New Heights
Endless Possibilities

ANNUAL REPORT 2016



GREEN DELTA INSURANCE

AMAR STOCK

INSURANCE, INNOVATION AND INCLUSION



GREEN DELTA INSURANCE COMPANY LIMITED

ANNUAL REPORT 2016



Tangram is an ancient Chinese dissection puzzle consisting of seven flat shapes called tans, which are put together to form shapes. Used to teach geometric rules; following the invention of the game more than 6500 shapes and formations have been created so far and more shapes are in making.

Considering the business strategy, market positioning, thematic anchoring and challenges that permeates the insurance sector of Bangladesh, Green Delta Insurance has achieved monumental success in overcoming the challenges by adopting conducive strategies and policies. Therefore, the enterprise has essentially found forms through shapes and strategies; portraying limitless possibilities.



At Green Delta Insurance, we understand the responsible role of insurance in risk management, in risk taking and in risk mitigation.

In a country facing vast insurance under-penetration, we realise that the only effective route to making more people aware of the concept of insurance and bringing them into its formal folds is through innovation.

At Green Delta Insurance, powered by the spirit of enterprise, driven by the urgency to innovate and anchored on our philosophy of transparency and ethics, we are focused on bringing insurance under the overarching umbrella of financial inclusion.

In doing so, we are not only aligning with our Government's Sustainable Development Goals (SDGs) for the country but are also focused on realising the true potential of our industry!

SUSTAINABLE DEVELOPMENT GOALS (SDGS): FOCUSED ON TRANSFORMING BANGLADESH.

The Government of Bangladesh has taken up the implementation of the 17 Sustainable Development Goals (SDGs), as listed by the United Nations, with the overarching intent of ending poverty, combating injustice and inequality, and tackling climate change.

In fact, with brightening economic prospects, the Government claims to achieve these by 2024, much ahead of the 2030 target. The Government's serious intent in realising the importance of Sustainable Development Goals in transforming Bangladesh is evident in the fact that it has instituted a dedicated SDG office to monitor the progress of these goals.

THE 17 SUSTAINABLE DEVELOPMENT GOALS (SDGs):



As a premier insurance institution of Bangladesh, Green Delta Insurance is committed to focus on meeting the developmental goals of the Government in its efforts towards creating a more inclusive, sustainable and resilient society.

BANGLADESH: ACCELERATING ECONOMIC MOMENTUM, SHIFTING SOCIO-ECONOMIC LANDSCAPE.

Bangladesh's economic model has been consistently cognizant of the poor and the underprivileged. Indicators of the impact of Government policies and plans indicate that poverty has fallen from around 50% of the population in 2000, to about 30% over the years. This has secured broad improvements in social welfare.

Aligned with the focus of leveraging some of the strong points of the country that includes abundant supply of inexpensive labour, macroeconomic stability, strong remittances, inherent and structural advantages in the RMG and textiles sectors and stable currency, Bangladesh's GDP growth has accelerated to emerge as one of the fastest-growing in the world. Enthused by the early successes, the country's Finance Ministry has now projected GDP acceleration of over 8% in the next two years, which will have strong economic as well as social implications in terms of increasing per capita incomes, lifting a larger proportion of the population out of poverty and ensuring development that is homogeneous, holistic and encompassing.

Today, Bangladesh retains a deep commitment to social solidarity and to a progressive developmental agenda. Many SDG targets, in areas ranging from poverty reduction to innovation-driven industry and infrastructure growth, are being secured. The Government's focus and commitment to citizen welfare is reflected in its ongoing programs that have targeted disaster preparedness and recovery with great success. Bangladesh's vulnerability to disasters is significant in terms of extreme climatic events and other occurrences. This provides a growing foundation for addressing some of the other pressing questions of environmental sustainability even as the Government is focused on exploring sustainable solutions and outcomes.

GREEN DELTA INSURANCE:
COMMITTED TO THE GOVERNMENT'S FINANCIAL INCLUSION PROGRAMS THROUGH A COMMITMENT TO INSURANCE.

Insurance

At Green Delta Insurance, we are the country's largest and most respected non-life insurance brand. With strong emphasis on customer expectations management, we possess unmatched actuary practices that help us assess and price risk better. Our inspection and claims management procedures are robust and cutting-edge that enables us to quantify losses more effectively and enable disbursement in quicker time frames, facilitating strong customer service while staying true to the ethos of insurance. Insurance is all about honoring a commitment and we are dedicated to uphold this philosophy both in letter and spirit.

180,443
Policies sold, 2016

154,194
Policies sold, 2015

Taka
316.33crore
Premium collected, 2016

Taka
301.56crore
Premium collected, 2015

95.31%
Combined ratio, 2016

97.31%
Combined ratio, 2015

Innovation

At Green Delta Insurance, our enterprise is powered by innovation. Aligned with this, we have embraced a unique customer segmentation strategy under which we have segregated and profiled a large cross-section of the demographic to provide customized products, services and solutions that are the most relevant to them. For instance, we have progressively created a niche in the competitive marine insurance business, have made in-roads in agricultural financing and have tied-up with the Malaysian healthcare authorities to provide seamless and holistic health insurance solutions to Bangladeshi citizens traveling to Malaysia for healthcare. In addition, we are particularly proud of Nibedita, an insurance product exclusively designed for our women customers. We are perhaps the only insurance company in Bangladesh to be offering this all-encompassing product for women. The spirit of innovation under Nibedita is also showcased in the fact that we designed an emergency button in the Nibedita app that our woman customer can activate in case of an emergency, with the result that help will reach them in the quickest time along with a message being also directed to our Company headquarters. Going forward, at our Company, we expect to continue to explore such products and solutions for maximizing customer impact.

Inclusion

At Green Delta Insurance, we are aware of the significant responsibilities that lie ahead. With an insurance (non-life) density of ~1 in a population of a hundred being insured, we not only possess gigantic untapped population pool but also a responsibility that we must advocate the very concept and benefits of insurance. We are doing so by regularly engaging in government programs and also associating with their broader policy initiatives, by organizing awareness campaigns and conducting knowledge sessions across various corners of Bangladesh and by participating in industry-level collaborations. Importantly, we are focusing on insurance in the Government's financial inclusion programs and these initiatives we believe will help us progressively grow insurance awareness. Besides, we have also established an exclusive insurance school under Professional Advancement Bangladesh Limited (PABL) with the foresight of developing bright, industry-ready professionals not just for our Company but also for the larger industry with the only objective being widening insurance penetration – and inclusion – in the country.

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Letter of Transmittal

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

Sub: Annual Report for the year ended December 31, 2016

Dear Sir(s),

We are pleased to enclose a copy of the Annual Report along with the Audited Financial Statements including Consolidated and Separate Balance Sheet as at December 31, 2016 and Income Statements, Cash Flow Statements and Changes in equity statements for the year ended December 31, 2016 along with notes thereon of Green Delta Insurance Company Ltd. and its subsidiaries for your record/ necessary action.

Thank you,

Sincerely yours,

Syed Moinuddin Ahmed
Company Secretary

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Notice of the 31st Annual General Meeting

*Notice is hereby given that the **Thirty First Annual General Meeting** of **Green Delta Insurance Company Limited** will be held at Spectra Convention Centre Limited, House # 19, Road # 7, Gulshan-1, Dhaka-1212 on Thursday, 30 March 2017 at 11.00 a.m. to transact the following businesses:*

AGENDA

1. To receive, consider and adopt the Financial Statements and the Report of Auditors thereon and the Report of the Board of Directors of the Company for the year ended 31 December 2016
2. To declare Dividend for the year ended 31 December 2016
3. To elect / appoint Directors
4. To appoint Auditors and fix their remuneration

By Order of the Board

Syed Moinuddin Ahmed
Company Secretary
March 14, 2017

Registered Office
51-52, Mohakhali C/A
Dhaka

Notes:

1. 05.03.2017 was scheduled as Record Date. The Shareholders whose name will appear on the Register of Members on the Record Date will be eligible to attend the meeting and vote thereat and qualify for dividend.
2. A Member entitled to attend and vote at general meeting is entitled to appoint a proxy to attend the meeting and vote thereat on his/her behalf. The proxy form duly completed, must be affixed with a revenue stamp of BDT 20/- and deposited at the registered office not later than 48 hours before the time of holding the meeting.
3. Members are requested to notify their changes of addresses, if any.
4. Admission to the hall will be only on production of the attendance slip sent with the notice.
5. Shareholders bearing BO IDs are requested to update their respective BO IDs with 12-Digit Taxpayer's Identification Number (e-TIN) and address through their Depository Participant (DP); and
6. Shareholders bearing Folio Numbers are requested to submit their 12 digits e-TIN certificate to the Share Department of the Company latest by 20 March 2017, failing which Income Tax at Source will be deducted from cash dividend @ 15% instead of 10%.
7. As per directive of Bangladesh Securities and Exchange Commission (BSEC), no food or gift will be arranged at the AGM.

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1.1 This is Green Delta

Green Delta Insurance Company Limited (GDIC) is one of the leading private non life insurance companies in Bangladesh. GDIC was incorporated in December 14, 1985 as a public limited company, under the Companies' Act 1913 and its operation started on 1st January 1986, with a paid up capital of BDT 30.00 million. Now, Green Delta Insurance Company Ltd. is amassed more than BDT 807 million with a credit rating of AAA and ST1 as the first Insurance Company in Bangladesh. Green Delta is also the 1st Insurance Company in Bangladesh to have equity partnership with International Finance Corporation (IFC) of World Bank Group. With a presence in the strategically important parts of the country, which includes 39 branches, Green Delta Insurance Company has established its prominent presence with equity participation in Delta BRAC Housing Ltd., Progressive Life Insurance Co Ltd, United Hospital Ltd. FinExcel Ltd. and BD Venture Ltd. Green Delta Capital Ltd., Green Delta Securities Ltd., Professional Advancement Bangladesh Limited and GD Assist Limited are four of the direct subsidiaries. GDIC provides stock brokerage services through Green Delta Securities Ltd. (GDSL) and Investment Banking services through Green Delta Capital Ltd. (GDCL). Professional Advancement Bangladesh Limited provides international standard professional trainings, in collaboration with CII, UK and GD Assist Limited is the Official Representative of Malaysia Healthcare Travel Council in Bangladesh promoting Malaysia Healthcare Tourism.

Under the charismatic leadership of Mr. Nasir A Choudhury, Advisor and Ms. Farzana Chowdhury, Managing Director and CEO, Green Delta Insurance Company Ltd. has been leading the winds of change in the insurance industry of the country in terms of service standard, innovative products and legislative restructuring. After a glorious journey of more than 3 decades in the Insurance sector, Green Delta Insurance Company Limited has now become a big family of visionary board members, 600+ committed staff, numerous valued clients and thousands of esteemed shareholders. By now, Green Delta has been able to uphold the brand image as a prompt claim settler, superior service provider, and diversified product supplier – almost like a one stop solution provider in the non life insurance sector in the country.

Green Delta Insurance is the first non-life Insurance Company from Bangladesh to introduce the retail insurance department. The department was created with the motto 'Insurance for Everyone'. The main products that the retail insurance department sells 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. There are few other projects under Retail and SME, they are Niramoy-micro insurance for rural people, Shudin- micro insurance for garments workers, Weather index based Crop Insurance and Probashi- Comprehensive Insurance Scheme for Migrant workers.

Bangladesh Government has taken up a timely initiative to provide health insurance to the people who are living below the poverty line. 'Shashtha Suroksha Karmashuchi' (SSK) is a project of Health Economics Unit under Ministry of Health & Family Welfare. Green Delta Insurance is the scheme operator for the whole project. Green Delta is eying the scope of digital insurance and has initiated Online payments services to make the payment methods easier and have built up a strong IT infrastructure to be aligned with government's recent approaches towards a more digitalized and greener future.

As a part of the recognition for the contribution in the development of the insurance industry and for maintaining the standard of service, the company has been considered as one of the top 500 companies according to the renowned Rating Agency, Dun Bradstreet Rate Agency of Bangladesh. The company has also been awarded with many national and international awards like – "ICAB National Awards" for Best Published Accounts, ICMAB Best Corporate Award in Insurance category, ICSB Corporate Governance Excellence Award, "Winner" for the Best Presented Accounts Award in the category 'Insurance Sector' by the South Asian Federation of Accounts (SAFA), "International Quality Crown Award" by BID International in London, The BIZZ Award by World Business confederation of Business, USA for leadership, Excellence in a management, Quality and Marketing, "The Diamond Eye Award For Quality & Excellence" by BID Other ways, The Platinum Technology Award for Quality & Best trade name by Association Other ways in Berlin, International Star Award for Leadership in quality in the Gold, Platinum and Diamond categories, World Finance Award for Best Non-Life Insurance Company in Bangladesh, IFM Award for Best Non-Life Insurance Company Bangladesh, International ARC Award and many more. With the slogan "Marches with time" - during the last 3 decades - GDIC has been helping people in their time of need; pulling out all the steps when needed, and has been proud to be a partner in progress.

Progressive vision ensuring vertical growth

At Green Delta Insurance, we are ambitious – ambitious to provide ‘Insurance for all’. This overarching vision not only compels us to work harder every day but also encourages us to leverage innovation to develop insurance products and solutions that are best-fit, cost-effective and high-impact.



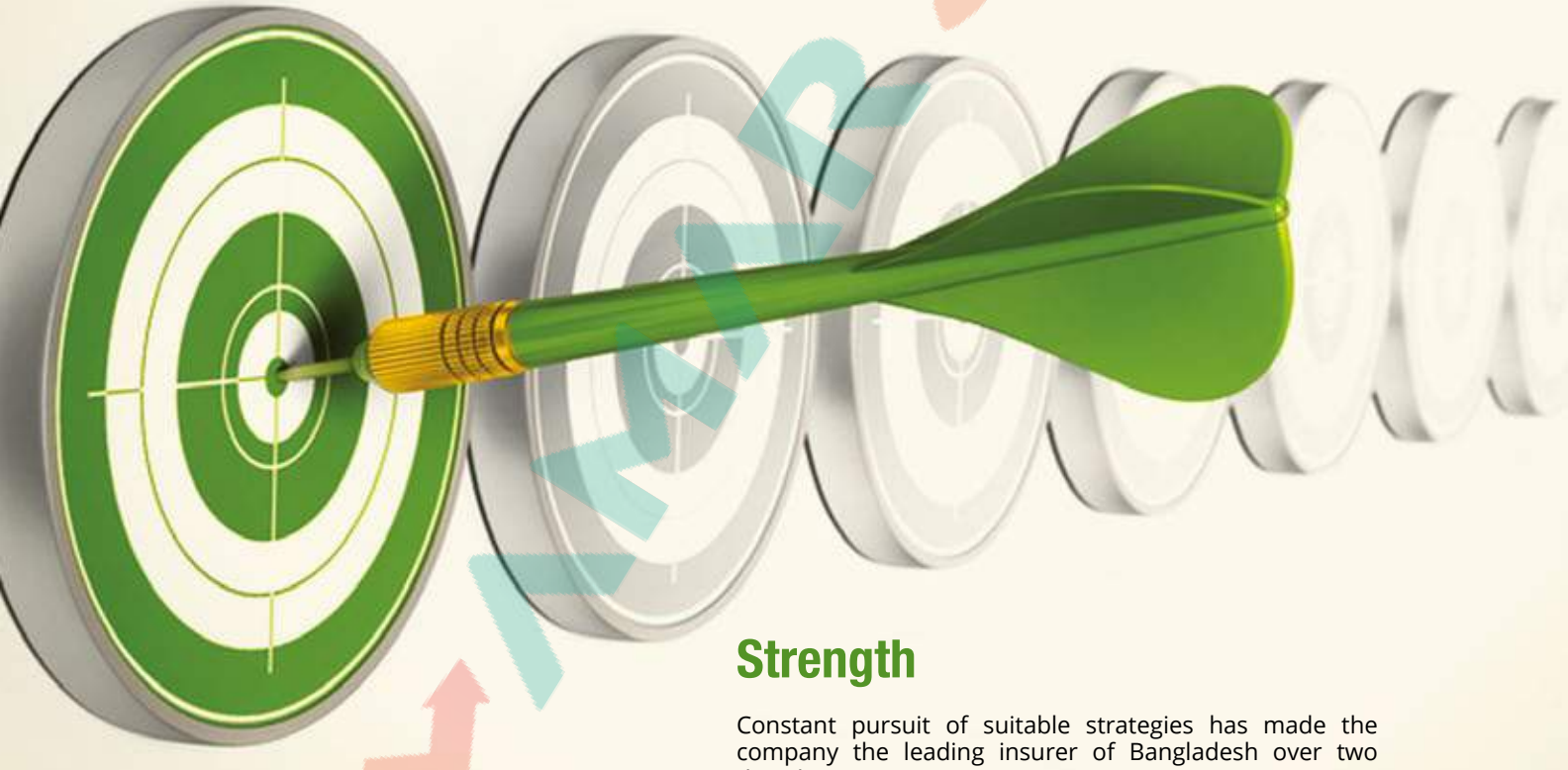
1.2 Vision, Mission Strength and Belief

Vision

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

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.



Strength

Constant pursuit of suitable strategies has made the company the leading insurer of Bangladesh over two decades.

Belief

We believe that customer interests must stand at the center of our all activities. We serve their needs by leveraging our robust risk management framework and by providing cost-effective and personalized services.

1.3 Overall Strategic Objectives, Core Values, Code of Conduct, Culture & Ethical Principles

Overall Strategic Objectives

As a leading insurance company, we are committed to providing the best possible service for our clients. Since the establishment of the company, we have set a number of long term strategic goals.

We are keen to achieve. On top of our goals is to build a strong loyal customer base that we always try to enrich by providing the best services at competitive costs. We have broadened our range of services over the years, in order to reach out for more customers and meet their precise needs.

One of the main objectives of the company is to maintain a stable financial position in the market along with a stable growth in capital over the years.

Finally, our achievements and clients speak for us, which proves that we are on the right track for more than 30 years now.

Strategies to achieve the company's business objectives

Our strategic objectives are steps in the journey towards the vision what we are doing over the next few years. We will build on our core regulated business based on discipline to deliver sustainable growth and superior financial performance. Based on our vision, we have chosen to give priority to the followings that create the foundation for strong growth and focus on continuous value enhancement.

We offer leading services in the fields of insurance. We deliver innovative solutions to offer customers' diverse needs for our services. The constant, ongoing development of our products and services, and corporate advisory services through subsidiaries helps us to rank among the leading insurance institutions.

We have a stable footing that should protect us from the cyclical fluctuations of the financial markets.

Green Delta Insurance Company Limited has been growing organically and has also successfully integrated with its subsidiaries namely Green Delta Securities Limited, Green Delta Capital Limited, Professional Advancement Bangladesh Limited and GD Assist.

As an innovative company that plays a leading role in quality, the expertise of our employees is of enormous importance as it would not be possible to implement this strategy successfully without them. Utilizing comprehensive promotion and training activities, we strive to be seen as an employer of choice at all levels on the job market.

Core Values



Customer first always:
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.

Organization above self:
We believe that individual, team and department actions must be driven by organization goals.

Trust:
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.

High standards:
We believe that excellence can be achieved only by setting benchmarks that challenge our potential as an organization and as individuals.

Shared ownership:
We believe that ownership of success or failure in achieving organizational or team goals is shared by all.

Spirit of adventure:
Our business is characterized by the sense of uncertainty and we believe in continuous innovation and creativity to face challenges head-on.

Respect for diversity:
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.

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 has 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.

Culture & Ethical Principles

Green Delta believes that upholding the interest of the clients, employees and regulators is very crucial for sustainable growth and development of the country, and gives due importance to the moral concerns in order to make the ethical decisions in every aspect of operations. GDIC therefore has adopted the Corporate Ethical Principles that set forth the standards by which the Company, its directors, officers and employees must comply in conducting their various business activities.

Enforcement of the ethical principles requires clear understanding of the same and active participation by everyone in the company since these spell out the expected standards of behavior and set the ideal operating principles to be followed. Every official is encouraged at all times to maintain high ethical standards and adequate internal control measures to guard against the occurrence of unethical practices and irregularities.

The Objectives of the Ethical Principles of Green Delta are-

- To place the ethical culture by increasing the prestige of the Company,
- To provide stakeholders' satisfaction, and
- To ensure that the employees will comply with ethical principles.

The Culture and Ethical Principles of Green Delta include-

1. To carry out duties within the framework of transparency, honesty, accountability, fairness and neutrality, to operate business fairly and honestly and in compliance with applicable laws, justice, equality, rules and principles of society
2. To be a good corporate citizen that contributes to local communities, and to contribute to society by offering excellent services, while paying attention to protection of personal information of customers and partners, to ease people's daily life, to meet the needs in the most effective, fast and efficiently way, to raise service quality, and to increase satisfaction of people and to be result-oriented
3. To create a safe, comfortable and productive workplace and respect the individuality and differences of employees, and to respect the interests of stakeholders of the company and to strive to maintain a friendly and healthy relationship with its stakeholders including customers, suppliers, employees and shareholders
4. To respect the culture and customs of other nations and contribute to the growth and development of their communities, not to discriminate reasons of religion, language, philosophical belief, political opinion, race, gender etc. when fulfilling a duty or utilization from services, not to attempt to violation of human rights and freedoms or restrictive treatment, and any disruptive behaviors or implementation to equality of opportunity, and to use judicial discretion in accordance with service requirement and recognizing the most important element is public interest
5. To adopt the objective and clear understanding of service that considers the social benefits in accordance with the appropriate service processes to changing conditions
6. To protect and develop prestige, image, identity and reputation of the Company, to prevent actions that are inappropriate to organization's objectives and policies, to become example to each other by life styles, manners and senses of service and obedience for ethical principles
7. To devote to protecting the environment and creating a comfortable society
8. To remain committed to purpose and mission of the Company
9. To comply to service standards
10. To use time, properties, resources, workforce and opportunities of the company effectively, efficiently and thriftily and to avoid wastage and splurge in using buildings, vehicles, resources and other company properties
11. To avoid behaviors such as harming the trust, creating doubt and acting detrimental to the principles of justice, behaving badly to who benefit from service, delaying job, practicing double standard and taking sides
12. Not to make any statement, commitment, promises or initiatives binding the company, or any deceptive and untrue statement by overstepping beyond powers, while performing duties, and not to disclose any information to organizations, institutions or people other than the competent authorities
13. To avoid conflict of interest, not to be side of the conflict of interest, not to take advantage from anything other than personal rights and salaries, not to involve in any task related situations that would benefit themselves, relatives or third parties by using their title and authorizations, and not directly or indirectly to take advantage for themselves, relatives or third parties by using the official results or classified information from the performance of duties or the results of duties for economic, political or social benefits,
14. Not to receive economic or noneconomic gifts that can influence directly or indirectly to their impartiality, performance, decision, preventing from doing the job, also not to give presents in issues unrelated to duty and service

1.4 Profile of the Company

Registered Office
Green Delta Insurance Company Ltd.
Green Delta AIMS Tower (6th floor)
51-52 Mohakhali C/A, Dhaka 1212, Bangladesh.
Phone: 9851170 (PABX), 9851902, Fax: 9851124

Corporate Website
www.green-delta.com

Email
info@green-delta.com

Nature of Business
All kinds of non-life insurance business

Subsidiaries

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

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

Professional Advancement Bangladesh Ltd.
Green Delta AIMS Tower (6th floor)
51-52 Mohakhali C/A, Dhaka

GD Assist Ltd.
Green Delta AIMS Tower (6th floor)
51-52 Mohakhali C/A, Dhaka

Auditor
A Quasem & Co.
Chartered Accountants
A member firm of Ernst & Young Global Limited
Gulshan Pink City
Suite # 01-03, Level: 7
Gulshan Avenue, Dhaka, Bangladesh
Tel: (88-02) 8881824-6
Fax: (88-02) 8881822

Corporate Governance Compliance Auditor
S. Abdur Rashid FCS
SARashid & Associates
Practicing Chartered Secretary
Noakhali Tower (12th floor, 13-D)
55/B Purana Paltan, Dhaka-1000, Bangladesh.
Phone: +88 02 9558796, +88 02 01726533655
E-mail: sarashid12000@yahoo.com

Membership Local

- Bangladesh Insurance Association
- Bangladesh Insurance Academy
- Bangladesh Association of Publicly Listed Companies (BAPLC)
- International Chamber of Commerce-Bangladesh
- Metropolitan Chamber of Commerce & Industry-Bangladesh (MCCI)
- Bangladesh German Chamber of Commerce & Industry (BGCCI)
- Bangladesh Malaysian Chamber of Commerce & Industry-Bangladesh (BMCCI)
- Bangladesh Employers Federation International Network Partner
- Bangladesh Employers' Federation
- 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 Bangladesh
- The Federation of Chamber of Commerce and Industry
- Baridhara Cosmopolitan Club Ltd.
- Gulshan Joggers Club Ltd.

Foreign

- United Nation(s) Global Compact
- Federation of Afro-Asia Insurer and Re-insurers (FAIR)
- Asia Insurance Review
- International Union of Aerospace ACE Insurer
- World Islamic Economic Forum (WIFE)
- Association of Insurers and Re-insurers of Development Congress (AIRDC)
- East Asian Insurance Congress (EAIC)
- Informa UK Ltd.
- Confederation of Asia-Pacific Chambers of Commerce and Industry (CACCI)
- Entrepreneurs' Organization (EO)
- Global Youth Employment Fund (GYEF)
- Total Monies
- Insurance Institution of India (III)
- Australia New Zealand Institute of Insurance and Finance (ANZIIF)
- Chartered Insurance Institute (CII)

1.5 Our Services Suite and Business Model

Our Services Suite

The strength of diversity

Throughout our business group, we offer a comprehensive range of Insurance services to help clients achieve their goals. We provide strategic advice, extend supports, and hold leadership positions in all of our major business areas. As an institution of full service of insurance, GDIC offers tailored product and services to meet appropriate and diverse needs of our customers, which include:

Corporate

- Risk Management
- 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 & Public Liability Insurance
- Directors and Officers Liability (D&O)
- Fire and Allied Perils Insurance
- Marine Cargo and Hull Insurance

Financial

- Cash-in-safe, Cash-in-transit & Cash-on-counter Insurance
- Portfolio Cover
- Credit Card Indemnity Insurance
- Bankers Blanket Insurance
- Bank Lockers Insurance
- A.T.M. Booth Insurance
- Bank Assurance

Retail & SME

- Fire and Allied Peril Insurance
- Nibedita- Comprehensive Insurance Policy for Women
- Probashi Comprehensive Insurance for Migrant workers
- Personal Accident
- GD Health Insurance
- Group Health Insurance
- Overseas Mediclaim Insurance
- Micro Insurance
- Micro Health Insurance
- Household Insurance
- Motor Insurance
- Peoples Personal Accident Policy
- Comprehensive Travel Insurance
- Workmen Compensation Insurance

Specialized

- Aviation Insurance
- Engineering Insurance (Erection all Risk, Contractors all
- Risk, Deterioration of Stock & Boiler & Pressure Vessel
- Insurance, business interruption)
- Crop Insurance/Agriculture
- Weather Index Based Insurance
- Liability Insurance
- Money Insurance
- Pecuniary Insurance

Investment and Portfolio Management

- Underwriting
- Pre-IPO placement Syndication
- Trusteeship

Business Focus

- Local Market
- Access to major areas of investment services
- Building strong investment portfolio
- Deliver legendary customer experiences
- Be an extraordinary place to work
- Operate with excellence
- Take only risks that we understand and can manage
- Enhance our brand image
- Increase shareholder value

AMARSTOCK

Business Model

Overview

The costliest natural catastrophes of the year occurred in Asia. There were two earthquakes on the southern Japanese island of Kyushu, close to the city of Kumamoto, in April 2016, with overall losses of USD 31 bn with the proportion of insured losses just under 20%, and devastating floods in China in June and July 2016 with overall losses being pegged at USD 20 bn with proportion of insured losses at some 2%.

In light of the occurrence of these natural catastrophes in addition to several Geo-political disruptions and strife, it emerged important to not only build insurance-induced resilience for companies and countries worldwide but also strengthen the capacities of insurance companies itself to position themselves better to judge, appraise and price risk.

A number of devastating earthquakes and powerful storms made 2016 the costliest 12 months for natural catastrophe losses in the last four years. Losses amounted to USD 175 bn, a good two-thirds more than in the previous year and very nearly as high as the figure for 2012 (USD 180 bn). The share of uninsured losses – the so-called protection or insurance gap – remained substantial at around 70%. Almost 30% of the losses, amounting to some USD 50 bn, were insured.

Green Delta Insurance is a world leader in delivering risk advisory and insurance solutions to companies, institutions and individuals across Bangladesh. From its founding in the year 1985 to the present day, Green Delta Insurance has provided thought leadership and delivered innovation to clients and the insurance industry, encouraging the discipline of risk management,the institutionalization of risk mitigation and many other innovative capabilities and service platforms.

Green Delta Insurance's clients vary by size, industry, geography and risk exposures. The Company is structured to serve clients effectively and efficiently, delivering solutions tailored to their level of complexity of risk, geographic footprint and budgets. Green Delta Insurance colleagues provide risk management and consulting and insurance broking services to a wide range of businesses across diverse sectors and also cater to a large range of individual insurance needs and requirements. This ensures that our business mix is diversified and with strong actuary practices, we possess a secure, scalable and sustainable business model.

Inputs

As indicated earlier, our promoters and senior management have a strong background in insurance actuary, which in itself forms the basis of a robust competitive advantage. Besides, the Company possesses a highly experienced actuary and risk assessment team that leverage years of experience in the business to evaluate risk and develop insurance products and solutions that are the most suited to client needs. In addition to this, some of our other competitive advantages that differentiate us and help create a robust and resilient business model, include the following:

- Professional and experienced on-ground sales-force that represent the face of our business among our clients; this team is anchored on customer service and ensure that our clients understand their policy fine print and formulate insurance solutions that bring value to their business
- Multi-channel distribution architecture (including bank assurance) that ensures a pan-Bangladesh presence and the fact that a Green

Delta Insurance representative is never too far from the customer

- Our claims settlement time frames are among the lowest in the industry that not only ensures prompt disbursement but also, in doing so, enhances the goodwill of our brand

- Our deep and wide product basket in non-life insurance ensures that we meet the largest range of client demands across sectors/ industries/communities, which de-risks our presence and opens up newer revenue channels

- Our strong investment management committee is yet another strength as they ensure high levels of liquidity in the system, protect capital and also seek reasonable rates of return by minimizing funds idling

- Our capital market subsidiaries nearly complete our financial services offering by providing our customers with attractive long-term wealth generation options as well as enabling corporates to secure their financial requirements through offering a wide range of mobilization and syndication services

Business Activities

Though insurance is considered to be a legacy and long-standing business, the need to innovate cannot be undermined. This is especially so in a country like Bangladesh that has among the lowest insurance penetration levels in the world, both in terms of people insured as well as premiums as a percentage of the size of the economy. Besides, the nation is also prone to natural calamities as also unforeseen events incited by Geo-politics. Furthermore, with rising healthcare costs and the incidence of a larger number of diseases and ailments, insurance becomes a vital tool to help citizens and societies recover from their afflictions without much of a financial strain on their budgets.

At Green Delta Insurance, in our focus on fostering inclusive insurance, we have identified innovation as one of our key anchors to enhance a wider insurance coverage of our country's population. As Bangladesh's front line non-life insurance company, we are at the forefront of pioneering initiatives to widen the concept of insurance. To do so, we have embraced a granular strategy under which we identify and segregate different segments of the population based on their profile and thereafter conceive products, services and solutions that best cater to their needs and demands.

For example, our Nibedita product is exclusively designed to cater to the holistic insurance needs of women in our country. This path-breaking product has emerged as a platform that helps women in business protect their operations in the event of unpredictability, strengths resilience among women workers to bounce back from an unexpected setback and generally aids women to build resilience in case of a health issue etc, thereby emerging as a trusted financial ally. In yet another innovative development, we have created a Nibedita app for smart-phones that represents the gateway to all sorts of useful information for women that can be conveniently accessed. Besides, this app has an in-built emergency button which immediately alerts a security services firm in addition to sending an SMS to the family and the Green Delta headquarters, ensuring that help is always at hand in the event of panic situations.

In addition, we have also leveraged technology with a view to drive insurance penetration and have associated with the Central Government's digital efforts in capturing customer information and leveraging this database to create customized solutions for customers, also supplying them with a card that contains all pertinent information about them. Besides this, we have also tied-up with global funds that are keen to associate with local expertise in developing trans formative solutions, especially for the grassroots. In this regard, we have received funding from one of IFC's funds to seed the concept of agri-insurance in the country. In yet another initiative, we are among the few in the country to pioneer the concept of student insurance even as we engage in conducting regular seminars and information dissemination sessions across key colleges and universities of Bangladesh with a view to help students learn early the benefits of insurance. Besides, we also offer well-structured products that provide the student community with a respectable cover at low premium costs, thereby bringing them into the fold of formal insurance early on.

Output

As Bangladesh's largest non-life insurance Company, we offer a broad range of products and solutions, which are described in the above "Our Service Suite"section.

Outcomes

At Green Delta Insurance, the biggest and most evident outcome of our prudent and conservative business practices is the sustainability of our enterprise. It is interesting to note that even in a highly competitive industry environment with players propagating unhealthy and even unethical practices, we have consistently stuck to our knitting – that of promoting insurance for all and embracing fair business practices in all our stakeholder dealing.

In 2016, despite a sluggish industry environment on the one hand and high competitive intensity on the other, we reported a respectable 4.90% growth in our gross premium receipts to Taka 316 crore with the result that we gained an incremental 2 percentage points of market share, taking our total tally to 13% of the organized non-life insurance industry.

With the growth in collection, our assets under management (AUM) also reported a healthy growth of 12.11% to Taka 858.82 crore in 2016, rising from Taka 446.42 crore even five years back (2011). Besides, our profit after tax surged 3.90% over the past two years to Taka 24.85 crore even as our solvency ratio stood at a healthy 10.25 times during the year under report.

Over the short to medium term, as a Company, we continue to see challenges that will impact the country's insurance business including low levels of awareness, low premium-to-coverage ratio, low stickiness of premiums, rising competition encouraged by an uneven playing field, talent retention challenges and lack of and low quality of talent entering into the insurance business.

Over the long term however, we are optimistic and enthused by the long-term prospects of the business, especially because of the articulation of the Government's Strategic Development Goals (SDG) and concerted efforts by the policymakers to reach the targets, as enunciated under these goals. Besides, the Government's thrust on industrialization and urbanization will provide several robust downstream opportunities while the demographic dividend will ensure continued rise in average per capita incomes creating a long-term structural opportunity. Besides, the argument that a country with a 162-million strong population with average insurance density of under 1% will remain as the central opportunity driver for the insurance business.

Managing risk for our customers and our enterprise represents the single-most important objective of our business. At our Company, we believe that the controlled and prudent acceptance of risk is essential for the generation of shareholder value and business sustainability. The Company's risk acceptance and tolerance limits are dependent on the return on risk-adjusted capital and consistency with its strategic growth objectives. Having accepted a risk, the Company may cede or hedge it where this is cost-effective. Hence, in general, the Company's control procedures and systems are designed to manage risk, rather than eliminate them. However, at certain times, there may also exist some risks for which the Company has zero tolerance and which are actively avoided. It is in this context that the Company has in place a well-structured risk management frame work with the following aims:

- Determining the risk profile of the Company – that is the aggregate level of risks that the Company has undertaken in pursuit of business profitability and value creation
- Identification, measurement, monitoring and control of risk for the purpose of protecting stakeholder interest at all times
- Enhancing the Company's ability to pursue opportunities that offer attractive risk-adjusted returns by providing transparent, accurate and timely risk information
- Embedding risk-based decision-making in key processes and fostering a culture of risk awareness
- Limiting the Company's exposure to adverse outcomes through risk limits
- Ensuring compliance with regulatory requirements

Some of the key risks faced by the Company are classified into market, credit, liquidity and operational risks. The risk management model of the Company comprises a multi-stage continuous process – identification and assessment,measurement, monitoring and control of risks. In addition to this, a comprehensive risk management section is also provided elsewhere in this report.

Operational risk: The Company develops mitigation plans for high risk customers/segments. It monitors actions identified for mitigation of the risks towards improvement of its operational risk profile. It also actively promotes a risk awareness culture by improving understanding through communication and education among the management team, employees, contractors and vendors. Besides, appropriate training material is developed and percolated to improve knowledge and promote a strong operational risk practice.

Market risk: Launching new products can significantly alter the risk profile of the Company if they fail to pick-up in the market. Market risks inherent in the new products or significant modifications to existing products are identified at the product design stage and a risk report is placed before the ManCom. The products are launched only after thorough study and regulatory approval.

Asset liability management (ALM): Asset-liability management involves minimizing the risk due to mismatches in assets and liabilities. The Company has developed detailed investment specifications that govern the investment strategy and limits for each fund depending on the profile of the liability backed by those assets. For each category of products, the investment specifications specify limits to permissible exposures to various asset classes along with duration guidelines for fixed income instruments.

Information security: The Company has an information security framework that ensures all information assets are safeguarded by establishing comprehensive management processes throughout the organization and business information is protected adequately through appropriate controls and proactive measures. The Company aims to reduce risks of unauthorized access,modification and sharing or destruction of data,among others.

1.6 KEY CORPORATE MILESTONES

1985
December 14, 1985
Incorporation of the Company

1986
January 01, 1986
Commencement of business

January 02, 1986
Signing of First Insurance business

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

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

1990
January 12, 1990
Listing with Dhaka Stock Exchange Limited

January 14, 1990
First trading at Dhaka Stock Exchange Limited

1995
October 21, 1995
Listing with Chittagong Stock Exchange Limited

October 22, 1995
First trading at Chittagong Stock Exchange Limited

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

2004
May 05, 2004
Issuance of Right Share

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

2005
December 31, 2005
Capital increased to BDT 108 million

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

May 11, 2005
Launching of Islamic Takaful Insurance

May 12, 2005
Dhaka Stock Exchange Membership Purchased

October 13, 2005
Incorporation of Green Delta Financial Services Limited

2006
November 28, 2006
Investment in United Hospital

June 30, 2006
Issuance of Bonus Share

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

December 31, 2006
Capital increased to BDT 151.20 million

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

2008
June 26, 2008
Capital increased to BDT 200 million.

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

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

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

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

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

June 30, 2010
Authorized capital increased to BDT 100.00 crore

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

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

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

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

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

2011

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

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

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

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

November, 2011
First Prize in ICMAB Best Corporate Award-2011 in Insurance category.

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

2012

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

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

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

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

2013

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

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

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

December, 2013
Awarded "AA1" rating in the long term and "ST-1" rating in the short term respectively by CRAB

December, 2013
Officially launched 'Cellular phone insurance' for the first time in Bangladesh signing deal with Rialto Technologies

2014

April, 2014
Formal launching of Nibedita

May, 2014
Won 2nd prize in ICMAB Best Corporate Award 2013 (Non life insurance category)

May, 2014
Launching of the 3rd subsidiary of GDIC- Professional Advancement Bangladesh Limited (PABL)

August, 2014
Received Best Non life Insurance Company Bangladesh award from International Finance Magazine

October, 2014
Became the first insurance company of Bangladesh to get AAA rating credit accreditation by CRAB

October, 2014
Launching of the 4th Subsidiary of GDIC- GD Assist Limited

November, 2014
Received first prize for best presented annual report in insurance sector from ICAB

November, 2014
Launched GD Health- the first comprehensive health insurance product in Bangladesh with Global Emergency Medical Evacuation

December, 2014
Received first prize for best presented annual report in insurance sector from SAFA

2015

February, 2015
Settles the biggest claim in GDIC's history by Handing over a check worth BDT 68 crore to Akij Group (Dhaka Tobacco Limited)

February, 2015:
Green Delta, IFC join hands to pioneer the Weather Index Based Agri Insurance in Bangladesh

May, 2015
Agreement signing with ROBI Axiata Ltd. regarding insurance for their retailers and employees

May, 2015
Agreement signing ceremony with IDLC regarding providing Nibedita to the Female entrepreneurs

September, 2015
Receives World Finance Award for Best Non-Life Insurance Company, Bangladesh

September, 2015
Receives International ARC Award for Best Presented Annual Report

October, 2015
Receives AAA rating for the consecutive 2nd year as the first Insurance Company in Bangladesh

November, 2015
Receives International Finance Magazine Award 2015 for Best Non-Life Insurance Company, Bangladesh

November, 2015
Receives First Prize in Insurance Category in ICSB Corporate Governance Excellence Awards

December, 2015
Receives First Prize in Insurance Category in ICAB National Awards for Best Presented Annual Reports

December, 2015
Signing with City Bank & Dutch Bangla Bank Limited regarding online payment services

December, 2015
Signing of Contract between Health Economics Unit of Ministry of Health, Bangladesh Government & Green Delta Insurance for Implementation of SSK Piloting

December, 2015
Green Delta Insurance signs MoU on "Agriculture Weather Index Insurance" with Sylvan Agriculture Limited (Sister Concern of PRAN-RFL GROUP)

2016

January, 2016
Celebration of 30th Anniversary of Green Delta Insurance

March, 2016
Settled 2 of the largest claims of Dignity Textile Mills and Highspeed Group

May, 2016
MoU signing with Jaago Foundation to sponsor a class of 40 kids till they graduate from the school

June, 2016 Partnership with A2i of Prime Minister's Office for activating sales of insurance through Union Digital Centers

June, 2016
Ms. Farzana Chowdhury, Chartered Insurer and MD & CEO of Green Delta gets recognition from UN Global Compact as one of the 10 Local SDG Pioneers for her contribution towards Women's Economic Security and Gender Equality which was portrayed through the Green Delta Insurance's flagship women's product- Nibedita

August, 2016
Handover of a cheque worth BDT 25 lacs to International Chamber of Commerce for capacity building

September, 2016
Receives International ARC Award for Best Presented Annual Report

September, 2016
Signing with Ghurbo.com to introduce Domestic Mediclaim Insurance for the first time in Bangladesh

October, 2016
Launch of Nibedita Mobile App

October, 2015
Receives AAA rating for the consecutive 3rd year as the first Insurance Company in Bangladesh

November, 2015
Receives International Finance Magazine Award 2016 for Best Non-Life Insurance Company, Bangladesh

November, 2016
Receives First Prize in Insurance Category in ICAB National Awards for Best Presented Annual Reports

December, 2016
Receives First Prize in Insurance Category in ICSB Corporate Governance Excellence Awards

December, 2016 Large claim settlement of Meghna Insurance

1.7 GDIC's Presence

01. **Green Delta Insurance Co. Ltd.**
Principal Branch
Green Delta Aims Tower (6th floor)
51-52, Mohakhali C/A, Dhaka -1212
Tel: 9851163, Fax: 9851138,
Mob: 01714094154

02. **Green Delta Insurance Co. Ltd.**
Gulshan Branch
Sheba House Northern Side (2nd floor)
House No. 34, Road No. 46
Gulshan-2, Dhaka-1212
Tel: 985-4257, Fax: 881-1727
Mob: 01847189684

03. **Green Delta Insurance Co. Ltd.**
Imamgonj Branch
77/3, Moulvibazar (2nd Floor)
Lalbagh, Dhaka
Tel: 731-1681, Mob: 01713379806

04. **Green Delta Insurance Co. Ltd.**
Elephant Road Branch
Pearson Tower (4th floor)
299, Elephant Road, Dhaka
Tel: 586-10892, Fax; 966-9421
Mob: 01714094318

05. **Green Delta Insurance Co. Ltd.**
B.B. Avenue Branch
Green & White Bhaban (4th floor)
28, Bangabandhu Avenue, Dhaka
Tel: 712-6095, Fax: 712-2036
Mob: 01733718305, 01755627232

06. **Green Delta Insurance Co. Ltd.**
Kawranbazar Branch
The Dhaka Trade Center (5th floor)
99, Kazi Nazrul Islam Avenue, Dhaka
Tel: 912-4450, Fax: 8115210
Mob: 01763796431

07. **Green Delta Insurance Co. Ltd.**
Mohakhali Branch
Red Crescent Concord Tower (2nd floor)
17, Mohakhali C/A, Dhaka
Tel: 5881-3634, Fax: 882-8065
Mob: 01711819481

08. **Green Delta Insurance Co. Ltd.**
Narayangonj Branch
ECHO Tower (2nd Floor),
20/2, S.M. Maleh Road,
Tanbazar, Narayangonj
Tel: 763-3945, Mob: 01819195658

09. **Green Delta Insurance Co. Ltd.**
Dhaka EPZ Branch
Hasan Apartment Ganak Bari
Savar, Dhaka
Tel: 7788346, Fax: 778-9198
Mob: 01714037860

10. **Green Delta Insurance Co. Ltd.**
Uttara Branch
Sophia Villa, House No. 38 (2nd floor)
Road No. Garib-E- Newaz Avenue
Sector No. 11, Uttara Model Town, Dhaka-1230
Tel: 8991229, Fax: 893-3826
Mob: 01928638113

11. **Green Delta Insurance Co. Ltd.**
Narsingdhi Branch
Mijan Market (2nd floor), C & B Road,
Narsingdi Bazar, Narsingdi.
Tel: 9462014, Mob: 01711676000

12. **Green Delta Insurance Co. Ltd.**
Principal Branch
Makka Madina Trade Center (3rd Floor)
78, Agrabad C/A, Chittagong
Tel: (031) 716-233, 723-491, 723-717
Fax: (031) 726-273, Mob: 01711721946

13. **Green Delta Insurance Co. Ltd.**
Khatungonj Branch
Khatungonj Trade Center
(4th Floor), Ramjoy Mohajan Lane,
Khatungonj, Chittagong
Tel:(031) 622002, Fax: (031) 622-360
Mob: 01819-317-664

14. **Green Delta Insurance Co. Ltd.**
Sylhet Branch
Madhuban Super Market (3rd floor)
Bandar Bazar, Sylhet
Tel: (0821) 728230, Mob: 01711356447

15. **Green Delta Insurance Co. Ltd.**
Moulvibazar Branch
Lake View Building,
36, Sreemongal Road, Moulvibazar
Mob: 01716441222

16. **Green Delta Insurance Co. Ltd.**
Habigonj Branch
Sultana Library (1st floor)
Cinema Hall Road Point, Habigonj
Mob: 01711861135

17. **Green Delta Insurance Co. Ltd.**
Barisal Branch
58, Munnu Super Market,
Katpatty Road, Barisal
Tel: (0431) 63367, Mob: 01714094320

18. **Green Delta Insurance Co. Ltd.**
Pirojpur Branch
Post Office Road, Pirojpur
Tel: (461) 62837, Mob: 01711819482

19. **Green Delta Insurance Co. Ltd.**
Faridpur Branch
Bari Plaza Shopping Complex (4th Floor)
91, Thana Road, Faridpur
Tel: (0631) 64313, Mob: 01927385634

EMARKET STOCK

20. **Green Delta Insurance Co. Ltd.**
Jessore Branch
17, Netaji Subash Chandra Road
Gari Khana, Jessore
Tel: (0421) 68737, Mob: 01711819470

21. **Green Delta Insurance Co. Ltd.**
Noapara Branch
Yeasin Plaza (2nd Floor),
Noapara, Jessore
Mob: 01714094152

22. **Green Delta Insurance Co. Ltd.**
Khulna Branch
1, P.C. Roy Road, Khulna
Tel: (041) 720063, Fax: 731-992
Mob: 01711075966, 01766800935

23. **Green Delta Insurance Co. Ltd.**
Kushtia Branch
Lovely Tower (7th Floor), Room No.7F-4
55/1, Sirauddowla Road, Kushtia
Tel: (071) 73108, Mob: 01719572295

24. **Green Delta Insurance Co. Ltd.**
Madaripur Branch
Amin Super Market,
Puran Bazar, Madaripur
Tel: 01714094165

25. **Green Delta Insurance Co. Ltd.**
Bogra Branch
Hafiz Bhaban, Kabir Market
Boro Gola Road, Bogra
Tel: (051) 666-77, Mob: 01714094151

26. **Green Delta Insurance Co. Ltd.**
Dinajpur Branch
Goneshtola, Dinajpur
Tel: (0531) 63373, Mob: 01714090481

27. **Green Delta Insurance Co. Ltd.**
Pabna Branch
Abdus Sattar Biswas Market (1st Floor)
Traffic More, Abdul Hamid Road, Pabna
Tel: (0731) 64709, Mob: 01711819472

28. **Green Delta Insurance Co. Ltd.**
Rajshahi Branch
Holding No. 381 (2nd Floor)
Shaheb Bazar, Monichattar
Sonadigir More, Ghoramara
Boalia, Rajshahi
Tel: (0721) 776176, Mob: 01714022151

29. **Green Delta Insurance Co. Ltd.**
Rangpur Branch
Mansur Bhaban (2nd floor)
Station Road, Rangpur
Tel: (0521) 65997, Mob: 01718543181

30. **Green Delta Insurance Co. Ltd.**
Bhairab Branch
Cinema Hall Road, Bhairab, Kishorgonj
Mob: 01817052957

31. **Green Delta Insurance Co. Ltd.**
Mymensingh Branch
6, Sawdeshi Bazar Road, Mymensingh
Tel: (091) 67308,
Mob: 01611682386

32. **Green Delta Insurance Co. Ltd.**
Tangail Branch
Hazi Mansion (2nd Floor)
Kalibari Road, Adalatpara, Tangail
Tel: (0921) 53436, Mob: 01713060014

33. **Green Delta Insurance Co. Ltd.**
Chandpur Branch
Mir Shopping Complex
J.M. Sen Gupta Road, Chandpur
Tel: (0841) 65663, Mob: 01714103698

34. **Green Delta Insurance Co. Ltd.**
Comilla Branch
Chati Patty, Rajgonj, Comilla, Tel: (081) 65223,
Mob: 01718377444, 01978377444

35. **Green Delta Insurance Co. Ltd.**
Chaumuhani Branch
Jaheda Tower(3rd floor)
Feni Road, Chaumuhani Noakhali
Tel: (0321) 51538, Mob: 01711819480

36. **Green Delta Insurance Co. Ltd.**
Mirpur Branch
Central Plaza (6th Floor) 231,
Sen Paraparbata,
Mirpur Circle-10, Dhaka
Tel: 9009923, Fax-8031575
Mob: 01714094312

37. **Green Delta Insurance Co. Ltd.**
Dilkusha Branch
Hadi Mansion (6th Floor)
2, Dilkusha C/A, Dhaka-1000
Tel: 9550697, 9578798 Fax 7110064
Mob: 01713-000-070

38. **Green Delta Insurance Co. Ltd.**
Kakrail Branch
Rupayan Karim Tower (8th floor)
Apartment No.8/A, 80, V.I.P. Road,
Kakrail, Dhaka. Tel: 49357210, Fax-8332980
Mob: 01711612045

39. **Green Delta Insurance Co. Ltd.**
Syedpur Branch
Amin Plaza (2nd Floor)
Shaheed Doctor Jikrul Haque Sarak, Syedpur
Mob: 01723111300

1.8 Key Quantitative Information

Our Financial Performance 2016

TAKA
3,163.27 mn
Gross written premium (total revenue income), up 4.89% over 2015

TAKA
334.48 mn
Claims settled, up 10.94% over 2015

TAKA
385.16 mn
Net income from operations, up 25.79% over 2015

5.38 percentage
Return on equity (RoE), up 0.47% basis points over 2015

TAKA
248.58 mn
Profit after tax, up 7.94% over 2015

TAKA
8,588.24 mn
Assets under management, up 12.11% over 2015

TAKA
3.08
Earnings per share, up 8.07% over 2015

10 times
Solvency ratio, 1.11 basis points over 2015

60,200
Total customer base, up 4.39% over 2015

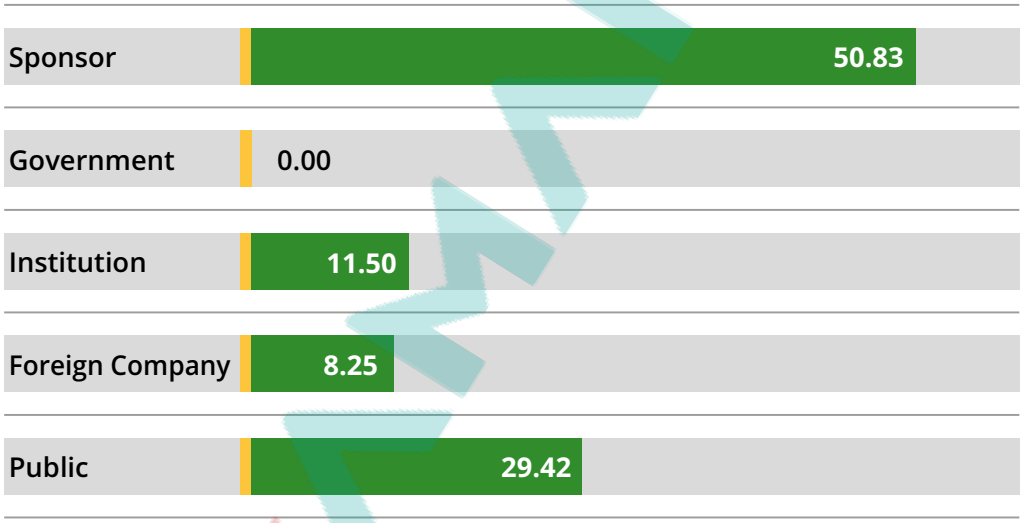
13.20 percentage
Market share, up 1.2% basis points over 2015

1.9 Shareholding Structure

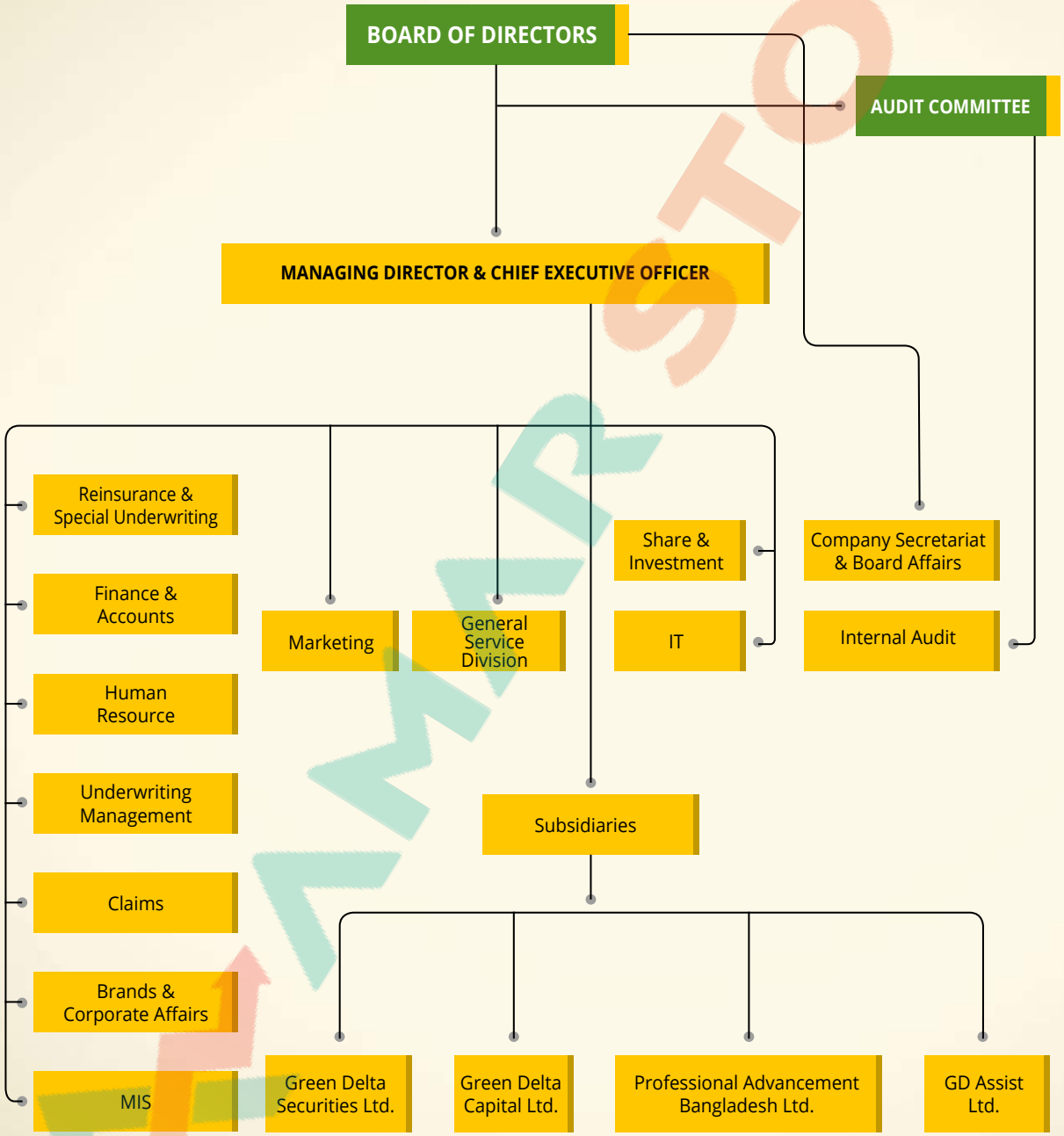
As on 31st December, 2016

Types	% of Holdings
Sponsor	50.83
Government	0.00
Institution	11.50
Foreign Company	8.25
Public	29.42
TOTAL	**100.00**

Shareholding Structure



1.10 Our Organizational Structure



1.11 Board of Directors, Chairman and CEO

Name	Status
Abdul Hafiz Choudhury	Chairman and Independent Director
Kamran Idris Chowdhury	Director and Vice Chairman
A. Q. M. Nurul Absar	Director
Dilruba Chowdhury	Director
Shamsun Nahar Begum Chowdhury	Director
Khurshida Chowdhury	Director
Asif Ahmed Chowdhury	Director
Mr. Iqbal Khan (Jamal)	Director
Arif Ahmed Chowdhury	Director
Mesbah Dilwar Rahman	Director
Razia Rahman	Director
Marufa Anwar	Director
Nurul Hussain Khan	Independent Director
Md. Abdul Karim	Independent Director
Steve Murphy	Nominee Director of IFC
Farzana Chowdhury ACII (UK)	Managing Director and CEO

AMAR STOCK

1.12 BRIEF PROFILES OF THE DIRECTORS



Abdul Hafiz Choudhury
Independent Director and
Chairman

Abdul Hafiz Choudhury FCA, currently partner (inactive), was former senior partner of Rahman Rahman Huq, Chartered Accountants (a member firm of KPMG International). He was President of the Institute of Chartered Accountants of Bangladesh (ICAB) in 1988 and also a Council member of ICAB for nine years. Having completed his B.Com (Hons) and M.Com from Dhaka University in 1959 and 1960 respectively, he went to England to study Chartered Accountancy in 1961 and became a member of the Institute of Chartered Accountants in England & Wales in 1966. He became a member of the CA Institute in erstwhile Pakistan in1967.

Hafiz Choudhury is a founder trustee of Independent University, Bangladesh (IUB) and served as its Honorary Treasurer for more than 8 years. He is a member of the Governing and Academic Council of IUB. He was Chairman of the Finance Committee of IUB for number of years and was elected Chairman of the Founding Trust of IUB for one year term. He was also Chairman of Business Advisory Service Centre, a USAID-funded organization set-up to support development of private business enterprises. He was a Director in the Board of Dhaka Electric Supply Company Limited for over nine years and Titas Gas Transmission and Distribution Co. Ltd. for over six years. He served as Director in the Board of 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 Choudhury has held many important positions including Director in the Board of Bangladesh Bank for more than three and a half years, an Executive Committee member of Metropolitan Chamber of Commerce and Industry (MCCI) for number of years and served as Chairman of its various committees and was also elected Vice President for two terms. He was elected President of MCCI in 2009.

He 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 also a nominee Director in the Boards of Green Delta Securities Ltd., Green Delta Capital Ltd. He is also a nomonee Director in the Boards of Green Delta Securities Ltd., Green Delta Capital Ltd. and a Shareholder Director of New Zealand Dairy Products Bangladesh Ltd.

He is married to Rasheda K. Choudhury and they have two sons and daughter. Eldest son M. Sami Hafiz has done his MBA from Taxas 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. Thir 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 Maxico.



Kamran Idris Choudhury

Vice Chairman

Was educated at the prestigious Rugby School in the UK and qualified in London as a Chartered Accountant in 1981. He is a fellow member (FCA) of the Institute of Chartered Accountants in England and Wales (ICAEW) and institute of Chartered Accountants of Bangladesh (ICAB).

He worked for Touche Ross in London (currently Deloitte Touche Tohmatsu), prior to returning to Bangladesh in 1988 and joining A Qasem& Co, Chartered Accountants, the member firm of Ernst and Young International in Bangladesh. He was a partner in A Qasem & Co from 1992 up until December 2014 when he retired from the partnership.

He is also an Independent Director of Delta Hospital Limited where he is Chairman of the Audit Committee.

He has attended many national and international conferences including the Bangladesh Investment Summit Europe in 2013 and has traveled to various countries in Europe, North America and Asia on business. He is also involved with many social work and welfare organizations, both in the UK and Bangladesh.

He has two sons who were educated at private boarding schools in the UK, where they both graduated. They are working in the International Hospitality and Investment Banking Sectors respectively, both currently being based in London.



A Q M Nurul Absar

After graduating in Civil Engineering from BUET in the year 1964, he completed his post graduation in Hydraulic Engineering from DELFT University in The Hague, Netherlands. He served the Water and Power Development Authority - WAPDA, in Bangladesh for 10 years. His professional experience included designing and constructing hydraulic structures like regulators, pump station and sluice gates. Mr Absar served in reservoir section under the Ministry of Electricity & Water, Kuwait, for 10years where he was involved in the construction of water reservoirs. Mr. Absar is also the Director of Delta Medical College & Hospital and Delta Life Insurance Co. Ltd.

FMARSTOCK



Dilruba Chowdhury

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.



Shamsun Nahar Begum Chowdhury

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 fulfill and satisfy customer demands, but also exceed expectations.



Khurshida Chowdhury

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.



Asif Ahmed Choudhury

Asif A. Choudhury studied at the American International School/ Dhaka where he completed his junior high school and later on completed College Preparatory Diploma (high school graduation from TASIS England American School in Surry, UK. He did his Bachelor's in Business Administration (BBA) majoring in Management Information Systems from The American College in London where he graduated with honors (Magna Com Laude) and then completed Master of Business Administration (MBA) majoring in International Business from The George Washington University in Washington DC, USA. After completing his MBA, he worked for Continental Grain Company, USA at their offices in New York, New Orleans and Minneapolis as merchandiser in training. He also worked for Chase Manhattan Bank as a Financial Analyst in New York, USA. Mr. Asif Choudhury is presently working in his family business in Bangladesh as Managing Director of Transcon Securities Ltd. (Member Dhaka Stock Exchange) and Executive Director of Continental Travels Ltd. and also Director of Albert David Pharmaceutical Company as well as Director of Green Delta Insurance Company Ltd. He has traveled to many countries and attended various International Conferences including Bangladesh Investment Summit 2012 held in Singapore. Mr. Asif Choudhury was awarded International Honorary Citizen certificate from the Mayor of New Orleans, USA in 1993. He was given the status of CIP (Commercially Important Person) from Ministry of Finance, Govt. of Bangladesh in 2015 & 2016.



Iqbal Khan (Jamal)

Mr. Iqbal Khan (Jamal) is an entrepreneur in the area of Textiles, Garments and buying house in Bangladesh. He was born in a respected Muslim family in Barisal, Bangladesh. He was brilliant in his academic record. He has obtained Diploma in marketing from Paris, also taken diploma degree on international Marketing from Hague and Paris.

Mr. Jamal is the Managing Director and CEO of JANN Group (Concern of Jann Group as follows : Jann Composite Mills Ltd. Jann Apparels Ltd, Emon Fashion Limited, Arshad Embroidery Ltd. Nafisa International Trading (BD) Ltd, Amstel Fashion Group and Jann Printing and Embroidery.

Mr. Jamal is a Member of German Chamber of Commerce, Malaysian Chamber of Commerce and Bharidhara Cosmopolitan club ltd in Bangladesh.



Mesbah Dilwar Rahman

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.



Arif Ahmed Choudhury

Mr. Arif A. Choudhury studied at the American International School/Dhaka (AIS/D) for his junior high school and completed high school graduation from TASIS England American School in United Kingdom. He completed Bachelors in Business Administration (BBA) with a major in Management Information Systems (MIS) from The American College in London in 1992 (with Magna Cum Laude honors). Mr. Arif Choudhury did his Masters in Business Administration (MBA) with a major in International Business in 1995 and Master of Science (MS) in Project Management in 1998 from The George Washington University, USA. He worked as merchandiser in training for Continental Grain Company in New York, Minneapolis and New Orleans and also worked as financial analyst for Chase Manhattan Bank and American Express Bank in New York. Mr. Arif A. Choudhury is Executive Director of Transcon Securities Ltd (Member Dhaka Stock Exchange) and Continental Travels Ltd. He is a Director of Albert David (BD) Ltd. pharmaceutical company and Green Delta Insurance Company Ltd. He has traveled to many countries of the world and has attended various international conferences such as Bangladesh Investment Summit 2012 held in Singapore. Mr. Arif Choudhury was awarded the certificate of International Honorary Citizen for the City of New Orleans by the Mayor of New Orleans, USA in May 1993. Mr. Arif A. Choudhury was given CIP (Commercially Important Person) status by Ministry of Finance, Govt. of Bangladesh in 2015 & 2016.



Razia Rahman

Mrs. Razia Rahman hails from a prominent Muslim family of Sylhet. She studied in Sylhet Government Girls High School and Sylhet Womens' College. Her father late Khan Saheb M.A. Latif Chowdhury was a civil servant in the Assam-Bengal region during the British and Pakistani periods. Mrs. Rahman has travelled extensively to the UK, the US, Saudi Arabia, India, Pakistan, Malaysia and Singapore. She is a well known social worker in Sylhet and has been working together with her husband Mr. M. Muhibur Rahman, who has been a business and social leader, for well over fifty years.

Mrs. Rahman's sensitivity as a social worker is well known, and through her, Green Delta is able to understand customer needs better, and therefore effectively reach out to them, through the creation of products which satisfy consumer needs as also stay relevant in the markets.



Marufa Anwar

Mrs. Marufa Anwar completed her BA in 1994 and MA (Preliminary) subsequently in 1995. Mrs. Anwar's focus on simplicity and creativity in solving some of the challenges facing our country has helped developed several unique and beneficial product models. Well known in the social circuit, she is an important member of many social and welfare organizations across the country.

Her bottom-to-top approach towards conducting business and developing products in this spectrum, coupled with her ability to touch the lives of others, has enabled Green Delta to create insurance products for the marginalized, thus benefiting the many millions to avail of such facilities with ease.



Steve Murphy

Steve Murphy graduated with a BA in Social Sciences at the University of South Africa. His business career involved over thirty-five years in the reinsurance industry, of which eighteen were involved as CEO of Hanover Re's South African subsidiary company. Prior to that he spent eight years with Munich Re.

Steve serves as Chairman of Direct Line Assurance Company in Kenya a specialist Public Service Vehicle insurer, as well as Chairman of Chemunique a specialist animal feed additive business in South Africa.



Nurul Husain Khan
Independent Director

Started the working career when he joined in the Erstwhile Pakistan Taxation Service in 1957. He was Deputy Secretary, Ministry of Commerce, Govt. of Pakistan, when Bangladesh was liberated. On return to Bangladesh in 1973, he had held many important positions, home and abroad, which included Secretary to the Govt. in different Ministries, Economic Minister, Bangladesh Embassy in Saudi Arabia, Consul general of Bangladesh in Karachi, Pakistan. He retired from government services as Secretary, Internal Resources Division and Chairman, National Board of Revenue in 1992.

In the same year he was made founder chairman of Eastern Bank Ltd., a Govt. sponsored private Bank and continued for 8 years till 2000. He subsequently became founder chairman of Sapporo Dental College and General Hospital in 2002 and continuing till date. He is one of the founder Members of North South University, where he also acted as its first Treasurer. He also acted as Independent Director of M/s. Union Capital Ltd. from 2009 to 2014. He is currently an Independent Director of Green Delta Insurance Company Limited since December 2012.



Md. Abdul Karim
Independent Director

Md. Abdul Karim, former Principal Secretary to the Government of Bangladesh, is the Managing Director of Palli Karma-Sahayak Foundation (PKSF). Earlier he served as the Secretary to the Government in the Ministries of Commerce, Fisheries and Livestock, Home Affairs, Communications (Bridges Division) and Finance (Internal Resources Division). He also served as the Economic/Commercial Counselor of Bangladesh Embassy in Belgium. Mr. Karim was Chairman of the National Board of Revenue and Bangladesh Petroleum Corporation. He was Chairperson of a number of national level committees of various Ministries.

Mr. Karim obtained M.Sc. degree from the University of Chittagong, Bangladesh and Master of Social Science degree in Development Administration from the University of Birmingham, UK. As the Secretary General of the South East Asian Cooperation (SEACO) Foundation, Mr. Karim is working at civil society level to promote trade and investment among five countries of the South and South East Asian region including Bangladesh. He is a Paul Harris Fellow (PHF) Rotarian and contributes towards improvement of socio-economic condition of the disadvantaged people. Mr. Karim promotes sports and is the President of Bangladesh Table Tennis Federation. He is immediate past President of Bangladesh Scouts (Boy Scouts and Girl Guides) and obtained highest Scout award of Bangladesh. Mr. Karim has traveled to 46 countries. He has lectured at various Universities as guest speaker and authored books and articles on local government and other subjects. Mr. Karim is leading the Palli Karma-Sahayak Foundation (PKSF) to implement sustainable, holistic, people centered poverty alleviation and rural development programmes in Bangladesh.

1.13 BRIEF PROFILES OF THE MANAGEMENT



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 and Director 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, 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'.



Farzana Chowdhury ACII (UK)

Chartered Insurer
Managing Director and CEO

Ms. Farzana 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 three consecutive years. 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.

Farzana Chowdhury has recently 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 will be working as the Scheme Operator of the project to provide health insurance for the rural poor. 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 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, President elect of Entrepreneur Organization (EO) 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 like Metropolitan Chamber of Commerce &Industry, Bangladesh Women Chamber of Commerce & Industry, CACCI and many more. Ms. Chowdhury is a member of the Board Member of Talent Nomics India.

With her leadership, Ms. Farzana has been relentlessly working to bring forth a positive change in the insurance industry by materializing the concept- 'Insurance for Everyone' and growing beyond.



A.S.A Muiz

Senior Consultant

Mr. Muiz is a Sr. Consultant at Green Delta Insurance (since 2013) and enjoys an entrenched presence in the field of Insurance for over four decades. After his graduation from Dhaka University , he started his insurance career at erstwhile Great Eastern Insurance Co. Ltd. in 1969 as a probationary officer. He joined the Sadharan Bima Corporation after the war of liberation as an Assistant Manager in 1973 and went abroad for higher training and exposure and in the process got associated with large insurance organizations like Lloyds and attended Chartered Insurance College, London. He also received training on Munich Re, Germany, Swiss Re, Switzerland and Paris , France.

Upon his return after completion of his training abroad, Mr. Muiz joined Sadharan Bima Corp. and continued working at SBC holding various important and significant post till his voluntary retirement in 1997 as a Deputy General Manager. He then joined Green Delta Insurance as Director, Marketing, in 2001. Until becoming consultant he was Additional Managing Director of Green Delta in charge of HR, Marketing , Underwriting and Branch control and afterward served as Advisor to the Green Delta Insurance.



Golam Mustafa

Senior Additional Managing Director

On retirement from Sadharan Bima Corporation in January, 2001 Mr. Golam Mustafa joined Green Delta Insurance Co. Ltd. as Additional Managing Director on July, 2001 with assignment of Reinsurance, Claims and Specialized Underwriting. In 2015 his designation was upgraded to the post of Sr. Addl. Managing Director. He started his career as a Trainee Officer/Assistant Departmental Officer with the then Pakistan Insurance Corporation in January 1965. In March 1969 he was promoted to the post of Departmental Officer. After liberation, he was absorbed with Bangladesh Insurance Corporation and subsequently with SBC. In February 1977, he was transferred to Reinsurance Division as Deputy Manager and assigned the job of Aviation and Engineering insurance and reinsurance affairs. In April 1980, he was promoted to the post of Manager, AGM in 1986, DGM in 1989 and General Manager in 1994. From 1977 till his retirement in 2001, he was directly handling Aviation, Engineering insurance and all types of Reinsurance affairs of SBC.

He visited London, Paris, Munich, Zuric hevery year from 1984 for renewal negotiation of Aviation Insurance of Biman fleet of aircraft and Annual Reinsurance Treaties of SBC with Lloyds' underwriters and other renowned re-insuring underwriters.

He is a Commerce graduate with Honours in Accountancy and attended 8 weeks training course in Engineering insurance and reinsurance organized by Munich Re, 10 weeks training course on Reinsurance in London, 4 weeks training course in Aviation insurance and reinsurance organized by Chartered Insurance Institute, London and C.T. Bowing Aviation Ltd., London in 1986. He traveled many countries of Asia/Africa to participate Seminars, Conference and Workshops relating to insurance and reinsurance.



A.K.M. Iftekhar Ahmad

Consultant

A.K.M. Iftekhar Ahmad is a carrier insurer. After obtaining graduation from Dhaka University he joined the eastern Head Office of erstwhile Muslim Insurance Co. Ltd. on 8 January 1969. Thereafter he joined erstwhile Janata Insurance Co. fully owned by Bengali entrepreneurs in September 1970 as Asstt. Manager. After liberation the Insurance Industry was nationalized. He was absorbed in Sadharan Bima Corporation as Asstt. Manager in 1973. He held important positions in Underwriting, Claims, Branch and other departments till 1996 when he voluntarily retired to join the private sector.

In Private Sector he was the CEO of Eastern Insurance Co. Ltd. from 1998 to 2009 and CEO of Sonarbangla Insurance Co. Ltd from 2010 to 2012. He retired from Sonarbangla on attaining the age of superannuation ie. 67 years. Thereafter he joined Insurance Development and Regulatory Authority (IDRA) in July 2013 as Senior Consultant and worked there till June 2016. He was also Member Secretary of Central Rating committee, During his tenure Money Insurance Policy (MIP) was designed by the secretariat and approved by the Authority. He also piloted many new products for non-life insurance viz: Nibedita Comprehensive Insurance for Women, GD Health Insurance, Prime Health Insurance Hajj & Umrah Insurance, Niramay Micro Health Insurance, Weather Index Crop Insurance, Mass Health Insurance, Probashi Insurance for migrant workers, through Central Rating Committee and approved by IDRA. He received extensive training on insurance in home and abroad at various stages of his carrier.

He was a member of Central Rating Committee from 2000 to 2012 and also Chairman of Misc Rating Sub-Committee for one term. He played an active role in product design and pricing of non-life Insurance.

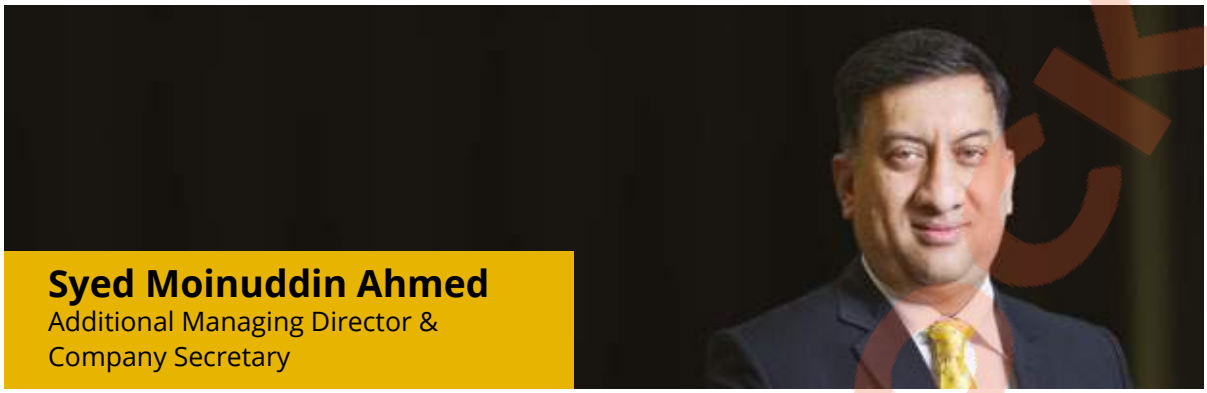
He was an elected member of the Executive Committee of Bangladesh Insurance Association from 2002 to 2008 and played vital role in shaping the industry.



Nazim Tazik Chowdhury

Additional Managing Director & CFO

Mr Chowdhury started his career in 1972 with the Janata Insurance Co. Ltd and in the same year, he was absorbed in the Sadharan Bima Corporation and served till 1985. He has been in the field of insurance for well over three decades. Mr Chowdhury joined Green Delta Insurance Co. Ltd as an Accounts Executive in 1986 and was subsequently re-designated as Additional Managing Director in 2015. He continues looking after important departments of the Company such as finance and accounts and human resources.



Syed Moinuddin Ahmed

Additional Managing Director &
Company Secretary

Spanning more than 20 years, Mr. Ahmed possesses an extensive career in the banking and finance industry. Majoring in Finance from the University of Dhaka, he started his career at Southeast Bank where he was responsible for the credit-related activities of the bank. Starting his career as a management trainee, Mr Ahmed worked in various roles with several reputed commercial banks in Bangladesh for significant periods of his career prior to joining the GDIC Group in2009 and subsequently taking over the role as an Additional Managing Director and Company Secretary.

Mr. Ahmed's core competence have been the highlight of his career at Green Delta Insurance, including board affairs, business development, business process optimization, structuring of credit facilities, studying the capital markets, managing strategic alliances, HR supervision and project management that have collectively ensured strong and consistent growth for the Company over the years. Moreover, his knowledge and experience in conceiving, developing, strategist and implementing the SME finance model at BRAC Bank has ensured proper insurance coverage for such enterprises, which continue to contribute to the economic development of the country. Overall, his experience and vision have been a source of inspiration for the team. During his long career, Mr. Ahmed has participated in a number of workshops that have enabled him to gain a more holistic and globalized viewpoint and inspired him to attain greater heights.



T H Forhad

Deputy Managing Director

Mr. Forhad started his career in 1986 as a trainee executive in the Accounts Department and, over the years, has been discharging responsibilities under various capacities. Mr. Forhad possesses rich knowledge and experience of insurance and has participated actively in various seminars and symposiums at home and abroad, including countries like Sri Lanka and Malaysia.

Mr. Forhad is currently a Deputy Managing Director. He is also a life member of the Noakhali Zila Somity, Founder President of the Lions Club of Bonoful Delta and is the Regional Chairperson of the Lions Club International 315 B2. His work has taken him to several countries including Australia, the UK, the Kingdom of Saudi Arabia, India, Malaysia, Thailand and Singapore.



Syed Kaiser Ahmed

Deputy Managing Director

Mr Kaiser Ahmed completed his B.A. (Honors) in Political Science in 1973, M.A. in Public Administration in 1974 and L.L.B. from the Central Law College (under the Dhaka University). He started his career in 1977 and worked for several well-established companies like the New Dhamai Tea Estates Ltd, High Speed Shipbuilding and Heavy Engineering Co. Ltd and Asaf- Tex Ltd, till 1999. He is a life fellow of the Bangladesh Society for Human Resource Management.

Mr Ahmed joined Green Delta Insurance in 2000 and was holding the post of Senior Executive Director, Human Resources and Administration, till January 2014. He is currently holding the position of Deputy Managing Director (Marketing).

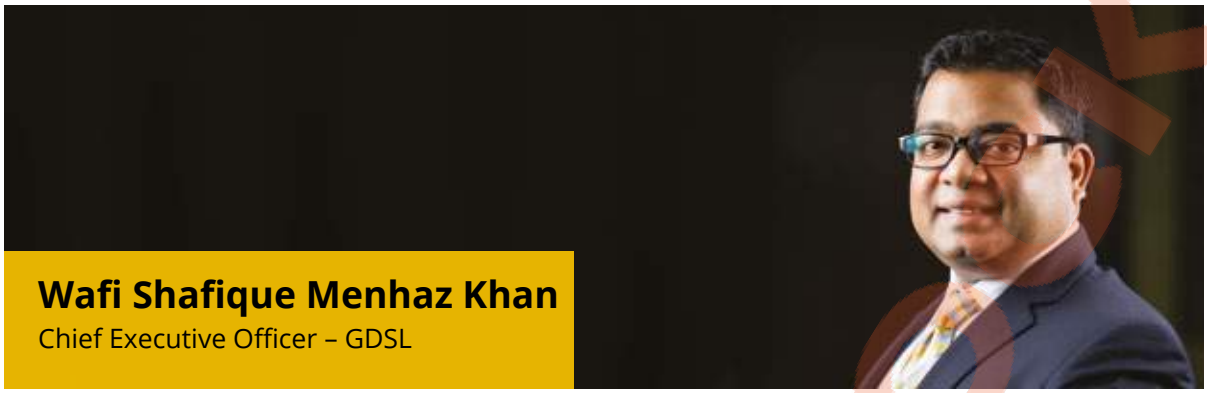


Nazrul Islam

Deputy Managing Director

Mr. Islam is a Deputy Managing Director and is currently discharging his responsibilities as the Head of the Claims and Underwriting Management Department. Mr Islam is a veteran insurance Officer, working at Green Delta Insurance since its inception in 1986. Prior to joining the Company, he has worked in many European countries, including seven years in Germany. He started his insurance carrier with the Sadharan Bima Corporation, the only government non-life insurance company in Bangladesh.

As one of the best insurance underwriters of the country, he enriched his skills, experience and knowledge. He has discharged efficient services of the company in various capacities in different department branches. Mr Islam enjoys tremendous experience in the insurance field and has actively participated in various seminars and symposiums at home and abroad.



Wafi Shafique Menhaz Khan

Chief Executive Officer – GDSL

Mr. Wafi Shafique Menhaz Khan is the Chief Executive Officer 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 Corporate Communication 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. He was directly involved with the launching of numerous retail, card and loan products. Throughout his career, he has been assessed as a result oriented & strong team player, activator and developer. He has taken up several successful training and workshops held locally and globally on career management & leadership. He has attended various international conferences held in USA, UK, Dubai, Singapore, Thailand, India and China.



Md. Rafiqul Islam

Managing Director & CEO – GDCL

Md. Rafiqul Islam, Managing Director & CEO of Green Delta Capital Limited, prior to join this position, he was the Chief Investment Officer of the company. Mr. Islam specializes in providing Investment Banking, Corporate Finance and Corporate Treasury. His extensive professional experience encompasses both in Debt and Equity Capital Markets products where he comprises in many transactions for raising debt & equity funds including Foreign & local Syndication and IPO in various sectors such as Infrastructure, Power, Energy, Financial, Agro, Textile, Telecom, Manufacturing, FMCG and Food processing sectors. Mr. Islam also specialize in Private Equity and M&A transactions, Structuring PE & M&A deals.

With over 14 years of professional experience, Mr. Islam has built a successful track record of consistent sustainable value creation in the field of Investment Banking and Corporate Finance with raising funds from domestic and foreign markets for both debt and equity.

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

Mr. Islam completed Master of Commerce in Accounting and he has also completed MBA in Finance from East West University, Bangladesh. Also he is the Associate Member of CPA Australia.



Kabir Ahmed Chowdhury

Senior Executive Director

Kabir A. Chowdhury, Sr. ED, Head of Internal Audit & Compliance has completed his 30 years of Insurance career. After completion of his Master Degree in Accounting & Finance from Chittagong University he joined with BGIC in October 1985. He has work experience in Marketing, Underwriting, Accounts and other administrative works in different departments. He started with Green Delta in 1986 as a founder Manager of Comilla Branch. Later he opened another branches at Eliphant Road, Mohakhali. Prior to joining the Internal Audit he was the In-charge of Principal Branch, Dhaka for more than 5 years. He participated insurance related courses and seminars arranged by the insurance related institutions in home and abroad.



Papia Rahman ACII (UK)

Chartered Insurer

Executive Director

Papia Rahman is the Executive Director of Green Delta Insurance Co Ltd. She is responsible for Insurance Underwriting operations including Training programms. She has been with the company since 2005, started from Reinsurance and Special Underwriting department. She has a broad insurance background; she specializes in Underwriting, Risk Management and Reinsurance for Non-Life and Life insurance. She is an active member of Fire Rating Committee of Insurance Development & Regulatory Authority. She is Chartered Insurer and holds the designation of ACII (UK) Associate of Chartered Insurance Institute, London, Senior Associate(CIP) ANZIIF, AMII Associate of The Malaysian Insurance Institute. She received Masters from Management, Master of Education and Master of Philosophy (Insurance) from Dhaka University.



