



DIRECTORS' REPORT TO THE SHAREHOLDERS

Dear Shareholders,

At the outset, we, the Board of Directors of your company Green Delta Insurance Company Limited, welcome you to the 37th Annual General Meeting and would like to thank you for your continued patronage and support over the 36 years. We are very delighted to present before you the Annual Report along with the Audited Financial Statements for the year

ended 31st December 2022 and the Auditor's Report thereon for kind consideration and adoption. This Report of the Board of Directors of your company has been prepared in compliance with the provisions of Section 184 of the Companies Act 1994 (Act No. XVIII of 1994) and other relevant rules and notifications issued by the regulatory bodies. Through this report the Directors have made relevant disclosures and explanations pertaining to the issues

to ensure compliance, transparency and good corporate governance practices along with the details of the business performance, operations and achievements of the company for the year ended 31 December 2022. In fact, the year 2022 is very significant in the life of the company in terms of pandemic, performance and achievements not only within the industry but also in the entire economy.

AN INDUSTRY OUTLOOK AND POSSIBLE FUTURE DEVELOPMENTS IN THE INDUSTRY



Summary of The Global Economic Situation

Following the global shock and huge economic deceleration triggered by the COVID-19 pandemic in the preceding two years, 2022 provided hope for growth, due in large part to the widespread deployment of effective vaccinations. This, together with a large part of humanity adapting to "live with the virus" created some social and economic semblance.

Nonetheless, the world economy is concerned about the near term prospects due to the ongoing pandemic threat, more so as it has become acute in China with tens of millions of cases and deaths reported every day. This is due to the abrupt dismantling of the COVID restrictions after widescale public protest. In fact, the pandemic has depressed

economic growth in China which will have a major impact on the global economy as well in the future.

In the first quarter of 2022, a second major event was taking shape: Russia's invasion of Ukraine. As a consequence of the prolonged crisis, many lives have been lost and supply routes have been disrupted. As an undesired

result, commodity prices have risen due to inflationary pressures, forcing central banks throughout the globe to substantially raise interest rates, heightening concerns of a worldwide recession. This is a complete U-turn from the pandemic largesse where loose monetary policy had created a system awash with liquidity, thus creating the conditions for inflation. Today however it is widely believed that most central banks of the world have fallen behind the inflation curve and hence more revision of policy rates can be on the cards that will further create economic pressure. So much so that many economists are of the opinion that almost 2/3rd of the world will slide into depression in the near term.

The climate problem is also looming large, with the COP27 in Egypt ringing the alarm bells on climate degradation and existential threats to mankind. There is a race towards net-zero by the close of this century, with governments and nations evincing interest in greening the economy and corporations also joining in to envisage becoming neutral in their carbon emissions.

According to the International Monetary Fund's (IMF) World Economic Outlook (WEO) for October 2022, the global economic slump is worse than expected, and inflation is at a multi-decade high. The European conflict that sees no sign of abating, the ongoing COVID-19 pandemic situation particularly in China and other areas of the globe, and increasing inflation-induced costs all point to challenges in the future.

Thus, the global economy is predicted to expand at a slower pace of 3.2% in 2022 and 2.7% in 2023, compared to a 6.0% growth rate in 2021. Only the global financial crisis and the height of the COVID-19 pandemic have resulted in worse growth patterns since 2001.

The IMF also predicts that global inflation would upturn from 4.7% in 2021 to 8.8% in 2022, before slowing to 6.5% in 2023 and 4.1% in 2024, as central bank actions take hold. The consensus is that central banks themselves are likely to keep monetary and fiscal policies on track in their attempt to maintain price

stability, alleviate the burden of increasing costs, and ensure inflation targeting.

Meanwhile, it is assumed that international coordination is necessary for hastening the green energy transition and avoiding fragmentation or small-scale and low-impact projects, while structural improvements may help fight inflation by raising productivity and alleviating supply constraints.

Going forward, the year 2023 is likely to be a challenging and volatile one on several fronts, such as slowing global demand, inflationary pressures, and consumption slowdown derailing the expansion plans of corporations. The difficulties will be mirrored on the stock markets, thus dampening returns expectations. Thus, the global capital market will be relatively tepid in the current year, with pressure exacerbated on stock markets of developing economies due to flight of capital to safer havens, such as bonds and gold.



