

**Independent Auditor's Report
&
Audited Financial Statements
of
Green Delta Insurance Company Limited
&
Its Subsidiaries**

As at & for the year ended 31 December 2018

Independent Auditor's Report

To the shareholders of Green Delta Insurance Company Limited

Report on the audit of the consolidated and separate financial statements

Opinion

We have audited the consolidated financial statements of Green Delta Insurance Company Limited and its Subsidiaries (together referred to as the "Group") as well as the separate financial statements of Green Delta Insurance Company Limited (the "Company"), which comprise the consolidated balance sheet and the separate balance sheet as at 31 December 2018, the consolidated and separate profit and loss account, the consolidated and separate profit & loss appropriation account, the consolidated and separate statement of changes in equity and the consolidated and separate statement of cash flows for the year then ended, notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group and separate financial statements of the Company 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 2018, and of its consolidated and separate profit and loss accounts, the consolidated and separate profit & loss appropriation account, the consolidated and separate statements of changes in equity and the consolidated and separate cash flow statements for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Insurance Act 2010, the Insurance Rules 1958, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements for 2018. These matters were addressed in the context of the audit of the financial statements as a whole, and in forming the auditor's opinion thereon, and we do not provide a separate opinion on these matters. For each matter below our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters.

Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatements of the financial statements. These results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Risk	Our response to the risk
Premium income	
<p>Gross general insurance premiums comprise the total premiums received for the whole period of cover provided by contracts entered into during the accounting period.</p> <p>Given the important nature, connections to other items to the financial statements and sensitivity of the item we believe this area pose high level of risk.</p> <p>At year end the 2018, the Group reported total gross premium income of BDT 3,678,628,830 (2017: BDT 3,293,547,119).</p>	<p>With respect to Premium income in respect of various types of insurance we carried out the following procedures:</p> <ul style="list-style-type: none"> • The design and operating effectiveness of key controls around premium income recognition process. • Carried out analytical procedures and recalculated premium income for the period. • Carried out cut-off testing to ensure unearned premium income has not been included in the premium income. • On a sample basis reviewed policy to ensure appropriate policy stamp was affixed to the contract and the same has been reflected in the premium register. • Ensured on a sample basis that the premium income was being deposited in the designated bank account. • Tested on a sample basis to see that appropriate VAT was being collected and deposited to bank through Treasury Challan. • For a sample of insurance contracts tested to see if appropriate level of reinsurance was done and whether that re-insurance premium was deducted from the gross premium. • Applying specialist judgment ensured if there is any impairment of the reinsurer. • Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act 1938 (as amended in 2010), Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.
<i>See consolidated all business revenue account</i>	
Investment fluctuation fund	
<p>Insurance company makes a number of investments in the listed and unlisted capital market with required regulatory permission. Income generated from the investments (realized gain and dividend received) is credited to the Profit & Loss Account. Unrealized capital gain or loss if any is transferred to the Investment Fluctuation Fund subsequently or as per the policy of the Company.</p>	<p>We tested the design and operating effectiveness of key controls around monitoring, valuation and updating of prices of the positions held by the Company from trusted sources. Additionally, we performed the following:</p> <ul style="list-style-type: none"> • Obtained year-end share holding positions from the Company and through directional testing assessed the completeness of the report.

Risk	Our response to the risk
<p>This item has significant impact on the earnings performance of the Company and return to the shareholders and might be prone to misreporting as large unreported fall in the value of any holding may wipe out the value of the portfolio and hamper the distribution capability of the Company.</p> <p>At year end the 2018, the Group reported total balance under the head of Investment fluctuation fund of BDT 2,069,906,894 (2017: BDT 2,287,365,792).</p>	<ul style="list-style-type: none"> • Ascertained the valuation of the holding as per IFRS 13 Fair Value Measurement. • Reviewed and challenged the assumptions used for the valuation models for any unquoted securities. • Recalculated unrealized gain or loss at the year end. • Carried out cut-off testing to ensure unrealized gain or loss was recognized in correct period. • Obtained the CDBL report and share portfolio and cross checked against each other to confirm unrealized gain or loss. • Check the subsequent positioning of this unrealized amount after the year end. • 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.
<p><i>See note no 4.02 to the financial statements</i></p>	
<p>Estimated liability in respect of outstanding claims whether due or intimated and claim payment</p>	
<p>This account represents the claim due or intimated from the insured and involves significant management judgment and risk of understatement. In extreme scenario this item may have going concern implications for the company.</p> <p>At year end the 2018, the Group reported total balance under the head of estimated liability in respect of outstanding claims whether due or intimated and claim payment of BDT 254,315,406 (2017: BDT 205,933,683).</p>	<p>We tested the design and operating effectiveness of controls around the due and intimated claim recording process. We additionally carried out the following substantive 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 about impending claims. • Tested a sample of claims payments with intimation letter, survey report, bank statement, claim payment register and general ledger.

Risk	Our response to the risk
	<ul style="list-style-type: none"> Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act 1938 (as amended in 2010), Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.
<p><i>See note no 8.00 to the financial statements</i></p>	

Other information

Management is responsible for the other information. The other information comprises all of the information in the annual report other than the financial statements and our auditor’s report thereon. The annual report is expected to be made available to us after the date of this auditor’s report.

Our opinion on the financial statements does not cover other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of the auditor’s report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the consolidated and separate financial statements and internal controls

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act 1994, the Insurance Act 2010, the Insurance Rules 1958, the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company’s financial reporting process.

Auditor’s responsibilities for the consolidated and separate financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In accordance with the Companies Act 1994, the Insurance Act 2010, the Insurance Rules 1958, the Securities and Exchange Rules 1987 and relevant notifications issued by Bangladesh Securities and Exchange Commission, we also report that:

- 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 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 the Company and proper books of accounts, records and other statutory books have been properly maintained and (where applicable) proper returns adequate for the purposes of our audit have been received from branches not visited by us;

- 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) the financial statements as at 31 December 2018 of the subsidiaries, namely Green Delta Capital Limited, Green Delta Securities Limited, Professional Advancement Bangladesh Limited and GD Assist LTD have been audited by Ahmed Zaker & Co., Chartered Accountants and have been properly reflected in the consolidated financial statements.
- f) 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;
- g) 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
- h) The expenditure was incurred for the purpose of the Company's business.

Dated, Dhaka
10 February 2019



A. Qasem & Co.
Chartered Accountants

Green Delta Insurance Company Ltd. & Its Subsidiaries
Consolidated Balance Sheet
as at 31 December 2018

		2018	2017
	Notes	BDT	BDT
Capital and liabilities:			
Share capital			
Authorized capital	3.00	5,000,000,000	5,000,000,000
Issued, subscribed and paid-up capital	3.00	806,911,870	806,911,870
Share premium		195,113,205	195,113,205
Reserve or contingency account			
Reserve for exceptional losses	4.A	5,089,940,617	5,283,952,566
Investment fluctuation fund		1,343,221,488	1,260,194,875
General reserve		2,069,906,895	2,287,365,792
Dividend equalization fund		180,000,000	180,000,000
Revaluation reserve	4.B	110,000,000	110,000,000
		1,386,812,234	1,446,391,899
Profit & loss appropriation account			
	5.A	443,664,020	435,037,735
Non controlling interest			
	5.B	4,009	3,950
Total shareholders' equity		6,535,641,921	6,721,024,527
Balance of fund accounts			
Fire insurance business	6.00	674,051,405	617,680,532
Marine insurance business		184,144,543	160,024,788
Motor insurance business		383,795,721	347,864,489
Miscellaneous ins. business		64,466,505	69,362,137
		41,644,636	40,429,118
Premium deposit	7.00	338,990,220	105,759,559
Liabilities and provisions:			
Estimated liability in respect of outstanding claims whether due or intimated	8.00	3,285,926,674	3,060,222,416
Amount due to other persons or bodies carrying on insurance business	9.00	254,315,406	205,933,683
Sundry creditors (Including outstanding expenses, taxes & provisions)	10.A	764,205,552	966,061,124
Loan Received	11.A	1,284,741,017	1,032,041,527
		982,664,699	856,186,082
Total liabilities		4,298,968,299	3,783,662,507
Total liabilities & shareholders' equity		10,834,610,220	10,504,687,034



		<u>2018</u>	<u>2017</u>
	<u>Notes</u>	<u>BDT</u>	<u>BDT</u>
Assets and properties			
		7,434,597,337	7,047,950,712
Investment	12.A	3,874,299,943	4,162,476,782
Outstanding premium	13.00	116,750,321	146,797,559
Amount due from other persons or bodies carrying on insurance business	14.00	2,443,917,092	1,756,205,360
Sundry debtors (including advances and deposits)	15.A	999,629,981	982,471,011
Cash and cash equivalent	16.A	1,217,141,985	1,257,789,705
Other accounts			
Land property and office space with building project	17.00	859,974,010	859,974,010
		1,322,896,888	1,338,972,607
Fixed assets (at cost less depreciation)	18.A	1,316,943,021	1,330,408,008
Intangible assets	18.B	4,003,533	6,573,623
Stock of printing, stationery and stamps	19.00	1,950,333	1,990,976
Total assets and properties		10,834,610,220	10,504,687,034

The accompanying notes 1-27 form an integral part of these consolidated financial statements.