Mahfuzur Rahman Siddique

Director (Admin & PR)

On completion of M.A. in Political Science from Dhaka University, he joined in the service of GOB in 1976. Retired in 2010 as Director of Immigration of Passports. For around a year, he held current charge of Director General,Immigration & Passports. While in Govt. service he attended training session at home and abroad, was a member of several Government delegations in and outside Bangladesh. Served as guest Speaker of Foreign Service Training Academy of Ministry of Foreign Affairs from 1996 to 2009. Since early nineties he is actively associated with Sports. As an organizer he was an EC Member of Bangladesh Cricket Board, Table Tennis Federation, Boxing Federation. He also served as member of Discipline Committee of BCB. Currently he is Vice President of BAF and Vice Chairman of Discipline Committee of Bangladesh Football Federation. Served as Election Commissioner of BFF and Mohamedan Sporting Club, Dhaka. He is a National Course Director of NOC Bangladesh since 2000. Worked as Consultant of Bangladesh Olympic Association to organize Library, Archive, Museum& National Olympic Academy. He is honorary Director of NOA, BOA.

Towards a brighter future

At Green Delta Insurance, we are leveraging innovation to progressively create an ‘insurance inclusive’ society with our endeavour on protecting the interests of the country, company, citizen and customer.



AMAR STOCK



2.1 Chairman's Review

Abdul Hafiz Choudhury FCA
Chairman

I am sure I speak for everybody in the country when I say that we want to see Bangladeshi economic growth power to even greater heights, a view that has been articulated by the Finance ministry that now projects GDP growth to be upwards of 8% over the next two years.

VMAR STOCK

Dear shareholders,

I write to you in a spirit of admiration and optimism for Bangladesh.

Economic review

In economic terms, Bangladesh is at a turning point in its history, experiencing a renaissance commercially, economically and culturally. While GDP globally is flat, the IMF has recently revised Bangladesh's forecasts to 7%, making it among the top-12 developing countries in the world with population in excess of 20 million.

Most importantly, the government narrative has already demonstrated that it is open to economic reforms to encourage business, to become more outward looking, to modernize the country in order to step up to the rapid advancements in the world and lift its millions out of poverty through policy-driven programs and interventions.

I am sure I speak for everybody in the country when I say that we want to see Bangladeshi economic growth power to even greater heights, a view that has been articulated by the Finance ministry that now projects GDP growth to be upwards of 8% over the next two years.

My own personal view is that if Bangladesh is to sustain and protect its impressive economic growth, it must develop its insurance industry.

Unlocking the economic potential through insurance

Though Bangladesh undoubtedly has been a contrarian economic growth story, the nation's rise – as the country commercialises and industrialists – will be jeopardized unless the extraordinary risks it faces, particularly the risks from natural catastrophes and other unforeseen events, are mitigated. This situation, of course, is not unique to Bangladesh as other economies, particularly in Asia, are highly vulnerable to these risks.

According to the Asian Development Bank, Asia has borne about half of the estimated global economic cost of natural catastrophes over the last 20 years. And it estimates that only 7.6% of Asia's economic losses were insured last year compared with 67% in the US.

This is in part because, at present, non-life insurance penetration in Bangladesh is under one percent of GDP, which, while comparing favorably to other states in the region such as India, Pakistan and Indonesia, is low when compared with markets such as Malaysia (1.7%) and Singapore (1.6%).
So unless Bangladesh enlarges its insurance industry, insurance penetration will not increase to a level that is fit for the rising stature of the country. The industry must keep up its penetration – at rates which are ahead of economic growth, or we will have assets being created which are simply not protected, exposing them to risks that can have a long-term structural impact on not just the industry but the country as well.

According to dependable research estimates, there exists a global insurance gap of around USD 170 billion in terms of premiums which are needed to protect economies against their catastrophe exposures. So, while insurance penetration rates remain low, the burden falls on governments and taxpayers to fill the gap. This will become unsustainable as the costs of natural catastrophes increase in the future. As a matter of fact, the cost of global disasters has risen from an annual average of about USD 50 billion in the 1980s to close to USD 200 billion over the last decade, representing a near quadrupling of costs.

There are many reasons for this including: urbanization and industrialization and these are leading to areas with huge concentrations of assets, infrastructure and people. There is, of course, a virtuous economic circle, which is created by good insurance. If business is relieved of risk, it can hold less capital for protection purposes – creating capital efficiency – or equally likely, it is in a position to invest that capital in productive businesses, leading to further growth and employment generation, thereby raising the level of water for the economy as a whole, if aggregated into one focus. Putting this into perspective, reliable studies have demonstrated that even a 100 basis points rise in insurance penetration translates into a 13% reduction in uninsured losses.

Under insurance and Green Delta's focus on innovation for 'inclusive insurance'

To me, under-insurance is one of the biggest problems facing developing economies, including that of Bangladesh. Statistics show that industrialized countries, where regulation, product innovation, distribution and general awareness

are more developed, account for the largest share of approximately 83% of all global premiums. In emerging markets however, insurance solutions are much less prevalent. These markets' share of 17% of global insurance premiums falls considerably short of their share of global GDP of close to 40%, suggesting large-scale under-insurance and significant potential threats to sustainable economic development.

Besides, new risks are also emerging and we need to ensure we have the talent and the relationships to enter those segments with a view to provide the most suitable risk-mitigated insurance products and solutions.

As Bangladesh's largest and most respected insurance ecosystem, I believe Green Delta Insurance is in a sweet-spot, not just because of our deeply entrenched infrastructure and resources but also because of our culture of a start-up that is driven by innovation and powered by the need to do better every day rather than remain complacent and sit on laurels of the past. We are exploring new frontiers and forging ahead with creating our own benchmarks even as we are fixated on ensuring 'insurance for all'.

Fundamentally, we are practical enough to know that we cannot achieve this overarching ambition all on our own and so are forging strategic partnerships and associations not just with government bodies but also with the private sector with the unrelenting focus of creating a more 'insurance-aware' society. In a proof of concept, I am very proud of Nibedita, which is still perhaps the only holistic insurance solution exclusively designed for our country's women population. Even as we keep pace with the rapid technological changes in the world outside, the Nibedita team has developed a smart-phone mobile app that is not just designed to provide information on the fingertips but also represents their own security cover as the app is equipped with an emergency safety button that is integrated with one of the leading private security services agency of the country.

We are also exploring other markets and customer segments for whom insurance can come to represent the success from resilience. For instance, agri-insurance and micro-insurance are just some of the sectors where our sales-force is concertedly and tirelessly working with a view to bring a larger number of people into the formal fold of insurance.

Our people

Unquestionably, the diversity of our people contributes to our success and the richness of our lives. After all, we are a 'brains' business. We manufacture ideas and solutions. We harness our collective intelligence, collaborating across teams and business units to create a value proposition greater than the sum of its parts. It is in this that our colleagues choose to give us their time, their commitment and their careers.

We understand the importance of creating an environment where we look at issues from multiple perspectives and where our people feel comfortable expressing themselves and in sharing their ideas. We strongly believe that their family lives are essential and their personal growth is as important as their professional development. We want Green Delta Insurance to be a vibrant place to work and our commitment to working side-by-side in a respectful and professional environment is an important organizational value.

In closing

As yet another interesting year comes to an end, in closing, I want to thank our colleagues whose professionalism and hard work are at the heart of this enterprise, our clients who put their faith and trust in us and our investors who believe in our long-term growth prospects.

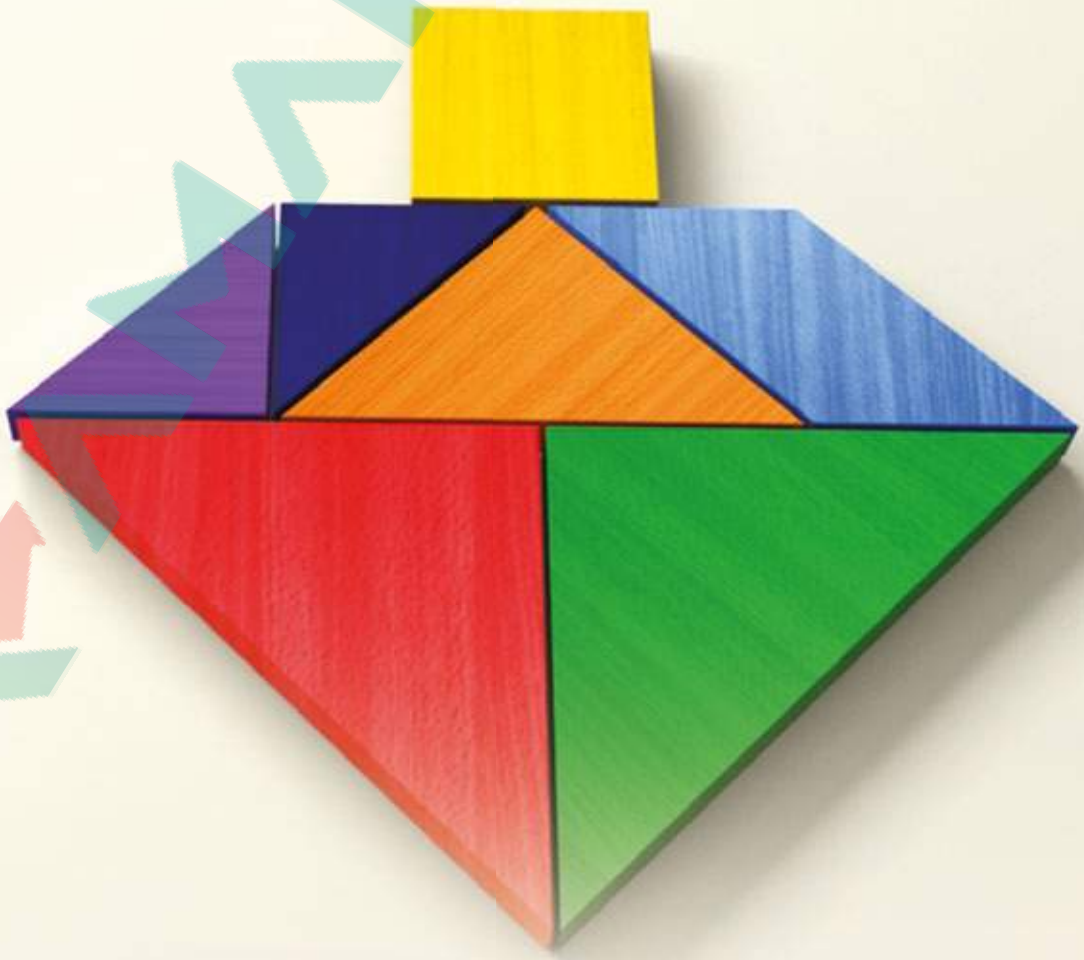
Warm regards,



Abdul Hafiz Choudhury FCA
Chairman

Giving insurance a new spin

As Bangladesh's largest premier non-life insurance institution, we focus on developing core products and solutions that help democratize the market. Take the instance of Nibedita. This one-of-its-kind insurance product exclusively designed for women has not only enlisted within a short while of its launch but has also emerged as a holistic platform for women empowerment.



AMAR STOCK



2.2 Advisor's Review

Nasir A. Choudhury
Advisor

So it is clear that we are facing an economic revolution on a par with the Industrial Revolution of the 1800s but, according to McKinsey, the Digital Revolution is happening at 10 times the speed and 300 times the scale.

Innovation, insurance and inclusion

Dear friends,

It is indeed a pleasure to be writing to you through the pages of this annual report. I extend a very warm welcome to our readers and thank you for your time in going through this report.

I want to talk to you about how the world is changing rapidly, the importance of innovation in navigating through those changes, both foreseen and unforeseen, and the role of insurance in underpinning not only risk-management but also in emphasizing risk-taking.

I also desire to write to you about diversity and inclusion since I strongly believe in the concept of an inclusive workplace. A workplace where the only hierarchy is the hierarchy of ideas, which is the very foundation for the compelling innovation we need as the world changes and evolves like never before. The first big global change is the rapid emergence of economies like those of China, Brazil, India and Turkey on the world stage. Emerging markets like these accounted for a significant 43% of commercial insurance premium growth over the past three years. As these countries develop, you will be amazed to know that by 2025 just Tianjin in Northern China will have a larger GDP than that of Sweden.

The second big shift is, of course, technological innovation.

The pace of change in the world of today is truly astonishing with a real impact on the way we live and the way we perceive things around us.

For instance, the fracking revolution has slashed US oil and gas prices in less than a decade. As little as 13 years ago, the human genome was sequenced for USD 3 billion. Today, a genetic test costs less than the smart-phone in your pocket. And driver less vehicles are on the roads of California, driving an astounding two million miles without human control. Besides, the world's largest taxi company owns no taxis and the world's largest hotel chain company owns no hotels. This is the power of technology that can usher a revolution that was unheard of even a few years ago.

So it is clear that we are facing an economic revolution on a par with the Industrial Revolution of the 1800s but, according to McKinsey, the Digital Revolution is happening at 10 times the speed and 300 times the scale.

It is interesting to note that although insurance has often acted as a spur for innovation, the industry itself has been rather slow to embrace change. It is perhaps because the writing of insurance historically has required large reserves, quality underwriting expertise and deep relationships based on trust and respect, a combination that few are able to fully master.

Despite this, as someone who has been associated with the insurance industry for long, I am happy to note that the sector is witnessing progressive change with big data replacing underwriting expertise when it comes to less complex risks. Besides, I have a hunch that with the advent of autonomous cars, motor insurance as we know it might even disappear altogether. If I look into the future, I am quite certain that less complex risks will become commoditized and we must find new ways to add value even as we need to be proactive in identifying emerging risks and provide customized risk-mitigating strategies in terms of products and solutions around those.

Besides, for countries like Bangladesh I believe that a plethora of structural opportunities exist that include among the world's largest population pools at 160 million-plus and insurance (non-life) penetration under 1% converging with the government's focus to raise the GDP in excess of 8% over the next two years and rising per capita incomes (about USD 1,450 today). So,the opportunity to advocate the value of insurance as a potential risk-offset tool is massive even as the industry can contribute to expanding socio-economic equity thanks to its scope of promoting financial inclusion.

Hence, to me, it is clear that a country with a significant insurance deficit can embrace innovation with a view to drive its presence in a tomorrow that will be very different from today.

However, innovation makes little difference if one doesn't have the range of skills in place to deliver it. Therefore, having a consistent supply of the best talent and expertise is vital for success and cannot be taken for granted. Besides, talent recruitment and retention is something all directors and senior management teams should have on top of their priority list. After all, it's the younger generation who will be tomorrow's insurance professionals and we must ensure that they regard insurance as a long-term career assurance.

With this, I leave you with the thought that innovation in insurance can drive inclusion and, if this happens,it will have a far-reaching impact that can be potentially strong enough to raise the position of Bangladesh as a market that few can afford to miss.

I wish you every success in your personal and professional lives!

With my best wishes,



Nasir A. Choudhury
Advisor



2.3 Overview by Managing Director & CEO

Farzana Chowdhury ACII (UK)
Chartered Insurer
Managing Director and CEO
Green Delta Insurance Company Limited

"At Green Delta Insurance, we are focusing on innovation to drive insurance inclusion. This is our overarching theme and, as Bangladesh's pioneering insurance company, we intend to continue to build on this positioning."

On the Global Insurance Market

Though the start of the international financial crisis may be seven years behind us, its impacts are still being felt by the insurance industry across the world. One of the chief consequences is the low interest rates we've been experiencing for some years now, which is changing the nature of the market. However, the value of insurance cannot be underscored more in a world that is becoming increasingly volatile, complex and uncertain. Here's an example, which is actually a comparison of two

Farzana Chowdhury, Managing Director and CEO, Green Delta Insurance Company Limited,revisits the year 2016 and emphasises on the structural long-term prospects of the country's insurance industry and the Company.

earthquakes which occurred in two island states in 2010. Both measured 7.0 on the Richter scale. Both were near urban centers. One was in Haiti, in the Caribbean and the other was in New Zealand.

The similarities end there. While Haiti was uninsured, New Zealand was insured. What happened next was that in Haiti, economic losses amounted to USD 8 billion, or 126% of GDP, and the economy is still limping. In Christchurch, New Zealand, economic losses amounted to USD 6.5 billion. Though business was dislocated, by 2012, GDP had picked up by a respectable 2%. This is simply because as much as 81% of the losses in New Zealand were covered by insurance and Haiti's insurance coverage was below 1%.

On Challenges Faced During the Year

The year 2016 continued to remain a challenging one with rising competitive intensity in terms of new entrants and that too in an industry scenario which continued to suffer from improper and inadequate operating frameworks that created an uneven playing field. Some of the other country-specific challenges were infrastructure bottlenecks, political instability, weak financial growth and a lack of structural and regulatory reforms that resulted in hindering the ease of doing business.

Also, lack of awareness on insurance and insurance products continues to prevent the country from realizing its true economic potential. Bangladesh continues to be among the least penetrated countries in terms of insurance penetration, which stood at under1% in 2016. Moreover, cancellation rates are generally significantly high during the first year of insurance itself, resulting in low stickiness and that too where about 60-70% of the people are unable to pay premiums on time.

It is in this scenario where I must make the point that raising insurance awareness is of prime importance before we do anything else and innovation is certainly one of the most optimum routes to progressively ensure that people and businesses become more aware of the value of insurance. In this context, at Green Delta Insurance, we are focusing on innovation to drive insurance inclusion. This is our overarching theme and, as Bangladesh's pioneering insurance company, we intend to continue to build on this positioning.

With this institutional direction, though we know we have a long way to go, we have recorded some early gains with gross premium receipts growing 4.90% to Taka 316 crore in 2016, helping us cross the budgeted Taka 310 crore. Moreover, our focus on making our customers more 'insurance-aware' is yielding results as evident in our net market share gains of 2% during the year under review, taking our total share of the organized non-life insurance market to a respectable 13%.

On Innovation

At Green Delta, it is our primary endeavor to ensure that we innovate and inculcate an environment promoting out-of-the-box thinking.

Interestingly, in highly developed insurance markets like the US and the UK, there are a host of insurance products on offer, even dental insurance. Blue tooth enabled toothbrushes inform the insurer if the person who is insured has brushed properly for a specified period of time. Insurance companies also provide wearable digital devices to consumers to provide them with real-time information on their daily fitness and health habits; and such companies also give gifts to the insured if they have achieved their health targets.

Similarly, our zest for innovation is not only limited to the workplace, but with our product offering as well as our synergies and collaborations with partner companies. Our main intention is to provide inclusive insurance products and thus we constantly look to weave the ethos of innovation in the fabric of our work and the lives we touch.

On Putting Gender Equality at the Fore

At Green Delta Insurance, we firmly believe in the ethos of gender equality. We have inflexible and stringent policies in place for women to grow and prosper within the Company, without any hindrance or fear. In fact, around 27% of our workforce comprises women, perhaps the highest among insurance companies in Bangladesh. Increasing this number is our overarching endeavor as we believe that inclusion of women in our business enriches diversity of thoughts, ideas and practices.

Also, we are the only member of the Steering Committee from Bangladesh in the United Nations Global Compact Leaders. There are seven principles and we already follow five of them; the rest two are in various stages of implementation.

On the solutions front, one would be aware of our path-breaking Nibedita insurance product, a personal accident insurance scheme that provides economic security to women irrespective of their income profile, occupation or vocation. Nibedita is the first comprehensive insurance scheme for women in South Asia that provides them with a robust safety net against various uncertainties.

Nibedita is exclusively designed for women to protect them against hazards related to their occupation, or against social issues and harassments, which they are often subject to. An insurance product like this would allow women to think independently in terms of financial protection or revive their business in case of any untoward or unforeseen incident.

Also, the demographic divide in the country conclusively presents the case for a product like Nibedita. Around 52% of the population comprises women and with the garments industry representing the economic bedrock of the country, as much as 80% of the workforce in this segment is represented by women.

Strengthening Nibedita, which, it would be fair to say, is no longer a product but a force to reckon with, we recently launched the Nibedita mobile app that can be accessible on smart-phones. This will give women easy and convenient access to various value-added services in areas such as security, health, finance, capacity-building, and lifestyle and so on. In fact, a separate sales force has been created to specifically cater to our Nibedita customers.

On the Nibedita App

Customized to the target audience for the Nibedita app, we partnered with Elite Force, the largest private security services provider in Bangladesh. The app has a panic button, which, when pressed, will alert the Elite Force personnel, who will reach the spot within 30 minutes. Besides, as an additional security layer, a text will be instantaneously dispatched to the woman's family as also Green Delta's Head Office.

Also, if I may add, I was recently recognized as a 'Local SDG Pioneer' by the UN Global Compact in the Global Leaders' Summit at the UN Headquarters in New York. Mr. Ban Ki-moon, a South Korean diplomat and ex-Secretary-General of the United Nations, hailed us as a pioneer for women's economic security for our pioneering role in achieving SDG 5 (Gender Equality and Women Empowerment) through Nibedita. The year 2016 felicitated the first batch of such pioneers.

Also, we observed the month of October 2016 as the 'Breast Cancer Awareness Month'. Green Delta Insurance, in association with GD Assist, the official representative of Malaysia Healthcare Travel Council, organized an awareness session on breast cancer for the women employees of Green Delta Insurance.

On raising the level of insurance in the country

At Green Delta Insurance, we have aligned our organization on the path of innovation and one of the ways we have identified to enhance insurance penetration is by directly reaching the grassroots through initiating micro-insurance for the marginalized.

Since this aligns well with the Government's policy objectives to enhance the quality of life of the marginalized, we have been working with several central ministries to spread awareness on insurance. In fact, we have extended the scope of this engagement and are now partnering with the Government in launching such insurance schemes.

For example, we are the scheme partner of Shastho Shurokha Koromsuthi (SSK), the Bangladesh Health Ministry's provision of insurance to the marginalized. Leveraging technology, the Prime Minister's Office has established 5,000 digital centers to collect citizen information and we have already reached out to 20,000 citizens under 250 centers with customized insurance products and solutions, depending upon their needs and requirements, and providing them with a data card that embeds key information on them.

With this early success, our target is to reach out to 100,000 citizens progressively.

On the Initiative of Insurance for the Marginalized Growing into the Future

Insurance and inclusion is a philosophy that was always present in our DNA and it is now that we have started to gain momentum in this direction. In our overarching vision of ensuring 'insurance for all', we have embraced the spirit of innovation to drive results.

Towards this extent, we have launched an array of products and have initiated insurance awareness-building activities into our business model, explaining to our customers the benefits of health insurance, personal accident policy, Nibedita, cellular phone insurance, overseas mediclaim insurance, property insurance, personal content insurance and motor insurance, to name a few.

Taking this focus ahead to accelerate the need to reach out to a larger citizen pool, we are proud to mention that with the ambition to provide insurance services across the country through the Union Digital Centers, a Memorandum of Understanding (MoU) was signed between the

Access to Information (a2i) program of the Prime Minister's Office and Green Delta Insurance, at the Prime Minister's Office.

This MoU will enable rural citizens to avail of various insurance policies, like fire insurance, through these digital centers. By providing such insurance policies, the agents across these digital centers will receive a specific commission for each policy sold, thereby having a clear incentive structure. By adding insurance with banking services in the digital centers, Bangladesh's ambitious financial inclusion program will receive a further boost and will come to stand as a platform that is more holistic. We conservatively estimate at least 5,000 insurance products sold per month through this channel, indicating the huge potential embedded in this arrangement. In fact, we are training members of these digital centers, making this initiative a first-of-its-kind in the country.

Also, another important aspect of this initiative is the capture of vital health data of policyholders through the issuance of digital cards. This way, we are able to customize more effective insurance products, best suited for different demographic segments of the society.

In effect, we witness the Government approaching us as an industry and not as a corporate alone, as also endorsing the value of our products and solutions, which is a great sign indicating good potential, going ahead.

On Government Policies Aiding the Development of the Insurance Industry

In 2015, the United Nations (UN) member states were to adopt and subsequently implement the 17 Sustainable Development Goals (SDGs), to end poverty, tackle climate change and fight inequality and injustice, expected to be achieved by the year 2030.

It is interesting to note that as a country that is reporting among the fastest economic growth rates in the world, the Government of Bangladesh took these up seriously with a clear intent of enhancing economic prosperity and ensuring its equitable distribution to raise per capita incomes and lift a larger number of people out of poverty.

In fact, the Government has established a SDG office, taking up long-term sustainability goals. This is an encouraging sign and it would be appropriate to mention that, anchored on these goals, the next five years will witness a quantum jump in the improvement of the country's economic and social architecture with some of the focus areas being retail proliferation, growing industrialization, increasing human resource capacity building and empowerment and improving roads, highways and other social infrastructure in terms of hospitals and the like.

Also, Bangladesh's GDP growth rate reached a record 7.1% in fiscal 2015-16, which is the world's second-highest among major global economies, according to the IMF. Even the per capita income has increased by $1,000 over the decade. In fact, seeing the economic environment improving, the country's Finance ministry has claimed that Bangladesh would be able to reach the SDGs six years before schedule, by 2024.

Hence, the case is quite simple as favorable and improving macro-economic conditions, rising incomes and purchasing power and improving infrastructure almost always leads to higher spending power, which will structurally alter the prospects of the country's insurance industry with the additional tailwinds being spread of information and awareness on the benefits of insurance.

On our Product Diversification and Opportunity-Capture Strategy in other Areas

As a country,Bangladesh is fueled by its agricultural economy. In this segment, almost 87% of rural households gain income from agriculture and 65% of households rely on both farm and non-farm income. Moreover, nearly half of all of Bangladesh's workforce and almost two-thirds in rural areas are directly employed by agriculture.

Major atmospheric-driven catastrophes, such as hurricanes and floods, may appear to be independent events when looked at historically. Yet it is well-established in climate science that regional weather and climate conditions in one part of the world can have devastating impact on other parts. So, droughts and floods along with sharp seasonal variations, which Bangladesh is typically prone to,represent a strong case for agri-insurance in the country. Besides, commercialization of agricultural products has increased in Bangladesh and product price fluctuations have affected farmer income significantly. In this context as well, insurance of crop production provides relief to the farmers when the crop is damaged by unforeseen events/ incidents.

Capitalizing on this imminent need, we entered the agriculture segment with products for climate change, benchmarking our offerings according to the weather change index and crop rotation, among others. Moreover, we will launch more products in the segment and will also incentive farmers for implementing environment-friendly projects.

Under this broad ambit, Green Delta Insurance, along with the International Financial Corporation (IFC) of the World Bank Group, commenced a pilot

project of index-based agriculture insurance in Bangladesh. Under the prevailing arrangement, farmers supplying to Supreme Seeds will be insured for loss of yield on hybrid rice. We received 50% of our funding from the International Finance Corporation Challenge Fund. Fundamentally, such funds are awarded for promoting creative businesses and our intention here is to build the culture of insurance in agriculture in Bangladesh.

Also, Bangladesh's demographic dividend lies in its youth. Around 48% of the country's population comprises those under 24 years and even as most parts of the world will age, Bangladesh will be primed to fully explore the benefits of a large youthful and productive population.

With a granular approach to insurance, Green Delta Insurance developed products and solutions for students pursing higher education across universities in the country. This is over and above the usual policies on offer, where we provide the largest cover of Taka 100,000 per student, with a premium as low as Taka 74 a year.

We also introduced the Niramoy micro-health insurance product for the rural people of Bangladesh, thus providing cover benefits to the marginalized at a very low cost.

In addition to these products and initiatives, employees of many corporate houses have been provided with personal accident policies. This was introduced keeping in mind the medical officers and field-level employees who sell medicines in hospitals, traveling to the farthest corners of the country. Furthermore, factory workers have been given coverage against exposure to harmful chemicals and motor insurance has also been given special attention.

On Initiatives Embraced in Partnering with Other Organizations for Insurance Inclusion

On initiatives embraced in partnering with other organizations for insurance inclusion.

Some of our other partnerships, forged to enhance customer service, include the following:

- Partnering with Supreme Seed Company Ltd to provide insurance to farmers supplying hybrid rice seeds
- Signing an agreement with the Access to Information (a2i) program of the Prime Minister's Office to provide insurance policies to the marginalized through digital centres
- Alliance with Eastern Bank Ltd to process on line payments for Green Delta Insurance customers through the EBL Skypay gateway

On the Key Risks Facing our Business

The foremost risk that we face today is to sustain our position as the leading insurance provider in Bangladesh and to take our Company to greater heights. Market competition is high and the industry is highly fragmented with the absence of a specific regulatory guidance or framework.

Another major issue is talent attraction and retention. The youth of today do not as much see insurance as a long-term career prospect and we must focus on reversing this even as we continue doing so through our institute, PABL (Professional Advancement Bangladesh Limited), with its state-of-the-art resources and global certification programs. The year 2016, saw the graduation of many students and this will help progressively create a pipeline of talent not just for our Company but for the industry per as well.

Knowledge & Innovation Centre

Green Delta is reputed for bringing innovation at work through pioneering initiatives in the insurance industry and beyond. In line with this practice, Green Delta inaugurated a Knowledge & Innovation Center to support the Research & Development works.

The Knowledge & Innovation Center is comprised of crucial data and information of the various industries. There are separate sections for RMG, Aviation, Food & Beverage, Agriculture, IT & Infrastructure, Healthcare, Education, Financial Services and many more.

The information are gathered from reliable sources both from online and offline. Dedicated executives are working here to keep the center up to date. Each relevant sector are given importance and the gathered information are analyzed by the Center head before storing in the system for long term. The information in this center are accessible to the employees except for the restricted area which can only be accessible only by the management and few other department heads. The knowledge center is backed by the IT department to keep the information secure 24/7.

The Knowledge & Innovation Center is the Brainchild of the Managing Director & CEO Ms. Farzana Chowdhury ACII (UK) as she aspires this center to become an exclusive information hub. Her efforts of bringing innovation at work hasn't gone unnoticed. Green Delta is winning awards & accolades both in home and abroad and a good number of them are resulted from the innovation showed at work especially through product development.

With the inauguration of this center, the employees of GDIC are always a step ahead than its competitors in the industry. Marketing, Finance, HR, Brands, Reinsurance, Claims, Underwriting Management, Retail & SME, MIS, IT, Audit and all the other departments contribute in this center for its enrichment and they also take help from it whenever necessary. The knowledge center is like a virtual library but only smarter and more organized. It is a major strength of GDIC to march ahead in the industry and to uplift the industry.

On Digital Insurance

There were times when the processes involved in the availing of insurance products were tiring and involved a lot of paperwork. Today, everything happens with the click of a button. That too on a smart phone. Our customers can now avail of insurance facilities such as comparing policies, purchase, renewals, claims, and payments, all at leisure.

We at Green Delta are increasingly moving towards adopting digital insurance initiatives which can help our customers to reach out to us with ease; and this is also applicable the other way round.

Our Nibedita application is not only an insurance asset but an empowering tool for women. Our collaboration with the Government to provide insurance to the marginalized is another initiative towards this extent. Our ventures with banking partners make it easy to conduct financial transactions online. We are even using data mining techniques to collect important consumer information.

Overall, our intention has always been to reach out to the maximum number of people and provide the best possible products and services. Adopting digital means to enforce and strengthen our intentions is among our chief drivers of growth.

On our key Social Responsibility Activities

Social responsibility is something that is deeply ingrained in our business even as we continue to take up novel initiatives towards societal uplift.

Foremost, we have started providing for education to underprivileged school children. We have taken up this initiative with the 'Jaago Foundation'. Every year, we will support a class of 40 children till their graduation. We will then move on to their skills development and will also provide scholarships for them if they choose to study abroad. In a move to promote the Green Delta brand, we are also building our future brand ambassadors this way.

We were among the sponsors of the International Weavers Festival, 2016, a platform that focused on demonstrating the bespoke craftsmanship and traditional weaving arts of Bangladesh and also showcase the gritty entrepreneurial spirit of the women weavers.

In the sporting arena, we have always sponsored hockey and cricket tournaments. In 2016, we sponsored two teams playing the Bangladesh Premier League (BPL). Interestingly, both the teams reached the finals of the event. Besides, tapping yet another under-explored area, we spotted the opportunity of providing insurance cover to caddies who usually assist professional golfers.

Strengthening the city in terms of law and order situation, we have tied up with the Dhaka North City Corporation to step up surveillance. Moreover, we are extending support to law agencies, the police as well as the army and will look to devise customized insurance products for them as well.

In Conclusion

At Green Delta Insurance, providing our clients with resilience for a risky world is at the heart of what we do. We help them identify the risks they face, whether traditional or newly emerging. We gather and analyze data and we turn that data into actionable information. This is how we help our clients succeed in the endeavors they set out for themselves. We journey alongside them every step of the way as they build resilience for whatever challenges lie ahead.

At Green Delta Insurance,it is this focus that gives me the confidence of continuing to serve our clients – and delivering shareholder value in the process – in 2017 and beyond.

Sincerely,



Farzana Chowdhury ACII (UK)
Chartered Insurer
Managing Director and CEO

Management Team



STANDING, BACK ROW
(From Left to Right)

Wafi Shafique Menhaz Khan
Chief Executive Officer – GDSL

Syed Moinuddin Ahmed
Additional Managing Director &
Company Secretary

Kabir Ahmed Chowdhury
Senior Executive Director

Syed Kaiser Ahmed
Deputy Managing Director

A.S.A Muiz
Senior Consultant

STANDING, MIDDLE ROW
(From Left to Right)

Md. Rafiqul Islam
Managing Director & CEO – GDCL

Papia Rahman ACII (UK)
Chartered Insurer
Executive Director

Mahfuzur Rahman Siddique
Director (Admin & PR)

Nazrul Islam
Deputy Managing Director

T H Forhad
Deputy Managing Director

STANDING, FRONT ROW
(From Left to Right)

Golam Mustafa
Senior Additional Managing Director

A.K.M. Iftekhar Ahmad
Consultant



Farzana Chowdhury ACII (UK)
Chartered Insurer
Managing Director and CEO

Nasir A Choudhury
Advisor

Nazim Tazik Chowdhury
Additional Managing Director & CFO

2.4 General Review of the Performance of the Company

Our strategy for growth – secure and scalable

At Green Delta Insurance, we are leveraging the value that an insurance policy can provide, insightfully and meaningfully, towards creating growth platforms that are not only beneficial for our shareholders and investors but the stakeholder community at large.

Our performance review

Despite an overall sluggish industry environment with slower industrial growth, an overall low perception about insurance and increasing competitive intensity,we were able to grow our new business premium by 4.90% in 2016 to Taka 316.32crore with the result that we now own ~13% of the country's organized non-life insurance industry. The growth in our premium collection can be directly attributed to our sustained insurance awareness campaigns, launch of newer and innovative products fitting our customers' requirements better and a more productive and widespread insurance distribution architecture. With this granular retail focus, our retail renewal premium grew by a significant 1.7% during 2016 to Taka 21.22 crore, which ratified our strategy of ensuring a wider population pool under the ambit of formal insurance. At the closing day of December 2016, we had a total policyholder base of 180,443 up from 154,194 at the closing day of the year ended December 2015.

Profitability-focused business model

Despite a challenging operating environment, we continued to remain one of the most profitable companies in our sector in the country. Our net profit has grown at a 7.94% CAGR over the past five years to Taka 24.86crore in 2016. This growing profitability has enabled us to continue to enrich value in the hands of our share owners with dividend declared 20% cash in 2016, subject to approval by the shareholders at the ensuing Annual General Meeting. In response to our favorable business-enhancing initiatives, our closing market capitalization has grown from Taka 4,333.10 crore as on 1 January 2016 and stood at Taka 4,010.34 crore as on 31 December 2016, recording a growth of -7.45%.

Focused on sustainable growth

Considering the significant under-penetration of insurance density in the country paired with attractively evolving population demographic profile, we believe structural industry opportunities will continue to drive business sustainability and profitably at Green Delta Insurance. Even as we look to forging increasing collaborations with government bodies and other reputed foreign funds, we intend to grow the population pool under insurance by launching targeted products and best-fit solutions while ensuring high levels of customer interactions and service. This we believe will increasingly create the case for us to pursue viable growth over the long-term.

Review of our core metrics

Revenue per employee

For the Green Delta Group as a whole, revenue per employee increased 2.04% to Taka 0.50crore as we continued to invest in enriching our human resource capabilities through training and exposure to cutting-edge industry practices. We also focused on productivity enhancement with a special emphasis on our sales-force productivity. We also focused on the recruitment of a larger number of women in our workforce to enhance the spirit of diversity and increasingly look to tap their skills and ideas for achieving more holistic business growth. Our total employee base stood at 630 as on 31 December 2016, with the net addition of 20 to our work strength during 2016.

Growing productivity levels – Revenue per employee (Taka crore)

2014	0.45
2015	0.49
2016	0.50

Increasing premium per customer

At our enterprise, increasing premium collection is a healthy indicator of the business, demonstrating the growing perceived value of our insurance products and the fact that our customers are willing to pay a higher price (premium) for an optimal cover. Our premium collected per customer has grown from Taka 19,557.41in 2015 to Taka 17,530.60 in 2016 which has, in a way, also contributed to the growth of our gross written premium by 4.90% to Taka 316.32 crore in 2016.

Growing perceived value – Increasing premium per customer (Taka)

2014	15,238
2015	19,557
2016	17,530

Gross written premium – Widening the scope of insurance in Bangladesh (Taka crore)

2014	268.13
2015	301.56
2016	316.32

Blueprint for the future

At our Company, our overarching intent is to provide insurance for all. With all our activities anchored on this ideology, we intend to take up the following initiatives over the medium to long-term with a view to continue to remain the thought leaders and pioneers of the non-life insurance industry of Bangladesh:

- Forge increasing alliances and collaborations to share expertise, widen coverage and create the maximum impact within shorter time frames
- Continue to look for innovation within our existing products portfolio with a view to drive greater customer value
- Launch new products, for instance in the agriculture sector, that give us a significant scope for penetration and enable us to create a first-movers' advantage
- Attract and retain bright talent that will enable us to secure our growth potential
- Augment the potential of our multi-channel distribution architecture with a special emphasis on enhancing our on-ground sales-force productivity
- Deepen customer engagement and relationships
- Continue to assess and price risk more effectively and refrain from engaging in price wars or bagging customer accounts at unfavorable rates
- Leverage technology in the context of assessing claims better in terms of extent and genuineness and disbursing them faster
- Focus on driving awareness about the propositions offered by GD Assist as we facilitate our customers in providing them with a seamless experience as they visit Malaysia for healthcare purposes; Malaysia continued to remain one of the top destinations and global centers for providing quality and cost-effective healthcare services

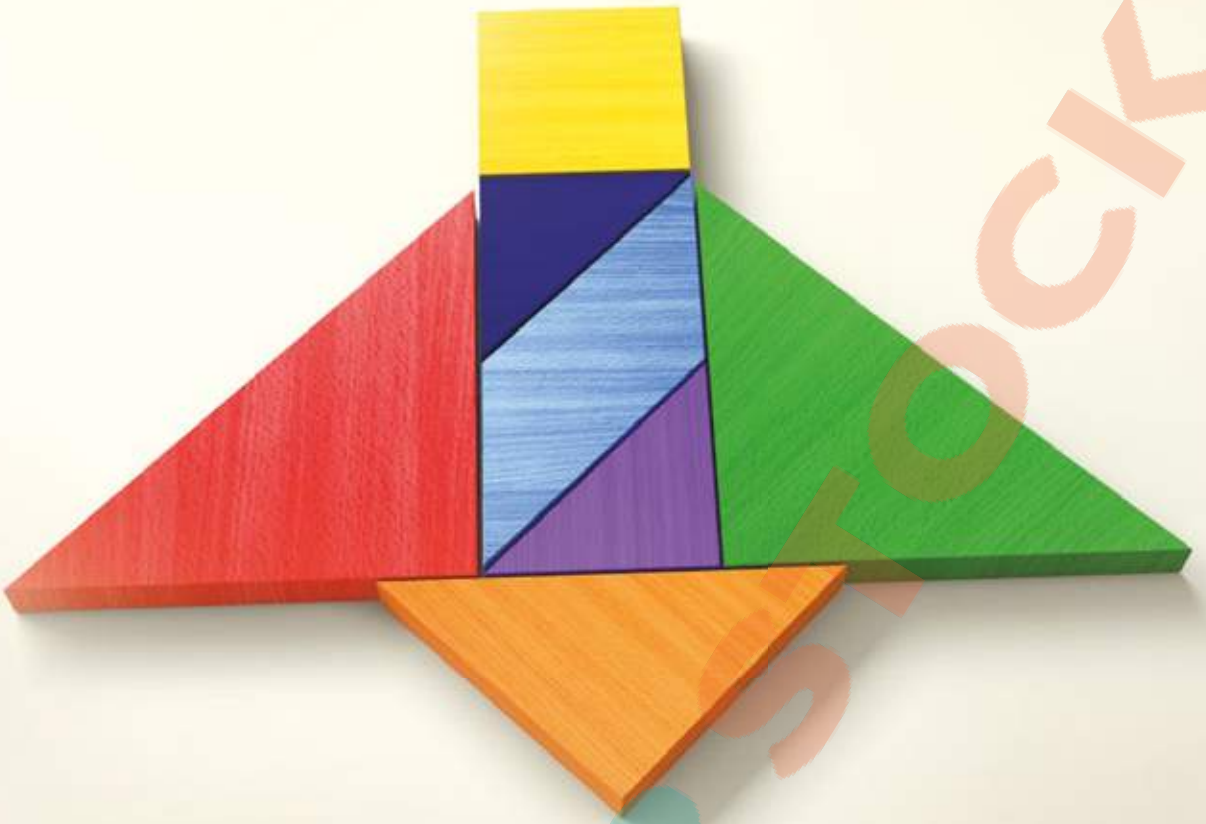
2.5 General Review of the Future Prospects

The future prospects for Bangladesh are bright, as it looks to enter 2017 as one of the most optimistic countries in the world, in terms of economic prosperity, outperforming forecasts. The country's GDP growth rate crossed a record 7%, reaching 7.1% in 2015-16, which is the second-highest among the world's major economies, according to the IMF. Even the country's per capita income has increased more than USD 1,000 over the past decade-and-a-half, standing at USD 1,465 in 2015-16, while it stood at around USD 450 in 2000.

Said to be a golden era for the country, the Government of Bangladesh is optimistic that the country would attain 8% growth in GDP in the next two years, also ensuring horizontal development for the country. Moreover, the country sees significant growth in major areas including manufacturing, foreign trade and production of food grain, enabling the nation to fight poverty where the disparity between the rich and the poor is also diminishing rapidly, exemplified by the fact that poverty has decreased by a third over the past few years.

With these structural drivers in place, the Bangladeshi economy and, within it, the country's insurance industry,is poised for secular growth over the next few years. Some of the other growth drivers of the country's insurance industry include the following:

- Extremely under penetrated insurance market with insurance penetration of under 1%, which is lower than some of the Asian countries of Malaysia and Singapore
- A significant population pool at over 160-million, representing one of the largest country-specific agglomerations in the world
- Rich demographic dividend in terms of a large chunk of the population about to enter their working age. With this, it is estimated that around 40 million of the population will enter the middle-class by 2025, raising the demographic dividend of the country and driving increasing urbanization
- Bangladesh, being among the fastest-growing markets in the world, it is estimated that the annual income of around two million Bangladeshis will touch USD 5,000 or more, creating robust (and also discretionary) spending power
- Strong Government focus on industrialization and gross capital formation through allocating land parcels under special economic zones (SEZ), which is a force multiplier in terms of development
- Significant long-term investments proposed by the Government in its garment, power and infrastructure sectors, creating several employment and other downstream opportunities



Powering lives, empowering the nation

At Green Delta Insurance, in our quest towards widening the ambit of insurance, we have created a secure financial foundation that has not only enabled us to pursue quality growth but also create several sustainable platforms for shareholder value creation, representing the prime reason for us to be in business.

AMARSTOCK

2.6 Key Operating and Financial Highlights

Figure BDT in Million

PARTICULARS/YEAR	2016	2015	2014	2013	2012
Gross Premium Income	3163.27	3015.63	2,681.37	2,613.45	2,603.19
Net Premium Income	1322.03	1254.47	1,222.27	1,316.99	1,212.53
Net Claims	334.48	301.49	346.61	372.60	201.96
Underwriting Profit	385.16	306.18	305.99	288.16	298.04
Investment Income	181.34	212.48	220.74	204.06	135.45
Profit before Tax	303.53	279.52	290.65	304.81	262.67
Profit after Tax	248.58	230.3	239.25	248.71	237.67
Paid up Capital	806.91	806.91	733.55	637.87	510.30
Share Holder's Equity	5643.42	5692.23	4,852.92	4,422.41	3,858.35
Total Liabilities	2944.82	1968.24	1,746.43	1,882.91	1,723.25
Total Reserves	4461.79	4497.15	3,684.88	3,294.48	3,177.06
Total Assets	8588.24	7660.46	6,599.35	6,305.32	5,581.61
Total Investment	3492.29	3279.29	2,391.63	2,197.01	1,998.95
Fixed Assets	2212.33	2236.99	2,084.34	2,039.82	1,978.30
Earnings per Share (EPS) Tk.	Tk-3.08	Tk-2.85	Tk-3.26	Tk-3.69	Tk-3.73
P/E Ratio (Times)	16.13	18.82	22.73	25.73	19.99
Book Value per Share (NAVPS)	69.94	70.54	66.16	71.23	Tk-60.49
Market Value Per Share	Tk-49.70	Tk-53.70	Tk-74.10	TK-94.90	Tk-74.50
Required Solvency Margin	390.18	364.94	331.15	334.09	343.22
Available Solvency Margin	4001.00	3957.54	3560.39	3265.33	2,756.01
% of Dividend Paid (Cash)	20%	25%	15%	15%	15%
% of Dividend Paid (Stock)	-	-	10%	15%	15%

2.7 Disclosure on Evaluation of Quarterly Report

Figure BDT in Million

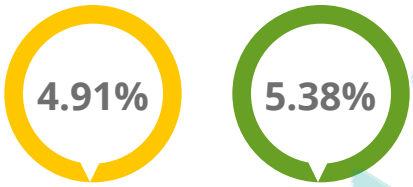
PARTICULARS	2016					2015				
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
Gross Premium Income	806.33	841.94	718.92	796.08	3,163.27	720.74	824.54	665.62	804.73	3,015.63
Net Premium Income	363.62	395.27	416.36	146.78	1,322.03	353.39	403.80	229.24	268.04	1,254.47
Net R/I Commission Earned	89.69	68.58	49.63	244.12	452.02	74.41	51.02	64.16	149.79	339.38
Investment & Others Income	37.25	22.03	29.47	92.59	181.34	33.94	31.84	68.39	78.31	212.48
Management Expenses with Claims & Agency Commission	384.34	357.31	387.46	233.62	1,362.73	344.34	436.58	282.47	318.36	1,282.56
Management Expenses (Un-allocable)	34.24	97.56	75.03	56.14	262.97	36.71	35.93	53.99	112.51	239.14
Opening Reserve for Unexpired Risk	128.89	134.59	114.92	127.26	505.66	119.63	136.86	110.48	133.57	500.55
Closing Reserve for Unexpired Risk	135.56	141.55	120.87	133.84	531.82	120.85	138.26	111.61	134.94	505.66
Net Profit Before TAX	65.31	24.05	27.02	187.15	303.53	79.47	12.75	24.20	63.91	279.52
Provission for Income TAX	20.00	10.00	10.00	14.95	54.95	20.00	5.00	5.00	19.22	49.22
Net Profit after TAX	45.31	14.05	17.02	172.20	248.58	59.47	7.75	19.20	44.69	230.30
EPS	0.64	0.26	0.28	1.90	3.08	0.75	0.11	0.25	1.74	2.85

2.8 Measures that Matter

Long term success and sustainable business of an organization depends upon its ability to maintain sustainable profitability and growth and requires a sound strategy, precise execution and accurate measurement of performance using the key performance indicators like turnover, profit, quantity of products sold, etc. At GDICL, we regularly measure our performance using some key performance indicators such as Earnings per Share (EPS), Cost-to-Income Ratio, Return on Equity (ROE) and Premium Income.

Return on Equity (ROE)

Return on Equity (ROE) is the amount of net income returned as a percentage of shareholders' equity. ROE measures a company's profitability by revealing how much profit a company generates with the money shareholders have invested. Our focus on prudent utilization of our capital has resulted in a progressive increase in our ROE over the years. Our ROE in 2015and 2016 was:



In 2015 In 2016

Basic Earnings per Share (EPS)

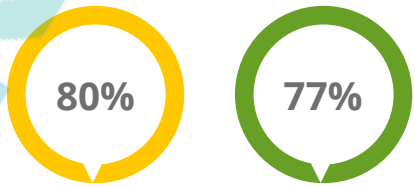
Earnings per Share (EPS) is the portion of a company's profit allocated to each outstanding share of common stock. EPS serves as an indicator of a company's profitability. EPS is measured in terms of weighted average number of the equity shares in circulation during the year. Our EPS in 2015and 2016 was:



In 2015 In 2016

Cost-to-Income Ratio

Cost-to-Income Ratio is calculated by dividing the operating expenses by the operating income generated (i.e.net interest income plus the other income). It is a key metric denoting the efficiency -and hence health - of an entity. Towards optimizing this ratio, we always deploy specialist teams and techniques to earn more with less, thus becoming more efficient in our business. Our Cost-to-Income Ratioin 2015and 2016 was:



In 2015 In 2016

Premium Income

Premium Income is the main source of revenue in the insurance industry. In GDICL, premium income is generated from fire, marine, motor and other segments of general insurance. Our Quarterly Analysis of Premium Income is as follows:

PARTICULARS	2015					2016				
	Q1	Q2	Q3	Q4	TOTAL	Q1	Q2	Q3	Q4	TOTAL
Gross Premium Income	806.33	841.94	718.92	796.08	3,163.27	720.74	824.54	665.62	804.73	3,015.63
Net Premium Income	363.62	395.27	416.36	146.78	1,322.03	353.39	403.80	229.24	268.04	1,254.47

2.9 Key Corporate Strengths and Key Performance Indications

Key corporate strengths and value drivers

At Green Delta Insurance, we have repositioned our Company to reinforce our underwriting strategy even as we focus on leveraging our insurance expertise to create and deliver products and solutions that are innovative, best-fit and cost-competitive.

Our key objective is to deliver attractive long-term value for shareholders by leveraging our differentiated platform to offer the best products and services to our clients. Underpinning our key objective to deliver value creation and shareholder returns is a focus on five strategic priorities that are core to our business. These include the following:

- An efficient, flexible and scalable platform
- Profitable underwriting
- Opportunity-driven growth
- Diversified and dynamic investment management
- Proactive capital protection

Operating platform – Our growth foundation

Our operating platform is efficient, flexible and scalable. This platform comprises both our underwriting platform and our operational infrastructure, representing one of our key differentiators.

At our Company, we intend to sustain this advantage by maintaining the simplicity and efficiency of our platform and this will remain at the core of our strategy, going forward.

Our underwriting platform, helmed by professionals with years of experience in the insurance and actuary businesses, gives us a significant operational advantage, driven by our focus on specialty, innovative insurance. In effect, this means that we can sustain strong returns, despite the current challenging rate and the low yield environment, while still maintaining prudent capital buffers and adequate systemic liquidity. This also allows us to compete with new forms of capital and more traditional capacity while producing sector-leading returns.

Our underwriting platform is supported by an operational infrastructure where rigorous cost discipline is enforced. The scalability of our business is further supported by the use of outsourcing select functions that are manpower-intensive and relatively low in value. This strategy allows us to distribute our products pan-Bangladesh in a more cost and capital-efficient manner, aligned with our broad strategy of providing 'Insurance for all'.

Key performance indicators

At Green Delta Insurance, key performance indicators (KPIs) help us to measure how our business units or individuals are performing compared to our strategic goals and objectives. At our Company, our well-designed KPIs provide the vital navigation instruments that give us a clear understanding of our current levels of performance. In addition, our KPIs are used to manage our business and allow our stakeholders to assess our performance against our objectives and relative to the overall performance of the industry.

At Green Delta Insurance, our four core KPIs are linked to our strategic priorities and indicate the returns that we are generating for our stakeholders, the performance of our underwriting activities, the performance of our investment portfolio, our financial strength and our efficient, flexible, cost-effective and scalable platform.

In 2016, we initiated some repositioning of our business,refocusing on a simpler and more efficient model and emphasizing on leveraging innovation through a structured customer segmentation strategy to drive insurance inclusion. We believe that our rich track record is a strong indicator of the progress we have made so far.

A. Total revenue per employee

Strategic priorities: Enrich our workforce skills, retain top-performing talent and enhance diversity through a greater addition of women in our workforce

For the Group, revenue per employee increased 10.09% in 2016, reflecting increasing productivity,

deepening customer relationships and growing perception of the value of our products in a competitive industry environment. Across the Group, we continued to invest in augmenting our manpower capabilities through providing exposure to cutting-edge training and providing our teams with attractive career pathways, aligned with our overall corporate goals. Our total workforce stood at 630 members as on 31 December 2016 with the addition of 20 new employees during the year. The percentage of women in our overall workforce has steadily climbed to 21% over the last three years.

Consistent growth in revenue per employee

Year	Revenue per employee *(Taka)*
2014	4.56
2015	4.94
2016	5.02

B. Combined ratio

Strategic priorities: Focus on profitable underwriting and pursue opportunity-driven profitable growth

The combined ratio is our key underwriting metric and measures the profitability of our underwriting practice. It shows how much of every Taka of premium is spent in the total costs of sourcing and underwriting the business and settling claims. In line with our projections, our combined ratio in 2016 was 95.3% 97.61% in 2015),reflecting strong underwriting performance in sluggish market conditions. The strength of our business model and operating practices is reflected in the fact that we have consistently delivered combined ratios below100% over the past few years.

Combined ratio

Year	Combined ratio (%)
2014	96.26
2015	97.61
2016	95.31

Note: The combined ratio is a measure of profitability used by an insurance company to indicate how well it is performing in its daily operations. The combined ratio is calculated by taking the sum of incurred losses and expenses and then dividing them by earned premium. The ratio is typically expressed as a percentage.

C. Investment return

Strategic priorities: Engage in diversified and dynamic investment management with a focus on capital protection at all times

At Green Delta Insurance, we assess the performance of our investment portfolio by comparing investment return, net of expenses, against the value of our invested assets. We possess a strong track record of delivering consistent investment profitability and attractive risk-adjusted returns. The return in2016 was 5.43% on a corpus of Taka 18.13 crore (6.70% returns on a treasury pool of Taka 21.24 crore in 2015), despite a typically low-yield environment, a scenario that we estimate will continue with a downward bias in average interest rates in the country.

Investment return

Year	Investment return (%)
2014	9.23
2015	6.70
2016	5.43

D. Shareholder value creation

Strategic priorities: Focus on creating sustainable value platforms for our shareholders and engage in investor communication on an ongoing basis

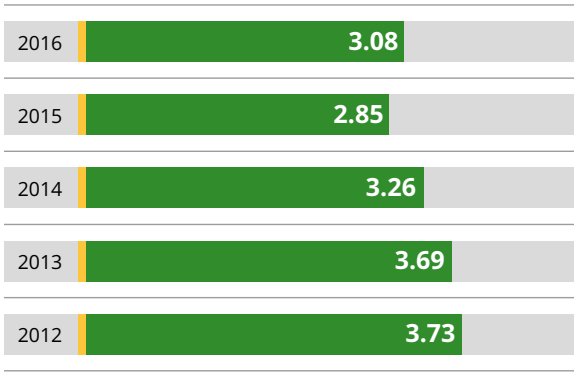
At Green Delta Insurance, one of the significant metrics that we deploy to gauge investor perception of our business initiatives is the concept of total shareholder returns (TSR). TSR is simply the net capital appreciation of the stock price during the year, obtained by subtracting the year start market price from the year close market price and dividing this by the year start market price to get a percentage return. At our Company, our TSR has consistently improved over the years, indicating the fact that investors are willing to put a greater value on our efforts and initiatives, reflected in the growth of our market capitalisation.

Shareholder value creation

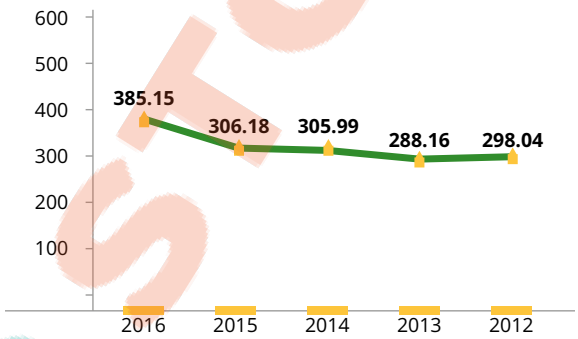
Year	TSR (%)
2014	-21.92
2015	-27.53
2016	-7.52

2.10 Graphical Presentation

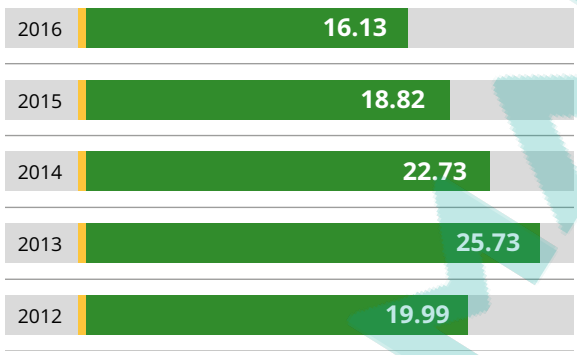
Earning per Share (EPS) Tk.



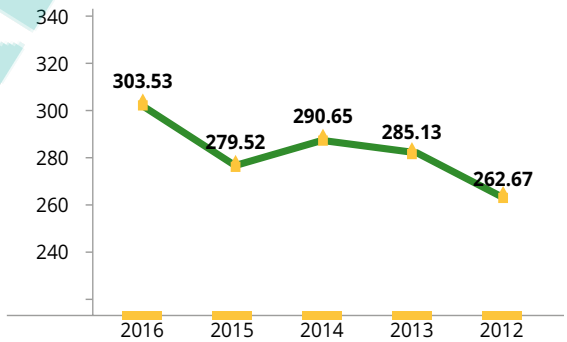
Underwriting Profit



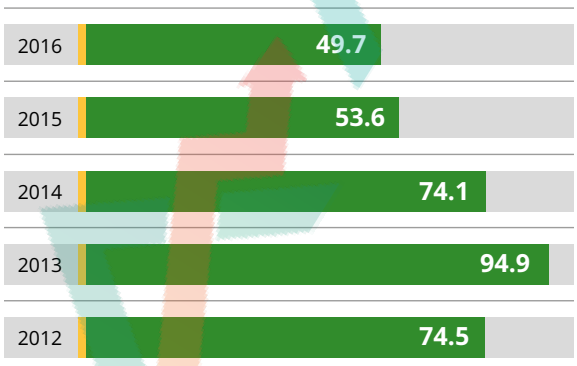
P/E Ratio



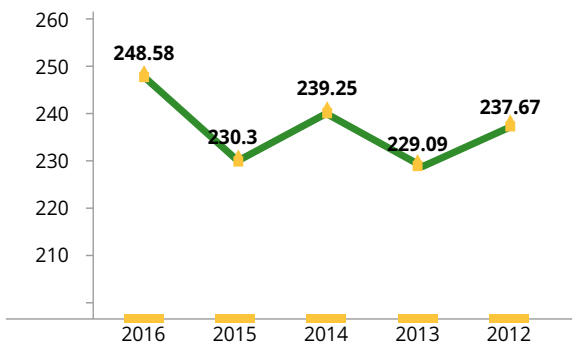
Profit Before Tax



Market Value Per Share



Profit After Tax



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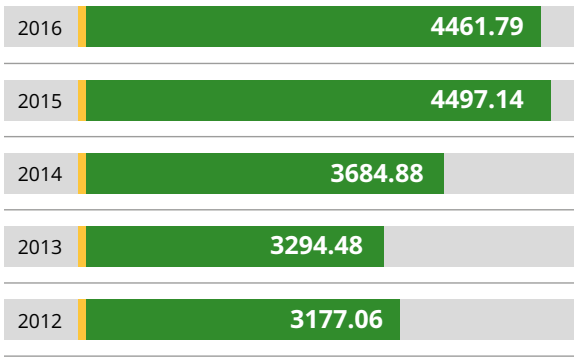
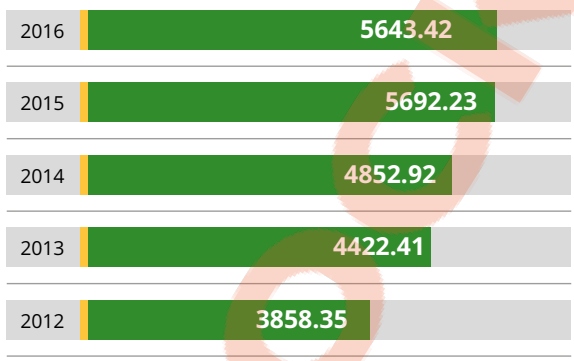
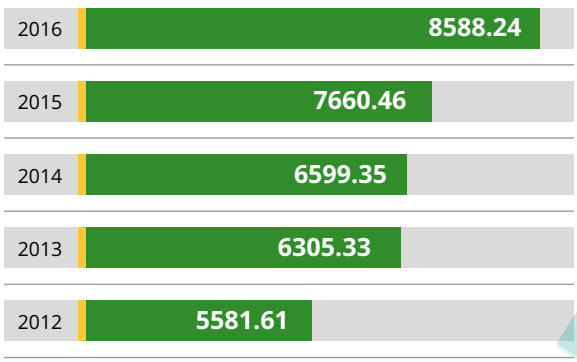
Total Reserves



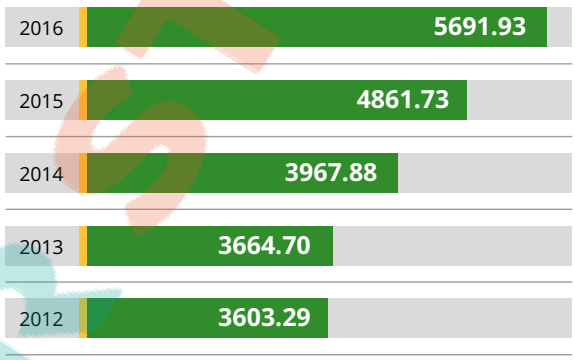
Net Assets



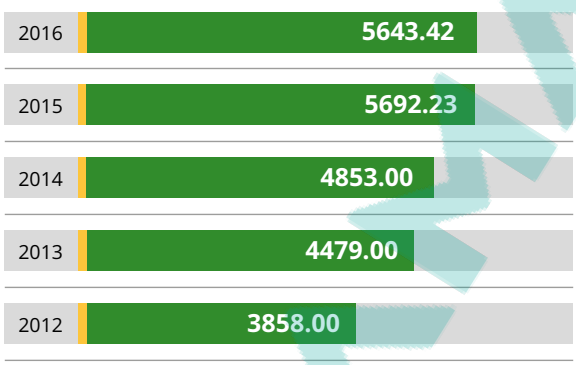
Total Assets



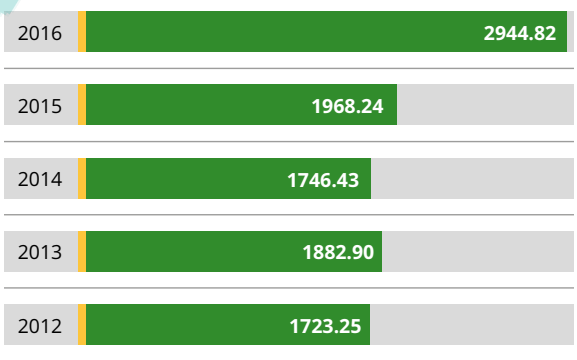
Current Assets



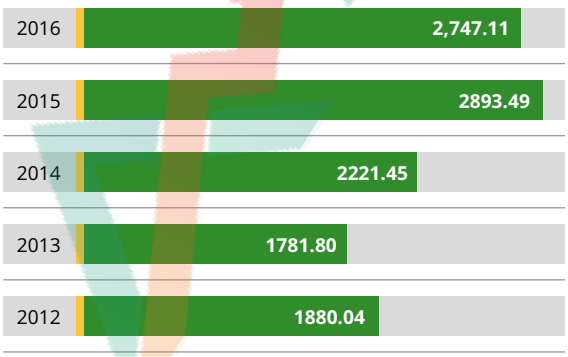
Share Holders Equity



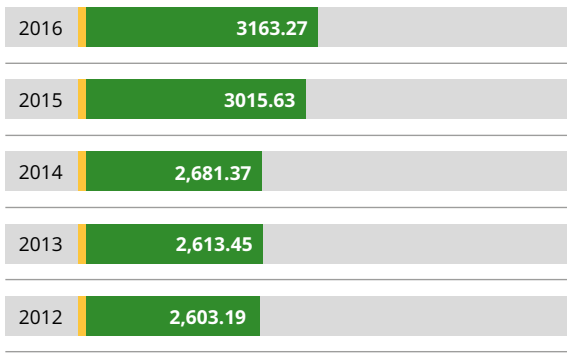
Current Liability



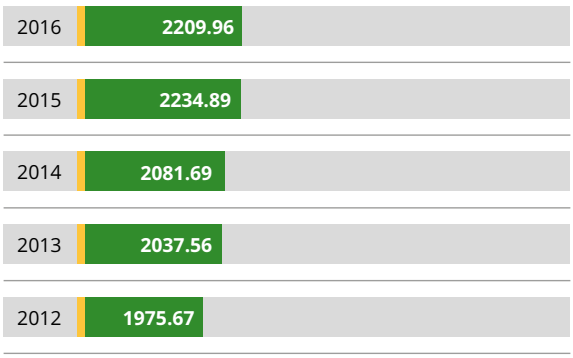
Net Current Assets



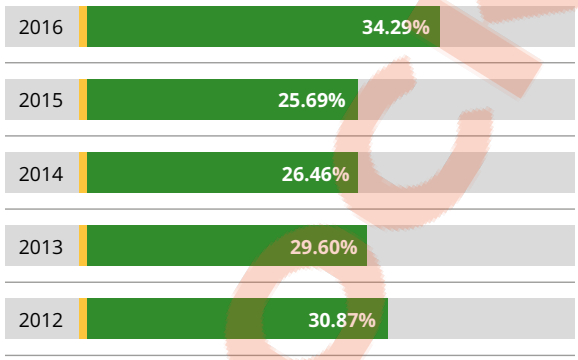
Gross Premium



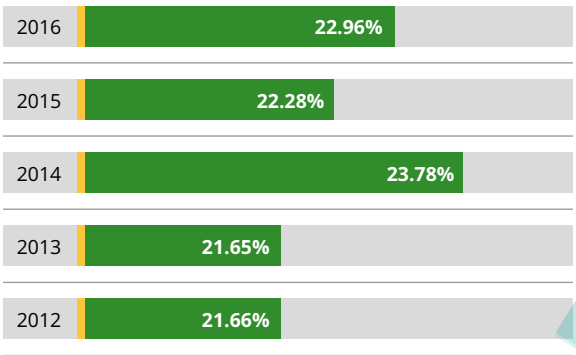
Property Plant & Equipment



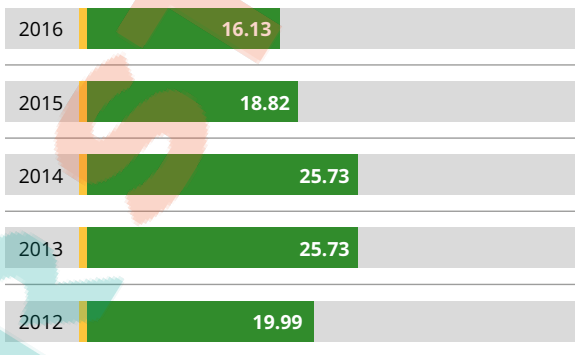
Debt Capital Ratio



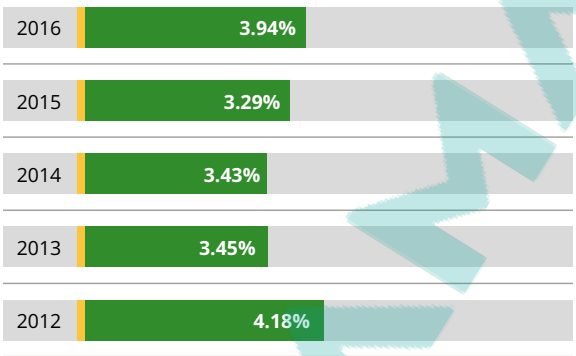
Gross Profit Ratio



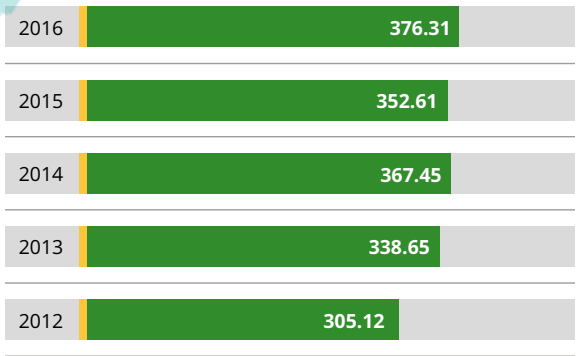
PE Ratio (Times)



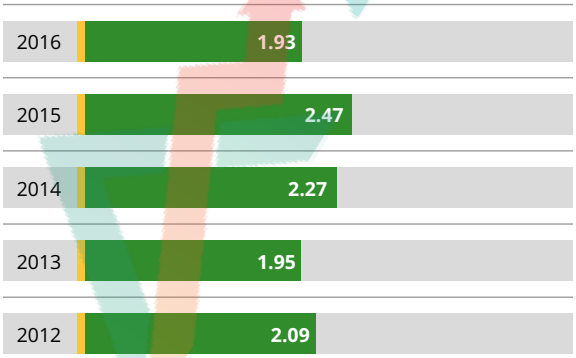
Return on Capital Employed



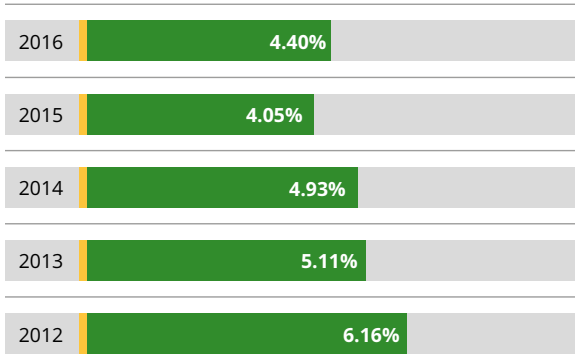
Earning Before Interest,Depriciation & Tax



Current Ratio



Return on Share Holders Equity



3.1 Economic and Industrial Overview

Economic Overview

Bangladesh has maintained an impressive track record on growth and development. With a continued average economic growth of over 6%, the economy has grown at nearly 6 percent per year in the last ten years (2007-2016), and human development went hand-in-hand with economic growth. Bangladesh now proudly stands as an emerging trade and investment destination in South Asia. The steady growth in export business, hard-working labour force and committed entrepreneurs supported by the pro-business, pro-investment policies of the Government are leading Bangladesh towards the line of global business competency. It is expected that GDP will grow around 8% in the FY 2016-17.

International Monetary Fund (IMF) in its World Economic Outlook, 2015 has ranked Bangladesh as the 56th largest economy in the world in terms of nominal GDP in 2014. World Bank's ranking of Bangladesh in the same category is 58th (2013), the United Nations' (2013) - 57th and the World Fact Book of the CIA has placed Bangladesh in 56th position (2014). The country is rapidly transforming from an agrarian structure to a service based and manufacturing economy; remarkably reduced its aid dependency and become a trade dependent vibrant economy.

Poverty dropped by nearly a third, coupled with increased life expectancy, literacy, and per capita food intake. More than 15 million Bangladeshis have moved out of poverty since 1992.

Bangladesh experienced a satisfactory FDI in the last five years. World Investment Report 2014 ranked Bangladesh 16th among 74 FDI-recipient countries with a record US$ 1.59billion FDI inflow in 2013. This is the third time Bangladesh's FDI has exceeded the billion dollar mark in a single year. Standard & Poor latest credit rating for Bangladesh stands at BB-. Moody's rating for Bangladesh sovereign debt is Ba3. The transfer and convertibility (T&C) assessment remains 'BB-'. The Government of Bangladesh has planned a long-term perspective plan, with a target to make Bangladesh a middle-income country by 2021, by raising the real per capita income to US$ 2,000 which now stands at US $ 1,314 (in real terms).

Bangladesh has emerged as the second largest exporter in the world apparel market and is also doing exceedingly well in the exports of finished leathers and leather goods, frozen foods, jute and jute goods, pharmaceutical products, light engineering products and small ocean going vessels. In 2014-15, Bangladesh posted US$ 31.2 billion export earnings, while at the corresponding periods the country registered import bills of US$ 38.5 billion. Most of the items in the import list are petroleum products, capital goods and industrial raw materials.

Bangladesh has also attained a satisfactory foreign currency reserves in recent months. Until December 2016, reserves stood at US$ 32.1billion. Apart from remittances by expatriate Bangladeshis, the increase in export earnings and decrease in import cost played their role in boosting the reserves.

Exports also continued to grow together with healthy inflows of remittances from workers abroad, underpinned strong gains in external sector viability reflected in positive current account balance. The current foreign exchange reserve is now US$ 32.1 billion which was only 10.36 billion in FY2011-12. Prudent fiscal policy helped accumulating higher revenues with moderate deficits leading to declining public debt ratio.

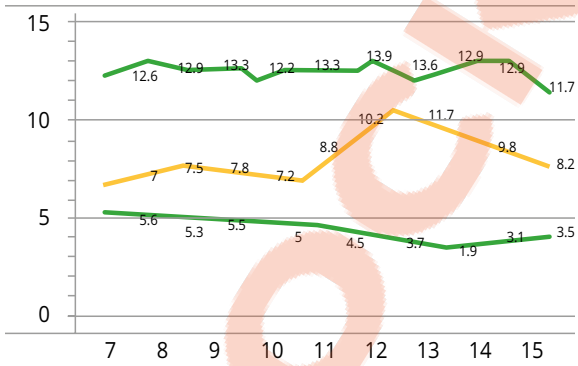
Bangladesh has achieved most of the MDGs including halving of poverty well ahead of 2015 time line. Rapid poverty decline in the large population of 160 million is attracting domestic and foreign investors; couple with the very competitive wage in the largely young working population created economic incentives for relocation of foreign investors from costlier locations elsewhere.
Bangladesh is now charting the next phase of her progress path aiming at: reaching the upper middle

income country group GNI threshold by 2021, and attaining developed advanced economy status by 2041.

Interest Rate

The benchmark interest rate in Bangladesh was last recorded at 6.75 percent. Interest Rate in Bangladesh averaged 7.20 percent from 2008 until 2016, reaching an all time high of 8.75 percent in September of 2008 and a record low of 4.50 percent in October of 2009.

Interest Rate



YEAR	2007	2008	2009	2010	2011	2012	2013	2014	2015
Lending Rate	12.6	12.9	13.3	12.2	13.3	13.9	13.6	12.9	11.7
Deposit Rate	7	7.5	7.8	7.2	8.8	10.2	11.7	9.8	8.2
Spread	5.6	5.3	5.5	5	4.5	3.7	1.9	3.1	3.5

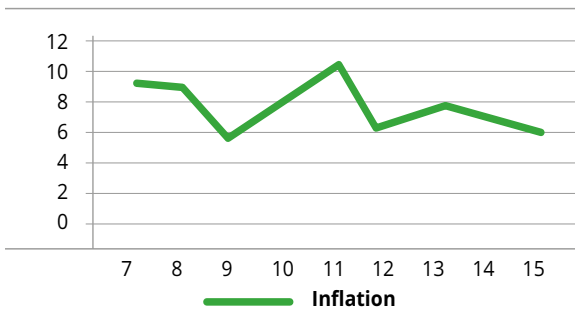
Source: *World Bank*

The policy interest rate- repo and reverse repo rates have been kept unchanged at 7.25 percent and 5.25 percent respectively since October, 2011. Based on commendable macroeconomic stability and fall in deposit and lending interest rates, Bangladesh Bank has lowered both repo and reverse repo rates by 50 basis points to 6.75 percent and 4.75 percent respectively in January, 2016.

The weighted average interbank call money rate declined to 3.70 percent at the end of June 16, from 5.79 percent corresponding to the same month of previous year indicating required liquidity position in the banking system. The weighted average lending rate of commercial banks decreased to 10.39 percent at the end of June 2016 from 11.67 percent of end June 2015. Similarly, the deposit rate decreased to 5.54 percent from 6.78 percent of the same period of previous year. The interest rate spread also decreased slightly to 4.85 percent at the end of June, 2016 from 4.87 percent of June, 2015.

Inflation

Year-on-year inflation decreased to 5.92 percent in FY2015-16 relative to 6.41 percent in FY2014-15. The downward trend in inflation is largely driven by food-inflation. Food inflation declined in FY2015-16 to 4.90 percent from 6.68 percent in FY2014-15, while non-food inflation rose from 5.99 percent to 7.43 percent during the same period. On point-to-point basis, inflation in June 2016 slid down to 5.53 percent from 6.25 percent in June 2015. During the same month, food inflation declined from 6.32 percent to 4.23 percent, while non-food inflation rose from 6.15 percent to 7.50 percent. Inflation has declined mainly due to reduction of commodity prices, including fuel in the international markets, satisfactory agricultural production in domestic



level, normal flow in supply of goods and prudent macroeconomic management. Nonfood inflation increased mainly due to increase in domestic demand, as well as increased in the flow of private sector credit.

YEAR	2007	2008	2009	2010	2011	2012	2013	2014	2015
Inflation (Consumer Index)	9.1	8.9	5.4	8.1	10.7	6.2	7.5	7.0	6.2

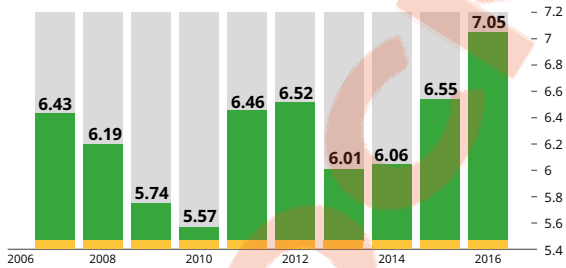
Source: *World Bank*

GDP Growth Rate

The Gross Domestic Product (GDP) in Bangladesh expanded 7.05 percent in 2016 from the previous year. GDP Growth Rate in Bangladesh averaged 5.72 percent from 1994 until 2016, reaching an all time high of 7.05 percent in 2016 and a record low of 4.08 percent in 1994.

Bangladesh is considered as a developing economy. Yet, almost one-third of Bangladesh's 150m people live in extreme poverty. In the last decade, the country has recorded GDP growth rates above 5 percent due to development of micro credit and garment industry. Although three fifths of Bangladeshis are employed in the agriculture sector, three quarters of exports revenues come from producing ready-made garments.

Growth Rate of GDP



Bangladesh achieved 7.05 percent GDP growth in FY2015-16. The GDP growth was 6.55 percent and 6.06 percent in FY2014-15 and FY2013-14 respectively. This is the first time that the GDP growth has surpassed the 7 percent level. Despite the global financial crisis and its aftermath, along with the adverse effect emerged from domestic front, Bangladesh has been able to achieve GDP growth at more than 6 percent on an average during the last decade.

Exchange Rate

Robust investment and solid consumption have kept the Bangladeshi economy on a solid footing so far in FY 2017.

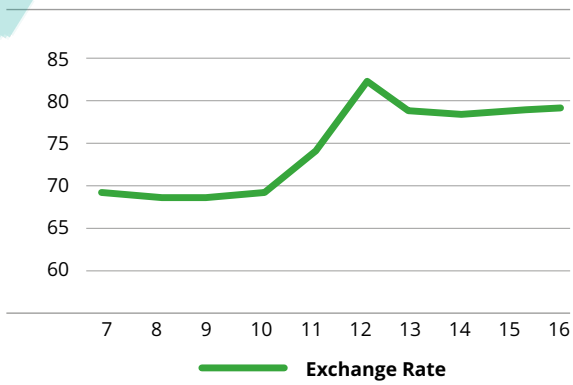
YEAR	2007	2008	2009	2010	2011	2012	2013	2014	2015
Exchange Rate	68.9	68.6	69	69.2	7402	81.9	78.1	77.6	77.9

Source: *World Bank*

Exchange Rate

Robust investment and solid consumption have kept the Bangladeshi economy on a solid footing so far in FY 2017.

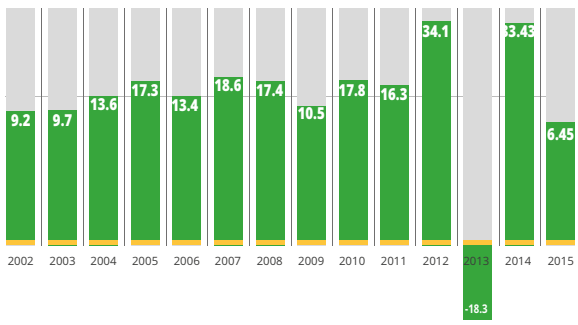
Exchange rate of Taka against US dollar remained almost stable during 2016. The weighted average interbank exchange rate stood at Taka 77.90 per US dollar in 2016 while it was Taka 77.60 per US$ in 2014. But Taka appreciated against Euro by 6.97 percent, Indian Rupees by 5.60 percent,



Industry Overview

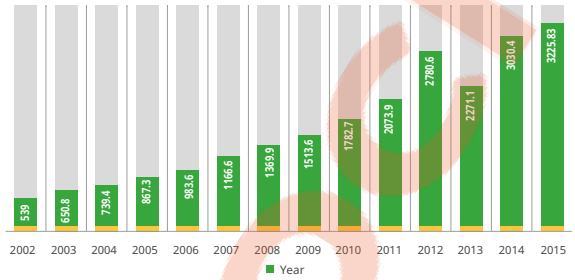
Regardless of slowed growth rate of total insurance sector, non-life insurance sector is experiencing moderate upward trend or growth rate. In 2012, growth rate was 34.1%, and in 2014, it was 33.43%. But in 2013, it was negative growth (-18.3%). It is noted that in 2013, total premium was 2271.1 crore which is not negative for the Industry. Average growth rate during the period of 2002 to 2015 was 14.25%. The evidence predicts positive significant growth in 2017.

Growth rate of non-life insurance sector



Total volume of non-life insurance market is increasing significantly. In 2002, it was 539 crore but in 2015, it was 3225.83 crore. The average premium during the period 2002 to 2015 is 1642.48 crore. Total premium obserbed increasing terend of total premium during 2002 to 2015 in non-life Insurance Sector. As the market volume is increasing significantly, the industry is awaiting for deriving positive result in 2017.

Premium in non-life insurance sector year by year



Source: Economic Review of Bangladesh

3.2 Industry Outlook and Possible Future Developments in the Industry

Overview

The value proposition of non-life insurance products has improved over the last few years, making it more competitive in securing the financial needs of customers. The long-term growth prospects of the industry remain positive on the back of structural socio-economic advantages of the Bangladeshi economy. However, the industry would need to concentrate on a few near term challenges as well to be able to fully leverage ts growth potential.

Industry outlook

GDP growth and rising income levels

Bangladesh is likely to remain one of the fastest-growing-economies in the world on a long-term basis. Asa result of its growth trajectory, the country is witnessing a rise in the number of affluent households. This trend is promising for the financial services industry as the surplus incomes are likely to be channeled into avenues like non-life insurance, especially relevant for retail insurance products.

Revival in household and financial savings

The Bangladeshi economy has been traditionally characterized by the culture of savings. A boost in this savings rate is expected out of the government's thrust on moderating the inflation rate. Moreover,interest rates are already coming down and could potentially come down further. All these factors could result into an increase in the pie size of household savings and increase the share of insurance fund in cumulative household savings.

SME sector growth

Medium and small enterprises represent a key part of the country's economic landscape with their growing contributions to the GDP, manufacturing output and exports. The government is also fostering policy-driven changes to raise the sector's competitiveness and is also mulling the construction of designated special economic zones (SEZ) across specific pockets of the country for inviting businesses to setup their premises in these and take advantage of tax breaks and other incentives.

Demographic dividend

The working population in Bangladesh is increasing and a large percentage of the population is below 25-30 years of age. Besides, with a population pool of 163 million, a significant number enter the working age group each year, especially in urban Bangladesh. This trend is favorable for the insurance industry in multiple ways:

- Rising workforce will fuel economic activity and will lead to more income and savings.

- The target customer segment for the insurance industry is the working population. With increasing workforce, the size of this segment is expected to increase, translating into more customers for the insurance industry.

Insurance penetration and density

Life insurance penetration in Bangladesh is under 1%, which is lower compared to other developing economies (even neighboring ones) and hence there is significant potential for it to grow further in the coming years. One more indicator of potential for the insurance industry in Bangladesh is the fact that the nation has a very low and insignificant sum assured to GDP ratio. With an improving demographic profile and other structural change drivers, the insurance penetration is bound to rise going forward.

Rising healthcare spends

Bangladesh spends a significant part of its GDP on healthcare compared to an average of 5.7% in other low- and medium-income countries of the world. A significant portion of this spend comprises out-of-pocket expenses for which people need to dip into their savings pool. Moreover, with rising affluence, private healthcare spends are increasing. Relatively lower healthcare spends with a high proportion of personal expenses signifies tremendous opportunities for non-life insurance companies.