Overview of The Bangladeshi Economy

The comeback of COVID-19 infections in December 2021 caused panic and fear in Bangladesh, just like the rest of the world, the consequences of which were seen in the first quarter of 2022. However, the anxiety was mostly unfounded as the Omicron variant of the virus was much milder and hence did not inflict too much negative impact as was earlier expected.

However, another storm was lurking around the corner. This was spawned when Russia declared war on Ukraine in the last week of February 2022. Over the next few months, the

conflict escalated into a major global crisis as disruptions in supply chains in Russia and Ukraine, the world's major natural gas and food grain suppliers, forced a rapid escalation in commodity inflation and hampered government efforts to support economic recovery in the aftermath of the three COVID waves.

Bangladesh's economy was affected as a result of the subsequent spike in food grain and gasoline prices, causing public resentment that the government attempted to address via legislative action. Public unrest has

given rise to issues around political stability too, especially in the context of the general elections expected next year (2024).

Given the country's diminishing foreign exchange reserves and balance-of-payment crisis, the government and central bank (Bangladesh Bank), attempted to quell the challenges by formulating a more conducive environment via allowing some national banks to establish Vostro accounts for settling payments in local currency. The idea was to internationalise the BDT and

make it acceptable for meeting trade payment obligations, thus preserving foreign currency.

Furthermore, in a major success for the Bangladesh government, it was successful in acquiring a support package from the IMF (International Monetary Fund), which included a 42-month arrangement of approximately \$3.2 billion under the Extended Credit Facility (ECF) and the Extended Fund Facility (EFF), as well as approximately \$1.3 billion under the Resilience and Sustainability Facility (RSF), thus totalling up to \$4.5 billion. Bangladesh's new IMF-led fund-supported program aims to sustain macro-economic and macro-financial stability, as well as to encourage robust, inclusive, and green development while safeguarding disadvantaged parts of the society.

Especially, the RSF will offer low-cost, long-term financing to meet the nation's climate investment requirements, stimulate climate finance, and alleviate balance-of-payment concerns associated with import-intensive investment.

It is to be noted that the government was proactive in seeking international developmental finance support for post-COVID economic stability and recovery. This is in contrast to some of the other neighbouring nations that were not able to mobilise sufficient financial support on a timely basis which led to an economic crisis

that rapidly morphed into a political predicament.

Given the huge issues confronting the globe today, including forecasts of almost two-thirds of the world entering recession in the near term, the IMF has reduced Bangladesh's growth prediction to 6% for fiscal year 2022-23 (FY2023). The lender lowered its April 2022 WEO prediction of 6.7 percent growth in its latest WEO report, issued in October 2022, citing rising energy and food costs, inflation, increased interest rates, and the European crisis. Furthermore, the tailwind of the post-pandemic demand receding it also a contributory factor to the lower projected GDP growth rate.

Meanwhile, the administration has set an ambitious GDP target of 7.5 percent growth in the fiscal year 2022.

The key takeaway from this is that though challenges persist, Bangladesh has demonstrated sheer resilience in the past to bounce back from difficulties and there is no reason why the economy cannot mean revert to its original growth path.

Thus, hope shines in Bangladesh amidst global gloom.

Segment-Wise or Product-Wise Performance

In line with the general practices, the underwriting business of the company

covers fire insurance, marine insurance, motor insurance and miscellaneous insurance businesses. Out of total premium earned, it is found that major contribution is made by the fire insurance, followed by marine insurance and miscellaneous insurance. The Directors takes pleasure to report that in 2022 Green Delta had another year of growth in premium earnings. Over-all and segment-wise performance of your company is shown in tables below

Gross Premium Income:

Year	Gross Premium (BDT in Million)	Growth (%)
2022	4,227	10%
2021	3,843	5%
2020	3,677	(12%)
2019	4,164	13%
2018	3,679	12%

Business Segment-wise Gross Premium Income:

(BDT in Million)

Business Segments	2022	2021	Growth (%)
Fire Insurance	2,204	1,957	13%
Marine Insurance	1,140	1,117	2%
Motor Insurance	111	104	6%
Miscellaneous Insurance	772	665	16%

