



Towards a Sustainable  
& Resilient Future

ANNUAL REPORT 2021





## Green Delta Founder Honored with NATIONAL INSURANCE AWARD 2022



The founder and advisor of Green Delta Insurance - Mr. Nasir Ahmad Choudhury, was recently honoured as a distinguished insurance personality for his outstanding contribution to development of the industry. On behalf of the Hon'ble Prime Minister Sheikh Hasina, the Secretary of Financial Institution Division (FID) - Sheikh Md. Salim Ullah, handed over the award to Mr. Nasir A. Choudhury at the formal ceremony of National Insurance Day 2022. The event was attended virtually by the Hon'ble Prime Minister Sheikh Hasina as the Chief Guest and was chaired by Hon'ble Finance Minister AHM Mustafa Kamal MP. The whole Green Delta family is proud and delighted by such supreme recognition of the insurance legend.





## Farzanah Chowdhury

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scores the Best CEO Award,  
while Green Delta Insurance earns  
the Best Non-life Insurance Company  
Award at RTV Bima Awards 2021

# TOWARDS A SUSTAINABLE AND RESILIENT FUTURE

Demonstrating resilience through care and empathy in our shared journey towards a brighter tomorrow.



## Welcome!

Security, care, wellbeing and empathy were not just words but emotions that captured people's lives and livelihoods and defined public discourse during much of the year 2021. It was one when the Covid-19 pandemic continued to cast its dreaded shadow and create unprecedented havoc, causing much disruption in peoples' lives. It was also the prism through which governments the world over shaped their socioeconomic policies and developmental agendas during the year.

For us at Green Delta Insurance, these four words of "security, care, wellbeing and empathy" have always defined the way we approached our work, ever since we established our business 36 years ago. The bigger purpose of making a real difference to people's lives and livelihoods has always inspired the way we have approached our business. We have always focused on not only creating an impact through leveraging our core purpose of providing insurance for everyone, but also going above and beyond to foster a more holistic and sustainable social and economic impact on society.

In our shared journey, we have found that it helps a great deal when we find the goal of the insurance business itself to be aligned to that purpose of providing security and wellbeing to our country's citizens. It resonates with all of us and binds us together as an organisation. Empathy and care have always governed the way by which we do business.

Insurance protection is the need of every citizen and every business, and from that point of view general insurance is the most relevant inclusion tool. As part of our vision of building an enduring institution with a legacy rooted in serving the needs of our policyholders with care and sensitivity, we take our broader responsibility of educating and driving insurance inclusion across the nation with solemnity, seriousness and the sense of relentlessness.

General insurance is a long-term business where trust is all-important. It is always crucial to stand with the customer in their moment of truth. We have established this trust over the years by providing value through a very wide bouquet of general insurance products that serve the various and diverse needs of our customers. We reinforce this by delivering superior service.

Being the largest general insurance company of Bangladesh and one of the most pioneering businesses in the country, we are building future capabilities in digital insurance to develop a collaborative and comprehensive ecosystem that will enable us to further expand on our mission and purpose of providing insurance for all and leaving no one behind.

Today, focusing on a sustainable and resilient future, we will continue to march with the times, offering innovative products and superior customer service to keep cultivating trust, relevance, respect and reputation among all our stakeholders.

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# 1.1 LETTER OF TRANSMITTAL

## All the Shareholders

Bangladesh Securities and Exchange Commission  
Registrar of Joint Stock Companies and Firms  
Dhaka Stock Exchange Limited  
Chittagong Stock Exchange Limited  
Insurance Development and Regulatory Authority (IDRA)

Dear Sir(s)

## Annual Report for the year ended 31 December 2021

We are pleased to enclose a copy of the Annual Report along with the Audited Financial Statements including Consolidated and Separate Balance Sheet as on December 31, 2021 and Income Statements, Cash Flow Statements and Changes in equity statements for the year ended December 31, 2021 along with notes thereon of Green Delta Insurance Company Ltd. and its subsidiaries for your record/necessary action.

Information given in our Annual Report-2021 is complete, accurate and in line with Bangladesh Securities and Exchange Commission (BSEC), the Insurance Development and Regulatory Authority of Bangladesh (IDRA) regulations and the International Financial Reporting Standards (IFRS). We hope that the report will be of use to you today and tomorrow.

Best regards

Yours faithfully

Sd/-  
Company Secretary



# 1.2 NOTICE OF THE 36<sup>TH</sup> ANNUAL GENERAL MEETING (VIRTUAL SHAREHOLDER MEETING) OF GREEN DELTA INSURANCE COMPANY LTD.

Notice is hereby given that the 36<sup>th</sup> Annual General Meeting (AGM) of Green Delta Insurance Company Limited will be held on Wednesday, 30<sup>th</sup> March, 2022 at 11.00 am (Dhaka Time) by using Digital Platform through the Link <https://greendelta.bdvirtualagm.com> to transact the following business:

## Agenda:

- 1: To Receive, Consider and Adopt the Audited Financial Statements of the Company for the year ended on 31<sup>st</sup> December, 2021 and Report of the Auditor and Director thereon for the said year.
- 2: To declare **30% Cash Dividend** for all the shareholders for the year ended 31<sup>st</sup> December, 2021 as recommended by the Board of Directors.
- 3: To Elect/Re-elect of Directors under rotation and Re-appointment of Independent Director.
- 4: To approve the appointment of Statuary Auditors of the company for the year- 2022 and fix their remuneration.
- 5: To approve appointment of Compliance Auditor as per Corporate Governance code and to fix their remuneration.

## NOTES:

1. **Tuesday, 08 March, 2022** was the “Record Date” for entitlement of Dividend. The Shareholders, whose names will appear in the Depository (CDBL) Register on that date, shall be entitled to participate in the 36<sup>th</sup> AGM through digital platform.
2. A Shareholder is entitled to participate and vote at this virtual AGM, may appoint a Proxy to participate and vote. The Proxy form, a specimen of which is enclosed, dully filled, signed and stamped at Tk. 20 (Revenue stamp) must be sent through email to [share@green-delta.com](mailto:share@green-delta.com) not later than 48 hours before commencement of AGM.
3. The Shareholders will join the virtual AGM through the Link <https://greendelta.bdvirtualagm.com>. The shareholders will be able to submit their questions/comments electronically before 24 (twenty-four) hours of commencement of the AGM through this link and during the AGM, for logging into the system the Members need to put their 16-digit Beneficiary Owners (BO) Account Number.
4. Pursuant to the Bangladesh Securities and Exchange Commission (BSEC) Notification No. BSEC/CMRRCD/2006-15B/208/ Admin/81 dated 20 June 2018, the soft copy of the Annual Report- 2021 to be sent to the email addresses of the Members and will be available in their Beneficial Owner (BO) accounts maintained with the Depository. The soft copy of the Annual Report-2021 will also be available in the Company’s website : ([www.green-delta.com](http://www.green-delta.com))

Thank you.

Sd/-

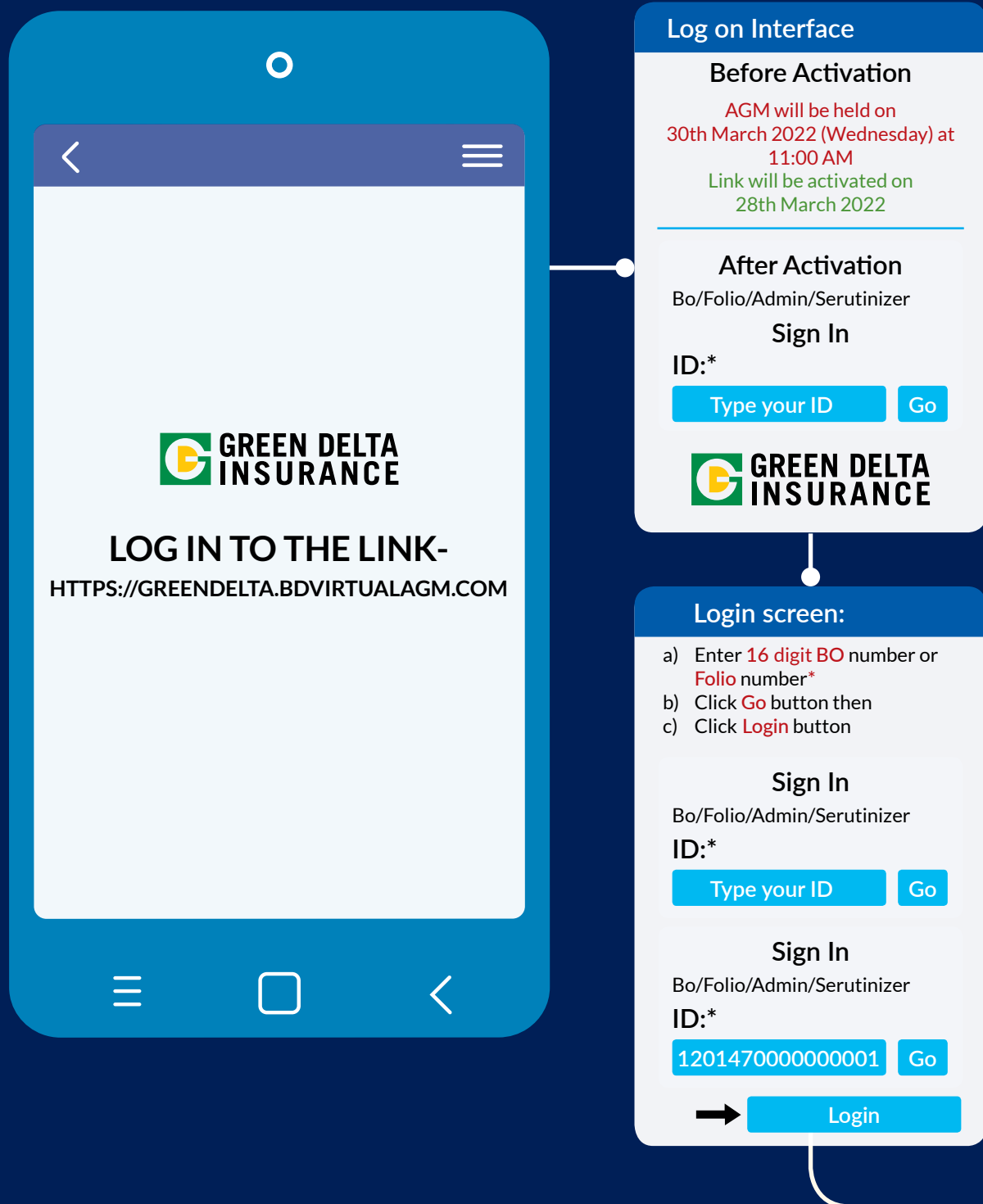
**Md Oliullah Khan FCS**

Company Secretary (current charge)

Date: **March 09, 2022**

# 1.3 VIRTUAL AGM ATTENDANCE PROCEDURE

Green Delta Insurance Limited convened its 36th AGM virtually through digital platform on Wednesday, June 30, 2021 at 11.00 a.m.in compliance with BSEC's Order No.SEC/SRMIC/94-231/25 dated 8 July 2020; BSEC/CMRRCD/2009-193/08 dated 10 March, 2021 and SEC/SRMIC/94-231/91 dated March 31, 2021 respectively.



## Shareholders can see:

a) Live Streaming, b) Total attendance (Number of Shareholders with Total Shares), c) Agenda & Agenda wise voting result d) Question & Comments.

সরাসরি সম্প্রচার /Live Streaming		আলোচসূচী /Agenda			
AGM Live broadcast is coming soon...		Agenda-01			
		To Receive, Consider and Adopt the Audited Financial Statements of the Company for the year ended on 31st December, 2021 and Report of the Auditor and Director thereon for the said year.			
		Vote			
		I am in favor of passing this proposal		I am not in favor of passing this proposal	
		Vote 0000		Vote 0000	
		Vote (%) 0000		Vote (%) 0000	
শেয়ারহোল্ডারগণের মোট উপস্থিতি Total Attendance of Shareholders	উপস্থিত শেয়ারহোল্ডারগণের মোট শেয়ার সংখ্যা Total Shares of Attendance of Shareholders	প্রশ্ন এবং মন্তব্য			
0000	0000				

## Shareholders can do:

a) Shareholders can vote (Yes/ No) for any Agenda  
Click on Green Button For Favor or Click on Red Button For Against

আলোচসূচী /Agenda			
Agenda-02			
To declare 30% Cash Dividend for all the shareholders for the year ended 31st December, 2021 as recommended by the Board of Directors.			
Vote			
I am in favor of passing this proposal		I am not in favor of passing this proposal	
Vote 0000		Vote 0000	
Vote (%) 0000		Vote (%) 0000	

## Shareholders can do:

Shareholder can submit Question or Comments.  
Type your Question or Comments (English or Bangla) then click Submit Button.

প্রশ্ন এবং মন্তব্য/Questions and Commets	
আপনার প্রশ্ন/মন্তব্য লিখুন (Type Your Questions/ Comments)	Submit

# ANNUAL RESULTS 2021

**GROSS PREMIUM**  
**3,843MN**

**PROFIT BEFORE TAX**  
**1,256**

**PROFIT AFTER TAX**  
**787**

**EARNING PER SHARE**  
**7.86**

**RETURN ON EQUITY**  
**12%**

**DIVIDEND PER SHARE**  
**3TK**

# 1.4 THE WORLD OF GREEN DELTA INSURANCE

Committed to Bangladesh's progress and prosperity through insurance inclusion, protecting what matters the most.

Green Delta Insurance is a dynamic organisation rooted in the ethos of its ethics, beliefs and values. Driven by its strong customer-centric approach, the Company remains steadfastly committed to long-term growth and value creation for all its stakeholders.



**Solidity**

More than

**115 thousand**

Documents issued year 2021



**Claims**

More than

**152 core**

Claims settled in 2021



I extend all our stakeholders a very warm welcome to our Annual Report for the year 2021.

During the year, the world continued to face one of its deepest, most sudden and most complex challenge since World War II. The continuance of the Covid-19 pandemic resulted in uncertainty for all, hardship for many and grief for some. Individuals, organisations and communities were affected to varying extents, but without exception.

In this profoundly unsettling crisis, the full consequences of which are yet to be fully grasped, Green Delta Insurance held firm to its purpose of insurance for everyone and protecting what matters the most. This statement embodies the spirit that lies at the heart of what we do and makes me proud to lead the Company towards a brighter and better tomorrow for all.

- Farzanah Chowdhury, MD and CEO

## OUR ROLE IN SOCIETY

We consider societal value creation as an integral facet of our business. Continuing to champion the UN SDGs (United Nations' Sustainable Development Goals), we find they are a useful pivot in orienting our business practices and our citizenship efforts towards holistic societal value. We have chosen the following SDGs where we believe we have the maximum impact.



# MANY FIRSTS

Green Delta Insurance Company, being the pioneer in the non-life insurance industry of Bangladesh, has been leading the shaping and development of the said industry with its pioneering initiatives, diversified niche products for all tiers of customers and innovating processes for ensuring better and faster services for its customers.

Since its inception in 1986, Green Delta Insurance Company Ltd. has been leading the winds of change in the insurance industry of Bangladesh in terms of service standard, innovative products and legislative restructuring. Being the pioneer has enabled GDIC to achieve many milestones, many of which are first of its kind in the insurance industry of Bangladesh. Some of these many firsts are as follows:

## Brand Awards

Besides earning the globally renowned Superbrands recognition as the only Bangladeshi insurance company, Green Delta Insurance is also the first in the industry to win a Commward in 2019 for its augmented reality calendar, which is the most prestigious brand centric award in Bangladesh.



## AAA Credit Rating

Green Delta Insurance has earned the highest credit rating of AAA for 8 consecutive years as the first and only non-life insurance company of Bangladesh.



## Retail Insurance

Green Delta Insurance is the first non-life Insurance Company from Bangladesh to introduce the retail insurance department with the motto 'Insurance for Everyone'.



## Agriculture & Livestock Insurance

Green Delta Insurance is also the first in Bangladesh to launch Weather Index-based Agricultural Insurance and Livestock Insurance with an aim to mitigate farmers' risk and shield their investments.



## Digital Insurance

Eyeing the scope of digital insurance and to make the payment process easier for its customers, Green Delta Insurance Company is the first general insurance company to initiate online payments enabled digital insurance services in 2018. Later in 2020, Green Delta also launched a comprehensive mobile app named "InsuMama", enabling purchase of insurance policy even easier and faster.



## Equity partnership with IFC

Green Delta Insurance is also the 1st Insurance Company in Bangladesh to have equity partnership with International Finance Corporation (IFC) of World Bank Group.





## National Awards

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**ICSB GOLD AWARD  
FOR 7 CONSECUTIVE YEARS**

**1<sup>ST</sup> PRIZE IN  
ICMAB BEST CORPORATE AWARDS  
FOR 4 CONSECUTIVE YEARS**

**SIX 1<sup>ST</sup> PRIZES IN  
ICAB NATIONAL AWARDS  
SINCE 2010**

## International Awards

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GDIC has also earned many international awards as the first general insurance company of Bangladesh, such as:

- Special recognition by World Economic Forum (WEF) for 'Excellence in Sustainability'
- Winner of Emerging Asia Insurance Awards in the category of "Best General Insurance Company"
- Recognition as one of the top 500 companies by globally renowned Dun Bradstreet Rating Agency
- Multiple awards from SAFA, IADA, ARC for best presented annual report





## PERFORMANCE SNAPSHOT

Sustaining performance in challenging times.

At Green Delta Insurance, we reported a satisfactory year 2021, navigating our business through challenging periods, including the second wave of the coronavirus, regulatory changes that necessitated alignments, high competitive pressures and general economic sluggishness. Our performance should be appraised in this light. During the year we also focused on building out our foundations, especially in digital insurance, efforts that should yield results in the current and forthcoming years.

More than **3** trillion  
Risk Covered

**3,843**  
Premium income (Tk. mn)

**5%**  
Revenue Growth

**9%**  
Loss Ratio

**31%**  
Combined Ratio

**1,203**  
Underwriting Profit(Tk. mn)

**31%**  
Underwriting Margin

**787**  
Profit After Tax (Tk. mn)

**20%**  
NP Margin

**12,641**  
Total Asset (Tk. mn)

**5,513.56**  
Investment (Tk. mn)

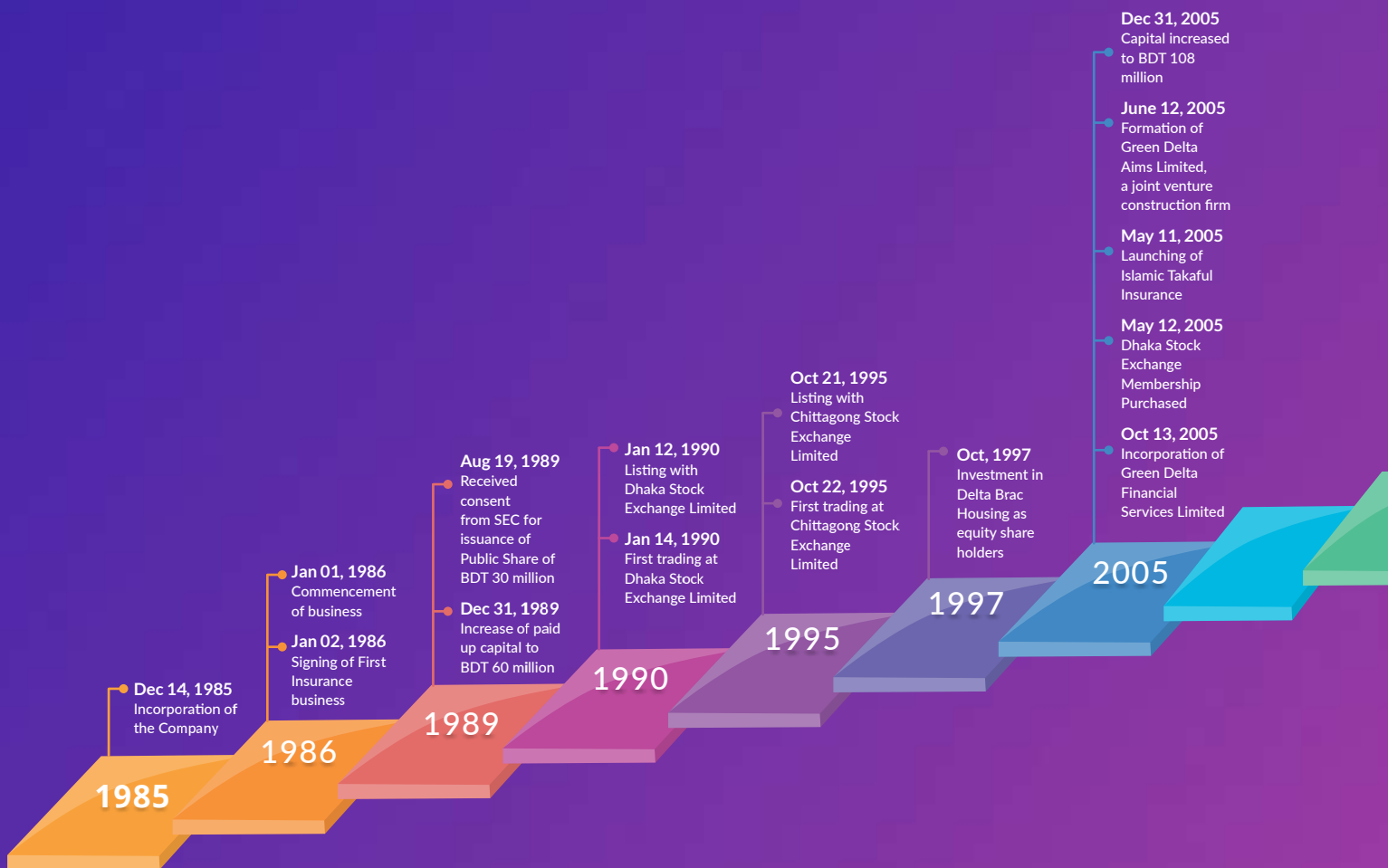
**2 times**  
Solvency Margin

**6,723**  
Net Asset (Tk. mn)

**12%**  
ROE

# THE INCREDIBLE EVOLUTION

Despite the challenges prevailing from the Covid-19 pandemic, Green Delta Insurance continued to make progress, focused on its key pillars of insurance inclusion, innovation, customer-centricity, business expansion and investor communication. These efforts were recognised by several award forums, making us one of the most awarded general insurance Company of Bangladesh in 2021.







**February, 2018**  
MoU signing with Seba on Agriculture Insurance

**March, 2018**  
IDRA & Green Delta Insurance jointly organize 'Shobar Jonno Bima'

**May, 2018**  
Receives MetLife Foundation Inclusion Plus Award for Weather Index-based Agriculture Insurance

**May, 2018**  
Ms. Farzanah Chowdhury receives the prestigious WEF award on "Woman of the Decade in Finance & Insurance" from Women Economic Forum (WEF)

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

**June, 2018**  
Ms. Farzanah Chowdhury gets selected as the prestigious CII Goodwill Ambassador

**July, 2018**  
Settled claim worth approx. 38 crore of Jamuna Group

**July, 2018**  
Received AAA and ST1 credit rating by Credit Rating Agency of Bangladesh (CRAB)

**August, 2018**  
Signing of MoU with Solargao on Agriculture Insurance

**September, 2018**  
Receives International ARC Awards for Best Presented Annual Report in Insurance Category for the year of 2017

**September, 2018**  
Launched Digital Insurance for the first time in Bangladesh

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

**October, 2018**  
Launched the first ever flagship branch at Nasirabad, Chittagong

**November 2018**  
MoU signing with Dotlines

**November, 2018**  
MoU signing with Bank Asia for insuring the credit of marginal farmers

**November, 2018**  
Receives Gold Award in 5th ICSB National Award 2017

**December, 2018**  
Commercial launching of Weather Index-based Agri-Insurance jointly with IFC

**December, 2018**  
Receives 1st prize in ICMAB Best Corporate Award 2017

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

**January 2019**  
GDIC & PABL receive the Public Trust Award by CII (UK) for building public trust in Insurance

**April 2019**  
Signing of MoU with Syngenta Foundation on Agriculture Insurance

**April 2019**  
Signing of MoU with CARE Bangladesh on Agriculture Insurance

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

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

**August 2019**  
First Ever Livestock Insurance Scheme launched for Cattle Farmers in association with Brac Bank

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

**November 2019**  
Received 1st prize in Insurance category in the 19th ICAB National Awards

**December 2019**  
Received 1st Prize in Insurance Category in ICMAB Best Corporate Awards 2018

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

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

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

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

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

**August 2020**  
Earned AAA credit rating for 7th consecutive year

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

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

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

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

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

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

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

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

**January 2021:**  
• Received the exalted "ICSB Gold Award" at the 7th ICSB National Awards 2019 for the 6th consecutive year.

**February 2021**  
• Received the 1st prize at the "ICMAB Best Corporate Awards 2019" for the 3rd year in a row.

**March 2021**  
• Introduced device insurance solutions for the first time in Bangladesh.

**August 2021**  
• Successfully brought 60,000 new farmers under its crop insurance coverage, thereby facilitating the agri-communities.  
• Earned "AAA" credit rating from CRAB for the 8th consecutive year.  
• Launched online VAT return processing, thereby ensuring compliance across a key facet.

**September 2021**  
• Signed an agreement with BRAC Bank to offer microinsurance-backed loans to livestock sector farmers.

**October 2021**  
• Organized the first-ever webinar series on "InsurTech" in Bangladesh, thereby positioning itself as a thought leader in this emerging field.  
• Partnered with Pathao, a leading ride-hailing app, to introduce insurance coverage for commuters.

**November 2021**  
• Partnered with Robi to sell insurance package through its 10,000+ rStores located across the country.  
• Won the "FinTech Innovation of the Year" award, conferred by the Bangladesh FinTech Forum, recognising the Company's rapid strides in developing a holistic digital ecosystem.

**December 2021**  
• Received the distinguished "Gold Award" at the 8th ICSB National Award 2020 for the 7th consecutive year.  
• Received the 1st prize at the "ICMAB Best Corporate Awards 2019" for the 4th consecutive year.

2018

2019

2020

2021

# 1.5 BASIS AND ADOPTION OF INTEGRATED REPORTING

Harnessing the Value Reporting Foundation's (VRF's) approach to corporate integrated reporting for ensuring succinct and material disclosures.



## CONTEXT AND APPROACH

In an era where the impacts of the global Covid-19 pandemic, climate change, growing inequality and accelerating competition are intensifying, the concepts of sustainability and intangible value have only enlarged in importance. In this context, shareholders and other capital market participants today demand evidence-based and transparent data disclosure from corporates to appraise how these institutions are geared to deliver long-term value to shareholders and other stakeholders. Growing sophistication of evaluation and assessment standards and metrics have required corporate disclosures to rise beyond just articulation of profits and profitability to also include how companies are creating holistic value. In this regard, disclosure of ESG principles have also gathered pace.

At Green Delta Insurance, we have always remained responsive to the evolving corporate reporting landscape. Case in point is our disclosure alignment to the newly-constituted VRF standards. With global businesses and investors calling for simplification and clarity of reporting in a complex landscape, in response, in November 2020, the International Integrated Reporting Council (IIRC) and the Sustainability Accounting Standards Board (SASB) announced their intention to merge into the Value Reporting Foundation, which was officially formed in June 2021. By integrating two entities that are focused on enterprise value creation, the merger signals significant progress towards simplification.



## REPORTING PRINCIPLES

The financial and statutory data presented in this report comply to the requirements of the Bangladesh Securities and Exchange Commission (BSEC), the Insurance Development and Regulatory Authority of Bangladesh

(IDRA) regulations and the International Financial Reporting Standards (IFRS). The Report is guided by the VRF's integrated reporting framework.



## REPORTING PERIOD, SCOPE AND BOUNDARY

This Annual Report covers the key statutory financial information and activities of the Company for the financial year ended 31 December 2021. All material events, after 31 December 2021 until the Board

approved the Report as on 14 February 2022 have been included. Comparative figures and notable events of past years have also been reported to provide a holistic view to our readers and stakeholders.



## APPROACH TO MATERIALITY

We have identified imminent issues that are material to our operations, along with their potential impact on our value creation, to enable our investors / shareholders and other stakeholders to take informed decisions on

their evaluation of and engagement with the Company. Materiality and determination of material matters have been specifically disclosed in detail in the "Materiality determination process" section of the report.



## BOARD APPROVAL

The Board, supported by the leadership team, accepts responsibility for the integrity and completeness of this report. The Board and the executive management, in assistance with a dedicated reporting team, have put in their collective minds in the preparation, presentation and validation of information of this

Report. The Board is of the opinion that this Report provides a fair and balanced view of our performance and prospects within the chosen reporting framework principles. We believe this Report shows that we are creating sustainable value and common prosperity for all our stakeholders.

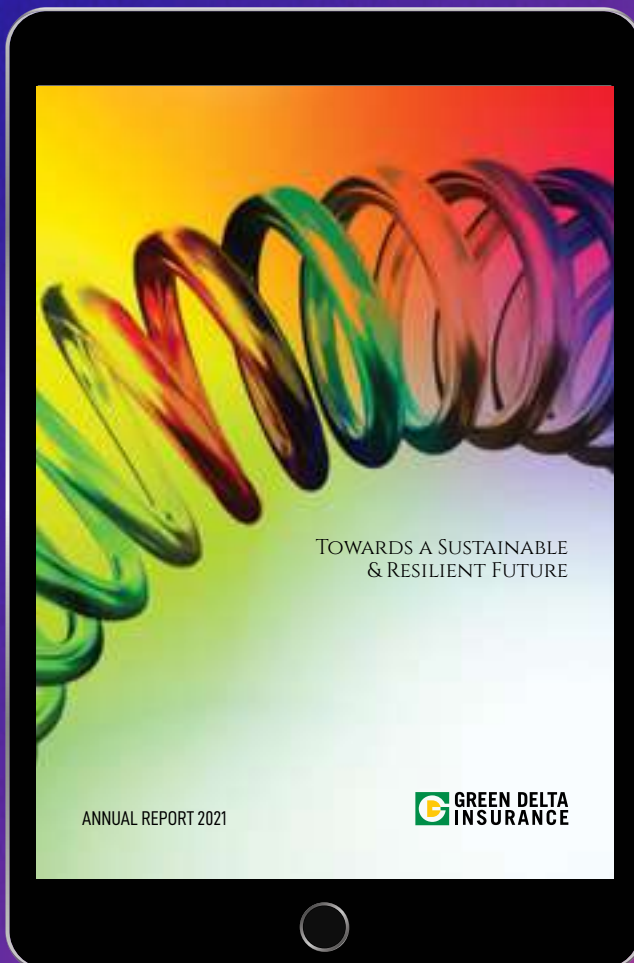


## SAFE HARBOUR

The Report contains statements that relate to the Company's future operations and performance. These statements can be identified by the usage of words such as 'believes', 'estimates', 'anticipates', 'expects', 'intends', 'may', 'will', 'plans', 'outlook' and other words of similar meaning in connection with a discussion of future operating or financial performance. These forward-looking statements are contingent on assumptions, data or methods that may be inaccurate or imprecise and hence are not guarantees of future operating,

financial and other results. They constitute our current expectations based on reasonable assumptions. The Company's actual results could materially differ from those projected in any forward-looking statements due to various future events, risks and uncertainties some of which are beyond our control.

The Company does not assume any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.



## REPORT ACCESS

Our commitment to environmental responsibility extends to everything we do, including our corporate reporting practice. Thus, we have printed limited hard copies of this Annual Report. Shareholders and stakeholders are encouraged to view this report available on our website [www.green-delta.com](http://www.green-delta.com) under the 'Financial indicators' tab.

### Your instant digital copy

You can instantly download a digital copy of this Report by scanning the QR code from your smart device.

# 1.6 NAVIGATING THROUGH THIS REPORT

Identifying material matters and presenting information that is succinct, analytical and relevant.

At Green Delta Insurance Company Limited, we have always witnessed that adopting the integrated reporting framework enhances the way our organization plans and reports the story of our business.

## About this integrated Report

We use the elements of the Value Reporting Foundation's (VRF's) integrated reporting structure to communicate a clear, concise, integrated story that explains how all of our resources together create value. Integrated reporting helps our business to think holistically about our strategy and plans, make informed decisions and manage key risks to build investor and stakeholder confidence and improve our future performance. Our notion of integrated reporting is shaped by a diverse coalition and collaboration that includes leaders from within our business to help us strive towards adopting the global evolution in corporate reporting.

As set out in the Value Reporting Foundation (erstwhile IIRC), our integrated report comprises a concise communication about how our organization's strategy, governance, performance and prospects, in the context of our external environment, despite the shadow of the unprecedented Covid-19 pandemic, has led to the creation of value in the short, medium and long term. The framework enables our business to bring these elements together through the concept of 'connectivity of information' to best highlight our organization's value creation journey.

### When identifying relevant material matters, we have considered topics or issues that:



Could substantively affect value creation



Link to our strategy, governance, performance or prospects



Are important to our shareholders and all other stakeholders



Form the basis of Boardroom discussions



May intensify or lead to opportunity loss, if left unchecked

### When evaluating the importance of relevant matters, we have taken into cognisance:



Quantitative and qualitative effects



The nature, area and timeframe of effects



Magnitude of effects and possibility of occurrence

## Identification and management of materiality topics

A materiality analysis helps Green Delta to recognize and assess key corporate and sustainability topics by examining the expectations and needs of external stakeholders - such as customers, investors, distribution partners and NGOs - and internal stakeholders. We use the results of our materiality analysis to constantly

enhance our sustainability management by raising awareness for stakeholders' needs and changes in their perceived importance of sustainability topics. The materiality matrix also provides a basis for guiding corporate processes to identify and manage potential opportunities and risks.



The legitimate interests of all our key stakeholders were taken into account in determining information that is considered to be material for inclusion in this report. Green Delta defines strategic matters as those which are most material to the formulation and execution of our strategy and those that have the potential to significantly affect the Company's ability to create stakeholder value and contribute to the future sustainability of the Group.

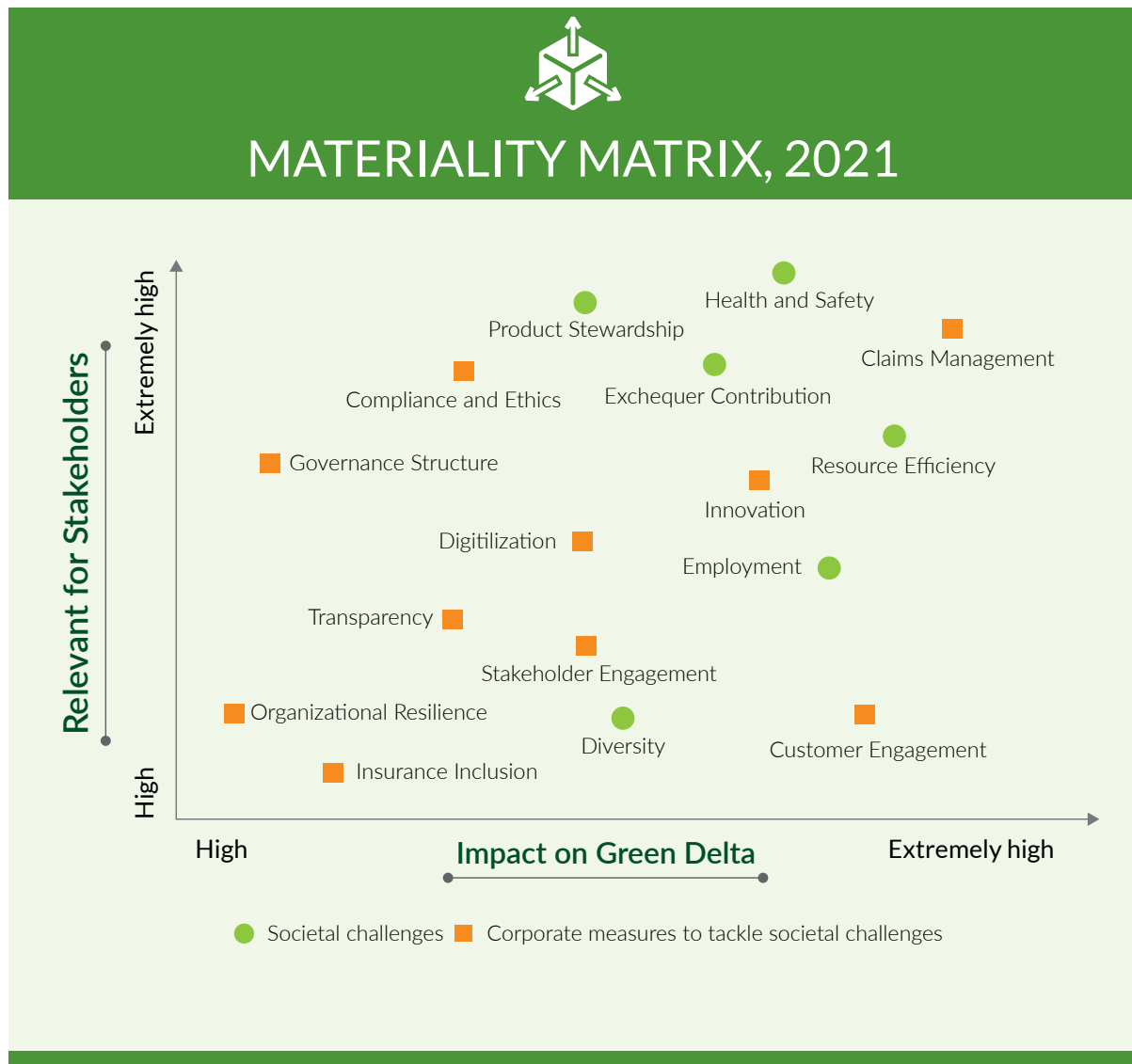
We identified 16 potentially relevant topics and selected and clustered them in the course of the materiality assessment process into topics of particular importance for Green Delta. To assess the relevance of these topics for the Company from an external perspective, we applied fundamental analysis to harvest information from data points of various sources representing the different stakeholder voices.

In addition, through our ongoing interactions with key stakeholders, we identified an emerging material area

of interests, ESG or factors related to environmental, social and governance principles. To further assess our material matters we combined inputs from our rolling dialogue with stakeholders, with findings from an internal strategic impact evaluation. The results of the external and internal assessment are combined in the Materiality Matrix, 2021, which has been presented below.

Notably, as ESG has gained prominence amidst the pandemic, we continuously follow the development of ESG topics. These capture the constantly changing topic relevance for our stakeholders. The results are evaluated internally. Importantly, in 2021, we observed that the following topics have risen in importance for our stakeholders: digitalization and data security, organizational resilience, employment and diversity.

Interestingly, we have presented our Materiality Matrix, 2021 from the two-pronged view of societal challenges and corporate measures to tackle these challenges.



# 1.7 MATERIALITY DETERMINATION PROCESS

Identifying material matters and presenting information that is succinct, analytical and relevant.

## DEFINING CONCEPTS



### Materiality

The principle of materiality was applied in assessing what information to include in the report, which focuses particularly on those issues, opportunities and challenges that impact materially on Green Delta and its ability to be a business that consistently delivers value to its stakeholders in a sustainable manner.



### Value

Value creation is the consequence of how Green Delta applies and leverages its resources and strategy in delivering financial performance and value for all its stakeholders. Its focus is on improving both the quantum of value delivered for each of its stakeholders and the quality of their experience.

## ACHIEVING FOCUS IN REPORTING

In the context of integrated reporting, a matter is considered material at our Company if it could substantively affect the organization's ability to create value in the short, medium or long term. Harnessing the positive cycle of integrated thinking and reporting, this emphasis on material matters improves the quality of our decision-making by:

- Focusing attention on core issues managed by the organization
- Limiting extraneous information
- Supporting concise and digestible content

At Green Delta Insurance, applying the concept and definition of materiality is therefore as much an exercise in excluding non-material items, as it is about identifying and including material matters. This benefits readers and users of our integrated Report through focusing their attention on matters most material to our Company. Through this we strive to enhance their own investment decision-making quality. Thus, our reporting framework's two-fold emphasis on materiality and conciseness seeks to avoid information

overload and mystification of core issues. This leads to a sounder understanding of our organization, its value creation process and the management of that process.

Further, to explain our organizational value creation process, we draw information from the annual financial statements and accompanying narratives and governance disclosures. However, it is to be noted that our report does not merely summarize or restate disclosures found elsewhere in this report; rather, it synthesizes that information through the prism of value creation and demonstrates links to strategy, governance, performance and prospects. This is a crucial dimension of this integrated report.

Thus, as an organization that takes its reporting with seriousness and gravity, we have chosen to satisfy regulatory requirements, improve report functionality and manage disclosure requirements through this single integrated Report. Achieving a complete yet concise account of material matters is aided by links to, rather than repetition of, corporate policies and other content.

## OUR CORE MATERIALITY DETERMINATION PROCESS



## BENEFITS ACCRUED

At our Company, we have realized several benefits in determining our materiality matters.

1

We have been able to integrate non-financial issues into our reporting to present a more complete picture to our stakeholders

2

We have been able to enhance our business strategy by using materiality assessment input to reflect new business risks and opportunities, especially in a highly uncertain and change-driven environment

3

We have been able to strengthen the foundation of our sustainability work by embedding these issues across various organizational departments and our supply chain, including our agent network (agency business)

4

We have been able to improve decision-making for investment in sustainability by knowing what is material and where we can have the biggest impact or mitigate the biggest risk

5

We have been able to enhance stakeholder engagement by presenting them with viewpoints on issues that illustrate long-term value

6

We have been able to stay ahead of continuously evolving stakeholder and regulatory demands on these issues

# 1.8 CONTINUED RESPONSE TO COVID-19

The outbreak of Covid-19 necessitated the reprioritisation of management activities to sustain business operations and meet the needs of policyholders, especially during the severe second wave of the virus.



## OPERATIONAL RESILIENCE

With a view to reinforce operational resilience, we have focused on maintaining business operations, servicing our clients and supporting our staff during this time of continued crisis. Since the second wave, whose impact was most felt in the first and second quarter of the year, we re-transitioned our staff successfully to work-from-home. We also provided alternative connectivity solutions to ensure uninterrupted servicing of our clients.

The business has also undertaken a series of simulations to increase resilience capability, agility and build muscle memory (thus enhancing adaptability). In addition, the business is enhancing its underwriting capabilities with a view to take into account the stress build-up as well as release pressure on any major unexpected future claims. This is especially on account of the record amount of claims disbursed during the year more than 152 crore.



## STRATEGIC RESILIENCE

We review our strategy annually or on a need-basis on the increasingly important themes of operational efficiency, innovation, digitisation and data, with the aim of testing current assumptions and delivering a more agile organisation that can withstand shocks such as the Covid-19 pandemic.

Our long-term strategy has remained unchanged. However, the pandemic has fast-tracked the implementation. As an organisation that prides itself in actively putting our customer needs and ambitions at the centre of everything we do, we have diversified our products and distribution channels to enhance accessibility.

Furthermore, there are projects underway to develop detailed action plans to unlock operational efficiencies and product innovation. These projects are aimed at fast-tracking the use of digital technologies to meet new customer needs and exploring products that could cover currently uninsured/unmet segments.



## PEOPLE RESILIENCE

A critical focus area of our overall response was continuing to ensure the physical and mental well-being of our employees and we have taken measures to ensure continuous support to employees with respect to any health emergencies. We have embarked on a journey that embraces courage, compassion and communication through employee engagement, focused / theme-based employee wellness sessions and leadership engagements.

In addition, our offices are Covid-safe spaces with observance of all health and safety protocols, including frequent sanitisation and de-densification of seating layout. We have implemented a roster-based system with hybrid working, and we may operationalize this contingent on government mandates with regards to the third wave.

Furthermore, we have ensured employment protection to enable our people to cope better. Doing this has also ensured focused productivity and even peace-of-mind.

# 1.9 COMPETITIVE LANDSCAPE AND OUR RESPONSE

Identifying material matters and presenting information that is succinct, analytical and relevant.

## Transformation during challenging times

The Covid-19 global pandemic has been severely affecting the world since early 2020, accelerating certain trends that were already underway, while creating several structural opportunities, most importantly in the realm of innovation and re-imagining insurance.

In the course of broadly forecasting what our future might hold, despite significant uncertainties weighing on when and how the once-in-a-century crisis will end, we have analyzed and taken into cognizance a number of key trends catalyzed by the corona virus crisis and their long-term impacts:

## Macroeconomic issues

- (i) Global recovery to pre-Covid-19 growth levels may be delayed, with varying impacts on geographies, resulting in widening gaps between faster (China, Asia and the US) and slower recovering economies (Europe, Africa and Latin America). This seems to be specially exacerbated by the rising economic and wealth inequality between nations, with the forward outlook now shrouded by the Omicron variant of the corona virus.
- (ii) Despite rising inflation, a relatively low interest rate environment is likely to persist, especially with the advent of the new virus variant. However, it is to be seen how governments the world over respond to unwinding (or taper) stimulus measures, which may reverse the excessive liquidity conditions prevalent today and focus on reigning in inflation.
- (iii) Geopolitical tensions may further slowdown globalization in the near future, as protectionism takes deeper hold. Furthermore, with the ongoing crackdown in China coupled with major Covid-induced supply chain disruptions, large global companies are increasingly focusing on diversification (or China+1) strategies, which may benefit countries like Bangladesh that offer opportunities in cost and quality. This may seem especially beneficial to companies in the textiles, electronics and light engineering sectors.

- (iv) Political and social risks will remain elevated in many jurisdictions, potentially further pressuring the insurance industry by affecting demand and the cost of doing business. However with insurance being vastly underpenetrated in Bangladesh (penetration of >1%), positive governmental policies, including stability in regulations and even a regulatory push, may help expand insurance coverage in the country. This is especially important in light of the Covid-19 pandemic.

## Insurance industry's transformation

- (i) Tightening legislation and regulation complexity is expected to continue. Further, incumbents or legacy players will have to remain agile, adaptable and forward-looking, especially in the wake of FinTech's (tech-centric financial companies) or even digital-first insurance players focused on acquiring share of business away from the conventional players.
- (ii) The nature, frequency and volatility of risks are evolving as a result of climate change and natural catastrophes, the evolution of technology, and the global interconnection of businesses increasing supply chain risk. The former first is especially relevant considering the major ill-effects of climate change visible in the world today and also COP26 commitments where governments have committed to transition to net-zero CO<sub>2</sub> emissions.
- (iii) With demand potentially slowing, competitive pressure will increase from traditional and non-traditional players, notably in retail business. In Bangladesh, though the insurance market is highly competitive, it is expected that current regulations will prevent the advent of new players in the business. Thus, it will remain contingent on existing players to distribute and even grow the market beyond the traditional metropolitan centres. Furthermore, consolidation should play a role in potentially alleviating competitive intensity as weakening balance sheets triggered by the pandemic may offer acquisition opportunities to large and more financially-sound players..

- (iv) Cost pressures will further stimulate technical excellence and productivity gains, also leading operators to develop digital insurance services to improve margins and customer satisfaction. Insuretech and digital insurance will be especially crucial for companies to overcome investment challenges in major infrastructure creation to reach a wider swathe of customers. Further, process digitisation will not only aid customer service, but also demonstrate the potential to reduce costs and hence will qualify as a strong business case.
- (v) Modern technology and operations will be critical to address challenges, especially with the pandemic revolutionizing the industry with greater demand expected to emerge out of semi-urban and rural regions. When catering to these segments, the average ticket size of the insurance product will go down, and the cost of physically reaching out to the customer will rise. Insurers can tap this challenging, yet exciting market potential by the adoption of digitalization and automation, including a completely digital customer on-boarding process.

### Consumer behaviours

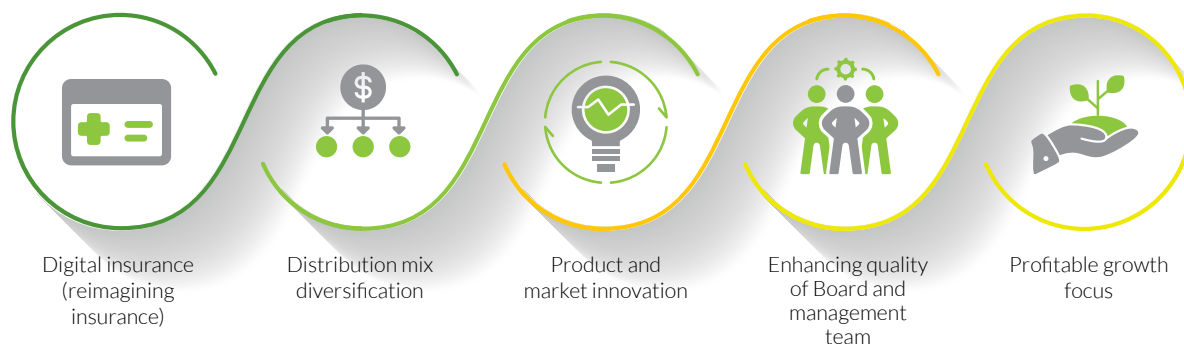
- (i) The growing awareness around health and protection. The Covid-19 pandemic has urged humanity to more closely look at health and wellbeing, while also raising unprecedented awareness around the importance of health insurance.
- (ii) High volatility in business environments has created demand for more sophisticated and diverse technical evaluation capabilities in underwriting. Further, insurance companies will look to aggregate and target predetermined customer cohorts, thus avoiding those that may present higher risks.

- (iii) Consumers are increasingly valuing the experience in addition to the product, as well as the ability to access any kind of service online, anytime, in a simple and intuitive way. Furthermore, customer health transformation, for instance, is being seen as incentivization for them to lower their premium charges on health insurance coverage.
- (iv) Corporations' responses to environmental and societal challenges are seen as priorities by consumers and society at large. Thus, the requirement to be closely associated with society and society's causes will be seen more favourably by stakeholders. Furthermore, the rise of ESG (environmental, social, governance) is also being seen in the context of corporations and companies upholding their social and community responsibility.

With a strong vision towards transformation, Green Delta has achieved progress to prepare for the future by:

- Cementing a customer-centric culture, with focus on meeting latent, unmet needs of customers
- Shifting business profile towards more technical (underwriting) risks for lowering exposure to claims / financial risks
- Accelerating in preferred segments through churning the portfolio mix, i.e. health and protection, fire and marine insurance, etc.
- Simplifying customer experience and accelerating efficiency, especially through process digitization
- Strengthening underwriting performance and reinforcing technical skills and capabilities

### Our strategy



1.10

# THIS IS GDIC

## Key Information about GDIC

Incorporation  
**DECEMBER 15, 1985**

Operation Commenced  
**JANUARY 1, 1986**

Stock Enlistment  
**JANUARY 12, 1990 (DSE)**  
**OCTOBER 21, 1995 (CSE)**

Paid Up Capital  
**BDT 101.88 MILLION**

Risk Covered  
**MORE THEN 3 TRILLION**

Branches  
**43 BRANCHES**

Human Resources  
**600+ STAFF**

## What Makes GDIC Unique

AAA Credit Rating for  
8 Consecutive Years

The only Bangladeshi  
Insurance Company  
to Earn Superbrand  
Recognition

Pioneer in  
Digitalization,  
Product Innovation  
and Diversification  
along with Cattle &  
Retail Insurance

Diversified Products  
for all Segments, a  
one Stop Solution  
Provider

## SUBSIDIARIES OF GDIC

 **GREEN DELTA  
SECURITIES**

Green Delta Securities Ltd.

 **GREEN DELTA  
CAPITAL**

Green Delta Capital Ltd.

 **PROFESSIONAL  
ADVANCEMENT  
BANGLADESH**

Professional Advancement  
Bangladesh Ltd.

 **GD ASSIST**

GD Assist Ltd.



## WHO WE ARE

Green Delta Insurance Company Limited (GDIC) having incorporated on December 14, 1985 as a public limited company providing protection for more than BDT 3 trillion (US\$ 35.7 billion) of insured assets on average per year. GDIC started its journey with a paid up capital of BDT 30 million and has now amassed and operating with a paid up capital of BDT 931 million. Green Delta Insurance is the only Bangladeshi insurance company to earn Superbrands recognition and the highest credit rating of AAA for 8 consecutive years. Green Delta is also the 1<sup>st</sup> Insurance Company in Bangladesh to have equity partnership with International Finance Corporation (IFC) of World Bank Group. Besides, Green Delta Insurance Company also has equity participation in Delta BRAC Housing Ltd., Progressive Life Insurance Co Ltd, Lankan Alliance Finance Limited, United Hospital Ltd. FinExcel Ltd. and BD Venture Ltd. Green Delta Capital Ltd.,

Green Delta Securities Ltd., Professional Advancement Bangladesh Ltd. and GD Assist Ltd. are four of the direct subsidiaries of GDIC.

Since its inception in 1986, GDIC has been committed to helping people in their time of need by pulling out all the steps when needed, and has been a proud partner in progress. With its diversified products offerings, timely and consistent services throughout its journey of 36 years, Green Delta Insurance has now become a household name in terms of general insurance in Bangladesh. GDIC is the first insurance company to appoint the chairman from independent directors. Inspired by the motto “Insurance for everyone” and toward that goal of insurance inclusion of mass people, Green Delta Insurance has leaned on SDGs to transform risk into opportunity, innovation into outreach, and actions into impact, with the aim to leave no one behind.



## WHAT WE DO

Under the charismatic leadership of Mr. Nasir A Choudhury, Advisor and Ms. Farzanah Chowdhury, Managing Director and CEO, Green Delta Insurance Company Ltd. has been leading the winds of change in the insurance industry of Bangladesh in terms of service standard, innovative products and legislative restructuring. Green Delta Insurance is the first non-life Insurance Company from Bangladesh to introduce the retail insurance department with the motto ‘Insurance for Everyone’. The main retail products are motor insurance, overseas mediclaim insurance, personal accident insurance, people’s personal accident policy, health insurance, all risk insurance and Nibedita (comprehensive insurance scheme for women). It’s worth mentioning that our Managing Director and CEO, Farzanah Chowdhury, has been recognized by UN Global Compact (UNGC) as a ‘Local SDG Pioneer’ in gender equality (SDG-5) in 2016 for GDIC’s pioneering contribution in women’s welfare and financial security through Nibedita - a comprehensive insurance scheme for women.

Eyeing the scope of digital insurance and to make the payment process for its customers, Green Delta has initiated online payments enabled digital insurance services in 2018 and has also heavily invested to build up a strong IT infrastructure to be aligned with government’s recent approaches towards a more digitalized and greener future. Later in 2020, Green Delta Insurance launched a comprehensive mobile insurance app for some of its services including motor insurance, travel insurance,

PPA (People’s Personal Accident insurance), nibedita (comprehensive insurance schemes for women) etc.

Apart from innovating different products targeted towards niche segments of the society and digitizing the insurance buying process, Green Delta Insurance is also the first in Bangladesh to launch Weather Index-based Agricultural Insurance and Livestock Insurance with an aim to mitigate farmers’ risk and shield their investments. In addition, GDIC has launched “Impact Insurance” department in 2020, which deals with micro insurance products for marginal and rural people and agricultural economy, such as, Niramoy- micro insurance for rural people, Shudin- micro insurance for garments workers, weather index-based crop Insurance, livestock insurance and Probashi- a comprehensive insurance scheme for migrant workers.

Besides offering mainstream non-life insurance products, Green Delta Insurance Company is an active operator and collaborator of different pilot initiatives of the government. In order to ensure universal healthcare, Bangladesh Government has taken up a timely initiative named ‘Shashtha Suroksha Karmashuchi’ (SSK) to provide health insurance to the poor, who are living below the poverty line. ‘Shashtha Suroksha Karmashuchi’ (SSK) is a project of Health Economics Unit under Ministry of Health & Family Welfare and Green Delta Insurance is the scheme operator for the whole project. Through this SSK project, GDIC has been able to directly impact more



than 80,000 households and provide universal healthcare to more than 6.5 million marginal people living below poverty line. For this pioneering contribution towards

sustainability of marginal population, World Economic Forum's New Champion Community recognized GDIC in the category of "excellence in sustainability".



## WHERE WE OPERATE

Over the journey of 36 years, Green Delta Insurance has ensured its presence at key economic and strategic locations all over the country through its 43 branches and thus serving and insuring Bangladesh for more than 3 decades. Green Delta Insurance Company Ltd. has now become a big family of visionary board members, 600+

committed staff, numerous valued clients from all walks of life and thousands of esteemed shareholders. By now, Green Delta has been able to uphold the brand image as a prompt claim settler, superior service provider, and diversified product supplier in the non-life insurance sector in the country.



## OUR SOCIAL RESPONSIBILITY

In addition to creating value through its business operation, Green Delta Insurance Company is also an active patron of women and youth empowerment, social progress and development. For ensuring the future of the deprived kids, GDIC sponsors a class of 40 kids of Jaago Foundation and will continue to look after them and their expenses up to their SSC graduation. Besides, GDIC have always tried to give the youths platforms to shine, a prime example of which is the startup incubation

platform named "Bichchuron"- a nationwide idea hunt competition and incubation program on sustainable renewable energy among the youth, in association with Young Bangla and CRI. Moreover, GDIC has been a prime driver of SDGs in Bangladesh and is also the first organization of Bangladesh to introduce and publish Sustainability Reporting (SDG Report) in partnership with CSR Centre and CRAB.



## OUR AWARDS & RECOGNITIONS

Green Delta Insurance has maintained its market leadership and supremacy over the journey of 36 glorious years with the vision to build a secure and insured Bangladesh. During this time, Green Delta Insurance gained many recognition because of transparency of financial reporting, strong corporate governance, professionalism, and innovative activities. Most recently, Green Delta Insurance has won the FinTech Award by Bangladesh FinTech Forum for exemplary innovation in insurance, besides earning the globally renowned "Superbrands" recognition as the only Bangladeshi insurance company. As the first insurance company in Bangladesh, Green Delta Insurance Company has also earned AAA Credit Rating for 8 consecutive years, ICBSB Gold Award for 7 consecutive years and 1<sup>st</sup> Prize in ICMA Best Corporate Awards for 4 consecutive years. Since 2010, the company has also earned 'six 1<sup>st</sup> prizes' in ICAB National Awards for best presented annual reports in the category of insurance sector. Apart from these notable awards, we have bagged almost every single national and international awards in our field of works and more in recent years, a prime example of which is the special recognition by World Economic

Forum (WEF) for 'Excellence in Sustainability'. For the pioneering contribution in the development of the insurance industry and for maintaining the standard of its service, Green Delta Insurance Company has been recognized in the international arena as one of the top 500 companies by the renowned Rating Agency, Dun Bradstreet Rating Agency. To add more, GDIC has been glorified with many national and international awards, such as, 'Winner' for the Best Presented Accounts Award in the category 'Insurance Sector' by the South Asian Federation of Accounts (SAFA); "International Quality Crown Award" by BID International in London; The BIZZ Award by World Business Confederation of Business in USA for leadership, Excellence in management, Quality and Marketing; "The Diamond Eye Award For Quality & Excellence" by BID OTHER WAYS; The Platinum Technology Award for Quality & Best trade name by Association Other Ways in Berlin; International Star Award for Leadership in quality in the Gold, Platinum and Diamond categories; World Finance Award for best non-life insurance company in Bangladesh; IFM Award for best non-life insurance company in Bangladesh; International ARC Award, IADA Award and many more.

## 1.11

## CORPORATE DIRECTORY

**Name of the Company**

Green Delta Insurance Company Limited

**Registered Office**

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

**Corporate Website**

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

**Email**

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

**Nature of Business**

All kinds of non-life insurance business

**Subsidiaries**

**Green Delta Securities Ltd.**  
Green Delta AIMS Tower (2<sup>nd</sup> floor)  
51-52 Mohakhali C/A, Dhaka

**Green Delta Capital Ltd.**  
Green Delta AIMS Tower (3<sup>rd</sup> floor)  
51-52 Mohakhali C/A, Dhaka

**Professional Advancement Bangladesh Ltd.**  
Green Delta AIMS Tower  
51-52 Mohakhali C/A, Dhaka

**GD Assist Ltd.**  
Green Delta AIMS Tower  
51-52 Mohakhali C/A, Dhaka

**Auditor**

**M/s. S F Ahmed & Co. Chartered Accountants**  
House # 51(3<sup>rd</sup> floor)  
Road # 9, Block-F,  
Banani. Dhaka 1213  
Website: <http://www.sfahmedco.org/>

**Corporate Governance  
Compliance Auditor****Suraiya Parveen and Associates**

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

**Legal Form**

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

**Membership Foreign**

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

## Membership Local

- Bangladesh Association of Software & Information Service. (BASIS)
- Bangladesh Malaysian Chamber of Commerce & Industry-Bangladesh (BMCCI)
- Australia Bangladesh Chamber of Commerce and Industry (ABCCI)
- Bangladesh Association of Publicly Listed Companies (BAPLC)
- Global Goals Yearbook.
- Women's World Banking Network
- Bangladesh Insurance Association
- Bangladesh Insurance Academy
- International Chamber of Commerce-Bangladesh
- Metropolitan Chamber of Commerce & Industry-Bangladesh (MCCI)
- Bangladesh German Chamber of Commerce & Industry (BGCCI)
- Bangladesh Employers Federation
- International Network Partner
- Dhaka Chamber of Commerce and Industry
- The Dhaka Chapter of Indus Entrepreneurs (TiE)
- Rotary Club of Dhaka North
- Privileged World Trade Solution Ltd.
- Dhaka Club Ltd.
- Gulshan Club Ltd.
- Junior Chamber international Bangladesh
- The Federation of Chamber of Commerce and Industry
- Baridhara Cosmopolitan Club Ltd.
- Gulshan North Club Ltd.

## Stock Exchange Listing

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

## Listing Year

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

## Listing Year

Authorized Capital : 5000 Million  
Paid-up Capital : 1,001.88 Million

## Accounting Year

1<sup>st</sup> January to 31<sup>st</sup> December

## Tax Consultant

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

## Legal Advisors

- Barrister A.S.M Abdur Razzaque
- Barrister Junayed Ahmed Chowdhury
- Barrister Farzana Begum
- Syed Ridwan Husain
- Mohammed Faiz Ullah
- Mr. Saikat Ahmed Al-Bari
- Barrister Rezwana Yusuf
- Barrister Tanjib-ul-Alam
- Barrister Tanzim Karim Chowdhury
- Syed Jawad Quader
- Md. Shahidul Alam
- Mr. M.A. Hannan

# 1.12

## PRODUCTS AND SERVICES

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

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

### Core insurance products (Corporate / individual)

- Fire insurance
- Marine (Cargo+Hull) insurance
- Motor insurance
- Burglary insurance
- Workmen's Compensation Insurance



### Corporate

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



### Financial

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



### • Retail, SME (small and medium-enterprises) , Micro, Impact, Personal line of Products

- All Risk Insurance
- Health insurance ( Group/Personal)
- Personal accident insurance
- Peoples Personal accident
- Micro Health insurance
- Overseas mediclaim insurance
- Micro insurance
- Nibedita – comprehensive insurance policy for women
- Electronic Device Insurance
- Household insurance
- Motor insurance
- Peoples' personal accident policy
- Comprehensive travel insurance
- Crop insurance
- Live-stocks Insurance
- Mobile Device insurance
- Extended Warranty Insurance
- Weather index-based insurance



### • Specialized

- Aviation insurance
- High Valued Automobile insurance
- Miscellaneous insurance
- Engineering insurance (erection all risk, contractors all risk, deterioration of stock and boiler and pressure vessels insurance)
- Business interruption
- Cyber Insurance
- Trade Credit Insurance



### • Investment and portfolio management services

- Underwriting
- Pre-IPO placement syndication
- Trusteeship

# 1.13

## TRACES OF GDIC

No	Branch Address
1	<b>Green Delta Insurance Co. Ltd.</b> Bagura Branch Talukder Ratul Plaza (3 <sup>rd</sup> Floor), Rangpur Road, Borogola, Bogura. Mob : 01714094151 E mail- <a href="mailto:bog@green-delta.com">bog@green-delta.com</a> Tel- (051) 66677
2	<b>Green Delta Insurance Co. Ltd.</b> Barishal Branch 58, Harun Super Market, Katpatty Road, Barisal. Mob : 01727223743 E mail- <a href="mailto:bsl@green-delta.com">bsl@green-delta.com</a> Tel- (0247) 8863983
3	<b>Green Delta Insurance Co. Ltd.</b> Bhairab Branch Cinema Hall Road, Bhairab, Kishorgonj Mob : 01925145510 E mail- <a href="mailto:brb@green-delta.com">brb@green-delta.com</a>
4	<b>Green Delta Insurance Co. Ltd.</b> Cumilla Branch Kazi Tower (3 <sup>rd</sup> Floor), Bajrapur, Rajgonj, Cumilla. Mob : 01978377444 E mail- <a href="mailto:com@green-delta.com">com@green-delta.com</a> Tel- (081)65223
5	<b>Green Delta Insurance Co. Ltd.</b> Chandpur Branch Mir Shopping Complex, J.M. Sen Gupta Road, Chandpur. Mob : 01714103698 E mail- <a href="mailto:cdr@green-delta.com">cdr@green-delta.com</a>
6	<b>Green Delta Insurance Co. Ltd.</b> Chaumuhani Branch Jaheda Tower (3 <sup>rd</sup> Floor), Feni Road, Chaumuhani, Noakhali. Mob:01711819480 E mail- <a href="mailto:chu@green-delta.com">chu@green-delta.com</a> Tel-(0321) 51538
7	<b>Green Delta Insurance Co. Ltd.</b> Dhaka EPZ Branch RMST Tower, (4 <sup>th</sup> Floor), Baipail, Ashulia, Savar, Dhaka. Mob : 01714037860 E mail- <a href="mailto:depz@green-delta.com">depz@green-delta.com</a> Tel-(02) 996688346
8	<b>Green Delta Insurance Co. Ltd.</b> Dinajpur Branch Goneshtola, Dinajpur. Mob : 01700703869 E mail- <a href="mailto:dnj@green-delta.com">dnj@green-delta.com</a> Tel-(0531) 63373

No	Branch Address
9	<b>Green Delta Insurance Co. Ltd.</b> Dilkusha Branch Al-Haj Tower (5 <sup>th</sup> floor), 82, Motijheel C/A, Dhaka-1000. E mail- <a href="mailto:dil@green-delta.com">dil@green-delta.com</a> Tel- 02 47118200
10	<b>Green Delta Insurance Co. Ltd.</b> Faridpur Branch Bari Plaza Shopping Complex (4 <sup>th</sup> floor) 91, Thana Road, Faridpur. Mob : 01927385634 E mail- <a href="mailto:fpr@green-delta.com">fpr@green-delta.com</a> Tel-(0631) 64313
11	<b>Green Delta Insurance Co. Ltd.</b> Habigonj Branch Sultana Library (1 <sup>st</sup> floor), Cinema Hall Road Point, Habigonj. Mob : 01711861136 E mail- <a href="mailto:hbj@green-delta.com">hbj@green-delta.com</a>
12	<b>Green Delta Insurance Co. Ltd.</b> Jessore Branch Prime Bank Building (3 <sup>rd</sup> Floor), 17, Nataji Subash Chandra Road, Garikhana, Jessore. Mob: 01711819470 E mail- <a href="mailto:jsr@green-delta.com">jsr@green-delta.com</a> Tel- (0421) 68737
13	<b>Green Delta Insurance Co. Ltd.</b> Khatungonj Branch Khatungonj Trade Center (4 <sup>th</sup> floor), Ramjoy Mohajan Lane, Khatungonj, Chittagong. Mob: 01819317664 E mail- <a href="mailto:ktg@green-delta.com">ktg@green-delta.com</a> Tel- (031) 615601, 622002
14	<b>Green Delta Insurance Co. Ltd.</b> Khulna Branch 1, P.C. Roy Road, Khulna. Mob: 01711-819470, E mail- <a href="mailto:kln@green-delta.com">kln@green-delta.com</a> Tel- (4777) 20063
15	<b>Green Delta Insurance Co. Ltd.</b> Kushtia Branch Lovely Tower (7 <sup>th</sup> Floor) Room No.7F-4, 55/1, Sirajuddowla Road, Kushtia. Mob: 01719572295 E mail- <a href="mailto:kst@green-delta.com">kst@green-delta.com</a> Tel- (024777)82388
16	<b>Green Delta Insurance Co. Ltd.</b> Mymensingh Branch 6, Sawdeshi Bazar Road, Mymensingh. Mob : 01611682386 E mail- <a href="mailto:mym@green-delta.com">mym@green-delta.com</a> Tel- (091) 67308

No	Branch Address
17	<b>Green Delta Insurance Co. Ltd.</b> Moulvibazar Branch 36, Sreemongal Road, Moulvibazar Mob : 01612-380664 E mail- <a href="mailto:mvb@green-delta.com">m vb@green-delta.com</a>
18	<b>Green Delta Insurance Co. Ltd.</b> Madaripur Branch Amin Super Market, Puran Bazar, Madaripur. Tel: 01739-023864 E mail- <a href="mailto:mdr@green-delta.com">m dr@green-delta.com</a>
19	<b>Green Delta Insurance Co. Ltd.</b> Narayangonj Branch ECHO Tower (2 <sup>nd</sup> Floor), 20/2, S.M. Maleh Road, Tanbazar, Narayangonj. Mob : 01819195658 E mail- <a href="mailto:ngi@green-delta.com">ng i@green-delta.com</a> Tel- (02) 7633945
20	<b>Green Delta Insurance Co. Ltd.</b> Noapara Branch Yeasin Plaza (2 <sup>nd</sup> Floor), Noapara, Obhoynagar, Jessore. Mob : 01709-632918 E mail- <a href="mailto:npr@green-delta.com">n pr@green-delta.com</a>
21	<b>Green Delta Insurance Co. Ltd.</b> Narsingdi Branch Mijan Market (2 <sup>nd</sup> Floor), C & B Road, Narsingdi Bazar, Narsingdi. Mob : 01711682238 E mail- <a href="mailto:nsd@green-delta.com">n sd@green-delta.com</a> Tel- (02) 9462014
22	<b>Green Delta Insurance Co. Ltd.</b> Principal Branch Makka Madina Trade Center (3 <sup>rd</sup> floor) 78, Agrabad C/A, Chattogram Mob: 01711721946 E mail- <a href="mailto:pbcb@green-delta.com">p bcb@green-delta.com</a> Tel- (031) 716233, 723491
23	<b>Green Delta Insurance Co. Ltd.</b> Pabna Branch Haji Akbor Ali Super Market (4 <sup>th</sup> floor) Abdul Hamid Road, Pabna. Mob : 01711819472 E mail- <a href="mailto:pbn@green-delta.com">p bn@green-delta.com</a> Tel- 8844709
24	<b>Green Delta Insurance Co. Ltd.</b> Pirojpur Branch Post Office Road, Pirojpur. Mob : 01711819482 E mail- <a href="mailto:prp@green-delta.com">p rp@green-delta.com</a> Tel- (0461) 62837
25	<b>Green Delta Insurance Co. Ltd.</b> Nasirabad Branch Avenue Centre 6 <sup>th</sup> floor) 787/A, CDA Avenue, GEC Circle, East Nasirabad, Chattogram. Mob : 01708457495 E mail- <a href="mailto:rsc@green-delta.com">r sc@green-delta.com</a>

No	Branch Address
26	<b>Green Delta Insurance Co. Ltd.</b> Rangpur Branch Mansur Bhaban (2 <sup>nd</sup> Floor), Station Road, Rangpur. Mob: 01718543181 E mail- <a href="mailto:rng@green-delta.com">r ng@green-delta.com</a> Tel- (0521)65997
27	<b>Green Delta Insurance Co. Ltd.</b> Rajshahi Branch Holding No.381, (2 <sup>nd</sup> Floor), Shaheb Bazar, Monichattar, Sonadigir More, Ghoramara, Boalia, Rajshahi. Mob : 01714022151 E mail- <a href="mailto:raj@green-delta.com">r aj@green-delta.com</a> Tel- (0721)776176
28	<b>Green Delta Insurance Co. Ltd.</b> Sylhet Branch Madhuban Super Market (3 <sup>rd</sup> Floor) Bander Bazar, Sylhet, Mob : 01711356447 E mail- <a href="mailto:syl@green-delta.com">s yl@green-delta.com</a> Tel- (0821)728230, 02996631155
29	<b>Green Delta Insurance Co. Ltd.</b> Saidpur Branch Amin Plaza (2 <sup>nd</sup> Floor), Shahid Dr. Zikrul Haque Road, Saidpur Mob : 01941224286 E mail- <a href="mailto:syd@green-delta.com">s yd@green-delta.com</a>
30	<b>Green Delta Insurance Co. Ltd.</b> Tangail Branch Hazi Mansion (2 <sup>nd</sup> Floor), Kalibari Road, Adalatpara, Tangail. Mob: 01713060014 E mail- <a href="mailto:tgl@green-delta.com">t gl@green-delta.com</a> Tel- (01921) 63436
31	<b>Green Delta Insurance Co. Ltd.</b> Uttara Branch Union Nahar Square (5 <sup>th</sup> floor), Plot -19, Sector No.13, Sonargoan Janoapath Road, Uttara- Dhaka-1230 Mob : 01847-189694 E mail- <a href="mailto:utr@green-delta.com">u tr@green-delta.com</a> Tel- 02 8991229
32	<b>Green Delta Insurance Co. Ltd.,</b> Dhanmondi Branch Bikalpa Dental Clinic and Commercial Complex (2 <sup>nd</sup> floor), Plot No.02, House No.74, Road No. 5/A, Satmasjid Road, Dhanmondi, Dhaka-1209. Mob- 01714094166 E mail- <a href="mailto:dhm@green-delta.com">d hm@green-delta.com</a> Tel- 02 9137174
33	<b>Green Delta Insurance Co. Ltd</b> Imanganj Branch, RS Trade Center (3 <sup>rd</sup> floor), 1, Nazim Uddin Road, Chawlk Bazar, Dhaka. Mob- 01730029713 E mail- <a href="mailto:img@green-delta.com">i mg@green-delta.com</a> Tel- 02 5731168
34	<b>Green Delta Insurance Co. Ltd.</b> Bangabandhu Branch 5, Bangobandhu Avenue, (2 <sup>nd</sup> floor) Dhaka-1000. Mob : 01755627232 E mail- <a href="mailto:bba@green-delta.com">b ba@green-delta.com</a>

No	Branch Address
35	<b>Green Delta Insurance Co. Ltd.</b> Badda Branch A B Tower, GA-131/2, Middle Badda, (3 <sup>rd</sup> floor), Pragati Sarani, Badda, Dhaka-1212 Mob : 01701203217 E mail- <a href="mailto:bdd@green-delta.com">bdd@green-delta.com</a>
36	<b>Green Delta Insurance Co. Ltd.</b> Elephant Road Branch Pearson Tower (4 <sup>th</sup> Floor), 299 Elephant Road, Dhaka-1205. Tel: 58610892 Mob : 01714094312 E mail- <a href="mailto:epn@green-delta.com">epn@green-delta.com</a>
37	<b>Green Delta Insurance Co. Ltd.</b> Mirpur Branch Central Plaza (6 <sup>th</sup> Floor), 231 Sen Para Parbata, , Mirpur Circle-10,Dhaka Mob : 01715424434 E mail- <a href="mailto:mpr@green-delta.com">mpr@green-delta.com</a> Tel- 02 9009923
38	<b>Green Delta Insurance Co. Ltd.</b> Kawranbazar Branch Dhaka Trade Center (5 <sup>th</sup> floor), 99, Kazi Nazrul Islam Avenue, Dhaka Mob : 01841796431 E mail- <a href="mailto:kaw@green-delta.com">kaw@green-delta.com</a> Tel- 02 48112819
39	<b>Green Delta Insurance Co. Ltd.</b> Mohakhali Branch Red Crescent Concord Tower (2 <sup>nd</sup> floor), 17, Mohakhali C/A. Dhaka-1212 Mob : 01701203248 E mail- <a href="mailto:mkh@green-delta.com">mkh@green-delta.com</a> Tel- 02 58813634

No	Branch Address
40	<b>Green Delta Insurance Co. Ltd.</b> RSM Gulshan-1 Branch Tower of Aakash (20 <sup>th</sup> Floor), House No - 54, Road No - 132, Gulshan 1, Dhaka-1212 Mob : 01847189749 E mail- <a href="mailto:rsg@green-delta.com">rsg@green-delta.com</a>
41	<b>Green Delta Insurance Co. Ltd.</b> Gulshan Branch Sheba House (2 <sup>nd</sup> Floor), House No.34, Road No.46, Gulshan-2, Dhaka-1212. Mob : 01847189684 E mail- <a href="mailto:gln@green-delta.com">gln@green-delta.com</a> Tel- 02 222264257
42	<b>Green Delta Insurance Co. Ltd.</b> Kakrail Branch Rupayan Karim Tower (8 <sup>th</sup> floor), Apartment No. 8/A, 80, V.I.P. Road, Kakrail, Dhaka. Mob : 01711612045 E mail- <a href="mailto:krl@green-delta.com">krl@green-delta.com</a> Tel- 02 49357210
43	<b>Green Delta Insurance Co. Ltd.</b> Principal Branch Green Delta Aims Tower (1 <sup>st</sup> floor) 51-52, Mohakhali C/A. Dhaka-1212 Mob : 01711819481 E mail- <a href="mailto:pbd@green-delta.com">pbd@green-delta.com</a> Tel- 02 222291163





FOUNDATION





We believe general insurance has a much larger societal and economic role to play, and at Green Delta Insurance we are leading the charge by deriving resilience through showing what would typically be counterintuitive and yet is most crucial for our business: empathy and care.

**MR. NASIR A. CHOUDHURY**  
Advisor

## 1.14 FROM THE **ADVISOR'S DESK**

### The Covid-19 pandemic has been a moment of truth for insurers

**Prefatory note by our Advisor, Nasir A. Choudhury**

**Dear shareholders and stakeholders of Green Delta Insurance,**

The year 2021 will be forever remembered as one when Covid-19 continued to change everything we define as everyday life. This is a tragedy that regrettably has prolonged to impact many and I want to take the opportunity to share my condolences with everyone that has suffered and lost loved ones to the pandemic. Covid-19 has also had a huge impact on businesses big and small; everyone is simply trying to find their own way through this, but I particularly feel for those whose livelihoods have been impacted over the last year.

To our own Green Delta employees, I am deeply impressed with how you have seamlessly managed the transition to new ways of working while continuing with the same engagement, passion and determination to deliver a superior experience to our customers. Green Delta always seeks to move at speed, but how our employees not only adapted but met the accelerated demand with ease has been quite remarkable. Together, we have maintained the high levels of service that our customers and partners have come to expect from us. This makes me very proud.

'Never let a crisis go to waste,' goes the popular saying and, perhaps, the Bangladesh insurance industry might not want to let go of the opportunity the pandemic has presented. While it is true that insurers have struggled with huge unanticipated Covid-related claims over the past year-and-a-half, the pandemic has also heightened awareness around risk to both health and business like no other event in history.

Looking at the big picture, this is one of the industries that has been resilient. Last year, the industry grew by [] per cent despite the disruptions caused by the second wave of the pandemic. I believe from a risk management perspective, the industry has held up relatively well. The challenge in the initial period was reaching out to customers. Subsequently, the challenge was servicing customers digitally. The good thing is that the industry has initially adopted the digital transformation quite well, but some things had to be accelerated because of Covid. Medical examinations could not be done very easily so the industry ventured into analytics to get the profile of the customer and make it as frictionless as possible.

It is obvious that the pandemic has affected the income of the consumer and if one looks at where the spending has increased, it is in OTT platforms, online education, online consultation and pharmacies and online purchase of financial products, under which is also health insurance. Health insurance in itself had assumed the positioning from savings to security. Further the likelihood of consumers buying general insurance online had also jumped from pre-pandemic to during-pandemic. There is a desire to purchase digitally as well. But unless the industry does something concrete, we will lose this opportunity. We need to transform our business model, simplify our products, make them more protection-oriented, use technology to give customers a better experience, and focus on quality. The industry has been very resilient but we should now build on this platform of resilience and get into a transformation mode so that we can take our business model to the next level. At Green Delta Insurance we are doing just that. The next big phase of growth for the industry is at the cusp, and we should seize the opportunity.

Several underlying trends have impacted the insurance industry over the last few years: a low interest rate environment challenging the protection business, increasing competition from non-insurance companies, hardening of legislation and regulation, and shifting customer behaviours and expectations. The nature, the frequency and the volatility of risks are also evolving, notably driven by climate change and natural catastrophes, while the evolution of technology and the global interconnection of businesses is increasing supply chain and business interruption risks.

To me, amid the pandemic there were three challenges - customer acquisition, servicing customers and claims settlement. But the industry rose to the occasion and new systems were put into place to address these issues. During the first wave of the pandemic, the industry was

## Value Created for Customers

### Value Created for Customers

More than

**115,000**

Documents issued year 2021

**44,000**

Claims settled over the past 5 years

**5,500**

Claims amount settled over the past 5 years (Tk. mn)

concerned about reaching the customers so that the policies were kept in force. The settlement of health claims was also a challenge and the regulator provided some dispensation regarding this. When it comes to opportunities, this was the phase when the direction of services got a huge push for the overall industry. The pandemic has also given a push to the awareness around insurance. But there is a paradox. While customers want to be insured, they are facing economic stress.

To respond to these developments and seize new opportunities, I assure our shareholders that we are constantly rethinking and expanding our products, services and business model with the ambition to become a true partner for our clients. As pioneers and pace-

setters, we have begun to incubate our digital insurance ambitions, housing it with a separate team. Our focus is on going beyond just the online, to digitize processes and identify ways to digitally on board customers and even settle claims digitally, with the whole process as technology-centric and faceless / contact-less as possible. In terms of our product portfolio, the accent will be on launching customer-centric innovative products with mass insurance products as the key focus area. Leveraging our history and aligned with our goal to be a dynamic, transparent and new-age brand, we are focused on brand-building and enhancing our presence on the digital platforms that are frequented by our customers. The thrust is on delivering omnichannel experiences for our customers and agents alike. We will also continue to work on our superior risk selection and underwriting practices.

Our Company has adapted very quickly to the emerging work environment, with effective decentralisation of functions and collaboration on digital networks while maintaining deep and personal interaction through these challenging times. I foresee that every activity and process will increasingly move to online digital platforms and result in improved efficiency and productivity, as well as savings in time and cost. Our IT transformation project is underway, and events of the recent past will only accelerate its implementation. However, technology alone can only get us that far. Classical management

capabilities of flexibility, perseverance and agility along with consistency in organisational philosophy and attitude will be fundamental to our success. During this pandemic, there have been enough examples to prove that companies that are technologically adequate but have strong fundamental competencies have done far better than those that operate at the cutting-edge of technology but are not backed by sound and fundamental business principles and capabilities.

Green Delta Insurance has pioneered the general insurance business of the country and has been around for the past 36 years. That is a big thing and drawing confidence from that I see every reason why we are perfectly poised to re-imagine insurance and transform our business and take it to the next level yet again.

In concluding my letter, I would like to send my warmest thanks to all Green Delta's employees, agents and partners for their commitment to our Company and for their engagement throughout 2021. On my behalf as well as on behalf all Board members, I express our trust in Farzanah Chowdhury and the Management Committee members to deliver our transformation plan and prepare Green Delta's future.

Sd/-

**Nasir A. Choudhury**

Advisor





We are broadly satisfied with our financial results, given the challenging and uncertain operating environment. The robust governance foundations and the solidity of our systems built over the years has meant that we were able to remain effective and cohesive as an organisation and keep on delivering reliably to our clients

Abdul Hafiz Chowdhury  
Chairman

## 1.15 CHAIRMAN'S REPORT

### Our pillars are anchored on solid foundations

Letter by our Chairman, Abdul Hafiz Chowdhury

#### To our shareholders

COVID-19 has brought disruption, strain, and sorrow for millions of people around the world, and my heart goes out to all who have lost a friend, family member, or loved one during the pandemic. This difficult period has reaffirmed Green Delta's vital role in an industry that safeguards families' financial futures, especially during times of deep uncertainty and loss. Throughout 2021, our operational and financial resilience was put to the test, and I am incredibly proud of how our employees and our business have responded by continuing to deliver on our promises to our clients, our investors and the communities in which we live and work.

Nobody in the world could ever have predicted what the world would go through as a result of Covid-19. Ironically, as I write this message after the second year of the pandemic, I find myself largely in the same position. While we as a global population believed we had collectively navigated our way through what we thought was the worst of the pandemic, few of us could have predicted that we would be looking towards a 2021 that offers little more certainty than what we had experienced in 2020. While several vaccines have now been developed, on their own these are by no means the solution to global health concerns and challenges and lingering economic tribulations. The threat of a potential third wave of Covid-19 in Bangladesh has once again raised fears and concerns, and could place increasing pressure on our country's medical resources and its economic well-being.

It feels like we're in the same situation that we were in during the first and second waves, as the threat of the Omicron variant of the virus looms. However, what is different is that I believe we are in a much stronger

## VALUE CREATED FOR STAKEHOLDERS

**765** Cumulative dividend disbursed over the past 5 years (Tk. mn)

**3,343** Cumulative contribution to Government exchequer ( directly or indirectly) over the past 5 years (Tk. mn)

**2,644** Cumulative salary and benefits disbursed over the past 5 years (Tk. mn)

position. We have rich learnings of the past and have become attuned to adjust with the Covid protocols. We have learnt to operate the business within the perimeter of all health and safety regulations. In fact, Bangladesh's GDP growth has come back stronger, with economic activity and trade buoyancy hitting pre-pandemic levels. There is much excitement and expectation too around this Asian tiger growing faster than some of the incumbent nations of the continent. While Bangladesh's textiles industry has regained momentum, increased global labour participation by Bangladeshis bodes well for remittances too. Moreover, major infrastructure assets are witnessing fructification, including the glorious Padma Bridge, which gives the confidence that despite near-term hiccups, the structural economic drivers are in place and will kick-in after any potential setback.

Against this backdrop, it is our hope that, as a participant in an industry that delivers vital protection and extensive value-added services to the people and businesses of Bangladesh, Green Delta Insurance will be able to continue its operations, largely uninhibited, in the coming year, so that we can provide the support and financial resilience that our customers have come to expect and depend upon.

Of course, our customers are only one of our many important stakeholder groups, and we invested time, human and financial resources into providing support to all these groups over the course of the year. One of our other top priorities was the safety of our employees and we focused on encouraging and enabling safe shelter arrangements for as many staff members as we could. We also prioritised the provision of full physical and mental health support systems and effective team communication and engagement via digital channels,

similar to what we did in 2020, but with greater intensity and frequency. We also continued to help and support the communities in which we operate, especially via financial donations towards charities and support funds.

I'm satisfied to report that despite a devastating second wave that hit the country in the second quarter of the year. Green Delta generated net income of Tk 787.18 mn in 2021, or Tk 7.86 per earning share, up from the previous year's Tk 683.80 mn, or Tk 7.34 per earning share. Our recurring revenue model proved resilient, producing record highs in annual net premiums of Tk 1,546.81 mn and total revenues of Tk 3,843.31 mn.

Taken together, Green Delta Insurance's many business accomplishments from the past year demonstrate our agility, resilience and consistency. In the face of extreme circumstances, we were able to execute on our strategy and deliver positive results for our clients, partners and investors. While I am very proud of these achievements and the hard work they represent, what best defined 2021 and made it a truly inspiring time to be a part of the family were the many ways we came together as an organization to support one another and the communities we serve.

The year 2021 continued to change the world and many evolutions are here to stay, going well into 2022 and beyond. I find that our strategic choices appear more relevant than ever for the post-Covid world:

- Health is back as a top focus for individuals and companies. With an established track record in health insurance, the Company is well-positioned to address the ensuing needs



- The digitalization of our economy has leapt forward, opening new avenues for our corporate insurance activities and our physical-digital capabilities. The future of insurance is always going to be at the intersection of the two and not one against the other
- The pandemic has also underlined how vulnerable our societies are to natural hazards, and thus brought renewed focus to climate change. Green Delta Insurance, with its acknowledged leadership position in responsible insurance schemes, such as crop protection, as well as dedicated offers and rigorous investment practices, is best positioned to shape the debate in this crucial field
- The pandemic's frightful economic consequences, which affected the livelihoods of many, also created a moral obligation to help prevent people from falling back into poverty, especially in developing and less developed countries.

We will continue to outperform the market, both on growth and quality. Green Delta Insurance is ready to

address the changes and challenges of doing business in this ever-evolving environment and is raring to harness the opportunities. Commitment runs deep in our organisation's culture, but it is not just an intangible – it is evidenced in our services, products, systems and processes. Led by this commitment along with our value-driven culture, I believe we have an exciting future ahead.






As I close my report with a deep sense of gratitude, I would like to thank our employees, as well as our clients, shareholders and partners for making 2021 a fairly successful year in the face of adversity. I look forward to continuing to grow this remarkable Company together and advancing the important work of Green Delta Insurance and the insurance industry.

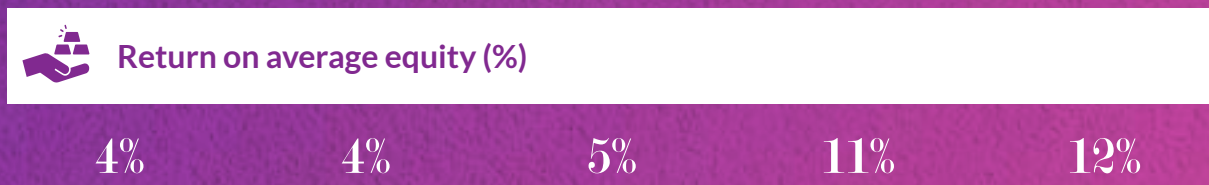
Sd/-

**Abdul Hafiz Chowdhury**  
Chairman

# PERFORMANCE SNAPSHOT

Bangladesh's leading general insurer offering customers a comprehensive and well-diversified range of products and risk management solutions through multiple distribution channels, with a constant focus on value enhancement.

	2017	2018	2019	2020	2021
 Gross written premium (Tk. mn)	3,293.55	3,678.63	4,164.15	3,676.75	3,843.31
 Claims settle (Tk. mn)	3,71.15	4,70.93	5,65.48	3,89.77	1,44.62
 Branch network	41	43	43	43	43
 Combined ratio (%)	51%	52%	51%	43%	31%
 Investment assets (Tk. mn)r	5,806.57	5,361.18	5,346.07	5,432.46	5,513.56



More than  
**1.15** lac  
Number of  
policies sold  
2021

More than  
**25**  
Sectors  
Covered

**59**  
Total  
Products

More than  
**16k**  
Number of  
Claims

**21**  
Number of  
Trainings





From the long-term perspective, we remain steadfast and focused on our value creation approach for our shareholders and stakeholders, thereby reaffirming our commitment to support our customers, employees, business associates and the society. Creating institutional value is the need of the hour and the purpose of our existence.

**FARZANAH CHOWDHURY**  
Chartered Insurer  
Managing Director & CEO

## 1.16 PERFORMANCE REVIEW BY THE **MANAGING DIRECTOR & CEO**

Undaunted in pursuit of  
our vision of  
“Insurance for Everyone”

Address to shareholders by our MD & CEO  
Farzanah Chowdhury

Dear shareholders,

I hope you and your loved ones are keeping safe. In these troubled times we pray to Allah the merciful to help us overcome the challenges and restore normalcy back again in our lives.

### **The persisting Covid-19 shadow**

The second wave of the Covid-19 pandemic was more severe and terrifying for many. The ripple effect of this devastation has left people and economies struggling to get back on their feet. Amid the gloom, ‘hope’ has emerged as a saviour as always.

It is hope that binds humanity, helping it overcome every challenge, no matter how daunting. While we expected vaccines to be the ultimate panacea, today, the Omicron variant of the virus has shown that no one is safe until everyone is safe. This variant is by this time causing significant challenges to an already-strained healthcare system and with mobility sanctions expected to be put back into place it can have a potential impact on the GDP too, thus derailing the recovery process. While Bangladesh has been able to regain its economic momentum, with growth across some sectors even crossing the pre-pandemic levels, the resurgence could

stall if the threat of the third wave is perceived to be a high-risk event. Yet, Bangladesh's sheer intrinsic resilience could help the nation tide over any near-term challenges. Furthermore, many scientists have presaged that this virus may eventually bring the pandemic to an endemic stage because it can lead to mass immunity on account of its mildness and high infectivity. We remain hopeful.

### Age-old insurance support to humanity

Since centuries, the insurance industry has played a critical role in supporting the efforts of humanity during times of distress. Be it man-made calamities or natural catastrophes, insurance has been a key tool to compensate for or offset the losses and restore things back to normalcy.

The state of the world today has accentuated the need for insurance. A study by Christian Aid, UK, has indicated that the 10 most financially devastating climate events of 2021, including hurricanes in the US, China and India, and floods in Australia, Europe and Canada cost \$170 billion in damages. Hurricane Ida, which pummelled the eastern US, cost the economy \$65 billion. Floods caused economic losses of \$43 billion in Europe, and over \$17 billion in China's Henan province. The report's authors estimated damages based on insured losses, which means the true cost of these disasters are likely to be even higher. Interestingly, the rising temperatures across the globe have led to some cities appointing heat officers responsible for cooling interventions, especially for vulnerable sections of the population. Imagine, the world has come to this.

However, a critical issue in insurance over the years has been the embracing of this critical solution by only a few. It is paradoxical that despite insurance being critical, there exists a far greater number of those who're uninsured against those that are insured. Take insurance penetration in Bangladesh. It is woefully low with only one person being insured amongst a 100. Even neighbouring countries like India have a measly insurance penetration of about 3%.

The under-penetration of insurance products in Bangladesh has been highlighted and red-flagged in many forums for several years. The risk that such under-penetration presents is not just limited to a few sections of the society, but is a risk burden borne by the entire nation. Adequate insurance coverage can have a huge positive cascading effect, causing deep transformation in not just the health and wellbeing of the citizens of the nation, but also in the entire healthcare industry. Precious government resources could be freed up and redirected to other important spends, such as on infrastructure. Thus, the need to scale up both the reach and penetration of insurance across Bangladesh's rural and urban

population is something that cannot be ignored anymore. We urge the government to take up "Insurance for all" with renewed vigour.

### The pandemic and digital insurance

In our view, this pandemic will have far-reaching implications on consumers, businesses and the society at large. Though the immediate impact and responses have been played out, yet the real transformation is a journey that has only just begun.

We strongly believe that the world on the other side of this crisis will be a "phygital" one that blends the best of the physical experiences with the conveniences of digital. In our view, there is a re-assessment of risk perception across the globe and particularly by consumers in Bangladesh and elsewhere in the developing world that has limited public healthcare systems and infrastructure, which will structurally increase the demand for comprehensive insurance and risk management solutions.

The impact of the pandemic has not been lost on those that have been pushed into poverty because of increased healthcare expenses triggered by the pandemic. After suffering from the first two waves, it would be dangerous to underestimate the threat posed by Omicron, given the continued brittle quality of Bangladesh's healthcare infrastructure and how easily it could be overwhelmed by the numbers. Hence, in the absence of any major government-sponsored safety net, insurance should be viewed as a tool assuring not just health security, but financial security as well.

Amidst the pandemic, we believe that organisations will have to prepare for new ways of working, with hybrid working, greater choice and flexibility to employees becoming the norm rather than the exception that will result in re-designing of organisational structures, policies and practices. In the context of growing digitalization and our focus on re-imagining insurance, we are accordingly working towards enhancing our insurance solutions to make them conveniently available and loaded with self-service capabilities for our customers, further automating our distribution applications for channel partners, all while transforming ourselves as an organisation committed to the growth and welfare of our employees.

We have instituted an exclusive digital transformation division deputing specialist resources to build our digital solutions and ecosystems. The idea is to not only progressively digitize the entire lifecycle solution- from customer onboarding to claims settlement, but also as a means to expand insurance accessibility and coverage, which is our ultimate mission in our Insurance for all theme. While digitalization enables us to circumvent

legacy costs, it also helps save costs over the long run, which subsequently boosts the bottom-line and builds the case for further investment.

Thus, it is clear that while the pandemic has played in accelerating digitisation across sectors, when it comes to the insurance industry this journey has only just begun. At our Company at least it continues to accelerate, given the developments in the InsurTech space. Further, the regulatory authority, IDRA, has been encouraging technology adoption as it works towards creating a conducive ecosystem for the introduction of innovative InsurTech solutions. As we look ahead, to my mind, innovative technology-enabled solutions will find increasing usage in the insurance sector, especially considering the advancements in digital technologies itself.

Being a part of this industry endows us with a responsibility that is far greater than simply meeting the demand for insurance products. As we come to realize the limitations of the traditional insurance solutions in providing an armour against a pandemic-like situation, there is a need to explore ideas to address new-age as well as pandemic risks, which have a much wider impact, compared to regular risk events. This perfectly dovetails with our Insurance for all thesis as well.

### Performance overview

Coming off from 2020, the year 2021 was one in which we harnessed the learnings of the past and forged ahead towards meeting our business objectives while keeping a check on all health and safety standards in a Covid-safe way. The result was that we achieved a satisfactory financial performance for the year.

Gross claims paid more than	Gross premium rose by	Operating profit expanded by
<b>152 crore</b>	<b>5%</b>	<b>25%</b>
Risk Covered more than	PAT expanded by	Return On Equity (ROE)
<b>3 Trillion</b>	<b>15%</b>	<b>12%</b>

Turning in a solid financial performance raised our ability to declare a dividend, which has been proposed at Tk 3 per share for the year. This is in comparison to Tk 3.2 per share paid in the preceding year.

While this performance is broadly attributed to our proactive initiatives in retaining our business and achieving new growth, it is also a testament of the economic recovery taking hold in the country. Besides, the broader economic context was also one where we faced pressure on insurance premium rates, driven by regulatory conditions that favoured demands of interested business groups in this regard. Regulators took a view on this while also being supportive of overall economic and trade recovery. To offset pressures we focused on portfolio mix while also looking to expand business volumes.

Furthermore, while overall claims intimation was low, claims settlement was probably the highest ever in a single year in 2021 at Tk. 152 crore. Though negative Covid-triggers underlie the pressure on claims, we stood tall with a claims less re-insurance claims settlement ratio of 9% for the year. While this speaks of the solidity of our balance sheet, it also reflects what we have always stood for- standing shoulder-to-shoulder with our customers.

The pandemic gave us the opportunity to build trust with our customers and reinforce our reputation as one of the most trusted and dependable insurance companies of the country.

### A year of partnerships

Despite the Covid-related restrictions and challenges, it was a busy year for Green Delta Insurance.

In December 2020, the impact of which was felt in the year under review, we signed a deal with AB Bank. Under this broad agreement, the bank will avail Bankers Blanket Bond (BBB) and Electronic Computer Crime (ECC) insurance policy from Green Delta Insurance.

I'm proud that in August 2021, we launched our online VAT software for automated VAT return processing, emerging as the first in the insurance industry to do so. Several dignitaries attended the virtual launch, including those from the IDRA, Bangladesh Insurance Association (BIA) and LTU-VAT. The software was aligned to the high priority we place on compliance, observing the National Board of Revenue advisory on all organizations with turnover above Tk. 5 crore requiring to implement the VAT software for automated return processing. While

we have been automating and digitalizing our business processes and customer experiences since 2019, we intend to go paperless in the near future, and the implementation of VAT software to automate VAT return processing is fully aligned with our organizational goal. In fact, Member of IDRA, Mr Md. Dalil Uddin appreciated this initiative and hoped that other organizations in the insurance industry would follow in our footsteps.

In October 2021, we forged an agreement with Pathao to introduce insurance coverage for ride sharing. Pathao is Bangladesh's largest ride-sharing platform and this insurance coverage seeks to ensure a safe commuting experience for all users, riders and captains of Pathao. Symbolically, this agreement was signed on the National Road Safety Day, thus highlighting the importance of road safety for all. Under the insurance policy provided by Green Delta Insurance, Pathao users, riders and captains would receive coverage in the event of accidents while using Pathao rides. The coverage includes outpatient expenses, hospitalisation expenses, permanent disability and even accidental demise up to Tk 1 lakh. Such financial compensation through insurance coverage is complemented by Pathao already offering several features to ensure safety of its users, such as GPS tracking, necessary information capture of passengers, riders and captains, VolP call, emergency button, etc. As ride-sharing becomes more popular and is embraced by an even larger number of customers, our insurance policy will be a beacon for the rest of the industry. It also showcases our proficiency in risk underwriting and knowledge of various insurance solutions that has helped us to build insurance solutions that are relevant to diverse consumer needs.

In November 2021, Green Delta Insurance partnered with Robi Axiata, amongst Bangladesh's top-2 telecom service providers, to offer health insurance package under 'Hospicash'. The packages covers disability, hospitalisation, surgery, OPD costs, hospicash and accidental cash with a reasonable annual premium. Thus, through this partnership, Hospicash is now available countrywide through Robi's digital distribution system, rStore. By removing the hassle of traveling long distances and filling up numerous forms, the initiative promises to take the timely hospicash services to the doorstep of last-mile customers who were previously deprived of such services. It will also help Robi Axiata add a new vertical of services to their 10,000+ rStores located in all the 64 districts of the country. Notably, rStore is an aggregator platform of Robi Axiata that empowers retailers to sell products and services like mobile phones, electronics, gadgets, ticketing, mobile recharge, bill payments, insurance, etc.

### Awards galore

At Green Delta Insurance we are an award-winning Company. We are bestowed with several accolades and laurels from industry groups and other reputed global as

well as domestic institutions. These truly inspire us to work harder to create an even greater impact through insurance.

Aligned with our focus on continuously enhancing our corporate reporting practices we've arrived at a point in our journey where we are delighted to build trust with our investors and shareholders through our Annual Report that has emerged as a benchmark in corporate reporting. Aligned with this, we received the first prize of the prestigious "ICMAB Best Corporate Award-2020" in the Insurance category. This is the fourth consecutive year that GDIC has won the first prize in ICMAB Corporate Award. [we need to mention other awards bagged during the year]

### Fostering a multistakeholder approach

At Green Delta Insurance, we are encouraged by the awareness that the pandemic has raised about insurance as well as the regulatory support that is creating a facilitative environment. Further, continuing to be guided by our core philosophy of putting the customer at the centre of everything we do, we are embracing technology to deepen customer service. Yet, our endeavour is to make technology the fulcrum of every solution we provide. Today, our digital e-comm foray provides end-to-end self-serve experience to our customers via both desktop and mobile. At the same time, we are equipping our channel partners and employees with relevant digital solutions to handhold our customers, thus ensuring service continuity and continuous support.

Going beyond our role as an insurance provider, we are committed to serving the society through the various citizenship initiatives that we undertake throughout the year. Our employees have volunteered, driving several projects that are focused at uplifting the economically unfortunate sections of the society. By identifying critical areas of assistance, we will continue to give back to the society. Such non-profit humanitarian assistance is integrated in the very ethos of our Company as we focus on security, empathy, wellbeing and care for all.

### A bigger emergency looms

While the Covid-19 tragedy is one where humanity has got together to find solutions to solve and put an end to the crisis, a much bigger emergency has been looming silently in the background for decades. We can no more pretend to ignore climate change. And together, we need to rethink our ideas of progress. As laid bare by the pandemic, runaway pollution, unchecked emissions and increased man-animal conflict can spell disaster and cause a major setback to humanity.

It is heartening that Bangladesh has been an active participant at all earth summits. Continuing with this tradition, Hon'ble Bangladesh PM Sheikh Hasina emerged as an active mouthpiece of climate protection at the Glasgow



COP26 summit held in November 2021. She remained optimistic and informed the conference about Bangladesh's closure of 10 plants run on coal, a dirty fossil fuel. Thus, Bangladesh has reasons to take pride in its unwavering resolve to make earth free of all adversities tied to climate change. With the tone set by the top, climate management is something that can no longer be ignored by industry and institutional funds, including green finance, should go into building the requisite infrastructure for developing climate-resilient systems. Through institutional funds, insurance companies can play a part here.

Environmental, Social and Governance (ESG) principles that have captured public discourse will serve as the new parameter to measure the performance of corporates and institutions, thus transcending just profit evaluation. At Green Delta Insurance, we have been making sincere efforts to strengthen our ESG initiatives, thereby moving further ahead in our vision of being a responsible insurance institution.

### **A few things we need to do in the future**

The government should continue to spend on infrastructure and it must maintain its focus on investments. While there is recovery, it needs to be sustained and that too for long periods for the country to reach its developmental aspirations in being a middle-income nation. The nation's per capita income surpassing India's is a sign that we are on the right path. Overall, there is fiscal space for the government to continue the focus on investments and, most specifically, on infrastructure, as it is a driver of demand, global competitiveness and employment. Growth in trade and commerce will directly contribute to the buoyancy of the insurance industry.

Further, the government must continue to improve ease and cost of doing business. We need to ensure policy stability, because if we want the private sector capital to come in stronger, particularly from overseas, then they look at policy stability as one of the most important factors in the decision-making. Furthermore, I believe there is also a need for a cohesive policy roadmap to help us transition to a greener future and a policy on how we further nurture the start-up ecosystem.

In addition, we need to focus on health and education to reduce the burden on the lower socioeconomic strata. Particularly because of health, people have incurred more expenses than they had budgeted for and they remain concerned about future potential expenses. Besides, government spend on healthcare needs to go up as a percentage of the GDP. This is also essential to build public confidence in institutional healthcare.

Further, the government and regulators should consider the industry's long time demand for bancassurance. This channel, leveraging the existing banking infrastructure,

has the potential to revolutionize access to insurance amongst the masses. Opening up bancassurance will also showcase the government's emphasis on making insurance commonplace, which is so important considering the learnings of the pandemic. For insurers it will open up yet another distribution channel and for Green Delta Insurance it will be a core part of our omnichannel strategy, while strongly contributing to our goal of Insurance for everyone.

### **Gratitude**

Despite the difficulties it created, Covid-19 most certainly also brought out the best in so many people, and heroes emerged from everywhere this year. The insurance industry is no exception and I want to thank the Board, my colleagues on the executive team, our dedicated staff and business partners, the regulators and, of course, our customers for the courage, commitment and care that has so widely been in evidence throughout 2021.

An organisation is a unified identity given to a large team of individuals playing significant roles at every level. Our existence is defined by our employees and they are our most important asset. I take this opportunity to thank our dedicated employees who have gone beyond the call of duty to support our stakeholders in every scenario. Their efforts are an inspiration and as part of the management we will try every way to support our employees, be it their professional aspirations or personal exigencies.