Md. Abdul Karim
Chairman


Shamsun Nahar Begum Chowdhury
Director


Farzanah Chowdhury
Managing Director & CEO


Syed Aliul Ahabab
Financial Controller


Syed Moinuddin Ahmed
Company Secretary

Signed as per our separate report of even date

Dated, Dhaka
10 February 2019


A. Qasem & Co.
Chartered Accountants

Green Delta Insurance Company Ltd. & Its Subsidiaries
Consolidated Profit and Loss Account
for the year ended 31 December 2018

	2018	2017
Notes	<u>BDT</u>	<u>BDT</u>
Investment income	124,434,315	159,606,344
Income from share business	47,371,468	3,883,500
Brokerage commission & others less direct expenses	126,083,316	140,171,807
Interest & others income	183,394,209	112,702,036
Total investment income	<u>481,283,308</u>	<u>416,363,687</u>
Fire insurance revenue account	19,655,493	145,817,050
Marine insurance revenue account	315,277,178	177,439,871
Motor insurance revenue account	55,633,672	48,096,325
Misc. insurance revenue account	12,499,920	28,611,601
Total revenue income	<u>403,066,263</u>	<u>399,964,847</u>
Total income	<u>884,349,571</u>	<u>816,328,534</u>
Management expenses	429,466,561	363,423,284
Director's fee & expenses	1,016,373	1,034,170
Audit fees	345,000	345,000
Preliminary expenses amortized	-	-
Depreciation	56,506,909	61,612,187
Total expenditure	<u>487,334,843</u>	<u>426,414,641</u>
Profit before provision & tax	<u>397,014,727</u>	<u>389,913,894</u>
Others provision	8,010,163	7,500,000
Net profit for the year	<u>389,004,564</u>	<u>382,413,894</u>
Profit attributable to GDIC	<u>389,004,506</u>	<u>382,413,746</u>
Share of non-controlling interest	59	148
	<u>389,004,565</u>	<u>382,413,894</u>

The accompanying notes 1-27 form an integral part of these consolidated financial statements.


Md. Abdul Karim
Chairman


Shamsun Nahar Begum Chowdhury
Director


Farzana Chowdhury
Managing Director & CEO


Syed Aliul Ahabab
Financial Controller


Syed Moinuddin Ahmed
Company Secretary

Signed as per our separate report of even date

Dated, Dhaka
10 February 2019


A. Qasem & Co.
Chartered Accountants



Green Delta Insurance Company Ltd. & Its Subsidiaries
Consolidated Statement of Changes in Equity
For the year ended 31 December 2018

Amount in BDT

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
Balance at 1 January 2018	806,911,870	195,113,205	1,260,194,874	180,000,000	110,000,000	1,446,391,899	2,287,365,792	435,037,735	6,721,015,375	3,950	6,721,019,325
Revaluation adjustment during the period						(59,579,665)		20,445,794	(39,125,669)		(39,125,669)
Appropriation to sale for reserve								(25,922,830)	(25,922,830)		(25,922,830)
Cash dividend paid for the year 2017								(196,882,374)	(196,882,374)		(196,882,374)
Profit after tax			83,026,613					294,012,307	294,012,307	59	294,012,366
Appropriation to reserve							(217,458,898)	(83,026,613)	(217,458,898)		(217,458,898)
Balance as on 31 December 2018	806,911,870	195,113,205	1,343,221,488	180,000,000	110,000,000	1,386,812,234	2,069,906,894	443,664,019	6,535,637,911	4,009	6,535,641,921



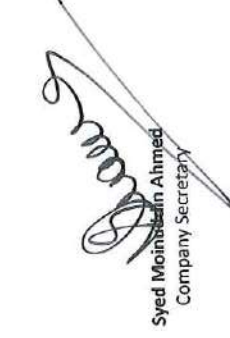
Md. Abdul Karim
Chairman



Shamsun Nahar Begum Chowdhury
Director



Syed Aliul Ahabab
Financial Controller



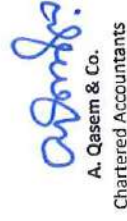
Syed Moineuddin Ahmed
Company Secretary



Farzana Chowdhury
Managing Director & CEO

Signed as per our separate report of even date.

Dated, Dhaka
10 February 2019



A. Qasem & Co.
Chartered Accountants




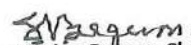
Green Delta Insurance Company Ltd. & Its Subsidiaries
Consolidated Statement of Cash Flows
for the year ended 31 December 2018

	<u>2018</u>	<u>2017</u>
	<u>BDT</u>	<u>BDT</u>
Cash flows from operating activities		
Collections from premium and other income	4,763,305,014	3,858,592,676
Payments for management expense, re-insurance and claims	(4,590,134,245)	(4,598,726,348)
Income tax paid	(113,313,938)	(101,346,597)
Net cash provided by operating activities	<u>59,856,831</u>	<u>(841,480,269)</u>
Cash flows from investing activities		
Investment in share and others	(677,658,956)	(538,623,248)
Income from share trading	5,541,405	6,115,971
Interest received/(Paid)	24,509,829	(6,086,419)
Income from office rent	23,510,808	15,574,817
Advance Received /(Paid) to Green Delta Securities Ltd.	37,879,317	50,000,000
Dividend income	72,124,941	64,049,571
Purchase of fixed assets	(41,111,611)	(32,639,748)
Disposal of fixed assets	6,549,350	18,237,459
Interest on FDR	54,096,212	72,162,257
Receivable from Green Delta Capital Ltd.	4,998,717	9,094,432
Receivable from GD Asset Management	-	(26,617)
Advance for Fixed Assets Part Payment	(9,771,922)	(4,820,157)
Investment in others	(4,648,832)	(130,126,857)
Investment in ACME Laboratories Ltd.	-	28,732,364
Advance for office space Rupayan	-	15,657,096
Advance for office space (Khatungonj.Ctg.)	-	1,235,628
Advance for office space	-	(2,096,932)
Trustee commission	12,170,000	5,820,000
Investment in PABL	-	-
Bank loan/Overdraft	536,076,165	336,118,429
Net cash used in investing activities	<u>44,265,424</u>	<u>(91,621,956)</u>
Cash flows from financing activities:		
Share Capital	7,500,000	-
Dividend paid	(194,684,244)	(164,948,842)
Temporary loan paid	11,951,731	(11,138,627)
Client account	30,462,538	(113,505,156)
Net cash used in financing activities	<u>(144,769,975)</u>	<u>(289,592,625)</u>
Net increase/(decrease) in cash & cash equivalents during the year	<u>(40,647,721)</u>	<u>(1,222,694,848)</u>
Cash & cash equivalents at the beginning of the year	1,257,789,705	2,480,484,555
Cash & cash equivalents at the end of the year	<u>1,217,141,985</u>	<u>1,257,789,705</u>

Net Operating Cash Flows per Share (NOCFPS)

0.74 (10.43)


Md. Abdul Karim
Chairman



Shamsun Nahar Begum Chowdhury
Director


Farzanah Chowdhury
Managing Director & CEO


Syed Aliul Ahab
Financial Controller


Syed Moinuddin Ahmed
Company Secretary

Signed as per our separate report of even date


A. Qasem & Co.
Chartered Accountants

Dated, Dhaka;
10 February 2019



Green Delta Insurance Company Ltd. & Its Subsidiaries
Consolidated Profit and Loss Appropriation Account
for the year ended 31 December 2018

	<u>Note</u>	<u>2018</u> <u>BDT</u>	<u>2017</u> <u>BDT</u>
Balance brought forward from last year		339,114,929	293,941,926
Net profit for the year brought down		389,004,564	382,413,894
TOTAL		<u>728,119,493</u>	<u>676,355,820</u>
Reserve for exceptional losses	4.01	83,026,613	76,217,883
Provision for income tax		85,515,236	73,083,995
Deferred tax liability/ (asset) during the year		9,476,963	19,681,640
Dividend and Reserve distributed from last year :		196,882,374	168,257,374
Cash		196,882,374	168,257,374
General Reserve		-	-
Dividend Equalization Fund		-	-
Profit for the period of continuing operation		<u>210,985,753</u>	<u>213,305,204</u>
Balance transferred to balance sheet		353,218,307	339,114,928
TOTAL		<u>728,119,493</u>	<u>676,355,820</u>
Earning per share	24.A	3.64	3.59

The accompanying notes 1-27 form an integral part of these consolidated financial statements.


Md. Abdul Karim
 Chairman


Shamsun Nahar Begum Chowdhury
 Director


Farzana Chowdhury
 Managing Director & CEO


Syed Aliul Ahabab
 Financial Controller


Syed Moinuddin Ahmed
 Company Secretary

Signed as per our separate report of even date

Dated, Dhaka
 10 February 2019


A. Qasem & Co.
 Chartered Accountants



Green Delta Insurance Company Ltd.
Balance Sheet
As at 31 December 2018

		<u>2018</u>	<u>2017</u>
	<u>Notes</u>	<u>BDT</u>	<u>BDT</u>
Capital and liabilities:			
Share capital			
Authorized share capital	3.00	5,000,000,000	5,000,000,000
Issued, subscribed and paid-up capital	3.00	806,911,870	806,911,870
Share premium		195,113,205	195,113,205
Reserve or contingency account:			
Reserve for exceptional losses	4.00	5,049,002,964	5,203,881,042
Investment fluctuation fund	4.01	1,343,221,488	1,260,194,875
General reserve	4.02	2,069,906,895	2,287,365,792
Dividend equalization fund	4.03	180,000,000	180,000,000
Revaluation reserve	4.04	110,000,000	110,000,000
	4.05	1,345,874,581	1,366,320,375
Profit & loss appropriation account	5.00	231,736,883	206,289,188
Total shareholders' equity		6,282,764,922	6,412,195,305
Balances of funds & accounts:			
Fire insurance business	6.00	674,051,405	617,680,532
Marine insurance business		184,144,543	160,024,788
Motor insurance business		383,795,721	347,864,489
Miscellaneous insurance business		64,466,505	69,362,137
		41,644,636	40,429,118
Premium deposit	7.00	338,990,220	105,759,559
Liabilities and provisions			
Estimated liability in respect of outstanding claims whether due or intimated	8.00	2,869,613,355	2,708,216,486
Amount due to other persons or bodies carrying on insurance business	9.00	254,315,406	205,933,683
Sundry creditors (including outstanding expenses, taxes & provisions)	10.00	764,205,552	966,061,124
Loan Received	11.00	1,065,016,232	823,216,310
		786,076,165	713,005,369
Total liabilities		3,882,654,980	3,431,656,577
Total liabilities & shareholders' equity		10,165,419,902	9,843,851,882



		<u>2018</u>	<u>2017</u>
	<u>Notes</u>	<u>BDT</u>	<u>BDT</u>
Assets and properties		7,117,338,755	6,678,634,253
Investment	12.00	3,940,108,689	4,210,106,520
Outstanding premium	13.00	116,750,323	146,797,559
Amount due from other persons or bodies carrying on insurance business	14.00	2,443,917,092	1,756,205,360
Sundry debtors (including advances and deposits)	15.00	616,562,652	565,524,814
Cash and cash equivalents	16.00	896,917,653	983,356,799
		2,151,163,494	2,181,860,830
Land	17.00	859,974,010	859,974,010
Fixed assets & intangible assets	18.00	1,289,239,151	1,319,895,846
Stock of printing, stationery and stamps	19.00	1,950,333	1,990,974
Total assets and properties		10,165,419,902	9,843,851,882

The accompanying notes 1-27 form an integral part of these financial statement.