Segregation of Net Premium

Business Segments	2022		2021		Growth(%)
	Amounts (BDT in Million)	Business Mix of net premium (%)	Amounts (BDT in Million)	Business Mix of net premium (%)	
Fire Insurance	488	28%	511	33%	(5%)
Marine Insurance	794	47%	779	50%	2%
Motor insurance	88	5%	83	6%	6%
Miscellaneous insurance	352	20%	174	11%	102%
Total	1,723	100%	1,547	100%	11%

Claim and Loss Ratio

Year	Net Claim (BDT in Million)	Change (%)
2022	313	116%
2021	144	(63%)
2020	389	(31%)
2019	565	20%
2018	471	27%

Segregation of Net Claim

Business Segments	2022		2021		Growth (%)
	Amounts (BDT in Million)	Business Mix of net premium (%)	Amounts (BDT in Million)	Business Mix of net premium (%)	
Fire Insurance	(35)	(2%)	(55)	(4%)	(36%)
Marine Insurance	75	4%	46	3%	62%
Motor insurance	16	1%	16	1%	2%
Miscellaneous insurance	257	15%	138	9%	86%
Total	313	18%	145	9%	116%

Capital Adequacy

The following table shows gradual increase in the shareholders equity.

Year	Shareholders Equity (BDT in Million)	Change (%)
2022	6,764	1%
2021	6,723	8%
2020	6,242	7%
2019	5,858	2%
2018	5,746	(10%)

Solvency Margin

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

(BDT in Million)

Particulars	2022	2021	2020	2019	2018
Available Solvency (AS)	908	736	1,831	1,434	2,590
Required Solvency (RS)	519	473	442	512	474
Solvency Margin (AS/RS) (times)	2.00	1.55	4.14	2.80	5.47

Re-insurance Utilization and Risk Retention Ratio

The Company has re-insurance treaty agreement with Shadharan Bima Corporation (SBC), Tryser & Co., J.B. Boda Insurance Service (L) BHD, ED Broking, Marsh India and Protection Insurance against all classes of general insurance business.

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

Particulars	Year-wise Retention Ratio (%)				
	2022	2021	2020	2019	2018
Fire Insurance	22%	26%	29%	34%	27%
Marine Insurance	70%	70%	69%	63%	74%
Motor Insurance	80%	79%	87%	87%	90%
Miscellaneous Insurance	46%	26%	45%	43%	19%
Total	41%	40%	44%	48%	45%

Reserve Adequacy

The following table shows reserve adequacy of the company.

Year	Amount of Reserve (BDT in Million)	Changes (%)
2022	4,058	(7%)
2021	4,379	(0.25%)
2020	4,390	(2%)
2019	4,494	(0.4%)
2018	4,513	(13%)

Profitability

Since the source of revenue of the company is premium income from underwriting business under fire insurance, marine insurance, motor insurance and miscellaneous insurance businesses and other income like income from investments, its profitability depends upon these sources.

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

Business Segments	Contribution to Underwriting Profit (%)				
	2022	2021	2020	2019	2018
Fire Insurance	50%	45%	34%	5%	36%
Marine Insurance	47%	44%	42%	78%	45%
Motor Insurance	5%	6%	8%	14%	12%
Miscellaneous Insurance	(2%)	5%	16%	3%	7%
Total	100%	100%	100%	100%	100%

Underwriting Performance/Quality-

The quality of underwriting is a significant practice at Green Delta Insurance and this activity directly contributes to the quality of growth of the Company. The underwriting practice at the Company comprises thorough evaluation, prudent financial modeling and accurate risk pricing that protects the shareholders' interests in the company while also creating value at large. It is to be noted that while marine reported good underwriting profit growth year-on-year, and slightly increase underwriting profit from previous year higher claims dented underwriting profit during the year under report for fire and miscellaneous insurance. However, we are undertaking all the necessary action across our business which will reinforce our ability to deliver quality underwriting profit growth across our various classes of business.