Even as we hope for normal times to return at the earliest, we are treating the current phase as a great learning experience, the lessons of which would stay with us for decades to come. We hope to continue to remain focused and fast in our endeavour to build a more robust and sustainable business, while emerging as a conscientious corporate citizen inspiring responsible change. Before concluding, I want to share with you our outlook for 2022. We are entering the new financial year with many exciting opportunities as well as a few challenges in front of us. Nonetheless, we are confident that we will maintain our trajectory of growing faster than our industry.

Your affection and confidence motivates us to do more. We are truly grateful for your support and look forward to meeting you at the forthcoming annual meeting of our shareholders and other occasions.

The best of Green Delta Insurance is yet to come.

With warm regards,

Sd/-

**Farzanah Chowdhury**

Chartered Insurer  
Managing Director and CEO





# CORPORATE VALUES, OBJECTIVE AND STRUCTURE

## 2.1

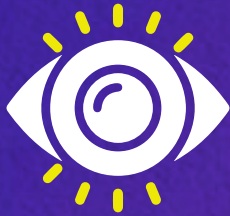
# MISSION, VISION, CORE VALUES AND CODE OF CONDUCT



### Mission

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

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### Vision

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

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### Core Values

Customer is Always First

- Trust
  - Organization Above Self
  - Respect For Diversity
  - Spirit of Adventure
  - Shared Ownership
  - High Standards
-

## Code of Conduct

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



### Legal Compliance

All business activities of Green Delta Insurance Company Limited must conform to all applicable national and international legal requirements. Green Delta Insurance Company Limited shall also comply with applicable anti bribery/ anti-corruption rules and regulations in all their business activities. Prohibition of Discrimination and Harassment Green Delta Insurance Company Limited shall not engage in any discriminatory practices. Discrimination means any distinction, exclusion or preference limiting equality or opportunity of treatment in employment or occupation, which may be based on color, sex, religion, political opinion, age, national, social or ethnic origins, family obligations or any other considerations in this matter. Green Delta Insurance Company Limited also commits to a workplace free of any kind of harassment.



### Compensation & Benefits

The company ensures that no wage is lower than the applicable legal minimum. Green Delta Insurance Company Limited does not deduct or withhold pay for disciplinary reasons or force terms and conditions for employment. Compensation paid to employees shall comply with all applicable wage laws, including those relating to minimum wages, overtime hours and legally mandated benefits. Working hours Green Delta Insurance Company Limited ensures that applicable legal restrictions on working hours are met. The maximum allowable working hours in a week are as defined by national law and the corresponding standards of the International Labor Organization. Overtime is restricted according to local legal and contractual obligations. Employees have two days off each week, apart from exceptional circumstances and for a limited period of time. The work organization provides for rest breaks as necessary, in order not to affect the safety and health of the employees.



### Prohibition of Forced Labor

Green Delta Insurance Company Limited does not use forced or compulsory labor, meaning all work or service which is exacted from any person under the menace of any penalty and for which the said person has not offered himself voluntarily. Also, retention of identity documents from personnel upon commencing employment is forbidden.



### Freedom of Association and Collective Bargaining

Green Delta Insurance Company Limited recognizes and respects employees' freedom of association and their right to freely choose their representatives and ensures that employee representatives do not suffer any discrimination. The company also recognizes employees' right to collective bargaining.



### Health & Safety at Work

The company ensures that the workplace and its environment do not endanger the physical integrity or health of employees. Action to reduce the causes of accidents and improve working conditions is the object of ongoing programs. Training related to safety and health in their work occupation is provided to employees. Employees must have access to drinking water, sanitary equipment and social rooms, built and maintained in accordance with applicable legal requirements. The workplace and environment have to provide for emergency exits, fire protection equipment and proper lighting. Additionally, adequate protection for non-smokers has to be provided.



### Environment

Procedures and standards for waste management, handling and disposal of chemicals and other dangerous materials, emissions and effluent treatment shall at least meet legal requirements or exceed them.

## 2.2

## STRATEGIC OBJECTIVES

The pandemic has driven a structural shift in insurance, driving a growing share of demand to companies with established reputation and trust, which may be a permanent reset.

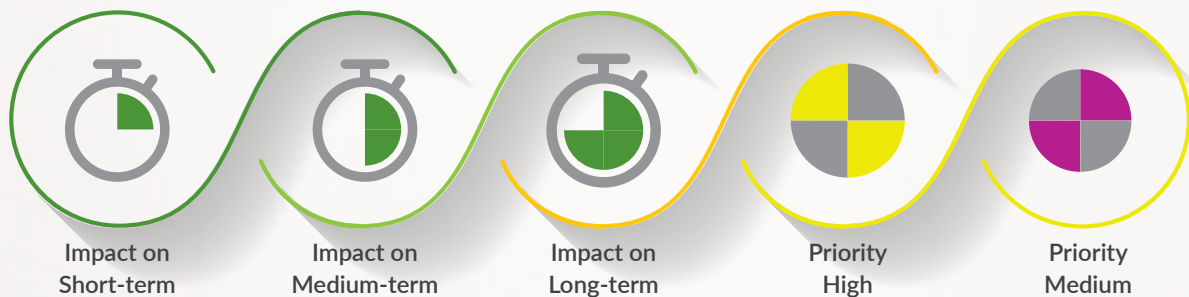
Throughout the Covid-19 pandemic, the insurance industry (along with all other businesses) has experienced a time of monumental challenge and change. The impacts of this health emergency have expanded into far-reaching economic and societal issues and consequences. It appears clear that as businesses emerge from this period of continuous flux, it will be into a new reality that will look very different to what existed before. Hence, at Green Delta Insurance, our strategic objectives definitively take into cognizance the nature of the upheaval taking place and what this means for us as a Company. Our broader aim is clear: To lead the future of the industry and to continue to uphold industry best practices in the true spirit of honesty and transparency.

While framing our strategic objectives, we explored seven key macro themes that we believe are particularly

relevant to general insurance companies like us and which we must respond to in a fundamental way in order to thrive in the new reality. Some of these themes have been with us for some time but have become greatly accentuated and accelerated in the wake of the Covid-19 pandemic, such as the need for financial resilience. Others are almost entirely new. It is no surprise that 'digital transformation' is absolutely core and runs across every single macro theme. Covid-19 has demonstrated the interconnectedness of multiple forces and we believe the response must be digital ways of working while focusing on originating business that drive speed, efficiency and a stronger customer experience.

Further, we also believe that investing in capabilities to respond to these trends will pay long-term dividends for an insurer.

### Guide to read our strategic objectives





## STRATEGIC OBJECTIVE 1 DIGITAL TRANSFORMATION

With customer-led digitization at the fore, Covid-19 is accelerating the digitization of businesses and operating models across the front, middle and back office. Modern technology infrastructure is critical in order to serve customers and enable employee productivity. Furthermore, robust cyber security and fraud protection is required as risks rise.

With the need for accelerated digital transformation, the significant gap between customer expectations and insurer's abilities is driving insurers to connect their front, middle and back offices. We believe that those who move the fastest will reap the competitive advantage. At Green Delta Insurance, we have already instituted a digital marketing and transformation division that is tasked with the responsibility of identifying digitisation opportunities and lead digital sales and marketing. Furthermore, tech readiness is a key part of our strategic agenda, especially in the face of expected regulations-driven opportunities such as bancassurance. This platform where we obtain the license to sell our insurance products through banking channels will be revolutionary as it will open up a significant route to customers and that too at relatively lower customer acquisition costs.

As a Company that has pioneered general insurance in Bangladesh, we are embracing customer-first thinking with renewed vigour, especially in the realm of direct-to-consumer or retail sales that we believe will require significant and rapid upgrades. We also find that brokers / agents need to be integrated at each step through digital interactions and interfaces and hence building the entire InsurTech ecosystem is crucial for Bangladesh to achieve true success in digital insurance.

With the bedrock of digital insurance being data, data movement must be seamless and protected through the different gates. Further, in the next step of digital evolution, use of internal and external data should become commonplace to, for e.g., improve the standards of underwriting for the whole industry based on access to common data points. Furthermore, at our Company we are also embracing major technology and infrastructure upgrades, making concerted efforts to shift to modern technologies, while decommissioning legacy systems. Also, we have made certain advancements in claims automation, and our early focus is digitisation of first notice of loss/ claims submission through to our eventual goal of digitising ultimate claims payment, including all interim steps.



## STRATEGIC OBJECTIVE 2 CATERING TO EVENT-DRIVEN INSURANCE DEMANDS

With Covid-19 cases across the country rising rapidly once again on account of the highly infectious Omicron variant, more demand is being witnessed for specific products, including health insurance, which has spiked since the advent of the third wave of the virus. We are seeing a rise in health insurance enquiries and are also underwriting more premium in this segment. We believe this trend is a part of a larger play where event-specific demands may trigger a surge in sales of specific products. Hence, we have to keep an eye on the key broader trends playing out in the market and be proactive in converting these into products relevant to our customers. This will also be key in our ability to stay ahead of competition and drive market share growth.

Already, health insurance was growing at a rapid pace since the onset of the coronavirus pandemic as awareness around the risk was high among consumers. But with the country seeing a repeat of the start of 2021 all over again

in 2022, spike in demand for health insurance products going forward is inevitable. At Green Delta Insurance, we are focused on not only taking this up as a business opportunity, but also see this as our chance to contribute to the healthcare needs of the citizens. Insurance can significantly reduce out-of-pocket expenses and with challenging economic conditions already putting pressure on consumers, we will focus on delivering health insurance propositions that are anchored on effectiveness and value.

A peculiar difference that we are witnessing this time around is that consumers are looking for more holistic health products rather than normal Medclaim policies. In the first wave of the pandemic, cover for specific products was in huge demand, and in the second wave consumers opted for more comprehensive products, which is continuing in the third wave too.

At Green Delta Insurance, we have seen a robust increase in demand for health insurance products in the past few days, as Covid cases have spiked across the country. Both customer leads and conversions have seen an uptick. Notably, the conversion is happening faster than usual. Earlier, a customer used to take a couple of days to think and contemplate the deal. But today, customers are making decisions faster in response to the dynamic situation. So, there is an organic demand for policies which give early Covid coverage. Consumers are also looking for policies that cover consumables or are opting for riders. Even renewal persistence for health insurance has gone up. Hence, it is obvious that the share of the health segment has grown as a percentage share of the overall insurance market.

Furthermore, there has definitely been an increase in demand for health insurance from the younger generation. With the experience of the two earlier waves,

they are looking at more comprehensive policies and are not restricting themselves to just specific policies. This segment of the population is also looking at more holistic health insurance policies and opting for required add-on covers which can help reduce their out-of-pocket expenses.

We expect that the demand for health insurance will not go down after the current wave, but the immediate spike may become more even. Health insurance is expected to continuously see growth in the next two years or so with more comprehensive products and services being included. While this spike in demand for health insurance products is a positive, at the same time we believe we need to keep an eye on the claims scenario. This is where we believe companies will be able to differentiate themselves from competitors by engaging in claims settlement in a timely and transparent manner.



### STRATEGIC OBJECTIVE 3

#### BEING AMBIDEXTROUS – BUSINESS MODEL ACROSS PHYSICAL, VIRTUAL AND DIGITAL

It is imperative that insurance organizations like ours navigate a rapidly changing workforce, customer behaviours and business environments. With the onset of the Covid-19 pandemic, insurers switched from an in-person environment to a virtual model virtually overnight, and it's likely that the industry will continue to oscillate between the two. New core competencies of insurers now include being able to create a rapid response to an uncertain environment, which has been articulated above in terms of catering to event-specific product demands. Businesses will have to sense and respond to these new needs to both survive and grow.

Furthermore, cost, continuity and resiliency, continued strain on operations and the associated costs are forcing a fresh look at operations across-the-board. Hence, continuity and resiliency have become a core component of our transformation efforts. Furthermore, scenario planning has become the norm for ongoing operations in a combined online / offline organization structure.

At Green Delta Insurance, we are traversing multiple pathways in physical and digital with respect to both our retail and business customers. While we are focusing on

new product development comprising those that could have a scalable impact, at the same time we are also relooking at distribution with a view to ensure cost effectiveness for our end customers. Furthermore, we are also adding features, functionalities and add-ons to our existing product suite so that they become more useful to our consumers.

Besides, we are also adopting a partnership mindset to write policies for customers who use third-party services. A case in point is our alliance with Pathao. Riders who use this service are provided a policy cover option by us for them to secure their trip and hence get protection against any accidental or untoward events. Such an alliance not only enhances sales momentum by giving us the opportunity to underwrite and issue insurance policies on a more frequent cycle, but also enables us to enhance our brand right at the consumer level. This can open doors for cross-selling potential.

Therefore, in our bid to create an ambidextrous or more versatile business model we are creating new and niche sales opportunities that have the scope for both scalable and sustainable growth in the future.





#### STRATEGIC OBJECTIVE 4

### HARNESSING INNOVATION TO UNLOCK NEW COMPETITIVE ADVANTAGES

As insurers invest for growth in the wake of the corona virus pandemic, radical waves of innovation are expected as the industry adapts to the current environment. It is expected that making the right bets in innovation shall help insurers to capture market share and also move into new markets. Innovation leaders will leverage this moment to leapfrog ahead of their peers. New ecosystem of innovative firms will be the next wave of insurers.

As a general insurer with a legacy of a pioneer and the mindset of a dynamic start-up, we are assimilating and aggregating our rich insights and experience to build a view about the future of insurance. We believe that regulatory mandates should drive future insurance demand, with insurance being placed in the mandatory category to access services, just like vaccine passports are essential for travel. Similarly, products like travel insurance must be made compulsory for travel, just like it is necessary for visiting international countries that especially require Covid cover. Furthermore, vehicle insurance should also be made mandatory in the

interests of public safety on the roads. We believe that general insurers can feed into this through making policy purchases more convenient, intuitive and seamless, while increased awareness amongst customers could further fuel demand.

Innovation at scale, as remote working happened so quickly with WFH (work-from-home) being mandated across the world and with hybrid working becoming more of a norm, proves that companies and people can move fast to adopt and adapt. Thus, it is clear that the appetite for large-scale, impactful innovation has increased and typical barriers seem to be removed or lessened.

We also believe that outsourcing will take hold to drive innovation, as insurers look to cut costs and take advantage of innovative solutions that are especially happening in the digital start-up world. Partnerships will become the norm as access to the latest technologies and new talent will be critical with insurers focusing on operational excellence and even AI and automation.



#### STRATEGIC OBJECTIVE 5

### BUILDING FOR AN ERA OF RAPIDLY CHANGING RISKS, INCLUDING ESG

From an ageing population with limited savings, to the multi-billion threat posed by climate change, looming risks will have a broad scope collectively and a deep impact individually. Hence in this context, insurance providers will need to offer different products because the way people buy and use insurance will change in fundamental and even structural ways. Consider automobile insurance. As ride-sharing increases, fleet owners will assume greater risk than individual drivers. At Green Delta Insurance, in a forward looking initiative, we have allied with Pathao, Bangladesh's largest ride-hailing service, to offer its riders insurance coverage. Furthermore, smart homes and commercial buildings will transform the property market as well and will redefine insurance for this segment. This is true for products like fire insurance too as factories transform into smart workplaces with higher incorporation of tech components, like robotics.

In addition to these future trends, threats posed by climate change are real and binding on all. Building

climate resilience will necessitate billions of dollars of investments and green finance will take greater hold. Furthermore, the onus will be on companies and organizations to tackle climate change on an institutional level and this will throw up opportunities for the insurance industry. Further, this will be guided by ESG principles and investors will appraise and evaluate corporate performance on the basis of this, rather than mere profitability assessments.

The Covid-19 pandemic has also forced humanity to relook at the way the planet has been exploited for commercial gains. Hence, COP26 (Glasgow, November 2021) targets will be central in governmental decision-making even as countries and companies alike push for net-zero emissions and targets. Insurance companies can play a future role here by providing institutional funding to meet climate targets and can even offer specific insurance coverage to new and emerging technology assets, thus fostering innovation in the presence of a fallback.

## 2.3 STATEMENT OF ETHICS & COMPLIANCE

As guardians of stakeholder trust, our Board of Directors is entrusted with the responsibility of conscientious and accountable stewardship.

### Code of governance: Leading ethically and effectively

Green Delta Insurance embraces the highest standards of governance principles. This approach has helped the Company to weather the turbulent times that the insurance industry has faced from time to time. This approach has also demonstrated that the vulnerability to a financial crisis is reduced through acceptance of the Company's approach and practices by other stakeholders in the ecosystem in which the Company operates. It has also ensured sustained access to finance (capital / debt) on a need-basis. The Company is committed to strengthen this approach through adoption of 'best-in-class' philosophy, systems and processes in the realm of governance.

The governing members of Green Delta Insurance bring a diverse range of skills and experiences to the Board and have the integrity, skills, knowledge and

experience to provide insight and strategic direction to the Company. Only individuals with sound ethical reputation and business or professional acumen, and who have sufficient time to effectively fulfil their role as Board member, are considered for appointment to the Board. The purpose of committee work is derived from the Board's responsibility to all stakeholders to ensure that they comprise of individuals who are best able to exercise their responsibilities, having due regard to the law and the highest standards of governance.

As custodians of stakeholder trust, the Board acts in good faith at all times and leads the Company with integrity, fairness and transparency. The Chairman, who is an Independent Non-Executive (I-NE) Director, is principally responsible for the effective operations of the Board. In addition, the Company has appointed Independent Directors (IDs) to meet its regulatory requirements as well as mandated regulatory governance rules.

### GREEN DELTA AND PHILOSOPHY ON GOVERNANCE

Corporate governance is about commitment to values and ethical business conduct. It is also about how an organization is managed vis-à-vis the corporate and business structures, its culture, policies and the manner in which it deals with various stakeholders. Timely and accurate disclosure of information regarding the financial position of the Company, its performance and ownership form part of effective corporate governance. At our Company, good governance practices stem from the culture and mindset of the organization. It is therefore not merely about enacting regulations and

procedures but also about establishing an environment of trust and confidence among various stakeholders. It is about demonstrating a high level of integrity, transparency, accountability and disclosures across the Company's operations and in its interaction with its stakeholders, including shareholders, customers, employees, the regulatory authorities and the society at large.

The Corporate Governance philosophy of the Company is driven by the following fundamental principles:



The Company, through effective dissemination of information to Directors and via active interaction of the Board members with the senior management, ensures effective oversight of the Company's business and activities. Through the robust governance mechanism embedded in the Company, the Board along with its committees endeavours to strike the right balance with various stakeholders' interests and remain committed to long-term value creation.

### **Embracing ethical conduct at all times**

We, at Green Delta Insurance, have always believed that good governance is the cornerstone to building trust with our investors, customers and employees. Insurance being a 'moment of truth' business is a business of trust, and strong governance is the only way to grow. The Company's transparency in disclosures and dealing with borrowers, its financial reporting and prompt tax payments have helped it win the faith of regulators, lenders, policyholders and investors alike, which in turn has helped it scale up consistently to emerge as the largest general insurance Company of Bangladesh.

As a public-facing Company owning the responsibility of securing the wellbeing of our customers through insurance, we are expected to adapt in an agile manner to the changing market and regulatory expectations. This makes it imperative for us to have a strong yet flexible governance framework that can help us respond to these changes, while also ensuring that we embrace ethical conduct at all times.

Our Board, executive management and employees, being the flagbearers of our vision, mission and purpose, take collective action to maintain the highest levels of corporate governance and accountability while strengthening our relationship with our key stakeholders.

### **Our commitment to integrity and ethical issues**

#### **Sound risk management practices**

At Green Delta Insurance, we have an integrated risk management function, which is independent of business functions and is entrusted with the responsibility of managing risks adequately and prudently. Our risk management philosophy, framework and approach are devised to protect our policyholders' and investors' interests. While our Board is responsible for the overall governance and oversight of core risk management activities, its execution has been delegated to the risk management committee. This committee is responsible for examining risk mitigation policies and procedures, ensure adherence to risk parameters, assure compliance and set prudential limits for various departments.

### **Compliance**

Compliance at Green Delta Insurance is at the core of our pursuit of business excellence. As part of our ongoing efforts to develop a strong compliance culture within the organisation and to enhance prudent organizational practices, our compliance function, staffed with adequately experienced professionals, works in close co-ordination with the business, product, operations and digital marketing / technology teams to ensure that our products, policies and systems are formalised within the ambit of the regulatory framework and assure compliance in both letter and spirit. Our compliance department independently evaluates the compliance risk of various business and operations functions and conducts ongoing review and monitoring to identify and mitigate the compliance risk within the organisation. The compliance department also factors in the risks highlighted by the audit and risk functions while reviewing the compliance risk. Any new directives or edicts issued by the regulator are circulated to the respective functions for implementation and adherence to the evolved regulatory framework. The Company also has modern technology put in place to monitor key transactions systemically on an ongoing basis through several alerts and thresholds defined in the system. It is further ensured that accurate and timely information is submitted to the regulator. Also, with a view to develop and sustain a strong compliance culture, training is imparted to employees on an ongoing basis.

In a major regulatory development during the year (February 2021), the insurance regulator, IDRA (Insurance Development And Regulatory Authority) fully suspended the commission of agents (from the erstwhile 15%) who open policies for non-life insurers. This was to achieve the objective of curbing malpractices in agent commissions, eliminate unhealthy competition, create a level playing field and streamline the agency business. We expect that the government's subsequent enactment of the Insurance Agent (Recruitment, Registration and Licence) Regulations-2021 in November 2021 will go a long way in streamlining the hiring and licensing of agents, who are the driving force of the sector, thus eliminating irregularities. This will also support the vision of popularising insurance and winning back the trust of customers. At Green Delta Insurance, we welcome the act and commit to wholly complying with it as in the past in both letter and spirit.

### **Internal Audit**

We work with internal as well as external audit teams and the audit reports are used by stakeholders, including risk and compliance, to address any deviations from our predefined policies and processes. Our internal audit function is responsible for independently evaluating the adequacy and effectiveness of all internal controls, information security controls, risk management, governance systems and processes and is managed by appropriately qualified personnel. The Company also has

teams in place as a part of its internal audit to identify and address technology and IT-related security issues commensurate with the nature, size and complexity of its operations. The audit function also proactively recommends improvements in operational processes and service quality and the Company takes corrective actions to minimise the design risk, if any.

Furthermore, our audit unit adopts a risk-based audit approach in congruence with IDRA's guidelines on Risk Based Internal Audit (RBIA) and carries out audits across various businesses, operations and support functions with a view to independently evaluate the adequacy and effectiveness of internal controls on an ongoing basis and proactively recommending enhancements thereof. Further, critical units of the Company are subject to independent audit process by reputed external audit firms.

### Making good governance commonplace and inclusive

At Green Delta Insurance, while offering insurance-led protection to our policyholders is the core component of our business, so is keeping their data safe and secure. We believe that the golden hour of digital insurance is here and increasing technological advancements in the insurance industry- now and those that will take place in the future- require stronger firewalls to protect customer data and hence the integrity of this data. While Bangladesh is yet to fully draft its data privacy laws, the regulators are earnestly invested in ensuring that organizations maintain customer confidentiality to protect the privacy of customer data. As a customer-centric business, policyholders' data protection is our topmost priority and it is the basic assurance we give to them. We thus conform to all the regulatory frameworks to bring forth systematic implementation of regulatory guidelines and technical solutions to ensure complete data protection. In our consultative role, we also make our policyholders aware of malpractices prevalent in the industry through various channels including scroll messages on our media platforms. We believe this is our way to keep customers safe against any fraudulent activities, while also contributing to the protection of the reputation of the industry as a whole. The policy framework and architecture adopted by Green Delta Insurance also enables a transparent compliance culture that seeks to make good governance commonplace and

inclusive and some of the key policies that dictate our code of conduct are given below:

- **Insider trading:** The policy prohibits trading in securities of the Company by designated persons and their immediate relatives while in possession of unpublished price-sensitive information about the Company
- **Know your customer:** We follow the guidelines set out by the regulators with regards to 'know your customer', which mandates us to collect relevant information from customers through valid identity/ address proof, etc.
- **Code of Conduct for Directors and KMPs:** The code of conduct instructive for our Directors / Key Management Personnel to discharge their duties and responsibilities in good faith and ensure integrity in business judgment and in keeping the best long-term interests of the Company and its stakeholders. Furthermore, in line with the code of conduct, they are expected to put-in their best endeavours and organise the resources for advancing the Company short, medium and long-range objectives.

### Fostering an open line of communication with our customers and stakeholders

In the spirit of transparency and openness, we have diverse channels for customers and stakeholders to reach out to us, including:

- **Telephonic channel:** Customers may contact customer care over hotline numbers displayed at the branch and also on official website of Green Delta Insurance
- **Branch channel:** Customers can seamlessly contact any branch executive at our branches
- **Electronic channel:** Customers / stakeholders may register their complaint or grievance through the online channel on our corporate website or via email

We remain highly sensitive to any grievance or complaint or any issue logged in by our policyholders or any other stakeholders and we depute time and resources with a view to close these grievances to the full satisfaction of our stakeholders in the shortest possible time.

## 2.4 CORPORATE PHILOSOPHY AND BUSINESS MODEL

**Harnessing our time-tested philosophies and leveraging modern technology to build a business model anchored on resilience and innovation.**

Green Delta Insurance is a leading multi-product insurer that serves its customers across Bangladesh. With about 552 employees, we provide a wide range of health, property and casualty insurance products and services, being recognised for developing and launching pioneering, high-impact and value-driven protection products. Our customers include individuals, small businesses and mid-sized and large companies, as well as multinational corporations (MNCs) operating in the country.

Our goal as a general insurer is to protect people and their livelihoods. Traditionally, this has meant underwriting risk prudently and paying claims promptly and with full transparency (as and when they arise), within the ambit of all regulations. We also engage in judicious treasury management that enable us to expand our capital buffers and thus enhance our solvency levels. Paying claims transparently and on-time is our primary goal and enables us to build trust with our customers as we stand with them in their “moment of truth”. This is the core part of our business model.

Today, technology is fostering the possibility to improve and fortify our underwriting standards, enabling us to engage in event predictability, like weather patterns and conditions that guide our crop insurance business. Furthermore, the coronavirus pandemic has also significantly expanded awareness around health and health insurance, especially among millennials who have experienced the onset and severity of the disease. Furthermore, there is emerging preference over comprehensive cover with add-ons and we are catering to such trends through product reengineering.

Thus, it is clear that a transformation of the way the insurance industry functions is underway and this requires us to remain on a constant journey of reshaping our business model to make it more flexible, resilient, agile and adaptable. It's not a transformation that can happen overnight; rather it is a progressive journey that is reshaping our business to help us respond to an industry in transition.

Especially, the talent, resourcefulness and passion of our employees have led us to survive in what was the toughest period in our history during the onset of the pandemic, while also aiding our revival in the aftermath of the worst phase of the virus. Over the years, our business model has delivered industry-leading returns to our shareholders, while we

continued to simplify our business, our products and our services. Customer satisfaction has risen steadily and this has made us a leader in the general insurance industry of Bangladesh for many years now. We have worked hard to win the trust of our policyholders and our employees and have been bestowed with several national and global awards and accolades in our journey. We are proud of these achievements.

### Surpassing customer expectations

At its core, the journey of transformation that we are on, accelerated by the pandemic, is about putting customers at the heart of everything we do. It is about listening to people's needs. We conduct regular surveys of customer satisfaction while also taking market feedback with regards to our products and our service standards. We have multiple channels by which our policyholders and other stakeholders can reach us and we aggregate the feedback to improve our products and our customer experience programs. Over the next few years, we plan to accelerate these efforts and surpass expectations of what insurance can be. We are driven by our purpose of insurance for everyone, focusing on building equality in terms of access and harnessing the power of digital with a view to reach out to the masses. Especially driven by the pandemic, customers are increasingly living within connected ecosystems, and we aim to grow our presence in these environments by providing more smart insurance-driven services to travellers, healthcare seekers and businesses. Fire and marine insurance are two significant segments of our portfolio and we believe these will benefit from the trade resurgence expected in the post-pandemic period. Insurance is closely linked with the economic growth of the nation and with Bangladesh expected to achieve acceleration in its GDP growth in its journey towards a middle-income country, the prospects of the general insurance industry are bright.

## Agile business model – Key organizational activities

### Addressing a generational shift

We are introducing solutions for millennials and other specific target groups seeking individual, flexible cover. We are also working with start-up companies to get fresh insights. We are also attracting the next generation of employees through our appeal of innovation being the centrepiece of our employee proposition.

### Focusing more on sustainability

We are a leader in sustainability and implemented measures to be a more sustainable business, recognized through our focus on contributing to the SDG (Sustainability Development Goals) goals of the country. We are also amongst the handful in the country to report our initiatives in the realm of the SDGs via an exclusive SDG report.

### Enhancing our digital offerings

We are working hard to make insurance accessible. Towards this extent, we launched an AI-based mobile app, the first-of-its-kind in the general insurance segment, featuring an instant account opening facility and online policy purchase tool. Through the app 'InsuMama', policyholders can also pay and renew their premiums online via a single tap on the digital platform.

### Keeping abreast of the financial markets

As a long-term investor, our mission is to achieve superior risk-adjusted returns relative to our liabilities. With elevated volatility and interest rates close to historic lows during the year, we have delivered strong investment returns. We remain disciplined in managing our well-diversified and high-quality investment portfolio.

### Attracting and retaining the best people

To provide the best service and solutions for customers, we need to have the best talent. We have innovative training program for leaders and have won awards for diversity. We are proud that we have increased our measure of employee loyalty and promote a culture based on merit and diligence.

## CREATING SUSTAINABLE VALUE IS AT THE HEART OF OUR BUSINESS MODEL OUR RESOURCES OR "CAPITALS" WE USE:



### Manufactured

Our offices and branch network via which we serve our customers and conduct our business.



### Human

Our approximately 552 employees include some of the most talented people in the insurance industry.



### Financial

Our equity and debt providers provide the financial capital that sustains our business.



### Social and relationship

We maintain strong social ties and relationships with customers, intermediaries, regulators, policymakers and others.



### Intellectual

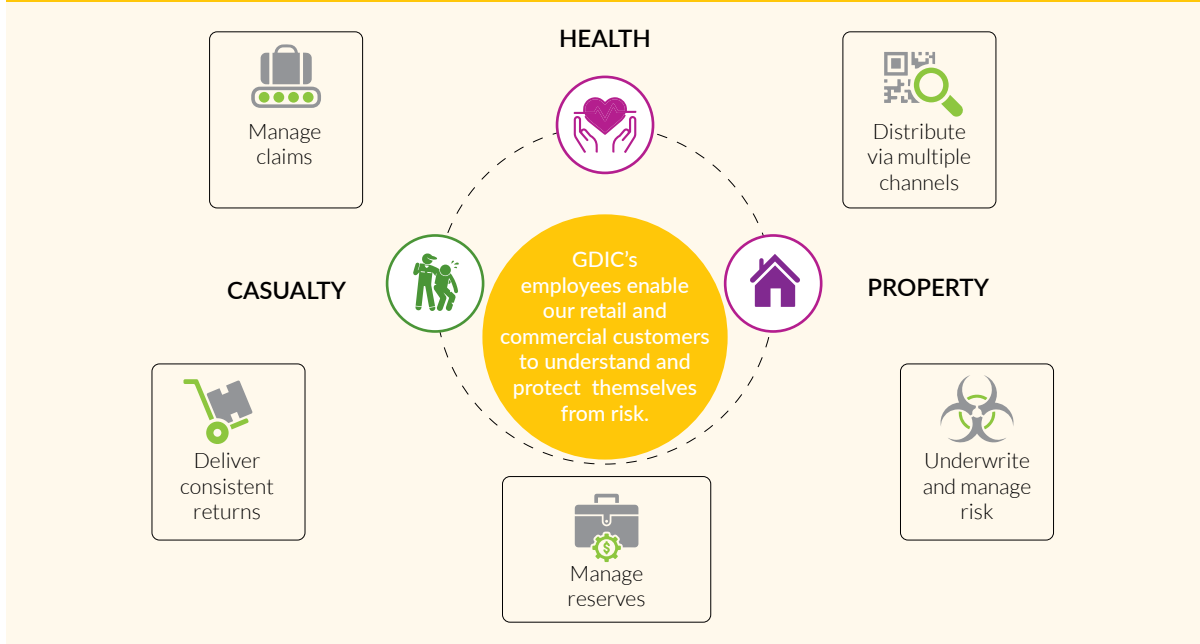
Our expertise, including in risk management and investment, contributes to our success.



### Natural

In our daily business we use natural resources as part of doing business. We conserve them and use them wisely.

## WHAT WE DO HARNESSING OUR CAPITALS:



### Components of our business model

#### Serve customers and distribute through multiple channels

Our products and solutions are available to customers with a focus on great customer service, through many channels: directly, or indirectly via agents, and in cooperation with third parties.

#### Underwrite and manage risk

Insuring and managing risk is central to what we do. Understanding, measuring and modelling risks helps us to price risk fairly and offer competitive premiums to customers, who also look to us to provide expertise aimed at mitigating risks.

#### Manage reserves

Our Group-wide policy with well-defined and prudent standards is the basis for how we calculate insurance liabilities. Our reserving process is supported by strong governance, including extensive internal and external reviews.

#### Deliver consistent returns

Our income includes returns from invested premiums and policy fees. Our success as a business is important to those who depend on us to reliably pay claims, as well as shareholders who look to us to deliver returns and operate our business responsibly.

#### Manage claims

In 2021, we paid out more than Tk. 144.62 mn in claims (2020: Tk 398.77 mn). To ensure that we provide a positive experience to customers who do business with us, we are systematically listening to customers through our various channels as part of our claims process and throughout all customer touchpoints.



As an insurer we are aware we own the responsibility to customers, society, employees and others who rely on us.

This has been especially enhanced on account of the coronavirus pandemic that has created interdependence more than ever before. Leveraging our knowledge and expertise in insurance, we offer protection solutions that are vital for everyday life.

Thus it is evident that society needs insurance and at Green Delta Insurance we are focused on using our six capitals to create value for all our stakeholders even amid challenging and uncertain times.

**- Syed Moinuddin Ahmed,**  
Addl. Managing Director  
and Company Secretary

## How our stakeholders benefit

### We create value for our customers

by helping them understand and protect themselves from risk.

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### We create value for our investors

by paying an attractive and sustainable dividend and maintaining a strong balance sheet.

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### We create value for our employees

by aiming to give each the opportunity to work to their full potential.

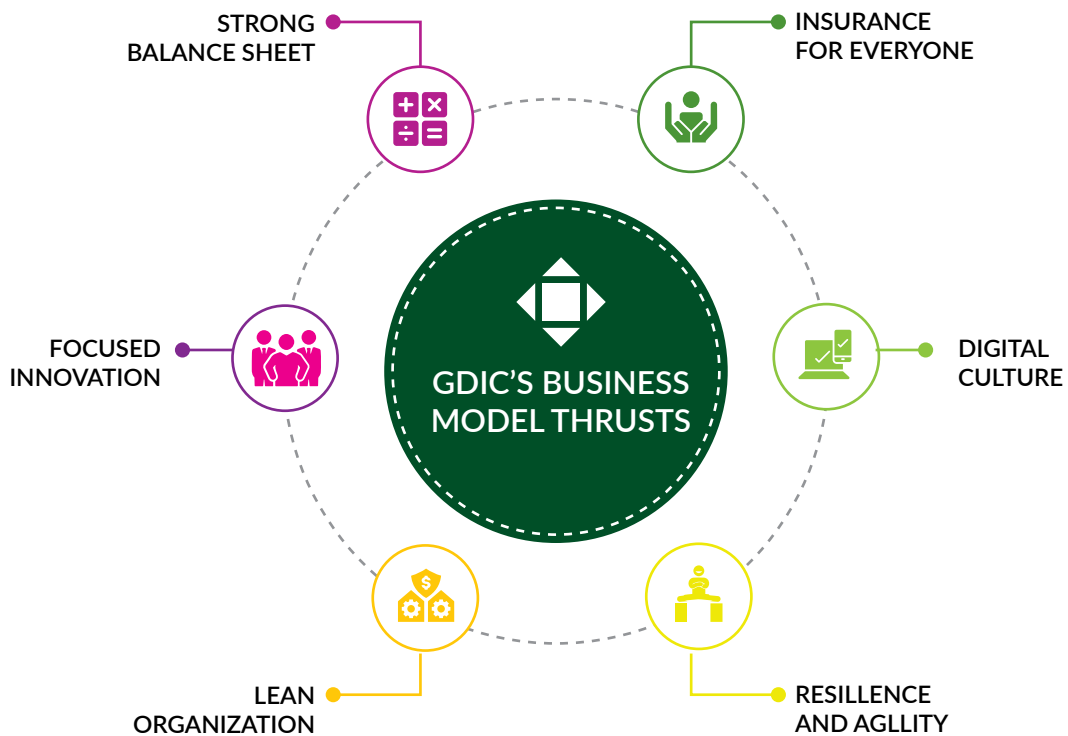
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### We create value for communities and society

by mitigating risk, sharing knowledge and expertise and engaging in developmental programs.

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## LEVERAGING OUR BUSINESS MODEL TO CREATE A FUTURISTIC INSURANCE ENTERPRISE

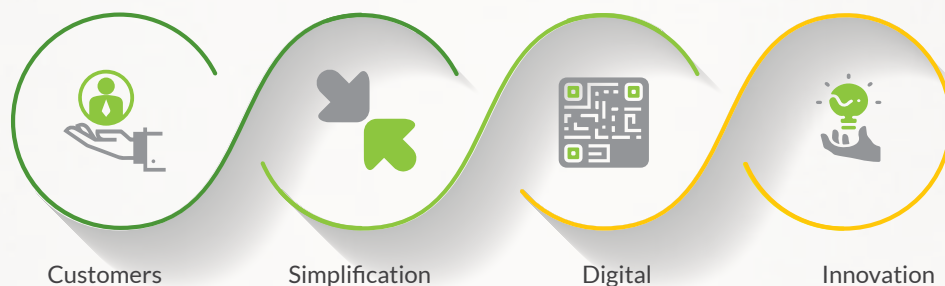




# 2.5 VALUE CHAIN AND VALUE CREATION ON MACROECONOMICS ASPECT

Harnessing our time-tested philosophies and leveraging modern technology to build a business model anchored on resilience and innovation.

At Green Delta Insurance, we implement our strategy by remaining true to our purpose and values, and play to our strengths to lay the foundation for market development, market share growth and shareholder success. We have a balanced business with a sound financial position and a trusted brand driven by talented people. Our strategic priorities are rooted in:



## OUR VALUE CHAIN

In 2021, triggered by the continued impact of the coronavirus pandemic, the insurance value chain was disaggregated as it made the shift from a linear process to a more dynamic and data-driven one. The new embodiment of the value chain, which is still in the process of evolution in the face of the complex and uncertain times, was led by the new habits and needs of customers, which demanded better capabilities from insurers, and evolving regulations that were broadly directed to curb malpractices in the agency business and exert downward pressure on premium rates at the behest of end users of insurance. Furthermore, the pandemic also contributed to enhancing technological transformation, digitization and the adoption of new solutions by customers. This new context, with a greater volume of data and characterized by faster digitization, led to incumbent organizations allocating a greater capital share to build

digital capabilities and develop new digital channels for customer outreach and engagement.

At Green Delta Insurance, we have a flexible approach to business that is anchored on both organic development as well as partnerships. Thus, we focus on bolstering our backend capabilities while continuing to forge new like-minded partnerships with a view to explore new product opportunities in line with our mission of Insurance for all. While our endeavour is to strengthen our core in terms of identifying trends and evolving relevant products thereof, we harness third-party distribution chains or target segments to reach out to customers. This also helps us in improving our risk underwriting capabilities while simultaneously lowering our customer acquisition costs. We believe this approach will intensify with increased digital adoption and acceptance.

## Major components of our value chain

### Product development – From concept to customer

Our insurance activities have a substantial cross-linkage with industries and businesses involved in core economic activities. We thus not only provide largescale direct employment, but also contribute to indirect job

creation. We leverage our expertise and experience to develop products that serve a core or unmet need of our customers in the context of a fast-changing economy anchored on digitization. Specific to the year 2021, during which prevention and prediction became stronger, we focused on catering to the behaviour and needs of customers which became essential to the success of our business model.

## PRODUCT DEVELOPMENT VALUE CHAIN



### Marketing and distribution

Hybrid distribution gathered pace during the year in which online purchases emerged as a promising channel. This was of course fostered by our own initiatives in the realm of launching InsuMama, our own app, etc. We also constituted a digital marketing team to spearhead our initiatives in InsurTech and digital insurance.

Agency business continued to fetch the chunk of our business and we continued to adopt the highest levels of transparency and openness in dealings with all our commission agents. Furthermore, we have enhanced preparedness for bancassurance and will be ready-for-launch as soon as the channel meets regulatory approval, which is anticipated in the near future.

## DISTRIBUTION CHAIN



## Underwriting and policy administration

Underwriting became crucial in the wake of the coronavirus pandemic with event potentiality on the rise. Thus, we focused on underwriting reinforcement, bringing more rigour into the practice as we tried to

harness digital and big data to become more risk selective, while also assigning appropriate premium (risk pricing) in undertaking (underwriting) risk. Assigning premium was also followed under all regulatory guidelines, even as we focused on remaining competitive with a view to hold our market share.

### KEY FACETS OF GDIC'S UNDERWRITING PROCESS



## Claims management

In the global insurance scenario, artificial intelligence (AI) and data processing are improving insurance capabilities to analyse, monitor and resolve claims. Furthermore, new technologies, such as aerial image recognition and sensors are supporting the digitization of claims

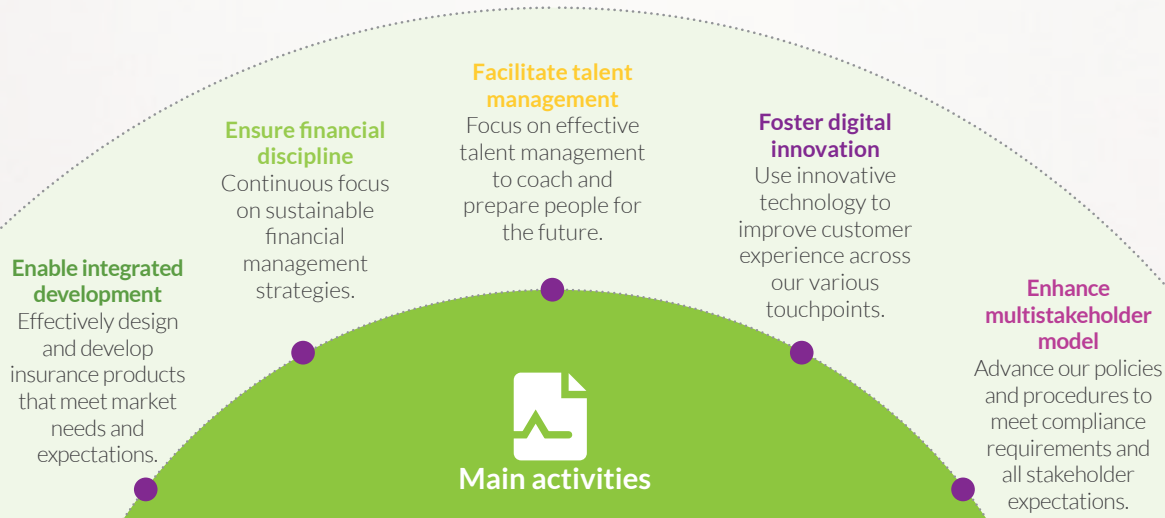
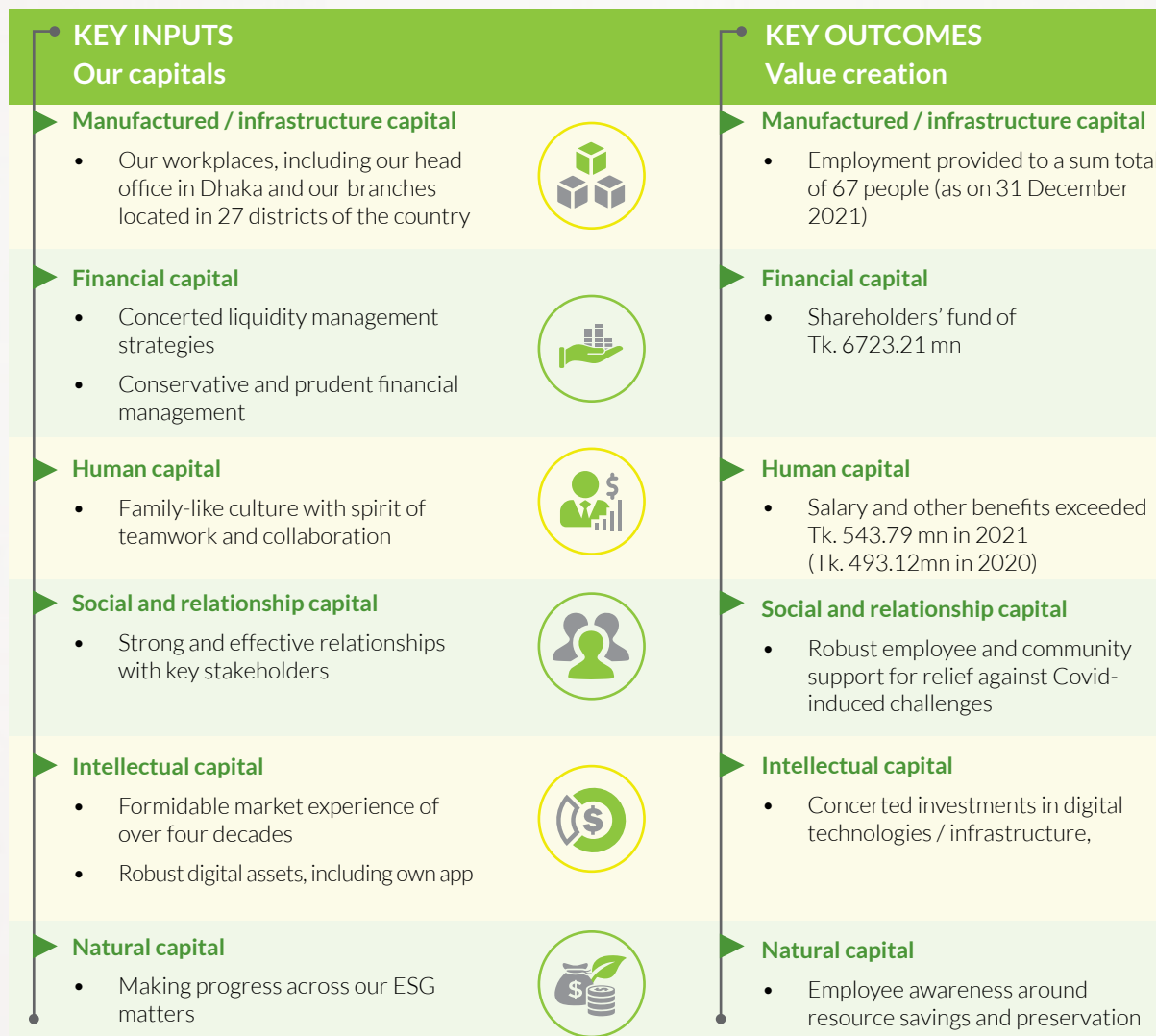
management. At Green Delta Insurance, we have already achieved advanced progress in large claims management, improving our evaluation capabilities, while also ensuring that we settle claims in a timely manner. Building trust with our customers in this way, we have emerged as the largest and most recognised general insurance company of Bangladesh.

### BRINGING SENSITIVITY AND SPEED TO CLAIMS MANAGEMENT



## OUR OPERATING MODEL

In meeting our purpose of Insurance for all, we have fostered an operating model that enables us to lead an integrated approach to sustainable multiyear value creation. We do so by taking cognizance of the external environment, including market risks and opportunities, and our relationships with our stakeholders, assessing our material matters and formulating sustainable business frameworks for assured outcomes. Hence, our operating model is designed to respond to our stakeholders’ most material aspects, thus marking a new chapter in our journey of long-term value creation.



## Balancing our capital trade-offs

Insurance solutions help businesses and societies flourish. While at Green Delta Insurance we contribute to that growth, we are aware that there will be choices and balances to be made. To that extent, we are mindful in choosing and allocating our resources to ensure that we optimize their use and create value along the way. This requires being cautious of trade-offs, making tough decisions and balancing short-term issues against long-term value creation and adherence to our corporate vision and the long-term gains.

### Capitals impacted



### Customer-centricity

We place our clients at the center of everything we do, aiming to provide relevant insurance products and services effortlessly through the channels they choose. Development and investment of robust customer relationship management structures can be costly. Green Delta has, therefore, taken great care in recognizing the processes and frameworks that require attention to meet the targets of greater efficiency. It requires us to spend significant management time but at the same time leads to better business value creation and a stronger brand.

### Capitals impacted



### Brand development

Enhancing brand and product awareness with existing and potential customers is an essential contributor to our sustainability and growth. We have been focused on our socio-economic development initiatives and marketing efforts to attain optimal benefits. This requires us to devote bandwidth, capital and resources, along with bringing our understanding and insights onto the table.

### Capitals impacted



### Capital management

Delivering sustainable returns to our shareholders depends on the level to which our investments in satisfied clients, engaged employees and managing risk and conduct are effective and efficient. This requires that we strengthen our ability to generate revenue by continuously and sustainably meeting our policyholders' needs and strengthening our competitive position with the costs incurred in doing so. This means investing in building intellectual property, proprietary products and allocating capital to infrastructure (especially digital) and people.

### Capitals impacted



### People, capacity and capability

Green Delta relies on its people for success. The Company invests in the development of its workforce to meet the future needs of the organization. This significantly enhances our human capital through investments made in learning and development, which increases productivity and effectiveness. The learning experience of our people in developing new products and services enhances the organization's intellectual capital. The innovation in our processes and operations leads to optimal utilization of resources, which helps in sustaining our market leadership. While in the short-term it may require us to spend more financial resources, and thereby create a negative impact, albeit transitory, it ultimately leads to higher margins and profitability in the long run.

**Capitals impacted**



**Regulatory environment**

We believe compliance with diverse regulations and laws are an absolute imperative for running our business. As governance standards come under greater scrutiny, we understand that only those businesses that take compliance seriously are considered successful. At Green Delta Insurance, we are making all-out efforts to be fully compliant with regulations, wherever we operate. Naturally, this enhances our social and relationship capital by ensuring business continuity. It also enhances our intellectual and human capitals, but we need to invest a lot more financial resources and allocate infrastructure. To that extent, our financial and manufacturing capitals are impacted in the short run though they are benefitted over the long range.

**Capitals impacted**



**Environmental sensitivity (efficiency initiatives)**

By remaining largely reliant on non-renewable resources, though for office and workplace lighting purposes, we negatively impact natural capital. However, through infrastructure sharing and the spirited commitment of our people to prioritize energy efficiency, we are working to mitigate the overall impact on this stock of capital. Through our energy-savings initiatives, our infrastructure becomes stronger over the long-run and enable us to achieve savings in operating costs. This also enhances our status as a responsible organization, thus burnishing our social and relationship capital.

**OUR LONG-TERM VALUE DRIVERS**



## 2.6 CREATING VALUE USING OUR CAPITALS

Harnessing our time-tested philosophies and leveraging modern technology to build a business model anchored on resilience and innovation.

All organizations depend on various forms of capital for value creation. At Green Delta Insurance, we comprehend that doing business in a sustainable and responsible manner is important for ensuring our future viability. We use our six capitals to generate and sustain long-term value for all of our stakeholders.

### Fostering value using our capitals



#### FINANCIAL CAPITAL

Financial capital (includes shareholders' equity and debt) is a critical input in enabling us to execute our business activities and in generating, accessing and deploying other forms of capital. At Green Delta Insurance, the robustness of our financial capital is essential to our operational success. Over the years, we have leveraged our strong financial capital to invest in business expansion to sustain market leadership, attract top-tier talent and deliver consistent shareholder returns.

#### Key metrics



Revenue

**TK. 3,843 MN**

5 % increase over last year, a considerable achievement despite the continued impact of coronavirus-induced lockdowns, sluggish business environment, growing competitive intensity, etc.



Net profit

**TK. 787 MN**

15 % increase over last year, indicating our success in stabilizing our profitability for the year despite considerable flux in the industry and operating environment.



EBIDTA margin

**36 %**

15 % increase over last year, indicating satisfactory achievement in managing our costs in relation to our business.



Dividend

**TK. 3 PER SHARE**



## INTELLECTUAL CAPITAL

Intellectual capital refers to the collective knowledge, research, thought leadership, brand management and intellectual property used to support business activities. Our intellectual capital consists of our robust brand (and equity), highly experienced people, world-class technology and time-tested processes and systems.

### Key metrics

43

Branch offices

1

Headquarters



## HUMAN CAPITAL

Human capital refers to the employees' competencies, knowledge, experience and their capabilities to utilize those to meet stakeholder needs. It also refers to the learning and developmental programs undertaken for employees. At Green Delta Insurance, our employees are key to our success and we strive to attract, develop and retain the best people to deliver exceptional experiences and outcomes for our policyholders.

### Key metrics

552

Total Employee

116

Women in  
our workforce

10.05%

Attrition rate

Over 1100  
hours



## MANUFACTURED CAPITAL

Manufactured capital comprises our Company's tangible and intangible infrastructure used for value creation through business activities. We own / lease largescale office space in the country from where we conduct our business and meet our customers and other stakeholders, including shareholders, business partners, etc.



## SOCIAL AND RELATIONSHIP CAPITAL

This capital refers to the relationships the Company establishes with its policyholders, shareholders, regulators, employees, distribution partners (agents) and the community at large to create holistic societal value as a responsible corporate. At Green Delta Insurance, we believe that as a responsible corporate, we must create shared and sustainable socio-economic value for our stakeholders.



## NATURAL CAPITAL

Natural capital refers to the natural resources the Company uses to create value for its stakeholders. Our approach towards environmental protection and conservation of natural resources is guided by our internal policies and applicable external standards. Notably, since we operate in the services industry, our carbon footprint is naturally low. Despite this, we give efforts to responsibly dispose our waste, lower our water consumption and optimise our energy use.



## Trends to watch

Though the coronavirus pandemic has wreaked a huge economic toll, these are also opportune times for companies in the consumer tech spaces. Emerging and disruptive technologies- from AI and blockchain to Industry 4.0 and quantum computing- can redefine the future of insurance and enable us to capitalise on opportunities to help clients steer an increasingly complex landscape. Given hereunder are a few megatrends shaping our business and influencing our strategy.

## Rising data traffic

Pushed by Covid-19, digital transformation is rapidly gaining traction giving rise to opportunities for legacy systems to be modernised into tech-enabled systems. Further, the rise of the Internet of Things (IoT), analytics, AI, and data science (big data) is emerging as foundational for InsurTech and digital insurance. By any number of key metrics, from internet connections to app downloads, both the volume and growth of Bangladesh's digital economy is on the rise.

### KEY STATS

17.64 cr

Active mobile phone connections at end-June 2021

1.75 cr

Net growth in no. of internet connections in FY2021

2,409.08 Gbps

2x growth in bandwidth consumption at end-April 2021

(Bangladesh Telecommunication Regulatory Commission)

## Globalization and transforming economies

In today's hyper-connected and hyper-local world, products, services and capital flow as spontaneously as data. Markets and customers expect to do business globally, regardless of the location of their offices, manufacturing facilities or suppliers. Intensifying this globalization is the internet and more recently the pandemic, which has enabled the growth of a vast digital marketplace. As digital transformation projects grow and increase across borders, so does the need for a partner ecosystem that is smart and flexible.

## Culture shift

Insurance always had the reputation of a conservative industry. This is rapidly changing. In an effort to push digital transformation initiatives forward and satisfy the demands of modern consumers, insurers today have become early adopters of the latest technologies. Globally, digital-first insurers and tech giants are entering the insurance space and are one of the forces pushing the industry as a whole toward an innovative mindset. Furthermore, digital transformation is no longer seen as aspirational, but something that is essential to drive the industry forward. As a result, there is a perceptible shift

towards an innovation-focused culture.

## The impact of AI

As AI (artificial intelligence) becomes more deeply integrated in the industry, insurers must position themselves to respond to the changing business landscape. The industry will need to understand the factors that will contribute to this change and how AI will reshape claims, distribution, underwriting and pricing. With this understanding, the sector can start to build the skills and talent, embrace emerging technologies and create the culture and perspective needed to be successful in the industry of the future.

## Cybersecurity awareness

As the digital world continues to grow, so do the threats that hide online. Today, risks of cyber-attacks are greater. This issue has led to increased mindfulness about cybersecurity and proper security measures for both businesses and individuals alike. The cybersecurity drift will have a huge impact in the future. The main motive is that businesses that operate online must effectively protect both, themselves and their customers.

## Global insurance market outlook (above-trend premium growth foreseen)

Year	Advanced markets	Emerging markets	World	Emerging markets (excl. China)
2020	-1.8%	0.8%	-1.3%	-2.4%
2021 (Forecast)	2.7%	5.6%	3.3%	4.7%
2022 (Forecast)	3.0%	7.4%	3.9%	4.9%

Source: Swiss Re Institute, July 2021

## 2.7

# CSR STATEMENT-2021

Green Delta Insurance Company has always been an active patron of women and youth empowerment, social progress and development. Besides contributing to women and youth development, Green Delta Insurance has always been very supportive an organization towards the deprived and struggling community of the society. At Green Delta Insurance, we earnestly believe that it's the responsibility of the privileged to help the deprived community of the society in order to help them get a better life. As reflection to that belief, Green Delta Insurance Company actively takes part in social causes that involve culture, heritage, women empowerment, child education, youth development, welfare of especially-abled or deprived children etc. Some of the notable and regular CSR activities of Green Delta Insurance Company Ltd. are as follows:

### Child Education through Jaago Foundation



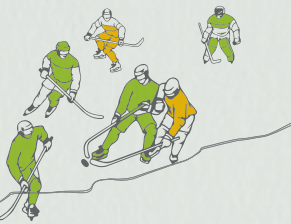
Green Delta Insurance sponsors a class of 40 kids studying at Jaago Foundation schools, who are now known as Green Delta Kids. Green Delta Insurance doesn't only provide for their education, but also for their school dress, stationeries, textbooks etc. Green Delta will be continuing the sponsorship of those 40 kids up to their SSC graduation.

### Education of Especially Abled Children through Apasen School



Another philanthropic initiative of Green Delta Insurance is the contribution to Apasen school, which is a specialized school for differently-abled children. We strongly believe that all kids are special and each kid deserves the same attention, which is why we contributed to Apasen for ensuring mental development and education of especially-abled children.

### Patronage of National Hockey



Green Delta has been a loyal patron of Bangladesh National Hockey for 36 years since the very birth of GDIC. Since 1986, Green Delta has been the most reliable and dependable support of Bangladesh hockey through the thick and thin.

## Philanthropic Activities during Coronavirus Pandemic

Considering the adverse impact of coronavirus pandemic on society, Green Delta Insurance has been actively aiding different community and countrymen during this tough time. Green Delta Insurance's different philanthropic activities during the pandemic include:



- Donation of oxygen cylinders to government hospitals
- Donation of PPE, masks & sanitizers to government hospitals/clinics
- Donation of food and medicines to marginal communities
- Tree Plantation throughout the year
- Meals for underprivileged kids on occasion of Sheikh Russel Day

We not only contribute financially for progress of the society and deprived communities, we also try our best to contribute mentally and physically. For example, let us take our sponsored kids at Jaago Foundation for example. We, at Green Delta Insurance, believe that sponsoring them is where our responsibility towards the underprivileged kids starts and it ends in ensuring their healthy mental upbringing and standard education. With that belief in mind, a group of Green Delta employees spend a day with these deprived kids every year. On occasion of such visits, a festive atmosphere is usually arranged at the school with balloons, cut outs of their favorite heroes, candy floss, magic show etc., all of which are thoroughly enjoyed by the kids.

In recent past, Green Delta Insurance undertook some special CSR activities considering the extraordinary situation presented by coronavirus epidemic in 2020. Inspired by the belief that our farmer community needs to be saved from the adversity of coronavirus epidemic for ensuring continued food security of Bangladesh, GDIC initiated the fundraising platform "Amra Korbo Joy" in association with Nagad in 2020. The employees of Green Delta family also donated their salary of one day to this fund, amounting BDT 10 lac in total. With the fund raised through this initiative, around 1100 farmers were helped with cash donations which were disbursed to the farmers through Nagad. In addition, Green Delta Insurance has also contributed to the Prime Minister's Relief Fund for the victims of coronavirus pandemic.





AWARDS & ACCOLADES

# 2.8 AWARDS & ACCOLADES 2021

Green Delta Insurance's Founder Nasir Choudhury gets crowned once again for his outstanding lifelong contribution to insurance sector on the occasion of National Insurance Day 2022



**Green Delta Insurance earns Gold Award in the 8<sup>th</sup> ICSB National Award 2020 for 7<sup>th</sup> consecutive year**

Syed Moinuddin Ahmed (AMD & Company Secretary, GDIC) received the certificate and the trophy for the 8th ICSB Gold Award from Mr. Tipu Munshi MP (Honorable Minister, Ministry of Commerce) who was present the chief guest of the prestigious event.



**Green Delta Insurance wins 1<sup>st</sup> Prize in Insurance Category in ICMAB Best Corporate Awards 2020 for 4<sup>th</sup> Consecutive Year**

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



### Green Delta Insurance kicks of 2021 by bagging Gold again in the 7th ICSB National Award 2019 for 6 times in a row

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



### Green Delta wins “Fintech Innovation of the Year” Award by Bangladesh Fintech Forum for its newly developed Digital Ecosystem

While reach has always been the major obstacle in taking insurance to the doorsteps of mass people, Green Delta Insurance has designed its “Green Delta Digital Ecosystem” to overcome just that. With the reach ensured by partner organizations along with its own assets (website, app), GDIC aims to reach around 35 million people by 2022. And this Digital Ecosystem has brought Green Delta the supreme recognition of being the Winner of the Fintech Innovation of the Year award under the insurance category in the first-ever Bangladesh Fintech Award organized by Bangladesh Fintech Forum.

## 2.9 EVENTS & HIGHLIGHTS

### 35<sup>th</sup> Annual Business Conference of Green Delta Insurance Company Held



35<sup>th</sup> Annual Business Conference of Green Delta Insurance Company Limited was held on 2 March 2021 at the capital. The Chairman of the company and the chief guest, Mr. Abdul Hafiz Chowdhury, delivered the inaugural speech for the conference. Renowned corporate trainer, Ejazur Rahman (MD & Lead Trainer, Mindmapper BD) played a dynamic role in anchoring the conference and conducted group exercise sessions to rejuvenate the managers and remind them of the principle traits and strategies of a successful business manager.

Senior management of GDIC were also present and shared their suggestions for achieving better results in 2021. Besides, all the Management Committee members, Zonal Heads, Branch Managers, along with other senior officials of GDIC and the subsidiaries also participated in the conference.

### Green Delta Celebrates Women's Day 2021 with COVID-19 Frontliners while maintaining Social Distance



Green Delta Insurance Company has joyously celebrated the Women's Day of 2021 at the Head Office at Mohakhali with 3 brave COVID frontliner women leaders. Different activities such as free Consultation with Gynecologist, free Health Consultation with in-house doctor and 'Amader KothaBoli' were arranged at different times of the day. In 2021, Amader Kothaboli was organized online for the first time. The inspiring women who were invited as special guests to share their stories were Deputy Inspector General - Atiqe Islam, Anaesthesiologist of Kurmitola General Hospital - Dr. Nazneen Rahman, and Head of Priority Banking of SCB Bangladesh - Tanmi Haque. They have shared their valuable experience of balancing their work and personal life during the COVID-19 crisis with the women of Green Delta.

### 35<sup>th</sup> AGM of Green Delta Insurance Company held



Green Delta Insurance Company Limited declared 32% dividend (7.5% Stock dividend and 24.5% Cash dividend) for its shareholders for the year ended December 31, 2020. The announcement was made at the 35<sup>th</sup> Annual General Meeting of the company, held on 30<sup>th</sup> March 2021 through an online conferencing and broadcasting platform. The meeting was attended by sponsors, directors and shareholders and was presided over by Abdul Hafiz Chowdhury, Chairman of the company. A good number of shareholders were present in the online AGM and they highly appreciated the board of directors and management of Green Delta Insurance Company for their outstanding performance, strong corporate governance, declaration of attractive dividend and publishing an extensively informative annual report for the year of 2020.

### Claims of Potato Farmers' of North Bengal settled under coverage of Crop Insurance (Shashya Bima)



Aimed to provide a sustainable security for farmers who have been plagued by natural calamities, Syngenta Bangladesh Limited, along with Syngenta Foundation for Sustainable Agriculture Bangladesh and Green Delta Insurance Company Ltd., are working closely to bring this groundbreaking service to the doorsteps of marginal farmers, which is called 'Shashya Surokkha Project'. This diverse insurance policy assures financial backup for the loss incurred by farmers during any natural disaster. With their strong nationwide network, these three organizations are determined to give optimal service to the farmers. In fact, within this span they have successfully insured 25,000 farmers from North Bengal with the pilot project. Nevertheless, around 1200 potato farmers from Thakurgaon and Akkelpur sub-districts have availed the facilities of this crop insurance.

Due to the high humidity and less temperature which affected in last potato production in Thakurgaon Sadar triggered insurance claims to 578 farmers, amounting to BDT 52,026.



## Green Delta Insurance settles Sarah Composite Mill's fire claim



Green Delta Insurance Company Ltd. has settled a fire claim worth over 23 crore 64 lac Taka on 20 June 2021 at the company's Head Office. At the claim settlement ceremony, the cheque of the claim amount was handed over to representative of the client, Sarah Composite Mills Ltd. The fire claim was triggered when Sara Composite Mill's factories suffered damage due to accidental fire. After proper assessment of the fire incident and damage to the client's property, Green Delta Insurance has decided to pay BDT 23,64,50,513 to Sarah Composite Mills Ltd. for the aforementioned fire claim.

## Green Delta Insurance settles Evergreen Products Factory (BD) Limited's claim of around Tk. 6 crore



Green Delta Insurance Company Ltd. has settled a claim worth 5 crore 98 lac 67 thousand 747 Taka on 27 July 2021 at the company's Head Office. At the claim settlement ceremony, the cheque of the claim amount was handed over to representative of the client, Evergreen Products Factory (BD) Limited.

The claim was triggered when Evergreen Product Factory (BD) Limited's factory suffered damage due to riot and strike of factory workers on 27 June 2020. After proper assessment of the riot & strike incident and damage to the client's property, Green Delta Insurance has decided to pay BDT 5,98,67,747 to Evergreen Product Factory (BD) Limited for the aforementioned claim.

## Green Delta Insurance Launches its Online VAT Software for Automated VAT Return Processing



Green Delta Insurance Company Ltd. 1<sup>st</sup> insurance company has launched its online VAT return processing software through an online video conferencing platform.

At the launching ceremony, Member of Insurance Development & Regulatory Authority - Md. Dalil Uddin was present as the Chief Guest, while Sheikh Kabir Hossain (President, Bangladesh Insurance Association), Mafiz Uddin Ahmed (Additional Secretary, Financial Institution Division) and Wahida Rahman Chowdhury (Commissioner, LTU-VAT) were also present as special guests. In addition, MD & CEO of Green Delta Insurance Co. Ltd. – Farzanah Chowdhury, AMD & Company Secretary – Syed Moinuddin Ahmed and Finance Controller – Syed Aliul Ahabab, were also present at the launching program.

## Green Delta Insurance and Brac Bank jointly offering microinsurance backed loans to Livestock Sector Farmers of Bangladesh with support from the Embassy of Switzerland



Brac Bank and Green Delta Insurance Company with support from the Embassy of Switzerland through its Microinsurance Market Development Programme (BMMDP/Surokkha) managed by Swisscontact have signed a Memorandum of Understanding on 8<sup>th</sup> September 2021 at Brac Bank Head Office. This MoU is being signed under the agreement between BMMDP/Surokkha Program of Swisscontact and Green Delta Insurance Company for 'Cattle Insurance' for Livestock Sector farmers of Bangladesh. This collaboration will enable Brac Bank and Green Delta to collaboratively offer Loan secured by microinsurance service for the rural livestock farmers. While Brac will provide the loan, Green Delta will provide the microinsurance service to the Livestock sector farmers. The microinsurance will provide coverage for both the asset (livestock) and Liability (outstanding loan amount) in case of death or permanent disability of the insured cattle.

This collaboration is expected to be a milestone in the financial inclusion space of Bangladesh. The project will apply technology based solutions for cattle identification for the microinsurance service. The project is expected to facilitate financing worth 1.8 Million Swiss Francs for approximately 600 Farmers with unique cattle outreach of 1600. The project is also expected to reduce overall climatic risk and vulnerability for 6000 farmers through complementing livestock extension services.

## Green Delta Signs MoU with Spreeha Bangladesh Foundation



Green Delta Insurance Company Ltd. and Spreeha Bangladesh Foundation have signed a Memorandum of Understanding in 2021. Under this agreement Green Delta Insurance Company Ltd and Spreeha Bangladesh Foundation will conduct an exploratory study on “Relation between COVID-19 induced household income shock and primary health seeking behavior of underserved households living in urban slums”.

The Additional Managing Director and Company Secretary of GDIC - Syed Moinuddin Ahmed and Senior Director of Spreeha Bangladesh Foundation Mr. Ajoy Kumar Bose, signed the agreements on behalf of their respective organizations.

From Spreeha Bangladesh Foundation, Director of Fundraising & Partnership- Mr. Md. Anisul Kabir Jasir, Deputy Director of Programs- Ms. Farha Sharmin, General Manager of Health Programs- Mr. Dr. Shazzat Rahat Hossain and General Manager of Partnerships- Ms. Rozana Hafiz and from Green Delta Insurance Company Ltd Head of Digital Business -Md. Moniruzzaman Khan , Head of Impact Business of GDIC – Mr. Shubasish Barua Cert CII(UK) , Research Associate of Research & Innovation Team – Nafisa Tasnim Khan and Research Associate of Research & Innovation Team - Khandoker Sabery Islam were also present at the event. Apart from that CEO of Professional Advancement Bangladesh Ltd - PABL Munir Chowdhury was present in the event.

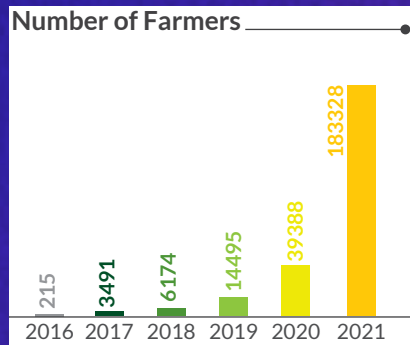
## Pathao partners with Green Delta Insurance to introduce insurance coverage for ridesharing



Pathao has launched an insurance program in partnership with Green Delta Insurance, to ensure a safe commuting experience for all users, riders and captains in October 2021. Under the insurance policy provided by Green Delta Insurance, Pathao users, riders and captains will receive coverage in case of accidents while using Pathao rides. The coverage includes out-patient expenses, hospitalization expenses, permanent disability, and accidental demise up to BDT 100,000.

Pathao already offers several features to ensure safety, such as GPS tracking, necessary information of passengers, riders and captains, VoIP call, emergency button to directly connect with National Emergency service, 24-hour in-app support of dedicated Incident Response Team (IRT), trusted contacts that helps passengers, riders and captains to share their trip details with their family and friends while they are on the move, so that they feel safe and connected. And now, Pathao users, riders and captains will have insurance coverage from when they start the trip till the end. However, offline trips (i.e. trips completed outside of the Pathao app) would not be covered under the insurance program.

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### 130,000+ New Farmers Brought Under Coverage of Crop Insurance in 2021

In the year of 2021, Green Delta Insurance Company Limited insured 162,966 farmers, under the Weather Index Based Insurance; with the help of Syngenta Foundation. The organizations have been working in harmony, creating impactful waves through the “Shurokhha Project”, that has reached a whopping number of total 204,199 farmers. This speaks volumes of the not only the awareness level among the farmers but also the consciousness among them regarding the necessity of having a financial security.



### GDIC Settled the First Ever Claim for Yield Index Insurance

Yield Index Insurance (YII) is a type of insurance that protects against all yield-related hazards. YII coverage protects the value of purchased inputs against low yields and replaces the purchase of registered farmers at the end of the season. For the very first time ever Green Delta Insurance Company Limited has settled the claim of the biggest seed company in the nation, Supreme Seed Company Limited for Yield Index Insurance, in the area of Mymensingh. This is the very first time that a claim for Yield Index has been submitted in the country, proving to be nothing less of another milestone for Green Delta Insurance Company.

### 4 more upazilas are now under coverage of Micro Health Insurance



One of the most significant projects of the department- Micro-health project that aims to ensure health care for everyone, regardless of their social status, has extended its branches this year, allowing more underprivileged population to gather under the safety net of health coverage. The pilot began in Kalihati, Tangail district, and was hailed as a significant step toward revolutionizing the needful population’s healthcare delivery system. This year the project expanded to 4 other upazilas- Mirzapur, Bashail, Delduwar and, Nagarpur. This expansion promises a bright and hopeful future for the healthcare sector, not to mention also the concept of financial inclusion.

## Green Delta emerges as trailblazer as it introduces “Device Insurance” for the first time in Bangladesh



Grameenphone in partnership with Altruist Technologies Limited and Green Delta Insurance Company, launches “Device Insurance” for the first time in Bangladesh on 17<sup>th</sup> March, 2021. This service will be available in three Grameenphone Experience Centres- two in Dhaka and one in Chattogram, and gradually to other channels. With the rise of device that has been witnessed to take a massive leap in the recent times, it can be assumed the risks associated with those devices are also increasing. This insurance will play an indispensable role in the development of the socio-economic lives of the population while ensuring access to digital services round the clock.

## Green Delta Insurance partners with Robi to provide health insurance package ‘hospicash’ through 10,000+ rStores



Green Delta Insurance’s health insurance package ‘Hospicash’ is now available countrywide through Robi Axiata Ltd.’s digital sales channel, namely, rStore. Now, the customers can purchase the popular hospicash health insurance packages from the nearby network of 10,000+ rStores.

Robi Axiata Limited and Green Delta Insurance Company Ltd. have recently signed an agreement in this regard. Two exclusive hospicash packages will be sold at a very competitive price through rStores under this partnership. The packages will cover disability, hospitalization, surgery, OPD costs, hospicash and accidental cash with a reasonable annual premium. By removing the hassle of traveling long distances and filling up numerous forms, the initiative promises to benefit both retailers and end users in multiple aspects.

## Green Delta Cricket Fest 2021 completed with widespread participation from all employees



2021 started out to be a difficult year to host big events, but finally after significant decline in Covid-19 infections, we were finally ready to host the very first Green Delta Cricket Fest for all colleagues across the organization and its subsidiaries. A total of 130 colleagues had registered for the tournament. A total of 8 teams were formed representing each division of Bangladesh to play the tournament style cricket. Two groups consisting of 4 teams played best of 3 matches from which, 2 teams from each group qualified to the semifinals. We have witnessed overwhelming response from non-participants who all came during their weekend to support their favorite team. Colleagues came with their families to enjoy this event. Team “Khulna Strikers” took the Champion’s cup winning against “Barisal Blasters” in the finals, remaining undefeated throughout the entire tournament. We also saw great sportsmanship from rest of the participating teams, especially the semifinalists “Mymensingh Sixers” & “Rajshahi Fighters”. It has been one of our most successful internal engagements in recent time, since the pandemic.

## 2.10 RESPONSIBILITY TOWARDS EMPLOYEES

### 1. PARTICIPATE IN PLANNING & DEVELOPMENT:

The dynamics of the function of Human Resource professional have altered over the years. With the growth in process innovation & automation, HR professionals can build organizational capacity to plan, make changes and achieve greater effectiveness by developing, improving, and reinforcing strategies, structures, and processes. Green Delta is continuously investing to create on smarter solutions for performance management, talent management, diversity, employee wellness, and so on. The ultimate goal of for HR planning & development is to increase the organization's competitiveness in order to create a business environment that wins in the marketplace. In order to perform this strategic role as HR professionals:

- Conducting regular opinion surveys among employees
- Providing feedback from the organization to the top and line management
- Providing the development opportunities for the employees to help them to keep their value for the organization

- Assistance to employees to get used to the changes in the organization and to help the employees in the risk of the lay-off
- Honest communication to the employees about the new business initiatives and the impact on employees
- Support building and developing the corporate culture

All these are to make sure that HR has the exposure and credibility, with both employees and managers, to play an effective part in maintaining good employee relations. Even though sometime we have to be in a difficult situation, as on the one hand representing the views of employees to management and, on the other hand, representing the views of management to employees, yet we have always tried to walk this tightrope successfully, as our need to gain the trust of both employees and managers outweighs by a long margin.

### 2. ROLE OF HR IN AS A CAREER GUIDE

The role of GDIC's HR professionals in the career pathing process is to simply point the employee in the right direction and assist them in developing the plan needed to reach the final destination. We have designed a career path model that can help individual can envision his/her future in this organization and guide them regarding their role in the organization. We go over all the jobs within a company, and then chart a course through jobs or departments in order to lead an employee to a particular position. In order meet those career goals, GDIC's HR generally takes the following initiatives:

- Lateral moves, department transfers, or promotions to expand their capabilities
- Developing necessary skills through on the job and classroom trainings

- Offer opportunities of development to gain newer experiences
- Coaching and mentoring from supervisors

Transparency is key to a successful career guidance. It is not possible to enable an employee's success if the proper support system does not exist. We provide clear job descriptions along with specifications & required competencies in each job circular so that applicants are well aware of what they are getting into. Classroom training, on-the-job developmental opportunities, job shadowing, mentoring, promotions, lateral transfers, coaching and formal succession planning are also practiced within the organization to ensure success in each of the career paths of our colleagues, especially with a focus on leadership and critical function roles.

### 3. EMPLOYER BRANDING INITIATIVES

Our employer branding strategies are mainly targeted towards developing our organization's reputation as a thriving employer in a booming industry. Our main goal is being regarded as an employer of choice, primarily among job seekers, employees and key stakeholders. We are fully aware that our employer brand is the organization's reputation as an employer and it is what job seekers and employees really think of us that matters the most. Even though it may not be tangible, we consider our employer

brand as an asset that requires constant cultivation. For example, the totality of GDIC's recruiting and retention efforts are a series of individual interactions where every touchpoint leaves an impression with candidates and employees that shapes our employer brand use that ability to hire and retain great people. Without proper management of each one of those touchpoints, it can become a deal breaker, costing us candidates and employees.

### 4. SERVE AS LEADERS OF CHANGE

GDIC has taken a systematic approach to dealing with the many transitions and necessary transformations of our organizational goals, work processes and adapting newer technologies. The sole purpose of implementing such changes in overall management is to implement strategies for efficient processes as well as helping people to adapt to the new changes. These strategies also include having a structured procedure for requesting a change, as well as mechanisms for responding to requests and following them up. To ensure its effectiveness, we also take into consideration how an adjustment or replacement will impact processes, systems, and employees within the

organization. Hence, we have developed various processes for planning and testing changes, communicating changes, scheduling and implementing changes, documenting changes and finally, evaluating its effects. For example, revision our organizational documentation process has been one of the most critical components of GDIC's change management. Due to its implementation, our organization is able to maintain an audit trail regarding any issue whenever a rollback becomes necessary. We are also able to ensure complete compliance confidently with internal and external controls, including regulatory compliance due to adapting to these changes in management.

### 5. ADVOCATE FOR EMPLOYEES

With the changing role of human resources as of recent, our role in the organization is often perceived as a strategic partner. But that does not mean that we shy away from the employee advocacy role. By core, our function is always employee oriented, but since business mindset is focused on survival, winning the competition and improved bottom line, these, in some extent, may seem prejudicial to the interest of our colleagues. In GDIC, the role of an employee advocate is considered noble and every HR professional should aspire, but at the end of the day, we also have a duty to protect the interests of our management. Nevertheless, we try to listen and respond to as many colleagues possible and find the right balance between employee demands and the management. In order to do that, our responsibilities have become a blend between strategic and functional day-to-day work as one of the emerging themes in our HR Advocates. Hence the work we do encompasses our involvement in the day-to-day problems, concerns and needs of employees. Our main activities for the management of employee contribution are listening, responding, and finding ways to provide colleagues with resources that meet their changing demands. As higher and higher demands are placed on employees, GDIC's HR professionals and line managers

who serve as employee advocates creatively seek and implement the means for colleagues to voice opinions and feel ownership in the business. We help to maintain the healthy understanding between the employees and the company, and they give our colleagues new tools with which to meet ever higher expectations.

As an employee advocates, GDIC'S HR professionals play an integral role in organizational success via his knowledge about and advocacy of people. This advocacy includes expertise in how to create a work environment in which people will choose to be motivated, contributing, and happy. To create employee ownership of the organization, we foster effective methods of goal setting, communication and empowerment through assigning various responsibilities. We help to establish the organizational culture and climate in which people have the competency, concern and commitment to serve customers well. Our HR professionals also provides employee development opportunities, employee assistance programs, gain sharing and profit-sharing strategies, organization development interventions, due process approaches to problem solving and regularly scheduled communication opportunities.



## 6. ZERO TOLERANCE FOR WORKPLACE HARASSMENT

GDIC has developed a strict “Zero Tolerance” policy against workplace harassment, executing prompt action against perpetrators in order to ensure no colleague feels unsafe no matter the nature of the issue. To encourage positive behavior, our human resource team strives to promote an organizational culture where staff members do not feel intimidated or ashamed to approach and consult with us regarding their harassment concerns. We also know that providing solid training on what constitutes harassment can go a long way towards ensuring a harassment free workplace. Hence one of the top priorities in our HR’s role in controlling harassment is to provide informative training on workplace harassment which covers different types of harassments such as verbal, psychological, physical, sexual and cyber bullying. We also strive to assure our colleagues that retaliatory measures won’t be taken if they report harassment as these retaliations can

be true deterrents in creating a respectful workplace. Our HR team members also ensure that any complaint placed has credibility and based on facts when performing an investigation. We clearly explain all parties exactly what needs to be documented in order to preserve those facts. During harassment training, employees are always reminded to keep track of the time and date, type of action and any witnesses to the harassment. We encourage witnesses to give a factual statement about the events by speaking to them privately and ensuring them that adverse actions for factual statements won’t be initiated or tolerated. Ultimately, harassment complaints are difficult for all employers as well as employees. Our role in controlling harassment is providing proper training for our employees as well as leaders with a solid plan for handling complaints in order to make their workplace a harassment-free zone.

## 7. ENSURING WORKPLACE HEALTH & SAFETY

GDIC is always concerned regarding the health and well-being of its employees. We are aware of the rising medical expenses and hence ensure that all in our regular cadre are under health insurance coverage, which is renewed every year. This not only helps employees financially, but also encourages them to undergo regular medical check-ups without worrying about the cost. Our health insurance policy covers not only employees, but their spouse and up to two children under 24 years. Health claims can be raised in three categories, i.e., Hospitalization Claim, Maternity Claim, Out-Patient Treatment Claim. Every member in the regular cadre is provided a free health card from one of GDIC’s fully-owned subsidiary, GD Assist Ltd (GDAL), which specializes in healthcare & medical tourism. This health card enables employees to get discounts from a large number of hospitals and pharmacies in Dhaka that have partnered with GDAL. GDAL is also in the process of enlisting hospitals and pharmacies outside of Dhaka to make it easier for our employees stationed outside the metropolitan city. Besides discounts, these health cards also provide the scope of cashless service for cardholders.

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

In order to further maintain safety within the office premises, Human resources took then initiative to assist

colleagues and their immediate family members with online registration for Covid-19 vaccine starting from March 2021. This mainly included people who did not have proper access to a device or faced difficulties to register online. In order to limit unnecessary movement, Human Resources only collected NID & Contact information of the applicants and sent them the registration forms to their respective stations. We made sure that colleagues were aware of the benefits and possible side effects of the vaccine so that everyone could make an informed choice. Over 100 staffs and their immediate family members were registered to their desired location to get the vaccine through HR Front Desk.

Green Delta Insurance also partnered up with GD Assist Ltd. (subsidiary of Green Delta Insurance) to start a medical help desk for all colleagues and immediate family members of Green Delta Insurance & all its subsidiaries. Four qualified doctors were available on call for medical consultation free of charge, which also included Covid-19 cases as well. The hotline service was available throughout the lockdown period from Saturdays to Thursdays, starting from 10:00 am till 06:00 pm. They were also provided free home deliveries of their prescribed medicines through GD Assist Ltd. As there was a huge rush to get doctor’s appointment during that period, this initiative helped colleagues with the hassle of getting a doctor’s consultation as well as limit their movement to minimize the risk of infection.

On August 2021, besides the devastating attack of the COVID-19 outbreak, Dengue was spreading more than

ever across the country. So, to raise awareness and to help prepare for counteractive measures, Human Resources collaborated with GD Assist Ltd. to initiate an online health care session regarding Dengue and Covid-19 by a well-known expert Prof. Dr Quazi Tarikul Islam, Dean of Popular Diagnostic Center & Head of Bangladesh. As the dengue outbreak occurred simultaneously in the midst of the ongoing Covid-19 pandemic, this session clarified the way to differentiate between the two and how to treat it from home without getting panicked. This session was well received by the participants during that crisis.

Safety measures remain a key priority before getting employees into the office and the Company offers standard measures of ensuring safety for all employees.

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

## 8. FAIR PERFORMANCE EVALUATION FOR EMPLOYEE FLOURISHMENT

Performance evaluation has always helped Green Delta Insurance to monitor and improve employee performance on an ongoing basis. Our HR professionals draw authentic feedback from employees' actual output to ensure a fair performance evaluation. At the Company, we strongly believe that job responsibilities and organizational goals have to be the same track. Hence, HR is making sure that all allocated work complements with the employee's choice of career path. Further, we've

put in our best efforts in our performance management system so that it helps employees know his position with the top management. We further ensure that employee promotion is compatible according to their determination, integrity, loyalty and hard work. More importantly, we see whether those promoted are ready to take up higher responsibilities that come along with promotion.

## 9. EQUAL TREATMENT FOR ALL

At Green Delta Insurance, equality doesn't merely translate to equal treatment for all; it is about actively promoting an individual's right to be different. Thus, our primary ideas of equality comprise diversity and inclusion. To us, diversity is understanding, accepting and valuing differences. By inclusion, we ensure that when everyone in the workplace is valued, heard, supported and respected, they develop a strong sense of belonging. Establishing the culture of equality was one of our top

focus areas. Equality means making sure each employee has been given an equal opportunity, equal pay (as per function) and are accepted for their differences. Our goal is to create an inclusive and conducive work environment where our employees feel secure and content. We have strived to ensure removal of any discrimination in the workplace, thus fostering diversity and inclusivity, which represents a key facet of our preferred employer proposition.

## 10. PROVIDE PERFORMANCE-BASED CULTURE

Our performance-based culture focuses on ensuring that our employees are as effective as possible in their roles. These roles support not only the overall goals of the organization, but also helps in developing individual's skill-sets, which ultimately helps opt for success in their career. It is our responsibility as HR to ensure that all

our employees have the necessary support and tools to achieve optimal results. Practices like sustaining healthy competition among peers, prioritizing people over numbers, achievable goal-setting, etc., are some of the key elements in achieving a sustainable growth-oriented culture.

## 2.11 HUMAN RESOURCE ACCOUNTING

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

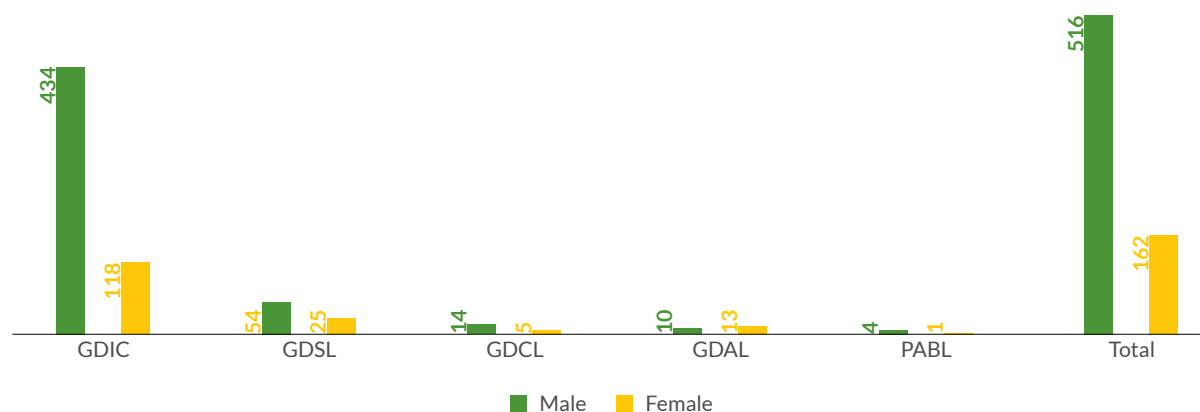
- Green Delta Securities Ltd.
- Green Delta Capital Ltd.
- Professional Advancement Bangladesh Ltd.
- GD Assist Ltd.

In total, we currently have a total of 678 employees

across the Group. Out of this, 516 employees are male and 162 are female colleagues. The Company has been endeavored to seek a balance between male and female employees, which is not only our Board's top priority, but also a key focus area for the management. We give opportunities to everyone according to their skills, experience and performance, without any differentiation against gender, thus fostering a balanced and gender-friendly culture.

### Head Count Overview

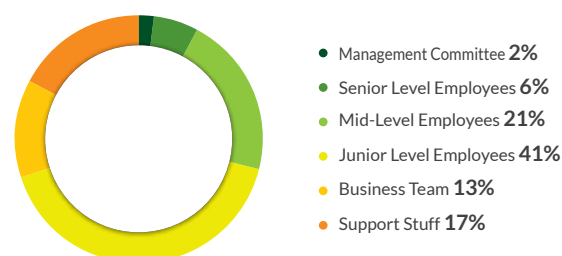
Particulars	GDIC	GDSL	GDCL	GDAL	PABL	Total
Male	434	54	14	10	4	516
Female	118	25	5	13	1	162
Total	552	79	19	23	5	678



### Employee Spread

Category	Headcount
Management Committee	14
Senior Level Employees	35
Mid-Level Employees	115
Junior Level Employees	226
Business Team	70
Support Staff	93

### Employee Spread



## Employment Status

Employment Category	Headcount
Permanent Employees	426
Probationary/Contractual Employees	126
Total	552

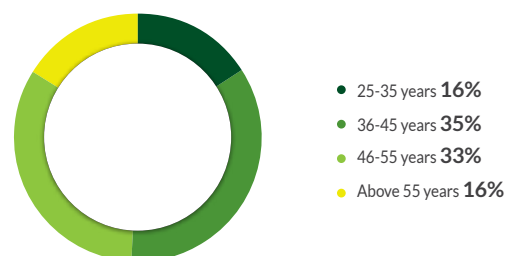
## Employment status



## Age Distribution

Age	Headcount
25-35 years	63
36-45 years	136
46-55 years	127
Above 55 years	64

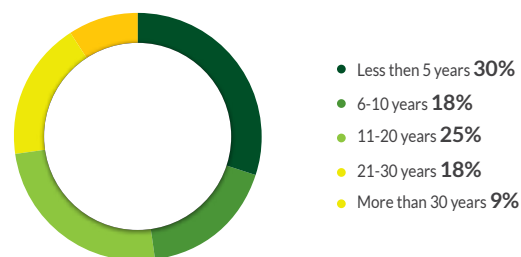
## Age distribution



## Length of Service

Length of Service	Head Count
Less than 5 years	161
6 to 10 years	96
11 to 20 years	131
21 to 30 years	94
More than 30 years	48

## Length of service



## Analysis of Key Metrics

SL.	Particulars	Outcome
1	Total Employees in Beginning of 2021	547 employees
2	Total Employees in ending of 2021	552 employees
3	Total Male Employees	434 employees
4	Total Female Employees	118 employees
5	Increase in female headcount	Increased by 2.54%
6	Total Permanent Employees	426 employees
7	Total Probationary/Contractual Employees	126 employees
8	Total New Recruits in 2021	67 employees
9	Total New Male Recruits in 2021	50 employees
10	Total New Female Recruits in 2021	17 employees

SL.	Particulars	Outcome
11	Male-Female Ratio	4:1
12	Head Office Personnel	200 employees
13	Dhaka Branch Personnel	224 employees
14	Out of Dhaka Personnel	128 employees
15	Average Length of Service	12.6 years
16	FY'2021 Attrition Rate	10.05%
17	FY'2021 Retention Rate	89.95%
18	Increment Budget Increased By	17.50%
19	Promotion Given for the Appraisal Period 2021	More than 17%
20	Local Training	18 trainings
21	Foreign Training	3 trainings
22	Total Employees Received Training	189 employees
23	Total Training Expense	Almost BDT 1 million
24	Total Manhours Invested in training in 2021	Over 1,100 hours
25	Average Training Hours / Employee	2 Hours

## Human capital

### Values

Green Delta Insurance Company Limited is working strategically to recruit, develop, and utilize people, which is our most valuable business resource. The Green Delta Insurance Company Limited is actively pursuing human resource policies for the strategic and well-planned recruitment, development, and utilization of human resources in order to contribute broadly to the internal and external stakeholders while continue creating new value over the medium and long term. Each and all aspects of our Human Resource Management strategies are developed in alignment with the organization's Vision, Mission and underlying principle:

No.	Value	Behavioral Indicators
1	<b>Customer First Always:</b> We give first priority to our customers' needs. We look at building enduring relationships even as we align a difference of opinion through the lens of supporting our customer ecosystem.	<ul style="list-style-type: none"> <li>• Customer First</li> <li>• Understand Their Needs</li> <li>• Always Be Polite</li> <li>• Always Take Customer Centric Decision following Due Diligence</li> <li>• Earn Customer's Life Time Loyalty</li> <li>• Maximize Value for Customer</li> </ul>
2	<b>Organization Above Self:</b> We believe that individual, team and department actions must be driven by organization goals.	<ul style="list-style-type: none"> <li>• Avoid Making Self Centered Decision that Only Creates Value for Self Instead of the Organization as a Whole</li> <li>• Aligning Organizational Goals with Personal Goals</li> <li>• Be Focused on Organization's Goal/s</li> <li>• Organization Sustainability Assures Progressive Future for All</li> </ul>

No.	Value	Behavioral Indicators
3	<b>TRUST:</b> We believe that the key essence of teamwork is mutual trust. Trust is fundamental to our business and will guide all our internal as well as external interactions.	<ul style="list-style-type: none"> <li>• Demonstrate Strong Ethical Practice in Every Aspects of Business Activities</li> <li>• Consistently Keeping Commitments</li> <li>• Showing Support for All</li> <li>• Being Approachable and Friendly</li> <li>• Ensuring words and actions match</li> <li>• Be Respectful to Everyone's Ideas</li> </ul>
4	<b>HIGH STANDARDS:</b> We believe that excellence can be achieved only by setting benchmarks that challenge our potential as an organization and as individuals.	<ul style="list-style-type: none"> <li>• Lead by Setting High Standards in all Aspects of the Business</li> <li>• Be the Best in Everything We Do</li> <li>• Making Superior Performance a Habit</li> <li>• Being Consistent in Delivering with Superior Quality Each Time, Every Time</li> <li>• Igniting the Passion in Self &amp; the Team</li> </ul>
5	<b>SHARED OWNERSHIP:</b> We believe that ownership of success or failure in achieving organizational or team goals is shared by all.	<ul style="list-style-type: none"> <li>• Take Accountability as a Team</li> <li>• Celebrate Success as a Team</li> <li>• Avoid "I" and Say "We"</li> </ul>
6	<b>SPIRIT OF ADVENTURE:</b> Our business is characterized by the sense of uncertainty and we believe in continuous innovation and creativity to face challenges head-on.	<ul style="list-style-type: none"> <li>• Believe in Change and Change is Good</li> <li>• Thrive for Innovation</li> <li>• Think Outside of the Box</li> <li>• There is Always a Better Way of Doing things</li> </ul>
7	<b>RESPECT FOR DIVERSITY:</b> We believe that diversity is our key strength and we recognize that team members have varying backgrounds, competencies and ideas and constructive action results only when opinions are aligned for common good.	<ul style="list-style-type: none"> <li>• Gender Equality</li> <li>• Respect for all Religion</li> <li>• Respect for all Social Backgrounds</li> <li>• Believe in Diversity and the Fact that Diversity Welcomes New Ideas to Business</li> </ul>

### Employee Development Plan

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

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

- Identifying skill gaps
- Aligning training and development with strategic goals

- Allying organizational benefits with employees' priorities
- Attracting new talent via a holistic induction program
- Reducing employing turnover
- Keeping up with changes in the industrial landscape through developing more efficient practices
- Implementing new efficiency-compatible technological changes
- Grooming employees for career advancement, while reinforcing our leadership pipeline

### Succession Planning

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

Our succession planning starts with global best practices embraced in hiring, which enables us to choose the right

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

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

- We have identified that employees who are aware of strong prospects of career advancement, feel more empowered
- Knowing that the Company has strong future opportunities reinforces career development among employees
- The management's commitment to succession planning has resulted in supervisors mentoring their subordinates for knowledge and expertise transfer

- The management focuses on filling positions from within, which remains strong motivation for our employees
- Employees are better able to embrace the Company's vision and values

### Merit Based Recruitment

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

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

## RECRUITMENT PROCESS

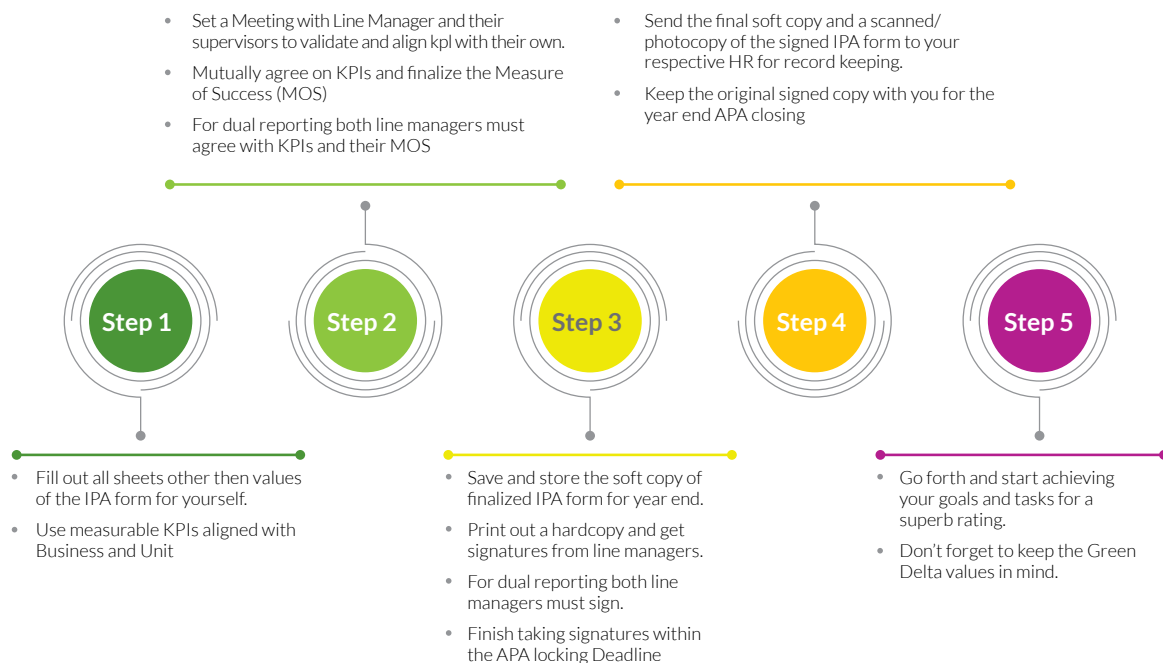


### Annual Performance Appraisal (APA)

Green Delta Insurance's Annual Performance Appraisal comprises a systematic framework in which weightage is assigned in three areas namely Operational, Individual Development and Values. Employees' KPIs or key performance indicators are evaluated with respect to

their assigned projects and also their overall contribution to the organization as a team player. This appraisal system helps our managers/supervisors to place the right employees in the right jobs depending on their skills, additionally allowing us to identify any skill gap and subsequent training development plan where applicable. Our performance appraisal process is exhibited below:

## APA CYCLE - STEP BY STEP ACTION FOR KPI LOCKING



### Promotion, Reward and Motivation

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

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



## Employee Remuneration, Benefits & Bonus

Green Delta Insurance remains engaged in developing employees' living standards. We already offer industry-standard remuneration packages, yet at times it is not sufficient motivation for them. Thus, to fulfill their needs holistically, we are providing many extra facilities and benefits, like Provident and Gratuity fund depending upon their service period. Employees can also avail loans from their Provident Fund at a low interest rate during any financial crisis. The Company also provides loan repayment flexibility of up to 50 installments to ease the burden. It also offers "earned leaves" that regular employees can earn every 15 days. Such leaves can be stored up to 90 days and can be cashed out during separation.

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

## Training and Development

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

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

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

and development efforts are aligned with the Company's overall business strategy and strategic road map.

## Employee Engagement Activities

2021 started with colleagues receiving gift boxes from the MD & CEO which was designed & facilitated by Human Resources. The box had a message from her saying "Thank You" which symbolized her appreciation for all the hard work and effort we all put in the last year during the pandemic. These gift boxes contained leathered accessories unique for both genders.

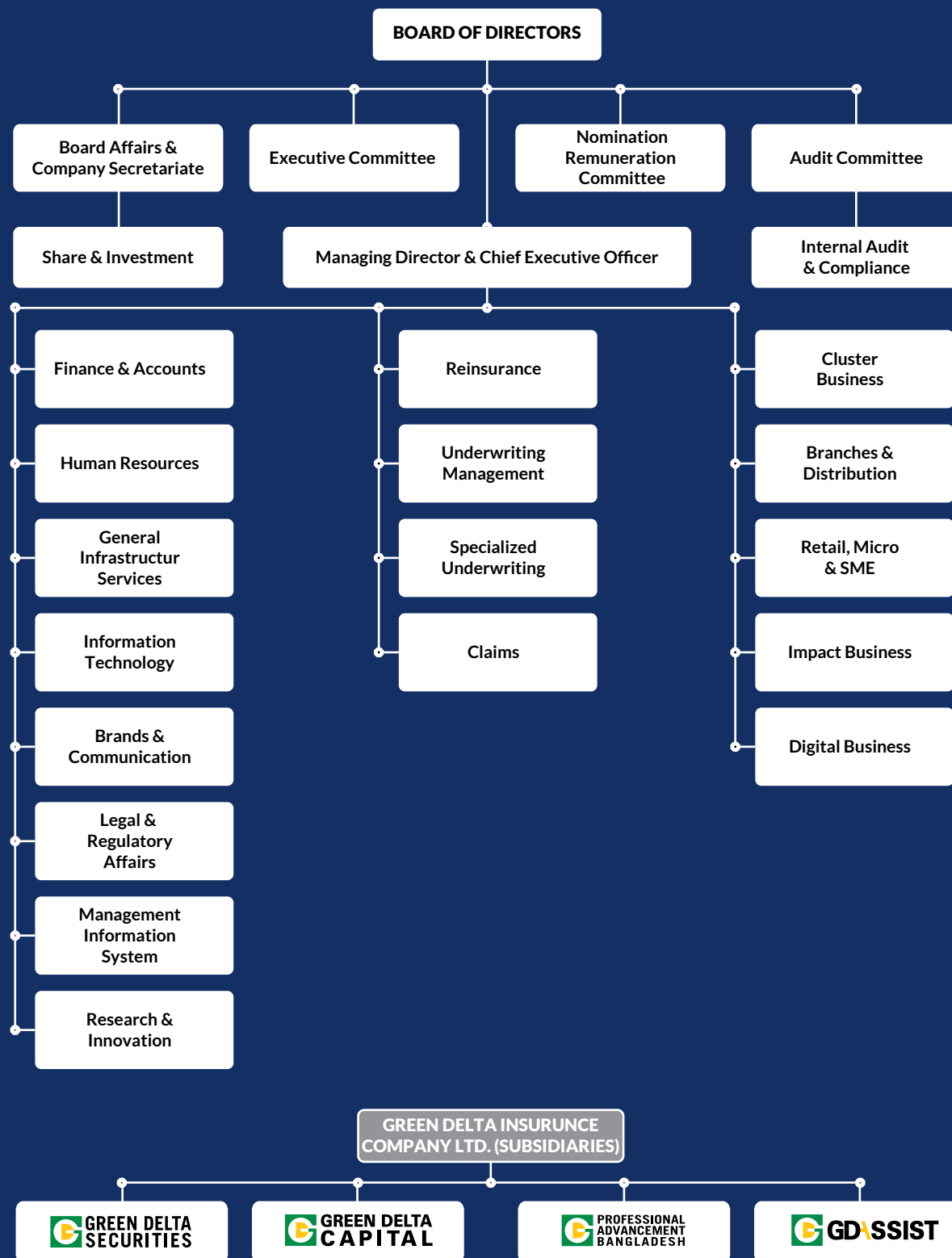
As the second wave of covid got worse, we had to learn to learn to maneuver in that situation while ensuring safety of everyone. We included roster based working hours, installing hand sanitizers in every floor, mandatory masks in workplace, maintaining social distancing, routine disinfection of premises, lower work hours, limiting movement from inside and outside, and most importantly making sure that all colleagues were following proper health guidelines continuously circulated by Human Resources. We had also provided Covid-19 safety kits which included branded masks and a sanitizer spray.

Human Resources also organized a companywide Bengali short story writing competition to celebrate International Mother Language Day. We had received immense numbers of submissions from offices all over Bangladesh, each displaying their literary prowess and love for the Bengali language. After a long and meticulous evaluation of the judging panel consisting of senior management who excel in this area, top four writers were selected. An award ceremony was held in the Dhaka Head Office later to commemorate and acknowledge the four winners of this competition.