Md. Abdul Karim
Chairman


Shamsun Nahar Begum Chowdhury
Director


Farzanah Chowdhury
Managing Director & CEO


Syed Aliul Ahabab
Financial Controller


Syed Moinuddin Ahmed
Company Secretary

Signed as per our separate report of even date

Dated, Dhaka:
10 February 2019


A. Qasem & Co.
Chartered Accountants

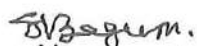
Green Delta Insurance Company Ltd.
Profit and Loss Account
For the year ended 31 December 2018

	<u>Notes</u>	<u>2018</u> <u>BDT</u>	<u>2017</u> <u>BDT</u>
Expenses of management (not applicable to any particular fund or account)		189,847,521	244,611,386
		133,326,054	56,509,515
Director's fee & expenses		1,016,373	1,034,170
Audit fees	20.00	345,000	345,000
Depreciation		49,480,681	55,130,345
Write off investment		82,484,000	-
Net profit for the year carried down to profit & loss appropriation account		318,887,851	307,786,667
TOTAL		642,061,426	608,907,568
Investment & others income	21.00	238,995,163	208,942,722
Profit & loss transferred from :		403,066,263	399,964,846
Fire insurance revenue account		19,655,494	145,817,050
Marine insurance revenue account		315,277,178	177,439,871
Motor insurance revenue account		55,633,672	48,096,325
Miscellaneous insurance revenue account		12,499,920	28,611,600
TOTAL		642,061,426	608,907,568

The accompanying notes 1-27 form an integral part of these financial statement.



Md. Abdul Karim
Chairman



Shamsun Nahar Begum Chowdhury
Director



Farzana Chowdhury
Managing Director & CEO



Syed Aliul Ahab
Financial Controller



Syed Moinuddin Ahmed
Company Secretary

Signed as per our separate report of even date

Dated, Dhaka;
10 February 2019



A. Qasem & Co.
Chartered Accountants



**Green Delta Insurance Company Ltd.
Profit and Loss Appropriation Account
For the year ended 31 December 2018**

	<u>Notes</u>	<u>2018</u> <u>BDT</u>	<u>2017</u> <u>BDT</u>
Balance brought forward from last year		82,759,861	77,255,089
Net profit for the year brought down		318,887,851	307,786,669
TOTAL		<u>401,647,712</u>	<u>385,041,758</u>
Reserve for exceptional losses	4.01	83,026,613	76,217,883
Provision for income tax	10.01	60,000,000	45,000,000
Provision for deferred tax expense	10.02	9,476,963	19,681,640
Dividend and Reserve distributed from last year Profit :		161,382,374	161,382,374
Cash Dividend		161,382,374	161,382,374
General Reserve		-	-
Dividend Equilization Fund		-	-
Profit for the period of continuing operation		<u>166,384,275</u>	<u>166,887,146</u>
Balance transferred to balance sheet		87,761,762	82,759,861
TOTAL		<u>401,647,712</u>	<u>385,041,758</u>
Earning Per share		3.09	3.01
P/E Ratio		21.03	20.38

The accompanying notes 1-27 form an integral part of these financial statement.



Md. Abdul Karim
Chairman



Shamsun Nahar Begum Chowdhury
Director



Farzanah Chowdhury
Managing Director & CEO



Syed Aliul Ahabab
Financial Controller



Syed Moinuddin Ahmed
Company Secretary

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Dated, Dhaka
10 February 2019



A. Qasem & Co.
Chartered Accountants

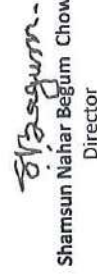


Green Delta Insurance Company Ltd.
Statement of Changes in Equity
For the year ended 31 December 2018

Particulars	Amount in BDT								
	Share Capital	Share Premium	Reserve for Exceptional Losses	General Reserve	Dividend equalization fund	Investment Fluctuation Fund	Revaluation Reserve	Retained Earnings	Total
Balance as on 1 January 2018	806,911,870	195,113,205	1,260,194,874	180,000,000	110,000,000	2,287,365,790	1,366,320,377	206,289,189	6,412,195,305
Transfer for 2018	-	-	-	-	-	-	(20,445,796)	20,445,796	-
Cash dividend paid for 2017	-	-	-	-	-	-	-	(161,382,374)	(161,382,374)
Profit after tax	-	-	-	-	-	-	-	249,410,888	249,410,888
Appropriation to reserve	-	-	83,026,614	-	-	(217,458,898)	-	(83,026,614)	(217,458,898)
Balance as on 31 December 2018	806,911,870	195,113,205	1,343,221,488	180,000,000	110,000,000	2,069,906,894	1,345,874,581	231,736,883	6,282,764,922



Md. Abdul Karim
Chairman



Shamsun Nahar Begum Chowdhury
Director



Syed Aliul Ahabab
Financial Controller



Syed Maksudin Ahmed
Company Secretary



Faizanah Chowdhury
Managing Director & CEO

Signed as per our separate report of even date.

Dated, Dhaka
10 February 2019


A. Qasem & Co.
Chartered Accountants




Green Delta Insurance Company Ltd.
Cash Flow Statement
For the year ended 31 December 2018

	2018	2017
	<u>BDT</u>	<u>BDT</u>
Cash flows from operating activities:		
Collections from premium and other income	4,509,952,700	3,772,594,505
Payments for management expense, re-insurance and claims	(4,432,172,534)	(3,718,492,520)
Income tax paid	(89,111,023)	(73,984,504)
Net cash outflow from operating activities	(11,330,857)	(19,882,519)
Cash flows from investing activities:		
Investment in share	(640,709,546)	(520,978,039)
Income from share trading	5,541,405	6,115,971
Interest received	24,509,829	28,481,024
Income from office rent	23,510,808	15,574,817
Advance received/(Paid) to Green Delta Securities	-	50,000,000
Dividend income	72,124,941	64,049,571
Purchase of fixed assets	(19,444,303)	(24,873,008)
Disposal of fixed assets	6,549,350	18,237,459
Interest on FDR	73,596,212	60,917,790
Receivable from Green Delta Capital	(76,984)	9,094,432
Receivable from GD Asset Management	-	(26,617)
Advance for fixed assets part payment	(9,771,922)	(4,820,157)
Advance for office space Rupayan	-	15,657,096
Investment in GD Assist Paid up Capital	-	(7,497,000)
Investment in GD Assets Management Paid up Capital	-	(26,000,000)
Office space for Bangla Motor	-	(2,096,932)
Advance for office space (Khatungonj.Ctg.)	-	1,235,628
Beximco Pharma Preferred Share	-	522,700
Trustee commission	12,170,000	5,820,000
Investment in ACME Laboratories Ltd.	-	28,732,364
Bank loan	536,076,165	213,005,369
Net cash from/(used) in investing activities	84,075,955	(68,847,532)
Cash flows from financing activities:		
Dividend paid	(159,184,244)	(158,073,842)
Net cash used in financing activities	(159,184,244)	(158,073,842)
Net Increase/(Decrease) in cash & cash equivalents during the year	(86,439,146)	(111,900,559)
Cash & cash equivalents at the beginning of the year	983,356,799	1,095,257,358
Cash & cash equivalents at the end of the year	896,917,653	983,356,799

Net Operating Cash Flows per Share (NOCFPS)

(0.14) (0.25)


Md. Abdul Karim
Chairman


Shamsun Nahar Begum Chowdhury
Director


Farzana Chowdhury
Managing Director & CEO


Syed Aliul Ahab
Financial Controller


Syed Moinuddin Ahmed
Company Secretary

Signed as per our separate report of even date

Dated, Dhaka;
10 February 2019




A. Qasem & Co.
Chartered Accountants

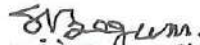
Green Delta Insurance Company Ltd.
Consolidated All Business Revenue Account
For the year ended 31 December 2018

	<u>Notes</u>	<u>2018</u> <u>BDT</u>	<u>2017</u> <u>BDT</u>
		1,572,546,927	1,377,048,827
Claims under policies less re-insurance	22.00	470,932,340	371,156,842
Agency commission		547,345,549	396,593,922
Expenses of management		554,269,038	609,298,063
Profit transferred to profit & loss account		403,066,268	399,964,848
Balance of accounts at the end of the year as shown in the balance sheet	6.00	674,051,405	617,680,534
TOTAL		2,649,664,600	2,394,694,209
Balance of account at the beginning of the year		617,680,534	531,825,313
Gross premium		3,678,628,830	3,293,547,119
Re-insurance premium		(2,018,096,565)	(1,769,189,457)
Net premium	23.00	1,660,532,264	1,524,357,662
Commission on re-insurance ceded		371,451,798	338,511,234
TOTAL		2,649,664,600	2,394,694,209

The accompanying notes 1-27 form an integral part of these financial statements.



