

DIRECTOR'S REPORT

A YEAR IN RETROSPECT

A general review of prospects

World Economy Outlook

Directors Report to the Shareholders

A GENERAL REVIEW OF THE FUTURE PROSPECTS

Forward-looking statement in narrative and quantitative form including projections or forecasts about known trends and uncertainties that could affect the company's resources, revenues, and operations in the short, medium, and long term.

Green Delta Insurance claims a promising future, fueled by the immense untapped potential of the Bangladeshi insurance market. As GDIPLC aims to significantly increase insurance penetration rates, the market presents a vast and largely untapped opportunity for growth. This underpenetrated market signifies a significant unmet demand for insurance products and services, creating a fertile ground for companies like Green Delta to expand their customer base and solidify their market position.

Forward-Looking Statement: This report contains forward-looking statements that reflect the Company's current expectations and projections about future events. These forward-looking statements are subject to a few risks and uncertainties, including but not limited to:

- **Economic conditions:** Changes in economic growth, inflation, interest rates, and unemployment rates can significantly impact consumer demand for insurance products.
- **Competitive pressures:** Increased competition from existing and new market entrants could impact the Company's market share and profitability.
- **Regulatory changes:** Changes in government regulations and policies, including tax laws, insurance regulations, and monetary policy, could have a significant impact on the Company's operations and financial performance.
- **Catastrophic events:** Natural disasters, pandemics, and other unforeseen events can have a significant impact on the Company's operations and financial performance.
- **Technological advancements:** Rapid technological advancements can disrupt the insurance industry, requiring the Company to adapt quickly to remain competitive.

The future of the insurance landscape in Bangladesh will be significantly influenced by several key factors. In 2024, Green Delta Insurance PLC. recognized these trends and positioned itself for sustained growth:

Navigating Growth: The Future of Insurance in Bangladesh

Bangladesh has been experiencing a period of sustained economic growth in recent years, driven by factors such as strong domestic consumption, robust export growth, and significant investments in infrastructure. This positive economic trajectory is projected to continue, with the economy expected to register a healthy GDP growth in the 2024-25 financial year. This robust economic expansion creates a favorable environment for the insurance sector. As the economy grows, individuals and businesses experience increased income and wealth, leading to a higher demand for various insurance products.

This includes a growing need for health insurance to cover rising healthcare costs, property insurance to protect valuable assets, and motor insurance to cover vehicles and their drivers. Moreover, as businesses expand and invest, their insurance needs also increase, encompassing areas such as business interruption insurance, liability insurance, and employee benefits.

Empowering the Public: Growing Awareness of Insurance Benefits

A significant shift is underway in public perception of insurance in Bangladesh. There is a growing awareness among individuals and businesses about the importance of insurance coverage in mitigating risks and protecting their financial well-being. This increased awareness is driven by several factors, including:

- **Increased financial literacy:** Financial literacy programs and campaigns conducted by the government and financial institutions are educating the public about the benefits of insurance.
- **Government initiatives:** The government, through regulatory bodies like IDRA, is actively promoting insurance awareness campaigns, educating the public about the importance of insurance coverage, and building trust in the insurance industry.
- **Media coverage:** Increased media coverage of insurance products and their benefits, including articles, advertisements, and television programs, is contributing to a greater understanding of insurance among the general public.
- **Changing lifestyles:** As lifestyles become more complex and uncertain, individuals and businesses are increasingly recognizing the need for insurance protection against unforeseen events such as accidents, illnesses, natural disasters, and legal liabilities.

This growing awareness is translating into increased demand for insurance products across various segments of the population, creating a significant opportunity for insurance companies like Green Delta Insurance to expand their customer base.

Shaping the Future: A Strong Regulatory Framework for the Insurance Sector

The regulatory environment for the insurance sector in Bangladesh is constantly evolving, with the Insurance Development and Regulatory Authority (IDRA) playing a crucial role in ensuring the stability and growth of the industry. Recent regulatory reforms, such as the introduction of bancassurance, aim to enhance transparency, improve governance, and strengthen consumer protection within the insurance sector.