Green Delta Cricket Fest was the first and last major engagement event for the year 2021, after a significant decline in Covid-19 infections. This was the very first of its kind for our organization where all colleagues across the organization and its subsidiaries participated. A total of 130 players made up the 8 teams representing each division of Bangladesh to play the tournament style cricket. Two groups consisting of 4 teams played best of 3 matches from which, 2 teams from each group qualified to the semifinals. The group stages had 12 matches which took place over 3 days in Dhaka Residential Model College. The semi-finals and final match took place on the campus of United International University on the first weekend of December 2021. We have witnessed overwhelming response from non-participants who all came during their weekend to support their favorite team. Colleagues came with their families to enjoy this event. Team "Khulna Strikers" took the Champion's cup winning against "Barisal Blasters" in the finals, remaining undefeated throughout the entire tournament. We also saw great sportsmanship from rest of the participating teams, especially the semifinalists "Mymensingh Sixers" & "Rajshahi Fighters". It has been one of our most successful events in recent time, since the pandemic.

2.12

# CORPORATE STRUCTURE





PRESIDENCY

## 3.1 PROFILE OF THE BOARD OF DIRECTORS



### **Abdul Hafiz Chowdhury**

Independent Director & Chairman

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

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

He had been serving as Honorary Treasurer of United Nations Association of Bangladesh since 1976 and

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

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



### **Shamsun Nahar Begum Chowdhury**

Vice Chairperson

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

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

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



### **Khurshida Chowdhury**

Director

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

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



### **Dilruba Chowdhury**

Director

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



### **Delwara Absar**

Director

By virtue of her exposure to several national and global seminars and symposiums, Mrs. Delwara Absar brings to the Board cutting-edge international practices that has not only resulted in the establishment of several innovative customer centric products but has also helped reinforce Company systems and protocols.

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

With an emphasis on embracing the highest governance standards, Mrs. Delwara Absar has helped the organisation in the stewardship of transparency and timely disclosure.



### **Sayera Choudhury**

Director

Ms. Sayera Chowdhury is an accomplished individual with significant educational and professional work experience to her name despite her youthful age.

Sayera passed out of the acclaimed American International School Dhaka (AISD) in 1992, after which she successfully pursued and obtained her Bachelor's degree in Graphic Design & Advertising in 1998 from the venerated Mount Vernon College at the George Washington University in Washington, D.C., USA. Further, with a view to advance her learning and specialisation, she obtained a degree in the Web Specialist Program & Interactive Multimedia from the same university.

Sayera possesses versatile and multi-cultural experience through her work stints in both the US and Bangladesh. She was a part of Credit Suisse in New York. Moreover, she also gained rich experience in graphic design through her work engagement in such institutions as the ICDDRB (International Centre for Diarrhoeal Disease Research, Bangladesh) in Dhaka and also in ETV (Ekushey Television), a major private satellite channel of Bangladesh.

With rich exposures in both Bangladesh and the US, Sayera has cultivated a variety of hobbies and interests, including painting/sketching, art and history and pursuing outdoor activities like camping and rafting.



### **Iqbal Khan (Jamal)**

Director

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

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



### Mesbah Dilwar Rahman

Director

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



### Abul Hasan Chowdhury

Independent Director

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

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



# 3.2 CODE OF CONDUCT FOR DIRECTORS

## Background and Purpose

A Board of Directors is a body of elected or appointed members who collectively oversee the activities of a company. Its activities are determined by the powers, duties and responsibilities delegated to it or conferred on it by an authority and these matters are typically detailed in the Articles of Association. The Articles of Association commonly also specify the number of members of the Board, how they are to be appointed, when they are to meet and the manner/ procedure they should follow. In addition to that the Board may lay down a code of conduct for its members.

Bangladesh Securities and Exchange Commission (BSEC) has issued a notification regarding Corporate Governance Guidelines [Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018]. The conditions of the Corporate Governance Guidelines are imposed on 'comply' basis aiming to enhance corporate governance in the interest of investors and the capital market. The companies listed with any Stock Exchange in Bangladesh shall comply with these conditions. As per condition 1.2(v) of the said guidelines, the Board of Directors of a listed company shall lay down a code of conduct of all Board Members and annual compliance of the code to be recorded.

## Code of Conduct

### 1. The Chairman

- The Board Members shall elect a Chairman from amongst themselves for such a period as may be decided by the Board. If at any meeting of the Board, the Chairman be not present at the time appointed for holding the same, the Board Members shall choose another Director to preside over that meeting.
- The Chairman is expected to lead the Board of Directors with reasonable restraint and should at all times strive to build consensus on all contentious matters where there is divergence of opinion expressed in the course of performance of their jobs as such.
- The Chairman as the first among equals should act as an honest spokesperson of the Board and air only views already debated and decided upon by the Board. In other words, his/her personal opinions/wish lists should be avoided in press conferences and

meets. It would be proper to have certain key issues decided at the Board before they are made public.

### 2. General Duties

#### • Fiduciary Duties

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

#### • Powers vs Duties

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

#### • Contribution in Meetings/Debates

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

### 3. Proper purpose

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

### 4. Unfettered discretion

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

### 5. Transactions with the company

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

### 6. Use of corporate property, opportunity or information

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

## 7. Competing with the company

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

## 8. Confidentiality

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

## 9. Conflict of duty and interest

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

## 10. Accepting Gifts

- No Board Member shall accept any gift, hospitality or favour offered or tendered by virtue of the position with the company.

- When dealing with public officials whose responsibilities include the business of the company, acts of hospitality should be of such a scale and nature so as to avoid compromising the integrity or reputation of either the public official or the company. Such acts of hospitality should be undertaken in the expectation that they could well become a matter of general knowledge and public record.

## 11. Reporting of Questionable or Fraudulent Actions

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

## 12. Cooperation with Auditors

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

## Acceptance of this Code

- All members of the Board of Directors shall sign this Code of Conduct, including any new members who may assume office as from this date.
- These signed copies shall be held by the Company Secretary.

## Affirmation & Compliance of the Code

- All Board Members shall read this Code at least annually, and shall certify in writing that they have done so and that they understand the Code.
- Annual compliance of the code by all Board Members shall be recorded in a meeting of the Board of Directors.

## Conclusion

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

Sd/-  
**Abdul Hafiz Chowdhury**  
 Chairman

# 3.3 POLICY OF REVIEWING EFFECTIVENESS OF THE BOARD OF DIRECTORS

EVERY YEAR THE BOARD OF DIRECTORS OF GREEN DELTA INSURANCE COMPANY LIMITED CARRIES OUT FOLLOWING REVIEWS/EVALUATIONS OF ITS OWN PERFORMANCE AND EFFECTIVENESS:



Making an Evaluation of the status of compliance with the Code of Conduct Framed for Directors.



Discussing and analyzing its own performance against benchmark and earlier achievement of result.



Reviewing the performance and contribution of the Managing Director and the Management Committee.



Reviewing periodically of the achievement by the Company.



Reviewing the role of the Board of Directors as set out in the Article of Association and regulatory framework.



Reviewing of the objectives and strategies of the Company periodically to ensure they remain consistent with the Company's priority.



Apprising the Board of Directors of the new regulations and emerging practices for their information.



Reviewing of the Company's strategies for every New Year.



Providing sense of directors to the management for achievement of short-term objective and long-term goals.



Making an assessment of Directors' contribution to discussions on business proposals, governance and general issues.

## 3.4. THE MANAGEMENT COMMITTEE

AT GREEN DELTA INSURANCE, OUR BOARD IS SUPPORTED BY A STRONG SENIOR MANAGEMENT TEAM THAT HAS VERSATILE AND SPECIALIST EXPERIENCE ACROSS DIVERSE BUSINESS FACETS, THUS HELPING IN THE COLLECTIVE REALISATION OF BUSINESS GOALS, OBJECTIVES AND AMBITIONS. OUR SENIOR MANAGEMENT TEAM COMPRISES 14 MEMBERS.



### Nasiruddin Ahmad Choudhury

Advisor

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

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

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

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

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



## Farzanah Chowdhury

Chartered Insurer  
Managing Director & CEO

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

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

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

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

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

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



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

Consultant

A.K.M. Iftekhar Ahmad is a carrier insurer. After obtaining graduation from Dhaka University he joined the eastern Head Office of erstwhile Muslim Insurance Co. Ltd. on 8 January 1969. Thereafter he joined erstwhile Janata Insurance Co. fully owned by Bengali entrepreneurs in

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



### **Syed Moinuddin Ahmed**

Additional Managing Director & Company Secretary

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

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

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

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



### **Wafi Shafique Menhaz Khan**

Managing Director & CEO  
Green Delta Securities Limited

Mr. Wafi Shafique Menhaz Khan is the Managing Director & CEO of Green Delta Securities Limited, one of the few renowned brokerage houses of Bangladesh. He is also the Deputy Managing Director of Green Delta Insurance and is currently heading Retail & SME. Prior to join Green Delta, he was the Vice-President and Head of Non-Funded Business at The City Bank Limited. Mr. Khan has extensive experience in the banking industry and set benchmarks for others to pursue. He started his glorious career from ANZ Grindlays Bank and gradually earned diversified experience while working with BRAC Bank Limited, American Express Bank Ltd. and The City Bank Ltd. He was directly involved with the launching of numerous retail, card and loan products. Throughout his career, he has been assessed as a result oriented & strong team player, activator and developer. He has taken up several successful training and workshops held locally and globally on career management & leadership. He has attended various international conferences held in USA, UK, Dubai, Singapore, Thailand, India and China. This year Mr. Khan received "LFB Leadership Excellence Award 2021" in capital market category organized by The Leaders Forum BD.



### **Md. Rafiqul Islam**

Managing Director & CEO  
Green Delta Capital Limited

Md. Rafiqul Islam has been appointed as Managing Director & CEO of Green Delta Capital Limited since 2015. He had been Chief Investment Officer of Green Delta Capital Limited since 2010. Prior to joining Green Delta Capital, Mr. Islam had extensive experience at a major conglomerate in Bangladesh, Orascom Telecom Limited and BRAC EPL Investments Limited.

His over 20 years of experience encompasses in both Debt and Equity Capital Markets products where he comprises in many milestone transactions for raising and investing funds through Foreign and local currency syndications, project financing PE and IPOs in various sectors such as Infrastructure, Power, Energy, Financial, Agro, Textile, Telecom, Manufacturing, FMCG and Food processing sectors. Mr. Islam is also specialized in designing and structuring the Private Public Partnership (PPP) projects & infra deals and converting these as bankable deals.

Mr. Islam has advising clients across the South Asian & Southeast Asian region to create sustainable impact with acceptable financial returns. He has expertise on advising and structuring M&A transactions including the first-ever cross-border M&A transaction for a Bangladeshi conglomerate.

He performs as keynote speaker and panel speaker in various international and national conferences, summit and in TV. His contribution to promote Bangladesh among foreign investors has also been acknowledged by the Government of Bangladesh.

He holds various leadership position in Bangladesh such as Vice-President of Bangladesh Merchant Bankers Association (BMBA) for 2018-19, Chairman of FDI Standing Committee of Bangladesh-Malaysia Chamber of Commerce & Industry (BMCCI) for 2018-19 and Member of Sub Committee on Investment 2018 of Metropolitan Chamber of Commerce and Industry, Dhaka (MCCI).

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



### **Md. Anisur Rahman**

Head of Claims

Mr. Md. Anisur Rahman joined Green Delta Insurance Company Limited in November 2018. He brings with him a flamboyant career of more than 32 years of valuable experience in the insurance industry and a total of 39+ years of experience in banking and insurance profession.

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



### **Kabir Ahmed Chowdhury**

Head of Branches and Distribution

Kabir A. Chowdhury, Sr. ED, Head of Internal Branches and Distribution has been working in the insurance industry since last 36 years. He has experience in underwriting, Accounts, Audit, Claims and administration. Prior to the taking over the charge of Branches and Distribution he was the Head of Internal Audit and Compliance for 5 years. Also he is very much active in business producing areas with all the marketing people throughout the country. He has an excellent marketing leadership quality which helps to improve the sales quality of marketing executives. Mr. Chowdhury took part in various training, seminar, and workshop in Bangladesh and abroad by various insurance authority. He was the founder manager of several Branches and performed very good result in all the time. After completion of M.Com in Accounting & Finance from Chittagong University. Mr. Chowdhury joined with Green Delta in November 1986. He has travelling experience in various countries in Europe, America and Asia.





### **Syed Forhad Abbas Hussain**

Head of Reinsurance

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

He is happily married and has two sons.



### **Syed Aliul Ahab FCCA**

Finance Controller

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

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

Prior to joining Green Delta Insurance Company Ltd., Ahab served as a Senior Manager, Corporate Finance at KPMG in Bangladesh. At KPMG, he was the responsible manager for Deal Advisory and Corporate Finance engagements. He has experience working jointly with many other KPMG offices across the globe.

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

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



### **Md. Moniruzzaman Khan**

Head of Digital Business

Md. Moniruzzaman Khan is a profoundly experienced marketer and a seasoned professional in distribution, sales, corporate communications, strategic marketing, driving value-based brand strategy and technology based business transformation with exemplary leadership attributes. With a business graduation from Dhaka University, Mr. Zaman started his career in Grameenphone, where he has worked in almost every avenues of business including retail, distribution, channel & customer marketing for about 12 years. Before joining Green Delta Insurance in 2016, he served as Deputy General Manager and Head of Consumer Engagement in Grameenphone.

Mr. Zaman is currently heading the Digital Business department at Green Delta Insurance. His high level of adaptive capacity backed by his passion for InsurTech and experience of working at the telco Company of Bangladesh enabled him to chalk out the digital ecosystem of GDIC through partnerships and collaborations with different digital service providers including banks, MFS, aggregators etc. He intends to embrace technology in every aspect of the service delivery and change the customer behavior by providing with end-to-end transparent customer experience. His envisioned tech driven insurance solutions through development, partnerships & integration would prove to be a masterstroke in engaging insurance in the financial inclusion eco-system in the long run.



### **Rubaiyat Ahmed**

Head of Human Resources

Rubaiyat Ahmed has brought 14 years of progressive experience leading effective human resources teams and developing human resources framework and strategies for large organization in the retail, automobile industry and conglomerates. A business-savvy resources also has exceptional skills on Change Management, Leadership and Training & Development. He has a proven track record of proactive and hands on approach in implementing new policies through Planning, Collaboration, Driving Creativity and Effective Communication. He is also experienced in directing diversified HR functions including Budgeting, Recruitment, Talent Assessment, Performance Management and Employee relations.

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



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

Head of Impact Business

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

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

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

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

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



### **Anupam Das**

Head of Internal Audit & Compliance

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

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

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

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

## 3.5. CODE OF ETIQUETTE OF MANAGEMENT COMMITTEE

The Company's Code of Etiquette for Management Committee (MANCOM) outlines the rules on conduct and decorum, established operations and procedures, honesty, integrity and ethics. It serves as a reference for the members of MANCOM in maintaining their sense of responsibility and commitment to honesty, integrity and establishes measures and standards to organizational discipline.

The member of management committee (MANCOM) are prohibited from engaging themselves in transactions for the company, which are conflict of interest. No one acquire personal gain in exercising the authority or employment of the company.

- 1. Honesty and Integrity**  
Management committee acts with honesty, integrity and fairness.
- 2. Dealing with the Clients**  
It treats the clients with respect and reciprocity.
- 3. Confidentiality of Information**  
It maintains secrecy of the company and its clients.
- 4. Protection of Assets**  
It protects company's assets from being damaged, pilfered or stolen.
- 5. Conflict of Interest**  
It does not engage in act that conflicts with the interests of the company.
- 6. Fair and Transparent Conduct**  
The management are expected to act in accordance with the highest standards of personal and professional integrity, independence, honesty and ethical conduct including use of utmost care and sound judgment in good faith in the business decision making.
- 7. Insider trading**  
No member of the management committee engages himself/herself in any insider trading.
- 8. Compliance with Laws, Rules and Regulations**  
The management must exhibit their total submission to the limits of law in drawing up the business policies, including strict adherence to monitoring of legal compliances at all levels.
- 9. Gifts giving and Acceptance**  
None of them accepts any gifts form clients or any other business associates.
- 10. Privet Gain:** No member exercises his/her power attributed to his/her position for the benefit of the company.  
No member of the management team uses his/her power attributed to his/her position for privet gain.
- 11. Information Security**  
It takes reasonable care to keep secure its information from unauthorized disclosure and exchange.

# 3.6 STRATEGIC MANAGEMENT REVIEW

**PositiveInsurance: Standing by the side of our customers and accelerating the transition together with all our stakeholders.**

## Leading from the front in an exceptional year

The year 2021 was marked by the incessant Covid-19 pandemic, which brought localised and even severe reimposition of lockdowns and continued to disrupt the lifestyles of our societies. To deal with the severity of the crisis, strong and rapid responses were provided in particular by governments and financial institutions.

As a major insurance player, Green Delta continued to remain mobilised, as closely and as quickly as possible, to meet the needs of its customers and massively support the economy. To this end, our teams, in all of the Group's business lines, made an exceptional commitment as of the very start of the pandemic to ensure the continuity of support to customers and companies affected by the crisis.

The year 2021 was also one where the establishment of Green Delta Insurance passed 36 years, with a strong history of countering challenges and achieving success. This symbolic date is also an opportunity to put into perspective the progress made by the Group through the prism of the major pivots underlying its strategic vision: countrywide footprint, ability to accelerate the digitisation of our products and services, and make sustainable insurance an essential dimension of our future business development.

In line with these significant advances and in keeping with our mission, the preparation of our future strategic plan will mobilise the Group's driving forces over the coming months. We will be evermore focused on supporting our customers to help them achieve a sustainable recovery and, beyond that, to serve and advise them in all their projects. We will also be committed to being present alongside those in society who need it the most, in particular through our solidarity commitments and our citizenship activities.

With the conviction that the need to preserve the common good is a call to help build a greener and more inclusive post-Covid-19 world, we have organised ourselves, along with our customers and partners, to be able to contribute to this much needed transition.

## Performance update, 2021

In 2021, we proved the solidity of our balance sheet, the agility of our people and the timeliness of our digital strategy, all of which helped us to quickly adapt to new ways of serving our customers and protecting our employees.

The year under review was satisfactory from the point of view of the progress we achieved and the foundations we were able to lay for future growth. While on the one hand we maintained a business-as-usual approach, on the other we also focused on mining strategic opportunities that could translate into recurring future benefits. Within the overall construct of our portfolio, marine and fire, which together occupies a large part of the basket, faced pressures on rates, driven by Covid-related challenges faced by customers. Thus, we sought to offset this through focusing on expanding the customer base and engaging in better negotiations. Our health insurance portfolio continued to gain positive traction driven by increased health awareness, and we witnessed a shift in this segment from plain products into ones with add-on features. Customer decisions were also faster here. Motor insurance remained relatively muted with mobility restrictions and disrupted supply chains (for imported cars) and even unfavourable regulations around the enactment of the Road Transport Act, 2018 that has made it optional for owners to take insurance. However as an industry we are making appeals to the regulator to make first-party motor vehicle comprehensive insurance mandatory.

Yet, having faced a challenging environment in 2020, we continued to expand our claims settlement capacity, which stood at a record Tk 152 crore for the year 2021. Our robust claims settlement process is evident in our claims less re-insurance claims settlement ratio of 9% for the year. Notably, maintaining our balance sheet strength paid-off as it supported the expanded claims settlement without jeopardizing the future viability of our business in any way.

## Continuing to adapt through the crisis

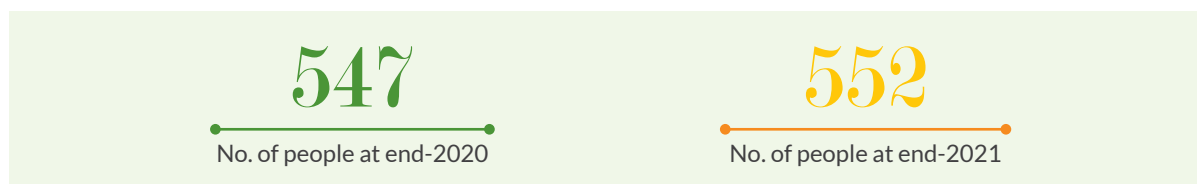
Across all business lines, a set of measures were quickly re-implemented to protect employees and allow them to

ensure continuity of business. These measures allowed them to provide our clients with essential support while also being protected: home office, new digital tools, adaptation of on-site guidelines, provision of surgical masks and hand sanitiser in all buildings, flu vaccination campaigns and testing, temperature measurement, specific instructions for vulnerable employees, etc.

During the worst phase of the second wave of the virus in 2021, as many as 552 employees worked remotely while continuing to serve our customers. Within some business lines, remote working involved up to a greater proportion of our workforce. In addition to the mobilisation and

continued flexibility of all teams, this was made possible by close collaboration between our Human Resources and IT divisions. The Group maintained the salaries of all employees and even continued with variable pay policies, thus not only remaining empathetic but also protecting their ability to cope with any challenges at home.

Furthermore, prevention and awareness-raising activities and programmes were carried out in almost all of the Group’s entities on the subject of occupational health and safety. Measures were also taken to improve the working environment and prevent occupational risks or any other health-related disorders.



**Towards a more sustainable and resilient business model**

We believe it is now important to project ourselves in the post-Covid period, despite the persistence of many sources of uncertainty, whether in terms of the shape of the recovery, or the trajectory of interest rates, the ability of governments to repay their debts or trade tensions likely to disrupt the flow of international trade. Faced with the need, highlighted by this crisis, to better preserve the common good, the challenges related to climate change and the ecological transition are becoming even more important. They are at the heart of the issues that companies must address, by doing their part to promote a sustainable economy. Likewise, the economic turmoil that the health crisis brings in its wake is accentuating social inequalities and this calls for a more inclusive economic model.

Against this background, we commenced many initiatives with a view to not only protect our business and share of market, but also stimulate recovery by laying the foundations for a more resilient economy. At the forefront of sustainable insurance, Green Delta will play an active role in popularizing insurance as the most viable means to protect general life and livelihoods. We

will focus on raising awareness around the fact that premium payments are only a fraction of the costs the insured can be protected against. Further, insurance also expands the capacity of the insured to take risks and bounce-back quickly from any untoward incidents. Thus, in addition to the many benefits of insurance, it also stimulates entrepreneurial activity in an economy and the government must take cognizance of this to promote insurance and perhaps even making it mandatory in certain segments. Fully aware of the responsibility incumbent upon it, our Board of Directors will act with rigour and constancy to put insurance at the service of a more sustainable future and to support, with the backing of our shareholders, new ethical, environmental and societal demands on insurance.

**Our demand environment today**

The table below summarizes our demand environment and the challenges facing our Group. They are distributed around key trends: adapting to a complex economic and regulatory environment, using technology to enhance customer experience, accelerating the transition to a more inclusive and sustainable economy, and combining the strength of a resilient business model with regional proximity.

**ADAPTING TO A COMPLEX ECONOMIC AND REGULATORY ENVIRONMENT**

Ethics and compliance	Data privacy	Governance	Business continuity plan

## HARNESSING TECHNOLOGY TO ENHANCE CUSTOMER EXPERIENCE



Digital transformation



Customer journeys



Talent development



Process digitization

## ACCELERATING THE TRANSITION TO AN INCLUSIVE AND SUSTAINABLE ECONOMY



Fair and inclusive workplace



Ethics and compliance



Transparent practices

## COMBINING THE STRENGTH OF A RESILIENT BUSINESS MODEL WITH REGIONAL PROXIMITY



Customer satisfaction



Accessibility for all products



Support for local communities

### Responding to a changing insurance landscape

#### Talking to a new generation

We are stepping up our innovation focus to attract younger customer segments, including millennials, Generation-Z and others seeking individual, flexible cover. We are intending to work with start-ups and others to get fresh insights, especially those that are digital natives and are champions of the Digital Bangladesh movement. And we are also attracting the next generation of talent through a variety of means, including both fresh as well as lateral hires.

#### Inspiring confidence in a connected world

We work closely with customers to identify risks tied to interconnectivity and cyberspace. We are also working to instill confidence in a digital society through our data commitment and fostering a digital insurance ecosystem in the country.

#### Finding and keeping the best people

To provide the best service and solutions for customers, we need to have the best talent. We continue to organise innovative training programs for leaders and management teams and have won awards for diversity. We are proud that we have increased our measure of employee loyalty and continue to promote a culture based on merit, capability and distinction.

#### Taking action on sustainability

We are focused on insurance sustainability and continue to implement measures to be a more sustainable business. We are among the few in the industry to have launched a dedicated report on the SDGs, showcasing our commitment to align with the goals in Bangladesh. Our focus also includes climate change, which affects all of us: from our customers to the communities in which we live and work.

# 3.7 MANAGEMENT EVALUATION AND RESPONSIBILITY

## Driving strategy and performance in challenging times.

Despite the unprecedented challenges that prevailed during the year 2021, the Company’s strategy served it well, stewarded by the Board, attesting to its resilience and relevance in difficult times. During the year, the Board’s focus was directed primarily towards implementing measures to ensure the safety of employees and business partners, while driving business continuity and laying the foundations for long-term growth.

The management’s evaluation and responsibility around corporate strategy and performance is rooted in the evaluation against ESG principles. ESG comprises our dashboard with respect to our organization’s collective conscientiousness for social and environmental factors.



Being a part of the services industry, the insurance sector typically has a very low environmental impact or footprint. Operations are limited to using conventional sources of energy for office / workplace lighting purposes and the sector is even looking at means to optimise consumption of electricity. However, the one area where the industry has a substantive impact is in building climate resilience in the agricultural sector. Through providing crop insurance services, not only does the sector support the farm and agri communities to make the transition to a low-carbon one, but also protects crops against damage in the event of any adverse weather-related events. Further, considering the size and scale of agriculture in Bangladesh, the insurance industry can play a hugely positive role here.



As a responsible corporate, we have an important role to play in delivering a positive societal impact for our employees and people across our supply chain. Enhancing livelihoods, respecting human rights and looking after our people adds value to the society and is a pragmatic and commercial approach that secures the long-term sustainability of our business. Though attrition is a key challenge we have to deal with in the near-term, but there are lot of things we have done internally also and hiring freshers is just one area. We have created robust initiatives, such as role rotations, career development and career movement opportunities. Our intention is to hire a good balance of freshers as well as laterally from the market. Further, with a view to solidify our social bonds we have kept pay structures intact, while also supporting our people in every possible way to tide over the crisis. Besides, productivity was a major focus area for the year and through providing meaningful work and employment opportunities we have contributed to consequential jobs creation in the country.



We have always believed that good corporate governance is key to our sustainable, long-term growth. We are committed to achieving our business objectives in a transparent, open and accountable manner, and sustaining a culture of integrity in everything we do. Our actions and behaviour impact all areas of our business, which is why corporate governance is such an important facet for us. The Company’s ESG agenda is underpinned by a robust governance framework of policies, procedures, principles and standards, which are aligned with best-practices and customised to suit domestic requirements. Our leadership team holds apex responsibility for the delivery of the Company’s ESG agenda, while implementation is driven by a cross-functional working group, which works with all relevant departments and functions in achieving specific targets. In addition, our organisational culture, relations with internal and external stakeholders and overall corporate behaviour is founded on several key internal instruments set out in our charter and code of conduct. Compliance to these policies, procedures and standards are mandatory for all our employees, and regular training and awareness sessions are conducted to ensure that the policies are clearly understood and actioned upon.





# FINANCIAL HIGHLIGHTS

## 4.1. LAST 5 YEARS

# FINANCIAL INDICATORS

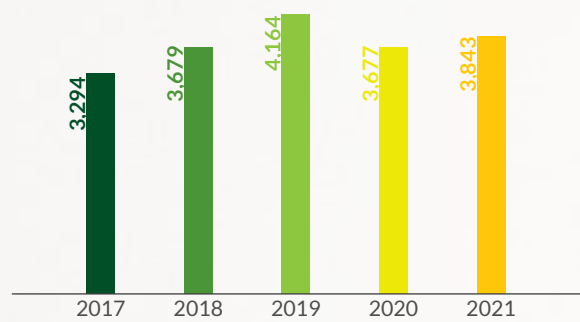
Particulars	Figures in BDT million				
	2017	2018	2019	2020	2021
Gross Premium Income	3,293.55	3,678.63	4,164.15	3,676.75	3,843.31
Net Premium Income	1,524.35	1,660.53	1,996.82	1,609.36	1,546.81
Net Claims	371.15	470.93	565.48	389.77	144.62
Underwriting Profit	399.96	403.06	413.55	965.40	1,202.59
Investment Income	208.94	238.99	294.73	299.80	315.80
Profit before Tax	307.80	318.89	360.60	1,016.58	1,256.00
Profit after Tax	243.10	249.41	300.71	683.80	787.18
Paid up Capital	806.91	806.91	887.60	931.98	1,001.88
Share Holder's Equity	6,412.19	5,746.34	5,858.47	6,242.22	6,723.21
Total Liabilities	3,431.66	4,419.08	5,241.25	5,062.75	5,917.37
Total Reserves	5,203.88	4,512.57	4,494.38	4,389.79	4,379.36
Total Assets	9,843.85	10,165.42	11,099.72	11,304.98	12,640.58
Total Investment	5,806.57	5,361.18	5,346.07	5,432.46	5,513.56
Fixed Assets	2,179.87	2,149.21	2,140.61	2,115.12	2,133.90
Earnings per Share (EPS) Taka	3.01	3.09	3.39	7.34	7.86
Net Profit Margin	7%	7%	7%	19%	20%
P/E Ratio (Times)	20.38	21.03	15.41	8.40	13.50
Book Value per Share (NAVPS)	79.47	71.21	66.00	66.98	67.11
Market Value Per Share (Taka)	61.40	65.00	52.20	61.60	106.10
Required Solvency Margin	401.07	473.59	511.79	442.30	473.08
Available Solvency Margin	3,407.01	2,589.57	1,433.87	1,830.79	735.53
Solvency Margin (Times)	8.49	5.47	2.80	4.14	1.55
% of Dividend Paid ( Cash)	20%	10%	15%	24.5%	30%
% of Dividend Paid ( Stock)	-	10%	5%	7.5%	-

## 4.2. PERFORMANCE

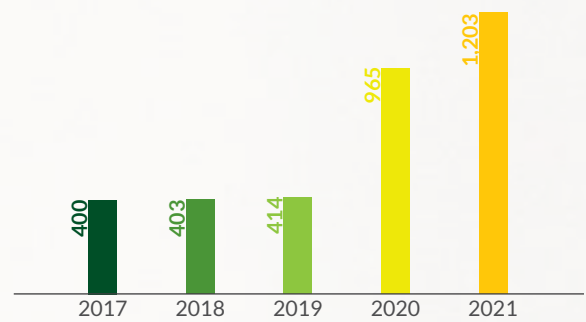
# AT A GLANCE OF GDIC

### (HORIZONTAL & VERTICAL)

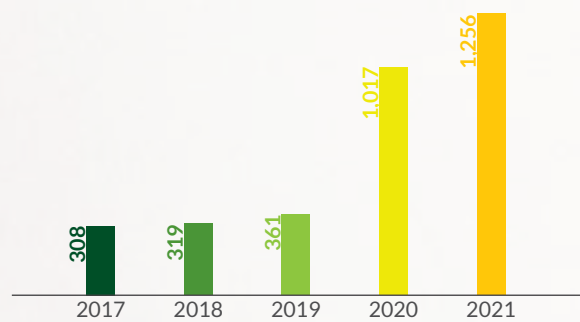
Gross Premium



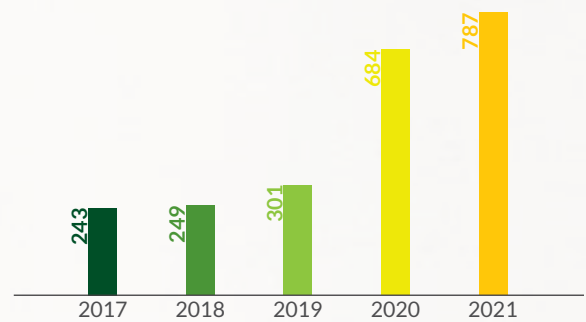
Operating profit



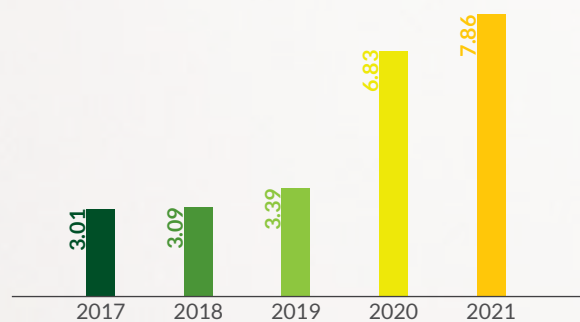
Profit before tax



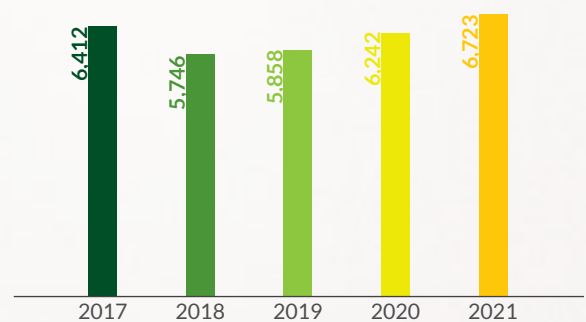
Net profit



Earning per share

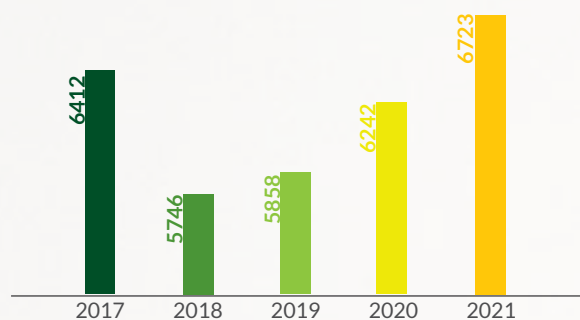


Net assets

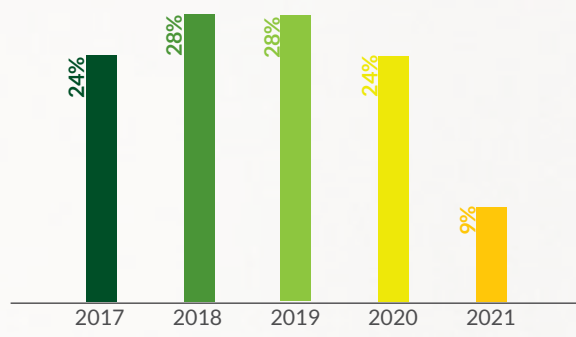


# 4.3 GRAPHICAL PICTORICAL DATA

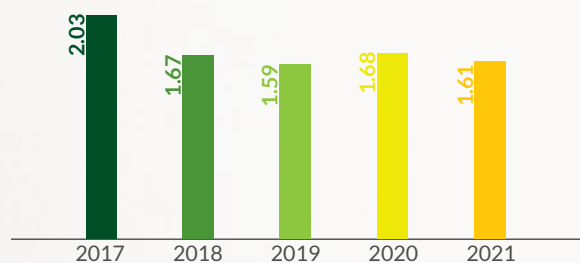
Net asset



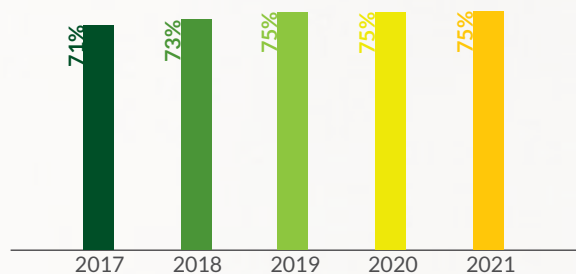
Net claim ratio



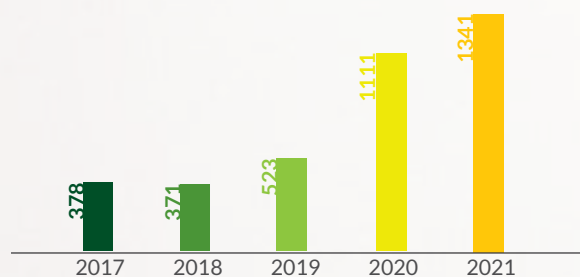
Current Ratio



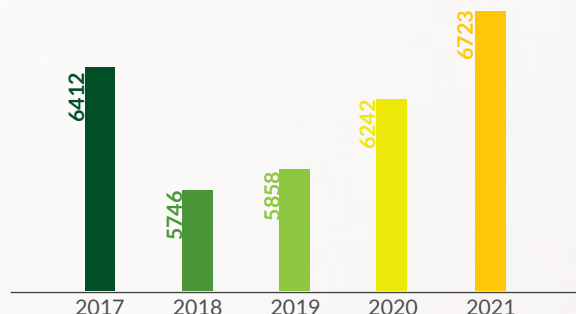
Liquid assets to total assets



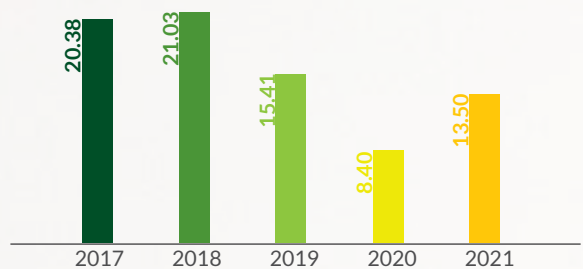
Earnings Before Interest and Tax



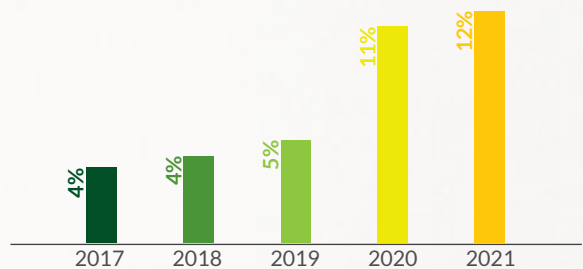
Net asset



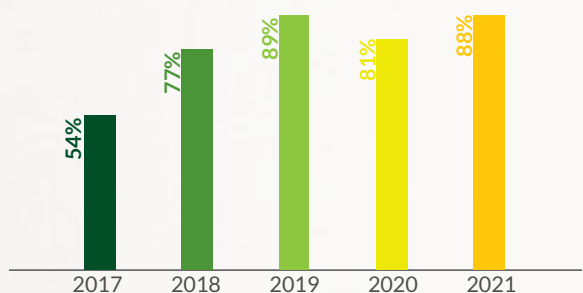
Price earnings ratio



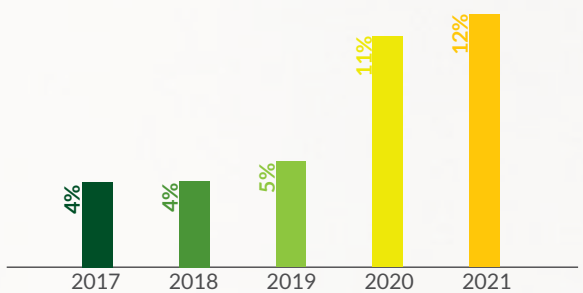
Return on capital employed



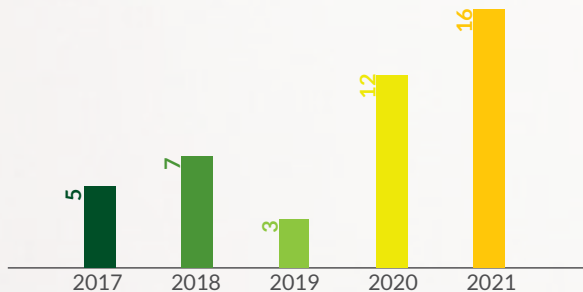
Debt Equity Ratio



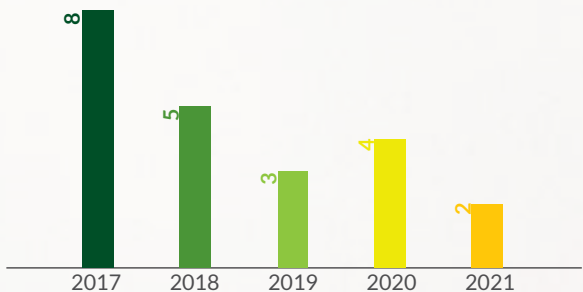
Return on Equity



Interest Coverage Ratio (Times)



Solvency Margin (Times)



## 4.4 PROFITABILITY PERFORMANCE AND LIQUIDITY RATIOS

Particulars	2017	2018	2019	2020	2021
<b>Earnings ratio</b>					
Premium growth	4%	12%	13%	-12%	5%
Risk retention ratio	46%	45%	48%	44%	40%
Re-insurance Commission yield	19%	18%	15%	27%	25%
Net loss ratio	24%	28%	28%	24%	9%
Management expense ratio	40%	39%	38%	32%	28%
Combined ratio (gross basis)	51%	52%	51%	43%	31%
Investment yield	3%	4%	5%	5%	5%
Underwriting profit margin	12%	11%	10%	26%	31%
Net profit margin	7%	7%	7%	19%	20%
Return on Equity (ROE)	4%	4%	5%	11%	12%
Return on Asset (ROA)	2%	2%	3%	6%	6%
Dividend yield	3%	3%	4%	5%	3%
Dividend payout ratio	66%	65%	59%	44%	38%
Price Earning ratio	20.38	21.03	15.41	8.40	13.50
Earnings per share	3.01	3.09	3.39	7.34	7.86

### Liquidity Ratio

Liquid asset to technical reserve ratio	33.79	29.04	31.21	21.79	65.76
Current ratio	2.03	1.67	1.59	1.68	1.61
Cash Ratio	29%	20%	18%	21%	18%

### Solvency Ratio

Debt to equity ratio	54%	77%	89%	81%	88%
Operating leverage	24%	29%	34%	26%	23%
Interest coverage ratio	5	7	3	12	16

## 4.5 EVALUATION OF QUARTERLY FINANCIAL BY THE AUDIT COMMITTEE AND BY THE BOARD

Figures in BDT million

Particulars	2020				2021					
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
Gross premium income	983.31	823.47	1,030.55	839.42	3,676.75	991.47	952.25	960.48	939.11	3,843.31
Net premium income	363.22	336.06	330.05	580.02	1,609.36	430.32	307.88	338.64	469.97	1,546.81
Net R/I commission earned	94.45	132.41	206.75	114.31	547.91	143.08	114.58	110.73	194.25	562.64
Investment & others income	40.47	27.09	175.89	56.36	299.80	41.84	135.67	56.89	79.92	314.33
Total Income	498.14	495.55	712.69	750.70	2,457.08	615.24	558.14	506.26	744.14	2,423.78
Management expenses with claims & agency commission	318.61	293.90	409.93	169.43	1,191.87	324.61	162.34	162.78	257.13	906.86
Management expenses (un-allocable)	62.10	83.97	30.77	71.78	248.62	60.80	50.25	68.55	81.32	260.92
Total expenses	380.70	377.87	440.70	241.20	1,440.49	385.41	212.59	231.34	338.45	1,167.78
Net profit before tax	117.43	117.68	271.98	509.49	1,016.58	229.84	345.55	274.92	405.69	1,256.00
Current year tax	25	50.56	67.75	189.39	332.71	75.17	142.61	111.76	139.29	468.82
Net profit after tax	92.43	67.11	204.23	320.09	683.87	154.67	202.94	163.16	266.41	787.18
EPS	1.04	0.76	2.19	3.43	7.34	1.66	2.03	1.63	2.66	7.86

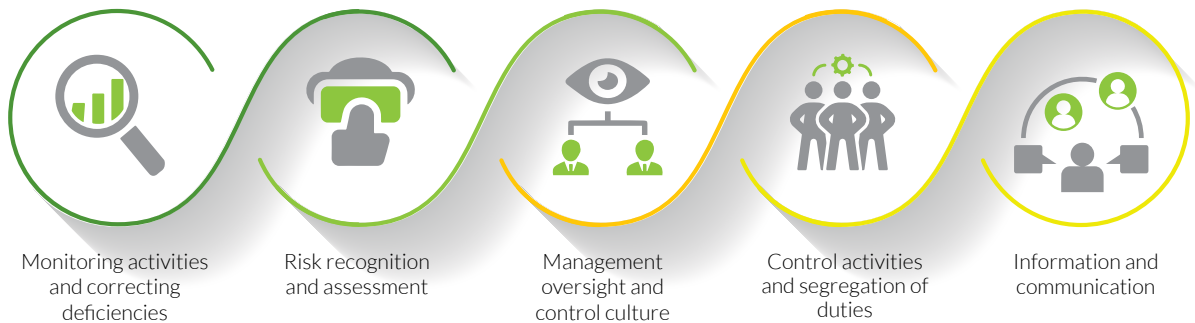
# 4.6 INTERNAL CONTROL SYSTEM

The Board of Directors is primarily responsible to review the adequacy of the system of internal control. As delegated by the Board the Audit Committee ensures that the system of internal control is adequate to protect against any type of fraud. The Audit Committee reviews the corrective measures taken by management relating to fraud-forgery and places report before the Board and regulators and performs all other oversight functions in relation to Internal Control System. Any system of control can only ever provide reasonable and not absolute assurance that control

weaknesses or irregularities do not exist or that there is no risk of material errors, losses, fraud or breaches of laws or regulations. Internal Audit Unit of GDIC does have valuable contribution towards improving the effectiveness of its systems of internal control. GDIC follows COSO framework for evaluating internal controls in the organization. The COSO model defines internal control as “a process, effected by an entity’s board of directors, management and other personnel, designed to provide reasonable assurance of the achievement of objectives in the following categories:



## COSO Framework for Internal Control – Specify Financial Reporting Objectives



GDIC’s Internal Audit & Compliance Team believes that internal audit activities shouldn’t stop with internal controls. They should also focus on assessing enterprise risk— analyzing people, processes, facilities, and systems—as well as evaluating performance. By taking a more holistic approach to internal audit that encompasses internal controls, risk management, and

performance, organizations can create a culture of safety, transparency, efficiency, and effectiveness.

### Internal Audit & Compliance Department

Internal Audit is a key pillar and cornerstone of good governance. It provides the board of directors, the audit



committee, the chief executive officer, senior executives and stakeholders with an independent view on whether the organization has an appropriate risk and control environment, whilst also acting as a catalyst for a strong risk and compliance culture within an organization. The Internal Audit Department of the GDIC has been organized for the smooth operation of the internal audit and internal control system of the company. It ensures that internal controls are in operation and properly managed. It performs throughout all divisions/branches of the company and reports to the Audit Committee. Internal Audit Team of GDIC is committed to provide an independent and objective assurance service by completing a program of reviews throughout the year, to provide an opinion on the internal control, risk management and governance arrangements of IDRA (Insurance Development & Regulatory Authority) as well as other regulatory authorities and GDIC policies. The audit team performs the following duties on a regular basis throughout the year:

- The team has conducted 37 branch audits, 7 department audits, several surprise inspections, follow up audits, special audits, 3 subsidiaries audit and submitted audit reports with suggestions & recommendations as well as confirmed spot rectification to ensure compliance.
- The team also checks and verifies payment vouchers which was more than 4,000 in year 2021.
- The team reviews the petty cash on monthly basis and underwriting on sample basis.
- The team also reviews Anti Money Laundering and Combating Financing Terrorism (AML/CFT) issues on the basis of BFIU guidelines and circulars for insurance sector and IDRA checklist.
- The team was part of full implementation process of GDAMS (Automation of Green Delta Approval Management System) and other additional engagements as part of special management request.

As way forward the Internal Audit & Compliance department plans:

- Adoption of risk based audit, focusing more on high risky areas of operation, aligning with business continuity plan and aftermath of Covid-19.
- Integration of current audit operation in a system based audit software.
- To emphasize the emerging risks and adopt the Enterprise Risk Management (ERM).

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

The Board is responsible for leading the company and overseeing its governance practices, initiatives and compliance framework. The Board sets the narrative on adherence with the group's culture, values and ethical behaviors, and we keep the interests of our shareholders, customers, staff and wider stakeholders at the heart of our decision-making process. Our governance framework means we have a robust decision-making process and a clear framework within which decisions can be made. This is achieved through our delegated authority framework, which ensures that key decisions are taken by the right people at the right level and that there is clear accountability and ownership. In an ever-changing business environment, it is important for us to ensure that our governance framework evolves with us, and we need to ensure that this framework meets the needs of the whole business and supports the ongoing delivery of our strategy. At GDIC, we are proud to embrace pristine quality governance standards that have enabled us to emerge as a point of regulatory reference in Bangladesh's insurance sector. Towards meeting regulatory policies and guidelines issued by our regulators, we have established appropriate systems of internal control that are robust and facilitate us to safeguard our assets and operations from risks that may pose a threat to the sustainability of our enterprise.

- Statement of corporate governance –
- Acknowledgment of Directors' responsibility in respect of internal control of GDIC,
- Report of the Audit Committee –
- Review of the activities of the Internal Control and Compliance Department (ICC)

The Board of Directors always promotes a sound and strong internal control system inside the GDIC, and entrusts upon the Audit Committee to be responsible for ensuring that the system of internal controls is adequate to protect against any type of fraud in the company. The Board of Directors always appreciates the internal controls that have been set up by management and gives advices on any matters as and when required. The committee reviews the corrective measures taken by the management relating to fraud-forgery and deficiencies in internal control. The Board of Directors time to time reviews the Internal Control System of the Company and necessary guidance are provided to improve the system. Control activities and segregation of duties Control mechanism is an integral part of the daily activities of the company. An effective internal control system requires that an appropriate control structure be set up, with control activities defined at every business level which is ensured in the company. The control mechanism includes top-level reviews, appropriate activity controls for different departments or divisions, physical controls, checking for compliance with exposure limits and follow-up on non-compliance, etc.

## 4.7 STATEMENT OF BOARD OF DIRECTORS ON THE RESPONSIBILITY TO ESTABLISH APPROPRIATE SYSTEM OF INTERNAL CONTROL

### Directors' Responsibility to Establish and Maintain Internal Control:

The Board of Directors of GDIC is responsible to establish and maintain appropriate system of Internal Control. To ensure appropriate level of Internal Control System, a good number of Standard Operating Manuals and Policy Guidelines have been introduced in line with global best practices and Regulatory Guidelines. Delegation of powers in various businesses, administrative and financial areas has also been approved by the Board.

### Directors Responsibility for Financial statements:

The Directors are responsible for ensuring that the GDIC keeps proper books of accounts of all the transactions and prepares financial statements, which give a true and fair view of the state of its affairs and profit/ loss for the year. The Board of Directors accepts responsibility for the integrity and objectivity of the financial statements. It ensures that the estimates and judgments relating to the financial statements were made on a prudent and reasonable basis so that they reflect in a true and fair manner, the form and substance of transactions and reasonably presents the Company's true state of affairs. The Board of Directors confirm that the International Financial Reporting Standard (IFRS) and International Accounting Standards (IAS), as adopted in Bangladesh by the Institute of Chartered Accountants of Bangladesh, have been adhered to, subject to any material departure being disclosed and explained in the notes to the accounts. The Board also confirms that the Company keeps accounting records, which disclose with reasonable accuracy, the financial position of the Company, and which enables it to ensure that the financial statements comply with the requirements of the Companies Act, 1994, Securities and Exchange Rules, 1987 and Listing Regulations of Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited and amendments thereto. GDIC has established a robust internal financial control framework comprising internal controls over financial reporting, operating controls and fraud prevention controls. The framework has been designed to ensure accuracy, completeness and reliability of our financial records, orderly and efficient conduct of our business and safeguarding of our assets as well as detection and prevention of fraud. Key components of our internal financial control framework include:

- Entity-level controls: The control environment of the company relies on a set of entity-level controls that operate at an organizational level and not embedded in any particular single process at the micro-level of the company.
- Operating controls: These comprise information technology and other tech process controls operating at a system / process level with the objective of providing assurance at the transaction or customer interface level.
- Review controls: Review controls comprise multiple levels of oversight over financial reporting through a strong reporting and review framework.
- Fraud prevention: The Company has a comprehensive fraud risk management policy.

### Directors Responsibility for Corporate Governance:

Good corporate governance is central to the GDIC's approach to enhance long term shareholder value. We are governed by a Board of Directors. The Board and management are committed to policies and practices that meet high levels of disclosure and compliance. Importantly, the Board's diverse range of skills, experience and expertise supports the effective governance and robust decision-making of the organization. The Board has determined that collectively, its Directors have extensive experience across the key desired areas. The Board is accountable to our shareholders who own the company. The primary responsibilities of the Board include the following:

- Establishment of corporate objectives and ensuring alignment
- Fostering a corporate culture that is anchored on ethics, integrity, principles and moral code
- Development of performance analysis metrics and appraisal thereof for the executive and senior management team
- Providing oversight for operations and ensuring alignment with our well-defined code of ethics and values

## 4.8 SUSTAINABILITY AT GREEN DELTA INSURANCE (Environmental and Social Obligation)

### Sustainability in action

The year 2020 was marked in the history of the 21<sup>st</sup> century by the magnitude of the negative social and economic impacts resulting from the pandemic caused by Covid-19 and, also, by the solidarity, cooperation and innovations undertaken to minimize the negative externalities of the measures to contain the spread of the virus. The worst effects of the pandemic continued well into 2021 too, with the confounding second wave of the virus wreaking further havoc on an already stressed economic and social fabric. In this context, as a large public-facing institution of the country, Green Delta Insurance served its customers (policyholders), society and employees with speed, courage and conviction, helping stave-off the worst effects of the contagion.

We continued to anchor our initiatives on the broad pillars of ensuring the Company's sustainability, showing solidarity with our customers with the spirit of fulfilling our claims obligations, taking care of our employees and teams, and preparing for the post-crisis era. These drivers channelled the energy of our team, which, sensitive to the needs highlighted by the health crisis and supported by the Management, produced actions that offered relief in the most diverse situations through our effective rehabilitation programs. We made remote work possible for all employees, kept the team together through virtual meetings, and donated masks and safety kits to employees dedicated to in-person customer service.

Without abandoning our long-term agenda, we adopted short-term targeted initiatives to guarantee the economic and financial health of the Company, and re-modelled products to better position our portfolio to the acceleration of digital transformation, which was one legacy of the social distancing measures. Today, we are accelerating the digital shift by building strategic partnerships with diverse sectoral leaders (including MFS players, banks, telcos, etc.) having a large direct retail presence, both digital and physical, to take insurance to the masses. We are energised by the possibility of building a comprehensive growth-oriented digital ecosystem that expands the addressable market and helps raise awareness about the critical role of insurance in effective risk mitigation. We are committed to insurance inclusion and believe that such an ecosystem will also contribute to the sustainable growth of the insurance sector.

At all times, we honoured our mission, which is provide "Insurance for everyone" and remained consistent with our strategic objectives to be lean and efficient, which means, to have a light structure and simple processes with

high value generation; building products, services, customer journeys and relationships that enable us to retain and attract new business premium; combine online and offline to always make insurance accessible and affordable; increasing the market penetration of insurance products with a focus on new channels, offering and distribution models; and to experiment fearlessly with an eye on transforming the future course of insurance.

We understand the climate transition as a factor that includes uncertainties, threats and opportunities for the insurance market. The uncertainties stem from the fact that there is a lot to know about where, at what speed and in what dimension the climate transition will take place, and what the effects are on the sustainability of the business. During the COP26 (2021 United Nations Climate Change Conference) summit held in Glasgow in November 2021, governments of a number of countries around the world affirmed to net-zero targets over specified periods. Though threats are already incorporated into insurance underwriting models today, taking into account the history of claims, this model should evolve as we become more aware of the climate transition and its possible impacts on business.

In the midst of every change, there is a range of opportunities. With this in mind, the Green Delta Insurance group envisions a fruitful way to get even closer to customers who, being sensitive to the vulnerabilities derived from environmental variables, can access additional insurance services, such as weather index-based crop protection solutions. Such additional services may open up new segments of the market, especially in the realm of retail insurance.

Sustainability is a part of Green Delta Insurance since its establishment over three-and-a-half decades back. As a Company that has been acknowledged in international and national forums for its socio-environmental practices and championing the SDGs, we aspire to being among the most sustainable companies in the world. Today, our broader sustainability manifesto aims to bring together, consolidate and accelerate the environmental, social and governance (ESG) agenda closer to the Company and the extended group.

In 2022, we will keep our attention on generating short-term results, without overlooking the commitment to the generation of sustainable value in the long term. In this regard, we will increasingly assume climate change as one of the risk and opportunity factors for our business and adopt measures to offset and neutralise the impact of natural calamities and create expertise and legitimacy to influence agents of our value chain in the same direction. We thus reaffirm our understanding of sustainability, in its economic, environmental, social and governance aspects, as an inherent part of generating value today and well into tomorrow.

**Our role in society: CSR statement, 2021**

In Bangladesh, thousands of daily-wage earners were severely affected by the onset of the coronavirus disease

pandemic. For months, lockdowns and restricted mobility prevented them from earning a living and providing for their families. Businesses and industries were forced to temporarily close, grinding Bangladesh's thriving economy to a halt. Thus, in the absence / restricted access to livelihood opportunities, social protection became crucial in the crisis and emergency conditions to especially assist the vulnerable groups cope and prevent losses.

At Green Delta Insurance, through our actions, initiatives and impacts, we contribute to not only widening and strengthening the social safety net, but also to the Sustainable Development Goals (SDGs), thus enabling the government to reach the objectives expressed in the goals by the targetted year of 2030, notwithstanding the pandemic impacts. We have chosen the following SDGs where we believe we have the maximum impact:



We have always been an active patron and proponent of women and youth empowerment, social progress and societal development. Besides contributing to women and youth development, we have always been highly supportive towards the deprived, underprivileged and backward communities of the society. We solemnly believe that it is the responsibility of the privileged to help the deprived community of the society in order to help them break the shackles of poverty and hope for a better life. As reflection of this belief, we actively take part in various social causes that involve culture, heritage, women empowerment, child education, youth development, welfare of the specially-abled or deprived children, reduce inequality, local jobs creation, etc. Some of the notable and ongoing CSR activities of the Company include the following:

Child education through Jaago Foundation: Green Delta Insurance sponsors a class of 40 children studying at Jaago Foundation schools, who are now known as "Green Delta Kids". Green Delta Insurance not only provides for their education, but also for their school uniforms, stationery, textbooks, etc. The Company will be continuing the sponsorship of the 40 children up to their SSC graduation. Besides, employee volunteerism at the schools has been encouraged, as they share their perspectives about career and life, thus providing inspiration to the children. On such occasions, a festive atmosphere is created at the school, with balloons, cut-outs of famous personalities, candy floss, magic shows, etc., all of which are thoroughly enjoyed by the children.

Education of specially-abled children through Apasen School: A key education-centric philanthropic initiative of Green Delta Insurance is its contribution to Apasen School, which is a specialized school for differently-abled children. We strongly believe that all children are special and each child deserves the same attention, which is why we contributed to Apasen for ensuring mental development and education of specially-abled children.

Patronage of national hockey: Green Delta Insurance has been a loyal patron of Bangladesh's national hockey team for the last 36 years since the very inception of the Company, thus offering reliable and dependable institutional support to national hockey development through the decades.

Philanthropic activities during the coronavirus pandemic: Considering the adverse impacts of the coronavirus pandemic on society, Green Delta Insurance has been actively supporting different communities and the general public amid these highly challenging times that have disproportionately impacted the grassroots. Green Delta Insurance's various philanthropic activities during the pandemic include:

- Donation of oxygen cylinders to government hospitals
- Donation of PPE, masks and sanitizers to government hospitals / clinics
- Donation of food and medicines to marginal communities
- Meals for underprivileged children on the occasion of Sheikh Russel Day (18th October)
- Tree plantations throughout the year to expand the green cover

Furthermore, inspired by the belief that our farmer communities need to be protected from the adversity of the pandemic for ensuring continued food security of Bangladesh, Green Delta Insurance initiated a popular fundraising platform, "**Amra Korbo Joy**", in association with Nagad, in 2020. Employees of Green Delta family also donated their salary of one-day to this fund, amounting to a total of BDT 1 million. With the funds raised through this initiative, around 1,100 farmers were supported, with the fund donations disbursed via Nagad. In addition, Green Delta Insurance also contributed to the Prime Minister's Relief Fund for relief and reprieve efforts against the pandemic.

## 4.9 REPORT ON GOING CONCERN

The Board of Directors of Green Delta Insurance Company (GDIC) has made annual assessment about whether there exists any material uncertainty which may cast significant doubt upon the Company's ability to continue as going concern. This assessment involves making appropriate inquiries including review of budget and future outcome of inherent uncertainties in existence. The Directors are convinced from the following indications, which give reasonable assurance as to Company's continuance as a going concern for the foreseeable future.

### Financial Indications

#### Performance Growth

2021 was challenging year for financial sector amid pandemic. Even in this period Green Delta manages to attain progresses in several areas which indicates its excellence in operating performance. GDIC posted 15% growth of group net profit in 2021. GDIC's ROA and ROE for the year 2021 was 6% and 12% respectively.

#### Cash Flow Analysis

GDIC's cash flow analysis represents its strengths about its ability to repay its obligations, ability to adapt in changing circumstances and generate sufficient cash and cash equivalents which will lead the organization to a sustainable future growth.

#### Consistent Payment of Dividends

Green Delta has been paying consistent dividend to its shareholders over many years, which reflects

company's long term vision and firm commitment to its shareholders. In 2021 GDIC has paid 24.5 % cash dividend along with 7.5% Stock dividend.

#### Corporate Environment and Employees' Satisfaction

Green Delta Insurance Company is an excellent work place with a friendly working environment. Communication among the employees is admirable. The organization endeavors to be honest and practices fair treatment to all employees which ensures healthy corporate environment. The company pays a very competitive compensation package and there are a good number of employee benefits like provident fund, gratuity fund, Home and personal loan for employees at a reduced rate, employees' health insurance, incentive bonus, transport facility to the eligible employees. Pay scale are frequently revised to give effect of inflation as well as to align with the industry level. These factors are instrumental for employee satisfaction.

#### Other Indications Satisfactory Credit Rating

Credit Rating Agency of Bangladesh Ltd. (CRAB) has rated the Company in 2021 with "AAA" (Pronounced as Triple A) in the long term and ST-1 for the Short Term based on audited financial statements and other available information up to the date of rating declaration. The outlook on the rating is Stable. The rating reflects the strengths of the Company which is backed by a strong team of management.



# GOVERNANCE AND STAKEHOLDERS

# 5.1

# CORPORATE GOVERNANCE REPORT

Leading the way for value creation and preservation through good governance



“Our long-term sustainability and success are contingent on the degree to which we deliver value to society. Through the considered development and delivery of products and services that satisfy societal needs, through our robust operational scale and through our adoption of best-in-class governance practices, we aim to play our part to enable a thriving society, create long-term value and maintain brand trust.”

**Farzanah Chowdhury**

Chartered Insurer  
Managing Director and CEO, Green Delta Insurance

**Dear shareholders,**

As Managing Director and CEO, I am pleased to introduce our Corporate Governance Report for 2021. The results of our work this year overseeing implementation of our long-term strategy in the volatile environment of a Covid-19 pandemic are testament to the effectiveness of the Board. Our Board's independence and diverse range of skills helps keep us focused on long-term competitiveness. I believe the Board continues to demonstrate that it is working well together.

The Board and Executive team of Green Delta Insurance strive to create maximum value by delivering on our purpose and ensuring relevance and sustainability of the business model by monitoring the macro environment, the availability and quantity of capital inputs and stakeholder needs to transform these into sustainable outputs and outcomes which not only inform the strategy of the group, but also enable us to create long-term value. This strategy, delivered through our strategic value thrusts, enables the group to maintain focus in conducting operations underpinned by sound and constructive governance practices, and, at the same time, delivering our financial targets.

During the Covid-19 pandemic that emerged in March 2020, the Board was focused particularly on value preservation and minimising value erosion. This focus remained undiluted in 2021, a year that witnessed the continued impacts of the coronavirus, especially with the second wave leaving a large hole in the economy. The global pandemic also tested the resilience of many industries, including the insurance industry. Yet I must say that our robust governance practices contributed to Green Delta Insurance remaining highly resilient during this challenging period, thanks to years of strategic stewardship that enabled us to that, in hindsight, prepare the business for times such as these.

Today, Green Delta Insurance is committed to the highest standards of governance, ethics, integrity and conduct.



We embrace world-class insurance practices and robust institutional governance and risk frameworks to ensure our services are secure and stable. We review these practices and frameworks on an ongoing basis, being aware and attentive of the dynamic operating landscape, influenced by, among other factors, health and economic changes (such as the impact of the “black swan” event, the Covid-19 pandemic), cultural shifts in the workplace, digital trends such as artificial intelligence (AI), escalating geopolitical risks, enhanced data safety and security requirements, and climate change risks to ensure that we act in the best long-term interest of our stakeholders.

Insurance companies are expected to adapt to regulatory changes quickly on account of their essential and critical role in the industry, which means we have to entrench good governance practices, while retaining the agility to respond proactively to the fast-changing regulatory environment. Further, as a business built on the foundations of trust, governance within Green Delta Insurance entails far more than legislative compliance and best-practice principles. We believe that good governance can contribute to living our values through

enhanced accountability, robust risk and performance management, transparency and an open culture and effective leadership.

The Board’s governance oversight is guided by its commitment to its responsibilities and governance objectives. These objectives provide a mechanism to measure and evaluate performance in applying the principles and outcomes as informed by the guidelines of BSEC (Bangladesh Securities and Exchange Commission) and IDRA (Insurance Development and Regulatory Authority of Bangladesh), our regulator.

I thank you for remaining invested in Green Delta Insurance, which is truly a gold-standard in corporate governance

Sd/-

**Farzanah Chowdhury**

Chartered Insurer

Managing Director and CEO, Green Delta Insurance

## Good corporate governance supporting long-term value creation

Green Delta Insurance's purpose is to close the large insurance gaps in the country by providing tailored, customised and best-fit solutions that meet the needs of all – from large and small businesses to individuals across the socio-economic spectrum. Our sound corporate governance practices and our comprehensive strategic planning support the delivery of our purpose by ensuring all business functions are executed ethically, with integrity and uprightness and professionalism.

As a business, we strive to be a trusted brand and partner in the markets. We entrench good corporate governance principles and ethics into our corporate culture and the unified spirit of Green Delta Insurance, thus enabling our employees to execute our strategy ethically, responsibly, fairly and professionally.

Being an integral part of Bangladesh's insurance industry operating for several decades now, we have witnessed how our corporate governance standards supports our value thrusts that are geared around meeting our customers' needs and expectations and growing along with them. To achieve this, the Board leads the business ethically, transparently and with integrity to build and sustain trust, which is the most important facet of our business. Insurance is all about trust and we strive hard in this realm, supported by our robust governance standards and practices.

To create and sustain value for our stakeholders, we commit ourselves to good corporate governance, employ suitably qualified and diversified leadership, manage the business ethically and transparently, and strive to maintain our reputation as a responsible corporate citizen committed to the welfare of society.

Further, in accordance with the organisational regulations, Directors are required to arrange their personal and business affairs so as to avoid a conflict of interest with the Group. Each Director must disclose to the Chairman the nature and extent of any conflict of interest arising generally or in relation to any matter to be discussed at a Board meeting, as soon as the Director becomes aware of its existence. In the event that the Chairman becomes aware of a Director's conflict of interest, the Chairman is required to contact that Director promptly and discuss with him or her the nature and extent of such a conflict of interest. Subject to exceptional circumstances in which the best interests of the Company dictate otherwise, the Director affected by a conflict of interest is not permitted to participate in discussions and decision-making involving the interest at stake.

## Our leadership structure

An engaged Board always helps drive performance, and our growth achieved consistently over a period of time reflects the effectiveness of our Board and attests to the solidity of our leadership structure.

Our strong corporate culture is fundamental to our business continuity and success, and the Board plays a critical role in shaping the culture of the Company by promoting a growth-focused and values-based conduct. As our business evolved faster than ever in 2021 in response to disruptions in our business environment,

our enduring core values of excellence and customer service served us well, while our increased focus on continued learning and evolved risk-taking supported the Company's adaptation to a disruptive environment.

At Green Delta Insurance, we monitor our progress in integrating our values through various indicators, including employee engagement, diversity, and health and safety. We understand the importance of the Board's role in establishing the Company's 'tone from the top' in terms of its culture and values, and our Directors lead by example as ambassadors of our values in order to cascade good behaviour throughout the organisation. In 2021, it was even more critical to continually engage with our people to ensure we understood their needs and challenges.

Board composition and diversity is critically important to us and hence the composition and size of the Board will continue to be under review. Today, we believe that our Board is well-balanced and diverse, with the right mix of international skills, experience, background, independence and knowledge in order to discharge its duties and responsibilities effectively. The Board is mindful of the overall length of service of the Board as a whole and is committed to recruiting Directors with diverse backgrounds, personalities, skills and experience.

We continue to attach great importance to all aspects of diversity in our nomination processes at Board and senior management levels, while appointing candidates with the credentials that are necessary for the continuing growth of our operations within a highly competitive and specialised industry. We believe that having a diverse Board is another factor in our resilience and are proud of our track record of female representation. As of the date of this report, female Directors comprise more than 55% of our Board.

Our Board Nomination Policy requires that each Director is recognised as a person of the highest integrity

and standing, both personally and professionally. Each Director must be ready to devote the time necessary to discharge and fulfil his or her responsibilities to the Company according to the terms and conditions of his or her letter of appointment. Each Director should have demonstrable experience, skills and knowledge which enhance Board effectiveness and will complement those of the other members of the Board to ensure an overall balance of experience, skills and knowledge on the Board.

In addition, each Director must demonstrate familiarity with and respect for good corporate governance practices, sustainability and responsible approaches to social issues.

Our Board, as of December 31, 2021 was constituted by 9 Directors comprising the Chairman & Independent Director, the Vice Chairperson, one Independent Director and 6 Directors.

## BOARD DIVERSITY

9

Total Board members

55%

Women representation on our Board

5/9

Women on our Board against total Board members

## BOARD MEETINGS



06

Board meetings held in 2021



80%

Avg. participation or Board meeting attendance

### Board's key roles and responsibilities

Our Board has ultimate responsibility for our long-term success and for delivering sustainable shareholder value as well as contributing to the wider society. The Board is responsible for setting the Company's purpose, values and strategy and ensures the alignment with its culture. This includes ensuring that workforce policies and practices are consistent with the Company's values and support its long-term sustainable vision. This is achieved by approving the corporate strategy, monitoring performance toward strategic objectives, overseeing implementation of the strategy by the working committee and approving matters reserved by the Articles of Association for decision by the Board. Specific tasks are delegated by the Board to its committees for audit and risk, nomination, remuneration and social responsibility, among others. The governance process of the Board is set out in our Articles of Association and the

organisational regulations. These regulations define the role and responsibilities of the Board and its committees.

There is a clear separation of the roles of the Chairman and the Managing Director & Chief Executive Officer. The Chairman is responsible for the operation of the Board and for ensuring that all Directors are properly informed and consulted on all relevant matters. The Chairman, in the context of the Board meetings and as a matter of practice, also meets separately with the Directors without the presence of the MD & CEO and promotes the culture of openness, debate and dialogue within the Board sessions as well as outside the formal sessions. The Chairman is also actively involved in the work of the Nomination Committee concerning succession planning and the selection of key managerial personnel. The MD & CEO is responsible for the day-to-day management and performance of the Company and for the implementation of the long-term strategy approved by the Board.

## CHAIRMAN



Leads the Board, sets the agenda and promotes a culture of openness and debate



Is responsible for overall effectiveness in leading the Company and setting the culture



Ensures the highest standards of corporate governance



Is the principal point of contact between the Board and the management



Ensures effective communication with all shareholders and stakeholders

## MD & CEO



Leads the business as the apex authority for day-to-day performance and achievements



Implements strategy and chairs all committee meetings



Communicates with the Board, shareholders, employees, government authorities, other stakeholders and the public



Ensures implementation of Board strategy and policies



Provides updates to the Board on key strategic matters

## COMPANY SECRETARY



Ensures that correct Board procedures are followed and ensures the Board has full and timely access to all relevant information



Facilitates induction and training programmes and assists with the Board's professional development requirements



Advises the Board on governance matters

### Nomination policy

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

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

- Regularly review the size and composition of the Board and the mix of expertise, skills, experience

and perspectives that may be desirable to permit the Board to execute its functions;

- Identify any competencies not adequately represented and agreed to the process necessary to be assured that a candidate nominated by the shareholders with those competencies is selected;
- The Directors are appointed by the shareholders in the Annual General Meeting (AGM). Casual vacancies, if any, are filled by the Board in accordance with the stipulations of the Companies Act, 1994, and the Articles of GDIC;

- The Managing Director and CEO is appointed by the Board subject to the consent of the shareholders in the Annual General Meeting (AGM) and approval of IDRA;
- Any change in the members of the Board requires intimation to all the scheduled banks and Financial Institutions (FIs), Bangladesh Securities and Exchange Commission (BSEC) and the stock exchanges (if necessary).

### **Adequate representation of non-executive directors**

We maintain the minimum requirement of non-executive directors as per guideline of IDRA and BSEC, as the only Executive Director is the Managing Director & CEO while the rest 9 are Non-Executive Directors (including 2 independent Directors).

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

GDIC's Board comprises of eleven (9) Non-Executive Directors including three (2) Independent Directors and one (1) Executive Director, the Managing Director & CEO. Directors possess a wide range of skills and experience over an array of professions, businesses and services. All the Non-Executive Directors are nominated by their respective institutions except for the Independent Directors. All the Directors bring forth independent judgment and considerable knowledge to perform their roles effectively. The Board of Directors ensures that the Company's activities are always conducted with adherence to stringent and the highest possible ethical standards and in the best interests of all stakeholders.

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

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

As per the revised Corporate Governance Code (CGC) of Bangladesh Securities and Exchange Commission (BSEC), at least one-fifth of the total directors of the Board shall be Independent Directors. Thus, in compliance with the guideline, two (2) Directors out of the total nine (9) Directors are independent, having no interest in GDIC. Independence of the respective Independent Director is confirmed during selection and appointment of the Directors and they remain committed to continue with such independence throughout their tenure.

### **Chairman to be independent of CEO**

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

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

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

### **Role and Responsibilities of the Chairman**

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

- Providing leadership to the Board;
- Taking responsibility for the Board's composition and development;
- Ensuring proper information for the Board; Planning and conducting Board meetings effectively;
- Getting all Directors involved in the Board's work;
- Ensuring the Board's focus on key tasks;
- Engaging the Board in assessing and improving its performance;
- Overseeing the induction and development of Directors; and
- Supporting the Managing Director & CEO.

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

- Ensure effective operations of the Board and its committees in conformance with the highest standards of corporate governance;

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

### Independence of non-executive directors

All the Non-Executive Directors are nominated by their

respective institutions except for the Independent Directors. All the Directors bring forth independent judgment and considerable knowledge to perform their roles effectively. The Board of Directors ensures that the Company’s activities are always conducted with adherence to stringent and the highest possible ethical standards and in the best interests of all stakeholders. None of the directors of the Board, except the Managing Director & CEO, are involved in the day-to-day operations of the Company; rather, they provide their valuable insights and guidance to the management in the meeting of the Board and its committees.

### Pivoting the group’s strategy

Strategy is a key responsibility of the Board and although it maintains its independence, it is important to have a deep understanding of the business by investigating, monitoring and engaging with the management on multiple levels. As the second wave of the Covid-19 pandemic emerged in 2021 with the reimposition of lockdowns and mobility restrictions, the Board worked closely with the management in pivoting the group’s strategy to ‘Resilience’ followed by ‘Transition’ and ‘Reimagine’ (strategising for value creation in the new environment). Primary focus was placed on the health and safety of our employees who continued to serve our clients as insurance is an essential service, while supporting clients when they manage their insurance needs through this difficult period. Our people were also pivotal in addressing the large claims settlement needs of our customers during the year.

## BOARD’S FOCUS THROUGH THE CORONAVIRUS PANDEMIC CHALLENGE



### Resilience

Manage the crisis



### Transition

Enable recovery



### Reimagine

Strategise in new environment

## BOARD’S MAIN THEMES OF DISCUSSION

Date of meetings	Major topics of discussion
10.05.2021	1 <sup>st</sup> Quarter Financial Statements (un-audited) of Green Delta Insurance Company Limited
26.07.2021	2 <sup>nd</sup> Quarter Financial Statements (un-audited) of Green Delta Insurance Company Limited and its subsidiaries for the year-2021
30.12.2021	3rd Quarter Financial Statements (un-audited) of Green Delta Insurance Co. Ltd. and its subsidiaries for the year-2021

## Oversight of Company culture

As part of applied governance, the Board is responsible for monitoring and assessing our culture. The Chairman ensures that the Board is operating appropriately and sets the Board's culture, which in turn forms the culture of the Company. The MD & Chief Executive Officer, supported by ManCom members and others, is responsible for ensuring culture is embedded throughout

the business and its operations and in all our dealings with our stakeholders.

The Board measures the culture of the Company and the group using internal and external metrics which also enable it to identify further actions to ensure culture remains appropriate. The Board also monitors the Group's performance against its peer group within the same sector. The Board considers the following:



### Health and safety

An area of paramount importance to our people, customers and partners. We actively supported those who continued to have their lives impacted by the Covid-19 pandemic. We adapted business operations to ensure all were kept safe while continuing to perform their roles. We closely monitored the developing situation and challenges to ensure we provided the appropriate requirements and support, while encouraging Covid-safe behaviour.



### Employee retention

Our employees are our greatest asset and it is important that we do everything we can to retain them. We conduct employee engagement and KPI surveys of the workforce to provide feedback to the senior management to identify whether further actions are required. The analysis was reviewed by the ManCom with the findings reported to the Board.



### Customer retention

We undertake regular assessments of customer satisfaction and ongoing dialogue with regulators and non-governmental organisations. Our regular customer surveys help assess satisfaction levels and identify areas for improvement. We made extraordinary efforts to stand by and support our customers as they adapted to changing conditions. We worked more closely with them than ever before, helping them solve problems and address challenges. Many of our customers were severely impacted by lockdowns and restrictions on their ability to operate.

We continue to work with our customers, consumers, suppliers, local community representatives and other business partners across the value chain every day. Their input, cooperation and trust factors into the Board's decision-making process, leading to the eventual success of the business.

## Key activities and decisions in 2021

With a view to secure our long-term future in a disruptive environment, the Board embraced a number of initiatives with a view to not just help the Company tide over the present pandemic conditions, but also prepare for transition to the post-Covid era. Thus, some of the key initiatives comprised:

### Long-term direction-setting

- Evaluating and evolving our portfolio strategy together with our partners
- Optimising the Company's organisational and reporting structure
- Working on the launch and sequential roll out of new products across our markets
- Reviewing and updating our revenue growth management strategies
- Rebooting our route-to-market approach, while preparing for potential bancassurance
- Assessing our sustainability priorities and initiatives
- Setting long-term capability-building priorities and programmes
- Approving and reviewing deployment of major automation and digitalisation initiatives
- Assessing large claims and ensuring timely disbursements

**Business planning**

- Setting priorities, aligning targets and adjusting operating framework as a response to the Covid-19 pandemic
- Reviewing progress of the aligned priorities, investments and spending in light of the pandemic impact
- Reviewing and approving annual business plans for 2022 for all operations and central functions
- Approving group-wide talent, capabilities development and succession plans

**Risk, safety and business resilience**

- Evaluating the Company's business resilience strategies

- Assessing the risk register of major business risks as well as associated risk response plans
- Reviewing the Company's health and safety policies
- Reviewing the corporate audit plan for 2022

**Business case reviews and approvals**

- Assessing strategic revenue-accretive initiatives and product innovation business cases
- Reviewing and approving advanced digitalisation business cases and roll out plans
- Overseeing the strategic evolution of human resources, underwriting and finance
- Further engagement with our channel partners to sustainably expand our agency business
- Capital expenditure proposals review and approval

**Applied governance****Principal points of discussion in Board Meetings in 2021**

Date of meetings	Major topics of discussion
14.02.2021	<ul style="list-style-type: none"> <li>• Notice of the 35th Annual General Meeting (AGM) of the Company</li> <li>• Authorized Signatories to the Financial Statements for the year-2020 Retirement and Election of Board of Directors</li> <li>• Appointment/Re-new term of the of External Auditor</li> <li>• Appointment/Re-new term of the of Secretarial Auditor for Corporate Governance Audit</li> <li>• Annual Accounts/Financial Statements of the Company for the year-2020 along with its subsidiaries.</li> <li>• Dividend Recommendation</li> <li>• "Directors Report" for the annual report 2020</li> </ul>

**Pattern of shareholding as on 31<sup>st</sup> December, 2021**

SL	Name of Shareholder	Description	Number of Shares	Amount (Taka) face value	%
<b>A. Parent/Subsidiary/Associated Companies and other related parties (name wise details)</b>					
<b>B. (i) Directors and their spouses and minor children (name wise details)</b>					
1	Abdul Hafiz Chowdhury	Chairman	194,484	19,44,840	0.19
2	Shamsun Nahar Begum Choudhury	Vice Chairperson	2,027,967	2,02,79,670	2.02
3	Khurshida Chowdhury	Director	4,822,707	4,82,27,070	4.81



SL	Name of Shareholder	Description	Number of Shares	Amount (Taka) face value	%
4	Dilruba Chowdhury	Director	2,060,254	2,06,02,540	2.06
5	Delwara Absar	Director	2,027,833	2,02,78,330	2.02
6	Sayera Khatun Choudhury	Director	2,033,820	2,03,38,200	2.03
7	Iqbal Khan (Jamal)	Director	2,065,768	2,06,57,680	2.06
8	Mesbah Dilwar Rahman	Director	2,027,875	2,02,78,750	2.02
9	Abul Hasan Chowdhury	Independent Director	0	0	0.00

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

1	Farzanah Chowdhury	Managing Director & CEO	9,918,630	9,91,86,300	9.90
2	Syed Moinuddin Ahmed	Additional Managing Director & Company Secretary	0	0	0
3	Syed Aliul Ahabab FCCA	Finance Controller	0	0	0
4	Anupam Das	Head of Internal Audit	0	0	0

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

1	Nasir A. Choudhury	Advisor	0	0	0
2	Farzanah Chowdhury	Managing Director & CEO	9,918,630	9,91,86,300	9.90
3	Syed Moinuddin Ahmed	Additional Managing Director & Company Secretary	0	0	0
4	A.K.M. Iftekhar Ahmad	Senior Consultant	0	0	0
5	Syed Forhad Abbas Hussain	Deputy Managing Director	4,463	44,630	0.004

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

## 5.2 REVIEW OF OUR FUTURE PROSPECTS

Driven by a number of positive structural drivers that remain undiminished by Covid, the long-term outlook of the insurance industry is optimistic.

### Correcting the inverted pyramid of high intrinsic needs, yet low inherent awareness

In a developing country like Bangladesh, insurance companies are fulfilling a critical role in the nation. Though the industry's prospects in the economy are high, low awareness and other myriad challenges continue to block the industry from realizing its full potential. Some of the major problems thwarting the insurance business can be viewed from the prism of social, economic, political and legal. Yet, solving these very roadblocks will open up the potential for the industry.



#### SOCIAL CHALLENGES AND OPPORTUNITIES

Lack of public awareness is amongst the major challenges facing the industry today. However, to be sure, only a few companies have led the charge in developing awareness around insurance, while the majority continue to have a narrow focus on competitive customer acquisition without focusing on market growth. This is also amongst the reasons why insurance has typically remained an urban-centric business with understanding of insurance almost non-existent beyond the metropolitan areas. Thus, it is true that a vast majority of people in rural areas are left outside the insurance coverage and even assume that an insurance policy is unnecessary. However, herein lies the

opportunity. With Covid-19 creating serious economic and social stress, insurance is coming forward in public consciousness as a tool that can help mitigate challenges and solve issues around financial and mental stress around any exigent or untoward incidents (like illness, accidents, etc). In a country of over 166-million people, even an additional 5 per cent taking out an insurance coverage could mean the expansion of the addressable market by over 8-million people, which is significant. Further, with the projected bounce-back in trade and commerce in the country, especially with the government in revival mode, opportunity exists too for corporate (non-retail) insurance.



#### PROSPECTS IN DE-CENTRALIZATION

Most insurance companies in Bangladesh are located in urban / metro areas with only few branches in rural areas. With business opportunities higher in urban regions as opposed to rural localities, it has become a matter of convenience to them to mine for business in a known area rather than an unknown region. Further, the cost of doing business is also lower. Yet, the pot of gold is in rural areas as these are not only vast in terms of geographic area but also have a very sizeable population with large unmet needs. With the assistance of the government and leveraging the distribution network of

companies that have an established presence in mofussil districts of the country, the insurance industry can transform such regions where not only is insurance awareness low but is also one with a higher percentage of the uninsured. We are also placing emphasis on developing products most suitable for agrarian populations, like crop insurance that is the need of the hour amid the climate change crisis and most needed for vulnerable populations subsisting at just about the poverty line.



## INSURANCE AS A SAFETY NET

Bangladesh is a country where the savings rate is far lower in proportion to the GDP than desired. Therefore, it is hard for people to allocate funds for paying premium. Yet, this is precisely where there is opportunity as a small fraction of the cost (of insurance paid as premium) can potentially protect people from the much larger cost of a calamity. In the absence of an adequate institutional social safety net, insurance can play a huge role in this regard, especially if

the cost of premium were to be made even lower against the same proportion of coverage. At Green Delta, we have launched many schemes that help protect the most vulnerable populations, like ricksha-pullers, migratory labour, etc. These have proved effective in the way they have been able to protect these populations from facing major financial stress, especially circumventing their need to fall-back on the usurious informal moneylending system.



## HIGHER COST OF BUSINESS

With high fixed and variable costs, it is difficult for insurance companies to create a cost structure that supports declining premiums. However, regulatory guidelines and market competition can be perceived to be positive factors in contributing to lower premiums. Furthermore, industry experts believe that governmental intervention through tax optimisation is an effective way

to lower premiums, especially as it may help in subsidizing retail premiums. Furthermore, regulatory intervention in agent commissions can curb malpractices and help the industry in fixing sufficient premium for the risk underwritten, thus protecting their own viability even after ceding reinsurance to large third-parties.



## LACK OF TRAINED TALENT

Insurance is a specialised business and highly trained people is the need of the hour. Yet, the industry lacks professional and specialist talent, especially in the two areas where it is required the most – underwriting and sales and marketing. At Green Delta Insurance, we recognise issues around manpower shortages and while we focus on protecting attrition, we also place emphasis on lateral hiring. Besides, we have also

instituted a specialised insurance academy, Professional Advancement Bangladesh (PABL) that provides comprehensive and holistic training to students to create a pipeline of ready talent for the industry. Besides, it also offers career refresher courses and other specialised curriculum. Moreover, we also provide constant training to our people and have feedback mechanisms in place to correct any issues in our value chain.



## OPPORTUNITIES IN DIGITAL INSURANCE

Even now, Bangladesh's insurance industry is rooted in legacy systems with traditional methods. Seen another way, this can provide a huge fillip as more widespread use of digital insurance can usher a wave of transformation that could not only better serve the objective of insurance

for everyone, but also improve the financial viability of companies that can have a positive waterfall effect on lower insurance charges. Digital has proven advantages in optimising costs and this could have an impact on corporate profitability as well.



## MICRO-INSURANCE

Micro-insurance can be a tremendous prospective area for insurance companies in Bangladesh. With pressure on savings and most people unable to afford costly and long-term insurance policies, micro-insurance can be the antidote, providing individuals and even small business

owners an effect insurance coverage against lower insurance premiums with easy terms and conditions. Micro-insurance also has a huge social angle as it can be the most effective in financial inclusion that is the prioritized agenda of the government.

## 5.3 WORLD

# ECONOMY REVIEW

Though the global recovery continues, it is weakened, struck by the advent of the Omicron variant of the coronavirus.

### Overview

In the latest October 2021 WEO (World Economic Outlook) forecast of the International Monetary Fund (IMF), compared to its July 2021 forecast, the global growth projection for 2021 has been revised down marginally to 5.9 per cent and is unchanged for 2022 at 4.9 per cent. This modest headline revision, however, masks large downgrades for some countries. The outlook for the low-income developing country group has darkened considerably due to worsening pandemic dynamics, especially with the advent of the Omicron variant of the coronavirus. The downgrade also reflects more difficult near-term prospects for the advanced economy group, in part due to supply disruptions. Partially offsetting these changes, projections for some commodity exporters have been upgraded on the back of rising commodity prices, especially oils and metals. Further, pandemic-triggered disruptions to contact-intensive sectors such as hospitality, aviation and tourism have caused labour market recovery to significantly lag the output recovery in most countries.

The dangerous divergence in economic prospects across countries remains a major concern area. Aggregate output for the advanced economy group is expected to regain its pre-pandemic trend path only in 2022 and exceed it by 0.9 per cent in 2024. By contrast, aggregate output for the emerging market and developing economy group (excluding China) is expected to remain 5.5 per cent below the pre-pandemic forecast of 2024, resulting in a huge setback to improvements in their living standards. These economic divergences are believed to be a consequence of large disparities in vaccine access and in policy support. While almost 60 per cent of the population in advanced economies are fully vaccinated and some are now even receiving booster shots, a whopping 96 per cent of the population in low-income countries remain unvaccinated. Emerging and developing economies, faced with tighter financing conditions and a greater risk of de-anchoring inflation expectations, are withdrawing policy support more quickly despite larger shortfalls in output.

Supply disruptions pose another policy challenge. On the one hand, pandemic outbreaks and weather disruptions

have resulted in shortages of key inputs and dragged manufacturing activity lower in several countries. On the other hand, these supply shortages, alongside the release of pent-up demand and the rebound in commodity prices, have caused consumer price inflation (CPI) to increase rapidly in, for instance, the United States, Germany and many emerging market and developing economies (EMDEs). Food prices have increased the most in low-income countries where food insecurity is most acute, adding to the burdens of poorer households and raising the risk of social unrest.

Notably, the October 2021 Global Financial Stability Report of the IMF highlights another challenge to monetary policy from increasing risk-taking in financial markets and rising fragilities in the non-bank financial institutions sector. A principal common factor behind these complex challenges is the continued grip of the pandemic on global society. The foremost policy priority is therefore to vaccinate adequate numbers in every country and prevent more virulent virus mutations. The IMF believes that this requires the Group of Seven and Group of Twenty countries to fulfill existing dose donation pledges, coordinate with manufacturers to prioritize deliveries to COVAX (Covid-19 Vaccines Global Access) in the near-term, and remove trade restrictions on the flow of vaccines and its inputs. At the same time, closing the US\$20 billion residual gap in grants to fund testing, therapeutics and genomic surveillance will save lives now and keep vaccines fit-for-purpose.

Looking ahead, vaccine manufacturers and high-income countries should support the expansion of regional production of coronavirus vaccines in developing countries through financing and technology-transfer solutions. While reducing the likelihood of a prolonged pandemic is a key immediate global priority, another urgent priority is the need to slow the rise in global temperatures and contain the growing adverse health and economic effects of climate change. Stronger concrete commitments at the United Nations Climate Change Conference (COP26) held in November 2021 have been relatively successful in drawing commitments from nations to enable the Paris Agreement of limiting global temperature rise by 1.50C by 2030. Many nations have

also pledged transition to net-zero carbon emissions. Just as importantly, advanced countries need to deliver on their earlier promises of mobilizing US\$100 billion of climate financing annually for developing nations.

The pandemic and climate change threaten to exacerbate the economic divergence among the world's economies. Concerted multilateral effort to ensure adequate international liquidity for constrained economies, and faster implementation of the Group of Twenty common framework to restructure unsustainable debt, will help limit these divergences. Building on the historic US\$650 billion special drawing right (SDRs) allocation, the IMF calls on countries with strong external positions to voluntarily channel their SDRs into the Poverty Reduction and Growth Trust. Furthermore, it is exploring the establishment of a Resilience and Sustainability Trust that would provide long-term funding to support countries' investments in sustainable growth. In this regard, the emergence of ESG/green funds is undeniable.

The IMF believes that at the national level, the overall policy mix should be calibrated to local pandemic and economic conditions, aiming for maximum sustainable employment while protecting the credibility of policy frameworks. With fiscal space becoming more limited in many economies, health care spending should continue to be the priority, while lifelines and transfers will need to become increasingly targeted, reinforced with retraining and support for re-allocation. As health outcomes improve, policy emphasis can increasingly focus on long-term structural goals. The IMF is of the opinion that investment in basic research can have far-reaching benefits through faster productivity growth, and it is important to promote the free flow of ideas and scientific collaboration across borders.

## Growth estimations

As per the WEO October 2021, GDP growth in the first half of 2021 was broadly in line with expectations. Outturns for first quarter global GDP were stronger than anticipated, reflecting continued adaptation of economic activity to the pandemic and associated restrictions, as well as ongoing policy support in many countries. Momentum however weakened in the second quarter, weighed down by increasing infections in many emerging market and developing economies and by supply disruptions. Expenditure decompositions are thought to be consistent with input shortages contributing to weak investment in the second quarter.

The IMF has revised global growth outlook downwards for 2021 and has kept it unchanged for 2022. The global economy is projected to grow 5.9 per cent in 2021 and 4.9 per cent in 2022. The 2021 forecast is revised down 0.1 percentage points relative to the July 2021 World Economic Outlook update, reflecting forecast

downgrades to the advanced economy and low-income developing countries groups. It is to be noted that the arrival of the Omicron variant of the coronavirus in December 2021 can have an impact on the end economic output. However, this impact is thought to be relatively lesser as governments around the world prefer localised containments over outright lockdowns. Further, though the infectivity of the disease is high, virulence is thought to be low, which may strengthen the hands of the government in refraining from imposing the draconian shutdowns in the first and second waves of the virus. Furthermore, a reversal of the cycle may also be forthcoming as the era of loose monetary policy can taper in the face of rising inflation exerting pressure on increasing interest rates. This can have a bearing on the forward growth outlook. Besides, income equality is on the rise, which can exacerbate geopolitical and socioeconomic tensions that can further put pressure on recovery.

Vaccine access remains the principal driver of fault lines in the global recovery, reinforced by the resurgence of the pandemic, the Omicron variant being the case in point. Many advanced economies have seen remarkable progress in vaccinations since the April 2021 WEO. By contrast, most emerging market and developing economies have had a much slower rollout, hampered by lack of supply and export restrictions. Advanced economies have achieved broad availability of vaccines, with hesitancy (rather than inadequate supply) being the main constraint on further gains. About 58 per cent of the population in advanced economies has been fully vaccinated. By contrast, the rest of the world has starkly lower shares of population that are fully vaccinated against Covid-19, at about 36 per cent in emerging market economies and less than 5 per cent in low-income developing countries. In these economies, vaccine supply and distribution remain the primary constraints.

The forecast assumes that some emerging market economies will join advanced economies in gaining broad vaccine access in 2022. Most countries are assumed to acquire broad access by the end of 2022 and some only in 2023. However, it seems likely that vaccinations alone will not be able to completely stamp out SARS-CoV-2 transmission, even though they remain effective against the most adverse health effects of the pandemic. As a result, hospitalizations and deaths are expected to be brought to low levels everywhere by the end of 2022 through a combination of improved access to vaccines and therapies, combined with more highly targeted and effective precautions. Some countries may be able to reduce adverse public health outcomes sooner than others, depending on country-specific circumstances. The projections are tempered by the possibility of renewed outbreaks, particularly before vaccines become more widely available.

### Global activity indicators

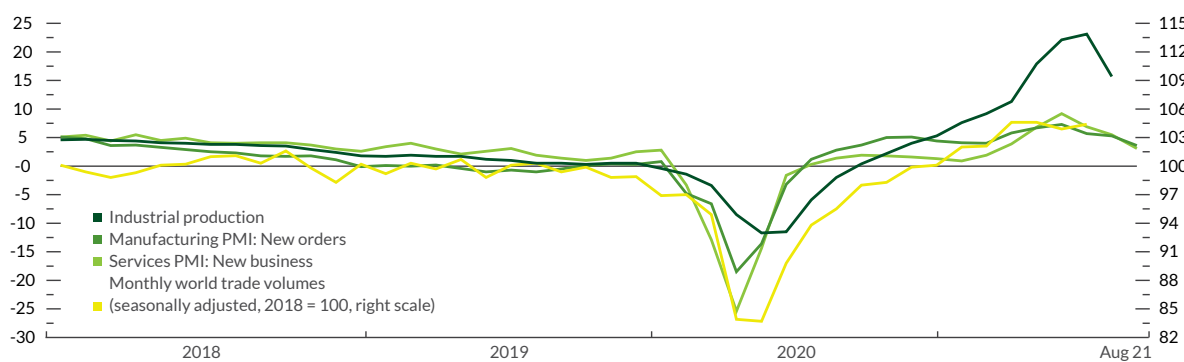
(3-month moving average, annualized percent change for industrial production; deviations from 50 for PMIs)

#### Overview of the WEO projections at market exchange rate weights (Per cent change)

	2020	2021 (P)	2022 (P)
World output (%)	-3.5	5.7	4.7
Advanced economies (%)	-4.6	5.2	4.5
Emerging market and developing economies (%)	-1.9	6.5	5.0
- Emerging and developing Asia	0.1	7.4	6.0
- Emerging and developing Europe	-2.2	5.8	3.7
- Middle East and central Asia	-4.2	3.9	3.9
- Sub-Saharan Africa	-2.2	3.7	3.7

Source: IMF estimates

### Global activity indicators



Sources: CPB Netherlands Bureau for Economic Policy Analysis; Haver Analytics; Markit Economics; and IMF staff calculations

# 5.4 BANGLADESH

## ECONOMY REVIEW

Demonstrating resiliency and switching from the 'revive' to the 'thrive' mode.

### Overview

Before the onset of the Covid-19 pandemic, Bangladesh exhibited a steady and high GDP growth, averaging 7.4 per cent per year during FY2015-16 to FY2018-19, and reached a record 8.15 per cent growth rate in FY2018-19. However, the global economy was majorly impacted by the pandemic, which has also had a huge negative impact on the economy of Bangladesh.

According to the final estimations of the Bangladesh Bureau of Statistics (BBS), GDP growth in FY2019-20 has slowed to 3.51 per cent. Yet, Bangladesh's economy is turning around, demonstrating robust resiliency. According to the provisional estimates of BBS, the GDP growth in FY2020-21 stood at 5.47 per cent. Despite the stagnation in the economy caused by the coronavirus, food production and supply chain remained unaffected, leading to inflation at 5.56 per cent in FY2020-21, slightly higher than the target (5.4 per cent). Both export and import in Bangladesh have demonstrated a sign of recovery after a sharp decline in FY2019-20. This points to both the cost arbitrage that Bangladesh offers as a manufacturing destination as well as a stable socio-political climate.

In FY2020-21, Bangladeshi expatriates remittance stood at US\$ 24,777.72 million, which was significantly higher (36.10 per cent) than the previous fiscal year. In FY2020-21, current account balance deficit stood at US\$ 3,808 million on the back of robust remittance inflows, compared to a US\$ 4,724 million deficit in the previous year. Financial account and capital account showed surplus during this time. Therefore, the overall balance recorded a surplus of US\$ 9,274 million in FY2020-21, as compared to US\$ 3,169 million surplus in the previous year. As a result, foreign exchange reserves increased to a record US\$ 46.39 billion as at 30 June 2021, as per BBS. During this period, a marginal (0.05 per cent) depreciation in exchange rate of Taka with the US Dollar was observed.

As per the directives of Hon'ble Prime Minister, activities were carried out under 21 stimulus packages of Tk. 1,20,153 crore in FY2019-20 for additional expenditure in healthcare sector, emergency humanitarian assistance and economic recovery to address the Covid-19 pandemic. The number of the stimulus packages has further been increased to 23 in FY2020-21 and the amount of fiscal and stimulus packages till April 2021 stands at Tk. 1,28,441 crore, which is 4.2 per cent of GDP. As a result of these actions taken by the government, the economy is expected to turn around.

## Headline economic indicators, FY2020-21

### Per capita GDP and GNI

According to provisional estimates of BBS, the volume of GDP at current market prices reached Tk. 30,11,065 crore in FY2020-21, which was Tk. 27,39,332 crore in FY2019-20. In nominal terms, GDP growth stood at 9.92 per cent. As per the final estimate, per capita GDP in FY2019-20 was US\$ 1,930, up by US\$ 102 from the previous fiscal year. Likewise, per capita national income increased to US\$ 2,024 in FY2019-20, up by US\$ 115 from FY2018-19. The per capita GDP stands at US\$ 2,097 in FY2020-21, up by US\$ 167 from the previous fiscal year, while the per capita national income stood at US\$ 2,227, up by US\$ 203 in the previous fiscal year.

### Sectoral growth

According to BBS provisional estimate, the growth of the agriculture sector has slowed to 3.45 per cent in FY2020-21, from 4.59 per cent in FY2019-20. During the same period, industry sector grew by 6.12 per cent, which was 3.25 per cent in the previous fiscal year. The services sector grew by 5.61 per cent in FY 2020-21, as compared to 4.16 per cent in the previous fiscal year.

Of the 4 sectors of the broad industrial sector, growth in manufacturing (large and medium scale and small scale) has increased significantly. According to provisional BBS estimates, growth of large and medium enterprises and small scale industries in the GDP stood at 6.56 per cent and 1.73 per cent, respectively, in FY2020-21, as compared to 1.39 per cent and 3.96 per cent in the previous fiscal year. The growth of the construction sector stood at 8.68 per cent, against 8.66 per cent over the previous fiscal year. Overall, the contribution of the broad industry sector stood at 34.99 per cent in FY2020-21, vs. 34.74 per cent in the previous fiscal year.

Among the broad services sector, health and social work decelerated slightly, compared to FY2019-20. Wholesale and retail trade, hotels and restaurants, transport, storage and communication, financial intermediation, real estate and renting and business activities, etc., increased significantly when compared to FY 2019-20. The contribution of the broad services sector to the GDP stood at 51.53 per cent in FY2020-21, which was 51.48 per cent in the previous fiscal year.

### Consumption expenditure

Over more than a decade, consumption (domestic demand) has been around 74-81 per cent of the GDP. In FY 2007-08, consumption expenditure was 80.8 per cent of GDP, of which government expenditure was 5.2 per cent and private sector expenditure was 75.6 per cent. This rate has been declining since the following year and in FY 2019-20, consumption stood at 76.23 per cent of GDP. Consumption for FY 2020-21 has been estimated to 75.83 per cent of GDP.

### Savings and investment

During FY 2020-21, domestic savings increased to 24.17 per cent of GDP, which was 23.77 per cent in the previous year. Likewise, national savings as a percentage of GDP increased to 30.39 per cent in FY2020-21, from 28.67 per cent in the previous fiscal year.

Investment increased to 7.95 per cent in FY 2020-21, as compared to 3.98 per cent in the previous fiscal year, primarily on account of the Covid-19 pandemic. However, public investment as a percentage of GDP has slightly accelerated and private investment as a percentage of GDP has slightly decelerated, when compared to the previous fiscal year.

Gross investment stood at 29.92 per cent in FY 2020-21, which was 30.47 per cent in the previous fiscal year. Of this, public investment and private investment accounted for 8.67 per cent and 21.25 per cent of GDP, respectively,

which was 8.41 per cent of GDP and 22.06 per cent of GDP in the previous fiscal year, respectively.

### Inflation

In FY 2019-20, inflation rate stood at 5.65 per cent, which is slightly higher than the targetted inflation of 5.50 per cent. Food inflation increased to 5.56 per cent and non-food inflation stood at 5.85 per cent. Despite the stagnation in the economy due to the coronavirus pandemic, inflation in FY 2020-21 is slightly high (5.56 per cent) vs. the target (5.4 per cent) as a result of uninterrupted food production and supply chains.

### Revenue mobilisation

The revised revenue mobilisation target was set at Tk. 3,51,532 crore in FY 2020-21, which is 11.39 per cent of the estimated GDP. Of these, revenue receipt from NBR sources was marked at Tk. 3,01,000 crore (9.75 per cent of the GDP), tax revenue from non-NBR sources at Tk. 15,000 crore (0.49 per cent of GDP) and non-tax revenue at Tk. 35,532 crore (1.15 per cent of GDP).

Revenue received during July-April period of FY 2020-21 was provisionally estimated to Tk. 1,97,583.43 crore, or 12.87 per cent higher than previous fiscal year, achieving 65.64 per cent of the revised target. Of this, import duty increased by 21.18 per cent, VAT by 12.47 per cent and supplementary duty (SD) by 17.92 per cent. Up to May 2021 of FY 2020-21, revenue collected from non-NBR sources stood at Tk. 5,333 crore, achieving 35.55 per cent of the target. Non-tax revenue earnings during the first 11 months of FY 2020-21 (July-May 2021) stood at Tk. 45,856 crore, which is 40.24 per cent higher than the same period of the previous fiscal year, achieving 129.05 per cent of the target.

In order to augment revenue mobilisation as well as to foster a conducive trade environment along with transparency and accountability, NBR has been implementing a wide range of positive reform initiatives. Some of these include:

- The VAT Act and its rules have been simplified for automated and transparent environment
- Online VAT registration, online return submission, and online e-payment systems have already been implemented
- Use of Electronic Fiscal Device (EFD) / Sales Data Controller for some business entities has been made mandatory, with installation of EFD / SDC being already started



- NBR-approved software use has been made mandatory for companies with annual turnover of over Tk. 5 crore

## Government expenditure

According to the revised budget, the total expenditure target for FY 2020-21 has been set at Tk. 5,38,983 crore, which is 17.46 per cent of the GDP. Of this, operating expenditure stands at Tk. 3,23,688 crore (10.48 per cent of GDP), food account is Tk. 2,553 crore, loans and advances are Tk. 4,717 crore and development expenditure is Tk. 2,08,025 crore (6.74 per cent of GDP). Annual Development Plan (ADP) allocation is Tk. 1,97,643 crore (6.40 per cent of GDP) of the development budget.

As per the provisional estimates of iBAS++, total expenditure up to May 2021 in FY2020-21 was Tk. 3,12,289 crore, of which operating expenditure was Tk. 2,20,783 crore and development expenditure was Tk. 82,392 crore. The operating and development expenditures are 68.21 per cent and 39.61 per cent of the target, respectively. As per the IMED sources, ADP expenditure in FY2020-21 was Tk. 1,72,050.01 crore, achieving 82.21 per cent of the revised ADP target.