Potential future developments

Assertion of women in the economic landscape
Nearly half of the population of Bangladesh comprises women. With a larger number of women entrepreneurs and emphasis on women empowerment, the women population is becoming more assertive, demanding customized products and solutions tailored to their specific needs and requirements. This has thrown up a significant opportunity for insurance companies to cater to this large, emerging and hitherto ignored pool.

Growing role of digital

With the government focusing on democratizing bandwidth and increasing bandwidth speeds paired with the emphasis by mobile handset makers to enhance smart-phone penetration through better pricing,is growing mobile Internet usage in the country. We see the emergence of apps in a big way which will enhance customer convenience through 'anytime anywhere access', thereby fostering a greater consumer-to-business connect. Besides, customers can also engage in financial transactions on the go, hence opening up a number of products and services that can be targeted for this 'on-the-move' emerging customer segment.

Larger company-customer engagement

As is already evident in the developed world, insurance companies are strengthening customer engagement. For instance, health insurance companies are providing incentives to customers for staying fit. Similarly, motor insurance companies are incentivizing motorists to adopt safe driving practices, even going to the extent of fitting GPS devices (especially in truck fleets) to monitor vehicular movements on a real-time basis. Though the Bangladeshi insurance industry is a long way away from this, the country is slowly but surely moving towards the path of enhancing customer engagement.

Emergence of insurance as a financial planning tool

With the increasing incidences of healthcare issues and businesses being more prone to getting impacted by natural calamities and catastrophes (floods, fires, etc), insurance is becoming a vital financial planning tool to help counter these and ensure that all population segments get varying degree of cover and protection as per their profile. In this context, customer segmentation is also emerging as a vital initiative undertaken on the part of the country's insurance industry to develop products and solutions that are best-fit and most relevant to the needs of specific customer segments.

Guided by our time-tested policies and practices

Insurance represents the beacon of hope: the hope of bouncing back the quickest from life's contingencies. At Green Delta Insurance, we spend time in comprehensively understanding our customer's requirements, creating policies that are the most suitable to their needs and bringing the full value of our organisation in managing a claim with sensitivity and speed – staying true to the very philosophy of insurance.



3.3 Competitive Intensity and Our Strategic Response

Bangladesh's non-life insurance sector is a complex and challenging industry with market forces driving pricing and a general lack of awareness of insurance, as also the entry of new players that has led to increasing competitive intensity with high levels of industry fragmentation. Moreover, the year 2016 saw some large insurance claims that put pressure on company balance sheets. In this context, the principal and formidable challenge for Green Delta Insurance is to sustain its premier position in the industry and take the business on a sustainable growth path.

Moreover, due to competitive intensity, the structural and long-term retention of the existing product portfolio has also been our constant and overarching endeavor. Also, there is no structured insurance regulatory framework in Bangladesh, leading to a lack of an effective guidance system for the sector. So, as competition rises, the difference in the operations of each company is stark and therefore there is little pricing discipline or standardization of services.

Yet another major challenge is the attraction of new talent, as also the retention of existing personnel, in conditions of intense market competition. Because of legacy issues on the one hand and attractive opportunities in sectors beyond insurance on the other, the industry finds it difficult to attract and retain quality talent. Having said that, increasing competition and the fact that the Bangladeshi insurance market is one of the most under-penetrated in the world should lead to the development of the insurance industry as a whole as the sector is able to pull young talent that is bright and optimistic to align insurance practices in the country with those of the best in the world. At Green Delta Insurance, we firmly believe in this and have thus established PABL (Professional Advancement Bangladesh Limited), an exclusive school for insurance professionals to cater to the different segments of the sector and benefit the different strata of the society as a whole.

At our Company, our strategic response is to identify market requirements and develop innovative products and services that have a niche over other market forces. Our entrenched intention is to also stay ahead of the curve in terms of proactively analyzing requirements and working on the drawing board to anticipate customer needs. Towards this extent, we have entered many different segments in the insurance field. Retail insurance was on our radar for a long time and hence we came up with relatively new products to gain market share in those sub-segments and micro-markets. Health insurance is another segment we have been optimistic about and offer many policies to cater to a wide range of needs, budgets and objectives. Besides, in one of the most innovative initiatives of the country's insurance industry, we forged an alliance with the Malaysian healthcare authorities under GD Assist to ensure smooth and streamlined customer service for those traveling to Malaysia for healthcare purposes.

Bangladesh is principally an agrarian economy and,with low levels of awareness or a negative perception of insurance, has been a deeply under penetrated segment. With a view to correct this, we have introduced products for climate change as per the weather change index, and crop rotation, among other standards. Through this, we are actually advocating the value of insurance among the agricultural ecosystem and also encouraging them to embrace sustainable farm practices.

Our strategic response to raise awareness in a highly under-penetrated insurance market in Bangladesh was the introduction of micro-insurance for the marginalized. There is a huge untapped potential in this segment and we are leading some pioneering efforts in the field to introduce customized and high-impact products, maximizing customer value.

Student insurance has also been our strategic offering and, as a CSR initiative, we are also sponsoring the education of 40 children every year, as also their skill development, and they will be our future Green Delta Brand Ambassadors. This gives us the first-mover's advantage towards spreading insurance awareness among the children and youth, thus engaging in developing the market of the future and spearheading increasing sectoral maturity.

Nibedita continues to be a much-admired insurance product exclusively designed for women, leading to social uplift as well as instilling in them the confidence to start their own ventures through our support and risk management and mitigation advisory. We have taken this initiative a notch ahead by developing the Nibedita app for usage on smart-phones. Also, our strategic synergy with other organizations as well as government ministries, be it towards spreading awareness on insurance, creating innovative products, enhancing the scope of existing products, or simply ensuring ease in the access to our facilities and offerings, has overall been our key strategic response.

3.4 Our Competencies and Opportunities: SWOT analysis

Green Delta Insurance is the largest and most respected non-life insurance company in Bangladesh. Over the years, with our product offerings and diversification into the varied micro-segments of insurance in the country, we have been able to nurture a brand equity that stands for trust and quality.

Our brand is our greatest strength, as amplified by our market share, which grew by a healthy 200 bps in 2016 to reach about 13% of the country's organized non-life insurance industry. This is an achievement in itself, considering the competitive market intensity and asymmetrical regulatory conditions in Bangladesh relating to insurance. Our brand is our most valuable intangible asset, standing for goodwill, which allows us to reach a larger cross-section of the population that has a pre-recall of our brand goodwill and increase scalability by introducing new and improved products, even as we look to enhance shareholder and stakeholder value.

Moreover, we have a large bouquet of products spread across different market segments, which allow us to cater to a wide customer base. Our brand strength and credibility, as also the direct functionality of our products in helping customers bounce back from their setbacks has enabled us to build a large and growing base of customers.

At our Company, we have diversified our portfolio to include various industry segments and niches, including retail, healthcare, marine, agriculture, education and micro-insurance, among others. Not only have our products been accepted by a large section of the population, our entry into new fields has enabled us to reach a larger audience base. In fact, we are also actively partnering with the Government of Bangladesh to get more people into the fold of organized insurance. Besides, we are the only company in the country to do so, providing micro-insurance covers to the marginalized, helping them understand the true value of insurance in times of need or during contingencies.

Also, we find it our responsibility to grow the sector as a whole, and as such, our endeavor is to foster a culture of social good through our offerings. Towards this extent, our sponsorship drives for school children, even supporting them for higher studies, not only allows us to do our bit for the society as a whole, but also helps us to inculcate the concept of insurance from a young age. Besides, we continue to support the Bangladesh sporting arena through select hockey and cricket sponsorships.

Overall, our products are our main strength and USP, driving our sustainable business growth and allowing us to create consistent value.

In yet another competitive advantage, our promoters are deeply entrenched and focused in the insurance business. Our Founder,Mr. Nasir Choudhury, has played a pioneering role in the insurance sector of Bangladesh. His legacy is being carried forward by his daughter, Ms. Farzana Choudhury, as Managing Director and Chief Executive Officer, herself a pioneer of innovative products and widely respected in the global insurance industry.

Our promoters and senior management team posses ample experience and have studied the sector for many years, thus bringing rich insights on the table. They have worked in and analyzed the sector of quite a few countries, thus introducing global best practices in our country. In fact, their overarching aim is to not only grow the core competencies of the Company, but also to drive the insurance sector in Bangladesh as a whole.

At Green Delta Insurance, we embrace strong actuary practices, including segmenting and profiling our customers effectively, to understand and gauge the level of risk they are either exposed to or can take. This not only allows us to create niche products for different segments of the society but also formulate industry-specific products, in accordance to their risk appetite. This in turn enables us to also understand market dynamics to predict relative risk levels and thus come up with new products and diversify across segments and geographies. In effect, Green Delta Insurance possesses strong policies, techniques and protocols to assess risk and profile it, as also prepare for contingencies.

Green Delta Insurance has been exposed to the least amount of systemic shocks or setbacks over the years and this is exemplified by our prudent actuary practices, as also risk assessment and mitigating techniques. Our insurance premium amounts have been strong with respect to the cover offered and our combined ratio has been under control, which strongly showcases our conservative financial practices and financial stability.

To connect to the common man, we have a strong on-the-ground presence, and our sales force of about 630 persons personnel ensure that we are never too far from our customers. A highly motivated sales team that is deeply connected with the grassroots is our core strength, fueling our growth. Also, our customer engagement levels are significantly high and our well-formulated corporate initiatives also ensure strong relationships with our customers. This also includes our prudent risk assessment techniques, quick response times to insurance claims and timely dispersal of claims. In all senses, we are committed to be true to the ethos of insurance.

Next, our multi-channel distribution architecture and well-entrenched sales network add to our core strength. In fact, our multi-distribution architecture with customers at the top, indicate our level of attention and focus on them. We possess a strong linkage across geographies which ensure that we are also not far from our customers. Our intent is to keep building on this architecture to ensure that we can add strength to our market share and get more people into the folds of insurance through sustained campaigns and awareness initiatives.

Our human resource personnel are another major strength, allowing us to drive innovation and foster growth. Our actuary, claims assessment and administrative teams consists of highly motivated members, who are among the most committed and experienced in the field of insurance. At Green Delta Insurance, we believe in creating a conducive environment for our employees, giving them a challenging and creative workplace environment, which allows them to innovate as also go beyond the conventional to come up with new products and services.

In fact, ours is a granular approach to business, where we focus on creating niche products which are the most relevant to markets and customer segments. Take for example Nibedita, which is a personal accident insurance scheme providing economic security to women irrespective of their income, occupation or vocation. It is the first comprehensive insurance scheme for women in South Asia that provides women a safety net against various uncertainties. Such a product would allow women to think independently in terms of financial protection or revive their business in case of any untoward incident. Seeing the success of Nibedita, we have also come up with a Nibedita app that will allow access to the product though a smart-phone.

Also, our investment management and treasury practices are prudent,even as we refrain from allowing our funds to remain idle. We have a conservative approach towards investing our capital, so that we have enough funds to meet our claims liability at any point of time. Also, we focus on generating decent returns on our invested capital, even while ensuring that our capital remains protected at all times.

Moreover, our synergies and partnerships with other organizations, as also the Government, towards improving our offerings, expanding our reach, building on our existing products, easing the process of availing insurance and other related facilities and spreading awareness on insurance, allow us to consistently build on our competencies.

Bangladesh continues to be among the most under-penetrated countries in the world in terms of insurance. Penetration stood at a mere 0.72%in 2015. Consider this figure when the country's population is more than 162 million! That amounts to just over 1.1 million people in the country being insured. As much as this is a weakness due to the external economic and demographic environment, it is as much an opportunity for Green Delta Insurance to tap into and build a wider customer base by spreading awareness on the principles of insurance, as also our bouquet of products. We are constantly working towards this extent, as noted by our increasing market share last year, which increased by 200 bps to 13%.

Also, due to the low insurance penetration and under-developed markets, the premium and cover amounts remain quite low. Much of the populace of the country also does not have any awareness on the benefits of insurance and many donor choose to avail of insurance thinking that the process would be complex and it would be a burden than an advantage. It is our constant endeavor to change this mindset and get more and more people into formal insurance. This will not only help us enhance our scale, but also increase the prospect of enhancing our premiums.

The challenge of customers wanting lower covers to optimize their premiums also has a trickle-down effect on the re-insurance business. Since the country's insurance market is under-developed, this acts as a deterrent to re-insurance companies to take up risk. Moreover, the cover in most of the cases is not large enough to attract re-insurers to participate in the risk consortium.

Overall, there exists low awareness of risk management as a business in Bangladesh, whereby profiling and assessing risk is not well-developed. This has led to many companies in the industry having a combined ratio greater than 100%. The sector lacks regulatory foresight and therefore there are no concrete tools available to measure risk and set limits for taking insurance for the same.

At Green Delta Insurance, we embrace a strict set of guidelines and rules relating to risk management and therefore foster a culture of even stricter adherence to such regulations. This allows us to take controlled risk as also have a flexible structure where we are able to add-on further risk to our portfolio. We look to take new initiatives and develop new products to increase our risk-return profile and also increase our market share.

In fiscal year 2016, Bangladesh was among the fastest-growing countries in the world with GDP crossing record 7%, touching 7.1%. Even the country's per capita income has been seeing a steady improvement, standing at close to USD 1,500 in 2016. Said to be the golden era of Bangladesh, the country is focusing on realizing its full growth potential.

As Bangladesh witnesses a sustained favorable economic environment, industrialization is expected to grow exponentially. This has been seen in terms of the Government focusing on developing land through special economic zones (SEZs), which is a catalyst to rapid industrialization. The Government, through its well-articulated policies, is also promoting the growth of economic activity in the country. The construction of the bridge across the Padma River is also another case in example where the Government is not taking foreign help in its construction but tying up finances on its own. Moreover, the country enjoys an abundant supply of natural gas, which can power a wide range of industries and industrial assets.

Growing industrial and economic activity will lead to the strengthening of the markets of the country, thereby witnessing positive growth in the various sectors. Insurance is one of them, where a more aware and well-established market is favorable for the sector. This is so because more awareness among people leads to a better and more productive bouquet of insurance products, as also reach out to the untapped populace to ensure that the products maximize impact for them. A well-established market is more likely to buy insurance products, enabling us to increase our reach and enhance the sustainability of our business. More insurance activity also leads to the growth of the re-insurance sector. Therefore, a favorable economic environment foretells a great opportunity for the insurance sector.

A booming population also brings with it the risk of poor health, where more and more people compete to avail of and use the same resources. The population density of Bangladesh is more than 1,200 per sq. km. The effects of population growth can be seen in the rising incidence of diseases and ailments, which enhances the value of insurance for vulnerable populations prone to diseases,as often, insurance can prevent them from falling into the debt-poverty trap.

Also, a growing economy and rapid industrialization brings with it the possibility of increasing environmental degradation due to excessive usage of natural resources. Although industries in the country adhere to environmental guidelines as outlined by the Government, yet such resources when not used prudently, and exploited indiscriminately, can harm the environment and also cause the environmental pollution over time, leading to the greater incidence of diseases. Such a spread of ailments can represent the opportunity for insurance in Bangladesh.

Yet another aspect of threat to the Company is the growing competition in the sector. Although we possess 13% market share and provide a much stronger bouquet of products than our competitors, enabling us to become by far the leading non-life insurers in Bangladesh, yet the surge of new companies offering insurance policies has posed a challenge to our organization.

Moreover, there has been no unity among the insurance companies in the country and each is led by different rules and guidelines due to a lack of regulatory foresight. Lack of ethics has also often led to poaching of talent and human resources. At Green Delta Insurance, we have always looked beyond competition, to grow the insurance sector as a whole, In fact, we continue to work towards becoming the drivers of growth of the sector, as also conduct our business ethically, efficiently and transparently, adhering to all regulatory guidelines and principles.

Finally, the markets of the country are under-developed to a great degree, thus leading to low penetration rates in the field of insurance. Due to a lack of industries in the hinterlands, the livelihoods of the people living in such areas has only been limited to their social milieu, and thus there has been no shift to urban settings. Bringing about widespread industrialization as also a shift in mindsets will be a major challenge facing the country in the coming years. Unless that happens, the lack of general awareness in terms of working towards overcoming disparities and thereafter spreading awareness of insurance, the country will not be able to realize its full potential.

At Green Delta Insurance, we continue to contribute towards strengthening the sector we have pioneered and ensure that we provide insurance cover to as many of our citizens as possible.

3.5 PESTEL Analysis

A study of the non-life insurance industry of Bangladesh reveals that the country is by far among the most under penetrated countries in the world in most counts, including insurance. In 2015, the insurance penetration of the country stood at a mere 0.72%.

On the outset, there exist several factors that affect the external environment related to the insurance field. Foremost would be the possibility of natural calamities and disasters which go beyond prediction and control. Bangladesh is prone to flooding, leading to a chain of environmentally-damaging effects.

Then there is a possibility of physical threats to the people of the country in terms of terrorist activities. Sadly, Bangladesh has been witness to such horrific events in the near past. Such volatility in natural as well as man-made environments has led to an increasing unpredictability of such forces, which go way beyond the control of the sector as a whole, as well as the Company.

At Green Delta Insurance, we are comfortably equipped to see through such events of uncertainty due to our strong bouquet of products on offer, strong solutions-driven approach and time-tested relationships as well as our stringent risk and quality control framework. The increasing market share of the Company stands proof to our capabilities in overcoming challenges and countering demanding situations. During such times of crises, we stick to the ethos of insurance, which is the timely disbursal of funds after due creditworthiness checks. Moreover, our risk appetite is flexible, which allows us to see through risk-averse situations. As is clear with the Company's growth strategy, we strive to get as many people as possible into the fold of formal insurance, thereby responding proactively and swiftly to any significant factors affecting our external environment.

We are living in a truly globalised world where the growth and pace of technology has been a major boon to mankind. As we see that the world's largest taxi operator does not own a single car. The world's largest guest-room provider does not own a single room. In this age of innovation and thinking out-of-the-box, we have successfully been able to embrace technology to progress. Over the years, this technological change has been the bedrock of modernization and we also believe in upgrading our technological prowess in line with the times. With this, our technological competence allows us to anticipate future risks and thus enables us to gain advantage in terms of devising products to cater to those emerging risks.

Moreover, we believe that change is always good and our human resource is also attuned to the latest technological advancements, allowing us to build on our competencies and create an effective and innovative bouquet of products, as also simplify tasks to improve efficiency in our processes and grow people productivity.

In a challenging business environment, what makes Green Delta Insurance stand apart is the Company's ability to understand the demographic dividend which the country has to offer. Our relationship-centric approach to business has enabled us to connect better with our customers, as also allows us to reach out to them in their times of need. Towards this extent, what makes us unique is our straightforward ability to understand our customer and her needs.

We live in an age of increasing socio-political uncertainty, tempered by societal issues. With progress and development comes the risk of demographic shifts of communities, thus leading to unfamiliarity of environs. At the granular level, these factors matter towards building markets across geographies. Other issues such as lack of access to basic amenities, unemployment, poverty, spread of disease and lower incomes, among others, are what affect communities socially.

We have also been witness to increasing terrorist activities over the years, as also human rights violations. To build a country is to ensure that its people lead healthy lifestyles and work towards bettering their lives. Such deterrents which tear apart the social fabric of the country should be combated and citizens should unite to raise their voice and strengthen the country's culture and society.

Fundamentally, in order to effect the trickling-down of resources at the grassroots, foremost is the requirement of ingraining social values and work towards widespread education, which can only lift communities to develop a the country's

social fabric. Right to better standards of living is combating poverty, hunger, malpractices, terrorism and other similar issues affecting this social unity.

At Green Delta Insurance, we have always believed in working towards preserving our social ecosystem, right from the relationships we build with our customers, to the value system we encourage at the workplace. As we look to a better and more culturally-aware society, we believe it is our duty to strengthen bonds and raise the economic bar with the work we do. Hence, we are constantly working towards steering the insurance sector in the country as a whole by providing consumer-friendly products, as also spreading awareness to enable more people to be a part of insurance. Moreover, as a responsible corporate, we have taken up many social activities for societal uplift. We sponsor the education of students (right up to the graduation level). We provide insurance facilities to the marginalized. We promote sports and sponsor teams and tournaments. Our endeavor is to fuel community growth right from the grassroots.

Again, with increasing industrialization and globalization come the challenges of protecting and preserving the environment for our future generations. Global warming is a major issue, which has already led to the melting of the polar ice caps. Bangladesh is prone to floods, where communities inhabit nearly 600-km of coastline of the country. Bangladesh is already witnessing an increase in the sea levels over the years. Issues such as global warming are thus detrimental to the growth of communities as whole villages can be consumed by water, destroying ecosystems.

Industrialization has also led to climate change, where indiscriminate usage of resources, as also the employment of improper methods of waste disposal, has led to environmental degradation to a large extent. We are headed towards resource shortages and are already crossing the limits of usage. Entire forests are being cut to accommodate an increasing population. This population boom in turn will consume more and more resources, leading to environmental damage. The after-effects of such issues are devastating where we have already seen the wrath of tsunamis and cyclones, hitting various corners of our planet.

A prudent utilization and sharing of resources is required. At Green Delta Insurance, we are doing our bit towards preserving the environment, through our social initiatives like widespread planting of trees, limiting utilization of office resources including stationery and the like. In fact, we are working with the farmer communities to bring them under the insurance fold, and towards this extent, are incentivising them to implement environmental-friendly practices.

In order to achieve holistic growth, the Government also has to do its bit by formulating laws and policies that are beneficial to its people, as also ensure development of life and improvement of lifestyle. For this, strong regulatory guidelines have to be set up to effect positive change and the regulator has to monitor constant adherence to such guidelines.

In the insurance sector of the country, there is no proper regulatory guidance, which has led to a lack of pricing or practice discipline among the different insurance players in the market. Moreover, there have not been major regulatory reforms as well, which could lead to the development of this sector. As such, our competition works towards growing their own base and presence, instead of looking at developing the potential of the sector as a whole. On the other hand, through our products across strata, our entrenched grassroots experience and our strong work ethics and transparent policies, we work towards growing the insurance sector of Bangladesh so that insurance facilities can be brought to more and more people.

Again, globalization has enabled us to break geographical divides and today we are truly a global community. But changing political and economic conditions have also led to a growing uncertainty of sustaining positive growth. In such scenarios, the need of the hour would be to adapt to the prevailing socio-political environs to ensure that we are not affected to a large extent by such shifting conditions.

At Green Delta Insurance, we have a nimble, agile and robust risk framework where we accommodate such risks to ensure that any such change is incorporated into the structure and thus its effects are minimized. Though such conditions may affect our ability to implement strategy, we are prepared to adapt to changing industry dynamics.

Overall, at Green Delta Insurance, we are prepared to overcome all the challenges relating to any change in our external environment; our lithe risk structure ensures that we capitalist on opportunities and incorporate more risk to achieve strong growth and our work ethics, ethos and principles are such that we are prepared to achieve our strategic objectives, which are to see the Company attain greater heights, get more people in the folds of insurance and create positive shared value.

3.6 Thematic Positioning

At Green Delta Insurance, we are focused on meeting the real needs of our customers.

These needs can comprise financial protection against natural calamities or contingencies, security in terms of health and wellness and a comfortable future in terms of helping them manage and mitigate their risks better. In this context, our brand position speaks to our long and remarkable history,to the wealth of customer insights that we have gained/gain every single day along our journey and to the core value and proposition of insurance that we have provided to thousands of customers around Bangladesh.

As an enterprise that emphasizes on insurance value creation through innovation and inclusion, we will continue to protect our customers and their assets over the years to come, whatever life brings them.

This, to us, is the real essence of our value as Bangladesh's leading and eminent non-life insurance service provider as we seek to offer our customers something that is the most important part of their life.

Peace of mind!

3.7 Human Resource Accounting (HRA)

Green Delta's HRA seeks to measure the abilities of all employees in a company at all levels to produce value by way of knowledge & capability. HRA of GDICL also involves accounting for investment in people. Human resource, as it is a key to success, is considered as asset in the organizations and thus related expenditure is treated as investment. The cost of human resource comprises of both capital (asset) and revenue (expenses). In Bangladesh this concept is struggling (or acceptance and has not been introduced so far as a requirement. Bangladesh like many other countries has not given much consideration to issues related to human resource accounting. Neither the Companies Act nor the Regulators do require the listed companies to prepare HR Accounting to be attached in their annual report but we hope this concept will be spread out over the country very soon. GDICL basically emphasis on the following cost to improve its Human Resources namely.

Objectives:
The aim of HR accounting is to depict the potential of the employees in monetary terms which helps in decision making of ascertaining how much return it can expect from this investment.

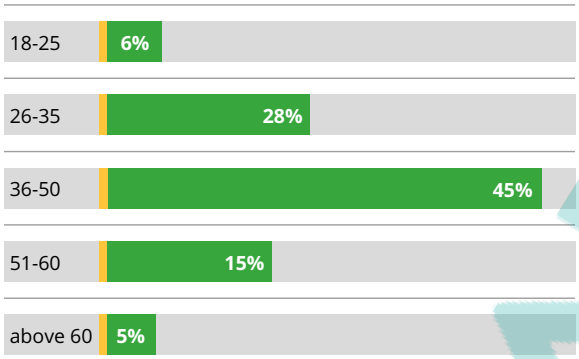
Practice in GDIC:
In GDIC we are following conventional accounting practice and as there are no HR specific accounting standards, we are not capitalizing any HR cost in order to amortize it over service life of employees. We find out ROI in terms of Business amount and investment amount.

HR department is always work for the betterment of the company and ensuring employee rights. Every year HR department wants to go ahead in terms of policy, process and services. HR department believes that the employees of the company are one of the key strengths of company success. Green Delta is recognized as "Green Delta Family". Therefore, join Green Delta Family, since we offer career not just a job.

3.7.1 Our Human Capital

The Human Resource department of any organization has three main areas of functions. Administrative services, Business Partner Role and Strategic Role. HR functions and activities are intended to ensure the organization's financial success by ensuring right person at the right place on the right time. Green Delta always focused to recruit best people. Currently HR department is handling five companies Human Capital. We have diversified talent pool considering diversified industries. Green Delta HR department is a centralized department. All the HR

Employee Age Group Wise

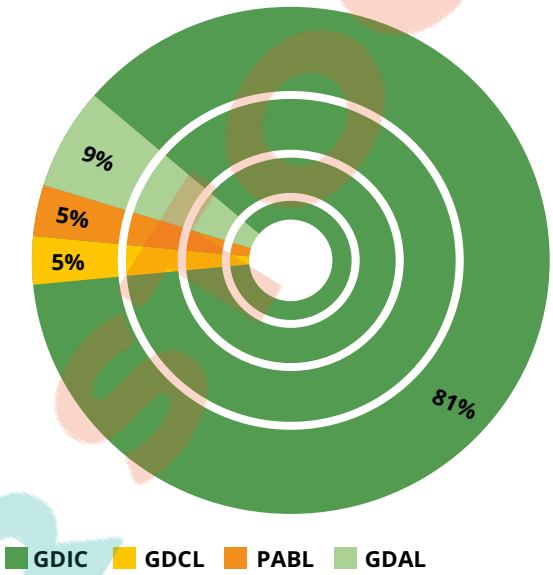


functions are being handled by HR department including subsidiaries. To expedite the process, considering industry practice and proper coordination every subsidiaries has a HR official who played HR coordinator role. S/he has a direct reporting to the respective company's Head and shadow reporting to Head of HR. Currently our HR department has total 9 team members including 4 subsidiaries handling 694 employees.

Recruit the Right People: HR department

always ensure hiring right people in the right place at the right time. In our company both Internal and External sources are encouraged for new/replacement recruitment. We follow merit based recruitment process for both internal and external recruitment. Green Delta provided equal opportunities to all applicants without any bias to religion, race, gender, age or any other criteria permissible by the statutory laws of the country.

Recruitment Status of Green Delta



Maintaining Employee Relations: Building and maintaining healthy employee relations is an essential prerequisite in attaining ultimate success for the business. Green Delta is considered each of the employee as a member of Green Delta Family. Here employee get the opportunity to prove their creativity, idea and performance, that's why Green Delta is a performance driven company.

Compensation and Benefits: Green Delta Insurance is the market leader of the Insurance industry not only in business volume but also in corporate culture and competitive package. Company always appreciate to design the employee oriented policies in terms of compensation and benefits.

HR department always plays as the bridge between employee and management. Every year HR department try to introduce new policies, benefits and facilities considering betterment of the employees as well as organization. In 2016 HR department's major achievements as follows:

- Implement HR & Payroll Software: Green Delta always welcome digitalization in process. Last year HR department took the HR &

Payroll software for the HR department for atomization. And employees are using the leave module properly. We are also disbursing employee salary through payroll software. This software has increased HR efficiency in terms of process and services.

- Introduce Internal recruitment process: HR department has introduced Internal recruitment process which create a positive impact among the employees. This process is an opportunity for the internal employees in terms of career development, job rotation, new challenges etc. on the other hand company is also saving cost.

- Employee branding & events: Last year is one of the mile stone for the company. Green Delta completed 30 years in 2016 and there were many programs have been arranged for both internal and external people. The year start with "Celebrating 30 Years" program with all Green Delta Employees. We also celebrate women's day, Independence day, Mezban etc.

- Employee engagement programs: Green Delta organized #AmiAchi campaign, "ছড়িয়ে দিন উষ্ণতা" campaign to collect winter cloths, participated in the "6th T-20 Corporate Cricket Tournament"and "Ascent Cup Soccer 2016".

- Health Awareness programs: Green Delta also concerned about the employees' health safety. Considering that with the help of GD Assist company organized Health Talk "Awareness of Cancer", Busy Life Health Connect etc for the employees in the head office.

- Modified Group Health insurance benefit: last year HR department modified the health insurance benefits for employees in terms of better coverage. In this policy we have included outdoor patient treatment coverage, expand the horizon to other countries as well, increase maternity coverage, exclude the designation barrier for foreign treatment.

- Value added training for employee skills development: We have organized different related training with the help of Professional Advancement Bangladesh Limited for the employees including Business Communication, Reinsurance Management, reinsurance Accounts, Compliance, Marketing& Sales etc. We have also organized CII Workshop on Marketing Tools & Techniques, Technical Accounting for Reinsurance, Reinsurance management by renowned trainers from CII, NIA.

3.7.2 Information on how the Company Contributed to its Responsibilities Towards the Staff

(Including Health & Safety)

Employee Benefits:
Green Delta is always called employee oriented organization. Company always gives priority to employee as a family member. This is the reason that 40% of the employees' job age with Green Delta is more than 15 years. Company is always give priority to employee's benefits & facilities. We can proudly say that Green Delta ensure:

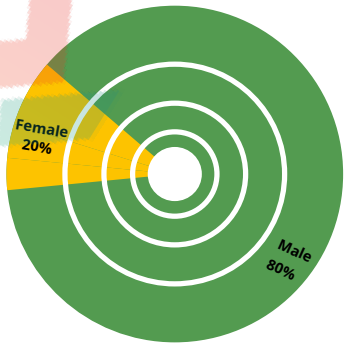
- Working Environment & Corporate Culture
- Equal Opportunity for all aspects
- Performance oriented appreciation
- Encourage Work-Life balance
- Opportunity for Local & Foreign Training
- Group Life Insurance
- Group Health Insurance along with Family members
- Profit Bonus & Performance Bonus
- Regular Performance Appraisal
- Career opportunity & Development
- Festival Bonus, Provident Fund & Gratuity benefits

A Workplace that support Gender Equality & Women Empowerment:
Green Delta always encourage gender equality or equal opportunity from recruitment to trainings. All the company policies and benefits are designed considering gender equality like recruitment policy, benefit policy, sexual harassment policy etc. Company also arranged different programs for equal opportunity, health issues, women empowerment, celebrate women's day not only for female employees but also for male employees to create a healthy corporate culture.



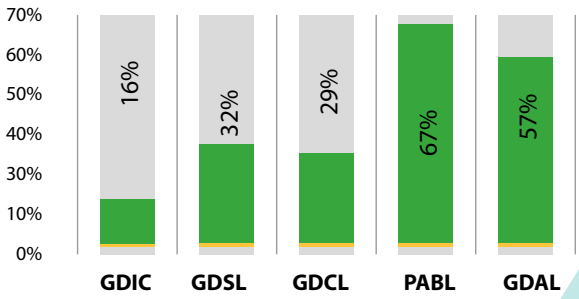
Green Delta has always encouraged women empowerment. The first customized insurance product for women called "Nibedita" along with mobile apps, is launched by Green Delta. From Insurance Industry Green Delta is the first company who welcomed government's 6 months' maternity leave policy with full benefits for their female employees. On the other hand, in group health insurance maternity benefit coverage is a competitive package which is not only cover female employees but also spouse of male employee. We also support female employee to resume their career after their maternity leave. We also have women association which is headed by Head of HR. Company is targeted to increase their female employee ratio upto 33% by giving opportunity to the potential female workforce. This is also to mention that UN Global Compact recognizes our Managing Director & CEO Farzana Chowdhury ACII (UK) as a 2016 Local SDG Pioneer Green Delta provides equal opportunity to employees for taking challenging roles, developing their skills and taking opportunity to prove themselves as a performer. For this reason, both female and male employees of the company are being motivates to take challenges to handle important positions and many potential performers areencouraged to come forward for leading positions.

Gender Analysis



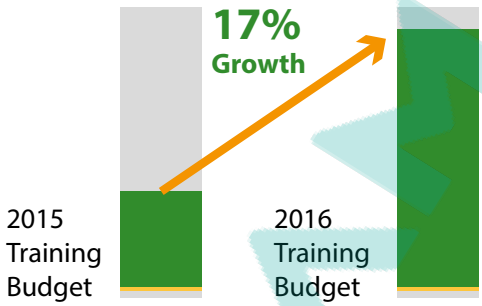
Encouraging Youth to Green Delta:
Green Delta believes that the young generation of the country will be the future leaders who will take the insurance industry to a new era. For this reason, Green Delta always encouraged the young generation to join and share their knowledge. Currently company has a good combination of experienced generation and new generation, where they learn from each other's. In terms of youth generation Green Delta has 20% of total workforce age is below 30 years. Top of that Company granted different sponsorship programs and participated career fair ofdifferent universities,

Employee Age Below 30 Years



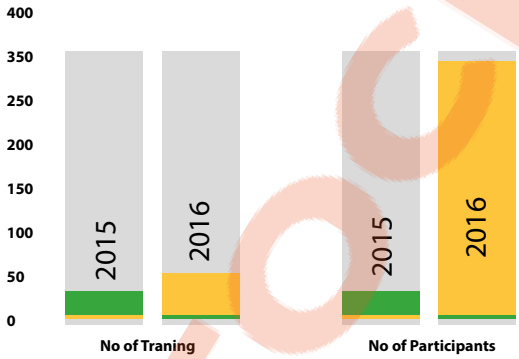
provide internship opportunities etc. One of the main sponsorships is JAGGO foundation, where company has sponsored 40 students upto their graduation.

Employee Training & Development:



Green Delta Insurance is the market leader of the Insurance Industry. It is one of the core responsibilities of the company not only think about micro level but also macro level. Every year company allocate a good amount of budget for employee training and development. This is also to mention that employees are getting not only local training but also foreign training. Professional Advancement Bangladesh Limited, a training institute which is the 100% subsidiary of Green Delta Insurance company. The objective of the company is to create professional for Insurance industry. In

Employee Traning & Development



2016 with the help of PABL Green Delta utilize the training budget more efficiently by organizing value added training for the employees. There are total 338 employees got training opportunities including both local and foreign trainings. And Green Delta being the market leader will continue this for the upcoming year as well.

Employee Health Benefit Facility:
Green Delta introduce health benefit facility for the employees since 2014. Every year this benefit is modified with better coverage, in 2016 we have included OPT and increase maternity coverage. This benefit is not only covered employees but also their first family members. This health benefit covered hospitalization, maternity be and outdoor patient treatment which are highly appreciated by the employees. We have to mention that in 2016 company recovered 87% of their invested amount as claim settlement. Healthy lifestyle makes a healthy employee and thus a more efficient and productive employee. In 2016, the Company has conducted different health awareness programs for the employees.

Employee Health Benefit 2016
87& Recovered from Total Investment Amount



3.8 Report on Information Technology

Information Technology

Green Delta's information technology (IT) department is responsible for the architecture, hardware, software and networking of computers in the company. IT Professionals working in this department to perform a number of duties to ensure that employee have full access to the computer systems.

IT department is also responsible for all computers that are on the GDIC Network. At present time the number of PCs that are supported by IT department is around 350 and is growing every day. IT department also maintain VPN connectivity with 26 (Twenty Six) branches and ensure e-attendance of all the employees of head office and seventeen online branches. Among these branches twelve branches have redundant connectivity. We also implemented HR software by which any person can manage his/her leave related issues through online. Moreover we have implemented video surveillance and IP Phone in head office and online branches. After implementing IP phone office communication is more smooth than previous not only that but also telephone bill has significantly reduces. It is good to hear that after successful implementation of Call Centre any one can have his/her information regarding Green Delta and its subsidiaries over phone. After implementing online marketing it is now a strong tool for us.

Speed and Effect to the Technological Changes:

Programming

The IT department is responsible for creating new programs for GDIC. Programmers who work for GDIC creates programs that are specific to the needs of the organization. Our IT team has developed insurance software for the purpose of storing all the information regarding insurance in our own server for internal and external use.

Company Website

Our IT department is also maintaining the company's website. The web master and other professionals in the IT department design the layout of the site, write programming code and test the site for its usability. GDIC company website is an informational site providing information for the interest of the clients.

Technical Support

IT department of GDIC provides support to computer users in the company. It include installing new software, repairing hardware problems, installing new hardware, troubleshooting problems, upgrading software and training employees how to use new software programs and provide support for Internet and e-mail related issues for official correspondence. GDIC have IT help desk in the company to assist employees with computer related issues and ensure access to online branches.

Green Delta is using the updated version of ACCPAC accounting software for the purpose of recording day to day transaction and reporting all kind of financial statements. To deal with share related issues a Share Management Software is being used by the company. GDIC has implemented latest Fixed Assets and Inventory module to maintain the related items more accurately and smartly. It is also noted that all branches are now using Insurance Management System. To provide all types reports as and when required to the management Green Delta is using Analytical Reporting Tool (MIS) Software.

Future Plan : Making all the GDIC branches under online as well as redundant solution to operate their daily business smoothly through the system and get all the IT benefits as well.

Establishing a Disaster Recovery Centre to secure the company's valuable data in a professional manner.

Have a plan to purchase an International Standard Insurance Software which include Underwriting/ Claims Reinsurance /MIS / Account /Audit /CRM module/ retail sales solution.

We have implemented SAS VA Analytical and Reporting tools for reporting purposes.

Have a plan for implementing ERP, ISO 9001: 2008 for Quality Management System and IOS 27001 for Security Management System.

Administration

Our IT department is responsible for installing and setting up the computer network in any departments or branches within GDIC. The IT professionals of GDIC ensure that the network is operating properly and that all employees have the ability to communicate through the Internet and company intranet. Our professionals troubleshoot and repair the system in the event of a problem.

Some of the functions can be listed as below:

1) Data Processing – IT includes collection, transmission, storage, processing and output of data. It simplifies the statistics and reduces to the lowest cost by supplying a unified format.

2) Function of Prediction – IT predicts future situation by applying modern mathematics, statistics and simulation.

3) Functions of Plan – It arranges reasonably the plans of each functional department in accordance with restrictions afforded by enterprises and provides the appropriate planning reports according to different management.

4) Functions of control – It monitors and inspect operation of plans and comprises with the differences between operation and plan in accordance with data afforded by every functional department and be assistant to managers to control timely each method by analyzing the reasons why the differences come into being.

5) Functions of assistance – IT derives instantly the best answer of related problems by applying to various of mathematical mode and analyzing a plentiful data stored in computers in the hope of using rationally human resource, financial resource, material and information resource for relative abundant economic benefits.

6) Data Security – We have license Anti virus in all computers. Besides this we are using CISCO solutions which includes CISCO Firewall also.

Management Information System(MIS) Department

The Management Information System (MIS) department serves as an internal reporting unit of the organization. The mission of the MIS department is to provide information technology resources that support and enhance the mission and activities of Green Delta Insurance Company Limited (GDIC). MIS enables consistent and reliable flow of information about all the programs of GDIC. The department is responsible to report in quantitative as well as qualitative terms and has an extensive database of the existing organizational activities. Our MIS department is also providing the daily/weekly/monthly/half-yearly/yearly MIS report on business collections, confirm credited business, business recovery, previous year's recovery, individual business, Branch Business Analysis, Different Comparison and other analytical report, renewal notice, new business, campaign report, provisional credit business report, top client report, top producer and introducer business report and producer wise business report. Not only does the MIS department prepare the reports but they also maintain the services to ensure the continuous flow of information throughout the organization.

3.9 Strategy and Resource Allocation

As an insurance institution, numbers are important. However, numbers only part of the story. This integrated report tells of our successes to date and why we are more than just an insurance company. The purpose of this report is to provide simple,transparent feedback to stakeholders regarding the organization's strategy, performance, governance and prospects. This ensures that shareholders, as well as other stakeholders, can formulate a view on the long-term returns and sustainability of the group.

Governance and assurance

This report was prepared in accordance with the Companies Act of Bangladesh, the DSE Listings Requirements and other statutory disclosure regulations. Our Board of Directors believes that it adequately addresses the material issues faced by Green Delta Insurance. Assurance regarding the annual financial statements is provided by the independent auditor's report contained herein. Where considered appropriate, external sources have been used to provide independent information for elements of the integrated report other than the financial statements.

At our Company, in the interests of enhancing the philosophy of insurance as a strong protection tool, we have created a robust governance framework, driven by our code of conduct, that articulates our emphasis on embracing ethical and transparent practices at all times. We provide regular training and updates just so that our employees are oriented towards embedding sustainable governance practices in their day-to-day functioning. We also conduct ourselves in a manner that is aligned with the reputation and brand value of our Group and adopt regulatory updates, issued from time to time, in the true meaning with which they have been formulated. This is perhaps the reason why we possess high standing among credit rating agencies, regulatory authorities, stock exchanges and shareholders/ investors at large. Though governance and assurance is largely an intangible practice, we believe it has significantly contributed to reinforcing our viability as a sustainable concern and has helped create value over the short-, medium- and long-term. At Green Delta Insurance, we will continue to embrace the highest standards of governance in our quest to continue to create meaningful value in the hands of our shareholders and other stakeholders.

Incentivizing our resources to create sustainable value

Various resources and relationships – also referred to as 'capitals' in the integrated reporting framework – facilitate the continued success and performance of our Company. These resources and relationships validate our business model, sustain the business and enable growth.

At our Company, we believe that our human resources are our most important asset. Our unique service approach is defined by our organizational culture and forms part of the employee experience from first contact to well after retirement. Employees are valued for their unique potential and talent as they represent the face of our business. Our identity is that of a diverse family that finds relevance in serving its diverse client base through products that are not ancillary but integral part of our customers' lives. With a view to keep our talent pool refreshed and motivated, we possess a multi-level engagement approach with them. This includes a dedicated human resources help desk, ongoing learning and development programmes, regular performance management reviews and face-to-face senior management-interactions.

Since risk management and mitigation is an important part of our business, in addition to providing our employees with industry-leading fixed remuneration and incentives, our remuneration policies also have an in-built risk appraisal mechanism. Hence, our remuneration and incentive policies take into cognizance the extent to which a transaction concluded by any employee exposes the company to risk of loss. It also takes into account proper alignment between risk and reward, especially in situations where transactions have the potential to expose the

Company to the risk of losses over time. Hence, our remuneration policies and procedures balance employee interests with shareholders' interests and do not incentivize inappropriate risk-taking. This robust control mechanism has helped us create a 'risk-aware' organization and the percolation of this very culture down to all levels of our employees has not only enhanced remuneration and incentive standards for our employees but has also enabled us to mitigate some of the most common risks that typically face an insurance business. This mitigation has, in turn, enabled us to create value across industry cycles and over various time periods.

Our key differentiators

At Green Delta Insurance, we are aware of the significant levels of competition that exists from both the organized and unorganized players of the market. With high levels of fragmentation and absence of robust and inflexible regulatory frameworks, there is little pricing discipline or customer orientation with the result that risk assessment and pricing is not of high quality standards.

At our Company, we have found our opportunity niche in this very vacuum. With years of experience and a pioneering status in the country's insurance industry, we possess a professional and senior team of actuary and risk assessment specialists who engage in thorough analysis and thereafter create value-driven solutions that are win-win – both for the customer and the Company. This is our key differentiator with the outcome that our coverage portfolio is of high quality and our combined ratio is one of the best in Bangladesh's insurance industry. In addition, we also engage in regular customer interactions which help us proactively identify potential problems and take corrective action. This has resulted in the fact that claims raised at our Company are among the lower levels in the industry.

Yet another differentiator is the fact that our customer service standards are very strong. We possess one of the lowest genuine claims disbursement time frames in the industry and the result of this is that we enjoy high levels of customer loyalty and remain true to our spirit of insurance advocacy as a strong and genuine protection tool.

In our broad-based focus on providing insurance for all, we have realized that innovation is the key to drive insurance penetration and coverage. In this context, we have embraced a unique customer fragmentation strategy where we have identified specific population segments that have a similar profile and target them with products and solutions that provide real value to them. One of our breakthrough products, Nibedita, is the only insurance product exclusively designed for our woman customers and, in fact, has emerged as a holistic platform that contributes to women empowerment. Our focus on improving this product on an ongoing basis is evident in the fact that we have developed a smart-phone app where our woman customers can access a wide range of information suitable to them on their fingertips; in addition, we have also launched an emergency button on the app that ensures help is always at hand.

As an eminent insurance institution in Bangladesh, aligned with our focus on empowering a larger number of customers with genuine insurance products and solutions, we have also associated with reputed institutions and various central government ministries under which we are not only exploring novel and high-potential insurance products (for instance agricultural insurance) but also increasingly leveraging the digital wave in terms of tapping into government citizen database to develop mass insurance products in a bid to widen their reach and provide a formal cover (protection in fact) to some of the most vulnerable segments of the population.

Our adaptive and flexible business model

It has been often said that change is the only constant. In a dynamic and highly competitive industry environment, it is imperative hence for us to constantly remain in step with the times. It is for this very reason that we have progressively developed an adaptive and flexible business model that not only enables us to swiftly identify and capitalist on niche and emerging opportunities but also embrace course corrections that prevent systemic shocks. Such an operating model has infused a deep layer of sustainability across our enterprise and facilitated us in creating shareholder and stakeholder value, over time. Some of the core points of our business model include the following:

- Strong underwriting practice with an accurate risk assessment and evaluation model that integrates evolving customer expectations into

account, helping us develop a genuine and high-quality insurance proposition

- Robust quality of our senior management team with the right blend of experience and dynamism and a relatively low overall age profile that is strongly attuned to the demands of the market

- Our constant focus on innovation enables us to remain ahead of the curve in launching new products and tapping into newer customer segments

- Our robust investment and treasury management team with a dynamic asset allocation strategy not only ensures that we earn a higher rate of return on the invested capital but also ensure that capital is protected at all times, ensuring high systemic liquidity

- Our ability to stay ahead of the times and devise solutions to alleviate some of the concerns impacting our industry are clearly reflected in PABL (Professional Advancement Bangladesh Limited), an exclusive insurance school with global certifications, creating not just a future pipeline of talent for us but for the insurance industry as a whole. Besides, GD Assist is yet another endeavor which represents our joint venture with the Malaysian healthcare authorities for providing a seamless experience to our customers traveling to Malaysia for healthcare purposes

In summation, our dynamic and adaptive business model has not only helped us stay ahead of the competition but also enjoy a first-movers' advantage in launching new products and targeting newer demographic customer pools.

Long-term success drivers

With the ambition of creating an enduring organization that is synonymous with insurance in the country, we decide on the merit of initiatives that not only create short-term benefits but, more importantly, foster long-term value. As an organization on its evolutionary path, operating in a country that is also evolving up the socio-economic ranks, we genuinely believe that there are no quick-fix solutions or magic bullets to win customers. Rather, we are of the opinion that progressive and ongoing interactions with our customers helping them understand the concept of and benefits from insurance and organising sustained campaigns on the subject can help us win customer trust and respect over the long term. With a view to unleash the potential of our Company over the long-term, we are preparing today in terms of:

- Educating our resources that we are present for the long haul and therefore decisions and judgments must be taken keeping this perspective in mind

- Constantly aligning our processes so that they are more responsive and more customer-facing; a constant and unwavering focus on our processes has not only helped us serve customer interests with speed but also with sensitivity and empathy

- Strengthening the value proposition of our enterprise as a whole as we bring the full value of our Company to service customer claims and even advising him on embracing best business practices and, in doing so, strengthening loyalty among them and creating deepening relationships that help us ensure our long-term security and business viability

Our strategic direction

It is our unambiguous intent to provide insurance for all. This broad directional call has not only reoriented our manpower to rise to the occasion, especially when insurance penetration in the country is under 1%, but has also geared-up our Company as a whole to face challenges with confidence and work around obstacles with determination. Such a challenging and stimulating work environment also keeps our staff motivated while compelling them to find creative solutions.

Our short, medium and long term objectives

We intend to focus on achieving our strategic goal of providing insurance for all through the following:

- **Short term:**
  - Leveraging innovation in an emphasis on creating newer products for newer markets and newer customer profiles
  - Widening the scope of our existing products through ongoing sales-force training

- **Medium term:**
  - Associating with governmental bodies to not only align with their plans but also leverage complementariness and synergies to drive sustainable growth
  - Increasingly forging joint efforts with international institutions that have an emerging-market focus in terms of providing capital/ideas for growth and sustainable development

- **Long term:**
  - Standing by our customers in the event of large claims, which will, in turn, not only highlight the genuine backup protection that insurance can provide but also demonstrate our long-range focus on providing customer security and well-being
  - Develop products and solutions that progressively and eventually emerge as holistic customer empowerment platforms

Reinforcing our capacities towards achieving our strategic objectives

Newer risks are emerging every day. For instance, with more unpredictable and severe weather patterns, threat of natural calamities is on the rise. Besides, with increasing digitalization, cyber frauds are on the rise. Interestingly, with the advent of self-driving cars, motor insurance, as a product, will have to be completely rethought. Additionally, increasing life expectancy, growing incidence of lifestyle-related diseases and rising healthcare costs are coming together to ensure that insurance emerges as the de-facto for mitigating healthcare risks. Besides, the world also faces increasing Geo-political risks with rising social inequity, change in leadership across a major world power, economic slowdown and the general dissent fomenting against authoritarian powers. With the identification of newer risks, newer insurance platforms will have to be developed and it is in this context that we see an opportunity.

At our Company, with a view to not only correct the significant mismatch in terms of insurance coverage and population base in Bangladesh but also to launch newer products in the face of rising threat levels and identification of newer risks, we are focusing on two principal initiatives:

- Reinforcing our human resource capabilities so that they are able to face the future with certainty by genuinely advocating the embedded benefits of insurance

- Strengthening our infrastructural and distribution capabilities to enhance our delivery mechanisms towards reaching out to a wider number of customers at lower costs; even as we focus on cost optimization, we foresee passing on these cost benefits to our clients, thereby enhancing our competitiveness and solidity in a competitive landscape

- Increasing liaison with governmental authorities and enhancing our participation across industry forums and insurance support groups

Our resource allocation plans

Operating in a manpower-intensive business and that too with a talent pool that is either not interested in pursuing insurance as a long-term career option or not up-to-date in terms of knowledge or practices, we believe that we need to genuinely develop a talent pool that can be future torchbearers of the industry. A motivated and energized talent pool will also be a genuine asset for us as we pursue our goals for the future.

In this context, as a long-term initiative to secure the future talent pool as well as equip it with exposure to cutting-edge global practices, we established Professional Advancement Bangladesh Limited that is perhaps the first dedicated professional institute for insurance professionals. We hope to secure our future employees from this large and quality talent pool that will require little re-training even as they can literally hit the ground running.

Besides, with increasing pronominalization of the Bangladeshi insurance industry, we also hope to progressively invite global talent to add value to the insurance industry of a developing economy. In addition, we also hope to provide extensive training to our senior management teams, thereby reinforcing internal succession planning as well as catering to their aspirations for growth and advancement.

Measuring achievements and target outcomes and future-preparedness

At Green Delta Insurance, as we prepare for the

unfolding opportunities of tomorrow, we are focused on enhancing our capacities, expanding our capabilities and widening our footprint in our quest for insurance inclusion. Some of the core drivers of our growth, and their brief description of how they will facilitate this growth, are indicated below:

- Financial – Our principal and most fundamental growth driver is our ability to access cost-competitive capital
  - At our Company, our core capital is represented by the premium collected from our clients in-lieu of the cover provided to them
  - The growth of this capital organically is critical in terms of tapping newer customer segments and bringing a larger number of customers under our insurance fold
  - The growth of this capital inorganically is our focus area as we embrace a dynamic asset allocation strategy that is anchored on generating industry-leading returns while at the same time protecting the security of this capital at all times
  - An understanding of our treasury management practices and outcomes is also mentioned in the section on key performance indicators (KPIs) mentioned elsewhere in this report
  - A appraisal of our annual financial statements that are a part of this report can also yield better understanding of our financial policies and practices
  - One of the broad ways in which we manage risks on our financial capital is through pursuing both organic and inorganic growth while ensuring that we have enough liquidity to not only meet but also exceed statutory requirements
- Intellectual – As a services business, our core competency is derived from providing our clients with knowledge-driven products and solutions, which represents our competitive edge
  - As an insurance brand of repute, we enjoy strong and continuous goodwill on the back of our time-tested insurance practices; we will always strive to live up to the high expectations that we demand of ourselves and conduct our business in a way that puts the interest of customers at the forefront
  - We have demonstrated continuous service excellence that has emerged as our edge, thanks to our robust actuary and claims management practices, guided by our employees who enjoy strong relationships with our customers
  - We enrich our customer excellence standards by leveraging technology to not only service requirements with speed but also with accuracy, thereby enhancing customer stickiness and loyalty
  - We are strongly cognizant of our reputation in the market and fiercely protect it through structured practices that comes under the ambit of managing reputation risks
  - Not taking our license to operate for granted, we comply with all regulatory strictures and protocols in both letter and spirit; in fact, we have internalized the culture of compliance across our organization
  - We manage risk on our intellectual capital through constant updates disseminated to our workforce as well as sharing best practices while encouraging collaboration to meet aspirations and goals
- Human – Our human capital is the most important resource in our line of business. We value our human capital and nurture it by providing world-class training and constant exposure to industry best practices
  - Our focused leadership team provides the broad direction while assessing results and outcomes on a continual basis
  - Employees are the engine room for value creation. They are the catalysts that enable us to achieve our objectives by crystallizing the outcomes required through the strategies developed by the leadership
  - As such, it is our high priority to recruit, retain and develop the right employees in a way that supports our objectives
  - Besides, a holistic talent management framework is employed to enable professional development and promotion from entry level right through to senior level
  - Our human resource productivity metric is

described in the chapter on KPIs, elsewhere in this report
- We mitigate our human resource risks by attracting and retaining quality talent through defining career pathways, through linking remuneration with performance and ensuring that it is as per industry benchmarks and by providing incentives that go beyond statutory obligations; most importantly, we provide our employees with a challenging and stimulating work environment

- Social – Our communities which we serve provide us with the license to operate our business and we are always cognizant of this responsibility

  - We have high levels of stakeholder engagement that not only helps us report our activities and initiatives on an ongoing basis but also helps us to understand the grassroots better
  - Through our association with two of the most passionately followed sports in this part of the hemisphere – cricket and hockey, we not only provide encouragement to budding talent but also leverage this platform to widen our brand visibility
  - With the increasing threat to cities as has been witnessed the world over, we are working with law-enforcement agencies in the city to strengthen surveillance and policing infrastructure
  - We earmark a percentage of our profits as our corporate social responsibility (CSR) investments and extensive engagement with our communities has helped us improve our social capital

Aligned with our focus on ensuring future-preparedness, we possess a strong and broad risk framework that not only enables us to proactively identify systemic risks and take corrective measures but also control our risk appetite in the pursuit of new business while setting limits as well. Overall, this ensures that we not only provide our customers with cutting-edge risk management solutions but also foster an organization that is risk aware.

Our core differentiators that powers our competitive advantage

Insurance is in our DNA. And with a focus on empowering our countrymen through insurance, we have launched/ embraced a number of initiatives that are our core differentiators as well as competitive advantages:

- We take innovation seriously; the ability to innovate has not only widened the gap between us and our competitors but has also enabled us to develop genuinely valuable products to our clients

- As a peoples' business, our human resources and our intellectual capital is what differentiates us from the others. We invest in enriching the quality of our human resources so much so that they emerge as engines of growth

- As a business focused on sustainability, we possess some high-impact CSR activities that create value for the beneficiaries. We also take our environment responsibility seriously and advocate optimizing the use of water, electricity and paper, among others, across our offices and branches

The coming together of these key differentiators has enabled us to strengthen the viability of our business.

Key features and findings of stakeholder engagement

Continued engagement ensures that Green Delta Insurance remains relevant in the market and to the society as a whole. All effort is made to understand and address the expectations of stakeholders to facilitate the development of enduring relationships. It is obvious that all stakeholder groups have an interest in the creation of sustainable value.

Securing our growth potential

At Green Delta Insurance, our tried, tested and trusted governance frameworks has enabled us to comply with the highest regulatory mandates, allowed us to prevent systemic shocks and empowered us to engage in insurance advocacy, which has collectively ensured that we tie-in and secure our growth prospects.



AMAR STOCK

4.1 Disclosures Regarding Board Structure and Processes

Corporate governance is a set of processes, customs, policies, laws and institutions affecting the way a corporation (or company) is directed, administered or controlled. Corporate governance also includes the relationships among the many stakeholders involved and the goals for which the corporation is governed. The principal stakeholders are the shareholders, management and the Board of Directors. Other stakeholders include employees, customers, creditors, suppliers, regulators and the community at large. The positive effect of corporate governance on different stakeholders ultimately is a strengthened economy, and hence good corporate governance is a tool for socioeconomic development.

The insurance industry is confronted with certain unique problems in applying governance principles. Any governance principles adopted by the insurance industry should be flexible enough to take into account the variety of insurers within its purview having the right "tone at the top" is one of the most important factors in ensuring the corporate governance. The right "tone at the top" will establish the ethical culture of the corporation and permeate the corporation's relationships with employees, the business community and regulators.

Following are some of the standardized best practices of Corporate Governance:

- The Board of Directors should participate increasing the right "tone at the top" and oversee how it is being communicated to all employees and constituents of the corporation.
- It is best practice for a board to have the following committees:
  - Audit Committee,
  - Executive Committee,
  - Nomination/Remuneration/ Compensation Committee, and
  - Corporate Governance Committee.

Each committee may formally establish a charter that specialties its responsibilities and the manner and frequency of meeting and reporting to the Board of Directors.

- There is no "one size fits all" template for board structures. When appropriate, smaller boards may opt to always meet as the full board with break-out sessions for independent directors to perform committee-type functions.
- Adoption and implementation of a code of ethics is one of the most common practices in corporate governance. It is increasingly expected that all companies will have a code of ethics in place to ensure that employees conduct themselves in a fair and ethical manner. Topics commonly addressed in a code of ethics are as follows:
  - Conflict of interest;
  - Corporate opportunities;
  - Confidentiality;
  - Fair dealing;
  - Protection and proper use of company assets;
  - Compliance with laws, rules and regulations; and
  - Encouraging the reporting of any illegal or unethical behavior.

Disclosure on Company's Policy on Appointment of Directors

Green Delta always complies with the instruction/ guidance of the regulatory authorities regarding Appointment of Directors, it does not have its own policy on appointment of directors. IDRA's circulars, BSEC notification, the Insurance Act2010 and the Companies Act1994 are strictly followed in this regard. In order to be a member of the Board, a Director other than a Public Director must maintain at least two percent of the outstanding shares of the company. The Independent Directors are exempted from such requirements. However, Appointment of Directors is subject to approval of IDRA.

Adequate Representation of Non-executive Directors on the Board and Disclosure/ Affirmation of the Board on independence of such directors

As per the Companies Act 1994, non-executive directors are subject to retirement. At least one-third of the Directors shall retire by rotation in every

AGM. The Managing Director is elected / appointed for a period of three years subject to the approval of IDRA and five years as per the Companies Act 1994 subject to approval of shareholders. The office of the Managing Director is not subject to retirement by rotation. The term of an Independent Director is three years and may be lengthened by another term of three years.All directors are financially literate and some of them are from Financial Management background, which shows that GDIC has an enriched Board of Directors.

Inclusion of at least one independent director on the board and disclosure/affirmation of the board on such directors' independence

All Directors on the Board except the Managing Director are non-executive directors including three independent directors appointed by the Board and approved by the shareholders in the AGM. Insurance Development and Regulatory Authority has also approved their appointment.

Independent Director

AsperBSECCircularNo.SEC/CMRRCD/2006-158/134/Admin/44, dated August 07, 2012, the elected directors of the Board of GDIC nominates three independent directors in the Board of Directors so that the Board contains core skills considered appropriate in the framework of the company. In order for a Director to be eligible as an Independent Director, the Board constructively establishes that the Director has no substantial relationship with GDIC either as a partner, shareholder or officer of an organization that has a relationship with GDIC that would prevent that nominee from becoming an Independent Director. For the purpose of such determination, the Directors consider that the Independent Director does not hold any share of the Company; is not associated with the Company's Promoters or Directors or Shareholders who maintains one percent or more than one percent shares of the total paid up shares of the Company or on the basis of family relationship; does not have any other relationship, whether monetary or otherwise,with the company or its subsidiary/ associate companies; is not a member, director or officer of any Stock Exchange and is not a shareholder, director or officer of any intermediary of the capital market. The Independent Director is engaged for a period of three years which may be extended by one term only. A person cannot be appointed as Independent Director who has already been appointed as an Independent Director of three listed companies

Chairman and CEO

The positions of the Chairman of the Board of Directors and CEO are filled by different individuals and this has been in practice from the inception of GDIC. This also complies with Section 1.4 of the BSEC's notification on Corporate Governance Guidelines.

Responsibilities of the Chairman of the Board appropriately defined and disclosed

The duties of the Chairman, which is of non-executive-role, arise from his senior most position in the Company and his responsibility for presiding over the official business of the Company and the Board.

A. While working with the Board, the Chairman shall:

(i) ensure that the Board has full governance of the Company's business and affairs and that the Board is alert to its obligations to the Company, shareholders, Management, other stakeholders and under the law;

(ii) set the agenda for discussion at Board Meetings and General Meetings and ensure that adequate time is available for discussion of agenda items;

(iii) set the frequency of the Board meetings and review such frequency from time to time as considered appropriate or as requested by the Board;

(iv) chair all Board meetings and manage the business of the Board ensuring that the Board adopts a prompt and constructive approach to making decisions;

(v) provide strong leadership of the Board and assist it in reviewing and monitoring the aims, strategy, policy and directions of the Company;

(vi) communicate with the Board to keep it up-to-date on all major developments, including avoiding surprises through timely discussion of potential developments and ensuring the Board has sufficient knowledge to permit it to comfortably and properly make major decisions when such decisions are required;

(vii) recommend the committees of the Board and their composition, review the need for and the performance and suitability of those committees, and make such adjustments as are deemed necessary from time to time;

(viii) be entitled to attend all committee meetings;

(ix) ensure that Board and committee meetings

are conducted in an efficient, effective and focused manner;

(x) ensure that the corporate governance of the company is maintained in line with appropriate practice policies agreed by the Board;

(xi) annually review Board governance and performance of the Board (leading the process for the Board's annual performance evaluation and the evaluation of its committees and individual directors and acting on the results of such evaluation by recognizing the strengths and weaknesses of the Board);

(xii) be the contact person for the expression of individual director concerns;

(xiii) foster a culture of openness and engagement by facilitating the effective contribution of all directors, in particular non-executive directors and ensuring constructive relations between executive and non executive directors;

(xiv) ensure that new directors participate in a full, formal and tailored induction program and that the development needs of the directors and the Board as a whole are identified and are met to enhance the effectiveness of the Board; and

(xv) be available to assist committee chairs in carrying out their responsibilities and in addressing their concerns.

B. While working with the Management, the Chairman shall:

(i) act as the principal of the board and counselor for the CEO, including helping to define problems, review strategy, maintain accountability, build relationships, and ensure the CEO is aware of concerns of the Board, shareholders and other stakeholders;

(ii) keep under review with the Board the general progress and long-term development of the company and ensuring that effective strategic planning for the company is undertaken by the CEO and endorsed by the Board after discussion, consistent with creating shareholder value and promoting the long term success of the company for the benefit of its members as a whole;

(iii) ensure the submission to the Board by the CEO of objectives, policies and strategies for the company, including the company business plan and the annual budget;

(iv) monitor progress towards timely and effective achievement and implementation of the objectives, policies and strategies set by the Board and ensure that appropriate decisions are taken promptly by or on behalf of the Board;

(v) lead the Board in:
  (a) formally appraising, monitoring and evaluating the performance of the CEO and make appropriate recommendations to the remuneration committee;
  (b) ensuring accountability of the CEO;
  (c) ensuring the implementation of the succession and development plans by the CEO; and
  (d) as appropriate, review with the CEO his recommendations on performance and remuneration of executive directors and/or senior executives;

(vi) work with the CEO and Company Secretary to coordinate the agenda, information packages and related events for Board meetings.

(vi) ensure that there is appropriate delegation of authority from the Board to Executive Management;

(vii) provide advice to the CEO on the allocation of duties to individual directors and assignment of ad hoc responsibilities or special tasks to directors or groups of directors;

C. Recognizing the CEO as the primary spokesperson, the Chairman shall:

(i) chair all meetings of shareholders;

(ii) undertake public service as agreed with the CEO in connection with the Company's charitable, educational and cultural activities;

(iii) participate with CEO, as appropriate, in corporate relations, including relations with the shareholders, customers, government, other companies, the media and stakeholders generally; and

(iv) hold meetings with the non-executive directors without the executive directors being present.

Existence of a scheme for annual appraisal of the boards performance and disclosure of the same

Being the representative of the shareholders, the Board is responsible to the shareholders for the overall performance of the company along with the management. However, there is no such annual appraisal scheme for the performance of the non-executive members of the Board. The non-executive Directors of the Board will only get fees for attending Board and Committee Meetings as prescribed by the regulatory authorities.

Disclosure of policy on annual evaluation of the CEO by the Board

Since the CEO is responsible for daily operation of the Company, the annual performance of the CEO is measured through following key performance indicators:

- Meeting the annual budgetary targets of the Company as approved by the Board;
- Maximizing the shareholders value through achieving desired Return on Asset (ROA), Return on Investments (ROI) and Return on Equity (ROE) as set by the Board;
- Enhancing the Earnings Per Share (EPS) to a competitive level in the industry;
- Sustainable growth of investment and revenue for the Company as set by the Board;
- Gradual reduction of cost to income ratio of the Company; and
- Gradual reduction of the non-performing asset (NPA), etc.

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 board performance

The Board makes arrangements for the Directors to make themselves fully aware of the banking laws and other related rules and regulations for performing their duties properly. This policy on training of Directors includes providing training and updated information on all the latest policy guidelines, circulars and laws issued by the regulatory/legislative authorities. Sometimes special discussion sessions are arranged with the experts. Also the Directors attend programs organized by various professional bodies at home and abroad on technical, professional and corporate governance issues.

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

Two Directors on the Board of the company are Chartered Accountants. They are well conversant in the field of accounting and finance to provide guidance in the matters applicable to accounting and auditing standards to ensure reliable financial reporting. Other Directors are also well conversant in the field of business, administration and professional areas.

Disclosure of number of meetings of the board and participation of each director (atleast four meetings are required to be held)

The Directors meet frequently in order to ensure smooth operation of the company. During the year 2016, the company conducted 13 Board Meetings while more than one in each quarter.

Directors issue a report on compliance with best practice on Corporate Governance that is reviewed by the external auditors

The Directors issue an annual report on compliance with the best practices on Corporate Governance. Such report is reviewed by a Practicing Chartered Secretary who issues a Certificate on Compliance Corporate Governance Guidelines of BSEC.

Disclosure regarding Code of Conduct for Directors and Senior Management

The Board of Directors has laid down Code of Conduct for all Directors and also for the Senior Management. Each Director affirms that he/she has carefully read the Code and reports annually that he/she has complied with the same. The Board also confirms that the Senior Management complies with the Code of Conduct as applicable for them.

Disclosure regarding Background and Role of Company Secretary

As per the Companies Act 1994, "SECRETARY means any individual possessing the prescribed qualifications appointed to perform the duties which may be performed by a secretary under this Act and any other ministerial or administrative duties". Accordingly, the Board of Directors ensures the appointment / continuation of appointment of an experienced senior individual competent for performing the ministerial and administrative duties as the Company Secretary. The Company Secretary is the secretary to the Audit Committee and also of all the important committees and sub-committees. The Company Secretary truly performs his duties and responsibilities as per the requirements of applicable laws. In addition to the Company Secretary, an individual having professional qualification of chartered secretary has been working as Deputy Company Secretary.

4.2 Committees of Board and Management

Committees of Board
The Board of Directors of GDICL formed two sub-Committees of the Board:

- **Audit Committee**
- **Executive Committee**

All other committees of GDICL are formed under the jurisdiction of the management and Regulatory Authority.

Audit Committee:

SN	Name	Status
01.	Abdul Hafiz Choudhury	Chairman
02.	Marufa Anwar	Member
03.	Razia Rahman	Member
04.	Arif A. Choudhury	Member
05.	Mesbah Dilwar Rahman	Member
06.	Md. Abdul Karim	Member
07.	Iqbal Khan (Jamal)	Member
08.	Nasir A. Choudhury	Advisor
09.	Farzana Chowdhury	Managing Director and CEO as Ex-Officio

The committee is empowered, among other things, to examine any matter relating to the financial affairs of the company and to review all audit and inspection reports, internal control systems and procedures, accounting policies and adherence to compliance requirements, among others.

Executive Committee:

SN	Name	Status
01.	Dilruba Chowdhury	Chairperson
02.	A Q M Nurul Absar	Member
03.	Kamran Idris Chowdhury	Member
04.	Khurshida Chowdhury	Member
05.	Shamsun Nahar Begum Chowdhury	Member
06.	Asif Ahmed Choudhury	Member
07.	Nurul Hussain Khan	Member
08	Steve Murphy	Member
09.	Nasir A. Choudhury	Advisor
10.	Farzana Chowdhury	Managing Director and CEO as Ex-Officio

The matter related to ordinary business operations of the company and the matters that the Board of Directors authorizes from time to time are vested on this committee:

SMARTSTOCK

Committees of Management

Management Committee (ManCom)

Farzana Chowdhury ACII (UK)	Managing Director & CEO
Nasir A. Choudhury	Advisor
A.S.A. Muiz	Senior Consultant
Golam Mustafa	Addl. Managing Director (R/I,Claims)
A.K.M Iftekhar Ahmad	Consultant
NazimTazik Chowdhury	Addl. Managing Director (HR & CFO)
Syed Moinuddin Ahmed	Addl. Managing Director & Company Secretary
Mr. Syed Kaiser Ahmed	Deputy Managing Director (Mkt.)
T.H. Forhad	Deputy Managing Director
Wafi Shafique Menhaz Khan	CEO - GDSL
Rafiqul Islam	Managing Director & CEO -GDCL
Nazrul Islam	Deputy Managing Director (UMD)
Kabir Ahmed Chowdhury	Sr. Executive Director & Head of Audit and Compliance
Md. Mahfuzur Rahman Siddique	Director (Admn& PR)
Papia Rahman, ACII (UK)	Executive Director (GDIC) and In charge of PABL

Etiquette Committee

Farzana Chowdhury	Managing Director and CEO
Nasir A. Choudhury	Advisor
A S A Muiz	Senior Consultant
Golam Mustofa	Senior Additional Managing Director
Nazim Tazik Chowdhury	Additional Managing Director
Syed Moinuddin Ahmed	Additional Managing Director and Company Secretary

Investment Committee

Farzana Choudhury	Chairperson
Syed Moinuddin Ahmed	Secretary
NazimTazik Chowdhury	Member
T H Forhad	Member
WafiShafiqMenhaz Khan	Member
Md. Rafiqul Islam	Member
Syed Jahangir Azam	Observer
Md. Warech Miah	Observer
Enayet Karim Parvez	Observer
Chinmoy Chakrabarty	Observer
Md. Oliullah Khan ACS	Observer

Claim Assessment Committee

Farzana Chowdhury	Chairperson
Nasir A. Choudhury	Member
GolamMustofa	Member
Nazrul Islam	Member

Purchase and Procurement Committee

Nazim Tazik Chowdhury	Convener
Syed Moinuddin Ahmed	Member
Wafi S. M. Khan	Member
Md. Mahfuzur Rahman Siddique	Member
Kabir Ahmed Chowdhury	Member
Al-Mamun	Member
Representative of the respective Department/Branch	Member
Jalal Ahmed	Member Secretary

4.3 Internal Control System and Internal Audit

4.3.1 Internal Control System

Internal Control is a process for assuring achievement of an organization's objectives in operational effectiveness and efficiency, reliable financial reporting, and compliance with laws, regulations and policies.

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 an organization does have valuable contribution towards improving the effectiveness of its systems of internal control.

Key Features of Internal Control System

- Monitoring activities and correcting deficiencies
- Risk recognition and assessment
- Management oversight and control culture
- Control activities and segregation of duties
- Information and communication

4.3.2 Internal Audit

An internal audit is the examination, monitoring and analysis of activities related to a company's operations, including its business structure, employee behavior and information systems. The main objectives of the Internal Audit are:

- To safeguard assets.
- To ensure that the company's aims and objectives can be met.
- To ensure adherence to management policies and directives.
- To ensure the relevance, reliability and integrity of information, so ensuring as far as possible the completeness and accuracy of records.
- To ensure compliance with statutory requirements.

Why & How Internal Audit Works

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.



All assurance mechanisms are important; co-ordination of the various assurance activities will provide a holistic assurance environment. Internal audit features prominently in that assurance environment which can play an important role to

improve management and accountability for both financial and non–financial organization.

Internal Audit at GDIC

The Internal Audit Division of the company 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. The company has appointed a qualified individual as the Head of Internal Audit Division with the responsibilities of leading the internal audit and internal control activities.

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 biggest strength of Internal Audit Team is independence of work. The team can report any risk management issues and internal controls deficiencies identified directly to the management and audit committee and provide recommendations for improving the organization's operations, in terms of both efficient and effective performance.

Currently the audit team of GDIC consists of 12 members headed by Mr. Kabir Chowdhury who has vast experience in internal audit and internal control. Proactive members of internal audit are ready to take challenges and committed to bring innovation in the work places. Current audit team got a combination of prudent and experienced personnel as well as young and energetic personnel. This diversified team is bringing out new initiative and ideas for the betterment of the company on the basis of the experience, knowledge and understanding.

Strategic Plan

Internal Audit Team of GDIC believes that to remain relevant, insightful, forward looking and creating value. The team must adapt to changing expectations and maintain alignment with organizational objectives. Our internal audit strategy is fundamental to remaining relevant and playing an important role in achieving a balance between cost and value, while making meaningful contributions to the organization's overall governance, risk management, and internal controls.

At a Glance Year 2016

Internal Audit Team conducts audit in accordance with Bangladesh Standards on Auditing (BSA) and regulation, guideline policies of Insurance Development & Regulatory Authority (IDRA), those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement and complying with the set rules and policies.

The audit team performs the following duties on a regular basis:

- Checking and verification of all payment vouchers
- Checking and verification of all post payment vouchers
- Petty cash audit (Monthly)
- Checking premium reconciliation statement (monthly)
- Checking insurance stamp after each purchase

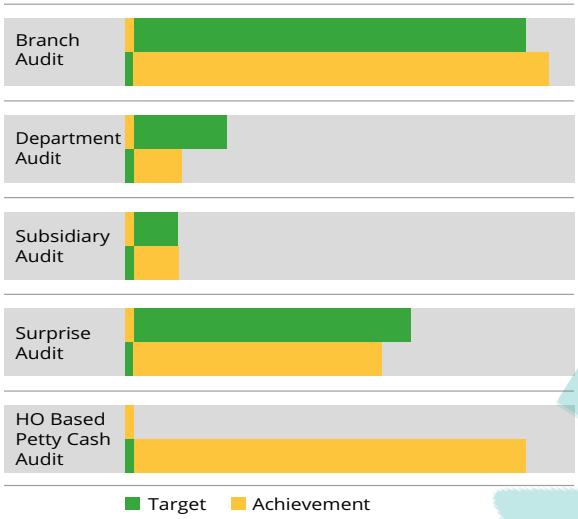
During the year 2016 internal audit team has executed inclusive audit of 30 (thirty) branches and reports with recommendations have been submitted to the top management and audit committee for their consideration. As a part of annual audit plan the internal audit team audited head office based departments and subsidiaries as per following:

- Finance & Accounts Department (Cheque Payment Audit)
- Underwriting Management Department
- HR Department
- Green Delta Securities Limited. (GDSL)
- Professional Advancement Bangladesh Ltd. (PABL)
- GD Assist Ltd. (GDAL)

Besides, the audit team has conducted surprise audit and special audit of various branches,

departments regarding functional and operational activities as per standing instruction of the management. During the year the team conducted surprise audit of 12 (twelve) branches (including twice for few branches) and a total number of 07 (seven) special audit conducted on various issues. The audit team also performed Head Office based petty cash audit of 28 (twenty eight) branches as a part of follow up issue.

Year 2016- Statistical Highlights



4.3.3 AUDIT COMMITTEE

There is an Audit Committee composed of the members who are directors of the company appointed by the Board of Directors. The Board of Directors has selected one member, who is an independent director, as the Chairman of the Audit Committee. The Company Secretary acts as the Secretary of the Audit Committee.

Head of Internal Audit's Access in the Audit Committee

The Head of Internal Audit persistently has access to the Audit Committee and can raise his concerns whenever required.

Audit Committee's review to ensure that internal controls are well conceived, properly administered and satisfactorily monitored

The Audit Committee ensures that internal controls are well conceived, properly administered and satisfactorily monitored. It reviews the report submitted by the Internal Audit Division and provides feedback on the lapses found. The Audit Committee also guides the Internal Audit Division on how to properly monitor internal control and ensure that internal controls are being correctly managed throughout the company and maintaining a good supervising system within the company.

Audit Committee's role in ensuring compliance with Laws, Regulations and timely settlements of statutory dues

The Audit Committee supervises and guarantees the Board that the company obeys all the applicable laws, rules and regulations of various regulatory authorities. There are several regulatory authorities like Insurance Development and Regulatory Authority (IDRA) and Bangladesh Securities and Exchange Commission (BSEC).Green Delta being a part of the insurance industry in Bangladesh is obliged to act in accordance with applicable laws and regulations. The Audit Committee takes all measures to ensure that GDIC complies with all laws and regulations and that all statutory dues are being settled timely.

Audit Committee's involvement in selection of appropriate accounting policies that are in line with applicable accounting standards and annual review The Audit Committee supports the Board of Directors in certifying that the financial statements reflect a true and fair view of the company. The Audit Committee decides whether appropriate accounting policies have been selected and they are in line with the accounting standards as applicable in Bangladesh and adopted by the ICAB and Bangladesh Securities and Exchange Commission. The Audit Committee annually reviews the implementation of appropriate accounting policies and applicable accounting standards and reports to the Board accordingly.

Audit Committee's involvement in the review annual and interim financial releases and recommending to the Board of Directors

GDIC's Audit Committee always reviews / appraises the interim and annual financial releases whether audited or unaudited and prior to placing them before the Board for approval. The Audit Committee assesses the interim and annual financial statements, alongside with management,

before proposing to the Board for consideration / approval. The Audit Committee ensures that they reflect a true and fair view of the company, and analyses the financial for any discrepancies.

Audit Committee's role to ensure reliability of management information used for computation in the financial

The Audit Committee ensures that the management information used for computation in the financial is true and fair. In order to ensure reliability of the information, the Audit Committee always has an extensive discussion with management regarding the issues of the financial statements and the issues that are found material and makes sure that management has a proper response to their queries. Through meetings with management the Audit Committee tries to understand the reliability of the information used for computation in the financial.

Directors' role to establish appropriate system of internal controls

The Board of Directors of Green Delta seeks to establish appropriate systems of internal control. The Board of Directors always promotes a sound and strong internal control system inside the company, and has no consideration for 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.

Directors' role to review the adequacy of the system of internal controls

The Board of Directors 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. The committee reviews the corrective measures taken by the management relating to fraud-forgery and deficiencies in internal control. The Committee performs all oversight functions in relation to Internal Control System of the company and reports to the Board of Directors on a timely basis. In this way, the Directors review the adequacy of the system of internal controls.

Dissemination of the statement of ethics and business practices to all directors and employees and their acknowledgment of the same

Green Delta has in place a Code of ethics and Business Conduct applicable for all employees. The code is communicated to every employee in the induction training upon joining GDIC. The Board and the Management confirms that the ethics and business principles are in practice within the company.

4.3.4 Aiming at Beyond the Controls

Internal control plays a critical role in protecting assets and resources and processing and reporting timely in all aspects of financial information. However, GDIC's internal audit team believes that internal audit activities shouldn't stop with internal controls. Setting this thought the team wants to 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 GDIC will create an example of culture of safety, transparency, efficiency and effectiveness.

4.4 Audit Committee

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. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012]. 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 3 of the said guidelines, "every listed company shall have an Audit Committee as a sub-committee of the Board of Directors and the duties of the Audit Committee shall be clearly set forth in writing". In view of the above, the Board of Directors of Green Delta Insurance Company Limited approved the Terms of Reference (TOR) for the Audit Committee.

Appointment and Composition of the Audit Committee

1. The Audit Committee of Green Delta is composed of 7 (seven) members who are directors of the company appointed by the Board of Directors. Qualification of the members of the Audit Committee conforms to the requirements of the Corporate Governance Guidelines issued by BSEC.
2. The Board of Directors has selected one member, who is an independent director, as the Chairman of the Audit Committee.
3. The company secretary acts as the Secretary of the Audit Committee.

The Audit Committee Chairman is an Independent Director and professionally qualified

The Audit Committee Chairman is an Independent Non-Executive Director and professionally qualified. He is an experienced individual, competent to qualify to be the Chairman of Audit Committee and duly approved by IDRA.

More than two thirds of the members are Non-Executive Directors and all members of the audit committee are suitably qualified and at least one member to have expert knowledge of Finance and Accounting

More than two thirds of the members of the Audit Committee of Green Delta are non-executive directors and are very well qualified and have vast experience in the insurance/financial organization and various other sectors. They are also very competent in respect of education and come from a variety of educational backgrounds, which brings diversity in the committee. GDIC ensures having in the Audit Committee at least one director who has extensive knowledge in Finance and Accounting.

Terms of Reference (TOR) and empowerment to investigate employees

The Board of Directors of Green Delta has laid down terms of reference (TOR) for the Audit Committee so that it could function effectively and smoothly. The TOR is created to define the roles and responsibilities of the Audit Committee. The Committee has also been empowered to investigate/question employees and retain external counsel when required.

Head of Internal Audit's Access in the Audit Committee

The Head of Internal Audit persistently has access to the Audit Committee and can raise his concerns whenever required.

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.

Review of Performance of the Audit Committee

- The Audit Committee, at least once a year, considers 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 reviews the performance of the Audit Committee and gives any suggestion(s) for enhancing its effectiveness.

Statement of Audit Committee's involvement in the Review of the External Audit Function

The Audit Committee analyses the audited financial statements with management and the external auditors to ensure that the Company's Financial Statements are objectively presented in compliance with the relevant Bangladesh Financial Reporting Standards (BFRS), International Financial Reporting Standards (IFRS) and Bangladesh Accounting Standards (BAS) in all substantial aspects, based on its review and consultations with management and external auditors.

The Audit Committee has moderate roles regarding the external audit functions:

1. To ensure effective coordination of external audit function
2. To ensure independence of external audit function
3. To review the external auditors' findings in order to be satisfied that appropriate action is being taken
4. To review and approve non-audit work assigned to the external auditor and ensure that such work does not compromise the independence of the external auditor
5. To recommend external auditor for appointment/ reappointment

4.5 Remuneration Committee

A Remuneration Committee is a standing committee of the Board of Directors formating recommendations regarding remuneration policy for executive directors and senior management of the company. It assists the Board of Directors in monitoring level and structure of remuneration of the senior management of the company.

Formation of a Remuneration Committee is not mandatory under Corporate Governance Guidelines, however, as per Bangladesh Securities and Exchange Commission (Public Issue) Rules 2015, companies intending to be listed with any stock exchange in Bangladesh are required to make "Disclosure relating to Corporate Governance" which shall contain, among others, details of the issuer's remuneration committee including a summary of the terms of reference under which the committee operates.