- **Bancassurance:** This initiative allows banks to sell insurance products through their branches, expanding the reach of insurance companies and increasing access to insurance products for a wider segment of the population.
- **Enhanced transparency:** Regulatory reforms are aimed at improving transparency and accountability within the insurance industry, ensuring fair practices and protecting the interests of policyholders.
- **Strengthened consumer protection:** The regulatory framework is being strengthened to enhance consumer protection, including measures to address consumer complaints, improve claim settlement processes, and ensure fair and equitable treatment of policyholders.

These regulatory reforms are expected to create a more conducive environment for the growth of the insurance industry, enabling insurance companies to operate more efficiently and effectively while ensuring the protection of policyholders' interests.

Digital Commotion: Redefining Insurance for the Modern World

Insurance companies are continuously innovating to meet the evolving needs of their customers. This includes developing new and innovative products tailored to the specific needs of different customer segments, such as:

- **Microinsurance products:** These products are designed to cater to the needs of low-income individuals and micro-enterprises, providing affordable and accessible insurance coverage for essential risks.
- **Digital insurance products:** The increasing adoption of digital technologies has led to the development of innovative digital insurance products, such as online insurance platforms and mobile insurance applications, making it easier for customers to purchase and manage their insurance policies.

Green Delta Insurance has been at the forefront of this innovation, witnessing a significant uptake of digital insurance policies through its web channels and the InsuMama app. This demonstrates the company's commitment to leveraging technology to enhance customer experience and expand its reach.

Securing the Future: Insurance for a Thriving Infrastructure

The ongoing infrastructure development projects in Bangladesh, including the construction of roads, bridges, and other major infrastructure projects, are creating significant opportunities for the insurance sector. These projects:

- **Increase demand for property and liability insurance:** Construction projects require various types of insurance coverage, including property insurance to cover construction materials and equipment, liability insurance to protect against potential damages and injuries, and contractor's all risk insurance.
- **Boost economic growth:** Infrastructure development stimulates economic growth, leading to increased economic activity and higher demand for various types of insurance products,

such as business insurance, commercial vehicle insurance, and employee benefits.

- **Support SME growth:** Infrastructure development projects often support the growth of small and medium enterprises (SMEs). As SMEs grow, their insurance needs also increase, creating opportunities for insurance companies to provide a range of insurance solutions to this segment.

Navigating Uncertainty: Addressing New Challenges in the Insurance World

The globalized and interconnected world presents new and emerging risks that require innovative insurance solutions. These include:

- **Cybersecurity risks:** Data breaches, cyberattacks, and other cyber threats are increasing in frequency and severity, creating a growing demand for cyber insurance products.
- **Climate change risks:** Climate change poses significant risks, including natural disasters such as floods, droughts, and storms, which can cause significant economic and social disruption. Insurance companies are developing innovative products to address these climate-related risks, such as parametric insurance and climate-resilient insurance solutions.
- **Supply chain disruptions:** Global supply chains are vulnerable to disruptions due to various factors, including geopolitical events, natural disasters, and pandemics. Insurance products can help businesses mitigate the risks associated with supply chain disruptions.

Insurance companies, including Green Delta Insurance, need to proactively address these emerging risks by developing innovative products and services that provide comprehensive protection against these new and evolving threats.

Competition Drives Excellence: A Dynamic Insurance Landscape

The insurance market in Bangladesh is highly competitive, with a large number of players vying for market share. This competitive environment has several implications:

- **Innovation:** Competition drives innovation, forcing insurance companies to continuously develop new and innovative products, improve customer service, and enhance operational efficiency.
- **Customer focus:** In a competitive market, customer satisfaction is paramount. Insurance companies must prioritize customer needs and provide high-quality service to retain existing customers and attract new ones.
- **Price competitiveness:** Competition can lead to price wars, forcing insurance companies to offer competitive pricing while maintaining profitability.

Green Delta Insurance must differentiate itself from its competitors by offering superior product quality, providing excellent customer service, and leveraging its strengths in areas such as innovation, technology, and customer relationships.

By effectively navigating these factors, Green Delta Insurance can capitalize on the growth opportunities within the Bangladeshi insurance market and achieve sustainable long-term growth.

WORLD ECONOMY OUTLOOK

Global growth is projected at 3.3 percent both in 2025 and 2026, below the historical (2000-19) average of 3.7 percent. The forecast for 2025 is broadly unchanged from that in the October 2024 World Economic Outlook (WEO), primarily on account of an upward revision in the United States offsetting downward revisions in other major economies. Global headline inflation is expected to decline to 4.2 percent in 2025 and to 3.5 percent in 2026, converging back to target earlier in advanced economies than in emerging market and developing economies. The IMF's latest World Economic Outlook (WEO) report offers a cautiously optimistic outlook for the global economy in 2025, projecting moderate growth and declining inflation. While this suggests a potential 'soft landing', significant challenges and uncertainties persist.