## Budget balance and financing

The government is conscious to keep the budget deficit within the 5 per cent of GDP range. But in the revised budget of FY 2020-21, due to the pandemic, the budget deficit surpassed 5 per cent of GDP. In the revised budget of FY 2020-21, budget deficit has been estimated at Tk. 1,83,466 crore (including grant), which is 5.9 per cent of GDP. Of this deficit, Tk. 68,414 crore (2.22 per cent of GDP) will be financed from external sources, including foreign grant, and Tk. 1,15,052 crore or 3.73 per cent of the GDP, will be backed by domestic sources. To finance the deficit in the domestic sector, there is a plan to get Tk. 79,749 crore from the bank system and the remaining Tk. 35,303 crore from the non-bank sector.

## Stimulus packages

To address the huge crisis resulting from the outbreak of Covid-19 and mitigate its adverse effects on the economy, the Prime Minister's office guided the formulation of an overall programme with short, medium and long-term targets. This programme has four main strategic pillars.

- The first strategy is to increase government spending. In this respect, priority is accorded to creating jobs and discouraging luxury spending

- The second is to provide low-interest credit facilities through the banking system to industries and business enterprises to revive economic activities and enhance the competitiveness of entrepreneurs at home and abroad

- The third is to increase the scope of the government's social security programmes to protect the ultra-poor and the low-income groups that have suddenly become unemployed as well as the people engaged in informal sectors

- The fourth is to increase money supply in the market. However, this strategy is being implemented with utmost caution so that the negative effects of inflation can be controlled

The government has already announced fiscal and stimulus packages of Tk. 1,28,441 crore (Up to April, 2021), which is 4.2 per cent of the GDP, to facilitate additional expenditure in the health care sector, emergency humanitarian assistance and the overall economic recovery programme.

## Interest rate

In order to rationalise the rate of interest in other sectors, including productive sectors, banks have been advised to limit the difference between lending and deposit rates, or spread, within lower single digit, except high-risk consumer credit, including credit card. Besides, the maximum rate of interest / profit on unclassified loans / investment is set at single digit, except credit card.

The recent trends in weighted average lending and deposit rates show downward movement. The weighted average lending rate of commercial banks decreased continuously and stood at 7.48 per cent at the end of February 2021, from 9.62 per cent at end-February 2020. Similarly, the deposit rate continuously decreased to 4.46 per cent in February 2021, from 5.53 per cent in the same period of the previous year. The interest rate spread was 4.09 per cent in February 2020. After that, the spread declined a little and then increased from time-to-time and stood at 3.02 per cent by the end of February 2021.

## Foreign exchange reserves

The surplus in the overall balance helped to maintain foreign exchange reserves. As on 30 June 2020, the foreign exchange reserves reached US\$ 36.04 billion. As on 30 June 2019, the foreign exchange reserve was US\$ 32.72 billion. Foreign exchange reserves increased to a record US\$ 46.39 billion as at 30 June 2021.

## Exchange rate

Bangladesh observed overall 0.05 per cent depreciation of the Taka against the US Dollar in the July-April period of FY 2020-21, vs. FY 2019-20. The weighted average inter-bank rate stood at Taka 84.81 per US\$ as on 30 June 2021, which was Taka 84.85 per US\$ on 30 June, 2020.

## Remittances

Due to the coronavirus pandemic, the global labour market was drastically affected because of low-skilled labour that did not have the option to work from home. Thus, during the first eight months of FY 2020-21 (July-February), labour export stood at 1.22 lakhs even amid

the pandemic. The major portion of remittance has been received from the Middle East countries. In FY 2020-21 (July-February) the highest share of remittance was remitted from the KSA (Kingdom of Saudi Arabia), which was 23.56 per cent of total remittances, followed by the UAE (10.24%), Kuwait (7.50%) and Oman (6.38%). The USA (13.13%) obtained the top position among the Western and European countries. Recently, remittance inflow has increased from the United Kingdom, Malaysia, Singapore and some other countries. In FY 2019-20, remittance inflows increased by 10.87 per cent over the previous fiscal year to US\$ 18,205.01 million. In FY 2020-21, Bangladeshi expatriates' remittance stood at US\$ 24,777.72 million, which was significantly higher (36.10 per cent) than the previous fiscal year.

## Key macroeconomic indicators

	2019-20	2021-22 (Revised budget)	2022-23 (P)
GDP at current market prices (US\$ billion)	27,964	30,873	34,560
Real GDP growth (%)	5.2	6.1	7.2
CPI inflation (%)	5.7	5.4	5.3
Investment (% of GDP)	31.8	32.3	33.1
Total revenue (% of GDP)	9.5	11.4	11.3
Tax revenue (% of GDP)	7.9	10.2	10.0
Non-tax revenue (% of GDP)	1.6	1.2	1.2
Public expenditure (% of GDP)	14.9	17.5	17.5
Remittance (% change)	11.2	35.0	20.0
Current account balance (% of GDP)	-1.47	-0.05	0.01
Gross foreign exchange reserves (US\$ billion)	36.04	44.0	51.02

Source: Finance Division, Ministry of Finance

## 5.5

# DIRECTORS REPORT

### Dear Shareholders,

At the outset, we, the Board of Directors of your company Green Delta Insurance Company Limited, welcome you to the 36<sup>th</sup> 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 31<sup>st</sup> December 2021 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 2021. In fact, the year 2021 is very significant in the life of the company in terms of pandemic, performance and achievements not only within the industry but also in the entire economy.

### Segment-wise performance

In line with the general practices, the underwriting business of the company covers fire insurance, marine insurance, motor insurance and miscellaneous insurance businesses. Out of total premium earned, it is found that major contribution is made by the fire insurance, followed by marine insurance and miscellaneous insurance. The Directors takes pleasure to report that in 2021 Green Delta had another year of growth in premium earnings. Over-all and segment-wise performance of your company is shown in tables below

### Gross Premium Income

Year	Gross Premium (In Million Taka)	Growth (%)
2021	3,843	5%
2020	3,677	(12%)
2019	4,164	13%
2018	3,679	12%
2017	3,294	4%

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

Business Segments	2021	2020	Growth (%)
Fire Insurance	1,957	2,057	(5%)
Marine Insurance	1,117	915	22%
Motor Insurance	104	149	(30%)
Miscellaneous Insurance	665	556	20%

### Segregation of Net Premium

Business Segments	2021		2020		Growth (%)
	Amounts (in million taka)	Business Mix of net premium (%)	Amounts (in million taka)	Business Mix of net premium (%)	
Fire Insurance	511	33%	597	37%	(14%)
Marine Insurance	779	50%	633	39%	23%
Motor insurance	83	6%	130	8%	(36%)
Miscellaneous insurance	174	11%	250	16%	(30%)
<b>Total</b>	<b>1,547</b>	<b>100%</b>	<b>1,609</b>	<b>100%</b>	<b>(4%)</b>

### Claim and Loss Ratio

Year	Net Claim (In Million Taka)	Change (%)
2021	144	(63%)
2020	389	(31%)
2019	565	20%
2018	471	27%
2017	371	11%

### Segregation of Net Claim

Business Segments	2021		2020		Growth (%)
	Amounts (in million taka)	Business Mix of net premium (%)	Amounts (in million taka)	Business Mix of net premium (%)	
Fire Insurance	(55)	(4%)	229	38%	(124%)
Marine Insurance	46	3%	103	16%	(55%)
Motor insurance	16	1%	14	11%	14%
Miscellaneous insurance	138	9%	43	17%	(221%)
<b>Total</b>	<b>145</b>	<b>9%</b>	<b>389</b>	<b>24%</b>	<b>(63%)</b>

### Financial performance

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

#### Capital adequacy

The following table shows gradual increase in the shareholders equity.

Year	Shareholders Equity (In Million Taka)	Change (%)
2021	6,723	8%
2020	6,242	7%
2019	5,858	2%
2018	5,746	(10%)
2017	6,412	14%

## Solvency margin

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

(Figures in BDT million)

Particulars	2021	2020	2019	2018	2017
Available Solvency (AS)	736	1831	1,434	2590	3407
Required Solvency (RS)	473	442	512	474	401
Solvency Margin (AS/RS) (times)	1.55	4.14	23	5	8

## 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, ED Broking and Protection Insurance against all classes of general insurance business.

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

Particulars	Year-wise Retention Ratio (%)				
	2021	2020	2019	2018	2017
Fire Insurance	26%	29%	34%	27%	26%
Marine Insurance	70%	69%	63%	74%	97%
Motor Insurance	79%	87%	87%	90%	90%
Miscellaneous Insurance	26%	45%	43%	19%	24%
<b>Total</b>	<b>40%</b>	<b>44%</b>	<b>48%</b>	<b>45%</b>	<b>46%</b>

## Reserve adequacy

The following table shows reserve adequacy of the company.

Year	Amount of Reserve (in Million Taka)	Changes (%)
2021	4,379	(0.25%)
2020	4,390	(2%)
2019	4,494	(0.4%)
2018	4,513	(13%)
2017	5,204	17%

## 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 (%)				
	2021	2020	2019	2018	2017
Fire Insurance	45%	34%	5%	36%	33%
Marine Insurance	44%	42%	78%	45%	56%
Motor Insurance	6%	8%	14%	12%	9%
Miscellaneous Insurance	5%	16%	3%	7%	2%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

## Underwriting performance/quality-

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

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

Business Segments	Year-wise Underwriting performance (million)				
	2021	2020	2019	2018	2017
Fire Insurance	547	334	13	20	146
Marine Insurance	527	404	377	315	177
Motor Insurance	69	75	16	56	48
Miscellaneous Insurance	60	152	8	13	29

## 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	2021		2020	
	Amount (in Million Taka)	% of total investment	Amount (in Million Taka)	% of total investment
NIB	75	2%	75	2%
Investment in Bond	111	3%	-	-
Fixed Deposit	288	7%	220	6%
Quoted Shares	2,524	66%	2,649	70%
Un-Quoted Shares	205	5%	210	5%
Investment in Subsidiaries	410	11%	410	11%
Investment in GDSDL as Margin loan	235	6%	235	6%
<b>Total</b>	<b>3,848</b>	<b>100%</b>	<b>3,799</b>	<b>100%</b>

## Segregation of investment income and other income

Green Delta Insurance reported healthy growth across all its investment income and other income constituents with dividend income comprising the largest chunk at 34% besides, interest income also contributed a healthy 22% 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	2021		2020	
	Amount (in Million Taka)	% of total investment income & Others Income	Amount (in Million Taka)	% of total investment income & Others Income
Interest Income	69	22%	54	18%
Dividend	109	34%	51	17%
Profit from Sale of Shares	59	19%	107	36%
Other Income	79	25%	88	29%
<b>Total</b>	<b>316</b>	<b>100%</b>	<b>300</b>	<b>100%</b>

## Risk and concern

As Green Delta Insurance continues to invest in new ways to gain a better understanding of the dynamic and constantly changing risk environment, it remains at the forefront of risk and resilience, enhancing risk mitigation strategies for businesses, governments and the civil society as well as informing the public policy agenda at large. A detailed report on

risk management framework has been made separately in “Chapter 6.1 – Strategic Risk Governance and 6.2- Balancing Risk & Opportunities”

### **Disclosure regarding extra-ordinary gain or loss**

There was no extra-ordinary gain or extra-ordinary loss during the year 2021.

### **Disclosure regarding related party transaction**

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

### **Disclosure regarding utilization of proceeds from public issues, rights issues and/or any other instruments**

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

### **Information regarding ipo of the company**

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

### **Disclosure regarding variance between quarterly financial performance and annual financial statements**

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

### **Disclosure on remuneration of the directors**

The Directors including Independent Directors, all being Non-Executive Directors, are given only Meeting Attendance Fee of BDT 8,000 (Bangladeshi Taka Eight Thousand only) per Meeting of the Board and Committees. During the year 2021, a total amount of BDT 767,369 was given to the Directors as Remuneration / Meeting Attendance Fee and travel expenses.

### **Disclosure on preparation and presentation of financial statements**

The Board of Directors places before you’re the financial statements for the year ended 31 December 2021 for

their adoption. The Directors of the confirm, to the best to their knowledge, that-

- (i) The financial statements present fairly its state of affairs, the result of its operations, cash flows and changes in equity;
- (ii) Proper books and accounts of the company have been maintained;
- (iii) Appropriate accounting policies have been applied consistently in preparation of the financial statements and the accounting estimates are based on reasonable and prudent judgment;
- (iv) IAS/ BAS/ IFRS/ BFRS, as applicable in Bangladesh, have been followed in preparation of the financial statements;
- (v) As required by condition 6 of the guidelines, the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) have jointly certified to the Board that-

(a) They have reviewed the financial statements of the company for the year ended 31 December 2021 and to the best of their knowledge and belief:

- (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (ii) These statements together present a true and fair view of the company’s affairs and are in compliance with existing accounting standards and applicable laws.
- (b) There are, to the best of their knowledge and belief, no transactions entered into by the company during the year are fraudulent, illegal or violation of the company’s code of conduct.

### **Disclosure on internal control system**

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

### **Protection of minority shareholders**

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

## GDIC's ability to continue as going concern

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

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

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

## Year-wise performance for the last five years

Year-wise Performance of the company for last five years has been depicted in a separate statement under title "Last 5 Years Financial Indicators" at Chapter- 4 which shows steady growth in most of the parameters that matter. Statements in this report under Segment-Wise Performance also provide you with information regarding performance for last five years.

## Key operating and financial data of preceding five years

Key operating and financial data of preceding five years has been depicted in the statement titled "Last 5 Years Financial Indicators". Statements under sub-title Segment-Wise Performance in this report provide you with information regarding performance for last five years.

## Explanation on any significant deviation from the operating results of the last year

The statement titled "Last 5 Years Financial Indicators" showing the operating results of last five years proves that GDIC has a long outstanding reputation of being a financially solvent company. The statement also shows that operating results of the year 2021 do not significantly vary from those of the last year.

## Proposed dividend

The Board has proposed Cash Dividend 30% for the year 2021. The Board states that no bonus share or

stock dividend has been or shall be declared as interim dividend.

## Board meetings

The Directors of GDICL meet on a regular basis. A detail statement showing Attendance of the Directors in the Board Meetings is placed herewith under chapter: 5.1 Corporate Governance Report and 5.6 Board Committee 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 herewith.

## HR practices

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

## Information technology

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



## Credit rating

For the consecutive 7 years GDICL has been awarded AAA (Pronounced Triple A) rating in the long term and ST-1 in the short term by the Credit Rating Agency of Bangladesh Limited in the first ever history in Insurance Industry. A Certificate in this regard is given herewith.

## Corporate social responsibility

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

## Corporate governance

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

## Retirement and election/re-election of directors

As per Articles 102 and 103 of Articles of Association of the company at the Ordinary Meeting in every year, one third (1/3) of the Directors representing the sponsor shareholders inclusive of co-opted Directors for the time being and one-third (1/3) of the Directors from public subscribers including IFC shall retire from the office and they would be eligible for re-election / re-appointment, however, Retiring Sponsor(s) shall be re-elected by the sponsor shareholders while Retiring Director(s) from Public Subscribers shall re-elected by the public subscribers. In view of the above and pursuant to Regulation 80 of Schedule-I of the Companies Act 1994, considering the longest tenure on the Board of GDIC, the directors listed below shall retire from the Board at the 36<sup>th</sup> Annual General Meeting and they shall be eligible for re-election:

Name	Status
Sayera Khatun Chowdhury	Director
Khurshida Chowdhury	Director

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

The Board of Directors on 30.10.2021 has recommended the extension of tenure/reappointment (as applicable) of Mr. Abul Hasan Chowdhury as an Independent Director on the Board and the same to be placed before the 36<sup>th</sup> AGM for shareholder's approval; subject to necessary permission from the regulatory authority(ies.), if needed.

## Management discussion and analysis

Detailed discussion and analysis by the Managing Director and CEO is appended on page-49 A management's discussion and analysis signed by CEO or Managing Director presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements and also in the Statement to stakeholders from the Managing Director and CEO page-173

## Declaration or certification by the CEO and the CFO to the Board

The Details of discussion of declaration by the CEO and CFO is appended at page-173

## Appointment/re-appointment of auditors

M/s S.F Ahmed & Co, Chartered Accountants, was selected as the external auditor for the year ended 31 December 2021. Since they have completed 03(three) years of tenure as per the regulation, the external auditor will be changed. Green Delta Insurance received letters of interest (IOI) from several audit firms. The board of directors, considering the overall position, have recommended M/S Ahmed Zaker & Co. Chartered Accountants for the company for the year 2022 with the remuneration at BDT 3.10 Lac plus applicable vat. Hence, the recommendation is to be placed in the 36<sup>th</sup> Annual General Meeting for approval.

## An industry outlook and possible future developments

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

## The total number of Board Meetings held during the year 2021

In the year-2021, COVID-19 has not only touched our life but also in our business locally and globally as well. Globally, there has been 30%-40% business down. So, there is a lot of impact not only in the business side

but also to retain action in other distressed which has impacted us globally and locally also. In spite of those factors, 6 Board meetings were held in support of virtual platform and 80% average attendance was present on an average.

### A report on the pattern of shareholding

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

### Acknowledgement

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

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

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

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

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

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

Thank you all.

On behalf of the Board



**Abdul Hafiz Chowdhury**  
Chairman

## 5.6.

# BOARD COMMITTEE REPORT

## Report on Audit Committee

### Background and purpose

An Audit Committee is a standing committee of the Board of Directors charged with oversight of financial reporting and disclosure. It assists the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business.

Bangladesh Securities and Exchange Commission (BSEC) has issued a notification regarding Corporate

Governance Guidelines [Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018]. The conditions of these are imposed on 'comply' basis aiming to enhance corporate governance in the interest of investors and the capital market. The companies listed with any Stock Exchange in Bangladesh shall have to comply with these conditions. As per condition 4 of the said guidelines, "every listed company shall have an Audit Committee as a sub-committee of the Board of Directors and the duties of the Audit Committee shall be clearly set forth in writing".



### ABSTRACT

1. The Board of Directors of Green Delta Insurance Company Limited shall constitute, and reconstitute from time to time, an Audit Committee as a sub-committee of the Board of Directors.
2. The Audit Committee shall assist the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business.
3. The Audit Committee shall also evaluate whether the Management has established a sound compliance environment and importance of internal control system in the organization, the officials have been given clear directives regarding their duties and responsibilities in these regards and the Management has entire control thereon.
4. The Audit Committee shall be responsible to the Board of Directors and shall be responsible for performing the duties set forth below.



### CONSTITUTION OF THE AUDIT COMMITTEE

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



## MEETINGS OF THE AUDIT COMMITTEE

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



## DUTIES AND RESPONSIBILITIES OF THE AUDIT COMMITTEE

1. The Audit Committee shall be responsible for the following duties: -
  - (i) To oversee the financial reporting process of the company.
  - (ii) To monitor choice of accounting policies and principles.
  - (iii) To monitor Internal Control and Risk management processes.
  - (iv) To oversee hiring (appointment) of external auditors.
  - (v) To oversee the performance of external auditors.
  - (vi) To review, along with the management, the annual financial statements before submission to the Board for approval.
  - (vii) To review, along with the management, the quarterly and half yearly financial statements before submission to the Board for approval.
  - (viii) To review the adequacy of Internal Audit function.
  - (ix) To review statement of significant related party transactions submitted by the management.
  - (x) To review Management Letters/ Management Report/ Letter of Internal Control Weakness issued by the statutory auditors.
  - (xi) To conduct a post-audit review of the audit findings including any significant suggestions for improvements provided to management by the statutory auditors
2. The Audit Committee shall review whether all the applicable Rules, Regulations, Guidelines, Notifications, Directives, etc. framed/issued by the regulatory authorities have been complied with.
3. When money is raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Issue of Right Shares the company, the Audit Committee shall ensure that
  - i. the company shall disclose to the Audit Committee about the uses/applications of funds by major category (capital expenditure, sales and marketing expenses, working capital, etc.), on a quarterly basis, as a part of their quarterly declaration of financial results; and
  - ii. the company shall, on an annual basis, prepare a statement of funds utilized for the purposes other than those stated in the offer document/prospectus.
4. The Audit Committee shall immediately report to the Board of Directors on the following findings, if any: -
  - a. report on conflicts of interests;
  - b. suspected or presumed fraud/ irregularity/ material defect in internal control system;
  - c. suspected infringement of laws, including securities related laws, rules and regulations;
  - d. any other matter which shall be disclosed to the Board of Directors immediately.
5. If the Audit Committee has reported to the Board of Directors about anything which has material impact on the financial condition and results of operation and has discussed with the Board of Directors and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board of Directors for three times or completion of a period of 6 (six) months from the date of first reporting to the Board of Directors, whichever is earlier.
6. The Audit Committee shall prepare a report on activities carried out by itself, including reporting to the Board of Directors, during the year and disclose such report to the Shareholders and General Investors through the annual report of the company.



## PERFORMANCE REVIEW

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

## ROLE AND RESPONSIBILITIES

In Green Delta the Audit Committee plays a vital role in shaping the company's leadership. The Audit Committee is bestowed with important role and Responsibilities of the company which includes the following: -



### Composition of audit committee

The audit Committee consist of 4 members including one Independent Director. All the members are the non-executive Directors. Company secretary is the secretary of the audit committee

### Audit committee meetings

There are 04(Four) number of meetings held in 2021. The average attendance of the audit committee members was more than 80%.

Thank You,

Sd/-

Chairman, Audit Committee

# Report on Executive Committee

## Executive committee of GDIC

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

### ROLES AND RESPONSIBILITIES



## Composition of executive committee

Executive Committee	
Name	Status
Dilruba Chowdhury	Chairperson of the Executive Committee
Khurshida Chowdhury	Member
Shamsun Nahar Begum Chowdhury	Member
Iqbal Khan ( Jamal)	Member

## Executive committee meetings

There are 03(Three) number of meetings held in 2021. The average attendance of the Executive committee members was more than 80%.

Thank you,

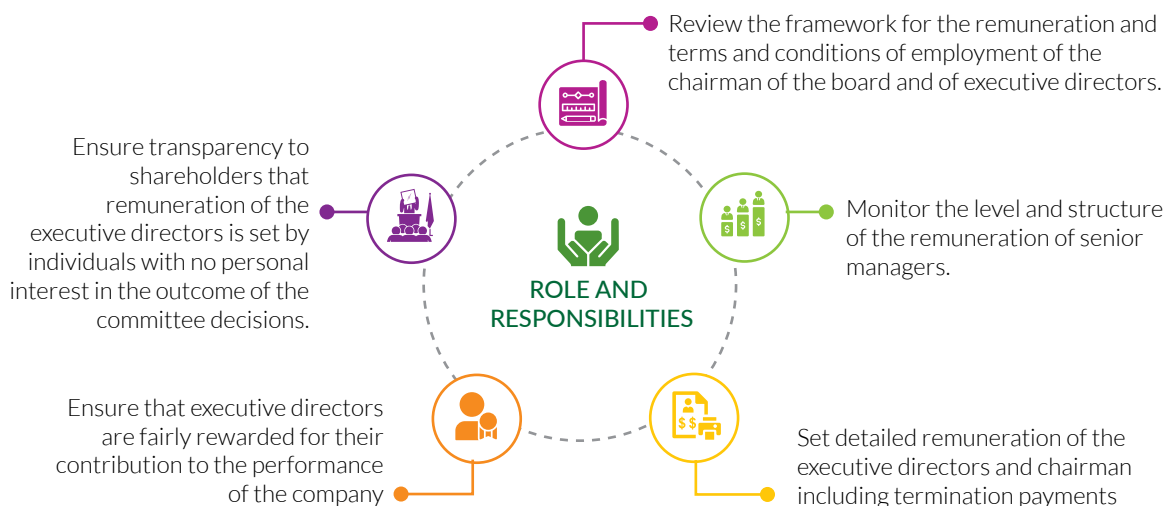
Sd/-  
Chairperson, Executive Committee

# Report on Nomination & Remuneration Committee

## Executive committee of GDIC

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

### ROLES AND RESPONSIBILITIES



## Composition of nomination and remuneration committee

Nomination and Remuneration Committee	
Name	Status
Abul Hasan Chowdhury	Chairman of the Nomination and Remuneration Committee
Khurshida Chowdhury	Member
Shamsun Nahar Begum Chowdhury	Member
Mesbah Dilwar Rahman	Member

Key Policies Regarding Remuneration of Directors, Senior Management and Employees

The objective of the remuneration policy is to enable the Company to attract, motivate, and retain qualified industry professionals for the Board of Management and other executive level in order to achieve the Company strategic goals. The remuneration policy acknowledges

the internal and external context as well as the business needs and long-term strategy. The policy is designed to encourage behavior that is focused on long-term value creation, while adopting the highest standards of good corporate governance. The policy is built on the following principles:

- i. **VISION AND STRATEGY-** Remuneration and reward frameworks and decisions shall be developed in a manner that is consistent with, supports and reinforces the achievement of the Company's vision and strategy.
- ii. **TRANSPARENT-** The policy and its execution are clear and practical.
- iii. **ALIGNED WITHIN THE COMPANY'S OBJECTIVES** – The remuneration policy is aligned with the company's short term and long-term objectives, compatible with those of management and other employees.
- iv. **LONG-TERM ORIENTATED-** The incentives focus on long-term value creation.

- v. **COMPLIANT**– Company adopts the highest standards of good corporate governance.
- vi. **SIMPLE**– The policy and its execution are as simple as possible and easily understandable to all stakeholders.
- vii. **INTERNAL EQUITY**– The Company shall remunerate the Board members and senior management in terms of their roles within the organization. Positions shall be formally evaluated to determine their relative weight in relation to other positions within the Company.
- viii. **EXTERNAL EQUITY**– The Company strives to pay an equitable remuneration, capable of attracting and retaining high quality personnel. Therefore, the Company will remain logically mindful of the ongoing need to attract and retain high quality people, and the influence of external remuneration pressures. Reference to external market norms will be made using appropriate market sources, including relevant and comparative survey data, as determined to have meaning to the Company's remuneration practices at that time.
- ix. **FLEXIBILITY**– Remuneration and reward offerings shall be sufficiently flexible to meet both the needs of individuals and those of the Company whilst complying with relevant tax and other legislation.

- x. **PERFORMANCE-DRIVEN REMUNERATION**– The Company shall entrench a culture of performance driven remuneration through the implementation of the Performance Incentive System.
- xi. **AFFORDABILITY AND SUSTAINABILITY**– The Company shall ensure that remuneration is affordable on a sustainable basis.

**Nomination and Remuneration Committee Meeting:**

There are 04 (Four) number of meetings held in 2021. The average attendance of the NRC members was 100%

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

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

Thank you,

Sd/-  
Chairman, NRC



# 5.7 REPORT OF THE MANAGING DIRECTOR AND CEO & THE CHIEF FINANCIAL OFFICER/ FC

The Board of Directors  
Green Delta Insurance Company Limited

## Declaration on Financial Statements for the year ended on 31<sup>st</sup> December, 2021

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

- 1) The Financial Statements of Green Delta Insurance Company Limited for the year ended on 31<sup>st</sup> December, 2021 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
- 2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- 3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- 4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- 5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- 6) The management's use of the going concerns basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that: -

- i. We have reviewed the financial statements for the year ended on 31<sup>st</sup> December, 2021 and that to the best of our knowledge and belief:
  - (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (b) these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- ii. There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sd/-

**(Farzanah Chowdhury)**  
Chartered Insurer  
Managing Director & CEO  
Green Delta Insurance Company Limited

Sd/-

**(Syed Aliul Ahab FCCA)**  
Finance Controller  
Green Delta Insurance Company Limited

## 5.8 LETTER TO THE BOARD OF DIRECTORS PRESENTED BY THE **COMPANY SECRETARY**

**Dear Valued Shareholders,**

On behalf of the Board, we are pleased to present the corporate governance report of your company for the year ended December 31, 2021. The purpose of this report is to explain how GDIC is directed and governed and to summarize the corporate governance activities that have taken place during the year. In addition to its overall responsibilities for corporate governance, the Board's duties include setting the company's strategy and values and overseeing and supporting management in their day to day running of the business. We continue to believe that our Board demonstrates the appropriate behaviors and has the diversity, skills, independence and knowledge of the business to enable it to successfully discharge its duties. The principal corporate governance rules applying to GDIC are not only contained to the Corporate Governance Guidelines (CGG) issued by Bangladesh Securities and Exchange Commission (BSEC), but also covers the global best practices applicable for us. Throughout the year, GDIC has complied with all relevant provisions set out in the CGG issued by BSEC. The said compliances are also vetted and certified by the independent auditors by M/S. Suraiya Parveen & Associates. The report along with the compliance status are enclosed with our annual report 2021 under section 138 and 150

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

Yours faithfully

On behalf of the Board

Sd/-

**Syed Moinuddin Ahmed**  
Company Secretary

# 5.9 COMPLIANCE REPORT ON BSEC'S NOTIFICATION ON CORPORATE GOVERNANCE

## Compliance Report On BSEC's Notification

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

(Report under Condition No. 9)

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1.00	Board of Directors			
1.1	Size of the Board of Directors: The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty)	✓		
1.2	Independent Director			
1.2(a)	At least one-fifth (1/5) of the total number of directors in the company's Board shall be independent directors	✓		
1.2(b)(i)	Do not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company	✓		
1.2(b)(ii)	Do not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company	✓		
1.2(b)(iii)	Who has not been an executive of the company in immediately preceding 2 (two) financial years	✓		
1.2(b)(iv)	Does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies	✓		
1.2(b)(v)	Independent directors are not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange	✓		
1.2(b)(vi)	Independent director is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1.2(b)(vii)	Independent director is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code	✓		
1.2(b)(viii)	They are not the Independent directors in more than 5 (five) listed companies	✓		
1.2(b)(ix)	Who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI)	✓		
1.2(b)(x)	Who has not been convicted for a criminal offence involving moral turpitude;	✓		
1.2(c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM)	✓		
1.2(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days			No vacancy occurred
1.2(e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only.  A former independent director may be considered for reappointment for another tenure after a time gap of one tenure.  The independent director shall not be subject to retirement by rotation as the Companies Act, 1994.	✓		
1.3	Qualification of Independent Director (ID)			
1.3(a)	independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business.	✓		
1.3(b)	Independent director shall have following qualifications:			
1.3(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association	✓		
1.3(b)(ii)	Corporate leader who is or was a top-level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid-up capital of Tk. 100.00 million or of a listed company	✓		
1.3(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law	✓		
1.3(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1.3(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification	✓		
1.3(c)	The independent director have at least 10 (ten) years of experiences in any field mentioned in clause (b)	✓		
1.3(d)	In special cases, above qualifications or experiences may be relaxed subject to prior approval of the Commission.			N/A
1.4	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer			
1.4 (a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals	✓		
1.4 (b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company	✓		
1.4 (c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company	✓		
1.4 (d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer	✓		
1.4 (e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from nonexecutive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	✓		
1.5	Directors report to shareholders			
1.5(i)	Industry outlook and possible future developments in the industry	✓		
1.5(ii)	Segment-wise or product-wise performance	✓		
1.5(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any	✓		
1.5(iv)	Discussion on cost of goods sold, gross profit margin and net profit margin	✓		
1.5(v)	Discussion on continuity of any Extra-Ordinary gain or loss			N/A
1.5(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions	✓		
1.5(vii)	Utilization of proceeds from public issues, right issues and/ or through any others instruments	✓		
1.5(viii)	An explanation if the financial results deteriorate after the company goes for IPO, RPO, Rights Offer, Direct Listing etc.			N/A
1.5(ix)	Explanation on significant variance occurs between Quarterly Financial performance and Annual Financial Statements	✓		
1.5(x)	Remuneration to directors including independent directors	✓		

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

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

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
2.00	Governance of Board of Directors of Subsidiary Company			
2 (a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company	✓		
2 (b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company	✓		
2 (c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company	✓		
2 (d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also	✓		
2 (e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	✓		
3.00	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS)			
3.1	Appointment			
3.1 (a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	✓		
3.1 (b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals	✓		
3.1 (c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time	✓		
3.1 (d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS	✓		
3.1 (e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s)	✓		
3.2	Requirement to attend Board of Directors' Meetings			
3.2	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board:	✓		
3.3	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)			
3.3(a)	The MD or CEO and CFO shall certify to the board that they have reviewed financial statements for the year and that to the best of their knowledge and belief			
3.3(a)(i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading	✓		
3.3(a)(ii)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	✓		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
3.3(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members	✓		
3.3(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓		
4	Board of Directors' Committee: For ensuring good governance in the company, the Board shall have at least following sub-committees:			
4 (i)	Audit Committee	✓		
4 (ii)	Nomination and Remuneration Committee.	✓		
5	Audit Committee			
5.1	Responsibility to the Board of Directors			
5.1 (a)	The company shall have an Audit Committee as a subcommittee of the Board	✓		
5.1 (b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business	✓		
5.1 (c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing	✓		
5.2	Constitution of the Audit Committee			
5.2 (a)	The Audit Committee shall be composed of at least 3 (three) members;	✓		
5.2 (b)	The Board shall appoint members of the Audit committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;	✓		
5.2 (c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	✓		
5.2 (d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee			No such situation arisen
5.2 (e)	The company secretary shall act as the secretary of the Committee	✓		
5.2 (f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	✓		
5.3	Chairperson of the Audit Committee			
5.3 (a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	✓		

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

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

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

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

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

# 5.10 CERTIFICATE ON CORPORATE GOVERNANCE



## Suraiya Parveen & Associates

(Chartered Secretaries, Financial & Management Consultants)

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[Certificate as per condition No.1 (5) (XXVII)]

**Report to the Shareholders of  
Green Delta Insurance Company Limited on compliance on the Corporate  
Governance Code**

We have examined the compliance status to the Corporate Governance Code by **Green Delta Insurance Company Limited** for the year ended on December 31, 2021. This Code relates to the Notification No. BSEC/CMRCD/2006-158/207/Admin/80 dated 3 June, 2018 of the Bangladesh Securities and Exchange Commission.

Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

- (a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission;
- (b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- (c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws; and
- (d) The Governance of the company is satisfactory.

Dhaka, Dated  
March 01, 2022




For Suraiya Parveen & Associates  
Chartered Secretaries



Suraiya Parveen, FCS  
Chief Executive Officer

Razzak Plaza (5th Floor), Suite , 6C, D1, New Eskaton Road, Ramna, Dhaka- 1000  
Phone : 48321398 (Off ), Mob : 01735-835482  
E-mail : musfiquefcs@gmail.com, info@suraiyaparveenandassociates@gmail.com  
Web: www.suraiyaparveenandassociates.com

# 5.11 REPORT ON CREDIT RATING



**CREDIT RATING AGENCY OF BANGLADESH LIMITED**

Ref: AGL (01)/RCM/210623/2021- **22561**

24 June 2021

Ms. Farzanah Chowdhury  
Managing Director and CEO  
Green Delta Insurance Company Limited  
Green Delta AIMS Tower  
51-52 Mohakhali C/A, Dhaka-1212

**Subject: Credit Rating – Green Delta Insurance Company Limited**


Dear Madam,

We are pleased to inform you that Credit Rating Agency of Bangladesh Ltd. (CRAB) has assigned the following ratings to Green Delta Insurance Company Ltd.

Particulars	Ratings
Long Term	AAA
Short Term	ST-1
Outlook	Stable

The entity rating is valid up to 30 June 2022. The ratings may be changed or revised prior to expiry, if warranted by extraordinary circumstances in the management, operations and/or performance of the entity rated.

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

Yours Sincerely,  
  
Hamidul Haq  
Managing Director



Biscana-DIT Tower, Level-15, Plot-06, Panthapath, Tejgaon, Dhaka-1215. E-mail: info@crab.com.bd. Web: www.crab.com.bd, www.rating.com.bd  
☎ +08-02-55013678, 55013679, 55013681, 55013682, 55013683 (Fax) 55013684



## 5.12 CERTIFICATE OF MEMORANDUM FROM BAPLC

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

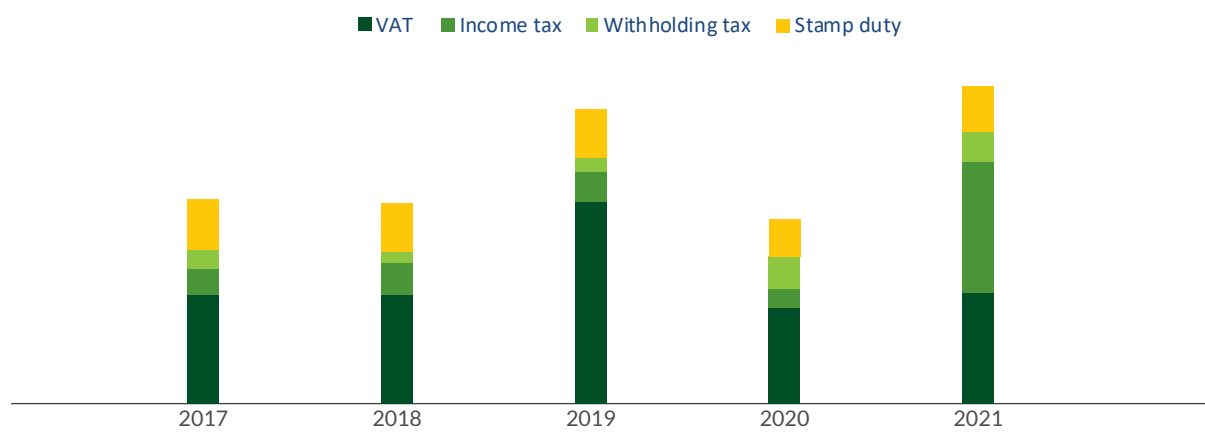


## 5.13 CONTRIBUTION TO GOVERNMENT EXCHEQUER

Figures in BDT

	2017	2018	2019	2020	2021
VAT	301,261,120	302,063,476	559,243,078	266,659,508	306,714,481
Income tax	73,984,504	89,096,664	85,663,912	52,720,512	366,295,452
Withholding tax	53,054,908	30,387,229	39,518,215	90,781,901	81,778,383
Stamp duty	144,171,907	137,811,838	134,189,928	100,873,213	126,920,175
<b>Total</b>	<b>572,472,439</b>	<b>559,359,207</b>	<b>818,615,132</b>	<b>511,035,134</b>	<b>881,708,491</b>

### Contribution to National Exchequer

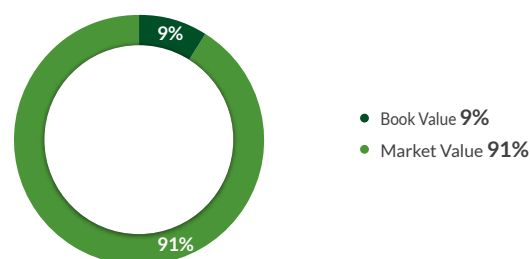


## 5.14 MARKET VALUE ADDED STATEMENT

Market Value Added	Number of Share	Value Per Share (Taka)	Total Value (Taka in Million)
Market Value	100.19	106.10	10,629.97
Book Value	100.19	10.00	1,001.88

### Market Value Added

### Market Value Added



## 5.15 ECONOMIC VALUE-ADDED STATEMENT

Economic Value-Added is the surplus generated by an entity after meeting an equitable charge towards providers of capital. It is the post-tax return on capital employed (adjusted for the tax shield on debt) less the cost of capital employed. Companies which earn higher returns than cost of capital create value, and companies which earn lower returns than cost of capital are deemed harmful for shareholder value.

The aim of EVA is to provide management with a measure of their success in increasing shareholder's wealth: a better measure than profit of how much the company had made for shareholders.

**EVA has been calculated by the following formula:**

$$\text{EVA} = \text{Net Operating Profit} - \text{Taxes} - \text{Cost of Capital}$$

	BDT in Million	
	2021	2020
Net operating profit	1,256.00	1,016.58
Provision for taxes	(468.82)	(332.78)
<b>Net operating profit after tax (NOPAT)</b>	<b>787.18</b>	<b>683.80</b>
<b>Charges for capital</b>		
Average shareholders' equity	6,482.71	6,050.34
Cost of equity (%)	5.30%	7.80%
Capital charge	343.58	471.93
<b>Economic value added</b>	<b>443.59</b>	<b>211.87</b>

## 5.16. VALUE-ADDED STATEMENT

for the year ended 31 December 2021

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

Particulars	31 Dec. 2020 (BDT in million)	%	31 Dec. 2021 (BDT in million)	%
Operating revenue	2,157.27		2,109.45	
Other income	299.80		314.33	
	<u>2,457.08</u>		<u>2,423.78</u>	
Operating expenses excluding staff costs and depreciation	(908.10)		(620.64)	
<b>Value added</b>	<b><u>1,548.98</u></b>	<b>100%</b>	<b><u>1,803.14</u></b>	<b>100%</b>
To employees as remuneration	493.12	32%	547.14	30%
To Government as taxes	332.78	21%	468.82	26%
To Shareholders as dividend	228.34	15%	300.56	17%
<b>Retained in the business</b>	494.75	32%	486.61	27%
as capital & revenue reserve	455.46	29%	446.16	25%
as depreciation	39.28	3%	40.45	2%
	<u>1,548.98</u>	<u>100%</u>	<u>1,803.14</u>	<u>100%</u>

## 5.17 ENGAGING WITH OUR STAKEHOLDERS ON MATERIALITY MATTERS

The sustainability of our company depends on the sustainability of our stakeholder relationships. As such, we consider and engage not only shareholders, employees and clients, but also suppliers, public authorities, local community and civil society in general, financial partners etc. The sustainability of our stakeholder relationships is the guiding principle for the managerial decision-making process and the pillar of a more comprehensive corporate strategy.

We derive significant value from our diverse stakeholders across all our activities and engage with, listen to and learn from them. Working in partnerships is crucial in delivering on our vision to make the world healthier and more sustainable through innovation. We realize that engaging with our stakeholders is an important source of information to assist in defining risks and opportunities as well as setting our strategic objectives within the value chain. We incorporate their feedback on specific areas of our business into our planning and actions.

Throughout the year we communicate with Shareholders in the following ways:

- ✓ By publishing Price Sensitive Information (PSI) in National Dailies and Online News Portal;
- ✓ By releasing PSI via website of DSE, CSE and also in company website: [www.green-delta.com](http://www.green-delta.com)
- ✓ By publishing Press Release about Company's important events in the newspapers;

- ✓ By issuing notices to the Shareholders for holding Annual General Meeting every year and Extra-Ordinary General Meeting (as and when necessary);
- ✓ By publishing Financial Statements in the newspaper
- ✓ By sending Annual Reports of the Company every year;
- ✓ By sending the Right Offer Document (ROD) as and when required;
- ✓ By holding dialogue with Shareholders;
- ✓ By holding General Meetings of Shareholders;
- ✓ Electronic and other means of communications with shareholders:
  - a. Call Center (during office hours)
  - b. Company's website- [www.green-delta.com](http://www.green-delta.com)
  - c. Web-Chat
  - d. Short Message Service (SMS);
  - e. E-mail Communication, [share@green-delta.com](mailto:share@green-delta.com)
  - f. Share and Investment Department (During Office hours)
  - g. Letter Communication;

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

Key stakeholder group	Expectations	Initiatives	Impact
CUSTOMERS	<ul style="list-style-type: none"> <li>✓ Being simple, straightforward, uncomplicated and responsive</li> <li>✓ Honor claims settlement on a timely basis</li> <li>✓ Treat them with fairness, dignity and respect</li> </ul>	<ul style="list-style-type: none"> <li>✓ Avoidance of excessive technical jargon in policy documents</li> <li>✓ Timely claims payments</li> <li>✓ Highly responsive sales team</li> <li>✓ Dedicated customer service / grievance resolution team</li> </ul>	86,000+ Customer served in 2020 33,000+ New customers acquired in 2020
SHAREHOLDERS	<ul style="list-style-type: none"> <li>✓ Sustainable value creation</li> <li>✓ Transparency in material information disclosure</li> </ul>	<ul style="list-style-type: none"> <li>✓ Engagement during the AGM (annual general meeting)</li> <li>✓ Timely and accurate disclosure of material information</li> <li>✓ Ongoing quarterly / need-based engagements</li> </ul>	5060 Shareholders (as on 31 <sup>st</sup> December 2021) 64.68% Share capital owned by foreign, public and institutions

Key stakeholder group	Expectations	Initiatives	Impact
EMPLOYEES	<ul style="list-style-type: none"> <li>✓ Robust career development prospects</li> <li>✓ Openness and transparency</li> <li>✓ Pride of association</li> </ul>	<ul style="list-style-type: none"> <li>✓ Robust ongoing skill development and capacity-building programs</li> <li>✓ Focus on inclusion through inclusive policies</li> <li>✓ Strong focus on women empowerment through exclusive programs, including self-defense classes, open forums, etc.</li> </ul>	547 Employee strength 35 New employees added in 2020 21% Women in our workforce
REGULATORS	<ul style="list-style-type: none"> <li>✓ Adherence to rules and guidelines</li> <li>✓ Review of draft policies / guidelines</li> </ul>	<ul style="list-style-type: none"> <li>✓ Non-compromising stance to regulatory adherence</li> <li>✓ Discussions and engagements through industry bodies / chambers, etc.</li> </ul>	10 Strength of our compliance team
MEDIA	<ul style="list-style-type: none"> <li>✓ Accuracy of information disclosure</li> <li>✓ Access to senior management for performance / outlook commentary</li> </ul>	<ul style="list-style-type: none"> <li>✓ Issue of detailed press notes on material developments</li> <li>✓ Access to management for interviews</li> </ul>	817 Press notes issued in 2020

### GLIMPSES FROM THE 35<sup>TH</sup> AGM

Green Delta Insurance Company Limited has declared 32% dividend (7.5% Stock dividend and 24.5% Cash dividend) for its shareholders for the year ended December 31, 2020. The announcement was made at the 35<sup>th</sup> Annual General Meeting of the company, held earlier today (30<sup>th</sup> March 2021, Tuesday) through an online conferencing and broadcasting platform. The meeting was attended by sponsors, directors and shareholders and was presided over by Abdul Hafiz Chowdhury, Chairman of the company.

The Chairman expressed his appreciation towards the shareholders of the company for their continuous support and cooperation towards the growth of the company and congratulated and thanked the members of Green Delta family who have invested their apt and sincerest efforts in ensuring the uninterrupted customer service and business operation by redesigning the work culture that accommodates work from home and maintains social distancing. Farzanah Chowdhury (Chartered Insurer, MD and CEO of Green Delta Insurance) thanked all the

shareholders for helping Green Delta Insurance march ahead in the industry and secure the top position since its inception and expressed her gratitude towards her team that relentlessly pursued excellence even during present dire situation. Besides expressing her high hopes about the future of the company riding on a diverse service portfolio featuring comprehensive digitalized solutions, automated customer service, insurtech etc., Ms. Chowdhury also promised to drive continuous innovation and best in class service to ensure financial stability and sustainable growth of the company. Advisor and Founding Managing Director of Green Delta Insurance, Nasir A. Choudhury, also addressed to the shareholders and expressed his gratitude for their continued support.

A good number of shareholders were present in the online AGM and they highly appreciated the board of directors and management of Green Delta Insurance Company for their outstanding performance, strong corporate governance, declaration of attractive dividend and publishing an extensively informative annual report for the year of 2020.



## 5.18 STAKEHOLDERS RELATIONSHIP/ GRIEVANCE REDRESSAL

Green Delta Insurance Company (GDIC) strongly believes in maintaining smooth and interactive relationship with the stakeholders. We pursue high quality stakeholder's redressed policy proactively to handle all types of grievance, complaints in an effective and fair manner. GDIC strongly believes in equitable treatment to every shareholder. We resolve any shareholders' complaint on a priority basis and have committed to serve the appropriate mechanism to address the shareholders' grievance within the time frame stipulated by the Company.

### GDIC COVERS THE FOLLOWING ISSUES

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

### REDRESSAL PROCESS OF GREEN DELTA INSURANCE COMPANY LIMITED

- Complaints raised by the investors/shareholders must be dealt with courtesy and in a timely manner
- Complaints are treated and solved efficiently and treated fairly
- Communicate to the shareholders for collection of the dividend warrants which have been refunded for non-delivery by the courier
- Revalidate the dividend warrants upon demand
- Correction of bank account information while sending dividend through BEFTN system
- Re issue of dividend warrants, in case of failure to send dividend through BEFTN system
- Issue shareholding certificate, dividend certificate as and when required
- E-mail or letter must be send to all the investor who have submitted written complaints
- Request for e-TIN number in case of cash dividend

### Redressed of Client's Complaint

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

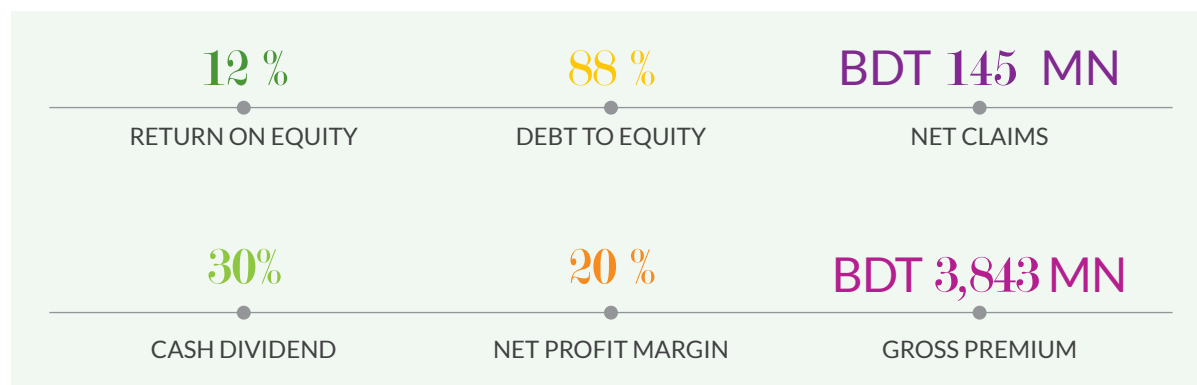
the Company's services, shortcomings, if any, and their suggestions. Clients' views and complaints are discussed at the management committee meeting held at Head Office and also during meetings with Branch Managers. This aspect also features prominently at the Annual Conference of the Company.

#### SHARE DEPARTMENT

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

## 5.19 STAKEHOLDERS

# FRIENDLY INFORMATION



### Net Profit Margin

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

### Dividend

GDIC pays dividend for a variety of reasons, and the developments can have different implications and interpretations. Dividends are expected by the shareholders as a reward for their trust in a company, and the GDIC management aims to honor this sentiment by maintain a robust track record of dividend payments.

### Return on Equity

The return on equity ratio or ROE is a profitability ratio that measures the ability of GDIC to generate profits from its shareholder's investments in the company. ROE is also an indicator of how effective GDIC management is at using equity financing to fund operations and grow the company. GDIC earned 12%.

### Debt to Equity

The debt to equity ratio is a financial, liquidity ratio that compares a company's total debt to total equity. The debt to equity ratio shows the percentage of company financing that comes from creditors and investors. A higher debt to equity ratio indicates that more creditor financing (bank loans) is used than investor financing (shareholders) 88%.

### Gross premium

Gross general insurance premiums comprise the total premiums received for the whole period of cover provided by contracts entered into during the accounting period. They are recognized in the year on which the policy issued 3,843 million.

### Net Claims

A demand made by the insured or the insured's beneficiary for payment of the benefit as provided by the policy 145 million.

## 5.20 MARKET PERFORMANCE

Financial Calendar	Announced On
Audited Consolidated result for the year ended 31 December 2021	14-02-2022
Unaudited Result for the first quarter ended 31 March 2021	10-05-2021
Unaudited Result for the second quarter and half year ended 30 June 2021	26-07-2021
Unaudited Result for the third quarter ended 30 September 2021	30-10-2021

Distribution of Dividend	Details
(Cash% - Stock %)	Cash 24.50%, Stock 7.50%
Announcement Date	04-02-2021
Record Date	14-02-2021
Distribution Date	28-04-2021
Notice of 35 <sup>th</sup> Annual General Meeting	09-03-2021
35 <sup>th</sup> Annual General Meeting	30-03-2021

### Stock Detailed

Particulars	DSE	CSE
Stock Symbol	7.50	7.50
Company ID	GREENDELT	GREENDELT
Listing Year	1990	1995
Market Category	A	A
Electronic Share	YES	YES
Total Number of Securities	100188194	100188194

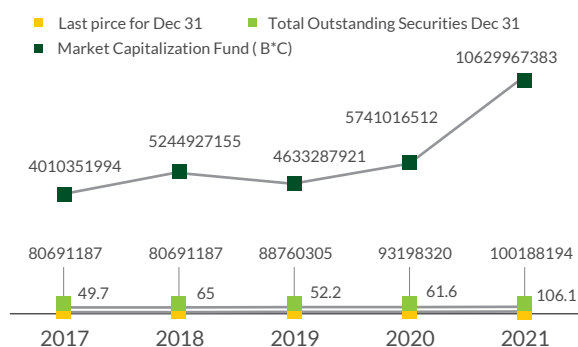
DSE Trading Days (2021)	241
Year End Closing Price (December 31, 2021)	106.10

Availability of information about Green Delta Insurance Company Limited Annual Integrated Report 2021 and other information about GDIC may be viewed on GDIC's Website: [www.green-delta.com](http://www.green-delta.com)

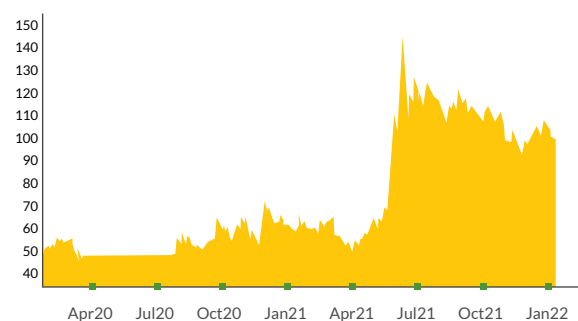
### Corporate Office

Green Delta Aims Tower (6th Floor)  
51-52, Mohakhali C/A, Dhaka- 1212  
Phone: +(880-2)222263902, 222261170  
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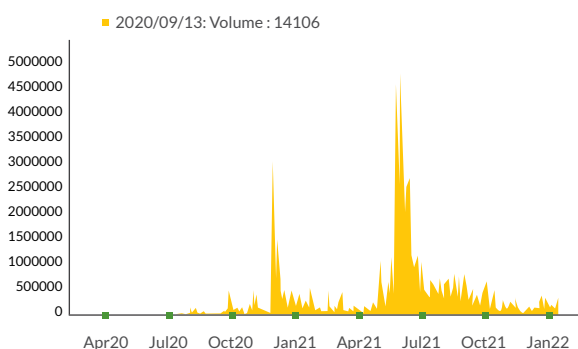
### Market Capitalization Chart



### Closing price Graph of Greendelt



### Total Volume





## 5.21 DIVIDEND

# DISTRIBUTION POLICY

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

### Declaration

Dividend shall be declared or paid out of

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

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

### Dividend Equalization Reserve

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

### Factors to be considered before declaration of Dividend

The Company strive to distribute the best possible consolidated Profit After Tax (PAT) as dividend.

However, since the company is in the initial stage of growth trajectory substantial Capital including internal accruals is required to be reinvested. Therefore, Board for next 3 years would exercise discretion in declaring the dividend based upon the requirement of capital for its portfolio business. The amounts paid as dividends in the past will not be necessarily indicative of the dividend amounts, if any that may be payable in future. The form, frequency and amount of future dividends shall be at the discretion of our Board and subject to the approval of our shareholders and will depend on various factors including but not limited to:

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

### Timing of Dividend

- 1) Interim dividends as and when decided by Board will be declared after considering the interim P&L Account and Balance Sheet statement for the period for which interim dividends are declared. Interim P&L Account and Balance Sheet Statement will be prepared considering the profit, depreciation for the full year, taxation including the differed tax and any anticipated losses for the year.
- 2) Final dividends as and when declared at the AGM of the shareholders will be based on the recommendations by Board based on review of audited financial statements of the year.

## 5.22 INFORMATION ON UNPAID AND UNCLAIMED DIVIDEND

### Unclaimed Dividend Account

As per the Directive issued by BSEC dated 14th January 2021 Green Delta Insurance is disclosing the Unclaimed Dividend as on 31<sup>st</sup> December 2021:

Total unpaid/undistributed Dividend for previous years	
Cash in BDT	Stock in Numbers
8,124,768 (as on 31 <sup>st</sup> December 2021)	331,998 (as on 31 <sup>st</sup> December 2021)

### Other Information

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

### Performance with Respect to Shareholders

Particulars	2017	2018	2019	2020	2021
Dividend yield	3%	3%	4%	5%	3%
Net Asset Value (NAV) growth	14%	-10%	2%	7%	8%

## 5.23 SHAREHOLDING PATTERNS

(as on 31<sup>st</sup> December, 2021)

Director & Sponsor		Foreign Company	
Number of Shareholders	Percentage	Number of Shareholders	Percentage
<b>19</b>	<b>35.32</b>	<b>1</b>	<b>6.65</b>
Government		General Public	
Number of Shareholders	Percentage	Number of Shareholders	Percentage
<b>0</b>	<b>0</b>	<b>4821</b>	<b>39.14</b>
Institute			
Number of Shareholders	Percentage		
<b>219</b>	<b>18.89</b>		

## 5.24 KEY POINTERS FOR THE STAKEHOLDERS

GDIC is very much concerned of the stakeholders' interest in the company including the potential investors. GDIC with 36 years of financial expertise helps its clients to decide in taking the right financial decisions. The following historical information will help our current and potential investors for their decision making:

### Financial calendar to the stakeholders

Events for the year	2021	2020
Publication of Financial Statements for the 1 <sup>st</sup> Quarter	10-05-2021	15-06-2020
Publication of Financial Statements for the Half-year	26-07-2021	03-08-2020
Publication of Financial Statements for the 3 <sup>rd</sup> Quarter	30-10-2021	01-11-2020
Annual Financial statements approved by the Board	14-02-2022	14-02-2021
Date of Record	08-03-2022	08.03.2021
Dispatching notice for the Annual General meeting	09-03-2022	09.03.2021
Dispatching of Annual Report	15-03-2022	15.03.2021
Holding of Annual General Meeting	30-03-2022	30.03.2021
Transfer/ payment of Dividend	By 28-04-2022 (Expected)	By 29.04.2021 (Expected)

### Comparative Shareholding Structure of GDIC as on 31<sup>st</sup> December 2020 and 2021

Types of Share Holders	2021		2020	
	No. of Shares	% of Shares	No. of Shares	% of Shares
Sponsor/Director	35389036	35.32	31,506,825	33.80
Institutions	18929179	18.89	19,839,160	21.29
Individuals	39211925	39.14	34,396,470	36.91
Foreign	6658054	6.65	7,455,865	8.00
Total shares held	100188194	100.00	93,198,320	100.00

### Equity statistics of GDIC important to the stakeholders

Particulars	2021	2020	2019	2018	2017
Number of shares in issue (No.)	100,188,194	93,198,320	88,760,306.00	80,691,187.00	80,691,187.00
Net asset value per share (BDT)	67.11	66.98	66.00	71.21	79.47
Market Capitalization (BDT in million)	10,629.97	5,741.02	4,633.29	5,244.93	4,954.44
Market value addition per share (BDT)	106.10	61.60	52.20	65.00	61.40
Shareholders' equity (BDT in million)	6,723.21	6,242.22	5,858.47	5,746.34	6,412.19

### GDIC's share price as on 31<sup>st</sup> December 2018 to 2021

Particulars	2021	2020	2019	2018
Highest (BDT)	149.90	63.20	52.50	66.10
Lowest (BDT)	47.60	61.00	51.60	60.50
Closing (BDT)	106.10	61.60	52.20	65
Shares traded (No.)	666	274	11	20
Shareholder's equity (BDT in million)	6,723.21	6,242.22	5858.47	5746.34

## 5.25 SHAREHOLDER'S IDENTIFICATION

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

Sustainability Dimension	Key Shareholders Targeted	Sustainable Business Objective	How GDIC Address this
<b>Economics</b>	Regulators	<ul style="list-style-type: none"> <li>Ensure compliance with all regulatory guidelines and directives</li> </ul>	<ul style="list-style-type: none"> <li>Putting in place processes, practices and controls to ensure compliance with applicable rules and regulations imposed by local and international laws and regulations.</li> <li>Maintaining sound relation with regulators.</li> <li>Always thriving to achieve global best practices.</li> </ul>
	Customers	<ul style="list-style-type: none"> <li>Provide quality product/ service that meets absolute needs of customers</li> <li>Careful management of operations so as to protect customer interest especially for depositors</li> </ul>	<ul style="list-style-type: none"> <li>Spreading the geographical boundaries through opening more branches across the country.</li> <li>Molding existing service suites to cater to diversified customer requirements.</li> <li>Continuously innovating in product suite and operational process to meet customer requirements in the most efficient manner.</li> </ul>
	Shareholders	<ul style="list-style-type: none"> <li>Maximizing shareholder wealth by declaring sound returns annually</li> </ul>	<ul style="list-style-type: none"> <li>Being strategically focused, planning well ahead to counter challenges and identifying opportunities.</li> <li>Continuing to uphold sound governance practices and effective risk management infrastructure.</li> <li>Reinforcement of the internal controls and compliances.</li> </ul>
	Suppliers/ Service Providers	<ul style="list-style-type: none"> <li>Adhere to proper procurement regulations while maintaining a good business relationship with the service providers</li> </ul>	<ul style="list-style-type: none"> <li>Rigorously following internal procurement policy and upgrading the policy regularly to ensure strong control and fair treatment of suppliers</li> </ul>

Sustainability Dimension	Key Shareholders Targeted	Sustainable Business Objective	How GDIC Address this
<b>Social</b>	Employees	<ul style="list-style-type: none"> <li>Continuously encouraging employees and working towards creating a healthy, ethical and supportive work environment</li> <li>Nurturing human capital to ensure sustained collaboration with the Company</li> </ul>	<ul style="list-style-type: none"> <li>Engaging employees in activities other than business as usual, to achieve a balanced productive environment which is beneficial to both employees and GDIC</li> <li>Investing in a wide range of training programs for every member of the human capital to ensure personal and professional development.</li> </ul>
<b>Environmental</b>	Local Communities	<ul style="list-style-type: none"> <li>Adding value to the society</li> <li>Conducting business without causing disruptions in the society</li> </ul>	<ul style="list-style-type: none"> <li>Implementing programs and initiatives targeted at marginalized communities and underprivileged to address the requirement of society in education/ skills development, healthcare and overall poverty alleviation</li> <li>Enhancing financial access to marginalized population</li> <li>Most importantly, adding value to the society by being a good and transparent corporate citizen.</li> </ul>
	Environmentally Interested groups/ Non-Government Organizations	<ul style="list-style-type: none"> <li>Conducting business without harming the environment</li> </ul>	<ul style="list-style-type: none"> <li>Holding a rigid control on energy consumption to reduce wastage</li> </ul>

In consideration of the above, GDIC has engaged with regulators, management and employees to identify their references, concerns and expectations from GDIC.



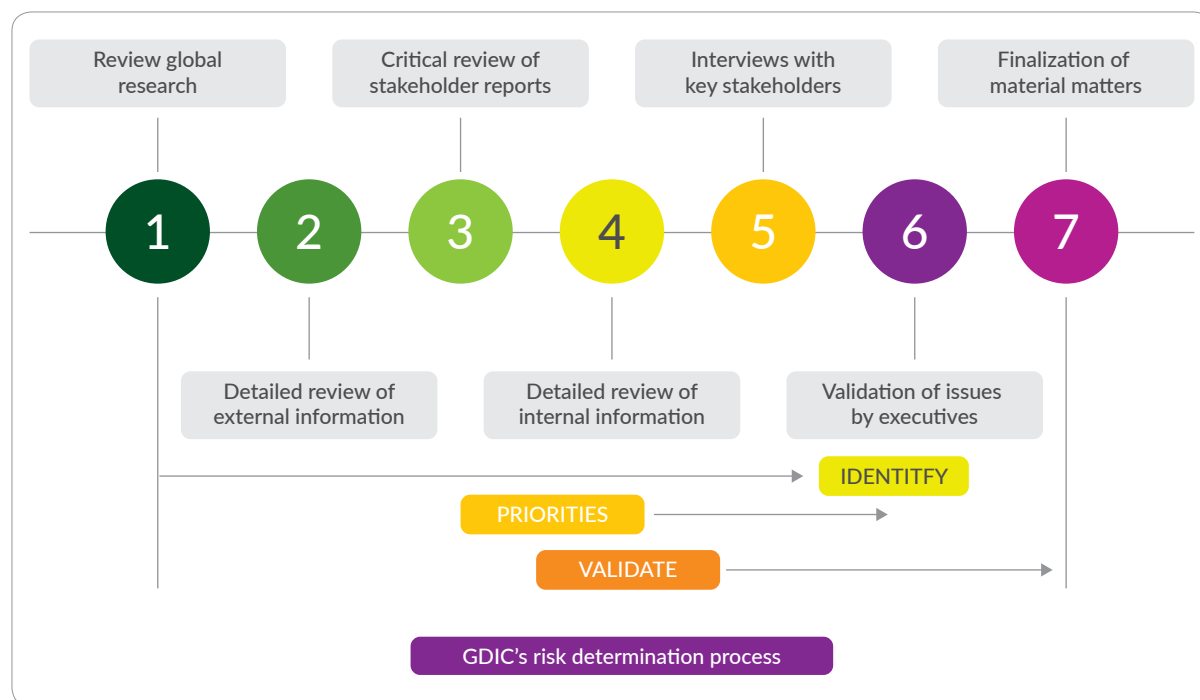
# INSURANCE AND RISK MANAGEMENT

# 6.1 STRATEGIC RISK GOVERNANCE

Our business is deeply connected with the lives of our customers and the societies in which we operate. When we look at what value creation means to us, we are guided by our core purpose – Insurance for everyone.

As part of our normal course of business, this year too we conducted a detailed materiality review to ensure that our reporting includes matters comprising risks and opportunities that could substantively affect our ability to create and protect value in the short, medium or long term, as well as matters that might erode value, if they are not managed proactively.

## Our process to determine risk



**IDENTIFY**

Post conducting detailed research, we identified all matters that could impact Green Delta's ability to deliver on its core purpose. These included both actual and potential risks and opportunities in the short, medium and long term.

**PRIORITISE**

Not all strategic matters with regards to risk and opportunities are material. For inclusion, a matter also needs to be important in terms of its actual or potential effect on value creation. To this end, we evaluate the probability and likelihood of occurrence.

**VALIDATE**

The prioritised matters are then analysed and validated by the Group's Management Committee, as well as ratified finally by the Board.

## Our approach to risk management

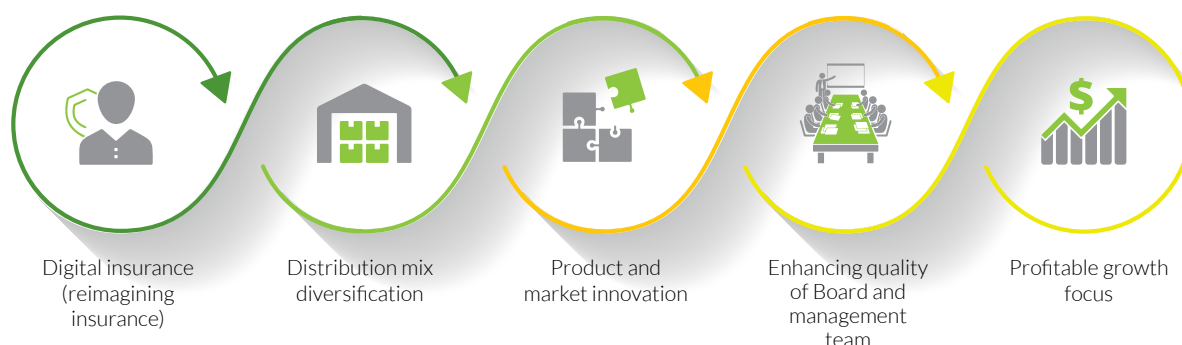
At Green Delta Insurance, our Board is eventually and ultimately responsible for risk governance within the Group, and is assisted by the risk and compliance committee in implementing processes aimed at ensuring risks are identified, managed and mitigated within the Board-approved risk appetite and limits. We operate within a strong foundation of our core purpose, code of ethics and a proactive and risk-aware culture that is driven by a top-down approach of factoring risk into decision-making, and also a bottom-up approach as part of the day-to-day programs and initiatives.

Being in the insurance business for long, we have a well-defined risk management framework within a set risk taxonomy, which includes a risk-rating matrix that assesses the likelihood of certain risks and the magnitude of their impact. We apply the three-lines-of-defence model, that is core to our operating model, in identifying

and managing material risks. Our risk appetite and limits are set at business entity and Group levels, with clear accountability, ownership and reporting requirements.

Furthermore, the Company has also developed and implemented a combined assurance model throughout the Group – formulated and designed to address all the significant strategic, financial, operational and compliance-related risks. Such a framework ensures that all assurance activities provided by internal and external assurance providers adequately address material risks the Company faces. Our combined assurance model also seeks to ensure that suitable controls exist to manage these material risks within Board-approved risk limits. The effectiveness of our robust risk-management system is reflected annually in our own solvency assessment reviews, which provides a comprehensive view of the risk exposures in the Group and how these risks affect capital, solvency and our business strategy.

## Fundamentals of our risk-aware culture



## Objectives of our risk management focus

Taking and managing risk is an integral part of the insurance business. Green Delta manages and takes risks in an informed, proactive and disciplined manner and within a pre-determined risk appetite and tolerance, as approved by the Board. The major risk management objectives are to:

- Support achievement of the Group strategy and protect capital, liquidity, earnings and reputation by monitoring that risks are taken within the Group's risk tolerance
- Enhance value creation by embedding disciplined risk-taking in the Company's culture and contribute to an optimal risk-return profile, where risk reward trade-offs are transparent and understood and risk mitigation actions are appropriately rewarded
- Efficiently and effectively diversify risk and avoid or mitigate non-material / fringe risks
- Encourage openness and transparency to enable effective risk management / control
- Support decision-making processes by providing consistent, reliable and timely risk information



- Protect corporate reputation and brand by promoting a sound culture of risk awareness and disciplined and informed risk-taking

## Risk governance at Green Delta Insurance

Our risk management framework is based on a governance process that sets forth clear responsibilities for taking, managing, monitoring and reporting risks.

Our policy represents our main risk governance document. It articulates and sets standards for effective risk management throughout the Company and the wider Group. The policy describes the corporate risk management framework, provides a standardized set of risk types, and defines the corporate appetite for risks at Group-level. Risk-specific policy manuals provide guidelines, standards and procedures to implement the principles in the policy. Continual assessments verify that requirements are met on an ongoing basis.

The Company regularly reports on its risk profile. The Group has procedures to refer risk topics to the senior management and the Board of Directors in a timely and effective way. To foster transparency about risk, the Board receives risk reports and risk updates from time-to-time. Furthermore, reporting is supplemented with in-depth risk insights into topics, such as Covid-19 risk, solvency risk, financial risk and competition risk, etc. The Company identifies, assesses, manages, monitors and reports risks that have an impact on the achievement of its strategic objectives.

Regulatory compliance is of utmost importance to Green Delta Insurance as it allows us as a business to actively manage financial risks which arise in the ordinary course of business. As such, we take a 360-degree approach to financial risk management, working closely with the business as a whole to design and effect appropriate controls, whilst deepening the culture of risk awareness throughout the organisation.

We have a very robust risk identification process in place across all of our business units as this is the first line of defence. This is then supported by a second line function in the form of our independent risk management function. We continue to strengthen our control environment to mitigate existing and emerging risks. In addition, the business also possesses a centralised repository of risk controls, which requires managers across the Company

to attest that all necessary risk measures and controls have been adhered to.

Given our absolute commitment to protecting our balance sheet, we thus have a robust policy in place to drive effective capital and liquidity management and ensure that the assets that back our liabilities are sufficiently liquid for us to meet our obligations, as they arise. We also have a strict policy of only partnering with reinsurers that have robust credit ratings and the pandemic has only reaffirmed the appropriateness of this approach. As such, we continue our commitment to doing business with reinsurers that not only have strong credit ratings, but an established track record as well.

## Managing “black swan” risks

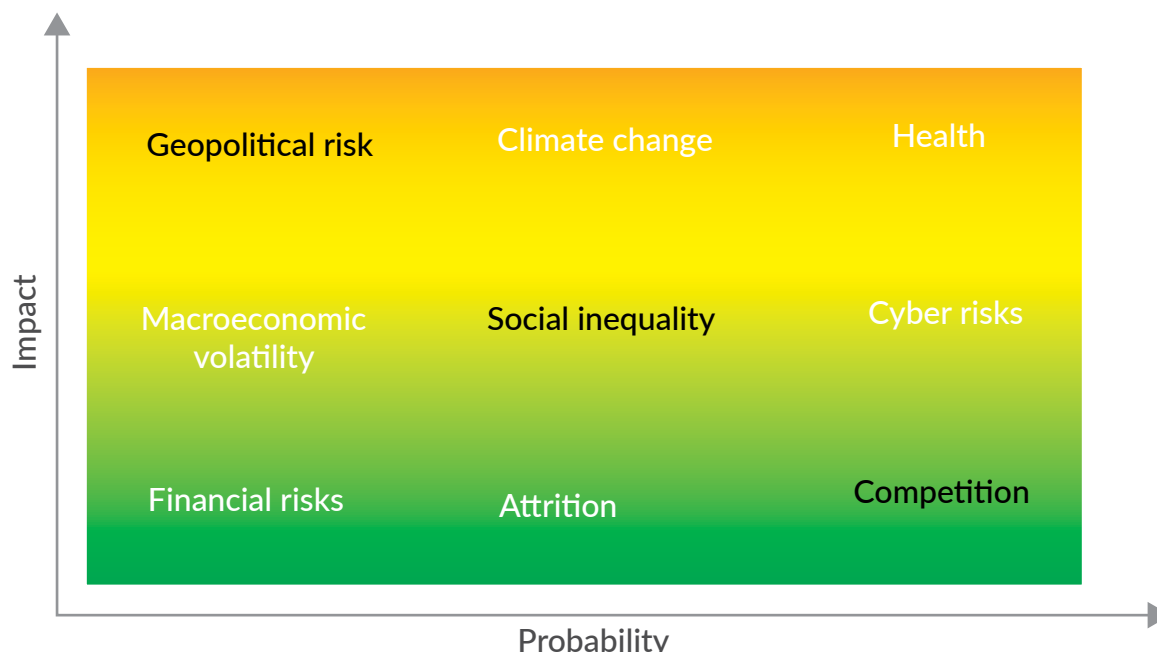
The Covid-19 pandemic outbreak has had far reaching ramifications in terms of its impact on human lives and businesses. The pandemic has impacted various organizations across the globe in unprecedented ways, including impacting several critical risk areas.

The Company, anticipating the spread of Covid-19 and the associated risks, commenced preparation for risk mitigation right at the onset of the pandemic during the beginning of March 2020. The Company already had a business continuity management policy and crisis management framework in place. It also activated a crisis management team which was tasked with the responsibility of regularly reviewing the developing situation to calibrate the Company’s responses accordingly.

The Broad measures undertaken by the Company to handle the crisis arising due to the spread of Covid-19 covered the critical areas of timely claims disbursement, capital / solvency management, employee safety and welfare (including maintaining Covid-safe behaviours, such as social distancing, etc.), people engagement and wellbeing, and also key initiatives with regards to realigning and reviewing of internal processes, transactions and reporting and ensuring minimum business continuity objective at the least.

Furthermore, the Company also undertook regular risk assessments and evaluations with respect to the impact of the pandemic outbreak on various areas of enterprise risk, such as credit risk, market risk, underwriting risk, operational risk and strategic risk, amongst others.

## Risk heat map



### Major risks / concerns amongst top global executives (in %)

Health risks	80%
Geopolitical conflicts	66%
Cyber risks	79%
Macroeconomic volatility	80%
Climate change	64%
Social inequality	46%

### Guardians of trust

The Directors of Green Delta Insurance acknowledge that they are ultimately responsible for the system of internal financial control established by the Group and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the Board of Directors sets standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Company and the Group and all employees are required to maintain the highest ethical standards in ensuring the organization's

business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management within the Group is on identifying, assessing, managing and monitoring all known forms of risk across the Group.

While operating risk cannot be fully eliminated, the Group endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied consistently and managed within predetermined procedures and constraints.

The Directors are of the opinion, based on the information and explanations given by the management, that the enterprise risk framework and the system of internal risk control provides reasonable assurance that the financial records may be relied upon for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss. The Directors have also reviewed the Group's cash flow forecast for the year to 31 December 2021 and, in light of this review and the current financial position, they are satisfied that the Group had access to adequate resources to continue in operational existence over the foreseeable future.

## 6.2 BALANCING RISK AND OPPORTUNITIES

During the year, we identified the following material themes, which encompass both the risk and opportunities we face.

As a large enterprise, Green Delta Insurance is exposed to myriad external as well as internal risks that have a significant impact on its performance. In order to efficiently manage these, we have built a strong risk management architecture. We identify, assess, treat, monitor, report and archive principal risks that could affect our ability to implement our strategies and deliver on our commitments. Our robust enterprise risk management program propels our culture of informed and responsible risk handling to achieve the desired growth levels. A summary of our principal risks and treatment strategies is provided in the following pages.



### Deliver on our core purpose

Sub-segment	Key actions and opportunities
We create value for our stakeholders by delivering on our core purpose of Insurance for everyone. Our unique business model uses shared value as the basis for our growth and, as such, the model needs to be sufficiently defined to ensure that all new initiatives and programs align with our core purpose. Without this clarity, we face the risk of expansion that does not align with our core purpose.	We are committed to further developing our business model as a blueprint for the future of insurance services in each market (metropolitan or rural) and category in which we operate. We continue to explore innovative opportunities in our markets to leverage our shared-value insurance model and further advance our brand and business, all the while ensuring that we have the right resources to drive success. We diversify product segments locally to take advantage of adjacencies through our composite strategy and to reduce concentration risk, while remaining focused on our core purpose.

Sub-segment	Key actions and opportunities
<p>The products we offer are critical to the continued success of our businesses. Products that are not relevant to our customers (in terms of needs, expectations or value) may result in loss of market share, while the successful delivery of our products may result in expansion of our market share. Relevant insurance solutions with innovative value propositions that supports shared-value creation align with our core purpose and differentiate our offerings within a highly competitive environment.</p>	<p>We focus on, and invest substantially in, relevant products with innovative design that support shared-value creation to align with our core purpose and differentiate our insurance offerings from competitors. Hence, we strive to create products that are both standalone and integrated and demonstrate measurable shared-value creation. We actively manage our products to ensure they meet the defined expectations and required obligations. We also endeavour to put the principles of treating customers fairly at the centre of our product strategy and delivery.</p>
<p>Inadequate governance processes, procedures and systems pose risks on multiple levels, including at a reputational, operational, functional and strategic level.</p>	<p>Underlying our drive to deliver on our core purpose is the need for robust governance standards and ethical leadership practices that reinforces trust and protects value. We continue to review and fortify our governance structures and frameworks on an ongoing basis to ensure they are fit-for-purpose and aligned with the best-in-class standards.</p>

### Related sub-matters

- Develop our shared-value insurance model as an outline for the future of insurance services in each category in which we operate
- Design relevant products that are both standalone and integrated and demonstrate measurable shared-value
- Robust governance and ethical leadership that protect and enhance value

### Successfully execute our strategy

SUB-SEGMENT	KEY ACTIONS AND OPPORTUNITIES
<p>At the heart of our business is the drive to deliver on our core purpose. Our strategy provides the roadmap for how we will achieve our goals, with clear measurable targets to support our objectives. The inability to execute and deliver on our strategy is a direct risk to our business, one that is actively managed by our Board and Executive Management Committee. Our organic growth model is a key component of our strategy, along with prudent capital allocation, solvency and liquidity management. Our customers depend on Green Delta to provide them with insurance and assurance, to remain financially-sound and to deliver the product benefits as expressed in the policy contract. Inadequate capital allocation and risk management models pose a direct threat to the growth and sustainability of our business. The difficult economic conditions in which we operate have been adversely impacted by the effects of the Covid-19 pandemic. This presents a challenging environment for business growth and sustainability, with increasing competition further compounding the challenges. Besides, pressures in the economic environment result in cost and growth pressures on our operating model. These pressures could impact the ability of our product segments to achieve their projected volume targets.</p>	<p>Green Delta recognises that risk management is a key component to achieving our objectives. The business is committed to embedding a risk-aware culture in which strategy, performance management and risk management are integral elements of value creation and dynamically contribute to business performance, innovation and growth. We ensure that risk is carefully weighed and managed to provide the best outcomes for all our stakeholders. We actively drive sustainable performance in terms of our business model, within appropriate risk appetite parameters, while ensuring we manage the diverse regulatory and economic environment. We take a prudent approach to ensuring ongoing financial soundness at the Group-level. We have a clearly-defined and well-implemented operating model, which governs and integrates our approach towards growth, liquidity, solvency management and value creation with a clear risk focus.</p> <p>Furthermore, our capital-allocation framework outlines the process, targets and thresholds required for growth and is regularly monitored by our senior management and the Board.</p>

SUB-SEGMENT	KEY ACTIONS AND OPPORTUNITIES
<p>We operate Pan-Bangladesh and face ever-changing regulatory requirements. This regulatory environment presents challenges and risks to the current and future operating model. Key legislative changes may include those around agency business and agent commissions, bancassurance, etc.</p>	<p>To stay apprised of and influence key regulatory developments, our business leaders continue to directly and indirectly engage with regulators, lawmakers and thought leaders through our participation in industry and professional bodies. The Company's compliance function and technical specialists further support these engagements. Significant developments are addressed proactively through dedicated multi-disciplinary project teams.</p>

### Related sub-matters

- Deliver on our organic growth model
- Allocate capital prudently to drive growth and support business sustainability
- Ensure that stakeholders clearly understand our shared-value insurance-assurance model
- Manage risk appropriately and proactively
- Manage the diverse regulatory and economic environment

### Build the best human capital capabilities

Sub-segment	Key actions and opportunities
<p>Our people are a crucial resource and strategic enabler for the Company. Under-motivated, unprepared or ill-placed employees pose a direct risk to our ability to deliver on our strategy and goals. In the context of Green Delta's expanding market footprint, as well as our vision of transforming insurance services through our shared-value insurance model, continued innovation is essential. To achieve sustained innovation, it is necessary to attract and retain the best talent in all our identified segments. Concerted talent development is also a fundamental objective to fill critical skills gaps. However, skills shortages, especially in core talent segments, such as technology, actuarial science and underwriting, continue to pose a challenge.</p>	<p>Green Delta has a unique culture, one that is driven by its purpose, determination and innovation. We seek to build the best human capital capabilities, ensuring we have the best person deputed in every role. Through digital enablement, challenging work and learning / stimulating experiences, we liberate the best in our people. We focus on building highly motivated teams that embody the Green Delta culture. We seek to create a work experience that positions us as an employer of choice in general insurance, and aim to entrench a compelling employer talent brand and proposition that attracts and retains the best talent in critical segments. We use competitive total rewards to attract and retain talent. Furthermore, to attract talent, we have dedicated initiatives and recruitment drives in critical talent segments on an ongoing basis.</p>
<p>Given the rapid pace of change in all aspects of our business, especially fast-tracked by the Covid-19 pandemic, preparing our workforce for the future is critical and will pose a direct risk to our strategic plans, if not actively managed and supervised.</p>	<p>We have a clear organisational roadmap, and are proactively sourcing new talent pools for those critical skills we need in the future. This is supported by active career management and development and talent futurization, as we believe that our success depends on our people realising their full potential.</p>
<p>Ensuring a diverse talent pipeline is a critical priority across all our businesses. Green Delta faces the risk of diversity and transformation at senior management levels not occurring at a satisfactory pace, and of not attracting, developing and retaining candidates at all levels, which could result in reputational risk and impact our ability to contribute to employment generation.</p>	<p>Green Delta has a compelling vision for its human resource futurization agenda, and the composition of our workforce continues to move towards being demographically representative of the regions in which we operate. We aim to look beyond compliance to harness the power of true diversity and inclusion, and continue to prioritise the appointment of female candidates as part of our resource diversity agenda.</p>

### Related sub-matters

- Build a highly motivated team that embody the Green Delta culture
- Prepare our workforce for the future
- Leverage the strength of diversity while also continuing to diversify our workforce
- Ensure alignment with our ethics and culture at all times

## Harness technological capabilities

Sub-segment	Key actions and opportunities
<p>The rate of technological change, especially disruptive technologies, and the accelerated pace at which it is being adopted, impacts our competitive landscape, shifting client behaviours and expectations.</p>	<p>Technology and innovation are critical components of our differentiation, and we continue to invest in technology as a strategic enabler. We seek to be swift adopters of disruptive technologies that support our innovative business model, thereby enriching our products and solutions. This approach also enhances the appeal of our offerings, especially to a younger client demographic, and simplifies and enhances the client experience, while increasing our market share.</p>
<p>Technology and innovation form a critical part of Green Delta's businesses – for example, our “InsuMama” app that we designed and launched attests to the digital on-the-go needs of our customers. Pervasive instability in any of our systems could, therefore, significantly impact our business model.</p>	<p>We continue to invest in technology and enhance our business continuity and systems performance management processes, which we were able to test, in real-time, during our response to the challenges posed by Covid-19. Our focus on future-proofing the business is being directed towards progressive replacement of legacy technology with modern cutting-edge one to improve our performance and data security.</p>
<p>The global prevalence and sophistication of cyber-crimes are increasing. A cyber-attack aimed at accessing confidential information or a denial of service could burden Green Delta with substantial operational costs and reputational damage. Our tech platform thus uses a multitude of data to provide services and develop products that meet client needs. The responsible collection, use and security of personal and other data are paramount to operating ethically and preserving the trust of our clients. Furthermore, if we do not maintain our data correctly, it could lead to inappropriate decisions and losses due to incorrect claims, payments and collections, as well as the risk of regulatory action.</p>	<p>At Green Delta Insurance, we believe responsible data stewardship is critical, and we have a fiduciary duty to safeguard the data we collect. In addition, protecting the integrity of client data and ensuring appropriate measures are in place to support data privacy and security are key measures to maintaining trust with our stakeholders. Our risk and compliance committee is responsible for technology and information governance. They ensure that the Group implements appropriate system security, data integrity and business resilience processes, as well as employee cyber awareness programmes to manage cyber and data risks.</p>

### Related sub-matters

- Ensure responsible data stewardship
- Invest in and leverage technology and innovation
- Continue to build best-in-class human resource capabilities in technology and digital ecosystems

## Responding to Covid-19

Sub-segment	Key actions and opportunities
<p>The Covid-19 pandemic has induced severe damage to societies and economies across the world. The actual and potential risks related to this crisis span all our regions of presence and stakeholder groups. As it continues to unfold, further secondary impacts may adversely impact our stakeholders and operations. These relate to the consequential measures to contain the spread of any variants of the virus, including containment and mobility restrictions, which could result in deteriorating economic conditions, changed work practices for our employees and more stringent regulatory requirements. Looking ahead, the uncertainty of future claims history, market volatility and economic contraction over the longer term may</p>	<p>Our core purpose has never been more relevant in our response to the challenges of Covid-19 as we sought to protect our employees and support our stakeholders and societies / communities. As an insurance services organisation, it is critical that we understand and respond to the evolving impacts on the global economy, financial markets and on our own financial performance over the short, medium and long term. In preserving value and emerging from this crisis stronger and better placed to serve our stakeholders, we are actively monitoring the risks our business face. Detailed proactive and consistent responses across our business include: leveraging and enhancing our digital capabilities and focusing on digitizing our processes, ongoing and robust stress and scenario testing to adapt our model to remain resilient and relevant, while ensuring the health, safety and work capabilities of our employees through</p>

Sub-segment	Key actions and opportunities
<p>result in an increased risk of inappropriate business and financial responses. Furthermore, there are heightened concerns around subsequent waves of the pandemic once workplaces and economic activity fully reopen and vaccine disparity / hesitancy continue to hinder the broader global vaccination programme.</p>	<p>regular reviews of plans and contingencies, and developing and updating detailed models to predict the extent of the pandemic and its impact on our claims experience and ensure we have appropriate reserves, liquidity and reinsurance programmes in place to protect our organisation, our clients and other stakeholders.</p>

### Related sub-matters

- Use our core purpose of Insurance for everyone to guide our response
- Support our stakeholders, including our employees, clients, society and the nation
- Understand and respond to the evolving impacts on the national economy and the financial markets
- Our financial performance and position in the short, medium and long term

### Sustain our resilient ecosystem

Sub-segment	Key actions and opportunities
<p>Our business is inextricably linked to the success and health of our communities and the level of trade and commerce in the country. Further, our business prospects are also driven by insurance penetration, which is very low in Bangladesh and it is a part of our social imperative to enhance this metric. Given the nature of our business, if the communities and markets that we operate in are not healthy or healthcare systems are weak, it will have a direct impact on our ability to remain viable, placing an undue burden on our operations.</p>	<p>At Green Delta Insurance, we are committed to supporting and strengthening public health care and trade and commerce, enabling our retail and institutional customers to face any exigencies with confidence, and bounce-back from the crisis in the least possible time. Furthermore, as part of our insurance solutions capabilities, we provide the best-fit solutions to our customers and clients, enabling for them sound value propositions of optimal coverage at value-driven premium rates</p>
<p>In pursuit of being an active and responsible corporate citizen, we understand that changes to our natural environment – such as climate change – will have an unavoidable impact on our business and operations. Climate change may increase the frequency and severity of natural disasters and potentially increase the spread of infectious diseases due to heat waves, flooding and other natural conditions. These changes will influence the needs of our clients which, in turn, will affect the products and services we offer. However, we believe that insurance is a timeless and time-tested business whose relevance will continue to remain for times to come.</p>	<p>We remain committed to managing our impact on the environment and minimising the use of natural resources during the course of business. We will continue to assess the geographic exposure of our businesses to understand the potential nature of climate-related risks and carry out suitable stress and scenario testing, where possible. Furthermore, we will build on our capabilities as an environmentally-aware Company, including exploration around integration of innovative solutions and behavioural economics. We aim to embed best practices in environmental, social and governance (ESG) principles across our markets, and consider the actions we can take to support the objectives of the Sustainable Development Goals (SDGs). Furthermore, we support national and global objectives to enhance market sustainability, such as the United Nations Global Compact (UNGC).</p>

### Related sub-matters

- Align our business with government priorities
- Strengthen healthcare systems
- Strengthen our communities
- Support national objectives to enhance market sustainability

## 6.3 MACROECONOMIC FACTORS AND THEIR IMPACT

The global Covid-19 pandemic has cemented positive paradigm shifts for the insurance industry.

### Brief appraisal of the global insurance market

According to the Sigma Research Publication (no.3/2021) on world insurance by the Swiss Re Institute, the global insurance industry has weathered the Covid-19 crisis relatively resiliently, with the dip in premiums milder than during the global financial crisis of 2008-09, and it is expected that the recovery shall be faster for non-life (general) insurance.

The global insurance market continues to consolidate around the US, China and Japan, which comprised the world's top-three insurance markets by size in 2020, together accounting for almost 58 per cent of the global market (56 per cent in 2019). The market share of the top-20 countries also remained mostly stable at 90.7 per cent in 2020 (2019: 90.5 per cent). Among the top-20 countries of the world, there are six Asian countries (China, Japan, South Korea, Taiwan, India and Hong Kong) with market share of about 25 per cent. It is expected that emerging markets shall continue to outpace advanced markets, and Asia will outperform other regions, with the ongoing shift in economic power from west to east reflected in the source of global premium growth. This bodes well for a developing country like Bangladesh that is not only reporting one of the fastest GDP growth rates in the world, but also exhibits significant catch-up potential with regards to insurance penetration.

The pandemic has cemented positive paradigm shifts for insurance. Higher risk awareness and acceleration in digitization are positive structural trends for the

insurance industry. Global health and protection-type insurance premiums grew by 1.9 per cent and 1.7 per cent, respectively in 2020, despite social distancing affecting distribution.

With these trends, Swiss Re forecasts global insurance demand to grow by an above-trend 3.3 per cent in 2021 and 3.9 per cent in 2022, taking total global direct premiums written in 2021 to 10 per cent higher than their pre-crisis 2019 levels and lift the global insurance market to more than USD 7 trillion by the end of 2022. Global non-life premium volume is expected to grow at 2.8 per cent in 2021 and 3.7 per cent in 2022. Inflation is forecast as a key medium-term risk in non-life insurance. The strongest rate hardening for two decades in commercial lines continues to be the principal driver of non-life insurance premium growth. Personal lines growth and profitability will be softer, as motor undergoes competitive pressure and a possible return to normal claims after an extraordinary year 2021. Furthermore, globally insurance penetration and density were 4.10 per cent and USD 449, respectively, for the non-life segment in 2020. Overall, insurance penetration and density were 7.40 per cent and USD 809 respectively in 2020.

Notably, in emerging Asia Pacific, non-life insurance penetration is only 1.7 per cent, as compared to 8.8 per cent in USA and Canada and 4.1 per cent for the world. Similarly, insurance density is only US\$ 92 in emerging Asia Pacific, vs. US\$ 5,392 in USA and Canada and US\$ 449 for the world. This points to considerable growth potential as emerging market countries climb the developmental ladder.

7 trillion USD

Projected global insurance market by end-2022

4.10%

Global general insurance penetration, 2020

3.7%

Projected non-life premium volume growth by end-2022

449 USD

Global general insurance density, 2020

Source: Sigma Research Publication, Swiss Re Institute



## Major structural macroeconomic growth factors

### Participation of women in general insurance

Women comprise roughly 50 per cent of the total population in Bangladesh. Their contribution to the economic activity of the country is significant and is increasing every year, with rise of both women entrepreneurs and greater female participation in the organised / mainstream workforce. Under the circumstances, there is a need for general insurers to recognize the growing significance of this segment of population in the economy, identify their special needs or requirements and develop suitable product solutions to provide adequate insurance coverage. It may also be observed that insurance of women segment also depends on literacy levels, financial independence, financial decision-making and possible moral hazard. This highlights the gender gap in general insurance and initiatives must be taken by players and the whole insurance ecosystem for this important segment to be covered. In this context, at Green Delta Insurance, we have already recognised the large unmet needs of women in insurance and have developed Nibedita, a comprehensive insurance program exclusively created for women. The Company has achieved positive traction in Nibedita policies sold every year.

### Consumer education for growing insurance literacy

Consumer education is a key pillar for supporting the long-term growth of the industry in Bangladesh. The decisive way of reducing mis-selling is to make the members of the public aware of the concept of insurance, the kinds of insurance policies, risks covered, benefits offered, exclusions and conditions, etc. This can be achieved through various efforts of financial education to improve financial literacy. Insurance, being a complex financial product, requires special knowledge to understand the nature of insurance products on offer, their utility and the accompanying terms and conditions (T&Cs). Since its inception, IDRA, the apex insurance regulator of Bangladesh, has been continuously engaged in various insurance awareness campaigns with the aim of equipping existing and prospective policyholders with reasonable understanding of their risk coverage needs and for choosing insurance products suitable to meet those needs. The regulator does this through a multi-pronged approach using mass electronic, print, digital and social media platforms. Consumer education and awareness is crucial to build the foundations for expanding insurance penetration and density in Bangladesh. At our Company, we organise a number

of high-decibel campaigns around the importance of insurance coverage, details about our products and how those could benefit specific customer needs. We especially take these campaigns to rural and hinterland areas as these regions have the least awareness or understanding of insurance. Such initiatives also enhance our obligations to rural and social sectors.

### Microinsurance as a relevant tool for expanding policy coverage

In order to facilitate penetration of insurance to the lower income segments of the population, there has been regulatory thrust to distribute affordable insurance products to the rural and urban poor and to enable microinsurance to play its role in enhancing financial inclusion. The primary focus of microinsurance is offering insurance protection to the low-income population with affordable products to help them cope with and recover from common risks with standardized popular insurance products adhering to certain levels of cover, premium and benefit standards. At our Company, we have a growing range of microinsurance products that offer value to targetted groups. We believe microinsurance is the most effective approach to enhancing insurance coverage in rural / semi-urban areas and bring a larger percentage of the population under the formal financial system.

### Insurance as behavioural science

As part of understanding consumer biases and behaviours, it is important to differentiate, why, for example, people are willing to cover their motorbike against theft, yet they won't purchase health insurance, which could completely wipe out their life's savings in the case of an emergency. One factor is that individuals' perception of risk is skewed. Low-impact risks (like having one's motorbike stolen) are perceived as more probable and therefore more beneficial to insure than low-risk, high-impact events (like any health emergency). It is human nature that our preference for short-term gratification over long-term results is also to blame. Risks in the present are feared more than those in the future. By understanding the misconceptions and aversions behind these inconsistencies in customers' behaviour, insurers can ensure their customers understand their needs more fully and offer cover for the low-likelihood, high-consequence risks that actually matter to them. Furthermore, traditionally, insurance has been a one-and-done purchase; yet, as insurers such as Green Delta Insurance, are increasingly stepping up as health and wellness leaders, they are looking for ways to support policyholders on an ongoing basis by encouraging them to live healthier, longer lives.

## PESTEL analysis

### ECONOMIC

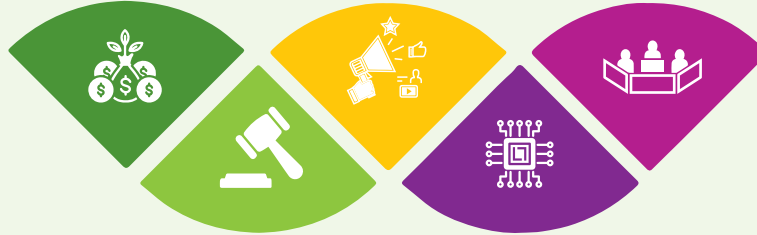
- High growth rates
- Insurance under-penetration

### SOCIAL

- Empowered culture
- Professional development
- Best-in-class compensation

### POLITICAL

- Stable political climate
- Predictable regulatory environment



### LEGAL

- Strong AML/CFT laws
- Consumer protection
- Human rights protection

### TECHNOLOGICAL

- Digital insurance
- Process digitisation
- Omni-channel distribution network

## 6.4 STRATEGY FORMULATION AND RESOURCE ALLOCATION

Harnessing our time-tested philosophies and leveraging modern technology to build a business model anchored on resilience and innovation.

### Meeting our goals in Insurance for everyone

As a large insurance business, Green Delta provides professional risk management services. It meets the long-term savings and protection needs of individuals and corporates (across the growth spectrum) by offering a range of products and services, including general insurance such as health insurance, fire and marine insurance, motor insurance, travel insurance, etc.

Since its inception around 40 years ago, Green Delta Insurance has grown to become the largest independent publicly-listed pan-Bangladesh general insurance group. Our contributions have supported the social and economic progress of local markets and communities, while also advancing the reach and impact of general insurance across Bangladesh. We also take pride in the long-term relationships we have developed with our customers and agents, which in many cases have been sustained for generations.

Guided by our unwavering commitment to make a significant, positive impact on our customers and communities across our nation, our purpose is to help millions of people live healthier, better and more financially-secure lives. Our enduring purpose guides the decisions we make and the actions we take as an organisation, empowering and enabling people to understand and manage risks better, today and for the future.

We are proud of our reputation built over the last several decades in Bangladesh, which is a part of south Asia and one of the fastest-growing nations of the continent, on being there for our communities when they need us the most. It is satisfying how our colleagues have responded to the Covid-19 pandemic with care, commitment and dedication as we continued to provide uninterrupted services and support to our customers.

Green Delta is a trusted partner to our customers, providing peace-of-mind when they are concerned about

the financial security and well-being of their families. Since the start of the pandemic, our businesses have responded quickly and pro-actively to help alleviate the worst impact on them. We continued with our wide-ranging initiatives, including streamlined services and expedited claims payments. We always look for every reason to pay a claim and, over the year, we paid more than Tk 152 crore claims and benefits, providing vital financial protection for our customers. Besides, our unrivalled distribution network provides direct access to customers, delivering high-quality professional risk advice to help address the significant and growing long-term protection needs of our customers.

Further, the incomplete nature of Bangladesh's social support net has been exposed by the pandemic, and it is inopportune that there have been few attempts to improve coverage in the past two years. Hence, the role of insurance becomes a socioeconomic imperative in such a context and at Green Delta Insurance we are committed to it.

### Our approach to ESG

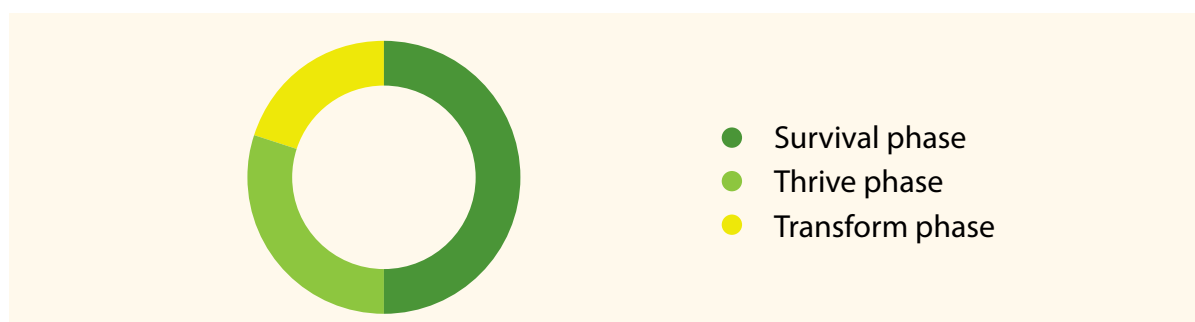
ESG (environmental, social, governance) has been gaining increasing prominence at our Company. For several years now we have made a positive, lasting impression on the lives of our customers. The complexity of ESG issues prevalent in Bangladesh, a developing country, include facets such as climate change, pollution, inequality and lifestyle-related diseases. These have only been exacerbated by the ongoing pandemic. As a trusted partner to our customers and communities, we are committed to playing our part in the transition to a better, more sustainable future. We truly recognise that there is much more we can do in this important area and we review our ESG strategy on an ongoing basis. We believe that our major strategic focus areas of improving health and wellness, green operations, sustainable investment, diversity and equal opportunity, empowered culture, and effective governance will facilitate us to achieve our ambition to be an industry leader in ESG in times to come.

## Our planning and strategy formulation – Anchored on “Survive, Thrive, Transform”

### GDIC – Marching with the times

	SURVIVE	THRIVE	TRANSFORM
<b>Explanation</b>	The Covid-19 pandemic was a huge unexpected shock that required our business to be repivoted to face the “new normal” working environment. It entailed initiation of our business continuity plans, the focus areas of which were meeting the expectations of our policyholders, supporting our employees, optimising costs, investing in digital technologies and upholding societal responsibility initiatives.	With the learnings of the pandemic, we were better prepared to face the second wave of the pandemic in early 2021 that enforced imposition of fresh lockdowns and mobility curtailments. We focused on innovation and capitalised on certain positive trends, including increased health insurance awareness, consolidation in favour of large and trusted brands, etc.	We focused on outside-the-box innovation with the idea of developing a radically new or disruptive approach to insurance. We enhanced focus on process digitization, new distribution models, products and solutions, etc. Our focus was also on leading industry efforts in expanding insurance coverage in Bangladesh and continue to remain as the insurance partner of choice for our customers.
<b>Strategic objectives</b>	<ol style="list-style-type: none"> <li>1. Business continuity</li> <li>2. Operational excellence</li> <li>3. Accelerate omni-channel shift</li> </ol>	<ol style="list-style-type: none"> <li>1. Protect market share</li> <li>2. Gain incremental business</li> <li>3. Develop complementary partnerships</li> <li>4. Focus on digital launches</li> <li>5. Governmental liaison for widening insurance coverage</li> </ol>	<ol style="list-style-type: none"> <li>1. Prepare business for opportunities in the post-Covid world</li> <li>2. Gear for new distribution models, such as bancassurance</li> <li>3. Expand InsurTech capabilities</li> <li>4. Enable more rapid commercialization of ideas</li> </ol>
<b>Complexity</b>	Very high	High-to-moderate	Moderate-to-low
<b>Uncertainty</b>	Very high	High-to-moderate	Moderate-to-low
<b>Impact on business</b>	Moderate or not so high because of initiation of our key focus areas	Positive as the business was able to yield benefits out of the system of advantages created in the first year of the pandemic	Highly positive as proactive investments in business will enable us to capitalise on the transforming insurance industry.
<b>Goals</b>	<ol style="list-style-type: none"> <li>1. Reduced costs</li> <li>2. Improved delivery</li> <li>3. Met policyholder expectations</li> <li>4. Supported employees and communities</li> </ol>	<ol style="list-style-type: none"> <li>1. Improved customer satisfaction</li> <li>2. Met increased claims</li> <li>3. Strengthened our balance sheet</li> </ol>	<ol style="list-style-type: none"> <li>1. Fully digitize processes</li> <li>2. Go paperless</li> <li>3. Enhance ESG efforts</li> <li>4. Expand insurance coverage</li> </ol>

### Constituents of our journey on survive, thrive, transform



## Our resource allocation agenda



### FINANCIAL

- Expand renewal and new business premium
- Improve solvency ratio
- Optimise combined ratio
- Lower commission expense ratio



### INTELLECTUAL

- Improve digital infra / capabilities
- Product innovation



### INFRASTRUCTURE

- Cautious expansion of branch network
- Optimise work space to release costs



### SOCIAL AND RELATIONSHIP

- Build trust with society
- Meet our purpose of Insurance for everyone



### PEOPLE

- Enhance people productivity
- Sharpen skills in actuarial sciences



### NATURAL

- Go paperless
- Expand process digitization
- Conserve environmental resources

## 6.5 PROFITABILITY AND MANAGEMENT EFFICIENCY

Green Delta delivered another satisfactory performance in 2021, reflecting the extraordinary efforts of its outstanding team. The management was instrumental in guiding the team to help customers navigate uncertainty, while accelerating corporate strategic plans.

For more than four decades, Green Delta has made a positive, lasting impression on the lives of its customers in Bangladesh. The complexity of ESG (environmental, social, governance) issues prevalent in our communities, including climate change, pollution, inequality, natural disasters and lifestyle-related diseases, has been heightened by the ongoing pandemic. As a lifelong partner to our customers and communities, we are committed to playing our part in the transition to a better, more sustainable future. Furthermore, our seasoned leadership and management teams have stewarded the organisation in various up and downcycles of the economy, contributing to business stability, agility and adaptability. Furthermore, one of their biggest achievements is enabling the Company to maintaining its share of the general insurance market over a considerably long period of time.