In order to ensure proper corporate governance GDICL is in the process of constituting a Remuneration Committee for the following Roles and Responsibilities:

i. To oversee the preparation and maintenance of a remuneration philosophy and policy to promote performance culture

ii. To monitor the remuneration structure and levels of Top Executives, Senior Managers and all other Officers

iii. To review the effectiveness of remuneration policy to ensure that whether the Board's set objectives and expectations are being met

iv. To ensure that the structure and mix of fixed and variable pay and other elements are in alignment with the overall business objectives

v. To guide and provide proper directives to HRD during preparation and review of any policy or process related to compensation and benefits

vi. T review the annual salary increment for all employees

vii. To ensure that all benefits, including retirement benefits and other financial arrangements are justified, appropriately valued and promoting performance based reward & recognition

Key Policies with regard to Remuneration of Directors, Senior Management and Employees

In absence of Remuneration Committee the Board of Directors and Senior Management from time to time evaluate the remuneration and level of employees, Directors and others and decide on these issues as per the company's remuneration policy. The overall objective of the company's remuneration policy is to establish a framework for attracting, retaining and motivating employees, and creating incentives for delivering long-term performance within established risk limits. Accordingly, performance of each incumbent is judged, not on what is achieved, but also on how it is achieved as well as alignment to company's value.

The quality and commitment of our human capital is fundamental of company's success and protecting general shareholders' interest. The overall objective of the company's remuneration policy is to establish framework for attracting, retaining and motivating employees, and crating incentives for delivering long-term performance within established risk limits. Performance is judged, not on what is achieved, but also on how it is achieved as well as alignment to company's value. The Board of Directors time to time reviews and evaluates the remuneration paid to all level of employees, directors and others.

The Board of Directors and Senior Management of the company time to time evaluate the remuneration paid to level of employees, Directors and others decide on the issue. The urgency of the meeting is set as and when required.

Remuneration to Board of Directors:

For attending the Board Meeting, Audit Committee Meeting, Executive Committee Meeting, the Directors receive an honorarium of BDT 5,000.00 Each.

During 2016, the expenditures incurred related to directors were BDT 1,568,654.00 for Directors' honorarium and Directors' Traveling Expenses.

Remuneration of Managing Director and CEO

The Total remuneration of the Managing Director and CEO was paid as per Regulatory Guidelines

Remuneration of the Senior Management/ Officials

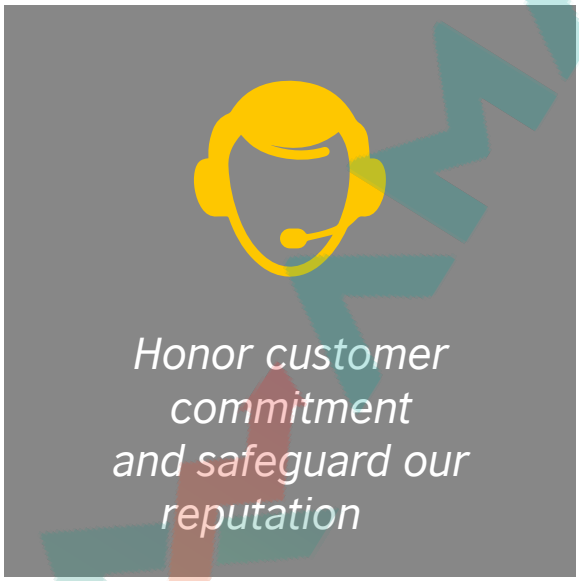
Employees in the rank of Deputy Managing Director and above are considered as the Senior Management and their all benefits are approved by the Board.

4.6.1 Risk Management Framework

Risk Management Framework – core objectives









In addition to the other information set forth in this Annual Report 2016, you should carefully consider the following factors that could materially and adversely impact our business, financial health, results of operations (including premium receipts and profitability) and/or market capitalizations.

Our business is also subject to general risks and uncertainties that may broadly affect companies, including us. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial could also materially and adversely affect/impact our operating environment, business, financial condition, results of operations and/or market capitalization reflected in our stock price.
As part of our inherent growth strategy, we intend to diversify our business, which is an ongoing effort, by entering into relationships with additional insurance carriers, insurance agents and brokerages and others. As a result, we are subject to certain growth-related risks, including the risk that we will be unable to retain our personnel or acquire other resources necessary to service such growth adequately. In addition, the integration and management of new client relationships may divert management time and focus and the development of the technology and other infrastructure necessary to service or facilitate new relationships could require substantial effort and expense.

In light of these potential events, we have structured a robust and time-tested risk management and operating framework that enables us to navigate through challenging times, steer our organization on the path of sustainability through defining our risk appetite and decentralizing our business by empowering the management to take charge of day-to-day decisions and interpretations, within the ambit of our operating framework. Besides, compliance of our risk early-warning system with the legal requirements is regularly examined independently, both by internal audit units and by the external auditors, as part of the annual audits. While we are in a position to adequately assess risk situations and possible outcomes, we have ensured that the objectives of our risk management practices are a key part of our corporate governance. It underpins our financial strength, enabling us to meet our obligations to clients and create sustained value for our shareholders. In addition, it protects our reputation and brand. Moreover, our extensive documentation, guidelines and instructions ensure that the staff in our risk management structure and the Group as a whole is kept informed of our risk strategy. This provides the basis for active as well as proactive management of the risks we incur and the foreseeable risks that we might face in the future.

Our risk governance maintains and fosters an effective risk and control culture, which encompasses all significant risk categories. It is supported by various committees. Ensuring that risk management and risk governance systems are in place and continuously enhanced at the corporate level is one of the most important tasks of the management. Our risk management team is responsible for ensuring that risk mitigation and risk governance systems are in place and continuously enhanced across our business.

At Green Delta Insurance, our business strategy essentially comprises the assumption of risk. In this context, the risk strategy, which is derived from the business strategy, defines when, where, how and to what extent we are prepared to incur risks. The further development of the risk strategy is embedded in our business plan and vision document and hence in our very business strategy. On the overall, our risk appetite, defined by the management, is reflected in our business planning and integrated into the management of our daily operations.

Our financial strength is yet another important criterion for the success of our business. In addition to our internal requirements, our objective is ensuring among the highest rating for financial strength from some of the principal agencies that rate us. Meeting this objective is a complementary parameter of our corporate management and is monitored at regular intervals. We currently assume that our financial strength, our good competitive position and our up-to-date risk management will continue to be recognized through correspondingly higher ratings.

Risk limits are derived from the risk strategy. Taking the defined risk appetite as a basis, limits, rules and any risk-reducing measures required are approved and implemented. We also have a comprehensive early-warning system that draws our attention to any potential shortages of capacity. Taking these results and the expected earnings from the business into consideration, we devise a solution that enables us to take the risk onto our books, if found appropriate. The risk management system is audited by group audit, which carries out audits of various functions in accordance with its audit plan.

4.6.2 Risk Mitigation Methodology

We determine our risk strategy by defining risk appetites for a series of risk criteria. These criteria are based on the capital and liquidity available and on our earnings target within specified volatility limits and provide a frame of reference for the Group's operations in terms of the criteria relating to the entire portfolio of risks that are designed to protect our capital and limit the likelihood of an economic loss. Of particular importance is the economic solvency ratio, which indicates the extent to which available financial resources cover economic risk capital.

Supplementary criteria are used to limit the amount of losses incurred for individual risk types and resultant accumulations such as natural hazards (floods, fires etc.), terrorism and pandemics and also to limit market, credit and liquidity risks that could endanger our Company's viability. Other criteria support our objective of preserving our reputation and protecting our future business potential. These criteria encompass limits for individual risks that, though they would not threaten our existence, could cause damage to the confidence of the stakeholders including clients, shareholders and staff, among others.

In our quest for mitigating the key risks facing our business, we constantly refine our risk measurement tools that are broadly tailored to each of the sectors of our presence, including healthcare, aviation, marine and motor insurance, among others. In addition to our sector-specific services and products, we have also uniquely segmented the demography in terms of identifying specific customer sets to offer products and services that are of most need to them. This helps bring forth the actual value of insurance in the case of an unforeseen loss and our robust risk mitigation practices not only helps such customers minimize the chance of an unforeseen loss but also protects the strength of our Balance Sheet during times of claims through prudent risk evaluation and pricing, therefore validating our risk mitigation methodologies.

Besides, our risk and governance model is based on economic principles. We regularly compare the results produced by our risk model with those of supervisory authorities, rating agencies and commercial modelling companies segmented by the field-of-business or by risk type, among others. We also regularly perform benchmarking of our risk model results and participate in industry surveys to constantly refine our risk measurement tools. This provides us with a quantitative and qualitative assessment that considers possible integration between risks in a bid to minimize the overall risk intensity on our business.

We use our risk mitigation methodology to assess our risk situation on the basis of qualitative and quantitative factors. Throughout the entire year under review, the risk situation was manageable and under control. Our tried, tested and trusted modern risk management processes combined with our deep capitalization at all times ensures Company-wide solvency and viability. In addition to the underwriting and capital market risks inherent in our business model, there are inevitably a large number of other risks to which we are exposed. The incidence of these risks is random and their occurrence probability and impact are typically difficult to estimate. Therefore, as a policy, we closely and constantly monitor our business and the environment we operate in to identify these risks in good time to take suitable measures to avert potential loss or damage.

For a quantitative assessment of the overall risk situation, we use our internal model, which follows a bottom-up approach. The risk capital requirements are calculated organization-wide on the basis of the financial year. The risk capital required for that period is derived from our risk appetite. In determining the risk capital, we examine the risk segments including:

- Underwriting
- Market
- Credit
- Operational risks

To evaluate the overall risk, we then use statistical aggregation methods that also take account of risks arising out of the different lines of business, geographies and risk types being affected by extreme events (can be classified as unforeseen 'black swan' events) at the same time.

4.6.3 Disclosure of Risk Reporting

Internal risk reporting provides the Board of Management with regular information on the risk situation, as regards both the individual risk categories and the company as a whole. Early-warning mechanisms ensure that negative trends are identified sufficiently beforehand for counter-measures to be assessed and executed. The purpose of our external risk reporting is to provide clients and shareholders with a clear line of sight of risk situation. This includes information on our risk management methods and processes, our risk governance and the individual risks to which the Company is exposed.

Our standard definition of risk is possible future developments or events or outcomes that could result in a negative deviation from our own internal assessments or targets. According to our classification, significant risks are those that could have a long-term adverse effect on the assets, liabilities, financial position and results of our Company. We have applied this definition consistently to each business unit and legal entity, taking account of its individual risk-bearing capacity. Our early identification and reporting of risks also covers emerging risks, i.e. those that change or arise as a result of legislative, socio-political, scientific or technological changes and that may have unmeasured or unknown effects on our portfolio. The degree of uncertainty as to the size of losses and the probability of occurrence is by its nature very high for these risks.

We identify trends and assess early signals in many ways, including systematic trend research, using our knowledge management systems and processes. Regular and structured discussions are also held in our emerging-risks think tank. They look at inter-connections and inter-dependencies between different risks and further consequences linked directly to emerging risks.

Besides, the growing use of information technology in the society and the economy is having serious repercussions. The rapid progress is changing our working life and social behavior and is creating new conditions for industry, trade, transport and, energy, among others. In our management and reporting of emerging risks, including those induced by climate change, we monitor these developments minutely, at the same time both devising appropriate risk-management methodologies and creating new business opportunities.

We also systematically capture and disclose risks potentially arising out of environmental, social responsibility and governance issues. The risk management group identifies and priorities especially-sensitive issues and commissions an analysis involving all relevant experts with a view to grasp on the probability of the occurrence of these events.

In accordance with the prescribed processes, our Board committees have explicitly defined the risk appetite for significant risk categories during the year under review and embraced a reporting methodology that was lucid and coherent. We determined and documented the risk appetite across the enterprise hierarchy and communicated it throughout the Group. During the whole of 2016, risk exposures were regularly quantified and compared with the risk appetite.

At our Company, we fully embrace, both in letter and spirit, the guidance as set forth by regulatory authorities. Though there is no specific risk reporting structure, as an enterprise that leads the insurance sector of Bangladesh, we remain proactive in our risk disclosure efforts, the broad contours of which include the following:

- To summarize the current guidance on insurance risk reporting and review the same on an ongoing basis.
- To consider the most suitable conceptual risk mitigation frameworks that are applicable to evaluating the quality of existing reporting practices and also defining what alternative perspectives concerning risk management, corporate governance, disclosure effectiveness and accountability could bear on the risk reporting environment
- To report prevalent trends in the scope of stakeholder risk reporting practices
- To provide a detailed analysis of the best practices in risk reporting processes to ensure that these are effective and that they contribute to proactive decision-making

4.6.4 Brief summary of the business and other risks facing the organization and steps taken to effectively manage such risks

Overall risk report

- *Risk situation manageable and within control*
- *Capital position comfortable*
- *Well-defined risk management framework*
- *Organisation keenly aware of risk position at all times*

At Green Delta Insurance, we are in the business to serve our clients. As one of the pioneers of the Bangladeshi non-life insurance industry, we provide a broad spectrum of clients with a wide range of insurance advice and solutions. With integrated risk assessment, evaluation and pricing capabilities, we have not only consistently remained Bangladesh's largest non-life insurance industry with a market share of close to 13% (of the organized industry) but have also adhered to the true ethos of insurance – that of honoring customer commitment. In doing so, we have emerged as a company that is deeply engaged in facilitating the economic growth of the country.

During the year 2016, we reported gross premium receipt of Taka 316 crore through a diversified business mix, up 5% from Taka 14.76 crore reported in the previous year.

Some of the key risks and their mitigation strategies are elucidated below for a better appraisal of our risk management and mitigation capabilities.

Underwriting risk: Underwriting risk is defined as the risk of insured losses being higher than our expectations. The premium and reserve risks are significant components of the underwriting risk. The premium risk is the risk of future claims payments relating to insured losses that have not yet occurred being higher than expected. The reserve risk is the risk of technical provisions established to cover losses that have already been incurred being insufficient. In this context, the expertise of our underwriters is of prime importance. We recognize this by providing advanced and continual training and deploy cutting-edge IT systems for risk assessment and pricing, publishing internal information documents and underwriting recommendations and setting up working groups to create and transmit underwriting knowledge.

Market risk: We define market risk as the risk of economic losses resulting from price changes in the capital markets. This includes equity risk, general and specific interest rate risk and currency risk, among others. The general interest rate risk relates to changes in the risk-free yield curves, whereas the specific interest-rate risk arises out

of changes in credit risk spreads. Fluctuations in market prices affect not only our investments but also our underwriting liabilities. Towards this extent, we leverage appropriate limit and early-warning systems in our asset-liability management to manage market risks. By means of stress tests and sensitivity and duration analyses, we simulate market fluctuations and devise strategies for counteracting them, where necessary.

Credit risk: We define credit risk as the financial loss that our Company could incur as a result of a change in the financial situation of counter-party such as an issuer of securities or other debtors with liabilities. In addition to credit risks arising out of investments in securities and payment transactions with clients, we assume credit risk through the writing of reinsurance business. Our internal risk model depicts a wide range of factors that enable us to analyse the risk of economic losses from our credit exposure.

Operational risk: We define operational risk as the risk of losses resulting from inadequate internal processes, willful/involuntary incidents caused by the actions of personnel or system malfunctions, or other external events. Operational risks are managed via our internal control system, complemented by the results of scenario analyses. In addition, our risk management framework defines the rules for a standard procedure for identifying, assessing and managing security risks for people, information and property. Our aim is to protect our employees, ensure the confidentiality, integrity and availability of information and guarantee the smooth operations of our businesses. To this end, we have put in place a holistic business continuity management system, which is an integral component of our business strategy. It includes contingency and recovery plans to ensure that processes and IT operations continue to function with speed and dependability. The system is in place at all of the Group's locations and is subjected to regular tests and audits.

Liquidity risk: We manage liquidity risk through our holistic risk strategy, with the management defining limits on which minimum liquidity requirements for our operations are based. These risk limits are reviewed annually and compliance with the minimum requirements is continuously monitored. The management of liquidity risk includes taking into cognizance known and expected payment obligations through regular, detailed liquidity planning at individual-entity level and a central cash-flow reporting system. Our objective in managing liquidity risk is to ensure that we remain in a position to meet our payment obligations at all times, thereby staying true to the ethos and spirit of insurance.

Strategic risk: We define strategic risk as the risk of making wrong business decisions, implementing decisions poorly, or being unable to adapt to changes in a dynamic operating environment. The existing and new potential for success in the Group and the fields of business in which it operates creates strategic risks, which we manage by discussing significant strategic issues and decisions in our meetings and regularly monitoring the proper implementation of the decisions taken.

Climate change risk: Climate change represents one of the greatest long-term risks of change for the insurance industry. Towards this extent, we analyses and assess this risk and are developing and coordinating a holistic strategic approach. While we are in a position to assess the known risks in our portfolio adequately on the basis of current climate research, scientific research into climate change is complex. We adopt a multi-disciplinary approach, using and combining the experience and expertise of our specialist underwriters, lawyers and actuaries as appropriate for the risk situation. If new findings in climate research or actual claims trends necessitate adjustments in risk assessment, we are able to make these changes promptly.

Operational and commercial risks: At Green Delta,our success depends on our ability to retain and attract experienced and qualified personnel, including our senior management team and other professional workforce. We depend, in material part, upon the members of our senior management team who possess extensive knowledge and a deep understanding of the insurance business and our strategy to capitalise on the evolving prospects of our industry. The unexpected loss of services of any of our senior management team could have a disruptive impact, adversely impacting our ability to manage our business effectively and execute our business strategy.

The competition for experienced professionals is intensein the country and we are constantly working to retain and attract the best talent. Besides, our

institute, Professional Advancement Bangladesh Limited (PABL), imparts world-class training and certification in the field of insurance and focuses on developing industry-ready professionals not only for our Company but for the sector as a whole. At our Company, our emphasis is on developing our personnel to provide succession plans capable of maintaining continuity in the midst of the inevitable unpredictability of personnel retention.

Disclosure and data risks: Improper disclosure of confidential, personal or proprietary data could result in regulatory scrutiny, legal liability or impair our reputation. One of our significant responsibilities is to maintain the security and privacy of our employees' and clients' confidential and proprietary information. We maintain and adhere to stringent policies, procedures and technological safeguards designed to protect the security and privacy of this information. Nonetheless, we cannot eliminate the risk of human error or inadequate safeguards against employee or vendor malfeasance or cyder-attacks that could result in improper access to or disclosure of confidential, personal or proprietary information. Such access or disclosure could subject us to liability under our contracts and laws and regulations that protect personal data, resulting in increased costs or loss of revenue.

Furthermore, our clients may not be receptive to services delivered through our information technology systems and networks due to concerns regarding transaction security, user privacy, the reliability and quality of Internet service and other reasons. Besides, in the absence of policy-driven laws and compliances, there exists issues of enforceability in addition to the lack of proper operating frameworks and weak conformance levels that often creates an unleveled playing field, harming the long-term prospects of the business. In our Company, this makes compliance challenging and expensive, often resulting in loss of business because of a 'no-compromise' stance and inflexible adherence to internally-driven compliance strictures.

Client retention risks: If our clients or third parties are not satisfied with our services, we may face additional cost, loss of profit opportunities and damage to our reputation or legal liability.

We depend, to a large extent, on our relationships with our clients and our reputation for high-quality broking, underwriting and risk management, so that we can fully comprehend our clients' needs and deliver products, solutions and services that are tailored to cater to these needs. If a client is not satisfied with our services, it may be damaging to our business and could cause us to incur additional costs at the cost of profitability. Moreover, if we fail to meet our contractual obligations, we could be subject to legal liability or loss of client relationships. The nature of much of our work involves assumptions and estimates concerning future events, the actual outcome of which we cannot know with certainty in advance. Similarly, in portfolio investment, we may be measured based on our judgments that are susceptible to influences that are typically beyond our control. In addition, we could make data entry or management errors. Damage to our reputation could have a material adverse effect on our business. Our reputation is a key asset of the Company and we take all measures to protect and grow it.

Third party risks: We rely on third parties to perform key functions of our business operations and to provide services to our clients. These third parties may act in ways that could potentially harm our business.

We rely on other parties to provide services, data and information such as technology, information security, funds transfers, data processing and administration and support functions that are critical to our business operations. These third parties include brokerages, agents and other intermediaries, data providers, software and system vendors, health plan providers and providers of human resource functions such as recruiters and trainers, among others.

Since we do not fully control the actions of these third parties, we are subject to the risk that their decisions may adversely impact us and replacing these service providers could create significant delays and expenses. In addition, these third parties face their own technology, operating, business and economic risks and any significant failures by them could cause harm to our reputation. Besides, our business is exposed to risks associated with the handling of client funds in terms of premiums. We are also potentially at risk in the event the financial institution in which we hold these funds suffers any kind of insolvency or liquidity event. Having proper risk governance and risk management systems is at the heart of mitigating the impact of these risks at our company.

4.7 Management Review and Corporate Responsibility

At Green Delta Insurance, our Managing Director is also the Chief Executive Officer (CEO)of the Company.

With a view to ensure business continuity and the smooth operations of our organization, we have a well-structured organizational hierarchy, indicated in our organogram, with clear functional segregation of line of responsibility (defined by key performance indicators or KPIs)and authority.

This structure has been designed to provide our management with sufficient operating flexibility with high levels of accountability that is also formulated to promote autonomy and empowerment. This cogent organizational structure has also in-built checks and balances that continually measures our risk appetite vis-e-vis the operating environment, enabling us to capitalize on prevalent opportunities while protecting our Balance Sheet from the unnecessary assumption of risk. As a highly compliant organization, we also ensure that our systems and processes are in conformity with the highest regulatory standards and organization-wide we encourage and foster a culture of compliance, both in letter and spirit. At the helm of our organizational structure is our Board of Directors who set targets, navigate decision-making and continually test the risk controls with the help of internal experts as well as external auditors.

Above all, our Company is governed by the rules,regulations, guidelines, directions and policies as applicable and issued from time to time by the authorities, for our insurance and investment operations.

Management Committee (ManCom) and Responsibility

Our Management Committee (ManCom) comprises 15(Fifteen) top-level Executives, having behind them several years of rich experience and sound knowledge in the insurance industry. The ManCom is headed by the Managing Director &CEO of the Company.

The committee is the trustee of the organizational is responsible for the decisions taken and their implementation/execution. This committee exerts financial,administrative and business discretionary powers delegated by the Board and is also responsible for the implementation of the policies and guidelines approved by the Board. The Management Committee scrutinizes most issues comprehensively before placing this to the Executive Committee or the Board. The ManCom also assesses the performance of the Company critically and embraces the strategic action plan to achieve various corporate targets set by our Board of Directors.

Investment Committee:

With a fiduciary responsibility to our policyholders, we manage their funds such that we are able to fulfill a genuine claim in the shortest possible time and also create enough liquidity in the organization to protect our operations from systemic shocks.

It is in this regard that our professional Investment Committee is entrusted to invest Company funds in a way that helps the Company generate a reasonable rate of return on a sustainable basis while also protecting capital at all times.

Claim Assessment Committee:

The company has formed a Claims Committee to expedite various claims issue against the insurance which is raised from the client corner.

Claims Committee:

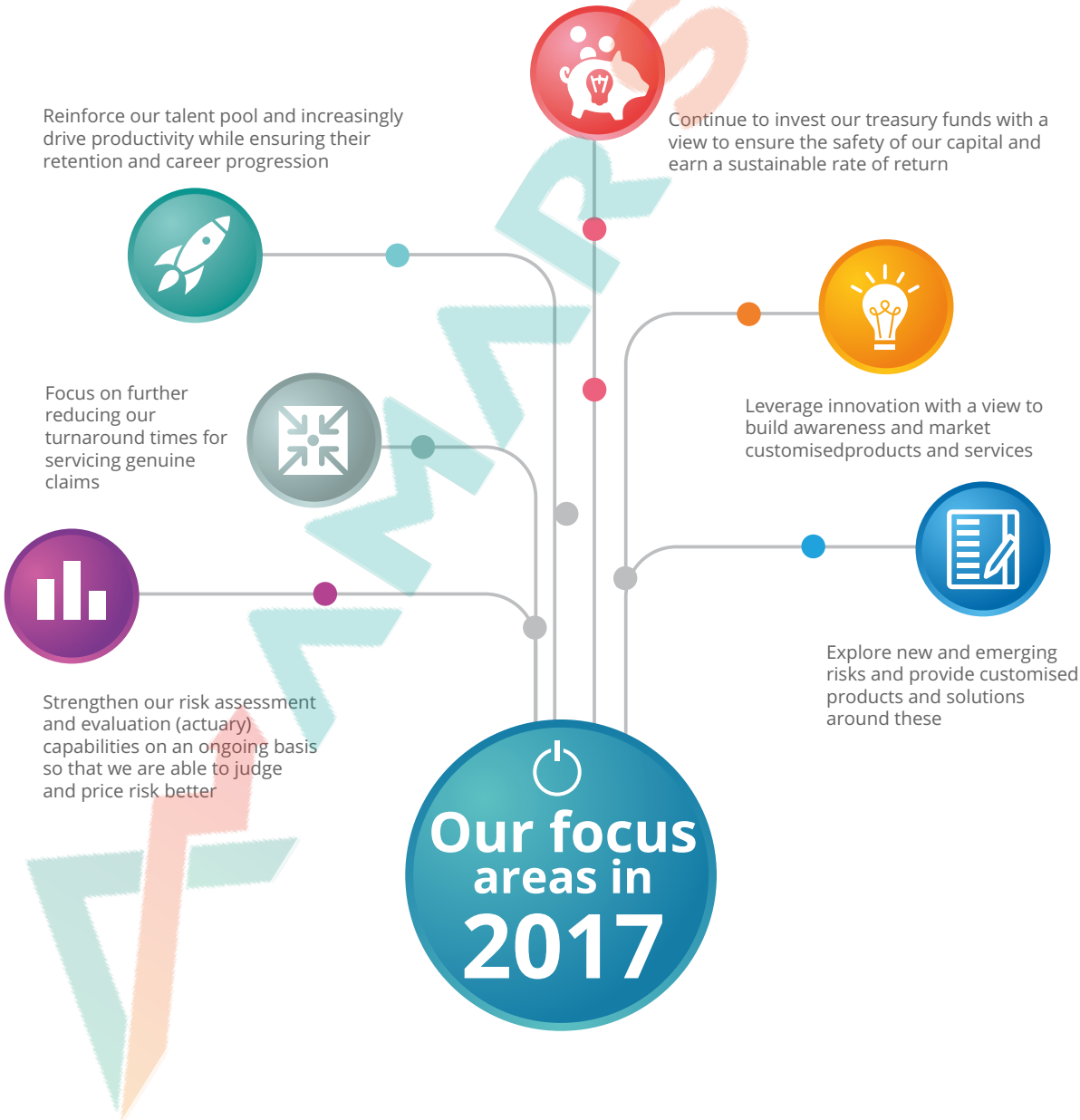
As an enterprise that is focused on fulfilling our responsibility to our customers, we have formed a Claims Committee to expedite the various claims which might be raised by our policyholders. This committee has been tasked with ensuring that we engage in proper and prudent claims assessment with a view to not only protect the Company's operations and profitability in the event of a fraudulent claim but also disburse funds in the event of genuine claims raised by our customers.

Strategy for pursuing sustainable growth

At our Company, we are foremost engaged in creating a more insurance-aware community and society. As advocates of the value of insurance, we have been engaged with several government programs as well as industry-level platforms with a view to help citizens understand the concept and criticality of insurance in the event of an unforeseen event/emergency.

On the other hand, we are also reinforcing our claims assessment and settlement processes with a view to enhance customer service and remain true to the philosophy of insurance – standing by our customers when they need us the most. For this, we are also exposing our human resources to constant training to help them enhance their skills in actuary, funds management etc., in our overall emphasis on strengthening the foundations of our organization. Besides, we are also ensuring a pipeline of talent, not just for our company but for the industry as a whole, through our educational endeavor, Professional Advancement Bangladesh Limited.

As an outcome, all of these measures indicate our focus on strengthening the long-term sustainability of our business and creating value for our shareholders on a consistent basis.



4.8 Disclosure Regarding Ethics and Compliance

Statements of Ethics and Compliance:

Subsequent to the dramatic increase in the ethical expectation of businesses, professionals, clients, capital providers, regulators and employees are choosing/giving their preference to those companies that declare and give proper evidence of running their businesses in an ethical, lawful and sustainable manner.

Players in the Bangladeshi insurance industry are not immune to this trend in the market. In light of this, at Green Delta Insurance, we have equipped ourselves with transparent compliance plans aiming to align interests with our stakeholders' expectations and earn their loyalty. While on the one hand, these plans are the result of our Group's historically deep-rooted commitment to complying with the highest standards of conduct, on the other, they represent our renewed willingness to recognize business ethics and lawful conduct as the fundamental pillars of our reputation, brand equity and success.

At Green Delta Insurance, the overarching purpose of these plans, encapsulated in our guidelines, is to provide a common framework for the ongoing efforts of the Company to enforce and implement an integrated, robust governance and compliance structure in terms of ethics and anti-corruption. This includes the alignment of common approaches to high priority processes/areas within the Group. We believe this will not only enable the Company to comply with regulatory requirements in a way that is aligned with stakeholder interests, but will also allow us to identify, assess and manage the key risks inherent in the Company's businesses and processes.

These guidelines are designed, implemented and enforced to be effective in establishing and maintaining a culture and environment that encourages ethical and lawful conduct. This includes a commitment to compliance with the laws as a fundamental tenet to preventing, detecting and penalizing unlawful conduct consistent with current standards set forth in national laws and regulations. The core objective of the guidelines is to align the Company's vision with the many regulatory requirements in order to ensure that all key risks are identified, properly managed and prudently mitigated.

Board's Statement on its commitment to establishing high level of ethics and compliance within the organization

The Board believes that a Code of Conduct and Business Ethics provides a foundation for the stability and sustainable growth of GDIC and supports the Company's efforts in achieving its goals. Therefore, GDIC's Board is committed to establish high level of ethics and compliance in the organization to ensure safe and ethical business practice in the insurance industry. In addition, these guidelines apply to all our employees across the various levels in our Company. The contents of these guidelines also apply to anyone who conducts business on behalf and in the name of our Group – including employees and executive officers, agents, consultants or others, when handling our Group's matters, according to their respective responsibilities. The Company's corporate compliance committee is in charge of the following key tenets:

- Providing support to the Board of Directors of Green Delta Insurance in reviewing the efficacy of the guidelines and in also providing regular and ongoing updates
- Overseeing and monitoring the implementation of the solutions adopted through the guidelines
- Adopting the necessary resolutions in case of violations of the guidelines
- Interpreting the guidelines for smooth and cost-effective implementation
- Analyzing cases of violations of the Group's code, rules, procedures or guidelines and supporting decision-making regarding the necessary response/ course correction
- Assessing the documentation and the notifications sent, as defined in the guidelines
- Reporting to the Board on the aforesaid activities on a continuing basis

In addition, the Company possesses a code of conduct, specifically adapted to our requirements and needs. The Company is responsible for ensuring the alignment of the code to its broader goals and aspirations and notifies any deviations. The code, by means of appropriate training and other suitable methods of communication, is brought to the attention of the employees, field-force, consultants and temporary contract agents or any other third-party that may act on behalf of the Company. All the afore-mentioned stakeholders

are required to formally accept and comply with its precepts. Importantly, the purpose and contents of the code is included in the training activities for the field-force and also for new recruits.

Our focus on ethics and compliance
Anyone who becomes aware of violations of the code or other events that might impact the effectiveness of the code is required to promptly report this internally, as per our whistle-blower policy. Besides, an internal reporting system has also been instituted in order to protect confidentiality of reporting and preserve the disclosing party's anonymity.

In addition, the Company's organizational structure is tailored on its objectives and needs. The organizational structure and system provides the necessary information flow to manage all activities. Besides, the Company's organizational structure is geared to ensure the segregation of duties, roles and responsibilities among operational and control functions.

The Company's organizational structure has been formalized, appropriately documented and made available to employees considering their specific roles and positions. Company organization charts represented in its organogram and other relevant documents are defined as well in order to clearly identify the principal responsibilities for each organizational unit/business area and communicated to all personnel. The Company documents formal job descriptions identifying competences and responsibilities for all key roles.

At Green Delta Insurance, rewards and compensation systems are clearly and formally connected with roles and positions, thereby helping us create a more focused and productive workforce aligned with our Company's corporate goals and ambitions.

The control principles which are assured in all activities and in all business processes comply with the following:

- Ensure integrity and ethics in every operation through the provision of an accurate set of rules of conduct which aim to prevent wrongdoing
- Ensure that all employees are aware that granting or acceptance of improper benefits can constitute an offence
- Ensure well-defined responsibilities for each function involved in business activities that are vulnerable to risk
- Ensure the principle of separation of duties in the management of processes
- Ensure the regulation and prudent control of activities at risk in terms of reconciliations and audits, among others
- Ensure the accountability, documentation, consistency and appropriateness of any transaction or operation with high levels of traceability
- Ensure the accurate documentation of control activities.

Beyond statutory obligations, the Company implements a set of policies and procedures designed to regulate activities and control risk. Besides, communication is made up-to-date, comprehensive, effective, clear and detailed. Training is also designed to identify areas of potential exposure and prevent any activity not consistent with the Company's rules, guidelines and risk appetite.

Establishing effective anti-fraud programs and controls, including effective protection of whistle blowers, establishing a hot line reporting of irregularities etc.

The company has established a separate Central Compliance Unit (CCU) and appointed a senior official as Head of CCU to ensure compliance of Anti-Money Laundering Prevention Act and Anti-Terrorism Act. The CCU nominates Department Anti-Money Laundering Compliance Officer (DAMLCO) and Branch Anti-Money Laundering Compliance Officer (BAMLCO) and guides them about their day to day compliance activities. The CCU arranges DAMLCO and BAMLCO conference every year and train up company employees through in-house experts and also hires experts. Framing of a policy for effective protection of whistle blowers and establishing of a hot line reporting of irregularities are also in place.

As a means to detect fraud, a set of red flag indicators have been identified in order to promptly and effectively identify and manage anomalies and potential misconduct. In any case, in the event of an investigation indicating that there has been wrongdoing, the Company reports violations and co-operates with appropriate legal authorities.

For employee benefit and as a means to retain top talent, the Company has formalized a performance appraisal process. Under this platform, compensation systems and incentives refer to actual responsibilities and are based on quantitative and qualitative elements. Among the qualitative elements, ethical behavior is always considered. Objectives are measurable and reasonable. Therefore no discretionary elements are a part of the incentive program.

5.1.1 Stakeholders and Materiality

Stakeholders of GDICL

GDICL aims to build and maintain quality business relationships with all material stakeholders. While prime stakeholders are shareholders, clients, suppliers& service providers and employees, other stakeholders i.e. government & regulators, local community, business partners, media and environmentally interested groups complete stakeholder circle of GDICL.

Engagement with Stakeholders

In GDICL, through effective dialogue and collaboration, we want to create a more resilient and sustainable business environment in support of its long-term strategy. In order to establish stakeholder engagement process and to focus and support stakeholder interaction, we have identified the following strategic focus areas:

- Creating a Well-entrenched Governance Framework to build capacity to effectively engage and provide the required quality of stakeholder reporting;
- Proactive Risk Management through large-scale collaboration with local government on the drivers of risk within their control;
- Using Appropriate Platforms to influence key stakeholders to effectively participate in every phase of public policy formulation; and
- Demonstrating Responsiveness to key stakeholders' expectations by visible alignment with national priorities and transformation of value chain and business offerings.

PAKWHEELS STOCK

Our overriding goal is to intensify stakeholder dialogue, with the aim of gathering specific opinions, expectations and ideas, and considering these in relation to our business operations. We also want a better understanding of the impacts of current or future global challenges on our stakeholders, and to help to manage these by finding and developing effective solutions.

The stakeholders are aligned with sustainable business objectives that are identified by understanding correlated stakeholder expectations, and then appropriate strategies are formulated through aligning the business model with the value creation process that targets stakeholders' expectations. During the last years of formal and informal functions GDICL has structured its engagement according to its main stakeholder groupings. This is summarized in the table below:

Type of Stakeholder	Interactions with Stakeholder	Sustainable Business Objectives
Shareholders	• Dialogues • General Meetings	• To maximize shareholders' wealth by declaring sound returns annually
Clients	• Knowledge Sharing Initiatives • Customer Surveys • Dialogues	• To provide quality product/service that meets absolute needs of clients • To manage operations carefully soasto protect clients' interest
Suppliers & Service Providers	• Dialogues • Surveys	• To adhere to proper procurement regulations and guidelines • To maintain good relationships with suppliers and service providers
Employees	• Engagement Surveys • Corporate Programs • Dialogues in different networks	• To provide equal opportunities to all employees • To improve staff engagement in achieving business success
Government & Regulators	• Dialogues with Regulators • Panel Discussions	• To ensure compliance with all laws, regulatory guidelines and directives
Local Community	• Partnerships for Civic Engagement • Volunteering Activities	• To patronize various social, cultural and professional initiatives, projects and activities
Business Partners	• Round Tables and Dialogues • Partnerships for Social Projects • Innovative Products & Services	• To ensure relationships with business partners towards providing innovative products and services
Media	• Press Events • Journalists Surveys • Background Briefings	• To provide true and transparent information to the media
Industry Networks	• Face-to-face interviews • Competitor and Peer Review • Online User Survey	• To maintain industrial networks between competitors and peers

5.1.2 Payment to the Shareholders as Dividend and Dividend Policy

Payment to the Shareholders as Dividend

Year	Stock %	Cash %
2007	35	15
2008	100	
2009	0	25
2010	0	40
2011	25	0
2012	15	15
2013	15	15
2014	10	15
2015	0	25
2016		20 (proposed)

Dividend Policy

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 amount, 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 will be prepared considering the profit. Depreciation for the full year, taxation including the deferred 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.

5.1.3 Communication and Relationship with Stakeholders

It is the Company's policy that all external communication by the Company will:

- Be factual and subject to internal vetting and authorization before issue;
- Not omit material information; and
- Be expressed in a timely, clear and objective manner.

GDIC strongly believes that all stakeholders should have access to complete information on its activities, performance and product initiatives.

Strategy to facilitate effective communication with shareholders and other stake holders:

Communication through quarterly reports

The Company reports to its shareholders four times a year through quarterly and half-yearly reports and a detailed Annual Report.

Communication through AGM

All shareholders have the right to attend the Annual General Meeting where they can meet and communicate with the Directors and express their views regarding the Company's business, its future prospects and other matters of interest. The shareholders are always encouraged to attend the meetings or, if they are unable to attend, to appoint proxies.

Communication through website

The Company's website www.green-delta.com displays, inter-alia, the Annual Reports, half yearly reports, quarterly reports, monthly business reviews, product offerings, recent announcements, Presentations and event updates. All disclosures required by the Bangladesh Securities and Exchange Commission, Listing Regulations of the Dhaka Stock Exchange Limited and the Chittagong Stock Exchange Limited and the Insurance Development and Regulatory Authority in the form of Price Sensitive

Information (PSI) are made adequately and promptly.
In addition to ensuring timely compliance, this also enables dissemination of information to all stakeholders and the public through print and online media.

We are committed to open and timely disclosure with all shareholders and regular communication is maintained with various stakeholders in the Group such as:

- institutional investors
- investment analysts
- shareholders
- employees
- communities at large

The board encourages shareholders to attend the general meetings and also provides a full explanation of the effects of resolutions to be proposed. The results of all decisions taken at shareholders' meetings are disseminated by way of written minutes to ensure that all shareholders are timorously informed.

The Group communicates to shareholders in the following way:

Annual report sent to shareholders (Dual medium – English and Bangla)

- Final results published in the newspaper (Dual medium – English and Bangla)
- Interim report published in the newspapers (Dual medium – English and Bangla)
- Annual General Meeting

All financial results and the annual report are also made available on the website.

Participation of Shareholders in the Annual General Meeting and providing reasonable opportunity for the shareholders participation in the AGM:

30th Annual General Meeting was attended by a large number of Sponsor Directors and shareholders, and was presided over by Mr. Abdul Hafiz Chowdhury, Chairman of the Company

A good number of Shareholders were seen at the AGM. Many of them spoke in the meeting and highly appreciated the Board of Directors and Management of GDIC for their outstanding performance, declaration of Dividend and publishing an informative annual report.











30th Annual General Meeting

5.2 Financial Calendar to the Stakeholders

Green Delta Insurance Co. Ltd. is very much concern of the stakeholders interest on the company including the potential investors. The following Historical Information will help our current and potential investors for their decision making:

Financial Calendar to the Stakeholders

Events for the year	2016	2015
Publication of Financial Statement for the 1st Quarter	15.05.2016	14.05.2015
Publication of Financial Statement for the 2nd Quarter	17.07.2016	29.07.2015
Publication of Financial Statement for the 3rd Quarter	31.10.2016	02.10.2015
Record Date	06.02.2016	01.03.2015
Dispatch of Notice for the Annual General Meeting along with Annual Report	03.04.2016	03.03.2015
Date of AGM	31.03.2016	24.03.2015

5.3 GDIC's Value Creation Process

At Green Delta Insurance, we strongly believe in not only the creation of differentiated products, but also products that make a difference in the lives of our customers. And, as we see our customers understand this difference, we believe that our value creation process is not just successful but sustainable too. This also allows us to generate consistent and long-term value for our customers as well as our shareholders.

Today, our overarching intent is to maximize the long-term value creation potential for our shareholders and we focus on doing so by leveraging our products and offerings. For us, sustainable development means combining long-term economic value creation with a forward-thinking approach to corporate governance, environment sustainability and social responsibility.

Also, our core values of business revolve around ensuring customer delight, as also understanding, mitigating and migrating risks, which enable us to maximize results and create sustainable growth foundations for the future.

We actively look for, as also accept, risk within agreeable limits, ensuring proper and well-structured synergy between risk and capital allocation. This is a key aspect of our value creation process.

VIVAR STOCK

AtGreen Delta Insurance,our value creation process is based on five key principles:

- To take up initiatives and introduce products which deliver opportunity-driven growth
- To efficiently manage investments and diversify our offerings
- To create an efficient, flexible and scalable platform
- To implement proactive capital management policies
- To generate a profitable insurance model

At our Company, we work towards evolving our product portfolio to create a business mix that helps improve and sustain our margins. Moreover, our experienced and talented human resources are a deeply entrenched part of our value creation process and their commitment to our work, as well as building long-term relationships with our customers, enables us to create attractive value for our shareholders. We intend to develop and maintain a professionally-motivated work environment in the insurance sector that thrives on new ideas, innovation and collaboration. Moreover, our organizational structure is flexible as also approachable, thereby building a friendly and conducive environment at the workplace.

Today, Green Delta Insurance is placed at an inflexion point of scale versus scalability in the value chain, where being the largest player in the non-life insurance segment has enabled us to tap more business opportunities and expand to unchartered territories. With Bangladesh being among the least penetrated countries in terms of insurance, we have developed a first-mover advantage in many insurance products and services and continue to climb the value chain in terms of identifying unexplored opportunities and creating specific and scalable products and solutions around them.

Our organizational structure is such that each level has a differentiated and well-identified field of responsibility, without compromising on transparency. Our policies allow us the flexibility to innovate, at the same time adhere to stringent principles of quality control and risk appetite. Thus, with a view to expand our business and take it to greater heights, we strive to strengthen our capital, be it financial, human resource, or core offerings. This is what we believe to be critical in achieving scalability over scale.

Moving further, our organizational backbone comprises our invaluable resources, be it financial or intellectual, and it is our constant endeavor to gauge future capital requirements, as also find the right relationship and synergy between our resources, to collectively create value over the short-, medium- as well as the long-term. With this, we are also closely monitoring how our internal processes and capital interact with the external environment, to create the right synergy beneficial for our organization to grow in. We also aim to anticipate the environment in which our organization functions, as also the impact of shifting business dynamics, to shape our policies and principles, as also our product offerings accordingly, in order to continue to create value for our shareholders and other stakeholders, including customers.

Overall, our value creation process has the overarching objective of delivering long-term gains and insuring that our family of customers, shareholders and human resources, acknowledge our efforts and our focus on long-range value creation. Value maximization for us would encompass aligning our risk appetite and strategy, enhancing risk-response decisions, reducing operational shocks and losses, identifying and managing multiple and cross-enterprise risks, seizing opportunities and improving capital deployment opportunities.

5.4 Maximizing Shareholders' Value

One of the fundamental goals of a business is to maximize shareholder value and the worth of the enterprise.

Successful companies, ones that maximize shareholder value, enjoy higher overall productivity and competitiveness. These companies create employment, remunerate workers at levels that minimize dissatisfaction and enhance job security as demand for their products and services is relatively higher compared with the rest of the industry. Customers receive more thoughtful products at a reasonable cost and debt-holders have better overall security. This cycle becomes self-propelling to create momentum within companies, which strengthens the various stakeholder positions.

At Green Delta Insurance, in our ongoing emphasis on creating and sustaining shareholder value, we seek to maintain an efficient capital structure using a combination of equity shareholders' funds and borrowings. This structure is consistent with our risk profile and the regulatory and market requirements of our business. It is important to note that in managing our capital, we seek to:

- Match the profile of our assets and liabilities, taking into account the risks inherent in each business
- Maintain financial strength to support new business growth while still satisfying the requirements of policyholders,regulators and rating agencies
- Retain financial flexibility by maintaining a strong liquidity position
- Allocate capital efficiently to support growth and increasingly look to grow the returns on this capital in the hands of our share owners

At our Company, we are also focused on creating a risk-mitigated business model that contributes significantly to long-term shareholder value creation. By the very nature of our business, we are subject to a number of regulatory capital tests and, in this context, employ pragmatic and realistic scenario tests to allocate capital and manage risk.

As a means to enhance the spirit of transparency and reliability, we comply with the highest reporting and disclosure standards, as prescribed by central as well as state-level authorities. The very fact that we have the participation of a reputed foreign institutional investor, IFC, in our equity, speaks to our focus on embracing the highest level of governance and transparency standards in our business.

Some of the most common disclosures in our reporting structures include the following:

- Accounting method utilized in the financial statements - accrual, modified cash basis or cash basis
- Classification under cash equivalents
- Determination of fair value of investments
- Items capitalized as fixed assets and the number of years they are being depreciated over
- The income tax status of the organization

On the overall, the Company and its subsidiaries and joint ventures satisfy all existing regulatory requirements and have significant resources and capital strength, strengthening its viability going into the future.

5.5 Redressal of Investors Complaints

GDIC is strongly committed to equitable treatment of every shareholder, whether they are major or minority shareholders, institutional investors, or foreign shareholders. To ensure equal treatment of all shareholders, the company created various mechanisms, such as:

Shareholders who are unable to attend the shareholders' meeting, the company provides proxy forms which allow shareholders to specify their vote on each agenda. The proxy forms, which are in accordance with the standard format, are sent along with the annual report.

The shareholders' meetings proceed according to the order of the agenda, without adding new and uninformed agenda, in order to give the opportunity to shareholders to study the information on the given agenda before making a decision. Moreover, there are no changes to the important information in the shareholders' meeting.

The company sees the importance of the consideration of transactions which may have conflict of interest or may be connected or related transactions, and abides by good corporate governance principles, including the rules and regulations of the Bangladesh Securities and Exchange Commission and the Dhaka Stock Exchange and the Chittagong Stock Exchange transactions, directors, management and those who are related persons do not participate in the consideration to approve such transactions.

The company provides a channel for minority shareholders to propose issues deemed important and appropriate to include in the agenda of the company's annual general meeting of shareholders and to nominate candidates with appropriate knowledge, abilities and qualifications to be considered for the position of director.

The company continues to have regular communication with the shareholders through periodic updates of performance and at any other time when it believes it to be in the best interest of shareholders generally.

Investors' Inquiries

Any queries relating to shareholdings for example transfer of shares, changes of name and address, and payment of dividend should be sent to the following address:

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

5.6 Friendly Investor Information

Investment in Green Delta's Share is very reliable due to comfortable capital adequacy, good asset quality, excellent financial performance, comfortable liquidity,strong market position & experienced to Management. Beside these, International Finance Corporation (IFC) has become an equity partner which creates our company's value.

Investors Redressal Policy:

Investor Complaints constitute an important voice of investor, and this policy details complaint handling through a structured grievance redressal framework.
To minimize the recurrence of similar issues in future GDIC will follow the following principles:

- Complaints are treated efficiently and fairly.
- GDIC employees work in good faith and without prejudice, towards the interest of the investors.
- Investors must be treated fairly at all times.

How Do we Redress Investor Complaint:

- The company has a designated investor grievances email ID: info@green-delta.com on which an investor can make a complaint.
- An investor can make a written complain through letter also.
- Designated person shall log in to look after the investor grievances on daily basis.
- A serious complaint must be referred to the CEO and even to Director of company if so warrants
- The Compliance Officer of the company shall review the investor complaint register on weekly basis.

5.7 Good as Additional Disclosure

Global Reporting Initiative (GRI)

The Global Reporting Initiative (GRI) is a non-profit organization that promotes economic, environmental and social sustainability. GRI provides all companies and organizations with a comprehensive sustainability reporting framework that is widely used around the world.

In line with the above, the company has started to incorporate the components of standard disclosures in annual report in the broad areas of Profile Disclosure, Management Approach and Performance Indicators and labor Practices as stipulated in the Content Index of Financial Service Sector Supplement. Although GDIC is yet to initiate the formal disclosure and certification thereof, it complies with most of the disclosure requirements as stated in the Index.

6.1 Directors' Report to the Shareholders

Dear Shareholders,

At the outset, we, the Board of Directors of your company Green Delta Insurance Company Limited,welcome you to the 31st Annual General Meeting and would like to thank you for your continued patronage and support over the 31years. We are very delighted to present before you the Annual Report along with the Audited Financial Statements for the year ended 31 December 2016and 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 2016. In fact the year 2016 is very significant in the life of the company in terms of performance and achievements not only within the industry but also in the entire economy.

INDUSTRY OUTLOOK AND POSSIBLE FUTURE DEVELOPMENTS IN THE INDUSTRY

A separate report on Industry and Economic Overview showing Industry Outlook and Possible Future Developments, Global Economy Performance in 2016, Global Economy Forecast 2017, Present Scenario of and Forecast for the Economic of Bangladesh, and Present Scenario of and Forecast for the Insurance Industry of Bangladesh has been made for the convenience of the valued Shareholders.

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 "Key Operating and Financial Highlights (Section2.6)" 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.

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.

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 motor insurance and marine insurance. The Directors takes pleasure to report that in 2016 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 *(%)*
2016	3163.27	04.90%
2015	3015.63	12.47%
2014	2681.37	02.60%
2013	2613.45	00.39%
2012	2603.19	10.70%

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

Business Segments	2016	2015	Growth (%)
Fire Insurance	1554.84	1496.04	03.93%
Marine Insurance	1047.13	969.51	08.01%
Motor Insurance	193.25	188.75	02.38%
Miscellaneous Insurance	368.07	361.98	01.68%

Segregation of Net Premium

Business Segments	2016		2015		Growth (%)
	Amount (in Million Taka)	% of Total Net Premium	Amount (in Million Taka)	% of Total Net Premium	
Fire Insurance	365.80	27.67	393.65	31	-07.07
Marine Insurance	688.94	52.11	620.61	49	11.01
Motor Insurance	176.76	13.37	143.71	11	22.99
Miscellaneous Insurance	90.52	06.85	96.50	8	-06.19
Total	1,322.02	100.00	1,254.47	100.00	05.38

Claim and Loss Ratio

Year	Net Claim *(in Million Taka)*	Growth *(%)*
2016	334.48	10.94
2015	301.49	-13.02
2014	346.61	-06.87
2013	372.60	84.49
2012	201.96	64.96

Segregation of Net Claim

Business Segments	2016		2015		Growth (%)
	Amount (in Million Taka)	% of Total Net Premium	Amount (in Million Taka)	% of Total Net Premium	
Fire Insurance	175.48	52.46	147.26	49	19.16
Marine Insurance	80.00	23.92	89.12	30	-10.23
Motor Insurance	30.89	09.24	46.22	15	-33.17
Miscellaneous Insurance	48.11	14.38	18.89	6	154.67
Total	334.48	100.00	301.49	100.00	10.94

FINANCIAL PERFORMANCE

Performance of the company in terms of key performance indicators has been shown in a separate statement under title “Measures that matter”. Moreover, some highlights are given in items below:

Capital Adequacy

The following table shows gradual increase in the shareholders equity.

Year	Shareholder’s Equity *(in Million Taka)*	Change *(%)*
2016	5643.42	-00.86
2015	5692.23	17.29
2014	4852.92	09.73
2013	4422.41	14.62
2012	3858.35	53.70

Solvency Margin

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

Particulars	2016	2015	2014	2013	2012
Available Solvency [AS] *(in Million Taka)*	4,001.00	3957.54	3560.37	3265.33	2756
Required Solvency [RS] *(in Million Taka)*	390.18	364.94	331.15	334.09	343.3
Solvency Margin [AS/RS] *(Times)*	10.25	10.84	10.75	9.77	8

Re-insurance Utilization and Risk Retention Ratio

The Company has re-insurance treaty agreement with Shadharan Bima Corporation (SBC), General Insurance Corporation of India (Rated A- by A.M Best), Arab Insurance Group (Rated B++ by A.M Best), Asian Reinsurance Corporation (rated B by A.M. Best), J.B. Bora Insurance Services (L) BHD and B.E.S.T Reinsurance (rated A by A.M. BEST) 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.

Business Segments	Year-wise Risk Retention Ratio (%)				
	2016	2015	2014	2013	2012
Fire Insurance	23.53	26.31	25.23	43.92	36.89
Marine Insurance	65.79	64.01	78.01	74.03	78.21
Motor Insurance	91.47	76.14	37.19	91.45	85.34
Miscellaneous Insurance	24.59	26.66	27.85	15.67	12.87
Total	**41.79**	**41.59**	**45.58**	**50.39**	**46.58**

Reserve Adequacy

The following table shows reserve adequacy of the company.

Year	Amount of Reserve (in Million Taka)	Change (%)
2016	4461.79	-00.97
2015	4497.15	22.04
2014	3684.88	11.85
2013	3294.49	03.80
2012	3173.84	50.98

Profitability

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

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

Business Segments	Contribution to Underwriting Profit (%)			
	2016	2015	2014	2013
Fire Insurance	32.61	18.81	37.86	21.74
Marine Insurance	57.16	79.80	75.06	76.26
Motor Insurance	08.58	(0.55)	11.91	6.71
Miscellaneous Insurance	01.65	1.94	(24.83)	(4.67)
Total	**100.00**	**100.00**	**100.00**	**100.00**

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, higher claims dented underwriting profit during the year under report for fire and miscellaneous insurance while even becoming negative for motor insurance (from apositive growth witnessed over the past two years). 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	Class wise Underwriting Profit				
	2016	2015	2014	2013	2012
Fire Insurance	125.56	57.6	115.84	62.65	32.4
Marine Insurance	220.14	244.33	229.68	219.65	5.3
Motor Insurance	33.06	(1.69)	36.43	19.32	24.45
Miscellaneous Insurance	6.37	5.93	-75.97	-13.46	12.16

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	2016		2015		Change (%)
	Amount (in Million Taka)	% of Total Investment	Amount (in Million Taka)	% of Total Invest-ment	
National Investment Bond	25.00	0.55	25.00	0.59	-
Fixed Deposit	1175.72	26.02	1,070.54	25.23	10
Quoted Shares	2358.05	52.20	2,451.54	57.78	(4)
Un-Quoted Shares	320.83	07.10	198.08	4.67	62
Investment in Subsidiaries	362.46	8.03	362.46	8.54	-
Investment in GDSL as Margin Loan	275.00	6.09	135.00	3.18	104
Others	0.52	0.01	0.52	0.01	-
Total	**4517.67**	**100.00**	**4,243.14**	**100.00**	**6**

Segregation of Investment Income and Other Income

Green Delta Insurance reported healthy growth across all its investment and other income constituents with interest income comprising the largest chunk at 35% (BDT64.07 mn). Besides, dividend income also contributed a healthy 41% (BDT 75.22 mn) 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	2016		2015		Change (%)
	Amount (in Million Taka)	% of Total Investment Income & Other Income	Amount (in Million Taka)	% of Total Investment Income & Other Income	
Interest Income	64.07	35.33	82.82	39	(23)
Dividend	75.57	41.67	67.22	32	12
Profit from Sale of Shares	02.53	01.40	39.03	18	(94)
Other Income	39.17	21.60	23.41	11	67
Total	**181.34**	**100.00**	**212.48**	**100.00**	**(15)**

DISCLOSURE REGARDING EXTRA-ORDINARY GAIN OR LOSS

There was no extra-ordinary gain or extra-ordinary loss during the year 2016.

DISCLOSURE REGARDING RELATED PARTY TRANSACTION

In ordinary course of business, related party transactions take place with other entities that fall within the term related party as defined in BAS 24: Related Party Disclosure. A statement on the related party transactions has been disclosed under Notes no. 26 (page 240) of the notes of the financial statements.

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

Under a deal between Green Delta insurance Company Ltd and International Finance Corporation (IFC) in 2013 IFC took 8% equity stake in the company. Shares were allotted in favor of IFC at book value of BDT 107 per share considering 6-month average of high-low price. Proceeds received from IFC have been kept as Fixed Deposit in several banks.

INFORMATION REGARDING IPO OF THE COMPANY

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

DISCLOSURE REGARDING VARIANCE BETWEEN QUARTERLY FINANCIAL PERFORMANCE AND ANNUAL FINANCIAL STATEMENTS

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

DISCLOSURE OF PAYMENTS OF FEES AND EXPENSES OF THE DIRECTORS

The Directors including Independent Directors, all being Non-Executive Directors, are given only Meeting Attendance Fee of BDT 5,000 (Bangladeshi Taka Five Thousand only) per Meeting of the Board and Committees. During the year 2016, a total amount of BDT 15,68,654 (Bangladeshi Taka Fifteen Lac Sixty Eight Thousand Six Hundred Fifty Four only) 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 2016 for their adoption. The Directors 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 2016 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 "Internal Audit and Internal Control".

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.

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 "Financial Highlights". 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 "Financial Highlights" 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 2016 do not significantly vary from those of the last year.

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 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 3 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, policyholders and all other stakeholders. A detailed report on corporate governance is given herewith separately.

SHAREHOLDING PATTERN

Pattern of shareholding in the company in compliance of the corporate governance guidelines has been stated separately as "Shareholding Pattern".

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 separately.

DECLARATION OF DIVIDEND

At GDIC the Board of Directors has developed and put in place a "Dividend Policy". In line with this, the Directors recommend 20% Cash Dividend for the year ended 2016 for consideration by the shareholders in the AGM.

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 31st Annual General Meeting and they shall be eligible for re-election:

Sl. No.	Sponsor Directors	Sl. No.	Public Directors
01	Dilruba Chowdhury	01	Kamran Idris Chowdhury
02	Iqbal Khan (Jamal)		
03	A.Q.M Nurul Absar		

The Board of Directors on 31.03.2016 appointed Steve Murphy, a nominee of IFC, as a Director on the Board from public subscribers. Since such appointment is an addition to the Board, pursuant to Regulation 86 of Schedule-I of the Companies Act 1994, Steve Murphy shall retire from office at the 31st AGM but shall be eligible for re-election by the public subscribers thereat.

A brief resume of each of retiring directors who are eligible for re-election mentioning nature of his/her expertise in specific functional areas and names of the companies in which he/she also holds directorship and membership of committees of the board may be seen under Profiles of Directors.

APPOINTMENT/RE-APPOINTMENT OF INDEPENDENT DIRECTORS

As per the BSEC's Corporate Governance Guidelines dated 07 August 2012, (i) At least one fifth (1/5) of the total number of directors in the company's board shall be independent directors, (ii) Independent Director(s) shall be appointment by the Board of Directors and approved by the shareholders in the Annual General Meeting (AGM), and (iii) the tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only. Accordingly, the Board of Director of GDICL appointed 3 (three) Independent Directors and such appointments have subsequently been approved by the shareholders in the AGMs. The Independent Directors are: (i) Mr. Abdul Hafiz Choudhury (whose 2nd tenure of office as independent director shall expire on 06 August 2018), (ii) Mr. Nurul Husain Khan (whose 2nd tenure of office as independent director shall expire on 14 December 2018), and (iii) Mr. Md. Abdul Karim (whose 1st tenure of office as independent director shall expire on 10 October 2017).

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 Independent Directors shall retire from the office and would be eligible for re-election / re-appointment. Accordingly, a retirement and re-election of Mr. Abdul Hafiz Choudhury was recorded in the 28th AGM held on 15.03.2014 and hence retirement and re-election of Mr. Abdul Hafiz Choudhury may be considered by the shareholders in the 31st AGM under the agenda for election/appointment of directors in order to keep consistency with all requirements.

APPOINTMENT/RE-APPOINTMENT OF AUDITORS

M/s A Qasem & Co., Chartered Accountants, was appointed as the external auditor for the year ended 31 December 2016. The Firm will retire at the conclusion of the 31st AGM. Being eligible the Firm has expressed their interest to be re-appointed for the next term. The Audit Committee has recommended for re-appointment of M/s A Qasem & Co., Chartered Accountants, as the external auditor at a remuneration of BDT 3.00 lac net of applicable taxes and the Board of Directors has endorsed the same. The shareholders may re-appoint M/s A Qasem & Co., Chartered Accountants, as the external auditor of the company.

ACKNOWLEDGEMENT

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

The Directors express sincere gratitude to the Ministry of Finance, the Ministry of Commerce, the 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. Farzana Chowdhury and Advisor Mr. Nasir A. Choudhury for their hard work, commitment and dedication to the development of the company.

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

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

Thank you all.
On behalf of the Board

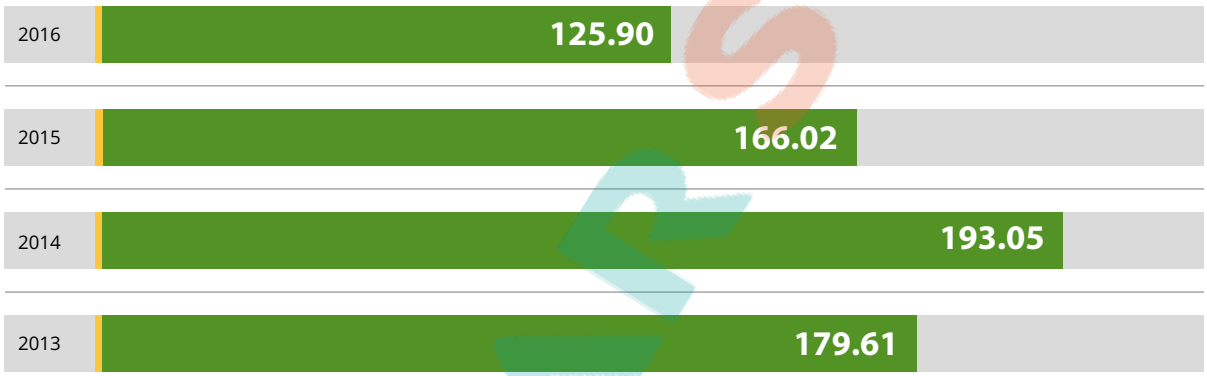
Abdul Hafiz Choudhury
Chairman

AMARSTOCK

6.2.1 Statement of Earnings Retained by the Entity

Retained by entity of Green Delta Insurance company Limited has decreased by BDT 13.44 million from the year 2015. The retained by earning of the company in the year 2016 was BDT 179.61 million and the year 2015 was BDT 193.05 million. A competitive analysis both the years is presented below:

Year	Amount in BDT Million
2013	125.90
2014	166.02
2015	193.05
2016	179.61



6.2.2 Economic Value Added Statement

For the year ended 31st December	2016	2015	2014	2013	2012
Average shareholders' equity at the end	2,655,609,118	2,588,540,023	2,448,782,609	2,262,563,941	1,708,097,114
Cost of equity (%)	8.50%	8.50%	9.50%	15.19%	13.45%
Net Profit After Tax	248,582,533	230,297,607	239,255,718	248,707,386	237,676,034
Less: Cost of equity	225,726,775	220,025,902	232,634,348	343,683,463	229,739,062
Economic Value Added	22,855,758	10,271,705	6,621,370	(94,976,077)	7,936,972

Land revaluation reserve and fair value adjustment of shares were not considered wile computing average shareholders' equity.

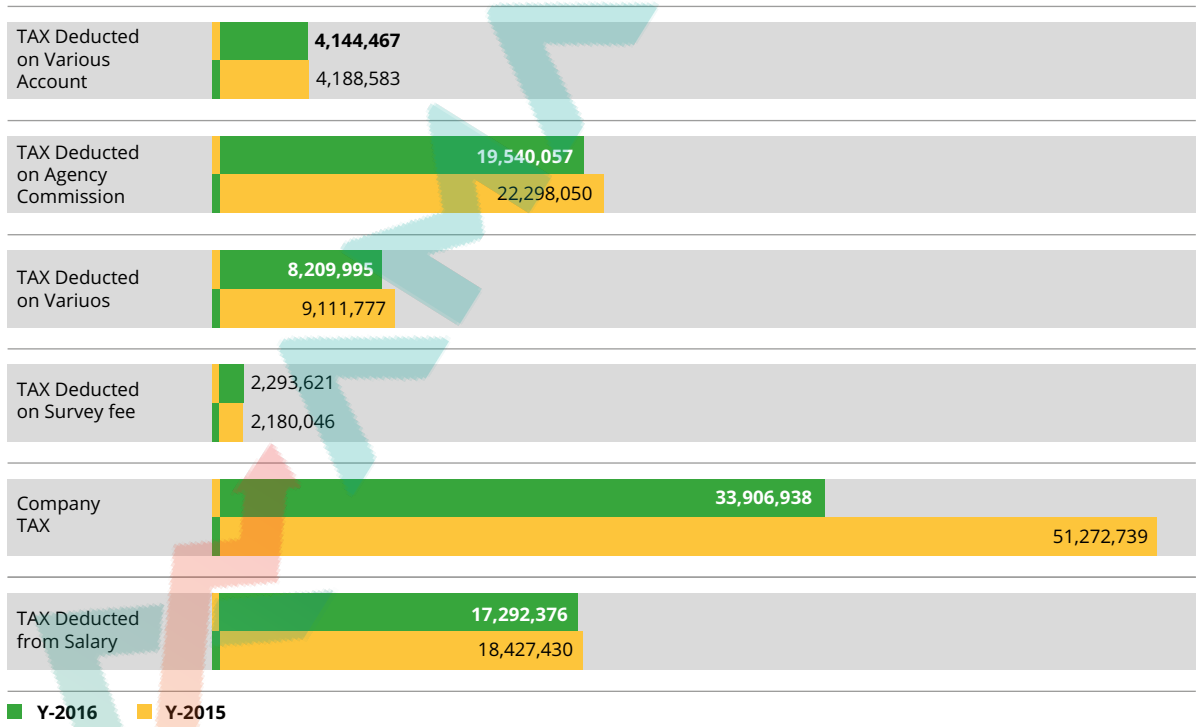
It is the opportunity cost i.e. the expected risk free return on investments, plus a risk premium. Interest on Bangladesh Government Sanchaya Patra plus 2% risk premium has been assumed to be the cost of equity.

6.2.3 Company's Contribution to the National Exchequer and the Economy

Figure in BDT

Contribution to the National Exchequer	Y-2016	Y-2015
TAX Deducted on Various Account	4,188,583	4,144,467
TAX Deducted on Agency Commission	19,540,057	22,298,050
VAT Deducted on Various Account	8,209,995	9,111,777
VAT Deducted on Survey fee	2,293,621	2,180,046
Company TAX	33,906,938	51,272,739
TAX Deducted from Salary	17,292,376	18,427,430
TOTAL	**85,431,570**	**107,434,509**

Contribution to the National Exchequer

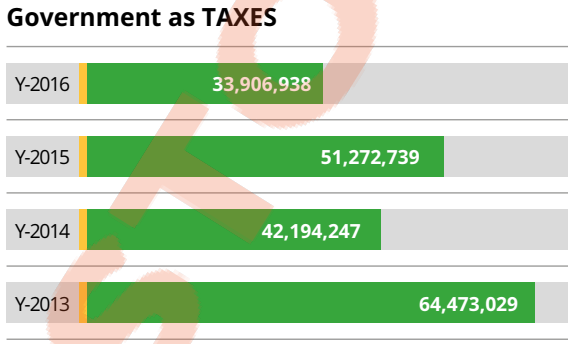


6.2.4 Information of Payments to Government as TAXES

The followings are the TAX amount which has been paid by Green Delta over the last 04 years to the Government as Taxes:

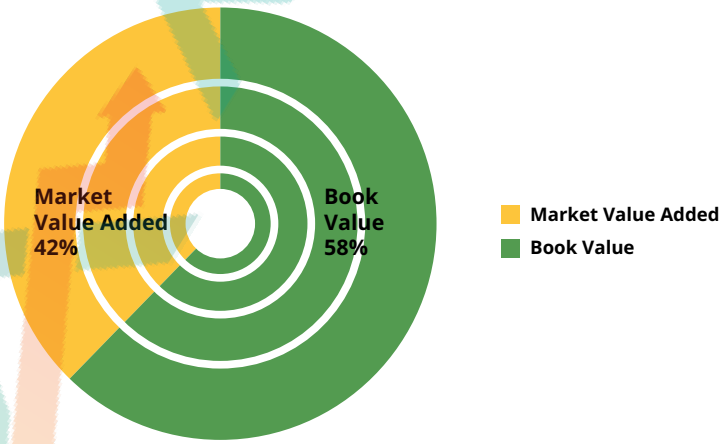
Figure in BDT

	2016	2015	2014	2013
Government as TAXES	33,906,938	51,272,739	42,194,247	64,473,029



6.2.5 Statement of Market Value Addition

Particulars	Number of Share	Value Per Share (Taka)	Total Value (Taka in Million)
Market Value	80,691,187	49.70	4,010.35
Book Value	80,691,187	69.94	5,643.54
Market Value Added			(1,633.19)



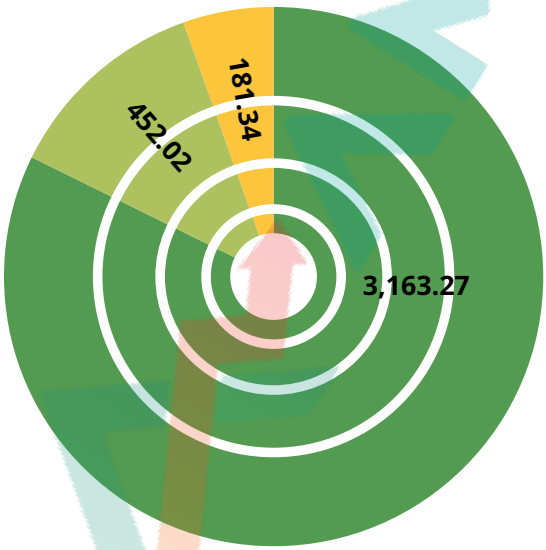
6.2.6 Statement of Value Addition

For the Year ended 31st December,2016

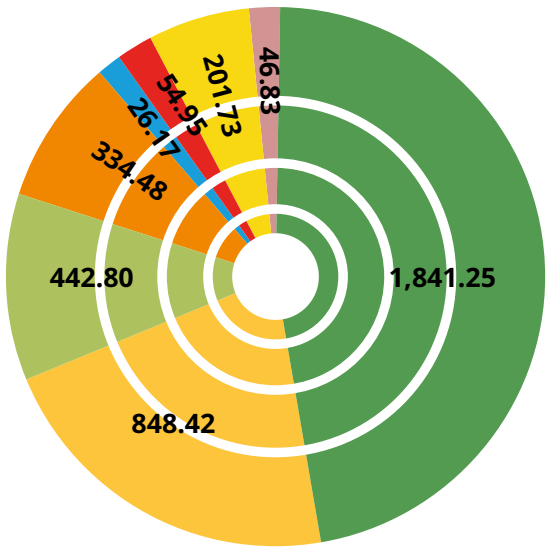
Value Added	Taka in million
Gross Premium	3,163.27
Commission on Re-insurance	452.02
Investment and Others Income	181.34
Total	**3,796.63**

Distribution of Value Addition:	Taka in million
Re-Insurance Premium Ceded	1,841.25
Management Expenses	848.42
Agency Commission	442.80
Net Claims	334.48
Unexpired Risk Adjustment	26.17
Income TAX to Government	54.95
Dividend for Distribution	201.73
Reserve & Surplus	46.83
Total	**3,796.63**

Value Added



Distribution of Value Addition



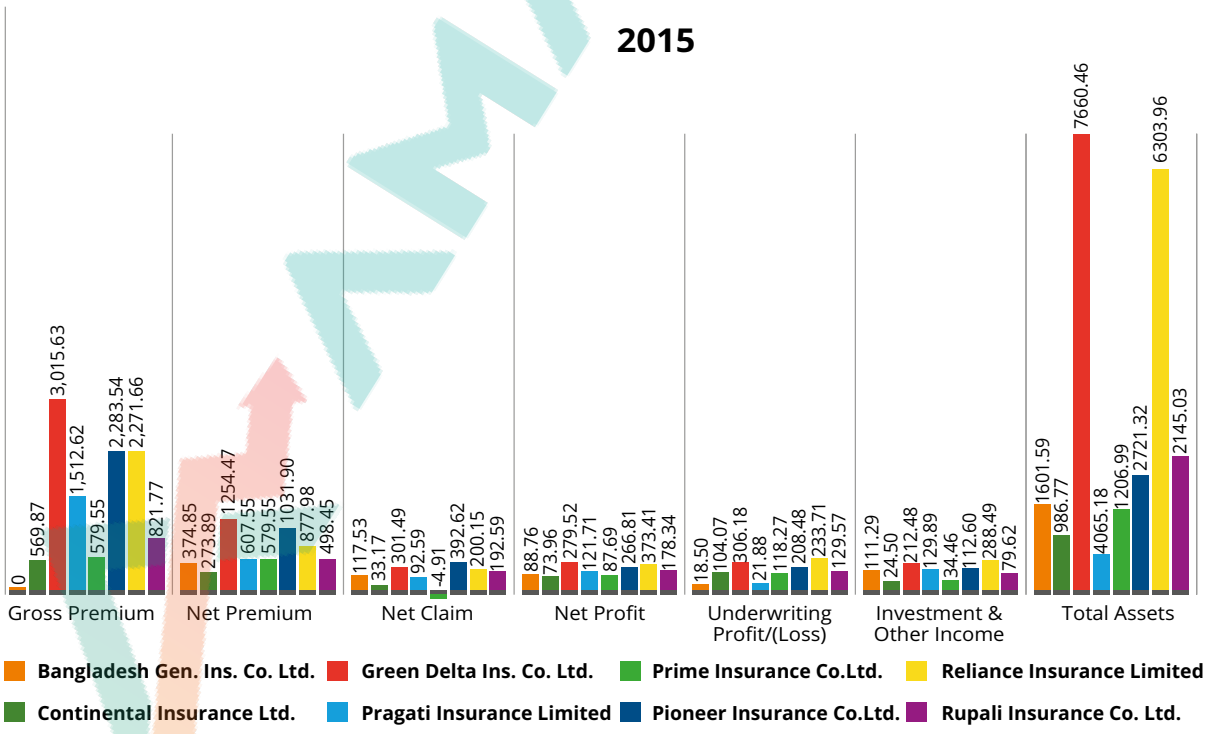
AMAR STOCK

6.2.7 Market Share Information of the Company's Product and Services

Major Non-Life Insurance Companies Market Standing for the year ending 2015 (Provisional)

(million in BDT)

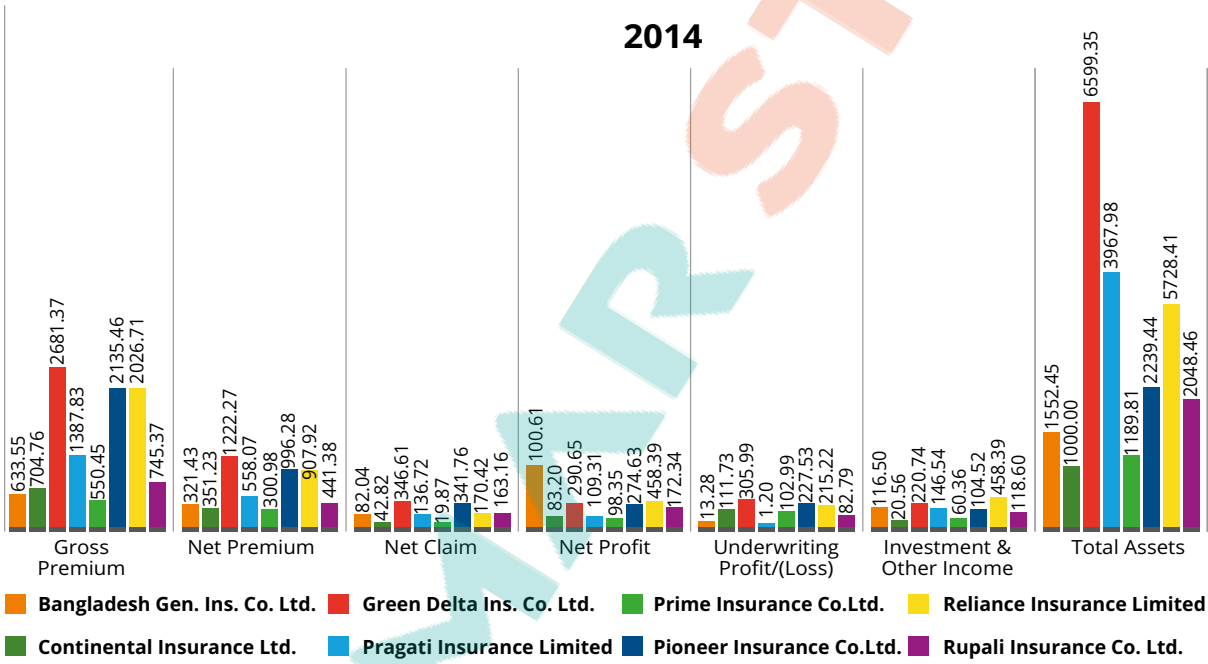
Company	Gross Premium	Net Premium	Net Claim	Net Profit	Underwriting Profit/(Loss)	Investment & Other Income	Total Assets
Bangladesh Gen. Ins. Co. Ltd		374.85	117.53	88.76	18.50	111.29	1,601.59
Continental Insurance Ltd	569.87	273.89	33.17	73.96	104.07	24.50	986.77
Green Delta Ins. Co. Ltd	3,015.63	1,254.47	301.49	279.52	306.18	212.48	7,660.46
Pragati Insurance Limited	1,512.62	607.55	92.59	121.71	21.88	129.89	4,065.18
Prime Insurance Co.Ltd	579.55	579.55	-4.91	87.69	118.27	34.46	1,206.99
Pioneer Insurance Co.Ltd	2,283.54	1,031.90	392.62	266.81	208.48	112.60	2,721.32
Reliance Insurance Limited	2,271.66	877.98	200.15	373.41	233.71	288.49	6,303.96
Rupali Insurance Co. Ltd	821.77	498.45	192.59	178.34	129.57	79.62	2,145.03



Major Non-Life Insurance Companies Market Standing for the year ending 2014

(million in BDT)

Company	Gross Premium	Net Premium	Net Claim	Net Profit	Underwriting Profit/(Loss)	Investment & Other Income	Total Assets
Bangladesh Gen. Ins. Co. Ltd	633.55	321.43	82.04	100.61	13.28	116.50	1,562.45
Continental Insurance Ltd	704.76	351.23	42.82	83.20	111.73	20.56	1,000.00
Green Delta Ins. Co. Ltd	2,681.37	1,222.27	346.61	290.65	305.99	220.74	6,599.35
Pragati Insurance Limited	1,387.83	558.07	136.72	109.31	1.20	146.54	3,967.98
Prime Insurance Co.Ltd	550.45	300.98	19.87	98.35	102.99	60.36	1,189.81
Pioneer Insurance Co.Ltd	2,135.46	996.28	341.76	274.63	227.53	104.52	2,239.44
Reliance Insurance Limited	2,026.71	907.92	170.42	458.39	215.22	458.39	5,728.14
Rupali Insurance Co. Ltd	745.37	441.38	163.16	172.53	82.79	118.60	2,048.46

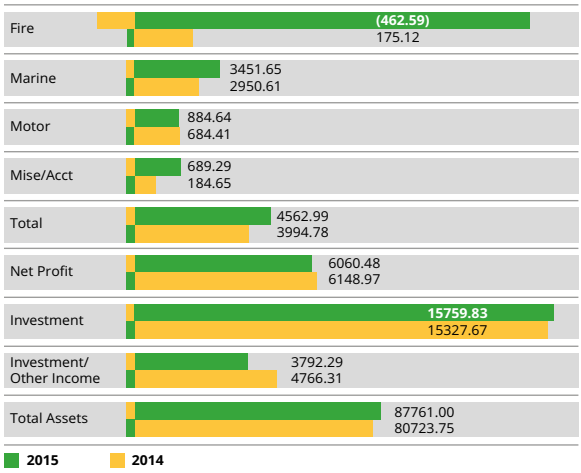


Private Sector Non-Life Insurance Companies Achievement 2015 VS 2014

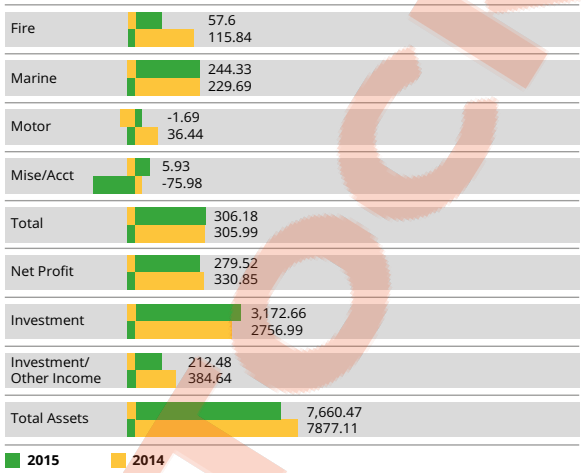
(Figures in million in BDT)

Particulars		2015			2014	
		Grand Total	Growth (in BDT)	Growth (in %)	Particulars	Grand Total
Underwriting Profit/Loss	Fire	(462.59)	(637.71)	(364.16)	Fire	175.12
	Marine	3,451.65	501.04	16.98	Marine	2,950.61
	Motor	884.64	200.23	29.26	Motor	684.41
	Misc/Acct	689.29	504.64	273.30	Misc/Acct	184.65
	Total	4,562.99	568.21	14.22	Total	3,994.78
	Net Profit	6,060.48	(88.49)	(1.44)	Net Profit	6,148.97
	Investment	15,759.83	432.16	2.82	Investment	15,327.67
	Investment/ Other Income	3,792.29	(974.02)	(20.44)	Investment/ Other Income	4,766.31
	Total Assets	87,761.00	7,037.25	8.72	Total Assets	80,723.75

Private Sector Non-Life Insurance Companies Achievement 2015 VS 2014



Green Delta Insurance Company Limited 2015 VS 2014



Green Delta Insurance Company Limited 2015 VS 2014

(Figures in million in BDT)

Particulars		2015			2014	
		Grand Total	Growth (in BDT)	Growth (in %)	Particulars	Grand Total
Underwriting Profit/Loss	Fire	57.60	(58.24)	(50.28)	Fire	115.84
	Marine	244.33	14.64	6.37	Marine	229.69
	Motor	(1.69)	(38.13)	(104.64)	Motor	36.44
	Misc/Acct	5.93	81.91	(107.80)	Misc/Acct	(75.98)
	Total	306.18	0.19	0.06	Total	305.99
	Net Profit	279.52	(11.13)	(3.83)	Net Profit	290.65
	Investment	3,172.65	781.02	32.66	Investment	2,391.63
	Investment/ Other Income	212.48	(8.26)	(3.74)	Investment/ Other Income	220.74
	Total Assets	7,660.46	1,061.11	16.08	Total Assets	6,599.35

6.2.8 Employees as Bonus & Remuneration

The Following Salary & Allowance, Wages, Gratuity, P.F Expenses, Employee Group Insurance, Festival Bonus, Incentive, Staff Welfare amounting to BDT 484,660,823.00 have been expensed as employee bonus & remuneration.

Particulars	Figure in BDT
Salary & Allowance	315,576,881.00
wages	6,032,004.00
Gratuity	47,542,895.00
P.F Expenses	14,336,678.00
Employee Group Ins.	9,643,170.00
Festival Bonus	38,244,269.00
Incentive Bonus	52,761,337.00
Staff welfare	523,589.00
Total	**484,660,823.00**

6.3 Board Meeting and Attendance

SN	Name of the Directors	Total Meeting	Meeting Attendance
01.	Abdul Hafiz Choudhury	09	09
02.	Dilruba Chowdhury	09	09
03.	Khurshida Chowdhury	09	08
04.	Shamsun Nahar Begum Chowdhury	09	06
05.	Asif Ahmed Choudhury	09	09
06.	Meshbah Delwar Rahman	09	06
07.	Iqbal Khan (Jamal)	09	06
08.	Arif Ahmed Choudhury	09	09
09.	Kamran Idris Chowdhury	09	05
10.	Razia Rahman	09	05
11.	Marufa Anwar	09	04
12.	Steve Murphy	09	05
13.	Abul Quasem Mohammad Nurul Absar	09	09
14.	Nurul Hussain Khan	09	08
15.	Md. Abdul Karim	09	05

6.4 Statement on Going Concern

Going concern is a basic underlying assumption in accounting. The assumption is that a company or other entity will be able to continue operating for a period of time that is sufficient to carry out its commitments, obligations and objectives, among others. At our Company, the going concern principle is the assumption that an entity will remain in business for the foreseeable future. Conversely, this means the entity will not be forced to halt operations and liquidate its assets in the near term.