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

Business Segments	Year-wise Underwriting Performance (Million)				
	2022	2021	2020	2019	2018
Fire Insurance	548	547	334	13	20
Marine Insurance	514	527	404	377	315
Motor Insurance	50	69	75	16	56
Miscellaneous Insurance	(22)	60	152	8	13

Investment Profile

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

Components of Investment	2022		2021	
	Amount (BDT in Million)	% of total investment	Amount (BDT in Million)	% of total investment
NIB	125	4%	75	2%
Investment in Bond	92	3%	111	3%
Fixed Deposit	291	8%	288	7%
Quoted Shares	2,147	60%	2,524	66%
Un-Quoted Shares	205	6%	205	5%
Investment in Subsidiaries	555	16%	410	11%
Investment in GDSL as Margin loan	140	4%	235	6%
Total	3,555	100%	3,848	100%

Segregation of Investment Income and Other Income

Green Delta Insurance reported healthy growth across all its investment income and other income constituents with dividend income comprising the largest chunk at 42% besides, interest income also contributed a healthy 28% to the overall pie. Profit from sale of shares and other income comprised the rest of the investments and other income line.

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

Heads of Income	2022		2021	
	Amount (BDT in Million)	% of total investment income & Others Income	Amount (BDT in Million)	% of total investment income & Others Income
Interest Income	88	28%	93	29%
Dividend	128	42%	109	34%
Profit from Sale of Shares	38	12%	59	19%
Other Income	54	18%	56	18%
Total	307	100%	316	100%

RISK AND CONCERN

As Green Delta Insurance continues to invest in new ways to gain a better understanding of the dynamic and constantly changing risk environment, it remains at the forefront of risk and resilience, enhancing risk mitigation strategies for businesses, governments and the civil society as well as informing the public policy agenda at large. A detailed report on risk management framework has been made separately on page no 161 (Chapter-08” Internal Control in terms of Risk Management”) and page no 240-251 (Chapter 12” Risk Management Disclosure”).

GROSS PROFIT MARGIN AND NET PROFIT MARGIN:

In 2022 the gross profit margin is 26% & the net profit margin is 17%.

EXTRA-ORDINARY GAIN OR LOSS

There was no extra-ordinary gain or extra-ordinary loss during the year 2022.

RELATED PARTY TRANSACTION

In ordinary course of business, related party transactions take place with other entities that fall within the term related party as defined in BAS 24: Related Party Disclosure. A statement on the related party transactions has been disclosed under item no 27 of the notes of the financial statements page no 303-304.

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

Under a deal between Green Delta Insurance Company Ltd and International Finance Corporation (IFC) in 2013, IFC took 8% equity stake in the company. Shares were allotted in favor of IFC at book value of BDT 81.36 per share considering 6-month average of high-low price.

IPO OF THE COMPANY

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

VARIANCE BETWEEN QUARTERLY FINANCIAL PERFORMANCE AND ANNUAL FINANCIAL STATEMENTS

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

REMUNERATION OF THE DIRECTORS INCLUDING INDEPENDENT DIRECTOR(S)

The Directors including Independent Directors, all being Non-Executive Directors, are given only Meeting Attendance Fee of BDT 8,000 (Bangladeshi Taka Eight Thousand only) per Meeting of the Board and Committees. During the year 2022, a total amount of BDT 706,212 was given to the Directors as Remuneration/Meeting Attendance Fee and travel expenses.

CORPORATE AND FINANCIAL REPORTING FRAMEWORK:

The Directors of GDIC, in conformance with the BSEC Notification No. SEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018, confirm compliance with the financial reporting framework for the following:

- The financial statements, prepared by the management of GDIC make a fair presentation of its activities, operational details and results, cash flow information and changes in equity structure.
- Proper books and accounts of the Company have been maintained.
- Appropriate accounting policies, including International Accounting Standards (IAS)/ International Financial Reporting Standards (IFRS)/as applicable/ adopted in Bangladesh, have been consistently applied in preparation of the financial statements. Any change or deviation has been adequately disclosed.
- Accounting estimates are based on reasonable and prudent judgment.
- Internal control processes have been properly designed and effectively implemented and monitored.
- No significant doubt exists upon the Company's ability to continue as a going concern.
- Comparative analysis of significant deviations has been highlighted and reasons have been explained in the sections above.

PROTECTION OF MINORITY SHAREHOLDERS

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

KEY OPERATIONAL AND FINANCIAL INFORMATION (Last 5 years)

Key operational and financial information over the last five years, as per the requirements of No. SEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018, has been presented on page no. 107 (Chapter-06 "Key Operating & Financial Highlights (last 5 years))

DIVIDEND

Proposed Annual Dividend- The Board has proposed Cash Dividend @ 25% for the year 2022.