The main impact of the second year of the pandemic on our financial performance in 2021 continued to be on new business sales, as localised containment measures and mobility restrictions limited in-person sales activity,

particularly in the first half of the year when the lethal second wave of the virus struck the country. Thus, considering these trends, the Company's management is confident of the opportunities for our business portfolio across Bangladesh. We will continue to focus on investing capital to deliver profitable new business growth and leverage our competitive advantages, while maintaining our financial discipline and delivering long-term shareholder value.

### Our strategy

Green Delta has an unparalleled platform in Bangladesh, built up over our long history in the region, even as we hold leading positions in the majority of our market segments. Our focus on Bangladesh, a nation with sound economic potential, and our corporate agility allow us to capture the full economics of growth for our shareholders in one of the world's most attractive regions for general insurance. In 2021, the management continued on its mission of Insurance for everyone, anchored on the following socio-economic imperatives.

### STRATEGIC IMPERATIVES

#### Leading customer experience

Seamless omnichannel customer experience with best-in-class engagement



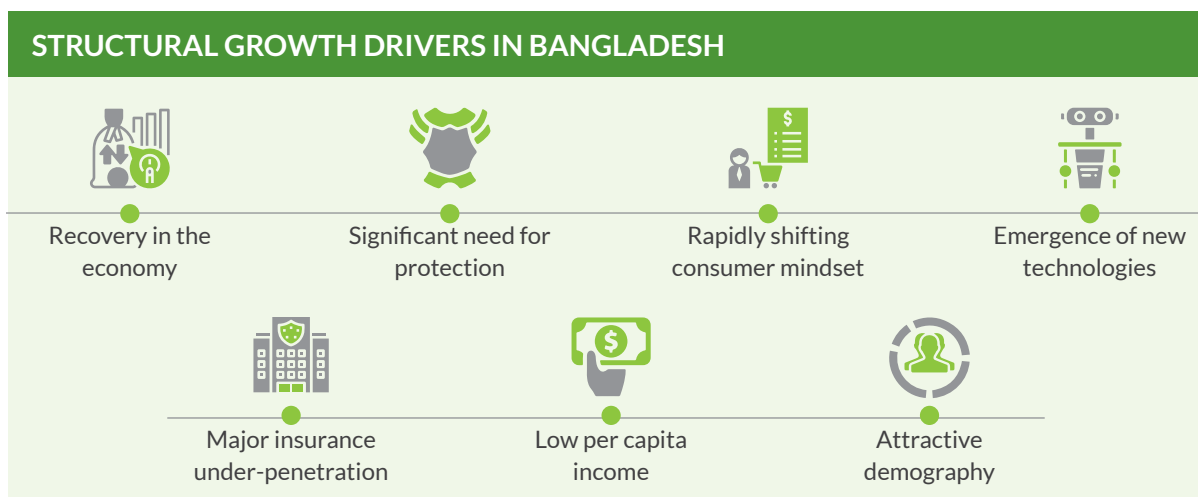
#### Unparalleled distribution

Scale capacity and productivity through digitalisation and solutions-centric model



#### Compelling proposition

Offer personalised advice and innovative insurance solutions to effectively meeting all needs



The management of Green Delta Insurance believes that the Company’s strategic imperatives are built on a few structural drivers of growth, including substantive need for private protection in the absence of an institutional safety net. This has been especially laid bare by the coronavirus pandemic, as the major health shock has left many lakhs of households financially weakened by the pandemic. It has also exposed the enormous shortfall between Bangladesh’s need for insurance protection and current provisions, which will drive increased demand for health and general insurance solutions. Besides, these protection gaps continue to grow, accelerated by the increasing prevalence of avoidable lifestyle-related diseases, rapid inflation in healthcare costs and growing trade and commerce necessitating fire and marine insurance, etc.

Wellness, wellbeing and higher expectations of quality of life are increasingly front of mind for consumers, especially driven by the pandemic that has expanded the realization around healthcare. With so many product options and uncertainty over how much cover is needed, consumers increasingly rely on personalised recommendations and choose companies that provide trusted advice with relevant, timely and customised services.

Thus, the management believes that by identifying and addressing the fundamental opportunities ahead of it, it is confident that Green Delta Insurance will continue to build on its substantial competitive advantages and strong track record of growth in general insurance to shape a more sustainable future for communities and create long-term value for all of policyholders and stakeholders.

The management of the Company also believes that good governance creates and protects value by ensuring responsible and ethical behaviour, and also by enhancing accountability, leadership, risk management, performance management and transparency. As the highest governing body below the Board, the management is committed to good governance in the pursuit of value creation. To enable the delivery of the Company’s core purpose, the team endeavours to preserve the organisation’s unique entrepreneurial spirit, with strong emphasis on innovation, while entrenching the principles of good governance and ethical leadership throughout the organisation. Fostering an ethical culture, effective control and legitimacy of business remains the management’s key pillars for sustainable and profitable growth.

## 6.6 DISCLOSERS PERTAINING TO SOLVENCY MARGIN

### GREEN DELTA INSURANCE COMPANY LIMITED

#### Assets, Liabilities and Solvency Margin

For the year ended as at 31 December 2021

(Taka in million)

Sl	Class of Business	Net Premium	Gross Premium	Factor	G.P. after application of Factor	20% of GPF	20% of NP	20% of (NP & GPF) which is higher
1	Fire	511.33	1,957.19	0.50	978.60	195.72	102.27	195.72
2	Marine Cargo	760.28	972.06	0.70	680.44	136.09	152.06	152.06
3	Marine Hull	18.45	144.77	0.50	72.39	14.48	3.69	14.48
4	Motor	82.65	104.15	0.85	88.53	17.71	16.53	17.71
5	Misc	174.11	665.14	0.70	465.60	93.12	34.82	93.12
<b>Total</b>		<b>1,546.82</b>	<b>3,843.31</b>					<b>473.08</b>

Total Assets as per Balance Sheet		12,640.58
Less :		
Amount due from others	4,306.13	
Outstanding premium	30.40	
Furniture & Fixture (WDV)	30.04	
		4,366.57
<b>(A) Total Assets</b>		<b>8,274.01</b>

Solvency Margin Available (A - B)	735.53
Required Solvency Margin	473.08
Solvency Margin (Times)	1.55

Total Liabilities		12,640.58
Sundry Creditors		2,485.47
Amount due to others		948.25
Provision for income tax		456.05
Deposit Premium		198.91
Reserve for Unexpired risk		624.58
Bank Loan		1,323.96
Reserve for exceptional loss		1,501.26
<b>(B) Total Liabilities</b>		<b>7,538.48</b>

## 6.7 CAPITALIZATION, SOLVENCY AND TECHNICAL

Particulars	2017	2018	2019	2020	2021
External Liability Ratio	35%	43%	47%	45%	47%
Internal Capital Generation Ratio	3%	4%	6%	14%	20%
Exceptional Loss Reserve to Net Premium	83%	81%	67%	88%	97%
Capital & Fund to Total Assets	65%	57%	53%	55%	53%
Retention Ratio	46%	45%	48%	44%	40%
Premium to Equity	51%	64%	71%	59%	57%
Claim Ratio	24%	28%	28%	24%	9%



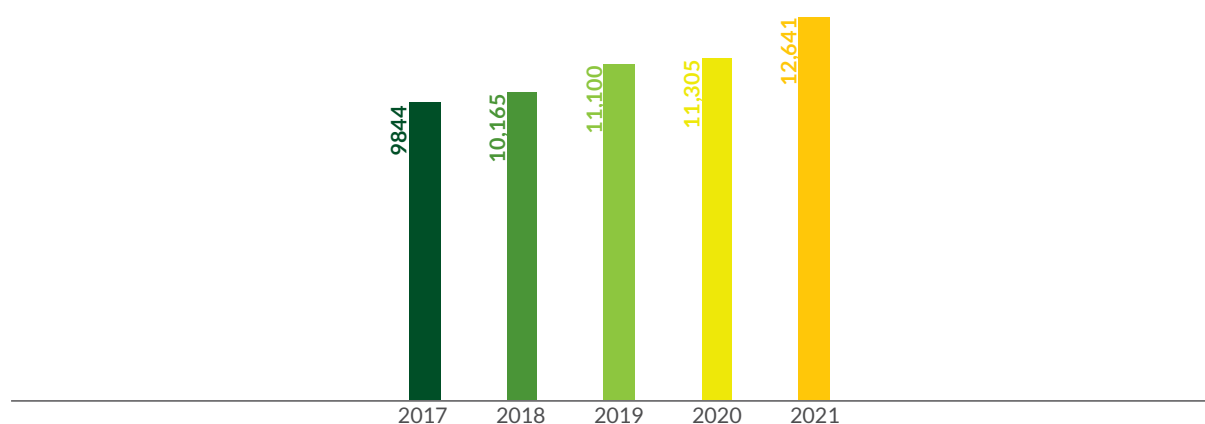
## 6.8 REVIEW OF ASSETS QUALITY

### Position of Total Assets

Figures in million

	2017	2018	2019	2020	2021
Investment in FDs	1,134.46	1,019.55	1,031.92	1,258.76	1,268.67
Investment in equity instruments	3,385.19	3,088.08	3,073.03	2,859.02	2,825.82
Investment in subsidiary companies	388.49	395.99	409.99	409.98	409.98
Others investments	250.00	250.00	230.00	310.00	420.83
Cash in hand & bank	35.33	83.41	97.12	24.18	92.31
PPE	2,179.87	2,149.21	2,140.62	2,115.12	2,133.90
Receivable from bodies carrying on insurance business	1,756.21	2,443.92	3,193.54	3,386.22	4,306.13
Other assets	714.31	735.26	923.50	941.69	1,182.94
<b>Total</b>	<b>9,844</b>	<b>10,165</b>	<b>11,100</b>	<b>11,305</b>	<b>12,641</b>

### Position of Total Assets



## 6.9 LIQUIDITY AND FUNDING

### Liquidity and Funding

Particulars	2017	2018	2019	2020	2021
Current ratio	2.03	1.67	1.59	1.68	1.61
Liquid Asset to Total Insurance Fund	108%	128%	142%	136%	141%
Liquid Asset to Total Asset	71%	73%	75%	75%	75%

## 6.10 CLAIMS MANAGEMENT AND DETAILS OF OUTSTANDING CLAIMS (IBNR & IBNER)

### General Insurance

#### Preface

Insurance is a contract in terms of which the insurer undertakes to indemnify the policyholder (“insured”) in accordance with the cover detailed in the policy. The basis of insurance is risk pooling, which carries the obligation of paying losses. A poor claim handling service ultimately results in an unfavorable reputation. The claim department can be seen as the ‘Shop Window’ of the insurance company. This is where an insurer will be judged. It is only upon submitting a claim that the insurance purchaser discovers the value of the ‘promise to pay’ they have bought. Insurance document is an evidence of contract whereby ‘contract certainty’ is achieved by both parties to the contract i.e. the insured and the insurer. This document/policy has to deal with terms, conditions, provisions, exclusions, exceptions including warranties relating to the class of insurance. Insurance policy should maintain clarity as well as correctness in terms of grammar so as to maintain unqualified interpretation which of course avoids misunderstanding & confusions in assessment of loss and determine the proximate cause of loss.

Policy schedule holds utmost importance to avoid misunderstanding, misconception with the insured. In describing all relevant particulars should be complete in itself and self-explanatory.

Claims management is one of the crucial functions of an insurance company as it is the ultimate test of a responsible and efficient insurer. Especially, in case of a non-life insurance company, where multi-varied lines of insurance products are catered/offered in response to the insured’s requirement (whether traditional or non-traditional in nature), procedures of claims management greatly vary with respect to the nature, cause and magnitude of claims on case to case basis.

As such, excellence in claims handling is a competitive edge for an insurance company and it is a service that clients greatly value. Payment of legitimate insurance claims for losses that the insured have reasonably suffered is the primary reason for buying insurance.

Green Delta Insurance has its corporate philosophy on claims management setting out broad approaches aimed at providing high quality service and expeditious settlement of claims. It specifies the nature of claims service and also the IT enabled interactive process to monitor the status of the claim.

Claims Management consists of services as well as advisory support in respect of claims for compensation, restitution, repayment and/or any other remedy for loss or damage. Underwriting and claims settlement are the two vital aspects of operation of an insurance company.

### The Claims Process

Every claim from the most straight forward small loss to the most complex third party claim, must progress through a number of stages. Pertaining to the procedure of handling/settling claim, it should be kept in mind that each and every claim is not identical. No hard and fast rule for proper handling/settling claim can be followed, as each case is different one which should be decided on its own merit. However, extreme caution is required to be exercised and prudent judgment done while dealing with the matter.

An insurer, as a trustee of the fund generated from the

premium earned from the insured, is peculiarly placed in his profession. A lot of responsibility devolves on him. In the course of his discharging duty he must ensure that the insured/claimant is indemnified properly/equitably, i.e., the insured/claimant must not receive more or less indemnity than that of his entitlement.

A client obtains an insurance policy by paying a price termed as premium, with the expectation that upon happening of a loss against some named perils to the subject matter of insurance, the financial losses will be indemnified.

The claim handling process starts with the notification of loss to Green Delta Insurance and the company appoints a licensed loss adjuster immediately upon receipt of the intimation. Staffs and officers of Green Delta Insurance always alert in 24-hrs to receive claim intimation over telephone, email, post or online. Meanwhile, we require preliminary survey report to provide a note of possible liability on the occurrence. In order to ensure speedy disposal of claims, the insured and/or their agent are always requested to submit all available supporting documents without delay. A list of minimum requirement of supporting documents/papers for claims arising under each class of business is maintained at the Head Office of Green Delta Insurance.

In fact, Green Delta Insurance manages the claims rather than handling them. Green Delta Insurance undertakes all necessary steps expeditiously in an orderly sequence: contact the insured, arrange to inspect the loss through a loss adjuster, ascertain quantum of loss and company's liability, etc. Green Delta Insurance also suggests their

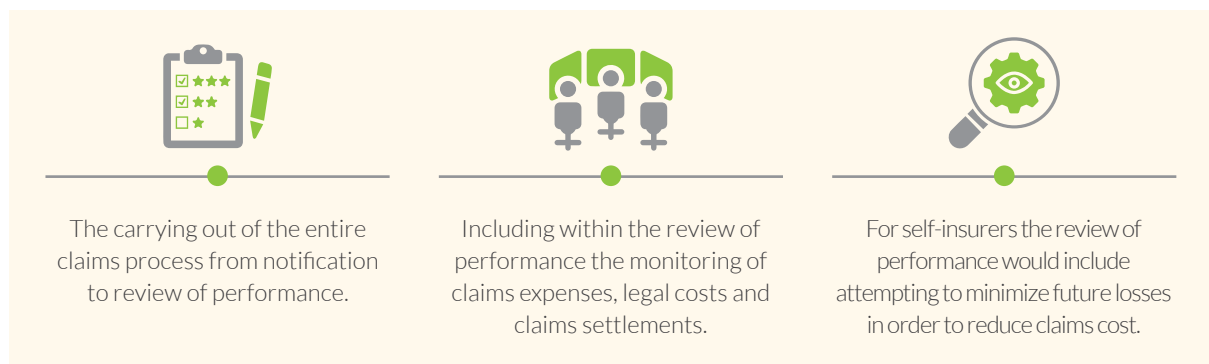
clients the preventive measures to be adopted to avert/ minimize the loss and to take steps to protect the salvage.

As soon as Green Delta Insurance receives all necessary papers along with survey report from the loss adjuster, the company quickly scrutinizes all documents against its check list of requirements, verifies the loss adjustment made by the surveyor and if in order, proceeds with the settlement of claim without any loss of time.

Besides settlement of claims that are possible to dispose of during the accounting period, adequate provision for outstanding claims, if any, are also maintained against unsettled claims.

In recognition to the claims services, Green Delta Insurance has been awarded a Credit Rating of AAA in claims pay-ability by the Credit Rating Agency of Bangladesh Limited (CRAB).

The key distinction of claims management and claims handling encompasses the following ideas:



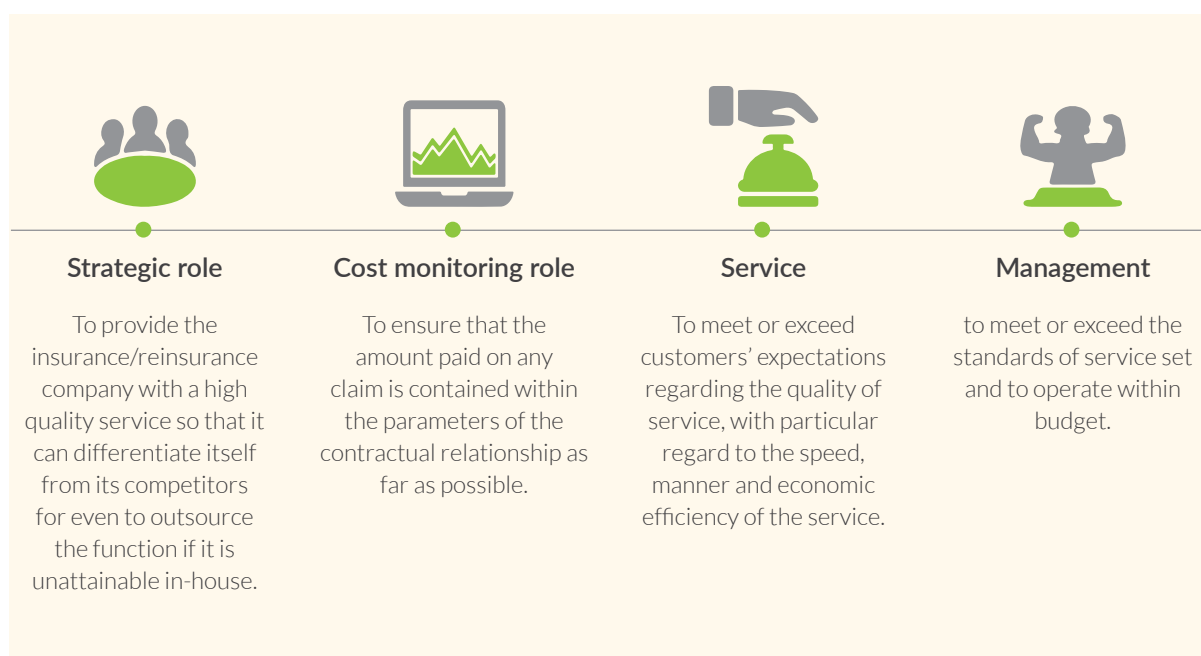
Nevertheless, claims management may define as the carrying out of the entire claims process with a particular emphasis upon the monitoring and lowering of claims costs.

The phrase 'claims handling' was the traditional term for insurance companies handling the various stages of the claim process. Critically, however it encompasses none of the risk management issues and instead emphasis

the functions of claims review. Claim investigation and claim negotiations - arguably the most problematical elements of claims work. We can define claims handling as the original term for handling the claim process with emphasis upon claim review, investigation and negotiations, but excluding risks management issues. Out of any insurance contract, the client has the following expectations from the insurer:

- A** Adequate insurance coverage, which does not leave him high and dry in time of need, with appropriate pricing.
- B** Timely delivery of defect-free policy documents with relevant guidelines.
- C** Should a claim happen, quick settlement to the insured's satisfaction.

**The Role of Claims Department:** Prompt claim settlement is the acid test for an insurance company to their commitment to indemnify the customer as after sale service to retain them. Hence, claim must be paid fairly and expeditiously. Every insurance company must have its own principles for handling claims. Claims administration also varies from class to class of insurance. The claims department plays a vital role in entire operation of an insurance company. The major roles are as under:



**Reinsurance & Claims Handling:** the vital difference between insurance claims handling and reinsurance claims handling is that reinsurance claims handling involves negotiation between two insurance specialists in a business environment where a continuing business relationship may exist. Insurance claims handling, in comparison, often involves an insurance specialist negotiating with a member of the public where a continued relationship is unlikely if the claim settlement falls to meet the insured's expectations. However, in the case of large insurance claims, insurance specialists or lawyers are likely to represent both the insured and the insurer. Similarly, where large and/or problematic reinsurance claims are involved, specialists such as reinsurance consultants are likely to be engaged.

To conclude the claims department should also bear in mind the under noted factors, which are essential in claims management as well as claims handling: the factors are detecting fraud, lowering the cost and avoiding litigation.

### Outstanding claims (IBNR and IBNER) with ageing thereof

Apart from claims settled in an accounting period, outstanding liabilities against insurance claims may exist or arise in respect of claims which have been reported but not yet settled (IBNER) or against those have been incurred but not yet reported (IBNR).

In general, there might be a delay in the insurer's settlement of the claim, typical reasons are: (i) reporting delay (time

gap between claims occurrence and claims reporting at the insurance company); and (ii) settlement delay, because it usually takes time to evaluate the whole size of the claim.

The time difference between claims occurrence and claims closing (final settlement) can take days (e.g. in case of property insurance) but it can also take years (typically in case of liability insurance).

Provisions are created by setting aside a portion of net premium so that the insurer is able to settle all the outstanding claim liabilities that are proximately caused by perils falling within the scope of insurance contracts.

The following formula is usually applied to calculate the provision for such outstanding claims:

$$\text{Total IBNR} = \text{"Pure IBNR"} + \text{"IBNER"}$$

For sake of proper accounting practice, reserve for each outstanding claim is maintained in respect of each financial year. Reserve for claims incurred but not reported (IBNR) and Reserve for claims incurred but not enough reported (IBNER) are the two terms that can be regarded as of identical meaning. In some types of work, especially in reinsurance and in the London market IBNR provisions include any IBNER provisions.

Sometimes, the provision for claims incurred on or before the valuation date is referred to as the True IBNR or the pure IBNR. The liability for outstanding claims in the Balance Sheet of a non-life insurance company includes

a provision for both IBNR and IBNER. Technically, there is a practice of creating reserve against future liability arising out of claims which have occurred but have not yet been settled.



IBNR refers to the losses that are not filed with the insurer or re-insurer until years after the insurance policy is sold. It is a reserve to provide for claims in respect of claim events that have occurred before the accounting date but have still to be reported to the insurer by that date.

In case of a re-insurer, the reserve needs also to provide for claims that, although known to the cadent, have not yet been reported to the re-insurer as being liable to involve the re-insurer. IBNR reflects the total amount owed by the insurer to all valid claimants who have had a covered loss but have not yet reported it. Since the insurer knows neither how many of these losses (the frequency) have occurred, nor the severity of each loss. IBNR is necessarily an estimate. The quality of this estimation is often used as a tool in assessing the financial accounting skills of a given insurer. Insurers track IBNR by policy periods (when inception), along with other categorizations.

The characteristics of IBNR makes it look more like a reserve or provision for the particular types of losses not reported, hence gives a better estimation of profits for the insurer's current business period.

IBNER refers to a re serve reflecting expected changes (increases and decreases) in estimates for reported claims only. The abbreviation is sometimes stated as applying to "incurred but not enough reserved"

Some liability claims may be filed long after the event that caused the injury to occur. Asbestos-related diseases, for instance, do not show up until decades after the exposure.

Reserve for such outstanding claims also has to be created adequately against IBNER losses.

IBNER also refers to estimates made about claims already reported but where the full extent of injury is not yet known, such as, workmen's compensation claims where the degree to which work-related injuries prevents a worker from earning what he or she earned before the

injury unfolds over time. Green Delta Insurance Co. Limited regularly adjusts reserves for such losses as and when new information becomes available.

As per the existing directives of our local Insurance Regulatory body IDRA (Insurance Development and Regulatory Authority) of Bangladesh, quarterly reporting of all outstanding claims with aging thereof including their specific reasons for delay in settlement of such respective outstanding claims is mandatory.



Green Delta Insurance maintains an adequate provision against each of such outstanding claims with respective aging thereof. Under the current Insurance Laws of Bangladesh, it is not yet obligatory to provide reserves for IBNR and/or IBNER claims. However, in accordance to the solvency margin regulations proposed under insurance Act 2010, such reserves will be required to be maintained in the manner to be prescribed by the relevant Rules.

### Disclosures Pertaining to Solvency Margin

Solvency margin is the amount by which the assets of an insurer exceed its liabilities, and will form part of the insurer's shareholder's funds. Method of valuations of assets and liabilities of an insurer are prescribed in the insurance regulations. The regulations stipulate the minimum solvency margin, which an insurer must maintain at all times. The solvency of Insurance Company corresponds to its ability to pay claims. The solvency of insurance Company or its financial strength depends chiefly on whether sufficient technical reserves have been set up for the obligations entered into and whether the Company has adequate capital as security. The solvency margin functions as the company's safeguard particularly against the risks related to investment activities. At Reliance management is ever-aware of maintaining its solvency up to a standard level. The solvency ratio of an insurance company is the size of its capital relative to all risks it has taken. The solvency ratio is most often defined as: Net Assets is divided by Net Written Premium to arrive at the solvency ratio of a particular insurance company. From the Bangladesh perspective, the compulsory level of solvency margin for insurers has not yet been fixed by IDRA.

## 6.11 ACCOUNTING RATIOS PERTAINING TO INSURANCE SECTORS

Particulars	2017	2018	2019	2020	2021
(%) of Reinsurance Premium Ceded on Gross Premium	54%	55%	52%	56%	60%
R/I Commission Earned on Gross Premium	10%	10%	8%	15%	15%
R/I Commission Earned on Net Premium	22%	22%	17%	34%	36%
Net Claim Incurred on Gross Premium	11%	13%	14%	11%	4%
Net Claim Incurred on Net Premium	24%	28%	28%	24%	9%
Underwriting Result on Gross Premium	12%	11%	10%	26%	31%
Underwriting Result on Net Premium	26%	24%	21%	60%	78%
Management Expense (Revenue) on Net Premium	40%	33%	30%	33%	38%
Combined Ratio on Gross Premium	51%	52%	51%	43%	31%
Combined Ratio on Net Premium	110%	114%	107%	98%	78%
External Liability Ratio	35%	43%	47%	45%	47%
Internal Capital Generation Ratio	3%	4%	6%	14%	20%
Exceptional Loss Reserve to Net Premium	83%	81%	67%	88%	97%
Capital & Fund to Total Assets	65%	57%	53%	55%	53%
Retention Ratio	46%	45%	48%	44%	40%
Premium to Equity	51%	64%	71%	59%	57%
Underwriting Margin Return on Net Premium	26%	24%	21%	60%	78%
Net Profit Margin on Net Premium	16%	15%	15%	42%	51%
Return on Average Assets (ROAA)	3%	2%	3%	6%	7%
Return on Average Equity (ROAE)	4%	4%	5%	11%	12%



INDEPENDENT  
AUDITOR'S REPORT OF GDIC

# INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF **GREEN DELTA INSURANCE COMPANY LIMITED**

## **I** Report on the Audit of the Consolidated and Separate Financial Statements

### **Opinion**

We have audited the financial statements of Green Delta Insurance Company Limited and its Subsidiaries (together referred to as the "Group") as well as the Separate Financial Statements of Green Delta Insurance Company Limited (the "Company"), which comprise the Consolidated and Separate Balance Sheets as at 31 December 2021 and the Consolidated and Separate Profit and Loss Accounts, the Consolidated and Separate Profit and Loss Appropriation Accounts, the related Revenue Accounts, the Consolidated and Separate Statement of Changes in Equity and the Consolidated and Separate Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated & separate financial statements give a true and fair view of the consolidated balance sheet of the Group and the separate balance sheet of the Company as at 31 December 2021, and of its consolidated and separate profit and loss accounts and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the companies Act 1994, the Insurance Act 2010, the Insurance Rules 1958, the Securities and Exchange Rules 1987 and other applicable laws and regulations as explained in notes 1 to 28.

### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further

described in the Auditors' Responsibilities for the Audit of the consolidated and separate Financial Statements section of our report. We are independent of the Group and the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Emphasis of Matter**

We draw attention to Note 2.16 (v) of the Financial Statements, which describes the reason for not establishing Workers' Profit Participation Fund by the Company according to Bangladesh Labor Act 2006 (as amended in 2013). Our opinion is not modified in respect of these matter.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters.



**Premium Income**

Premium income is the most financially significant item in the statement of profit and loss account & profit and loss appropriation account. However, The company has reported gross premium income of Taka 3,843,307,771 for the year ended 31 December 2021.

The Gross general insurance premium comprises the total premium received during the accounting period for which insurance policy has been issued by contracts with Green Delta Insurance company Limited. Because of the method of recognition of premium income & due to the significance of the balance to the financial statements as a whole, we regard this as a key audit matter.

Our procedures included obtaining an understanding of management's premium income recognition process. We tested a sample of transactions to verify whether the revenue was accounted for in accordance with the revenue recognition policy as disclosed in Note- 2.14 and 23 of the financial statements. In addition, we assessed whether the disclosed revenue recognition policy was in accordance with relevant Insurance Act & Insurance Rules 1958.

For the revenue recognized throughout the year, we tested selected key controls, including results reviews by management, for their operating effectiveness and performed procedures to gain sufficient audit evidence on the accuracy of the accounting for customer contracts and related financial statement captions.

Our audit approach was a combination of test of internal controls and substantive procedures which included the following:

- Evaluated the design of internal controls relating to recording of efforts incurred and estimation of efforts required to complete the performance obligations.
- We conducted analytical procedures & recalculation of premium income.
- On a sample basis, we reviewed policy to ensure the appropriate policy stamp was affixed to the contract and amount for deposit premium along with amount for policy stamp & VAT has been reflected in the premium register.
- We ensured that premium income was being deposited in the designated bank account on a sample basis.
- We carried out on a sample basis if appropriate re-insurance has been done on treaty basis and moreover, appropriate re insurance premium was deducted from the gross premium.
- We tested on a sample basis that appropriate VAT was collected & deposited through Treasury Chalan to Bank.
- We conducted substantive testing of premium income recorded over the year using sampling techniques by examining the relevant supporting documents including policy, premium register, bank reconciliation report, bank statement and also, we confirmed selected customers' outstanding premium at the financial position date, selected on a sample basis by considering the amount outstanding with those customers.
- We specifically put emphasis on those transactions occurring close before or after the financial position date to obtain sufficient evidence over the accuracy of cut-off to ensure unearned premium income has not been included in the premium income.
- Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act 1938(as amended in 2010) Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.

Key Audit Matters	How our audit addressed the key audit matters
<p><b>Property, Plant &amp; Equipment</b></p> <p>The carrying value of property, plant &amp; equipment amounts to Taka 2,133,896,495 as on 31 December 2021 which represents a significant amount against Financial statement of the company. However, There is a risk of:</p> <ul style="list-style-type: none"> <li>determining which costs meet the criteria for capitalisation;</li> <li>determining the date on which the assets is recognised to property, plant and equipment and depreciation commences;</li> <li>the estimation of economic useful lives and residual values assigned to Fixed asset.</li> </ul> <p>We identified the carrying value of property, plant and equipment as a key audit matter because of the high level of management judgement involved and because of its significance to the financial statements.</p> <p>See note no 2.09, 17 &amp; 18 to the financial statements.</p>	<p>Our audit procedures to assess the carrying value of property, plant &amp; equipment included the following:</p> <p>Our audit procedures included controls testing and substantive procedures covering, in particular:</p> <ul style="list-style-type: none"> <li>Assessing the design, implementation and operating effectiveness of key internal controls over the completeness, existence and accuracy of property, plant and equipment including the key internal controls over the estimation of useful economic lives and residual values;</li> <li>Assessing, on a sample basis, costs capitalised during the year by comparing the costs capitalised with the relevant underlying documentation, which included purchase agreements and invoices, and assessing whether the costs capitalised met the relevant criteria for capitalization.</li> <li>Testing the key controls over the management's judgment in relation to the accounting estimates of the depreciable lives and residual values of property, plant and equipment.</li> <li>Reconcile on a sample basis the additional capitalised costs for the year to the underlying invoices and supporting documents.</li> <li>We reviewed minutes of board meetings for approval of the total capitalisation cost.</li> <li>We assessed the company's capitalisations policy for compliance with IAS 16 and tested the expenditure capitalised against the capitalisations policy.</li> <li>We traced payments to supporting documents.</li> <li>We assessed the adequacy of the disclosures of the financial statements.</li> </ul>
<p><b>Deferred Tax Liability</b></p> <p>Company reported net deferred tax liability for an amount of Taka 621,402,187 as at 31 December 2021.</p> <p>Significant judgment is required in relation to deferred tax liability as their liability is dependent on forecasts of future profitability over a number of years.</p> <p>See note no. 2.17 &amp; 10.02 to the financial statements</p>	<p>Our audit procedures to assess the carrying value of Deferred Tax liability included the following:</p> <ul style="list-style-type: none"> <li>We obtained an understanding, evaluated the design and tested the operational effectiveness of the Company's key controls over the recognition and measurement of Deferred Tax Assets and Liabilities and the assumptions used in estimating the future taxable expense of the company.</li> <li>We also assessed the completeness and accuracy of the data used for the estimations of future taxable expense.</li> <li>We tested the mathematical accuracy in calculation of deferred tax.</li> <li>We evaluated the reasonableness of key assumptions, timing of reversal of temporary differences and expiration of tax loss carry forwards, recognition and measurement of Deferred Tax Liability.</li> <li>We assessed the adequacy of the company's disclosures setting out the basis of deferred tax liability balances and the level of estimation involved.</li> <li>We reviewed evaluation of tax implications, reasonableness of estimations and calculations determined by management.</li> <li>We also involved our internal experts from the tax area in the analysis of the reasonableness of the tax assumptions on the basis of the applicable legislation.</li> <li>Finally assessed the appropriateness and presentation of disclosures against IAS 12 Income Taxes.</li> </ul>

Key Audit Matters	How our audit addressed the key audit matters
<p><b>Investment Fluctuation Fund</b></p> <p>Green Delta Insurance company Limited has made a number of investments in the listed and unlisted capital market with required regulatory permission. Income generated from the investments (realized gain and dividend income) is credited to the Profit &amp; Loss Account. Unrealized capital gain or loss if any is transferred to the Investment Fluctuation Fund subsequently and as per the policy of the Company.</p> <p>This item has significant impact on the earnings performance of the Company and return to the shareholders and might be prone to misreporting as large unreported fall in the value of any holding may wipe out the value of the portfolio and hamper the distribution capability of the Company.</p> <p>At year end the 2021, the Group reported total balance under the head of Investment fluctuation fund of Taka 1,507,022,481.</p> <p>See note no. 2.19 (C) &amp; 4.C to the financial statements.</p>	<p>We have obtained an understanding of the policy &amp; operating effectiveness related with the key controls of investment fluctuation fund. Moreover, its valuation &amp; updated prices of the positions of portfolio held by the company has been reviewed from related sources. Additionally, we have performed the following:</p> <ul style="list-style-type: none"> <li>• We have ensured the year end share holding positions from the company.</li> <li>• We have reviewed the assumptions used for the valuation models for any unquoted securities</li> <li>• Recalculation has been done on the unrealized gain or loss at the year end.</li> <li>• We have also carried out cut-off test to ensure the recognition of the unrealized gain or loss in the correct period. Moreover, subsequent positioning of the unrealized amount has been verified after the year end.</li> </ul>
<p><b>Estimated liability in respect of outstanding claims whether due or intimated and claim payment</b></p> <p>Green Delta Insurance company Limited has represented the amount related with the claim due or intimated from the insured which involves management judgement &amp; risk of over &amp; understatement of the value.</p> <p>As a result, financial statements may show distorted amount which may also concern going concern issue for the company.</p> <p>At year end 31 December 2021, the Group reported total balance under the head of estimated liability in respect of outstanding claims whether due or intimated and claim payment of Taka 336,202,994.</p>	<p>We tested the design and operating effectiveness of controls around the due and intimated claim recording process. We additionally carried out the following substantive testing's around this item:</p> <ul style="list-style-type: none"> <li>• Obtained the claim register and tested for completeness of claims recorded in the register on a sample basis.</li> <li>• Obtained a sample of claimed policy copy and cross check it with claim.</li> <li>• Obtained a sample of survey reports cross checked those against respective ledger balances and in case of discrepancy carried out further investigation.</li> <li>• Obtained and discussed with management about their basis for estimation and challenged their assumptions where appropriate.</li> <li>• Reviewed the claim committee meeting minutes about decision for impending claims.</li> <li>• Tested a sample of claims payments with intimation letter, survey report, bank statement, claim provisional register and general ledger.</li> <li>• Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act 1938 (as amended in 2010), Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.</li> </ul>

## Other Information

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

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

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the board of directors of the company.

## Responsibilities of Management and those Charged with Governance for the Consolidated and Separate Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRSs, the Companies Act 1994, the Insurance Act 2010, the Insurance Rules 1958, the Securities and Exchange Rules 1987 and other applicable laws and regulations as explained in note 2 and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Group's and the Company's financial reporting process.

## Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement

resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and performance of the Group and the Company audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other

matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

### Report on other Legal and Regulatory Requirements


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

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) In our opinion, proper books of accounts, records and other statutory books as required by law have been kept by the Group and the Company so far as it appeared from our examinations of those books;
- c) The Company management has followed relevant provisions of laws and rules in managing the affairs

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

- d) As per section 63(2) of the Insurance Act 2010, in our opinion to the best of our knowledge and belief and according to the information and explanation given to us, all expenses of management wherever incurred and whether incurred directly or indirectly, in respect of insurance business of the company transacted in Bangladesh during the year under report have been duly debited to the related Revenue Accounts and the profit & loss account of the Company;
- e) We report that to the best of our information and as shown by its books, the Company during the year under report has not paid any person any commission in any form, outside Bangladesh in respect of any its business re-insured abroad;
- f) The balance sheet, profit & loss account appropriation account, profit & loss account, related revenue accounts, statement of changes in equity and statement of cash flows of the Company together with the annexed notes dealt with by the report are in agreement with the books of account and returns; and
- g) The expenditure was incurred for the purpose of the Company's business.

Firm's Name : **S. F. Ahmed & Co.**, Chartered Accountants  
Firm's Registration No. : 10898 E.P, under Partnership Act 1932

Signature : 

Engagement Partner Name : **Md. Enamul Haque Choudhury**, FCA, Senior Partner/Enrollment No. 471  
DVC Number : 2203060471AS512483  
Date : 14 February 2022

Green Delta Insurance Company Ltd. & Its Subsidiaries  
**CONSOLIDATED BALANCE SHEET**

as at 31 December 2021

Particulars	Notes	Amount in Taka	
		2021	2020
<b>Capital and liabilities:</b>			
<b>Share capital</b>			
Authorized capital	3.00	5,000,000,000	5,000,000,000
Issued, subscribed and paid-up capital	3.00	1,001,881,940	931,983,200
Share premium		143,135	70,041,875
<b>Reserve or contingency account</b>	4.A	<b>4,360,377,146</b>	<b>4,417,526,336</b>
Reserve for exceptional losses		1,501,245,112	1,423,904,445
Investment fluctuation fund	4.C	1,507,022,481	1,635,351,212
General reserve		180,032,891	180,000,000
Dividend equalization fund		110,000,000	110,000,000
Revaluation reserve	4.B	1,062,076,654	1,068,270,679
<b>Profit &amp; loss appropriation account</b>	5.A	<b>1,582,815,863</b>	<b>1,006,584,916</b>
<b>Non controlling interest</b>	5.B	<b>18,044</b>	<b>19,369</b>
<b>Total shareholders' equity</b>		<b>6,945,236,125</b>	<b>6,426,155,696</b>
<b>Balance of fund accounts</b>	6.00	<b>624,577,910</b>	<b>664,711,158</b>
Fire insurance business		218,974,091	238,042,086
Marine insurance business		320,633,386	276,114,945
Motor insurance business		31,977,804	50,910,492
Miscellaneous ins. business		52,992,629	99,643,635
Premium deposit	7.00	198,905,750	250,257,092
<b>Liabilities and provisions:</b>		<b>5,737,544,340</b>	<b>4,617,339,873</b>
Estimated liability in respect of outstanding claims whether due or intimated	8.00	336,202,994	488,210,687
Amount due to other persons or bodies carrying on insurance business	9.00	948,248,303	1,086,087,021
Sundry creditors (Including outstanding expenses, taxes & provisions)	10.A	2,894,593,551	2,173,226,375
Unclaimed Dividend Account	10.03	8,124,768	42,077,804
Bank Overdraft	11.A	1,550,374,725	827,737,986
<b>Total liabilities</b>		<b>6,561,028,000</b>	<b>5,532,308,123</b>
<b>Total liabilities &amp; shareholders' equity</b>		<b>13,506,264,124</b>	<b>11,958,463,819</b>

Particulars	Notes	Amount in Taka	
		2021	2020
<b>Assets</b>		<b>9,814,444,867</b>	<b>8,459,835,081</b>
Investment	12.A	3,799,188,308	3,674,502,637
Investment in Associates	12.02	96,432,053	-
Outstanding premium	13.00	30,396,862	50,499,003
Amount due from other persons or bodies carrying on insurance business	14.00	4,306,131,215	3,386,518,199
Sundry debtors (including advances and deposits)	15.A	1,582,296,429	1,348,315,242
Cash and cash equivalent	16.A	1,514,501,460	1,338,901,583
<b>Other accounts</b>			
Land property and office space with building project	17.00	859,974,010	859,974,010
		<b>1,317,343,789</b>	<b>1,299,753,145</b>
Fixed assets	18.A	1,309,200,180	1,291,663,650
Intangible assets	18.B	5,700,732	5,464,402
Stock of printing, stationery and stamps	19.00	2,442,876	2,625,093
<b>Total assets</b>		<b>13,506,264,125</b>	<b>11,958,463,819</b>
Net Assets Value Per Share (NAVPS)	25.A	69.32	68.95

The accompanying notes on page no. 19-40 form an integral part of these financial statements.



**Abdul Hafiz Chowdhury**  
Chairman



**Shamsun Nahar Begum Chowdhury**  
Vice Chairperson



**Farzanah Chowdhury**  
Managing Director & CEO



**Syed Aliul Ahab**  
Financial Controller

Signed as per our separate report of even date



**Syed Moinuddin Ahmed**  
Company Secretary

Dated, Dhaka  
14 February 2022



**S. F. Ahmed & Co.**  
Chartered Accountants  
DVC No: 2203060471AS512483

## Green Delta Insurance Company Ltd. &amp; Its Subsidiaries

**CONSOLIDATED PROFIT AND LOSS APPROPRIATION ACCOUNT**

for the year ended 31 December 2021

Particulars	Notes	Amount in Taka	
		2021	2020
Balance brought forward from last year		892,590,672	438,558,582
Net profit for the year brought down		1,348,984,702	1,008,969,200
<b>Total</b>		<b>2,241,575,374</b>	<b>1,447,527,782</b>
Reserve for exceptional losses		77,340,667	80,468,036
Performance bonus reserve		7,483,902	-
Current tax expense		495,277,075	331,071,405
Deferred tax (income)/expenses		9,017,358	10,257,211
Dividend and reserve distributed from last year :		<b>251,835,884</b>	<b>133,140,458</b>
Cash		251,835,884	133,140,458
Profit for the period of continuing operation		<b>759,865,701</b>	<b>587,172,548</b>
Balance transferred to balance sheet		1,400,620,488	892,590,672
<b>Total</b>		<b>2,241,575,374</b>	<b>1,447,527,782</b>
<b>Basic earnings per shares (Adjusted EPS of 2020)</b>	<b>24.A</b>	<b>8.43</b>	<b>6.66</b>

The accompanying notes on page no. 19-40 form an integral part of these financial statements.



**Abdul Hafiz Chowdhury**  
Chairman



**Shamsun Nahar Begum Chowdhury**  
Vice Chairperson



**Farzanah Chowdhury**  
Managing Director & CEO



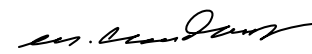
**Syed Aliul Ahab**  
Financial Controller

Signed as per our separate report of even date



**Syed Moinuddin Ahmed**  
Company Secretary

Dated, Dhaka  
14 February 2022



**S. F. Ahmed & Co.**  
Chartered Accountants  
DVC No: 2203060471AS512483



**CONSOLIDATED PROFIT AND LOSS ACCOUNT**

for the year ended 31 December 2021

Particulars	Notes	Amount in Taka	
		2021	2020
Investment income		134,634,567	96,235,406
Income from share business	21.A	118,252,062	116,179,049
Brokerage commission & others less direct expenses		186,301,098	82,261,154
Interest & other income	21.B	178,287,544	157,523,895
Share of Profit/(Loss) on investment in Associates(GDDAMC)	21.01	(1,467,947)	-
<b>Total investment income</b>		<b>616,007,324</b>	<b>452,199,504</b>
Fire insurance revenue account		546,835,174	334,466,172
Marine insurance revenue account		526,526,498	404,259,478
Motor insurance revenue account		68,966,694	74,554,020
Misc. insurance revenue account		60,261,320	152,121,495
<b>Total revenue income</b>		<b>1,202,589,686</b>	<b>965,401,165</b>
<b>Total income</b>		<b>1,818,597,010</b>	<b>1,417,600,669</b>
Management expenses	21.C	401,529,937	358,415,079
Director's fee & expenses		767,369	809,286
Audit fees		534,000	345,000
Depreciation		52,112,695	49,062,105
<b>Total expenditure</b>		<b>454,944,001</b>	<b>408,631,470</b>
<b>Profit before tax and other provision</b>		<b>1,363,653,009</b>	<b>1,008,969,200</b>
Others provision		14,668,307	-
<b>Net profit before tax</b>		<b>1,348,984,702</b>	<b>1,008,969,200</b>
<b>Profit attributable to GDIC</b>		<b>1,348,986,027</b>	<b>1,008,978,214</b>
Share of non-controlling interest		(1,325)	(9,014)
		<b>1,348,984,702</b>	<b>1,008,969,200</b>

The accompanying notes on page no. 19-40 form an integral part of these financial statements.



Abdul Hafiz Chowdhury  
Chairman



Shamsun Nahar Begum Chowdhury  
Vice Chairperson



Farzanah 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  
14 February 2022



S. F. Ahmed & Co.  
Chartered Accountants  
DVC No: 2203060471AS512483

Green Delta Insurance Company Ltd. &amp; Its Subsidiaries

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

for the year ended 31 December 2021

Particulars	Amount in Taka										
	Share Capital	Share Premium	Reserve for Exceptional Losses	"General Reserve"	Dividend Equalization Fund	Revaluation Reserve	Investment Fluctuation Fund	Retained Earnings	Total	Non Controlling Interest	Total
Opening balance as on 01 January 2021	931,983,200	70,041,875	1,423,904,445	180,000,000	110,000,000	1,068,270,679	1,635,351,212	1,006,584,916	6,426,136,327	19,369	6,426,155,696
Depreciation on asset revaluation for 2021	-	-	-	-	-	(9,910,440)	-	9,910,440	-	-	-
Deferred tax on revaluation reserve	-	-	-	-	-	3,716,415	-	-	3,716,415	-	3,716,415
Stock dividend @ 7.5% for the year -2020	69,898,740	(69,898,740)	-	-	-	-	-	-	-	-	-
Cash dividend paid @ 24.5% for the year 2020	-	-	-	-	-	-	-	(228,335,884)	(228,335,884)	-	(228,335,884)
Profit after tax	-	-	-	-	-	-	-	844,690,268	844,690,268	(1,325)	844,688,943
Changes in unrealized gain/(loss) from investment in quoted share	-	-	-	-	-	-	(137,392,613)	-	(137,392,613)	-	(137,392,613)
Deferred tax on investment fluctuation fund	-	-	-	-	-	-	9,063,890	-	9,063,890	-	9,063,890
Performance bonus	-	-	-	-	-	-	-	(7,483,902)	(7,483,902)	-	(7,483,902)
Appropriation to reserve for exceptional loss	-	-	77,340,667	32,891	-	-	-	(42,549,978)	34,823,580	-	34,823,580
Balance as on 31 December 2021	1,001,881,940	143,135	1,501,245,112	180,032,891	110,000,000	1,062,076,654	1,507,022,489	1,582,815,861	6,945,218,082	18,044	6,945,236,125
Balance as on 31 December 2020	931,983,200	70,041,875	1,423,904,445	180,000,000	110,000,000	1,068,270,679	1,635,351,212	1,006,584,916	6,426,136,327	19,369	6,426,155,695


**Abdul Hafiz Chowdhury**  
Chairman


**Shamsun Nahar Begum Chowdhury**  
Vice Chairperson


**Farzanah Chowdhury**  
Managing Director & CEO


**Syed Aliul Ahabab**  
Financial Controller


**Syed Moinuddin Ahmed**  
Company Secretary


**S. F. Ahmed & Co.**  
Chartered Accountants  
DVC No. 2203060471AS512483
Dated, Dhaka  
14 February 2022

Signed as per our separate report of even date

**CONSOLIDATED STATEMENT OF CASH FLOWS**

for the year ended 31 December 2021

Particulars	Amount in Taka	
	2021	2020
<b>Cash flow from operating activities</b>		
Collections from premium and other income	4,942,731,497	4,396,584,813
Payments for management expense, re-insurance and claims	(4,711,050,120)	(3,436,927,938)
Income tax paid	(402,114,203)	(98,101,806)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>(170,432,826)</b>	<b>861,555,069</b>
<b>Cash flow from investing activities</b>		
Investment in share and others	(287,341,021)	(71,986,712)
Loan given to GDSL	-	(34,900,000)
Investment in subsidiary company	-	16,000
Dividend received	110,419,938	51,263,064
Interest received on FDR	69,417,999	52,919,800
Other investment income	113,414,261	170,149,105
Purchase of fixed assets	(80,754,615)	(30,256,333)
Disposal of fixed assets	27,058,442	9,090,076
Receipts/Investment in others	49,403,647	8,061,981
<b>Net cash outflow from investing activities</b>	<b>1,618,651</b>	<b>154,356,981</b>
<b>Cash flows from financing activities:</b>		
Dividend paid	(251,835,884)	(133,140,548)
Loan repaid	727,160,140	(552,211,510)
Finance cost	(130,910,205)	(141,305,984)
Client account	-	(302,756)
<b>Net cash generated from financing activities</b>	<b>344,414,052</b>	<b>(826,960,798)</b>
<b>Net cash inflow or (outflow) during the year</b>	<b>175,599,877</b>	<b>188,951,252</b>
Cash & cash equivalents at the beginning of the year	1,338,901,583	1,149,950,331
<b>Cash &amp; cash equivalents at the end of the year</b>	<b>1,514,501,460</b>	<b>1,338,901,583</b>
<b>Net Operating Cash Flows Per Share (NOCFPS)</b>	<b>(1.7)</b>	<b>9.24</b>



**Abdul Hafiz Chowdhury**  
Chairman



**Shamsun Nahar Begum Chowdhury**  
Vice Chairperson



**Farzanah Chowdhury**  
Managing Director & CEO

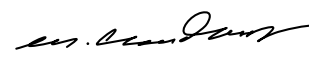


**Syed Aliul Ahab**  
Financial Controller

Signed as per our separate report of even date



**Syed Moinuddin Ahmed**  
Company Secretary



**S. F. Ahmed & Co.**  
Chartered Accountants  
DVC No: 2203060471AS512483

Dated, Dhaka  
14 February 2022

## Green Delta Insurance Company Ltd.

**BALANCE SHEET**

as at 31 December 2021

Particulars	Notes	Amount in Taka	
		2021	2020
<b>Capital and liabilities:</b>			
<b>Share capital</b>			
Authorized share capital	3.00	5,000,000,000	5,000,000,000
Issued, subscribed and paid-up capital	3.00	1,001,881,940	931,983,200
Share premium		143,135	70,041,875
<b>Reserve or contingency account:</b>	4.00	<b>4,379,357,829</b>	<b>4,389,786,197</b>
Reserve for exceptional losses	4.01	1,501,245,112	1,423,904,445
Investment fluctuation fund	4.02	1,595,558,028	1,677,133,039
General reserve	4.03	180,000,000	180,000,000
Dividend equalization fund	4.04	110,000,000	110,000,000
Revaluation reserve	4.05	992,554,689	998,748,713
Profit & loss appropriation account	5.00	1,341,822,357	850,410,568
<b>Total shareholders' equity</b>		<b>6,723,205,260</b>	<b>6,242,221,840</b>
<b>Balances of funds &amp; accounts:</b>	6.00	<b>624,577,910</b>	<b>664,711,158</b>
Fire insurance business		218,974,091	238,042,086
Marine insurance business		320,633,386	276,114,945
Motor insurance business		31,977,804	50,910,492
Miscellaneous insurance business		52,992,629	99,643,635
Premium deposit	7.00	198,905,750	250,257,092
<b>Liabilities and provisions</b>		<b>5,093,890,583</b>	<b>4,147,786,529</b>
Estimated liability in respect of outstanding claims whether due or intimated	8.00	336,202,994	488,210,687
Amount due to other persons or bodies carrying on insurance business	9.00	948,248,303	1,086,087,021
Sundry creditors (including outstanding expenses, taxes & provisions)	10.00	2,477,349,609	1,938,108,026
Unclaimed Dividend Account	10.03	8,124,768	42,077,804
Bank Overdraft	11.00	1,323,964,909	593,302,991
<b>Total liabilities</b>		<b>5,917,374,243</b>	<b>5,062,754,779</b>
<b>Total liabilities &amp; shareholders' equity</b>		<b>12,640,579,503</b>	<b>11,304,976,619</b>

Particulars	Notes	Amount in Taka	
		2021	2020
<b>Assets</b>		<b>9,431,268,251</b>	<b>8,123,844,099</b>
Investment	12.00	3,848,206,366	3,798,558,384
Investment in Associates	12.02	96,432,053	-
Outstanding premium	13.00	30,396,862	50,499,003
Amount due from other persons or bodies carrying on insurance business	14.00	4,306,131,215	3,386,518,199
Sundry debtors (including advances and deposits)	15.00	1,150,101,755	888,268,513
Cash and cash equivalent	16.00	1,072,971,881	1,063,385,659
		<b>2,136,339,371</b>	<b>2,117,746,861</b>
Land	17.00	859,974,010	859,974,010
Fixed assets & intangible assets	18.00	1,273,922,485	1,255,147,758
Stock of printing, stationery and stamps	19.00	2,442,876	2,625,093
<b>Total assets</b>		<b>12,640,579,503</b>	<b>11,304,976,619</b>
<b>NAVPS</b>	25.00	<b>67.11</b>	<b>66.98</b>

The accompanying notes on page no. 19-40 form an integral part of these financial statements.



**Abdul Hafiz Chowdhury**  
Chairman



**Shamsun Nahar Begum Chowdhury**  
Vice Chairperson



**Farzanah Chowdhury**  
Managing Director & CEO



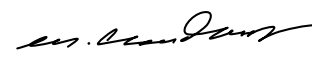
**Syed Aliul Ahab**  
Financial Controller

Signed as per our separate report of even date



**Syed Moinuddin Ahmed**  
Company Secretary

Dated, Dhaka  
14 February 2022



**S. F. Ahmed & Co.**  
Chartered Accountants  
DVC No: 2203060471AS512483

Green Delta Insurance Company Ltd.

**PROFIT AND LOSS APPROPRIATION ACCOUNT**

for the year ended 31 December 2021

Particulars	Notes	Amount in Taka	
		2021	2020
Balance brought forward from last year		678,131,796	207,939,811
Net profit for the year brought down		1,256,001,098	1,016,584,200
<b>Total</b>		<b>1,934,132,894</b>	<b>1,224,524,011</b>
Reserve for exceptional losses	4.01	77,340,667	80,468,036
Current tax expense	10.01	459,805,839	322,526,510
Deferred tax (income) / expense	10.02	9,017,358	10,257,211
Dividend and reserve distributed from last year Profit :		<b>228,335,884</b>	<b>133,140,458</b>
Cash dividend		228,335,884	133,140,458
General reserve		-	-
Dividend equalization fund		-	-
Profit for the period of continuing operation		<b>709,837,234</b>	<b>603,332,443</b>
Balance transferred to balance sheet		1,159,633,146	678,131,796
<b>Total</b>		<b>1,934,132,894</b>	<b>1,224,524,011</b>
Earning per share (Adjusted EPS of 2020)	24.00	7.86	6.83
P/E Ratio		13.50	9.03

The accompanying notes on page no. 19-40 form an integral part of these financial statements.



**Abdul Hafiz Chowdhury**  
Chairman



**Shamsun Nahar Begum Chowdhury**  
Vice Chairperson



**Farzanah Chowdhury**  
Managing Director & CEO



**Syed Aliul Ahab**  
Financial Controller

Signed as per our separate report of even date



**Syed Moinuddin Ahmed**  
Company Secretary

Dated, Dhaka  
14 February 2022



**S. F. Ahmed & Co.**  
Chartered Accountants  
DVC No: 2203060471AS512483

Green Delta Insurance Company Ltd.  
**PROFIT AND LOSS ACCOUNT**  
for the year ended 31 December 2021

Particulars	Notes	Amount in Taka	
		2021	2020
Expenses of management (not applicable to any particular fund or account)		219,340,478	208,183,896
		<b>41,578,480</b>	<b>40,436,578</b>
Director's fee & expenses		767,369	809,286
Audit fees	20.00	356,500	345,000
Depreciation		40,454,611	39,282,292
Write off investment		-	-
Net profit for the year carried down to profit & loss appropriation account		1,256,001,098	1,016,584,200
<b>Total</b>		<b>1,516,920,056</b>	<b>1,265,204,674</b>
Investment & others income	21.00	315,798,316	299,803,509
Share of Profit/(Loss) on investment in Associates(GDDAMC)	21.01	(1,467,947)	-
Profit & loss transferred from :		<b>1,202,589,687</b>	<b>965,401,165</b>
Fire insurance revenue account		546,835,175	334,466,172
Marine insurance revenue account		526,526,498	404,259,478
Motor insurance revenue account		68,966,694	74,554,020
Miscellaneous insurance revenue account		60,261,320	152,121,495
<b>Total</b>		<b>1,516,920,056</b>	<b>1,265,204,674</b>

The accompanying notes on page no. 19-40 form an integral part of these financial statements.



**Abdul Hafiz Chowdhury**  
Chairman



**Shamsun Nahar Begum Chowdhury**  
Vice Chairperson



**Farzanah Chowdhury**  
Managing Director & CEO



**Syed Aliul Ahab**  
Financial Controller

Signed as per our separate report of even date



**Syed Moinuddin Ahmed**  
Company Secretary

Dated, Dhaka  
14 February 2022



**S. F. Ahmed & Co.**  
Chartered Accountants  
DVC No: 2203060471AS512483

Green Delta Insurance Company Ltd.  
**STATEMENT OF CHANGES IN EQUITY**  
 for the year ended 31 December 2021

Particulars	Share capital	Share premium	Reserve for exceptional losses	General reserve	Dividend equalization fund	Investment fluctuation fund	Revaluation reserve	"Retained earnings"	Total
Opening balance as on 1 January 2021	931,983,200	70,041,875	1,423,904,445	180,000,000	110,000,000	1,677,133,039	998,748,713	850,410,568	6,242,221,840
Depreciation on asset revaluation for 2021	-	-	-	-	-	-	(9,910,439)	9,910,439	-
Deferred Tax on revaluation reserve	-	-	-	-	-	-	3,716,415	-	3,716,415
Stock dividend @ 7.5% for the year 2020	69,898,740	(69,898,740)	-	-	-	-	-	-	-
Cash dividend paid @24.5% for the year 2020	-	-	-	-	-	-	-	(228,335,884)	(228,335,884)
Profit after tax	-	-	-	-	-	-	-	787,177,901	787,177,901
Changes in unrealized gain/(loss) from investment in quoted share	-	-	-	-	-	(90,638,901)	-	-	(90,638,901)
Deferred tax on investment fluctuation fund	-	-	-	-	-	9,063,890	-	-	9,063,890
Appropriation to reserve for exceptional loss	-	-	77,340,667	-	-	-	-	(77,340,667)	-
<b>Closing balance as on 31 December 2021</b>	<b>1,001,881,940</b>	<b>143,135</b>	<b>1,501,245,112</b>	<b>180,000,000</b>	<b>110,000,000</b>	<b>1,595,558,028</b>	<b>992,554,689</b>	<b>1,341,822,357</b>	<b>6,723,205,260</b>
Balance as on 31 December 2020	931,983,200	70,041,875	1,423,904,445	180,000,000	110,000,000	1,677,133,039	998,748,713	850,410,568	6,242,221,840



**Abdul Hafiz Chowdhury**  
Chairman



**Shamsun Nahar Begum Chowdhury**  
Vice Chairperson



**Syed Aliul Ahabab**  
Financial Controller



**Syed Moinuddin Ahmed**  
Company Secretary



**S. F. Ahmed & Co.**  
Chartered Accountants  
DVC No. 2203060471AS512483

Dated, Dhaka  
14 February 2022

Signed as per our separate report of even date



**STATEMENT OF CASH FLOWS**

for the year ended 31 December 2021

		Amount in Taka	
	Notes	2021	2020
<b>Cash flow from operating activities:</b>			
Collections from premium and other income		4,506,101,936	4,278,840,044
Payments for management expense, re-insurance and claims		(4,561,476,501)	(3,436,256,772)
Income tax paid		(377,814,763)	(76,804,091)
<b>Net cash inflow/(outflow) from operating activities</b>		<b>(433,189,328)</b>	<b>765,779,181</b>
<b>Cash flow from investing activities:</b>			
Investment in share and FDR		(229,848,108)	(72,987,090)
Loan given to GDSL/Recovery of loan to GDSL		-	(34,900,000)
Investment in subsidiary company		-	16,000
Dividend received		110,419,938	51,263,064
Interest received on FDR		65,185,929	52,919,801
Other investment income		113,414,261	170,149,105
Purchase of fixed assets		(70,098,397)	(15,432,979)
Disposal of fixed assets		27,058,442	9,090,076
<b>Net cash outflow from investing activities</b>		<b>16,132,065</b>	<b>160,117,977</b>
<b>Cash flows from financing activities:</b>			
Bank loan		739,876,204	(575,742,650)
Finance cost		(84,896,836)	(94,741,302)
Dividend paid		(228,335,884)	(133,140,548)
<b>Net cash generated from financing activities</b>		<b>426,643,485</b>	<b>(803,624,500)</b>
<b>Net increase/(decrease) in cash &amp; cash equivalents during the year</b>		<b>9,586,222</b>	<b>122,272,658</b>
<b>Cash &amp; cash equivalents at the beginning of the year</b>		<b>1,063,385,659</b>	<b>941,113,001</b>
<b>Cash &amp; cash equivalents at the end of the year</b>		<b>1,072,971,881</b>	<b>1,063,385,659</b>
<b>Net Operating Cash Flows Per Share (NOCFPS)</b>	26.00	<b>(4.32)</b>	<b>8.22</b>



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Managing Director & CEO



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14 February 2022

Green Delta Insurance Company Ltd.

**CONSOLIDATED ALL BUSINESS REVENUE ACCOUNT**

for the year ended 31 December 2021

	Notes	Amount in Taka	
		2021	2020
		<b>946,998,032</b>	<b>1,331,337,539</b>
Claims under policies less re-insurance	22.00	144,619,158	389,774,817
Agency commission		209,721,882	414,723,100
Expenses of management		592,656,992	526,839,622
Profit transferred to profit & loss account		1,202,589,687	965,401,168
Balance of accounts at the end of the year as shown in the balance sheet	6.00	624,577,910	664,711,158
<b>Total</b>		<b>2,774,165,629</b>	<b>2,961,449,865</b>
Balance of account at the beginning of the year		664,711,158	804,175,230
Gross premium		3,843,307,772	3,676,748,740
Re-insurance premium		(2,296,494,439)	(2,067,388,030)
Net premium	23.00	<b>1,546,813,333</b>	<b>1,609,360,710</b>
Commission on re-insurance ceded		562,641,138	547,913,925
<b>Total</b>		<b>2,774,165,629</b>	<b>2,961,449,865</b>

The accompanying notes on page no. 19-41 form an integral part of these financial statements.



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Financial Controller

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Company Secretary

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14 February 2022



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**FIRE INSURANCE REVENUE ACCOUNT**

for the year ended 31 December 2021

Particulars	Notes	Amount in Taka	
		2021	2020
		<b>349,951,246</b>	<b>672,340,762</b>
Claims under policies less re-insurance	22.00	(54,910,992)	229,394,341
Expenses of management		301,808,782	197,468,227
Agency commission		103,053,456	245,478,194
Profit transferred to profit & loss account		546,835,175	334,466,172
Balance of account at the end of the year as shown in the balance sheet (reserve for unexpired risks)		218,974,091	238,042,086
<b>Total</b>		<b>1,115,760,512</b>	<b>1,244,849,020</b>
		<b>1,115,760,512</b>	<b>1,244,849,020</b>
Balance of account at the beginning of the year		238,042,086	251,465,340
Premium less re-insurance	23.00	511,330,333	596,808,942
Commission on re-insurance ceded		366,388,093	396,574,739
<b>Total</b>		<b>1,115,760,512</b>	<b>1,244,849,020</b>

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Green Delta Insurance Company Ltd.

**MARINE INSURANCE REVENUE ACCOUNT**

for the year ended 31 December 2021

Particulars	Notes	Amount in Taka	
		2021	2020
		<b>284,573,462</b>	<b>404,830,760</b>
Claims under policies less re-insurance	22	45,709,078	103,387,537
Expenses of management		172,220,285	205,000,184
Agency commission		66,644,099	96,443,039
Profit transferred to profit & loss account		526,526,498	404,259,479
Balance of account at the end of the year as shown in the balance sheet (reserve for unexpired risks)		320,633,386	276,114,945
<b>Total</b>		<b>1,131,733,346</b>	<b>1,085,205,183</b>
		<b>1,131,733,346</b>	<b>1,085,205,183</b>
Balance of account at the beginning of the year		276,114,945	378,853,332
Premium less re-insurance	23	778,730,765	632,629,431
Commission on re-insurance ceded		76,887,636	73,722,420
<b>Total</b>		<b>1,131,733,346</b>	<b>1,085,205,183</b>

The accompanying notes on page no. 19-41 form an integral part of these financial statements.



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**MOTOR INSURANCE REVENUE ACCOUNT**

for the year ended 31 December 2021

Particulars	Notes	Amount in Taka	
		2021	2020
		<b>39,487,973</b>	<b>71,477,831</b>
Claims under policies less re-insurance	22.00	16,306,299	14,417,314
Expenses of management		16,060,132	42,598,917
Agency commission		7,121,542	14,461,600
Profit transferred to profit & loss account		68,966,694	74,554,020
Balance of account at the end of the year as shown in the balance sheet (reserve for unexpired risks)		31,977,804	50,910,492
<b>Total</b>		<b>140,432,471</b>	<b>196,942,343</b>
		<b>140,432,471</b>	<b>196,942,343</b>
Balance of account at the beginning of the year		50,910,492	62,588,656
Premium less re-insurance	23.00	82,644,482	130,128,828
Commission on re-insurance ceded		6,877,497	4,224,859
<b>Total</b>		<b>140,432,471</b>	<b>196,942,343</b>

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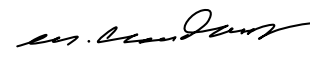
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**Syed Moinuddin Ahmed**  
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Green Delta Insurance Company Ltd.

**MISCELLANEOUS INSURANCE REVENUE ACCOUNT**

for the year ended 31 December 2021

Particulars	Notes	Amount in Taka	
		2021	2020
		<b>272,985,351</b>	<b>182,688,186</b>
Claims under policies less re-insurance	22.00	137,514,773	42,575,625
Expenses of management		102,567,793	81,772,294
Agency commission		32,902,785	58,340,267
Profit transferred to profit & loss account		60,261,320	152,121,495
Balance of account at the end of the year as shown in the balance sheet (reserve for unexpired risks)		52,992,629	99,643,635
<b>Total</b>		<b>386,239,300</b>	<b>434,453,316</b>
		<b>386,239,300</b>	<b>434,453,316</b>
Balance of account at the beginning of the year		99,643,635	111,267,902
Premium less re-insurance	23.00	174,107,752	249,793,507
Commission on re-insurance ceded		112,487,913	73,391,907
<b>Total</b>		<b>386,239,300</b>	<b>434,453,316</b>

The accompanying notes on page no. 19-41 form an integral part of these financial statements.



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14 February 2022



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Sl. No.	Class of Assets	Book Value BDT
1	Investment in government bond	75,000,000
2	Investment on AB Bank Perpetual Bond	10,000,000
3	Investment LBFL Zero Coupon Bond	100,828,125
4	Investment in Associates (GDDAMC)	96,432,053
5	Shares listed on DSE & CSE (market price)	2,524,651,845
6	Alliance Leasing and Finance	120,000,000
7	Green Delta AIMS Ltd.	4,500,000
8	United Hospital	56,100,000
9	Investment in GDSL as margin loan (Note: 12.1)	235,000,000
10	Green Delta Capital Ltd.	249,999,900
11	Financial Excellence	3,000,000
12	CDBL	1,138,890
13	BD Venture	20,000,000
14	Professional Advancement Bangladesh Ltd.	9,996,000
15	Green Delta Securities Ltd	99,999,900
16	GD Assist Ltd.	49,980,000
17	Fixed Deposit	1,268,673,097
18	Cash at bank on STD and current account	92,310,490
19	Outstanding premium	30,396,862
20	Amount due from other persons or bodies carrying on insurance	4,306,131,215
21	Sundry debtors (including advance and deposits)	1,150,101,755
22	Land property	859,974,010
23	Fixed assets (at cost less depreciation)	1,273,922,485
24	Stock of stationery and stamps	2,442,876
<b>Total:</b>		<b>12,640,579,502</b>



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Dated, Dhaka  
14 February 2022

Green Delta Insurance Company Ltd.

**NOTES TO THE FINANCIAL STATEMENTS**

as at and for the year ended 31 December 2021

**1. Legal status and nature of the company****(a) Legal status and country of operation**

Green Delta Insurance Company Limited (GDICL) was incorporated as a public limited company on 14 December 1985 and obtained the certificate of commencement of business as on 24 December 1985 under the Companies Act 1913 which was amended in 1994. The company obtained insurance license from the Controller of Insurance in 1986. GDICL went for public issue in 1990 and the shares of the company are listed in both Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited.

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

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

**(b) Nature of business**

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

**(c) Subsidiary companies**

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

**Green Delta Securities Limited (GDSL)**

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

**Green Delta Capital Limited (GDCL)**

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

**Professional Advancement Bangladesh Limited (PABL)**

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

**GD Assist Limited (GDAL)**

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

**Green Delta Dragon Asset Management Company Limited (GDDAMC)**

GDICL holds 40% of the shares, Dragon Capital Management Hong Kong (HK) holds 40% and Equinox Dhaka Limited holds 20%. The principal activities of GDDAMC is to carry on the business of asset and fund management and sponsor, manage or launch mutual funds, alternative investment funds, private equity, venture capital, impact funds, unit trust and other investment management products and services, dealers, traders, brokers, importers and exporters and operate and provide merchant banking services, underwrite, manage distribute issue of securities, stocks, share, bonds, debenture stock and investment instruments..



#### (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 2021.
- ii) Profit and loss account for the year ended 31 December 2021.
- iii) Profit and loss appropriation account for the year ended 31 December 2021.
- iv) Statement of changes in equity for the year ended 31 December 2021.
- v) Statement of cash flows for the year ended 31 December 2021.
- vi) Consolidated all business revenue account for the year ended 31 December 2021.
- vii) Fire insurance revenue account for the year ended 31 December 2021.
- viii) Motor insurance revenue account for the year ended 31 December 2021.
- ix) Marine insurance revenue account for the year ended 31 December 2021.
- x) Miscellaneous insurance revenue account for the year ended 31 December 2021 and
- xi) Notes comprising a summary of significant accounting policies and other explanatory information to the accounts for the year ended 31 December 2021."

## 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 balance sheet has been prepared in accordance with the regulations as contained in parts I of the First Schedule and as per Form "A" as set forth Part II of that schedule, Profit and Loss Account and Profit and Loss Appropriation Account has been prepared in accordance with the regulations as contained in Part I of the Second Schedule and as per Form "B" & "C" as set forth in Part II of that Schedule respectively and the Revenue Accounts of each class of General Insurance business has been prepared in accordance with the regulation as contained in part I of the Third Schedule and as per Form "F" as set forth in Part II of the Schedule of the Insurance Act, 1938. Statement of cash flow and Statement of changes in equity has been prepared in accordance with IFRS."

### 2.02 Basis of consolidation

The financial statements of the Company and its subsidiaries have been consolidated in accordance with International Reporting Standards 10: Consolidated Financial Statements and International Accounting Standard 27: Separate Financial Statements. The consolidation of the financial statements has been made after eliminating all intra-group balances, transactions, income and expenses and profits and losses resulting from intra-group transactions and dividends. The consolidated financial statements comprise the financial statements of the Group as at 31 December each year.

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

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

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

Derecognizes the assets (including goodwill) and liabilities of the subsidiary

Derecognizes the carrying amount of any non-controlling interest

Derecognizes the cumulative translation differences recorded in equity

Recognizes the fair value of the consideration received

Recognizes the fair value of any investment retained

Recognizes any surplus or deficit in profit or loss

Reclassifies the parent's share of components previously recognized in other comprehensive income to profit or loss or retained earnings, as appropriate.

### **2.03 Basis of accounting for investment in Associates**

The equity method is used as accounting method for investment in Associates in accordance with International Accounting Standards 28: Investment in Associates and Joint Ventures. However, the equity method is a method of accounting where by the investment is initially recognized at cost & adjusted thereafter for the post acquisition change in the investor's share of the investee's net assets. The investor's share of the investee's profit or loss is recognized in the investor's profit or loss. Distribution received from an investee reduce the carrying amount of the investment. Adjustment to the carrying amount may also be necessary for changes in the investee other comprehensive income. Such changes include those arising from the revaluation of property, plant & equipment & from foreign exchange translation differences. The investor's share of those changes is recognized in the investor's other comprehensive income.

### **2.04 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.

### **2.05 Functional and presentation currency**

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

### **2.06 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.

### **2.07 Materiality and aggregation**

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

### **2.08 Foreign currency transactions**

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

### **2.09 Property, plant and equipments**

#### **a. Recognition and measurement**

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

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

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

Property, plant and equipment have been revalued in the year 2012 under "Current Cost Method" by an independent valuer namely "KPMG in Bangladesh" to reflect the fair value (prevailing market price). As the fair value of the assets does not differ significantly from its carrying amount as at 31 December 2021 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>Useful Life</u>
Furniture & Fixture	10 years
Equipment	7 years
Vehicles	5 years
Building	99 years

Depreciation on newly acquired assets are calculated from the date when the related assets are available for use and charged until the assets are disposed off.

#### **c. Sale of fixed assets**

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

#### **d. Impairment**

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss. An impairment loss is recognized as an expenses in the profit and loss account.

### **2.10 Intangible assets**

Intangible assets (computer software) are recorded at historical cost less accumulated amortization. These assets are amortized on straight line method based on the useful lives of the assets which is 7 years.

Financial Reporting Principles IFRS 16 Leases effective from annual periods beginning on or after January 1, 2019 has changed how the company accounts for its lease contracts. The company leases a number of office space in addition to service sites. Before the adoption of IFRS 16, all lease contracts were classified as operating leases. IFRS 16 requires all contracts that contain a lease to be recognized on the balance sheet as a right-of-use asset and lease liability. Only certain short-term and low-value leases are exempted.

In compliance with the standard, the company has elected to use the recognition exemptions in the standard for short-term leases and leases of low value items. In such cases the lease are accounted for as short term leases and the lease payments associated with them are recognized as an expenses from short term lease.

### **2.11 Investment in share**

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

### **2.12 Cash and cash equivalents**

Cash and cash equivalents consist of cash, cash in clearing account, short term fixed deposits, and bank balances.

### **2.13 Cash flow statements**

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

### **2.14 Revenue recognition**

#### **Gross premium**

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

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

#### **Re-insurance commission**

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

#### **Investment income**

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

**Interest income**

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

All other interest income is recognized on accrual basis except interest of the loan accounts considered as non-performing. Interest income is suspended and full provision is made against the interest receivables on all non-performing loans when the 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 during the year paid and outstanding at the reporting along with related claims handling costs that are directly related to the processing and settlement of claims, a reduction for the value of salvage and other recoveries, and any adjustments to claims outstanding from previous years.

**Reinsurance claims**

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

**2.16 Employee benefits****i) Gratuity fund**

The Company has a funded gratuity scheme for all eligible employees who complete minimum 5 years of confirmed service with the Company. Required amount of gratuity is calculated on the basis of last basic pay depending on the length of service for every completed year as well as proportionate to the fraction period of service as of the respective financial year. This scheme is approved by the National Board of Revenue (NBR) and administered by an independent Board of Trustees.

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

- less than 5 years of confirmed service - Nil
- confirmed service between 5 and 10 years - One month's last drawn basic pay for every completed year of service.
- on completion of 10 years confirmed service and above - Two month's last drawn basic pay for every completed year of service subject to maximum 50 times of basic pay.

**ii) Contributory provident fund**

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

**iii) Medical assistance**

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

**iv) Incentive bonus**

The company has a policy namely incentive bonus scheme for its employees who meets certain criteria based on their annual performance bonus is ascertained on net profit with approval in the Annual General Meeting and the expense is accounted for in the year to which same relates.

**v) Workers' Profit Participation Fund**

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, BFID, on behalf of the financial institution sector, requested clarification from the Labor Ministry regarding the applicability of the provisions for the sector. Similarly Bangladesh Insurance Association has corresponded with Financial Ministry on this matter requesting for exemption for Insurance Companies. As no decision has been yet concluded on such communications, we are yet to provide for the said provision.

## 2.17 Taxation

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

### Current tax

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

Provision for income tax has been made at best estimate keeping in view the provisions of Income Tax Ordinance 1984 and amendment made there to 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 maintains a foreign currency account for the overseas transactions and recognize foreign currency gain /(loss) due to change in foreign currency translation rate.

### c) Investment fluctuation fund

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

### d) General reserve

The Company creates a general reserve from the current year profit to avoid future contingency as and when decided by the Board.

### e) Dividend equalization fund

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

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

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

a) 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. Under IFRS 9, on initial recognition, a financial asset is classified as measured at: amortised cost; Fair Value through Other Comprehensive Income (FVOCI) – debt investment; Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or Fair Value Through Profit or Loss (FVTPL). The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

b) Unexpired risk on insurance premium and re-insurance premium are followed as per Insurance Act 1938 (as amended 2010). However such general provision cannot satisfy the conditions of provision as per IAS 37. At the year end the GDICL has recognized provision of BDT 624,577,909 as balance of fund and liabilities in the balance sheet under liabilities.

c) Insurance Act 1938 has issued templates for financial statements which is to be followed strictly by all general and life insurance company. The templates of financial statements issued by Insurance Act does not include other comprehensive income (OCI). However, deferred tax related to revaluation reserve & investment fluctuation reserve has been shown through statement of changes in equity.

d) As per IDRA guidelines, financial instruments are categorized, recognized and measured differently from those prescribed in IFRS 9. Disclosures in the prescribed templates of IDRA guidelines are disclosed only.

## 2.21 Interest expense

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

## 2.22 Earnings per share

The Company presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Detail computations provided in note 24.

### 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 2021 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 2021.

## 2.23 Accounting for changes in accounting estimates

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

## 2.24 Related party disclosure

As per International Accounting Standards: 24 Related Party Disclosures, parties are considered to be related if one of the party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The Company carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with its related parties. Related party disclosures have been given in Note: 27

## 2.25 Events after the reporting period

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

Board of Directors has recommended cash dividend of 30% for the year ended 31<sup>st</sup> December 2021 which is in compliance with section 16G and 16F of Income Tax Ordinance 1984.

**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 2021. Accounts of the branches are maintained at the head office which are included in the accompanying financial statements.

**2.28 Consistency of Presentation**

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

**2.29 Comparative information**

Comparative information has been disclosed in respect of the period ended 31 December 2020 for all numerical data in the financial statements and also the narrative and descriptive information when it is relevant for better understanding of the current year's financial statements. Prior year figures have been restated and rearranged whenever considered necessary to ensure comparability with the current period.

**2.30 Director responsibility**

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

**2.31 Authorization date for issuing financial statements**

The financial statements were authorized by the Board of Directors on 14 February 2022 for public issue.

**2.32 General**

Figures appearing in these financial statements have been rounded off to the nearest BDT amount.

**2.33 Reporting Currency**

The financial statements are prepared and presented in Bangladesh Taka (BDT), which is the company's functional currency.

**2.34 Reporting Period**

The financial period under audit of the company covering (12) twelve months from of 01 January 2021 to 31 December 2021.

		Amount in Taka		
		2021	2020	
<b>3.00</b>	<b>Authorised share capital:</b>			
	500,000,000 ordinary shares of BDT 10 each	5,000,000,000	5,000,000,000	
	Issued, subscribed & paid up capital			
	100,188,194 ordinary shares of BDT 10 each fully paid up in cash	1,001,881,940	931,983,200	
	Classification of shareholders by holdings as on 31 December 2021.			
Range of share holding	No. of Shareholders	No. of Shares	% of Holdings	Value of Share in BDT
Less than 500 Shares	2,521	451,445	0.45%	4,514,450
501 - 5,000	1,838	3,329,027	3.32%	33,290,270
5,001 - 10,000	263	2,000,558	2.00%	20,005,580
10,001 - 20,000	147	2,106,918	2.10%	21,069,180
20001 - 30000	78	1,924,841	1.92%	19,248,410
30001 - 40000	27	969,372	0.97%	9,693,720
40,001 - 50,000	25	1,154,128	1.15%	11,541,280
50,001 - 60,000	12	665,586	0.66%	6,655,860
60,001 - 70,000	8	524,839	0.52%	5,248,390
70,001 - 80,000	10	757,808	0.76%	7,578,080
80,001 - 90,000	9	775,071	0.78%	7,750,710
90,001 and above	122	85,528,601	85.37%	855,286,010
	<b>5,060</b>	<b>100,188,194</b>	<b>100.00%</b>	<b>1,001,881,940</b>

		Amount in Taka	
		2021	2020
<b>4.00</b>	<b>Reserve or contingency account</b>		
	Reserve for exceptional losses (Note: 4.01)	1,501,245,112	1,423,904,445
	Investment fluctuation fund (Note: 4.02)	1,595,558,020	1,677,133,039
	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)	992,554,689	998,748,713
	Total	<b>4,379,357,829</b>	<b>4,389,786,198</b>
<b>4.01</b>	<b>Reserve for exceptional losses</b>		
	Opening balance	1,423,904,445	1,343,436,409
	Add: Addition during the year (5% of net premium income)	77,340,667	80,468,036
	<b>Sub Total</b>	<b>1,501,245,112</b>	<b>1,423,904,445</b>
<b>4.02</b>	<b>Investment fluctuation fund</b>		
	Opening balance	1,677,133,039	1,850,847,854
	Unrealised gain/(loss) made during the year	(90,638,901)	(193,016,461)
	Deferred tax on unrealised gain/(loss) during the year	9,063,891	19,301,646
	<b>Sub Total</b>	<b>1,595,558,028</b>	<b>1,677,133,039</b>
<b>4.03</b>	<b>General reserve</b>		
	Opening balance	180,000,000	180,000,000
	Addition during the year	-	-
	<b>Sub Total</b>	<b>180,000,000</b>	<b>180,000,000</b>
<b>4.04</b>	<b>Dividend equalization fund</b>		
	Opening balance	110,000,000	110,000,000
	Less: Transfer to retained earnings	-	-
	<b>Sub Total</b>	<b>110,000,000</b>	<b>110,000,000</b>
<b>4.05</b>	<b>Revaluation reserve</b>		



		Amount in Taka	
		2021	2020
	Opening balance	998,748,713	1,010,099,164
	Realized through excess depreciation on revaluation of assets	(6,194,024)	(11,350,451)
	<b>Sub Total</b>	<b>992,554,689</b>	<b>998,748,713</b>
<b>4.A</b>	<b>Consolidated reserve for contingency account</b>		
	Green Delta Insurance Company	4,379,357,829	4,389,786,198
	Green Delta Securities Limited	30,438,558	27,740,139
	Green Delta Capital Limited	(49,419,241)	-
	<b>Total</b>	<b>4,360,377,146</b>	<b>4,417,526,336</b>
<b>4.B</b>	<b>Consolidated revaluation reserve</b>		
	Green Delta Insurance Company	992,554,689	998,748,713
	Green Delta Securities Limited	69,521,965	69,521,966
	<b>Sub Total</b>	<b>1,062,076,654</b>	<b>1,068,270,679</b>
<b>4.C</b>	<b>Consolidated Investment fluctuation fund</b>		
	Green Delta Insurance Company	1,595,558,028	1,677,133,039
	Green Delta Securities Limited	(39,116,298)	(41,781,828)
	Green Delta Capital Limited	(49,419,241)	-
	<b>Total</b>	<b>1,507,022,489</b>	<b>1,635,351,211</b>
<b>5.00</b>	<b>Profit and loss appropriation account</b>		
	Opening Balance ( accumulated un distributed profit)	850,410,568	362,057,861
	Add: Net profit for the year	1,256,001,098	1,016,584,200
	Less : Transfer to reserve for exceptional losses	(77,340,667)	(80,468,036)
	Less : Current tax expense	(459,805,839)	(322,526,510)
	Less : Deferred tax income / (expense)	(9,017,358)	(10,257,211)
	Less : Cash dividend paid for the year 2020	(228,335,884)	(133,140,458)
	Add: Transfer of excess depreciation from asset revaluation reserve	9,910,439	18,160,722
	<b>Total</b>	<b>1,341,822,357</b>	<b>850,410,568</b>
<b>5.A</b>	<b>Consolidated profit and loss appropriation account</b>		
	Green Delta Insurance company	1,341,822,357	850,410,568
	Green Delta Capital Limited	93,384,383	23,499,749
	Green Delta Securities Ltd.	178,206,063	159,848,719
	GD Assist Ltd.	(11,518,821)	(15,085,230)
	Professional Advancement Bangladesh Ltd.	(19,078,121)	(12,088,887)
	<b>Total</b>	<b>1,582,815,861</b>	<b>1,006,584,919</b>
<b>5.B</b>	<b>Non-controlling interest</b>		
	Green Delta Capital Limited	363	352
	Green Delta Securities Ltd.	492	458
	GD Assist Ltd.	16,792	15,365
	Professional Advancement Bangladesh Ltd.	397	3,194
	<b>Total</b>	<b>18,044</b>	<b>19,369</b>
<b>6.00</b>	<b>Balance of fund account</b>		
	Fire insurance business	218,974,091	238,042,086
	Marine insurance business	320,633,385	276,114,945
	Motor insurance business	31,977,804	50,910,492
	Misc. insurance business	52,992,629	99,643,635
	<b>Total</b>	<b>624,577,909</b>	<b>664,711,158</b>

Above business insurance accounts maintained as reserve for unexpired risks based on following percentages on premium income excluding public sector business at the following rates :

Particulars	Total Net Premium (without SBC)	%	Balance of Fund	
			2021	2020
Fire	547,435,227	40%	218,974,091	238,042,086
Marine Cargo	752,191,656	40%	300,876,663	234,226,555
Marine Hull	19,756,723	100%	19,756,723	41,888,390
Motor	79,944,511	40%	31,977,804	50,910,492
Miscellaneous	132,481,572	40%	52,992,629	99,643,635
<b>Total</b>	<b>1,531,809,689</b>		<b>624,577,910</b>	<b>664,711,158</b>

		Amount in Taka	
		2021	2020
<b>7.00</b>	<b>Premium deposits</b>		
	Marine cargo	198,905,750	250,257,092
	<b>Total</b>	<b>198,905,750</b>	<b>250,257,092</b>
This represents the amount of premium deposited with the company against cover notes for which no policy has been issued upto the end of the year.			
<b>8.00</b>	<b>Estimated liability in respect of outstanding claims whether due or intimated</b>		
	Fire	262,841,621	423,461,723
	Marine Cargo	37,055,901	41,186,202
	Marine Hull	11,308,892	12,601,939
	Motor	4,632,554	6,115,191
	Miscellaneous	20,364,026	4,845,632
	<b>Total</b>	<b>336,202,994</b>	<b>488,210,687</b>
<b>9.00</b>	<b>Amount due to other persons or bodies carrying on insurance business</b>		
This represents the amount payable to overseas re-insurers and private sector insurance companies on account of re-insurance and co-insurance premium as at 31 December.			
	Payable against co-insurance premium	83,959,915	51,725,256
	Overseas re-insurer	864,288,387	1,034,361,765
	<b>Total</b>	<b>948,248,302</b>	<b>1,086,087,021</b>
<b>10.00</b>	<b>Sundry creditors</b>		
	Liability for expenses	45,502,786	9,852,604
	Others payable	617,487,612	490,302,910
	Provision for income tax (Note : 10.01)	1,192,957,024	812,787,378
	Deferred tax liabilities (Note : 10.02)	621,402,187	625,165,134
	Unclaimed dividend Account	621,042,187	625,165,134
	<b>Total</b>	<b>2,477,349,609</b>	<b>1,938,108,026</b>
<b>10.01</b>	<b>Provision for income tax</b>		
	Opening balance	812,787,378	490,260,868
	Add : Addition during the year	459,805,840	322,526,510
	Sub Total	<b>1,272,593,218</b>	<b>812,787,378</b>
	Less: Final Tax settlement for the assessment year 2017-2018	79,636,194	-
	<b>Total</b>	<b>1,192,957,024</b>	<b>812,787,378</b>
<b>10.02</b>	<b>Deferred tax (asset)/liability</b>		
	Opening balance	625,165,134	641,019,840
	Deferred tax obligation / (benefit) during the year	9,017,358	10,257,211
	Deferred tax obligation / (benefit) during the year related to investment fluctuation fund and excess depreciation on revaluation reserve	(12,780,305)	(26,111,917)
	<b>Total</b>	<b>621,402,187</b>	<b>625,165,134</b>

**10.02.01 Deferred tax assets/(liabilities) as on 31 December 2021 :**

As at 31 December 2021	Carrying amount	Tax base value	Applicable tax rate	Deferred tax (assets)/liability
Property, Plant and Equipment at cost	745,225,916	401,193,488	37.5%	129,012,161
Revaluation of Land	778,963,925	-	15%	116,844,589
Revaluation of Property, Plant and Equipment	528,696,569	-	37.5%	198,261,213
Unrealized gain on marketable securities	1,772,842,239	-	10.0%	177,284,224
<b>Total deferred tax liabilities</b>	<b>3,825,728,649</b>	<b>401,193,488</b>		<b>621,402,187</b>

**10.02.02 Deferred tax assets/(liabilities) as on 31 December 2020 :**

As at 31 December 2020	Carrying amount	Tax base value	Applicable tax rate	Deferred tax (assets)/liability
Property, Plant and Equipment at cost	708,819,192	388,833,055	37.5%	119,994,802
Revaluation of Land	778,963,925	-	15.0%	116,844,589
Revaluation of Property, Plant and Equipment	538,607,007	-	37.5%	201,977,628
Unrealized gain on marketable securities	1,863,481,149	-	10.0%	186,348,115
<b>Total deferred tax liabilities</b>	<b>3,889,871,273</b>	<b>388,833,055</b>		<b>625,165,134</b>

**Amount in Taka**

	2021	2020
<b>10.03 Unclaimed Dividend Account</b>		
Year		
Upto 2017	-	36,989,021.00
2018	1,831,416.00	1,837,622
2019	3,079,806.00	3,251,161
2020	3,213,546.00	-
<b>Total</b>	<b>8,124,768.00</b>	<b>42,077,804</b>
<b>10.A Consolidated sundry creditors</b>		
Green Delta Insurance Company Ltd.	2,477,349,609	1,938,108,026
Green Delta Capital Limited	58,808,330	12,256,827
Green Delta Securities Limited	348,798,107	214,148,672
Professional Advancement Bangladesh Ltd.	1,523,746	2,430,113
GD Assist Ltd.	8,113,759	6,282,737
<b>Total</b>	<b>2,894,593,551</b>	<b>2,173,226,375</b>
<b>11.00 Bank overdraft</b>		
Bank overdraft	1,143,964,909	593,302,991
Time Loan	180,000,000	-
<b>Total</b>	<b>1,323,964,909</b>	<b>593,302,991</b>
<b>11.A Consolidated bank overdraft</b>		
Green Delta Insurance Company Ltd.	1,323,964,909	593,302,991
Green Delta Securities Limited	224,697,824	229,646,615
Green Delta Capital Limited	-	-
GD Assist Ltd.	1,711,992	4,788,380
<b>Total</b>	<b>1,550,374,725</b>	<b>827,737,986</b>
<b>12.00 Investment</b>		
Investment in government bond	75,000,000	75,000,000
Investment on AB Bank Perpetual Bond	10,000,000	-
Investment LBFL Zero Coupon Bond	100,828,125	-
Investment in GDSL as margin loan (Note: 12.01)	235,000,000	235,000,000
Investment in quoted shares (Market Price)	2,524,651,845	2,649,313,272
Investment In FDR (maturity more than 3 months)	288,011,706	219,558,422
Investment in unquoted share (Note: 12.03)	204,738,890	209,710,890
Investment in Subsidiaries (Note: 12.04)	409,975,800	409,975,800
<b>Total</b>	<b>3,848,206,366</b>	<b>3,798,558,384</b>

		Amount in Taka	
		2021	2020
<b>12.01</b>	<b>Investment in GDSL as margin loan</b>		
	Margin Loan of Green Delta Securities Ltd.	235,000,000	235,000,000
	<b>Sub Total</b>	<b>235,000,000</b>	<b>235,000,000</b>
<b>12.02</b>	<b>Investment in Associates (GDDAMC)</b>		
	Investment in Associates (GDDAMC)	97,900,000	-
	Profit/(Loss) on Investment in GDDAMC	(1,467,947)	-
	<b>Sub Total</b>	<b>96,432,053</b>	<b>-</b>
<b>12.03</b>	<b>Investment in unquoted share</b>		
	Green Delta AIMS Ltd.	4,500,000	4,500,000
	United Hospital	56,100,000	56,100,000
	Alliance Leasing and Finance	120,000,000	120,000,000
	Financial Excellence	3,000,000	3,000,000
	CDBL	1,138,890	1,138,890
	BD Venture	20,000,000	20,000,000
	Energypac Power Generation Ltd.	-	4,972,000
	<b>Sub Total</b>	<b>204,738,890</b>	<b>209,710,890</b>
<b>12.04</b>	<b>Investment in Subsidiaries</b>		
	Green Delta Capital Limited	249,999,900	249,999,900
	Green Delta Securities Ltd.	99,999,900	99,999,900
	GD Assist Ltd.	49,980,000	49,980,000
	Professional Advancement Bangladesh Ltd.	9,996,000	9,996,000
	<b>Sub Total</b>	<b>409,975,800</b>	<b>409,975,800</b>
<b>12.A</b>	<b>Consolidated investment</b>		
	Investment of Green Delta Insurance Co. Ltd.	3,203,230,566	3,153,582,584
	Investment of Green Delta Capital Ltd.	235,005,917	207,393,242
	Investment of Green Delta Securities Ltd.	322,201,103	274,858,351
	Investment of Professional Advancement Bangladesh Ltd.	11,062,340	10,876,057
	Investment of GD Assist Ltd.	27,688,382	27,792,403
	<b>Total</b>	<b>3,799,188,308</b>	<b>3,674,502,637</b>
<b>13.00</b>	<b>Outstanding premium</b>		
	Outstanding premium represents installments due as on the reporting date on account of Marine & Aviation Business.		
	Marine hull	22,817,287	30,514,330
	Aviation hull	7,579,575	19,984,673
	<b>Total</b>	<b>30,396,862</b>	<b>50,499,003</b>
<b>14.00</b>	<b>Amount due from other persons or bodies carrying on insurance business</b>		
	This represents the amount receivable from private sector insurance companies on account of co-insurance premium and claim as on 31 December:		
	Co-insurance premium receivable	36,133,104	40,027,286
	Co-insurance claim receivable	967,815	10,753,354
	Amount due from overseas re-insurer & SBC	4,269,030,296	3,335,737,559
	<b>Total</b>	<b>4,306,131,215</b>	<b>3,386,518,199</b>
<b>15.00</b>	<b>Sundry debtors (including advance and deposits)</b>		
	Advance rent	8,128,067	7,547,637
	Advance salary	240,000	30,749
	Other advances	1,129,408,794	870,764,877
	Security deposit	3,757,351	3,396,300
	Accrued interest	8,567,543	6,528,950
	<b>Total</b>	<b>1,150,101,755</b>	<b>888,268,513</b>



	Furniture & Fixtures	Office & Electrical Equipments	Vehicles	Building & Real Estate		Total
				Own Used	Investment Property	
Sub Total written down value of fixed asset	30,044,937	29,301,033	48,420,384	572,190,967	588,264,431	1,268,221,752
Sub Total written down value of intangible assets (Note 18.01)						5,700,733
Total written down value as at 31 December 2021	<u>30,044,937</u>	<u>29,301,033</u>	<u>48,420,384</u>	<u>572,190,967</u>	<u>588,264,431</u>	<u>1,273,922,485</u>
Written down value at 31 December 2020	31,926,859	28,963,537	15,536,376	578,571,766	594,697,607	1,249,696,146
Written down value of intangible assets						5,451,612
Total Written down value at 31 December 2020	<u>31,926,859</u>	<u>28,963,537</u>	<u>15,536,376</u>	<u>578,571,766</u>	<u>594,697,607</u>	<u>1,255,147,758</u>

		Amount in Taka	
		2021	2020
<b>18.01</b>	<b>Intangible assets</b>		
	Opening balance	9,978,888	12,568,816
	Add : Addition during the year	1,551,900	395,128
	Add: Adjustment during the year	-	864,944
	Less: Disposal during the year	-	3,850,000
		<b>11,530,788</b>	<b>9,978,888</b>
	Less : Amortization during the year	1,302,780	1,797,930
	Add: Disposal during the year	-	2,710,454
	Less: Adjustment during the year	-	65,556
	Less : Accumulated amortization	4,527,276	5,374,244
	<b>Sub Total</b>	<b>5,700,733</b>	<b>5,451,612</b>
<b>18.A</b>	<b>Consolidated fixed assets</b>		
	Green Delta Insurance Company Ltd.	1,268,221,752	1,249,696,146
	Green Delta Capital Limited	9,491,989	9,666,617
	Green Delta Securities Ltd.	11,781,585	11,818,243
	Professional Advancement Bangladesh Ltd.	5,773,565	6,252,562
	GD Assist Ltd.	13,931,289	14,230,082
	<b>Total</b>	<b>1,309,200,180</b>	<b>1,291,663,650</b>
<b>18.B</b>	<b>Consolidated intangible assets</b>		
	Green Delta Insurance Company Ltd.	5,700,733	5,451,612
	Green Delta Capital Limited	-	12,790
	<b>Total</b>	<b>5,700,733</b>	<b>5,464,402</b>
<b>19.00</b>	<b>Stock of printing, stationery &amp; stamps</b>		
	Printing	1,392,753	1,334,274
	Stationery	2,061	4,621
	Insurance policy stamps	1,048,062	1,286,198
	<b>Total</b>	<b>2,442,876</b>	<b>2,625,093</b>
<b>20.00</b>	<b>Audit fees</b>		
	Statutory audit	356,500	345,000
	<b>Total</b>	<b>356,500</b>	<b>345,000</b>
<b>21.00</b>	<b>Investment and others income</b>		
	Interest on FDR & STD and others	69,184,333	53,696,390
	Net profit from shares trading	58,624,340	106,536,684

		Amount in Taka	
		2021	2020
	Interest on national bond	3,537,400	2,132,780
	Gain from asset disposal	7,389,372	(794,198)
	Dividend income	108,637,449	51,470,886
	Interest income from GDSL	20,170,835	20,012,978
	Co-ins service charges	6,958,119	4,491,790
	Sundry income	6,602,339	10,020,504
	Rental income	18,019,342	29,409,261
	Income from trustee commission	17,740,498	23,447,034
	Currency exchange gain/ (loss)	(1,065,708)	(620,600)
	<b>Total</b>	<b>315,798,316</b>	<b>299,803,509</b>
<b>21.01</b>	<b>Share of Profit/(Loss) on investment in Associates(GDDAMC)</b>	<b>(1,467,947)</b>	<b>-</b>
<b>21.A</b>	<b>Consolidated income from share</b>		
	Green Delta Insurance Company Ltd.	58,624,340	106,536,684
	Green Delta Capital Limited	30,058,524	8,246,453
	Green Delta Securities Ltd.	29,569,198	1,395,912
	<b>Total</b>	<b>118,252,062</b>	<b>116,179,049</b>
<b>21.B</b>	<b>Consolidated interest &amp; others income</b>		
	Green Delta Insurance Company Ltd.	130,517,185	112,386,677
	Green Delta Capital Limited	14,583,252	18,667,618
	Green Delta Securities Ltd.	62,292,142	56,909,682
	Professional Advancement Bangladesh Ltd.	176,658	649,364
	GD Assist Ltd.	1,270,448	1,823,203
		<b>208,839,685</b>	<b>190,436,544</b>
	Less: Inter company transaction	30,552,141	32,912,649
	<b>Total</b>	<b>178,287,544</b>	<b>157,523,895</b>
<b>21.C</b>	<b>Consolidated management expenses</b>		
	Green Delta Insurance Company Ltd.	219,340,478	208,528,896
	Green Delta Capital Limited	48,922,498	36,304,011
	Green Delta Securities Ltd.	142,239,053	110,685,225
	Professional Advancement Bangladesh Ltd.	8,594,511	8,565,264
	GD Assist Ltd.	12,985,538	27,589,332
		<b>432,082,078</b>	<b>391,672,728</b>
	Less: Inter company transaction	30,552,141	32,912,649
	<b>Total</b>	<b>401,529,936</b>	<b>358,760,080</b>
<b>22.00</b>	<b>Claims under policies less re-insurance</b>		

	Fire	Marine Cargo	Marine Hull	Motor	Miscellaneous	Total
Claims paid during the year	105,709,110	47,446,878	3,685,548	17,788,936	121,996,379	296,626,851
Claims outstanding at the end of the year	262,841,621	37,055,901	11,308,892	4,632,554	20,364,026	336,202,994
Claims outstanding at the beginning of the year	(423,461,723)	(41,186,202)	(12,601,939)	(6,115,191)	(4,845,632)	(488,210,687)
<b>Total amount (year - 2021 )</b>	<b>(54,910,992)</b>	<b>43,316,577</b>	<b>2,392,501</b>	<b>16,306,299</b>	<b>137,514,773</b>	<b>144,619,158</b>
<b>Total amount (year - 2020)</b>	<b>229,394,341</b>	<b>93,030,455</b>	<b>10,357,082</b>	<b>14,417,314</b>	<b>42,575,625</b>	<b>389,774,817</b>

	On Direct Business	On Re-ins Accepted	On Re-ins. Ceded	Total Amount in 2021	Total Amount in 2020
<b>23.00 Premium less re-insurance</b>					
<b>Class of business :</b>					
Fire	1,957,192,869	-	(1,445,862,536)	511,330,333	596,808,942
Marine Cargo	972,060,758	-	(211,778,759)	760,281,999	590,716,274
Marine Hull	144,766,628	-	(126,317,861)	18,448,766	41,913,157
Motor	104,147,984	-	(21,503,502)	82,644,482	130,128,828
Miscellaneous	665,139,533	-	(491,031,781)	174,107,752	249,793,507
<b>Total amount (31 December 2021)</b>	<b>3,843,307,771</b>	<b>-</b>	<b>(2,296,494,439)</b>	<b>1,546,813,332</b>	<b>1,609,360,710</b>

	Amount in Taka	
	2021	2020
<b>24.00 Earning per share (EPS)</b>		
<b>Basic earning per share (EPS) on net profit after tax</b>	<b>7.86</b>	<b>6.83</b>
<b>Earnings attributable to ordinary shares:</b>	<b>787,177,901</b>	<b>683,800,480</b>
Profit as per profit & loss account	1,256,001,099	1,016,584,200
Less: Income tax provision	459,805,840	322,526,510
Less: Deferred tax expenses	9,017,358	10,257,211
<b>Number of outstanding shares:</b>	<b>Number of shares as at 31.12.2021</b>	<b>Number of shares as at 31.12.2020</b>
Shares outstanding as on 1 January	93,198,320	88,760,305
Bonus share issued	6,989,874	4,438,015
	<b>100,188,194</b>	<b>93,198,320</b>
	<b>787,177,901</b>	<b>683,800,480</b>
	<b>100,188,194</b>	<b>100,188,194</b>
Basic earnings per shares (Adjusted EPS of 2020)	<b>7.86</b>	<b>6.83</b>
<b>24.A Consolidated earning per share (EPS)</b>		
<b>Earnings attributable to ordinary shares:</b>	<b>844,690,268</b>	<b>667,640,584</b>
Profit as per profit & loss account	1,348,984,702	1,008,969,200
Less: Income tax provision	495,277,076	331,071,405
Less: Deferred tax expenses	9,017,358	10,257,211
	<b>844,690,268</b>	<b>667,640,584</b>
	<b>100,188,194</b>	<b>100,188,194</b>
Consolidated earnings per share (Adjusted EPS of 2020)	<b>8.43</b>	<b>6.66</b>

**25.00 Net assets value**

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

**A. Assets.**

Investment	3,944,638,419	3,798,558,384
Outstanding premium	30,396,862	50,499,003
Amount due to other persons or bodies carrying on insurance business	4,306,131,215	3,386,518,199
Sundry debtors	1,150,101,755	888,268,513
Cash and bank balance	1,072,971,880	1,063,385,659
Land, fixed asset & others	2,136,339,371	2,117,746,861
<b>Total Assets</b>	<b>12,640,579,502</b>	<b>11,304,976,619</b>



Number of outstanding shares:		Number of shares as at 31.12.2021	Number of shares as at 31.12.2020
<b>B. Liabilities</b>			
	Balance of fund accounts	624,577,909	664,711,158
	Premium deposit	198,905,750	250,257,092
	Estimated liability in respect of outstanding claims whether due or intimated	336,202,994	488,210,687
	Amount due to other persons or bodies carrying on insurance business	948,248,302	1,086,087,021
	Sundry creditors	2,485,474,377	1,980,185,830
	Bank loan	1,323,964,909	593,302,991
	<b>Total liabilities</b>	<b>5,917,374,240</b>	<b>5,062,754,780</b>
	<b>Net Assets (A - B)</b>	<b>6,723,205,263</b>	<b>6,242,221,840</b>
	<b>Number of shares outstanding during the year</b>	100,188,194	93,198,320
	<b>Net assets value per share</b>	67.11	66.98
<b>25.A</b>	<b>Consolidated Net Assets Value per share</b>		
	Consolidated Net assets	6,945,236,125	6,426,155,696
	Number of shares outstanding during the year	100,188,194	93,198,320
	<b>Consolidated Net assets value per share</b>	69.32	68.95

		Amount in Taka	
		2021	2020
<b>26.00</b>	<b>Reconciliation of net operating cash flow with net profit</b>		
	<b>Profit before tax</b>	1,256,001,099	1,016,584,200
	<b>Adjusting non-cash items</b>		
	Depreciation	40,454,611	39,282,292
	Opening unexpired risk reserve	(664,711,158)	(804,175,230)
	Closing unexpired risk reserve	624,577,909	664,711,158
	Finance cost	84,896,836	94,741,302
	Investment income	(276,705,752)	(283,374,463)
	<b>Adjusted profit</b>	<b>1,064,513,545</b>	<b>727,769,259</b>
	<b>Working capital movement</b>		
	Movement in OS claim	(152,007,693)	221,823,966
	Payable to RI	(137,838,719)	132,448,417
	Movement in other liabilities	157,165,848	(42,249,193)
	Movement in outstanding premium	20,102,141	66,300,868
	Receivable from RI	(919,613,016)	(192,677,493)
	Movement in other assets	(36,345,327)	(84,179,818)
	Movement in premium deposit	(51,351,342)	13,347,267
	<b>Cash generated from operating activities</b>		
	Tax paid	(377,814,763)	(76,804,091)
	<b>Net cash generated by operating activities</b>	<b>(433,189,327)</b>	<b>765,779,181</b>
	<b>Number of shares outstanding during the year</b>	100,188,194	93,198,320
	<b>Net Operating Cash Flow per Share (NOCFPS)</b>	<b>(4.32)</b>	<b>8.22</b>

Net Operating Cash Flow per Share (NOCFPS) has decreased by Tk. 12.54 per share due to significant increase in tax payment, and increase in gross claim payment which relates to settlement of claims that was accrued in prior period financials. Also there is a slight increase in insurance cost. The overall effects resulted in negative Net Operating Cash Flow for the year 2021.