The Directors are required to prepare financial statements for each accounting period that comply with the relevant provisions of the Companies Act,1994 and International Financial Reporting Standards (IFRS) and which present fairly the financial position, financial performance and cash flows of the Company and the Group at the end of the accounting period (calendar year).

A fair presentation of the financial statements in accordance with IFRS has enabled our Board, in consultation with reputed financial experts, to select suitable accounting policies and verify that they are applied consistently in preparing the accounts, on a going concern basis.

6.5 Statement on Corporate Governance

Corporate Governance
The term Corporate Governance refers to the processes of making and implementing decisions in accordance with the rules and laws by which businesses are regulated, controlled and operated by the Board and the management of the company in order to ensure proper protection of the interests of its valued shareholders and other stakeholders. The philosophy of corporate governance establishes the mechanisms to meet the obligations to all the stakeholders and for achieving transparency, accountability and integrity between the Board, the senior management and the shareholders, while protecting the interests of relevant stakeholders.

Corporate Governance Guidelines of BSEC
Bangladesh Securities and Exchange Commission (BSEC) has issued Corporate Governance Guidelines vide Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012 [hereinafter referred to as "the guidelines"]. The conditions of the said guidelines have been imposed by BSEC as mandatory to comply with by all the issuers of securities listed with the stock exchanges of Bangladesh.

Corporate Governance in GDICL
To ensure effective implementation and maintenance of good corporate governance the Board of GDICL put together company's strategic policies to meet the objectives of the company with the framework of corporate governance. That policy clearly defines the responsibility of the board and management to the shareholders and also to the employees of the company. GDICL is maintaining full compliance with the laws, rules, regulations and guidelines. GDICL has ensured compliance of all conditions of the said guidelines.

The steps taken as part of good Corporate Governance are summarized below:

A. Board of Directors

a. Board's Size and its Constitution
The Board of Directors of GDICL consists of 15 (fifteen) directors including 3 (three) independent directors. The number of directors is within the limit fixed by the guidelines.

b. Meetings of the Board of Directors
The Directors hold regular meetings to ensure smooth operation of the Company. At least 4 (four) such meetings are held every year and at least 1 (one) in each quarter. During the year 2016 Four (04) meetings of the Board were held.

c. Code of Conduct for Directors
The Board of Directors of GDICL has laid down a Code of Conduct for all Directors as per condition 1.2(v) of the guidelines. The Directors duly comply with the Code and Annual Compliance of the Code by the Directors is duly recorded.

B. Independent Director(s)

a. Number of Independent Directors

3 (Three) Directors being one-fifth of the total number of directors on the Board of GDICL are 3 (Three) Independent Directors as per condition 1.2 (i) of the guidelines.

b. Appointment of Independent Directors
Mr. Abdul Hafiz Chowdhury, Mr. Nurul Husain Khan and Md. Abdul Karim have been appointed as Independent Directors by the Board and each of such appointments has been duly approved by the shareholders in AGM(s) as per condition 1.2(iii) of the guidelines. Each of such appointments has been made for a term of 3 (three) years as per condition 1.2(vi) of the guidelines.

c. Qualification of Independent Directors
Each of the Independent Directors meets the requirements as precondition 1.2(ii) of the guidelines, and does have qualifications as precondition 1.3 of the guidelines. Each Independent Director is highly qualified and knowledgeable person having integrity, ability to ensure compliance with laws and ability to make meaningful contribution and more than 15 years of professional experience.

C. Chairman and Chief Executive Officer (CEO)

a. Appointment of Separate Individuals as Chairman and CEO

The positions of the Chairman of the Board and the Chief Executive Officer (CEO) of GDCIL have been filled by different individuals as precondition 1.4 of the guidelines. From among the directors of the company Mr. Abdul Hafiz Chowdhury, one of the Independent Directors, has been elected as the Chairman, while Mrs. Farzana Chowdhury ACII has been the Managing Director & CEO of the Company.

b. Defining Roles and Responsibilities of Chairman and CEO

As required by condition 1.4 of the guidelines, the Board has clearly defined respective roles and responsibilities for the Chairman and the CEO.

D. Directors' Report to Shareholders

The Directors prepare the Board's Report as per the provisions laid down under section 184 of the Companies Act 1994 (Act No. XVIII of 1994). However, as required under condition 1.5 of the guidelines, the Directors include the following additional statements in their Report:-

(i) Statement on Industry outlook and possible future developments in the industry

(ii) Statement on segment-wise performance

(iii) Statement on risks and concerns

(iv) Discussion on Cost of Operation, Gross Profit Margin and Net Profit Margin

(v) Statement of all related party transactions

(vi) Explanation about significant variance between Quarterly Financial Performance and Annual Financial Statements

(vii) Statement on remuneration to directors including independent directors

(viii) Statement regarding fair preparation and presentation of the financial statements

(ix) Statement regarding maintaining of proper books of account of the company

(x) Statement regarding consistent application of appropriate accounting policies in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment

(xi) Statement regarding following of International Accounting Standards (IAS)/Bangladesh Accounting Standards (BAS)/International Financial Reporting Standards (IFRS)/Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, in preparation of the financial statements and adequate disclosure of departure there-from, ifany

(xii) Statement regarding soundness of the system of internal control in design, and implementation and monitoring thereof

(xiii) Statement regarding ability of the company to continue as a going concern

(xiv) Summary of key operating and financial data of at least preceding 5 (five) years

(xv) Statement regarding number of Board Meetings held during the year and attendance by each director

(xvi) Statement regarding the pattern of shareholding

(xvii) Disclosure of following information in case of appointment/re-appointment of a director:-

(a) a brief resume of the director;

b) nature of his/her expertise in specific functional areas; and

c) names of companies in which he/she also holds directorship and/or membership of committees of the board

E. CFO, Head of Internal Audit and Company Secretary

a. Appointment of Separate Individuals

GDICL has appointed separate individuals for the positions of Chief Financial Officer (CFO), Head of Internal Audit (Internal Control and Compliance) and Company Secretary (CS)as precondition 2.1 of the guidelines.

b. Defining Roles and Responsibilities of Chairman and CEO

As required by condition 2.1 of the guidelines, the Board of Directors has clearly defined respective roles, responsibilities and duties of the CFO, the Head of Internal Audit and the CS.

c. Attendance of CFO, Head of Internal Audit and CS

As per requirement of condition 2.2 of the guidelines, the CFO and the Company Secretary attend the meetings of the Board, provided that the CFO and/or the Company Secretary does not attend such part of a meeting of the Board during consideration of an agenda item relating to their personal matters.

F. Audit Committee

a. Constitution of Audit Committee

(i) An Audit Committee, as a Sub-Committee of the Board, has been constituted with 8 (eight) Directors including 2 (two) Independent Directors. This is in compliance with conditions 3(i), 3.1(i) and 3.1(ii) of the guidelines.

(ii) As per requirement of condition 3.1(ii) of the guidelines, all members of the audit committee are "financially literate" and 1 (one) member namely Mr. Abdul Hafiz Choudhury does have accounting and related financial management experience.

(iii) The Company Secretary acts as Secretary to the Committee. This is in compliance with condition 3.1(v) of the guidelines.

b. Chairman of the Audit Committee

(i) In compliance with condition 3.2(i) of the guidelines, the Board has selected Independent Director Mr. Abdul Hafiz Choudhury as the Chairman of the Audit Committee.

(ii) As required by condition 3.2(ii) of the guidelines, the Chairman of the Audit Committee remains present in the AGMs.

c. Role of the Audit Committee

As required by conditions 3(ii), 3(iii), 3.3 and 3.4 of the guidelines,

(i) The Audit Committee 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.

(ii) The Audit Committee is responsible to the Board of Directors, and accordingly reports on its activities to the Board of Directors.

(iii) The Terms of Reference (TOR) defining roles and duties of the Audit Committee has been clearly set forth in writing by the Board.

(iv) Report on the activities carried out by the Audit Committee during the year is signed by the Chairman of the Audit Committee and disclosed in the Annual Report of the Company.

(v) The TOR of Audit Committee states that "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 BSEC, 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".

d. Role of the Audit Committee

The Audit Committee holds at least 4 (four) meetings a year. As required by condition 3.1(vi) of the guidelines, the Quorum of the Audit Committee meeting does not constitute without at least 1 (one) independent director.

G. External/Statutory Auditors

a. Appointment of External/Statutory Auditors

In the event(s) of appointment / re-appointment of external/statutory auditors, the Company follows all the provisions of the Companies Act 1994 and other corporate laws and guidelines. As per 3.3(iv) of the guidelines, the Audit Committee oversees the hiring of external/ statutory auditors.

b. Performance of External/Statutory Auditors

As required by condition 3.3(iv) and condition 4 of the guidelines,

(i) The Audit Committee oversees the performance of the statutory Auditors.

(ii) The company does not engage its external/ statutory auditors to perform any of the following services of the company, namely:-

- Appraisal or valuation services or fairness opinions;
- Financial information systems design and implementation;

- Book-keeping or other services related to the accounting records or financial statements;
- Broker-dealer services;
- Actuarial services;
- Internal audit services;
- Audit/Certification Services on compliance of corporate governance; or
- Any other service that the Audit Committee determines.

(iii) No partner or employee of the external audit firm possesses any share of the company during the tenure of audit assignment.

H. Financial Statements

a. Preparation and Presentation of Financial Statements

The Directors 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) The systems of internal control are sound and have been implemented and monitored effectively; and

(vi) There are no significant doubts upon the company's ability to continue as a going concern.

b. Certification by CEO and CFO

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 2016 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.

I. Subsidiary Company

As required by condition 5 of the guidelines,

(i) The provisions relating to the composition of Board of Directors for each subsidiary company have been complied with.

(ii) At least 1 (one) independent director on the Board of Directors of GDICLis a director on the Board of Directors of its subsidiary company.

(iii) The minutes of Board Meetings of the subsidiary companies are placed for review at the following Board Meeting of GDICL.

(iv) The minutes of the respective Board Meeting of GDICL states that the Board has reviewed the affairs of the subsidiary companies.

(v) The Audit Committee of GDICL also reviews the financial statements of, and in particular the investments made by, the subsidiary companies.

J. Compliance of Corporate Governance Guidelines

The Directors confirm that the company has also complied with all conditions of Corporate Governance Guidelines issued by BSEC. As required by condition 7 of the guidelines,

(i) The company engages a Practicing Chartered Secretary for issuance of a certificate regarding compliance of conditions of Corporate Governance Guidelines of BSEC and sends the certificate to the shareholders along with the Annual Report.

(ii) The directors states, in accordance with the Annexure to the guidelines, in the directors' report whether the company has complied with all the conditions of the guidelines.

(iii) For the year 2016, Status of Compliance of Corporate Governance Guidelines is shown separately

(iv) For the year 2016, Practicing Chartered Secretary Mr. S. Abdur Rashid FCS was engaged for issuing a certificate regarding such compliance and the Certificate be annexed.

K. Shareholding Pattern as on December 2016

SL	Name of Shareholder	Description	Number of Shares	%
A. Parent/Subsidiary/Associated Companies and related parties (name wise details)			Nil	Nil
B. (i) Directors and their spouses and minor children (name wise details)				
01	Abdul Hafiz Chowdhury	Independent Director and Chairman	154,493	0.19
02	Kamran Idris Chowdhury	Vice Chairman	400,382	0.50
03	A.Q.M. Nurul Absar	Director	1,633,210	2.02
04	Dilruba Chowdhury	Director	1,659,322	2.06
05	Khurshida Chowdhury	Director	4,253,306	5.27
06	Asif A. Choudhury	Director	1,633,185	2.02
07	Shamsun Nahar Begum Choudhury	Director	1,633,319	2.02
08	Mesbah Dilwar Rahman	Director	1,633,245	2.02
09	Iqbal Khan (Jamal)	Director	1,633,319	2.02
10	Arif A. Choudhury	Director	1,633,186	2.02
11	Razia Rahman	Director	48,186	0.06
12	Marufa Anwar	Director	3,016	0.00
13	Nurul Huain Khan	Independent Director	-	0.00
14	Md. Abdul Karim	Independent Director	-	0.00
15	Steve Murphy	Nominee Director of IFC	6,455,295	8.00
B. (ii) CFO, Company Secretary & Head of Internal Audit and their spouses and minor children (name wise details)				
01	Syed Moinuddin Ahmed	Additional Deputy Managing Director & Company Secretary	Nil	Nil
02	Nazim Tazik Chowdhury	Additional Deputy Managing Director and Chief Financial Officer	44,030	0.06
03	Kabir Ahmed Chouwdhury	Head of Internal Audit	Nil	Nil
C. Executives [Top 5 salaried employees]				
01	Nasir A. Choudhury	Advisor	3,182,382	3.94
02	Farzana Chowdhury ACII (UK)	Managing Director and CEO	4,034,560	5.00
03	A.S.A Muiz	Consultant	30,643	0.04
04	Golam Mustofa	Sr. Additional Deputy Managing Director	Nil	Nil
05	Syed Moinuddin Ahmed	Additional Deputy Managing Director & Company Secretary	Nil	Nil
D. Shareholders holding ten percent (10) or more voting interest in the company				
1	-	-	-	-

Spreading Benefits Far And Wide

Our tendency to minimize carbon footprint and our commitment to the community, its people and the planet defines our corporate identity. We align ourselves with the global awareness for climate change and ceaselessly work towards the betterment of communities and its people.



6.6 Corporate Social Responsibility (CSR)

Policy on CSR:

Green Delta Insurance Company Limited has been practicing CSR effectively since the inception of the company. Over the years the organization has put more focus on Strategic CSR and has been strictly and consistently following the Ten Principles established by United Nations Global Compact. Green Delta also supports Women Empowerment Principles (WEPs) and follows 5 out of 7 principles set by them. This year Green Delta launched a few innovative CSR projects aligning with Human rights and Environment principles as well as some philanthropic issues.



MoU signing with Jaago Foundation

To empower the youth and children to become active citizens and future leaders of the country, Green Delta Insurance Company Ltd. has signed an agreement with JAAGO Foundation. Under this agreement Green Delta is sponsoring a class of JAAGO comprising 40 students and taking responsibility for their education and relevant expenses from reception to graduation. They will be known as Green Delta kids.

Farzana Chowdhury ACII (UK), Managing Director & CEO of Green Delta Insurance and Korvi Raksh and, Founder & Chairman of JAAGO Foundation signed the agreement for their respective organizations. From Green Delta Founding Managing Director & Advisor Nasir A Choudhury, Additional Managing Director & Company Secretary, Syed Moinuddin Ahmed, Deputy Managing Director, Wafi S M Khan, Deputy Managing Director, T H Forhad, Deputy Managing Director, Md. Rafiqul Islam, Senior Executive Director, Kabir Chowdhury, Vice President, Syed Najmus Saquib and Asst. Vice President, Tanvir Hussain were also present. From JAAGO Foundation Nody Rashid, Sr. Manager, Child Welfare & Sponsorship, Raisul Alam, Asst. Manager, Child Welfare & Sponsorship, Safina Anjum, Sr. Creative Communication Officer and Nazia Aforz, Sr. Communication Officer were also present.



Cheque Handover to DNCC Mayor

The first AAA rated insurance company of Bangladesh, Green Delta Insurance Co. Ltd. (GDIC), handed over a cheque to Dhaka North City Corporation (DNCC) as a step of financing its project to bring the capital's Gulshan-Baridhara-Banani-Niketon area under CCTV surveillance. Ms. Farzana Chowdhury, MD & CEO of Green Delta Insurance Co. Ltd. handed over the cheque to DNCC Mayor Anisul Huq in a simple ceremony at DNCC Mayor's office. Mr. Wafi S M Khan, Deputy Managing Director of GDIC was also present in the event. Being an integral part of our society, Green Delta always acknowledges and appreciates the hard work and sacrifices the law enforcement agencies make for the well-being of our country. We have in the recent past sponsored Bangladesh Police in different occasions like observing the Foundation Day and also contributed in multiple campaigns on road safety, drive against formalin, traffic awareness and so on. We also partnered with RAB in celebration their Foundation Day. Green Delta have also been working with Bangladesh Armed Forces in making Dhaka a more livable city. Recently GDIC helped building a park in the cantonment.



International Women's Day celebration

On the occasion of Women's Day 2016 an event was organized by Green Delta Insurance Company Limited at the capital. This year's theme for the International Women's day is 'Pledge for Parity'. Three renowned personalities of Bangladesh Mr. Syed Mahbubur Rahman, Managing Director, Dhaka Bank Limited, Ms. Safina Rahman, Chairman, Lakhsma Sweaters Ltd. & Former District Governor, Rotary District 3281 Bangladesh and Ms. Kaniz Almas Khan, CEO and Managing Director of Persona were present at the event as special guests and speakers. They shared their insights on Women's Day and discussed women's equality and other issues regarding probable way forward. Managing

Director and CEO of Green Delta Insurance Ms. Farzana Chowdhury ACII (UK) also delivered her speech on the occasion and talked about Green Delta's initiatives on Women Empowerment, Healthcare & Safety. The Management Committee members and around 150 female employees of Green Delta also participated in the event. The event was followed by a cultural program.

Launch of AmiAchi campaign on Victory Day









Scheme being maintained under CSR Programs

The positioning for 30th Anniversary of GDIC was 'Future is Green'. One of the key areas we focused under this campaign was Environment. We sponsored events like Bonsai Exhibition, Khadi Festival which all promotes and supports Green. We also held internal events to raise awareness on the environmental issues. Climate Change was a major concern for us as well. As we mentioned before we follow the ten principles set by UN Global Compact under Environment, Anti Corruption, Human Rights & Labor standards for CSR:

Human Rights: Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.

Labour: Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour;

Principle 6: the elimination of discrimination in respect of employment and occupation.

Environment: Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption: Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Participation of the employees and their immediate family members in community welfare initiative of the company:

Among all the events GDIC held for its employees and their family members, #AmiAchi was the campaign which involved all the employees and their immediate family members in community welfare initiative. The event was launched on the victory day of Bangladesh and right at the start of Winter. It engaged the employees and their immediate family members to participate in collecting and distributing winter clothes and blankets to the poor people living in the northern side of the country.

6.7 Statement on Sustainability Reporting

"In light of the geopolitical and socio-economic challenges the world is facing today, we are confident in our chosen strategic direction. With our focus on ensuring 'life sustainability', our vision to improve the lives of each of our 162-million-strong population (through our predominant theme of 'providing insurance for all') helps to differentiate us from the competition, have more intimate relationships with our customers and create intellectual and functional value around our products and solutions. Besides, we witness the perceptible shift from a linear into a circular economy under which products are being used briefly and then discarded to products that are designed so that they become a part of a network with high residual value. This is the value of insurance we are advocating in the country and, in doing so,not just creating value for our customers but the larger community around us."

Farzana Choudhury, Managing Director and Chief Executive Officer, Green Delta Insurance Company Limited

Objective

At Green Delta Insurance, we believe that sustainability reporting is an important aspect of holistic disclosure by listed companies. Issuers of this statement should assess and disclose the environmental and social aspects of their organisational performance, in addition to the financial and governance aspects that are already part of the customary and regulatory disclosure practiced.

We are of the opinion that the interactions with the communities in which we operate and our environmental and social interactions within such communities affect long-term organisational success. Our relationship with our stakeholders drives us to conduct our businesses responsibly. We note that corporate transparency on responsible business practices, particularly the environmental and social aspects, may not have been perceived as necessary or important in our stakeholder reporting. However, as a responsible and front line corporate in Bangladesh, we believe it is in the interests of our accountability to the wider community to address this information gap in the environmental and social realms. This policy statement hence describes sustainability reporting and sets out broad principles to guide us in formulating our sustainability reporting frameworks.

Sustainable development is often defined as development that "Meets the needs of the present without compromising the ability of future generations to meet their own needs."

Various terms have been used to refer to the concept of sustainable development in relation to an organisation. Some of these include corporate social responsibility (CSR), corporate citizenship and sustainability, among others. In this context, sustainability reporting describes the consideration and integration of environmental and social dimensions into traditional financial reporting to develop a holistic approach towards corporate disclosure.

It is imperative to note that the code of corporate governance sets out principles and guidelines that we should embrace in achieving high levels of environmental and social governance, especially since we operate in a customer-facing business driven by covenants and legal contracts. Currently, our corporate governance committee is tasked to review the code in order to maintain relevance with market developments and regulatory changes issued from time to time.

At our Company, we embrace a progressive approach towards sustainability reporting, which balances our regional efforts and micro-market interventions. The policy statement sets the baseline for holistic reporting going beyond corporate governance to social and environmental aspects.

In the narrow sense, sustainability reporting refers to the publication of environmental, social and governance information in an integrated manner that reflects activities and outcomes across these dimensions of our organization's performance.

The Sustainable Development Goals (SDGs)

The Sustainable Development Goals (SDGs), which is officially known as Transforming our world: the 20130 Agenda for Sustainable Development is a set of 17 aspirational 'Global Goals' consisting of 169 targets between them. SDGs are initiated by United Nations involving its 194 member states as well as global civil society. The gravity of the SDGs can be felt when United Nations Secretary-General Ban ki-moon said, "There can be no plan B, because there is no Planet B."

The 17 SDGs are listed down below:

1.	No Poverty
2.	Zero Hunger
3.	Good Health and Well-being
4.	Quality Education
5.	Gender Equality
6.	Clean Water and Sanitation
7.	Affordable and Clean Energy
8.	Decent Work and Economic Growth
9.	Industry, Innovation and Infrastructure
10.	Reduced Inequalities
11.	Sustainable Cities and Communities
12.	Responsible Consumption and Production
13.	Climate Action
14.	Life Below Water
15.	Life on Land
16.	Peace, Justice and Strong Institutions
17.	Partnerships for the Goals

Out of all the SDGs by United Nations Global Compact 'Gender Equality' is the area where Green Delta stressed on the most. Managing Director & CEO of Green Delta Insurance Company Ltd. Farzana Chowdhury ACII (UK) & Chartered Insurer, have recently been recognized as one of the ten 2016 Inaugural Class of Local SDG Pioneers by the UN Global Compact at the World Leaders Summit in New York announced by the H.E. Ban Ki-Moon. The secretary General hailed her as a Pioneer for Women's Economic Security for Nibedita's role in achieving the SDG 5 – Gender Equality and Women Empowerment by turning Global Goals into Local Business. This was indeed a great feat not just for her or Green Delta, but for the entire country as she was the only one representing Bangladesh in the high profile summit. This recognition has been achieved for the comprehensive insurance scheme launched by Green Delta Insurance named Nibedita.

Nibedita is the first ever comprehensive insurance scheme for women in South Asia. This was designed to ensure women's economic security and provide them a platform to be socially and economically empowered.

Nibedita can be availed by any Bangladeshi women aged between 14 and 65 years old. They can get a coverage of BDT 100,000 to BDT 1,000,000 for a minimum annual premium of BDT 580 only. What makes Nibedita Unique is that beside other insurance benefits, it provides trauma allowances for the victims of rape, road bully, acid attacks and other discriminatory acts.

In order to create a one-stop service solution platform for women in Bangladesh, Green Delta have recently launched a mobile application called 'Nibedita Mobile App' for the Nibedita policy holders. The event titled 'Nibedita App Launch and Local SDG Celebration' was held on the 08th October 2016 at the Le Méridien Dhaka. Honorable Speaker of the Parliament, Dr. Shirin Sharmin Chaudhury MP, graced the occasion as the Chief Guest and officially launched the app. She congratulated Green Delta on such a noble initiative to work for the women and also felicitated Green Delta's Managing Director & CEO Farzana Chowdhury ACII (UK) for being a Local SDG Pioneer by the United Nations Global Compact. The Honourable Speaker also hailed Ms. Chowdhury as a source of inspiration to the millions of women in Bangladesh who wants to break the socio-economic barriers and succeed in their respective endeavours. She expressed her optimism on the role Nibedita can play in ensuring women's well-being. Special Guest Mr. Zunaid Ahmed Palak MP, Honourable State Minister, ICT

Division, Government of the People's Republic of Bangladesh, expressed his delight in the app launch and hoped that Green Delta can be a role model for the private sector to come forward and play a pivotal role along with the Government to realize the dream of Digital Bangladesh. The State Minister invited Green Delta to be their partner in Government's initiatives to promote the ICT sector to improve lives. He assured his full support for Green Delta's aspirations to help establish gender equality and women empowerment in Bangladesh. Ambassador of the US Embassy Dhaka, Her Excellency Mercia Bernicat and Former Bangladesh Ambassador and Permanent Representative to the United NationsDr. A K Abdul Momen were also present as the guests of honour.

The unique feature of Nibedita App is the Panic Button. Any women, when in danger, can press the panic button and at will create a loud siren like sound and also simultaneously send distress SMS with geo location to her relatives / nearest ones (provided during app registration), to Green Delta Head office and to the security service provider, who will mobilize its rescue team to the spot within 15-30 minutes for help. Besides security, this app will also give women access to better health, capacity building, lifestyle, financial services and other value added services. For this, Green Delta has partnered with various service providers to give the Nibedita policy holders special offers and fast-track services.

Ms. Farzana Chowdhury ACII (UK), Managing Director & CEO of Green Delta Insurance hopes that by empowering women – who constitute more than 52% of the population, Nibedita can play a pivotal role in the overall socio-economic development of Bangladesh.

Besides Gender Equality, Green Delta also addresses, Food security which aligns with the SDG 1- No Poverty through their product Weather Index Based Agri Insurance to safeguard the farmers of the country.

SDG 3- Good Health and Well Being & SDG 4- Quality Education are also two areas Green Delta focused on through many strategic CSR projects.

Decent Work and Economic Growth, derived from SDG 8 has also been addressed by GDIC and this is noticeable in the workplace and beyond Green Delta provides for its employees.

Board strategic responsibility

Our Board of Directors is responsible for guiding the Company's strategic direction. This includes integrating environmental, social and governance considerations within the Company's overall strategy. Endorsement from the Board, under the active supervision of the senior management team, leads organizational behavior towards active consideration of key sustainability issues in day-to-day functioning and decision making.

Comprehensive risk management framework

Stakeholders are increasingly looking beyond standard corporate governance issues to the way an enterprise manages its environmental and social issues. It has been widely observed that companies with a "Green" certification actively demonstrate instances where sustainability issues are their core corporate strengths and competency drivers. Engaging in sustainable development contributes to the growth in our valueeven as we focus on ensuring their timely and comprehensive reporting.

6.8 Integrated Reporting
Scope & its Boundaries

Scope and Boundary

"At Green Delta Insurance, integrated reporting enunciates and explains how we are creating value over the short-, medium- and long-term. For us, this emphasis goes beyond financial profit into how we are creating holistic value that will eventually measure in our performance. Companies cannot think of themselves as being apart from the society; in fact, they are an integral part of it. So our integrated reporting is fundamentally our communication on value. The overarching intent behind our integrated report is to influence how we behave as a business, which eventually starts to have an impact on the quality of our decision-making as well."

Farzana Choudhury, Managing Director and Chief Executive Officer, Green Delta Insurance Company Limited

Green Delta Insurance is committed to the progressive implementation of integrated reporting at all levels of our business. We understand that integrated reporting is an evolutionary process even as this reporting reflects a holistic account of our business – both financial and non-financial objectives and our performance against them – and describes our vision for the future, which is the ambition of providing insurance for all.

Under the guidance and stewardship of the Audit and Corporate Governance Committee, the adoption of a combined assurance model was evolved with the aim of providing a coordinated approach to all our assurance activities. This facilitates Group-wide integration and enables us to leverage the various organization-wide controls and governance and assurance processes. Besides, its introduction has brought a new dimension to assurance within the Group through the value derived from our quality assurance and claims management teams.

Following the recommendations of our Audit Committee, Green Delta Insurance's suite of 2016 reports for the year ended 31 December 2016, including the Annual Financial Statements 2016, were reviewed and approved by the Board of Directors.

Scope of this report and boundaries

Green Delta Insurance's Annual Integrated Report 2016 is for the period from 1 January 2016 to 31 December 2016. This report, though as much important for our wider stakeholder community, is primarily aimed at the providers of financial capital.

This Annual Integrated Report forms a part of a comprehensive suite of reports and must be read in conjunction with the same.

Our report has been produced in line with the recommendations of the Bangladesh Securities and Exchange Commission's Code on Corporate Governance and the Listings Requirements of the Dhaka Stock Exchange (DSE), our primary stock listing exchange.

We have sought to adopt the guiding principles and content elements advocated by the International Integrated Reporting Council (IIRC) and, in the interests of enhancing the understanding of our sector and our Company, have adapted these to meet our specific operating and business circumstances. Accordingly, this report seeks to provide a holistic view of our business – now and in the future – covering operational, financial and non-financial information. We have identified and engaged with a diverse range of stakeholders during the year and their input has shaped the content of this report.

We have also taken cognizance of those issues that we believe are important to the Group's future sustainability and its viability as a going concern. These issues were identified by means of a combined assurance process and by taking into account the views expressed by the various stakeholders associated with our Company.

As this is group-level reporting, operational targets and performance reviews are discussed where this is appropriate for our readers/investors/analysts/capital providers can better assess our business and the impact that our business has on the community around us. It must be mentioned that being in the insurance business, and as Bangladesh's largest and most trusted non-life insurance enterprise, we consider organized insurance advocacy as an integral part of our business and of as much importance as developing innovative insurance solutions that are the most suited to our customers' needs and requirements. This engagement goes beyond our mere day-to-day business functions.

Our reports cover all operations and entities in which the Group has a controlling interest and which are under our management, including Professional Advancement Bangladesh Limited, our exclusive insurance school; GD Assist, a joint venture with the Malaysian healthcare authorities and our capital market subsidiaries.

6.9.1 Environment Related Initiatives

A clean and green environment, economical use of resources and individual health and safety are becoming increasingly important in today's world.

In response to this national and global priority, Green Delta Insurance Company Limited is continuously working towards reducing energy consumption and minimizing waste generation. The Company is also emphasizing on optimizing paper usage to the extent possible. One of our key targets is to insure/ finance manufacturing companies for processes/ asset creation that enables them to reduce their carbon footprint. We are also extending finance and insurance services to green companies and hence creating a diverse environmental portfolio, strengthening an enterprise wide commitment to protect the environment.

The Company is encouraging banks and financial institutions including non-banking FIs in minimizing paper transactions and installing renewable (solar) power systems, opening up refinancing opportunities for solar energy and bio-gas at reduced interest rates.

At Green Delta Insurance, we fully support the principles of promoting good environmental and sustainability practices. We are committed to providing quality services in a manner that ensures a safe and healthy workplace for our employees, protects the environment and conserves energy and natural resources. With this broad framework and policies, we believe that we can achieve a healthy and safe environment. Moreover, our charter includes:

01. Developing and improving operations and technologies to minimize waste, mitigate health and safety risks and dispose-off waste safely and responsibly.
02. Conserving natural resources by embracing environment-friendly practices.
03. Integrating environmental concerns and impacts into our decision-making and day-to-day activities.
04. Identifying and purchasing environment- and safety compliant products for our daily operational needs.

6.9.2 Environmental & Social Obligations

General Description of the company's policies and practices relating to social and environmental responsibility of the entity

By virtue of being engaged in the insurance business, the Company does not generally come to be perceived as being environmentally unsound. However towards strengthening our brand as being a responsible corporate, we have ensured that our headquarters and our 39 branches are operated keeping all the environmental guidelines in mind.

Specific activities undertaken by the entity in pursuance of these policies and practices

Being a member of the UN Global Compact (UNGC), Green Delta Insurance strictly follows the stipulations as described in UNGC's charter. To its credit, the Company has not invited any censure from the Government or any other public organization and this is something that we are proud of as it is a reflection of our complete compliance with all regulatory as well as statutory laws.

Since we strictly align with our Code of Conduct, the chance of facing social obligations is close to nil. We cherish the fact that we have always been transparent regarding our business practices and policies. In particular, claims settlement within stipulated time frames is one of the key anchors of our Company, helping us reinforce our reputation as the largest and most preferred non-life insurer of the country.

Going forward, we will continue to uphold the highest environmental and social standards and faithfully endeavor to solidify our reputation as an institution of character and repute.

6.10 Status of Compliance with Corporate Governance Guidelines (CGS)

Status of compliance with the conditions imposed by the Bangladesh Securities and Exchange Commission's Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August, 2012 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

(Report under Condition No. 7.00)

Condition No.	Title	Compliance Status ("√" in appropriate column)		Remarks (If any)
		Complied	Not Complied	
1	BOARD OF DIRECTORS:			
1.1	Board's Size [number of Board members to be 5 – 20]	√		
1.2	Independent Directors			
1.2 (i)	Number of Independent Directors [at least 1/5]	√		
1.2 (ii)	Independent Director (ID) means a director:			
1.2 (ii) (a)	Holding no share or holding less than 1% shares	√		
1.2 (ii) (b)	Not being a sponsor and connected with any sponsor or director or shareholder holding 1% or more shares	√		
1.2 (ii) (c)	Not having any pecuniary or otherwise relationship with the company or its subsidiary/associated companies	√		
1.2 (ii) (d)	Not being member/director/officer of any stock exchange	√		
1.2 (ii) (e)	Not being shareholder/director/officer of any member of stock exchange or intermediary of capital market	√		
1.2 (ii) (f)	Not being partner/executive at present or during the preceding 3 years of the company's statutory audit firm	√		
1.2 (ii) (g)	Not being an ID in more than 3 listed companies	√		
1.2 (ii) (h)	Not convicted as defaulter in any loan of a bank or NBFI	√		
1.2 (ii) (i)	Not convicted for a criminal offence	√		
1.2 (iii)	To be appointed by BOD and approved in the AGM	√		
1.2 (iv)	The post cannot remain vacant for more than 90 days			N/A
1.2 (v)	Laying down of code of conduct of Board members and recording of annual compliance of the code	√		
1.2 (vi)	Tenure of ID : 3 years, may be extended for one term	√		
1.3	Qualification of Independent Director			
1.3 (i)	Being knowledgeable, having integrity, ability to ensure compliance with laws and make meaningful contribution	√		
1.3 (ii)	Being a Business Leader/ Corporate Leader/ Bureaucrat/ University Teacher(Economics/Business/Law)/CA/CMA/CS having 12 years of management/professional experience	√		

Condition No.	Title	Compliance Status ("√" in appropriate column)		Remarks
		Complied	Not Complied	(If any)
1.3 (iii)	Prior approval of the Commission in special cases			N/A
1.4	Appointment of Chairman and CEO, defining their roles	√		
1.5	The Director's Report to Shareholders shall include			
1.5 (i)	Industry outlook and possible future developments	√		
1.5 (ii)	Segment-wise or product-wise performance	√		
1.5 (iii)	Risks and concerns	√		
1.5 (iv)	Discussion on COGS, Gross Profit and Net Profit Margins	√		
1.5 (v)	Discussion on continuity of Extra-Ordinary gain or loss			N/A
1.5 (vi)	Basis for and a statement of related party transactions	√		
1.5 (vii)	Utilization of proceeds from issuing instruments			N/A
1.5 (viii)	Explanation, if the financial results deteriorate after going for IPO, RPO, Right Offer, Direct Listing, etc			N/A
1.5 (ix)	Explanation about significant variance between Quarterly Financial performance and Annual Financial Statements	√		
1.5 (x)	Remuneration to directors including IDs	√		
1.5 (xi)	Fair presentation in financial statements	√		
1.5 (xii)	Maintaining proper books of accounts	√		
1.5 (xiii)	Consistent application of appropriate accounting policies, and accounting estimates being reasonable and prudent	√		
1.5 (xiv)	Following applicable IAS/BAS/IFRS/BFRS, and adequate disclosure for any departure there-from, if any	√		
1.5 (xv)	Soundness and monitoring of internal control system	√		
1.5 (xvi)	Statement regarding ability to continue as going concern	√		
1.5 (xvii)	Significant deviations from last year's operating results			N/A
1.5 (xviii)	Summary of key operating/financial data of last 5 years	√		
1.5 (xix)	Reason for non declaration of Dividend			N/A
1.5 (xx)	Number of Board meetings and attendance of directors	√		
1.5 (xxi)	Pattern of shareholding (along with name wise details) by-			
1.5 (xxi) (a)	Parent/Subsidiary/Associate Companies & related parties	√		
1.5 (xxi) (b)	Directors, CEO, CS, CFO, HOIA, their spouses & children	√		
1.5 (xxi) (c)	Executives (Top 5 salaried employees other than above)	√		
1.5 (xxi) (d)	Shareholders holding 10% or more voting interest	√		
1.5 (xxii)	In case of the appointment/re-appointment of a director			
1.5 (xxii) (a)	A brief resume of the director	√		
1.5 (xxii) (b)	Nature of his/her expertise in specific functional areas	√		
1.5(xxii) (c)	Names of companies in which he/she holds directorship and the membership of committees of the board	√		
2	CFO, HEAD OF INTERNAL AUDIT AND CS:			
2.1	Appointment of a CFO, a Head of Internal Audit and a CS and defining their roles, responsibilities & duties	√		
2.2	Attendance of CFO and CS in the meetings of the Board	√		

Condition No.	Title	Compliance Status ("√" in appropriate column)		Remarks
		Complied	Not Complied	(If any)
3.	AUDIT COMMITTEE:			
3 (i)	Having Audit Committee as a sub-committee of the BOD	√		
3 (ii)	Audit Committee to assist the BOD in ensuring fairness of financial statements and a good monitoring system	√		
3 (iii)	Audit Committee being responsible to the BOD; duties of Audit Committee to be clearly set forth in writing	√		
3.1	Constitution of the Audit Committee			
3.1 (i)	Audit Committee to be composed of at least 3 members	√		
3.1 (ii)	Audit Committee members to be appointed by BOD and at least one Independent Director to be included	√		
3.1 (iii)	Audit Committee members to be "financially literate" and at least one to have accounting/financial experience	√		
3.1 (iv)	Vacancy in Audit Committee making the number lower than 3 to be filled up immediately and within 1 month			N/A
3.1 (v)	The CS to act as the secretary of the Audit Committee	√		
3.1 (vi)	No quorum in Audit Committee meeting without one ID	√		
3.2	Chairman of the Audit Committee			
3.2 (i)	Chairman to be an ID, selected by the BOD	√		
3.2 (ii)	Chairman of Audit Committee to remain present in AGM	√		
3.3	Role of Audit Committee			
3.3 (i)	Oversee the financial reporting process	√		
3.3 (ii)	Monitor choice of accounting policies and principles	√		
3.3 (iii)	Monitor Internal Control Risk management process	√		
3.3 (iv)	Oversee hiring and performance of external auditors	√		
3.3 (v)	Review the annual financial statements	√		
3.3 (vi)	Review the quarterly and half yearly financial statements	√		
3.3 (vii)	Review the adequacy of internal audit function	√		
3.3 (viii)	Review statement of significant related party transactions	√		
3.3 (ix)	Review Letters issued by statutory auditors	√		
3.3 (x)	Review disclosures/statements/declarations about uses of funds raised through IPO/RPO/Rights Issue	√		
3.4	Reporting of the Audit Committee			
3.4.1	Reporting to the Board of Directors			
3.4.1 (i)	Reporting on the activities of Audit Committee	√		
3.4.1 (ii) (a)	Reporting on conflicts of interests			N/A
3.4.1 (ii) (b)	Reporting on suspected/presumed fraud or irregularity or material defect in the internal control system			N/A
3.4.1 (ii) (c)	Reporting on suspected infringement of laws			N/A
3.4.1 (ii) (d)	Reporting on any other matter to disclose immediately			N/A
3.4.2	Reporting to BSEC			N/A
3.5	Reporting to the Shareholders and General Investors	√		

Condition No.	Title	Compliance Status ("√" in appropriate column)		Remarks
		Complied	Not Complied	(If any)
4	EXTERNAL / STATUTORY AUDITORS			
4.00 (i)	Non-engagement in appraisal/valuation/fairness opinions	√		
4.00 (ii)	Non-engagement in designing & implementation of FIS	√		
4.00 (iii)	Non-engagement in Book Keeping or accounting	√		
4.00 (iv)	Non-engagement in Broker-Dealer services	√		
4.00 (v)	Non-engagement in Actuarial services	√		
4.00 (vi)	Non-engagement in Internal Audit services	√		
4.00 (vii)	Non-engagement in services determined by Audit Com.	√		
4.00 (viii)	Possessing no share by any partner or employee of the external audit firm during the tenure of assignment	√		
4.00 (ix)	Non-engagement in Audit/Certification Services on Compliance of Corporate Governance as required under clause (i) of condition No. 7	√		
5	SUBSIDIARY COMPANY			
5 (i)	Composition of BOD to be similar to holding company	√		
5 (ii)	One ID to be in both holding and subsidiary company	√		
5 (iii)	Minutes of Board meetings of subsidiary company to be placed at following Board meeting of holding company	√		
5 (iv)	Minutes of respective Board meeting of holding company to state that affairs of subsidiary company be reviewed	√		
5 (v)	Audit Committee of holding company to review financial statements/ investments of subsidiary company	√		
6	DUTIES OF CEO AND CFO:			
6 (i) (a)	To certify that they've reviewed FSs which contain no untrue or misleading statement or omit no material fact	√		
6 (i) (b)	To certify that the statements present a true and fair view of affairs and are in compliance with accounting standards and applicable laws	√		
6 (ii)	To certify that no transaction is fraudulent, illegal or violation of company's code of conduct	√		
7	REPORTING AND COMPLIANCE OF CORPORATE GOVERNANCE:			
7 (i)	Obtaining certificate regarding compliance and sending it to shareholders along with the Annual Report	√		
7 (ii)	To state, in accordance with annexure, in directors' report whether the conditions has been complied with	√		

6.11 Report of the Audit Committee

The Audit Committee of the Green Delta Insurance Co. Ltd. is a sub-committee of the Board of Directors. The Committee held 04 (four) meetings during the year 2016 on 11.02.2016, 15.05.2016, 27.07.2016 and 31.10.2016. Attendance of the Members was as follows:

Sl.	Name & Description of the Member	No. of Meetings Attended
01.	Abdul Hafiz Choudhury	04
02.	Marufa Anwar	02
03.	Razia Rahman	03
04.	Arif A. Choudhury	04
05.	Mesbah Dilwar Rahman	03
06.	Md. Abdul Karim	04
07.	Iqbal Khan (Jamal)	03

Advisor Nasir A Choudhury and Managing Director Farzana Choudhury also attended the meetings of the Committee. Other invitees to the meetings were Additional Managing Director & CFO, Head of Internal Audit, related Branch Managers and Department Heads.

Additional Managing Director & Company Secretary Syed Moinuddin Ahmed acted as the Secretary of the Committee.

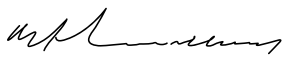
Activities of the Audit Committee

During the year 2016, the Audit Committee

- reviewed the detail and main features of the financial statements of the Company to ensure that these reflect a true and fair view of the Company's state of affairs for the year ended on 31 December 2015;
- while reviewing the financial statements ensured that proper disclosure required under International Accounting Standards as adopted in Bangladesh have been made and also complied with the Companies Act 1994 and various other rules and regulations applicable to insurance business;
- reviewed the quarterly un-audited financial statements for their proper presentation and accuracy;
- discussed with the statutory auditors before the audit commences, about the nature and scope of audit as well as had post-audit discussions to address areas of concern;
- approved the internal audit plan and gave directives wherever appropriate to the Internal Audit Unit for carrying out in depth audit to ensure that the Company or its assets are not exposed to undue risk;
- reviewed the Internal Audit Reports and suggested appropriate actions where needed. Internal Auditors were also advised to carry out audit of all the branches in each year with a view that Branch Audit Reports are required to ensure their effectiveness and to suggest appropriate information where required;
- reviewed significant related party transactions submitted by the management;
- reviewed the management report submitted by the statutory auditors and suggested corrective measures and fixed time frame for their implementation;
- reviewed the performance of External Auditors and recommended them for reappointment;
- reviewed the Financial Statements/ the Investments made by the subsidiary companies.

Reporting as per Corporate Governance Guidelines

Pursuant to Condition # 3.4.1 of the Corporate Governance Guidelines issued by BSEC, the Audit Committee reviewed the Internal Control System and Financial Statements, to the best of its ability. The Committee did not find any conflict of interest or any fraud, irregularity, material defect in the Internal Control System. The Committee also reports that there were no infringement of laws, rules and regulations. The Audit Committee is of the view that risk management associated with the insurance business is adequately controlled.



Abdul Hafiz Choudhury

Chairman, Audit Committee

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7.1 Claim Management and Details of Outstanding Claims with Aging Thereof

GENERAL INSURANCE CLAIMS

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 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 discover 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. 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.

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. Staffs and officers of Green Delta Insurance Company Ltd. always alert in 24-hrs to receive claim intimation over phone or email and immediately we advise competent surveyor to rush over there and take all evidence from the very beginning of a mishap until finalization of a report. Meanwhile, we require preliminary report to provide a note of possible liability on the occurrence. On receipt of the relevant papers/documents from the insured/ client at the same time receipt of survey report our management put highest effort to fulfill satisfactory claim settlement within the purview of relevant insurance policy. Simultaneously we provide necessary information to reinsurance department to fulfill their part of responsibility with due promptness.

The difference between claims management and claims handling: The key distinction is between management and handling. Claims management encompasses following ideas:

- The carrying out of the entire claims process from notification to review of performance
- Including within the review of performance the monitoring of claims expenses, legal costs and claims settlements.
- For self-insurers the review of performance would include attempting to minimize future losses in order to reduce claims cost.

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.

The Role of Claims Department: The claims department is one of the key departments of an insurance company. The claims department has main roles:

- Strategic role: to provide the insurance/ reinsurance company with a high quality of service so that it can differentiate itself from its competitors for even to outsource this function if it is unattainable in-house.

- Cost monitoring role: to ensure that the amount paid on any claim is contained within the parameters of the contractual relationship as far as possible.
- Service: to meet or exceed customers' expectations regarding the quality of service, with particular regard to the speed, manner and economic efficiency of the service.
- Management: to meet or exceed the standards of service set and to operate within budget.

Reinsurance & Claims Handling: the vital difference between insurance claims handling and reinsurance claims handling is that reinsurance claims handling involves negotiation between two insurance specialists in a business environment where a continuing business relationship may exist. Insurance claims handling, in comparison, often involves an insurance specialist negotiating with a member of the public where a continued relationship is unlikely if the claim settlement falls to meet the insured's expectations. However, in the case of large insurance claims, insurance specialists or lawyers are likely to represent both the insured and the insurer. Similarly, where large and/or problematic reinsurance claims are involved, specialists such as reinsurance consultants are likely to be engaged.

To conclude the claims department should also bear in mind the undernoted factors, which are essential in claims management as well as claims handling: the factors are detecting fraud, lowering the cost and avoiding litigation.

7.2 Disclosure pertaining to Solvency Margin

GREEN DELTA INSURANCE COMPANY LIMITED
Assets, Liabilities and Solvency Margin
For the year ended as at 31 December 2016

(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	365.80	1,554.84	0.50	777.42	155.48	73.16	155.48
2	Marine Cargo	679.06	927.01	0.70	648.91	129.78	135.81	135.81
3	Marine Hull	9.88	120.12	0.50	60.06	12.01	1.98	12.01
4	Motor	176.76	193.25	0.85	164.26	32.85	35.35	35.35
5	Misc	90.52	368.06	0.70	257.64	51.53	18.10	51.53
Total		**1,322.02**	**3,163.28**					**390.18**

Total Assets as per Balance Sheet	**8,588.24**
Less:	
Amount due from others	1,227.96
Outstanding premium	132.86
Furniture & Fixture	50.89
	1,411.71
(A) Total Assets	**7,176.53**
Solvency Margin Available (A - B)	4,001.00
Required Solvency Margin	390.18

Total Liabilities	
Sundry Creditors	457.54
Amount due to others	376.69
Provision for income tax	54.95
Deposit Premium	70.54
Reserve for Unexpired risk	531.83
Bank Loan	500.00
Reserve for exceptional loss	1,183.98
(B) Total Liabilities	**3,175.53**

7.3 Accounting Ratios pertaining to Insurance Sector

	2016	2015	2014	2013	2012
(%) of Reinsurance Premium Ceded on Gross Premium	58.21%	58.40%	54.42%	49.61%	53.42%
R/I Commission Earned on Gross Premium	14.29%	11.25%	7.36%	7.05%	8.16%
R/I Commission Earned on Net Premium	34.19%	27.05%	16.15%	13.99%	17.52%
Net Claim Incurred on Gross Premium	10.57%	10.00%	12.93%	14.26%	7.76%
Net Claim Incurred on Net Premium	25.30%	24.03%	28.36%	28.29%	16.66%
Underwriting Result on Gross Premium	12.18%	10.15%	11.41%	11.03%	11.45%
Underwriting Result on Net Premium	29.13%	24.41%	25.03%	21.88%	24.58%
Management Expense (Revenue) on Net Premium	44.28%	42.86%	45.59%	34.10%	33.29%
Combined Ratio on Gross Premium	51.39%	50.46%	56.22%	51.82%	42.99%
Combined Ratio on Net Premium	122.97%	121.30%	123.32%	102.83%	92.29%

7.4 Review of the Asset Quality

Position of Total Assets : (Taka in million)

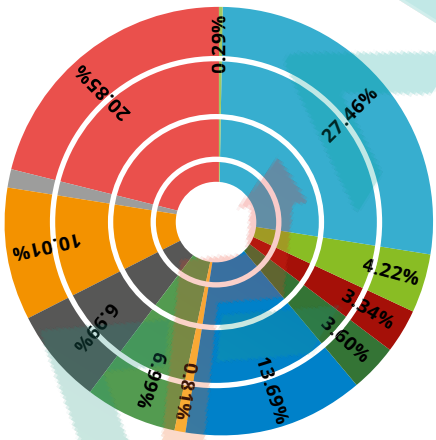
Particulars	2016	2015	2014	2013	2012
Investment	3492	3,279	2,392	2,197	1,999
Cash & Cash Equivalent	1095	975	1,181	1,201	919
Fixed Assets	2212	2,237	2,084	2,040	1,978
Other Assets	1789	1,169	942	868	682
Total	8,588	7,660	6,599	6,305	5,578

Total Assets



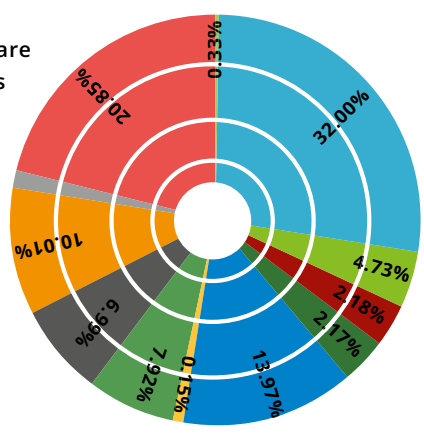
Particulars of assets		Year -2016			Total (%)	Growth	Year -2015			Total (%)
		Short term	Long term	Total			Short term	Long term	Total	
Investble assets	Government Bond	-	25.00	25.00	0.29%	0%	-	25.00	25.00	0.33%
	Investment in Quoted Share	2,358.05	-	2,358.05	27.46%	-4%	2,451.54	-	2,451.54	32.00%
	Investment in subsidiaries companies	-	362.46	362.46	4.22%	0%	-	362.46	362.46	4.73%
	Equity investment of non listed securities	-	287.11	287.11	3.34%	72%	-	167.11	167.11	2.18%
	Debenture and others	309.32	-	309.32	3.60%	86%	166.49	-	166.49	2.17%
	Sub Total	2,667.37	674.57	3,341.94	38.91%	5%	2,618.03	554.57	3,172.60	41.42%
	Fixed Deposit (FDR)	1,175.72	-	1,175.72	13.69%	10%	1,070.54	-	1,070.54	13.97%
	Cash and bank balance	69.88	-	69.88	0.81%	508%	11.49	-	11.49	0.15%
	Sub Total	1,245.60	-	1,245.60	14.50%	15%	1,082.03	-	1,082.03	14.12%
	Office space		600.28	600.28	6.99%	-1%		606.35	606.35	7.92%
	Building	-	622.17	622.17	7.24%	-1%		630.86	630.86	8.24%
	Sub Total	-	1,222.45	1,222.45	14.23%	-1%	-	1,237.21	1,237.21	16.15%
Other Assets	Land	-	859.97	859.97	10.01%	0%	-	859.97	859.97	11.23%
	Plant, Vehicle and Equipment	-	127.57	127.57	1.49%	-9%	-	139.82	139.82	1.83%
	Other Assets	1,788.35	2.36	1,790.71	20.85%	53%	1,168.78	-	1,168.78	15.26%
Total assets		**5,701.32**	**2,886.92**	**8,588.24**	**100.00%**	**12%**	**4,868.84**	**2,791.57**	**7,660.41**	**100.00%**

Year - 2016





Year - 2015



8.1 Certification by Managing Director & CEO and CFO

CEO & CFO's Certification

To the board of Directors

In accordance with the condition no. 6 of the Bangladesh and Securities Exchange Commission Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated August 07, 2012, we do hereby certify that:

i. We have reviewed financial statements for the year ended December 31, 2016 and that to the best of our knowledge and belief:

   a. These statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading:

   b. 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.

ii. To the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violation of the company's code conduct.

Chief Financial Officer

Chief Executive Officer

Dhaka, February 11, 2017

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8.2 Certificate on Compliance of Corporate Governance Guidelines

S. Abdur Rashid FCS
BCom (Hons), MBS (Finance & Banking), MBA (Finance), PGDHRM, LLB, **AIPM**
Chartered Secretary in Practice
Private Practice Certificate No.: 003
Phone # +880 2 9558796, +88 01726533655
E-mail : sarashid12000@yahoo.com

SARashid & Associates
(Chartered Secretaries)
Noakhali Tower (12th Floor, 13-D)
55/B Purana Paltan, Dhaka-1000, Bangladesh
E-mail : sarashidnasso@gmail.com

Certificate on Compliance *of* Corporate Governance Guidelines

[Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012]

I have reviewed the Compliance of Conditions of the Corporate Governance Guidelines by **Green Delta Insurance Company Limited** ("the Company") for the year ended 31 December 2016. Such compliance is the responsibility of the Company as stipulated in the above mentioned notification issued by Bangladesh Securities and Exchange Commission (BSEC).

I have conducted my review in a manner that has provided me a reasonable basis for evaluating the compliances and expressing my opinion thereon. This review has been limited to the measures adopted by the Company in ensuring such compliances and this has not been for expression of opinion on the financial statements or future viability of the Company.

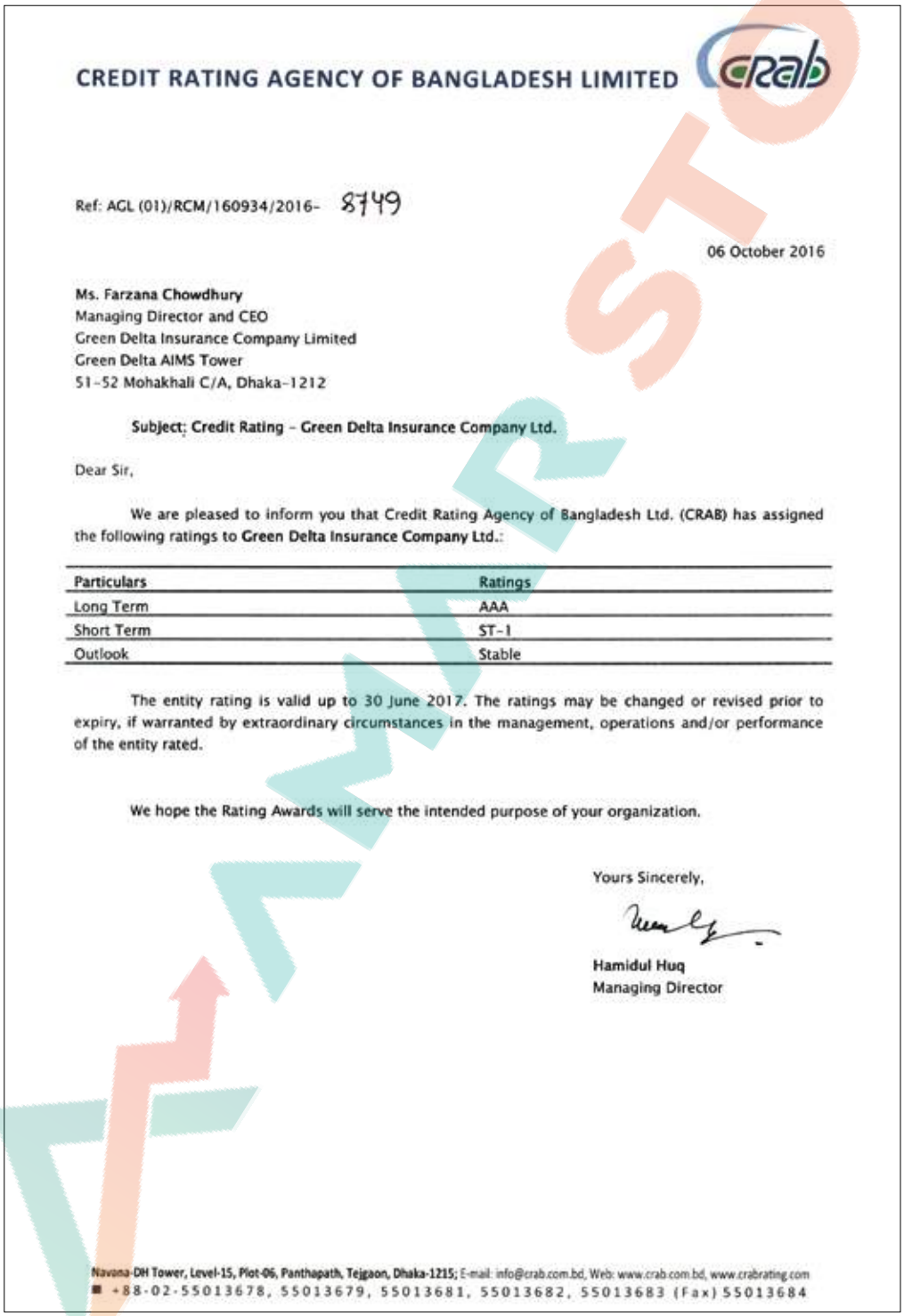
According to the information and explanations provided to me by the Company, I hereby certify that all the conditions of the Corporate Governance Guidelines have been complied with by the Company.

S. Abdur Rashid FCS

Dhaka, 04 March 2017

8.3 Certification on Credit Rating

Green Delta Insurance Company Ltd. has achieved 'AAA' ratings for the 3rd consecutive year in Insurance (life & Non life) industry in Bangladesh.



CREDIT RATING AGENCY OF BANGLADESH LIMITED

Ref: AGL (01)/RCM/160934/2016- 8749

06 October 2016

Ms. Farzana Chowdhury
Managing Director and CEO
Green Delta Insurance Company Limited
Green Delta AIMS Tower
51-52 Mohakhali C/A, Dhaka-1212

Subject: Credit Rating - Green Delta Insurance Company Ltd.

Dear Sir,

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 2017. The ratings may be changed or revised prior to expiry, if warranted by extraordinary circumstances in the management, operations and/or performance of the entity rated.

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

Yours Sincerely,

Hamidul Huq
Managing Director

Navana-DH Tower, Level-15, Plot-06, Panthapath, Tejgaon, Dhaka-1215; E-mail: info@crab.com.bd, Web: www.crab.com.bd, www.crabrating.com
■ +88-02-55013678, 55013679, 55013681, 55013682, 55013683 (Fax) 55013684

8.4 Certification on BAPLC Membership

As per SEC Notification # SEC/CMRRCD/2006-161/324 dated on April 11, 2010; we present the below the Certificate of Memorandum given by Bangladesh Association of Publicly Listed Companies (BAPLC):



BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES

Ref. No: OM-2016/053

BAPLC

Date of issue : 17th February 2016

Renewed Certificate

This is to certify that

GREEN DELTA INSURANCE COMPANY LIMITED

is a Ordinary Member of Bangladesh Association of Publicly Listed Companies *and is entitled to all the rights and privileges appertaining thereto.*

This certificate remains current until 31st December **2016.**

Secretary-General

8.5 Awards and Recognitions Showcase

Green Delta Insurance receives AAA rating for the 3rd consecutive year

For the consecutive 3nd year, Green Delta Insurance Company Limited has achieved AAA rating from Credit Rating Agency of Bangladesh (CRAB). Green Delta Insurance is the only non life Insurance Company in Bangladesh to have received the prestige of AAA rating.

At the Credit Rating handover ceremony Managing Director and CEO of Green Delta Insurance Farzana Chowdhury received the rating documents from the Managing Director of CRAB Hamidul Huq in presence of the Founding Managing Director and Advisor Mr Nasir A Choudhury. Other senior officials from the respective organisations were also present.

This marks a significant achievement not only for Green Delta but also for the whole Insurance industry of Bangladesh.



Green Delta wins ICAB Award

Green Delta Insurance Company Limited – the largest and leading non-life insurance company in Bangladesh have for the third consecutive year won the 1st prize in the Insurance category for "Best Presented Annual Reports 2015" in the 16th ICAB National Award Ceremony. Farzana Chowdhury ACII (UK) & Chartered Insurer, Managing Director and CEO of Green Delta Insurance Company Limited received the award from Mr. Tofail Ahmed MP, Hon'ble Minister, Ministry of Commerce, Government of Bangladesh.



Green Delta Insurance honoured with ICMAB Best Corporate Award



Green Delta Insurance has been honored with the prestigious ICMAB Award. From the insurance category, GDIC received the 2nd prize. Additional Managing Director and Company Secretary, Mr. Syed Moinuddin Ahmed received the award on behalf of GDIC from the Chief Guest of the event Honourable Finance Minister of Bangladesh Mr. A M A Muhit MP.



Green Delta wins Gold Award in ICSB National Award 2015

Green Delta Insurance Company Limited – the largest and leading non-life insurance company in Bangladesh have won the Gold Award for Corporate Governance Excellence in the insurance sector category at the 3rd ICSB National Award 2015. Farzana Chowdhury ACII (UK) & Chartered Insurer, Managing Director and CEO of Green Delta Insurance Company Limited received the award from Dr. Mashiur Rahman, Hon'ble Minister, Honorable Economic Affairs Adviser to the Prime Minister.





International ARC Award

Green Delta Insurances receives International ARC Awards for Best Presented Annual Report in Insurance Category. This prestige has marked Green Delta as the first Insurance Company from Bangladesh to receive this award for the 2nd consecutive year. As the first AAA credit rated Insurance Company from Bangladesh, Green Delta's achievement of International ARC Award has added further credibility in their claim to be the leading non life insurer of the country.

8.6 Events and Highlights of GDIC

30th Anniversary Celebration of Green Delta Insurance

When your asset is at stake, you need to find ways to minimize risks. Insurance system began to develop for reason as simple as that. As society has been developing, the issue of security of your assets becomes more and more significant. Your life, your assets need to be safe from events that can cause you great loss, from events beyond your control. Insurance is a great solution of the problem, and becoming more and more substantial as civilization moves ahead.

In some sense, we can say that insurance dates back to early human society, however, modern insurance systems began to take place as a sector in the 1700s, and was strengthened during the industrial revolution, especially in the form of property insurance. The first modern insurance company in British-India was established as early as 1818. After independence in 1971, the insurance sector of Bangladesh was nationalized, until it was privatized again in 1985.

Beginning the journey to become a developed country, Bangladesh had to emphasize on business and production. Entrepreneurship requires safety guarantee of capital, a perquisite to inspire industrial development. Here arouse the necessity of insurance companies, along with the life insurance facilities, non-life insurance sector was a demand of the socio-economic circumstances.

Late Mr. Md. Shafat Ahmed Chaudhuri, Founding Chairman of Green Delta Insurance, was among the few people who understood the necessity and potential of this sector. Although insurance was nothing new in 1985, it was the time for Bangladesh to begin anew, to prepare for a bigger journey. Mr. Md. Shafat Ahmed Chaudhuri had foreseen what





future holds for this sector, and as it happens, he knew the exact person to discuss his thoughts with. He sat in a meeting with Mr. Nasir A Chowdhury to start a timely intervention. Great minds think alike. After their meeting, it was just a matter of collecting all the necessary force and put them to work. Very soon, the largest Non-Life Insurance Company of Bangladesh, Green Delta Insurance Company Limited, came into being.

Beginning the journey with capable leadership of Mr. Md. Shafat Ahmed Chaudhuri as Chairman and Mr. Nasir A Choudhury as Managing Director, Green Delta Insurance Company soon became the best non-life insurance company of the country, in terms of service and values. Since then, it's been a journey to outshine the previous achievements and pioneering brilliant innovations in this less penetrated sector. Now, for the past 3 years, Ms. Farzana Chowdhury ACII (UK) has been leading the company as the Managing Director & CEO who happened to be the first and youngest female Managing Director & CEO in the Insurance & Banking Sector.

Green Delta Insurance Company is 30 years old now. Voyage of Green Delta has been a remarkable and proud one. Brilliance of the workforce and innovations of the leaders has made Green Delta Insurance the first and only Insurance Company from Bangladesh to achieve AAA rating for two consecutive years. With International Finance Corporation (IFC) of World Bank Group as their equity partner, Green Delta Insurance holds the proud distinction of being the first ever insurance company to raise its paid up capital to more than BDT 807 million.

Thus far, Green Delta family has been able to uphold the values and established themselves as a prompt claim settler, superior service provider, and diversified product supplier, making itself a one stop solution provider in the non-life insurance sector in the country. With four successful subsidiaries,Green Delta Capital Ltd., Green Delta Securities Ltd., Professional Advancement Bangladesh Limited and GD Assist Limited, Green Delta is a big family today.

Now, standing at the edge of a new era for the country, Green Delta is celebrating its 30th anniversary throughout the year 2016 with the theme: Future is Green.

Great potentials exist, both for the national and sector development. As a sector yet to be penetrated efficiently, insurance sector of Bangladesh has been spreading with a good pace. Development of the company is not the only priority of Green Delta, rather development of the insurance industry is the goal. Eradicating the negative perception of the industry is a mission of Green Delta, so that insurance can rise as an effective force to secure assets, Green Delta promises to bring insurance services at everyone's doorstep with the motto 'Insurance for everyone'. An array of products like- Nibedita, the first comprehensive Insurance scheme for Women in South East Asia, Niramoy- Micro insurance for rural people, Shudin- Micro insurance for garments workers, Probashi- Comprehensive Insurance scheme for Migrant Workers, Weather Index Based Agri Insurance, Health Insurance with Global Emergency Evacuation Services, Overseas Mediclaim Insurance, People's Personal Accident policy for students, Green Delta aims to transform the scenario and establish insurance schemes as a friend in need in times of distress. Green Delta is eyeing the scope of digital insurance and has initiated online payments services to make the payment methods easier for the valuable clients, along with a strong IT infrastructure aligned with government's recent approaches towards a more digitalized and greener future.

Bangladesh Government has recently taken up a timely initiative to provide health insurance to the people below the poverty line. Green Delta Insurance is the scheme operator for 'Shashtha Suroksha Karmashuchi' (SSK), a project of Health Economics Unit under Ministry of Health & Family Welfare.

A walk of 30 years has given a confidence to move forward. Green Delta believes future holds great opportunities, and we are ready to take what we can get from it. And the only way to reach there is together, with an open mind. The recent national and international awards as the Best Non-Life Insurance Company of Bangladesh, received from organizations like World Finance, IFM, ARC, ICAB, ICSB, SAFA etc. are the inspirations that pushes GDIC forward to achieve the long term vision of taking insurance to a much greater height.

We believe development of insurance sector resembles the development of an economy. We believe insurance is an effective and valuable tool for a better economy. We believe we have endless possibilities. Thus, we believe, future is great, Future is Green.

UN Global Compact recognizes Farzana Chowdhury as a Local SDG Pioneer







A Global Pioneer, A Recognized Leader

Green Delta Insurance MD and CEO Farzana Chowdhury is honored as a Pioneer for Women's Economic Security

That person is an innovator who knows what future holds, what can be achieved and what needs to be done. A leader knows how to do it. A pioneer, comprised of a leader and innovator, does it. One, who does not only achieve, but helps to achieve. One, who inspires, who you can follow.

In response of the extraordinary efforts and success in Gender equality, a goal of the 17 SDGs, UN Global Compact Leaders' Summit 2016 in New York recognizes Farzana Chowdhury, Managing Director and CEO of Green Delta Insurance, as one of ten 2016 Local SDG Pioneers. This is a unique and prestigious distinction for the first and youngest female MD & CEO of the banking-insurance sector of Bangladesh.

Branch managers and zonal heads of GDIC





Spreading insurance in the furthest corners

A2i Program and Green Delta Insurance signs MoU for activating sales of Insurance Services from Union Digital Center

To provide insurance services to the doorsteps of rural areas Access to Information (a2i) program of Prime Minister's Office and Green Delta Insurance Company Limited has signed a Memorandum of Understanding. Through this Green Delta Insurance will provide Insurance Services from the Union Digital Centers all over the country. Union Digital Centrers are one stop service outlets operating at all Union Councils of the country. Through use of ICT, UNION DIGITAL CENTRE is able to bring various types of information related to government, livelihood and private services to the doorstep of citizens in rural areas. It will ensure hassle free operations for the users especially in rural areas.

Mr. Kabir Bin Anwar, Director, Admin and Project Director, Access to Information Program, PMO and Ms. Farzana Chowdhury ACII (UK), Managing Director & CEO of Green Delta Insurance signed the MoU on behalf of respective organizations. Mr. Amir Choudhury, Policy Advisor, a2i program, Mr. Naimuzzaman Mukta, People's Perspective Specialist, a2i program, Mr. Nasir A. Choudhury, Advisor, Green Delta Insurance, Mr. Syed Moinuddin Ahmed, Additional Managing Director, Green Delta Insurance and Mr. Wafi S M Khan, Deputy Managing Director of Green Delta Insurance were also present at the ceremony. Other high officials from both the organizations were also present during the event.





Large Claims settled promptly by GDIC

The one and only Bangladeshi non-life insurance company which have been awarded the prestigious AAA rating for two consecutive years, Green Delta Insurance Co. Ltd. (GDIC) has recently settled a claim of BDT 29,18,59,650 to Dignity Textile Mills Ltd.

The check handover ceremony was organized to make on account payment against the loss of properties of Dignity Textile Mills Ltd. due to fire under Industrial All Risk policy.

Ms. Farzana Chowdhury, Managing Director and CEO of Green Delta Insurance Co. Ltd., handed over the check to Mr. Ambar T Hurry, Managing Director of Dignity Textile Mills Ltd. Mr. Nasir A Choudhury, Advisor, Mr. Golam Mustafa, Senior Additional Managing Director, Mr. NazimTazik Chowdhury, Additional Managing Director & CFO and Mr. Munir Ahmed, Executive Director of GDIC were also present during the event.

Recently BDT 25 lacs GDIC was also paid to Highspeed Group to settle their claim by Green Delta.

The cheque was handed over during the Inauguration Ceremony of the IDRA Bima Mela 2016 at Bangabandhu International Conference Center (BICC).

Honourable Finance Minister Abul Maal Addul Muhith handed over the Claim Cheque to Mr. Mahmudur Rahman, Chairman, High speed Group of Companies. Mr. Abdul Hafiz Chowdhury, Chairman & Farzana Chowdhury, MD & CEO of Green Delta Insurance Company Limited were present at that time.







30th Annual Business Conference

The 30thAnnual Business Conference of Green Delta Insurance Company Limited was held on February, 2016. Mr. Abdul Hafiz Choudhury, Chairman of the company was the chief guest of this conference. Also he inaugurated the conference. The target for the year 2015 was declared by Managing Director and CEO of Green Delta Insurance, Ms. Farzana Chowdhury, ACII (UK). Advisor of the company Mr. Nasir A Chowdhury also gave his insights regarding the business status of the company. Consultant Mr. A. S. A. Muiz and Senior Additional Managing Director Mr. Golam Mustafa were also present in the conference dais. All the Management Committee members, Zonal Heads, Branch Managers, along with other senior officials participated in the conference.

United Nations Private Sector Forum

Ms. Farzana Chowdhury ACII (UK), Chartered Insurer, Managing Director & CEO of Green Delta Insurance attended United Nations Private Sector Forum held at UN Head Quarters, New York. UN Secretary General H.E. Ban Ki Moon, Canadian Prime Minister Justin Trudeau were present at this prestigious event.









Green Delta Initiating Digital Frontier in the Insurance Industry: Introducing Online Premium Payment

Introducing up-to-date ideas and pioneering innovations in the industry is the force that took GDIC where it is now. As a part of the continuous response to timely necessities, GDIC is developing and implementing the concept of Digital Insurance. The main objective of this idea is to smoo then the issuance process of insurance policies and premium payment for the policy holders. Green delta has already made significant progress in the field of digitizing online payment.





High Level Table Discussion on Empowering People

Managing Director & CEO of Green Delta Insurance moderated a high level table discussion on 'Empowering People' focusing on eliminating hunger and poverty and enabling all people to live in dignity. The discussion was a part of UN Private Sector Forum held at UN Head Quarters on September 19, 2016. Christina Gallach, Under Secretary General for Communication & Public Information of UN was present at the event.





Engaging the Best of the Bests



Steve Murphy, a renowned legend of Insurance Sector, joins Green Delta Board

Mr. Steve Murphy, who is equipped with more than 40 years of experience in the insurance industry, has joined the Board of Green Delta Insurance as a Director. He will represent IFC (International Finance Corporation) of the World Bank Group, as IFC is the Equity Partner of Green Delta. He has worked in various capacities at different globally acclaimed insurance companies such as Hanover Re, Munich Re etc.

Mr. Steve Murphy was the Chief Executive Officer of Hanover Re (Africa) for 18 years. He has experienced cross-cultural environments, multi-currency situations in both life and non-life insurance and which makes him a mastermind of insurance sector.

At this time He is also a Consultant of Santam Re (a division of Santam Insurance in South Africa) and helping to develop its business to China and South East Asia. Mr. Steve Murphy is also the Chairman of Direct Line Assurance Company Ltd. from Kenya and a Director of Chemunique, an animal feeds additive business in Johannesburg.

He also had his own private consulting and training business in Vietnam.



'Green Delta Insurance' initiates Domestic Mediclaim Insurance for the customers of 'Ghurbo'

Green Delta Insurance, the leading AAA rated non-life Insurance company and Ghurbo.com, a renowned hotel booking website has signed an agreement in the capital today. Under this Agreement all the 'Ghurbo' customers will be insured while traveling through Ghurbo.com. Green Delta will be providing the Domestic Mediclaim Insurance, the coverage of which is upto BDT 1 lac. This insurance will be activated when the travelers book hotels through Ghurbo and the insurance will be valid for the whole period of their tour. This is the first time such a travel insurance policy for the domestic travellers has been introduced in the country. Managing Director & CEO of Green Delta Insurance and Chartered Insurer Ms. Farzana Chowdhury ACII (UK) and CEO of MCC Ltd. (the parent organization of Ghurbo) Mr. Ashraf Abir signed the Agreement on behalf of their respective organizations. From Green Delta Insurance, Mr. Syed Moinuddin Ahmed, Additional Managing Director and Company Secretary, Mr. Nazim Tazik Chowdhury, Additional Managing Director and CFO, Mr. Wafi S M Khan, Deputy Managing Director were also present. From MCC Ltd. Mr. Tayhidul Islam, Director (Business Development) was also present. The other high officials from both the organizations were also present during the event.



Green Delta Insurance Contributes BDT 25 Lacs for Capacity building of ICC Bangladesh

Green Delta Insurance Company Limited (GDIC) – the largest non-life insurance company in Bangladesh which have been awarded the prestigious AAA credit rating for three consecutive years recently handed over a cheque of BDT 25 Lacs to International Chamber of Commerce (ICC) Bangladesh. The contribution was made for capacity building of International Chamber of Commerce, Bangladesh.

Farzana Chowdhury ACII (UK) & Chartered Insurer and Managing Director & CEO and Nasir A Choudhury, Advisor & Founding Managing Director of GDIC handed over the cheque to Mahbubur Rahman, President and Rokia Afzal Rahman, Vice President, ICC – Bangladesh. A S A Muiz, Consultant, Golam Mustafa, Sr. Additional Managing Director, NazimTazik Chowdhury, Additional Managing Director & CFO, A K M Iftekhar Ahmad, Consultant& Head of Underwriting Management, Syed Moinuddin Ahmed, Additional Managing Director & Company Secretary of GDIC and Aftab-ul-Islam, Executive Board Member and Ataur Rahman, Secretary General of ICC – Bangladesh were also present in the ceremony.



GDIC signs with EBL for Payroll Banking Services

M. Nazeem A Choudhury, head of consumer banking at Eastern Bank and Nazim Tazik Chowdhury, Additional Managing Director & CFO of Green Delta Insurance Ltd exchange documents of a payroll Banking agreement at a programme in Dhaka.



Green Delta Insurance Launches 'Nibedita Mobile App'

Green Delta Insurance Company Ltd. (GDIC) – the leading and only non-life insurance company to have received the prestigious AAA credit rating for two consecutive years, have recently launched a mobile app for its Nibedita insurance policy holders. Nibedita is the first comprehensive insurance scheme for women in South Asia that provides women a safety net against various uncertainties. The 'Nibedita App' will give women access to various value added services in areas such as security, health, finance, capacity building, lifestyle and so on.

Titled 'Nibedita Mobile App Launch and Local SDG Pioneer Celebration', Dr. Shirin Sharmin Chaudhury MP, Hon'ble Speaker, Bangladesh Parliament graced the occasion as the Chief Guest. Other distinguished guests include Special Guest, Zunaid Ahmed Palak MP, State Minister, ICT Division, Ministry of Post, Telecommunication & Information Technology;Guests of Honor, Marcia Stephens Bloom Bernicat, Ambassador of the U.S. Embassy Dhaka Guest and Dr. A K Abdul Momen, Former Bangladesh Ambassador and Permanent Representative to the UN. Nasir A Choudhury, Advisor & Founding Managing Director, GDIC and Farzana Chowdhury ACII (UK) & Chartered Insurer, Managing Director & CEO of GDIC were also present in the occasion.

It may be mentioned here that Farzana Chowdhury ACII (UK) & Chartered Insurer, was recently recognized as a Local SDG Pioneer by the UN Global Compact in the Global Leaders' Summit at the UN Headquarters in New York. H.E. Ban Ki-moon hailed her as a pioneer for women's economic security for her pioneering role in achieving SDG 5 (Gender Equality and Women Empowerment) through Nibedita.

Green Delta Insures 250 Caddies & Gives Whole-In-One Coverage

Gala Dinner & Awarding Ceremony of Charity Golf Events 2016 organized by Tiger Golf Club where Green Delta Insurance provided Personal Accident coverage to 250 Caddies & Whole-In-One Coverage. Managing Director & CEO of Green Delta Insurance Ms. Farzana Chowdhury ACII (UK) handed over the Insurance Policy to Honorable Indonesian Ambassador to Bangladesh H.Elwan Wiranata-atmadja. It was the first time in the history of Bangladesh Insurance Industry, such a policy to the caddies were given.











Health Talk for Green Delta Employees

GD Assist and Doctorola organized a health talk and awareness session for female professionals of Green Delta

To raise awareness on various health issues, especially for the professional women, GD Assist and Doctorolla jointly organized a health talk titled "Busy Life Health Connect" for the female employees of Green Delta. Dr Raiatun Tehrin conducted the session where she discussed about awareness of various health issues, especially for the professional women.

GD Assist Limited, the official representative of Malaysia Healthcare Travel Council and a subsidiary of Green Delta Insurance Company Ltd. (GDIC), in collaboration with Doctorola.com, an online and call center based initiative that helps people in finding appropriate doctors and reserve appointment with them,have organized the health talk. All female employees of Green Delta participated in the event and exchanged their views on ways to lead a better and healthy lifestyle while maintaining professional commitment.

Green Delta has always been promoting women empowerment and gender equality."This health talk is part of Green Delta's endeavour for creating a one stop service solution platform for women to ensure their healthcare, safety and economic security", said Farzana Chowdhury, ACII (UK) &Chartered Insurer, Managing Director and CEO of GDIC,who is an ambassador of gender equality and has dedicated herself to women empowerment and gender equality.

Mr. Nasir A Choudhury, Chairman, GD Assist, Farzana Chowdhury, ACII (UK) & Chartered Insurer, Director of GD Assist Ltd., Syed Moinuddin Ahmed, CEO of GD Assist Ltd., Mohammad Abdul Matin Emon, MD & CEO of Doctorola and Md. Shanjidul Bari, Director of Operations were also present during the session.



National Mourning Day 2016

Green Delta Insurance Company Ltd. (GDIC) observed the National Mourning Day 2016 marking the 41st death anniversary of the Father of Nation, Bangabondhu Sheikh Mujibur Rahman. Employees of GDIC participated in the event. The participants discussed their personal experience with Bangabondhu and his contribution in the creation of independent Bangladesh.



Green Delta Inks Agreement with Elite Force

Green Delta Insurance Company Limited – the only non-life insurance company in Bangladesh to have received the prestigious AAA credit rating for three consecutive years have recently signed an agreement with Elite Force, the largest private security services provider of the country, for GDIC's Nibedita Mobile App.

Nibedita Mobile App is designed for Green Delta's Nibedita policy holders – the first comprehensive insurance scheme for women in South Asia. The unique feature of Nibedita app is the Panic Button. If a woman is under any security threat, she can press the Panic Button and within 15 – 30 minutes Elite Force personnel will reach to her for assistance. Simultaneously two text messages will also be sent to her friends & family and another to Green Delta's head office. In addition, the mobile app will also enable the Nibedita policy holders to avail special offers in the fields of health, finance, capacity building, lifestyle and so on. This is the first-of-its-kind initiative in Bangladesh.

Managing Director and CEO of Green Delta Insurance Farzana Chowdhury ACII (UK) & Chartered Insurer and Brig. Gen. Sharif Aziz (Rtd.) signed the agreement for their respective organizations. Other high officials of both the organizations were also present.

Green Delta Insurance Company Limited (GDIC) signs MoU with Bangladesh International Arbitration Centre (BIAC)



October 16, 2016, Dhaka:

Green Delta Insurance Company Limited (GDIC) has signed a Memorandum of Understanding (MoU) with Bangladesh International Arbitration Center (BIAC) at the capital. Ms. Farzana Chowdhury ACII (UK), Managing Director and CEO of GDIC & Mr. Muhammad A.(Rumee) Ali, CEO of BIAC signed the MoU on behalf of their respective organizations. Advisor & Founding Managing Director of GDIC Mr. Nasir A. Choudhury was also present at the ceremony along with other senior officials from both the organizations. This is the first MoU that BIAC signs with an insurance company.

Green Delta Insurance becomes Insurance Partner for Rajshahi Kings & Dhaka Dynamites

Green Delta Insurance becomes the Insurance Partner for the Rajshahi Kings & Dhaka Dynamites franchisees during the BPL 2016 season. Under this contract, GDIC insured all the players of Rajshahi Kings & Dhaka Dynamites with Personal Accident Policy. Both the teams did exceptionally well in the tournament. Dhaka Dynamites became the Champion for this season while Rajshahi Kings became the Runner up.







Green Delta Insurance Company Limited signed MoU on Agriculture Insurance with M/s. Supreme Seed Company Limited (A Concern of Surovi GROUP)

Green Delta Insurance Company Limited has signed with M/s. Supreme Seed Company Limited (A Concern of Surovi Group) for Agriculture Insurance at Mukagacha, Mymensingh. Green Delta Insurance Company Limited jointly with International Financial Corporation (IFC), World Bank Group, intends to start a pilot project of index based agriculture insurance in Bangladesh. Under the current arrangement, farmers supplying to Supreme Seeds will be insured for loss of yield on Hybrid Rice. On behalf of Supreme Seed Company Limited, Mr Humayun Kabir MD and on behalf of Green Delta Insurance Company Ltd. Ms. Farzana Chowdhury ACII(UK), Chartered Insurer MD & CEO signed the MoU for the pilot project. Founding Managing Director & Advisor Mr. Nasir A. Chowdhury, Green Delta Insurance Co. Ltd., Mohammed Masum Chairman of Supreme Seed Company Limited, Mr. Premises Mukherjee from IFC and Syed Moinuddin Ahmed, Additional Managing Director & Company Secretary and other top officials for both organization and Green Delta Agriculture Team were present in the signing ceremony



Green Delta Insurance Company Limited Signed agreement with Challenge Fund(Business Finance For the Poor in Bangladesh Project) for the Agriculture Insurance

Green Delta Insurance Company Limited has signed with Challenge Fund (Business Finance for the Poor in Bangladesh Project) for Agriculture Insurance. On behalf of Challenge Fund, Mr. Chris August, Team Lead, BFP-B Nathan Associates and on Behalf of Green Delta Insurance Company Limited Ms.