Md. Abdul Karim
Chairman



Shamsun Nahar Begum Chowdhury
Director



Farzanah Chowdhury
Managing Director & CEO



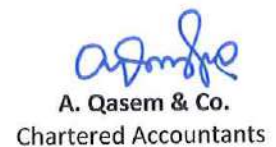
Syed Aliul Ahabab
Financial Controller



Syed Moinuddin Ahmed
Company Secretary

Signed as per our separate report of even date

Dated, Dhaka
10 February 2019




A. Qasem & Co.
Chartered Accountants

Green Delta Insurance Company Ltd.
Fire Insurance Revenue Account
For the year ended 31 December 2018

		<u>2018</u>	<u>2017</u>
	<u>Notes</u>	<u>BDT</u>	<u>BDT</u>
		638,455,922	477,645,945
Claims under policies less re-insurance	22.00	222,732,869	105,087,174
Expenses of management		163,132,818	190,258,694
Agency commission		252,590,235	182,300,077
Profit transferred to profit & loss account		19,655,494	145,817,050
Balance of account at the end of the year as shown in the balance sheet (reserve for unexpired risks)		184,144,543	160,024,788
TOTAL		842,255,958	783,487,783
		842,255,958	783,487,783
Balance of account at the beginning of the year		160,024,788	145,925,148
Premium less re-insurance	23.00	462,654,480	401,090,823
Commission on re-insurance ceded		219,576,691	236,471,812
TOTAL		842,255,958	783,487,783

The accompanying notes 1-27 form an integral part of these financial statements.


Md. Abdul Karim
 Chairman


Shamsun Nahar Begum Chowdhury
 Director


Farzana Chowdhury
 Managing Director & CEO


Syed Aliul Ahab
 Financial Controller


Syed Monuddin Ahmed
 Company Secretary

Signed as per our separate report of even date

Dated, Dhaka
 10 February 2019


A. Qasem & Co.
 Chartered Accountants



**Green Delta Insurance Company Ltd.
Marine Insurance Revenue Account
For the year ended 31 December 2018**

	Notes	2018 BDT	2017 BDT
Claims under policies less re-insurance	22.00	188,109,870	163,619,067
Expenses of management		294,331,937	337,392,128
Agency commission		192,533,767	160,474,976
Profit transferred to profit & loss account		315,277,178	177,439,871
Balance of account at the end of the year as shown in the balance sheet (reserve for unexpired risks)		383,795,721	347,864,489
TOTAL		1,374,048,471	1,186,790,531
Balance of account at the beginning of the year		347,864,489	280,120,545
Premium less re-insurance	23.00	929,548,609	845,226,674
Commission on re-insurance ceded		96,635,374	61,443,312
TOTAL		1,374,048,471	1,186,790,531

The accompanying notes 1-27 form an integral part of these financial statements.


Md. Abdul Karim
Chairman


Shamsun Nahar Begum Chowdhury
Director


Farzanah Chowdhury
Managing Director & CEO


Syed Aliul Ahabab
Financial Controller


Syed Momuddin Ahmed
Company Secretary

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Dated, Dhaka
10 February 2019


A. Qasem & Co.
Chartered Accountants



Green Delta Insurance Company Ltd.
Motor Insurance Revenue Account
For the year ended 31 December 2018

	<u>2018</u>	<u>2017</u>
<u>Notes</u>	<u>BDT</u>	<u>BDT</u>
	117,413,492	133,375,057
Claims under policies less re-insurance	33,547,913	36,108,650
Expenses of management	57,068,703	69,490,104
Agency commission	26,796,876	27,776,303
Profit transferred to profit & loss account	55,633,672	48,096,325
Balance of account at the end of the year as shown in the balance sheet (reserve for unexpired risks)	64,466,505	69,362,137
TOTAL	237,513,669	250,833,519
	237,513,669	250,833,519
Balance of account at the beginning of the year	69,362,137	69,842,541
Premium less re-insurance	163,479,811	175,895,052
Commission on re-insurance ceded	4,671,721	5,095,926
TOTAL	237,513,669	250,833,519

The accompanying notes 1-27 form an integral part of these financial statements.


Md. Abdul Karim
 Chairman


Shamsun Nahar Begum Chowdhury
 Director


Farzanah Chowdhury
 Managing Director & CEO


Syed Aliul Ahab
 Financial Controller


Syed Moinuddin Ahmed
 Company Secretary

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Dated, Dhaka
 10 February 2019


A. Qasem & Co.
 Chartered Accountants



Green Delta Insurance Company Ltd.
Miscellaneous Insurance Revenue Account
For the year ended 31 December 2018

	2018	2017
Notes	<u>BDT</u>	<u>BDT</u>
	141,701,940	104,541,653
Claims under policies less re-insurance	26,541,688	66,341,950
Expenses of management	39,735,581	12,157,137
Agency commission	75,424,671	26,042,566
Profit transferred to profit & loss account	12,499,920	28,611,600
Balance of account at the end of the year as shown in the balance sheet	41,644,636	40,429,118
TOTAL	<u>195,846,496</u>	<u>173,582,372</u>
	195,846,496	173,582,373
Balance of account at the beginning of the year	40,429,118	35,937,079
Premium less re-insurance	104,849,365	102,145,113
Commission on re-insurance ceded	50,568,012	35,500,181
TOTAL	<u>195,846,496</u>	<u>173,582,373</u>

The accompanying notes 1-27 form an integral part of these financial statements.



Md. Abdul Karim
Chairman



Shamsun Nahar Begum Chowdhury
Director



Farzana Chowdhury
Managing Director & CEO



Syed Aliul Ahab
Financial Controller



Syed Moinuddin Ahmed
Company Secretary

Signed as per our separate report of even date

Dated, Dhaka
10 February 2019



A. Qasem & Co.
Chartered Accountants



Green Delta Insurance Company Limited
Notes to the financial statements
as at and for the year ended 31 December 2018

1. Legal status and nature of the company

(a) Legal status and country of operation

Green Delta Insurance Company Limited (GDICL) was incorporated as a public limited company on 14 December 1895 and obtained the certificate of commencement of business as on 1 January 1986 under the Companies Act 1913 which was amended in 1994. The company obtained insurance license from the Controller of Insurance in 1986. GDICL went for public issue in 1990 and the shares of the company are listed in both Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited.

The company has investment in four subsidiaries. The details of the investments are provided in Note 'C'.

The registered office of the Company is located at Green Delta AIMS Tower, 51-52 Mohakhali C/A, Dhaka 1212, Bangladesh. The operation of the company are being carried out through its 43 Branches located in different division of Bangladesh.

(b) Nature of business

i) The principal activities of the company is to offer general insurance products that includes fire and allied perils insurance, marine cargo and hull insurance, aviation insurance, automobile insurance and miscellaneous insurance. These products offer protection of policyholders' assets and indemnification of other parties that have suffered damage as a result of policyholders' accident. Non-life healthcare contracts provide medical cover to policyholders. Revenue under above activities is derived primarily from insurance premiums.

(c) Subsidiary companies

Green Delta Insurance Company Limited is a parent company of four subsidiary companies namely Green Delta Securities Limited, Green Delta Capital Limited, Professional Advancement Bangladesh Limited and GD Assist Limited, details of which are given below:

Green Delta Securities Limited (GDSL)

GDSL is takeover by GDICL in the year 2013. GDICL holds 99.999% of the shares and 0.0001% is hold by an individual shareholder. The GDSL was mainly established as a brokerage house with a veiw to cope with the business needs of the stock buying and selling in the market as a member of the DSE and CSE under the aegies of operating stock broker and stock dealer.

Green Delta Capital Limited (GDCL)

GDICL holds 99.999% of the shares and 0.0001% is hold by an individual shareholder. The principal activities of GDCL is to carry on trade, business of indenture, dealers, traders, brokers, importers and exporters and operate and provide marchant banking services, underwrite, manage distribute issue of securities, stocks, share, bonds, debenture stock and investment instruments.

Professional Advancement Bangladesh Limited (PABL)

GDICL holds 99.96% of the shares and 0.04% is hold by an individual shareholder. The principle activities of PABL is to provide quality level training to individuals, to become professionals in the insurance and financial field to develop and strengthen vocational and non vocational training at all level through formal and non formal mode.



GD Assist Limited (GDAL)

GDICL holds 99.96% of the shares and 0.04% is hold by an individual shareholder. The principle activities of GDAL is to provide promotional and marketing services to local and foreign clients regarding publicity and brand management of product and organization.

(d) Structure, content and presentation of financial statements

Being the general purpose financial statements, the presentation of these financial statements is in accordance with the guidelines provided by per requirement of Insurance Act 1938 and International Accounting Standard 1: Presentation of Financial Statements. A complete set of financial statements comprise:

- i) Balance sheet as at 31 December 2018;
- ii) Profit and Loss Account for the year ended 31 December 2018;
- iii) Profit and Loss Appropriation Account for the year ended 31 December 2018;
- iv) Statement of Changes in Equity for the year ended 31 December 2018;
- v) Statement of cash flows for the year ended 31 December 2018;
- vi) Consolidated all Business Revenue Account for the year ended 31 December 2018;
- vii) Fire Insurance Revenue Account for the year ended 31 December 2018;
- viii) Motor Insurance Revenue Account for the year ended 31 December 2018;
- ix) Marine Insurance revenue Account for the year ended 31 December 2018;
- X) Miscellaneous Insurance Revenue Account for the year ended 31 December 2018; and
- xi) Notes comprising a summary of significant accounting policies and other explanatory information to the accounts for the year ended 31 December 2018.

2. Summary of significant accounting policies & basis of preparation

A summary of the principle accounting policies which have been applied consistently (unless otherwise stated), is set out below:

2.01 Basis of preparation

The Financial 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 preparation and presentation of the financial statements and the disclosure of information have been made in accordance with the The Balance sheet has been prepared in accordance with Part I and "Form A" in Part II of the First Schedule. The revenue account for fire, marine and miscellaneous business has been prepared in accordance with "Form F" in Part II of the Third Schedule. Statement of Cash Flow and Statement of Changes in Equity has been prepared in accordance with IFRS.