		Amount in Taka	
		2021	2020
<b>26.01</b>	<b>Reconciliation of net operating cash flow with net profit (Consolidated)</b>		
	<b>Profit before tax</b>	1,348,984,703	1,008,969,200
	<b>Adjusting non-cash items</b>		
	Depreciation	52,112,695	49,062,105
	Opening unexpired risk reserve	(664,711,158)	(804,175,230)
	Closing unexpired risk reserve	624,577,909	664,711,158
	Finance cost	131,187,439	141,867,417
	Investment income	(362,991,778)	(328,280,378)
	<b>Adjusted profit</b>	<b>1,129,159,810</b>	<b>732,154,272</b>
	Working capital movement		
	Movement in OS claim	(152,007,693)	221,823,966
	Payable to RI	(137,838,719)	132,448,417
	Movement in other liabilities	267,204,122	121,359,191
	Movement in outstanding premium	20,102,141	66,300,868
	Receivable from RI	(919,613,016)	(192,677,493)
	Movement in other assets	76,026,071	(135,146,293)
	Movement in premium deposit	(51,351,342)	13,347,266
	Tax paid	(402,114,203)	(98,055,126)
	<b>Net cash generated by operating activities</b>	<b>(170,432,830)</b>	<b>861,555,067</b>
	<b>Number of shares outstanding during the year</b>	<b>100,188,194</b>	<b>93,198,320</b>
	<b>Net operating cash flow per share (NOCFPS)</b>	<b>(1.70)</b>	<b>9.24</b>

**27.00 Related party transactions**

**27.A** As per IAS 24 "Related Party Disclosures", a related party is a person or entity that is related to the entity (i.e. GDICL) that is preparing its financial statements. Related party transaction is a transfer of services, or obligations between a reporting entity and a related party, regardless of whether a price is charged as per IAS 24. Related parties include the company's directors, key management personnel, subsidiaries, associates, companies under common directorship etc. as per IAS 24 "Related Party Disclosures". All transactions involving related parties arising in the normal course of business are conducted at arm's length at normal commercial rates on the same terms and conditions as third party transactions using valuation modes, as admissible. The summary is as follows:

**Outstanding Balance as at 31 December 2021:**

Serial	Name of the company (Related Party)	Nature of relationship	Type of transaction	Opening Balance	Transactions during the Year		Closing Balance
					Addition this year	Adjustment this year	
1	Green Delta Capital Limited	Subsidiaries	Rent and service charge	265,022	941,135	941,135	265,022
2	Green Delta Securities Limited		Operating share portfolio	13,763,072	393,890,598	402,229,381	5,424,289
			Rent and service charge	10,292,929	6,490,162	9,990,832	6,792,259
			Inter company loan	235,000,000	90,000,000	90,000,000	235,000,000
			Interest on inter company loan	32,890,170	1,709,246	1,709,246	32,890,170
3	Professional Advancement Bangladesh Limited		Rent and service charge	35,001,869	2,868,221	249,337	37,620,754
4	GD Assist Limited		Loan and advance	6,278,593	117,770,725	119,141,725	4,907,593
			Rent and service charge	5,195,170	606,742	246,977	5,554,935

	Amount in Taka	
	2021	2020
<b>B. Post Employment Benefits - Employee benefits such as Gratuity, provident fund</b>		
Gratuity	76,130,002	25,167,184
Provident fund	33,220,026	17,165,633
<b>Total</b>	<b>109,350,028</b>	<b>42,332,817</b>
<b>C. Director's Board Meeting Attendance Fees</b>		
Director's fee & expenses	767,369	809,286
<b>Total</b>	<b>767,369</b>	<b>809,286</b>

#### D. Other Disclosures

The Directors of the company did not take any benefit from the company other than the board meeting attendance fees as disclosed above.

1. Expense reimbursed to the managing agent - Nil
2. Commission or other remuneration payable separately to a managing agent or his associate - Nil
3. Commission received or receivable by the managing agent or his associate as selling or buying agent of other concerns in respect of contracts entered into such concerns with the company - Nil
4. The money value of the contracts for the sale or purchase of goods and materials or supply of services, entered into by the company with the managing agent or his associate during the financial year.
5. Any other perquisites or benefit in cash or in kind stating - Nil
6. Other allowances and commission including guarantee commission - Nil.
7. i) Pensions- Nil ii) Gratuities- Nil iii) Payment from Provident Fund, in excess of own subscription and interest thereon- Nil iv) Compensation for loss of office - Nil and v) Consideration in connection with retirement from office - Nil

#### 28.00 Number of employees

During the year under audit, there were 492 employees for the full year and 119 employees for less than full year.

## Status of compliance of International Accounting Standards and International

**FINANCIAL REPORTING STANDARDS**

Annexure-I

Name of the IAS	IAS No.	Status
Presentation of financial statements	1	**
Inventories	2	N/A
Cash flow statement	7	Complied
Accounting policies, change in accounting estimates and errors	8	Complied
Events after the balance sheet date	10	Complied
Income taxes	12	Complied
Property, plant and equipment	16	Complied
Employee benefits	19	Complied
Accounting for government grants and disclosure of governments assistance	20	Complied
The effect of change in foreign exchange rates	21	Complied
Borrowing cost	23	Complied
Related party disclosure	24	Complied
Accounting and reporting by retirement benefits plan	26	N/A
Consolidated and separate financial statements	27	Complied
Investment in associates	28	N/A
Investment in joint ventures	31	N/A
Financial instruments: disclosure and presentations	32	**
Earning per share	33	Complied
Interim financial reporting	34	Complied
Impairment of assets	36	Complied
Provision, contingent liabilities and contingent assets	37	Complied
Intangible assets	38	Complied
Investment property	40	Complied
Agriculture	41	N/A
Name of the IFRS	IFRS No.	Status
Share based payment	2	N/A
Business combination	3	Complied
Insurance contracts	4	**
Non-currents assets held for sale and discontinued operation	5	N/A
Exploration for and evaluation of mineral resources	6	N/A
Financial instruments : disclosure	7	**
Operating segment	8	N/A
Financial Instruments	9	**
Consolidated financial statements	10	Complied
Joint arrangements	11	N/A
Disclosure of interests in other entities	12	N/A
Fair value measurement	13	Complied
Revenue from contract with customers	15	**
Leases	16	Complied

\*\* Green Delta Insurance Company Limited management has followed the principles of IAS & IFRS consistently in the preparation of the financial statements to that extent as applicable to Insurance Company. Some of the standards have not been complied with, about which IDRA has special guideline.



# SUBSIDIARY OVERVIEW

# GREEN DELTA SECURITIES LTD. MESSAGE FROM MANAGING DIRECTOR & CEO



**Green Delta Securities Ltd (GDSL)** is an exceptional company with a promising future. Even with nearly more than a decade of history behind us we are only at the beginning of our journey to still greater heights in the years to come. The hallmark of our progress has been based on excellence in everything we do. It is supported by the passion we bring to bear on each activity that we undertake for our clients in the most ethical and transparent manner. We are honored to serve a cross section of clients, ranging from small individual investors to large financial institutions. We value them all the same and strive to exceed their expectations each day.

**We are committed** to our vision to provide premium financial services to our local and international clients. The key to achieving this is by having the best and the brightest work as a team within GDSL. Our people are the building blocks of our organization, and the cohesive force of teamwork, professionalism and commitment binds us together. We encourage diversity as it strengthens us and enables new thinking beyond our traditional frame of reference.

**Our top priority** is the health and safety of our employees, customers, and partners. We have adapted to the changing environment very quickly, and our services will continue to be usable and accessible without interruption. We have a robust action plan in place, and we implemented specific precautions for the IT Operations and Development teams to ensure continuity.

What we have achieved would not have been possible without the active support of all our stakeholders, be they our clients, employees, directors, shareholders, regulators etc. We thank them profusely and look forward to their continued guidance going forward.

Regards

**Wafi Shafique Menhaz Khan**



## Mission

To be the preferred brokerage for individuals and institutional clients.



## Vision

Ensuring the best service by maintaining strong compliance.



## THE BOARD

Our Board of Directors is formed with following persons:

- **Mr. Nasir A. Choudhury, Chairman**
- **Ms. Naima Chowdhury**
- **Mr. Nadeem Ahmed Chaudhury**
- **Mr. Abdul Hafiz Chowdhury**

## BRIEF PROFILE OF THE BOARD OF DIRECTORS

**Mr. Nasir A. Choudhury, Chairman**, is a visionary and a highly experienced professional. He has over 50 years of experience in the insurance industry and considered to be a living legend in this field. He started his career with Pakistan Insurance Corporation head office at Karachi, Pakistan in 1958. He is the Advisor and founder Managing Director of Green Delta Insurance Co. Ltd. The leading General Insurance Company in Bangladesh since its inception at 1986. He is also the Director, Chairman, Sponsor Director and Vice Chairman in several renowned organizations like Delta BRAC Housing Finance Corporation Ltd., Progressive Life Insurance Co. Ltd., Union Capital Ltd.

etc. He received many prestigious awards not only for his contribution in the insurance industry but also for the overall economy.

**Mr. Nadeem Ahmed Chaudhury**, is a dynamic professional having many years of experience in several organizations like Eastern Housing Ltd; currently he is working as Chief Executive Officer of Bengal Development Corporation Ltd., he is also the Sponsor Director of Enrilco Ltd. He has experience in the Real Estate business for more than 19 years.

**Ms. Naima Chowdhury**, is a qualified professional having experience of managing renowned business portfolio of East Coast Group related to real estate. She is also the director of East Coast Group, Bangladesh.

**Mr. Abdul Hafiz Chowdhury**, Abdul Hafiz Chowdhury FCA has completed his B. Com (Hons) and M. Com from Dhaka University in 1959 and 1960 respectively, he went to England to study Chartered Accountancy in 1961 and became a member of the Institute of Chartered Accountants in England & Wales in 1966. He became a member of the CA Institute in erstwhile Pakistan in 1967. He was a Director in the Board of Dhaka Electric Supply Company Limited for over nine years and Titas Gas Transmission and Distribution Co. Ltd. for over six years. He also served as Director in the Board of Jiban Bima Corporation and Rupali Bank Ltd. for number of years and a Director of the Federation of Bangladesh Chamber of Commerce and Industries.

He is currently serving as an Independent Director and Chairman of Green Delta Insurance Co. Ltd. And also as an Independent Director in the Boards of ICB Islamic Bank Ltd. and Chairman of Risk Management Committee and Internal Control and Compliance Committee of the Bank. He is a Shareholder Director of New Zealand Dairy Products Bangladesh Ltd.

He was nominated Conciliator for Centre for Settlement of Investment Disputes (ICSID), an affiliate of World Bank based in Washington, USA. Hafiz Chowdhury has held many important positions including Director in the Board of Bangladesh Bank for more than three and a half years. He is married to Rasheda K. Choudhury and they have two sons and daughter.

## CORPORATE GOVERNANCE

GDSL always practices corporate governance to ensure complete transparency and hence establishing the following roles and responsibilities:



### ROLE OF THE BOARD OF DIRECTORS

The Board is completely responsible for long-term establishment of the organization and also to ensure the implementation of corporate governance at all levels. The Board duly complies with the guidelines provided by the regulatory body, Bangladesh Security and Exchange Commission. The Board also formulates the strategic objectives and policy framework for the company.



### ROLE OF CHAIRMAN

The Chairman runs the board and serves as the primary link between the Board and Management. The Chairman works with the CEO to set the agenda for Board meetings. It is the chairman's responsibility to provide leadership to the Board and to ensure that the Board works effectively and discharges its responsibilities as directors of the company.



### ROLE OF CEO

The CEO is responsible for overall business development, achieving targets, office management, team development and setting the directions for the company. He is also responsible for scheduling the resources so that it helps to attain the business goals by the management as well as the business team.



### ROLE OF MANCOM

The Man-Com members are responsible for the strategic and operational plan for their respective departments which eventually shape up the business. This team is fully responsible for the functionality of the departments and for smooth operations of the business.



# THE MANCOM



## **Wafi Shafique Menhaz Khan**

Managing Director and CEO

Mr. Wafi Shafique Menhaz Khan is the Managing Director and CEO of Green Delta Securities Limited, one of the few renowned brokerage houses of Bangladesh. He is also the Deputy Managing Director of Green Delta Insurance and is currently heading Retail & SME and Micro departments. Prior to join Green Delta, he was the Vice-President and Head of Non-Funded Business at The City Bank Limited. Mr. Khan has extensive experience in the banking industry and set benchmarks for others to pursue. He started his glorious career from ANZ Grindlays Bank and gradually earned diversified experience while working with BRAC Bank Limited, American Express Bank Ltd. and The City Bank Ltd. Mr. Khan have more than 20 Years of Experience in Financial Institutions. He was directly involved with the launching of numerous retail, card and loan products. Throughout his career, he has been assessed as a result oriented & strong team player, activator and developer. He has taken up several successful training and workshops held locally and globally on career management & leadership. He has attended various international conferences held in USA, UK, Dubai, Singapore, Thailand, India and China. Mr. Khan is also a member of market development committee of Dhaka Brokers Association (DBA). This year Mr. Khan received "LFB Leadership Excellence Award 2021" in capital market category organized by The Leaders Forum BD.



## **Asad Murshed Bin Sher Ali**

Head of Finance and Admin

Mr. Asad Murshed has joined Green Delta Securities Ltd in December, 2010. He has a long working experience in different industries of the country. He started his career in Opsonin Pharma and earned diversified experience working with Incepta Pharmaceuticals, Gramophone Ltd and Ananda Ship Yard & Slipways. He was the manager of Budget & Costing at Ananda ship Yard & Slipways before joining Green Delta Securities Limited. Mr. Asad have more than 18 years of experience in related jobs.



## **Md. Fakruddin Ali Ahmed Rajib**

Head of Business

Md. Fakruddin Ali Ahmed Rajib, former Head of student banking & AVP of City Bank, is the Executive Vice President & Head of Business of Green Delta Securities Ltd. Earlier he was in UAE Exchange & Eastern Bank Limited as an Officer. He was also awarded as the Best Branch Employee of the Month in Khorfakkan Branch of UAE Exchange. Mr. Rajib has more than 15 years of Experience in related fields. He obtained Competitive Business Strategy & Innovation (CBSI: Batch-2), Advance Certificate in Business Administration (ACBA: Batch -4) and also Advance Certificate in Managerial Communication (ACMC: Batch -1) IBA, University of Dhaka. He did 'AML protection' & 'How to greet with various nationality' training under UAE Exchange. He has also done 'Service Quality: Spirit to Serve' a Customer Service Training, 'Student file & Medical file Operation & Related Foreign Exchange Reporting', 'Product Knowledge' & 'Sales & Service Skill' under The City Bank Limited. He has attended & participated various Conferences & Trainings on Capital Market.



### **Md. Golam Rasul Majumder**

Regional Head

Mr. Md. Golam Rasul Majumder is the Regional Head, working with Green Delta Securities Ltd since 2009. Mr. Majumder completed his Masters from National University in Management. Before joining Green Delta Securities Ltd. Mr. Majumder worked as a Senior Trade Office of Shaymoli Equity Management Ltd, Beximco a renowned brokerage house. He has more than 22 years' of experience in Capital market. He has taken up several successful training and workshops on capital market



### **Jadid Farmi Huda**

DSVP and In-charge of Information Technology

Mr. Jadid Farmi Huda is leading the IT Department in GDSL, who joined in 2010. An MBA in Marketing Mr. Huda completed PGD in IT from NIIT. Before Joining GDSL he worked as Administrator of System & Network of BRAC University (IED-Institute of Educational Development), and he has also worked in WWW-IBC (Internet Business Center) as Manager (Overseas Operations). He has more than 17 years of experience in IT Industries. He has participated and achieved many Trainings as Oracle-DBMS (Data Base Management System), Hardware and Basic Software from reputed organizations in Dhaka. Mr. Huda also participated in many Trainings and Workshops in Capital Market. He is an active member of World Wide Web Consortium in Asia and Oceania zone. He is also an active member of BASIS.



### **Md. Mir Mosharrof Hossain**

DSVP & Manager Administration Department

Md. Mir Mosharrof Hossain is the Manager of Administration department, working in Green Delta Securities since 1<sup>st</sup> July, 2010. Before Joining Green Delta Securities Limited he worked in several export oriented readymade garments industries like M/S. Bobby Garments Limited as "Commercial Officer" since 1989 to 1996 & M/S. Sweater Fashions Ltd. M/S. Posh Sweater Ltd. & M/S. Scan Trade Ltd. as "Commercial Manager. Since 1997 to 2010 He has completed his Graduation in 1985 from Tejgaon College, Dhaka under Dhaka University. He has taken up several successful training and workshops on negotiation skill and vendor management etc.



### **Liakat Hossain**

AVP & Associate Manager Internal Audit & Compliance

Mr. Liakat Hossain joined Green Delta Securities Ltd. In 2015. Currently he is the head of the Internal Audit & Compliance department. He has completed his Masters of Business Administration (MBA) from Prime University. Throughout the career he has participated in different training programs related to Compliance, from different regulatory bodies. He has also participated in CAMLCO Conference jointly organized by Bangladesh Financial Intelligence Unit (BFIU) and Bangladesh Securities and Exchange Commission (BSEC) as Chief Anti Money Laundering Compliance Officer (CAMLCO) of Green Delta Securities Limited. His work experience in Bangladesh Capital Market is more than 7 years.

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### **Adiba Khandoker**

SEO and Assistant Manager HR Department, MD & CEO's Office

Adiba Khandoker is Head of Human Resources, working with Green Delta Securities Limited since 2018.

Ms. Adiba Khandoker did her graduation from American International University-Bangladesh on Accounting & Finance. She was a former executive Officer of TNT International Express (Represented by Bangladesh Trade Syndicate Limited- East Coast Group). She joined Green Delta securities Ltd as an Assistant Manager of Internal Audit and Compliance Department, she has worked under Business Department as well. In between she participated in training on Sales Excellence.



*Green Delta Securities Ltd. Management committee*



*Green Delta Securities Ltd. Business team and back office team*

## 2021 AT A GLANCE



Jan-21 Green Delta Securities Ltd. (GDSL) has signed an agreement with Standard Chartered Bank (SCB) Bangladesh on January 31, 2021 (Sunday) Under this agreement GDSL will open NRB BO A/C of SCB's clients with an attractive commission rate. This is the first time in the history of capital market of Bangladesh where a brokerage house has signed an agreement with a prominent multinational Bank. From GDSL



Feb-21 Road Show in Dubai, UAE



Feb-21 Road Show in Dubai, UAE creating customer awerness and discussion on prospects of bangladesh economy



Jul-21: Inauguration of Dhanmondi Digital Booth



Jul-21: Road Show in USA



Aug-21: Distributing books to new generation about the Ideology of Father of the nation Bangabandhu Sheikh Mujibur Rahman on the 46th death anniversary of Bangabandhu Sheikh Mujibur Rahman.



Aug-21: Mujib Year Celebration as recommended/prescribed by GOVT.



Aug-21: On the 46th death anniversary of father of the nation Bangabandhu Sheikh Mujibur Rahman GDSL provided lunch at the old age home at Uttara.



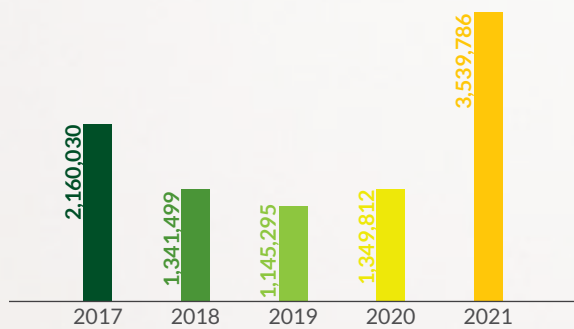
Nov-21: Road Show in UK & Live Talk Show on NTV UK



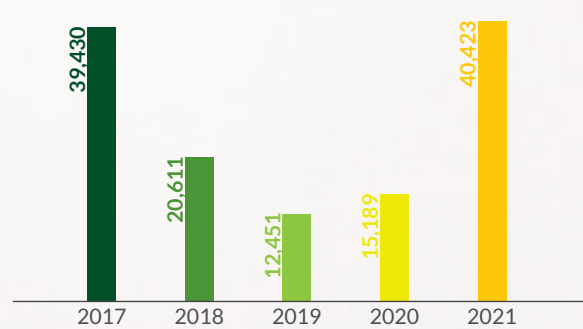
Nov-21: Road Show in UK & Live Talk Show on NTV UK

## GRAPHICAL PRESENTATION

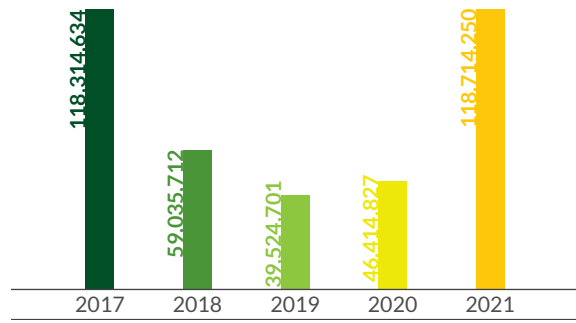
DSE Trade (Million)



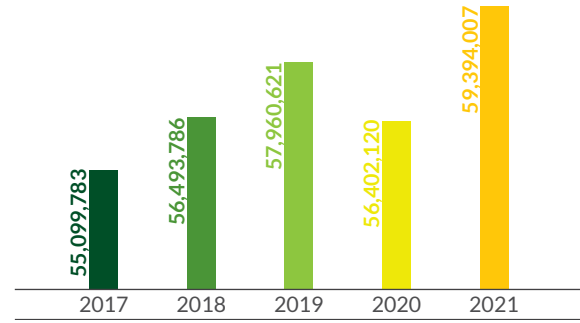
GDSL Trade (Million)



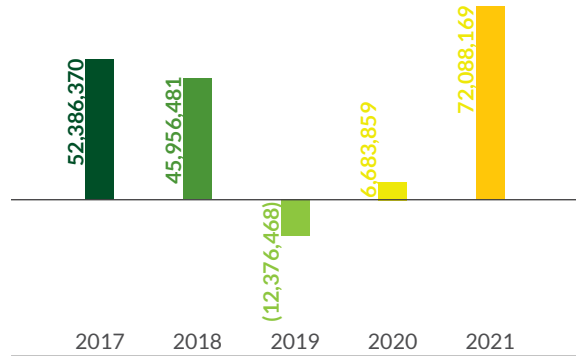
Com. Income



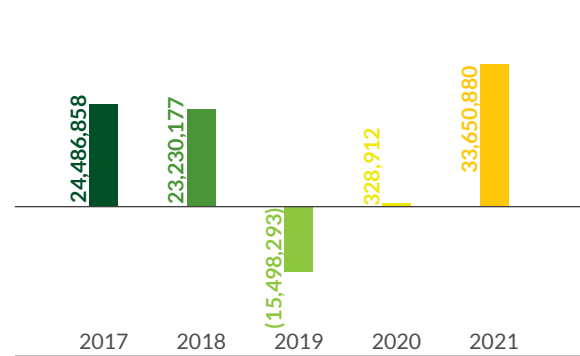
Interest Income



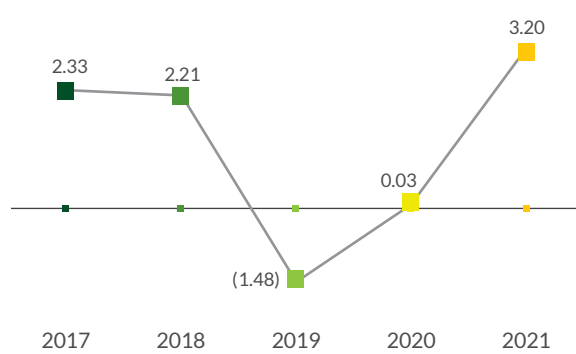
Profit Before Tax



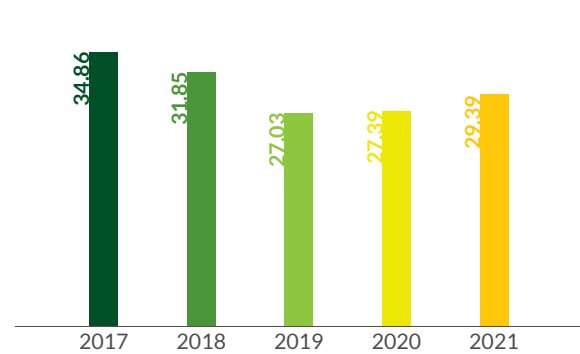
Profit After Tax



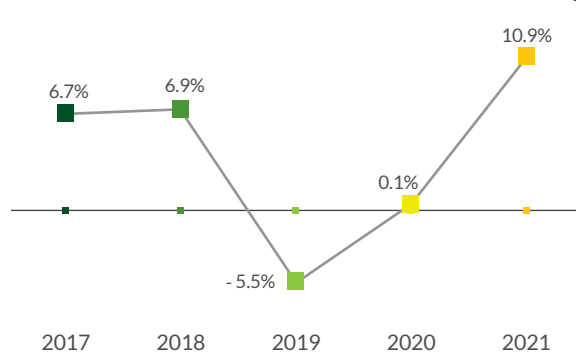
EPS



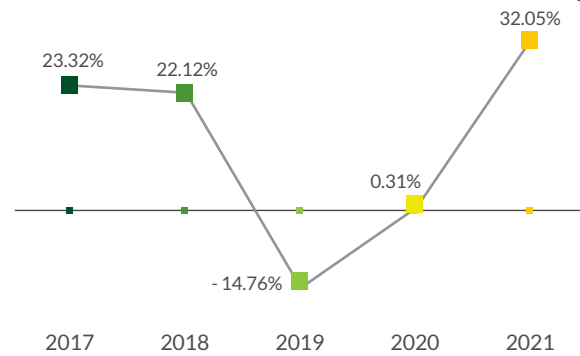
NAV



ROE



ROI



## OUR BRANCH OFFICES



HEAD OFFICE & PRINCIPAL BRANCH	HEAD OFFICE EXTENSION
<p>Al Haj Tower, (4<sup>th</sup> Floor, South Side) 82 Motijheel, C/A, Dhaka1000.</p>	<p>Jamuna Bank Capital Management Ltd. Hadi Mansion (3<sup>rd</sup> Floor) 2, Dilkusha C/A, Dhaka-1000, Bangladesh.</p>
MOHAKHALI BRANCH	UTTARA BRANCH
<p>Green Delta AIMS Tower (2<sup>nd</sup> Floor), 51-52 Mohakhali C/A, Dhaka-1213, Bangladesh.</p>	<p>Plot#31, (Room #1 of Ground Floor &amp; Room#02-03 of 1<sup>st</sup> Floor), Road #02, Sector#05, Uttara, Dhaka-1230</p>
GULSHAN BRANCH	DHANMONDI DIGITAL BOOTH
<p>Tower of Aakash (20<sup>th</sup> Floor, south side) House No: 54, Road No. 132, Gulshan Avenue, Dhaka-1212.</p>	<p>BIKALPO TOWER, Plot#2, House#74 (2<sup>nd</sup> Floor, North Side), Road#5/A, Satmasjid Road, Dhanmondi, Dhaka-1209</p>
AGRABAD BRANCH	NASIRABAD BRANCH
<p>Makka Madina Trade Center (3<sup>rd</sup> Floor), 78, Agrabad C/A, Chattogram-4100, Bangladesh.</p>	<p>Avenue Center (6<sup>th</sup> Floor, south side) 787/A, C.D.A. Avenue, East Nasirabad, Chattogram-4100, Bangladesh.</p>
SYLHET BRANCH	
<p>JR Tower (2<sup>nd</sup> Floor, front side) 23 Abash, Jail Road, Sylhet-3100</p>	



# DIRECTORS' REPORT TO THE SHAREHOLDERS

Dear Shareholders,

At the outset, we, the Board of Directors of your company Green Delta Securities Limited, welcome you to the 16th Annual General Meeting and would like to thank you for your continued patronage and support. We are very delighted to present before you the Annual Report along with the Audited Financial Statements for the year ended 31 December 2021 and the Auditor's Report thereon for kind consideration and adoption.

## Operational Expenses:

(Amount in million)

Particulars	2021	2020	2019	2018
Salary and Allowance	48.91	38.87	48.79	43.41
Data Connectivity	2.17	1.68	1.82	1.98
Office Maintenance	1.50	0.33	0.41	1.28
Office rent	7.73	8.14	9.15	9.68
Electrical and Utilities	2.13	1.86	2.95	3.02
Others	27.49	15.82	13.11	17.86

## Operational Highlights:

(Amount in absolute)

Particulars	2021	2020	2019	2018
Number of BO Accounts at the beginning	6,277	6,482	7,597	6,625
Accounts opened during the year	1,157	780	581	1,902
Number of BO Accounts at year end	6,474	6,277	6,482	7,597
Growth (year-on-year)	197	(205)	(1,115)	972

## GDSL Trade:

(Amount in crore, excluding Dealer Portfolio)

Particulars	2021	2020	2019	2018
GDSL Trade	3,964	1,517	1,247	2,070

## No of employees:

Particulars	2021	2020	2019	2018
No of Employees	67	56	70	78

## Financial Highlights:

(Amount in million)

Particulars	2021	2020	2019	2018
Net Brokerage Income	102.58	39.15	33.12	49.50
Net Interest income	16.13	14.07	11.02	11.00
Income from Share market investment	29.57	1.40	2.77	3.65
Operating Expenses	89.93	66.70	76.24	77.22
Net profit before tax and provision	72.09	6.68	(12.38)	45.96
Net profit after tax	33.65	0.33	(15.50)	23.23
Total Shareholders' Equity	308.65	287.59	283.77	334.40
Earnings Per Share	3.20	0.03	(1.48)	2.21

## Books of accounts

Proper books of accounts of GDSL have been maintained. Appropriate accounting policies have been consistently applied in preparation of the financial statements. The accounting estimates are based on reasonable and prudent judgment. IAS/BAS/IFRS/BFRS, as applicable in Bangladesh, have been followed in the preparation of the financial statements and any departure there from has been adequately disclosed.

## Internal Control

The system of internal control is sound in design and has been effectively implemented and monitored. Distribution of Profit for 2021, The company reported profit/(loss) of Taka 33,650,880 in the year 2021. Considering company's growth potentials and comparative cost benefit analysis of paying out dividend and overall better tax management, the Board of GDSL decided to declare 12.50% Cash Dividend to the shareholders of the company for 2021.

### Proposed Dividend:

The Board of Directors of GDSL has proposed 12.50% Cash Dividend (subject to the approval of AGM) on paid up capital of BDT 105,000,000 (one hundred and fifty million only).

### Appointment of Auditors

The company shall, at each AGM appoint/reappoint an auditor to hold office until the next AGM. The Auditors of the company M/S Ahmed Zaker & Co. Chartered accountants, has completed year 2021 as the auditor of the company. They are eligible for re-appointment as auditor of the company for the year 2022 and they have also offered themselves for re-appointment. The Board recommends to appoint M/s. Ahmed Zaker & Co., Chartered Accountants to the shareholders at the AGM as the auditors of the company for the year 2022 at the existing remuneration of BDT 60,000.00/=

### Going concern

There is no significant doubt upon the GDSL ability to continue as a going concern.

### Appreciation

I would like to thank my Board colleagues for their continued support and on their behalf would like to express my heartiest gratitude to the entire team of Green Delta Securities Limited. It would be unfair to not acknowledge the exceptional efforts of our employees who worked in praiseworthy partnerships to meet the many challenges of difficult year. In conclusion, on behalf of the Board, I would like to thank our honorable shareholders for their continued faith and support.

For and on behalf of the Board of Directors,



**Nasir A. Choudhury**

Chairman  
Green Delta Securities Limited

# INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF **GREEN DELTA SECURITIES LIMITED**

## Report on the Audit of the Financial Statements

### Opinion

We have audited the accompanying financial statements of Green Delta Securities Limited which comprise the Statement of Financial Position as at December 31, 2021, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Green Delta Securities Limited as at December 31, 2021 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS), Companies Act 1994, The Securities and Exchange Rules 1987, Dhaka Stock Exchange Rule 1954, Chittagong Stock Exchange Rule 1995 and other applicable rules & regulations.

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of Green Delta Securities Limited in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the financial statements in accordance

with International Financial Reporting Standards (IFRS), where practicable Companies Act 1994, The Securities and Exchange Rules 1987, Dhaka Stock Exchange Rule 1954, Chittagong Stock Exchange Rule 1995 and other applicable rules & regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing Green Delta Securities Limited financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Statements

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit

procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or

conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

### Report on other legal and regulatory requirements

We also report the following:

- a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by Green Delta Securities Limited so far as it appeared from our examination of those books; and
- c) the statement of financial position and the statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.

Location: Dhaka  
Dated: February 06, 2022  
DVC- 2202170458AS917908



**AKM Mohitul Haq, FCA**  
Enrolment No-458  
**Senior Partner**  
**Ahmed Zaker & Co.**  
Chartered Accountants

## STATEMENT OF FINANCIAL POSITION

as at December 31, 2021

		Amount in Taka	
Particulars	Note	31.12.2021	31.12.2020
<b>ASSETS</b>			
<b>Non-Current Assets</b>		<b>148,268,175</b>	<b>149,971,500</b>
Property, Plant & Equipment	4	11,781,585	11,818,243
Investment in Stock Exchange for Membership	5	96,986,590	96,986,590
Investment in Bond & Others	6	39,500,000	41,166,667
<b>Current Assets</b>		<b>1,013,979,485</b>	<b>873,359,170</b>
Advances, Security Deposits and Prepayments	7	47,438,640	32,563,905
Receivable from Clients	8	369,902,619	416,100,522
Receivable from DSE & CSE	9	9,085,960	28,313,783
Investment in shares	10	185,714,512	136,705,094
Accounts Receivable	11	3,657,245	3,679,245
Cash and cash equivalents	12	398,180,509	255,996,621
<b>TOTAL ASSETS</b>		<b>1,162,247,661</b>	<b>1,023,330,670</b>
<b>SHAREHOLDERS EQUITY AND LIABILITIES</b>			
<b>Shareholders equity</b>		<b>308,645,013</b>	<b>287,589,214</b>
Share Capital	13	105,000,000	105,000,000
Retained Earnings	14	173,206,455	154,849,077
AFS Reserve	10.01	(39,116,298)	(41,781,828)
Revaluation Reserve	15	69,521,965	69,521,965
Capital Reserve	16	32,891	-
<b>Long Term Liabilities</b>		<b>235,000,000</b>	<b>235,000,000</b>
Loan From GDIC	17	235,000,000	235,000,000
<b>Current Liabilities</b>		<b>618,602,648</b>	<b>500,741,456</b>
Payable to Clients	18	270,567,978	174,996,469
Payable to DSE & CSE	19	8,714,088	3,818,866
Payable to IPO Issuer	20	8,150,000	18,658,800
Payable to GDIC (Management Expenses)	21	7,498,881	7,498,881
Interest Payable (GDIC)	22	32,890,185	32,890,177
Bank Overdraft	23	224,697,824	229,646,613
Liabilities for Expenses	24	9,106,964	7,099,981
Provision for Income Tax	25	46,285,345	25,508,594
Other Provision	26	7,123,076	623,076
Provision for Outstanding Margin Exposure	27	3,568,307	-
<b>TOTAL SHAREHOLDERS EQUITY AND LIABILITIES</b>		<b>1,162,247,661</b>	<b>1,023,330,670</b>

The accompanying policies and explanatory notes 1-35 from an integral part of these financial statements.



Chairman



Director



Managing Director &amp; CEO



Company Secretary



Head of Finance

Signed as per our separate report of same date.



AKM Mohitul Haq, FCA

Senior Partner

Enrolment No.- 458

Ahmed Zaker &amp; Co.

Chartered Accountants

Place: Dhaka  
Date: February 06, 2022  
DVC- 2202170458AS917908

GREEN DELTA SECURITIES LTD.

# STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

as at December 31, 2021

		Amount in Taka	
Particulars	Note	31.12.2021	31.12.2020
<b>Revenue</b>		<b>210,542,029</b>	<b>107,114,605</b>
Brokerage Income	28	118,714,250	46,414,827
Interest Income on Margin Loan	29	59,394,007	56,402,120
Capital (Loss)/Gain from Investment in Shares	30	29,569,198	1,395,912
CDBL fees and others	31	2,864,574	2,901,746
<b>Less: Cost of services</b>		<b>16,138,433</b>	<b>7,260,597</b>
Direct Charge	32	16,138,433	7,260,597
<b>Gross Profit</b>		<b>194,403,596</b>	<b>99,854,008</b>
<b>Add: Other non operational Income</b>		<b>10,875,911</b>	<b>15,862,820</b>
Non operating Income	33	10,875,911	15,862,820
<b>Less: Operating expenses</b>		<b>89,928,689</b>	<b>66,697,161</b>
Office and administrative expenses	34	89,928,689	66,697,161
<b>Less: Financial expenses</b>		<b>43,262,650</b>	<b>42,335,808</b>
Interest expenses	35	43,262,650	42,335,808
<b>Profit/ (Loss) before Tax (PBT)</b>		<b>72,088,169</b>	<b>6,683,859</b>
<b>Less: Provisions</b>		<b>38,437,289</b>	<b>6,354,947</b>
Provision for Taxation	25	28,368,982	6,354,947
Other provision	26	6,500,000	-
Provision for Outstanding Margin Exposure	27	3,568,307	-
<b>Profit/ (Loss) after tax (PAT)</b>		<b>33,650,880</b>	<b>328,912</b>
<b>Other Comprehensive Income</b>			
AFS Reserve		2,665,529	6,179,464
<b>Total Comprehensive Income</b>		<b>36,316,409</b>	<b>6,508,376</b>

The accompanying policies and explanatory notes 1-35 from an integral part of these financial statements.



Chairman



Director



Managing Director &amp; CEO



Company Secretary



Head of Finance

Signed as per our separate report of same date.



**AKM Mohitul Haq, FCA**  
Senior Partner  
Enrolment No.- 458  
**Ahmed Zaker & Co.**  
Chartered Accountants

Place: Dhaka  
Date: February 06, 2022  
DVC- 2202170458AS917908

GREEN DELTA SECURITIES LTD.

## STATEMENT OF CHANGES IN EQUITY

For the year ended December 31, 2021

Amount in Taka

Particulars	Share Capital	Revaluation Reserve	AFS Reserve	Capital Reserve	Retained Earnings	Total Shareholders Equity
Balance as at January 01, 2021	105,000,000	69,521,965	(41,781,828)	-	154,849,077	287,589,215
AFS Reserve	-	-	2,665,529	-	-	2,665,529
Capital Reserve	-	-	-	32,891	(32,891)	-
Net profit/( Loss) for the year	-	-	-	-	33,650,880	33,650,880
Performance Bonus	-	-	-	-	(4,760,611)	(4,760,611)
Cash Dividend	-	-	-	-	(10,500,000)	(10,500,000)
<b>Balance as at December 31, 2021</b>	<b>105,000,000</b>	<b>69,521,965</b>	<b>(39,116,299)</b>	<b>32,891</b>	<b>173,206,455</b>	<b>308,645,013</b>

GREEN DELTA SECURITIES LTD.

## STATEMENT OF CHANGES IN EQUITY

For the year ended December 31, 2020

Amount in Taka

Particulars	Share Capital	Revaluation Reserve	AFS Reserve	Capital Reserve	Retained Earnings	Total Shareholders Equity
Balance as at January 01, 2020	105,000,000	69,521,965	(47,961,292)	-	157,210,565	283,771,239
AFS Reserve	-	-	6,179,464	-	-	6,179,464
Net profit for the year	-	-	-	-	328,912	328,912
Performance Bonus	-	-	-	-	(2,690,400)	(2,690,400)
Cash Dividend	-	-	-	-	-	-
Balance as at December 31, 2020	105,000,000	69,521,965	(41,781,828)	-	154,849,077	287,589,214
<b>Balance as at December 31, 2021</b>	<b>105,000,000</b>	<b>69,521,965</b>	<b>(39,116,299)</b>	<b>32,891</b>	<b>173,206,455</b>	<b>308,645,013</b>



Chairman



Director



Managing Director & CEO



Company Secretary



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**AKM Mohitul Haq, FCA**  
Senior Partner  
Enrolment No- 458  
**Ahmed Zaker & Co.**  
Chartered Accountants

Place: Dhaka  
Date: February 06, 2022  
DVC- 2202170458AS917908

## GREEN DELTA SECURITIES LTD.

**STATEMENT OF CASH FLOWS**

For the year ended December 31, 2021

Particulars	Note	Amount in Taka	
		31.12.2021	31.12.2020
<b>Cash Flows from Operating Activities</b>			
Brokerage income		118,714,250	46,414,827
Interest Income		59,394,007	56,402,120
Capital gain from investment in shares		29,569,198	1,395,912
Cash dividend income		7,977,776	9,792,955
Other operational income		2,864,574	2,901,746
Non-operating Income		2,898,135	6,069,865
DSE/CSE & Other (payment)/received		24,145,046	(14,890,692)
Clients deposit/(withdrawals)		85,062,710	109,549,915
Payment to CDBL		(5,826,022)	(3,255,868)
Operating expenses		(95,966,510)	(70,771,295)
		<b>228,833,164</b>	<b>143,609,486</b>
<b>Other Operating Activities</b>			
Advance, deposits & prepayments		(302,022)	3,324,050
Income Tax paid		(22,164,944)	(10,170,356)
		<b>(22,466,966)</b>	<b>(6,846,306)</b>
<b>Net cash used in operating activities</b>		<b>206,366,198</b>	<b>136,763,180</b>
<b>Cash Flows from Investing Activities</b>			
Investment in Shares		(46,343,889)	(3,890,052)
Margin loan to clients		46,197,903	(59,431,702)
Investment in Bond & Others		1,666,667	(4,833,334)
Acquisition of fixed assets		(6,991,560)	(3,877,496)
<b>Net Cash used in Investing Activities</b>		<b>(5,470,879)</b>	<b>(72,032,584)</b>
<b>Cash Flows from Financing Activities</b>			
Interest payment		(43,262,642)	(42,367,656)
Cash dividend		(10,500,000)	-
Loan Paid to GDIC		-	30,000,000
Bank Overdraft		(4,948,789)	7,928,800
<b>Net Cash flow from Financing Activities</b>		<b>(58,711,431)</b>	<b>(4,438,856)</b>
Net increase in Cash and Cash Equivalents		142,183,888	60,291,740
Cash & Cash Equivalent as on January 01, 2021		255,996,621	195,704,881
<b>Cash &amp; Cash Equivalent as on December 31, 2021</b>		<b>398,180,509</b>	<b>255,996,621</b>



Chairman



Director



Managing Director &amp; CEO



Company Secretary



Head of Finance

Signed as per our separate report of same date.



AKM Mohitul Haq, FCA

Senior Partner  
Enrolment No.- 458**Ahmed Zaker & Co.**  
Chartered AccountantsPlace: Dhaka  
Date: February 06, 2022  
DVC- 2202170458AS917908



**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended December 31, 2021

**1. Significant Accounting Policies and other Material information: -****Legal form of the Enterprise:**

The company namely Green Delta Financial Services Ltd. (GDFSL) was initially incorporated as private limited company with the issuance of certificate of incorporation bearing no.C-54350(1356)/05 on 16.10.2005 by the Registrar of Joint Stock Companies & Firms. With a view to streamline the business policy, the management of the GDFSL changed the name and style under the banner of Green Delta Securities Ltd. (GDSL) effective September 13, 2009.

**Registered Office of the Company:**

Registered Office of the Company is situated at Al Haj Tower (4th floor), South Side, 82 Motijheel C/A, Dhaka. Present address- Green Delta AIMS Tower 51-52 Mohakhali C/A, Dhaka-1212.

**Principal activities and nature of the business:**

The principal activities and nature of the business of Green Delta Securities Ltd was to establish as brokerage house with a view to cope with the business needs of the stock buying and selling in the market as a member of the Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) under the aegis of operating Stock broker and Stock dealer.

**2) Basis of Presentation of the Financial Statements:**

The following underlying assumptions, measurements, base, laws, rules, regulations and accounting pronouncements have been considered in preparing and presenting the financial statement as per IAS-1.

- i) Historical cost convention (Except investment in Stock Exchange membership)
- ii) Accrual except Cash Flow Statement
- iii) International Accounting Standard
- iv) Going concern
- v) Related party transaction
- vi) Company Act, 1994
- vii) Securities and Exchange rule 1987
- viii) Dhaka Stock Exchange rule 1954
- ix) Chittagong Stock Exchange rule 1995

**2. 1) Recognition of Property & Equipment and Depreciation:**

In accordance with the International Accounting Standard adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) as IAS 16 'Property Plant and Equipments, fixed assets have been accounted for using the straight-line depreciation method. Cost includes expenditure that is directly attributable to the acquisition of the items. Depreciation on all fixed assets has been applied consistently year to year at the following rate.

a) Computer Software	50%
b) Computer	30%
c) Telephone	30%
d) Office Space Purchased	10%
e) I.P. S	30%
f) Office Equipments	30%
g) Air Conditioner	30%
h) U.P. S	30%
i) Computer Sarver	30%
j) Furniture & Fixture	30%
k) Office Renovation	30%
l) Motor Vehicle	20%
m) Mobile sets	30%
n) Projector	30%

Depreciation has been charged in addition of fixed assets when it is available for use and no depreciation is charged in the year of disposal.

## 2.2) Revenue Recognition:

Revenue is recognized only when it is probable that the economic benefit of such transaction has been derived as per "IFRS"-15 "Revenue from Contract with Customers".

### Brokerage commission

Brokerage commission is recognized as income when selling or buying order executed.

### Interest Income from margin loan

Interest Income from margin loan is recognized on accrual basis. Such income is calculated on daily margin loan balance of the respective parties. Income is recognized on monthly basis.

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

Dividend income is recognized when right to receive payment is established whereas profit or loss arising from the sale of securities is accounted for only when shares are sold in the market and profit is realized or loss is incurred.

### Income from Bank deposit

Income from short term bank deposit & FDR are recognized when the amount is credited by the bank in the accounts.

## 2.3) Taxation:

### Current Tax:

The company's trading income is subject to deduction of tax at source which is at the rate of 0.05% & corporate Tax rate 30% for the year ended December 31, 2021 on the transactions held at the time of stock buying and selling made.

### Deferred Taxation:

The company has not recognized any deferred Tax for the year as required under IAS-12, Income Taxes.

## 2.4) Client Accounts:

Client accounts represent the amount which is deposited by the customer at the time of trading of shares and stocks in the house which is recognized in the account as current assets as per IASB Framework.

## 2.5) Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, bank balances and deposits held with banks and financial instruments and short term liquid investments that are readily convertible to known amount of cash and that are subject to an insignificant risk of change in value.

## 2.6) Cash Flow Statements:

Cash flow statement has been prepared in accordance with the International Accounting Standards (IAS) 7, "Cash flow statement" under direct method.

## 2.7) Investment in Shares:

The company by virtue of obtaining the license as stock dealer from the Securities and Exchange Commission has invested in the listed securities in its own name and such investment in the listed Securities has been incorporated at cost against which adequate provision has not been made with a bid to reduce its possible losses under its investment portfolio as prescribed in the International Accounting Standard (IAS).

## 2.8) Events after the Reporting date:

As per IAS-10 "Event after the Balance Sheet Date" are those events favorable and unfavorable, that occur between the end of the reporting year and the date when the financial statements are authorized for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the end of the reporting year (adjusting events after balance sheet date); and
- Those that is indicative of conditions that arose after the reporting year (non-adjusting events after balance sheet date).

The Board of Directors has proposed 12.5% Cash dividend on the paid-up capital of the company's shareholders which is to be confirmed in the next Annual General Meeting (AGM) by the shareholders.

## 2.9) Related party disclosure

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

Name of the Related Party	Nature of Relationship	Nature of Transaction	Opening Balance January 01,2019	Addition during the year	Payment during the year	Closing Balance as on December 31, 2019
<b>Green Delta Insurance Company Limited</b>	Common Shareholder	Loan from GDIC	235,000,000	165,000,000	(165,000,000)	235,000,000
		Payable to GDIC (Management Expense)	74,98,881	1,504,080	(1,504,080)	74,98,881
		Interest Payable	32,890,177	20,170,843	(20,170,835)	32,890,185
		Receivable from GDCL	11,74,771			11,74,771
		Receivable from Nascom LTD.	21,851			21,851
		Receivable from GDICL. Car Sale proceeds	14,94,791			14,94,791
		Payable to GDICL office renovation.	20,12,683			-
		Interest Expense GDCL				3,552,440
		Interest Expense GDIC				20,170,891

## 2.10) Comparative:

Comparative information has been disclosed in respect of the previous year for all numerical information in the financial statements including narrative and descriptive information when it is relevant for understanding of the current year's financial statements.

Previous year's figure has been re-arranged whenever considered necessary to ensure comparability with the current year's presentation as per IAS-8 "Accounting Policies, Changes in Accounting Estimates and Errors".

## 2.11 Application of International Accounting Standards (IASs):

The Financial Statements have been prepared in compliance with requirement of IAS as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) and applicable in Bangladesh. The following BASs are applicable for the financial statements for the period under review:

- IAS- 1 Presentation of Financial Statements
- IAS- 7 Statement of Cash Flows
- IAS- 8 Accounting Policies, Changes in Accounting Estimates and Errors
- IAS- 10 Events after the Reporting Period
- IAS- 12 Income Taxes
- IAS- 16 Property, Plant and Equipment
- IAS- 24 Related Party Disclosure
- IFRS-7 Financial Instruments Disclosure
- IFRS-13 Fair value Measurement
- IFRS-15 "Revenue from Contract with Customers"

### 3) Information on Financial Statement:

#### Responsibility for preparation and presentation of financial statements:

The company's management and the Board of Directors are responsible for the preparation and presentation of Financial Statements according to the International Accounting Standard IAS-1 "Presentation of Financial Statements".

#### Components of the Financial Statements:

Following are the component of the financial statements.

- Statement of Financial Position as at December 31, 2021.
- Statement of Profit or Loss and Other Comprehensive Income for the year ended December 31, 2021.
- Statement of Changes in Equity for the year ended December 31, 2021.
- Statement of Cash flows for the year ended December 31, 2021.
- Notes to the financial statements and Explanatory notes.

#### General:

- The figure has been rounded off to the nearest Taka.
- The financial Statement has been prepared covering the year from January 01, 2021 to December 31, 2021.

		Amount InTaka	
		31.12.2021	31.12.2020
<b>4.00</b>	<b>Property, Plant &amp; Equipment</b>		
	<b>Cost:</b>		
	Balance as at 01.01.2021	59,717,673	55,840,177
	Add: Addition during the year	6,991,560	3,877,496
		<b>66,709,233</b>	<b>59,717,673</b>
	Less: Adjustment during the year	-	-
	<b>Balance as at 31.12.2021</b>	<b>66,709,233</b>	<b>59,717,673</b>
	<b>Depreciation:</b>		
	Balance as at 01.01.2021	47,899,430	42,291,083
	Add: Charged during the year	7,028,218	5,608,347
		54,927,648	47,899,430
	Less: Adjustment during the year	-	-
	<b>Balance as at 31.12.2021</b>	<b>54,927,648</b>	<b>47,899,430</b>
	<b>Written down value as at 31.12.2021</b>	<b>11,781,585</b>	<b>11,818,243</b>
	Details of Property, Plant & Equipment is given in Annexure-A		
<b>5.00</b>	<b>Stock Exchanges Membership</b>		
	Dhaka Stock Exchange Limited - Membership	54,113,290	54,113,290
	Chittagong Stock Exchange Limited - Membership	42,873,300	42,873,300
		96,986,590	96,986,590
	Dhaka Stock Exchange (DSE) has sold 25% ordinary shares of DSE to be its strategic partners to a Chinese consortium [the consortium of Shenzhen Stock Exchange (SZSE) and Shanghai Stock Exchange (SSE)] that becomes a strategic partner of DSE.		
<b>6.00</b>	<b>Investment in Bond &amp; Others</b>		
	Investment in Bond (LankaBangla Finance Ltd)	5,000,000	6,666,667
	Strategic Investment in Electro LED and Lights Ltd.	28,000,000	28,000,000
	Investment in BD Thai & Beverage Ltd.	6,500,000	6,500,000
		<b>39,500,000</b>	<b>41,166,667</b>
<b>7.00</b>	<b>Advances, Security Deposits and Prepayments</b>		
	Office rent (Advances)	1,596,348	2,120,184
	Security Deposit Against Office Rent	882,704	-
	Security Deposit Against Digital Booth to CSE	100,000	-
	Advance to employee (Salary)	3,510,768	3,249,342

	Amount InTaka	
	31.12.2021	31.12.2020
Advance to employee (Car)	1,359,764	1,778,036
TDS on Car	375,000	275,000
TDS on FDR Interest (Note-7.01)	6,056,920	5,835,901
TDS on Bond ( Note-7.02)	581,149	554,899
TDS on Dividend of DLR ( Note-7.03)	12,829,609	11,158,312
Tax on Transaction (Note-7.04)	20,146,378	7,592,231
	<b>47,438,640</b>	<b>32,563,905</b>
<b>7.01 TDS on FDR &amp; STD Interest</b>		
Opening balance	5,835,901	5,359,467
Add: Addition during the year	221,019	476,434
	<b>6,056,920</b>	<b>5,835,901</b>
Less: Adjusted during the year	-	-
	<b>6,056,920</b>	<b>5,835,901</b>
<b>7.02 TDS on Bond</b>		
Opening balance	554,899	494,482
Add: Addition during the year	26,250	60,417
	<b>581,149</b>	<b>554,899</b>
Less: Adjusted during the year	-	-
	<b>581,149</b>	<b>554,899</b>
<b>7.03 TDS on Dividend of DLR</b>		
Opening balance	11,158,312	9,202,038
Add: Addition during the year	1,671,297	1,956,274
	<b>12,829,609</b>	<b>11,158,312</b>
Less: Adjusted during the year	-	-
	<b>12,829,609</b>	<b>11,158,312</b>
<b>7.04 Tax on Transaction</b>		
Opening balance	7,592,231	6,233,676
Add: Addition during the year	20,146,378	7,592,231
	27,738,609	13,825,907
Less: Adjusted during the year	7,592,231	6,233,676
	<b>20,146,378</b>	<b>7,592,231</b>
As per Section 82 (C ) of ITO 1984, the company made a provision for income tax Taka 20,146,378 against turnover tax applying a rate of 0.050% for the year 2021.		
<b>8.00 Receivable from Clients &amp; Merchant Bank</b>		
Receivable from clients for share trading	356,830,699	404,306,699
Receivable from Merchant Bank	13,071,920	11,793,823
	<b>369,902,619</b>	<b>416,100,522</b>
<b>9.00 Receivable from DSE &amp; CSE</b>		
DSE	7,227,458	26,161,212
DSE(DLR)	-	-
CSE	143,570	8,906
CSE(DLR)	-	-
Dividend Receivable from CSE	1,714,932	2,143,665
	<b>9,085,960</b>	<b>28,313,783</b>
<b>10.00 Investment in Shares</b>	<b>Market Value</b>	<b>Market Value</b>
Bank	90,376,946	68,303,804
Engineering	6,101,912	385,109
Financial Institutions	35,249,658	50,300,350
Pharmaceuticals & Camicals	674,800	2,646,040

	Amount InTaka	
	31.12.2021	31.12.2020
Textile	3,310,884	7,727,110
Travel & Leisure	1,250,044	147,522
Miscellaneous	1,015,253	570,000
Ceramics Sector	696,600	984,000
Food & Allied	1,156,792	-
Fuel & Power	1,944,800	-
Telecommunication	-	5,212,527
Cement	5,261,400	-
Insurance	16,389,546	428,633
Service & Real Estate	201,956	-
IPO Investment	22,083,922	-
	<b>185,714,512</b>	<b>136,705,094</b>
	<b>Cost Value</b>	<b>Cost Value</b>
DLR Investment at cost	202,746,888	178,486,922
IPO Share at cost	22,083,922	-
	<b>224,830,810</b>	<b>178,486,922</b>
The above amount represents investment made in the DLR portfolio & IPO (at cost value) shown at market value as current assets during the year as per International Financial Reporting Standard.		
<b>10.01 AFS Reserve</b>		
Market Value of Share	163,630,590	136,705,094
Cost Value of Share	(202,746,888)	(178,486,922)
<b>AFS Reserve Transferred to other comprehensive Income</b>	<b>(39,116,298)</b>	<b>(41,781,828)</b>
<b>11.00 Accounts Receivable</b>		
Green Delta Insurance Co. Ltd. (Car Sale Proceeds)	1,494,791	1,494,791
Nascom Pvt. Ltd.	21,851	21,851
Green Delta Capital Ltd.	1,174,771	1,174,771
Receivable from Employees & others	965,832	987,832
	<b>3,657,245</b>	<b>3,679,245</b>
<b>12.00 Cash and Cash Equivalents</b>		
Cash in hand (12.01)	122,880	50,745
Cash at bank (12.02)	398,057,629	255,945,876
	<b>398,180,509</b>	<b>255,996,621</b>
<b>12.01 Cash in hand</b>		
Head Office	110,914	48,906
Chittagong	1,881	16
Sylhet	10,085	1,823
	<b>122,880</b>	<b>50,745</b>
<b>12.02 Cash at bank</b>		
Mutual Trust Bank Ltd A/C # 0023-0210002631 [CCA]	-	25,907
Mutual Trust Bank Ltd A/C # 0023-0320000792 [OPT]	-	359
Pubali Bank Ltd. A/C # 2592102000255 [OPT]	8	-
Mercantile Bank Ltd. A/C # 135411133289763 [OPT]	47,570	-
Standard Chartered Bank A/C # 01-1053200-01 [OPT]	1,313,885	6,959,878
Standard Chartered Bank A/C # 01-1053200-02 [CCA]	288,619,090	162,894,691
Standard Chartered Bank A/C # 01-1053200-03 [DLR]	949,624	1,665,678
Standard Chartered Bank A/C # 01-1053200-04 [IPO]	14,565	9,278,055
Standard Chartered Bank A/C # 01-1053200-05 [ICB Loan]	-	310
Mercantile Bank Ltd. A/C # 011311100007952 [OPT]	62,602	44,240
FDR A/C (Note-12.02.1)	107,050,286	75,076,758
	<b>398,057,629</b>	<b>255,945,876</b>

		Amount InTaka	
		31.12.2021	31.12.2020
<b>12.02.1</b>	<b>FDR A/C</b>		
	Trust Bank Ltd. A/C # 0017-0330015050	-	-
	BRAC Bank A/C # 1501301898188006	37,790,937	36,932,003
	BRAC Bank A/C # 1501301898188007	37,790,937	36,932,003
	IDLC # 10252226268901	945,582	890,012
	Lankabangla Finance Ltd # 001329100000010	339,987	322,740
	Mercantile Bank Ltd # 0441364	10,182,843	-
	Mercantile Bank Ltd # 0441412	20,000,000	-
		<b>107,050,286</b>	<b>75,076,758</b>
<b>13.00</b>	<b>Share capital</b>		
<b>13.01</b>	<b>Authorized Capital</b>		
	Two Million (20,000,000) ordinary shares of Tk.10/- each		
	The authorized share capital of the company is Taka 200 Million (two hundred million) divided into 20,000,000 (Twenty Million) ordinary shares of Taka 10/- each.		
<b>13.02</b>	<b>Issued, subscribed and paid up Capital</b>		
	(10,500,000) One Million ordinary shares of Tk.10/- each fully paid		
		<b>105,000,000</b>	<b>105,000,000</b>
<b>13.03</b>	<b>Shareholding Position of the Company</b>		
	<b>Name of Share Holder</b>		
	Green Delta Insurance Company Ltd.	10,499,990	10,499,990
	Nasir A Choudhury	10	10
		<b>10,500,000</b>	<b>10,500,000</b>
<b>14.00</b>	<b>Retained Earnings</b>		
	Opening balance	154,849,077	157,210,565
	Add: Addition during the year	33,650,880	328,912
		<b>188,499,958</b>	<b>157,539,477</b>
	Less: Cash Dividend	(10,500,000)	-
	Less: Performance Bonus	(4,760,611)	(2,690,400)
	Less: Capital Reserve	(32,891)	-
		<b>173,206,455</b>	<b>154,849,077</b>
<b>15.00</b>	<b>Revaluation Reserve</b>		
	Opening balance	69,521,965	69,521,965
	Less: Adjustment for sale during the year	-	-
		<b>69,521,965</b>	<b>69,521,965</b>
	Revaluation reserve represents the amount of gain on revaluation on Investment in Stock Exchange for obtaining membership of DSE and CSE.		
<b>16.00</b>	<b>Capital Reserve</b>		
	Opening balance	-	-
	Add: Addition during the year	32,891	-
		32,891	-
	Less: Adjustment during the year	-	-
		<b>32,891</b>	<b>-</b>
	As per BSEC notification No. BSEC/CMRRCD/2017-357/221/Admin/89 dated 22 May 2019 Part B [Rule (1)(b); rule 5(2)] regarding computing the value of components of total capital as per clause e(i) each registered entity shall maintain a mandatory provision at least @ 10% of profit after tax of last year (2020) as capital reserve.		
<b>17.00</b>	<b>Loan from GDIC (Margin Loan &amp; DLR)</b>		
	Opening balance	235,000,000	205,000,000
	Addition during the year	165,000,000	310,000,000
		400,000,000	515,000,000
	Paid during the year	165,000,000	280,000,000
		<b>235,000,000</b>	<b>235,000,000</b>
	The loan amount has been received from the GDIC bearing average interest @ 8.56% per annum which is being paid by the company regularly and charged the sum in the statement of Profit or Loss and other comprehensive Income.		

		Amount InTaka	
		31.12.2021	31.12.2020
<b>18.00</b>	<b>Payable to Clients &amp; Merchant Bank</b>		
	Payable to clients for share trading.	258,305,532	162,019,467
	Payable to Merchant Bank	12,262,446	12,977,002
		<b>270,567,978</b>	<b>174,996,469</b>
<b>19.00</b>	<b>Payable to DSE &amp; CSE</b>		
	DSE	8,104,821	1,408,333
	DSE(DLR)	-	-
	CSE	609,267	2,410,533
	CSE(DLR)	-	-
		<b>8,714,088</b>	<b>3,818,866</b>
<b>20.00</b>	<b>Payable to IPO Issuer</b>		
	Energy Pac Power Generation Ltd.	-	9,262,800
	Mir Akhter Hossain Limited	-	9,396,000
	Union Bank Ltd (Fund in Transit to DSE)	8,150,000	-
		<b>8,150,000</b>	<b>18,658,800</b>
<b>21.00</b>	<b>Payable to GDIC (Management Expenses)</b>		
	Opening balance	7,498,881	8,449,388
	Add: Addition during the year	1,504,080	4,808,072
		<b>9,002,961</b>	<b>13,257,460</b>
	Less: Adjustment during the year	(1,504,080)	(5,758,579)
		<b>7,498,881</b>	<b>7,498,881</b>
	Above amount represents payable to GDIC for meeting day to day management expense, which were paid by GDIC on behalf of GDSL.		
<b>22.00</b>	<b>Interest Payable (GDIC)</b>		
	Opening balance	32,890,177	32,922,025
	Add: Addition during the year	20,170,843	20,158,041
		<b>53,061,020</b>	<b>53,080,066</b>
	Less: Adjustment during the year	20,170,835	20,189,889
		<b>32,890,185</b>	<b>32,890,177</b>
<b>23.00</b>	<b>Bank Loan (Overdraft)</b>		
	Loan from BRAC Bank Limited	199,619,733	229,646,613
	Loan from Mercantile Bank Limited	25,078,091	-
		<b>224,697,824</b>	<b>229,646,613</b>
	This represents the overdraft loan amount sanctioned by the BRAC Bank Ltd. A/C no. 1501201898188001 & Mercantile Bank Ltd A/C No. 1720000008287 in favor of the company at a rate of 9.00%.		
<b>24.00</b>	<b>Liabilities for Expenses</b>		
	Payable to Green Delta AIMS Tower	28,600	28,600
	Audit Fees	125,000	125,000
	Payable to Birds Bangladesh	7,214	4,366
	Payable to JR Tower	12,590	11,465
	GF Payable	7,407,111	2,028,253
	Payable to GDCL	143,990	40,490
	Office Rent, Electricity & Utility Payable to GDIC	621,877	2,236,556
	Payable to GDIC ( Office Renovation)	-	2,012,683



		Amount InTaka	
		31.12.2021	31.12.2020
	Leave Encashment	49,285	-
	Accounts Payable to Bloomberg	173,276	-
	Accounts Payable to Fine Bangladesh	19,853	172,475
	Accounts Payable to Abdul Ali & Brothers	45,721	30,223
	CDBL Charges Payable (23.01)	259,457	257,651
	TDS and VAT Payable (23.02)	212,989	152,219
		<b>9,106,964</b>	<b>7,099,981</b>
<b>24.01</b>	<b>CDBL Charges Payable</b>		
	Opening balance	257,651	71,467
	Add: Addition during the year	5,826,022	3,255,868
	Less: Adjustment during the year	(5,824,216)	(3,069,684)
		<b>259,457</b>	<b>257,651</b>
<b>24.02</b>	<b>TDS and VAT Payable</b>		
	Salary	88,979	83,700
	House rent TDS	16,839	9,796
	TDS payable on suppliers	8,469	1,148
	House rent VAT	98,702	57,575
		<b>212,989</b>	<b>152,219</b>
<b>25.00</b>	<b>Provision for Tax</b>		
	Opening balance	25,508,594	25,387,324
	Add: Provision during the year	28,368,982	10,254,947
	Less: Prior year Excess Tax Provision Reverse	-	(3,900,000)
		<b>53,877,576</b>	<b>31,742,270</b>
	Less: Adjusted during the year	7,592,231	6,233,676
		<b>46,285,345</b>	<b>25,508,594</b>
<b>26.00</b>	<b>Other Provision</b>		
	Opening balance	623,076	1,827,716
	Add: Addition during the year	6,500,000	-
		<b>7,123,076</b>	<b>1,827,716</b>
	Less: Adjustment during the year	-	1,204,640
		<b>7,123,076</b>	<b>623,076</b>
	As per decision of the board, during the year an amount of Taka 6,500,000 has been made other provision to meet the incentives and performance bonus for the employees' of Green Delta Securities Ltd.		
<b>27.00</b>	<b>Provision for Outstanding Margin Exposure</b>		
	Opening balance	-	-
	Add: Addition during the year	3,568,307	-
		<b>3,568,307</b>	-
	Less: Adjustment during the year	-	-
		<b>3,568,307</b>	-
	As per BSEC notification No. BSEC/CMRRCD/2017-357/221/Admin/89 dated 22 May 2019 Part B [Rule (1)(b); rule 5(2)] regarding computing the value of components of total capital as per clause e(ii) each registered entity those are providing margin financing shall maintain a mandatory provision @ 1% of all outstanding exposures. [Ref: Note 8 Receivable from clients for share trading]		
<b>28.00</b>	<b>Revenue from Brokerage</b>		
	Commission Income (Annexure B)	118,714,250	46,414,827
		<b>118,714,250</b>	<b>46,414,827</b>
<b>29.00</b>	<b>Interest Income on Margin Loan</b>		
	Income on Margin Loan	59,394,007	56,402,120
		<b>59,394,007</b>	<b>56,402,120</b>
<b>30.00</b>	<b>Capital (Loss)/Gain from Investment in Shares</b>		
	Realized Gain/(Loss) from share trading	29,569,198	1,395,912
		<b>29,569,198</b>	<b>1,395,912</b>

		Amount InTaka
	31.12.2021	31.12.2020
<b>31.00 CDBL fees and others</b>		
CDBL Fees	2,484,758	1,961,536
Margin Documentation	3,000	1,500
IPO Income	164,640	82,580
BO Account opening Fee	78,041	111,955
Other Income	134,135	744,175
	<b>2,864,574</b>	<b>2,901,746</b>
<b>32.00 Direct Charge</b>		
Hawla Charge <b>(Annexure B)</b>	500	18,550
Laga charge <b>(Annexure B)</b>	9,983,738	3,764,296
CSE Commission & Contract Charge	328,172	221,884
CDBL Charge	5,826,022	3,255,868
	<b>16,138,433</b>	<b>7,260,597</b>
<b>33.00 Non operating Income</b>		
Interest from Loan to Employee	162,922	230,837
Interest from Bond	525,000	791,667
Interest on Bank and FDR Accounts	2,210,213	4,770,636
Interest from Dse Share Sold	-	276,725
Dividend Income from DLR	4,639,445	4,943,625
Dividend Income from Regulatory DSE & CSE	3,338,331	4,849,330
	<b>10,875,911</b>	<b>15,862,820</b>
<b>34.00 Office &amp; Administrative Expenses</b>		
Salary & Allowances	48,911,852	38,866,049
Festival Bonus	3,393,881	3,507,900
Stationery Expenses	963,208	338,163
Conveyances	4,604,713	248,832
Rent (Office rent)	7,734,268	8,138,413
Telephone, Mobile & Trunk-Call	15,202	36,950
Office Entertainment	432,480	9,783
Business Development	90,172	38,228
Advertisement Expenses	100,280	5,750
Electrical & Utility Expenses	2,127,347	1,857,314
Office Maintenance	1,502,459	325,114
Audit Fees	62,500	62,500
Software Maintenances	366,379	228,794
Computer Accessories	86,931	25,816
Generator Fuel	20,434	20,343
Repair, Renewal & Maintenance	298,768	314,356
Postage & Courier, Telegram	13,974	8,139
Books, Papers & Periodicals	47,234	44,081
Authorized Representative Expenses	286,341	213,650
Renewal. Fees (Dealer & Broker)	407,209	188,600
Renewal. Fees (Trade License)	124,862	98,047
Data Connectivity Expenses	2,165,670	1,676,256
Subscription	149,270	213,695
Insurance Premium	1,104,784	70,601
Investor Protection Fund	38,010	10,790
Professional Fees	558,777	-
Mobile Allowance	423,073	302,870
Car Maintenance Allowances	1,769,400	1,320,000

		Amount InTaka
	<b>31.12.2021</b>	<b>31.12.2020</b>
Depreciation	7,028,218	5,608,341
Food Expenses (Company Part)	-	79,757
Uniform & Dress	82,394	-
Foreign Travel	1,035,663	-
Award/Reward/Prize Money to Employee	119,720	-
Staff Bus Expenses (Company Part)	36,257	23,357
Bidding Fee(DLR)	41,958	19,000
Bloomberg Service Expense	2,715,501	2,785,972
Research	1,069,500	9,700
	<b>89,928,689</b>	<b>66,697,161</b>
<b>35.00 Interest expenses</b>		
Bank Charge & Commission	1,200,644	345,276
IPO Bank Charge & Commission	6,038	3,335
Interest Expenses (GDIC)	20,170,891	20,158,041
Interest Expenses (GDCL)	3,552,440	-
Interest Expenses (BRAC Bank Ltd Loan)	18,297,876	21,829,156
Interest Expenses (Mercantile Bank Ltd Loan)	34,761	-
	<b>43,262,650</b>	<b>42,335,808</b>

GREEN DELTA SECURITIES LTD.  
**SCHEDULE OF PROPERTY, PLANT & EQUIPMENT**

As at Dec 31, 2021

Annexure-A

Sl. No	Name of the Assets	COST			Rate	DEPRECIATION				Written down value as at 31.12.2021	
		Balance as at 01.01.2021	Addition during the year	Adjustment /Disposal during the year		Balance as at 31.12.2021	Charged during the year	Adjustment during the year	Balance as at 31.12.2021		
1	Computer Software	4,844,720	200,000	-	5,044,720	50%	4,597,300	225,911	-	4,823,211	221,509
2	Computer	7,067,151	2,355,637	-	9,422,788	30%	6,515,816	833,294	-	7,349,110	2,073,678
3	Telephone	187,120	-	-	187,120	30%	187,119	-	-	187,119	1
4	Office Space Purchase	600,000	-	-	600,000	10%	599,999	-	-	599,999	1
5	I.P.S	115,977	-	-	115,977	30%	115,973	-	-	115,973	4
6	Office Equipments	4,456,688	323,676	-	4,780,364	30%	4,300,993	135,712	-	4,436,705	343,659
7	Air Conditioner	1,606,156	-	-	1,606,156	30%	1,578,422	23,514	-	1,601,936	4,220
8	U.P.S	343,561	-	-	343,561	30%	292,421	30,637	-	323,058	20,503
9	Computer Server	2,093,890	540,000	-	2,633,890	30%	2,093,888	40,500	-	2,134,388	499,502
10	Furniture & Fixtures	1,869,425	528,163	-	2,397,588	30%	1,774,903	197,943	-	1,972,846	424,742
11	Office Decoration	25,262,970	918,087	-	26,181,057	30%	17,550,814	4,236,862	-	21,787,676	4,393,381
12	Motor Vehicle	9,026,000	1,900,000	-	10,926,000	20%	6,292,663	1,073,332	-	7,365,995	3,560,005
13	Mobile Sets	1,315,921	225,997	-	1,541,918	30%	1,071,026	230,513	-	1,301,539	240,379
14	Projector	928,094	-	-	928,094	30%	928,093	-	-	928,093	1
	<b>Balance as at 31.12.2021</b>	<b>59,717,673</b>	<b>6,991,560</b>	<b>-</b>	<b>66,709,233</b>		<b>47,899,430</b>	<b>7,028,218</b>	<b>-</b>	<b>54,927,648</b>	<b>11,781,585</b>
	<b>Balance as at 31.12.2020</b>	<b>55,840,177</b>	<b>3,877,496</b>	<b>-</b>	<b>59,717,673</b>		<b>42,291,083</b>	<b>5,608,347</b>	<b>-</b>	<b>47,899,430</b>	<b>11,818,243</b>

GREEN DELTA SECURITIES LTD.

**DSE + CSE+DLR**

Transaction Date: 01/01/2021 to 31/12/2021

Annexure B

Date	Amount in taka							Net Earnings
	Total Transactions	Commission	Howla	Laga	Tax AMT	Total Expenses	Net Earnings	
January, 2021	4,317,274,053	12,664,707	250	1,073,506	2,158,637	3,232,393	9,432,314	
February, 2021	1,675,054,451	4,804,827	100	405,539	837,527	1,243,166	3,561,661	
March, 2021	1,406,661,708	4,291,652	-	346,545	703,331	1,049,876	3,241,776	
April, 2021	1,588,250,463	4,735,203	-	383,495	794,125	1,177,620	3,557,583	
May, 2021	3,819,188,942	11,450,982	-	946,696	1,909,594	2,856,291	8,594,691	
June, 2021	4,422,321,496	13,404,814	100	1,102,846	2,211,161	3,314,106	10,090,708	
July, 2021	2,912,221,288	8,289,936	-	724,045	1,456,111	2,180,156	6,109,780	
August, 2021	5,462,939,579	16,746,674	-	1,362,251	2,731,470	4,093,721	12,652,954	
September, 2021	5,774,030,872	16,636,333	-	1,422,625	2,887,015	4,309,640	12,326,692	
October, 2021	4,200,240,405	12,019,152	-	1,048,830	2,100,120	3,148,950	8,870,202	
November, 2021	2,760,861,807	7,933,918	-	686,414	1,380,431	2,066,845	5,867,073	
December, 2021	1,954,537,270	5,736,052	50	480,945	976,856	1,457,851	4,278,201	
<b>Total</b>	<b>40,293,582,336</b>	<b>118,714,250</b>	<b>500</b>	<b>9,983,738</b>	<b>20,146,378</b>	<b>30,130,616</b>	<b>88,583,634</b>	

<b>Total transaction</b>	<b>40,293,582,336</b>
<b>Gross Commission</b>	<b>118,714,250</b>
<b>Reversal Entry of Commission/ Rounding Up Difference</b>	<b>-</b>
<b>Gross Commission After Reversal</b>	<b>118,714,250</b>
<b>Less: Total Howla+Laga+Tax</b>	<b>(30,130,616)</b>
<b>Net Earnings</b>	<b>88,583,634</b>
<b>Less: CSE Commission &amp; Contract Charge</b>	<b>(328,172)</b>
<b>Less: CDBL Charge</b>	<b>(5,826,022)</b>
<b>Net Commission</b>	<b>82,429,439</b>

# GREEN DELTA CAPITAL LIMITED MESSAGE FROM **MANAGING DIRECTOR & CEO**

Driving growth together



“ From the long-term perspective, we remain steadfast and focused on our value creation approach for our shareholders and stakeholders, thereby reaffirming our commitment to support our customers, employees, business associates and the society.

**Dear Shareholders,**

I am delighted to share my message with you, summarizing Green Delta Capital (GDC's) performance, our future outlook and maneuvering the pandemic as well as customer

accolades. Let me start by wishing all of you good health and happiness. We are pleased to inform you that we have ended yet another successful year with satisfactory results while creating impacts and opportunities correspondently. Despite the challenges of post COVID environment, we continued

to grow our business in a sustainable manner. At GDC, our members are passionate about making quantifiable moves with qualitative development goals that ensure the tales of success for our clientele. It is the power of our people, our unique culture and innovative approach, which helps us deliver enduring results. We were proud to celebrate GDC's 10-year anniversary last year. The experience pushed us to think harder about our next phase of growth and sustainability as we intensify our global footprint, evolving as a giant player of the industry.

## Overview

The year 2021, the unprecedented health crisis still continued to emerge across globally. Our country was no exception while facing the economic challenges during the period. Although the risk of uncertainty stemming from COVID 19, Elevated risk from Financial sector with high levels of NPL's, weak capital buffers remains, yet the peak of the pandemic appears faded behind us. Given that, Green Delta Capital has also brought the best out of it as we made steady progress towards our objectives while staying true to our ethos of customer centricity and impact generation. Our sagacious team members collectively and individually went above and beyond their call of duty to serve our customers, our communities and most importantly our nation and the economy during one of the most challenging phases of our lifetime. The aftermath for the effort stands to an ROI of 10%, AUM of BDT 470 Million.

### Total Transaction Value Till Date

Service Offered	Amount (USD MN)
Debt	516
Equity	111
Corporate Advisory	547
<b>Total</b>	<b>1,174</b>

## Undertakings 2021

We could define 2021 as the year of evolution towards a stronger corporate identity. This year GDC enthusiastically engaged with the client segment mostly within NBFIs, Green Manufacturing Companies, RMG, Food & Allied, Port and Infrastructural development sectors. GDC is also promptly working on a major acquisition project in power sector while some European investors have made their first investment move in Bangladesh through GDC. This year the company has been awarded with The ICD's Finnovation Award 2020 for its groundbreaking product named 'GD Planner' that paved the way to achieve high-profile industry recognitions, which demonstrates our ability to add significant value as partners to our customers. "GD Planner" has opened the horizon and hope for marginal investors towards freedom of safe investment.

### Sector-Wise Breakdown of Debt Funds raised Till Date (Amount in USD mn)

Agriculture & Other Sectors	5
Renewable Energy	215
Information Technology	15
SME & Microfinance	274
Automobiles Industry	35
Export Oriented Manufacturing	336
Healthcare & Pharmaceuticals	168
Infrastructure Development	125

**Strategy:** Strategy 2022 is built on focused growth with acceptable financial returns. The hallmark of our strategy is the ability to adapt and to evolve without losing the core. As an organization we have been constantly evolving, challenging ourselves to raise the bar on innovation and strengthening our core, to transform into a more agile and future-ready organization. We shall be working towards our goal to deliver distinctive and world-class customer experience through an optimal mix of human touch and technology. The point of convergence for the upcoming year is set to ensure empowered lives for the end beneficiaries. Women empowerment and entrepreneurship gets pivotal attention while maximizing job creation, setting the seal on sustainable well-being. We shall continue to meet customer expectations even through dynamic technological, economic and environmental shifts with exceptional service models and delivery excellence.

## Social Responsibilities

Over the years we have maintained the standardized ESG guidelines. As a part of the roadmap, we focus on offering services towards green products, i.e., renewable energy, electric vehicles and ecofriendly manufactures. Employment generation through financing in relevant projects is another focus of inclusion for GDC.

### GDC's Debt Raising contribution to SME & Micro Business (Till Date)



I would like to thank our leadership team for their relentless pursuit of excellence throughout the last financial year and the unmatched guidance throughout the recent adversity. I am also grateful for the support and stewardship that the Board members have provided through the past year. Looking forward, 2022 will see some "First of the kind" within our operation and various partnerships, as well as the continuation of our activities to strengthen our comprehensive presence through inclusion and collaborations. We will also be pursuing our accreditation and certification efforts to uphold our position as a quality-driven merchant bank. Finally, 2022 will mark the 12<sup>th</sup> anniversary of GDC's foundation. Another busy year ahead!

**Md. Rafiqul Islam**  
Managing Director & CEO

# GREEN DELTA CAPITAL INTELLIGENCE AT WORK



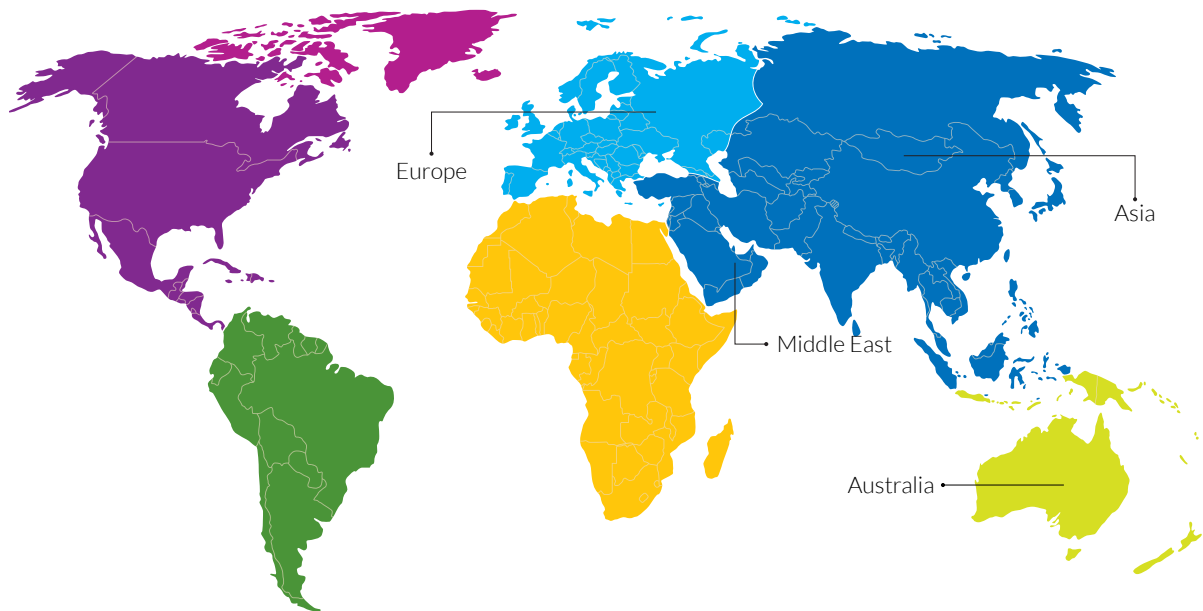
Green Delta Capital (GDC) is a leading Investment Bank in Bangladesh, licensed and regulated by Bangladesh Securities & Exchange Commission (BSEC)



Subsidiary of Green Delta Insurance Company Limited (GDIC), largest non-life insurance company in Bangladesh



Full-fledged Merchant Bank offering customize one stop global standard Investment Banking solution to its valued clients



## SUSTAINABLE DEVELOPMENT

Devoted to drive action on climate change and advance sustainable development



## CUSTOMER SATISFACTION

Continuous focus on customer satisfaction with expertise support



## MIDDLE MARKET ARRANGER

Increase ROI by making bridges as middle market arranger



## A New Perspective – The Ultimate Impact

- GDC has huge contribution to channeling the funds to the SME sector. In the year 2021, GDCL arranged more than around USD 36 Million to facilitate the SME sector
- Support gender equality by creating opportunities for women's economic empowerment
- GDC has extended their services in rural areas where GDC source fund for establishing the manufacturing of plant and thus, create employment opportunities
- GDC continue to provide services to make sure the financial inclusion of unbanked people of rural area of Bangladesh
- Assist to improve the mobility of the people in rural and underprivileged area by providing services to the automobile and transportation sector
- Assist to generate the low cost fund for the business and entrepreneurs and ensure proper corporate governance
- Facilitate various environment friendly projects including solar power plant, cycle manufacturing plant, river terminal etc
- Working to ensure the access to safe, reliable and sustainable water supply and sanitation for the underprivileged
- Channeling fund to low-income borrower for affordable and accessible health care in rural area
- Creating alternative private debt market as part of access to finance for corporates

DFIs of more than  
USD 200 MN for  
various sector



Creating employment  
opportunities of

**4100+**

through the  
utilization of funds



Promoting environment  
friendly project by  
arranging the funds

### Emphasizing on the UN's Sustainability Goals:



#### 5. GENDER EQUALITY:

Participation from both the genders (male and female) are highly encouraged in decision making processes, thus empowering women in every important aspect and eliminating gender-based discrimination in the workplace.



#### 6. CLEAN WATER & SANITATION:

Access to drinkable clean water, sanitation and hygiene have been ensured for the employees inside the office premises throughout the time.



#### 8. DECENT WORK AND ECONOMIC GROWTH:

GDC has been successfully offering excellent work environment to its employees and creating employment opportunities of around 4100+ employees, keeping Fundamental Principles and "Rights at Work" of the International Labor Organization into account.

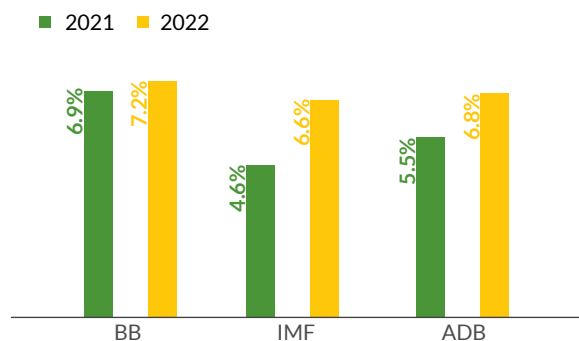


#### 11. SUSTAINABLE CITIES AND COMMUNITIES:

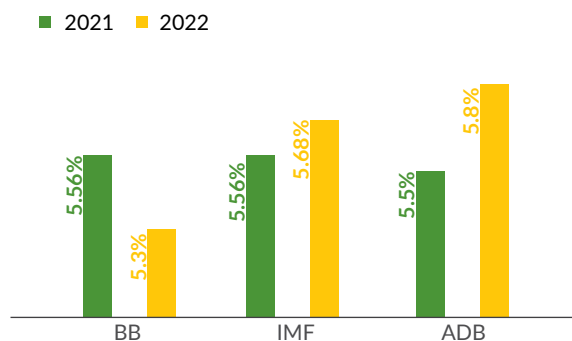
GDC has arranged fund for Commercial Solar Power plant to develop renewable energy source. Besides, they have arranged fund for environment friendly Cycle and Cable project of PRAN-RFL Group. Moreover, they have accumulated fund for environment friendly private sector river terminal port in Bangladesh by Summit Alliance Port Limited (SAPL), thus promoting to build a more sustainable environment.

## Macro-Economic Outlook of Bangladesh:

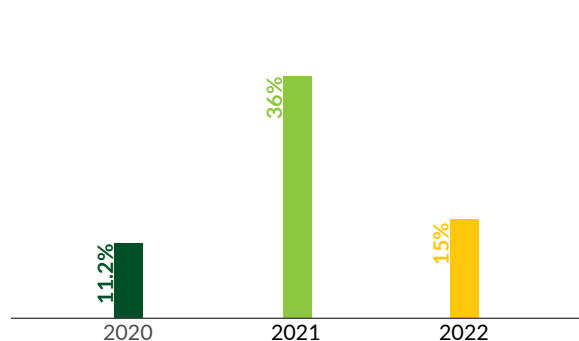
GDP Growth Projection



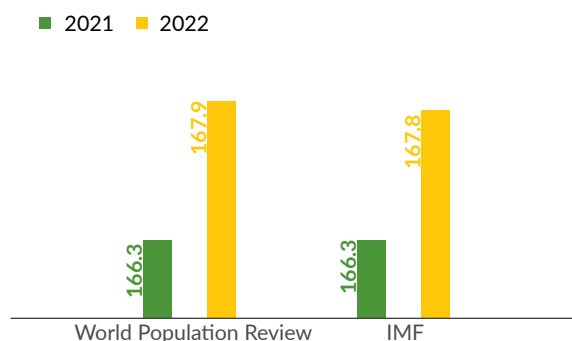
GDP Rate of Inflation



Projection of Foreign Remittance



Population Projection (In Millions)



### Milestones achieved in 50 Years: “Transforming into a Rising Star”



#### GDP Growth Rate

Bangladesh’s GDP growth rate was 2.5% in 1972 and in 2021, it stood at 6.9%.



#### GDP Per Capita

In 1972, the Per Capita Income was US\$ 70, which later became US\$ 2591 as per Bangladesh Bank.



#### Diminishing Poverty

Share of population below the poverty line had declined from more than 80% in the early 1970s. The poverty rate in 2019 was 20%, extreme poverty was nearing single digit, to 10% (as per ADB). The country will halve its poverty rate by 2030.



#### FDI

In 1972 Bangladesh received \$90,000 FDI, and in 2021 Bangladesh received a record remittance of 36%.



#### Access to Electricity

In 1991, the access to electricity was 14% and in 2021 it reached 99%.



#### HDI Index

Bangladesh stands 101<sup>st</sup> in terms of HDI Index, surpassing Pakistan (105th) and India (139th).



#### Digitization

Back in 1971, access to cell phones was beyond imagination. In 2021, Bangladesh has successfully launched 5G network.

# Post-Covid Economic Outlook from Economist's Desk of GDC

## Envisioning 2022 and Beyond



- Bangladesh's GDP growth rate, considering its excellent resilience amidst a global crisis, is expected to increase by around 7.1% in the year 2022. While IMF has revised the estimated GDP growth rate of 6.6% and Fitch Ratings has said 7.0%, Bangladesh government is more optimistic to perceive a 7.2% GDP growth rate. With the historic milestone of graduating from the Least Developed Country (LDC) category, Bangladesh is projected to climb the growth ladder and become the 24th largest economy among 191 countries by the year 2036.
- An estimated inclination in the global consumer spending pattern, especially among Asian middle-class, is something to take into account. With increasing income, Bangladeshis are likely to experience an uplift in the standard of living. According to World Data Lab MarketPro, Bangladesh is expected to jump 17 notches from the 28th to the 11th biggest consumer class of 85 million people by the year 2030.
- From being one of the poorest nations at birth in 1971, Bangladesh has proclaimed its strength by lending loan to Sri Lanka, of around USD 250 million. Once upon a time, Bangladesh was a 'bottomless hollow' and a donation seeker in the international arena. Now it is a lending country, showing all-South Asian countries how to revive from ashes. Bangladesh has established an example in South Asia by ensuring economic growth amidst various socio-political uncertainty.
- Additionally, for the second time, Bangladesh agreed to loan out USD 200 million to the tourism-dependent country, Maldives. This indicates that Bangladesh is economically viable internationally.
- Foreign exchange reserve is going to see a considerable improvement in the upcoming years through inflow of foreign remittance. Bangladesh Bank's policy on relaxing the outward remittance rules and 2.5% Cash Incentive will support such growth.
- Apart from the supply-side disruptions along with the rising awareness of the Covid-19 variant "Omicron", Bangladesh is likely to face another wave of higher inflation rate due to the global hike in energy prices and Oil supply shock.
- Bangladesh's GDP growth is expected to increase at a sustained and rising rate followed by short term recessions in the year 2022. Its GDP Per Capita, as per IMF's forecast, has surpassed its vastly populated neighboring country India in the year 2020 and is expected to continue to grow more according to the projection till 2026.

## GDP Per Capita (In Current Dollars)

Year	2019	2020	2021	2022	2023	2024	2025	2026
Bangladesh	1854	1961	2138	2326	2534	2754	2994	3253
India	2098	1929	2116	2312	2478	2649	2829	3018
<b>BD's GDP per Capital as a % of India's GDP per Capital</b>	<b>88.4</b>	<b>101.7</b>	<b>101</b>	<b>100.6</b>	<b>102.3</b>	<b>1.04</b>	<b>105.8</b>	<b>107.8</b>

Source: International Monetary Fund (IMF)



### WAY FORWARD

- Supply-side interventions by government along with accommodative monetary policy by the central bank might contain inflation within a tolerable range.
- Provision of subsidies in the agricultural sectors could minimize the burden of production cost, thus mitigating the food inflation.
- Apart from relying mostly on the RMG sector, a more diversified export industry has become paramount for this Asian Rising Star. Sectors where the country has a comparative advantage, such as Jute Sector of Bangladesh, must be identified and prioritized.

# Management Vision-Next Level of Growth

“Having a strong Purpose and Values ensures we are able to deliver for all our stakeholders; Our clients, society, investors and colleagues. We provide unified advice and an exceptional group of products, services, research and tools with strength and integrity”

In 2021, GDC specified a new management vision Next level of Growth, the 11-year anniversary of its establishment. Our aim to comprehend "Next Level of Growth" by expanding our business purview from public to private, with our core business (Structure Financing, Corporate Advisory, Loan Syndication, Trustee, Security Agent, Merger & Acquisition, Wealth Management and Portfolio Management) as the foundation.



## DRIVE SUSTAINABILITY

Since establishment of GDC in 2010, we create a truly participation in our society as well as economy through our expertise in the money market and capital market. we recognize the important role we have in resolving our client's requirements thus helps to build a sustainable growth. For further growth and through partnership with a wide range of stakeholders, we aim to build up our capabilities to solve client's issues. We are committed to building a sustainable future for stakeholders and contribute our economy.

## Our Strategy

We are constantly asked how we managed to develop strategies to keep up with the rapidly changing market and give the best solution to our clients. The answer lies in our expertise in scanning the horizon for risks and opportunities and in effective monitoring of the trends in the behavioural changes of our customers and clients

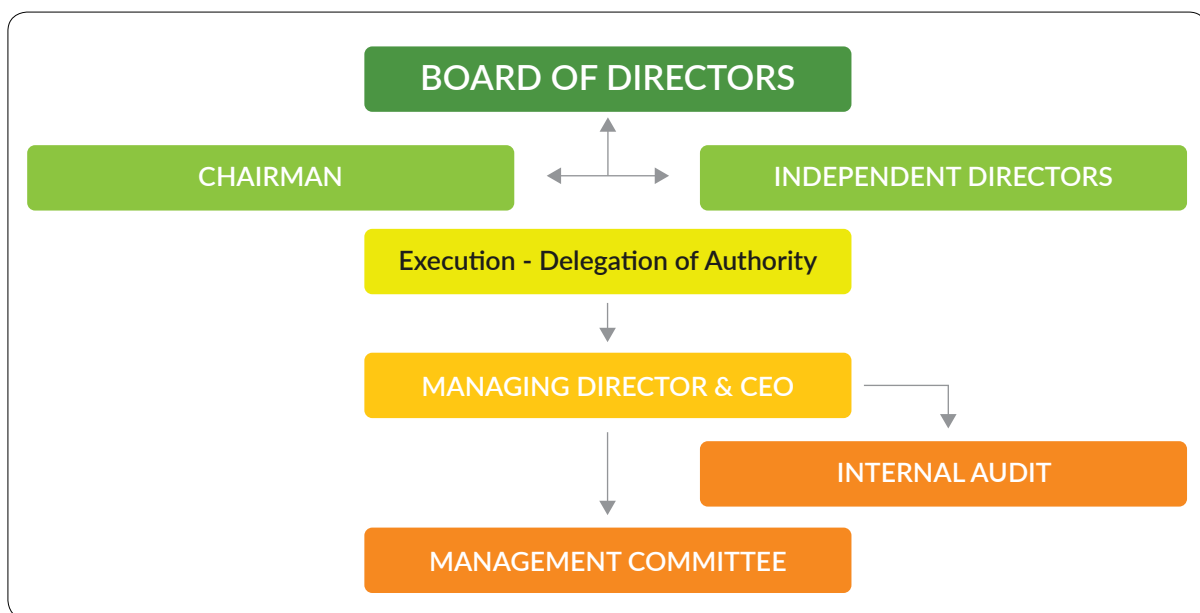
## STRATEGIC PILLARS

Focus on the needs of Clients and Customers	Institutional Values	Strengthen Diversification	Innovation	Risk Management and Control	Protecting and strengthening our culture
Placing our clients at the heart of decision making about how to manage our business today and how to shape it for the future	Facilitate local company from global fund and widen the use of investment banking platform to facilitate corporate growth	Diversify our organization by developing new products for clients based on their values which tend to support economy	We aim to build trust by offering innovative products and services, with an excellent customer and client experience, such that partners and clients are happy to recommend us to others	Maintains financial soundness and stability in its business activities through the effective management of a diverse range of risks based on fundamental principles of risk management	Commitment to embrace change translated via our spirit of adaptability, flexibility and creativity Inclusive and multi-faceted culture

# Corporate Governance

GDC promotes integrity, transparency, certainty, accountability, responsibility and disclosure as general principles enhancing and furthering good governance. GDC aims to follow best practices in the field of corporate governance

Enhanced the Board of Directors' oversight function and achieved a high level of impartiality and transparency by separating oversight and business execution functions. To ensure complete transparency and hence, has established the following roles and responsibilities as discussed below:



## FOCUS AREAS OF CORPORATE GOVERNANCE

- Stakeholder engagement
- Regulatory compliance
- Strategic planning
- Company policies
- Dividend policy
- Budget control
- Human talent planning

This separation of duties strengthens the oversight functions of the Board of Directors and delegation of authority regarding business execution to the CEO's with the aim to accelerate the GDC's decision-making process.

Management and the Board then oversee the ongoing business and risk profile. Internal Audit provides independent assurance to the Board through Managing Director & CEO over the effectiveness of governance,

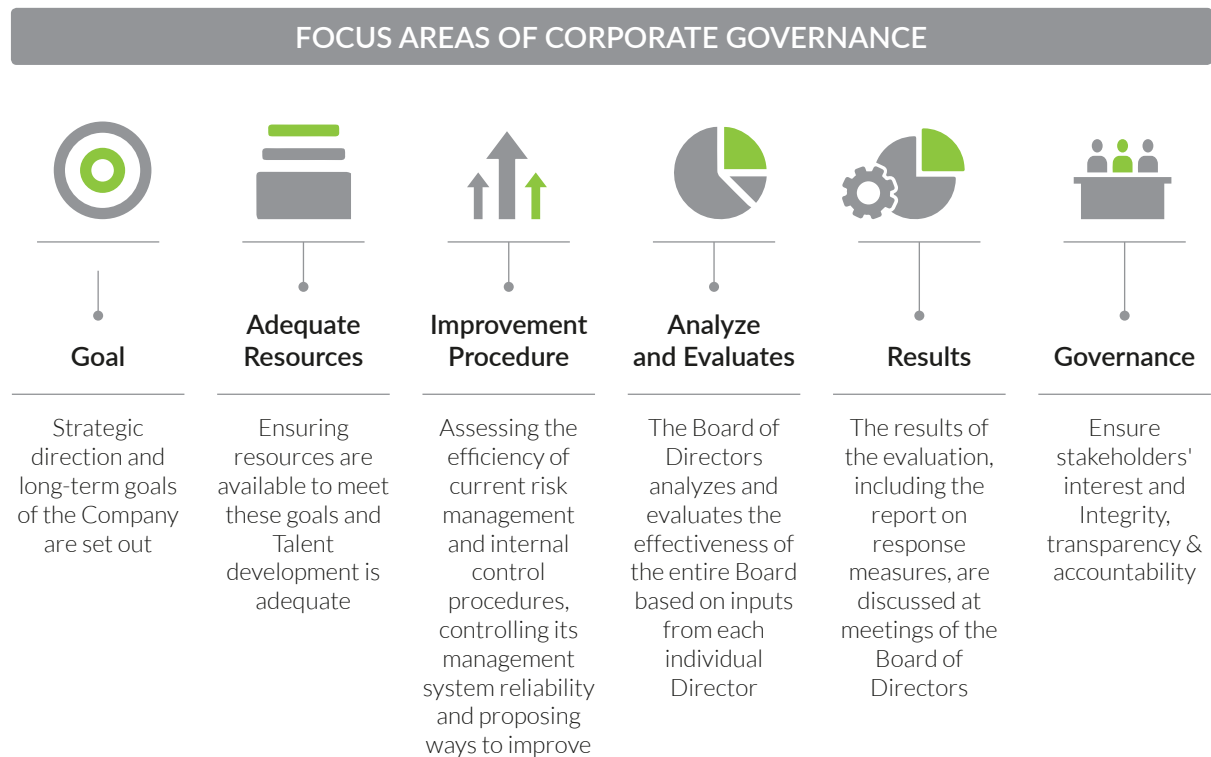
business profile and risk management and control over current operations.

Thus, we committed to continuously endeavor for taking on the highest standards of inclusive governance to ensure that the business and its affairs are in compact compliance with the policies and principles of integrity, transparency, accountability and responsible business conduct to safeguard the interests of our shareholders and stakeholders.

# Role of the Board of Directors and Composition of the Board

Board of Directors provides the necessary leadership to enable the achievement of business objectives, while remaining within the framework of internal controls and satisfying the interests and expectations of the Company's shareholders. The Board's principal focus area is to ensure - Company's sustainability, organizational effectiveness and high-performance culture amongst the organization to meet its goals. The Board, either directly or through its committees, is responsible for oversight in the following areas: strategic planning; defining risk appetite; the identification and management of risk; capital management; fostering a culture of integrity; internal controls; succession planning and evaluation of senior management; communication; public disclosure; and corporate governance.

**The role and responsibilities of the Board are as follows: (Yellow)**



The composition of Board of Directors (as on 31 December 2021)



- Independent Director 2
- Nominee Director 1
- Shareholder Director 1



## What We Offer

### Corporate & Institutional Investment Banking Department

- Loan Syndication (local & Foreign)
- Preferred Shares
- Bonds & Sukuk
- Convertibles & Equity Linked

### Equity Origination

- Initial Public Offering (IPO)
- Underwriting Management
- Repeat Public Offering (RPO)
- Right Issue Offer

### Merger & Acquisition (M&A)

- Sales Side Advisory
- Buy Side Advisory
- Valuation and Negotiation Strategy

### Portfolio Management

- Discretionary Portfolio Management
- Non-Discretionary Portfolio Management

### Corporate Advisory

- Advisory services for arranging local fund
- Advisory services for arranging foreign fund
- Financial Valuation services for Non-listed Companies for Repatriation

### Private Equity

- Quasi Equity Investment
- Private Equity Deal Structure
- Private Equity Investment
- Venture Capital

### Wealth Management

- Combination of Structure Finance and Portfolio Management Products (Fixed Income + Capital Market)

### Public Private Partnership (PPP) Financing

- PPP Project Financing
- PPP Deal Structuring

# Corporate and Institutional Investment Banking (CIIB)



## Major Achievement in 2021

 **Arranged**  
**USD 36 MN**  
 For SME Sector



**Raised**  
**BDT 8,850 MN**  
 Local funds for various environment friendly project and to support the post covid economy



**Signed first**  
**Acquisition Deal**  
 of Green Delta Capital Limited, 50 MW AC Solar Power Project in Bangladesh

Corporate and Institutional Investment Banking (CIIB) Team of Green Delta Capital Limited has built a reputation as one of the trusted department for Green Delta Capital Limited. Since inception, This department has been working to provide customized effective investment banking solution to the valued client with more affordable cost.

The main focus of this department is to improve the socio economic prospect of the country by creating impact through the services. Over the last 10 years, this

department provided the utmost support to the thrust sector of Bangladesh and helped to improve the financial inclusion.

This year, GDC achieved significant progress in improving the lives of rural residents by establishing job opportunities, increasing mobility, and ensuring the population's well-being. GDC has worked to channeling low cost funds to SME sector, automobile sector, renewable energy sector as well as health sector.