Farzana Chowdhury ACII (UK), Chartered Insurer, MD & CEO signed the agreement. Founding Managing Director & Advisor of Green Delta Mr. Nasir A. Chowdhury,Md. Arafat Hossain, Challenge Fund Manager,Muhymin Chowdhury, Challenge Fund Coordinator, KaziMahfuz – Deputy Credit Guarantee Fund Manager, BFP-B,Syed Moinuddin Ahmed, Additional Managing Director & Company Secretary of Green Delta Insurance, Ms. Papia Rahman ACII (UK), Senior Executive Director and other top officials for both organizations and Green Delta Agriculture Team were present in the signing ceremony.

The Nathan Associates London Ltd have established the BFP-B Challenge Fund, for the Poor Project in Bangladesh and have committed an initial sum of UK Sterling to the fund for its first twenty months of operation to co-finance a number of private sector led projects .

Green Delta Insurance Company Ltd. has been awarded a matching grant from the BFP-B Challenge Fund to lead a consortium to implement a project in the area of Agriculture Insurance Project at Khulna and Sariatpur. There are various vegetables which will be covered during the two years Pilot Project under this agreement.



Green Delta Insurance organizes Mezban for its stakeholders

Green Delta Insurance organized a grand Mezban event for its stakeholders. The event was held at International Convention Center, Bashundhara with the participation of all the employees and thousands of values clients, partners and others stakeholders. Around 4000 guests attended the event. Honourable Finance Minister of People's Republic of Bangladesh Mr. Abul Maal Abdul Muhith MP along with other distinguished guests graced the event.



Green Delta and iSocial inks agreement for Kallyani Project

Green Delta Insurance Company Limited – the leading and only non-life insurance company in Bangladesh to have been awarded the prestigious AAA credit rating for 03 consecutive years have recently signed an agreement with iSocial (Infolady Social Enterprise Limited) – a social enterprise for bridging marginalized community and market through digital innovations and a last mile delivery network. Under this agreement the Kallyani formerly known as 'Infolady' will act as an active agent of Green Delta Insurance and sell the Nibedita (comprehensive insurance scheme for women), PA (Personal Accident) and PPA (Peoples' Personal Accident) to the rural under served people, especially women.

Kallyaniis a unique initiative where the Kallyani (Infolady) goes from door-to-door riding a bicycle and equipped with smart tablets, health equipments, internet and other gadgets to bring the marginalized population under the financial inclusion model and also helping in realizing the Vision 2021 goal of Digital Bangladesh. ICT Division, the Government of Bangladesh is the principle partner in spreading and expanding 'Kallyani' model all around Bangladesh. With its involvement in this noble initiative, Green Delta continues to demonstrate its commitment for women empowerment, digital insurance and overall financial inclusion to ensure that 'no one is left behind' and Bangladesh successfully implements the Sustainable Development Goals (SDGs) by 2030.

Farzana Chowdhury ACII (UK) & Chartered Insurer, Managing Director & CEO, Green Delta Insurance Company and Dr. Ananya Raihan, CEO, iSocial has signed the agreement on behalf of their respective organizations. Mr. Nasir A Choudhury, Advisor & Founding Managing Director, Green Delta Insurance Company Limited was also present in the event.

Round Table discussion on How to Engage Private Sector, Public Sector, UN Agencies, Government and Civil Society to create band sustain 'Inclusive Societies'

Ms. Farzana Chowdhury ACII (UK) moderated a Round Table discussion on How to Engage Private Sector, Public Sector, UN Agencies, Government and Civil Society to create band sustain 'Inclusive Societies' held at Dubai. H.E. Dr. Thani Ahmed Al Zyoudi, Minister of Climate Change & Environment UAE, Ms. Lise Kingo, Executive Director, UN Global Compact were present at the event.



Focused On Nurturing Growth

At Green Delta Insurance, it will be evident on appraisal of our financial statements the robust foundations that we have created to ensure the viability of our business, the stability of our operations and the sustainability of our focus on enriching shareholder value.



9.1.1 Independent Auditor's Report to the Shareholders of

Green Delta Insurance Company Limited

We have audited the accompanying consolidated financial statements of Green Delta Insurance Company Limited and its subsidiaries (together referred to as the "Group") as well as the separate financial statements of Green Delta Insurance Company Limited (the "Company") which comprise the consolidated and separate Balance Sheets as at December 31, 2016, consolidated and separate profit and loss account, consolidated profit and loss appropriation account, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements of the Group and also separate financial statements of the Company that give a true and fair view in accordance with Bangladesh Financial Reporting Standards (BFRSs) and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements of the Group and also separate financial statements of the Company that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements of the Group and the separate financial statements of the Company based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSAs). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements of the Group and the separate financial statements of the Company are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements of the Group and separate financial statements of the Company. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements of the Group and the separate financial statements of the Company, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of consolidated financial statements of the Group and separate financial statements of the Company that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements of the Group and the separate financial statements of the Company.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements of the Group and also separate financial statements of the Company give a true and fair view of the consolidated financial position of the Group and the separate financial position of the Company as at December 31, 2016 and of its consolidated and separate financial performance and cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards (BFRSs), give a true and fair view of the state of the company's affairs as at December 31, 2016 and of the results of its operations and cash flows for the year then ended and complies with the Companies Act 1994, the Insurance Act 2010, Insurance Rules 1958, the Securities and Exchange Rules 1987 and other

applicable laws and regulations with the exception of the mandatory compliance with the Insurance Act 1938 mentioned in Note 2.20.

Report on Other Legal and Regulatory Requirements

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

d) as per section 63 (2) of the Insurance Act 2010, we report that to 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 Profit and Loss Accounts 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 of its business re-insured abroad;

f) the financial statements as at December 31, 2016 of the subsidiaries, namely Green Delta Capital Limited, Green Delta Securities Limited, Professional Advancement Bangladesh Limited and GD Assist LTD were not audited by us. Financial statements of those subsidiaries have been audited by other auditors and have been properly reflected in the consolidated financial statements.

g) the consolidated balance sheet, consolidated profit and loss account and consolidated statement of cash flows of the Group and the separate balance sheet, separate profit and loss account and separate statement of cash flows of the Company together with the annexed notes dealt with by the report are in agreement with the books of account and returns; and

h) the expenditure incurred was for the purpose of the Company's business.

Dated: Dhaka
February 11, 2017

A. Qasem & Co.
Chartered Accountants

9.1.2 Green Delta Insurance Company Ltd. & Its Subsidiaries

Consolidated Balance Sheet

For the Year ended December 31, 2016

Particulars	Notes	Amount in Taka	
		2016	2015
Capital and liabilities:			
Share capital			
Authorized capital	3.00	5,000,000,000	5,000,000,000
Issued, subscribed and paid-up capital	3.00	806,911,870	806,911,870
Share premium		195,113,205	195,113,205
Reserve or contingency account	4.B	**4,541,863,129**	**4,577,220,614**
Reserve for exceptional losses		1,183,976,992	1,084,824,956
Investment fluctuation fund		1,600,316,872	1,695,976,500
General reserve		180,000,000	180,000,000
Dividend equalization fund		110,000,000	130,000,000
Revaluation reserve	4.A	1,467,569,265	1,486,419,159
Profit & loss appropriation account	5.A	**396,295,286**	**381,651,830**
Non controlling interest	5.B	**3,802**	**4,259**
Total shareholders' equity		**5,940,187,292**	**5,960,901,779**
Balance of fund accounts	6.00	**531,825,315**	**505,663,463**
Fire insurance business		145,925,149	156,967,431
Marine insurance business		280,120,546	253,941,511
Motor insurance business		69,842,541	56,439,632
Miscellaneous insurance business		35,937,079	38,314,889
Premium deposit	7.00	70,539,457	68,612,369
Liabilities and provisions:		**3,453,622,043**	**1,660,984,937**
Estimated liability in respect of outstanding claims whether due or intimated	8.00	230,128,140	159,001,768
Amount due to other persons or bodies carrying on insurance business	9.00	905,652,789	689,071,352
Sundry creditors (Including outstanding expenses, taxes & provisions)	10.A	1,797,773,462	812,911,817
Loan Received	11.A	520,067,653	-
Total liabilities		**4,055,986,816**	**2,235,260,769**
Total liabilities & shareholders' equity		**9,996,174,106**	**8,196,162,552**

AMARSTOCK

Particulars	Notes	Amount in Taka	
		2016	2015
Assets and properties		**5,287,552,139**	**4,585,823,559**
Investment	12.A	3,230,176,069	3,139,449,471
Outstanding premium	13.00	132,861,956	120,419,128
Amount due from other persons or bodies carrying on insurance business	14.00	1,227,956,653	653,482,268
Sundry debtors (including advances and deposits)	15.A	696,557,461	672,472,692
Cash and cash equivalent	16.A	2,480,484,555	1,352,608,301
Other accounts			
Land property and office space with building project	17.00	859,974,010	859,974,010
		1,368,163,401	**1,397,756,681**
Fixed assets (at cost less depreciation)	18.A	1,358,978,719	1,386,414,639
Intangible assets	18.B	6,819,167	9,244,036
Stock of printing, stationery and stamps	19.00	2,365,515	2,098,006
Total assets and properties		**9,996,174,106**	**8,196,162,552**

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

Abdul Hafiz Choudhury
Chairman

Kamran Idris Chowdhury
Vice Chairman

Farzana Chowdhury
Managing Director & CEO

Nazim Tazik Chowdhury
Add. Managing Director & CFO

Syed Moinuddin Ahmed
Company Secretary

Dated, Dhaka;
11 February, 2017

Signed as per our separate report of same date.

A.Qasem & Co.
Chartered Accountants

AMAR STOCK

9.1.3 Green Delta Insurance Company Ltd.

Consolidated Profit and Loss Appropriation Account

for the year ended December 31, 2016

Particulars	Notes	Amount in Taka	
		2016	2015
Balance brought forward from last year		315,976,924	295,990,985
Net profit for the year brought down		352,964,580	311,635,027
TOTAL		**668,941,504**	**607,626,012**
Reserve for exceptional losses	4.01	99,152,035	94,085,171
Provision for income tax		53,674,455	46,135,133
Deferred tax liability/ (asset) during the year		20,445,119	19,223,448
Dividend and reserve distributed from last year:		**201,727,968**	**130,033,438**
Cash dividend		201,727,968	110,033,438
General reserve		-	10,000,000
Dividend equalization fund		-	10,000,000
Profit for the period of continuing operation		**179,692,971**	**142,463,710**
Balance transferred to balance sheet		293,941,927	318,148,822
TOTAL		**668,941,504**	**607,626,012**
Earning per share (EPS) (Tk-10/= each)	**24.A**	**3.46**	**3.05**

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

Abdul Hafiz Choudhury
Chairman

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Vice Chairman

Farzana Chowdhury
Managing Director & CEO

Nazim Tazik Chowdhury
Add. Managing Director & CFO

Syed Moinuddin Ahmed
Company Secretary

Dated, Dhaka;
11 February, 2017

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A.Qasem & Co.
Chartered Accountants

9.1.4 Green Delta Insurance Company Ltd. & Its Subsidiaries

Consolidated Profit and Loss Account

for the year ended December 31, 2016

Particulars	Notes	Amount in Taka	
		2016	2015
Investment income		171,076,960	154,858,983
Income from share business	21.A	25,118,943	42,352,842
Brokerage commission & other Income		90,739,938	102,458,489
Interest & others income	21.B	75,757,230	76,151,275
Total investment income		**362,693,071**	**375,821,589**
Fire insurance revenue account		125,585,515	57,603,055
Marine insurance revenue account		220,138,594	244,334,379
Motor insurance revenue account		33,061,052	(1,689,984)
Misc. insurance revenue account		6,372,874	5,934,355
Total revenue income		**385,158,035**	**306,181,805**
Total income		**747,851,106**	**682,003,394**
Management expenses	21.C	324,541,630	301,429,045
Director's fee & expenses		1,568,654	1,474,171
Audit fees		345,000	345,000
Depreciation		63,631,242	64,270,151
Total expenditure		**390,086,526**	**367,518,367**
Profit before provision & tax		**357,764,580**	**314,485,027**
Others provision		4,800,000	2,850,000
Net profit for the year		**352,964,580**	**311,635,027**
Profit attributable to GDIC		**352,965,038**	**311,635,880**
Share of non-controlling interest		**(458)**	**(853)**
		352,964,580	**311,635,027**

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

Abdul Hafiz Choudhury
Chairman

Kamran Idris Chowdhury
Vice Chairman

Farzana Chowdhury
Managing Director & CEO

Nazim Tazik Chowdhury
Add. Managing Director & CFO

Syed Moinuddin Ahmed
Company Secretary

Dated, Dhaka;
11 February, 2017

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A.Qasem & Co.
Chartered Accountants

9.1.5 Green Delta Insurance Company Ltd. & Its Subsidiaries

Consolidated Statement of Changes in Equity

For the year ended December 31, 2016

Particulars	Share Capital	Share Premium	Reserve for Exceptional Losses	General Reserve	Dividend Equalization Fund	Revaluation Reserve	Investment Fluctuation Fund	Retained Earnings	Total	Non Controlling Interest	Total
Balance at January 01, 2016	**806,911,875**	**195,113,205**	**1,084,824,956**	**180,000,000**	**130,000,000**	**1,486,419,159**	**1,695,976,500**	**381,651,829**	**5,960,897,524**	**4,259**	**5,960,901,779**
Revaluation adjustment during the period						(18,849,894)	-	18,849,894	-		-
Stock dividend paid for the year 2015	-	-		-	-	-	-	-	-		-
Cash dividend paid for the year 2015							-	(201,727,968)	**(201,727,968)**		(201,727,968)
Profit after tax							-	276,668,367	**276,668,367**	(458)	276,667,909
Appropriation to reserve	-		99,152,035	-	(20,000,000)	-	(95,659,628)	(79,152,035)	**(95,654,425)**		(95,654,425)
Balance as on December 31, 2016	**806,911,875**	**195,113,205**	**1,183,976,991**	**180,000,000**	**110,000,000**	**1,467,569,265**	**1,600,316,872**	**396,290,087**	**5,940,183,499**	**3,801**	**5,940,187,292**
Balance as on December 31, 2015	**806,911,875**	**195,113,205**	**1,084,824,956**	**180,000,000**	**130,000,000**	**1,486,419,159**	**1,695,976,500**	**381,651,829**	**5,960,897,524**	**4,259**	**5,960,901,779**

Abdul Hafiz Choudhury
Chairman

Kamran Idris Chowdhury
Vice Chairman

Farzana Chowdhury
Managing Director & CEO

Nazim Tazik Chowdhury
Add. Managing Director & CFO

Syed Moinuddin Ahmed
Company Secretary

Dated, Dhaka;
11 February, 2017

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A.Qasem & Co.
Chartered Accountants

9.1.6 Green Delta Insurance Co. Ltd. & Its Subsidiaries

Consolidated Statement of Cash Flows

for the year ended December 31, 2016

Particulars	Notes	Amount in Taka	
		2016	2015
Cash flows from operating activities			
Collections from premium and other income		5,453,476,922	3,472,288,356
Payments for management expense, re-insurance and claims		(4,566,995,500)	(3,266,286,422)
Income tax paid		(55,485,779)	(63,483,172)
Net cash provided by operating activities		**830,995,643**	**142,518,762**
Cash flows from investing activities			
Investment in share		(5,687,403)	(76,117,405)
Investment in FDR		(43,707,523)	(106,633,504)
Income from share trading		2,531,202	39,034,363
Interest received/((Paid)		(8,760,953)	(15,996,049)
Income from office rent		10,150,380	7,801,884
Advance Received /(Paid) to Green Delta Securities Ltd.		-	(1,096,371)
Dividend income		95,565,768	67,221,275
Purchase of fixed assets		(34,189,960)	(185,713,524)
Sales of fixed assets		2,650,000	52,500
Interest on FDR		67,404,492	76,213,180
Receivable from Green Delta Capital Ltd.		(5,822)	-
Underwriting Commission		-	108,540
Advance for Office rent		(110,000)	481,336
Investment in Alliance Leasing and Finance		(120,000,000)	-
Investment in Others		5,152,280	2,000,000
Investment in ACME Laboratories Ltd.		(2,732,364)	-
Bank loan/Overdraft		410,801,528	(53,842,788)
Advance for Office space		-	-
Trustee Commission		4,435,000	2,385,000
Investment In PABL		-	(7,497,000)
Net cash used in investing activities		**383,496,625**	**(251,598,563)**
Cash flows from financing activities:			
Dividend paid		(198,066,014)	(111,256,554)
Share issue		-	7,500,000
Client account		111,450,000	-
Net cash from financing activities		**(86,616,014)**	**(103,756,554)**
Net increase/(decrease) in cash & cash equivalents during the year		**1,127,876,254**	**(212,836,355)**
Cash & cash equivalents at the beginning of the year		**1,352,608,301**	**1,565,444,656**
Cash & cash equivalents at the end of the year		**2,480,484,555**	**1,352,608,301**
Net Operating Cash Flows per Share (NOCFPS)		**10.30**	**1.77**

Abdul Hafiz Choudhury
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Vice Chairman

Farzana Chowdhury
Managing Director & CEO

Nazim Tazik Chowdhury
Add. Managing Director & CFO

Syed Moinuddin Ahmed
Company Secretary

Dated, Dhaka;
11 February, 2017

Signed as per our separate report of same date.

A.Qasem & Co.
Chartered Accountants

9.2.1 Green Delta Insurance Company Limited

Balance Sheet

As at December 31, 2016

Particulars	Notes	Amount in Taka	
		2016	2015
Capital and liabilities:			
Share capital			
Authorized share capital	3.00	5,000,000,000	5,000,000,000
Issued, subscribed and paid-up capital	3.00	806,911,870	806,911,870
Share premium		195,113,205	195,113,205
Reserve or contingency account:	4.00	**4,461,791,605**	**4,497,149,092**
Reserve for exceptional losses	4.01	1,183,976,992	1,084,824,956
Investment fluctuation fund	4.02	1,600,316,872	1,695,976,500
General reserve	4.03	180,000,000	180,000,000
Dividend equalization fund	4.04	110,000,000	130,000,000
Revaluation reserve	4.05	1,387,497,741	1,406,347,635
Profit & loss appropriation account	5.00	**179,607,051**	**193,054,624**
Total shareholders' equity		**5,643,423,731**	**5,692,228,791**
Balances of funds & accounts:	6.00	**531,825,315**	**505,663,465**
Fire insurance business		145,925,149	156,967,432
Marine insurance business		280,120,546	253,941,512
Motor insurance business		69,842,541	56,439,632
Miscellaneous insurance business		35,937,079	38,314,889
Premium deposit	7.00	70,539,457	68,612,369
Liabilities and provisions		**2,342,452,573**	**1,393,964,346**
Estimated liability in respect of outstanding claims whether due or intimated	8.00	230,128,140	159,001,768
Amount due to other persons or bodies carrying on insurance business	9.00	905,652,789	689,071,352
Sundry creditors (including outstanding expenses, taxes & provisions)	10.00	706,671,645	545,891,226
Loan Received	11.00	500,000,000	-
Total liabilities		**2,944,817,345**	**1,968,240,180**
Total liabilities & shareholders' equity		**8,588,241,075**	**7,660,468,971**

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Particulars	Notes	Amount in Taka	
		2016	2015
Assets and properties			
		5,280,647,493	**4,448,071,614**
Investment	12.00	3,492,289,437	3,279,288,827
Outstanding premium	13.00	132,861,956	120,419,128
Amount due from other persons or bodies carrying on insurance business	14.00	1,227,956,653	653,482,268
Sundry debtors (including advances and deposits)	15.00	427,539,447	394,881,391
Cash and cash equivalents	16.00	1,095,257,358	975,402,869
		2,212,336,223	**2,236,994,487**
Land	17.00	859,974,010	859,974,010
Fixed assets & intangible assets	18.00	1,349,996,698	1,374,922,471
Stock of printing, stationery and stamps	19.00	2,365,515	2,098,006
Total assets and properties		**8,588,241,075**	**7,660,468,971**

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

Abdul Hafiz Choudhury
Chairman

Kamran Idris Chowdhury
Vice Chairman

Farzana Chowdhury
Managing Director & CEO

Nazim Tazik Chowdhury
Add. Managing Director & CFO

Syed Moinuddin Ahmed
Company Secretary

Dated, Dhaka;
11 February, 2017

Signed as per our separate report of same date.

A.Qasem & Co.
Chartered Accountants

9.2.2 Green Delta Insurance Company Limited

Profit and Loss Appropriation Account

For the year ended December 31, 2016

Particulars	Notes	Amount in Taka	
		2016	2015
Balance brought forward from last year		129,552,556	123,373,548
Net profit for the year brought down		303,527,655	279,521,065
TOTAL		**433,080,211**	**402,894,613**
Reserve for exceptional losses	4.01	99,152,035	94,085,171
Provision for income tax	10.01	34,500,000	30,000,000
Provision for deferred tax	10.02	20,445,119	19,223,448
Dividend and Reserve distributed from last year Profit :		**201,727,968**	**130,033,438**
Cash		201,727,968	110,033,438
General reserve		-	10,000,000
Dividend equitation fund		-	10,000,000
Profit for the period of continuing operation		**149,430,501**	**136,212,446**
Balance transferred to balance sheet		77,255,089	129,552,556
TOTAL		**433,080,211**	**402,894,613**
Earning Per share(Tk-10/= each)		**3.08**	**2.85**
P/E Ratio		**16.13**	**18.82**

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

Abdul Hafiz Choudhury
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Kamran Idris Chowdhury
Vice Chairman

Farzana Chowdhury
Managing Director & CEO

Nazim Tazik Chowdhury
Add. Managing Director & CFO

Syed Moinuddin Ahmed
Company Secretary

Dated, Dhaka;
11 February, 2017

Signed as per our separate report of same date.

A.Qasem & Co.
Chartered Accountants

9.2.3 Green Delta Insurance Company Limited

Profit and Loss Account

For the year ended December 31, 2016

Particulars	Notes	Amount in Taka	
		2016	2015
Expenses of management (not applicable to any particular fund or account)		204,679,477	182,980,825
		58,291,573	**56,160,649**
Director's fee & expenses		1,568,654	1,474,171
Audit fees	20.00	345,000	345,000
Depreciation		56,377,919	54,341,478
Net profit for the year carried down to profit & loss appropriation account		303,527,655	279,521,065
TOTAL		**566,498,705**	**518,662,539**
Investment & others income	21.00	181,340,670	212,480,734
Profit & loss transferred from :			
		385,158,035	**306,181,805**
Fire insurance revenue account		125,585,515	57,603,055
Marine insurance revenue account		220,138,594	244,334,379
Motor insurance revenue account		33,061,052	(1,689,984)
Miscellaneous insurance revenue account		6,372,874	5,934,355
TOTAL		**566,498,705**	**518,662,539**

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

Abdul Hafiz Choudhury
Chairman

Kamran Idris Chowdhury
Vice Chairman

Farzana Chowdhury
Managing Director & CEO

Nazim Tazik Chowdhury
Add. Managing Director & CFO

Syed Moinuddin Ahmed
Company Secretary

Dated, Dhaka;
11 February, 2017

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A.Qasem & Co.
Chartered Accountants

9.2.4 Green Delta Insurance Company Limited

Statement of Changes in Equity

For the year ended December 31, 2016

Particulars	Share Capital	Share Premium	Reserve for Exceptional Losses	General Reserve	Dividend equalization fund	Investment Fluctuation Fund	Revaluation Reserve	Retained Earnings	Total
Balance as on January 01, 2016	806,911,875	195,113,205	1,084,824,956	180,000,000	130,000,000	1,695,976,498	1,406,347,637	193,054,625	5,692,228,791
Transfer for 2015	-	-	-	-	-	-	(18,849,894)	18,849,894	-
Cash dividend paid for 2015	-	-						(201,727,968)	(201,727,968)
Profit after tax	-	-	-	-	-	-	-	248,582,536	248,582,536
Appropriation to reserve	-	-	99,152,035	-	(20,000,000)	(95,659,628)	-	(79,152,035)	(95,659,628)
Balance as on December 31, 2016	**806,911,875**	**195,113,205**	**1,183,976,991**	**180,000,000**	**110,000,000**	**1,600,316,870**	**1,387,497,743**	**179,607,052**	**5,643,423,731**
Balance as on December 31, 2015	**806,911,875**	**195,113,205**	**1,084,824,956**	**180,000,000**	**130,000,000**	**1,695,976,498**	**1,406,347,637**	**193,054,625**	**5,692,228,791**

Abdul Hafiz Choudhury
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A.Qasem & Co.
Chartered Accountants

9.2.5 Green Delta Insurance Company Limited

Cash Flow Statement

For the year ended December 31, 2016

Particulars	Amount in Taka	
	2016	2015
Cash flows from operating activities:		
Collections from premium and other income	3,807,760,228	3,254,185,351
Payments for management expense, re-insurance and claims	(3,786,602,621)	(3,165,646,090)
Income tax paid	(33,905,678)	(51,272,740)
Net cash from operating activities	**(12,748,071)**	**37,266,521**
Cash flows from investing activities:		
Investment in share	(2,551,242)	15,151,793
Investment in FDR	(43,707,523)	(106,633,504)
Income from share trading	2,531,202	39,034,363
Interest received	19,057,800	11,357,859
Income from office rent	10,150,380	8,283,220
Advance received/(Paid) to Green Delta Securities	(140,000,000)	(60,000,000)
Dividend income	75,572,034	67,221,275
Purchase of fixed assets	(31,871,653)	(13,131,241)
Sales of fixed assets	2,650,000	52,500
Interest on FDR	57,250,762	76,213,180
Receivable from Green Delta Capital	(5,822)	-
Underwriting Commission	-	108,540
Office space for Bangla Motor	(110,000)	(61,060,378)
Advance for Office space (Khatungonj.Ctg.)	-	(43,592,190)
Land at Aftabnagar		(59,974,010)
Investment in Alliance Leasing and Finance	(120,000,000)	-
Trustee Commission	4,435,000	2,385,000
Investment in PABL	-	(7,497,000)
Investment in ACME Laboratories Ltd.	(2,732,364)	-
Bank loan	500,000,000	-
Net cash used in investing activities	**330,668,574**	**(132,080,593)**
Cash flows from financing activities:		
Dividend paid	(198,066,014)	(111,256,554)
Net cash from financing activities	**(198,066,014)**	**(111,256,554)**
Net Increase/(Decrease) in cash & cash equivalents during the year	**119,854,489**	**(206,070,626)**
Cash & cash equivalents at the beginning of the year	**975,402,869**	**1,181,473,495**
Cash & cash equivalents at the end of the year	**1,095,257,358**	**975,402,869**
Net Operating Cash Flows per Share (NOCFPS)	**(0.16)**	**0.46**

Abdul Hafiz Choudhury
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Syed Moinuddin Ahmed
Company Secretary

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11 February, 2017

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A.Qasem & Co.
Chartered Accountants

9.2.6 Green Delta Insurance Company Limited

Consolidated All Business Revenue Account

For the year ended December 31, 2016

Particulars	Notes	Amount in Taka	
		2016	2015
		1,362,731,162	**1,282,556,624**
Claims under policies less re-insurance	22.00	334,477,227	301,488,559
Agency commission		442,800,541	443,361,932
Expenses of management		585,453,394	537,706,133
Profit transferred to profit & loss account		385,158,032	306,181,806
Balance of accounts at the end of the year as shown in the balance sheet	6.00	531,825,315	505,663,463
TOTAL		**2,279,714,509**	**2,094,401,893**
Balance of account at the beginning of the year		505,663,463	500,552,761
Gross premium		3,163,273,569	3,015,634,962
Re-insurance premium		(1,841,246,431)	(1,761,166,011)
Net premium	23.00	**1,322,027,138**	**1,254,468,950**
Commission on re-insurance ceded		452,023,908	339,380,181
TOTAL		**2,279,714,509**	**2,094,401,893**

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

Abdul Hafiz Choudhury
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Vice Chairman

Farzana Chowdhury
Managing Director & CEO

Nazim Tazik Chowdhury
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Syed Moinuddin Ahmed
Company Secretary

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11 February, 2017

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A.Qasem & Co.
Chartered Accountants

Green Delta Insurance Company Limited

Fire Insurance Revenue Account

For the year ended December 31, 2016

Particulars	Notes	Amount in Taka	
		2016	2015
		559,238,851	**526,024,898**
Claims under policies less re-insurance	22.00	175,479,859	147,259,371
Expenses of management		161,792,410	168,675,914
Agency commission		221,966,582	210,089,613
Profit transferred to profit & loss account		125,585,515	57,603,055
Balance of account at the end of the year as shown in the balance sheet (reserve for unexpired risks)		145,925,148	156,967,431
TOTAL		**830,749,514**	**740,595,383**
		830,749,513	740,595,383
Balance of account at the beginning of the year		156,967,431	117,191,095
Premium less re-insurance	23.00	365,802,759	393,647,746
Commission on re-insurance ceded		307,979,323	229,756,542
TOTAL		**830,749,513**	**740,595,383**

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

Abdul Hafiz Choudhury
Chairman

Kamran Idris Chowdhury
Vice Chairman

Farzana Chowdhury
Managing Director & CEO

Nazim Tazik Chowdhury
Add. Managing Director & CFO

Syed Moinuddin Ahmed
Company Secretary

Dated, Dhaka;
11 February, 2017

Signed as per our separate report of same date.

A.Qasem & Co.
Chartered Accountants

AMAR STOCK

Green Delta Insurance Company Limited

Marine Insurance Revenue Account

For the year ended December 31, 2016

Particulars	Notes	Amount in Taka	
		2016	2015
		529,914,673	**500,465,455**
Claims under policies less re-insurance	22.00	80,002,208	89,112,641
Expenses of management		304,892,463	265,704,624
Agency commission		145,020,002	145,648,190
Profit transferred to profit & loss account		220,138,594	244,334,379
Balance of account at the end of the year as shown in the balance sheet (reserve for unexpired risks)		280,120,545	253,941,511
TOTAL		**1,030,173,812**	**998,741,345**
		1,030,173,812	**998,741,345**
Balance of account at the beginning of the year		253,941,511	299,161,859
Premium less re-insurance	23.00	688,939,885	620,609,390
Commission on re-insurance ceded		87,292,416	78,970,096
TOTAL		**1,030,173,812**	**998,741,345**

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

Abdul Hafiz Choudhury
Chairman

Kamran Idris Chowdhury
Vice Chairman

Farzana Chowdhury
Managing Director & CEO

Nazim Tazik Chowdhury
Add. Managing Director & CFO

Syed Moinuddin Ahmed
Company Secretary

Dated, Dhaka;
11 February, 2017

Signed as per our separate report of same date.

A.Qasem & Co.
Chartered Accountants

Green Delta Insurance Company Limited

Motor Insurance Revenue Account

For the year ended December 31, 2016

Particulars	Notes	Amount in Taka	
		2016	2015
		136,267,401	**135,743,033**
Claims under policies less re-insurance	22.00	30,889,949	46,221,915
Expenses of management		77,486,379	60,748,388
Agency commission		27,891,073	28,772,730
Profit transferred to profit & loss account		33,061,052	(1,689,984)
Balance of account at the end of the year as shown in the balance sheet (reserve for unexpired risks)		69,842,541	56,439,632
TOTAL		**239,170,994**	**190,492,680**
		239,170,994	**190,492,680**
Balance of account at the beginning of the year		56,439,632	41,784,033
Premium less re-insurance	23.00	176,764,824	143,708,647
Commission on re-insurance ceded		5,966,538	5,000,000
TOTAL		**239,170,994**	**190,492,680**

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

Abdul Hafiz Choudhury
Chairman

Kamran Idris Chowdhury
Vice Chairman

Farzana Chowdhury
Managing Director & CEO

Nazim Tazik Chowdhury
Add. Managing Director & CFO

Syed Moinuddin Ahmed
Company Secretary

Dated, Dhaka;
11 February, 2017

Signed as per our separate report of same date.

A.Qasem & Co.
Chartered Accountants

AMAR STOCK

Green Delta Insurance Company Limited

Miscellaneous Insurance Revenue Account

For the year ended December 31, 2016

Particulars	Notes	Amount in Taka	
		2016	2015
		137,310,237	**120,323,241**
Claims under policies less re-insurance	22.00	48,105,211	18,894,634
Expenses of management		41,282,142	42,577,206
Agency commission		47,922,884	58,851,401
Profit transferred to profit & loss account		6,372,874	5,934,355
Balance of account at the end of the year as shown in the balance sheet (reserve for unexpired risks)		35,937,079	38,314,889
TOTAL		**179,620,190**	**164,572,485**
		179,620,190	**164,572,485**
Balance of account at the beginning of the year		38,314,889	42,415,774
Premium less re-insurance	23.00	90,519,670	96,503,168
Commission on re-insurance ceded		50,785,631	25,653,543
TOTAL		**179,620,190**	**164,572,485**

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

Abdul Hafiz Choudhury
Chairman

Kamran Idris Chowdhury
Vice Chairman

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Managing Director & CEO

Nazim Tazik Chowdhury
Add. Managing Director & CFO

Syed Moinuddin Ahmed
Company Secretary

Dated, Dhaka;
11 February, 2017

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A.Qasem & Co.
Chartered Accountants

Green Delta Insurance Company Limited

Form "AA"

Classified Summary of Assets as at December 31, 2016

Sl. No.	Class of Assets	Book Value Taka
1	Investment in government bond	25,000,000
2	Shares listed on DSE & CSE (market price)	2,358,054,068
3	Alliance Leasing and Finance	120,000,000
4	Jalalabad Telecom Ltd.	82,384,000
5	Green Delta AIMS Ltd. (paid up capital)	4,500,000
6	United Hospital	56,100,000
7	Investment in GDSL as margin loan (Note: 12.1)	275,000,000
8	Beximco Pharma preffered share	522,700
9	Green Delta Capital Ltd.	249,999,900
10	Financial Excellence	3,000,000
11	CDBL	1,138,890
12	BD Venture	20,000,000
13	Professional Advancement Bangladesh Ltd.	9,996,000
14	Green Delta Securities Ltd	99,999,900
15	GD Assist Ltd.	2,499,000
16	Energypac Power Generation Ltd.	4,972,000
17	The ACME Laboratories Ltd.	28,732,364
18	Summit Alliance(Right Share)	48,585
19	Fixed deposit	1,175,723,355
20	Cash at bank on STD and current account	69,876,033
21	Outstanding premium	132,861,956
22	Amount due from other persons or bodies carrying on insurance business	1,227,956,653
23	Sundry debtors (including advance and deposits)	427,539,447
24	Land property	859,974,010
25	Fixed assets (at cost less depreciation)	1,349,996,698
26	Stock of stationery and stamps	2,365,515
	TOTAL	**8,588,241,075**

Abdul Hafiz Choudhury
Chairman

Kamran Idris Chowdhury
Vice Chairman

Farzana Chowdhury
Managing Director & CEO

Nazim Tazik Chowdhury
Add. Managing Director & CFO

Syed Moinuddin Ahmed
Company Secretary

Dated, Dhaka;
11 February, 2017

Signed as per our separate report of same date.

A.Qasem & Co.
Chartered Accountants

AMAR STOCK

9.2.7 Green Delta Insurance Company Limited

Notes to the Financial Statements

as at and for the year ended 31 December 2016

1. Legal status and nature of the company

(a) Legal status and country of operation

Green Delta Insurance Company Limited was incorporated as a public limited company as on December 14, 1985 and obtained the Certificate of Commencement of Business as on January 01, 1986 under the Companies Act 1913 which was amended in 1994. The company obtained lisence from the Controller of Insurance in 1986. They went for public issue in 1990 and the shares of the company are listed in both Dhaka and Chittagong Stock Exchange in Bangladesh.

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 39 Branches located in different division of Bangladesh. The company has investment in four subsidiaries. The details of the investments are provided in Note 'C'.

(b) Nature of business

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

(c) Subsidiary companies

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

Green Delta Securities Limited (GDSL):

GDSL is wholly owned subsidiary company of Green Delta Insurance Company Ltd which was incorporated on 28th July, 2010 with the Registrar of Joint Stock Companies & Firms .The Company was takenover by GDIC in the year 2013 and the company's present share holding position is 99.999% and 0.0001% by an individual shareholder.

Green Delta Capital Limited (GDCL):

GDCL is a wholly owned subsidiary of Green Delta Insurance Company Limited. GDCL previously named as Green Delta LR Financial Service Limited was incorporated as a private company limited by shares on February 24, 2010 with the Registrar of Joint Stock Companies & Firms. Subsequently, the company was renamed as Green Delta Capital Limited on 4th September, 2011. The company's present share holding position is 99.999% and 0.0001% by an individual shareholder.

Professional Advancement Bangladesh Limited (PABL) :

PABL is a wholly owned subsidiary company of Green Delta Insurance Company Ltd which was registered on March 3,2014 with the Registrar of Joint Stock Companies & Firms .The Company has been launched by GDIC in the year 2014 and the company's present share holding position is 99.96% and 0.04% by an individual shareholder.

GD Assist Limited (GDAL) :

GD Assist is a wholly owned subsidiary company of Green Delta Insurance Company Ltd which was registered on June 16, 2014 with the Registrar of Joint Stock Companies & Firms. The Company has launched by GDIC in the year 2014 and the company's present share holding position is 99.96% and 0.04% by an individual shareholder.

(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 the requirements of Insurance Act 1938 and BAS 1: "Presentation of Financial Statements". A complete set of financial statements comprises of :

i) Balance sheet as at 31 December 2016;

ii) Profit and Loss Account for the year ended 31 December 2016;

iii) Profit and Loss Appropriation Account for the year ended 31 December 2016;

iv) Statement of Changes in Equity for the year ended 31 December 2016;

v) Statement of cash flows for the year ended 31 December 2016;

vi) Consolidated all Business Revenue Account for the year ended 31 December 2016;

vii) Fire Insurance Revenue Account for the year ended 31 December 2016;

viii) Motor Insurance Revenue Account for the year ended 31 December 2016;

ix) Marine Insurance revenue Account for the year ended 31 December 2016;

x) Miscellaneous Insurance Revenue Account for the year ended 31 December 2016 and

xi) Notes comprising a summary of significant accounting policies and other explanatory information to the accounts for the year ended 31 December 2016.

2.00 Summary of significant accounting policies & basis of preparation

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

2.01 Basis of preparation

The Financial Statements have been prepared on going concern and accrual basis under historical cost convention. The preparation and presentation of the financial statements and the disclosure of information have been made in accordance with the Insurance Act 1938 (as amended in 2010) the Insurance Rules 1958 and in conformity with Bangladesh Accounting Standards (BAS), Bangladesh Financial Reporting Standards (BFRS), the Companies Act 1994, the Securities and Exchange Rules 1987 (as amended in 1997), the listing rules of Dhaka Stock Exchange and Chittagong Stock Exchange and other applicable laws & regulations in Bangladesh and practice generally followed by the insurance sector. The Balance Sheet have prepared in accordance with Part-I and "Form A" in Part II of the First Schedule. The revenue accounts for fire, marine and miscellaneous business have been prepared in accordance with "Form F" in Part II of the Third Schedule. Statement of Cash Flow and Statement of Changes in Equity have been prepared in accordance with BFRS.

2.02 Basis of Consolidation

The financial statements of the Company and its subsidiaries have been consolidated in accordance with Bangladesh Accounting Standard (BAS)-27 "Consolidated and Separate Financial Statements". The consolidation of the financial statements has been made after eliminating all intra-group balances, transactions, income and expenses and profits and losses resulting from intra-group transactions and dividends.

The consolidated financial statements comprise the financial statements of the Group as at 31 December each year.

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

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

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

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

2.03 Going concern

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

2.04 Functional and Presentation currency

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

2.05 Use of estimates and judgments

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

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

2.06 Materiality and aggregation

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

2.07 Foreign currency transactions

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

2.08 Property, Plant and equipments

a. Recognition and measurement

The cost of an item of property, plant and equipments shall be recognized as an assets if, and only if 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 assets 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 naming " Asian Survey" to reflect the fair value (prevailing market price). As the fair value of the assets do not differ significantly from its carrying amount as at December 31, 2016 so no revaluation has been made as on that date.

b. Depreciation

Fixed assets are recorded at historical cost less accumulated depreciation as per BAS-16 "Property, Plant and Equipment. Depreciated is charged on straight line method using the following rates on all fixed assets:

Category of assets	Useful Life
Furniture & Fixture	10 years
Equipment	7 years
Vehicles	5 years
Building	99 years
Land	Nil

Depreciation on newly acquired assets is calculated from the date of acquisition and depreciation on disposal is calculated when the disposal incurrs.

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 BAS 16 Property, Plant & Equipments

d. Impairment

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

2.09 Sales and Lease Back Finance

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

2.10 Intangible assets

Intangible assets (computer software) are recorded at historical cost less accumulated amortization. These are amortized on straight line method the useful life of 7 years.

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, FDR and bank balances. For the purpose of statement of cash flow, cash and cash equivalents are prepared net off bank overdrafts.

2.13 Cash Flow Statements

Cash flow statement is prepared in accordance with BAS-7 "Statement of Cash Flows". Cash flows from operating activities have been presented at "Direct Method' .

2.14 Revenue recognition

Gross premiums

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

Interest income

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

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

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

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

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

2.15 Benefits, claims and expenses recognition

Gross benefits and claims

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

Reinsurance claims

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

2.16 Retirement benefit costs

i) Gratuity Fund

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

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

- Less than 10 year of confirmed service - Nil

- Confirmed service between 10 to 15 year - One month's last drawn basic pay for every completed year of service.

- On completion of 15 years confirmed service and above - Two month's last drawn basic pay for every completed year of service.

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 checkup benefit and death & disability benefit to his employees as per their requirement

iv) Home Loan and Transport Assistance

To secure long term commitment of deserving employees GDIC introduced Employees Home Loan and Transport facilities. An employee served in the company for a continuous period of five years (3 years for the employees started from the position of AVP and above) is entitled to avail the loan to purchase residential apartment, purchase of land and construction of house thereon etc. Interest rate of the said loan is 8% p.a.

v) Incentive Bonus

The company has resorted a policy namely Incentive Bonus Scheme for its employees who meets certain criteria based on their annual performance ascertained on net profit after Tax with the approval in the Annual General Meeting and the paid amount are accounted for the year to which same relates.

2.17 Taxation

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

Current tax

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

Provision for income tax has been made at best estimate keeping in view the provisions of Income Tax Ordinance 1984 and amendment made thereto from time to time. Applicable rate of income tax for the company is 40%.

Deferred tax

The Corporation accounted for deferred tax as per BAS - 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, up to 10% statutory reserve is maintained out of Net Premium by the company to meet any possible future claims.

b) Foreign Currency Fluctuation Fund

The Company maintained a Foreign Currency (FC) Account with the Pubali Bank Ltd. for the overseas transactions and creates a reserve for Foreign Currency Fluctuation to avoid future losses due to change in foreign currency translation rate.

c) Investment Fluctuation Fund

The Company made investments in the capital market in a large portfolio and income generate from the investment (realized gain and dividend received) is credited to the Profit & Loss Account. Unrealized capital gain if any is transferred to the Investment Fluctuation Fund subsequently.

d) General Reserve

The Company creates a General Reserve from the current year profit to avoid future contingency.

e) Dividend Equalization Fund

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

2.20 Disclosure of departure from few requirements of BAS/BFRS due to mandatory compliance of Insurance Act's requirements

a) The Green Delta Insurance Company Limited's management has followed the principles of Bangladesh Accounting Standard (BAS) & Bangladesh Financial Reporting Standard (BFRS) consistently in preparation of the financial statements to that extent as applicable to the Green Delta Insurance Company Limited (GDICL). Some requirements of Insurance Act 2010 and Insurance Rules 1958 and regulations contradict with those of financial instruments and general provision standards of BAS and BFRS. As such the GDICL has departed from those contradictory requirements of BAS/BFRS in order to comply with the rules and regulations of IDRA, Bangladesh which are disclosed below along with financial impact where applicable:

b) 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 have been made by netting off any unrealized gain/ (loss) arising at the Balance Sheet date. However as per requirements of BAS 39 investment in shares falls either under "at fair value through profit and loss account" or under "available for sale" where any changes in the fair value at the year-end is taken to profit and loss account or other comprehensive income respectively.

c) Unexpired Risk Provision on Insurance Premium and Re-Insurance Premium are followed as per Principle of Insurance. However such general provision cannot satisfy the conditions of provision as per Bangladesh Accounting Standard (BAS) 37: Provisions, Contingent Liabilities and Contingent Assets. At the year end the GDICL has recognized provision of BDT 531,825,315 as balance of fund and liabilities in the Balance Sheet under liabilities.

d) As per IDRA guidelines, financial instruments are categorized, recognized and measured differently from those prescribed in Bangladesh Accounting Standard (BAS) 39: Financial Instrument: Recognition and Measurement. As such some disclosure and presentation requirements of Bangladesh Financial Reporting Standard (BFRS) 7: Financial Instrument: Disclosures, and Bangladesh Accounting Standard (BAS) 32: Financial Instrument: Presentation, have not been made in the accounts.

2.21 Interest expense

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

2.22 Earnings per share

Earnings Per Share (EPS) has been calculated in accordance with Bangladesh Accounting Standard (BAS) 33: Earnings Per Share, and shown on the face of profit and loss account and computation shown in Note: 24.

Basic earning per share:

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

Basic earnings:

This represents earnings for the period ended on December 31, 2016 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 2016.

2.23 Accounting for changes in accounting estimates

BAS - 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 Bangladesh Accounting Standards (BAS) 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 balance sheet date

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

2.26 Contingent liabilities and contingent assets

The company does not recognize contingent liability and contingent assets but discloses the existence of contingent liability in the financial statements. A contingent liability is probable obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of uncertain future events not within the control of the company or present obligation that is not recognize because outflow of resources is not likely or obligation cannot be measured reliably.

2.27 Branch accounting

The Company has 39 branch offices with no overseas branch as on December 31, 2016. 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 BFRS framework for the presentation of financial statements together with Bangladesh Accounting Standard (BAS) 1: Presentation of Financial Statements and Bangladesh Accounting Standard (BAS) 8: Accounting Policies, Changes in Accounting Estimates and Errors, 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 Bangladesh Accounting Standard (BAS) 8: Accounting Policies, Changes in Accounting Estimates and Errors. We however have applied the same accounting and valuation principles in 2016 as in financial statements for 2013.

2.29 Comparative Information

Comparative information has been disclosed in respect of the period ended December 31, 2016 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. Figures of the year 2015 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 February 11, 2017 for public issue.

2.32 General

a) Figures appearing in these Financial Statements have been rounded off to the nearest Taka.

b) Previous year's figures have been rearranged/restated/reclassified, where necessary, in order to conform to current period's presentation

2.33 Reporting Currency

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

2.34 Reporting Period

The financial period under audit of the company covering (12) twelve months from of January 01, 2016 to December 31, 2016.

		Amount in Taka	
		2016	2015
3.00	**Authorised share Capital:**		
	500,000,000 Ordinary Shares of Tk. 10 each	5,000,000,000	5,000,000,000
	Issued, subscribed & paid up capital		
	80,691,187 ordinary shares of Tk. 10 each fully paid up in cash	**806,911,870**	**806,911,870**

Classification of shareholders by holdings as on December 31, 2016.

Range of share holding	No. of Shareholders	No. of Shares	% of Holdings	Value of Share in Taka
Less than 500 Shares	2,480	455,677	0.56%	4,556,770
501 - 5,000	1,432	2,122,021	2.63%	21,220,210
5,001 - 10,000	114	830,731	1.18%	8,307,310
10,001 - 20,000	67	954,895	0.69%	9,548,950
20001 - 30000	23	557,542	0.60%	5,575,420
30001 - 40000	14	483,565	0.67%	4,835,650
40,001 - 50,000	12	543,745	0.55%	5,437,450
50,001 - 60,000	8	440,706	0.32%	4,407,060
60,001 - 70,000	4	257,471	0.74%	2,574,710
70,001 - 80,000	8	598,405	0.84%	5,984,050
80,001 - 90,000	8	675,013	0.84%	6,750,130
90,001 and above	110	72,771,416	90.19%	727,714,160
	4,280	**80,691,187**	**100.00%**	**806,911,870**

		Amount in Taka	
		2016	2015
4.00	**Reserve or contingency account**		
	Reserve for exceptional losses (Note: 4.01)	1,183,976,992	1,084,824,956
	Investment fluctuation fund (Note: 4.02)	1,600,316,872	1,695,976,500
	General reserve (Note: 4.03)	180,000,000	180,000,000
	Dividend equalization fund (Note: 4.04)	110,000,000	130,000,000
	Revaluation reserve (Note: 4.05)	1,387,497,741	1,406,347,635
	Total	**4,461,791,605**	**4,497,149,092**
4.01	**Reserve for exceptional losses**		
	Opening balance	1,084,824,956	990,739,785
	Addition during the year (7.5% of net premium income)	99,152,035	94,085,171
	Sub Total	**1,183,976,992**	**1,084,824,956**
4.02	**Investment fluctuation fund**		
	Opening balance	1,695,976,500	976,934,525
	Add / (less) during the year	(95,659,628)	719,041,975
	Sub Total	**1,600,316,872**	**1,695,976,500**
4.03	**General reserve**		
	Opening balance	180,000,000	170,000,000
	Add/(less) during the year	-	10,000,000
	Sub Total	**180,000,000**	**180,000,000**

		Amount in Taka	
		2016	2015
4.04	**Dividend equalization fund**		
	Opening balance	130,000,000	120,000,000
	Less: Transfer to retained earnings	(20,000,000)	10,000,000
	Sub Total	**110,000,000**	**130,000,000**
4.05	**Revaluation reserve**		
	Opening balance	1,406,347,635	1,427,205,507
	Less: Transfer to retained earnings	(18,849,894)	(20,857,872)
	Sub Total	**1,387,497,741**	**1,406,347,635**
4.A	**Consolidated revaluation reserve**		
	Green Delta Insurance Company	1,387,497,741	1,406,347,635
	Green Delta Securities Limited	80,071,524	80,071,524
	Sub Total	**1,467,569,265**	**1,486,419,159**
4.B	**Consolidated reserve or contingency account**		
	Green Delta Insurance Company	4,461,791,605	4,497,149,092
	Green Delta Securities Limited	80,071,524	80,071,522
	Total	**4,541,863,129**	**4,577,220,614**
5.00	**Profit and loss appropriation account**		
	Opening Balance (accumulated un distributed profit)	193,054,624	166,017,744
	Add: Net profit for the year	303,527,655	279,521,065
	Less : Reserve for exceptional losses	(99,152,035)	(94,085,171)
	Less : Provision for income tax	(34,500,000)	(30,000,000)
	Less : Deferred tax provision	(20,445,119)	(19,223,448)
	Less : Cash Dividend paid for the year 2015	(201,727,968)	(110,033,438)
	Less : Transfer to General Reserve	-	(10,000,000)
	Less : Transfer to Dividend Equalization Fund	-	(10,000,000)
	Add: Realize from Dividend Equalization Fund	20,000,000	-
	Add: Transfer from Asset revaluation reserve	18,849,894	20,857,872
	Total	**179,607,051**	**193,054,624**
5.A	**Consolidated profit and loss appropriation account**		
	Green Delta Insurance company	179,607,051	193,054,624
	Green Delta Capital Limited	59,671,682	39,950,366
	Green Delta Securities Ltd.	161,491,558	151,927,702
	GD Assist Ltd.	3,158,409	1,656,797
	Professional Advancement Bangladesh Ltd.	(7,633,414)	(4,937,659)
	Total	**396,295,286**	**381,651,830**
5.B	**Non-controlling interest**		
	Green Delta Capital Limited	228	220
	Green Delta Securities Ltd.	365	353
	GD Assist Ltd.	2,265	1,663
	Professional Advancement Bangladesh Ltd.	944	2,024
	Total	**3,802**	**4,259**

AMAR STOCK

		Amount in Taka	
		2016	2015
6.00	**Balance of fund account**		
	Fire Insurance business	145,925,149	156,967,431
	Marine Insurance business	280,120,546	253,941,511
	Motor Insurance business	69,842,541	56,439,632
	Misc. Insurance business	35,937,079	38,314,889
	Total	**531,825,315**	**505,663,465**

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	
Fire	364,812,870	40%	145,925,149	156,967,432
Marine Cargo	675,707,513	40%	270,283,006	239,677,730
Marine Hull	9,837,540	100%	9,837,540	14,263,782
Motor	174,606,352	40%	69,842,541	56,439,632
Miscellaneous	89,842,697	40%	35,937,079	38,314,889
Total	**1,314,806,972**		**531,825,315**	**505,663,465**

		Amount in Taka	
		2016	2015
7.00	**Premium deposits**		
	Marine cargo	70,539,457	68,612,369
	Total	**70,539,457**	**68,612,369**

This represents the amount of premium deposited with the company against cover notes for which no policy has been issued upto the end of the year.

8.00 Estimated liability in respect of outstanding claims whether due or intimated

Fire	152,038,345	107,310,028
Marine Cargo	35,888,027	27,959,777
Marine Hull	78,750.00	-
Motor	9,005,609	8,310,953
Miscellaneous	33,117,409	15,421,010
Total	**230,128,140**	**159,001,768**

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

This represents the amount payable to Sadharan Bima Corporation and other re-insurers and private sector insurance companies on account of re-insurance and co-insurance premium as at December 31, 2016.

Payable against co-insurance premium	53,022,149	26,194,931
Overseas re-insurer and SBC	852,630,640	662,876,421
Total	**905,652,789**	**689,071,352**

		Amount in Taka	
		2016	2015
10.00	**Sundry creditors**		
	Liability for expenses	11,815,275	9,554,952
	Others payable	257,300,480	157,387,458
	Provision for income tax (Note : 10.01)	315,435,571	280,935,571
	Deferred tax liabilities/(asset) (Note : 10.02)	90,509,954	70,064,835
	Unclaimed dividend	31,610,365	27,948,410
	Total	**706,671,645**	**545,891,226**
10.01	**Provision for income tax**		
	Opening balance	280,935,571	250,935,571
	Add : Addition during the year	34,500,000	30,000,000
	Sub Total	**315,435,571**	**280,935,571**
10.02	**Deferred tax liability/(asset):**		
	Opening balance	70,064,835	50,841,387
	Add : Addition during the year	20,445,119	19,223,448
	Sub Total	**90,509,954**	**70,064,835**
10.A	**Consolidated sundry creditors**		
	Green Delta Insurance Company Ltd.	706,671,645	545,891,226
	Green Delta Capital Limited	28,089,620	38,488,101
	Green Delta Securities Limited	1,054,372,369	212,500,116
	Professional Advancement Bangladesh Ltd.	72,596	294,779
	GD Assist Ltd.	8,567,232	15,737,595
	Total	**1,797,773,462**	**812,911,817**
11.00	**Bank overdraft**		
	Commercial Paper From BRAC Bank	500,000,000	-
	Total	**500,000,000**	**-**

The due amount has received from the BRAC Bank Limited, Gulshan branch, @ 8% interest in favor of the company.

11.A	**Consolidated bank overdraft**		
	Green Delta Insurance Company Ltd.	500,000,000	-
	Green Delta Securities Limited	20,067,653	
	Total	**520,067,653**	**-**
12.00	**Investment**		
	Investment in Government Bond	25,000,000	25,000,000
	Investment in GDSL as Margin Loan (Note: 12.1)	275,000,000	135,000,000
	Investment in quoted shares	2,358,054,068	2,451,542,933
	Investment In FDR (Maturity more than 3 Months)	150,342,030	106,633,504

		Amount in Taka	
		2016	2015
	Investment in unquoted share:		
	Jalalabad Telecom Ltd.	82,384,000	82,384,000
	Green Delta AIMS Ltd.	4,500,000	4,500,000
	United Hospital	56,100,000	56,100,000
	Beximco Pharma Preferred Share	522,700	522,700
	Alliance Leasing and Finance	120,000,000	-
	Financial Excellence	3,000,000	3,000,000
	CDBL	1,138,890	1,138,890
	BD Venture	20,000,000	20,000,000
	Energypac Power Generation Ltd.	4,972,000	4,972,000
	The ACME Laboratories Ltd.	28,732,364	26,000,000
	Summit Alliance(Right Share)	48,585	-
	Investment in Subsidiaries:		
	Green Delta Capital Limited	249,999,900	249,999,900
	Green Delta Securities Ltd.	99,999,900	99,999,900
	GD Assist Ltd.	2,499,000	2,499,000
	Professional Advancement Bangladesh Ltd.	9,996,000	9,996,000
	Total	**3,492,289,437**	**3,279,288,827**
12.01	**Investment in GDSL as margin loan**		
	Margin Loan of Green Delta Securities Ltd.	275,000,000	135,000,000
	Sub Total	**275,000,000**	**135,000,000**

The amount was invested in GDSL as margin loan amount of taka 75,000,000 @ 9 % and taka 200,000,000 @ 10% interest annually.

12.A	**Consolidated investment**		
	Investment of Green Delta Insurance Co. Ltd.	2,854,794,637	2,781,794,027
	Investment of Green Delta Capital Ltd.	107,347,680	110,499,960
	Investment of Green Delta Securities Ltd.	268,033,752	247,155,484
	Total	**3,230,176,069**	**3,139,449,471**
13.00	**Outstanding premium**		
	Marine hull	29,484,764	19,635,832
	Aviation hull	103,377,192	100,783,296
	Total	**132,861,956**	**120,419,128**

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

14.00	**Amount due from other persons or bodies carrying on insurance business**		
	Co-insurance premium receivable	80,502,435	107,115,365
	Co-insurance claim receivable	10,381,329	5,605,078
	Amount due from overseas re-insurer	1,137,072,890	540,761,826
	Total	**1,227,956,653**	**653,482,268**

This represents the amount receivable from private sector insurance companies on account of co-insurance premium and claim as on December 31, 2016.

		Amount in Taka	
		2016	2015
15.00	**Sundry debtors (including advance and deposits)**		
	Advance rent	7,426,148	9,146,036
	Advance salary	264,424	222,797
	Car lease for employees(advance)	1,912,796	3,666,840
	Other advances	406,844,423	369,617,411
	Security deposit	2,842,393	2,922,393
	Accrued interest	8,249,263	9,305,915
	Total	**427,539,447**	**394,881,391**
15.A	**Consolidated sundry debtors**		
	Green Delta Insurance Company Ltd.	346,835,883	317,789,366
	Green Delta Securities Limited	34,242,936	308,552,774
	Green Delta Capital Limited	304,345,050	28,753,837
	Professional Advancement Bangladesh Ltd.	5,971,828	6,314,200
	GD Assist Ltd.	5,161,764	11,062,515.00
	Total	**696,557,461**	**672,472,692**
16.00	**Cash and cash equivalent**		
	Fixed deposits	1,025,381,325	963,911,430
	STD and current account	65,881,463	7,681,430
	Cash in hand	3,994,570	3,810,009
	Total	**1,095,257,358**	**975,402,869**
16.A	**Consolidated cash and cash equivalent**		
	Green Delta Insurance Company Ltd.	1,095,257,358	975,402,869
	Green Delta Capital Limited	198,148,189	187,932,361
	Green Delta Securities Limited	1,164,466,298	167,434,505
	Professional Advancement Bangladesh Ltd.	13,235,724	12,789,491
	GD Assist Ltd.	9,376,986	9,049,075
	Total	**2,480,484,555**	**1,352,608,301**
17.00	**Land property & office space**		
	Land at revalued price (Mohakhali)	800,000,000	800,000,000
	Land at Aftab Nagar (Cost Price)	59,974,010	59,974,010
	Total	**859,974,010**	**859,974,010**

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

	Furniture & Fixtures	Office & Electrical Equipments	Vehicles	Building & Real Estate		Total
				Own Used	Investment Property	
18.00 Fixed Assets (at cost less depreciation)						
Cost						
As at January 01, 2016	69,264,173	77,614,668	111,782,200	631,699,128	634,677,491	1,525,037,660
Less : Prior Year adjustment						-
Additions during the year	6,677,433	6,214,220	18,915,000	-	110,000	31,916,653
Disposal during the year	-		(2,650,000)		-	(2,650,000)
As at December 31, 2016	**75,941,606**	**83,828,888**	**128,047,200**	**631,699,128**	**634,787,491**	**1,554,304,313**
Depreciation						
As at January 01, 2016	21,787,790	37,233,960	63,419,962	21,223,679	10,063,541	153,728,932
Charge during the year	7,195,438	11,532,147	24,136,642	6,380,643	6,411,593	55,656,462
Disposal during the year	-	-	(2,120,494)		-	(2,120,494)
As at December 31, 2016	**28,983,228**	**48,766,107**	**85,436,110**	**27,604,322**	**16,475,134**	**207,264,900**
Sub Total	**46,958,378**	**35,062,781**	**42,611,090**	**604,094,806**	**618,312,357**	**1,347,039,413**
Written down value of Intangible assets (Note 18.01)						**2,957,285**
Written down value at December 31, 2016	**46,958,378**	**35,062,781**	**42,611,090**	**604,094,806**	**618,312,357**	**1,349,996,698**
Written down value at December 31, 2015	**47,476,383**	**40,380,708**	**48,362,238**	**610,475,449**	**624,613,950**	**1,374,922,471**

		Amount in Taka	
		2016	2015
18.01	**Intangible assets (computer software)**		
	Opening Balance	5,017,697	2,609,000
	Add : Addition during the year	65,000	2,408,697
	Less : Amortization during the year (15%)	721,457	752,655
	Less : Accumulated Amortization	1,403,955	651,300
	Written Down Value	**2,957,285**	**3,613,742**
18.A	**Consolidated fixed assets (at cost less depreciation)**		
	Green Delta Insurance Company Ltd.	1,347,039,413	1,371,308,729
	Green Delta Securities Ltd.	3,415,566	4335535
	Green Delta Capital Limited	3,237,579	4,871,137
	Professional Advancement Bangladesh Ltd.	5,019,340	5,639,213
	GD Assist Ltd.	266,821	260,025
	Total	**1,358,978,719**	**1,386,414,639**
18.B	**Consolidated intangible assets (at cost less amortization)**		
	Green Delta Insurance Company Ltd.	2,957,285	3,613,742
	Green Delta Capital Limited	3,861,882	5,630,294
	Total	**6,819,167**	**9,244,036**

		Amount in Taka	
		2016	2015
19.00	**Stock of printing, stationery & stamps**		
	Printing	2,076,913	1,472,333
	Stationery	16,110	32,755
	Insurance policy stamps	272,492	592,918
	Total	**2,365,515**	**2,098,006**
20.00	**Audit fees**		
	Statutory audit	345,000	345,000
	Total	**345,000**	**345,000**
21.00	**Investment and others income**		
	Interest on FDR & STD and others	61,339,242	80,054,500
	Net profit from shares trading	2,531,202	39,034,363
	Interest on National Bond	2,733,420	2,786,162
	Underwriting commission	-	108,540
	Dividend income	75,572,034	67,221,275
	Interest Income from GDSL	17,310,959	9,176,301
	Co-ins service charges	2,906,960	2,790,063
	Sundry income	2,508,079	301,925
	Rental income	11,601,230	9,411,087
	Income from Trustee Commission	4,435,000	2,385,000
	Currency Exchange gain/ (loss)	402,544	(788,482)
	Total	**181,340,670**	**212,480,734**
21.A	**Consolidated income from share business**		
	Green Delta Insurance Company Ltd.	2,531,202	39,034,363
	Green Delta Securities ltd.	2,845,634	2,873,624
	Green Delta Capital Limited	19,742,107	444,855
	Total	**25,118,943**	**42,352,842**
21.B	**Consolidated interest & others income**		
	Green Delta Insurance Company Ltd.	20,044,379	18,587,388
	Green Delta Securities ltd.	44,385,956	49,529,408
	Green Delta Capital Limited	24,496,028	18,633,348
	Professional Advancement Bangladesh Ltd.	855,964	1,129,613
	GD Assist Ltd.	3,285,862	298,083
		93,068,189	**88,177,840**
	Less: Inter company transaction	17,310,959	12,026,565
	Total	**75,757,230**	**76,151,275**
21.C	**Consolidated management expenses**		
	Green Delta Insurance Company Ltd.	204,679,477	182,980,825
	Green Delta Securities Ltd.	101,311,261	96,630,462
	Green Delta Capital Limited	26,503,660	24,550,192
	Professional Advancement Bangladesh Ltd.	4,951,338	6,202,627
	GD Assist Ltd.	4,406,853	3,091,504
		341,852,589	**313,455,610**
	Less: Inter company transaction	17,310,959	12,026,565
	Total	**324,541,630**	**301,429,045**

	Amount in Taka	
	2016	2015

22.00 Claims under policies less re-insurance

	Fire	Marine Cargo	Marine Hull	Motor	Miscellaneous	Total
Claims paid during the year	130,751,542	65,894,401	6,100,807	30,195,293	30,408,812	263,350,855
Claims outstanding at the end of the year	152,038,345	35,888,027	78,750	9,005,609	33,117,409	230,128,140
Claims outstanding at the beginning of the year	(107,310,028)	(27,959,777)	-	(8,310,953)	(15,421,010)	(159,001,768)
Total amount (Year - 2016)	**175,479,859**	**73,822,651**	**6,179,557**	**30,889,949**	**48,105,211**	**334,477,227**
Total amount (Year- 2015)	**147,259,371**	**88,386,390**	**726,250**	**46,221,915**	**18,894,633**	**301,488,559**

23.00 Premium less re-insurance

Class of business:	On Direct Business	On Re-ins Accepted	On Re-ins. Ceded	Total Amount in 2016	Total Amount in 2015
Fire	1,554,835,044	-	(1,189,032,285)	365,802,759	393,647,746
Marine Cargo	927,005,053	-	(247,946,820)	679,058,233	603,957,786
Marine Hull	119,023,390	1,098,645	(110,240,383)	9,881,652	16,651,603
Motor	193,246,111	-	(16,481,287)	176,764,824	143,708,647
Miscellaneous	368,065,326	-	(277,545,656)	90,519,670	96,503,168
Total amount (December 31, 2016)	**3,162,174,924**	**1,098,645**	**(1,841,246,431)**	**1,322,027,138**	**1,254,468,950**

Number of shares Outstanding:		Amount in Taka 2016	Amount in Taka 2015
24.00 Earning per share (EPS)			
Basic earning per share (EPS) on net profit after tax (Par value of Tk.10)		**3.08**	**2.85**
Earnings attributable to ordinary shares:	**A**	**248,582,536**	**230,297,617**
Profit as per profit & loss account		303,527,655	279,521,065
Less: Income tax provision		34,500,000	30,000,000
Less: Deferred tax expenses		20,445,119	19,223,448
Number of shares:	**B**	**80,691,188**	**80,691,188**
Shares outstanding as on 01.01.2016		80,691,188	73,355,625
Bonus share issued during the year		-	7,335,563
New share issued .		-	-
		80,691,188	**80,691,188**
Basic earnings per shares C=(A/B)=(Per value of Tk.10)	Earnings attributable to ordinary shareholders	**248,582,536**	**230,297,617**
	Weighted average number of shares	**80,691,188**	**80,691,188**
		3.08	**2.85**

	Number of shares Outstanding:	Amount in Taka 2016	Amount in Taka 2015
24.A	**Consolidated earning per share (EPS)**		
	Earnings attributable to ordinary shares: A	**278,845,006**	**246,277,299**
	Profit as per profit & loss account	352,964,580	311,635,880
	Less: Income tax provision	53,674,455	46,135,133
	Less: Deferred tax expenses	20,445,119	19,223,448
	Consolidated EPS = Consolidated net profit after tax	**278,845,006**	**246,277,299**
	Total no. of shares outstanding during the year	**80,691,188**	**80,691,188**
		3.46	**3.05**

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	3,492,289,437	3,172,655,323
Outstanding premium	132,861,956	120,419,128
Amount due to other persons or bodies carrying on insurance business	1,227,956,653	653,482,268
Sundry debtors	427,539,447	394,881,391
Cash and bank balance	1,095,257,358	1,082,036,373
Land , fixed asset & others	2,212,336,223	2,236,994,487
Total Assets	**8,588,241,075**	**7,660,468,971**
B. Liabilities		
Balance of fund accounts	531,825,315	505,663,463
Premium deposit	70,539,457	68,612,369
Estimated liability in respect of outstanding claims whether due or intimated	230,128,140	159,001,768
Amount due to other persons or bodies carrying on insurance business	905,652,789	689,071,352
Sundry creditors	706,671,645	545,891,226
Bank loan	500,000,000	-
Total liabilities	**2,944,817,345**	**1,968,240,178**
Net Assets value (A - B)	**5,643,423,729**	**5,692,228,791**
Number of shares outstanding during the year	80,691,188	80,691,188
Net assets value per share (NAVPS)	**69.94**	**70.54**

26.00 Related party transactions

The Company has centred into transactions with other entities in normal course of business that fall within the definition of related party as per Bangladesh Accounting Standard-24 "Related Party Disclosure". The terms of related party transaction are not significantly different from those that could have been obtained from their parties. The significant related party transactions are as follows

Amount in Taka

Name of the Party	Relationship	Nature of Transaction	Closing balance
Green Delta Securities Ltd.	Subsidiary Company	Inter company Credit @ 9% & 12%	324,079,310
Green Delta Capital Ltd.	Subsidiary Company	Inter Company Transaction	9,254,823
Professional Advancement Bang. Ltd.	Subsidiary Company	Inter Company Transaction	21,790,765
GD Assist Ltd.	Subsidiary Company	Inter Company Transaction	578,666

27.00 Number of employees

During the year under audit, there were 630 employees for the full year and 22 employees for less than full year.

Green Delta Insurance Company Limited

Status of compliance of Bangladesh Accounting Standards and Bangladesh

Financial Reporting Standards

Annexure-I

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

Name of the BFRS	BFRS No.	Status
Share base payment	2	N/A
Business combination	3	N/A
Insurance contracts	4	**
Non-currents assets held for sale and discontinued operation	5	N/A
Exploration for and evaluation of mineral resources	6	N/A
Financial instruments : disclosure	7	**
Operating segment	8	N/A

** Green Delta Insurance Company Limited management has followed the principles of BAS & BFRS 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.

AMAR STOCK

The sky is the limit

At Green Delta Insurance, we believe that limitless opportunities exist for us to serve our customers better. In our pursuit of soaring higher, we have created subsidiaries and forged alliances with the overall intent of not only widening our bouquet of offerings but also ensure a seamless experience for our customers as we try to bring the ecosystem of service providers closer.



AMAR STOCK

10.1 Report on Green Delta Securities Limited



CEO's Message

Wafi Shafique Menhaz Khan
Chief Executive Officer
Green Delta Securities Limited

Green Delta Securities Limited, one of the leading Stock Brokerage houses of the country, set foot in the capitalized brokerage business in the year 2006. Green Delta Securities is a 100% subsidiary of Green Delta Insurance Company Limited, and is the most preferred and prominent wide-ranging Stock Brokerage house in Bangladesh. Within a short period of time GDSL has succeeded to find itself among the league of state of the art securities companies of Bangladesh offering full-fledged global standard brokerage services for retail and institutional clients.

GDSL is recognized as the most accountable business partner, conduct and associate. Our mission is to provide the best and innovative services to our valuable clients in terms of trading, technology and other support services. We strongly believe that real success of a business is not just about earning profits measured in numbers and reaching the top most level but also keeping our clients satisfied by providing them with the best services. It's also vital how the magic numbers are being scored. Our corporate strategy is justifiable business practices and balancing accountability along with growth as well as productivity which is reflected in our commitment.

GDSL is the 1st brokerage house in Bangladesh that introduced customized products for the different target groups in terms of facility and benefits. All these products are already introduced in the capital market. We received very positive response for all the products especially Nibedita and Bijoy. Every product is unique in terms of features, benefits and target group. We believe GDSL will able to attract more investors in our capital market.

This is a matter of honor that in 2016 the visionary board members and the management team have taken the company to greater heights with their understanding and experience in the financial sector of the country. Green Delta Securities Limited is the 1st and only brokerage house from Bangladesh to have received the prestigious CFI Award in 2014 as "Best Stock Broker". We believe that we can achieve this kind of prestigious awards in our near future with the most efficient and vibrant team to convey with earnest efforts and we are capable of sorting out any type of complexities with ease.

Despite of all the obstacles in 2016, GDSL performed significantly in terms of market share and also maintained compliance. GDSL succeeded to make its position among the Top 21 stockbrokers in DSE and became one of the top brokers in CSE ranking list.

We believe our clients are our utmost priority and we always consider them as our strategic business partner. We want to accomplish our success along with our clients and our solid proficiency and thoughtfulness to detail means we can offer revenue-building prospects for your business. Success comes from having a long-term vision, especially when it comes to building long term relationships. As resonated by our corporate values, we understand the importance of integrity and sense of assurance of our clients. Our compensations allow you to run transaction professionally and our support will help you to maximize your performance, making sure that you are investing in the right basket and not being misled.

Green Delta Securities is closer to achieving its goal to become the finest brokerage house of the country. Green Delta believes in intelligence at work to maximize growth and profitability both for the clients and the organization itself. They inspire the clients to be more focused on their trading and have a clearer vision while investing. It is our ambition to live up to your prospects by providing secure, reliable and competitive on line trading services. We look forward to welcoming you at Green Delta Family in 2017 and we will remain focused in this year and beyond for a prosperous year with you.



Wafi S M Khan
Chief Executive Officer

GDSL at a Glance

Established	16 October, 2005
Member of	Dhaka Stock Exchange (059) & Chittagong Stock Exchange (130)
No of Offices	10
No of Clients	More than 6,500+ Clients 110+ Institutional Clients 15+ Foreign Clients
No of Employee	64
Market share	<> 2.00%

Our Vision

To be the preferred brokerage for individuals and institutional clients.

Our Mission

Ensuring the best service by maintaining strong compliance.

Our Strengths

- Brand Value of Green Delta Group
- Visionary Management
- Young & dedicated employee team
- Research Publications
- Comprehensive IT infrastructure
- Customer service of Superior standard

Major Activities of the Firm

Green Delta Securities Limited offers everything an investor needs for participating in capital market ensuring highest quality service with a lucrative pricing. The services are comprehensive in nature, including brokerage, Settlement, Tele trading, custodian services, VAS. The firm provides all types of Brokerage Services through DSE and CSE starting from Beneficiary Account (BO) opening, Margin Loan facilitation, CDBL related services, notification of corporate announcements.

Corporate Governance

GDSL always reviews corporate governance practices to ensure complete transparency and hence established the following roles and responsibilities as discussed below:

Role of the Board of Directors

The Board is completely responsible for long-term establishment of the organization and to ensure the implementation of the corporate governance at all level. The Board duly complies with the guideline provided by the regulatory body, Bangladesh Security and Exchange Commission. The Board also formulates the strategic objectives and policy framework for the company. Our Board of Directors is formed with following professionals:

- Nasir A. Choudhury, Chairman
- Abdul Hafiz Choudhury
- A.Q.M. Nurul Absar
- Nadeem Ahmed Chaudhury
- Naima Chowdhury
- Farzana Chowdhury

Role of the 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 ensure that the Board works effectively and discharges its responsibilities as directors of the company.

Role of Chief Executive Officer

The CEO is the responsible for overall business development, target achievements, office management, team development and setting the directions for the company. As the office bearer he is responsible for scheduling the resources in the manner that helps to attain the business goals which he sets with the management team and business team.



Core Team

The Core team members are responsible for the strategic and operation plan of their respective service departments which eventually governance and shape up the business. The core team is fully responsible for the functionality of the service departments and smooth running of the operation.



Business Team

The Business team members are responsible for the strategic and business plan to achieve business target. The business team consists of Branch Managers, Stock Brokers, Business Development Officers and Customer Service Officers who are abundantly dedicated for achievements of the business target and smooth operations of the branches.

2016 at a glance

Year 2016 has been remarkable year for Green Delta Securities. The company had achieved couple of landmarks.

New Trade Record in GDSL History:

A new feather has included in GDSL record BDT 84.16 crore trade in a single day, which is the highest in the history of GDSL. This is the outcome of GDSL team contribution to achieve this record. This is also to mention that last record was BDT 67 crore trade in a single day. Through this trade Chittagong Stock Exchange was got the first ever exposure into USA market. GDSL also received an appreciation letter from CSE for this record breaking trade.

1st Place in CSE Broker List:

GDSL is also proud to share that GDSL has secured 1st Position in the Chittagong Stock Exchange Stock Broker List in December, 2016. This is the first time in GDSL history that company secured the 1st position in CSE list.

Bangladesh Capital Market EXPO 2016:

Green Delta Securities has participated in the Capital Market Expo 2016 organized by renowned Capital market oriented Magazine Arthosuchak from 1st December, 2016 to 3rd December, 2016. We have received positive response from the participants regarding company products.



MOU signing with BRAC Bank:

Green Delta Securities Ltd and BRAC Bank Ltd. has signed a custodial agreement on 1st December, 2016. Under the agreement, BRAC Bank Ltd. would facilitate its custodial services to the potential foreign clients of Green Delta Securities Ltd, who wants to invest in the Bangladesh capital market. Mr. Mohammad Mamdudur Rashid, Additional Managing Director, BRAC Bank Ltd., and Mr. Wafi S. M. Khan, Chief Executive Officer, Green Delta Securities Ltd., signed the agreement.



Find GDSL in Clouds:

GDSL has started its 24/7 online service. With extremely easy sign-up process, clients availing the service can have access to GDSL Clouds from anywhere in the world to keep track of their own portfolio anytime. Through the service the clients will be able to:

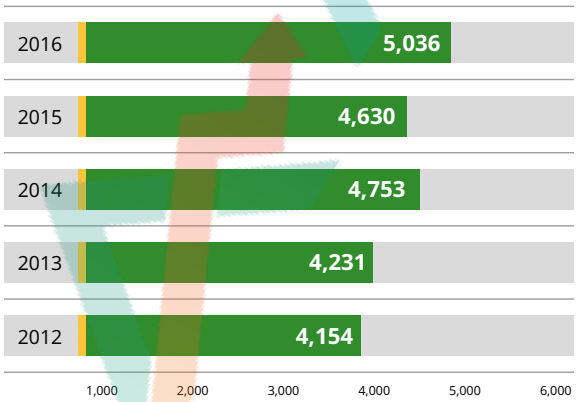
- Get portfolio and ledger easily.
- Get trade result (Buy & Sell confirmation) by themselves, and
- Access their investment information on their device.
- Fund withdrawal requests (Under Development).
- Real time trade (buy/sell) orders (Under Development).

Our Services:

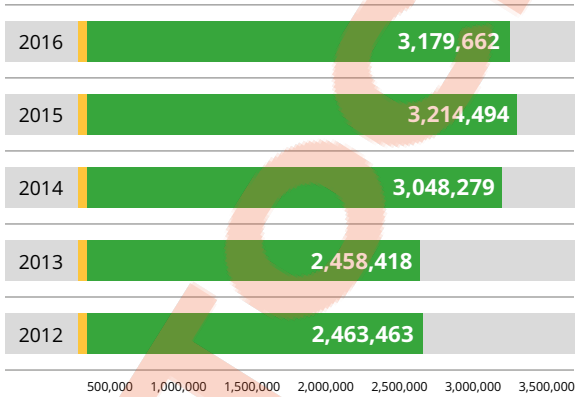
- All types of Brokerage Services on both the platform of DSE and CSE
- Trade Execution for Retail, Institutional and Foreign Clients
- Comprehensive portfolio statements
- Efficient Customer services
- Full service Depository participant (DP) of Central Depository Bangladesh Ltd. (CDBL) for Beneficiary Account (BO) opening & CDBL related services.

Trade Performance:

DSE Index Movement



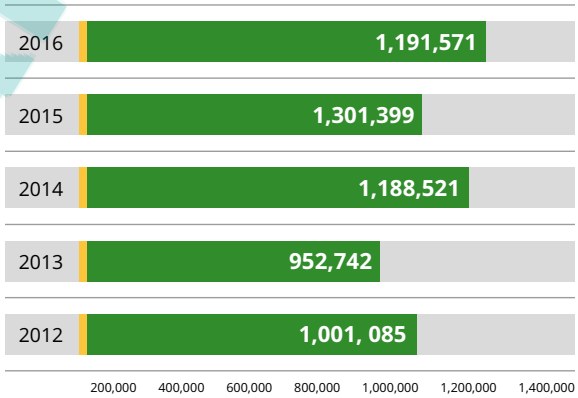
DSE Average Market Capital
(BDT in million)



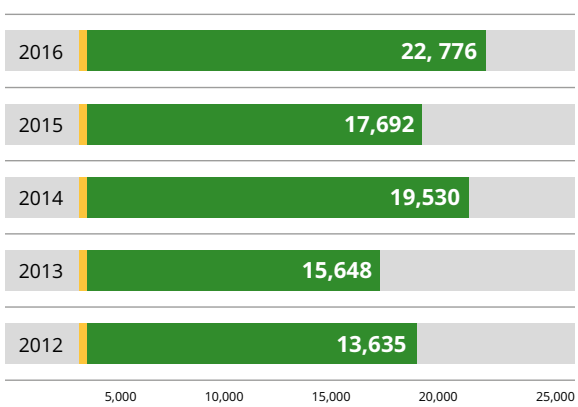
In the year 2016 GDSL kept its growth in market in terms of trade volume as well as Market share. Average market share of GDSL became 1.97% and GDSL trade growth is 29% compare to 2015 trade volume. On the hand, DSE trade growth is 16% compare to 2015 trade volume.