Medium-term risks to the baseline are tilted to the downside, while the near-term outlook is characterized by divergent risks. Upside risks could lift already-robust growth in the United States in the short run, whereas risks in other countries are on the downside amid elevated

policy uncertainty. Policy-generated disruptions to the ongoing disinflation process could interrupt the pivot to easing monetary policy, with implications for fiscal sustainability and financial stability. Managing these risks requires a keen policy focus on balancing trade-offs between inflation and real activity, rebuilding buffers, and lifting medium-term growth prospects through stepped-up structural reforms as well as stronger multilateral rules and cooperation. This upward revision is primarily attributed to stronger-than-expected resilience in the United States and several large emerging economies, coupled with increased fiscal support in China. However, these growth figures remain below historical averages, primarily due to the impact of restrictive monetary policies implemented by central banks worldwide to combat inflation. A key development is the significant decline in inflation across most regions. This disinflationary trend is attributed to easing supply-side pressures, such as reduced global supply chain disruptions, and the impact of restrictive monetary policies. This decline in inflation has reduced the likelihood of a 'hard landing', a scenario of severe economic downturn.

The IMF report highlights a significant decline in inflation across most regions. This disinflationary trend is attributed to easing supply-side pressures, such as reduced global supply chain disruptions, and the impact of restrictive monetary policies implemented by central banks worldwide.

- **Easing Supply-Side Pressures:** Global supply chains have gradually improved, reducing bottlenecks and easing the pressure on prices. This has contributed to a moderation in the prices of goods and raw materials.
- **Restrictive Monetary Policy:** Central banks around the world have been aggressively raising interest rates to combat inflation. These higher interest rates have slowed economic activity, reducing demand and thereby cooling inflationary pressures.

While the report notes a decline in inflation, it also acknowledges that the fight against inflation is not yet over. Some core inflation measures remain elevated, and the risk of renewed inflationary pressures persists.

Key Takeaways on Inflation from the IMF Report:

- Inflation is declining across most regions, but the pace of decline may vary.
- Easing supply-side pressures and restrictive monetary policies are contributing to this disinflation.

- Core inflation remains a concern in some regions.
- The risk of renewed inflationary pressures persists, requiring continued vigilance from policymakers.

The report emphasizes the need for a balanced policy approach to navigate these challenges and ensure sustainable and inclusive growth. Central banks must carefully navigate the final stages of inflation reduction, adjusting monetary policy in response to evolving economic conditions. Governments need to prioritize fiscal consolidation to rebuild fiscal buffers, address rising public debt, and create space for future economic shocks. Implementing structural reforms is crucial to boost productivity, enhance debt sustainability, and accelerate economic convergence towards higher income levels. These reforms may include improving education and training, enhancing labor market flexibility, and fostering innovation.

The global economic landscape in 2024 and 2025 presented a mixed picture, characterized by moderate growth, persistent inflation, and significant regional disparities.



UNITED STATES

The US economy remained relatively robust, driven by strong consumer spending and a resilient labor market. However, inflation remained stubbornly high, prompting the Federal Reserve to maintain a restrictive monetary policy.

KEY DEVELOPMENTS:

- **Persistent Inflation:** Despite some moderation, inflation remained above the Fed's target, leading to continued interest rate hikes.
- **Robust Consumer Spending:** Consumer spending remained a key driver of economic growth, supported by a strong labor market.
- **Monetary Policy Tightening:** The Fed continued to raise interest rates to combat inflation, impacting borrowing costs for businesses and consumers.



EURO AREA

The Eurozone experienced a period of subdued growth, grappling with the lingering effects of the energy crisis and geopolitical uncertainties.

KEY DEVELOPMENTS:

- **Slow Growth:** Economic growth remained sluggish, hampered by high energy prices and geopolitical tensions.
- **Inflationary Pressures:** While inflation moderated somewhat, it remained elevated, particularly in the services sector.
- **Monetary Policy Tightening:** The European Central Bank (ECB) also pursued a tightening monetary policy to combat inflation.