## Factsheet: Green Delta Capital's overall market footprint

### General Information:

**USD 276 MN**

Total Foreign Currency Denominated Debt Deal

**BDT 20,350 MN**

Total Local Current Debt Deal

**BDT 5,113 MN**

Total Equity Transaction Value

**BDT 1,788 MN**

Total Underwriting Deal Value

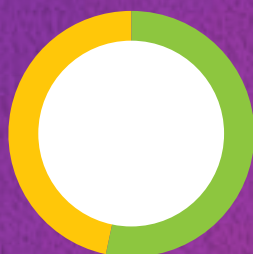
**USD 96 MN**

Total Transaction value of M&A including cross border deal

**BDT 23,341 MN**

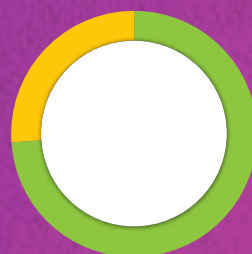
Total Valuation Transaction amount

### Local and Foreign Debt Capital (Amount in USD mln)



- Foreign Debt 276
- Local Debt 240

### Equity and Underwriting Deals (Amount in USD mln)



- Equity 5113
- Underwriting 1788

*Note: Figures in brackets are those of the previous year (2020)*

## Successful Deal Closure as the Mandated Lead Arranger and Transaction Adviser arranging USD 15 Million for LankaBangla Finance Limited

**GDCL CIIB Team closed foreign financing deal of USD 15 Million for LankaBangla Finance Limited within 2 months, shortest time for closing any foreign financing deal in Bangladesh**

In the year 2021, GDCL arranged fund of USD 15 Million for LankaBangla Finance Limited from BlueOrchard Microfinance Fund Limited, a Switzerland based impact fund manager.

For BlueOrchard, this is their first entry in the Bangladesh market.

The fund proceeds has been utilized to cater to the financing needs of small and medium enterprises (SMEs) and green and sustainable projects. This fund would be a great help for small businesses and entrepreneurs.

While arranging the fund, GDCL managed to obtain the Regulatory approval within 7 days only, which is a record in Bangladesh FX debt deal



LankaBangla Finance Limited

Foreign Currency Financing  
**USD 15 Million**



Mandated Lead Arranger

## Successful Deal Closure as Transaction Adviser arranging USD 21 Million for LankaBangla Finance Limited

**As Transaction Adviser, GDCL worked for the foreign financing facility for LankaBangla Finance Limited (LBFL).**

GDCL has already set a benchmark to facilitate the people from rural area and in line with this, arranged another fund of USD 21 Million for LBFL.

The fund has been utilized to facilitate the community to have access to safe drinking water and sanitation, affordable and accessible health services, SME and women entrepreneurs.



LankaBangla Finance Limited

Foreign Currency Financing  
**USD 21 Million**



Mandated Lead Arranger

## Act as Lead arranger for Zero coupon Bond of LankaBangla Finance Limited

**To meet the demand for a vibrant bond market, GDCL is aiming to secure its presence as well.**

In the year 2021, GDCL signed a mandate with LankaBangla Finance Limited to arrange BDT 3,000 Million through issuance of zero coupon bond having lucrative features for the investors.

This new deal helped GDCL to enhance the local market presence and accelerate the fund mobilization for better economic value



LankaBangla Finance Limited

Zero Coupon Bond of  
**USD 3,000 Million**



Mandated Lead Arranger

## Sell-side Advisory services for 50 MW AC Solar Power Project in Bangladesh

GDCL signed the first ever acquisition deal. This is a milestone deal for the CIIB team of Green Delta Capital Limited.

Green Delta Capital Limited has signed a mandate with Scatec ASA, Norway based sponsor of 50 MW AC Solar Power Project in Bangladesh to provide sell-side advisory services.

### Impact Investment Banking:

- Environment friendly Solar Power Project
- Job Creation at the project area
- Socio economic improvement of the project area
- Foreign Investment opportunity

**Scatec**

Scatec ASA

Sell-Side Advisory services for

**50 MW**

AC Solar Power

**GREEN DELTA CAPITAL**

Sell-Side Advisor to the Transaction

## Mandate signing with Epyllion Group

As Mandated Lead Arranger, GDCL has been started working to arrange foreign currency fund for one of the leading 100% export oriented garment-manufacturer of Bangladesh, Epyllion Group.

GDCL currently working to arrange the foreign financing for the expansion of business of Epyllion Group. The expansion is expected to have a long term impact in the overall industry.

**EPYLLION**

Epyllion Group

Foreign Currency Financing

**USD 20 Million**

**GREEN DELTA CAPITAL**

Mandated Lead Arranger

## Local low cost fund arranged by GDCL

LankaBangla Finance Limited

**SAPL**  
Summit Alliance Port Limited

Long Term Financing

**BDT 1,000 Million**

**GREEN DELTA CAPITAL**

Mandated Lead Arranger  
(Closed)

Ispahani Summit Alliance  
Terminals Ltd



Long Term Financing

**BDT 1,000 Million**

**GREEN DELTA CAPITAL**

Mandated Lead Arranger  
(Closed)

LankaBangla Finance Limited







**FAIRGROUP**

Long Term Financing






**BDT 1,000 Million**

**GREEN DELTA CAPITAL**

Mandated Lead Arranger  
(Closed)


<p><b>Haque Food Industries Limited</b></p>  <p>Long Term Financing <b>BDT 850 Million</b></p>  <p>Mandated Lead Arranger (Closed)</p>	<p><b>Runner Automobiles Limited</b></p>  <p>Short Term Financing <b>BDT 1,000 Million</b></p>  <p>Mandated Lead Arranger (Closed)</p>	<p><b>Popular Pharmaceuticals Ltd</b></p>  <p>Short Term Financing <b>BDT 1,000 Million</b></p>  <p>Mandated Lead Arranger (Closed)</p>
<p><b>Epyllion Limited</b></p>  <p>Long Term Financing <b>BDT 650 Million</b></p>  <p>Mandated Lead Arranger (Signed)</p>		

**Acting as Security Agent**


<p><b>Security Agent for GuarantCo</b></p>  <p>Issuance of onshore and offshore Bond of USD 25 Million for PRAN</p>  <p>Security Agent</p>	<p><b>Security Agent for BlueOrchard Finance Limited</b></p>  <p>USD 15 Million financing Facility for LankaBangla Finance Limited</p>  <p>Security Agent</p>	<p><b>Security Agent for responsAbility Investment</b></p>  <p>USD 21 Million financing Facility for LankaBangla Finance Limited</p>  <p>Security Agent</p>
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## Trusteeship

**Trustee for  
PRAN Agro Limited**




Issuance of Guaranteed Bond of  
**USD 25 Million**




Trustee

**Trustee for  
Pubali Bank Limited**




Issuance of Perpetual Bond of  
**BDT 5,000 Million**




Trustee

**Trustee for  
Nagad Limited**




Issuance of Zero Coupon Bond of  
**BDT 7,500 Million**




Trustee

## Valuation

**Agora Limited**




Company  
Valuation



Valuation

**Ananta Apparels Limited**




Company  
Valuation




Valuation

**Panna Battery Limited**



Company and  
Asset Valuation



Valuation



Date: December 31, 2017

Managing Director & CEO  
Green Delta Capital Limited  
Green Delta Aims Tower  
51-52 Mohakhali C/A  
Dhaka -1212  
Bangladesh

## Ref: Testimonial

We have been working with Green Delta Capital Limited (GDCL) since 2014 and we are very pleased with the quality, attentiveness and responsiveness of their services. We have appointed Green Delta Capital as Advisor to The Transaction for raising debt for the expansion of our Bicycle and Cable project.

They guided us through every step of due diligence process to close the transaction in a satisfactory manner. Their thoroughness, dedication to their clients, and assessment about the transaction with social, environmental and development impact are the perfect solution for any clients.

Currently we have appointed GDCL as Lead Arranger and Transaction Adviser for issuing first ever Sukuk in Bangladesh. There is no specific guideline for issuing Sukuk in our country. GDCL has customize the structure of the Sukuk in line with the available law. Now the application is in approval process and we are hopeful to get the approval soon and will able to issue 1st Sukuk in Bangladesh.

GDCL also has depth knowledge about the local and international financing including Islamic financing, Venture Capital, PE and other global financing products.

We strongly recommend Green Delta capital Limited to any organizations for their professional services.

Thanking you,

A handwritten signature in black ink that reads 'Uzma Chowdhury'.

Uzma Chowdhury  
Director

Date: 31 December 2017

Managing Director & CEO  
Green Delta Capital Limited  
Green Delta Aims Tower  
51-52 Mohakhali C/A  
Dhaka -1212  
Bangladesh

## Ref: Testimonial

Sajeeb Group has been in business for many years and has experienced excellent growth over that period of time. To position ourselves for the future, we needed to restructure the liability of our company. Green Delta Capital Limited has become our financial adviser since 2015. During a challenging market environment, they have raised BDT 1,000 Million for Hashem Foods Limited (HFL) (concern of Sajeeb Group) through issuing 2 (Two) Commercial Paper Notes. Later, they have arranged fund of BDT 700 Million through Working Capital Syndication.

They are also helping us to restructure our company to avail foreign financing loan for our expansion project. With the dedication and quality of work, GDCL has always come up with the best financial solutions for their clients like ours.

As an Investment Bank, GDCL has always exceed our expectation with their professional services and we hope for the best for their future.

Thanking you,



M. A. Hashem  
Managing Director

*Managing Director  
Hashem Foods Limited*



Md Rezaul Karim  
Chief Financial Officer

**Md. Rezaul Karim**  
Chief Financial Officer  
**Sajeeb Group**



# আকিজ জুট মিলস লিঃ

## AKIJ JUTE MILLS LTD.

Taltola Hat, Noapara, Jessore. Phone : 0422271435/0422271325  
Akij House, 196, Bir Uttam Mir Shaikal Sarak, Gulshan Link Road, Tejgaon, Dhaka-1208, Bangladesh.  
Web: www.akij.net, Fax : 88-02-9569537, E-mail : akijute@akij.net

Ref: \_\_\_\_\_

Date: \_\_\_\_\_

Date: 30 November 2017

Managing Director & CEO  
Green Delta Capital Limited  
Green Delta Aims Tower  
51-52 Mohakhali C/A  
Dhaka -1212  
Bangladesh

### Ref: Testimonial

We have been working with Green Delta Capital Limited (GDCL) for our M&A Transaction which is also the 1<sup>st</sup> Overseas M&A Transaction deal in the history of Bangladesh. We are very pleased with the professionalism of GDCL. GDCL providing us the services with much dedication and attentiveness which make them an outstanding professional Investment Bank in Bangladesh.

GDCL has been worked as the valuer of the target company from the Buy side and the transaction adviser for the Equity approval from Central Bank of Bangladesh. They have also been mandated for foreign debt arrangement for the deal. With the proper due diligence and structuring the deal from GDCL, we have got the equity approval of USD 20 Million to buy the Malaysian Company Robina Resource Shd Bhd and Robina Flooring Shd Bhd. GDCL also played a critical role to arrange debt financing and by now, we have successfully signed the Term Facility Agreement (TFA) with the foreign lenders. As a result of this one of a kind transaction in the history of Bangladesh, we are now expanding our business abroad and we really appreciate GDCL for their continuous effort.

It is a great pleasure to work with a committed team like GDCL. We strongly recommend Green Delta Capital Limited to any organizations for Corporate Advisory and Investment Banking Services.

Thanking you,

Shamsuddin Ahmed, FCA  
Group Chief Financial Officer  
Akij Jute Mills Ltd





# The Financial Express

(National English Financial Daily)

Date: December 31, 2017

Managing Director & CEO  
Green Delta Capital Limited  
Green Delta Aims Tower  
51-52 Mohakhali C/A  
Dhaka -1212  
Bangladesh

## Ref: Acknowledgment

We, The Financial Express (FE) hereby acknowledge the service of Green Delta Capital Limited (GDCL) - a full-fledged merchant banker and one of the foremost investment Bank in the country.

Over the past 05 years, GDCL has shown their significant effort, dedication and commitment at all levels to providing quality service in delivering market updates and highlights into the Stock Market Page for our readers on the daily & weekly basis. The enriched Stock Market updates and market highlights Report ultimately helping the added value to our reader's knowledge on Bangladesh Capital Market.

We look forward working together and extending our relationship with GDCL for years to come. Their high standing and vast experience are always invaluable to us and we believe this can be an opportunity for everyone to be a part of it.

Thank you and all the best wishes!

Md. Rizuddin Khan  
Senior Management Consultant



Date: 30 November 2017

Managing Director & CEO  
Green Delta Capital Limited  
Green Delta Aims Tower  
51-52 Mohakhali C/A  
Dhaka -1212  
Bangladesh

## Testimonial

We have been working with Green Delta Capital Limited (GDCL) for our River Terminal Project- the first private sector River Terminal in Bangladesh and very pleased with the quality, attentiveness and responsiveness of their services. We have appointed Green Delta Capital as Advisor to The Transaction for raising debt. I must mention here that the way they are maintaining their professionalism and quality of the works, which make them an outstanding professional Investment Bank in Bangladesh.

Their thoroughness, dedication to their clients, and assessment about the transaction with social, environmental and development impact are the perfect solution for any clients. They have in depth knowledge about the local and international financing including Islamic financing, Venture Capital, PE and other global financing products.

We would like to mention that the way GDCL have customized the financing and development solutions for their clients that exactly fulfill the requirement of the client such as our one.

We strongly recommend Green Delta capital Limited to any organizations for their professional services."

Thanking you,

  
**Syed Fazlul Haque**  
Member of the Board of Directors

**CORPORATE OFFICE**  
The Alliance Building  
83 Pagan Road, Dhaka - 1212  
Tel : +88 02 5504828-6  
Fax : +88 02 5504827, 5504828

**OFF-DOCK**  
Kulshra  
South Palenga, Chittagong - 4204  
Tel : +88 031 2807150, 2807003-4  
Fax : +88 031 2800035

**RIVER TERMINAL**  
West Moulvagar  
Plot #1 (Dhaka-Bangladesh Friendship Bridge)  
Panchagarh, Moulvagar - 1300

E-mail: [info@sapl.com](mailto:info@sapl.com)

[www.sapl.com](http://www.sapl.com)

## Value Chain Creation: GDC's Portfolio & Wealth Management Service

### General Information

**USD 470 MN**

Total Asset Under Management (AUM)

**350+**

Total Number of Investors

### Impact Creation by Portfolio & Wealth Management Service

- Enhancing Reputation of Portfolio Products (Discretionary & Non-Discretionary) of Bangladesh both within the nation and Globally
- Assisting Local & Foreign Investors to invest in Capital Market of Bangladesh
- Improving Fund Management of Client's portfolio
- Encouraging people for savings and capital market investment with small amount of monthly deposit within a regular interval & let client's savings grow with a disciplined and structured investment process
- Providing accidental death and disability insurance coverage up to BDT 1 lac per year for the investors of Green Delta Capital Limited
- Providing free investment learning session with Green Delta Capital Limited
- Helping to achieving the Sustainable Development Goals (SDG)

As the fastest growing economy of South Asia, Bangladesh has already graduated from Least Developed Countries and progressing towards becoming a developed nation. As a significant market player of the times ahead, Bangladesh poses great potentials and holds promising opportunities for investors around the world as an emerging key center, a production and a business hub. With the rapid increase of per capita income and purchasing power of people, Bangladesh has become an attractive market. Bangladesh has turned its population burden into great resources, now enjoying a huge demographic dividend with 70 million workforces and 55 million youth

population. It is time to witness and be part of the tale of "The Rise of Bengal Tiger".

GDC's Portfolio & Wealth Management Services has a strong view of the capital markets and an expert understanding of what's driving investment trends for its valued clients with an aim to maximize the return with an acceptable manner. Over the years, it has gathered the experience to act as a Portfolio Manager backed by for both individual as well as institutional clients through its dedicated Relationship Managers along with a prudent Research Team. Our Capital Market Research report is published in "The Financial Express" - the daily financial newspaper in our country. Currently our Asset under Management (AUM) is more than BDT 470 million with an average portfolio investment size of BDT 1 million.

Bangladesh ended 2021 as the best performing economy and the best performing stock market in the region. DSEX, the benchmark index of the Dhaka Stock Exchange, gained 35.34%, the highest among its peers, despite the 28 days countrywide general shutdown to slow the spread of coronavirus. Considering portfolio quality as major focus the Planning directions emphasized focusing on quality operations. Achieving volume targets remains important for reaching the intended profit, but also as an essential to maintain a high quality portfolio GDCL designed the operations aligning with logical strategy, strengthening collaboration among the products in order to improve

**Expertise You Need.**

**Service You Deserve!**

the implementation efficiency. A strong focus on the fund management and portfolio services is essential, while quality supervision by

the Portfolio Management Services Team is the key contributor to the quality of projected implementation and outcome. This year our expert team had to have a keener eye than ever to monitor the screen even closely due to the impact of the Covid-19.



In 2021, GDC has delivered a year of excellent results in portfolio management service. We achieved a strong growth in profitability across each of our portfolio schemes that we have maintained over the years. Our financial performance in 2021 once again demonstrates our commitment to deliver resilient results by focusing on the business growth and revenue generation (both in corporate & individual level) in line with the indices movement.

### Our Schemes

Our Portfolio & Wealth Management Services offers professional management of the stock market investments with an aim to deliver consistent returns. It relieves the investors from all monitoring hassles with benefits like regular reviews, strong risk management flexibility and makes it an ideal investment avenue for high-net-worth investors. Investors can avail our services through:



**Discretionary Portfolio Management Scheme**



**Non-Discretionary Portfolio Management Scheme**

These two schemes are designed to make differences since we prefer investor’s flexibility and choice while making investment decision.

## Core Product



### GD Perform Max

Discretionary Portfolio Management Scheme

- Utilize the fund of risk taker who likes to invest in Equity market particularly in the High Growth stocks to earn more



### GD Planner

Discretionary Portfolio Management Scheme

- Deposit of Small Amount with in a regular interval & let investment savings grow with GDCL



### GD MTF

Non-Discretionary Portfolio Management Scheme

- Facilitate client wants to avail CREDIT Facility with competitive interest rate and loan ratio



### GD Cash

Non-Discretionary Portfolio Management Scheme

- Facilitate retail investor's Cash account with unique feature

## The Flagship Product: GD Planner

GDCL launched a monthly deposit-based capital market investment product for retail investors, GD Planner.

GD Planner is a discretionary portfolio management product designed for our small investor. GD Planner contains deposit of small amount with in a regular interval & let your savings grow with GDC (Green Delta

Capital). As fund manager, GDC will follow a disciplined and structured investment process, and reduce the risk of market volatility. The clients under this product have been rewarded with a benchmark of profit and the financial inclusion has a social impact.

Throughout its operational span of 11 years, GDC has maintained a strong position in the industry not only by providing its investment banking services, but also by offering a one-stop total investment solution to its investors. GD Planner is one such innovative

discretionary portfolio management scheme for the stock market investors. It's especially designed for the individual retail investors, who are scared of equity market volatility, have lesser understanding of the capital market, yet not satisfied with returns from bank fixed deposits, and want to get higher return without risk/with low risk.

## Making a difference when it matters most

The product 'GD Planner' aimed at letting the small investors overcome the fear of bubble bursts and broke the stereotype of considering the stock market as costly,

complicated and time-consuming. In a span of twenty-four months of launching, GD planner has been able to attract a good number of new investors of the target group. This has increased the total number of clients by 200%. Alongside, GD Planner offers an insurance coverage (accidental death and disability insurance coverage up to BDT 1 lac per year) from GDCL's parent company Green Delta Insurance Company Limited, which doubles the benefits for the investors as they become entitled to avail two different services in one package.

Annualized Return

**25.2%**

Since Inception to November 2021

Growth of Investors

**200%**

In Your 2021

Green Delta Capital (GDC) received the ICD's Finnovation Award 2020 for its groundbreaking retail investment portfolio product named 'GD Planner'

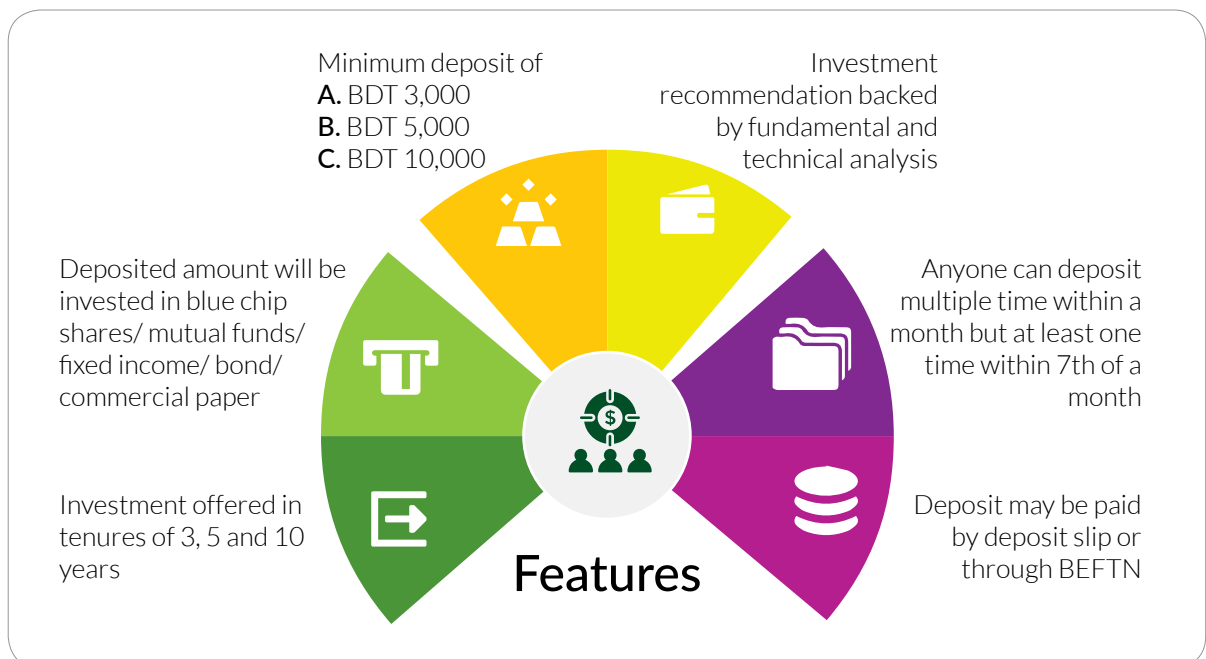
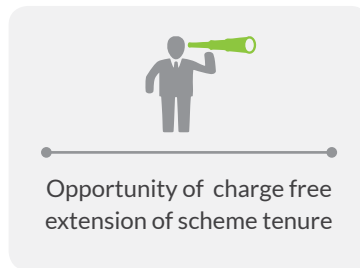
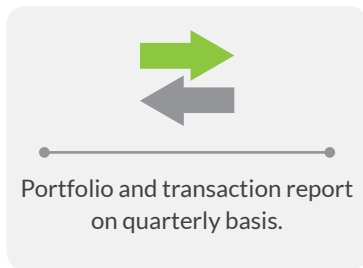
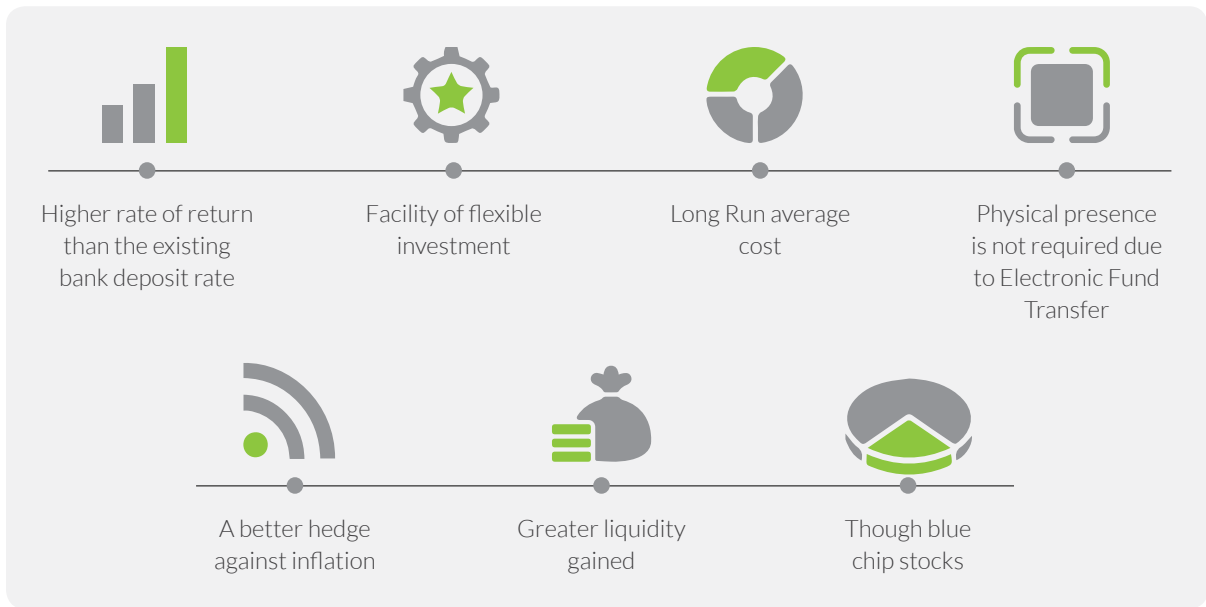


In the presence of all the invited personnel and international delegates, Managing Director & CEO of Green Delta Capital Limited, Md Rafiqul Islam, received the award from Ayman A Sejiny - the Chief Executive Officer of Islamic Corporation for the Development of the Private Sector (ICD).

The MD & CEO of GDC, Md Rafiqul Islam shared, “GD Planner not only created awareness among the small investors about the secondary market, but also opened the door of capital market for small/retail investors. Initially this was an organisational success, but I must add that it has added a new dimension to the overall capital market and brought about a revolution in the behavioral pattern of the small investors.”



## Key Advantages of GD Planner



## GDC, SCB sign MoU on Discretionary Portfolio Management Services

Green Delta Capital signed an MoU with Standard Chartered Bank, Bangladesh to provide Discretionary Portfolio Management Services to non-resident Bangladeshis and high net worth clients in home and abroad. Under this agreement, clients will enjoy the privilege services and special fees for availing discretionary portfolio management services.



Mr. Md. Rafiqul Islam, MD & CEO of Green Delta Capital & Mr. Sabbir Ahmed, Head of Retail Banking of Standard Chartered Bank signed the agreement on behalf of their respective organization.

## GDCL added Health Cash Back insurance coverage for all Non-Discretionary Products of Portfolio & Wealth Management Department

### Complementary Insurance Coverage

- All Non-Discretionary Clients will get free “Health Cash Back Insurance Coverage” for the First Year
- Health Cashback up to a maximum BDT 1 lakh
- Minimum investment size: BDT 50,000
- Coverage Partner: Green Delta Insurance Company Limited

### Fund Management Strategy of GDCL during pandemic (Covid-19)

- Invest for the long-term
- Invest gradually
- Invest in Potential shares
- Stop Panic Sell

### Major Pool Strike

The year 2021 has been the year for IPO. Major IPO's like Sena Kalyan Insurance Company Limited, Sonali Life Insurance Company Limited, NRB Commercial Bank Limited, Taufika Foods and Agro Industries Limited, Lubrref (Bangladesh) Limited and more have continuously grabbed the attention of the investors. Consequently, there were a number of new investment accounts opened from GDC.

### From 2020 GDC has opened the distinct door for the IPO investors and followed by a guide to the primary investment in the market.

Also, this year many of the top corporates and HNIs (High Net Worth Individual) counted on GDC, followed by the previous performance of the Portfolio and Wealth Management team.



# GDC RESEARCH- MAKING SENSE OF INVESTMENT



Like the rest of the world, Bangladesh faced an unprecedented set of challenges for the last 02 years. In addition to the human tragedy caused by the COVID-19 pandemic, we have experienced new ways of living. Each person's situation was different from another, most faced their first global pandemic, but for sure, the coronavirus left a feeling of insecurity and uncertainty for all. It was a time when we discovered what we really were and, sometimes, what we might become

## Strength in Quality

As part of specialized investment teams gathered under one umbrella, our strategists and analysts provide viewpoints on current market conditions, regular publications to help investors build their financial insight. In support of our internal and external stakeholders, we are working as a resource for capital market information to build a plan designed to help our valued investors

succeed financially. Through timely, in-depth analysis of companies and customized reports on industries, markets, and world economies, we have earned Goodwill in the field of investment research.

Our research publications are being delivered to the local and international companies, which has made simultaneously a significant and expensive source of competitive differentiation.

## Our Insights



### Informing investments

- Helps to understand investing principles
- Analysis on advising on risk to portfolios
- Share commentary focused on Investor’s needs
- provide innovative reports in line with country’s economy and capital market



### Engaging Publications

- Cover timely and insightful research on 200+ publicly listed companies across 22 sectors
- Published reports are continuously recognized and regularly featured in the print media
- Routinely present economic message to the investors and the media



### Focused Expertise

- Arrange customized one-on-one meetings between management teams and institutional investors.
- Arrange research conferences to explore the market with a good return for the Retail Investment Banking clients

## 2022- A transition year for GDCL Research

As the country's COVID-19 cases in the third quarter of 2021 were in the downtrend and economic activity has subsequently rebounded and GDP is expected to grow by 6.6% this year (according to IMF), economic activity is expected to return to its pre-pandemic levels end-2022, with progress on vaccinations and resumption of potential sectors.

Going forward, our 2022 Outlook will offer a clear direction on what we see next for the recovery and our strategies on managing investors ‘fund efficiently to maximize return

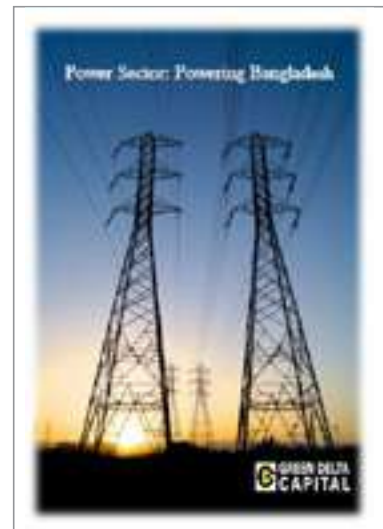
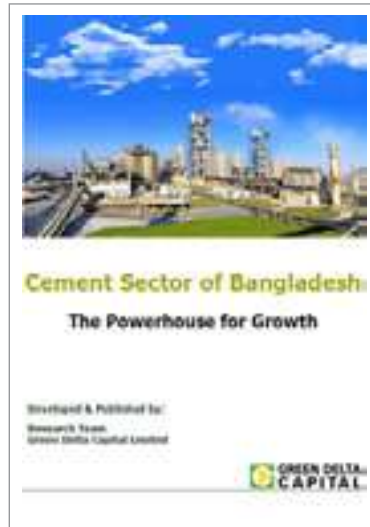
## Covid-19 has long-reaching implications

from capital markets. Under the plan, we will serve our investors through our designated digital platform with diversified research reports and customized services.

We believe this platform will help to increase transparency, enhance investors’ confidence and accelerate their decision making for a smart future investment.

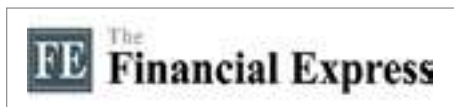
We look forward to walking this recovery road past the crossroads with our valued clients in 2022 and beyond.

## Economy & Equity Research Reports for Investors



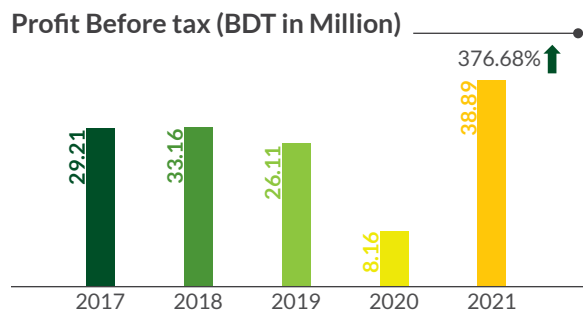
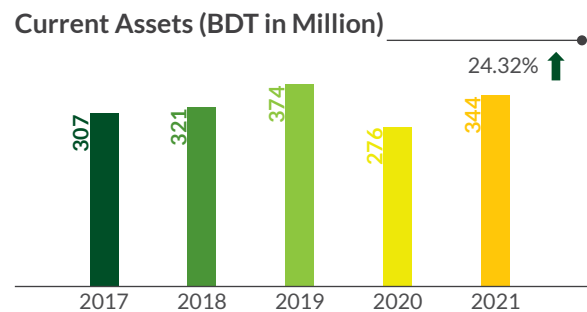
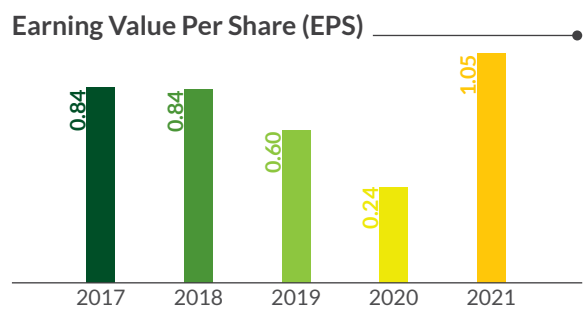
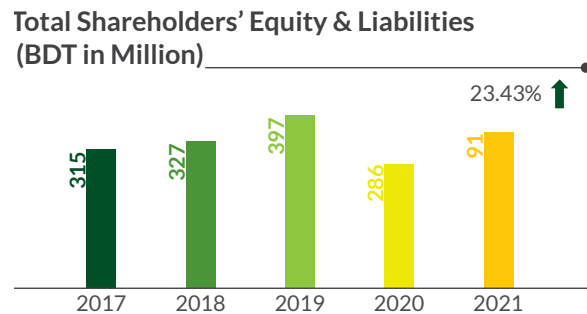
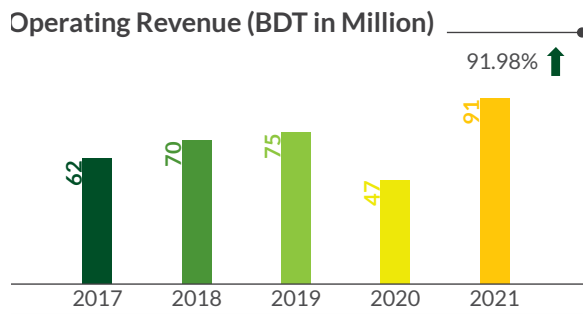


**Our Research Affiliations**





### Performance at a Glance



# DIRECTORS' REPORT TO THE SHAREHOLDERS

## Dear Fellow Shareholders, Clients and partners of Green Delta Capital Limited

I am pleased to share the 2021 Green Delta Capital Annual Report with you. In this report, I share highlights of the progress our company made during the year, which covered a period of growth for our company and our economy. The Board of Directors of Green Delta Capital Limited takes pleasure in presenting the audited financial statements of the Company for the year ended December 31, 2021; the Auditor's Report, along with GDCL's performance; the issues in regard to the Companies Act, 1994, and guidelines issued by the Bangladesh Securities and Exchange Commission (BSEC) and the Bangladesh Accounting and Financial Reporting Standards. This

report has been prepared in compliance with section 184 of the Companies Act 1994.

### Role of board and review of business

I firmly believe that the role of the Board is to focus on long-term, sustainable value creation. As per declaration of Budget in 2021 with our strategy, is building on our strength as a transatlantic consumer, corporate and investment bank, with global reach. Throughout a period of profound political and economic change in our country as well as globally, our company has been persistent in our dedication to the clients we serve while earning a fair return for our shareholders. During the year revenue reached BDT 47.34 million which was lower than the previous year's revenue due to Covid 19 effect.

## Historical Key performance indicator and financial position

### Statement of profit or loss and other comprehensive income

Particulars	2021	2020	2019	2018	2017
Total Revenue	90,884,758	47,339,946	75,155,765	70,331,952	62,330,740
Profit Before Tax	38,885,685	8,157,645	26,105,669	33,160,240	29,213,760
Net Profit After Tax	27,285,685	6,357,645	15,605,669	21,750,077	21,713,760

### Statement of financial position

Particulars	2021	2020	2019	2018	2017
Non-Current Assets	9,491,989	9,679,407	4,939,565	5,500,917	7,388,514
Current Assets	343,546,768	276,342,442	374,057,201	321,022,350	307,495,362
Total Assets	353,038,757	286,021,849	378,996,766	326,523,267	314,883,876
Shareholders' Equity	293,965,405	273,500,000	277,244,725	281,639,057	297,283,000
Current Liabilities	59,073,352	12,521,849	101,752,041	44,884,210	17,600,876
Total Shareholders' Equity & Liabilities	353,038,757	286,021,849	378,996,766	326,523,267	314,883,876

### Shareholders' Parameter

Particulars	2021	2020	2019	2018	2017
Authorized Share Capita	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000
Paid Up capital	260,000,000	260,000,000	260,000,000	260,000,000	260,000,000
No. of share outstanding	26,000,000	26,000,000	26,000,000	26,000,000	26,000,000
Earnings per share (EPS)	1.05	0.24	0.60	0.84	0.84

## Proposed dividend

The Board of Directors' of GDCL has proposed 10% cash dividend (subject to the approval of AGM) on paid up capital of BDT 260,000,000 (Twenty-Six Crore only).

## Directors' responsibility for financial reporting and significant accounting policies

The Directors are responsible for the preparation of Financial Statements of GDCL to reflect a true and fair view of its state of affairs. The Directors are of the view that these Financial Statements have been prepared in conformity with the requirements of the Bangladesh Financial Reporting Standards, Companies Act 1994, Bangladesh Securities and Exchange Commission (BSEC) Guidelines and the Corporate Governance Code. Significant Accounting policies adopted in the preparation of the Financial Statements which comply with provisions of BFRSs and the Companies Act 1994.

## Internal control system

We are committed to strengthening and improving our internal controls system to promote proper corporate behavior throughout GDCL with the aim of ensuring management transparency and efficiency, complying with laws and regulations, controlling risks, ensuring the reliability of business and financial reports, and promoting the timely and appropriate disclosure of information. The Internal Audit regularly reviews of the GDCL's operations, examine the business processes and evaluate the adequacy and efficiency of financial and operating controls and highlights significant risks.

## Appointment of auditors

The company shall, at each AGM appoint/reappoint an auditor to hold office until the next AGM. Ahmed Zaker & Co., Chartered Accountants have completed their statutory auditor of the company.

## Going concern

The Board of Directors of GDCL has reviewed and making necessary inquiries including reviews of the

business plans, strategies, budget, capital expenditure requirements, future prospects and risks, cash flows and significant other matters required on Corporate Governance; GDCL has adequate resources to continue operations into the foreseeable future. It is appropriate to adopt going concern assumption and there is no material uncertainty in preparing the Financial Statements. It is possible that the actual outcome of one or more of management's plans could be materially different or that one or more of management's significant judgments or estimates about the potential effects of the risks and uncertainties could prove to be materially incorrect. There is no significant doubt upon the GDCL ability to continue as a going concern.

## The future

We expect 2022 to be a pivotal year for GDCL's in the delivery of its strategy; a year when we will complete our restructuring and establish ourselves as an investment bank that is recognized for financial strength, financial transparency, operational stability. Though the coronavirus as an invisible threat changed our routine completely. It impacts significantly our tomorrow's business and economy. Covid 19 changes our lives and ways of thinking even after its settle down. Therefore, we need to generate new innovative ideas and strategies about future business. We have to change ourselves and continue to take on new challenges. I believe that we are prosperous in having a management team which is focused persistently on delivering the improvements ahead.

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

For and on behalf of the Board of Directors,

Thank you all.  
On behalf of the Board



Nasir A Choudhury  
Chairman

Independent auditor's report to the shareholders of  
**GREEN DELTA CAPITAL LIMITED**  
Report on the Audit of the Financial Statements

## Opinion

We have audited the financial statements of GREEN DELTA CAPITAL LIMITED (“the Company”), which comprise the statement of financial position as at 31 December 2021, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

## 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 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 these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRS), where practicable Companies Act 1994 and other applicable rules & regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing GREEN DELTA CAPITAL LIMITED financial reporting process.

## Auditor's Responsibilities for the Audit of the Financial Statements

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

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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

### Report on other legal and regulatory requirements

We also report the following:

- a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by GREEN DELTA CAPITAL LIMITED so far as it appeared from our examination of those books; and
- c) the statement of financial position and the statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.



**AKM Mohitul Haq, FCA**

Enrolment No. 0458

Senior Partner

**Ahmed Zaker & Co.**

Chartered Accountants

Location: Dhaka

Dated: February 06, 2022

DVC- 2202170458AS652089

## GREEN DELTA CAPITAL LIMITED

## STATEMENT OF FINANCIAL POSITION

As at December 31, 2021

		Amount in Taka	
Particulars	Note	31.12.2021	31.12.2020
<b>APPLICATION OF FUNDS</b>			
<b>Non-Current Assets</b>		<b>9,491,989</b>	<b>9,679,407</b>
Property, Plant & Equipment	4.00	9,491,989	9,666,617
Intangible Assets	5.00	-	12,790
<b>Current Assets</b>		<b>343,546,768</b>	<b>276,342,442</b>
Advances, Deposits & Prepayments	6.00	12,133,877	9,908,163
Investment In Shares	7.00	144,405,917	116,393,242
Margin Loan To Clients	8.00	6,632,417	3,153,933
Accounts Receivable	9.00	14,312,623	10,701,112
Accrued Interest income	10.00	33,932,715	30,443,655
Receivable From Brokerage	11.00	-	725,515
Loan to Employees	12.00	870,000	-
Investment In FDR	13.00	90,600,000	91,000,000
Cash and cash equivalents	14.00	40,659,219	14,016,822
<b>Current Liabilities</b>		<b>59,073,352</b>	<b>12,521,849</b>
Payable To GDIC	15.00	111,573	111,573
Payable To GDSL	16.00	1,174,771	1,174,771
Accounts Payable	17.00	8,158,315	2,237,491
Payable To Clients	18.00	28,945,719	4,760,892
Payable to Brokerage	19.00	8,831,706	-
Short Term Loan	20.00	(2,112)	-
Other Provision	21.00	4,600,000	285,325
Provision For Income Tax	22.00	7,253,380	3,951,797
<b>Net Current Assets</b>		<b>284,473,416</b>	<b>263,820,594</b>
<b>Total Assets</b>		<b>293,965,405</b>	<b>273,500,000</b>
<b>SOURCE OF FUNDS</b>			
<b>Shareholders equity</b>		<b>293,965,405</b>	<b>273,500,000</b>
Share Capital	23.00	260,000,000	260,000,000
Retained Earnings	24.00	83,384,646	69,098,961
Available For Sale Reserve	25.00	(49,419,241)	(55,598,961)
<b>Total Capital Employed</b>		<b>293,965,405</b>	<b>273,500,000</b>

The accompanying policies and explanatory notes 1-32 from an integral part of these financial statements.



Director



Chairman



Director-Finance &amp; Accounts



Managing Director &amp; CEO

Signed as per our separate report of same date.



AKM Mohitul Haq FCA

Senior Partner

Enrolment No.- 0458

Ahmed Zaker &amp; Co.

Chartered Accountants

Location: Dhaka

Dated: February 06, 2022

DVC- 2202170458AS652089

# STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended December 31, 2021

Particulars	Note	Amount in Taka	
		31.12.2021	31.12.2020
<b>Income</b>			
Operating Income	26.00	46,242,981	20,425,875
Realised Gain on share trading	27.00	30,058,524	8,246,453
Other Income	28.00	14,583,252	18,667,618
<b>Total Operating Income (A)</b>		<b>90,884,758</b>	<b>47,339,946</b>
<b>Operating Expenses</b>			
Operating & Direct Charges	29.00	118,876	-
Office & Administrative Expenses	30.00	46,110,395	32,106,985
Financial Expenses	31.00	2,750,727	4,197,026
<b>Total Operating Expenses (B)</b>		<b>48,979,998</b>	<b>36,304,011</b>
<b>Profit before depreciation &amp; provisions (A-B)</b>		<b>41,904,760</b>	<b>11,035,935</b>
Less: Depreciation & Amortization	32.00	3,019,075	2,878,290
<b>Profit Before Tax</b>		<b>38,885,685</b>	<b>8,157,645</b>
Other Provision		4,600,000	-
Provision for Tax		7,000,000	1,800,000
<b>Net Profit After Tax</b>		<b>27,285,685</b>	<b>6,357,645</b>
<b>Other comprehensive income</b>			
For diminution in value of investment	25.00	6,179,720	(10,102,370)
<b>Total comprehensive income</b>		<b>33,465,405</b>	<b>(3,744,725)</b>

The accompanying policies and explanatory notes 1-32 from an integral part of these financial statements.



Director



Director-Finance &amp; Accounts



Chairman



Managing Director &amp; CEO

Signed as per our separate report of same date.



**AKM Mohitul Haq FCA**  
Senior Partner  
Enrolment No.- 0458  
**Ahmed Zaker & Co.**  
Chartered Accountants

Location: Dhaka  
Dated: February 06, 2022  
DVC- 2202170458AS652089

## GREEN DELTA CAPITAL LIMITED

**STATEMENT OF CHANGES IN EQUITY**

For the year ended December 31, 2021

Amount in Taka

Particulars	Share Capital	General Reserve	Available for Sale (AFS) Reserve	Retained Earnings	Total Shareholders Equity
Opening balance	260,000,000	-	(55,598,961)	69,098,961	273,500,000
Net profit during the year	-	-	-	27,285,685	27,285,685
Cash Dividend	-	-	-	(13,000,000)	(13,000,000)
Unrealized Gain/(Loss) on securities available for sale	-	-	6,179,720	-	6,179,720
<b>Closing Balance</b>	<b>260,000,000</b>	<b>-</b>	<b>(49,419,241)</b>	<b>83,384,646</b>	<b>293,965,405</b>

## GREEN DELTA CAPITAL LIMITED

**STATEMENT OF CHANGES IN EQUITY**

For the year ended December 31, 2020

Amount in Taka

Particulars	Share Capital	General Reserve	Available for Sale (AFS) Reserve	Retained Earnings	Total Shareholders Equity
Opening balance	260,000,000	-	(45,496,591)	62,741,316	277,244,725
Net profit during the year	-	-	-	6,357,645	6,357,645
Unrealized Gain/(Loss) on securities available for sale	-	-	(10,102,370)	-	(10,102,370)
<b>Closing Balance</b>	<b>260,000,000</b>	<b>-</b>	<b>(55,598,961)</b>	<b>69,098,961</b>	<b>273,500,000</b>

GREEN DELTA CAPITAL LIMITED  
**STATEMENT OF CASH FLOWS**

For the year ended December 31, 2021

		Amount in Taka	
Particulars	31.12.2021	31.12.2020	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>			
Cash Collected from Turnover	53,237,989	44,390,649	
Cash Paid to Customers, Suppliers, Employees & others	(29,387,780)	(29,944,904)	
Capital Gain from Share	30,058,524	8,246,453	
Dividend Income	3,265,659	3,151,463	
Income Tax Paid	(1,082,061)	(10,828,075)	
<b>Net Cash flow from/(used) Operating Activities</b>	<b>56,092,331</b>	<b>15,015,586</b>	
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>			
Acquisition of Fixed Assets	(2,831,657)	(7,618,132)	
Investment in FDR	400,000	11,000,000	
(Investment)/ Encashment of Shares	(11,149,024)	1,000,378	
Interest Received from FDR	4,232,070	7,141,688	
<b>Net Cash flow from/(Used) in Investing Activities:</b>	<b>(9,348,611)</b>	<b>11,523,934</b>	
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>			
Employee loan adjustment/Given	(870,000)	-	
Financial Expenses	(2,750,727)	(4,197,026)	
Margin Loan	(3,478,484)	(880,553)	
Loan Received/Paid	(2,112)	(83,985,989)	
Loan given to Gdic	-	70,000,000	
Dividend paid	(13,000,000)	-	
Payable To Clients	-	-	
Share issued	-	-	
<b>Net Cash used in Financing Activities:</b>	<b>(20,101,323)</b>	<b>(19,063,568)</b>	
<b>D. Net Increase/(Decrease) in cash &amp; cash equivalents during the year (A+B+C):</b>	<b>26,642,397</b>	<b>7,475,952</b>	
<b>E. Cash &amp; cash equivalents at the beginning of the year</b>	<b>14,016,822</b>	<b>6,540,870</b>	
<b>Cash &amp; cash equivalents at the end of the year</b>	<b>40,659,219</b>	<b>14,016,822</b>	

Green Delta Capital Limited.

# NOTES TO THE FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

For the year ended December 31, 2021

## 1. Legal status and nature of the company

### Legal form and status of the company

Green Delta Capital Limited was incorporated with the Registrar of Joint Stock Companies & Firms vide registration no. C- 827406/10 dated February 24, 2010 as a private company limited by shares namely Green Delta LR Financial Service Limited. Subsequently the company renamed as Green Delta Capital Limited in September 4, 2011.

### Registered office and place of business of the company

The Registered office of the company is situated at Green Delta AIMS Tower (3rd Floor), 51-52 Mohakhali, Dhaka-1212.

### Principal activities of the company

The principal object of the company is to carry on trade, business of indentures, dealers, traders, brokers, importers and exporters and operate and provide merchant banking services, underwrite, manage distribute issue of securities, stocks, shares, bonds, debentures, debenture stock and investment Instruments.

## 2. Significant accounting policies

As per the requirements of IAS 1: "Presentation of Financial Statements" financial statements comprise a statement of financial position at the end of the year, a statement of comprehensive income for the year, a statement of changes in equity for the year, a statement of cash flows for the year, liquidity statement, and relevant notes to the financial statements and disclosures.

Financial statements are made as of December 31, 2021 and are prepared under the historical cost convention on Generally Accepted Accounting Principles (GAAP) on going concern basis. Financial statements have been prepared in accordance with the measurements and recognition requirements of International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB).

Adopted International Accounting Standards (IAS), International Financial Reporting Standards (IFRS), the Companies Act 1994 and other applicable rules and regulation have been used as a model for the presentation and disclosure framework to provide additional information and analysis of the key items in the financial statements except as the company considers disclosures inappropriate.

Specific accounting policies selected and applied for significant transactions and events are depicted below.

### 2.1 Basis of preparation

The financial statements are prepared using the accrual basis of accounting except for the cash flow information where the material class of similar item has been presented separately. As per the requirements of IAS 1: "Presentation of Financial Statements". The figures in the financial statements have been rounded off to the nearest taka.

### 2.2 Property, Plant and Equipment

#### I) Recognition and measurement

##### Owned assets

Items of own property and equipments are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the assets to its working condition for its intended use as per International Accounting Standard (IAS) 16 "Property, Plant and Equipments".

### **Leasehold assets**

Leasehold assets of which the company assumes substantially all the risks and rewards of ownership are accounted for as finance leases and capitalized at the inception of the lease at fair value of the leased property or at the present value of the minimum lease payments, whichever is lower as per International Accounting Standard (IAS) 17 "Leases". The corresponding obligation under the lease is accounted for as liability.

### **ii) Subsequent expenditure on property and equipment**

Subsequent expenditure is capitalized only when it increases the future economic benefit from the assets and that cost can be measured reliably. All other expenditures are recognized as an expense as and when they are incurred.

### **iii) Depreciation**

Depreciation is charged to amortize the cost of assets, over their estimated useful lives, using the straight-line method in accordance with IAS-16 "Property, Plant and Equipment". Depreciation is charged on additions of date when the related assets are put into use and no depreciation is charged from the month of disposal. Asset category wise depreciation rates are as follows:

Furniture and fixtures	10 %
Office equipment	20%
Leasehold motor vehicles	20%
Office Renovation	20%
Computers	33%
Software	20%

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized in the profit and loss account.

Depreciation methods, useful lives and residual values, if any are reviewed at the balance sheet date.

## **2.3 Intangible assets and amortization of intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost and are carried at cost less accumulated amortization and accumulated impairment losses, if any. Amortization is calculated using the straight-line method to write down the cost of intangible assets to their residual values over their estimated useful lives based on the management best estimates. Subsequent expenditure on software assets is capitalized only when it increases the future economic benefits in the specifications to which it relates. All other expenditure is treated as expense as incurred.

## **2.4 Cash flow statement**

Cash flow statement is prepared in accordance with IAS 7: "Cash Flow Statement", the cash flow statement shows the structure of and changes in cash and cash equivalents during the financial year. Cash and cash equivalents include notes and coins on hand, unrestricted balance held with the commercial banks. It is broken down into operating activities, investing activities and financing activities. The direct method is used to show the operating activities.

According to IAS 7: "Cash Flow Statements", cash comprises cash in hand and cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an

insignificant risk of changes in value. Considering the provisions of IAS 7 and IAS 1, cash in hand, fixed deposits and bank balances have been considered as cash and cash equivalents.

## 2.5 Tax Expenses

IAS 12: "Income Taxes" and Income Tax ordinance 1984.

### Current tax expense

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in succeeding years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

## 2.6 Revenue recognition

The revenue is recognized after satisfying all the conditions for revenue recognition as provided IFRS 15: "Revenue from Contracts with customers". Detailed income wise policy for revenue recognition is as under:

### a) Interest income on loans, advances and leases

Interest on loans is recognized as income at the time of it becoming receivable from the client.

### b) Other operating income

Income classified as other income has been accounted for on Accrual basis.

## 2.7 Financial Instruments:

### Derivative:

According to IFRS 7: "Financial Instruments: Disclosures", the company was not a party to any derivative contract (financial instruments) at the Balance Sheet date, such as forward exchange contracts, currency swap agreement or contract to hedge currency exposure related to import of capital machinery to be leased to lessees in future.

### Non-Derivative:

A non-derivative financial instrument comprises of accounts and other receivable, borrowings and other payables and is shown at transaction cost as per IAS 39 "Financial Instruments: Recognition and Measurement".

### Accounts Receivable

These are carried forward at their original invoiced value amount and represents net realizable value. Management considered the entire bills receivable as good and is collectable and therefore, no amount was provided for as bad debt in the current year's account.

### Creditors and Accrued Expenses

Liabilities are recognized for amounts to be paid in future for goods and services received, whether or not billed by the supplier.

## 2.8 Borrowing costs

Interest on borrowings of fund from different sources is recognized as financial expenses according to IAS 23: "Borrowing Costs". Interest represents amount paid and accrued up to the end of the period.

## 2.9 Related party transactions

The management has duly identified the party related to the company and disclosed the transactions of the



related party as per IAS 24: “Related Party Disclosures”

## 2.10 Provision for liabilities

According to IAS 37: “Provision, Contingent Liabilities and Contingent Assets” the company recognizes the provision in the balance sheet when the company has a legal or constructive obligation as a result of past event and it is probable that an outflow of economic benefit will be required to settle the obligations.

## 2.11 Investment in Shares

Investments in shares are recognized at market value as per IAS-32, IAS-39 and IFRS-7. The difference between market value and cost value of the share has charged in the statement of profit or loss and other comprehensive income according to International Financial Reporting Standards (IFRS).

## 2.12 Events after the Reporting date:

As per IAS-10 “Event after the Balance Sheet Date” are those events favorable and unfavorable, that occur between the end of the reporting year and the date when the financial statements are authorized for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the end of the reporting year (adjusting events after balance sheet date); and
- Those that is indicative of conditions that arose after the reporting year (non-adjusting events after balance sheet date).

### Proposed Dividend:

The Board of Directors has proposed 10% Cash dividend on the paid-up capital of the company’s shareholders which is to be confirmed in the next Annual General Meeting (AGM) by the shareholders.

## 2.13 Related party disclosure

As per International Accounting Standards (IAS)-24 “Related Party Disclosures”, parties are considered to be related if one of the parties has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The Company carried out transactions in the ordinary course of business on an arm’s length basis at commercial rates with related parties.

Name of the Related Party	Nature of Relationship	Nature of Transaction	Temporary loan paid during the year ended December 31, 2021	Balance as on December 31, 2021
Green Delta Insurance Company Ltd.	Common Shareholder	Payable	-	111,573
Green Delta Securities Ltd.	Related party	Payable	-	1,174,771
Green Delta Securities Ltd.	Related party	Loan	Loan Given Tk.50,000,000 Loan Received Tk.50,000,000 Balance Nil Interest Income Tk. 3,552,458	-

## 3. Additional information on financial statements

### 3.1 Responsibility for preparation and presentation of financial statements

The Board of Directors is responsible for the preparation and presentation of the financial statements under section 183 of the Companies Act 1994 and IAS-1 “Presentation of Financial Statements”.

### 3.2 Components of the financial statements

Following the IAS 1: "Presentation of Financial Statements", the company's complete set of financial statements includes the following components as at December 31, 2021.

- a) Statement of Financial Position.
- b) Statement of profit or loss and other comprehensive Income.
- c) Statement of Changes in Equity.
- d) Statement of Cash Flows.
- e) Notes to the Financial Statements and significant accounting policies.

### 3.3 Uncertainties for use of estimates in preparation of financial statements

The preparation of financial statements in conformity with the International Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of other information at the date of the financial statements and revenues and expenses during the year reported. Actual results could differ from those estimates.

### 3.4 Comparative:

Comparative information has been disclosed in respect of the previous year for all numerical information in the financial statements including narrative and descriptive information when it is relevant for understanding of the current year's financial statements.

Previous year's figure has been re-arranged whenever considered necessary to ensure comparability with the current year's presentation as per IAS-8 "Accounting Policies, Changes in Accounting Estimates and Errors".

### 3.5 Application of International Accounting Standards (IASs):

The Financial Statements have been prepared in compliance with requirement of IAS as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) and applicable in Bangladesh. The following IASs are applicable for the financial statements for the period under review:

- IAS- 1 Presentation of Financial Statements
- IAS- 7 Statement of Cash Flows
- IAS- 8 Accounting Policies, Changes in Accounting Estimates and Errors
- IAS- 10 Events after the Reporting Period
- IAS- 12 Income Taxes
- IAS- 16 Property, Plant and Equipment
- IAS- 17 Leases
- IAS- 19 Employees Benefit
- IAS- 23 Borrowing Cost
- IAS- 24 Related Party Disclosure
- IAS- 32 Financial Instruments Presentation
- IAS- 37 Provisions, Contingent Liabilities and Contingent Assets
- IAS-38 Intangible Assets
- IAS- 39 Financial Instruments: Recognition and Measurement
- IFRS- 7 Financial Instruments: Disclosures
- IFRS-15 Revenue from contract with customers

### 3.6 Reporting period

Financial statements of the company cover a year from January 01, 2021 to December 31, 2021.

		Note	31.12.2021	Amount InTaka 31.12.2020
<b>4.00</b>	<b>Property, Plant &amp; Equipment</b>			
	Cost			
	Opening balance		19,937,191	12,319,059
	Add: Addition during the year		2,831,657	7,618,132
			<b>22,768,848</b>	<b>19,937,191</b>
	Less: Disposal during the year		-	-
			<b>22,768,848</b>	<b>19,937,191</b>
	<b>Less: Depreciation</b>			
	Opening balance		10,270,574	7,545,656
	Add: Charged during the year		3,006,285	2,724,918
			<b>13,276,859</b>	<b>10,270,574</b>
	Less: Adjustment during the year		-	-
	Accumulated depreciation		<b>13,276,859</b>	<b>10,270,574</b>
	<b>Written Down Value</b>		<b>9,491,989</b>	<b>9,666,617</b>
	Details of Property, Plant & Equipment is given in Schedule-A/1			
<b>5.00</b>	<b>Intangible Assets</b>			
	Cost			
	Opening balance		13,240,339	13,240,339
	Add: Addition during the year		-	-
			<b>13,240,339</b>	<b>13,240,339</b>
	<b>Less: Amortization</b>			
	Opening balance		13,227,549	13,074,177
	Add: Charge during the Year		12,790	153,372
			<b>13,240,339</b>	<b>13,227,549</b>
	<b>Written Down Value</b>		<b>-</b>	<b>12,790</b>
	Details of Intangible Assets is given in Schedule-A/2			
<b>6.00</b>	<b>Advances, Deposits &amp; Prepayments</b>			
	Advance Employee Loan/Salary	6.01	203,456	-
	TDS AIT from Interest Income Bank	6.02	395	1,893
	TDS AIT from Interest Income FDR	6.03	1,925,345	2,352,668
	TDS AIT from Govt Treasury Advance Tax	6.04	300,000	300,000
	TDS AIT on CAR TAX	6.05	240,000	130,000
	TDS AIT from Dividend Income	6.06	1,282,987	995,753
	TDS AIT from Fees Income	6.07	7,744,894	4,665,849
	T & T Deposits	6.08	2,000	2,000
	CDBL Security Deposit	6.09	200,000	200,000
	Advance to Others	6.10	200,000	1,200,000
	Advance to DSE for EOD data	6.11	-	60,000
	Advance for Employee CAR Purchase	6.12	-	-
	Advance to One Zero Zero Limited		34,800	-
			<b>12,133,877</b>	<b>9,908,163</b>
<b>6.01</b>	<b>Advance Employee Loan/Salary</b>			
	Opening Balance		-	700,000
	Add: Addition		203,456	-
			<b>203,456</b>	<b>700,000</b>
	Less: Adjustment		-	700,000
			<b>203,456</b>	<b>-</b>

		Note	31.12.2021	Amount InTaka 31.12.2020
<b>6.02</b>	<b>TDS AIT from Interest Income Bank</b>			
	Opening Balance		1,893	1,527
	Add: Addition		29	367
			<b>1,922</b>	<b>1,893</b>
	Less: Adjustment		1,527	-
			<b>395</b>	<b>1,893</b>
<b>6.03</b>	<b>TDS AIT from Interest Income FDR</b>			
	Opening Balance		2,352,668	1,212,914
	Add: Addition		785,590	1,139,754
			<b>3,138,258</b>	<b>2,352,668</b>
	Less: Adjustment		1,212,913	-
			<b>1,925,345</b>	<b>2,352,668</b>
<b>6.04</b>	<b>TDS AIT from Govt Treasury Advance Tax</b>			
	Opening Balance		300,000	800,000
	Add: Addition		-	-
			<b>300,000</b>	<b>800,000</b>
	Less: Adjustment		-	<b>500,000</b>
			<b>300,000</b>	<b>300,000</b>
<b>6.05</b>	<b>TDS AIT on CAR Tax</b>			
	Opening Balance		130,000	65,000
	Add: Addition		175,000	65,000
			<b>305,000</b>	<b>130,000</b>
	Less: Adjustment		65,000	-
			<b>240,000</b>	<b>130,000</b>
<b>6.06</b>	<b>TDS AIT from Dividend Income</b>			
	Opening Balance		995,753	365,682
	Add: Addition		652,916	630,071
			<b>1,648,669</b>	<b>995,753</b>
	Less: Adjustment		365,682	-
			<b>1,282,987</b>	<b>995,753</b>
<b>6.07</b>	<b>TDS AIT from Fees Income</b>			
	Opening Balance		4,665,849	717,109
	Add: Addition		3,796,154	3,948,740
			<b>8,462,003</b>	<b>4,665,849</b>
	Less: Adjustment		717,109	-
			<b>7,744,894</b>	<b>4,665,849</b>
<b>6.08</b>	<b>T &amp; T Deposits</b>			
	Opening Balance		2,000	2,000
	Add: Addition		-	-
			<b>2,000</b>	<b>2,000</b>
	Less: Adjustment		-	-
			<b>2,000</b>	<b>2,000</b>
<b>6.09</b>	<b>CDBL Security Deposit</b>			
	Opening Balance		200,000	200,000
	Add: Addition		-	-
			<b>200,000</b>	<b>200,000</b>
	Less: Adjustment		-	-
			<b>200,000</b>	<b>200,000</b>
<b>6.10</b>	<b>Advance to Others</b>			
	Opening Balance		1,200,000	1,000,000
	Add: Addition		200,000	200,000
			<b>1,400,000</b>	<b>1,200,000</b>
	Less: Adjustment		1,200,000	-
			<b>200,000</b>	<b>1,200,000</b>

		Note	31.12.2021	Amount InTaka 31.12.2020
<b>6.11</b>	<b>Advance to DSE for EOD data</b>			
	Opening Balance		60,000	-
	Add: Addition		-	60,000
			<b>60,000</b>	<b>60,000</b>
	Less: Adjustment		60,000	-
			<b>-</b>	<b>60,000</b>
<b>6.12</b>	<b>Advance for Employee CAR Purchase</b>			
	Opening Balance		-	-
	Add: Addition		3,000,000	60,000
			<b>3,000,000</b>	<b>60,000</b>
	Less: Adjustment		3,000,000	-
			<b>-</b>	<b>60,000</b>
<b>7.00</b>	<b>Investment in Share</b>			
	Investment in Listed Securities	7.01	133,721,987	116,393,242
	Investment in IPO for own Investment		10,683,930	-
			<b>144,405,917</b>	<b>116,393,242</b>
<b>7.01</b>	<b>Investment in Listed Securities</b>			
	Cost Value of Securities		183,141,227	171,992,203
	Less: Provision against diminution in value of investment		(49,419,241)	(55,598,961)
			<b>133,721,987</b>	<b>116,393,242</b>
			<b>Cost Value</b>	<b>Market Value</b>
			183,141,227	133,721,987
			<b>183,141,227</b>	<b>133,721,987</b>
As per Bangladesh Securities and Exchange Commission (BSEC) Letter No. BSEC/SRI/MB/Policy/5/2020/132 dated January 30, 2020 regarding time extension for unrealized loss provision, all Merchant Bank may allow to make provision against unrealized loss on own portfolio Investment equal to 20% for 5 time up to the year 2022.				
<b>8.00</b>	<b>Margin Loan to Clients</b>			
	Margin Loan to Clients		6,632,417	3,153,933
			<b>6,632,417</b>	<b>3,153,933</b>
<b>9.00</b>	<b>Accounts Receivable</b>			
	Receivables from Financial Express Research		52,175	60,000
	Receivable from Ananta Group		625,000	-
	Receivable from Spectra Solar Part Ltd		9,445,241	9,445,241
	Receivable from Green Delta Securities Ltd, Head Office		130,490	40,490
	Receivable from HKGE Consortium Limited		-	1,018,800
	Receivable from Pubali BankLtd		100,000	-
	Receivable from Green Delta Dragon AMC Ltd		31,394	-
	Receivable from NAGAD Limited		100,000	-
	Receivable from Epyllion Group		1,300,000	-
	Receivable from Haque Food Industries Ltd		2,460,000	-
	Other Receivable (Employee & Others)		68,323	136,581
			<b>14,312,623</b>	<b>10,701,112</b>
<b>10.00</b>	<b>Accrued Interest income</b>			
	Interest Receivable FDR, Head Office	10.01	33,932,715	30,443,655
			<b>33,932,715</b>	<b>30,443,655</b>
<b>10.01</b>	<b>Accrued Interest income on FDR</b>			
	Opening Balance		30,443,655	26,895,304
	Add: Addition		7,876,325	10,413,566
			<b>38,319,980</b>	<b>37,308,870</b>
	Less: Adjustment		4,387,265	6,865,214
			<b>33,932,715</b>	<b>30,443,655</b>

			Amount InTaka	
	Note	31.12.2021	31.12.2020	
<b>11.00</b>	<b>Receivable From Brokerage</b>			
	Receivable from Brokerage GDSDL (Non-Discretionary)	-	725,515	
		-	<b>725,515</b>	
<b>12.00</b>	<b>Loan to Employees</b>			
	Car Loan	870,000	-	
		<b>870,000</b>	-	
<b>12.01</b>	<b>Loan to Employees</b>			
	Opening Balance	-	-	
	Add: Addition during the year	900,000	-	
		<b>900,000</b>	-	
	Less: Adjustment made during the year	30,000	-	
		<b>870,000</b>	-	
<b>13.00</b>	<b>Investment In FDR</b>			
	FDR Lanka Bangla Finance Ltd FDR No 0009 20300000238	20,000,000	20,000,000	
	FDR Lanka Bangla Finance No ' 0016 22800000001	20,000,000	20,000,000	
	FDR Lanka Bangla Finance No 0016 22800000045	10,000,000	10,000,000	
	FDR Midland Bank Ltd. No. 0011-1100010511	-	6,000,000	
	FDR Lanka Bangla Finance No. 0016-23600000015	10,000,000	10,000,000	
	FDR IPDC No. 0001 25000001025	-	7,000,000	
	FDR LanakBangla Finance Ltd No 0026 29100000001	5,000,000	5,000,000	
	FDR LanakBangla Finance Ltd No 0026 29100000002	-	5,000,000	
	FDR LanakBangla Finance Ltd No 0009 29100000003	8,000,000	-	
	FDR LanakBangla Finance Ltd No 0028 29100000001	5,000,000	-	
	FDR LanakBangla Finance Ltd No 0028 29100000002	2,600,000	-	
	FDR LanakBangla Finance Ltd No 0028 29100000003	5,000,000	-	
	FDR LanakBangla Finance Ltd No 0028 29100000004	5,000,000	8,000,000	
		<b>90,600,000</b>	<b>91,000,000</b>	
<b>14.00</b>	<b>Cash and cash equivalents</b>			
	Cash in Hand	36,842	94,089	
	Cash at Bank	40,631,241	5,294,200	
	Ledger Balance from portfolio investment	(8,863)	8,628,533	
		<b>40,659,219</b>	<b>14,016,822</b>	
<b>14.01</b>	<b>Cash in hand</b>			
	Cash in hand, Head Office	36,842	94,089	
		<b>36,842</b>	<b>94,089</b>	
<b>14.02</b>	<b>Cash with bank</b>			
	SCB_IP A/C (Discretionary) 01-1146314-01 Head Office	51,388	47,499	
	SCB_IP A/C (Non-Discretionary) 01-1146314-03 Head Office	39,582,021	4,080,648	
	SCB (Own Investment) 01-1146314-02 Head Office	781,330	39,512	
	SCB (Operation) 02-1146314-01 Head Office	144,175	713,722	
	SCB (IPO Application AC) 01-1146314-04	-	328,600	
	MCBL (Operation) 011313100000777	72,327	84,220	
		<b>40,631,241</b>	<b>5,294,200</b>	
<b>15.00</b>	<b>Payable to GDIC</b>			
	Various Expenses payable to GDIC	111,573	111,573	
		<b>111,573</b>	<b>111,573</b>	

		Note	31.12.2021	Amount InTaka 31.12.2020
<b>15.01</b>	<b>Various Expenses payable to GDIC</b>			
	Opening Balance		111,573	111,573
	Add: Addition		1,338,876	1,362,883
			<b>1,450,449</b>	<b>1,474,456</b>
	Less: Adjustment		1,338,876	1,362,883
			<b>111,573</b>	<b>111,573</b>
<b>16.00</b>	<b>Payable to GDSL</b>			
	Other Management Expenses		1,174,771	1,174,771
			<b>1,174,771</b>	<b>1,174,771</b>
<b>17.00</b>	<b>Accounts Payable</b>			
	Audit Fees	17.01	57,500	57,500
	TDS Payable	17.02	14,610	6,834
	VAT Payable	17.03	55,461	64,465
	Employees payable	17.04	6,654,014	1,654,014
	Payable to Party	17.05	134,545	113,705
	IPO Control Account	17.06	1,230,000	328,600
	Accrued expenses & other payable		12,185	12,373
			<b>8,158,315</b>	<b>2,237,491</b>
<b>17.01</b>	<b>Audit Fees</b>			
	Opening Balance		57,500	57,500
	Add: Addition during the year		57,500	57,500
			<b>115,000</b>	<b>115,000</b>
	Less: Paid during the year		57,500	57,500
			<b>57,500</b>	<b>57,500</b>
<b>17.02</b>	<b>TDS Payable</b>			
	Opening Balance		6,834	6,109
	Add: Addition during the year		2,700,211	88,395
			<b>2,707,045</b>	<b>94,504</b>
	Less: Paid during the year		2,692,435	87,670
			<b>14,610</b>	<b>6,834</b>
<b>17.03</b>	<b>VAT Payable</b>			
	Opening Balance		64,465	29,037
	Add: Addition during the year		341,540	381,511
			<b>406,005</b>	<b>410,548</b>
	Less: Paid during the year		350,544	346,083
			<b>55,461</b>	<b>64,465</b>
<b>17.04</b>	<b>Employees payable</b>			
	Opening Balance		1,654,014	1,500,000
	Add: Addition during the year		5,000,000	500,000
			<b>6,654,014</b>	<b>2,000,000</b>
	Less: Paid during the year		-	345,986
			<b>6,654,014</b>	<b>1,654,014</b>
<b>17.05</b>	<b>Payable to Party</b>			
	Payable to CDBL		12,931	5,198
	Payable to Green Delta Aims Ltd		82,663	75,969
	Payable to Radiant Cleaning & Pest Control		13,741	12,900
	Payable to Infobase Ltd		-	5,000
	Payable to Royal Taj Enterprise		16,110	10,088
	Payable to Square Informatix Ltd		9,100	4,550
			<b>134,545</b>	<b>113,705</b>

	Note	31.12.2021	Amount InTaka 31.12.2020
<b>17.06 IPO Control Account</b>			
Opening Balance		328,600	-
Add: Addition during the year		4,194,000	1,593,600
		<b>4,522,600</b>	<b>1,593,600</b>
Less: Adjustment during the year		3,292,600	1,265,000
		<b>1,230,000</b>	<b>328,600</b>
<b>18.00 Payable to Clients</b>			
Client Payable Account		28,945,719	4,760,892
		<b>28,945,719</b>	<b>4,760,892</b>
<b>19.00 Payable to Brokerage</b>			
Payable to Brokerage GDSL (Non-Discretionary&Discretionary)		8,831,706	-
		<b>8,831,706</b>	-
<b>20.00 Short Term Loan</b>			
Opening Balance		-	83,985,989
Add: Addition during the year		107,048,532	32,040,716
<b>Total</b>		<b>107,048,532</b>	<b>116,026,705</b>
Less: Paid during the year		107,050,644	116,026,705
<b>Closing Balance</b>		<b>(2,112)</b>	-
The above loan is taken from Lankabangla Finance Limited as SOD Loan and fully secured against FDR.			
<b>21.00 Other Provision</b>			
Opening Balance		285,325	2,965,275
Add: Addition during the year		4,600,000	-
		<b>4,885,325</b>	<b>2,965,275</b>
Less: Paid during the year		285,325	2,679,950
		<b>4,600,000</b>	<b>285,325</b>
<b>22.00 Provision for Income Tax</b>			
Opening Balance		3,951,797	7,696,307
Add: Addition during the year		7,000,000	1,800,000
		<b>10,951,797</b>	<b>9,496,307</b>
Less: Paid during the year for IY 17-18 AY 18-19		-	509,380
Less: Paid during the year for IY 18-19 AY 19-20		-	4,535,130
Less: Ajustment made for IY 17-18 AY 18-19 Govt Tax us 64		-	500,000
Less: Ajustment made for IY 19-20 AY 20-21		2,362,231	-
Less: Paid during the year for IY 19-20 AY 20-21		1,308,157	-
Less: Paid during the year for IY 20-21 AY 21-22		28,029	-
		<b>7,253,380</b>	<b>3,951,797</b>

**23.00 Share Capital****Authorized Share Capital: Taka 1,000,000,000**

The Authorized Share Capital with which the Company has ventured is taka 1,000,000,000 (One Hundred Crore) divided into 100,000,000 ordinary shares of taka 10 each.

**Paid up Capital: Taka 260,000,000**

This represents the paid up capital of the company with 26,000,000 Ordinary Shares of taka 10 each subscribed and paid by the following sponsor shareholders and directors of the company.

Particulars	Amount in Taka
Green Delta Insurance Co. Ltd	259,999,900
Nasir A. Choudhury	100
Total-	260,000,000



	Note	31.12.2021	Amount InTaka 31.12.2020
<b>24.00 Retained Earnings</b>			
Opening Balance		69,098,961	62,741,316
Add: Addition during the year		27,285,685	6,357,645
		<b>96,384,646</b>	<b>69,098,961</b>
Less: Final dividend payment		13,000,000	-
		<b>83,384,646</b>	<b>69,098,961</b>
<b>25.00 Available For Sale (AFS) Reserve</b>			
Opening Balance		(55,598,961)	(45,496,591)
Add: Addition during the year		-	(10,102,370)
		(55,598,961)	(55,598,961)
Less: Adjustment		(6,179,720)	-
		<b>(49,419,241)</b>	<b>(55,598,961)</b>
<b>26.00 Operating Income</b>			
Margin interest Income, Non -Disc		741,905	450,619
Structured Finance and Corporate Advisory		40,293,286	18,320,202
Income from Publication Reserch		1,556,100	1,031,450
Management Fee (Non-Discretionary A/C)		182,462	98,712
Management Fee Income, GD perfor-Max (Discretionary)		6,093	-
Management Fee Income GD Plannar (Discretionary)		3,804	-
Documentation Fees, Non-Discretionary		30,500	29,500
Performance Fees GD Perfomax Discretinary		1,725	-
Termination Fees GD Perfomax Discretinary		2,440	-
BO Account Opening Fee, Non-Discretionary		28,000	22,500
BO Account Opening Fee, Discretionary		4,500	-
BO Renewal Fee, Non-Discretionary		108,500	73,500
BO Closing Fee, Non-Discretionary		1,000	500
Brokerage Commission (Non-Discretionary)		3,213,211	398,501
Brokerage Commission, GD Perform Max (Discretionary)		4,373	391
Brokerage Commission, GD Planner (Discretionary)		5,656	-
Underwriting Commission, Head Office		59,426	-
		<b>46,242,981</b>	<b>20,425,875</b>
<b>27.00 Realised Gain on share trading</b>			
Realized gains on Share trading		30,058,524	8,246,453
		<b>30,058,524</b>	<b>8,246,453</b>
<b>28.00 Other Income</b>			
Dividend Income, Head Office		3,265,659	3,151,463
Service Charge on IPO Application		5,435	1,950
Interest Income on FDR, Head Office		7,721,130	10,690,039
Interest Income on STD Balances, Head Office		290	3,666
Rent Income, Head Office		36,000	36,000
Interest Income from Green Delta Insurance GDIC SOD LOAN		-	4,759,999
Interest Income from Green Delta SecuritiesGDSL FDR SOD LOAN		3,552,458	-
Miscellaneous earnings, Head Office		2,280	24,500
		<b>14,583,252</b>	<b>18,667,618</b>
<b>29.00 Operating &amp; Direct Expenses</b>			
Portfolio Expenses		118,876	-
		<b>118,876</b>	<b>-</b>
<b>30.00 Office &amp; Administrative Expenses</b>			
Salaries and Allowances		29,510,429	21,633,429
Festival Bonus		1,850,598	1,615,400
Performance bonus		1,522,575	-
Office Rent		1,338,876	1,338,876
Insurance premium		607,222	232,499
Utility, Electricity & Service Charges		1,070,190	914,874
Office Pool Car Exp & Driver Salary		604,422	397,118
Telephone expenses		5,842	14,782
Mobile Allowances		150,105	152,025

		Amount InTaka	
	Note	31.12.2021	31.12.2020
Stationery expenses		195,167	78,650
Audit fees		57,500	57,500
Office maintenance		123,877	93,184
Software maintenance fees		196,999	211,000
Repair expenses		6,450	14,995
Trade License renewal fees		19,200	19,000
Annual Fees for Merchant Banking License		230,000	50,000
Car Fuel and maintenance		210,705	391,693
Car Registration and BRTA Expenses -Admin		8,302	-
Membership, renewal fees, Merchant Bank & Other		215,000	215,000
Data Connectivity Expenses		165,000	165,650
Corporate Events		69,353	56,932
Conveyance		767,666	589,320
Computer Accessories		254,229	44,690
Traveling Expenses		443,125	318,720
Leave Fare Assistance		383,000	-
Internship Program		29,100	4,500
Foreign travel expenses		466,180	-
Paper, Books and periodicals		-	1,130
Entertainment expenses		735,009	151,499
Marketing Expense for Portfolio Management	30.01	2,520,683	2,360,687
CDBL Charges		198,686	43,534
Postage & Courier		11,909	4,804
Staff food expenses		363,335	225,123
Visa Processing Fees		117,317	7,840
Web Development		88,069	81,269
CDBL Annual Renewal DP PMD		76,300	52,500
Board Meeting Expenses		106,000	82,940
Advertisement expenses		136,169	67,730
Car Allowance		1,030,000	260,000
Cartidge & Tonner		-	25,192
RJSC & Govt. Fees		63,841	95,000
Corporate Events Investor		8,965	25,900
IPO Subscription Participation Fees (PMD)		38,000	12,000
Trustee Application Fees CIIB		55,000	-
Research EOD data Fees		60,000	-
		<b>46,110,395</b>	<b>32,106,985</b>
<b>30.01 Marketing Expense for Portfolio Management</b>			
Salary of Contractual Employee		2,108,124	1,935,763
Convayance		271,254	295,864
Mobile bill		61,800	58,700
Food Allowances		79,505	70,360
		<b>2,520,683</b>	<b>2,360,687</b>
<b>31.00 Financial Expenses</b>			
Interest Exp on SOD loan		2,617,691	4,000,716
Bank Charges, Finance		129,931	196,310
Bank Charges, PMD		3,105	-
		<b>2,750,727</b>	<b>4,197,026</b>
<b>32.00 Amortization, Depreciation &amp; Written Off</b>			
Furniture and fittings		39,168	40,802
Computer		224,637	242,015
Office equipment		181,266	196,485
Office Renovation		88,935	97,020
Systems and softwares		12,790	153,372
Car		2,472,279	2,148,596
		<b>3,019,075</b>	<b>2,878,290</b>

GREEN DELTA CAPITAL LIMITED  
**SCHEDULE OF PROPERTY, PLANT AND EQUIPMENT**

As at 31 December 2021

Schedule -A/1

Name of the Assets	COST			Rate	DEPRECIATION			Written down value as at 31.12.2021	
	Balance as at 01.01.2021	Addition during the year	Disposal during the year		Balance as at 31.12.2021	Charged during the year	Adjustment during the year		Balance as at 31.12.2021
Furniture and Fittings	414,805	-	-	414,805	10%	39,168	-	259,803	155,002
Office Equipment	2,088,795	9,450	-	2,098,245	20%	173,181	-	1,867,277	230,968
Computer	3,247,956	611,707	-	3,859,663	33%	224,637	-	3,343,919	515,744
Car	11,993,000	2,210,500	-	14,203,500	20%	2,472,279	-	5,747,382	8,456,118
Office Renovation	2,192,635	-	-	2,192,635	20%	97,020	-	2,058,478	134,157
<b>Balance as at 31.12.2021</b>	<b>19,937,191</b>	<b>2,831,657</b>	<b>-</b>	<b>22,768,848</b>		<b>3,006,285</b>	<b>-</b>	<b>13,276,859</b>	<b>9,491,989</b>
<b>Balance as at 31.12.2020</b>	<b>12,319,059</b>	<b>7,618,132</b>	<b>-</b>	<b>19,937,191</b>		<b>2,724,918</b>	<b>-</b>	<b>10,270,574</b>	<b>9,666,617</b>

GREEN DELTA CAPITAL LIMITED  
**AMORTIZATION SCHEDULE**

As at 31 December 2021

Schedule -A/2

Name of the Assets	COST			Rate	DEPRECIATION			Written down value as at 31.12.2021	
	Balance as at 01.01.2021	Addition during the year	Disposal during the year		Balance as at 31.12.2021	Charged during the year	Adjustment during the year		Balance as at 31.12.2021
Software	13,240,339	-	-	13,240,339	20%	12,790	-	13,240,339	-
<b>Balance as at 31.12.2021</b>	<b>13,240,339</b>	<b>-</b>	<b>-</b>	<b>13,240,339</b>		<b>12,790</b>	<b>-</b>	<b>13,240,339</b>	<b>-</b>
<b>Balance as at 31.12.2020</b>	<b>13,240,339</b>	<b>-</b>	<b>-</b>	<b>13,240,339</b>		<b>153,372</b>	<b>-</b>	<b>13,227,549</b>	<b>12,790</b>

# REPORT ON PROFESSIONAL ADVANCEMENT BANGLADESH LIMITED (PABL)

As a developing country Bangladesh's biggest asset lies in the increasing young population of working age. With 42% of the working population looming from the younger age group. The need for training is mandatory. To develop efficient and esteemed business leaders in the industry, PABL offers world class training and education programs through fully serviced training rooms located in key business location in Gulshan, Dhaka. PABL comes in, to facilitate the industry with trainings and international exposure.

During this lockdown period, PABL directed its operation by using digital platform and creating

new ways of learning with its top notch education and strategic partners for insurance and financial professionals. Also during 2021 PABL conducted physical trainings programs by maintaining social distance, safety and precautions.

Regards

**Munir Chowdhury**  
Chief Executive Officer  
Professional Advancement Bangladesh Limited.



## Mission

Creating the strong platform for the insurance sector and adding value as strategic partners with the insurance community by:

- Creating a high level of professionalism in the workplace
- Arranging effective human capital development programs
- Promoting Insurance education locally and internationally
- Addressing National and International issues



## Vision

To be the best insurance human capital development center and create strong International Insurance and Financial skilled Insurance professional.

### Overall Preview of PABL (2014-2021)

274 Training Sessions	17,978 No. of Trainees	108 CII Registered Students	186 III total subject enrolled
Both offline & online Workshops & Webinars have been arranged for internal and external specific industry participants through PABL from 2014 to 2021.	Total 17,978 participated in total of 274 Trainings/ Workshops which had been arranged through PABL for last 8 years.	A Total of 108 CII students registered	A total of 186 III subjects were enrolled.

## Core Team of PABL



## Strategic Partner & Partnership



## VALUABLE CLIENTELE 2021



## Service provided in the year 2021



### CII- Exams

12 Participants have enrolled for CII



### Other Certified Trainings & Free Webinars

Total 575 have participated in various online and offline certified trainings & 1780 have participated in various webinars.



### Agent Training

304 Agents participated for Agent Training

# GLIMPSE OF PABL ACTIVITIES -2021

Date: December 05, 2021

## In house training on “Knowledge Sharing Session in Insurance”

Professional Advancement Bangladesh Limited (PABL) organized two days of training titled as ‘Knowledge Sharing Session’. It was conducted by Mr. A.K.M. Iftekhar Ahmad, Consultant Green Delta Insurance Company Limited; Mr. Wafi Shafique Menhaz Khan, Managing Director & CEO, Green Delta Securities Limited; Mr. Syed Forhad Abbas Hussain, Deputy Managing Director & Head of Reinsurance, Green Delta Insurance Company Limited; Mr. Md. Anisur Rahman, Deputy Managing Director & Head of Claims, Green Delta Insurance Company Limited; Mr. Mohammad Habibul Bahar, Senior Executive Director & Deputy Head of Branches and Distributions, Green Delta Insurance Company Limited.



Date: October 6, 2021

## Agent Training For LIC Bangladesh Limited

PABL organized an ‘Agent Training Session’ for 243 participants of LIC Bangladesh Limited that’s was 72 Hours long online training program, and it was conducted by Mr. Alamin Mohammad, Professional Agent Trainer & Mr. Alam Mohammad Morshed, Professional Agent Trainer.



Date: October 7, 2021

### Training on “Corporate Business Communication”

Effective communication is a vital tool for any business owner. Effective communication can help to foster a good working relationship between you and your staff, which can in turn improve morale and efficiency. In continuation that PABL organized a training session on “Corporate Business Communication”. Total 20 participants joined the highly interactive training session. Corporate Business Communication related topics were discussed in this session.



Date: August 31, 2021

### Chartered Insurance Institute August Session – 2021.

PABL conducted CII Exam as “Public Test Center” for the first time in Bangladesh. In the year 2021 total 12 candidates sat for the online exam, was held on PABL premises on August 31, 2021. Award in General Insurance (WO1) and Award in Motor Insurance (IMP) was offered in this session. The exam was supervised by Mr. Munir Chowdhury (CEO, PABL).



Date: August 24, 2021

### Training on “Product Knowledge”

PABL organized a day-long training program at PABL Premises for Green Delta Insurance Company employees about Product Knowledge. Total 22 participants attended the training session. The session was conducted by Mr. Shubasish Barua, EVP & Head of Impact Business, Green Delta Insurance Company Limited.



Date: August 17, 2021

### Agent Training for Prime Islami Life Insurance Company Limited

PABL organized an agent training session for 72 hours for Prime Islami Life Insurance Company Limited from August 17, 2021 to August 22, 2021. Total 50 agent participated in this training session.



Date: July 14, 2021

### Training on “Navigating Financial Fundamentals”

PABL and K.A. Pandit jointly organized a 5 hours long online training session on “Navigating Financial Fundamentals” for GDIC’s Employees.

Ms. Suruchi Bhargava, (Actuary/Senior Consultant, KAP) and Mr. Santoshkumar Yadav (Actuarial Executive/Consultant, KAP) were the facilitator for this training session.



Date: July 07, 2021

### Webinar on “Career Opportunities in Financial Planning & Wealth Management - Global & Local Perspective”

PABL organized a webinar on “Career Opportunities in Financial Planning & Wealth Management - Global & Local Perspective”. The webinar was moderated by Mr. Tapas Saha, Founder & Managing Partner International Institute of Research & Wealth Management.





Date: June 21, 2021

### Training on “Tips & Techniques of Selling Services”

Professional Advancement Bangladesh Limited organized a day long training session on “Tips & Techniques of Selling Services”.

It was an interactive session and 15 participants attended the session. Mr. Javed Mahmud (Professional Trainer & Adjunct Faculty, Northern University Bangladesh) conducted the training session.



Date: May 26-27, 2021

### Training on “Professional Advanced MS Excel”

PABL organized a training session on “Professional Advanced MS Excel” for the employees of GDIC from May 26, 2021 to May 27, 2021. The training was conducted by Mr. A. Z. M. Akhlaqur Rahman, Professional Trainer.



Date: May 6 & 8-9, 2021

### Training on “Reinsurance Accounting”

PABL organized a three days (9 hours) online training session on Reinsurance Accounting. The session was conducted by MR. Rajesh Yagnik, Practice Head-Reinsurance, and Prudent Insurance Brokers & Mr. Syed Forhad Abbas Hussain, DMD & Head of Reinsurance Green Delta Insurance Company Limited.



Date: April 29, 2021

### Webinar on “The Second Wave of COVID-19 and Future of Insurance Industry in Bangladesh”

PABL organized a Webinar on “The Second Wave of COVID-19 and Future of Insurance Industry in Bangladesh”. Mr. S M Ziaul Hoque, CEO, Chartered Life Insurance Company Limited, was a speaker in the webinar and Mr. Munir Chowdhury, (CEO, PABL) was the moderator in the webinar. Many people from insurance industry attended the webinar.



Date: April 20, 2021

### Webinar on “Mental Health Care for Better Living”

PABL organized a webinar session titled as “Mental Health Care for Better Living” on April 20, 2021. Mr. Moqsud Malaque was the speaker in the webinar.



Date: April 08, 2021

### Training on “Finance for Non-Finance Managers”

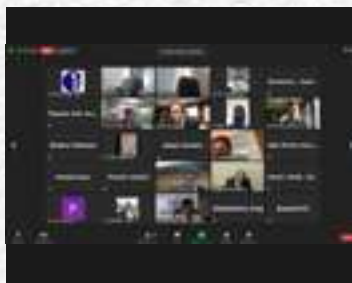
PABL organized an online training for the employees of GDIC which was titled as “Finance for Non-Finance Managers”. PABL’s Chief Executive Officer, Mr. Munir Chowdhury was the facilitator in the training session.



Date: March 15, 2021

### Webinar on “Impact of Pandemic on Insurance Industry in Bangladesh & Way Forward to Overcome the Challenges”

Bangladesh Insurance Association (BIA) organized a webinar on “Impact of Pandemic on Insurance Industry in Bangladesh & Way Forward to Overcome the Challenges” supported by PABL on the occasion of “MUJIB BORSHO”. The session was chaired by Mr. Sheikh Kabir Hossain (President, BIA) & Special Guest was Dr. M. Mosharraf Hossain FCA (Chairman, IDRA). Ms. Farzanah Chowdhury ACII (MD & CEO, Green Delta Insurance Company), and Mr. Md. Jalalul Azim (MD & CEO, Pragati Life Insurance Company Limited) were present as panelist.



Date: February 25, 2021

### Webinar on “Auditors and Actuaries - Working in Tandem for our clients”

PABL & KAP organized a webinar titled “Auditors and Actuaries - Working in Tandem for our clients” held on February 25, 2021. Mr. Kulin Patel, (CEO, KAP), Ms. Jinal Pandit (Partner, KAP) & Ms. Arundhati Ghoshal (Actuary/Consultant, KAP) was present as speakers of the webinar.



# DIRECTORS REPORT TO THE SHAREHOLDERS

## Dear Fellow Shareholders,

At the outset, we, the Board of Directors of your company Professional Advancement Bangladesh Limited (PABL), welcome you to the 8<sup>th</sup> Annual General Meeting and would like to thank you for your continued patronage and support. We are very delighted to present before you the Annual Report along with the Audited Financial Statements for the year ended 31 December 2021 and the Auditor's Report thereon for kind consideration and adoption.

### Operational Highlights:

Taka in Million	2021	2020
Revenue from student fees	2.2	3.59
Other income	0.18	0.65
Operating Expenses	1.58	1.40

### Financial Highlights-2021 and 2020

Taka in Million	2021	2020
Gross Profit	0.64	2.18
Net Profit/Loss	(6.99)	(4.76)

### Books of accounts

Proper books of accounts of PABL have been maintained. Appropriate accounting policies have been consistently applied in preparation of the financial statements. The accounting estimates are based on reasonable and prudent judgment. IAS/BAS/IFRS/ BFRS, as applicable in Bangladesh, have been followed in the preparation of the financial statements and any departure there from has been adequately disclosed.

### Internal Control

The system of internal control is sound in design and has been effectively implemented and monitored.

### Distribution of Profit for 2021

The company reported loss of Taka 70 lac in the year 2021. Considering company's growth potentials and

comparative cost benefit analysis of paying out dividend and overall better tax management, the Board of PABL decided not to declare any dividend to the shareholders of the company for 2021.

### Appointment of Auditors

The company shall, at each AGM appoint/reappoint an auditor to hold office until the next AGM. The Auditors of the company M/s Ahmed Zaker & Co. Chartered accountants, has completed their tenure as an auditor of the company. They are eligible for re-appointment as auditor of the company for the year 2021 and they have also offered themselves for re-appointment. The Board recommends to appoint M/s. Ahmed Zaker & Co., Chartered Accountants to the shareholders at the AGM as the auditors of the company for the year 2022 at the existing remuneration of BDT 25,000.00

### Going concern

There is no significant doubt upon the PABL ability to continue as a going concern.

### Appreciation

I would like to thank my Board colleagues for their continued support and on their behalf would like to express my heartiest gratitude to the entire team of Professional Advancement Bangladesh Limited (PABL). It would be unfair to not acknowledge the exceptional efforts of our employees who worked in praiseworthy partnerships to meet the many challenges of difficult year.

In conclusion, on behalf of the Board, I would like to thank our honorable shareholders for their continued faith and support. For and on behalf of the Board of Directors.



**Nasir A. Choudhury**  
Chairman

# INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF

# PROFESSIONAL ADVANCEMENT BANGLADESH LIMITED

## Opinion

We have audited the financial statements of **Professional Advancement Bangladesh Limited** ("the Company"), which comprise the statement of financial position as at December 31, 2021, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at December 31, 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

## 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 ethical requirement that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Emphasis of Matter

1. We draw attention to note # 7 FDR Investment to the Peoples Leasing and Financial Services Ltd. amount of Taka 8,207,081 of the financial statements.

Our report is not modified in respect of this matter.

## Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRS), where practicable Companies Act 1994 and other applicable rules & regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing **Professional Advancement Bangladesh Limited** financial reporting process.

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in

the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report

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to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

### Report on other legal and regulatory requirements

We also report the following:

- a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by **Professional Advancement Bangladesh Limited** so far as it appeared from our examination of those books; and
- c) the statement of financial position and the statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.



**AKM Mohitul Haq, FCA**  
Enrolment No.- 0458  
**Senior Partner**  
**Ahmed Zaker & Co.**  
Chartered Accountants

PROFESSIONAL ADVANCEMENT BANGLADESH LIMITED  
**STATEMENT OF FINANCIAL POSITION**  
AS AT 31 DECEMBER 2021

		Amount in Taka	
Particulars	Note	31.12.2021	31.12.2020
<b>ASSETS</b>			
<b>Non-Current Assets</b>		<b>5,773,565</b>	<b>6,252,562</b>
Property, Plant & Equipment	3	5,773,565	6,252,562
<b>Current Assets</b>		<b>24,289,211</b>	<b>29,089,727</b>
Advances, Deposits & Prepayments	4	8,363,776	8,849,558
Inter-Company Receivable	5	1,892,180	1,890,680
Accounts Receivable	6	1,537,529	4,430,430
FDR Investment	7	11,062,340	10,876,057
Cash and cash equivalents	8	1,433,386	3,043,002
<b>TOTAL ASSETS</b>		<b>30,062,776</b>	<b>35,342,289</b>
<b>SHAREHOLDERS EQUITY AND LIABILITIES</b>			
<b>Shareholders equity</b>		<b>(9,081,724)</b>	<b>(2,089,693)</b>
Share Capital	9	10,000,000	10,000,000
Retained Earnings	10	(19,081,724)	(12,089,693)
<b>Current Liabilities</b>		<b>39,144,500</b>	<b>37,431,982</b>
Inter-Company Payable	11	37,620,754	34,091,345
Accounts Payable	12	1,217,660	3,048,909
Provision for Tax	13	306,087	291,728
<b>TOTAL SHAREHOLDERS EQUITY AND LIABILITIES</b>		<b>30,062,776</b>	<b>35,342,289</b>

The accompanying Policies and explanatory notes (1-18) form an integral part of these Financial Statements.



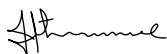
Chairman



Director



In charge



Accounts Officer

Signed as per our separate report of same date.



Company Secretary



**AKM Mohitul Haq, FCA**  
Senior Partner  
Enrolment No.- 0458  
**Ahmed Zaker & Co.**  
Chartered Accountants

Place: Dhaka  
Date: February 06, 2022  
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PROFESSIONAL ADVANCEMENT BANGLADESH LIMITED  
**STATEMENT OF PROFIT OR LOSS AND  
 OTHER COMPREHENSIVE INCOME**

FOR THE YEAR ENDED 31 DECEMBER 2021

		Amount in Taka	
Particulars	Note	31.12.2021	31.12.2020
<b>Operating Income</b>		<b>2,216,427</b>	<b>3,589,280</b>
Revenue from Training Fees	14	2,216,427	3,589,280
<b>Less: Operating Expense</b>		<b>1,576,830</b>	<b>1,404,737</b>
Operating expense	15	1,576,830	1,404,737
<b>Gross Profit</b>		<b>639,598</b>	<b>2,184,543</b>
<b>Add: Other Income</b>		<b>176,658</b>	<b>649,364</b>
Other Income	16	176,658	649,364
<b>Total Income</b>		<b>816,255</b>	<b>2,833,907</b>
Less: Office & Administrative Expenses		<b>7,760,509</b>	<b>7,559,104</b>
Office & Administrative Expenses	17	7,760,509	7,559,104
<b>Profit/(Loss) before Interest expense and Tax (PBIT)</b>		<b>(6,944,253)</b>	<b>(4,725,197)</b>
Less: Financial Expenses		<b>33,419</b>	<b>14,079</b>
Financial Expenses	18	33,419	14,079
<b>Profit/(Loss) before Tax (PBT)</b>		<b>(6,977,673)</b>	<b>(4,739,276)</b>
Less: Provision for Tax	13	(14,359)	(25,432)
Net Profit/(loss)		<b>(6,992,031)</b>	<b>(4,764,708)</b>

The accompanying Policies and explanatory notes (1-18) form an integral part of these Financial Statements.



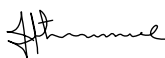
Chairman



Director



In charge



Accounts Officer

Signed as per our separate report of same date.



Company Secretary



**AKM Mohitul Haq, FCA**  
 Senior Partner  
 Enrolment No.- 0458  
**Ahmed Zaker & Co.**  
 Chartered Accountants

Place: Dhaka  
 Date: February 06, 2022  
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PROFESSIONAL ADVANCEMENT BANGLADESH LIMITED  
**STATEMENT OF CHANGE IN EQUITY**  
 FOR THE YEAR ENDED 31 DECEMBER 2021

Amount in Taka

Particulars	Share Capital	Retained Earnings	Total Shareholders' Equity
Opening Balance	10,000,000	(12,089,693)	(2,089,693)
Add: Profit/(Loss) during the Year	-	(6,992,031)	(6,992,031)
<b>Balance For the Year ended 31.12.2021</b>	<b>10,000,000</b>	<b>(19,081,724)</b>	<b>(9,081,724)</b>

PROFESSIONAL ADVANCEMENT BANGLADESH LIMITED  
**STATEMENT OF CHANGE IN EQUITY**  
 FOR THE YEAR ENDED 31 DECEMBER 2020

Amount in Taka

Particulars	Share Capital	Retained Earnings	Total Shareholders' Equity
Opening Balance	10,000,000	(7,324,985)	2,675,015
Add: Profit/(Loss) during the Year	-	(4,764,708)	(4,764,708)
<b>Balance For the Year ended 31.12.2020</b>	<b>10,000,000</b>	<b>(12,089,693)</b>	<b>(2,089,693)</b>



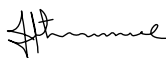
Chairman



Director



In charge



Accounts Officer

Signed as per our separate report of same date.



Company Secretary



**AKM Mohitul Haq, FCA**  
 Senior Partner  
 Enrolment No.- 0458  
**Ahmed Zaker & Co.**  
 Chartered Accountants

Place: Dhaka  
 Date: February 06, 2022  
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## PROFESSIONAL ADVANCEMENT BANGLADESH LIMITED

**STATEMENT OF CASH FLOWS**

FOR THE YEAR ENDED 31 DECEMBER 2021

Particulars	Amount in Taka	
	31.12.2021	31.12.2020
<b>Cash Flow from Operating Activities:</b>		
Cash Received from Customers and others	5,284,486	1,880,062
Cash Paid to Customers, Suppliers, Employees & others	(6,319,097)	1,801,363
Tax Paid	(120,223)	(54,265)
<b>Net Cash (used) /flows from operating activities</b>	<b>(1,154,833)</b>	<b>3,627,160</b>
<b>Cash Flow from Investing activities :</b>		
Acquisition of Property, Plant & Equipment	(268,500)	(3,227,044)
Encashment of FDR	2,613,717	2,221,454
Investment In FDR	(2,800,000)	-
<b>Net Cash flows from Investing activities</b>	<b>(454,783)</b>	<b>(1,005,590)</b>
<b>Cash Flow from Financing activities:</b>		
Share Capital	-	-
<b>Net Cash (used) /flows from Financing activities:</b>	<b>-</b>	<b>-</b>
Net increase/(decrease) in cash & cash equivalents	<b>(1,609,616)</b>	<b>2,621,570</b>
Add: Cash & Cash equivalents at the beginning of the Year	3,043,002	421,432
Cash & Cash equivalents at the end of the Year	<b>1,433,386</b>	<b>3,043,002</b>

PROFESSIONAL ADVANCEMENT BANGLADESH LIMITED  
**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE YEAR ENDED DECEMBER 31, 2021

**1. Legal Status and Nature of the Company:**

**Legal Status:**

Professional Advancement Bangladesh Limited, a Private Limited Company Incorporated in Bangladesh under the Companies Act 1994 with the Registrar of Joint Stock Companies & Firms. The Company was registered on March 3, 2014 with the issuance of certificate no. C-114432/14.

**Nature of the Company:**

To employ national and foreign trainers to provide quality level training for a fee or subscription or other mode of payment to individuals to become professionals in the insurance and financial field and to develop and strengthen vocational and non-vocational training at all level through formal and non formal mode, with need bases courses of adequate quality level, curriculum, learning resources and teaching learning process, assessment and certification or to institute and award fellowships, scholarships, prizes and medals to the trainees, or to fix, demand and receive fees and other charges as they may deem fit.

**2. Basis of Presentation of the Financial Statements:**

As per the requirements of IAS 1: "Presentation of Financial Statements" financial statements comprise a statement of financial position at the end of the year, a statement of profit or loss and other comprehensive income for the year, a statement of changes in equity for the year, a statement of cash flows for the year, liquidity statement, and relevant notes to the financial statements and disclosures.

Financial statements are made as of December 31, 2021 and are prepared under the historical cost convention on Generally Accepted Accounting Principles (GAAP) on going concern basis. Financial statements have been prepared in accordance with the measurements and recognition requirements of International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB).

Adopted International Accounting Standards (IAS), International Financial Reporting Standards (IFRS), the Companies Act 1994 and other applicable rules and regulation have been used as a model for the presentation and disclosure framework to provide additional information and analysis of the key items in the financial statements except as the company considers disclosures inappropriate.

**2.1 Recognition of Property & Equipment and Depreciation:**

In accordance with the International Accounting Standard adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) as IAS 16 'Property Plant and Equipments, fixed assets have been accounted for using the reducing balance depreciation method. Cost includes expenditure that is directly attributable to the acquisition of the items. Depreciation on all fixed assets has been applied consistently year to year at the following rate.

a)	Computer & IT equipment	15%
b)	Office Equipments	15%
c)	Furniture & Fixtures	10%
d)	Books and periodicals	10%

Depreciation has been charged in addition of fixed assets when it is available for use and no depreciation is charged in the year of disposal.

**2.2 Revenue Recognition:**

Revenue is recognized only when it is probable that the economic benefit of such transaction has been derived as per "IFRS-15".

**Brokerage commission**

Brokerage commission is recognized as income when selling or buying order executed.

**Interest Income from margin loan**

Interest Income from margin loan is recognized on accrual basis. Such income is calculated on daily margin loan balance of the respective parties. Income is recognized on monthly basis.

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

Dividend income is recognized when right to receive payment is established whereas profit or loss arising from the sale of securities is accounted for only when shares are sold in the market and profit is realized or loss is incurred.

**Income from Bank deposit**

Income from short term bank deposit & FDR are recognized when the amount is credited by the bank in the accounts.