2.02 Basis of consolidation

The financial statements of the Company and its subsidiaries have been consolidated in accordance with International Accounting Standard 27: Consolidated and Separate Financial Statements. The consolidation of the financial statements has been made after eliminating all intra-group balances, transactions, income and expenses and profits and losses resulting from intra-group transactions and dividends. The consolidated financial statements comprise the financial statements of the Group as at 31 December each year.



Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases. The financial statements of the subsidiaries are prepared for the same reporting year as the parent company, using consistent accounting policies.

Losses within a subsidiary are attributed to any non-controlling interest, even if this results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognizes the assets (including goodwill) and liabilities of the subsidiary
- Derecognizes the carrying amount of any non-controlling interest
- Derecognizes the cumulative translation differences recorded in equity
- Recognizes the fair value of the consideration received
- Recognizes the fair value of any investment retained
- Recognizes any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognized in other comprehensive

2.03 Going concern

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The accompanying financial statements does not include any adjustments should the Green Delta Insurance Company Limited be unable to continue as a going concern.

2.04 Functional and presentation currency

These financial statements are presented in Bangladeshi Taka (BDT), which is the company's functional currency except as indicated.

2.05 Use of estimates and judgments

The preparation of financial statements require management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

2.06 Materiality and aggregation

Each material item considered by management as significant, has been presented separately in the financial statements. No amount has been set off unless the GDICL has a legal right to set off the amounts and intends to settle on net basis. Income and expenses are presented on a net basis only when permitted by the relevant accounting standards.

2.07 Foreign currency transactions

Transactions in currencies other than the Company's functional currency (foreign currencies) are recorded at the rates of exchange prevailing at the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are translated at the rates prevailing at the reporting date. Exchange differences are recognized currency fluctuation reserve.

2.08 Property, plant and equipments

a. Recognition and measurement

The cost of an item of property, plant and equipments shall be recognized as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the entity, and the cost of the item can be measured reliably.



Fixed assets have been accounted for at cost less accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs of enhancement of an existing asset are recognized as a separate asset, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of such items can be measured reliably. All other expenditures are charged to the Profit & Loss account during the financial period in which they are incurred.

Property, plant and equipment have been revalued in the year 2012 under "Current Cost Method" by an independent valuer namely "KPMG in Bangladesh" to reflect the fair value (prevailing market price). As the fair value of the assets does not differ significantly from its carrying amount as at 31 December 2018 so no revaluation has been made as on that date.

b. Depreciation

Fixed assets are recorded at historical cost less accumulated depreciation as per International Accounting Standard 16: property, plant and equipment. Depreciation is charged on straight line method based on the following useful lives of the fixed assets:

<u>Category of assets</u>	<u>Rates depreciation per annum</u>
Furniture & Fixture	10 years
Equipment	7 years
Vehicles	5 years
Building	99 years

Depreciation on newly acquired assets are calculated for the whole year irrespective of the date of acquisition and no depreciation is charged for the year in which the assets are disposed off.

c. Sale of fixed assets

Sale price of fixed assets are determined on the basis of fair value of the assets. Gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between sales proceeds and carrying amount of the asset and is recognized in profit or loss account as per provision of IAS 16.

d. Impairment

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset should be reduced to its recoverable amount. That reduction is an impairment loss. An impairment loss is recognized as an expenses in the income statement.

2.09 Sales and lease back finance

Pursuant to International Accounting Standard 17: Leases, fixed asset (motor vehicle) acquired under sales and lease back finance is accounted for at the lower of present value of minimum lease payments under the lease agreement and the fair value of asset. The related obligation under the lease is accounted for as liability. Finance charges are allocated to accounting period in a manner so as to provide a constant rate of charge on the outstanding liability.

2.10 Intangible assets

Intangible assets (computer software) are recorded at historical cost less accumulated amortization. These are amortized on straight line method using the rate at 15%.



2.11 Investment in share

Investments are initially recognized at cost including acquisition charges with the investments. After initial recognition, investments in marketable ordinary shares have been valued at market price on an aggregate portfolio basis. Investment in non-marketable shares have been valued at cost. Full provision for diminution in value of shares as on closing of the year on aggregate portfolio basis is made in the financial statements.

2.12 Cash and cash equivalents

Cash and cash equivalents consist of cash, cash in clearing account, fixed deposit receipts, and bank balances. For the purpose of statement of cash flow, cash and cash equivalents are prepared net off bank overdrafts.

2.13 Cash flow statements

Cash flow statement is prepared in accordance with International Accounting Standard 7: Statement of Cash Flows. Cash flows from operating activities have been presented using Direct Method.

2.14 Revenue recognition

Gross premiums

Gross general insurance premiums comprise the total premium received for the whole period of cover provided by contracts entered into during the accounting period. They are recognized in the year on which the policy issued. Re-insurance premium are deducted from the gross premium to present the net premium income from insurance business.

Unearned premiums are those proportions of premiums written in a year that relate to periods of risk after the reporting date. Unearned premiums are calculated as required by the Insurance Act 1938 as amended in 2010. The proportion attributable to subsequent periods is deferred as a provision for unearned premiums.

Re-insurance commission

Re-insurance commission are recognized as revenue over the period in which the related services are performed.

Investment income

Interest income is recognized in the profit & loss account as it accrues and is calculated by using the effective interest rate method. Fees and commissions that are an integral part of the effective yield of the financial asset or liability are recognized as an adjustment to the effective interest rate of the instrument.

Interest income

Interest income from loans - secured is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset (Loans-secured) to that asset's net carrying amount.

All other interest income is recognized on accrual basis except interest of the loan accounts considered as non-performing. Interest income is suspended and full provision is made against the interest receivables on all non-performing loans when the installments are outstanding and considered doubtful of recovery on the basis of qualitative judgment.



Dividend income and profit/(loss) on sale of marketable securities

Dividend income is recognized on accrual basis in the period in which the dividend is declared and approved in annual general meeting whereas profit or loss arising from the sale of securities is accounted for only when shares are sold in the market and profit is realized and loss is incurred.

Interest on fixed deposit

Interest income from fixed deposit is recognized on an accrual basis in the period in which the income is accrued.

2.15 Benefits, claims and expenses recognition

Gross benefits and claims

General insurance and health claims include all claims occurring during the year and related internal and external claims handling costs that are directly related to the processing and settlement of claims, a reduction for the value of salvage and other recoveries, and any adjustments to claims outstanding from previous years.

Reinsurance claims

Reinsurance claims are recognized when the related gross insurance claim is recognized according to the terms of the relevant contract.

2.16 Retirement benefit costs

i) Gratuity fund

The Company has a funded gratuity scheme for all eligible employees who complete minimum 10 years of confirmed service with the Company. Required amount of gratuity is calculated on the basis of last basic pay depending on the length of service for every completed year as well as proportionate to the fraction period of service as of the respective financial year. This scheme is approved by the National Board of Revenue (NBR) and administered by an independent Board of Trustees.

Following benefits are payable on retirement, death or leaving service:

- less than 10 year of confirmed service - Nil
- confirmed service between 10 and 15 year - One month's last drawn basic pay for every completed year of service.
- on completion of 15 years confirmed service and above - Two month's last drawn basic pay for every completed year of service subject to maximum 50 times of basic pay.

ii) Contributory provident fund

The Company has a contributory provident fund for its regular employees. The fund is approved by the National Board of Revenue (NBR), administered separately by a Board of Trustees and is contributed equally by the Company and the employees.

iii) Medical assistance

In addition to the above core benefit schemes GDIC also support medical assistance annual health check-up benefit and death & disability benefit to his employees as per their requirement.

iv) Home loan and transport assistance

To secure long term commitment of deserving employees GDIC introduced employees home loan and transport facilities. An employee served in the company for a continuous period of five years (3 years for the employees started from the position of AVP and above) is entitled to avail the loan to purchase residential apartment, purchase of land and construction of house thereon etc. Interest rate of the said loan is ranging from 10 to 15 percent.

v) Incentive bonus

The company has resorted a policy namely incentive bonus scheme for its employees who meets certain criteria based on their annual performance ascertained on net profit after tax with the approval in the annual general meeting and the paid amount are accounted for the year to which same relates.

2.17 Taxation

Income tax on earnings for the year comprises current and deferred tax and is based on the applicable tax law in Bangladesh. It is recognized in the income statement as tax expense.

Current tax

Current tax is the expected tax payable on taxable income for the year, based on tax rates (and tax laws) which are enacted at the reporting date, including any adjustment for tax payable in previous periods. Current tax for current and prior periods is recognized as a liability (or asset) to the extent that it is unpaid (or refundable).

Provision for income tax has been made at best estimate keeping in view the provisions of Income Tax Ordinance 1984 and amendment made thereto from time to time. Applicable rate of income tax for the company is 37.5%.

Deferred tax

The Corporation accounted for deferred tax as per International Accounting Standard 12: Income Taxes. Deferred tax is accounted for using the comprehensive tax balance sheet method. It is generated by temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax base.

Deferred tax assets, including those related to the tax effects of income tax losses and credits available to be carried forward, are recognized only to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences or unused tax losses and credits can be utilized.

Deferred tax liabilities are recognized for all taxable temporary differences. They are also recognized for taxable temporary differences arising on investments and it is probable that temporary differences will not reverse in the foreseeable future. Deferred tax assets associated with these interests are recognized only to the extent that it is probable that the temporary difference will reverse in the foreseeable future and there will be sufficient taxable profits against which to utilize the benefits of the temporary difference.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period(s) when the asset and liability giving rise to them are realized or settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date. The measurement reflects the tax consequences that would follow from the manner in which the corporation at the reporting date, recovers or settles the carrying amount of its assets and liabilities.



2.18 Provision for outstanding claims

For non-life insurance contracts, estimates have to be made both for the expected ultimate cost of claims reported at the reporting date and for the expected ultimate cost of claims incurred, but not yet reported, at the reporting date.