CHINA

China's economy faced headwinds from a slowing property market and declining exports.

KEY DEVELOPMENTS:

- **Economic Slowdown:** The property market crisis and weakening external demand weighed on economic growth.
- **Government Support:** The Chinese government implemented fiscal and monetary stimulus measures to support economic activity.
- **Geopolitical Tensions:** Rising geopolitical tensions, particularly with the US, added to economic uncertainties.



INDIA

India continued to exhibit strong economic growth, driven by robust domestic demand and government investments.

KEY DEVELOPMENTS:

- **Strong Growth:** India maintained a high growth trajectory, driven by robust domestic consumption and government investments.
- **Inflationary Pressures:** Inflationary pressures remained a concern, although they moderated somewhat.
- **Economic Reforms:** The Indian government continued to implement economic reforms aimed at boosting growth and attracting foreign investment.



GLOBAL TRENDS

Persistent Inflation

Global inflation remained elevated, although the pace of increase slowed in many economies.

Monetary Policy Tightening:

Central banks around the world continued to tighten monetary policy to combat inflation, leading to higher borrowing costs.

Geopolitical Risks

Geopolitical tensions, including the war in Ukraine and trade disputes, continued to pose significant risks to the global economy.

Energy Crisis

The energy crisis continued to impact many economies, leading to higher energy prices and increased economic uncertainty.

DIRECTORS REPORT TO THE SHAREHOLDERS

Dear Shareholders,

As the Board of Directors of Green Delta Insurance PLC., we extend our warm greetings to you at the 39th Annual General Meeting. We express our heartfelt gratitude for your unwavering support and patronage throughout the last 39 years. It is with great pleasure that we present the Annual Report, including the Audited Financial Statements for the fiscal year ending on December 31, 2024, and the accompanying Auditor’s Report.

This report, meticulously prepared by the Board of Directors, adheres to the stipulations outlined in Section 184 of the Companies Act 1994 (Act No. XVIII of 1994), the Corporate Governance Code-2018 issued by BSEC and IDRA, and other pertinent regulations set forth by regulatory bodies. In alignment with these guidelines, we have provided comprehensive disclosures and elucidations on relevant matters, ensuring adherence to compliance, transparency, and the promotion of good corporate governance practices. Furthermore, the report encapsulates detailed insights into the company’s performance, operational endeavors, and notable accomplishments throughout the fiscal year concluding on December 31, 2024.

We eagerly anticipate your kind consideration and adoption of the presented reports, as they encapsulate the collective efforts and achievements of Green Delta Insurance PLC.. Your continued support is instrumental in our pursuit of excellence and sustainable growth.

Warm regards,



Shamsun Nahar Begum Chowdhury
Chairman

SEGMENT-WISE or PRODUCT-WISE PERFORMANCE

In line with general practices, the underwriting business of the company covers fire insurance, marine insurance, motor insurance, and miscellaneous insurance businesses. Out of the total premium earned, it is found that fire insurance makes the biggest contribution, followed by marine insurance and miscellaneous insurance. The directors take pleasure in reporting that in 2024, Green Delta had another year of growth in premium earnings. The overall and segment-wise performance of your company is shown in the tables below:

Gross Premium Income:

Year	Gross Premium (In Million Taka)	Growth (%)
2024	4,108	-10%
2023	4,545	8%
2022	4,227	10%
2021	3,843	5%
2020	3,677	-12%

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

Business Segments	2024	2023	Growth (%)
Fire Insurance	2,095	2,204	-5%
Marine Insurance	1,182	1,140	4%
Motor Insurance	121	111	9%
Miscellaneous Insurance	710	772	-8%

Segregation of Net Premium

Business Segments	2024		2023		Growth (%)
	Amounts (in million Taka)	Business Mix of net premium (%)	Amounts (in million Taka)	Business Mix of net premium (%)	
Fire Insurance	501	28%	656	35%	-24%
Marine Insurance	853	48%	802	43%	6%
Motor insurance	108	6%	94	5%	15%
Miscellaneous insurance	321	18%	330	18%	-3%
Total	1,783	100%	1882	100%	-5%

Claim and Loss Ratio

Year	Net Claim (In Million Taka)	Change (%)
2024	313	-34%
2023	473	66%
2022	313	116%
2021	144	-63%
2020	389	-31%

Segregation of Net Claim

Business Segments	2024		2023		Growth (%)
	Amounts (in million Taka)	Business Mix of net premium (%)	Amounts (in million Taka)	Business Mix of net premium (%)	
Fire Insurance	108	34%	122	26%	-11%
Marine Insurance	56	18%	45	10%	23%
Motor insurance	25	8%	19	4%	29%
Miscellaneous insurance	124	40%	286	61%	-57%
Total	313	100%	473	100%	-34%

Capital Adequacy

The following table shows gradual increase in the shareholders equity.