**2.3 Cash and cash equivalents**

Cash and cash equivalents consist of cash in hand, bank balances and deposits held with banks and financial instruments and short-term liquid investments that are readily convertible to known amount of cash and that are subject to an insignificant risk of change in value.

**2.4 Cash Flow Statements:**

Cash flow statement has been prepared in accordance with the International Accounting Standards (IAS) 7, "Cash flow statement" under direct method.

**2.5 Events after the Reporting date:**

As per IAS-10 "Event after the Balance Sheet Date" are those events favorable and unfavorable, that occur between the end of the reporting year and the date when the financial statements are authorized for issue. Two types of event can be identified:

those that provide evidence of conditions that existed at the end of the reporting year (adjusting events after balance sheet date); and

Those that is indicative of conditions that arose after the reporting year (Non-adjusting events after balance sheet date).

**2.6 Related party disclosure**

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

Name of the Related Party	Nature of Relationship	Nature of Transaction	Opening Balance January 01, 2021	Addition during the year	Payment during the year	Closing Balance as on December 31, 2021
<b>Green Delta Insurance Company Limited</b>	Common Shareholder	Inter-Company Payables	34,091,345	3,529,409	-	37,620,754
<b>GD Assist</b>	Sister Concern	Inter-Company Receivables	1,890,680	45,000	(43,500)	1,892,180

## 2.7 Going Concern:

As per IAS-1, a company is required to make assessment at the end of each year to assess its capability to continue as going concern. Management of the company makes such assessment each year. The company has adequate resources to continue its operation for the foreseeable future and has the ability to discharge its liabilities. For this reason, the Directors continue to adopt the going concern assumption while preparing the financial statements.

## 2.8 Comparative:

Comparative information has been disclosed in respect of the previous year for all numerical information in the financial statements including narrative and descriptive information when it is relevant for understanding of the current year's financial statements.

Previous year's figure has been re-arranged whenever considered necessary to ensure comparability with the current year's presentation as per IAS-8 "Accounting Policies, Changes in Accounting Estimates and Errors".

## 2.9 Information on Financial Statement:

### Responsibility for preparation and presentation of financial statements:

The company's management and the Board of Directors are responsible for the preparation and presentation of Financial Statements according to the International Accounting Standard IAS-1 "Presentation of Financial Statements".

### Components of the Financial Statements:

Following are the component of the financial statements.

- Statement of Financial Position as at December 31, 2021.
- Statement of Profit or Loss and Other Comprehensive Income for the year ended December 31, 2021.
- Statement of Changes in Equity for the year ended December 31, 2021.
- Statement of Cash flows for the year ended December 31, 2021.
- Notes to the financial statements and Explanatory notes.

### General:

- The figure has been rounded off to the nearest Taka.
- The financial Statement has been prepared covering the year from January 01, 2021 to December 31, 2021.

	Amount InTaka	
	31.12.2021	31.12.2020
<b>3.00 Property, Plant &amp; Equipment</b>		
<b>Cost</b>		
Opening balance	9,594,924	6,367,880
Add: Addition during the year	268,500	3,227,044
	<b>9,863,424</b>	<b>9,594,924</b>
Less: Adjustment during the year	-	-
<b>Closing Balance</b>	<b>9,863,424</b>	<b>9,594,924</b>
<b>Depreciation</b>		
Opening balance	3,342,362	2,534,083
Add: Charged during the year	747,497	808,279
	<b>4,089,859</b>	<b>3,342,362</b>
Less : Adjustment during the year	-	-
<b>Closing Balance</b>	<b>4,089,859</b>	<b>3,342,362</b>
<b>Written down value</b>	<b>5,773,565</b>	<b>6,252,562</b>
Details of Property, Plant & Equipment is given in Annexure-A		

		Amount InTaka	
		31.12.2021	31.12.2020
<b>4.00</b>	<b>Advances, Deposits &amp; Prepayments</b>		
	Advance office rent	524,400	640,000
	Advance against expenses	5,840,384	6,308,884
	AIT on FDR	481,629	458,999
	AIT on bank deposit	35,358	31,922
	Advance tax	1,396,205	1,302,049
	Advance Agent training expenses	85,800	107,704
		<b>8,363,776</b>	<b>8,849,558</b>
<b>5.00</b>	<b>Inter-Company Receivable</b>		
	Receivable from GD ASSIST		
	Opening balance	1,890,680	1,889,530
	Add: addition during the year	45,000	1,150
		<b>1,935,680</b>	<b>1,890,680</b>
	Less: received during the year	(43,500)	-
		<b>1,892,180</b>	<b>1,890,680</b>
<b>6.00</b>	<b>Accounts Receivable</b>		
	Receivable from Student Fees	79,000	79,000
	Receivable from Others	1,444,800	4,253,695
	Accrued interest on FDR	13,729	97,735
		<b>1,537,529</b>	<b>4,430,430</b>
<b>7.00</b>	<b>FDR Investment</b>		
	Opening Balance	10,876,057	13,097,511
	Add: Addition during the Year	2,800,000	-
	Add: Interest received during the year	226,305	462,176
		<b>13,902,363</b>	<b>13,559,687</b>
	Less: Encashment during the Year	(2,840,023)	(2,683,630)
		<b>11,062,340</b>	<b>10,876,057</b>
	FDR Include Tk. 8,207,081 has deposited People leasing & financial services Limited. The company has not received any Interest during the year and People leasing & Financial services Limited is going to liquidation but process is not completed. As a result net realisable value is not ascertaining during the year. Therefore, no provision has been made during the year.		
<b>8.00</b>	<b>Cash and Cash Equivalents</b>		
	Cash in hand	8,934	6,077
	Cash at Bank	1,424,452	3,036,925
		<b>1,433,386</b>	<b>3,043,002</b>
<b>8.01</b>	<b>Cash at Bank</b>		
	MBL A/C No 111313101700868	1,080,880	2,938,235
	SCB A/C: 01130982501	60,585	-
	Brac A/C: 1501203468910001	282,987	98,690
		<b>1,424,452</b>	<b>3,036,925</b>
<b>9.00</b>	<b>Share capital</b>		
<b>9.01</b>	<b>Authorized Capital</b>		
	Five Million (50,00,000) ordinary shares of Tk.10/- each	<b>50,000,000</b>	<b>50,000,000</b>
<b>9.02</b>	<b>Issued, subscribed and paid up Capital</b>	<b>10,000,000</b>	<b>10,000,000</b>
	This represents the paid up capital of the company with 10,00,000 Ordinary Shares of taka 10 each subscribed and paid by the following sponsor shareholders and directors of the company.		
Particulars	No of shares	Amount in Taka	
Mr. Nasir Uddin Ahmad (Director)	400	4,000	4,000
Green Delta Insurance Company	999,600	9,996,000	9,996,000
	<b>1,000,000</b>	<b>10,000,000</b>	<b>10,000,000</b>

		Amount InTaka	
		31.12.2021	31.12.2020
<b>10.00</b>	<b>Retained Earnings</b>		
	Opening Balance	(12,089,693)	(7,324,985)
	Add: Profit/(Loss) during the year	(6,992,031)	(4,764,708)
		<b>(19,081,724)</b>	<b>(12,089,693)</b>
<b>11.00</b>	<b>Inter-Company Payable</b>		
	Payable to GDIC		
	Opening Balance	34,091,345	31,527,193
	Add: Addition during the Year	3,529,409	2,564,152
		<b>37,620,754</b>	<b>34,091,345</b>
	Less: Paid During the Year	-	-
		<b>37,620,754</b>	<b>34,091,345</b>
<b>12.00</b>	<b>Accounts Payable</b>		
	Tax payable	-	20,402
	VAT payable	-	109,281
	Others payable	1,160,160	2,832,976
	Audit fee payable	57,500	86,250
		<b>1,217,660</b>	<b>3,048,909</b>
<b>13.00</b>	<b>Provision for Tax</b>		
	Opening Balance	291,728	266,296
	Add: Addition during the Year	14,359	25,432
		<b>306,087</b>	<b>291,728</b>
	Less: Adjustment During the year	-	-
		<b>306,087</b>	<b>291,728</b>
<b>14.00</b>	<b>Revenue from Training Fees</b>		
	Income from Agent Training	1,238,650	2,560,050
	Training Income from Other	473,171	159,920
	Training Income from GDIC	160,931	530,131
	Income from III	-	35,550
	Income from CII	343,675	303,629
		<b>2,216,427</b>	<b>3,589,280</b>
<b>15.00</b>	<b>Operating Expenses</b>		
	Expense for Agent Training	869,419	657,481
	Expenses for CII	302,427	260,325
	Operating Expenses	46,635	-
	Car Expenses	14,514	53,581
	Training Expenses for GDIC	122,372	348,652
	Training Expenses for Other	221,463	84,698
		<b>1,576,830</b>	<b>1,404,737</b>
<b>16.00</b>	<b>Other Income</b>		
	Bank Interest	34,359	22,464
	Interest on FDR	142,299	626,900
		<b>176,658</b>	<b>649,364</b>
<b>17.00</b>	<b>Office &amp; Administrative Expenses</b>		
	Salary & Allowances	2,540,274	2,656,000
	Office Maintenance Expenses	106,844	134,077
	Festival Bonus Expenses	183,000	261,375
	Stationary Expenses	79,868	27,864
	Conveyance & Travel	176,985	110,325
	Office Rent	3,369,020	2,984,000
	Mobile & Internet Bill Expenses	49,382	85,979

	Amount InTaka	
	<b>31.12.2021</b>	<b>31.12.2020</b>
Office Entertainment Expenses	3,510	4,280
Office Tea Expenses	3,182	11,981
Repair & Renewal Expenses	41,115	4,660
Service Charge Expenses	240,000	220,000
Subscription & Fees	15,000	36,500
Staff Food Expenses	62,824	45,620
Electricity & Utility Exp.	101,400	33,189
Business Development Expenses	-	106,225
Group Insurance Expense (Health & Life) for Employees	11,858	-
Depreciation	747,497	808,279
Audit Fee	28,750	28,750
	<b>7,760,509</b>	<b>7,559,104</b>
<b>18.00 Financial expenses</b>		
Bank and Other Charges	33,419	14,079
	<b>33,419</b>	<b>14,079</b>



**SCHEDULE OF PROPERTY, PLANT AND EQUIPMENT**

As at 31 December 2021

Annexure-A

Name of the Assets	COST				Rate	DEPRECIATION			Written down value as at 31.12.2021
	Balance as at 01.01.2021	Addition during the year	Adjustment during the year	Balance as at 31.12.2021		Charged during the year	Adjustment during the year	Balance as at 31.12.2021	
Computer & IT Equipment	1,934,942	89,500	-	2,024,442	15%	243,443	-	644,930	1,379,512
Office Equipment	352,652	81,000	-	433,652	15%	42,728	-	191,527	242,125
Furniture & Fixtures	7,274,672	98,000	-	7,372,672	10%	459,611	-	3,236,170	4,136,502
Books and Periodicals	32,658	-	-	32,658	10%	1,714	-	17,231	15,427
<b>Balance as at 31.12.2021</b>	<b>9,594,924</b>	<b>268,500</b>	<b>-</b>	<b>9,863,424</b>		<b>747,497</b>	<b>-</b>	<b>4,089,858</b>	<b>5,773,565</b>
<b>Balance as at 31.12.2020</b>	<b>6,367,880</b>	<b>3,227,044</b>	<b>-</b>	<b>9,594,924</b>		<b>808,279</b>	<b>-</b>	<b>3,342,362</b>	<b>6,252,562</b>

# REPORT ON GD ASSIST LIMITED

GD Assist started its journey in 2014 as a Medical Tourism company. Now over the years GD Assist has not only worked as a medical tourism company but also as an end-to-end healthcare service provider, clinical service provider of corporates, third party administrator, facilitator of health & life insurance, last but not least, a travel concierge.

Year 2021, another crucial year for mankind. People have passed another year in Covid-19. However, GD Assist continued its journey and served about 12000 lives by providing hospital appointments, second medical opinion, national & international tele consultation, ground & air ambulance service, daily Covid-19 update. Facilitating Covid-19 PCR test for travelers and Covid suspected patient, ECG, X-ray services, medicine delivery, oxygen cylinder delivery service, nanny and caregiver service.

Beginning of this year, for the massive outbreak of Covid-19, GD Assist is providing online webinar & health talk sessions on yoga, mental health and webinar on special health days. In the middle of the year when lockdown was relaxed, GD Assist started to arrange these corporate wellness sessions in Corporates like Eastern Bank Limited, Brac Bank, Marico, Robi Axiata and Banglalink's premises.

For the first time GD Assist provided a health camp facility in any cricket tournament. Green Delta Insurance Limited arranged an internal friendly cricket tournament where GD Assist arranged a camp to provide first aid support to players. During every match GD Assist paramedic was standing by with primary medical support.

To continue this health camp journey, GD Assist set-up a camp in "International investment summit-2021" organized by Bangladesh investment development authority with doctors and paramedics.

Not only in the field and summit, to encourage people about healthy lifestyle & living GD Assist this year launched "Fit connect card". This is the health card where you have all the benefits of GYM, body assessment, diet app, discounts on food & restaurants. It's a card for your healthful living.

Even though in this year GD Assist participated in "Future track education fair" where GD Assist offered medical insurances which is special designed for students. Students who are travelling abroad for their higher studies can avail this insurance service.

From 2020 till now we are not still used to Lockdown. When the lockdown was loosened, people were looking for a vacation, a relaxation place. More than ever people were also busy with their work, they needed a concierge to make their travel plans.

Here comes GD Assist again. GD Assist offers this year a few attractive tour packages to freshen and energize people's mind.

Every year GD Assist is tiding up with new associations/ corporates/healthcare management providers to ensure the best services to the client/s. Significantly this year GD Assist tided up with Bangladesh German Chamber of Commerce, Lab Aid Cancer Hospital and Super Specialty Center, Mahkota Medical Centre, Malaysia, Eastern Bank Limited and Fit **হবো**.



EBL Women Banking is hosting a discussion session in association with GD Assist on World Autism



GD Assist arranged webinar on "Prevention and Awareness of Cervical Cancer"



MOU signing ceremony between GD Assist & Fit रकबा.



GD Assist signed a virtual agreement with Eastern Bank Limited to offer exclusive benefits on healthcare services to EBL cardholders.



Memorandum of Understanding with Labaid Cancer Hospital and Super Speciality Center.



Participated in future track education fair in Chittagong



Celebrating "Breast Cancer Awareness Day" and arranging free health talk session, breast camp for Green Delta Insurance Limited's employees



Health camp in GDIC Cricket tournament & Bangladesh investment summit



Digital campaign with Mahkota Medical Center, Malaysia.

# DIRECTORS REPORT TO THE SHAREHOLDERS

## Dear Shareholders,

At the outset, we, the Board of Directors of your Company GD Assist Limited welcome you to the 8th Annual General Meeting and would like to thank you for your continued patronage and support. We are very delighted to present before you the Annual Report along with the Audited Financial Statements for the year ended 31 December 2021 and the Auditor's Report thereon for kind consideration and adoption.

## Operational Highlights:

Taka in Million	2021	2020
Operating Income	16.26	(4.98)
Other Income	1.27	1.82
Operating Expense	13.87	14.55

## Financial Highlights- 2021 & 2020

Taka in Million	2021	2020
Profit Before Tax	3.65	(17.72)
Net Profit	3.56	(18.08)

## Books of Accounts

Proper books of accounts of GDAL have been maintained. Appropriate accounting policies have been consistently applied in preparation of financial statements. The accounting estimates are based on reasonable and prudent judgement. IAS/BAS/IFRS/BFRS, as applicable in Bangladesh, have been followed in the preparation of the financial statements and any departure there from has been adequately disclosed.

## Internal Control

The system of internal control is sound in design and has been effectively implemented and monitored.

## Distribution of Profit for 2021

The company reported Net profit of Taka 3.65 million in the year 2021. Considering company's growth potentials and comparative cost benefit analysis of paying out dividend and overall better tax management, the Board of

GD Assist decided 3% cash dividend to the shareholders of the company for the year 2021

## Appointment of Auditors

The company shall, at each AGM appoint/reappoint an auditor to hold office until the next AGM. The Auditors of the company Ahmed Zaker & Co. Chartered accountants, has completed their tenure as an auditor of the company. They are eligible for re-appointment as auditor of the company for the you for your continued patronage and support. We are very delighted to present before you the Annual Report along with the Audited Financial Statements for the year ended 31 December 2021 and the Auditor's Report thereon for kind consideration and adoption year 2022 and they have also offered themselves for re-appointment. The Board recommended to appoint Ahmed Zaker & Co. Chartered Accounts to the shareholders at AGM as the auditors of the company for the year 2022 at the existing remuneration of BDT 25,000.00.

## Going concern

There is no significant doubt upon the GD Assist Limited ability to continue as a going concern.

## Appreciation

I would like to thank my Board colleagues for their continued support and on their behalf would like to express my heartiest gratitude to the entire team of GD Assist Ltd. It would be unfair to not acknowledge the exceptional efforts of our employees who worked in praiseworthy partnerships to meet the many challenges of difficult year. In conclusion, on behalf of the Board, I would like to thank our honorable shareholders for their continued faith and support.

For and on behalf of the Board of Directors,



**Nasir A. Choudhury**  
Chairman

# INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF

## GD ASSIST LIMITED

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of GD Assist Limited ("the Company"), which comprise the statement of financial position as at December 31, 2021, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at December 31, 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

#### 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 ethical requirement that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRS), where practicable Companies Act 1994 and other applicable rules & regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are

free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing GD Assist Limited financial reporting process.

#### Auditor's Responsibilities for the Audit of the Financial Statements

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

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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements

represent the underlying transactions and events in a manner that gives a true and fair view.

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

### Report on other legal and regulatory requirements

We also report the following:

- a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by GD Assist Limited so far as it appeared from our examination of those books; and
- c) the statement of financial position and the statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.

Location: Dhaka  
Dated: February 06, 2022  
DVC- 2202170458AS684476

  
**AKM Mohitul Haq, FCA**  
Enrolment No.- 0458  
Senior Partner  
**Ahmed Zaker & Co.**  
Chartered Accountants

## GD ASSIST LIMITED

## STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2021

		Amount in Taka	
Particulars	Note	31.12.2021	31.12.2020
<b>ASSETS</b>			
<b>Non-Current Assets</b>		<b>13,931,289</b>	<b>14,230,083</b>
Property, Plant & Equipment	4.00	13,931,289	14,230,083
<b>Current Assets</b>		<b>44,827,368</b>	<b>43,224,931</b>
Advance, Deposit & Prepayments	5.00	10,308,824	9,577,351
Accounts Receivable	6.00	5,573,697	3,395,699
FDR Investment	7.00	27,688,382	27,792,403
Cash and Cash Equivalents	8.00	1,256,464	2,459,479
<b>TOTAL ASSETS</b>		<b>58,758,657</b>	<b>57,455,014</b>
<b>SHAREHOLDERS EQUITY AND LIABILITIES</b>			
<b>Shareholders Equity</b>		<b>38,477,971</b>	<b>34,910,135</b>
Share Capital	9.00	50,000,000	50,000,000
Retained Earnings	10.00	(11,522,029)	(15,089,865)
<b>Current Liabilities</b>		<b>20,280,686</b>	<b>22,544,879</b>
Payable to PABL	11.00	1,892,180	1,890,680
Lease Finance	12.00	98,807	439,096
Payable to GDIC	13.00	10,454,934	10,095,169
Others Payable	14.00	4,879,937	4,176,614
Bank Overdraft	15.00	1,711,992	4,788,380
Provision for Tax	16.00	1,242,836	1,154,941
<b>TOTAL SHAREHOLDERS EQUITY AND LIABILITIES</b>		<b>58,758,657</b>	<b>57,455,014</b>

The accompanying Policies and explanatory notes (1-19) form an integral part of these Financial Statements.

Sd/-  
Chairman

Sd/-  
Director

Sd/-  
Managing Director

Sd/-  
Head of Accounts

Signed as per our separate report of same date.

Sd/-  
Company Secretary

Place: Dhaka  
Date: February 06, 2022  
DVC- 2202170458AS684476

  
AKM Mohitul Haq, FCA  
Senior Partner  
Enrolment No.- 0458  
Ahmed Zaker & Co.  
Chartered Accountants



GD ASSIST LIMITED

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2021

Amount in Taka

Particulars	Note	31.12.2021	31.12.2020
Operating Income	17.00	16,262,865	8,929,826
Income or (loss) from Evacuation		-	(13,918,173)
<b>Operating Profit/(Loss)</b>		<b>16,262,865</b>	<b>(4,988,347)</b>
Add : Other Income	18.00	1,270,448	1,822,803
<b>Total Income</b>		<b>17,533,313</b>	<b>(3,165,543)</b>
<b>Less: Office and administrative Expenses</b>			
Office and administrative Expenses	19.00	13,877,582	14,551,685
<b>Profit/(Loss) Before Tax</b>		<b>3,655,731</b>	<b>(17,717,228)</b>
Less: Provision for Tax		(87,895)	(364,516)
<b>Net Profit/(Loss) during the year</b>		<b>3,567,836</b>	<b>(18,081,744)</b>

The accompanying Policies and explanatory notes (1-19) form an integral part of these Financial Statements.

Sd/-  
Chairman

Sd/-  
Director

Sd/-  
Managing Director

Sd/-  
Head of Accounts

Signed as per our separate report of same date.

Sd/-  
Company Secretary

Place: Dhaka  
Date: February 06, 2022  
DVC- 2202170458AS684476

  
AKM Mohitul Haq, FCA  
Senior Partner  
Enrolment No.- 0458  
Ahmed Zaker & Co.  
Chartered Accountants

## GD ASSIST LIMITED

**STATEMENT OF CHANGE IN EQUITY**

FOR THE YEAR ENDED DECEMBER 31, 2021

Amount in Taka

Particulars	Share Capital	Share Money Deposit	Retained Earnings	Total Shareholders Equity
Opening Balance	50,000,000	-	(15,089,865)	34,910,135
Add: Profit during the year	-	-	3,567,836	3,567,836
<b>Balance as at December 31, 2021</b>			<b>(11,522,029)</b>	<b>38,477,971</b>

## GD ASSIST LIMITED

**STATEMENT OF CHANGES IN EQUITY**

FOR THE YEAR ENDED DECEMBER 31, 2020

Amount in Taka

Particulars	Share Capital	Share Money Deposit	Retained Earnings	Total Shareholders Equity
Opening Balance	10,000,000	27,000,000	2,991,878	39,991,878
Share Money Deposit	27,000,000	(27,000,000)	-	-
Share Capital Receivable	13,000,000	-	-	13,000,000
Add: Profit/(Loss) during the year	-	-	(18,081,743)	(18,081,743)
<b>Balance as at December 31, 2020</b>	<b>50,000,000</b>	<b>-</b>	<b>(15,089,865)</b>	<b>34,910,135</b>

**STATEMENT OF CASH FLOWS**

FOR THE YEAR ENDED DECEMBER 31, 2021

Amount in Taka

Particulars	31.12.2021	31.12.2020
<b>Cash Flow from Operating Activities:</b>		
Cash Received from Customers and others	14,157,201	15,210,670
Cash Paid to Customers, Suppliers, Employees & others	(11,772,188)	(15,163,990)
Tax Paid	(932,212)	(245,019)
<b>Net Cash flows from operating activities</b>	<b>1,452,802</b>	<b>(198,339)</b>
<b>Cash Flow from Investing activities :</b>		
Acquisition of Property, Plant & Equipment	(564,500)	(100,682)
FDR Encashment & Interest	1,325,360	(10,077,775)
Investment Made	-	6,500,000
<b>Net Cash flows /(Used) from Investing activities</b>	<b>760,860</b>	<b>(3,678,457)</b>
<b>Cash Flow from Financing activities:</b>		
Short Term Loan	(3,076,388)	468,884
Lease Finance	(340,289)	(302,756)
<b>Net Cash flows from Financing activities</b>	<b>(3,416,677)</b>	<b>166,128</b>
<b>Net increase/(decrease) in cash &amp; cash equivalents</b>	<b>(1,203,015)</b>	<b>(3,710,668)</b>
Add: Cash & Cash equivalents at the beginning of the year	2,459,479	6,170,147
<b>Cash &amp; Cash equivalents at the end of Year</b>	<b>1,256,464</b>	<b>2,459,479</b>

GD ASSIST LIMITED

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED DECEMBER 31, 2021

**1. Legal Status and Nature of the Company:**

Legal Status:

GD ASSIST LIMITED was incorporated with the Registrar of Joint Stock Companies & Firms vide registration no. C-116592/14 dated June 16, 2014 as a private company limited by shares.

Nature of the Company:

To provide promotional and marketing services to local and foreign clients regarding publicity and brand management of product and organizations.

**2. Basis of Presentation of the Financial Statements:**

As per the requirements of IAS 1: "Presentation of Financial Statements" financial statements comprise a statement of financial position at the end of the year, a statement of profit or loss and other comprehensive income for the year, a statement of changes in equity for the year, a statement of cash flows for the year, liquidity statement, and relevant notes to the financial statements and disclosures.

Financial statements are made as of December 31, 2021 and are prepared under the historical cost convention on Generally Accepted Accounting Principles (GAAP) on going concern basis. Financial statements have been prepared in accordance with the measurements and recognition requirements of International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB).

Adopted International Accounting Standards (IAS), International Financial Reporting Standards (IFRS), the Companies Act 1994 and other applicable rules and regulation have been used as a model for the presentation and disclosure framework to provide additional information and analysis of the key items in the financial statements except as the company considers disclosures inappropriate.

**2.1) Recognition of Property & Equipment and Depreciation:**

In accordance with the International Accounting Standard adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) as IAS 16 'Property Plant and Equipments, fixed assets have been accounted for using the straight-line depreciation method. Cost includes expenditure that is directly attributable to the acquisition of the items. Depreciation on all fixed assets has been applied consistently year to year at the following rate.

a) Computer & IT equipment	15%
b) Office Equipments	15%
c) Motor Vehicles	5%
d) Furniture & Fixtures	10%
e) Software	10%
f) Software - TPA Software	10%

Depreciation has been charged in addition of fixed assets when it is available for use and no depreciation is charged in the year of disposal.

**2.2) Revenue Recognition:**

Revenue is recognized only when it is probable that the economic benefit of such transaction has been derived as per "IFRS-15".

## Income from Bank deposit

Income from short term bank deposit & FDR are recognized when the amount is credited by the bank in the accounts.

### 2.5) Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, bank balances and deposits held with banks and financial instruments and short-term liquid investments that are readily convertible to known amount of cash and that are subject to an insignificant risk of change in value.

### 2.6) Cash Flow Statements:

Cash flow statement has been prepared in accordance with the International Accounting Standards (IAS) 7, "Cash flow statement" under direct method.

### 2.8) Events after the Reporting date:

As per IAS-10 "Event after the Balance Sheet Date" are those events favorable and unfavorable, that occur between the end of the reporting year and the date when the financial statements are authorized for issue. Two types of event can be identified:

- those that provide evidence of conditions that existed at the end of the reporting year (adjusting events after balance sheet date); and
- Those that is indicative of conditions that arose after the reporting year (Non-adjusting events after balance sheet date).

### Proposed Dividend:

The Board of Directors has proposed 3% Cash dividend on the paid-up capital of the company's shareholders which is to be confirmed in the next Annual General Meeting (AGM) by the shareholders.

### 2.9) Related party disclosure

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

Name of the Related Party	Nature of Relationship	Nature of Transaction	Opening Balance January 01, 2021	Addition during the year	Payment during the year	Closing Balance as on December 31, 2021
Green Delta Insurance Company Limited	Common Shareholder	Payable to GDIC	1,00,95,169	548,765	(189,000)	10,454,934
		Payable to PABL	1,890,680	45,000	(43,500)	1,892,180

### 2.10) Going Concern:

As per IAS-1, a company is required to make assessment at the end of each year to assess its capability to continue as going concern. Management of the company makes such assessment each year. The company has adequate resources to continue its operation for the foreseeable future and has the ability to discharge its liabilities. For this reason, the Directors continue to adopt the going concern assumption while preparing the financial statements.

### 2.11) Comparative:

Comparative information has been disclosed in respect of the previous year for all numerical information in the financial statements including narrative and descriptive information when it is relevant for understanding of the current year's financial statements.

Previous year's figure has been re-arranged whenever considered necessary to ensure comparability with the current year's presentation as per IAS-8 "Accounting Policies, Changes in Accounting Estimates and Errors".

### 3. Information on Financial Statement:

#### Responsibility for preparation and presentation of financial statements:

The company's management and the Board of Directors are responsible for the preparation and presentation of Financial Statements according to the International Accounting Standard IAS-1 "Presentation of Financial Statements".

#### Components of the Financial Statements:

##### Following are the component of the financial statements.

- Statement of Financial Position as at December 31, 2021.
- Statement of Profit or Loss and Other Comprehensive Income for the year ended December 31, 2021.
- Statement of Changes in Equity for the year ended December 31, 2021.
- Statement of Cash flows for the year ended December 31, 2021.
- Notes to the financial statements and Explanatory notes.

#### General:

- The figure has been rounded off to the nearest Taka.
- The financial Statement has been prepared covering the year from January 01, 2021 to December 31, 2021.

		Amount in Taka	
	Note	31.12.2021	31.12.2020
<b>4.00</b>	<b>Property, Plant &amp; Equipment</b>		
	<b>Cost</b>		
	Opening balance as at 01.01.2021	16,870,730	16,770,048
	Add: Addition during the Year	564,500	100,682
		<b>17,435,230</b>	<b>16,870,730</b>
	Less: Adjustment during the year	-	-
	<b>Balance as at 31.12.2021</b>	<b>17,435,230</b>	<b>16,870,730</b>
	<b>Depreciation</b>		
	Opening balance as at 01.01.2021	2,640,647	1,760,121
	Add: Charged during the Year	863,294	880,526
		<b>3,503,941</b>	<b>2,640,647</b>
	Less : Adjustment during the Year	-	-
	<b>Balance as at 31.12.2021</b>	<b>3,503,941</b>	<b>2,640,647</b>
	<b>Written down value as at 31.12.2021</b>	<b>13,931,289</b>	<b>14,230,083</b>
	Details of Property, Plant & Equipment is given in Annexure-A		
<b>5.00</b>	<b>Advance Deposit &amp; Prepayments</b>		
	Advance TDS on FDR	620,096	469,726
	Advance TDS on Bank	292,980	160,882
	Advance TDS on Commission of Ticket sale	369,613	338,172
	Advance Income Tax	824,489	824,489

		Amount in Taka	
	Note	31.12.2021	31.12.2020
		434,332	-
		119,187	-
		64,784	-
		638,490	846,000
		6,254,808	6,712,667
		20,130	34,101
		84,756	191,314
		585,159	-
		<b>10,308,824</b>	<b>9,577,351</b>
<b>6.00</b>	<b>Accounts Receivable</b>		
	Accounts Receivable	1,769,466	780,537
	Receivable from Local TPA	392,968	399,504
	Receivable from Int'l TPA	354,448	450,214
	Receivable from Event Income	12,000	12,800
	IATA Refund Receivable	-	25,735
	Other Receivable - Car	242,311	88,725
	Receivable from Paywell	1,730	405
	Receivable from Ticket Sales	1,673,228	512,161
	Receivable from Hotel Sale	49,402	32,822
	Other Receivable (Employees & Others)	121,593	28,936
	Interest receivable on FDR	691,637	974,002
	Receivable from Visa	50,058	73,858
	Receivable from AMG	4,700	-
	Share Capital Receivable from GDIC	16,000	16,000
	Receivable from Health Card	12,178	-
	Receivable from Brokerage House	181,978	-
		<b>5,573,697</b>	<b>3,395,699</b>
<b>7.00</b>	<b>FDR Investment</b>		
	Opening Balance	27,792,403	17,784,628
	Add: Investment during this Year	-	12,500,000
	Add: Interest received	1,109,334	1,252,246
		<b>28,901,737</b>	<b>31,536,874</b>
	Less: Encash during this Year	(1,213,355)	(3,744,471)
		<b>27,688,382</b>	<b>27,792,403</b>
<b>8.00</b>	<b>Cash and Cash Equivalents</b>		
	Cash in hand	153,501	101,224
	Cash Margin Deposit	545,000	795,000
	Deposit to Rocket	45,000	45,000
	Nagad	17,600	-
	Deposit to Bikash	2,297	37,896
	Cash at Bank	493,066	1,480,358
		<b>1,256,464</b>	<b>2,459,479</b>

		Amount in Taka	
	Note	31.12.2021	31.12.2020
<b>8.01</b>	<b>Cash at Bank</b>		
	Mercantile Bank (A/C No: 12588)	49,077	5,909
	Mercantile Bank (A/C No: 25227)	29,060	0.20
	Midland Bank(A/C No: 1984)	-	-
	EBL (A/C No:5224)	39,307	40,093
	BRAC Bank ( A/C No: 48001)	504	634,174
	Standard Chartered Bank(302)	91,452	646,836
	Standard Chartered Bank - 02-01	11,930	34,233
	DEPOSIT TO RFCD- EBL BANK	79,010	119,113
	Midland Bank_OD_297	192,725	-
		<b>493,066</b>	<b>1,480,358</b>

**9.00 Share Capital:****Authorized Share Capital: Taka 50,000,000**

The authorized share capital of the company is Taka 50,000,000 (Five Crore) divided into 5,000,000 ordinary shares of Taka 10/- each.

**Paid up Capital: Taka 50,000,000**

This represents the paid up capital of the company with 5,000,000 Ordinary Shares of taka 10 each subscribed and paid by the following sponsor shareholders and directors of the company.

Particulars	No of shares	Amount in Taka
Green Delta Insurance Company Ltd.	4,998,000	49,980,000
Nasiruddin Ahmed Choudhury	2,000	20,000
	<b>5,000,000</b>	<b>50,000,000</b>

		Amount in Taka	
		31.12.2021	31.12.2020
<b>10.00</b>	<b>Retained Earnings</b>		
	Opening Balance	(15,089,865)	2,991,879
	Add: Net Profit/(Loss) During the Year	3,567,836	(18,081,744)
		<b>(11,522,029)</b>	<b>(15,089,865)</b>
	Less: Dividend Paid	-	-
		<b>(11,522,029)</b>	<b>(15,089,865)</b>
<b>11.00</b>	<b>Payable to PABL</b>		
	Opening Balance	1,890,680	1,889,530
	Add: Addition during the Year	45,000	1,150
		1,935,680	1,890,680
	Less: Paid during this Year	(43,500)	-
		<b>1,892,180</b>	<b>1,890,680</b>
<b>12.00</b>	<b>Lease Finance</b>		
	Opening Balance	439,096	741,852
	Add: Addition during the Year	-	-
		<b>439,096</b>	<b>741,852</b>
	Less: Paid during this year	(340,289)	(302,756)
		<b>98,807</b>	<b>439,096</b>



		Amount in Taka	
	Note	31.12.2021	31.12.2020
<b>13.00</b>	<b>Payable to GDIC</b>		
	Opening Balance	10,095,169	4,983,713
	Add: Addition during the Year	548,765	5,111,456
		<b>10,643,934</b>	<b>10,095,169</b>
	Less: Adjusted During the Year	(189,000)	-
		<b>10,454,934</b>	<b>10,095,169</b>
<b>14.00</b>	<b>Others Payable</b>		
	Tune Protect Payable	16,250	-
	TDS payable	105,808	112,555
	VAT payable on Supplier Payments	199,061	187,241
	VAT Payable on Office Rent, Head Office	39,444	54,450
	TPA Claim Fund (GBG)	280,933	280,933
	TPA Claim Fund GDIC	899,578	1,852,513
	Audit Fee payable	28,750	28,750
	Payable to Indigo	35,993	5,940
	Payable to IATA (For Ticket)	90,800	78,932
	Payable to Valencia (For Ticket)	363,941	363,941
	Payable to Novo Air	16,793	44,943
	Payable to Sky Lounge	14,450	-
	Payable to Others	1,260,928	900,932
	Payable to AMG	10,000	-
	Payable to Party	233,465	82,701
	Provision for Expenses, Head	120,000	-
	EBL Corporate Credit Card-5550	23,329	32,765
	Accounts Payable	442,600	101,591
	Refund Payable (Air Ticket)	215,412	48,426
	Office Rent & other Service charge Payable	17,670	-
	Unearned Service Revenue	149,075	-
	Unearned Revenue - BCB Health Card	266,438	-
	Fit Connect Card Exp Payable	13,436	-
	TPA Outstanding Cheque	11,466	-
	Health Card Payable	3,415	-
	DR Commission Payable	20,902	-
		<b>4,879,937</b>	<b>4,176,614</b>
<b>15.00</b>	<b>Bank Overdraft</b>		
	Standard Chartered Bank(72301)	1,704,536	4,445,100
	Over-draft (Midland Bank A/C: 297)	-	309,179
	Over-draft (Marcantile Bank A/C: 423)	7,456	34,101
		<b>1,711,992</b>	<b>4,788,380</b>
<b>16.00</b>	<b>Provision for Tax</b>		
	Opening Balance	1,154,941	838,919
	Add: Addition during the Year	87,895	364,516
		<b>1,242,836</b>	<b>1,203,435</b>
	Less: Adjustment during the Year	-	(48,494)
		<b>1,242,836</b>	<b>1,154,941</b>

		Amount in Taka	
	Note	31.12.2021	31.12.2020
<b>17.00</b>	<b>Operating Income</b>		
	Income from Medicine	425,926	356,167
	Income from Travel insurance	103,906	140,514
	Income from VISA	63,268	25,450
	Commisson - Prince Court Medical Centre	-	403,511
	Income from Int'l TPA	1,157,059	335,503
	Commisson - Pantai Hospital	910,532	-
	Income from Health Card	162,813	538,266
	Income from Local Hospital	1,461,685	744,981
	Income from International Hospital	51,516	315,736
	Income from Event	17,000	52,850
	Income From Local TPA	4,073,408	3,838,627
	Commission on Ticket Sale	2,408,508	382,525
	Income From Hotel	106,688	48,127
	Income from Telemedicine	360,704	351,030
	Income from Air Ambulance	-	620,600
	Income from Sample Collection	184,554	163,002
	Income from AMG	4,800	400
	Income from Sky Lounge	1,702	-
	Income from Vaccination & Social Services	10,100	5,640
	Income from Corporate wellness	4,645,916	606,897
	Bkash Cashless Income	12,376	-
	GDIC Corporate Wellness	14,164	-
	Income from Digital Activation Service	86,242	-
		<b>16,262,865</b>	<b>8,929,826</b>
<b>18.00</b>	<b>Other Income</b>		
	Interest Income from FDR	1,221,339	1,703,546
	Investment Income - Realized Gain / (Loss) from shares	42,430	95,532
	Paywell	2,317	3,634
	Interest on Bank Balance	1,869	17,571
	Income from Others	2,494	2,520
		<b>1,270,448</b>	<b>1,822,803</b>
<b>19.00</b>	<b>Office and administrative Expenses</b>		
	Salary & Wages	8,834,673	7,592,560
	Lunch Company's Part	139,560	160,535
	Office Rent	585,287	874,000
	Festival Bonus	691,375	541,400
	Incentive Bonus	161,649	-
	Stationery Expenses	118,133	67,086
	Uniform Expense	4,543	-
	Telephone, Mobile & Internet	90,604	149,113
	Postage charges	9,203	15,148
	Conveyance & Travel	45,727	199,610

	Note	31.12.2021	31.12.2020
Visa Expense		43,440	7,575
Foreign TA/DA		246,350	250,720
Local TA/DA		28,977	11,356
Training Expense		48,570	51,150
Maintenance Expenses		51,066	12,657
Fuel For motor Vehicles		218,820	221,021
Car Maintenance		109,565	68,393
Subscription & Fees		199,477	564,971
Miscellaneous		3,000	22,710
Other Expenses		3,614	23,774
Advertisement		155,105	560,854
Online Promotion & Boosting Expense		39,533	-
Health Card Expense		505	-
Audit Fees		28,750	28,750
Insurance Expense		14,462	35,187
Professional and Legal Fee		-	78,250
Electrical & Utility Expense		38,992	165,865
Entertainment Expense		19,717	10,849
Bank Guarantee Commission		55,443	53,704
Bank Charges		119,069	58,795
Computer Accessories		2,650	8,299
Business Development		-	127,658
Event Expenses		109,281	471,654
Mahkota Campaign Expense		28,000	-
TPA Expenses		3,300	62,519
Office Maintenance		309,141	310,159
Interest on Loan & OD		203,168	515,109
Health Insurance Expense		78,954	-
Office Tea Expenses		53,216	63,669
Depreciation		863,294	880,526
Interest on lease finance, Head Office		40,639	78,172
Refund Expense		77,759	-
Health Talk Expense		-	17,000
Bad Debts Expense		-	190,886
Fit Connect Card Expense		2,973	-
		<b>13,877,582</b>	<b>14,551,685</b>

GD ASSIST LIMITED  
**SCHEDULE OF PROPERTY, PLANT AND EQUIPMENT**

As at 31 December 2021

Schedule -A

Name of the Assets	COST			Rate %	DEPRECIATION			Written down value as at 31.12.2021
	Balance as at 01.01.2021	Addition during the year	Adjustment during the year		Balance as at 31.12.2021	Charged during the year	Balance as at 31.12.2021	
Computer & Peripherals	832,544	84,500	-	15%	330,041	84,290	414,331	502,713
Office Equipment/Electrical/ECG Machine	103,532	80,000	-	15%	46,490	15,556	62,046	121,486
Motors Vehicles	14,572,560	-	-	5%	1,967,030	630,276	2,597,306	11,975,254
Furnitures & Fixtures	1,299,094	-	-	10%	290,786	100,833	391,620	907,474
Softwares - TPA Softwares	63,000	400,000	-	10%	6,300	32,338	38,638	424,362
<b>Balance as at 31.12.2021</b>	<b>16,870,730</b>	<b>564,500</b>	<b>-</b>		<b>2,640,647</b>	<b>863,294</b>	<b>3,503,941</b>	<b>13,931,289</b>
<b>Balance as at 31.12.2020</b>	<b>16,770,048</b>	<b>100,682</b>	<b>-</b>		<b>1,760,121</b>	<b>880,526</b>	<b>2,640,647</b>	<b>14,230,083</b>



# DISCLOSURE CHECKLIST FOR VARIOUS STANDARD

# DISCLOSURE CHECKLIST

## REGARDING CORPORATE GOVERNANCE

Condition No.	Title	Page no
<b>1.</b>	<b>BOARD OF DIRECTORS, CHAIRMAN AND CEO</b>	
1.1	Company's policy on appointment of directors disclosed.	140
1.2	Adequate representation of non executive directors i.e. one third of the board, subject to a minimum of two	
1.3	At least one independent director on the board and disclosure /affirmation of the board on such director's independence.	
1.4	Chairman to be independent of CEO	
1.5	Responsibilities of the Chairman of the Board appropriately defined and disclosed. Disclosure of independence of Non Executive Directors	
1.6	Existence of a scheme for annual appraisal of the boards performance and disclosure of the same.	
1.7	Disclosure of policy on annual evaluation of the CEO by the Board.	
1.8	Disclosure of policy on training (including details of the continuing training program) of directors and type and nature of training courses organized for directors during the year Existence of a scheme for annual appraisal of the boards performance	
1.9	At least one director having thorough knowledge and expertise in finance and accounting to provide guidance in the matters applicable to accounting and auditing standards to ensure reliable financial reporting.	
1.10	Disclosure of number of meetings of the board and participation of each director (at least 4 meetings are required to be held)	
1.11	Directors issue a report on compliance with best practices on Corporate Governance that is reviewed by the external auditors	
<b>2.</b>	<b>VISION / MISSION AND STRATEGY</b>	
2.1	Company's vision / mission statements are approved by the board and disclosed in the annual report.	56
2.2	Identification of business objectives and areas of business focus disclosed	
2.3	General description of strategies to achieve the company's business objectives	
<b>3.</b>	<b>AUDIT COMMITTEES</b>	
3.1	Appointment and Composition	167
3.1.1	Whether the Audit Committee Chairman is an independent Non- Executive Director and Professionally Qualified	
3.1.2	Whether it has specific terms of reference and whether it is empowered to investigate / question employees and retain external counsel	
3.1.3	More than two thirds of the members are to be Non Executive Directors	
3.1.4	All members of the audit committee to be suitably qualified and at least one member to have expert knowledge of finance and accounting.	

Condition No.	Title	Page no
3.1.5	Head of internal audit to have direct access to audit committee	167
3.1.6	The committee to meet at least four times a year and the number of meetings and attendance by individual members disclosed in the annual report.	
3.2	Objectives & Activities	
3.2.2	Statement on Audit Committee's review to ensure that internal controls are well conceived properly administered and satisfactorily monitored	
3.2.3	Statement to indicate audit committees role in ensuring compliance - with Laws, Regulations and timely settlements of Statutory dues	
3.2.4	Statement of Audit committee involvement in the review of the external audit function <ul style="list-style-type: none"> <li>• Ensure effective coordination of external audit function</li> <li>• Ensure independence of external auditors</li> <li>• To review the external auditors findings in order to be satisfied that appropriate action is being taken</li> <li>• Review and approve any non-audit work assigned to the external auditor and ensure that such work does not compromise the independence of the external auditors.</li> <li>• Recommend external auditor for appointment/ reappointment</li> </ul>	
3.2.5	Statement on Audit committee involvement in selection of appropriate accounting policies that are in line with applicable accounting standards and annual review.	
3.2.6	Statement of Audit Committee involvement in the review and recommend to the board of directors, annual and interim financial releases	
3.2.7	Reliability of the management information used for such computation	
<b>4.</b>	<b>INTERNAL CONTROL &amp; RISK MANAGEMENT</b>	
4.1	Statement of Director's responsibility to establish appropriate system of internal control	132 203-211
4.2	Narrative description of key features of the internal control system and the manner in which the system is monitored by the Board, Audit Committee or Senior Management	
4.3	Statement that the Director's have reviewed the adequacy of the system of internal controls	
4.4	Disclosure of the identification of risks the company is exposed to both internally & externally	
4.5	Disclosure of the strategies adopted to manage and mitigate the risks	
<b>5.</b>	<b>ETHICS AND COMPLIANCE</b>	
5.1	Disclosure of statement of ethics and values, covering basic principles such as integrity, conflict of interest, compliance with laws and regulations etc.	62
5.2	Dissemination / communication of the statement of ethics & business practices to all directors and employees and their acknowledgement of the same	
5.3	Board's statement on its commitment to establishing high level of ethics and compliance within the organization	
5.4	Establishing effective anti-fraud programs and controls, including effective protection of whistle blowers, establishing a net line reporting of irregularities etc.	
<b>6</b>	<b>REMUNERATION COMMITTEE</b>	
6.1	Disclosure of the charter (role and responsibilities) of the committee	170
6.2	Disclosure of the composition of the committee (majority of the committee should be non-executive directors, but should also include some executive directors)	

Condition No.	Title	Page no
6.3	Disclosure of key policies with regard to remuneration of directors, senior management and employees	170
6.4	Disclosure of number of meetings and work performed	
6.5	Disclosure of Remuneration of directors, chairman, chief executive and senior executives.	
<b>7.</b>	<b>HUMAN CAPITAL</b>	
7.1	Disclosure of general description of the policies and practices codified and adopted by the company with respect to Human Resource Development and Management, including succession planning, merit based recruitment, performance appraisal system, promotion and reward and motivation, training and development, grievance management and counseling.	91,94,97
7.2	Organizational Chart	102
<b>8.</b>	<b>Communication to Shareholders &amp; Stakeholders</b>	
8.1	Disclosure of the Company's policy/strategy to facilitate effective communication with shareholders and other stake holders	192,201
8.2	Disclosure of company's policy on ensuring participation of shareholders in the Annual General Meeting and providing reasonable opportunity for the shareholder participation in the AGM.	
<b>9.</b>	<b>Environmental and Social Obligations</b>	
9.1	Disclosure of general description of the company's policies and practices relating to social and environmental responsibility of the entity	135
9.2	Disclosure of specific activities undertaken by the entity in pursuance of these policies and practices	



# DISCLOSURE CHECKLIST

## REGARDING SAFA STANDARD

Items	Page No
<b>Corporate Objectives, Values &amp; Structure</b>	
Clarity and presentation:	
• Vision and Mission	56
• Overall strategic objectives	58
• Core values and code of conduct/ethical principles	56
• Profile of the Company	30
• Director's profiles and their representation on Board of other companies & Organization Chart	104
<b>Management Report/Commentary and analysis including Director's Reports/Chairman's Review/CEO's Review etc.</b>	
• A general review of the performance of the company	150-158
• Description of the performance of the various activities /products/segments of the company and its group companies during the period under review. (Weightage to be given for pictorial/graphical/tabular presentations used for this purpose)	31,43-53,159
• A brief summary of the Business and other Risks facing the organization and steps taken to effectively manage such risks	203-211
• A general review of the future prospects/outlook.	150
• Information on how the company contributed to its responsibilities towards the staff (including health & safety)	91
• Information on company's contribution to the national exchequer & to the economy	190
<b>Sustainability Reporting</b>	
• Social Responsibility Initiatives (CSR)	78
• Environment related Initiatives	135
• Environmental & Social Obligations	135
• Integrated Reporting	18
<b>Appropriateness of Disclosure of Accounting policies and General Disclosure</b>	
• Disclosure of adequate and properly worded accounting policies relevant to assets, liabilities, Income and expenditure in line with best reporting standards.	
• Any Specific accounting policies	
• Impairment of Assets	
• Changes in accounting policies/Changes in accounting estimates	
• Accounting policy on subsidiaries (if there is no any subsidiary, full marks should be granted)	
<b>Segment Information</b>	
• Comprehensive segment related information bifurcating Segment revenue, segment results and segment capital employed	
• Availability of information regarding different segments and units of the entity as well as non-segmental entities/units	
• Segment analysis of <ul style="list-style-type: none"> <li>• Segment Revenue</li> <li>• Segment Results</li> <li>• Turnover</li> <li>• Operating profit</li> <li>• Carrying amount of Net Segment assets</li> </ul>	124,159,228, 252

Items	Page No
<b>Financial Statements (Including Formats)</b>	
• Disclosures of all contingencies and commitments	228
• Comprehensive related party disclosures	
• Disclosures of Remuneration & Facilities provided to Directors & CEO	
• Statement of Financial Position / Balance Sheet and relevant schedules	
• Income Statement / Profit and Loss Account and relevant schedules	
• Statement of Changes in Equity / Reserves & Surplus Schedule	
• Disclosure of Types of Share Capital	
• Statement of Cash Flow	
• Consolidated Financial Statement (CFS)	
• Extent of compliance with the core IAS/IFRS or equivalent National Standards	
• Disclosures / Contents of Notes to Accounts	
<b>Information about Corporate Governance</b>	
• Board Of Directors, Chairman And CEO	104,113
• Audit Committee (Composition, role, meetings, attendance, etc) Internal Control & Risk Management	167
• Ethics And Compliance	62
• Remuneration and other Committees of Board	171
• Human Capital	95
• Communication to Shareholders & Stakeholders <ul style="list-style-type: none"> <li>• Information available on website</li> <li>• Other information</li> </ul>	192-201
• Management Review and Responsibility	124
• Disclosure by Board of Directors or Audit Committee on evaluation of quarterly reports	131
• Any other investor friendly information	1958
<b>Risk Management &amp; Control Environment</b>	
• Description of the Risk Management Framework	203-211
• Risk Mitigation Methodology	
• Disclosure of Risk Reporting	
<b>Stakeholders Information</b>	
• Distribution of shareholding (Number of shares as well as category wise, e.g Promoter group, FII etc)	198
• Shares held by Directors/Executives and relatives of Directors /Executives	148
• Redressal of investors complaints	194
<b>Graphical/ Pictorial Data:</b>	
• Earnings per Share	127,129
• Net Assets	
• Stock Performance	
• Shareholders' Funds	
• Return on Shareholders Fund	
<b>Horizontal/Vertical Analysis including following.</b>	
<b>Operating Performance (Income Statement)</b>	
• Total Revenue	127
• Operating profit	
• Profit Before Tax	
• Profit After Tax	
• EPS	

Items	Page No
<b>Statement of Financial Position (Balance Sheet)</b>	
<ul style="list-style-type: none"> <li>● Shareholders Fund</li> <li>● Property Plant &amp; Equipment</li> <li>● Net Current Assets</li> <li>● Long Term Liabilities/Current Liabilities</li> </ul>	228
<b>Profitability/Dividends/ Performance and Liquidity Ratios</b>	
<ul style="list-style-type: none"> <li>● Claim Ratio</li> <li>● Earning before Interest, Depreciation and Tax</li> <li>● Price earning ratio</li> <li>● Solvency Ratio</li> <li>● Return on Capital Employed</li> <li>● Debt Equity Ratio</li> </ul>	130
<b>Statement of Value Added and Its Distribution</b>	
<ul style="list-style-type: none"> <li>● Government as Taxes</li> <li>● Shareholders as dividend</li> <li>● Employees as bonus/remuneration</li> <li>● Retained by the entity</li> <li>● Market share information of the Company's product/services</li> <li>● Economic value added</li> </ul>	44,164, 190,191, 195,196
<b>Presentation of Financial Statements</b>	
<ul style="list-style-type: none"> <li>● Quality of the Report/ Layout of Contents</li> <li>● Cover and printing including the theme on the cover page</li> <li>● Appropriateness and effectiveness of photographs and their relevance</li> <li>● Effectiveness of Charts and Graphs</li> <li>● Clarity, simplicity and lucidity in presentation of Financial Statements</li> </ul>	
Timeliness in issuing Financial Statements and holding AGMs	
<ul style="list-style-type: none"> <li>● 3 months time to produce the Annual Report and hold AGM are considered reasonable for full marks</li> <li>● Delay after the initial period of 3 months - deduction of 2 marks is to be made for each month</li> <li>● If the period is over 6 months - no marks shall be awarded</li> </ul>	
<b>Additional Disclosures</b>	
For Example	
<ul style="list-style-type: none"> <li>● Human Resource Accounting</li> <li>● Any other good additional disclosures (Independence certification Eg. GNV, GRI)</li> </ul>	95
<b>Specific Areas for Insurance Sector</b>	
<ul style="list-style-type: none"> <li>● Claims management and details of outstanding claims (IBNR &amp; IBNER) with ageing thereof</li> <li>● Disclosures pertaining to Solvency Margin</li> <li>● Certificate of Actuary giving details of the liabilities on account of live policies and estimates/assumptions made for the same</li> <li>● Accounting ratios pertaining to insurance sector</li> <li>● Review of assets quality</li> </ul>	222 220 N/A 226 221

# DISCLOSURE CHECKLIST

## REGARDING SECRETARIAL STANDARD

Title	Compliance Status (" " in appropriate column)		Remarks (if any)
	Complied	Not Complied	
<b>Convening of a Meeting</b>			
<p>Authority</p> <p>Any Director of a company including the Chairman may, and the Secretary on the requisition of a Director shall, at any time, summon a Meeting of the Board unless the Articles of the company provide otherwise.</p>	✓		
<b>Notice</b>			
Every Director of the Company shall be entitled to get the Notice of every Meeting in writing in any mode including by hand or by post or by facsimile or by e-mail or by any other electronic mode. A director may specify any particular mode to receive such notices. If any of the Directors so specifies, -the Notice shall be sent to him by such mode.	✓		
The Notice of the Meeting shall specify the day, date, time and full address of the venue wherein the Meeting be held.	✓		
A Meeting may be held at any place, any time, on any day	✓		
The Notice of a Meeting shall be given in respect of all meetings including the Meetings which are held on pre-determined dates or at pre-determined intervals.	✓		
Notice shall be given at least seven (7) days before scheduled date of the Meeting unless the Articles of the company denote a longer period for such notice.	✓		
Notice need not to be given of an adjourned Meeting other than a Meeting that has been adjourned "sine die". However, Notice of the reconvened adjourned Meeting shall be given to those Directors who were absent in the Meeting which had been adjourned.	✓		
Unless a Notice has not been given to the directors then no business shall be transacted at a Meeting.	✓		
The Agenda as to be transacted at the Meeting along with Notes to the Agenda shall be circulated or sent at least three (3) days before the date of the Meeting.	✓		
Each Agenda to be transacted in the meeting shall be supported by notes, details of the item and, where a Resolution is required to be passed, the draft Resolution shall be attached with the Notice. The Notice may be given at shorter period of time than those respectively stated above if the majority of members of the Board or Committee so agree. The proposal to hold the Meeting at a shorter notice shall be stated in the Notice and the fact that consent thereto was obtained shall also be recorded in the Minutes. Notice, Agenda and Notes on Agenda shall be given to all Directors or to all Members of the Committee, as the case may be, at their respective addresses as provided by them, whether in Bangladesh or abroad, and shall also be given to the Original Director, even when the Notice, Agenda and Notes on Agenda have been sent to the Alternate Director.	✓		

Title	Compliance Status (" " in appropriate column)		Remarks (if any)
	Complied	Not Complied	
<p>Any supplementary item not originally included in the Agenda may be taken up for consideration with the permission of the Chairman and with the consent of the majority of the Directors present in the Meeting. However, no supplementary item which is of significance or is in the nature of unpublished price sensitive information shall be taken up by the Board without prior written Notice.</p> <p>The items of business to be transacted shall be arranged in order of those items that are of a routine or general nature or which merely require to be noted by the Directors, and those items which require discussions and specific approval.</p> <p>Besides the items of business that are required by the Act or any other applicable law to be considered at a Meeting of the Board and all material items having a significant bearing on the operations of the company, there are certain items which, if applicable, shall also be placed before the Board. An illustrative list of such items is given at Annexure 'A'.</p> <p>There are certain specific items which shall be placed before the Board at its first Meeting and there are certain items which shall be placed before the Board at the Meeting held for consideration of the year-end accounts.</p>	✓		
<b>Frequency of Meetings</b>			
<p><b>Meetings of the Board</b></p> <p>The Board shall meet at least once in every quarter of a calendar year i.e in three months, and at least four Meetings are to be held in each year. The maximum interval between any two Meetings shall not be more than 90 days.</p> <p>Each Meeting shall be of such duration to enable proper deliberations to take place on agenda or items placed before the Board.</p>	✓		
<p><b>Meetings of Committees</b></p> <p>Committees shall meet at least as often as stipulated by the Board or as prescribed by any other authority.</p>	✓		
<b>Quorum</b>	✓		
<p><b>Meetings of the Board</b></p> <p>Quorum shall be present throughout the Meeting. No business shall be transacted unless the Quorum is so present.</p> <p>The Quorum for a Meeting of the Board shall be one-third of the total strength of the Board (any fraction contained in that one-third being rounded off as one), or two Directors, whichever is higher.</p> <p>Where the requirements for the Quorum, as provided in the Articles, are stricter, then the Quorum shall conform to such requirements. If the number of Interested Directors exceeds or is equal to two-thirds of the total strength, the remaining</p> <p>Directors present at the Meeting, being not less than two, shall be the quorum during such time.</p>	✓		
<p>Where the number of Directors is reduced below the minimum fixed by the Articles, no business shall be transacted unless the number is first made up by the remaining Director(s) or through a general meeting.</p> <p>If a Meeting of the Board could not be held for want of quorum, then, unless the Articles otherwise provide, the Meeting shall automatically stand adjourned to the same day in the next week, at the same time and place.</p>	✓		

Title	Compliance Status (" " in appropriate column)		Remarks (if any)
	Complied	Not Complied	
<p><b>Meetings of Committees</b></p> <p>The presence of all the members of any Committee constituted by the Board is necessary to form the Quorum for Meetings of such Committee unless otherwise stipulated by the Board while constituting the Committee.</p> <p>Certain guidelines, Rules and Regulations framed under the Act or by any statutory authority may contain provisions for the Quorum of a Committee and such stipulations shall then be followed.</p>	✓		
<p><b>Attendance at Meetings</b></p> <p>An Attendance Register shall be maintained containing the names and signatures of the Directors present at the Meeting.</p> <p>If an attendance register is maintained in loose-leaf form, it shall be bound at reasonable intervals.</p> <p>Leave of absence shall be granted to a Director only when a request for such leave has been communicated to the Secretary or to the Board or to the Chairman.</p>	✓		
<p><b>Chairman</b></p> <p>Meetings of the Board.</p> <p>Every company shall have a Chairman who will preside over the Meetings of the Board.</p> <p>It will be the duty of the Chairman to look into that the Meeting is duly convened and constituted as per the provisions of the Act or any other applicable guidelines, Rules and Regulations before it proceeds to transact business.</p> <p>The Chairman shall then conduct the proceedings of the Meeting and ensure that only those items of business as have been set out in the Agenda are transacted and ideally in the order in which the items, appear on the Agenda.</p> <p>The Chairman shall encourage deliberations and debate and assess the sense of the Meeting. The Chairman shall ensure that the proceedings of the Meeting are correctly recorded and, in doing so, he may include or exclude any matter as he deems fit,</p> <p>In the case of a public company, if the Chairman himself is interested in any item of business, he shall entrust any other dis-interested Director present to conduct the proceedings in respect of such item. After the transaction of the item of business is over then the Chairman may resume his position.</p> <p>Meetings of Committees</p> <p>The Board, while constituting any Committee, shall also appoint the Chairman of the Committee so constituted.</p>	✓		
<p><b>Passing of Resolution by Circulation</b></p> <p>A Resolution proposed to be passed by circulation shall be sent in draft, together with supporting papers to all the Directors separately, and in the case of a Committee, to all the members of the Committee.</p> <p>It only those matters, which are of an urgent nature are approved through the Resolutions by circulation.</p> <p>The Resolution as to be passed by circulation and the supporting papers shall be circulated by hand, or by post, or by facsimile, or by e-mail or by any other electronic mode.</p> <p>The Resolution shall be deemed to have been passed on the date on which it is signed and dated as approved by all the Directors then in Bangladesh, being not less than the Quorum, or on the date on which it is approved by the majority of the Directors entitled to vote on the Resolution, whichever is earlier.</p>	✓		

Title	Compliance Status (" " in appropriate column)		Remarks (if any)
	Complied	Not Complied	
Resolutions sent for passing by circulation shall be noted along with the decision thereof, at the next Meeting of the Board or Committee, as the case may be, and to be recorded in the Minutes of such Meeting.	✓		
The annual accounts of a company shall be approved at a Meeting of the Board and shall not be by a Resolution by circulation.	✓		
Quarterly or half-yearly financial results shall be approved at a Meeting of the Board or its Committee and shall not be by a Resolution by circulation.	✓		
In the case of a listed company, if there is any material variance between un-audited and audited results, the review report of the Auditors shall also be discussed and approved at a Meeting of the Board and not approved by a Resolution by circulation.	✓		
<b>Minutes</b>			
Within fifteen days from the date of the Meeting of the Board or Committee or of an adjourned Meeting, the draft Minutes thereof shall be circulated to all the members of the Board or the Committee, as the case may be, for their necessary comments.	✓		
The Directors shall forward their comments on the draft Minutes within seven days from the date of circulation thereof, so that the Minutes are finalized and entered in the Minutes Book within the specified time limit of thirty days.	✓		
The Minutes of proceedings of a Meeting shall be entered in the Minutes Book within thirty days from the conclusion of the Meeting.	✓		
In any case a Meeting is adjourned; the Minutes shall be entered in respect of the original Meeting as well as the adjourned Meeting within thirty days from the date of the respective Meetings. In respect of a Meeting adjourned for want of Quorum, a statement to that effect shall be recorded in the Minutes Book by the Chairman or any Director as designated by the Board who was physically present at the Meeting.	✓		
The date of entering the Minutes shall be specified in the Minutes Book by the Secretary.	✓		
The Chairman shall put his initial on each page of the Minutes, and put his full signature on the last page of the Minutes along with the date of signing of the Minutes.	✓		
While the law requires that Minutes of the proceedings shall be entered in the Minutes Book within thirty days of the Meeting, there is no prescribed time limit within which such Minutes have to be signed. They could be signed beyond a period of thirty days if the succeeding Meeting is held after a period of thirty days from the date of the earlier Meeting. However, it is also not obligatory to wait for the next Meeting in order to have the Minutes of the previous Meeting signed. Such Minutes may be signed by the Chairman of the Meeting at any time before the next Meeting is held.	✓		
The Minutes of Meetings of the Board can be inspected by the Directors only. While the Auditors of the company or Chartered Secretary in Practice appointed by the company can also inspect the Minute Books in the course of their audit or certification. A member of the company or any other person has no right to inspect the Minutes of Meetings of the Board or any Committee thereof.	✓		
Officers of the Registrar of Joint Stock Companies & Firms, other duly authorized in this behalf under law, during the course of an inspection, can also inspect the Minutes for discharging of their official duties.	✓		
Minutes shall not be pasted or attached to the Minutes Book.	✓		
Minutes, if maintained in loose-leaf form, shall be bound at intervals coinciding with the financial year of the company.	✓		
The pages of the Minutes Book shall be serially numbered and there shall be proper locking device to ensure security and proper control to prevent any sort of removal of the loose leaves of the Minutes Book.	✓		

Title	Compliance Status (" " in appropriate column)		Remarks (if any)
	Complied	Not Complied	
Extracts of the Minutes shall be given only after the Minutes have duly been signed. However, certified copies of any Resolution passed at a Meeting may be issued even pending signing of the Minutes by the Chairman, if the draft of that Resolution had been placed at the Meeting and was duly approved.	✓		
Minutes of an earlier Meeting shall be noted at the next Meeting.	✓		
Any alteration, other than grammatical, typographical or minor corrections, in the Minutes as entered, shall be made only under the approval taken in the subsequent Meeting in which such Minutes are sought to be altered.	✓		
The Minutes of Meetings of any Committee shall be circulated to the Members of the Board along with the Agenda for the Meeting of the Board next following such Meeting of the Committee and shall be noted at the Board Meeting.	✓		
At the time of circulating the Agenda for the Meeting of the Board, if the Minutes of Meetings of any Committee are pending noting by the Committee on such Minutes shall be circulated to the Board in draft form.	✓		
<b>Attendance in Meetings and their Recording in the Minutes</b>			
The names of the Directors present in the Meeting along with the names of persons who were in attendance and the names of invitees in the Meeting, if any, shall be recorded in the Minutes.	✓		
Apart from the Resolution or the decision, the Minutes shall mention the brief background of the proposal and the rationale for passing the Resolution or taking of the decision.	✓		
The names of the Directors who have dissented or have abstained from the decision shall be recorded. Similarly, the fact that an interested Director who did not participate in the discussion or vote on the agenda shall also be recorded in the Minutes.	✓		
Wherever any approval of the Board or of the Committee is taken on the basis of certain papers laid before the Board or the Committee, proper identification by initialing of such papers by the Chairman or any Director shall be made and a reference thereto shall be made in the Minutes.	✓		
<b>Preservation of Minutes and Supporting Papers</b>			
The Minutes of all Meetings shall be preserved permanently.	✓		
If a company has been merged or amalgamated with any other company, the Minutes of all Meetings of the Board and Committees of the transferor company shall be preserved permanently by the transferee company for any future references notwithstanding the fact that the identity of the transferor company may not survive under such arrangement.	✓		
All office copies of Notices, Agenda and Notes to Agenda and other related papers shall be preserved in orderly manner for as long as they remain current or for twelve years, whichever is later, and may not be destroyed thereafter without the authority of the Board.	✓		
<b>Disclosure</b>			
The Annual Report of a company shall disclose the number of Meetings of the Board and Committees held during the year indicating the number of Meetings attended by each Director.	✓		



## 11.4 DISCLOSURE CHECKLIST AS PER ICMAB EVALUATION CRITERIA

SN	Key Component	Page No.
<b>A</b>	<b>Capitalization and Solvency</b>	
	1. External Liability Ratio	220,221
	2. Internal Capital Generation Ratio	
	3. Exceptional Loss Reserve to Net Premium	
	4. Capital & Fund to Total Asset	
<b>B</b>	<b>Technical</b>	
	1. Retention Ratio	220
	2. Claim Ratio	
	3. Premium to Equity	
<b>C</b>	<b>Profitability &amp; Management Efficiency</b>	
	1. Gross Underwriting Margin Return	130
	2. Return on Average Assets (ROAA)	
	3. Return on Average Equity (ROAE)	
	4. Available Solvency Margin	
	5. Management Expense to Net premium	
	6. Agency Commission to Net Premium	
	7. Underwriting Profit on Gross premium	
<b>D</b>	<b>Liquidity &amp; Funding</b>	
	1. Current Ratio	221
	2. Liquid Assets to Total Insurance Fund	
	3. Total Liquid Assets to Total Assets	
<b>E</b>	<b>External Credit Rating (ECA)</b>	
	1. Short Term	188
	2. Long Term	
<b>F</b>	<b>Corporate Governance</b>	
	1. No of Non-Shareholding Director	140
	2. Single Family Domination Board	140
	3. Shareholding Concentration (Public)	198
	4. Audit Committee Led by Independent Directors	167
	5. Directors' Minimum Shareholding	140
	6. Audit Opinion	228
<b>G</b>	<b>Performance with respect to shareholders</b>	
	1. Dividend yield	130
	2. Net Asset Value (NAV) Growth	
	3. Capital Appreciation	
<b>H</b>	<b>Human Resources Management</b>	
	1. No. of Employee	95
	2. Per Employee Average Salary	
	3. Gender Diversity	
	4. Training Cost per Employee	
<b>I</b>	<b>Corporate Social Responsibility (CSR)</b>	
	1. CSR to Net Income (%)	78
<b>J</b>	<b>Regulatory Authority</b>	
	1. Contribution to National Exchequer	190

# 11.5 DISCLOSURE CHECKLIST REGARDING INTEGRATED REPORTING

Sl. No.	Particulars	Page Reference	Chapter/Section Reference
1	Elements of an Integrated Report		
1.1	Organizational overview and external environment		
	"An integrated report should disclose the main activities of the organization and the environment of which it operates."	32-33 65 75-76 207-211	<ul style="list-style-type: none"> <li>Product and service</li> <li>Corporate Philosophy and Business Model</li> <li>Creating Value Using Our Capitals</li> <li>Strategic Risk Governance</li> </ul>
	An integrated report should identify the organization's mission and vision, and provides essential context by identifying matters such as:		
	<ul style="list-style-type: none"> <li>The organization's:               <ul style="list-style-type: none"> <li>culture, ethics and values</li> </ul> </li> </ul>	56,62	<ul style="list-style-type: none"> <li>Corporate Philosophy and Business Model</li> </ul>
	<ul style="list-style-type: none"> <li>"ownership and operating structure including size of the organization, location of its operations)"</li> </ul>	34-36 9	<ul style="list-style-type: none"> <li>Traces of GDIC</li> <li>The World of Green Delta Insurance</li> </ul>
	<ul style="list-style-type: none"> <li>principal activities and markets</li> </ul>	56-62	<ul style="list-style-type: none"> <li>Corporate Philosophy and Business Model</li> </ul>
	<ul style="list-style-type: none"> <li>"competitive landscape and market positioning (considering factors such as the threat of new competition and substitute products or services, the bargaining power of customers and suppliers, and the intensity of competitive rivalry)"</li> </ul>	25-26	<ul style="list-style-type: none"> <li>Competitive Landscape and Our Response</li> </ul>
	<ul style="list-style-type: none"> <li>position within the valuechain</li> </ul>	69	<ul style="list-style-type: none"> <li>Value Chain &amp; Value Creation on Macroeconomics Aspect</li> </ul>
	<ul style="list-style-type: none"> <li>Key quantitative information</li> </ul>		
	"e.g. The number of employees, revenue and number of countries in which the organization operates highlighting, in particular, significant changes from prior periods"	34-36 121-123 124	<ul style="list-style-type: none"> <li>Traces of GDIC</li> <li>Strategic Management Review</li> <li>Management Evaluation and Responsibility</li> </ul>
	<ul style="list-style-type: none"> <li>"Significant factors affecting the external environment and the organization's response (include aspects of the legal, commercial, social, environmental and political context that affect the organization's ability to create value in the short, medium or long term)"</li> </ul>	69,158,212	<ul style="list-style-type: none"> <li>Value Chain &amp; Value Creation on Macroeconomics Aspect</li> </ul>
	Eg:		

Sl. No.	Particulars	Page Reference	Chapter/Section Reference
	<ul style="list-style-type: none"> <li>The legitimate needs and interests of key stakeholders</li> </ul>	200 22 76 192	<ul style="list-style-type: none"> <li>Shareholders Identification</li> <li>Materiality Determination Process</li> <li>Value Chain &amp; Value Creation on Macroeconomics Aspect</li> <li>Engaging with Our Stakeholders on Materiality Matters</li> </ul>
	"• Macro and micro economic conditions, such as economic stability, globalization, and industry trends"	43 49 69 212 159	<ul style="list-style-type: none"> <li>Chairman's Report</li> <li>Performance Review by the Managing Director &amp; CEO</li> <li>Value Chain &amp; Value Creation on Macroeconomics Aspect</li> <li>Competitive Landscape and Our Response</li> <li>Director's Report</li> </ul>
	<ul style="list-style-type: none"> <li>Market forces, such as the relative strengths and weaknesses of competitors and customer demand</li> </ul>	212,69-74 25	<ul style="list-style-type: none"> <li>Competitive Landscape and Our Response</li> <li>Value Chain &amp; Value Creation on Macroeconomics Aspect</li> </ul>
	<ul style="list-style-type: none"> <li>The speed and effect of technological change</li> </ul>	67 121 25	<ul style="list-style-type: none"> <li>Competitive Landscape and Our Response</li> <li>Creating Value Using Our Capitals</li> <li>Corporate Philosophy and Business Model</li> </ul>
	<ul style="list-style-type: none"> <li>Societal issues, such as population and demographic changes, human rights, health, poverty, collective values and educational systems</li> </ul>	212,69-74	<ul style="list-style-type: none"> <li>Value Chain &amp; Value Creation on Macroeconomics Aspect</li> </ul>
	<ul style="list-style-type: none"> <li>Environmental challenges, such as climate change, the loss of ecosystems, and resource shortages as planetary limits are approached</li> </ul>	212,69-74	<ul style="list-style-type: none"> <li>Value Chain &amp; Value Creation on Macroeconomics Aspect</li> </ul>
	<ul style="list-style-type: none"> <li>The legislative and regulatory environment in which the organization operates</li> </ul>	212,69-74	<ul style="list-style-type: none"> <li>Value Chain &amp; Value Creation on Macroeconomics Aspect</li> </ul>
	"• The political environment in countries where the organization operates and other countries that may affect the ability of the organization to implement its strategy"	212,69-74	<ul style="list-style-type: none"> <li>Value Chain &amp; Value Creation on Macroeconomics Aspect</li> </ul>

Sl. No.	Particulars	Page Reference	Chapter/Section Reference
1.2	Governance		
	An integrated report should show how does the organization's governance structure support its ability to create value in the short, medium and long term.	215 140	<ul style="list-style-type: none"> <li>Strategic Formulation and Resource Allocation</li> <li>Corporate Governance Report</li> </ul>
	An integrated report needs to provide an insight about how such matters as the following are linked to its ability to create value:		
	"• The organization's leadership structure, including the skills and diversity (e.g., range of backgrounds, gender, competence and experience) of those charged with governance and whether regulatory requirements influence the design of the governance structure"	104-108 140-149	<ul style="list-style-type: none"> <li>Profile of the Board of Directors</li> <li>Corporate Governance Reports</li> </ul>
	<ul style="list-style-type: none"> <li>Mandatory and voluntary code of corporate governance adopted by the Company.</li> <li>Code of ethical conduct adopted by the Company in relation to ethical business.</li> </ul>	62	<ul style="list-style-type: none"> <li>Statement of Ethics and Compliance</li> </ul>
	"• Specific processes used to make strategic decisions and to establish and monitor the culture of the organization, including its attitude to risk and mechanisms for addressing integrity and ethical issues"		
	"• Particular actions those charged with governance have taken to influence and monitor the strategic direction of the organization and its approach to risk management"	203 140	<ul style="list-style-type: none"> <li>Strategic Risk Governance</li> <li>Corporate Governance Report</li> </ul>
	"• How the organization's culture, ethics and values are reflected in its use of and effects on the capitals, including its relationships with key stakeholders"	215 75 62	<ul style="list-style-type: none"> <li>Strategic Formulation and Resource Allocation</li> <li>Creating Value Using Our Capitals</li> <li>Statement of Ethics and Compliance</li> </ul>
	<ul style="list-style-type: none"> <li>Whether the organization is implementing governance practices that exceed legal requirements/ Key Policies</li> <li>The responsibility those charged with governance take for promoting and enabling innovation</li> </ul>	140 140	<ul style="list-style-type: none"> <li>Corporate Governance Report</li> <li>Corporate Governance Report</li> </ul>
	"• How remuneration and incentives are linked to value creation in the short, medium and long term, including how they are linked to the organization's use of and effects on the capitals."	69 76 95	<ul style="list-style-type: none"> <li>Value Chain &amp; Value Creation on Macroeconomics Aspect</li> <li>Creating Value Using Our Capitals</li> <li>Human Resource Accounting</li> </ul>
	1.3	Stakeholder Identification/ relationships	
"An integrated report should identify its key stakeholders and provide insight into the nature and quality of the organization's relationships with its key stakeholders, including how and to what extent the organization understands, takes into account and responds to their legitimate needs and interest. Stakeholders are the groups or individuals that can reasonably be expected to be significantly affected by an organization's business activities, outputs or outcomes or whose actions can reasonably be expected to significantly affect the ability of the organization to create value."		200 22 69 76 192	<ul style="list-style-type: none"> <li>Shareholders Identification</li> <li>Materiality Determination Process</li> <li>Value Chain &amp; Value Creation on Macroeconomics Aspect</li> <li>Engaging with Our Stakeholders on Materiality Matters.</li> </ul>
	An entity may disclose the following in their integrated reports in respect of stakeholder relationships:		

Sl. No.	Particulars	Page Reference	Chapter/Section Reference
	<ul style="list-style-type: none"> <li>How the company has identified its stakeholders.</li> </ul>	200 192	<ul style="list-style-type: none"> <li>Engaging with Our Stakeholders on Materiality Matters.</li> <li>Shareholders Identification</li> </ul>
	<ul style="list-style-type: none"> <li>Stakeholder engagement methodology.</li> </ul>		
	<ul style="list-style-type: none"> <li>Identification of material matters of stakeholders.</li> </ul>	192	<ul style="list-style-type: none"> <li>Engaging with Our Stakeholders on Materiality Matters.</li> </ul>
	<ul style="list-style-type: none"> <li>How the Company has applied such matters.</li> </ul>	192	<ul style="list-style-type: none"> <li>Engaging with Our Stakeholders on Materiality Matters.</li> </ul>
	<ul style="list-style-type: none"> <li>How the stakeholders are engaged in assessing impacts, implications and outlook in respect of Company's Business Models.</li> </ul>	65 140	<ul style="list-style-type: none"> <li>Corporate Philosophy and Business Model</li> <li>Corporate Governance Report</li> </ul>
	Capitals		
	"An integrated report needs to provide insight about the resources and the relationships used and affected by the organization, which are referred to collectively as the capitals and how the organization interacts with the capitals to create value over the short, medium and long term"	65 69 75 215	<ul style="list-style-type: none"> <li>Corporate Philosophy and Business Model</li> <li>Value Chain &amp; Value Creation on Macroeconomics Aspect</li> <li>Strategic Formulation and Resource Allocation</li> </ul>
	An integrated report need to identify the various forms of capitals which are essential for the success of its business operations.	65 69 75	<ul style="list-style-type: none"> <li><b>Corporate Philosophy and Business Model</b></li> <li><b>Value Chain &amp; Value Creation on Macroeconomics Aspect</b></li> <li><b>Creating Value Using Our Capitals</b></li> </ul>
	Eg:		
	"Financial Capital -The pool of funds that is available to the organization for use in the production of goods or provision of services."	75 121 124	<ul style="list-style-type: none"> <li><b>Creating Value Using Our Capitals</b></li> <li><b>Strategic Management Review</b></li> <li><b>Management Evaluation and Responsibility</b></li> </ul>
	Manufacturing Capital -Manufactured physical objects that are available to the organization for use in the production of goods and provision of services.	75	<ul style="list-style-type: none"> <li>Creating Value Using Our Capitals</li> </ul>
	Intellectual Capital -Organizational Knowledge based intangibles.	75	<ul style="list-style-type: none"> <li>Creating Value Using Our Capitals</li> </ul>
	"Human Capital -People's competencies, capabilities and experience, and their motivations to innovate."	75 95	<ul style="list-style-type: none"> <li>Creating Value Using Our Capitals</li> <li>Human Resource Accounting</li> </ul>

Sl. No.	Particulars	Page Reference	Chapter/Section Reference
	"Social and Relationship Capital -The institutions and the relationships within and between communities, groups of stakeholders and other networks and the ability to share information to enhance individual and collective wellbeing."	69 75 192	<ul style="list-style-type: none"> <li>Value Chain &amp; Value Creation on Macroeconomics Aspect</li> <li>Creating Value Using Our Capitals</li> <li>Engaging with Our Stakeholders on Materiality Matters.</li> </ul>
	"Natural Capital -All renewable and non-renewable environmental resources and processes that provide goods and services that support the past, current and future prosperity of the organization."	75	<ul style="list-style-type: none"> <li>Creating Value Using Our Capitals</li> </ul>
	"Note: However an entity can do its own classification of capitals based on its business activities. An entity needs to ensure that it does not overlook a capital that it uses or affects"		
1.4	Business model		
	An integrated report should describe the organization's business model		
	An integrated report need to describe the Business Models, including key:	200	<ul style="list-style-type: none"> <li>Shareholders Identification</li> <li>Corporate Philosophy and Business Model</li> <li>Value Chain &amp; Value Creation on Macroeconomics Aspect</li> </ul>
	• Inputs	65	
	• Business activities	69	
	• Outputs	75	
	• Outcomes		
	"Features that can enhance the effectiveness and readability of the description of the Business Models include:"		
	• Explicit identification of the key elements of the Business Models		
	• A simple diagram highlighting key elements, supported by a clear explanation of the relevance of those elements to the organization		
	• Narrative flow that is logical given the particular circumstances of the organization		
	• Identification of critical stakeholder and other (e.g., raw material) dependencies and important factors affecting the external environment		
	"• Connection to information covered by other Content Elements, such as strategy, risks and opportunities, and performance (including KPIs and financial considerations, like cost containment and revenues)."	65 69 75 215 124 121	<ul style="list-style-type: none"> <li>Corporate Philosophy and Business Model</li> <li>Value Chain &amp; Value Creation on Macroeconomics Aspect</li> <li>Creating Value Using Our Capitals</li> <li>Strategic Formulation and Resource Allocation</li> <li>Strategic Management Review</li> <li>Management Evaluation and Responsibility</li> </ul>
	Inputs		

Sl. No.	Particulars	Page Reference	Chapter/Section Reference
	"An integrated report shows how key inputs relate to the capitals on which the organization depends, or that provide a source of differentiation for the organization, to the extent they are material to understanding the robustness and resilience of the Business Models."	65 69 18	<ul style="list-style-type: none"> <li>Corporate Philosophy and Business Model</li> <li>Value Chain &amp; Value Creation on Macroeconomics Aspect</li> <li>Basis and Adoption of Integrated Reporting</li> </ul>
	Business activities		
	An integrated report describes key business activities. This can include:		
	"• How the organization differentiates itself in the market place (e.g., through product differentiation, market segmentation, delivery channels and marketing)"	65 196 124	<ul style="list-style-type: none"> <li>Corporate Philosophy and Business Model</li> <li>Market Performance</li> <li>Management Evaluation and Responsibility</li> </ul>
	• How the organization approaches the need to innovate	75	<ul style="list-style-type: none"> <li>Creating Value Using Our Capitals</li> </ul>
	• How the Business Models has been designed to adapt to change.	65	<ul style="list-style-type: none"> <li>Corporate Philosophy and Business Model</li> </ul>
	"When material, an integrated report discusses the contribution made to the organization's long term success by initiatives such as process improvement, employee training and relationships management"	49 75	<ul style="list-style-type: none"> <li>Performance Review by the Managing Director &amp; CEO</li> <li>Creating Value Using Our Capitals</li> </ul>
	Outputs		
	"An integrated report identifies an organization's key products and services. There might be other outputs, such as by-products and waste (including emissions), that need to be discussed within the Business Models disclosure depending on their materiality."	32 65 75	<ul style="list-style-type: none"> <li>Product and Service</li> <li>Corporate Philosophy and Business Model</li> <li>Creating Value Using Our Capitals</li> </ul>
	Outcomes		
	An integrated report describes key outcomes, including:		
	"• Both internal outcomes (e.g., employee morale, organizational reputation, revenue and cash flows) and external outcomes (e.g., customer satisfaction, tax payments, brand loyalty, and social and environmental effects)"	69 75 155	<ul style="list-style-type: none"> <li>Value Chain &amp; Value Creation on Macroeconomics Aspect</li> <li>Creating Value Using Our Capitals</li> <li>Bangladesh Economy Review</li> </ul>
	"• Both positive outcomes (i.e., those that result in a net increase in the capitals and thereby create value) and negative outcomes (i.e., those that result in a net decrease in the capitals and thereby diminish value)."	75 215	<ul style="list-style-type: none"> <li>Creating Value Using Our Capitals</li> <li>Strategic Formulation and Resource Allocation</li> </ul>
	"Organizations with multiple Business Models Some organizations employ more than one Business Models (e.g., when operating in different market segments). This requires a distinct consideration of each material Business Models as well as commentary on the extent of connectivity between the Business Modelss (such as the existence of synergistic benefits).""	65 49	<ul style="list-style-type: none"> <li>Corporate Philosophy and Business Model</li> <li>Performance Review by the Managing Director &amp; CEO</li> </ul>
	"Note: The integrated report of an organization with multiple businesses needs to balance disclosure with need to reduce complexity; however, material information should not be omitted."		

Sl. No.	Particulars	Page Reference	Chapter/Section Reference
1.5	Performance		
	"An integrated report needs to explain the extent to which the organization has achieved its strategic objectives for the period and what are its outcomes in terms of effects on the capitals"	75 49 121-123 124	<ul style="list-style-type: none"> <li>• Creating Value Using Our Capitals</li> <li>• Performance Review by the Managing Director &amp; CEO</li> <li>• Strategic Management Review</li> <li>• Management Evaluation and Responsibility</li> </ul>
	An integrated report should contain qualitative and quantitative information about performance that may include matters such as:		
	"• Quantitative indicators with respect to targets and risks and opportunities, explaining their significance, their implications, and the methods and assumptions used in compiling them."	75 203-206 207-211 221-123 124	<ul style="list-style-type: none"> <li>• Creating Value Using Our Capitals</li> <li>• Strategic Risk Governance</li> <li>• Balancing Risk &amp; Opportunities</li> <li>• Strategic Management Review</li> <li>• Management Evaluation and Responsibility</li> </ul>
	"• The organization's effects (both positive and negative) on the capitals, including material effects on capitals up and down the value chain."	77 75	<ul style="list-style-type: none"> <li>• Value Chain &amp; Value Creation on Macroeconomics Aspect</li> <li>• Creating Value Using Our Capitals</li> </ul>
	"• The state of key stakeholder relationships and how the organization has responded to key stakeholders' legitimate needs and interests."	192-193	<ul style="list-style-type: none"> <li>• Engaging with Our Stakeholders on Materiality Matters.</li> </ul>
	"• The linkages between past and current performance, and between current performance and the organization's outlook."	49 75-77 121 123	<ul style="list-style-type: none"> <li>• Performance Review by the Managing Director &amp; CEO</li> <li>• Creating Value Using Our Capitals</li> <li>• Strategic Management Review</li> <li>• Management Evaluation and Responsibility</li> </ul>
"KPIs that combine financial measures with other components (e.g., the ratio of greenhouse gas emissions to sales) or narrative that explains the financial implications of significant effects on other capitals and other causal relationships (e.g., expected revenue growth resulting from efforts to enhance human capital) may be used to demonstrate the connectivity of financial performance with performance regarding other capitals. In some cases, this may also include monetizing certain effects on the capitals (e.g., carbon emissions and water use)."	75 215-217	<ul style="list-style-type: none"> <li>• Creating Value Using Our Capitals</li> <li>• Strategic Formulation and Resource Allocation</li> </ul>	



Sl. No.	Particulars	Page Reference	Chapter/Section Reference
	"Include instances where regulations have a significant effect on performance (e.g., a constraint on revenues as a result of regulatory rate setting) or the organization's non-compliance with laws or regulations may significantly affect its operations."	75 203 207	<ul style="list-style-type: none"> <li>Value Chain &amp; Value Creation on Macroeconomics Aspect</li> <li>Strategic Risk Governance</li> <li>Balancing Risk &amp; Opportunities</li> </ul>
1.6	Risks, opportunities and internal controls		
	"An integrated report should explain what are the specific risks and opportunities that affect the organization's ability to create value over the short, medium and long term, and how is the organization dealing with them and effectiveness of the system of internal controls."	49 203 207 132	<ul style="list-style-type: none"> <li>Performance Review by the Managing Director &amp; CEO</li> <li>Strategic Risk Governance</li> <li>Balancing Risk &amp; Opportunities</li> <li>Internal Control System</li> </ul>
	This can include identifying:		
	"• The specific source of risks and opportunities, which can be internal, external or, commonly, a mix of the two."	203 207 132	<ul style="list-style-type: none"> <li>Strategic Risk Governance</li> <li>Balancing Risk &amp; Opportunities</li> <li>Internal Control System</li> </ul>
	• The organization's assessment of the likelihood that the risk or opportunity will come to fruition and the magnitude of its effect if it does.	203	<ul style="list-style-type: none"> <li>Strategic Risk Governance</li> </ul>
	"• The specific steps being taken to mitigate or manage key risks (e.g: Risk Management Framework, Risk Management review process and reporting structure) or to create value from key opportunities, including the identification of the associated strategic objectives, strategies, policies, targets and KPIs."	203 215	<ul style="list-style-type: none"> <li>Strategic Risk Governance</li> <li>Strategic Formulation and Resource Allocation</li> </ul>
	• Risk Management Report (Which includes details about risk, root cause, potential impact, response to risk, risk rating).	203	<ul style="list-style-type: none"> <li>Strategic Risk Governance</li> </ul>
	"• Response on the effectiveness of the internal controls and the board's responsibility for the disclosures on internal controls to safeguard stakeholder interest."	169 132 167	<ul style="list-style-type: none"> <li>Corporate Governance Report</li> <li>Director's Report</li> <li>Statement of Board of Directors on the Responsibility to Establish Appropriate System of Internal Control</li> <li>Board Committee Report</li> </ul>
1.7	An integrated report should describe its strategic direction (Where does the organization want to go and how does it intend to get there)	43-45 49-53 18-19	<ul style="list-style-type: none"> <li>Chairman's Report</li> <li>Performance Review by the Managing Director &amp; CEO</li> <li>Basis and Adoption of Integrated Reporting</li> </ul>
	An integrated report needs to identify:		
	• The organization's short, medium and long term strategic objectives	58-61	<ul style="list-style-type: none"> <li>Strategic Objectives</li> </ul>

Sl. No.	Particulars	Page Reference	Chapter/Section Reference
	"• The strategies it has in place, or intends to implement, to achieve those strategic objectives"	43-45 49-53 58-61	<ul style="list-style-type: none"> <li>Chairman's Report</li> <li>Performance Review by the Managing Director &amp; CEO</li> <li>Strategic Objectives</li> </ul>
	• How the entity has positioned in the wider market	49-53 65-68	<ul style="list-style-type: none"> <li>Performance Review by the Managing Director &amp; CEO</li> <li>Corporate Philosophy and Business Model</li> </ul>
	• How the long term strategies relate to current Business Models	65-68	<ul style="list-style-type: none"> <li>Corporate Philosophy and Business Model</li> </ul>
	• The resource allocation plans it has to implement its strategy	215 65-68	<ul style="list-style-type: none"> <li>Strategic Formulation and Resource Allocation</li> <li>Corporate Philosophy and Business Model</li> </ul>
	"• How it will measure achievements and target outcomes for the short, medium and long term"	20	<ul style="list-style-type: none"> <li>Navigating Through This Report</li> </ul>
	This can include describing:		
	"• The linkage between the organization's strategy and resource allocation plans, and the information covered by other Content Elements, including how its strategy and resource allocation plans:"	215	<ul style="list-style-type: none"> <li>Strategic Formulation and Resource Allocation</li> </ul>
	"• relate to the organization's Business Models, and what changes to that Business Models might be necessary to implement chosen strategies to provide an understanding of the organization's ability to adapt to change"	65-68	<ul style="list-style-type: none"> <li>Corporate Philosophy and Business Model</li> </ul>
	"• are influenced by/respond to the external environment and the identified risks and opportunities affect the capitals, and the risk management arrangements related to those capitals"	49 203-206	<ul style="list-style-type: none"> <li>Performance Review by the Managing Director &amp; CEO</li> <li>Strategic Risk Governance</li> </ul>
	• What differentiates the organization to give it competitive advantage and enable it to create value, such as:	75 124	<ul style="list-style-type: none"> <li>Creating Value Using Our Capitals</li> <li>Management Evaluation and Responsibility</li> </ul>
	• the role of innovation		
	• how the organization develops and exploits intellectual capital		
	"• the extent to which environmental and social considerations have been embedded into the organization's strategy to give it a competitive advantage"		
	"• Key features and findings of stakeholder engagement that were used in formulating its strategy and resource allocation plans."	192	<ul style="list-style-type: none"> <li>Engaging with Our Stakeholders on Materiality Matters.</li> </ul>
1.8	Outlook		
	"An integrated report should explain what challenges and uncertainties is the organization likely to encounter in pursuing its strategy, and what are the potential implications for its Business Models and future performance"	75 43 49 203 207	<ul style="list-style-type: none"> <li>Creating Value Using Our Capitals</li> <li>Chairman's Report</li> <li>Performance Review by the Managing Director &amp; CEO</li> <li>Strategic Risk Governance</li> <li>Balancing Risk &amp; Opportunities</li> </ul>

Sl. No.	Particulars	Page Reference	Chapter/Section Reference
	An integrated report should highlight anticipated changes over time and provides information on:		
	<ul style="list-style-type: none"> <li>The organization's expectations about the external environment the organization is likely to face in the short, medium and long term</li> <li>How that will affect the organization</li> </ul>	203 65-68	<ul style="list-style-type: none"> <li>Corporate Philosophy and Business Model</li> </ul>
	"• How the organization is currently equipped to respond to the critical challenges and uncertainties that are likely to arise"	49 65-68	<ul style="list-style-type: none"> <li>Performance Review by the Managing Director &amp; CEO</li> <li>Corporate Philosophy and Business Model</li> </ul>
	The discussion of the potential implications, including implications for future financial performance may include:		
	"• The external environment, and risks and opportunities, with an analysis of how these could affect the achievement of strategic objectives"	69-74	<ul style="list-style-type: none"> <li>Value Chain &amp; Value Creation on Macroeconomics Aspect</li> </ul>
	"• The availability, quality and affordability of capitals the organization uses or affects (e.g., the continued availability of skilled labour or natural resources), including how key relationships are managed and why they are important to the organization's ability to create value over time"	69-74 75	<ul style="list-style-type: none"> <li>Value Chain &amp; Value Creation on Macroeconomics Aspect</li> <li>Creating Value Using Our Capitals</li> </ul>
	"Disclosures about an organization's outlook in an integrated report should consider the legal or regulatory requirements to which the organization is subject."	18-19	<ul style="list-style-type: none"> <li>Basis and Adoption of Integrated Reporting</li> </ul>
1.9	Basis of preparation and presentation		
	"An integrated report should answer the question: How does the organization determine what matters to include in the integrated report and how are such matters quantified or evaluated?"	18-19 20-21 22-23	<ul style="list-style-type: none"> <li>Basis and Adoption of Integrated Reporting</li> <li>Navigating Through This Report</li> <li>Materiality Determination Process</li> </ul>
	An integrated report describes its basis of preparation and presentation, including:		
	<ul style="list-style-type: none"> <li>A summary of the organization's materiality determination process</li> </ul>	20-21 22-23	<ul style="list-style-type: none"> <li>Navigating Through This Report</li> <li>Materiality Determination Process</li> </ul>
	<ul style="list-style-type: none"> <li>Brief description of the process used to identify relevant matters, evaluate their importance and narrow them down to material matters</li> </ul>	20-21 22-23	<ul style="list-style-type: none"> <li>Navigating Through This Report</li> <li>Materiality Determination Process</li> </ul>
	<ul style="list-style-type: none"> <li>Identification of the role of those charged with governance and key personnel in the identification and prioritization of material matters.</li> </ul>	18-19	<ul style="list-style-type: none"> <li>Basis and Adoption of Integrated Reporting</li> </ul>
	<ul style="list-style-type: none"> <li>A description of the reporting boundary and how it has been determined</li> </ul>	18-19	<ul style="list-style-type: none"> <li>Basis and Adoption of Integrated Reporting</li> </ul>
	"(Eg: Include process used for identifying the reporting boundary, geographic scope, the entities represented in the report and the nature of the information provided for each entity)"		

Sl. No.	Particulars	Page Reference	Chapter/Section Reference
	<ul style="list-style-type: none"> <li>• A summary of the significant frameworks and methods used to quantify or evaluate material matters"</li> </ul>	18-19 20-21 159-166	<ul style="list-style-type: none"> <li>• Basis and Adoption of Integrated Reporting</li> <li>• Navigating Through This Report</li> <li>• Director's Report</li> </ul>
	"(e.g., the applicable financial reporting standards used for compiling financial information, a company-defined formula for measuring customer satisfaction, or an industry based framework for evaluating risks)."		
2	Responsibility for an integrated report	18-19	<ul style="list-style-type: none"> <li>• Basis and Adoption of Integrated Reporting</li> </ul>
	An integrated report should include a statement from those charged with governance that includes:		
	<ul style="list-style-type: none"> <li>• An acknowledgement of their responsibility to ensure the integrity of the integrated report</li> <li>• An acknowledgement that they have applied their collective mind to the preparation and presentation of the integrated report</li> <li>• Their opinion or conclusion about whether the integrated report is presented in accordance with the Framework</li> </ul>		
3	Other Qualitative Characteristics of an Integrated Report		
3.1	Conciseness		
	An integrated report should be concise.		
	"An integrated report needs to include sufficient context to understand the organization's strategy, governance, performance and prospects without being burdened with less relevant information."	20-21 104-108 140-149	<ul style="list-style-type: none"> <li>• Navigating Through This Report</li> <li>• Profile of the Board of Directors</li> <li>• Corporate Governance Report</li> </ul>
	Eg:		
	Follows logical structure and includes internal cross-reference as appropriate to limit repetition.		
	Express concepts clearly and in as few words.		
	Favours plain language over the use of jargon or highly technical terminology.		
	Avoids highly generic disclosures.		
3.2	Reliability and completeness		
	"An integrated report should include all material matters, both positive and negative, in a balanced way and without material error"	140-149 154-166	<ul style="list-style-type: none"> <li>• Corporate Governance Report</li> <li>• Review of Our Future Prospect</li> </ul>
	The organization achieves the reliability and completeness through:		
	Eg:		
	<ul style="list-style-type: none"> <li>• Selection of presentation formats that are not likely to unduly or inappropriately influence assessments made on the basis of integrated report."</li> </ul>	18-19	<ul style="list-style-type: none"> <li>• Basis and Adoption of Integrated Reporting</li> </ul>
	<ul style="list-style-type: none"> <li>• Giving equal consideration to both increases and decreases in the capitals, both strengths and weaknesses of the organization, both positive and negative performance, etc."</li> </ul>	75 121 124	<ul style="list-style-type: none"> <li>• Creating Value Using Our Capitals</li> <li>• Strategic Management Review</li> <li>• Management Evaluation and Responsibility</li> </ul>
	<ul style="list-style-type: none"> <li>• When information includes estimates, this is clearly communicated and the nature and limitations of the estimation process are explained.</li> </ul>	126	<ul style="list-style-type: none"> <li>• Last 5 Years Financial Indicators</li> </ul>
3.3	Consistency and comparability		
	The information in an integrated report should be presented:		

Sl. No.	Particulars	Page Reference	Chapter/Section Reference
	<ul style="list-style-type: none"> <li>On a basis that is consistent over time</li> </ul>	121 124 140 154-166	<ul style="list-style-type: none"> <li>Strategic Management Review</li> <li>Management Evaluation and Responsibility</li> <li>Corporate Governance Report</li> <li>Director's Report</li> </ul>
	<ul style="list-style-type: none"> <li>In a way that enables comparison with other organizations to the extent it is material to the organization's own ability to create value over time</li> </ul>	18-19	<ul style="list-style-type: none"> <li>The World of Green Delta Insurance</li> </ul>
	Eg:		
	<ul style="list-style-type: none"> <li>Using benchmark data, such as industry or regional benchmarks</li> </ul>	49	<ul style="list-style-type: none"> <li>Performance Review by the Managing Director &amp; CEO</li> </ul>
	<ul style="list-style-type: none"> <li>Presenting information in the form of ratios (e.g., research expenditure as a percentage of sales, or carbon intensity measures such as emissions per unit of output)"</li> </ul>	121-123 124	<ul style="list-style-type: none"> <li>Strategic Management Review</li> <li>Management Evaluation and Responsibility</li> </ul>
	<ul style="list-style-type: none"> <li>Reporting quantitative indicators commonly used by other organizations with similar activities, particularly when standardized definitions are stipulated by an independent organization (e.g., an industry body)."</li> </ul>		
	<ul style="list-style-type: none"> <li>Reporting policies are followed consistently from one period to other unless a change is needed to improve the quality of information reported."</li> </ul>		
	<ul style="list-style-type: none"> <li>Reporting the same KPIs if they continue to be material across reporting period.</li> </ul>		
	<ul style="list-style-type: none"> <li>When a significant change has been made, the organization explains the reasons for the change describing its effect.</li> </ul>	126	<ul style="list-style-type: none"> <li>Last 5 Years Financial Indicators</li> </ul>
3.4	Connectivity of information		
	"An integrated report should show a holistic picture of the combination, interrelatedness and dependencies between the factors that affect the organization's ability to create value over time."	65-68 69-74	<ul style="list-style-type: none"> <li>Corporate Philosophy and Business Model</li> <li>Value Chain &amp; Value Creation on Macroeconomics Aspect</li> </ul>
	Eg: Connectivity between		
	<ul style="list-style-type: none"> <li>Capitals</li> </ul>	69-74 75	<ul style="list-style-type: none"> <li>Value Chain &amp; Value Creation on Macroeconomics Aspect</li> <li>Creating Value Using Our Capitals</li> </ul>
	<ul style="list-style-type: none"> <li>Content elements</li> </ul>	20-21	<ul style="list-style-type: none"> <li>Navigating Through This Report</li> </ul>
	<ul style="list-style-type: none"> <li>Past, Present &amp; Future</li> </ul>	75 43 49 121-123 124	<ul style="list-style-type: none"> <li>Navigating Through This Report</li> <li>Chairman's Report</li> <li>Performance Review by the Managing Director &amp; CEO</li> <li>Strategic Management Review</li> <li>Management Evaluation and Responsibility</li> </ul>

## DISCLOSURE CHECKLIST FOR VARIOUS STANDARDS

Sl. No.	Particulars	Page Reference	Chapter/Section Reference
	<ul style="list-style-type: none"> <li>Finance and other information</li> </ul>	75 121-123 124	<ul style="list-style-type: none"> <li>Creating Value Using Our Capitals</li> <li>Strategic Management Review</li> <li>Management Evaluation and Responsibility</li> </ul>
3.5	Materiality		
	"An integrated report should disclose information about matters that substantively affect the organization's ability to create value over the short, medium and long term"	22-23	<ul style="list-style-type: none"> <li>Materiality Determination Process</li> </ul>
3.6	Assurance on the Report		
	<ul style="list-style-type: none"> <li>The policy and practice relating to seeking assurance on the report</li> </ul>	18-19 132 140	<ul style="list-style-type: none"> <li>Basis and Adoption of Integrated Reporting</li> <li>Internal Control System</li> <li>Corporate Governance Report</li> </ul>
	<ul style="list-style-type: none"> <li>the nature and scope of assurance provided for this particular report</li> </ul>	228,287,340 386,369	<ul style="list-style-type: none"> <li>Basis and Adoption of Integrated Reporting</li> <li>Independent Auditor's report GDIC, GDSL, GDCL, GDAL and PABL</li> </ul>
	<ul style="list-style-type: none"> <li>any qualifications arising from the assurance, and the nature of the relationship between the organization and the assurance providers.</li> </ul>		



**GREEN DELTA INSURANCE CO. LTD.**

Green Delta Aims Tower (6th floor), 51-52 Mohakhali C/A, Dhaka-1212, Bangladesh. Phn: +(880-2) 222263902, 222261170, www.green-delta.com

**PROXY FORM**

I/We .....of.....  
..... being a member of Green Delta Insurance Company Limited and a holder of  
..... shares hereby appoint Mr./ Ms. ....  
of ..... as my our proxy to vote for me/us and  
on my/our behalf at the 36<sup>th</sup> Annual General Meeting of the Company to be held on Wednesday, March 30, 2022,  
at 11:00 a.m. through Online Digital Platform (link: <https://greendelta.bdvirtualagm.com>), and at any adjournment  
thereof.

Signed this	day of March 2022	
Signature	Revenue Stamp of BDT 20	Signature
Name :		Name :
(Proxy)		(Member)
		Folio/BO ID No

**NOTE :**

- a) This form of proxy, duly completed, must be deposited at least 48 hours before the meeting at the Company's registered office or sent scan copy through email at [share@green-delta.com](mailto:share@green-delta.com). Proxy is invalid if not signed and stamped as explained above.
- b) Signature of the shareholders should agree with the specimen signature registered with the Company and Depository Register.



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**ATTENDANCE SLIP**

I hereby record my attendance at the 36<sup>th</sup> Annual General Meeting of the Company being held on Wednesday, March 30, 2022, at 11.00 a.m. through Online Digital Platform (link: <https://greendelta.bdvirtualagm.com>), as a holder of.....  
..... shares of the  
Company.

---

Signature

---

Name :

---

(Member/Proxy)

---

Folio/BO ID No.

---

**NOTE :**

Signature of the shareholders should agree with the specimen signature registered with the Company and Depository Register.









 **GREEN DELTA  
INSURANCE**

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