2.19 Reserve or Contingencies

a) Reserve for Exceptional Losses

As per Insurance Act 1938 as amended 2010, 5% statutory reserve is maintained out of profit by the Company to meet any possible future claims.

b) Foreign Currency Fluctuation Fund

The Company maintained a foreign currency (FC) account with the Pubali Bank Limited for the overseas transactions and creates a reserve for foreign currency fluctuation to avoid future losses due to change in foreign currency translation rate.

c) Investment fluctuation fund

The Company made investments in the capital market in a large portfolio and income generate from the investment (realized gain and dividend received) is credited to the profit & loss Account. Unrealized capital gain if any is transferred to the investment fluctuation fund subsequently.

d) General reserve

The Company creates a general reserve from the current year profit to avoid future contingency.

e) Dividend equalization fund

Dividend equalization fund is created for making proposed and approved dividend payments consistently to the shareholders in the event of worst business situation of the company.

2.20 Disclosure of departure from few requirements of IFRS due to mandatory compliance of Insurance Act's requirements

a) The Green Delta Insurance Company Limited management has followed the principles of IFRS consistently in preparation of the financial statements to that extent as applicable to the GDICL. Some requirements of Insurance Act 1938 and Insurance Rules 1958 and regulations contradict with those of financial instruments and general provision standards of IFRS. As such the GDICL has departed from those contradictory requirements of IFRS in order to comply with the rules and regulations of IDRA which are disclosed below along with financial impact where applicable:

b) As per Insurance Act 1938 (as amended 2010), investments in quoted shares and unquoted shares are revalued at the year end at market price and as per book value of last audited balance sheet respectively. Provisions has been made by netting off any unrealized gain/(loss) arising at the Balance sheet date. However as per requirements of IAS 39 investment in shares falls either under "at fair value through profit and loss account" or under "available for sale" where any change in the fair value at the year-end is taken to profit and loss account or other comprehensive income respectively.

c) General provision on insurance premium and re-insurance premium are followed as per Insurance Act 1938 (as amended 2010) . However such general provision cannot satisfy the conditions of provision as per IAS 37. At the year end the GDICL has recognized provision of BDT 658, 163,95 as balance of fund and liabilities in the balance sheet under liabilities.



d) Insurance Act 1938 has issued templates for financial statements which will strictly be followed by all general and life insurance company. The templates of financial statements issued by Insurance Act does not include other comprehensive income (OCI) nor are the elements of other comprehensive income allowed to include in a single comprehensive income (OCI) Statement. As such the GDICL does not prepare the other comprehensive income statement. However the GDICL does not have any elements of OCI to be presented.

e) As per IDRA guidelines, financial instruments are categorized, recognized and measured differently from those prescribed in IAS 39. As such some disclosure and presentation requirements of IFRS 7 and IAS 32 have not been made in the accounts.

2.21 Interest expense

The Company has incurred interest and related expenses on account of overdraft, finance lease and short term loan. In terms of provision of the International Accounting Standard 1: Presentation of Financial Statements, interest expenses are recognized on accrual basis.

2.22 Earnings per share

Earnings per share have been calculated in accordance with International Accounting Standard 33: Earnings Per Share, and shown on the face of profit and loss account and computation shown in note # 24.

Basic earning per share

This has been calculated by dividing the basic earning by the weighted average number of ordinary shares outstanding for the year.

Basic earnings

This represents earnings for the period ended on 31 December 2018 attributable to the ordinary shareholders.

Weighted average number of ordinary shares outstanding during the year

This represents the number of ordinary shares outstanding at the beginning of the year plus the number of ordinary shares issued (as bonus share) during the year multiplied by a time weighting factor. The time-weighting factor is the numbers of days the specific shares are outstanding as a proportionate of the number of days in the year.

Diluted earnings per share

Diluted EPS is calculated if there is any commitment for issuance of equity shares in foreseeable future, i.e., potential shares, without inflow of resources to the Company against such issue. There was no such commitment during the year and accordingly no dilution is required in the year 2018.

2.23 Accounting for changes in accounting estimates

IAS 8 states that the effect of a change in an accounting estimate is to be applied prospectively by inclusion in the current accounting period and, if relevant, in future accounting period. The carrying amount of assets, liabilities, or equity may be changed following a change in accounting estimates in the period of the change.

2.24 Related party disclosure

As per International Accounting Standards: 24 Related Party Disclosures, parties are considered to be related if one of the party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The Company carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with its related parties. Related party disclosures have been given in Note: 26.



2.25 Events after the reporting period

There is no material adjusting or non adjusting events after the balance sheet date.

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 2018. Accounts of the branches are maintained at the head office which are included in the accompanying financial statements.

2.28 Consistency of Presentation

In accordance with the IFRS framework for the presentation of financial statements together with IAS 1 and IAS 8, Green Delta Insurance Company Limited applies the accounting disclosure principles consistently from one period to the next. Where selecting and applying new accounting policies, changes in accounting policies applied, correction of errors, the amounts involved are accounted for and disclosed retrospectively in accordance with the requirement of IAS 8. We have applied the consistent accounting and valuation principles.

2.29 Comparative information

Comparative information has been disclosed in respect of the period ended 31 December 2018 for all numerical data in the financial statements and also the narrative and descriptive information when it is relevant for better understanding of the current year's financial statements. Prior year figures have been restated and rearranged whenever considered necessary to ensure comparability with the current period.

2.30 Director responsibility

The Board of Director takes the responsibility for the preparation and presentation of the financial Statements.

2.31 Authorization date for issuing financial statements

The financial statements were authorized by the Board of Directors on 10 February 2018 for public issue.

2.32 General

- a) Figures appearing in these financial statements have been rounded off to the nearest BDT amount.
- b) Previous year's figures have been rearranged/restated/reclassified, where necessary, in order to conform to current period's presentation.

2.33 Reporting Currency

The financial statements are prepared and presented in Bangladesh Taka (BDT), which is the company's financial currency. A sizeable amount have however been received in foreign currency.

2.34 Reporting Period

The financial period under audit of the company covering (12) twelve months from of 01 January 2018 to 31 December 2018.



Status of compliance of International Accounting Standards and International

Name of the IAS	IAS No.	Status
Presentation of financial statements	1	**
Inventories	2	N/A
Cash flow statement	7	Applied
Accounting policies, change in accounting estimates and errors	8	Applied
Events after the balance sheet date	10	Applied
Construction contracts	11	N/A
Income taxes	12	Applied
Property, plant and equipment	16	Applied
Lease	17	Applied
Revenue	18	Applied
Employee benefits	19	Applied
Accounting for government grants and disclosure of governments assistance	20	Applied
The effect of change in foreign exchange rates	21	Applied
Borrowing cost	23	Applied
Related party disclosure	24	Applied
Accounting and reporting by retirement benefits plan	26	Applied
Consolidated and separate financial statements	27	Applied
Investment in associates	28	N/A
Investment in joint ventures	31	N/A
Financial instruments: disclosure and presentations	32	**
Earning per share	33	Applied
Interim financial reporting	34	Applied
Impairment of assets	36	Applied
Provision, contingent liabilities and contingent assets	37	Applied
Intangible assets	38	Applied
Financial instruments: recognition and measurement	39	**
Investment property	40	N/A
Agriculture	41	N/A
Name of the IFRS	IFRS No.	Status
Share based payment	2	N/A
Business combination	3	N/A
Insurance contracts	4	**
Non-currents assets held for sale and discontinued operation	5	N/A
Exploration for and evaluation of mineral resources	6	N/A
Financial instruments : disclosure	7	**
Operating segment	8	N/A

** 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.



	2018	2017
	BDT	BDT
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		
80,691,187 ordinary shares of BDT 10 each fully paid up in cash	806,911,870	806,911,870

Classification of shareholders by holdings as on 31 December 2018.

Range of share holding	No. of Shareholders	No. of Shares	% of Holdings	Value of Share in BDT
Less than 500 Shares	2146	325,486	0.40%	3,254,860
501 - 5,000	978	1,440,183	1.78%	14,401,830
5,001 - 10,000	74	552,801	0.69%	5,528,010
10,001 - 20,000	46	645,236	0.80%	6,452,360
20001 - 30000	19	458,519	0.57%	4,585,190
30001 - 40000	9	306,834	0.38%	3,068,340
40,001 - 50,000	9	403,273	0.50%	4,032,730
50,001 - 60,000	4	216,293	0.27%	2,162,930
60,001 - 70,000	6	386,859	0.48%	3,868,590
70,001 - 80,000	6	459,656	0.57%	4,596,560
80,001 - 90,000	6	513,786	0.64%	5,137,860
90,001 and above	102	74,982,261	92.92%	749,822,610
	3,405	80,691,187	100.00%	806,911,870

4.00 Reserve or contingency account

Reserve for exceptional losses (Note: 4.01)	1,343,221,488	1,260,194,875
Investment fluctuation fund (Note: 4.02)	2,069,906,894	2,287,365,792
General reserve (Note: 4.03)	180,000,000	180,000,000
Dividend equalization fund (Note: 4.04)	110,000,000	110,000,000
Revaluation reserve (Note: 4.05)	1,345,874,581	1,366,320,375
Total	5,049,002,964	5,203,881,042

4.01 Reserve for exceptional losses

Opening balance	1,260,194,875	1,183,976,992
Addition during the year (5% of net premium income)	83,026,613	76,217,883
Sub Total	1,343,221,488	1,260,194,875

4.02 Investment fluctuation fund

Opening balance	2,287,365,792	1,600,316,872
Add/(less) during the year	(217,458,898)	687,048,920
Sub Total	2,069,906,894	2,287,365,792

4.03 General reserve

Opening balance	180,000,000	180,000,000
Addition during the year	-	-
Sub Total	180,000,000	180,000,000

4.04 Dividend equalization fund

Opening balance	110,000,000	110,000,000
Less: Transfer to retained earnings	-	-
Sub Total	110,000,000	110,000,000

4.05 Revaluation reserve

Opening balance	1,366,320,375	1,387,497,741
Addition during the year	-	-
Less: Transfer to retained earnings	(20,445,794)	(21,177,366)
Sub Total	1,345,874,581	1,366,320,375