Year	Shareholders Equity (In Million Taka)	Change (%)
2024	6,837	-4%
2023	7,156	6%
2022	6,764	1%
2021	6,723	8%
2020	6,242	7%
2019	5,858	2%

Solvency Margin

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

(Figures in BDT million)

Particulars	2024	2023	2022	2021	2020
Available Solvency (AS)	1,492	2065	908	736	1,831
Required Solvency (RS)	909	981	519	473	442
Solvency Margin (AS/RS) (times)	1.8	2.10	2.00	1.55	4.14

Re-insurance Utilization and Risk Retention Ratio

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

You may be aware that usually high-risk retention levels signal inadequate reinsurance protection, while low-risk retention levels hamper 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 (%)				
	2024	2023	2022	2021	2020
Fire Insurance	28%	26%	22%	26%	29%
Marine Insurance	48%	69%	70%	70%	69%
Motor Insurance	6%	83%	80%	79%	87%
Miscellaneous Insurance	18%	45%	46%	26%	45%
Total	43%	41%	41%	40%	44%

Reserve Adequacy

The following table shows reserve adequacy of the company.

Year	Amount of Reserve (in Million Taka)	Changes (%)
2024	3,658	-12%
2023	4,167	3%
2022	4,058	-7%
2021	4,379	-0.25%
2020	4,390	-2%
2019	5,858	2%

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 (%)				
	2024	2023	2022	2021	2020
Fire Insurance	29%	41%	50%	45%	34%
Marine Insurance	54%	53%	47%	44%	42%
Motor Insurance	4%	5%	5%	6%	8%
Miscellaneous Insurance	14%	1%	(2%)	5%	16%
Total	100%	100%	100%	100%	100%

Underwriting Performance/Quality-

The quality of underwriting is a significant practice at Green Delta Insurance, and this activity directly contributes to the quality of growth of the company. The underwriting practice at the company comprises thorough evaluation, prudent financial modelling, 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 increased underwriting profit from the 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.

Particulars	Year-wise Retention Ratio (%)				
	2024	2023	2022	2021	2020
Fire Insurance	277	423	548	547	334
Marine Insurance	519	548	514	527	404
Motor Insurance	42	49	50	69	75
Miscellaneous Insurance	131	14	(22)	60	152

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	2024		2023	
	Amount (in Million Taka)	% of total investment	Amount (in Million Taka)	% of total investment
Government Bond	365	6%	225	3%
Zero Coupon and sustainability bond	165	3%	224	3%
Fixed Deposit	1,631	27%	1,601	24%
Quoted Shares	1,758	29%	2376	36%
Un-Quoted Shares	205	3%	230	3%
Investment in property	569	9%	575	9%
Investment in subsidiaries	1,135	19%	1,085	17%
Investment in Associates	100	1.6%	111	2%
Investment in margin loan	140	2.3%	140	2%
Total	6,068	100%	6,568	100%

Segregation of Investment Income and Other Income

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

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

Heads of Income	2024		2023	
	Amount (in Million Taka)	% of total investment income & Others Income	Amount (in Million Taka)	% of total investment income & Others Income
Interest Income	174	56%	89	34%
Dividend	92	29%	78	29%
Profit from Sale of Shares	9	3%	17	7%
Other Income	38	12%	80	30%
Total	313	100%	264	100%

RISK AND CONCERN

Green Delta Insurance is at the forefront of risk and resilience, improving risk mitigation strategies for corporations, governments, and civil society, and influencing public policy agendas overall, as it keeps investing in new methods to better understand the dynamic and ever-changing risk environment. On page 1111 (Chapter 09, "Internal Control, Risk Management and Insurance"), a comprehensive report on the risk management framework has been provided separately.

GROSS PROFIT MARGIN AND NET PROFIT MARGIN:

In 2024, the gross profit margin of the company is 24% and Net Profit Margin is 15%.

