-style-type: none"> • The role of innovation • How the organization develops and exploits intellectual capital • The extent to which environmental and social considerations have been embedded into the organization's strategy to give it a competitive advantage • Key features and findings of stakeholder engagement that were used in formulating its strategy and resource allocation plans. 	171-179, 196-199
1.8	<p>Outlook</p> <p>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?</p> <p>An integrated report should highlight anticipated changes over time and provides information on:</p> <ul style="list-style-type: none"> • The organization's expectations about the external environment the organization is likely to face in the short, medium and long term • How that will affect the organization • How the organization is currently equipped to respond to the critical challenges and uncertainties that are likely to arise. <p>The discussion of the potential implications, including implications for future financial performance may include:</p> <ul style="list-style-type: none"> • The external environment, and risks and opportunities, with an analysis of how these could affect the achievement of strategic objectives • 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. <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>	52, 65-71, 174-179, 196-199

Sl. No.	Particulars	Page no
1.9	<p>Basis of Preparation and Presentation</p> <p>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?</p> <p>An integrated report describes its basis of preparation and presentation, including:</p> <ul style="list-style-type: none"> ● A summary of the organization's materiality determination process <ul style="list-style-type: none"> ● Brief description of the process used to identify relevant matters, evaluate their importance and narrow them down to material matters ● Identification of the role of those charged with governance and key personnel in the identification and prioritization of material matters. ● A description of the reporting boundary and how it has been determined <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"> ● A summary of the significant frameworks and methods used to quantify or evaluate material matters (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.) 	6-7, 15-16, 64-71, 100
2.	Responsibility for an integrated report	
	<p>An integrated report should include a statement from those charged with governance that includes:</p> <ul style="list-style-type: none"> ● An acknowledgment of their responsibility to ensure the integrity of the integrated report ● An acknowledgment that they have applied their collective mind to the preparation and presentation of the integrated report ● Their opinion or conclusion about whether the integrated report is presented in accordance with the Framework or, if it does not include such a statement, it should explain: <ul style="list-style-type: none"> ● What role those charged with governance played in its preparation and presentation ● What steps are being taken to include such a statement in future reports ● The time frame for doing so, which should be no later than the organization's third integrated report that references this Framework. 	1, 6-7, 15-16
3.	Other Qualitative Characteristics of an Integrated Report	
3.1	<p>Conciseness</p> <p>An integrated report should be concise.</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.</p> <p>Eg:</p> <p>Follows logical structure and includes internal cross-reference as appropriate to limit repetition.</p> <p>May link to more detailed information, information that does not change frequently or external sources.</p> <p>Express concepts clearly and in as few words.</p> <p>Favours plain language over the use of jargon or highly technical terminology.</p> <p>Avoids highly generic disclosures.</p>	13-14, 65-71, 81, 93-99, 112-123, 211
3.2	<p>Reliability and completeness</p> <p>An integrated report should include all material matters, both positive and negative, in a balanced way and without material error</p> <p>The organization achieve the reliability and completeness through,</p> <p>Eg:</p> <ul style="list-style-type: none"> ● Selection of presentation formats that are not likely to unduly or inappropriately influence assessments made on the basis of integrated report. ● Giving equal consideration to both increases and decreases in the capitals, both strengths and weaknesses of the organization, both positive and negative performance etc. ● When information includes estimates, this is clearly communicated and the nature limitations of the estimation process are explained. 	6-7, 65-71, 93-99, 174-179, 196-199

Sl. No.	Particulars	Page no
3.3	<p>Consistency and comparability</p> <p>The information in an integrated report should be presented:</p> <ul style="list-style-type: none"> ● On a basis that is consistent over time ● 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. <p>Eg:</p> <ul style="list-style-type: none"> ● Using benchmark data, such as industry or regional benchmarks ● 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) ● 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). ● Reporting policies are followed consistently from one period to other unless a change is needed to improve the quality of information reported. ● Reporting the same KPIs if they continue to be material across reporting period. ● When a significant change has been made, the organization explains the reasons for the change describing its effect. 	64, 129-137, 171-179
3.4	<p>Connectivity of information</p> <p>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.</p> <p>Eg: Connectivity between- Capitals</p> <ul style="list-style-type: none"> ● Content elements ● Past, Present & Future ● Finance and other information 	6-7, 64, 171-173, 196-199
3.5	<p>Materiality</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>	6-7, 64
3.6	<p>Assurance on the Report</p> <ul style="list-style-type: none"> ● The policy and practice relating to seeking assurance on the report, ● the nature and scope of assurance provided for this particular report ● any qualifications arising from the assurance, and the nature of the relationship between the organization and the assurance providers 	6-7

**GREEN DELTA INSURANCE CO. LTD.**

Green Delta Aims Tower (6th floor), 51-52 Mohakhali C/A, Dhaka-1212, Bangladesh. Phn: +(880-2) 222263902, 222261170, www.green-delta.com

PROXY FORM

I/Weof.....
 being a member of Green Delta Insurance Company Limited and a holder of
 shares hereby appoint Mr./ Ms.
 of as my our proxy to vote for me/us and
 on my/our behalf at the 35th Annual General Meeting of the Company to be held on Tuesday, March 30, 2021, at 11:00
 a.m. through Online Digital Platform (link: <https://greendelta.bdvirtualagm.com>), and at any adjournment thereof.

Signed this		day of March 2021		
Signature	Revenue Stamp of BDT 20		Signature	
Name :			Name :	
(Proxy)			(Member)	
			Folio/BO ID No	

NOTE :

- a) This form of proxy, duly completed, must be deposited at least 48 hours before the meeting at the Company's registered office or sent scan copy through email at share@green-delta.com. Proxy is invalid if not signed and stamped as explained above.
- b) Signature of the shareholders should agree with the specimen signature registered with the Company and Depository Register.

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ATTENDANCE SLIP

I hereby record my attendance at the 35th Annual General Meeting of the Company being held on Tuesday, March 30, 2021, at 11.00 a.m. through Online Digital Platform (link: <https://greendelta.bdvirtualagm.com>), as a holder of.....
 shares of the Company.

Signature
Name :
(Member/Proxy)
Folio/BO ID No.

NOTE :

Signature of the shareholders should agree with the specimen signature registered with the Company and Depository Register.



 **GREEN DELTA
INSURANCE**

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