	<u>2018</u>	<u>2017</u>
	<u>BDT</u>	<u>BDT</u>
4.A Consolidated reserve for contingency account		
Green Delta Insurance Company	5,049,002,964	5,203,881,042
Green Delta Securities Limited	40,937,653	80,071,524
Total	<u>5,089,940,617</u>	<u>5,283,952,566</u>
	<u>5,089,940,617</u>	<u>5,283,952,566</u>
4.B Consolidated revaluation reserve		
Green Delta Insurance Company	1,345,874,581	1,366,320,375
Green Delta Securities Limited	40,937,653	80,071,524
Sub Total	<u>1,386,812,234</u>	<u>1,446,391,899</u>
5.00 Profit and loss appropriation account		
Opening Balance (accumulated un distributed profit)	206,289,188	179,607,051
Add: Net profit for the year	318,887,851	307,786,669
Less : Reserve for exceptional losses	(83,026,613)	(76,217,883)
Less : Provision for income tax	(60,000,000)	(45,000,000)
Less : Deferred tax provision	(9,476,963)	(19,681,640)
Less : Cash Dividend paid for the year 2017	(161,382,374)	(161,382,374)
Add: Transfer from Asset revaluation reserve	20,445,794	21,177,366
Total	<u>231,736,882</u>	<u>206,289,188</u>
5.A Consolidated profit and loss appropriation account		
Green Delta Insurance company	231,736,883	206,289,188
Green Delta Capital Limited	23,110,002	47,282,763
Green Delta Securities Ltd.	193,458,487	185,978,314
GD Assiest Ltd.	2,830,064	3,014,779
Professional Advancement Bangladesh Ltd.	(7,471,416)	(7,527,309)
Total	<u>443,664,020</u>	<u>435,037,735</u>
5.B Non-controlling interest		
Green Delta Capital Limited	246	237
Green Delta Securities Ltd.	369	367
GD Assiest Ltd.	2,384	2,358
Professional Advancement Bangladesh Ltd.	1,010	988
Total	<u>4,009</u>	<u>3,950</u>
6.00 Balance of fund account		
Fire Insurance business	184,144,543	160,024,788
Marine Insurance business	383,795,721	347,864,489
Motor Insurance business	64,466,505	69,362,137
Misc. Insurance business	41,644,636	40,429,118
Total	<u>674,051,405</u>	<u>617,680,532</u>

Above business insurance accounts maintained as reserve for unexpired risks based on following percentages on premium income excluding

Particulars	Total Net Premium (without SBC)	%	Balance of Fund	
Fire	460,361,357	40%	184,144,543	160,024,788
Marine Cargo	903,024,662	40%	361,209,865	328,721,393
Marine Hull	22,585,856	100%	22,585,856	19,143,096
Motor	161,166,262	40%	64,466,505	69,362,137
Miscellaneous	104,111,591	40%	41,644,636	40,429,118
Total	<u>1,651,249,728</u>		<u>674,051,405</u>	<u>617,680,532</u>

7.00 Premium deposits

Marine cargo	338,990,220	105,759,559
Total	<u>338,990,220</u>	<u>105,759,559</u>

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.



	2018	2017
	BDT	BDT
8.00 Estimated liability in respect of outstanding claims whether due or intimated		
Fire	190,194,936	101,948,993
Marine Cargo	37,954,040	61,198,866
Marine Hull	138,485.00	628,331
Motor	5,684,125	9,611,350
Miscellaneous	20,343,820	32,546,143
Total	254,315,406	205,933,683

9.00 Amount due to other persons or bodies carrying on insurance business

This represents the amount payable to Sadharan Bima Corporation and other re-insurers and private sector insurance companies on account of

Payable against co-insurance premium	72,216,701	59,578,458
Overseas re-insurer	691,988,851	906,482,666
Total	764,205,552	966,061,124

10.00 Sundry creditors

Liability for expenses	45,837,455	12,749,418
Others payable	441,956,965	304,920,175
Provision for income tax (Note : 10.01)	420,435,571	360,435,571
Deferred tax liabilities/(asset) (Note : 10.02.01)	119,668,557	110,191,594
Unclaimed dividend	37,117,683	34,919,552
Total	1,065,016,232	823,216,310

10.01 Provision for income tax

Opening balance	360,435,571	315,435,571
Less : Adjustment of provision for tax against advance tax	-	-
Add : Addition during the year	60,000,000	45,000,000
Sub Total	420,435,571	360,435,571

10.02 Deferred tax Expenses/ (Income):

Deferred Tax Assets / (Liabilities) at the end of the year	119,668,557	110,191,594
Deferred Tax Assets / (Liabilities) at the Beginning of the year	(110,191,594)	(90,509,954)
Sub Total	9,476,963	19,681,640

10.02.01 Deferred tax assets/(liabilities) as on 31 December 2018 :

	WDV as per accounts	WDV as per tax	Taxable/Deductible temporary differences
Property, plant & Equipment excluding land	678,037,269	358,921,117	319,116,152
Applicable tax rate			37.50%
Deferred tax assets/(liabilities)			119,668,557

10.02.02 Deferred tax assets/(liabilities) as on 31 December 2017:

	WDV as per accounts	WDV as per tax	Taxable/Deductible temporary differences
Property, plant & Equipment excluding land	666,253,021	390,774,036	275,478,985
Applicable tax rate			40%
Deferred tax assets/(liabilities)			110,191,594

10.A Consolidated sundry creditors

Green Delta Insurance Company Ltd.	1,065,016,232	823,216,310
Green Delta Capital Limited	43,946,834	17,440,485
Green Delta Securities Limited	166,425,168	178,341,043
Professional Advancement Bangladesh Ltd.	147,929	186,559
GD Assiest Ltd.	9,204,854	12,857,130
Total	1,284,741,017	1,032,041,527



	2018	2017
	<u>BDT</u>	<u>BDT</u>
11.00 Loan Received		
Bank Overdraft	446,550,218	713,005,369
Shortterm loan	339,525,947	-
Total	<u>786,076,165</u>	<u>713,005,369</u>

The due amount has received from the Mercantile bank Limited, Mohakhali branch, @ 12% interest in favor of the company.

11.A Consolidated bank overdraft

Green Delta Insurance Company Ltd.	786,076,165	713,005,369
Green Delta Securities Limited	196,588,534	143,180,713
Total	<u>982,664,699</u>	<u>856,186,082</u>

12.00 Investment

Investment in Government Bond	25,000,000	25,000,000
Investment in GDSL as Margin Loan (Note: 12.1)	225,000,000	225,000,000
Investment in quoted shares (Market Price)	2,878,364,905	3,093,091,275
Investment in FDR (Maturity more than 3 months)	206,041,094	186,425,555
Investment in unquoted share:		
Jalalabad Telecom Ltd.	-	82,384,000
Green Delta AIMS Ltd.	4,500,000	4,500,000
United Hospital	56,100,000	56,100,000
Alliance Leasing and Finance	120,000,000	120,000,000
Financial Excellence	3,000,000	3,000,000
CDBL	1,138,890	1,138,890
BD Venture	20,000,000	20,000,000
Energypac Power Generation Ltd.	4,972,000	4,972,000
Investment in Subsidiaries:		
Green Delta Capital Limited	249,999,900	249,999,900
Green Delta Securities Ltd.	99,999,900	99,999,900
GD Assiest Ltd.	9,996,000	2,499,000
Professional Advancement Bangladesh Ltd.	9,996,000	9,996,000
GDAsset management Ltd.	26,000,000	26,000,000
Total	<u>3,940,108,689</u>	<u>4,210,106,520</u>

12.01 Investment in GDSL as margin loan

Margin Loan of Green Delta Securities Ltd.	225,000,000	225,000,000
Sub Total	<u>225,000,000</u>	<u>225,000,000</u>

The amount was invested in GDSL as margin loan amount of BDT 75,000,000 @ 10 % and BDT 150,000,000 @ 10% interest annually.

12.A Consolidated investment

Investment of Green Delta Insurance Co. Ltd.	3,345,116,889	3,622,611,720
Investment of Green Delta Capital Ltd.	237,780,338	252,271,428
Investment of Green Delta Securities Ltd.	255,120,180	256,724,593
Investment of Professional Advancement Bangladesh Ltd.	12,630,103	13,439,300
Investment of GD Assist Ltd.	23,652,433	17,429,741.00
Total	<u>3,874,299,943</u>	<u>4,162,476,782</u>

13.00 Outstanding premium

Outstanding premium represents installments due as on the Balance Sheet date on account of Marine & Aviation Business.

Marine hull	36,254,144	39,795,560
Aviation hull	80,496,179	107,001,999
Total	<u>116,750,323</u>	<u>146,797,559</u>

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 2018.

Co-insurance premium receivable	17,622,429	16,277,686
Co-insurance claim receivable	8,207,932	8,207,932
Amount due from overseas re-insurer	2,418,086,732	1,731,719,743
Total	<u>2,443,917,092</u>	<u>1,756,205,360</u>



	<u>2018</u>	<u>2017</u>
	<u>BDT</u>	<u>BDT</u>
15.00 Sundry debtors (including advance and deposits)		
Advance rent	15,354,089	15,704,908
Advance salary	829,404	74,341
Car lease for employees(advance)	201,116	1,055,172
Other advances	586,955,049	537,251,129
Security deposit	3,747,303	2,946,393
Accrued interest	9,475,692	8,492,872
Total	<u>616,562,653</u>	<u>565,524,814</u>
15.A Consolidated sundry debtors		
Green Delta Insurance Company Ltd.	518,429,976	477,977,638
Green Delta Capital Limited	38,030,516	33,249,758
Green Delta Securities Limited	417,379,852	442,737,466
Professional Advancement Bangladesh Ltd.	12,958,268	7,455,350
GD Assiest Ltd.	12,831,369	21,050,799
Total	<u>999,629,981</u>	<u>982,471,011</u>
16.00 Cash and cash equivalent		
Fixed deposits	813,505,668	948,031,014
STD and current account	74,308,788	32,029,508
Cash in hand	9,103,197	3,296,277
Total	<u>896,917,653</u>	<u>983,356,799</u>
16.A Consolidated cash and cash equivalent		
Green Delta Insurance Company Ltd.	896,917,653	983,356,799
Green Delta Capital Limited	35,982,686	21,974,175
Green Delta Securities Limited	282,161,265	251,233,337
Professional Advancement Bangladesh Ltd.	1,267,526	910,044
GD Assiest Ltd.	812,855	315,350
Total	<u>1,217,141,985</u>	<u>1,257,789,705</u>
17.00 Land property & office space		
Land at revalued price(Mohakhali)	800,000,000	800,000,000
Land at Aftabnagar (Cost Price)	59,974,010	59,974,010
Total	<u>859,974,010</u>	<u>859,974,010</u>

Land property has revalued as per decision of the board and stated at new revalued price which was measuring 6 (Six) khatha and 4 (four) Chataks situated at 51, Mohakhali C/A, Dhaka-1212. Moreover company has purchased two plots (10 Katha) at Aftab Nagar, Eastern Housing , Rampura , Dhaka.