EXTRA-ORDINARY GAIN OR LOSS

There was no extra-ordinary gain or extra-ordinary loss during the year 2024.

RELATED PARTY TRANSACTION

Related party transactions occur with other businesses that are classified as related parties according to BAS 24: Related Party Disclosure in the regular course of business. On page 320 of the financial statements' notes, item no. 27 contains a disclosure on related party transactions.

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

In 2013, Green Delta Insurance PLC. and International Finance Corporation (IFC) entered into an agreement wherein IFC acquired an 8% ownership position in the company. A book value of BDT 81.36 per share was assigned to IFC in consideration of the six-month average high-low price.

IPO OF THE COMPANY

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

VARIANCE BETWEEN QUARTERLY FINANCIAL PERFORMANCE AND ANNUAL FINANCIAL STATEMENTS

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

REMUNERATION OF THE DIRECTORS INCLUDING INDEPENDENT DIRECTOR(S)

The directors, including independent directors, all of whom are non-executive directors, are given a meeting attendance fee of BDT 8,000 (Bangladeshi Taka eight thousand only) per meeting of the board and committees. During the year 2024, a total amount of BDT 675,387 was given to the directors as remuneration, meeting attendance fee, and travel expenses (as applicable)

CORPORATE AND FINANCIAL REPORTING FRAMEWORK:

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

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

PROTECTION OF MINORITY SHAREHOLDERS

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

GDIPLC'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 GDIPLC 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 GDIPLC's realized and unrealized losses and the negative impact of these losses on shareholders' equity and on the capital levels of GDIPLC'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 GDIPLC's risks and uncertainties have been made.

Report on Going Concern:

The preparation of financial statements typically assumes that an enterprise will continue its operations as a going concern into the foreseeable future. However, there are circumstances where financial statements may need to be prepared under a different basis, which must be disclosed.

Listed companies, as mandated by the Bangladesh Securities and Exchange Commission (BSEC), are required to provide reports on their ability to operate as a going concern. Annually, the Board of Directors of Green Delta Insurance PLC. evaluates whether there are significant uncertainties that could cast doubt on the company's ability to continue as a going concern.

In assessing the company's status as a going concern, the Directors conduct thorough inquiries, reviewing budgets, forecasts, assumptions, and potential future outcomes of inherent uncertainties. Based on these assessments, the Directors are confident that there are reasonable assurances regarding the company's ability to continue operating as a going concern for the foreseeable future.

Financial Indicators Include:

- Net current assets
- Operating cash flows
- Key financial ratios
- Dividend payments
- Reliability in meeting obligations
- Growth in performance
- Underwriting results and trends

Operating indicators encompass:

- Key management turnover
- Successful business expansion
- Diversified client satisfaction across various business segments
- Positive corporate culture and employee satisfaction

Other indicators include:

- Compliance with legal requirements for
- Maintaining a sufficient capital base
- Robust reserve foundation
- Solid equity foundation
- Demonstrated ability to pay claims
- Expectation of no major changes in legislation or government policies

Significant deviations from the last year's operating results of the company.

1. The Net Asset Value per Share has decreased by Tk. 2.78 due to a decline in the investment value of the share market compared to the previous year.
2. The EPS has decreased by Tk. 0.72 per share due to a decrease in premium income compared to the previous year.
3. The Net Operating Cash Flow per Share (NOCFPS) has decreased by Tk. 4.79 per share due to a decrease in premium income compared to the previous year.

KEY OPERATIONAL AND FINANCIAL INFORMATION (Last 5 years)

Key operational and financial information over the last five years, as per the requirements of No. SEC/CMRRCD/2006-158/207/Admin/80 dated June 3, 2018, has been presented in Chapter-08 under the section "8.12 - Five Years Financial Summary."

DIVIDEND

Proposed Annual Dividend- the board has proposed Cash dividend @ 25% for the year 2024.

Interim Dividend- No cash or bonus share dividend was declared as interim dividend during 2024. No Bonus Share shall be declared as interim dividend.

BOARD MEETINGS & ATTENDANCE BY THE DIRECTORS

During the year 2024, a total of 147 meetings of the board were held. Attendance by the Directors and remuneration to the Directors have been summarised in Annexure-II in Chapter-06 under Section "Meeting Attendance by the Directors of GDIPLC" of this annual report.