Financial Performance:

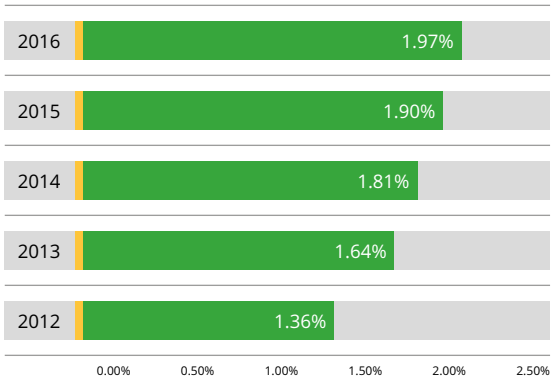
DSE Trade
(BDT in million)



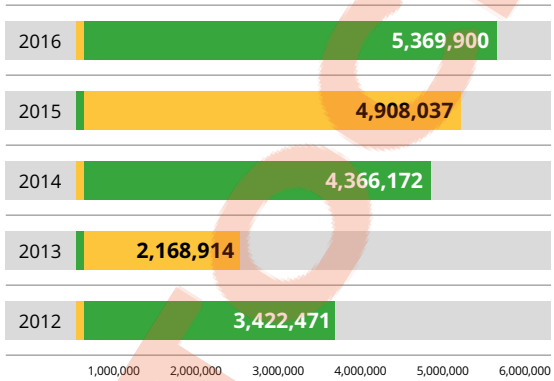
GDSL Trade
(BDT in million)



GDSL Market Share

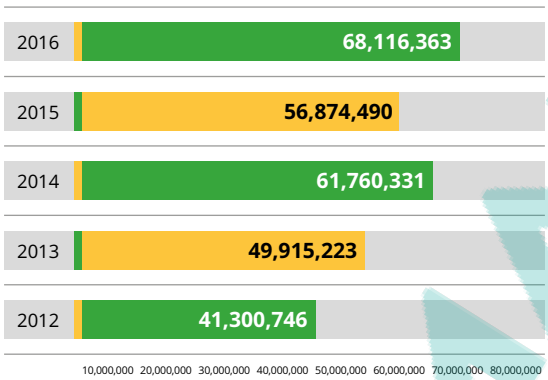


Investment Portfolio

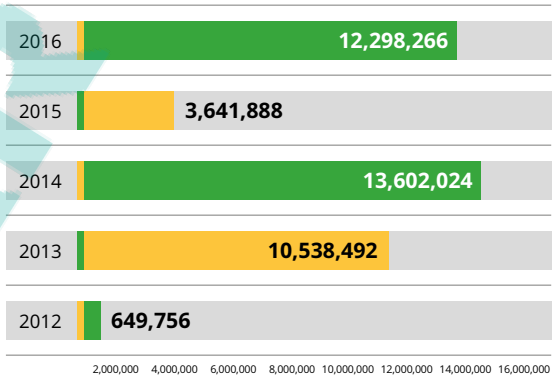


Earnings Performance:

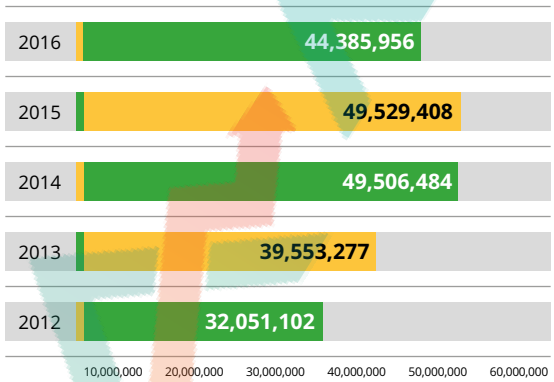
Commission Revenue



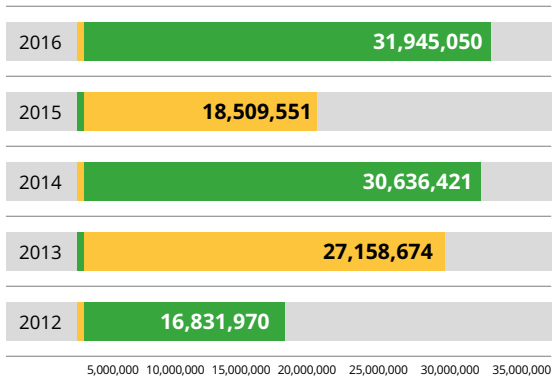
Net Profit



Margin Income



Earning Before Depreciation and Tax

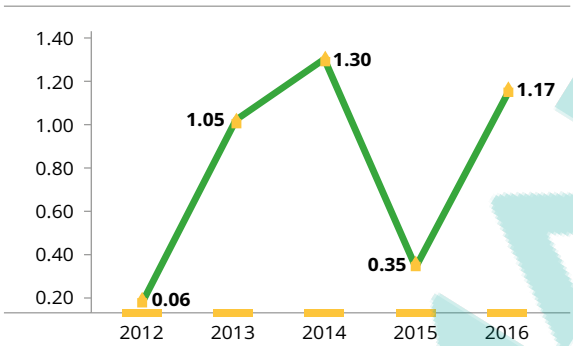


Income Statement for the year ended 31st December					
Particulars	**2012**	**2013**	**2014**	**2015**	**2016**
Total Operating Income	82,695,893	99,392,970	121,863,590	117,892,844	134,509,628
Profit before Tax	10,309,870	22,882,018	27,177,713	15,066,733	29,663,838
Profit after Tax	649,756	10,538,492	13,602,024	3,641,888	12,298,266
Balance Sheet as on 31st December					
Particulars	**2012**	**2013**	**2014**	**2015**	**2016**
Non-Current Assets	662,238,541	679,928,336	653,389,834	125,359,895	122,261,939
Current Assets	490,223,149	500,942,387	598,304,282	599,446,505	1,617,626,175
Total Assets	1,152,461,690	1,180,870,723	1,251,694,116	727,478,298	1,739,888,114
Share Holders Equity	845,509,322	841,731,207	855,333,231	329,327,581	341,625,848
Long Term Liabilities	116,638,688	114,138,688	84,138,688	144,138,688	284,138,688
Current Liabilities	190,313,680	225,000,828	312,222,197	251,340,132	1,114,123,578
Total Shareholders' Equity & Liabilities	1,152,461,690	1,180,870,723	1,251,694,116	727,478,298	1,739,888,114

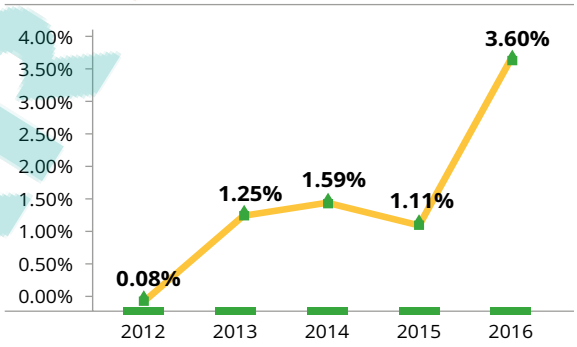
Earnings Per Share & Return On Equity

In the year 2016, GDSL has positive growth in EPS (Earnings per Share) and ROE (Return on Equity)

Earning Per Share



Return on Equity



GREEN DELTA
Securities Limited

HEAD OFFICE & PRINCIPLE BRANCH
Hadi Mansion (6th Floor)
2, Dilkusha C/A, Dhaka-1000
+88-02-9567505 Ext.-101
+88-02-9567548 (Fax)

PRINCIPAL BRANCH ANNEX- TRUST
People's Insurance Bhaban
(12th Floor), 36, Dilkusha C/A,
Dhaka-1000, Bangladesh.
+88-02-7120604 +88-02-9567548 (Fax)

DHANMNDI BRANCH
Rupayan Prime (7th floor) Plot # 02,
Road 07, Dhanmondi, Dhaka 1205,
Bangladesh. T: +88 02 8622599,
8621019, F: +88 02 8621015

GULSHAN BRANCH
Sheba House (1st Floor)
Northern Side, Plot # 34, Road # 46,
Gulshan-2, Dhaka-1212
+88-02-9844298, +88-02-9844120 (Fax)

CORPORATE OFFICE
Green Delta AIMS Tower
(2nd Floor), 51-52 Mohakhali C/A,
Dhaka-1213, Bangladesh.
+88-02-9898367 +88-02-9898340 (Fax)

GULSHAN-2 BRANCH
Concord IK Tower (4th floor), Plot No.
2, Block- C, Gulshan North Avenue,
Gulshan- 2, Dhaka- 1212
Phone:+88028818406-8 Ext102

SYLHET BRANCH
JR Tower (2nd Floor)
23 Abas, Jail Road, Sylhet-3100
+88-0821-711483
+88-0821-714255 (Fax)

CHITTAGONG BRANCH
MakkaMadina Trade Center (3rd Floor),
78, Agrabad C/A, Chittagong-4100,
Bangladesh. +88-031-2517845-46,
+88-031-2514693 (Fax)

KHATUNGONJ BRANCH
Mans Trade Centre (4thFloor),
RamjoyMohajan Lane,
Khatungonj, Chittagong.

10.1.1 Directors' Report to the Shareholders

Shareholders

Dear Shareholders,
At the outset, we, the Board of Directors of your company Green Delta Securities Limited,welcome you to the 3rd 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 2016 and the Auditor's Report thereon for kind consideration and adoption.

Operational Highlights 2016

Particulars	2016	2015
No of Accounts at the begging	6,317	5,220
Accounts opened during the year	639	1562
Number of accounts at year end	6,443	6,317
Growth (year-on-year)	126	1,097

Financial Highlights 2016

Taka in million	2016	2015
Net Brokerage Income	68.12	56.87
Net Interest Income	44.39	49.53
Income from Share Market Investment	2.85	2.87
Operating Expenses	64.71	64.72
Net profit before tax and provision	29.60	15.07
Net profit after tax	12.24	3.64
Total Shareholders' equity	341.56	329.33
Earnings Per Share	1.17/Share	0.35/Share

Net brokerage income equals brokerage commission minus laga, howla charges plus other operating income

Total Turnover

Taka in million

2016	2015	2014	2013	2012
227,761	17,6692	19,530	15,648	13,635

Operational Expenses

Operational Expenses	2016	2015
Salary & Allowances	36.55	32.94
Data Connectivity	1.96	3.38
Office Maintenance	1.95	2.32
Office rent	8.28	7.82
Electrical & Utility	2.84	2.74
Others	13.13	15.52

Number of Employees

Particulars	2016	2015
No. of Employees	64	70

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.

WWW.STOCK

Internal Control

The system of internal control is sound in design and has been effectively implemented and monitored.

Distribution of Profit for 2016

The company reported profit/(loss) of Taka 12,235,767 in the year 2016. Considering company's growth potentials and comparative cost benefit analysis of paying out dividend and overall better tax management, the Board of GDSL decided not to declare any dividend to the shareholders of the company for 2016.

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 2nd year as the auditor of the company. They are eligible for re-appointment as auditor of the company for the year 2017 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 2017 at the existing remuneration of BDT 65,000.00.

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

10.1.2 Auditors' Report

To the Shareholders of Green Delta Securities Limited

We have audited the accompanying financial statements of Green Delta Securities Limited, which comprise the statement of financial position as at December 31,2016 and the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRS), 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing, those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements have been prepared in accordance with Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) give a true and fair view of the state of the affairs of the Green Delta Securities Limited as of December 31,2016 and of the results of its operations and its statement of cash flows for year then ended and comply with the Companies Act 1994, the Securities and Exchange Rules 1987, Dhaka Stock Exchange Rule 1954, Chittagong Stock Exchange Rule 1995 and other applicable laws and regulations.

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 account as required by law have been kept by the company so far as it appeared from our examination of those books;

c) the company's Statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts;

Place: Dhaka
Date: February 09, 2017

Ahmed Zaker & Co.
Chartered Accountants

10.1.3 Green Delta Securities Limited

Statement of Financial Position

As at December 31, 2016

Particulars	Notes	Amount in Taka	
		31.12.2016	31.12.2015
SOURCES OF FUNDS			
Shareholders equity		**341,563,347**	**329,327,581**
Share Capital	4.00	105,000,000	105,000,000
Retained Earnings	5.00	156,491,823	144,256,057
Revaluation Reserve	6.00	80,071,524	80,071,524
Long Term Liabilities			
Loan From GDIC	7.00	284,138,688	144,138,688
Total Capital Employed		**625,702,035**	**473,466,269**
APPLICATION OF FUNDS			
Non-Current Assets (A)		**122,261,939**	**125,359,895**
Property, Plant & Equipment	8.00	3,237,579	4,335,535
Investment in Stock Exchange for Membership	9.00	115,024,360	115,024,360
Investment in Bond	10.00	4,000,000	6,000,000
Current Assets (B)		**1,617,820,740**	**599,446,505**
Advances, Deposits and Prepayments	11.00	45,422,053	20,844,221
Receivable from Clients	12.00	236,694,683	247,630,566
Receivable from DSE & CSE	13.00	13,431,734	31,940,938
Investment in shares (at cost)	14.00	149,009,392	126,131,124
Accounts Receivable	15.00	8,796,579	5,465,151
Cash and cash equivalents	16.00	1,164,466,298	167,434,505
Current Liabilities (C)		**1,114,380,644**	**251,340,132**
Payable to Clients	17.00	905,058,108	76,901,416
Payable to DSE & CSE	18.00	3,446,160	190,858
Payable to IPO Issuer	19.00	111,450,000	-
Payable to GDIC (Management Expenses)	20.00	7,982,579	7,969,092
Interest Payable (GDIC)	21.00	33,452,851	32,365,728
Bank Overdraft	22.00	20,067,653	109,266,125
Liabilities for Expenses	23.00	3,805,448	1,947,076
Provision for Income Tax	24.00	23,514,424	17,950,533
Other Provision	25.00	5,603,421	4,749,304
Net Current Assets (D)=(B-C)		**503,440,096**	**348,106,373**
Total Assets (E)=(A+D)		**625,702,035**	**473,466,269**

The above notes (1-33) form an integral part of these financial statement.

Chairman

Director

Chief Executive Officer

Head of Finance

Signed as per our separate report of same date.

Ahmed Zaker &Co.
Chartered Accountants

Place: Dhaka
Date: February 09, 2017

10.1.4 Green Delta Securities Limited

Statement of Profit or Loss and other Comprehensive Income

For the year ended December 31, 2016

Particulars	Notes	Amount in Taka	
		31.12.2016	31.12.2015
Operating Income:			
Revenue from Brokerage	26.00	68,116,363	56,874,490
Interest Income	27.00	44,385,956	49,529,408
Dividend Income	28.00	12,311,871	1,934,413
Capital Gain/(Loss) from Investment in Shares	29.00	2,845,634	2,873,624
Other Operating Income	30.00	5,533,988	5,608,119
Total Operating Income		**133,193,812**	**116,820,054**
Less: Direct Charges	31.00	9,973,726	9,075,210
Gross Profit		**123,220,086**	**107,744,844**
Less: Office & Administrative Expenses	32.00	64,712,872	64,720,658
Less: Financial Expenses	33.00	28,905,876	27,957,453
Profit/(Loss) before Tax		**29,601,338**	**15,066,733**
Less: Provisions		**17,365,571**	**11,424,845**
Provision for Taxation	24.00	14,365,571	9,924,845
Other Provission	25.00	3,000,000	1,500,000
Profit/(Loss) After Tax		**12,235,767**	**3,641,888**

The above notes (1-33) form an integral part of these financial statement.

Chairman

Director

Chief Executive Officer

Head of Finance

Signed as per our separate report of same date.

Ahmed Zaker &Co.
Chartered Accountants

Place: Dhaka
Date: February 09, 2017

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10.1.5 Green Delta Securities Limited

Statement of Changes in Equity

For the year ended December 31, 2016

Amount in Taka

Particulars	Share Capital	Revaluation Reserve	Retained Earnings	Total Shareholders Equity
Balance as at January 01, 2016	105,000,000	80,071,524	144,256,057	329,327,581
Net profit for the year	-	-	12,235,767	12,235,767
Balance as at December 31, 2016	**105,000,000**	**80,071,524**	**156,491,823**	**341,563,347**

Green Delta Securities Limited

Statement of Changes in Equity

For the year ended December 31, 2015

Amount in Taka

Particulars	Share Capital	Revaluation Reserve	Retained Earnings	Total Shareholders Equity
Balance as at January 01, 2015	105,000,000	607,047,164	143,286,067	855,333,231
Less: Adjustment for Fair Value measurent		(526,975,640)		(526,975,640)
Less: Prior year adjustment			(2,671,898)	(2,671,898)
Net profit for the year	-	-	3,641,888	3,641,888
Balance as at December 31, 2015	**105,000,000**	**80,071,524**	**144,256,057**	**329,327,581**

Chairman

Director

Chief Executive Officer

Head of Finance

Signed as per our separate report of same date.

Ahmed Zaker &Co.
Chartered Accountants

Place: Dhaka
Date: February 09, 2017

10.1.6 Green Delta Securities Limited

Statement of Cash Flows

For the Year ended December 31, 2016

Particulars	Amount in Taka	
	31.12.2016	31.12.2015
Cash Flow from Operating Activities:		
Cash Received from Customers and others	146,995,600	155,727,265
Cash Paid to Customers, Suppliers, Employees & others	(739,748,643)	(81,871,814)
Income Tax paid & other Provision & Adjustment	(14,395,571)	(9,712,785)
Net Cash (used) /flows from operating activities	**872,348,671**	**64,142,666**
Cash Flow from Investing activities :		
Acquisition of Property,Plant & Equipment	(1,183,257)	(5,888,519)
Investment	(22,878,268)	(31,783,493)
Dividend Income	12,311,871	
Investment in Bond & Others	2,000,000	2,000,000
Net Cash flows from Investing activities:	**(9,749,654)**	**(35,672,012)**
Cash Flow from Financing activities:		
Share Capital	-	-
Loan from GDIC	140,000,000	58,903,629
Overdraft	(89,198,472)	(53,842,787)
Interest	(27,818,753)	(27,353,908)
Received from IPO Acoount	111,450,000	
Net Cash (used) /flows from Financing activities:	**134,432,775**	**(22,293,066)**
Net increase/(decrease) in cash & cash equivalents	997,031,792	6,177,588
Add: Cash & Cash equivalents at the beginning of the year	167,434,506	161,256,918
Cash & Cash equivalents at the end of the year	**1,164,466,298**	**167,434,506**

Chairman

Director

Chief Executive Officer

Head of Finance

Signed as per our separate report of same date.

Ahmed Zaker &Co.
Chartered Accountants

Place: Dhaka
Date: February 09, 2017

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10.1.7 Green Delta Securities Limited

Notes to the Financial Statements

For the year ended December 31, 2016

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 Hadi Mansion (6th Floor), 2 Dilkusha C/A, Dhaka-1000.

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 BAS-1.

i) Historical cost convention (Except investment in Stock Exchange membership)
ii) Accrual except Cash flow Statement
iii) Bangladesh 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 Bangladesh Accounting Standard adopted by The Institute of Chartered Accountants of Bangladesh(ICAB) as BAS 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%

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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 "BAS-18".

Brokerage commission

Brokerage commission is recognized as income when selling or buying order executed.

Interest Income from margin loan

Interest Income from margin loan is recognized on accrual basis. Such income is calculated on daily margin loan balance of the respective parties. Income is recognized on monthly basis.

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

Dividend income is recognized when right to receive payment is established whereas profit or loss arising from the sale of securities is accounted for only when shares are sold in the market and profit is realized or loss is incurred.

Income from Bank deposit

Income from short term bank deposit & FDR are recognized when the amount is credited by the bank in the accounts.

2.3) Taxation:

Current Tax:

The company's trading income is subject to deduction of tax at source which is at the rate of 0.05% for the year ended December 31, 2016 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 Bas-12, Income Taxes.

2.4) Client Accounts:

Client accounts represents the amount which are paid by the company at the time of trading of shares and stocks in the house which is recognized in the account as current assets as per IASB Framework.

2.5) Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, bank balances and deposits held with banks and financial instruments and short term liquid investments that are readily convertible to known amount of cash and that are subject to an insignificant risk of change in value.

2.6) Cash Flow Statements:

Cash flow statement has been prepared in accordance with the Bangladesh Accounting Standards (BAS) 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 Bangladesh Accounting Standard (BAS).

2.8) Events after the Reporting date:

As per BAS-10 "Event after the Balance Sheet Date" are those event favorable and unfavorable, that occur between the end of the reporting year and the date when the financial statements are authorized for issue. Two types of event can be identified:

- Those that provide evidence of conditions that existed at the end of the reporting year (adjusting events after balance sheet date); and
- Those that are indicative of conditions that arose after the reporting year (Non-adjusting events after balance sheet date).

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2.9) Related party disclosure

As per Bangladesh Accounting Standards (BAS)-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 as on January 01,2016	Addition during the year	Payment during the year	Closing Balance as on December 31, 2016
Green Delta Insurance Company Limited	Common Shareholder	Loan from GDIC	144,138,688	200,000,000	60,000,000	284,138688
		Payable to GDIC (Management Expense)	7,969,092	6,471,132	6,457,645	7,982,579
		Interest Payable	32,365,728	17,310,961	16,223,838	33,452,851
		Interest Expense				19,052,956

2.10) Comparative:

Comparative information have been disclosed in respect of the previous year for all numerical information in the financial statements including narrative and descriptive information when it is relevant for understanding of the current year's financial statements.

Previous year's figure has been re-arranged whenever considered necessary to ensure comparability with the current year's presentation as per BAS-8 "Accounting Policies, Changes in Accounting Estimates and Errors".

2.11 Application of Bangladesh Accounting Standards (BASs):

The Financial Statements have been prepared in compliance with requirement of BAS 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:

BAS- 1 Presentation of Financial Statements
BAS- 7 Statement of Cash Flows
BAS- 8 Accounting Policies, Changes in Accounting Estimates and Errors
BAS- 10 Events after the Reporting Period
BAS- 12 Income Taxes
BAS- 16 Property, Plant and Equipment
BAS- 18 Revenue
BAS- 23 Borrowing Cost
BAS- 24 Related Party Disclosure

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 Bangladesh Accounting Standard BAS-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, 2016.
Statement of Profit or Loss and Other Comprehensive Income for the year ended December 31, 2016.
Statement of Changes in Equity for the year ended December 31, 2016.
Statement of Cash flows for the year ended December 31, 2016.
Notes to the financial statements and Explanatory notes.

General:

i) The figure has been rounded off to the nearest Taka.
ii) The financial Statement has been prepared covering the year from January 01, 2016 to December 31, 2016.

		Amount in Taka	
		31.12.2016	31.12.2015
4.00	**Share capital**		
4.01	**Authorized Capital**		
	Twenty 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.		
4.02	**Issued, subscribed and paid up Capital**		
	(10,500,000) One Million ordinary shares of Tk.10/- each fully paid	**105,000,000**	**105,000,000**
4.03	**Shareholding Position of the Company**		
	Name of Share Holder		
	Green Delta Insurance Company Ltd.	999,999	999,999
	Nasir A Choudhury	1	1
		1,000,000	**1,000,000**
5.00	**Retained Earnings**		
	Balance as at January 01, 2016	144,256,057	143,286,067
	Add: Addition during the year	12,235,767	3,641,888
		156,491,823	**146,927,955**
	Less: Prior Year Adjustment	-	(2,671,898)
	Less: Bonus Share Issued	-	-
	Balance as at December 31, 2016	**156,491,823**	**144,256,057**
6.00	**Revaluation Reserve**		
	Balance as at January 01, 2016	80,071,524	607,047,164
	Add: Adjustment during the year	-	(526,975,640)
	Balance as at December 31, 2016	**80,071,524**	**80,071,524**
	Revaluation reserve represents the amount of gain on revaluation on Investment in Stock Exchange for obtaining membership of DSE and CSE. Revaluation were made on above mentioned Investment as at June 30,2012.		
7.00	**Loan from GDIC (Margin Loan & DLR)**		
	Balance as at January 01, 2016	144,138,688	84,138,688
	Addition during the year	200,000,000	60,000,000
	Paid during the year	(60,000,000)	-
	Balance as at December 31, 2016	**284,138,688**	**144,138,688**
	The loan amount has been received from the GDIC bearing average interest @ 9.9% per annum which is being paid by the company regularly and charged the sum in the income statement.		
8.00	**Property, Plant & Equipment**		
	Cost:		
	Opening balance	34,913,332	29,024,813
	Add: Addition during the year	1,183,257	5,888,519
	Less:Adjustment	-	-
	Total Cost	36,096,589	34,913,332

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		Amount in Taka	
		31.12.2016	31.12.2015
	Less: Accumulated depreciation:		
	Opening balance	30,577,797	25,634,979
	Add: Charged during the year	2,281,213	4,942,818
	Less: Adjustment	-	-
	Accumulated depreciation	**32,859,010**	**30,577,797**
	Written Down Value as at December 31,2016	**3,237,579**	**4,335,535**
	Details of Property & Equipment is given in Annexure-A		
9.00	**Stock Exchanges Membership**		
	Dhaka Stock Exchange Limited - Membership	72,151,060	72,151,060
	Chittagong Stock Exchange Limited - Membership	42,873,300	42,873,300
	Balance as at December 31, 2016	**115,024,360**	**115,024,360**
10.00	**Investment in Bond & Others**		
	Investment in Bond (Trust Bank Ltd.)	4,000,000	6,000,000
	Balance as at December 31, 2016	**4,000,000**	**6,000,000**
11.00	**Advances, Deposits and Prepayments**		
	Office rent (Advances)	2,263,937	3,372,737
	Advance to Employee (Salary)	837,975	600,102
	Advance to Employee (Car)	571,420	714,280
	Prepayment for Others	2,700,214	2,875,051
	Advance to DSE for Member Margin	20,000,000	-
	TDS on Car	30,000	-
	TDS on FDR Interest (Note-11.01)	3,109,489	2,631,806
	TDS on Bond (Note-11.02)	362,295	324,795
	TDS on Dividend of DLR (Note-11.03)	3,508,690	1,046,335
	Tax on Transaction (Note-11.04)	11,388,033	8,801,680
	Advance to Party (Note-11.05)	650,000	477,435
	Balance as at December 31, 2016	**45,422,053**	**20,844,221**
11.01	**TDS on FDR & STD Interest**		
	Balance as at January 01, 2016	2,631,806	2,177,341
	Add: Addition during the year	477,683	454,465
		3,109,489	**2,631,806**
	Less: Adjusted during the year	-	-
	Balance as at December 31, 2016	**3,109,489**	**2,631,806**
11.02	**TDS on Bond**		
	Balance as at January 01, 2016	324,795	250,000
	Add: Addition during the year	37,500	74,795
		362,295	**324,795**
	Less: Adjusted during the year	**-**	**-**
	Balance as at December 31, 2016	**362,295**	**324,795**
11.03	**TDS on Dividend of DLR**		
	Balance as at January 01, 2016	1,046,335	664,490
	Add: Addition during the year	2,462,355	381,845
		3,508,690	**1,046,335**
	Less: Adjusted during the year	**-**	**-**
	Balance as at December 31, 2016	**3,508,690**	**1,046,335**

		Amount in Taka	
		31.12.2016	31.12.2015
11.04	**Tax on Transaction**		
	Balance as at January 01, 2016	8,801,680	9,765,136
	Add: Addition during the year	11,388,033	8,801,680
		20,189,713	18,566,816
	Less: Adjusted during the year	8,801,680	9,765,136
	Balance as at December 31, 2015	**11,388,033**	**8,801,680**
	As per Section 82 (C) of ITO 1984, the company made a provision for income tax Taka 11,388,033 against turnover tax applying a rate of 0.050% for the year 2016		
11.05	**Advance to Party**		
	Advances to Business Object Solutions	650,000	300,000
	Advances to Artisan	-	177,435
	Balance as at December 31, 2016	**650,000**	**477,435**
12.00	**Receivable from Clients**		
	Receivable from clients for share trading	236,694,683	247,630,566
	Balance as at December 31, 2016	**236,694,683**	**247,630,566**
13.00	**Receivable from DSE & CSE**		
	DSE	12,922,506	29,833,525
	CSE	509,228	2,107,413
	Balance as at December 31, 2016	**13,431,734**	**31,940,938**
14.00	**Investment in Shares**	149,009,392	126,131,124
	Balance as at December 31, 2015	**149,009,392**	**126,131,124**
	The above amount represents investment made in the different portfolio and shown at cost value as current assets during the year.		
15.00	**Accounts Receivable**		
	Green Delta Insurance Co. Ltd. (Car Sale Proceeds)	1,494,791	1,494,791
	Nascom Pvt. Ltd.	21,851	21,851
	Green Delta Capital Ltd.	1,174,771	1,174,771
	Receivable from SSK	15,000	-
	Receivable from Party	5,132,334	1,815,906
	Receivable from Employees & others	957,832	957,832
	Balance as at December 31, 2016	**8,796,579**	**5,465,151**
16.00	**Cash and Cash Equivalents**		
	Cash in hand (16.01)	326,126	565,575
	Cash at bank (16.02)	1,164,140,172	166,868,930
	Balance as at December 31, 2016	**1,164,466,298**	**167,434,505**
16.01	**Cash in hand**		
	Head Office	321,274	562,389
	Chittagong	4,510	3,009
	Sylhet	342	177
	Balance as at December 31, 2016	**326,126**	**565,575**

		Amount in Taka	
		31.12.2016	31.12.2015
16.02	**Cash at bank**		
	Pubali Bank Ltd. A/C # STD-1816	311,355	305,464
	City Bank Ltd. Islami Banking Br. A/C # 3101063925001	150,446	148,230
	Mutual Trust Bank Ltd. Sylhet Br. A/C # 0023-0210002631	28,817	29,967
	Mutual Trust Bank Ltd. Sylhet Br. A/C # 792	5,680	6,980
	Pubali Bank Ltd. Dewanhat Br. CTG A/C # STD-255	56	27
	Trust Bank Ltd. A/C # 0017-021010007009	4,397	5,662
	Standard Chartered Bank A/C # 01-1053200-01	8,176,120	2,811,481
	Standard Chartered Bank A/C # 01-1053200-02	929,181,934	82,703,084
	Standard Chartered Bank A/C # 01-1053200-03	7,082,680	1,135,867
	Standard Chartered Bank A/C # 01-1053200-04	111,454,997	4,997
	Marcentile Bank Ltd. A/C # 011311100007952	19,757	131,195
	FDR A/C (Note-16.02.1)	107,723,934	79,585,976
	Balance as at December 31, 2016	**1,164,140,172**	**166,868,930**
16.02.1	**FDR A/C**		
	Trust Bank Ltd. A/C # 0017-0330015050	7,720,966	7,319,227
	BRAC Bank A/C #1501301898188004	7,518,306	7,165,374
	BRAC Bank A/C #1501301898188003	16,105,724	15,307,109
	BRAC Bank A/C #1501301898188002	16,413,805	15,599,913
	BRAC Bank A/C #1501301898188001	16,599,262	15,820,042
	SCB Bank 91053200001	9,226,227	8,747,311
	IDLC 10252226268901	672,393	627,000
	SCB Bank 91053200144	7,383,250	7,000,000
	UTTARA Finance 8731	-	2,000,000
	IDLC # 10552226268902	5,000,000	-
	ILAFSL # 16612910	2,084,000	-
	IDLC # 10452226268901	2,000,000	-
	IDLC # 10552226268903	2,000,000	-
	PLFL # 1278	5,000,000	-
	NRBC BANK Ltd # 0110170600000791	5,000,000	-
	Reliance #10170600000791	5,000,000	-
	Balance as at December 31, 2016	**107,723,934**	**79,585,976**
17.00	**Payable to Clients**		
	Payable to clients for share trading.	905,058,108	76,901,416
	Total	**905,058,108**	**76,901,416**
18.00	**Payable to DSE & CSE**		
	DSE	2,175,432	190,858
	CSE	1,270,728	-
	Balance as at December 31, 2016	**3,446,160**	**190,858**
19.00	**Payable to IPO Issuer**		
	PDL	111,450,000	-
	Balance as at December 31, 2016	**111,450,000**	-

		Amount in Taka	
		31.12.2016	31.12.2015
20.00	**Payable to GDIC (Management Expenses)**		
	Balance as at January 01, 2016	7,969,092	9,065,463
	Add: Addition during the year	6,471,132	6,722,582
		14,440,224	**15,788,045**
	Less: Adjustment during the year	(6,457,645)	(7,818,953)
	Balance as at December 31, 2016	**7,982,579**	**7,969,092**

Above amount represents payable to GDIC for meeting day to day management expense, which were expended by the GDIC on behalf of GDSL.

21.00	**Interest Payable (GDIC)**		
	Balance as at January 01, 2016	32,365,728	31,762,183
	Add: Addition during the year	17,310,961	9,196,030
		49,676,689	**40,958,213**
	Less: Adjustment during the year	16,223,838	8,592,485
	Balance as at December 31, 2016	**33,452,851**	**32,365,728**
22.00	**Bank Loan (Overdraft)**		
	Loan from Bank (BRAC bank)	20,067,653	109,266,125
	Balance as at December 31, 2016	**20,067,653**	**109,266,125**

This represents the overdraft loan amount previously sanctioned by the BRAC Bank Ltd. A/C no. 1501201898188001 in favor of the company at a rate of 11.00%.

23.00	**Liabilities for Expenses**		
	Payable to Dr. K.M Maqsudur Rahaman	25,509	26,573
	Payable to Executive Machines Ltd.	17,000	17,000
	Payable to Greeen Delta AIMS Tower	26,000	26,000
	Audit Fees	62,500	-
	Payable to Birds Bangladesh	4,570	5,145
	Payable to JR Tower	13,513	13,360
	Payable to Lazezz Food	21,438	25,460
	GF Payable	1,996,500	1,150,000
	Payable to GDCL	110,343	79,000
	Payable to Enclave	765,000	297,831
	Accrued Expense	194,566	
	CDBL Charges Payable (23.01)	448,269	187,289
	TDS and VAT Payable (23.02)	120,240	119,418
	Balance as at December 31, 2016	**3,805,448**	**1,947,076**
23.01	**CDBL Charges Payable**		
	Balance as at January 01, 2016	187,289	255,826
	Add: Addition during the year	4,569,653	4,546,418
	Less: Adjustment during the year	(4,308,673)	(4,614,955)
	Balance as at December 31, 2016	**448,269**	**187,289**
23.02	**TDS and VAT Payable:**		
	Salary	54,090	53,800
	House rent TDS (Gulshan, TBL & Khatungonj) & Suppliers	12,198	12,198
	TDS payable on suppliers	1,267	10,295
	House rent VAT (Gulshan, TBL & Khatungonj) & Suppliers	52,686	43,125
	Balance as at December 31, 2016	**120,240**	**119,418**

		Amount in Taka	
		31.12.2016	31.12.2015
24.00	**Provision for Tax**		
	Balance as at January 01, 2016	17,950,533	17,790,824
	Add: Provision during the year	14,365,571	9,924,845
		32,316,104	**27,715,669**
	Less: Paid during the year	-	-
		32,316,104	27,715,669
	Less: Adjusted during the year	8,801,680	9,765,136
	Balance as at December 31, 2016	**23,514,424**	**17,950,533**
	Provision amounting to Taka 14,365,571 has been made on account of current year's Income Tax payable to Govt. authority.		
25.00	**Other Provision**		
	Balance as at January 01, 2016	4,749,304	6,215,057
	Add: Addition during the year	3,000,000	1,500,000
		7,749,304	**7,715,057**
	Less: Adjustment during the year	2,145,883	2,965,753
	Balance as at December 31, 2016	**5,603,421**	**4,749,304**
26.00	**Revenue from Brokerage**		
	Commission	68,116,363	56,874,490
	Total	**68,116,363**	**56,874,490**
27.00	**Interest Income**		
	Interest Income on Margin Loan	38,788,049	43,684,178
	Interest from Loan to Employee	59,131	50,232
	Interest from Bond	750,000	1,024,795
	Interest on Bank and FDR Accounts	4,788,776	4,770,203
	Balance as at December 31, 2016	**44,385,956**	**49,529,408**
28.00	**Dividend Income**		
	Dividend Income from DLR	2,524,367	1,934,413
	Dividend Income from Regulatory DSE & CSE	9,787,504	-
	Total Dividend Income	**12,311,871**	**1,934,413**
29.00	**Capital (Loss)/Gain from Investment in Shares**		
	Realized gain/(Loss) from share trading	2,845,634	2,873,624
	Balance as at December 31, 2016	**2,845,634**	**2,873,624**
30.00	**Other Operating Income**		
	BO Account opening Fee	351,205	641,800
	CDBL Fees	5,069,953	4,960,319
	Margin Documentation	1,500	6,000
	IPO Income	111,330	-
	Balance as at December 31, 2016	**5,533,988**	**5,608,119**

		Amount in Taka	
		31.12.2016	31.12.2015
31.00	**Direct Charge**		
	Hawla Charge	123,691	129,040
	Laga charge	5,379,305	4,284,016
	CDBL Charge	4,470,730	4,662,154
	Balance as at December 31, 2016	**9,973,726**	**9,075,210**
32.00	**Office & Administrative Expenses**		
	Salary & Allowances	33,613,353	30,496,009
	Festival Bonus	2,931,708	2,447,300
	Printing & Stationery	425,297	681,978
	Conveyances	1,014,759	762,438
	Rent (Office rent)	8,276,469	7,823,427
	Telephone, Mobile & Trunk-Call	65,924	76,733
	Entertainment	225,358	16,489
	Business Development (Fair & Others)	1,094,058	1,018,927
	Advertisement Expenses	4,680	15,600
	Electrical & Utility Expenses	2,843,665	2,742,040
	Office Maintenance	1,947,013	2,323,643
	Audit Fees	62,500	62,500
	Professional fees	-	26,670
	Stamps expense	1,980	41,953
	Software Maintenances	326,800	353,148
	Computer Accessories	20,899	98,037
	Generator Fuel	14,303	23,753
	Repair, Renewal & Maintenance	225,605	197,114
	Postage & Courier, Telegram	12,005	12,751
	Photocopy	35	285
	Books, Papers & Periodicals	50,088	49,928
	Authorized Representative Expenses	163,400	147,100
	Renewal. Fees (Dealer & Broker)	182,375	140,000
	Renewal. Fees (Trade License)	-	43,810
	Data Connectivity Expenses	1,964,977	3,384,705
	Board Meeting Expenses	-	143,300

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		Amount in Taka	
		31.12.2016	31.12.2015
	Subscription	83,000	-
	DSE & CSE Conference & Training fees	26,359	-
	Training Expenses	150,200	42,394
	Interest Expenses of Lased Car	-	85,225
	Insurance Premium	44,591	131,922
	Health Insusance	29,453	29,152
	Investor Protection Fund	-	14,302
	Corporate Allowance	-	16,250
	Brokerage expenses	422,108	-
	Mobile Allowance	837,410	886,247
	Car Maintenance Allowances	1,020,000	1,105,307
	Depreciation	2,281,213	4,942,818
	Misc. Expenses	-	3,750
	Management Expenses	355,108	440,000
	Tour Expenses (Domestic)	425,620	539,906
	Food Expenses (Company Part)	220,992	248,739
	Uniform & Dress	56,430	19,565
	Foreign Travel	1,595,024	1,163,442
	Staff Bus Expenses (Company Part)	31,494	17,732
	Charge for Suspension	-	35,135
	DLR Related Expense	5,000	-
	M-Stock Expenses	-	45,000
	Research & Enclave	1,661,619	1,824,134
	Balance as at December 31, 2016	**64,712,872**	**64,720,658**
33.00	**Financial expenses**		
	Bank Charge & Commission	104,076	84,271
	IPO Bank Charge & Commission	4,679	5,388
	Interest Expenses (GDIC)	19,052,956	9,176,305
	Interest Expenses (SCB)	-	415,953
	Interest Expenses (BRAC Bank Loan)	9,744,165	18,275,536
	Balance as at December 31, 2016	**28,905,876**	**27,957,453**

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Green Delta Securities Limited

Schedule of Property, Plant & Equipment

As at December 31, 2016

Annexure-A

Sl. No	Name of the Assets	COST				Rate	DEPRECIATION				W.D.V
		Initial	Addition	Adjustment / Disposal	Total		Opening	Charged during the year	Adjustment	Total	
1	Computer Software	3,539,570		-	3,539,570	50%	3,364,569	87,503	-	3,452,072	87,498
2	Computer	5,063,124	275,650	-	5,338,774	30%	4,610,237	663,527	-	5,273,764	65,010
3	Telephone	187,120		-	187,120	30%	187,119		-	187,119	1
4	Office Space Purchase	600,000		-	600,000	10%	452,168	60,000	-	512,168	87,832
5	I.P.S	115,977		-	115,977	30%	115,973		-	115,973	4
6	Office Equipments	2,836,439	325,200	-	3,161,639	30%	2,836,438	61,846	-	2,898,284	263,355
7	Air Conditioner	1,374,320	65,550	-	1,439,870	30%	1,374,320	18,029	-	1,392,349	47,521
8	U.P.S	197,668		-	197,668	30%	197,668		-	197,668	-
9	Computer Server	2,093,890		-	2,093,890	30%	2,093,888		-	2,093,888	2
10	Furniture & Fixtures	1,480,620		-	1,480,620	30%	1,325,101	155,519	-	1,480,620	-
11	Office Renovation	11,133,794	354,869	-	11,488,663	30%	11,133,795	106,464	-	11,240,259	248,404
12	Motor Vehicle	4,926,000		-	4,926,000	20%	1,688,810	985,200	-	2,674,010	2,251,990
13	Mobile Sets	436,716	161,988		598,704	30%	269,619	143,125	-	412,744	185,960
14	Projector	928,094		-	928,094	30%	928,093	-	-	928,093	1
		34,913,332	**1,183,257**	**-**	**36,096,589**		**30,577,798**	**2,281,213**	**-**	**32,859,011**	**3,237,578**

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10.2 Report on Green Delta Capital Limited



Managing Director & CEO's Message

Md. Rafiqul Islam
Managing Director & CEO
Green Delta Capital Limited

*Green Delta Capital is in the Business of **"making possible happen in a sustainable way"**. We make possible happen for our shareholders, our customers, our communities and each other. It is what our **"Intelligence at work"** represents. Today's GDCL is a stronger sustainable business model with better prospects, further diversification of our business strategy. We are a one stop customized investment banking solutions provider for you.*

Green Delta Capital Limited (GDCL) in the year 2016 has reached new heights of excellence, and implicated as the foremost investment bank in the country. GDCL has completed yet another glorious year in 2016, with astounding growth in revenue, operating profit, profit before tax and profit after tax, thus enhancing operational excellence through creating industry benchmark. We have always believed in enhancing revenue whilst at the same time squeezing expenditures to the minimum in order to enhance operational efficiency.

Your investment bank, GDCL is now playing a fundamental role in ensuring a sustainable Investment Banking environment by putting emphasis on meeting clients' needs and at the same time emphasizing on steady & sustainable company profits.

Today I feel privileged once again to be standing before you as the Managing Director & CEO of your Merchant Bank that has surely reached some new heights in the year in question. This year we have met all our operating financial targets. We have operating profit growth of 11.21% compare to the year of 2015. We have generated net profit margin of 34.43% in 2016 which has growth of 15.27% compare to 2015. Our ROI was 11.28% in 2016 which has 14.33% growth compare to 2015.

During the year we committed more innovative Investment Banking service and mobilized our global footprint than any other previous years. We were involved in 19% of the transactions in our Corporate Banking Investment and 18% in our Retail Investment Banking and 35% in our own Investment portfolio. We have achieved 4338% growth in our own investment portfolio compare to 2015 and we supported important innovations and a number of 'firsts' in all of our key markets: Sukuk – Islamic Finance, Cross Border M&A with USD denominated long term debt, Green Investment Banking.

Your investment bank has come a long way in 6 years since inception. The industry now looks up to the benchmarks we create through offering and executing diverse range of services that are aligned with global market practices but extremely new for the local market. As part of this, we have arranged workshop on Sukuk in collaboration with Central Shariah Board for Islamic Banks of Bangladesh to highlight the opportunities of Sukuk (Islamic Bonds) in a Muslim majority country like Bangladesh. Through this workshop, we highlighted the global market practices and key elements of Sukuk among our Corporate Clients so that more companies come forward in issuing Sukuk that has big opportunities in the Bangladesh Market.

Throughout the year 2016, we have conquered many prestigious and pivotal milestones for the company as well as the industry overall. The Corporate Investment Banking Wing of GDCL had a dominating presence in the local market through local debt deals of BDT 4.5 Billion combined, **threefold** more than the previous highest in 2015. Relationship with local distribution partners thus has grown from strength to strength and has reached heights like never before.

The Corporate Investment Banking team has also signed the first ever cross-border acquisition financing deal in Bangladesh, creating milestone for the economy. A local conglomerate is now investing in the global market and GDCL is proudly playing the role of Advisor to the transaction as well as the Foreign Debt Arranger for the acquisition. The debt arrangement for the acquisition would be an astounding USD 60 Million, should be duly acknowledged as the biggest and most prestigious deal for the company.

We have been flourishing due to our willingness to adopt new investment strategies to meet ever-evolving demand of the market by backing several new projects from multi-various sectors. As a part of this strategy, we have introduced new products as the market for local products such as Commercial Papers have become rigid due to introduction of strict regulations for the product.

GDCL's retail wing, portfolio management team, has also performed exceedingly well in the last quarter of 2016. As the Capital Market Recovers, the retail team is expected to perform even better in the coming days and take off to a new level of growth. The team is committed to establish a strong client base by providing global standard research analysis for its valued clients. In the year 2016, the company was blessed to have achieved a huge number of clients with significant market presence as well as contribute heavily to the bottom-line profit of the company through own investments in the capital market.

The Portfolio team is backed-up by a very capable research team that ensures portfolio investments of our clients see maximum return with minimum levels of risks. Research team is responsible to report on Bangladesh capital market every day, which is also published in the Financial Express, the leading financial newspaper of Bangladesh and are in the talks with a few more newspaper dailies to publish their research on Bangladesh Capital Markets. We can proudly say that our unique research team contributes to the net revenue through such publications as well as earns goodwill for the company.

We firmly believe that our respected colleagues hold the key in a service oriented Investment Banking industry, and thus, we have always been keen to recruit highly professionals who work with freedom and in tandem, that ultimately brings the best out of each other. Currently, the company has a comprehensive team to work in a competitive industry to achieve the company goal of ensuring corporate culture, stronger risk management tools and techniques, business policy, brand reputation and develop more customized investment banking products & services to accomplish the rapid growth.

GDCL believes in a positive correlation between client satisfaction and success and that one cannot exist without the other, which allows GDCL to stand out among its peers.

GDCL this year has signed an MOU with Public Private Partnership (PPP) Authority where GDCL would get priority access to upcoming project information for arrangement of Funds. Under the PPP Financing Partnership, GDCL has the opportunity to arrange funds for Billion Dollar projects in the coming years. This again is a landmark for the PPP Authority looking to implement and fast-track priority projects and GDCL is proud to be a part of it.

Bangladesh economy has surpassed the 7% growth mark in 2016, and is expected to grow rapidly in line with investment friendly environment in the coming years. In addition, the Capital Market has somewhat recovered and has a bullish environment and is forecasted to continue like this for the next couple of years at least. GDCL is therefore, perfectly poised to take advantage of the growing economy and capital markets to look forward to yet another glorious year in 2017.



Md. Rafiqul Islam
Managing Director & CEO

What we do....

We ...

- Take Pride that we are member of GDIC family
- We are an Arranger in, and manager of, Local and foreign finance lead arranger. Our mission is to accelerate the BD's transition to a stronger economy. As we do this, we are working to build a permanent institution.
- We arrange in infrastructure projects which are both green and profitable.
- Always put our clients' interests first, giving our best, because when they succeed, our success will follow.
- Believe that 'people' make makes us stand out among others.
- Promote entrepreneurial spirit and encourage initiative amongst our people.
- Take pride in the professional quality of our work.
- Have set our mission to deliver superior returns to our shareholders.
- Believe in Transparency and Disclosure.
- Have Zero tolerance in Compliance, Audit, Regulatory requirements breach and law of the land.
- Embed ourselves with Performance Driven Corporate Culture.
- Understand and respond to social and environmental responsibility.

Corporate strategy

- Build to Last – Take leadership roles in the industry, offering innovative products and services and consistently outsmarting competitors.
- Providing tailor-made solutions for our clients.
- To become the leading investment bank in Bangladesh with one stop investment banking solution.
- Defined business parameters in line with risk matrix and comprehensive operation manuals and guidance to follow strictly.
- Understanding of the risk matrix and preparation for adverse market scenario.
- Establishment of strong sustainable relationship with all stakeholders.
- Set attainable and sustainable financial target.
- Identification and recognition of talent and designating the right person for the right job for the best output within the organization.

Corporate Governance

Corporate governance is the process by which companies are directed and controlled by the management in the best interest of all the stakeholders, thereby ensuring greater transparency and timely financial reporting.

In GDCL, it is the common practice to review all governance practice to ensure complete transparency and hence, has established the following roles and responsibilities as discussed below:

Role of the Board of Directors

The board is completely responsible for long term establishment of the organization and to ensure the implementation of the corporate governance at all level. The board duly complies with the guideline provided by the regulatory body, Bangladesh Securities and Exchange Commission. The Board also formulates the strategic objectives and policy framework for the Company.

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Role of the Chairman

The Chairman runs the Board and serves as the primary link between the Board and management. The Chairman works with the Managing Director 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.

Role of Managing Director& CEO

The Managing Director& CEO of Green Delta Capital Limited is responsible to set the long term sustainable business strategy of the company and oversee implementation of the strategies set by the Board of Directors. As the Commander in Chief, he is responsible for scheduling the resources in the manner that helps to attain the business goals which he sets with the management committee. He is making the bridge between foreign DFIs and commercial lenders and GDCL, where GDCL is actively involved to close its foreign debt deals. Along with this like any other leader, the MD is also responsible for the development of the Human resources of the company for nurturing the future leaders who would take the responsibilities to take the business forward.

Management Committee

The Management Committee member is responsible for the strategic and operational plan of the business which eventually governs and shapes up the business. The management committee is fully responsible for the functionality of the business and smooth running of the operations. This committee assists the business with the decision making process which are required to manage the market situation and achieve the business objectives.

Investment Committee

The Investment Committee (IC) of the Company is responsible for uniform investment policies and procedures which, while striving to maximize portfolio performance, will keep the management of the portfolio within the bounds of good corporate practice and satisfy the legal requirements of the Company.



GDCL Team

Structured Finance Department (SFD)

The Structured Finance Department (SFD) specializes in providing one stop corporate financing services for corporate clients that includes expert advice, innovative financial solutions – arranging funds through structuring of financial instruments, precise execution and making use of comprehensive access to the debt & capital markets that GDCL possesses.

Year 2016 has been yet another glorious year for GDCL Structured Finance Team. The team signed six local debt deals amounting BDT 4,500 million during the year and in the process heavily enhanced its local market presence like never before.



GDCL is proud to have taken enormous strides in enhancing its product diversification. GDCL, for the very first time in Bangladesh signed a Merger and Acquisition Financing Deal where GDCL is the advisor to the transaction as well as lead arranger for the acquisition financing for one of the largest conglomerates in Bangladesh.

Events and Highlights

Clients like Runner Group, Bangla Trac Group and Golden Harvest has been signed as new clients in 2016, whilst new deals was also harvested from existing clients which underlines the importance of client satisfaction in our line of work.

2016 was a year of first of its kind products year for GDCL. The SF team signed a Sukuk deal for the very first time in Bangladesh to raise BDT 1,000 Million through issuance of Sukuk for PRAN Foods Limited, a concern of the prestigious PRAN-RFL Group.



Signing ceremony with PRAN Foods Limited (a concern of PRAN-RFL Group) for Arranging BDT 1,000 Million thorough issuance of Sukuk

GDCL has also signed a mandate with BD Venture Limited to act as the lead arranger and book runner for raising Venture Capital Fund, first of its kind in Bangladesh.



Signing ceremony with BD Venture Limited to act as the Lead Arranger and Book Runner to raise BDT 500 Million for raising Venture Capital Fund with a green shoe option of up to BDT 2,500 Million

GDCL's SF team in collaboration with Central Shariah Board for Islamic Banks of Bangladesh pompously organised a workshop on "Islamic Financing and Growth Opportunity of Sukuk in Bangladesh". The objective was to share knowledge among its corporate clients and raise awareness on the opportunities of Sukuk in the Bangladesh market. The workshop was a great success as all our GDCL's corporate clients graced their presence and appreciated the efforts and thoughts that went behind organizing the workshop. As the first ever Sukuk in Bangladesh is approaches successful closure, new clients are mulling over the idea of issuance of Sukuk in the coming days. As the first mover, GDCL has big opportunity to sign new Sukuk deals in the coming months.



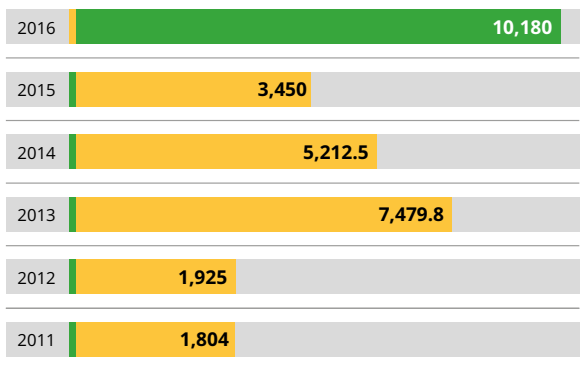
Workshop on "Islamic Financing and Growth Opportunity of Sukuk in Bangladesh" in collaboration with Central Shariah Board for Islamic Banks of Bangladesh

Furthermore, in the year 2016, GDCL has signed an MOU for PPP Financing Partnership with the Public Private Partnership (PPP) authority to act as the potential financing partner for arrangement of funds for the PPP projects in the coming years. PPP is perceived to have big contribution to be able to achieve vision 2021, thusly there are potential for arranging funds for billion dollars project in the foreseeable future.



MOU Signing Ceremony with PPP Authority to form PPP Financing Partnership

SF Deal Size (BDT Million)





PPP Round Table Discussion Sponsored by Green Delta Capital Limited

Equity Origination

Since the inception of GDCL, the Equity Origination Department (EOD) provides Issue Management Services liaising with BSEC. The Issue Management team has wide experience in managing the different types of issues across various industries.



In the year 2016, GDCL has created leads for raising capital through IPO. The deal is yet to be signed, however, GDCL is in the advanced stage of signing on board as the issue manager for IPO of a foreign multinational company in Bangladesh.

The EOD often tags along with SFD for providing arrangement and issue management services together for hybrid financial instruments.

Private Equity

The Private Equity products are provided to our valued clients as an alternative financing solution and alternative investment class where the company does not want to raise fund from the capital market or go for debt funding. The PE team is well equipped to handle deals from Power, Healthcare, RMG, FMCG and infrastructure sectors. Some of the functions carried out by the team under private equity are:

- Arrange Funding for the clients
- Formulating business plan and the business strategy.
- Performing due-diligence
- Screening for and making investments
- Preparing the offer documents
- Providing legal and institutional support
- Assist to meet regulatory requirements
- Balance Sheet Restructuring
- Exit strategy



Md. Rafiqul Islam, Managing Director & CEO of GDCL, giving Speech at " Bangladesh Trade & Investment Summit 2016, Kuala Lumpur, Malaysia"

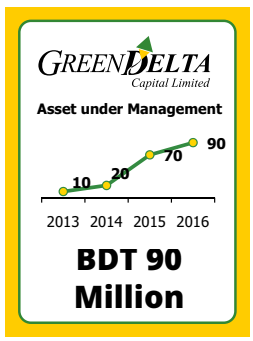
Corporate Advisory

In order to assist the Clients to reach the desired long-term and/or short-terms financial goals, GDCL provides Corporate Advisory Services which are normally tagged with other Services of GDCL such as Structured Finance or Equity Origination. Corporate Advisory Services offered to Clients by GDCL generally includes:

- Review of capital structure
- Structuring of the transaction
- Assist in a formal capital planning exercise for Clients
- Thorough Due Diligence for preparation of the offering
- Resolve legal and regulatory issues
- Advise on timing of the placement and offering of the securities
- Establish syndicate of local and foreign equity investors for placements

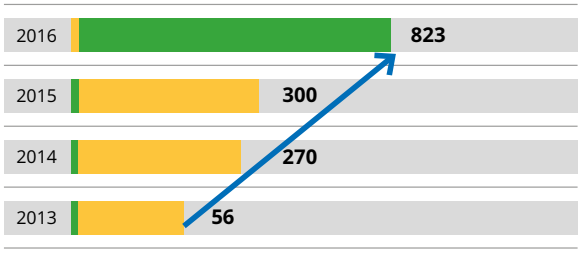
Portfolio Management Service (PMS)

GDCL has a strong view in the capital market and an expert understanding of what's driving investment trends for its valued clients with an aim to maximize the return with an acceptable manner. Over the years, it has gathered the experience to act as a Portfolio Manager backed by for both individual as



well as institutional investors through its dedicated Relationship Managers along with prudent Research team. Currently our total Asset under Management (AUM) is more than BDT 90 million under Green Delta's portfolio.

Total Turrnover (BDT Crore)



Our Schemes

Our Portfolio 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 our discretionary & non- discretionary investment schemes: GD Perform-Max, GD Planner, GD MTF and GD Cash. These four schemes are designed to make differences since we prefer investor's flexibility and choice while making investment decision.

Discretionary investment schemes:

- **GD Planner- protection of investment with long term vision**

  GD Planner has been designed with an aim to utilize the fund of investors who likes to invest in Equity market for a long term and who want continuous profit with minimum risk bearing. We invest as much as minimal possible in Equity Stock to protect the investment and diversify the portfolio with the view to minimization of risk principle.

- **GD Perform Max- Portfolio with Maximum Growth & Return**

GD Perform-Max scheme is a Discretionary Product to utilize the fund of risk taker who likes to invest in Equity market particularly in the high growth stocks to earn more. We invest in stocks with High Growth and Strong Fundamental to diversify the portfolio with the maximization of profit principle.

Non-Discretionary investment schemes:

- **GDMTF – a Portfolio Scheme that best suits you**

GDMTF is a unique portfolio scheme that has been designed for the individual as well as institutional client(s) to help them construct their portfolio for return maximization. Through this scheme, investors can avail Margin Loan facilities along with a competitive interest rate and loan ratio.

Key Benefits

- Strong and Active risk management
- Diversification of portfolio for adequately spreading equity related risks.
- Active and regular monthly review and portfolio re balancing
- Experienced and Professional fund management team
- Flexibility to switch from one strategy to other
- Additional purchase facility & Partial Withdrawal facility

Dedicated Relationship Managers for each investment account and centralized team of service coordinators for hassle-free servicing (on select a/c's)

- **GD Cash**

We also maintain investors' cash account under Non-Discretionary Portfolio management services to facilitate the investors who are reluctant to take Margin Loan Facility and want to invest and trade via cash/ own equity in capital market. Cash account is an exclusive product of GDCL offering clients non-margin services through individual BO (Beneficial Owner) account without any management fee. Clients can link their existing BO Accounts in GDCL with their existing accounts in other brokerage houses or Merchant Banks

Research Team

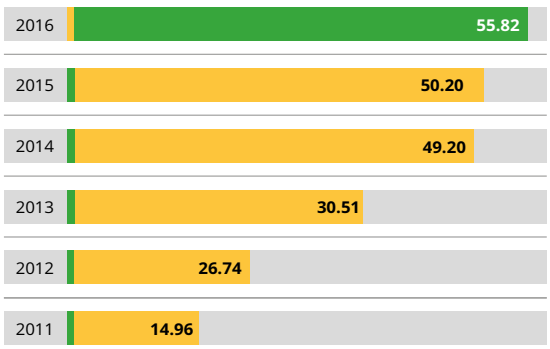
Since inception, Research Team has actively serving the GDCL to become the country leader in merchant banks, with a very strong background and experience in the research space. Besides the core objectives of being a support team, Research is also contributing as a revenue generating team.

Our experienced analysts provide comprehensive, timely and transparent reports. Our analysts possess a diversity of talent and backgrounds, with experience in regulatory oversight, counter party analysis, buy-sell side investing and more. Some of the roles covered by Research Team are-

- Daily, Weekly & Yearly Stock analysis reports published in "The Financial Express"
- Publish Daily, Equity and Sector Reports in Bloomberg
- Provide support to PMD & SF Department with information's and reports

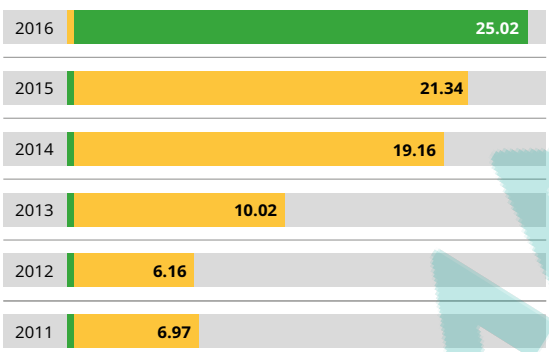
Graphical Presentation

Revenue BDT in Million



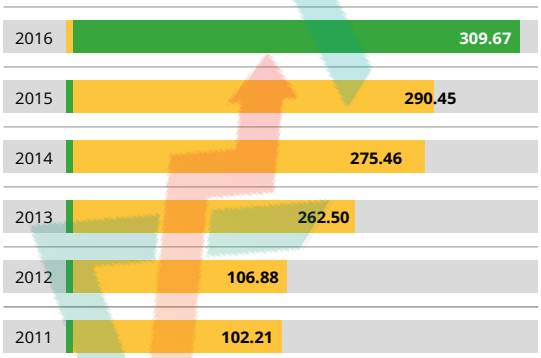
In the 6th year of operation, GDCL has shown BDT 5.63 Million growth in revenue earnings from previous year. The business has earned BDT 55.82 Million revenue in 2016 which is 11.21% more than the previous 2015.

Profit Before Tax BDT in Million



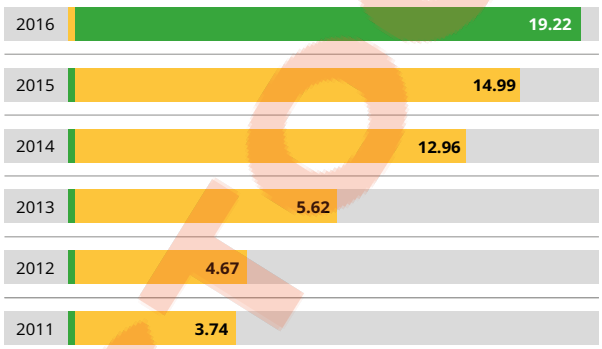
Operating revenue grew by 11.21% compared to 2015 whereas operating expenses growth decreased by 7.96% compared to 2015, which ultimately results in 17.23% growth in profit before tax.

Shareholders' Equity BDT in Million



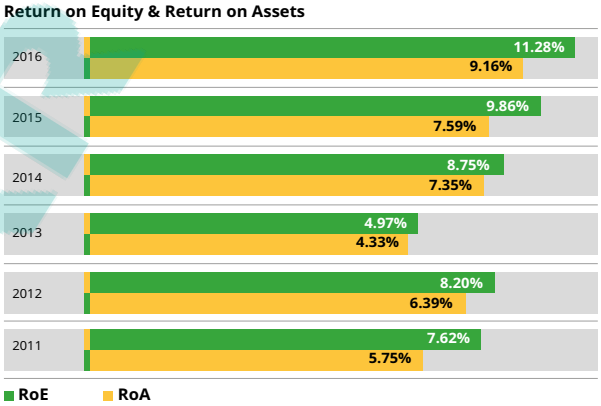
Shareholders' Equity increased by BDT 19.22 Million in 2016 compared to 2015.

Profit After Tax BDT in Million



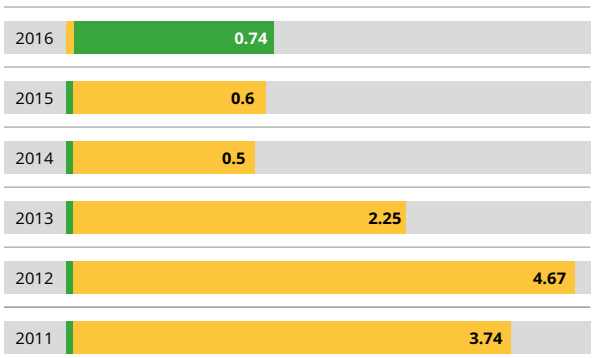
Extensive Cost Control, budget analysis and precise tax provisioning contributed to increase in PAT growth by 28.20% in 2016 compared to 2015.

Return on Equity & Return on Assets



In 2016, GDCL has also ensured healthy shareholders return with Return on Equity of 11.28%. The return on assets has been recorded at 9.47% in the same period.

Earning Value Per Share (EPS)



EPS in 2016 increased compared to 2015 due to increase in company's Net profit after tax by 4.23 million, which indicates28.20% growth.

Credentials: Debt & Equity Deals

Foreign Currency Loan

Akij Group

USD 60 Million

Lead Arranger

GREEN DELTA Capital Limited

Foreign Currency Loan

Hashem Foods Limited

A concern of

Sajeeb Group

USD 25 Million (Current Deal)

Lead Arranger

GREEN DELTA Capital Limited

Foreign Currency Loan

Max Power Limited

USD 30 Million

Lead Arranger

GREEN DELTA Capital Limited

Foreign Currency Loan

PRAN-RFL GROUP Since 1951

PRAN-RFL Group

USD 25 Million

Lead Arranger

GREEN DELTA Capital Limited

Foreign Currency Loan

SAPL Summit Alliance Port Limited

Summit Allaince Port Limited

USD 30.51 Million

Lead Arranger

GREEN DELTA Capital Limited

Commercial Paper

Sajeeb Group

Sajeeb Group

BDT 1,000 Million (500 Million Each)

Lead Arranger

GREEN DELTA Capital Limited

Preferred Stock

Union Capital Limited

Union Capital Ltd.

BDT 500 Million

Issue Manager

GREEN DELTA Capital Limited

Commercial Paper

RUNNER

Runner Automobiles Limited

BDT 500 Million

Lead Arranger

GREEN DELTA Capital Limited

Hire-purchase Sukuk

PRAN

PRAN Foods Limited

BDT 1,000 Million

Lead Arranger

GREEN DELTA Capital Limited

Venture Capital Fund

BD Venture Ltd.

BDT 500 Million

Lead Arranger & Book Runner

GREEN DELTA Capital Limited

Foreign Currency Loan

InGen

InGen Technologies Ltd.

USD 3.17 Million

Lead Arranger

GREEN DELTA Capital Limited

Working Capital Syndication

Sajeeb Group

Sajeeb Group

BDT 1,000 Million

Lead Arranger

GREEN DELTA Capital Limited

Commercial Paper & Working Capital Syndication

GREEN DELTA INSURANCE

BDT 1,000 Million (500 Million Each)

Lead Arranger

GREEN DELTA Capital Limited

Commercial Paper

Sajeeb Group

Sajeeb Group

BDT 500 Million

Lead Arranger

GREEN DELTA Capital Limited

Local Debt Syndication

InGen

InGen Technologies Ltd.

BDT 255.17 Million

Lead Arranger

GREEN DELTA Capital Limited

Initial Public Offering

Alliance HOLDINGS

Alliance Holdings Ltd.

BDT 2,220 Million

Co-Issue Manager & Corporate Advisor

GREEN DELTA Capital Limited

Trustee

Golden Harvest Agro Industries Limited

BDT 500 Million

Trustee

GREEN DELTA Capital Limited

Capital Raising

MAKS Renewable Energy Co. Ltd.

BDT 554.58 Million

Lead Arranger

GREEN DELTA Capital Limited

Private Equity

Alliance Holdings Ltd.

USD 15 Million

Co-Issue Manager & Corporate Advisor

GREEN DELTA Capital Limited

Capital Raising

Ananta Apparels Ltd.

BDT 554.58 Million

Lead Arranger

GREEN DELTA Capital Limited

Credentials: Underwriting Deals

Commercial Paper

Lafarge Surma Cement

Underwritten Amount:

BDT 100 Million

Underwriter

GREEN DELTA Capital Limited

Rights Offer

Trust Bank Ltd.

Underwritten Amount:

BDT 110 Million

Underwriter

GREEN DELTA Capital Limited

Rights Offer

United Airways (BD) Ltd.

Underwritten Amount:

BDT 112.5 Million

Underwriter

GREEN DELTA Capital Limited

Rights Offer

Keya Cosmetics Ltd.

Underwritten Amount:

BDT 10 Million

Underwriter

GREEN DELTA Capital Limited

Rights Offer

BRAC Bank Ltd.

Underwritten Amount:

BDT 500 Million

Underwriter

GREEN DELTA Capital Limited

Rights Offer

AB Bank Limited

Underwritten Amount:

BDT 200 Million

Underwriter

GREEN DELTA Capital Limited

Rights Offer

First Security Islami Bank Ltd.

Underwritten Amount:

BDT 250 Million

Underwriter

GREEN DELTA Capital Limited

Rights Offer

IFIC Bank Ltd.

Underwritten Amount:

BDT 600 Million

Underwriter

GREEN DELTA Capital Limited

Repeat Public Offering

Delta Spinners Ltd.

Underwritten Amount:

BDT 30 Million

Underwriter

GREEN DELTA Capital Limited

FACTSHEET

10.2.1 Directors' Report to the Shareholders

Dear Shareholders,

On behalf of the Board of Directors of Green Delta Capital Limited would like to thank all of you for your continued support and upkeep over the 05 years. We are indebted to all our stakeholders to enable us to present the Annual Report along with the Audited Financial Statements for the year ended December 31 2016, together with the Auditor's Report thereon for kind consideration and approval of our fellow shareholders. The Annual Report Includes reports on business strategy and review, risk management, corporate governance, audited financial statements, investor relations and a sustainability supplement.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME:

Particulars	2016	2015	2014	2013	2012	2011
Total Revenue	55,823,592	50,195,360	49,199,608	30,505,916	26,742,266	14,964,035
Profit Before Tax	25,021,324	21,343,461	19,158,747	10,018,695	6,160,390	6,970,196
Net Profit After Tax	19,221,324	14,993,461	12,958,747	5,618,695	4,668,023	3,738,241

STATEMENT OF FINANCIAL POSITION:

Particulars	2016	2015	2014	2013	2012	2011
Total Assets	347,016,253	337,687,589	309,558,873	287,221,043	128,348,985	132,598,156
Shareholders' Equity	309,671,810	290,450,486	275,457,025	262,498,278	106,879,583	102,211,560
Long Term Liabilities	-	-	-	291,680	729,176	1,166,672
Current Liabilities	37,344,443	47,237,103	34,101,848	24,431,086	20,740,226	29,219,924
Total Shareholders' Equity & Liabilities	347,016,254	337,687,589	309,558,873	287,221,043	128,348,985	132,598,156

EQUITY PARAMETERS:

Particulars	2016	2015	2014	2013	2012	2011
Authorized Share Capital	1,000,000,000	1,000,000,000	1,000,000,000	250,000,000	250,000,000	250,000,000
Paid up Capital	260,000,000	260,000,000	260,000,000	250,000,000	100,000,000	100,000,000
No. of Share Outstanding	26,000,000	26,000,000	26,000,000	2,500,000	1,000,000	1,000,000
Earning Value Per Share (EPS)	0.74	0.60	0.50	2.25	4.67	3.74

PROPER BOOKS OF ACCOUNTS OF THE COMPANY HAVE BEEN MAINTAINED

The Companies Act requires every company to ensure that adequate accounting records are kept, sufficient to show and explain its transactions. Moreover, they must be such as to disclose with reasonable accuracy at any time, the financial position of the company and also enable a balance sheet and profit and loss account to be prepared so as to give a true and fair view of the company's financial position and the profit and loss.

According to section 181, the books of accounts must in particular contain:

a) all sums of money received and expended by the company and matters in respect of which the receipts and expenditures take place.

b) all sales and purchases of goods by the company.

c) the assets and liabilities of the company.

d) in the case of a company engaged in production, distribution, marketing, transportation, processing, milling, manufacturing, extraction and mining activities; such complete particulars relating to utilization of material, labor and those items of overhead cost as may be necessary to identify their nature.)

The receipts and payments are the primary daily affairs of the company. They must be properly accounted for. A company dealing in goods has to keep statements of stock held at periodic ends with valuation thereof together with the details of such goods sold and purchased. At the end of the accounting year the total assets, debts and liabilities should be arrayed in such a way that would depict a perfect picture of the state of affairs of the company.

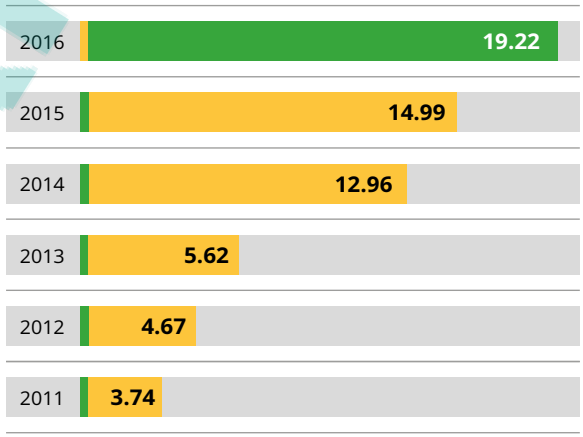
INTERNAL CONTROL SYSTEM

Internal control including financial, operational and compliance controls and risk management systems, maintained by Management and that was in place throughout the financial year and up to and as of the date of this report, is adequate to meet the needs of the company in its current business environment. 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. Management will follow up and review the status of actions on recommendations made by the internal control. The Board reviews regular reports from the management on the key operating statistics, as well as legal and regulatory matters. The Board also approves any changes or amendments to the company's policies.

VALUE ADDITION TO SHARE HOLDERS EQUITY (RETAINED PROFIT):

The company reported profit of BDT 19,221,324 in the year 2016. The following graph shows the last six years performance which is added to the shareholders equity:

Value added to share Holders Equity (PAT)
BDT in Million



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 the Company's overall business plans, strategies and

pleased that the Company has adequate resources to continue its operations in the projected future. It is appropriate to adopt going concern assumption and there is no material uncertainty in preparing the Financial Statements.

In connection with the preparation of this Annual Report the Board has assessed whether GDCL has the ability to continue as a going concern. Management believes that it will have adequate liquidity to finance and operate GDCL's businesses and continue as a going concern for at least the next twelve months.

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.

ACKNOWLEDGEMENT:

We would like to acknowledge and place on record our gratitude to our valued clients, depositors and shareholders for the confidence in GDCL. Our sincere appreciation to the Bangladesh Securities and Exchange Commission (BSEC) and other government bodies Statutory Auditors and Compliance Auditor for their constructive suggestions and cooperation. We also express our appreciation for the good work and efforts put in by the employees at all levels of the Company.

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

We would like to express our sincere gratitude to the Bangladesh Securities and Exchange Commission (BSEC), Government and Non-Government organizations, Dhaka and Chittagong Stock Exchanges, Bangladesh Merchant Bankers Association and all the scheduled banks and Leasing Companies for their sincere support and whole hearted cooperation.

We would also put on record my deep appreciation for the services and loyalty of the executives, officers and employees of the company at all levels without which we could not have achieved this result.

We would like to thank and express gratitude on behalf of the Board of Directors to Md. Rafiqul Islam, Managing Director and CEO for their hard work, commitment and dedication to the welfare of our company. The Board also acknowledges with thanks', the contribution made by the honorable Directors by guiding and giving proper directions from time to time which made GDCL as Symbol in Merchant Banking industry of Bangladesh.

Last but not the least certainly, we express our sincerest gratitude to ail our 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.

For and on behalf of the Board of Directors,

Thank you all.

On behalf of the Board



Nasir A Choudhury
Chairman

10.2.2 Auditor's Report

To the Shareholders of Green Delta Capital Limited

We have audited the accompanying financial statements of Green Delta Capital Limited, which comprise the statement of financial Position as at December 31, 2016 and the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards, Companies Act 1994, the Securities and Exchange Rule 1987 and other Rules and Regulations. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing, those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of Green Delta Capital Limited as of December 31, 2016 and of its financial performance for the year then ended in accordance with Bangladesh Financial Reporting Standards and comply with the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable Rules and Regulations.

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 account as required by law have been kept by the company so far as it appeared from our examination of those books;

c) the company's Statement of Financial Position and Statement of profit or loss and other comprehensive Income dealt with by the report are in agreement with the books of accounts;

Date: February 09, 2017.
Place: Dhaka

Ahmed Zaker &Co.
Chartered Accountants

10.2.3 Green Delta Capital Limited

STATEMENT OF FINANCIAL POSITION

As at December 31, 2016

Particulars	Notes	Amount in Taka	
		31.12.2016	31.12.2015
APPLICATION OF FUNDS			
Non-Current Assets		**7,277,448**	**10,501,431**
Property, Plant & Equipment	4	3,415,566	4,608,653
Lease Assets	5	-	262,484
Intangible Assets	6	3,861,882	5,630,294
Current Assets		**339,738,804**	**327,186,158**
Advances, Deposits & Prepayments	7	10,786,324	5,995,508
Investment in shares (at cost)	8	107,347,680	110,499,960
Accounts Receivable	9	19,800,171	17,612,455
Loan to Employees	10	53,130	637,005
Investment In FDR		158,500,000	146,040,000
Margin Loan to Clients		3,603,310	4,508,869
Cash and cash equivalents	11	39,648,189	41,892,361
Current Liabilities		**37,344,442**	**47,237,103**
Payable to GDIC	12	9,254,823	9,249,002
Payable to GDSL	13	1,174,771	1,174,771
Accounts Payable	14	13,736,553	24,055,804
Other Provision	15	2,695,726	2,538,976
Provision for Income Tax	16	10,482,569	10,218,550
Net Current Assets		**302,394,362**	**279,949,055**
Total Assets		**309,671,810**	**290,450,486**
SOURCE OF FUNDS			
Shareholders equity		**309,671,810**	**290,450,486**
Share Capital	17	260,000,000	260,000,000
Retained Earnings	18	49,671,810	30,450,486
Total Capital Employed		**309,671,810**	**290,450,486**

The above notes (1-25) form an integral part of the financial statement.

Director

Chairman

Manager (Finance & Accounts)

Managing Director & CEO

Signed as per our separate report of same date.

Ahmed Zaker & CO.
Chartered Accountants

Place: Dhaka
Date: February 09, 2017

AMARSTOCK

10.2.4 Green Delta Capital Limited

Statement of Profit or Loss and other Comprehensive Income

For the year ended December 31, 2016

Particulars	Notes	Amount in Taka	
		31.12.2016	31.12.2015
Income:			
Operating Income	19	11,585,457	31,117,157
Realised Gain on share trading	20	19,742,107	444,855
Other Income	21	24,496,028	18,633,348
Total Operating Income (A)		**55,823,592**	**50,195,360**
Operating Expenses:			
Operating & Direct Charges	22	32,913	17,063
Office & Administrative Expenses	23	26,328,099	24,247,250
Financial Expenses	24	142,648	285,879
Total Operating Expenses (B)		**26,503,660**	**24,550,192**
Profit before depreciation &provisions (A-B)		**29,319,932**	**25,645,168**
Less: Depreciation & Amortization	25	4,298,608	4,301,707
Profit Before Tax		**25,021,324**	**21,343,461**
Other Provision		1,800,000	1,350,000
Provision for Tax		4,000,000	5,000,000
Net Profit After Tax		**19,221,324**	**14,993,461**

The above notes (1-25) form an integral part of the financial statement.

Director

Chairman

Manager (Finance & Accounts)

Managing Director & CEO

Signed as per our separate report of same date.

Ahmed Zaker & CO.
Chartered Accountants

Place: Dhaka
Date: February 09, 2017

AMARSTOCK

10.2.5 Green Delta Capital Limited

Statement of Changes in Equity

For the year ended December 31, 2016

Particulars	Share Capital	Proposed Stock Dividend	Revaluation Reserve	Retained Earnings	Total Shareholders Equity
Opening Balance	260,000,000	-	-	30,450,486	290,450,486
Net profit during the year	-	-	-	19,221,324	19,221,324
Closing Balance	**260,000,000**	**-**	**-**	**49,671,810**	**309,671,810**

Green Delta Capital Limited

Statement of Changes in Equity

For the year ended December 31, 2015

Particulars	Share Capital	Proposed Stock Dividend	Revaluation Reserve	Retained Earnings	Total Shareholders Equity
Opening Balance	260,000,000	-	-	15,457,025	275,457,025
Net profit during the year	-	-	-	14,993,461	14,993,461
Closing Balance	**260,000,000**	**-**	**-**	**30,450,486**	**290,450,486**

Director

Chairman

Manager (Finance & Accounts)

Managing Director & CEO

Signed as per our separate report of same date.

Ahmed Zaker & CO.
Chartered Accountants

Place: Dhaka
Date: February 09, 2017

10.2.6 Green Delta Capital Limited

Statement of Cash Flows

For the year ended December 31, 2016

Particulars	Amount in Taka	
	31.12.2016	31.12.2015
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Cash Collected from Turnover	16,058,174	48,950,583
Cash Paid to Customers, Suppliers, Employees & others	(39,912,691)	(15,785,417)
Income Tax Paid	(6,931,797)	(2,242,528)
Net Cash flow from/(used) Operating Activities	**(30,786,314)**	**30,922,638**
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Acquisition of Fixed Assets	(1,074,625)	(265,916)
Investment in FDR	(12,460,000)	60,483,750
Investment	3,152,280	(59,485,705)
Capital Gain from Share	19,742,107	-
Dividend Income	7,681,863	-
Interest Received from FDR	10,153,731	-
Net Cash flow from /(Used) in Investing Activities:	**27,195,356**	**732,129**
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Employee loan adjustment	583,875	217,744
Financial Expenses	(142,648)	(285,879)
Margin Loan	905,559	(78,414)
Lease Paid	-	(291,680)
Share issued	-	-
Net Cash used in Financing Activities:	**1,346,786**	**(438,229)**
D. Net Increase/(Decrease) in cash & cash equivalents during the year (A+B+C):	**(2,244,172)**	**31,216,538**
E. Cash & cash equivalents at the beginning of the year	**41,892,361**	**10,675,823**
Cash & cash equivalents at the end of the year	**39,648,189**	**41,892,361**

Notes to the Financial Statements

For the year ended December 31, 2016

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 BAS 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, 2015 and are prepared under the historical cost convention on generally accepted accounting principles on going concern basis. Financial statements have been prepared in accordance with the measurements and recognition requirements of Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) 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 BAS 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 Bangladesh Accounting Standard (BAS) 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 Bangladesh Accounting Standard (BAS) 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 BAS-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. No depreciation has been charged on addition of car which is purchased in the month of December 2015. Asset category wise depreciation rates are as follows:

Rates	
Furniture and fixtures	10 %
Office equipment	20%
Leasehold motor vehicles	20%
Office Renovation	20%
Computers	33%
Software	20%

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized in the profit and loss account.
Depreciation methods, useful lives and residual values, if any are reviewed at the balance sheet date.

2.3 Intangible assets and amortization of intangible assets

Intangible assets acquired separately are measured on initial recognition at cost and are carried at cost less accumulated amortization and accumulated impairment losses, if any. Amortization is calculated using the straight line method to write down the cost of intangible assets to their residual values over their estimated useful lives based on the management best estimates. Subsequent expenditure on software assets is capitalized only when it increases the future economic benefits in the specifications to which it relates. All other expenditure is treated as expense as incurred.

2.4 Cash flow statement

Cash flow statement is prepared in accordance with BAS 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 BAS 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 BAS 7 and BAS 1, cash in hand, fixed deposits and bank balances have been considered as cash and cash equivalents.

2.5 Tax Expenses

BAS 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 BAS 18: "Revenue". Detailed income wise policy for revenue recognition is as under:

a) Interest income on loans, advances and leases

Interest on loans is recognized as income at the time of its becoming receivable from the client.

b) Other operating income

Income classified as other income has been accounted for on Accrual basis.

2.7 Financial Instruments:

Derivative:

According to BFRS 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 BAS 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 BAS 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 BAS 24: "Related Party Disclosures"

2.10 Provision for liabilities

According to BAS 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

Investment in quoted shares and unquoted shares are initially recognized at cost plus transaction costs that are directly attributable to the acquisition of the shares. After initial recognition, investment in quoted shares has been revalued at cost at reporting date.

2.12 Events after the Reporting date:

As per BAS-10 "Event after the Balance Sheet Date" are those event favourable and unfavourable, 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:

o those that provide evidence of conditions that existed at the end of the reporting year (adjusting events after balance sheet date); and

o those that are indicative of conditions that arose after the reporting year

(Non-adjusting events after balance sheet date).

2.13 Related party disclosure

As per Bangladesh Accounting Standards (BAS)-24 "Related Party Disclosures", parties are considered to be related if one of the

parties has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The Company carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with related parties.

Name of the Related Party	Nature of Relationship	Nature of Transaction	Balance as on December 31, 2016
Green Delta Insurance Company Ltd.	Common Shareholder	Payable	9,254,823

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 BAS-1 "Presentation of Financial Statements".

3.2 Components of the financial statements

Following the BAS 1: "Presentation of Financial Statements", the company's complete set of financial statements includes the following components:

a) Statement of Financial Position as at December 31, 2016.
b) Statement of profit or loss and other comprehensive Income for the year ended December 31, 2016.
c) Statement of Changes in Equity for the year ended December 31, 2016.
d) Statement of Cash Flows for the year ended December 31, 2016.
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 Bangladesh Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of other information at the date of the financial statements and revenues and expenses during the year reported. Actual results could differ from those estimates.

3.4 Comparative:

Comparative information have been disclosed in respect of the previous year for all numerical information in the financial statements including narrative and descriptive information when it is relevant for understanding of the current year's financial statements.

Previous year's figure has been re-arranged whenever considered necessary to ensure comparability with the current year's presentation as per BAS-8 "Accounting Policies, Changes in Accounting Estimates and Errors".

3.5 Application of Bangladesh Accounting Standards (BASs):

The Financial Statements have been prepared in compliance with requirement of BAS 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:

BAS- 1 Presentation of Financial Statements
BAS- 7 Statement of Cash Flows
BAS- 8 Accounting Policies, Changes in Accounting Estimates and Errors
BAS- 10 Events after the Reporting Period
BAS- 12 Income Taxes
BAS- 16 Property, Plant and Equipment
BAS- 17 Leases
BAS- 18 Revenue
BAS- 18 Employees Benefit
BAS- 24 Related Party Disclosure
BAS- 38 Intangible Assets

3.6 Reporting period

Financial statements of the company cover a year from January 1, 2016 to December 31, 2016.