	<u>2018</u>	<u>2017</u>				
	<u>BDT</u>	<u>BDT</u>				
21.00 Investment and others income						
Interest on FDR & STD and others	77,475,880	67,129,585				
Net profit from shares trading	5,541,405	6,115,971				
Interest on National Bond	1,898,531	2,922,800				
Gain from Asset disposal	2,712,283	4,944,691				
Dividend income	72,124,941	64,049,571				
Interest Income from GDSL	22,253,427	25,133,562				
Co-ins service charges	3,699,799	3,955,424				
Sundry income	10,721,522	9,450,285				
Rental Income	29,286,868	17,275,666				
Income from Trustee Commission	12,170,000	5,820,000				
Currency Exchange gain/ (loss)	1,110,507	2,145,167				
Total	<u>238,995,163</u>	<u>208,942,722</u>				
21.A Consolidated income from share business						
Green Delta Insurance Company Ltd.	5,541,405	6,115,971				
Green Delta Capital Limited	5,830,089	24,862,948				
Green Delta Securities Ltd.	35,999,974	(27,095,419)				
Total	<u>47,371,468</u>	<u>3,883,500</u>				
21.B Consolidated interest & others Income						
Green Delta Insurance Company Ltd.	132,041,949	63,780,104				
Green Delta Capital Limited	14,070,656	12,785,902				
Green Delta Securities Ltd.	56,493,786	55,099,783				
Professional Advancement Bangladesh Ltd.	1,485,343	1,205,860				
GD Assist Ltd.	1,555,902	4,963,949				
	<u>205,647,636</u>	<u>137,835,598</u>				
Less: Inter company transaction	22,253,427	25,133,562				
Total	<u>183,394,209</u>	<u>112,702,036</u>				
21.C Consolidated management expenses						
Green Delta Insurance Company Ltd.	272,331,521	244,611,386				
Green Delta Capital Limited	34,911,971	30,082,896				
Green Delta Securities Ltd.	129,691,466	99,455,686				
Professional Advancement Bangladesh Ltd.	8,001,858	6,898,599				
GD Assist Ltd.	6,783,172	7,508,279				
	<u>451,719,988</u>	<u>388,556,846</u>				
Less: Inter company transaction	22,253,427	25,133,562				
Total	<u>429,466,561</u>	<u>363,423,284</u>				
22.00 Claims under policies less re-insurance						
	Fire	Marine Cargo	Marine Hull	Motor	Miscellaneous	Total
Claims paid during the year	134,486,926	208,488,601	3,355,941	37,475,138	38,744,011	422,550,617
Claims outstanding at the end of the year	190,194,936	37,954,040	138,485	5,684,125	20,343,820	254,315,406
Claims outstanding at the beginning of the year	(101,948,993)	(61,198,866)	(628,331)	(9,611,350)	(32,546,143)	(205,933,683)
Total amount (Year - 2018)	<u>222,732,869</u>	<u>185,243,775</u>	<u>2,866,095</u>	<u>33,547,913</u>	<u>26,541,688</u>	<u>470,932,340</u>
Total amount (Year - 2017)	<u>105,087,174</u>	<u>162,242,797</u>	<u>1,376,271</u>	<u>36,108,650</u>	<u>66,341,950</u>	<u>371,156,842</u>



23.00 Premium less re-insurance Class of business :	On Direct Business	On Re-Ins Accepted	On Re-Ins. Ceded	Total Amount in 2018	Total Amount in 2017
Fire	1,692,786,544	-	(1,230,132,065)	462,654,480	401,090,823
Marine Cargo	1,119,349,597	-	(212,426,792)	906,922,804	825,946,561
Marine Hull	141,816,255	1,142,800	(120,333,251)	22,625,804	19,280,113
Motor	181,147,999	-	(17,668,188)	163,479,811	175,895,052
Miscellaneous	542,385,635	-	(437,536,270)	104,849,365	102,145,113
Total amount (31 December 2018)	3,677,486,030	1,142,800	(2,018,096,565)	1,660,532,264	1,524,357,662

		2018 BDT	2017 BDT
24.00 Earning per share (EPS)			
Basic earning per share (EPS) on net profit after tax (Par value of BDT 10)		3.09	3.01
<u>Earnings attributable to ordinary shares:</u>	A	249,410,888	243,105,029
Profit as per profit & loss account		318,887,851	307,786,669
Less: Income tax provision		60,000,000	45,000,000
Less: Deferred tax expenses		9,476,963	19,681,640
Less: Loss from discontinued business		-	-
<u>Number of shares:</u>	B	80,691,187	80,691,188
<u>Number of shares Outstanding:</u>		Number of shares as at 31.12.2018	Number of shares as at 31.12.2017
Shares outstanding as on 01.01.2018		80,691,187	80,691,187
Bonus share issued during the year		-	-
New share issued .		-	-
		<u>80,691,187</u>	<u>80,691,187</u>
Basic earnings per shares C=(A/B) =	$\frac{\text{Earnings attributable to ordinary shareholders}}{\text{Weighted average number of shares}}$	<u>3.09</u>	<u>3.01</u>

24.A Consolidated earning per share (EPS)			
<u>Earnings attributable to ordinary shares:</u>	A	294,012,366	289,648,259
Profit as per profit & loss account		389,004,565	382,413,894
Less: Income tax provision		85,515,236	73,083,995
Less: Deferred tax expenses		9,476,963	19,681,640
Consolidated EPS =	$\frac{\text{Consolidated net profit after tax}}{\text{Total no. of shares outstanding during the year}}$	<u>3.64</u>	<u>3.59</u>

25.00 Net assets value

The offer price of the common stock of Green Delta Insurance Co. Ltd. has been determined on the basis of net assets value, the break up is given below:

A. Assets		
Investment	3,940,108,689	4,210,106,520
Outstanding premium	116,750,323	146,797,559
Amount due to other persons or bodies carrying on insurance business	2,443,917,092	1,756,205,360
Sundry debtors	616,562,653	565,524,814
Cash and bank balance	896,917,653	983,356,799
Land , fixed asset & others	2,151,163,494	2,181,860,830
Total Assets	10,165,419,903	9,843,851,882
B. Liabilities		
Balance of fund accounts	674,051,405	617,680,532
Premium deposit	338,990,220	105,759,559
Estimated liability in respect of outstanding claims whether due or intimated	254,315,406	205,933,683
Amount due to other persons or bodies carrying on insurance business	764,205,552	966,061,124
Sundry creditors	1,065,016,232	823,216,310
Bank loan	786,076,165	713,005,369
Total liabilities	3,882,654,980	3,431,656,577
Net Assets (A - B)	6,282,764,924	6,412,195,304
Number of shares outstanding during the year	80,691,187	80,691,188
Net assets value per share	77.86	79.47



26.00 Related party transactions

The Company has entered into transactions with other entities in normal course of business that fall within the definition of related party as per International
Amount in BDT

Name of the Party	Relationship	Nature of Transaction	Closing balance
Green Delta Securities Ltd.	Subsidiary Company	Intercompany Credit @ 10% & 12%	264,869,149
Green Delta Capital Ltd.	Subsidiary Company	Inter Company Transaction	237,375
Professional Advancement Bang. Ltd.	Subsidiary Company	Inter Company Transaction	28,235,768
GD Assist Ltd.	Subsidiary Company	Inter Company Transaction	29,790,385


27.00 Number of employees

During the year under audit, there were 569 employees for the full year and 65 employees for less than full year.



Green Delta Insurance Company Ltd.
Form "AA"
Classified Summary of Assets as at 31 December 2018

Sl. No.	Class of Assets	Book Value BDT
1	Investment in government bond	25,000,000
2	Shares listed on DSE & CSE (market price)	2,878,364,905
3	Alliance Leasing and Finance	120,000,000
4	Green Delta AIMS Ltd. (paid up capital)	4,500,000
5	United Hospital	56,100,000
6	Investment in GDSL as margin loan (Note: 12.1)	225,000,000
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.	9,996,000
14	GD Asset Management Ltd.	26,000,000
15	Energypac Power Generation Ltd.	4,972,000
16	Fixed Deposit	1,019,546,762
17	Cash at bank on STD and current account	83,411,985
18	Outstanding premium	116,750,323
19	Amount due from other persons or bodies carrying on insurance business	2,443,917,092
20	Sundry debtors (including advance and deposits)	616,562,653
21	Land property	859,974,010
22	Fixed assets (at cost less depreciation)	1,289,239,151
23	Stock of stationery and stamps	1,950,333
TOTAL		<u>10,165,419,902</u>


Md. Abdul Karim
Chairman


Shamsun Nahar Begum Chowdhury
Director


Farzana Chowdhury
Managing Director & CEO


Syed Aliul Ahab
Financial Controller


Syed Moimuddin Ahmed
Company Secretary