PATTERN OF SHAREHOLDING:

GDIPLC's shareholding pattern as of December 31, 2024, is disclosed as per the Corporate Governance Code of BSEC of this annual report in Chapter-08 under

section "8.2-Disclosure of Shares Held by Directors/ Executives and Relatives, and "8.1-Shareholding Structure of Green Delta Insurance PLC".

DIRECTORS**Resume and line of expertise:**

A brief resume of the directors is presented in "Chapter 2, under Section 2.4 "Profile of the Board of Directors and Their Representation on the Board" which includes his or her nature of expertise and qualifications. An analysis of the directors' experience and expertise and its impact on the corporate governance of the company is included in Chapter 4 under "Report on Corporate Governance."

Names of the companies in which the directors hold the directorship and membership of the committees of the board:

The details of this directorship have been presented in "Chapter 2, under Section 2.4 "Profile of the Board of Directors and Their Representation on the Board."

Retirement and re-election:

As per Articles 102 and 103 of the Articles of Association of the company pursuant to Regulation 80 of Schedule-I of the Companies Act 1994, considering the longest tenure on the Board of GDIPLC, the directors listed below shall retire from the Board at the 39th Annual General Meeting, and they shall be eligible for re-election:

	Name	Status
01	Sayera Chowdhury	Director
02	Delwara Absar	Director

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

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

The appointment of 1 (one) Independent Director is in progress and waiting for the consent of BSEC.

The details of the director's status have been presented in Chapter 2, under Section 2.4 "Profile of the Board of Directors and Their Representation on the Board".

MANAGEMENT DISCUSSION & ANALYSIS:

A more detailed discussion and analysis of the financials, as delivered by the Managing Director CEO, is presented in Chapter 2 under Section "Managing Director and CEO's Message," in Chapter 5.1 under Section "Management Discussion and Analysis," and

the rest of the sections have been discussed in the management discussion and analysis of Chapter 5.

CEO AND CFO'S DECLARATION CERTIFICATE:

The CEO and Finance Controller/CFO's declaration to the Board is appended in Chapter 4 under Section 4.6 of this Annual Report.

STATUS OF COMPLIANCE

The status of compliance with the conditions of the Corporate Governance Code imposed by the Bangladesh Securities and Exchange Commission's Notification No. SEC/CMRRCD/2006-158/207/Admin/80 dated June 3, 2018, along with a certificate from a practicing Chartered Secretary, has been enclosed in Chapter 4 under Section "Corporate Governance Compliance Certificate, as required by applicable law" and Compliance Report on Corporate Governance Code by BSEC" of this annual report.

SUBSIDIARY OPERATIONS

Green Delta Insurance PLC. has four subsidiary companies, namely Green Delta Securities Ltd., Green Delta Capital Ltd., Professional Advancement Bangladesh Limited, and GD Assist Ltd.

The financial statements and brief of business operations of those subsidiary companies have also been presented in Chapter 11 under the heading "Subsidiary Performance".

HR PRACTICES

GDIPLCL is committed to providing equal opportunities to all employees, irrespective of their gender, race, nationality, ethnic origin, or religion. GDIPLC 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 the necessary support to staff in order to manage change effectively. We credit the strength of our people for our organisation's success, their understanding of strategy and goals, as well as their satisfaction with the work they do and how it contributes, are of critical importance throughout our companies. We continue our efforts to create and maintain a highly skilled and motivated workforce. Through our succession planning initiatives, leadership capacity is identified and developed to ensure ongoing success.

The details regarding HR practice in the company have been presented in Chapter 5 under Section 5.3 "Information on how the company contributed to its responsibilities towards the staff (including health and safety)..

INFORMATION TECHNOLOGY

Information and communication technology (ICT) has become indispensable for insurance companies in ensuring smooth operation and providing efficient services. Recognising this fact, the board has adopted

a comprehensive ICT policy for the company. The IT system of GDIPLC has been upgraded for further strengthening and securing the automation of services. The highly experienced and trained IT professionals of GDIPLC are working on maintaining and developing the company's IT infrastructure and constantly innovating and writing in-house programmes to meet the needs of the company. The Local Area Network (LAN) has been in operation in the head office and branch offices.