Interim Dividend- No cash or bonus share dividend was declared as interim dividend during 2022. No Bonus Share shall be declared as interim dividend.

BOARD MEETINGS & ATTENDANCE BY THE DIRECTORS

During the year 2022, a total of 17 meetings of the Board were held. Attendance by the Directors and remuneration to the Directors has been summarized in Annexure-II (Chapter-07" Meeting Attendance by the Directors of GDIC" of this annual report on page no. 129 and Page 303-304 (Chapter-13 " Transparency and Accountability")

PATTERN OF SHAREHOLDING:

GDIC's shareholding pattern as on December 31, 2022, is disclosed as per

the new CGC of BSEC in Annexure-I of this annual report on page no. 128 (Chapter-07” Share held by Directors/ Executives and relatives of Directors/ Executives, Page no. 128 (Chaper-11” Shareholding Composition) and page no 229 (Chpater-11 “Distribution of Shareholding).

DIRECTORS

Resume and line of expertise

A brief resume of the directors are appended in page no. 84 (Chapter-05” Our Board of Directors”), which includes his/her nature of expertise and qualifications. An analysis of the directors’ experience and expertise and its impact on the corporate governance of the company is included in the Applied Governance in page no 146 (Chapter-08” Statement of Corporate Governance”)

Related entities with the Directors

The names of the companies in which the directors hold directorship and membership of committees of the board are included in the note Related Party Transactions of the financial statements in Note 27, in page no. 303-304.

Retirement and re-election

As per Articles 102 and 103 of Articles of Association of the company pursuant to Regulation 80 of Schedule-I of the Companies Act 1994, considering the longest tenure on the Board of GDIC, the directors listed below shall retire from the Board at the 37th Annual General Meeting and they shall be eligible for re-election:

	Name	Status
01	Dilruba Chowdhury	Director
02	Iqbal Khan (Jamal)	Director

Appointment/re-appointment of Independent Director(s):

As per the BSEC’s Corporate Governance Guidelines dated 03 June 2018, (i) At least one fifth (1/5) of the total number of directors in the company’s board shall be independent directors, (ii) Independent Director(s) shall be appointment by the Board of Directors and approved by the shareholders in the Annual General Meeting (AGM), and (iii) the tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only.

As per Compliance with the requirement/provision of condition no. 1(2)(c) of the Commission’s Notification No. BSEC/CMRRCD/2006-158/207/ Admin/80, dated June 03, 2018. The Board of Directors on 21.12.2022 has recommended the extension of tenure/reappointment (as applicable) of Mr. Abdu Hafiz Chowdhury FCA as an Independent Director in the Board of Green Delta Insurance Company Limited and the same to be placed before the 37th AGM for shareholders’ approval; subject to necessary consent from the Bangladesh Securities and Exchange Commission (BSEC).

MANAGEMENT DISCUSSION & ANALYSIS:

A more detailed discussion and analysis of the financials, as delivered by the Managing Director CEO, is appended on page no 74 (Chapter-05” Report by our Managing Director and CEO) and 104 (Chapter-06” Management Review and Responsibility”

CEO AND CFO’s DECLARATION CERTIFICATE:

The CEO and Financial Controller/ CFO’s declaration to the Board is appended on page no. 260 under Chapter: 13 of this Annual Report.

STATUS OF COMPLIANCE

Status of the compliance of conditions of Corporate Governance Code imposed by the Bangladesh Securities and Exchange Commission’s Notification No. SEC/CMRRCD/2006-158/207/ Admin/80 dated 3 June 2018 along with a certificate from a practicing Chartered Secretary has been enclosed in Annexure-III on page no. 130 and Compliance Report on Corporate Governance Code on page no 131 of this annual report.

SUBSIDIARY OPERATIONS

Green Delta Insurance Company Ltd. has 4 (four) subsidiary companies namely Green Delta Securities Ltd, Green Delta Capital Ltd, Professional Advancement Bangladesh Limited and GD Assist Ltd. Financial Statements and brief of business operations of those subsidiary companies have also been furnished from page no 311 (Cahpter-14” Subsidiary Overview”)

HR PRACTICES

GDICL is committed to providing equal opportunities to all employees, irrespective of their gender, race, nationality, ethnic origin, or religion. GDIC is an inclusive employer and values diversity in its employees. These extend to recruitment and selection, training, career development, flexible working arrangements, promotion and performance appraisal. Our corporate goal is to improve staff engagement by measuring and responding to staff members’ views and willingness to exert extra effort

to achieve business success. We provide necessary support to staff in order to manage change effectively. We credit the strength of our people for our organization's success, their understanding of strategy and goals, as well as their satisfaction with the work they do and how it contributes, are of critical importance throughout our companies. We continue our efforts to create and maintain a highly skilled and motivated workforce. Through our succession planning initiatives, leadership capacity is identified and developed to ensure ongoing success.

INFORMATION TECHNOLOGY

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

CREDIT RATING

For the consecutive 9 years GDICL has been awarded AAA (Pronounced Triple A) rating in the long term and ST-1 in the short term by the Credit Rating Agency of Bangladesh Limited in the first ever history in Insurance Industry. A Certificate in this regard is given under chapter:08.

CORPORATE SOCIAL RESPONSIBILITY

The Directors are sincere to discharge corporate responsibilities

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

The year 2023 is very significant in the life of the company in terms of pandemic, performance and achievements not only within the industry but also in the entire economy.

Bangladesh, Institute of Chartered Secretaries etc.

APPOINTMENT/RE-APPOINTMENT OF AUDITORS

On January 18, 2023, the Bangladesh Securities and Exchange Commission (BSEC) issued an order with the following statement: "The Audit Firm Ahmed Zaker & Co. Chartered Accountants. Shall not be allowed to be the Auditor of any mutual fund and listed company till further instruction on the commission."

Pursuant to the section 210(7) of the Companies Act 1994, the Board

of Directors in its meeting held on January 26, 2023 approved the appointment of M/s Islam Quazi Shafique & Co., Chartered Accountants for the year 2022 in place of Ahmed Zaker & Co. Chartered Accountants and this appointment shall remain in force till 37th annual general meeting. Accordingly, they have successfully completed thorough audit of accounts for the year 2022, which has been presented before the Shareholders with this report.

However, on February 6, 2023, the Honorable High Court division issued a WRIT PETITION # 1120 of 2023 in opposition to the aforementioned order of the Bangladesh Securities and Exchange Commission (BSEC).

In light of the aforementioned WRIT PETITION # 1120 of 2023, M/s Ahmed Zaker & Co. have offered themselves to be reappointed as the External Auditor for the year 2023. The audit committee has recommended for re-appointment of M/s Ahmed Zaker & Co., Chartered Accountants, as the external auditor at a remuneration of BDT 3.10 lac net of applicable Taxes and the Board of Directors has endorsed the same. The shareholders may re-appoint M/s Ahmed Zaker & Co., Chartered Accountants, as the external auditor of the company

AUDITORS REPORT

An Emphasis of Matter:

We understand that the content of the Emphasize of matter paragraph in the auditor's report does not have any reservation, qualification or adverse remarks. It only refers to a note which is a part of the IFRS based financial statements of the company which clarifies the reason behind not maintaining WPPF provision for the company. Section 234 of chapter 15 of Bangladesh Labor Act 2006 (as amended in 2013) requires every company to establish a workers' Participation Fund and Welfare Fund. However, Bank and Financial

Institutions Division, on behalf of the financial institution sector, requested clarification from the Labor Ministry regarding the applicability of the provisions for the sector. Also Bangladesh Insurance Association has corresponded with Financial Ministry on this matter requesting for clarification on the applicability of WPPF on Insurance Companies. As no decision has been yet concluded on such communications and its rest upon Bangladesh Insurance Association, thus GDICL did not provide for the said provision.

ACKNOWLEDGEMENT

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

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

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

The Directors like to thank and express gratitude to Managing

Director & CEO Ms. Farzanah Chowdhury and Advisor Mr. Nasir A. Choudhury for their hard work, commitment and dedication to the development of the company.

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

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

Thank you all.

On behalf of the Board



Abdul Hafiz Choudhury
Chairman