CREDIT RATING

For the consecutive 11 years, GDIPLCL has been awarded an AAA (pronounced Triple A) rating in the long term and an ST-1 rating in the short term by the Credit Rating Agency of Bangladesh Limited, marking the first ever rating in the insurance industry. A certificate in this regard is given in Chapter 8 under Section 8.2 "Disclosure on Credit Rating.."

CORPORATE SOCIAL RESPONSIBILITY

The directors are sincere in their discharge of corporate responsibilities to society. As a part of discharging corporate social responsibilities, GDIPLC has initiated various projects and programmes and has been sponsoring various sports activities, besides patronising cultural activities in the country since its inception. GDIPLC has been the proud sponsor of the First and Second Division Hockey League since 1987. From time-to-time, GDIPLC has sponsored the national premier cricket league and numerous seminars and conferences organised by the Institute of Chartered Accountants of Bangladesh, the Institute of Cost and Management Accountants of Bangladesh, the Institute of Chartered Secretaries, etc.

However, the details of CSR have been discussed and presented in Chapter 7 under the section "Sustainability Reporting.."

APPOINTMENT/RE-APPOINTMENT OF AUDITORS:

External Auditor:

The board of directors has recommended the appointment of M/S K.M. Hasan & Co. Chartered Accounts as the external auditor for the year 2005, in accordance with the recent auditor panel lists released by the Insurance Development and Regulatory Authority (IDRA) on January 3, 2024, and the Bangladesh Securities and Exchange Commission (BSEC) on May 30, 2023. The remuneration for their services is set at BDT 3.10 lacs, net of applicable taxes.

Corporate Governance Auditor issued by IDRA and BSEC:

The Board of Directors of the company has recommended to appoint M/s Suraiya Parvin & Associates Chartered Secretaries as the professional to provide the certification as to the compliance of the Corporate Governance Code issued by the BSEC Notification dated 03/06/2018 for the year 2005 and IDRA Corporate Governance Code dated on January 3, 2024.

STATEMENTS REGARDING THE PRESENTATION OF FINANCIAL STATEMENTS, INCLUDING THE BALANCE SHEET AND OTHERS OF THE COMPANY

A declaration regarding financial statements, including the balance sheet, profit, and loss accounts, etc., has been presented in Chapter-4 under sections 4.6 of this Annual Report.

MATERIAL FOR THE APPRECIATION OF THE STATE OF THE COMPANY'S AFFAIRS:

This is to declare that during the financial period 2024, the company did not make any changes to the nature of the company's business, its subsidiaries, or the classes of business in which the company has an interest.

AUDITORS REPORT:

Opinion

We have audited the financial statements of Green Delta Insurance PLC. and its subsidiaries (together referred to as the "Group") as well as the Separate Financial Statement of Green Delta Insurance PLC. (the "company"), which comprise the Consolidated and Separate Balance Sheets as at 31 December, 2023 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 31st December 2023, and notes to the financial statements, including a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying consolidated and separate financial statements of the Company give a true and fair view of the consolidated balance sheet of the Group and the separate balance sheet of the company as at 31st December 2023, and of its consolidated and separate profit and loss accounts and consolidated and separate statement of cash flows for the year then ended 31st December 2023 in accordance with International Financial Reporting Standards (IFRSs), the company Act 1994, the Insurance Act 2010, the Securities and Exchange Rules 2020 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Company in accordance

with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), Bangladesh Securities and Exchange Commission (BSEC) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Financial Reporting Council (FRC) by Laws.

Emphasis of Matter

1. 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.

ACKNOWLEDGEMENT

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

The directors express sincere gratitude to the Ministry of Commerce, the Ministry of Finance, the Insurance Development and Regulatory Authority, the Registrar of Joint Stock Companies and Firms, the Bangladesh Securities and Exchange Commission, government and non-government organisations, Sadharan Bima Corporation, Dhaka and Chittagong Stock Exchanges, the Bangladesh Insurance Association, and all the scheduled banks and leasing companies for their sincere support and wholehearted 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 not have been achieved.

The directors would like to thank and express gratitude to Managing Director and CEO Ms. Farzanah Chowdhury and Advisor Mr. Nasir A. Choudhury for their hard work, commitment, and dedication to the development of the company.

At last, but not least certainly, the directors express sincere 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 our growth with your support.

Thank you all.

On behalf of the Board



Shamsun Nahar Begum Chowdhury
Chairman