Explanatory notes to the Financial Statements

For the Year ended December 31, 2016

		Amount In Taka	
		31.12.2016	31.12.2015
4.00	**Property, Plant & Equipment**		
	Cost		
	Opening balance	8,933,576	8,667,660
	Add: Addition during the year	307,750	265,916
		9,241,326	**8,933,576**
	Less: Disposal during the year	-	-
	Total Cost	**9,241,326**	**8,933,576**
	Less: Depreciation:		
	Opening balance	4,324,923	2,801,248
	Add: Charged during the year	1,500,837	1,523,675
		5,825,760	4,324,923
	Less: Adjustment	-	-
	Accumulated depreciation	**5,825,760**	**4,324,923**
	Written Down Value	**3,415,566**	**4,608,653**
	Details of Property, Plant & Equipment is given in Schedule-A/1		
5.00	**Lease Assets (Car)**		
	Opening Balance	1,750,000	1,750,000
	Add: Addition	-	-
	Total	**1,750,000**	**1,750,000**
	Less:		
	Opening Depreciation	1,487,516	1,137,512
	Add: charged during the year	262,484	350,004
	Total	**1,750,000**	**1,487,516**
	Written Down Value	**-**	**262,484**
	Details of Lease Assets (Car) is given in Schedule-A/3		
6.00	**Intangible Assets**		
	Opening Balance	12,473,464	12,473,464
	Add: Addition during the year	766,875	-
	Total	**13,240,339**	**12,473,464**
	Less:		
	Opening Amortization	6,843,170	4,415,142
	Add: Charge during the Year	2,535,287	2,428,028
		9,378,457	**6,843,170**
	Total	**3,861,882**	**5,630,294**
	Details of Intangible Assets is given in Schedule-A/2		

AMAR STOCK

			Amount In Taka	
			31.12.2016	31.12.2015
7.00	**Advances, Deposits & Prepayments**			
	Advance Loan to Employees	7.01	710,000	40,000
	TDS from Interest Income Bank	7.02	3,050	11,843
	TDS from Interest Income FDR	7.03	2,868,601	3,595,280
	TDS from Interest Underwriting Commission	7.04	50,000	136,956
	T & T Deposits	7.05	2,000	2,000
	CDBL Security Deposits	7.06	200,000	200,000
	TDS from Dividend Income	7.07	1,742,996	285,095
	TDS from Fees Income	7.08	371,950	949,334
	Advance to Others	7.09	500,000	400,000
	Advance to Business object Solution Ltd.	7.10	-	375,000
	Advance Income Tax to Govt Treasury	7.11	4,137,727	
	Advance to Watermark for Sponsor		200,000	
			10,786,324	**5,995,508**
7.01	**Advances Loan to Employees**			
	Opening Balance		40,000	212,468
	Add: Addition during the year		910,000	340,000
			950,000	**552,468**
	Less: Adjustment made during the year		240,000	512,468
	Total		**710,000**	**40,000**
7.02	**TDS from Interest Income Bank**			
	Opening Balance		11,843	11,915
	Add: Addition during the yaer		2,542	508
			14,385	**12,423**
	Less: Adjustment during the year		11,335	(580)
	Total		**3,050**	**11,843**
7.03	**TDS from Interest Income FDR**			
	Opening Balance		3,595,280	3,466,371
	Add: Addition during the year		1,255,169	1,613,432
			4,850,449	**5,079,803**
	Less: Adjustment during the year		1,981,848	(1,484,523)
	Total		**2,868,601**	**3,595,280**
7.04	**TDS from Interest Underwriting Commission**			
	Opening Balance		136,956	86,956
	Add: Addition during the year		-	50,000
			136,956	**136,956**
	Less: Adjustment during the year		86,956	-
	Total		**50,000**	**136,956**
7.05	**T & T Deposits**			
	Opening Balance		2,000	2,000
	Add: Addition during the year		-	-
	Total		**2,000**	**2,000**

AMARSTOCK

		Amount In Taka	
		31.12.2016	31.12.2015
7.06	**CDBL Security Deposit**		
	Opening Balance	200,000	200,000
	Add: Addition during the year	-	-
	Total	**200,000**	**200,000**
7.07	**TDS from Dividend Income**		
	Opening Balance	285,095	138,647
	Add: Addition during the year	1,536,359	206,638
		1,821,454	**345,285**
	Less: Adjustment during the year	78,458	(60,189)
	Total	**1,742,996**	**285,095**
7.08	**TDS from Fees Income**		
	Opening Balance	949,334	661,584
	Add: Addition during the year	-	371,950
		949,334	1,033,534
	Less: Adjustment made during the year	577,384	(84,200)
	Total	**371,950**	**949,334**
7.09	**Advance to Others**		
	Opening Balance	400,000	-
	Add: Addition during the year	1,100,000	400,000
		1,500,000	400,000
	Less: Adjustment made during the year	1,000,000	-
	Total	**500,000**	**400,000**
7.10	**Advance to Business object Solution Ltd.**		
	Opening Balance	375,000	375,000
	Add: Addition during the year	**375,000**	-
		750,000	375,000
	Less: Adjustment made during the year	750,000	-
	Total	**-**	**375,000**
7.11	**Advance Income Tax to Govt Treasury**		
	Opening Balance	-	-
	Add: Addition during the year	4,137,727	-
		4,137,727	-
	Less: Adjustment made during the year	-	-
	Total	**4,137,727**	**-**
8.00	**Investment in Share (at cost)**		
	Investment in Share	77,347,680	110,499,960
	Investment in IPO for Investment	30,000,000	-
		107,347,680	**110,499,960**

AMAR STOCK

			Amount In Taka	
			31.12.2016	31.12.2015
9.00	**Accounts Receivable**			
	Interest Receivable on FDR	9.01	14,367,380	11,342,365
	Receivable from InGen Technology Ltd.		139,855	702,354
	Receivable from SAPL SF & CA (others)		317,805	317,805
	Receivable from Financial Express Resech		120,000	60,000
	Receivable from Pran RFL (Other nexpenses) TADA		-	253,010
	Receivable from Broker GDSL (Discretionary)		1,175,114	1,078,938
	Receivable from Hashem Foods Ltd.(Sajeeb Group)		-	3,674,563
	Receivable from Hashem Foods Ltd.Other (Sajeeb Group)		105,379	104,419
	Receivable from Green Delta Securities Ltd. Head Office		110,343	79,000
	Other Receivable (Employee & Others)		(7,755)	-
	Receivable from Akij Group		2,722,050	-
	Receivable from GDIC		750,000	-
			19,800,171	**17,612,455**
9.01	**Interest Receivable on FDR**			
	Opening Balance		11,342,365	10,559,794
	Add: Addition during the year		12,216,149	12,245,301
			23,558,514	**22,805,095**
	Less: Adjustment made during the year		9,191,134	11,462,730
	Total		**14,367,380**	**11,342,365**
10.00	**Loan to Employees**			
	Car Loan	**10.01**	-	606,379
	Mobile Loan	**10.02**	53,130	30,626
			53,130	**637,005**
10.01	**Car Loan**			
	Opening Balance		606,379	838,080
	Add: Addition during the year		-	-
			606,379	**838,080**
	Less: Adjustment made during the year		606,379	231,701
	Total		**-**	**606,379**
10.02	**Mobile Loan**			
	Opening Balance		30,626	16,669
	Add: Addition during the year		60,000	55,000
			90,626	**71,669**
	Less: Adjustment made during the year		37,496	41,043
	Total		**53,130**	**30,626**
11.00	**Cash and cash equivalents**			
	Cash in Hand	**11.01**	26,688	86,605
	Cash at Bank	**11.02**	11,515,113	41,560,842
	Ledger Balance from GDSL		28,106,388	244,914
			39,648,189	**41,892,361**

			Amount In Taka	
			31.12.2016	31.12.2015
11.01	**Cash in hand**			
	Cash in hand		26,688	86,605
			26,688	**86,605**
11.02	**Cash with bank**			
	Eastern Bank Limited AC. No. 1011220001064		38	37
	SCB (Discretionary) 01-1146314-01		439,664	237,301
	SCB-IP A/C (Non-Discretionary) 01-1146314-03		10,435,386	4,366,350
	SCB (Own Investment) 01-1146314-02		66,802	51,856
	SCB (Operation) 02-1146314-01		52,882	36,684,807
	MCBL (Operation)011313100000777		520,341	214,485
	MCBL 111372008290157		-	6,006
			11,515,113	**41,560,842**
12.00	**Payable to GDIC**			
	Temporary loan	**12.01**	9,143,250	9,143,250
	Office Rent Payable GDIC		111,573	105,752
			9,254,823	**9,249,002**
12.01	**Temporary loan**			
	Opening Balance		9,143,250	9,143,250
	Add: Addition during the year		-	-
	Total		9,143,250	9,143,250
	Less: Adjustment made during the year		-	-
			9,143,250	**9,143,250**
13.00	**Payable to GDSL**			
	Management Expenses		1,174,771	1,174,771
			1,174,771	**1,174,771**
14.00	**Accounts Payable**			
	Audit Fees	**14.01**	57,500	57,500
	TDS Payable	**14.02**	4,851	4,851
	VAT Payable	**14.03**	16,168	576,035
	Accrued expenses & other payable	**14.04**	27,799	26,356
	Other Payables	**14.05**	3,484,774	18,612,155
	Payable to Clients	**14.06**	10,145,461	4,778,907
			13,736,553	**24,055,804**
14.01	**Audit Fees Payable**			
	Opening Balance		57,500	57,500
	Add: Addition during the year		57,500	57,500
	Total		115,000	**115,000**
	Less: Paid during the year		57,500	(57,500)
	Closing Balance		**57,500**	**57,500**
14.02	**TDS Payable**			
	Opening Balance		4,851	4,851
	Add: Addition during the year		67,932	58,212
	Total		**72,783**	**63,063**
	Less: Paid during the year		67,932	58,212
	Closing Balance		**4,851**	**4,851**

		Amount In Taka	
		31.12.2016	31.12.2015
14.03	**VAT Payable**		
	Opening Balance	576,035	591,422
	Add: Addition during the year	207,313	1,500,623
	Total	**783,348**	**2,092,045**
	Less: Paid during the year	767,180	1,516,010
	Closing Balance	**16,168**	**576,035**
14.04	**Accrued expenses & other payable**		
	Accrued expenses & other payable	27,799	26,356
	Total	**27,799**	**26,356**
14.05	**Other Payables**		
	Payable to party Samico IT	-	36,500
	Payable to CDBL	15,441	10,644
	Payable to Green Delta Aims Ltd.	68,919	67,822
	Payable to Radiant Cleaning & Pest Control	11,419	10,322
	Payable to Progress Capital Ltd.	2,361,025	17,446,750
	Payable to Royal taj enterprise	4,174	10,297
	Payable to Lazeez Food	23,796	29,820
	Payable to GF	1,000,000	1,000,000
	Total	**3,484,774**	**18,612,155**
14.06	**Payable to Clients**		
	Client Payable Account	10,145,461	4,778,907
	Total	**10,145,461**	**4,778,907**
15.00	**Other Provision (Bonus)**		
	Opening Balance	2,538,976	3,023,849
	Add: Addition during the year	1,800,000	1,350,000
	Total	**4,338,976**	**4,373,849**
	Less: Paid during the year	1,643,250	1,834,873
	Closing Balance	**2,695,726**	**2,538,976**
16.00	**Provision for Income Tax**		
	Opening Balance	10,218,550	7,648,042
	Add: Addition during the year	4,000,000	5,000,000
	Total	**14,218,550**	**12,648,042**
	Less: Paid & adjustment during the year	3,735,981	2,429,492
	Closing Balance	**10,482,569**	**10,218,550**

17.00 Share Capital

Authorized Share Capital: Taka 1,000,000,000

The Authorized Share Capital with which the Company has ventured is taka 1,000,000,000 (One Hundred Crore) divided into 100,000,000 ordinary shares of taka 10 each.

Paid up Capital: Taka 260,000,000

This represents the paid up capital of the company with 26,000,000 Ordinary Shares of taka 10 each subscribed and paid by the following sponsor shareholders and directors of the company.

Particulars	Amount in Taka
Green Delta Insurance Co. Ltd	259,999,900
Nasir A. Choudhury	100
	260,000,000

		Amount In Taka	
		31.12.2016	31.12.2015
18.00	**Retained Earnings**		
	Opening Balance	30,450,486	15,457,025
	Add: Addition during the year	19,221,324	14,993,461
	Closing Balance	**49,671,810**	**30,450,486**
19.00	**Operating Income**		
	Structured Finance and Corporate Advisory	10,861,025	29,756,788
	margin interest Income	724,432	760,369
	Issue Management Fees	-	100,000
	Underwriting Commission	-	500,000
		11,585,457	**31,117,157**
20.00	**Realised Gain on share trading**		
	Realized gains on own Share Investment	19,742,107	444,855
		19,742,107	**444,855**
21.00	**Other Income:**		
	Bo Account opening Fee	13,000	18,000
	Bo Closing Fee	1,000	-
	Bo Renewal Fee	51,000	33,000
	Brokerage commission	1,046,516	499,027
	Brokerage Commission, GD Perform Max	117,247	14,323
	CDBL income	1,832	609
	Dividend Income	7,681,863	1,101,094
	Documentation Charge, GD perfor-Max	20,000	36,500
	Income from Publication Reserch	1,573,850	1,566,950
	Interest Income on FDR	13,178,746	14,298,760
	Interest Income on Staff Loan	18,221	73,971
	Interest Income on STD Balances	25,423	5,081
	Management Fee	390,899	441,507
	Management Fee, GD perfor-Max	56,918	54,420
	Misc. Inome	319,512	490,051
	Service charge IPO Application	-	55
		24,496,028	**18,633,348**
22.00	**Operating & Direct Expenses:**		
	Portfolio Expenses	32,913	17,063
		32,913	**17,063**
23.00	**Office & Administrative Expenses:**		
	Salaries and Allowances	16,052,536	14,837,286
	Festival bonus	1,277,337	1,021,250
	Office Rent	1,292,308	1,269,024
	Insurance premium	57,982	76,751
	Electricity, Utility & Services	925,668	896,055
	Telephone expenses	15,000	25,128
	Mobile Allowances	282,770	270,311
	Audit Fees	57,500	57,500
	Printing and stationery expenses	125,812	513,881
	Postage Courier	5,556	20

AMARSTOCK

		Amount In Taka	
		31.12.2016	31.12.2015
	Office maintenances	68,594	332,445
	Software maintenance fees	122,700	142,685
	Corporate Events for employees	-	12,600
	Corporate Events for MD's office	31,308	23,961
	License and renewal fees	77,639	77,830
	Car Repair and maintenances	804,729	880,752
	Membership and renewal fees	120,000	136,000
	Data Connectivity Expenses - Branch-Dept	220,560	208,785
	Training and development expenses	11,000	18,500
	Conveyances	102,550	123,110
	Computer Accessories	10,048	34,000
	Traveling expenses	63,786	23,296
	Internship program HR	3,000	1,921
	Foreign travel expenses	658,925	492,758
	Paper, Books and yearicals	1,907	6,055
	Fuel costs	-	31,452
	Entertainment expenses	226,252	456,636
	Marketing Expense	1,968,235	517,246
	Management expenses	605,125	614,255
	Board Meeting expenses	90,270	136,170
	Car Allowances	96,000	248,000
	Staff food expenses	437,420	380,588
	Web Development	45,620	153,500
	RJSC & Govt. Fees	85,150	42,470
	CDBL Charges	139,005	-
	Repair expenses	35,650	31,105
	Cartidge & Tonner	39,030	18,800
	Recruitment & HR Cost	55,200	-
	Driver Salary	115,927	120,000
	Uniform & Dress	-	15,124
		26,328,099	**24,247,250**
24.00	**Financial Expenses:**		
	Interest on lease finance	-	103,280
	Interest on OD Loan	-	9,274
	Bank Charges	142,648	173,325
		142,648	**285,879**
25.00	**Depreciation & Written Off:**		
	Furniture and fittings	25,812	23,343
	Computer	175,541	231,277
	Office equipment	258,976	228,547
	Office Renovation	341,508	341,508
	Motor vehicles	262,484	699,000
	Amortization	699,000	350,004
	Systems and softwares	2,535,287	2,428,028
		4,298,608	**4,301,707**

GREEN DELTA CAPITAL LIMITED

Schedule of Property Plant & Equipment

For the year ended December 31, 2016

Schedule -A/1

Sl. No	Name of the Assets	COST				Rate	DEPRECIATION				W.D.V
		Initial	Addition	Disposal	Total		Opening	Charged during the year	Adjustment	Total	
1	Furniture and Fittings	239,513	37,250	-	276,763	10%	64,350	25,812	-	90,162	186,601
2	Office Equipment	1,239,460	128,600	-	1,368,060	20%	703,177	258,976	-	962,153	405,907
3	Computer	2,252,074	141,900		2,393,974	33%	2,038,970	175,541	-	2,214,511	179,463
4	Office Renovation	1,707,529	-	-	1,707,529	20%	819,426	341,508	-	1,160,934	546,595
5	Car	3,495,000	-	-	3,495,000	20%	699,000	699,000	-	1,398,000	2,097,000
	Total Taka	**8,933,576**	**307,750**	**-**	**9,241,326**		**4,324,923**	**1,500,837**	**-**	**5,825,760**	**3,415,566**

GREEN DELTA CAPITAL LIMITED

Lease Asset Schedule

For the year ended December 31, 2016

Schedule -A/1

Sl. No	Name of the Assets	COST				Rate	DEPRECIATION				W.D.V
		Initial	Addition	Disposal	Total		Opening	Charged during the year	Adjustment	Total	
1	Car Lease	1,750,000	-	-	1,750,000	20%	1,487,516	262,484	-	1,750,000	-
	Total Taka	**1,750,000**	**-**	**-**	**1,750,000**		**1,487,516**	**262,484**	**-**	**1,750,000**	**-**

GREEN DELTA CAPITAL LIMITED

Lease Asset Schedule

For the year ended December 31, 2016

Schedule -A/1

Sl. No	Name of the Assets	COST				Rate	DEPRECIATION				W.D.V
		Initial	Addition	Disposal	Total		Opening	Charged during the year	Adjustment	Total	
1	Software	12,473,464	766,875	-	13,240,339	20%	6,843,170	2,535,287	-	9,378,457	3,861,882
	Total Taka	**12,473,464**	**766,875**	**-**	**13,240,339**		**6,843,170**	**2,535,287**	**-**	**9,378,457**	**3,861,882**

10.3 Report on Professional Advancement Bangladesh Limited



In Charge's Message

Papia Rahman ACII (UK)
Chartered Insurer
In Charge
Professional Advancement Bangladesh Limited

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.

Professional Advancement Bangladesh Limited (PABL) is the premier institution brought forward by Green Delta Insurance Company to cater for the needs of specialized education among corporate houses.

The need for training is mandatory, so has been ruled by the IDRA to train Agents for license. To develop efficient and esteemed business leaders in the industry will need an exposure to international standards in the industry, and the use of efficient practices which are exercised throughout the world.

This is where Professional Advancement Bangladesh (PABL) comes in, to facilitate the industry with trainings and international exposure.

Papia

Papia Rahman ACII (UK)
Chartered Insurer
In Charge of PABL

Mission

Creating a 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 work place.
- 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.

International Affiliations

Standing along with the purpose of this institution, PABL collided with various notable institutions from the insurance industry worldwide that ensures the quality of services PABL brings to the market in Bangladesh. Major affiliates of PABL include:

Chartered Insurance Institute London

The CII is the premier professional body for the insurance and financial planning professions. PABL affiliates with the CII from the advent for their journey in an attempt to bring international standards for insurance education in Bangladesh. We provide the complete insurance training regime, starting from the Certificate in Insurance to the Fellowship from Chartered Insurance Institute.\

In 2016: PABL has seen various professionals completing their Certificate in Insurance from CII. Advancing to the Diploma in Insurance and further studies.

Insurance Institute of India

The Insurance Institute of India formerly known as Federation of Insurance Institutes (J.C. Setalvad Memorial) was established in the year 1955, for the purpose of promoting Insurance Education & Training in the country. Institute qualifications are held in esteem both by the regulator and the industry. In its role as a leading education and training provider I.I.I. is closely associated with all the segments of the insurance industry which includes Insurance regulatory authority of India, public and private sector insurance companies. PABL has been providing an online examination platform for students willing to partake examinations from the Insurance Institute of India, within the vicinity of their own country.

National Insurance Academy Pune India (NIA)

National Insurance Academy (NIA) is a premier institution based in Pune with aim "to be a global institution of excellence in learning and research in Insurance, Pension and allied areas." The objectives of NIA include, to build capacities, to create a stream of young talent,and to promote learning through education and training in Insurance, Pension and allied sectors. NIA also strives to provide strategic approaches to the sector and to undertake and create an ambience for policy research in Insurance.

NIA was established in 1980 jointly by the Ministry of Finance - Government of India, Life Insurance Corporation of India, General Insurance Corporation of India, The New India Assurance Company, National Insurance Company, United India Insurance Company and The Oriental Insurance Company on 16th December, 1980 in Mumbai to be the institute of excellence in learning and research in Insurance, Pension and allied areas. The Academy was shifted to Pune on 4th June, 1990 with the state-of-the-art facilities for learning and research.

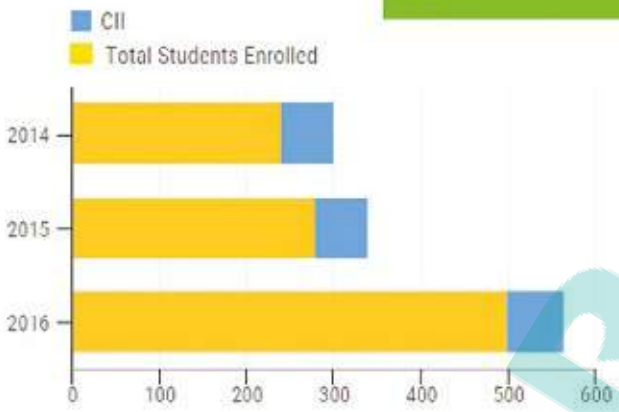
A look at 3 years of:

PROFESSIONAL ADVANCEMENT BANGLADESH

2014
* Inception
* Agreement With CII and offering CII degree from BD.
* Several Courses for GDIC and other companies from the Industry.

2015
* Agreement with III, accredited as the only institution to offer an online degree on insurance
* First batch of Cert. CII graduates.
* Offers training to other NBFI's.
* Launches website and other social platforms.

2016
* Offers CII online course.
* Students of Cert CII joins diploma Courses.
* Offers training to Banks
* IDRA permits agent training for Life Insurance Companies, successfully train
* Roadshow on professional training in university campuses





Students Discounting (Taken Only 1 Course)
Students Continuing CII Courses (Have = 1 > Course)

COURSES OF POPULAR DEMAND: 2016

Certificate in Insurance Cert. CII
Diploma In Insurance Dip CII
Marketing tools and Techniques - Paul Archer - 2nd Edition
Software Training for Underwriters
Diploma Indian Insurance Insurance Institute
72 Hours Agent Training for Life Insurance - IDRA
English Language Training for Business Communication
2nd Edition
Reinsurance Accounting - N.Murali
Reinsurance Management - Christopher Charles Paine
Underwriting Training
Workplace Etiquette



Student Attending Only One Course
Student Attending Multiple Courses

COMPREHENSIVE TRAINING ON LIFE & NON-LIFE INSURANCE
NIA
2017

INFOGRAPHICS

Core Team - PABL



Events and Highlights



Date: 5/12/2016

Reinsurance Management

On 5th December, 2016 Professional Advancement Bangladesh Limited (PABL), held a day long workshop on Reinsurance Management. The workshop focused on the core Principles of Reinsurance; the historical aspects, its importance, the types of reinsurance, the surplus treaty, facultative & non-proportional treaties and much more.

The day long workshop was attended by 20 officers from a range of non-life insurance companies including: Islami Commercial Insurance Co. LTD, Paramount Insurance Co. LTD, Dhaka Insurance Limited, Takaful Islami Insurance Limited, Phoenix Insurance Company LTD, United Insurance Company Limited, Continental Insurance Ltd., Pragati Life Insurance Limited, Karnaphuli Insurance Co. Ltd., Bangladesh General Insurance Co. Ltd, Sadharan Bima Corporation and Pragati Insurance Ltd. The list of guest lecturers included Mr A K.A H Chaudhuri FCII; Chartered Insurer; Adviser for Bangladesh General Insurance Company Ltd. Mr Bibek ACII(UK); General Manager for Sadharan Bima Corporation and Mr Jakir Hossain; Deputy General Manager for Sadharan Bima Corporation. The certificate awarding ceremony was attended by the Adviser for Green Delta Insurance Company; Nasir A Choudhury, CEO Farzana Chowdhury ACII (UK) and Sr. Executive Director & In- Charge of PABL Papia Rahman ACII (UK).



Date: 29/10/2016

Software Training For Branch Underwriters

Professional Advancement Bangladesh Ltd. (PABL) organized a day long Software Training Programme for Green Delta Branch Underwriters. The training was conducted for the Branch Underwriters of Green Delta Insurance Company in the field of Insurance Underwriting. The training started with giving the underwriters basics of using webmail, private networks, anti-theft measures, and securing the computer in use. Secondly it gave the underwriters knowledge on different software's for underwriting, accounts, commission, MIS reporting and claims handling. The training was attended by 40 employees of the Green Delta Insurance Company.

Date: 15/10/2016-21/10/2016

Life Insurance Agent Training for National Life Insurance Company

Professional Advancement Bangladesh Limited has conducted their first life insurance training to the agents of National Life Insurance Company Comilla, in compliance with the IDRA to ensure a minimum 72 hours training on relevant affairs for the agents and financial professionals.

The training was conducted throughout 6 days, with 121 agents coming from various places surrounding the area of Comilla Gouripur and Daudkandi. Where the agents were informed about the Basics of Insurance and discussed



about Marketing techniques and efficient working strategies. Besides being a mandatory requirement for the agents were devised in a manner to incite enhanced performance.

ate: 19/10/2016-20/10/2016

Workshop on Marketing Tools and Techniques

Professional Advancement Bangladesh Limited just conducted a workshop on marketing tools and techniques by renowned marketing and sales strategist Paul Archer CII Trainer (London). PABL brings to the professionals of Bangladesh; recognized trainings for their professional endeavours.

The course gives students an in-depth knowledge on the sales cycle of 21st century, foundations of sales, the selling process, product perception



and much more are to be covered on the two day workshop schedule.

Paul Archer is a specialist in selling and helps clients improve their sales, their sales coaching and improve customer engagement. He also worked with clients who wants to boost production from their B2B sales team, telephone based inside sales team. He is a master practitioner in NLP and has published about 6 books about marketing and persuasion strategies.



Date: 24/9/2016

EPIC Group on Insurance Rules and Awareness Program

Professional Advancement Bangladesh Ltd. (PABL) organized an awareness and rules program for EPIC Group 24th September, 2016. The event was to raise awareness among the employees of EPIC group (a valued client of Green Delta), about the uses of insurance in this booming industry.

The workshop was joined by 25 of EPIC group Executives and Managers, for an overall idea about insurance, Marine insurance, Fire insurance, IAR, Motor Underwriting, Claims as Theoretical-and Practical-experience.

As Bangladesh frontiers through development, the importance of insurance in this growing marketplace is fathomless. EPIC group as such are encouraged to reap the uses of insurance and help grow their business safer. As a growing company risk can play a huge role in decision making, where someone would say no risk no gain, the smart would opt for maximum risk to insurers and gains for the company.

Date: 20/8/2016 - 21/8/2016

Workshop on Technical Accounting for Reinsurance Held at PABL.

PABL organized a workshop on 'Technical Accounting for Reinsurance'. Which covers basic risk management, insurance in accounting, calculation and their settlement in records and within information systems.

The trainer Mr. N Murali FCA, ACII is the CEO of Asia Runoff Management Ltd, offering special consultancy services in insurance and reinsurance, having trained at various companies from South East Asia and South Asia. He has over 30 years of professional experience in insurance and reinsurance; particularly in Financial Management, Technical Accounting, Run off and Back office Management.



He is a fellow member of the Institute of Chartered Accountants in India and The Malaysian Institute of Accounts and an Associate member of the Chartered Insurance Institute, London. The training was attended by 25 students from the Green Delta Insurance Company.



Date: 11/7/2016-20/7/2016

English Language Training

The 2 month English Language Training course was attended by 25 officers from different branches of Green Delta Insurance Company. The training was taken by Roxana Ahmed Chowdhury from English Language Academy. Designed to teach attendees on the use of English on a daily basis, which covers Presentation, Writing skills, Body Language, Social Interaction and much more essential skills required for business professionals on a regular basis. The training is offered with a 2 month span, during which the officers through intense practical training to bring the language in a regular life. The class is very interactive and has been a student's favourite.



Date: 26/7/2016-27/7/2016

Workshop on Reinsurance Management

From 26th– 27th of July 2016, Professional Advancement Bangladesh Limited (PABL) in Association with Chartered Insurance Institute (CII), UK has conducted a Two Days' Workshop on Reinsurance Management consisting of 27 participants. The course covers key elements of reinsurance methods and practices including the application of facilitative and treaty business and the considerations made when transacting reinsurance and underwriting proportional and non-proportional treaties. Christopher Charles Paine, Dip CII was trainer for the workshop; he is the Reinsurance Training Manager at CAN Reinsurance Company Limited in London. He has over 30 years of experience in underwriting, broker management and non-marine re-insurance.

Date: 12/7/2016

Chartered Insurance Institute CII - IF3 EXAMS

On 12th July 2016, Professional Advancement Bangladesh Limited (PABL) has conducted the IF3 CII (UK) Examination at the PABL premises. PABL organizes exams/classes for all the papers on behalf of Chartered Insurance Institute, CII (UK). The course was joined by 13 students from various financial institutions. The course Insurance Underwriting Process IF3 is part of a three course series of attaining the Certificate in Insurance from CII (UK). Giving the participants an in-depth understanding of pricing practices in underwriting, and managing the underwriting process. The course was guided by Mr A.K.A.H Chaudhuri FCII (UK) Advisor BGIC.



Date: 11/4/2016

Chartered Insurance Institute CII - IF1 EXAMS

Professional Advancement Bangladesh Limited (PABL) has conducted the Insurance Legal and Regulatory IF1 CII (UK) Examination. The examination venue was at the PABL Premises under the supervision of two invigilators and 10 candidates for the IF1 Insurance Legal and Regulatory exam in total. This unit covers six essential topics, including the insurance market, legal principles, procedures and the major classes of insurance. The classes in the course are taken by Rashida Banu ACII (UK) . The exam is part of a three course series from the Certificate in Insurance accredited by CII (UK).



Date: 11/4/2016 -25/6/2016

Indian Insurance Institute Exam

On 24th and 25th of June 2016, Professional Advancement Bangladesh Limited(PABL) in association with Insurance Institute of India (III), has successfully conducted online examination for 20 candidates from the Insurance Sector on the papers of IC01 (Principles of Insurance) and IC02 (Principles of Life Assurance).

The IC01 course intends to provide the students a basic idea about the insurance mechanism. It explains the concept of insurance and how it is used to cover risk. How insurance is transacted as a business and how the insurance market operates are also explained. The relationship between insurers and their customers and the importance of insurance contracts are discussed. Some commonly used insurance terms are also listed out. An overview of major life insurance and general insurance products is included as well. The IC02



course gives an in depth analysis of life insurance, premiums and bonuses, policies throughout the steps of insurance, different types of policies, policy claims, applications and acceptance of life insurance.

The courses indulge students in studying not only from a text book but various materials to expand their horizon of insurance knowledge. The students have free access to library materials of PABL and prepare with group studies.



Date: 4/6/2016

Workplace Etiquette Training

In Association with Crimson Consultancy, PABL has conducted a day long training session for the Green Delta Insurance Company Limited's officials and staff on "Workplace Etiquette". The training was attended by 30 participants from a range of Green Delta Insurance Company branches. The training aims to give an overview on workplace etiquette, the basic and core values, their awareness, practice and benefits. The sessions are mostly interactive and aims to improve the way people interact at a formal environment. To keep and encourage productive office interaction and enhance customer a rich experience.

Date: 28/5/2016 -29/5/2016

MIS project Management Training

Professional Advancement Bangladesh Limited (PABL) in Association with Business Brio has conducted day long training sessions for the Green Delta Insurance Company Limited's officials on MIS Project Management. The training was offered for 16 officers from the Green Delta insurance Company. The officers were taught the basics of MIS applications and on the use of MIS reporting for official use and on various fields of insurance.





Date: 19/1/2016

Insurance of Bank Financed Assets to The City Bank Limited

Professional Advancement Bangladesh Ltd. (PABL) has recently conducted an Insurance Training for City Bank Officers at City Bank Training Institute.

The training curricular is to provide an introduction to insurance act, IDRA, BIA, types of insurance, principles of insurance applicable in all classes of insurance. It also covered key elements of fire insurance, marine insurance, motor insurance and miscellaneous insurance calculation and process was discussed among the 30 officers.



27 – 28 March, 2016

Fire Underwriting Training for GDIC

Subject matter included Principles of insurance applicable to fire insurance, defining the concepts of fire insurance. Policy addendum/endorsement, physical and moral hazards and contingencies. Retail and SME insurance, reinsurance arrangement and claim settlement. The two day training workshop was attended by 20 colleagues from various designations and branches of the company.

19 – 20 April, 2016

Claims Management Training for GDIC

The Claims Management Training for Green Delta was attended by 26 participants from different branches of Green Delta Insurance Company. The training addresses important issues like an overall idea on claims, claims settlement, the role of claim handler, efficiency in the case of hull and aviation, marine, motor and miscellaneous claims.



Freshers Training of GDIC freshers



Round Table Discussion on HRM of Insurance Industry in Bangladesh



PABL Picnic 2016



Industry Visit with Surveyors

10.3.1 Directors' Report to the Shareholders

Dear Shareholders,

At the outset, we, the Board of Directors of your company Professional Advancement Bangladesh Limited (PABL),welcome you to the 3rd 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 2016and the Auditor's Report thereon for kind consideration and adoption.

Operational Highlights:

Taka in million	2016	2015
Revenue from student fees	2.03	2.07
Other income	0.85	1.12
Operating Expenses	1.96	2.18

Financial Highlights-2016

Taka in million	2016	2015
Gross Profit	0.92	0.91
Net Profit/ loss	(2.69)	(3.47)

Number of Employees

No. of Employees	2016	2015
	4	3

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 2016:

The company reported loss of Taka 26.96 lac in the year 2016. 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 2016

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 2nd year as the auditor of the company. They are eligible for re-appointment as auditor of the company for the year 2017 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 2017 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 Processional 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 honourable shareholders for their continued faith and support.

For and on behalf of the Board of Directors,

A.Z Mozammel Haque
Chairman

10.3.2 Auditor's Report

To the Shareholders of Professional Advancement Bangladesh Limited

We have audited the accompanying financial statements of Professional Advancement Bangladesh Limited which comprise the Statement of Financial Position as at December 31, 2016 and the Statement of profit or loss and other comprehensive income, Statement of changes in equity ,Statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards, Companies Act 1994, and other Laws and Regulations. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing, those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of Professional Advancement Bangladesh Limited as of December 31, 2016 and of its financial performance for the year then ended in accordance with Bangladesh Financial Reporting Standards and comply with the Companies Act 1994, and other applicable laws and regulations.

Report on Other Legal and Regulatory Requirements

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 account as required by law have been kept by the company so far as it appeared from our examination of those books;

c) the company's 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 accounts;

Date: February 09, 2017
Place: Dhaka

Ahmed Zaker & Co.
Chartered Accountants

10.3.3 Professional Advancement Bangladesh Limited

STATEMENT OF FINANCIAL POSITION

As at December 31, 2016

Particulars	Notes	Amount in Taka	
		31.12.2016	31.12.2015
Assets			
Non-Current Assets		**5,019,340**	**5,639,213**
Property, Plant & Equipment	3.00	5,019,340	5,639,213
Current Assets		**19,207,550**	**19,103,692**
Receivable from GD ASSIST	4.00	1,486,133	456,012
Receivable from Others	5.00	1,205,129	777,429
Advance, Deposit & Prepayments	6.00	3,280,564	5,080,759
Fixed Deposit	7.00	12,026,950	9,580,331
Cash and cash equivalents	8.00	1,208,774	3,209,160
Total Assets		**24,226,892**	**24,742,905**
Shareholders Equity & Liabilities			
Shareholders equity		**2,363,531**	**5,060,365**
Share Capital	9.00	10,000,000	10,000,000
Retained Earnings	10.00	(7,636,469)	(4,939,635)
Current Liabilities		**21,863,361**	**19,682,540**
Accounts Payable to GDIC	11.00	21,818,512	19,387,761
Accounts Payable to Others	12.00	44,850	101,350
Advance Student Fees	13.00	-	193,430
Total Shareholders Equity & Liabilities		**24,226,892**	**24,742,905**

The acompanying notes (1-18) form an integral part of these Financial Statements.

Chairman | **Director** | **In Charge**

Head of Accounts | **Company Secretary**

Place: Dhaka
Date: February 09, 2017

Signed as per our separate report of same date.

Ahmed Zaker & CO.
Chartered Accountants

AMARSTOCK

10.3.4 Professional Advancement Bangladesh Limited

Statement of Profit or Loss and other Comprehensive Income

For the year ended December 31, 2016

Particulars	Notes	Amount in Taka	
		31.12.2016	31.12.2015
Operating Income:			
Revenue from Student Fee	**14.00**	2,028,763	2,073,069
Other Income	**15.00**	855,964	1,129,613
Total Income		**2,884,727**	**3,202,682**
Less: Operating Exp.	**16.00**	1,964,666	2,287,882
Gross Profit		**920,061**	**914,800**
Less: Office & Administrative Expenses	**17.00**	3,612,062	4,381,593
Less: Financial Expenses	**18.00**	4,833	8,834
Profit/(Loss) before Tax		**(2,696,834)**	**(3,475,627)**

The acompanying notes (1-18) form an integral part of these Financial Statements.

Chairman | **Director** | **In Charge**

Head of Accounts | **Company Secretary**

Place: Dhaka
Date: February 09, 2017

Signed as per our separate report of same date.

Ahmed Zaker & CO.
Chartered Accountants

10.3.5 Professional Advancement Bangladesh Limited

Statement of Changes in Equity

For the year ended December 31, 2016

Amount in Taka

Particulars	Share Capital	Retained Earnings	Total Shareholders Equity
Opening Balance	10,000,000	(4,939,635)	5,060,365
Add: During the year		(2,696,834)	(2,696,834)
Balance as at December 31, 2016	**10,000,000**	**(7,636,469)**	**2,363,531**
Balance as at December 31, 2015	**10,000,000**	**(4,939,635)**	**5,060,365**

AMARSTOCK

10.3.6 Professional Advancement Bangladesh Limited

Statement of Cash Flows

For the year ended December 31, 2016

	Amount in Taka	
	31.12.2016	31.12.2015
Cash Flow from Operating Activities:		
Cash Received from Customers and others	1,426,906	3,569,033
Cash Paid to Customers, Suppliers, Employees & others	863,533	(185,438)
Tax Paid	106,790	(57,466)
Net Cash (used) /flows from operating activities	**456,583**	**3,326,129**
Cash Flow from Investing activities :		
Acquisition of Property, Plant & Equipment	(10,350)	(1,512,820)
Investment	(2,446,619)	(6,500,000)
Net Cash flows from Investing activities:	**(2,456,969)**	**(8,012,820)**
Cash Flow from Financing activities:		
Share Capital		7,500,000
Net Cash (used) /flows from Financing activities:		**7,500,000**
Net increase/(decrease) in cash & cash equivalents	(2,000,386)	2,813,309
Add: Cash & Cash equivalents at the beginning of the year	3,209,160	395,851
Cash & Cash equivalents at the end of the year	**1,208,774**	**3,209,160**

Chairman | **Director** | **In Charge**

Head of Accounts | **Company Secretary**

Place: Dhaka
Date: February 09, 2017

Signed as per our separate report of same date.

Ahmed Zaker & CO.
Chartered Accountants

AMAR STOCK

10.3.7 Professional Advancement Bangladesh Limited

Explanatory notes to the Financial Statements

For the year ended December 31, 2016

1.00 Reporting Entity:

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 .

Objective 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.

2.00 Basis of Preparation:

2.01 Statement of Compliance

The Financial statement have been prepared in accordance with International Accounting Standard which are adopted by the Institute of Chartered Accountants of Bangladesh and the Companies Act,1994. Specific accounting policies were selected and applied for significant transactions and events.

2.02 Basis of Measurement:

The Financial statement have been prepared on a going concern basis under International Accounting Standards (IAS) and Bangladesh Accounting Standards(BAS).

2.03 Reporting Currencies and level of Precision:

The figures in the financial statements represent Bangladesh Taka, Currency and rounded off to the nearest integer.

Revenue recognition

The revenue is recognized after satisfying all the conditions for revenue recognition as provided BAS-18 “Revenue”.

Interest Income

Interest income is recognized in the accounts when the cash against the interest are received.

2.04 Related party disclosure

Responsibility for preparation and presentation of Financial Statements:

As per Bangladesh Accounting Standards (BAS)-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 01,2016	Addition during the year	Payment during the year	Closing Balance as on December 31, 2016
Green Delta Insurance Company Limited	Common Shareholder	Payable to GDIC	19,387,761	2,430,751	-	21,818,512
GD ASSIST Limited	Related Party	Receivable from GD ASSIST	456,012	1,121,323	91,202	1,486,133

		Amount in Taka	
		31.12.2016	31.12.2015
3.00	**Property, Plant & Equipment**		
	Cost:		
	Opening balance	6,114,895	4,602,075
	Add: Addition during the year	10,350	1,512,820
	Total Cost	**6,125,245**	**6,114,895**
	Accumulated depreciation:		
	Opening balance	475,682	-
	Add: Charged during the year	630,223	475,682
	Balance as on end of the year	**1,105,905**	**475,682**
	Written Down Value as on 31st December, 2016	**5,019,340**	**5,639,213**
	Details of Property, Plant & Equipment is given in Annexure-A		
4.00	**Receivable from GD Assist**		
	Opening balance	456,012	153,092
	Add: During the year	1,121,323	1,093,810
	Total	**1,577,335**	**1,246,902**
	Less: Received during the year	(91,202)	(790,890)
	Balance as at Dec 31, 2016	**1,486,133**	**456,012**
5.00	**Receivable from others**		
	Opening Balance	777,429	1,253,270
	Add: During the year	959,129	485,944
		1,736,558	**1,739,214**
	Less: Recovery during the year	(531,429)	(961,785)
	Balance as at Dec 31, 2016	**1,205,129**	**777,429**
6.00	**Advances, Deposits & Prepayments**		
	Advance Office Rent	1,674,000	2,790,000
	Receivable from student	1,438,694	-
	AIT on FDR	157,518	56,321
	AIT on Bank Deposit	10,352	4,759
	Advance Against Expenses	-	2,229,679
	Balance as on 31.12.2016	**3,280,564**	**5,080,759**
7.00	**Fixed Deposit**		
	Opening Balance	9,580,331	2,500,000
	Add: Addition during the year	2,000,000	6,500,000
	Add: FDR Interest during the year	446,619	580,331
	Total FDR	**12,026,950**	**9,580,331**
	Less: Encashment during the year	-	-
	Balance as at Dec 31, 2016	**12,026,950**	**9,580,331**
8.00	**Cash and Cash Equivalents**		
	Cash in hand	409	3,378
	Cash at bank (MBL A/C No 111313101700868)	1,109,675	3,205,782
	BRAC Bank	98,690	-
	Balance as on 31.12.2016	**1,208,774**	**3,209,160**
9.00	**Share capital**		
9.01	**Authorized Capital**		
	Five Million (50,00,000) ordinary shares of Tk.10/- each		**50,000,000**
9.02	**Issued, subscribed and paid up Capital**		**10,000,000**

			Amount in Taka	
			31.12.2016	31.12.2015

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. Nasiruddin Ahmad Choudhury (Director)	400	4,000
Green Delta Insurance Company	999,600	9,996,000
	1,000,000	**10,000,000**

10.00	**Retained Earnings**			
	Opening Balance		(4,939,635)	(1,464,008)
	Add: During the year		(2,696,834)	(3,475,627)
	Balance as at Dec 31, 2016		**(7,636,469)**	**(4,939,635)**
11.00	**Accounts Payable to GDIC**			
	Opening Balance		19,387,761	13,617,827
	During the year		2,430,751	5,769,934
	Balance as at Dec 31, 2016		**21,818,512**	**19,387,761**
12.00	**Accounts Payable to Others**			
	Opening Balance		101,350	389,763
	Add: During the year	**13.01**	44,850	85,374
	Total		**146,200**	**475,137**
	Less: Paid During the year		(101,350)	(373,788)
	Balance as at Dec 31, 2016		**44,850**	**101,350**
12.01	**During the year**			
	Electricity Bill		-	15,224
	Office Rent		-	12,000
	Cleaner Bill		10,350	16,800
	Teacher Honorium		-	12,600
	Audit Fee Payable		34,500	28,750
	Balance as on 31.12.2016		**44,850**	**85,374**
13.00	**Advance Student Fees**			
	Opening Balance		193,430	-
	Add: During the year		-	193,430
	Less ; Adjust during the year		(193,430)	-
	Balance as on 31.12.2016		**-**	**193,430**
14.00	**Revenue from Student Fees**			
	Basic Under Writing Course		479,400	162,000
	Fresher Trainning		27,000	84,875
	Claim Practice		286,500	15,315
	IF-1		390,379	325,000
	IF-3		322,000	-
	IF-4		72,540	254,500
	CII online		14,800	-
	Fire undrewriting		53,444	-
	Claims Management		57,700	-
	MIS Training		27,000	-
	III (IC01 & IC02)		114,000	-
	Membership Fee		4,000	-
	English Language		180,000	-
	Insurance Selling Master Class		-	824,379
	Insurance Selling Master Class (Industry)		-	300,000
	Insurance Software Trainning		-	25,000
	Insurance Audit and Compliance		-	65,000
	Agriculture Insurance		-	17,000
	Balance as on 31.12.2016		**2,028,763**	**2,073,069**

		Amount in Taka	
		31.12.2016	31.12.2015
15.00	**Revenue from Others**		
	GD Assist charges for Furniture use	252,216	447,040
	Bank Interest	55,931	93,285
	Interest on FDR	547,817	589,288
	Balance as at Dec 31, 2016	**855,964**	**1,129,613**
16.00	**Operating Expenses**		
	Training Expenses	527,706	731,416
	Training Expenses (CII)	1,099,960	348,066
	Teacher Honorarium	337,000	1,208,400
	Balance as on 31.12.2016	**1,964,666**	**2,287,882**
17.00	**Office & Administrative Expenses**		
	Salary & Wages	344,584	755,519
	Office Maintenance	140,930	59,645
	Festival Bonus	20,688	49,700
	Yearly Bonus	18,375	-
	Printing & Stationery	30,945	67,124
	Conveyance & Travel	23,597	52,789
	Office Transport	-	89,427
	Office Rent	1,859,364	2,009,656
	Subscription & Fees	56,000	89,750
	Postage & Courier	8,872	15,965
	Telephone, Trunk-Call & Internet	31,574	15,824
	Entertainment	2,773	56,544
	Web Development	9,450	35,000
	Books & Papers	21,600	811
	Office Tea	4,700	4,194
	Branding Exp	35,000	56,687
	Audit Fee	34,500	28,750
	Business Developments	3,772	75,316
	Advertisement	67,850	-
	Photography Exp.		13,700
	Electricity & Utility Exp.	239,803	163,629
	Provident Fund Exp	9,870	66,920
	Gratuity Fund Exp	11,202	111,531
	Depreciation	630,223	475,682
	Staff Food Exp	5,060	63,749
	Repair, Renewal & Maintenance	1,330	10,950
	Others Exp.	-	12,731
	Balance as on 31.12.2016	**3,612,062**	**4,381,593**
18.00	**Financial expenses**		
	Bank and Other Charges	4,833	8,834
	Balance as at Dec 31, 2016	**4,833**	**8,834**

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Schedule of Property, Plant & Equipments

As at December 31, 2016

Annexure-A

Particulars	COST				Rate	DEPRECIATION				Written Down Value 31.12.2016
	Opening Balance	Addition During the year	Adjustment During The year	Balance as at		Opening Balance	Charged during the year	Adjustment During The year	Balance as at	
	01.01.2016			31.12.2016		01.01.2016			31.12.2016	
Computer & IT Equipment	215,600	-		215,600	15%	32,340	32,340		64,680	150,920
Office Equipment	159,065	10,350		169,415	15%	14,084	23,860		37,944	131,471
Furniture & Fixtures	5,707,572	-		5,707,572	10%	425,992	570,757		996,749	4,710,823
Books and Periodicals	32,658	-		32,658	10%	3,266	3,266		6,532	26,126
Balance at 31.12.16	**6,114,895**	**10,350**		**6,125,245**		**475,682**	**630,223**		**1,105,905**	**5,019,340**
Balance at 31.12.15	**4,602,075**	**1,512,820**		**6,114,895**			**475,682**		**475,682**	**5,639,213**

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10.4 Report on GD Assist Limited



Managing Director's Message

Syed Moinuddin Ahmed
Managing Director
GD Assist Limited

GD Assist Limited is a unique business in the sense that it provides holistic and one-stop services under medical tourism when patients (along with their families in most cases) visit Malaysia. From booking consultation and appointments at the best Malaysian hospitals to visa assistance, ticketing, accommodation and transportation, the company comprehensively covers all aspects of the visit at affordable rates. Interestingly, Malaysia is one of the most preferred medical tourism destinations with modern private healthcare infrastructure and facilities, affordable treatment (almost 30-50% lower than neighboring countries),wide range of expertise in specialized medical fields, world-class and highly-efficient medical specialists and a great place to recuperate with an excellent climate. In 2016, over a million medical travellers are expected to have visited Malaysia, up from 800,000 medical travelers who sought treatment in Malaysia in 2014. With a wide range of services, excellent tie-ups with renowned hospitals in Malaysia, dedicated resources and infrastructure and strong brand name in medical tourism in Bangladesh, we are well-poised for sustainable growth, going into the future.

Syed Moinuddin Ahmed
Managing Director



GD Assist Limited

GD Assist is the official and exclusive representative of Malaysia Healthcare Travel Council, an extension of the Ministry of Health, Malaysia. The company aims to provide a one-stop solution for patients seeking medical attention in Malaysia, whether it's an emergency or a routine health checkup. GD Assist possesses a highly experienced and competent medical panel,extensive alliances with world-class hospitals across India, Malaysia, Thailand and Singapore(which are well-furnished with state-of-the-art technology and are well-equipped to provide complete support to patients and their families), an elaborate network of air and surface logistics and dedicated personnel to fulfill extensive patient needs.



Signing Ceremonies

Signing ceremony with Grameen Phone and Biman Bangladesh

Grameen Phone along with GD Assist Limited (subsidiary of Green Delta Insurance Company Limited) and Biman Bangladesh Airlines committed to separate agreements with Malaysian telecom operator Digi and Malaysia Healthcare Travel Council (MHTC).

In this connection, an agreement was signed among the respective organizations at GP House. Mr. Hasibul Haque, GP Director (Product); Mr. Syed Moinuddin Ahmed,In-charge, GD Assist Limited and Mr. Mohammad Shah Newaz, Director (Marketing and Sales), Biman Bangladesh, signed the agreement on behalf of their respective organizations. Mr. Yasir Azman, Chief Marketing Officer, GP;Ms. Farzana Chowdhury, Managing Director and CEO,Green Delta Insurance and Mr. Megat Ardian Wira Mohd. Aminuddin, Chief Marketing Officer,MHTC, also attended the signing ceremony.

MHTC was established under the Ministry of Health, Malaysia, bringing together the nation's dual heritage of hospitality and medical innovation, highlighting Malaysia as the preferred healthcare travel destination in the Asian region.

This was the first such offer in Bangladesh from a telecom operator.



Signing Ceremony with Doctorola

GD Assist signed an agreement with Doctorola.com, an online platform that books doctor appointments on behalf of patients. Doctorola provides a convenient platform to book appointments for medical consultancy. GD Assist and Doctorolaare now working together to provide expedient and hassle-free services to patients to book appointments with medical consultants/doctors from Malaysia.



Bangladeshi Government's Health Minister, Mr. Mohammed Nasim's visit to Kula Lumpur, Malaysia

GD Assist, in collaboration with MHTC, arranged a familiarization visit for the Health and Family Welfare Minister of Bangladesh, Mr. Mohammad Nasim. He visited Malaysia to witness firsthand the hospitals and other healthcare facilities in the country. The principal objective of his visit was to understand and hold bilateral discussions on healthcare issues with the Ministry of Health, Malaysia.

The Minister was accompanied by Mr. Shahidul Islam,Bangladesh High Commissioner in Malaysia; Mr. Nasir A. Choudhury,Advisor, Green Delta Insurance; Ms. Farzana Chowdhury, Managing Director and CEO, Green Delta Insurance; Mr. Syed Moinuddin Ahmed, Company Secretary & Additional Managing Director and CEO, GD Assist and Mr. Wafi S. M. Khan, Deputy Managing Director, among others.

Malaysia Healthcare Month, 2016

Malaysia brought health and wellness to Dhaka in the month of May 2016 with the "Malaysia Healthcare Month 2016" (MHM 2016), organized by the Malaysia Healthcare Travel Council (MHTC), in collaboration with GD Assist Limited. With the umbrella theme of 'Malaysia Loves You', MHM 2016 organised a plethora of activities centered on health and wellness, including a fun run, health fairs, free medical consultation sessions, health talks by top Malaysian specialists, an autism awareness program, caravan city branding as well as exciting campaigns featuring healthcare travel options in Malaysia. The activities were held in



various prominent locations throughout Dhaka, including clubs, corporate houses and public parks, among others.

Starting of MHM 2016

MHM 2016 was launched on 6May 2016 with the Malaysia Healthcare Fun Run on Manik Mia Avenue, Dhaka,officiated by the High Commissioner of Malaysia to Bangladesh, Her Excellency Nur Ashikin Mohd. Taib and joined by Mr. Megat Ardian Aminuddin, Chief Marketing Officer of MHTC. Also present were Mr. Nasir A. Choudhury, Chairman, GD Assist; Ms. Farzana Chowdhury, Director, GD Assist; Mr. Syed Moinuddin Ahmed, CEO, GD Assist and Ms. Kavitha Mathuvay, Regional Director, MHTC. The month-long programme received endorsement from the High Commission of Malaysia in Bangladesh, supported by Tourism Malaysia as well



as several premier Malaysian healthcare providers, namely KPJ Healthcare and National Heart Institute (IJN). Air Asia was the airline partner.









Activites throughout the month

Themed "Malaysia Loves You", MHM 2016 witnessed eight main activities held throughout the month of May 2016 including the Malaysia Healthcare fun run, caravan activation, club activation, medical consultation, doctors' engagement and 'My Child My Superhero', an awareness campaign for autism. The success of the month-long programme can also be attributed to the active support received from the High Commission of Malaysia in Bangladesh, several premier Malaysian healthcare providers, KPJ Healthcare, the National Heart Institute (InstitutJantung Negara), Tourism Malaysia and MHTC's airline partner, Air Asia. Ample support was also received from a number of premier corporate houses and clubs including BRAC Bank, Delta Brac Housing (DBH), Haque Group, IDLC Finance Ltd., Langkabangla Finance Ltd., Nielsen BD Ltd, Pran-RFL, Radiant Pharmaceuticals and Uttara Club.

















Activities throughout the month

Health Talk & Health Seminars

RSDH Health Talk at Uttara Club

GD Assist, in co-operation with Ramsay Sime Darby Hospital, organized a health seminar on colorectal cancer at Uttara Club on 28 May 2016. Dr. Tharmaraj T. Renganathan, one of Malaysia's renowned colorectal general surgeons,was the speaker.



GD Assist and Doctorola hold a health talk for Green Delta employees

GD Assist, the official representative of Malaysia Healthcare Travel Council and a subsidiary of Green Delta Insurance Company Ltd., in collaboration with Doctorola.com, an online and call center-based initiative that helps people locate appropriate doctors and book appointments with them, organized a health talk titled 'Busy Life Health Connect' for female employees of Green Delta.



Dr. Raiatun Tehrin conducted the session. She focused on raising awareness on various health issues, especially facing professional women.

Health talk on weight loss surgery

GD Assist organized a health talk seminar on weight loss surgery conducted by Dr. Andrea's Clinic, which has initiated bariatric surgery,a new and effective way to reduce weight and cure T2 diabetes.



Health talks at MH Samorita Hospital and Eastern Bank Limited by Dr. Premstien Sirithanapipat

GD Assist organized a health talk seminar at MH Samorita Hospital, in co-operation with Vejtani Hospital,conducted by Dr. Premstien Sirithanapipat on total joint reconstruction.

Consultation Sessions

GD Assist, in collaboration with MHTC, arranged a number of consultation sessions.



Dr. Mohan Ramachandran from InstitutJantung Negara (National Heart Institute), Malaysia, one of the most renowned cardio specialists



Dr. Wong Hon Seng from Gleneagles Hospital, Kuala Lumpur, Malaysia, one of the most renowned consultant ophthalmologists and medical retina and uveitis specialists



Dr. Teoh Jun Kiat from Sunway Medical Centre, Malaysia, one of the most renowned cardiologists



Dr. Ambikai Balan Sothinathan from Pantai Hospital, Kuala Lumpur, Malaysia, one of the most renowned urology specialists



Dr. Tharmaraj T. Renganathan from Malaysia, one of the most renowned colorectal general surgeons



Dr. Hafidz Bin AbdHadi from Malaysia, one of the most renowned clinical specialists on cardiology



Dr. Mohd ShamsulAmrifrom Malaysia, one of the most renowned resident consultant physicians and gastroenterologists



Dr. Premstien Sirithanapipat from Thailand, one of the most renowned orthopedics – total joint reconstruction (Athroplasty)

10.4.1 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 3rd 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 2016and the Auditor's Report thereon for kind consideration and adoption.

Operational Highlights:

Taka in million	2016	2015
Operating income	3.47	4.85
Other Income	3.28	0.29
Operating Ex-pense	4.45	3.12

Financial Highlights-2016

Taka in million	2016	2015
Profit Before TAX	2.31	2.03
Net Profit	1.50	1.32

Number of Employees

No. of Employees	2016	2015
	6	5

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 2016:

The company reported profit of Taka 1.50 million in the year 2016. 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 2016

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 2nd year as the auditor of the company. They are eligible for re-appointment as auditor of the company for the year 2017 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 2017 at the existing remuneration of BDT 25,000.00

Going concern

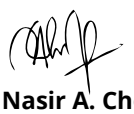
There is no significant doubt upon the GD Assist Limited ability to continue as a going concern.

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 honourable shareholders for their continued faith and support.

For and on behalf of the Board of Directors,



Nasir A. Choudhury
Chairman

10.4.2 Auditor's Report

We have audited the accompanying financial statements of GD ASSIST LIMITED, which comprise the statement of financial Position as at December 31, 2016 and the statement of comprehensive income, statement of changes in equity, statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards, Companies Act 1994, and other Laws and Regulations. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing, those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of GD Assist Limited as of December 31, 2016 and of its financial performance for the year then ended in accordance with Bangladesh Financial Reporting Standards and comply with the Companies Act 1994, and other applicable laws and regulations.

Report on Other Legal and Regulatory Requirements

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 account as required by law have been kept by the company so far as it appeared from our examination of those books;

c) the company's Statement of Financial Position and Statement of Comprehensive Income dealt with by the report are in agreement with the books of accounts;

Place: Dhaka
Date: February 09, 2017

Ahmed Zaker & CO.
Chartered Accountants

10.4.3 GD ASSIST LIMITED

STATEMENT OF FINANCIAL POSITION

As at December 31, 2016

Particulars	Notes	Amount in Taka	
		31.12.2016	31.12.2015
ASSETS:			
Non-Current Assets:		**266,821**	**260,025**
Property Plant & Equipment	5.00	266,821	260,025
Current Assets:		**14,538,749**	**20,111,590**
Receivable from MHTC	6.00	2,575,111	10,986,444
Receivable from Others	7.00	1,316,043	58,069
Advance, Deposit & Prepayments	8.00	1,270,609	18,002
Fixed Deposit Receipt	9.00	4,330,754	8,567,509
Cash and Cash Equivalents	10.00	5,046,232	481,566
		14,805,571	**20,371,615**
Shareholders Equity & Liabilities			
Shareholders Equity		**5,659,673**	**4,157,460**
Share Capital	11.00	2,500,000	2,500,000
Retained Earnings	12.00	3,159,673	1,657,460
CURRENT LIABILITIES:		**9,145,898**	**16,214,155**
Payable to PABL	13.00	1,486,133	456,012
Payable to GDIC	14.00	419,542	476,561
Others Payable	15.00	5,721,051	14,571,294
Provision for Tax	16.00	1,519,172	710,288
		14,805,571	**20,371,615**

The annexed notes (1-18) form an integral part of these financial statements.

Chairman | **Director** | **Managing Director**

Head of Accounts | **Company Secretary**

Signed as per our separate report of same date.

Ahmed Zaker & CO.
Chartered Accountants

Place: Dhaka
Date: February 09, 2017

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10.4.4 GD ASSIST LIMITED

Statement of Profit or Loss and Other Comprehensive Income

For the Year ended December 31, 2016

Particulars	Notes	Amount in Taka	
		31.12.2016	31.12.2015
Income			
Operating Income	17.00	3,475,367	4,851,241
Other Income	18.00	3,285,862	298,083
Total Income (A)		**6,761,229**	**5,149,324**
Less: Administrative Expenses			
Salary & Wages		1,420,029	535,117
Festival & Incentive Bonus		198,035	47,266
Conveyance & Travels		316,944	42,854
Entertainment		30,278	16,799
Postage & Telegrams		20,500	14,000
Printing & Stationery		72,718	74,677
Office Rent		870,372	856,512
Visa Exp		12,460	15,560
Trainig Exp		30,035	8,280
Professional & Legal Fee		-	52,750
Office Maintenance		383,012	104,898
Office Staff Food Exp		210,324	43,098
Foreign TA/DA		81,216	367,808
Subscription		-	43,915
Telephone, Mobile & Internet		64,980	29,572
Health Talk Expenses		293,616	-
Repair & Maintenance		26,720	17,687
Business Development		-	288,326
Malaysia Health Month		174,400	45,875
Branding		-	51,073
Electricity & Utility		159,501	123,553
Audit Fees		28,750	28,750
Website Development		1,200	100,220
Bank Charges		11,763	12,581
Preliminary Exp. Written off		-	170,333
Depreciation		43,279	28,425
Total Expenses (B)		**4,450,132**	**3,119,929**
Profit Before Tax:		**2,311,097**	**2,029,395**
Less: Provision for Tax		(808,884)	(710,288)
Net Profit (A-B)		**1,502,213**	**1,319,107**

The acompanying notes (1-18) form an integral part of these Financial Statements

Chairman | **Director** | **Managing Director**

Head of Accounts | **Company Secretary**

Signed as per our separate report of same date.

Ahmed Zaker & CO.
Chartered Accountants

Place: Dhaka
Date: February 09, 2017

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10.4.5 GD ASSIST LIMITED

Statement of Cash Flows

For the year ended December 31, 2016

Particulars	Amount In Taka	
	31.12.2016	31.12.2015
Cash Flow from Operating Activities:		
Cash Received from Customers and others	13,914,588	9,058,049
Cash Paid to Customers, Suppliers, Employees & others	12,508,193	(2,141,690)
Tax paid	1,028,409	(197,653)
Net Cash (used) /flows from operating activities	**377,986**	**6,718,706**
Cash Flow from Investing activities :		
Acquisition of Property, Plant & Equipment	(50,075)	(288,450)
FDR Encashment	4,236,755	(6,549,468)
Net Cash flows from Investing activities:	**4,186,680**	**(6,837,918)**
Cash Flow from Financing activities:		
Share Capital	-	-
Net Cash (used) /flows from Financing activities:	-	
Net increase/(decrease) in cash & cash equivalents	4,564,666	(119,212)
Add: Cash & Cash equivalents at the beginning of the period	481,566	600,778
Cash & Cash equivalents at the end of the period.	**5,046,232**	**481,566**

10.4.6 GD ASSIST LIMITED

Statement of Changes in Equity

For the year ended December 31, 2016

Particulars	Share Capital	Retained Earnings	Shareholders Equity
Opening Balance	2,500,000	1,657,460	4,157,460
Add: During the year	-	1,502,213	1,502,213
Balance as at December 31, 2016	**2,500,000**	**3,159,673**	**5,659,673**
Balance as at December 31, 2015	**2,500,000**	**1,657,460**	**4,157,460**

Chairman | **Director** | **Managing Director**

Head of Accounts | **Company Secretary**

Signed as per our separate report of same date.

Ahmed Zaker & CO.
Chartered Accountants

Place: Dhaka
Date: February 09, 2017

10.4.7 GD ASSIST LIMITED

Notes to the Financial Statements

For the year ended December 31, 2016

1.00 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.

2.00 Significant Accounting Policies:

The Financial statement have been prepared in accordance with International Accounting Standard which are adopted by the institute of Chartered Accountants of Bangladesh and the Companies Act,1994. Specific accounting policies were selected and applied for significant transactions and events.

3.00 General information on Financial Statement:

Responsibility for preparation and presentation of Financial Statements:

The Board of Directors is responsible for the preparation and presentation of financial statment under section 183 of the companies Act,1994. and as per the provision of " the framework for the preparation and presentation of Financial statements" .
According to International Accounting Standards (IAS) " Presentation of Financial Statements" of the Complete set of Financial Statements which includes the following components.

i) Statement of Financial Position as at 31 December, 2016.
ii) Statement of Comprehensive Income for the year ended 31 December 2016
iii) Cash Flows Statement for the year ended December 31, 2016.
iv) Statement of Changes in Equity for the year ended December 31, 2016.
v) Explanatory Notes to the Financial Statements.

Reporting year/Period:

The financial statements of the company cover for the year from 01 January 2016 to 31 December 2016.

Reporting Currencies and level of Precision:

The figures in the financial statements represent Bangladesh taka, Currency and rounded off to the nearest except where indicates otherwise.

4.00 Related party disclosure

As per Bangladesh Accounting Standards (BAS)-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 01,2016	Addition during the year	Payment during the year	Closing Balance as on December 31, 2016
Green Delta Insurance Company Limited	Common Shareholder	Payable to GDIC	476,561	191,354	248,373	419,542
Professional Advancement Bangladesh Limited	Related Party	Payable to PABL	456,012	1,121,323	91,202	1,486,133

		Amount in Taka	
		31.12.2016	31.12.2015
5.00	**Property, Plant & Equipment**		
	Cost:		
	Opening balance	288,450	-
	Add: Addition during the year	50,075	288,450
	Balance December 31,2016	**338,525**	**288,450**
	Less: Accumulated depreciation:		
	Opening balance	28,425	-
	Add: Charged during the year	43,279	28,425
	Balance December 31,2016	**71,704**	**28,425**
	Written down value as at 31 Dec 2016	**266,821**	**260,025**
	Details of Property ,Plant & Equipment is given in Annexure-A		
6.00	**Receivable from Malaysian Health Care Travel Council (MHTC)**		
	Opening Balance	10,986,444	-
	Add: Addition During the year	3,475,367	25,337,284
		14,461,811	**25,337,284**
	Less: Received during the year	(11,886,700)	(14,350,840)
	Balance as at 31 December 2016	**2,575,111**	**10,986,444**
7.00	**Receivable from Others:**		
	A. Receivable from Prince Court Medical Centre, Kualalumpur, Malaysia.		
	Opening Balance	7,546	-
	Add: Addition During the year	-	18,634
		7,546	**18,634**
	Less: Received during the year	(7,546)	(11,088)
	Balance as at 31 December 2016	**-**	**7,546**
	B. Receivable from Paywell		
	Opening Balance	39,520	-
	Add: Advance Deposit	-	10,000
	Add: Commission	27,206	29,520
	Less : Cash adjustment	(65,549)	-
	Balance as at 31 December 2016	**1,177**	**39,520**
	C. Other Receivable (Employees & Others)		
	Opening Balance	11,003	-
	Add: Receivable during the period	-	11,003
		11,003	**11,003**
	Less: Received this period	(11,003)	-
	Balance as at 31 December 2016	**-**	**11,003**
	D. Receivable from Party (Air Ticket)		
	Opening Balance	-	-
	Add: Receivable during the year	1,314,866	-
		1,314,866	**-**
	Less: Received this year	-	-
	Balance 31st December,2016	**1,314,866**	**-**
	Total Receivable from Others (A+B+C+D)	**1,316,043**	**58,069**

		Amount in Taka	
		31.12.2016	31.12.2015
8.00	**Advance Deposit & Prepayments**		
	Advance TDS on FDR	68,112	11,482
	Advance TDS on Bank	283,769	6,520
	Advance Income Tax	694,530	-
	Other Advances	224,198	-
	Balance as at 31 December 2016	**1,270,609**	**18,002**
9.00	**Fixed Deposit Receipt**		
	Opening Balance	8,567,509	2,018,041
	Add: Interest received	515,391	67,509
	Add: Investment during this period	-	8,000,000
		9,082,900	**10,085,550**
	Less: Encash during this period	(4,752,146)	(1,518,041)
	Balance as at 31 December 2016	**4,330,754**	**8,567,509**
10.00	**Cash and Cash Equivalents**		
	Cash in hand	18,080	31,328
	Cash at Bank	5,028,152	450,238
	Total	**5,046,232**	**481,566**
10.01	**Cash at Bank**		
	Mercantile Bank(A/C No.12588)	35,311	370,203
	Mercantile Bank(A/C No.25227)	4,366,364	-
	BRAC Bank(A/C No.48001)	626,477	80,035
	Balance 31st December,2016	**5,028,152**	**450,238**

11.00 Share Capital:

Authorized Share Capital: Taka 10,000,000

The authorized share capital of the company is Taka 10,000,000 (One Crore) divided into 1,000,000 ordinary shares of Taka 10/- each.

Paid up Capital: Taka 2,500,000

This represents the paid up capital of the company with 2,50,000 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	2,49,900	2,499,000
Mr. Nasiruddin Ahmed Choudhury	100	1,000
Total	**2,50,000**	**2,500,000**

12.00	**Retained Earnings**		
	Opening Balance	1,657,460	338,353
	Add: Net Profit During the Year	1,502,213	1,319,107
	Balance as at 31 December 2016	**3,159,673**	**1,657,460**
13.00	**Accounts Payable to PABL**		
	Opening Balance	456,012	153,092
	Add: Addition During the year	1,121,323	1,093,810
	Total	**1,577,335**	**1,246,902**
	Less: Paid during the year	91,202	790,890
	Balance as at 31 December 2016	**1,486,133**	**456,012**

		Amount in Taka	
		31.12.2016	31.12.2015
14.00	**Payable to GDIC**		
	Opening Balance	476,561	-
	Add: Addition During the year	191,354	887,255
		667,915	**887,255**
	Less: Receivable from GDIC	248,373	410,694
	Balance as at 31 December 2016	**419,542**	**476,561**
15.00	**Others Payable**		
	Payable to Campaign (Road Show) Exp.	2,686,001	12,587,104
	Healthcare Week Oct' 2015	472,147	1,066,257
	Health Consultancy Expense,Dec-2015	228,409	420,349
	Advance TDS	4,192	60,766
	VAT payable	8,990	242,873
	Audit Fee	28,750	28,750
	Genex	166,990	-
	Colour Master	23,000	-
	Hamim Apparels	19,000	-
	Whistle	127,592	-
	Global Brand	71,300	-
	Elite Power Technology	4,700	-
	Bee Hive	6,900	-
	Nymphea	24,772	-
	ABC Radio	186,500	-
	STH Trade International	33,020	-
	Financial Express	409,000	-
	Brand Forum (Brand Zeal)	207,000	-
	Business Times	70,000	-
	Oval	837,368	-
	Payable to party (For Hotel)	105,420	165,195
	Total Payable	**5,721,051**	**14,571,294**
16.00	**Provision for Tax**		
	Opening Balance	710,288	182,190
	Add: Addition During the year	808,884	710,288
		1,519,172	**892,478**
	Less: Adjustment	-	(182,190)
	Balance as at 31 December 2016	**1,519,172**	**710,288**
17.00	**Operating Income**		
	Consultancy Fee	-	1,500
	Commission - Prince Court Medical Centre	98,921	31,584
	From Malaysian Health Care Travel Council (MHTC)	3,241,299	4,746,973
	Commission - Institute Jantun Negara (IJN)	54,018	38,104
	Commission - Pantai Hospital	39,838	33,080
	Commission - Gleneagles Hospital	21,977	-
	Commission - KPJ Hospital	16,563	-
	Commission - RSD Hospital	2,751	-
	Balance as on 31.12.2016	**3,475,367**	**4,851,241**
18.00	**Other Income**		
	Interest Income from FDR	515,391	141,213
	Paywell	57,946	29,520
	VISA Fee	205,358	41,668
	Interest on Bank Balance	19,241	22,522
	Income from Package sale	27,891	63,160
	Commission on Ticket Sale	2,460,035	-
	Balance as on 31.12.2016	**3,285,862**	**298,083**

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GD Assist Limited

Schedule of Property, Plant & Equipments

As at December 31, 2016

Annexure-A

Items	COST				Rate	DEPRECIATION				Written Down Value 31.12.2016
	Opening Balance	Addition During the year	Adjustment During The year	Balance as at		Opening Balance	Charged during the year	Adjustment During The year	Balance as at	
	01.01.2016			31.12.2016		01.01.2016			31.12.2016	
Computer & IT Equipment	103,950	44,300	-	148,250	15%	8,250	22,238	-	30,488	117,763
Office Equipment/Electrical	34,500	5,775	-	40,275	15%	5,175	6,041	-	11,216	29,059
Furniture & Fixtures	150,000	-	-	150,000	10%	15,000	15,000	-	30,000	120,000
Balance at 31.12.16	**288,450**	**50,075**		**338,525**		**28,425**	**43,279**		**71,704**	**266,821**
Balance at 31.12.15	**-**	**288,450**	-	**288,450**		**-**	**28,425**		**28,425**	**260,025**

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11.1 Disclosure Checklist Regarding Corporate Governance

Condition No.	Title	Page
	BOARD OF DIRECTORS, CHAIRMAN AND CEO	
1.1	Company's policy on appointment of directors disclosed.	104
1.2	Adequate representation of non executive directors i.e. one third of the board, subject to a minimum of two	105
1.3	At least one independent director on the board and disclosure /affirmation of the board on such director's independence.	104
1.4	Chairman to be independent of CEO	105
1.5	Responsibilities of the Chairman of the Board appropriately defined and disclosed. Disclosure of independence of Non Executive Directors	105
1.6	Existence of a scheme for annual appraisal of the boards performance	106
1.7	Disclosure of policy on annual evaluation of the CEO by the Board.	107
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	107
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.	107
1.10	Disclosure of number of meetings of the board and participation of each director (at least 4 meetings are required to be held)	107
1.11	Directors issue a report on compliance with best practices on Corporate Governance that is reviewed by the external auditors	107
	VISION / MISSION AND STRATEGY	
2.1	Company's vision / mission statements are approved by the board and disclosed in the annual report.	16, 17, 21, 134
2.2	Identification of business objectives and areas of business focus	
2.3	General description of strategies to achieve the company's business objectives	
	AUDIT COMMITTEES	
3.1	Appointment and Composition	114
3.2	Whether the Audit Committee Chairman is an independent Non- Executive Director and Professionally Qualified	114
3.3	Whether it has specific terms of reference and whether it is empowered to investigate / question employees and retain external counsel	114
3.4	More than two thirds of the members are to be Non Executive Directors	114
3.5	All members of the audit committee to be suitably qualified and at least one member to have expert knowledge of finance and accounting.	114
3.6	Head of internal audit to have direct access to audit committee	114

Conditio n No.	Title	Page
3.7	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.	107, 174
3.8	Objectives & Activities	114
3.9	Statement on Audit Committee's review to ensure that internal controls are welt conceived properly administered and satisfactorily monitored	112
3.10	Audit Committees role in ensuring compliance with Laws, Regulations and timely settlements of statutory dues	112
3.11	Regulations and timely settlements of Statutory dues	112
3.12	Statement of Audit committee involvement in the review of the external audit function	116
3.13	Ensure effective coordination of external audit function	116
3.14	Ensure independence of external auditors	116
3.15	To review the external auditors findings in order to be satisfied that appropriate action is being taken	116
3.16	Review and approve any non audit work assigned to the external auditor and ensure that such such work does not compromise the independence of the external auditors.	116
3.17	Recommend external auditor for appointment/ reappointment	116
3.18	Statement on Audit committee involvement in selection of appropriate accounting policies that are in line will applicable accounting standards and annual review.	144, 157, 159
3.19	Statement of Audit Committee involvement in the review and recommend to the board of directors, annual and interim financial releases	112
3.20	Reliability of the management information used for such computation	113
	INTERNAL CONTROL a RISK MANAGEMENT	
4.1	Statement of Director's responsibility to establish appropriate system of internal control	113
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4.3	Statement that the Director's have reviewed the adequacy of the system of internal controls	110
4.4	Disclosure of the identification of risks the company is exposed to both internally & externally	118-120
4.5	Disclosure of the strategies adopted to manage and mitigate the risks	118
4.6	Ethics and Compliance	127
4.7	Disclosure of statement of ethics and values, covering basic principles such as integrity, conflict of interest, compliance with laws and regulations etc.	127
4.8	Dissemination / communication of the statement of ethics & business practices to all directors and employees and their acknowledgment of the same	127
4.9	Board's statement on its commitment to establishing high level of ethics and compliance within the organization	127
4.10	Establishing effective anti-fraud programs and controls, including effective protection of whistle blowers, establishing a net line reporting of irregularities etc.	128

Condition No.	Title	Page
	REMUNERATION COMMITTEE	
5.1	Disclosure of the charter (role and responsibilities) of the committee	116
5.2	Disclosure of the composition of the committee (majority of the committee should be non-executive directors, but should also include some executive directors)	116
5.3	Disclosure of key policies with regard to remuneration of directors, senior management and employees	116
5.4	Disclosure of number of meetings and work performed	116
5.5	Disclosure of Remuneration of directors, chairman, chief executive and senior executives.	116
	HUMAN CAPITAL	
6.1	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
6.2	Organizational Chart	32
6.3	Communication to Shareholders & Stakeholders	129-138
6.4	Disclosure of the Company's policy / strategy to facilitate effective communication with shareholders and other stake holders	129-138
6.5	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.	129-138
6.6	Environmental and Social Obligations	169
6.7	Disclosure of general description of the company's policies and practices relating to social and environmental responsibility of the entity	169
6.8	Disclosure of specific activities undertaken by the entity in pursuance of these policies and practices	169

11.2 Disclosure Checklist Regarding SAFA Standard

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Vision and Mission	16
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Core values and code of conduct/ethical principles	17
Profile of the Company	20
Director's profiles and their representation on Board of other companies & Organization Chart	34
Management Report/Commentary and analysis including Director's Reports/Chairman's Review/CEO's Review etc.	52,58,139
A general review of the performance of the company	66
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Impairment of Assets	
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Accounting policy on subsidiaries(if there is no any subsidiary, full marks should be granted)	

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Statement of Changes in Equity / Reserves & Surplus Schedule	215
Disclosure of Types of Share Capital	31, 231
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Disclosures / Contents of Notes to Accounts	223-240
Information about Corporate Governance	156
Board Of Directors, Chairman And CEO	33
Audit Committee (Composition, role, meetings, attendance, etc) Internal Control & Risk Management	114
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Description of the Risk Management Framework	118
Risk Mitigation Methodology	120

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Items	Page No
Disclosure of Risk Reporting	121
Stakeholders Information	129-138
Distribution of shareholdering (Number of shares as well as category wise, e.g Promoter group, FII etc)	31, 231
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Profitability/Dividends/ Performance and Liquidity Ratios Gross Profit Ratio Earning before Interest, Depreciation and Tax Price earning ratios Current Ratios Return on Capital Employed Debt Equity Ratio	
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Shareholders as dividend	131
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Retained by the entity	148
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Presentation of Financial Statements	
Quality of the Report/ Layout of Contents	

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Items	Page No
Cover and printing including the theme on the cover page	
Appropriateness and effectiveness of photographs and their relevance	
Effectiveness of Charts and Graphs	
Clarity, simplicity and lucidity in presentation of Financial Statements	
Timeliness in issuing Financial Statements and holding AGMs	
▪ 3 months time to produce the Annual Report and hold AGM are considered reasonable for full marks ▪ Delay after the initial period of 3 months - deduction of 2 marks is to be made for each month ▪ If the period is over 6 months - no marks shall be awarded	
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Specific Areas for Insurance Sector	
Claims management and details of outstanding claims (IBNR & IBNER) with ageing thereof	175
Disclosures pertaining to Solvency Margin	176
Certificate of Actuary giving details of the liabilities on account of live policies and estimates/ assumptions made for the same	N/A
Accounting ratios pertaining to insurance sector	177
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11.3 Disclosure Checklist Regarding Secretarial Standard

Title	Compliance Status (" " in appropriate column)		Remarks (if any)
	Complied	Not Complied	
Convening of a Meeting			
Authority Any Director of a company including the Chairman may, and the Secretary on the requisition of a Director shall, at any time, summon a Meeting of the Board unless the Articles of the company provide otherwise.	√		
Notice			
Every Director of the Company shall be entitled to get the Notice of every Meeting in writing in any mode including by hand or by post or by facsimile or by e-mail or by any other electronic mode. A director may specify any particular mode to receive such notices. If any of the Directors so specifies, -the Notice shall be sent to him by such mode.	√		
The Notice of the Meeting shall specify the day, date, time and full address of the venue wherein the Meeting be held.	√		
A Meeting may be held at any place, any time, on any day	√		
The Notice of a Meeting shall be given in respect of all meetings including the Meetings which are held on pre-determined dates or at pre-determined intervals.	√		
Notice shall be given at least seven (7) days before scheduled date of the Meeting unless the Articles of the company denote a longer period for such notice.	√		
Notice need not to be given of an adjourned Meeting other than a Meeting that has been adjourned "sine die". However, Notice of the reconvened adjourned Meeting shall be given to those Directors who were absent in the Meeting which had been adjourned.	√		
Unless a Notice has not been given to the directors then no business shall be transacted at a Meeting.	√		
The Agenda as to be transacted at the Meeting along with Notes to the Agenda shall be circulated or sent at least three (3) days before the date of the Meeting.	√		
Each Agenda to be transacted in the meeting shall be supported by notes, details of the item and, where a Resolution is required to be passed, the draft Resolution shall be attached with the Notice. The Notice may be given at shorter period of time than those respectively stated above if the majority of members of the Board or Committee so agree. The proposal to hold the Meeting at a shorter notice shall be stated in the Notice and the fact that consent thereto was obtained shall also be recorded in the Minutes. Notice, Agenda and Notes on Agenda shall be given to all Directors or to all Members of the Committee, as the case may be, at their respective addresses as provided by them, whether in Bangladesh or abroad, and shall also be given to the Original Director, even when the Notice, Agenda and Notes on Agenda have been sent to the Alternate Director.	√		

Title	Compliance Status (" " in appropriate column)		Remarks (if any)
	Complied	Not Complied	
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. 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. 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'. 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.	√		
Frequency of Meetings			
Meetings of the Board 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. Each Meeting shall be of such duration to enable proper deliberations to take place on agenda or items placed before the Board.	√		
Meetings of Committees Committees shall meet at least as often as stipulated by the Board or as prescribed by any other authority.	√		
Quorum	√		
Meetings of the Board			
Quorum shall be present throughout the Meeting. No business shall be transacted unless the Quorum is so present. 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. 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 Directors present at the Meeting, being not less than two, shall be the quorum during such time.	√		
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. 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.	√		

Title	Compliance Status (" " in appropriate column)		Remarks (if any)
	Complied	Not Complied	
Meetings of Committees 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. 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.	√		
Attendance at Meetings			
An Attendance Register shall be maintained containing the names and signatures of the Directors present at the Meeting. If an attendance register is maintained in loose-leaf form, it shall be bound at reasonable intervals.	√		
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.	√		
Chairman			
Meetings of the Board.	√		
Every company shall have a Chairman who will preside over the Meetings of the Board.	√		
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.	√		
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.	√		
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,	√		
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.	√		
Meetings of Committees	√		
The Board, while constituting any Committee, shall also appoint the Chairman of the Committee so constituted.	√		
Passing of Resolution by Circulation			
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.	√		
It only those matters, which are of an urgent nature are approved through the Resolutions by circulation.	√		
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.	√		
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.	√		

Title	Compliance Status (" " in appropriate column)		Remarks (if any)
	Complied	Not Complied	
Resolutions sent for passing by circulation shall be noted along with the decision thereof, at the next Meeting of the Board or Committee, as the case may be, and to be recorded in the Minutes of such Meeting.	√		
The annual accounts of a company shall be approved at a Meeting of the Board and shall not be by a Resolution by circulation.	√		
Quarterly or half-yearly financial results shall be approved at a Meeting of the Board or its Committee and shall not be by a Resolution by circulation.	√		
In the case of a listed company, if there is any material variance between un-audited and audited results, the review report of the Auditors shall also be discussed and approved at a Meeting of the Board and not approved by a Resolution by circulation.	√		
Minutes			
Within fifteen days from the date of the Meeting of the Board or Committee or of an adjourned Meeting, the draft Minutes thereof shall be circulated to all the members of the Board or the Committee, as the case may be, for their necessary comments.	√		
The Directors shall forward their comments on the draft Minutes within seven days from the date of circulation thereof, so that the Minutes are finalized and entered in the Minutes Book within the specified time limit of thirty days.	√		
The Minutes of proceedings of a Meeting shall be entered in the Minutes Book within thirty days from the conclusion of the Meeting.	√		
In any case a Meeting is adjourned; the Minutes shall be entered in respect of the original Meeting as well as the adjourned Meeting within thirty days from the date of the respective Meetings. In respect of a Meeting adjourned for want of Quorum, a statement to that effect shall be recorded in the Minutes Book by the Chairman or any Director as designated by the Board who was physically present at the Meeting.	√		
The date of entering the Minutes shall be specified in the Minutes Book by the Secretary.	√		
The Chairman shall put his initial on each page of the Minutes, and put his full signature on the last page of the Minutes along with the date of signing of the Minutes.	√		
While the law requires that Minutes of the proceedings shall be entered in the Minutes Book within thirty days of the Meeting, there is no prescribed time limit within which such Minutes have to be signed. They could be signed beyond a period of thirty days if the succeeding Meeting is held after a period of thirty days from the date of the earlier Meeting. However, it is also not obligatory to wait for the next Meeting in order to have the Minutes of the previous Meeting signed. Such Minutes may be signed by the Chairman of the Meeting at any time before the next Meeting is held.	√		
The Minutes of Meetings of the Board can be inspected by the Directors only. While the Auditors of the company or Chartered Secretary in Practice appointed by the company can also inspect the Minute Books in the course of their audit or certification. A member of the company or any other person has no right to inspect the Minutes of Meetings of the Board or any Committee thereof.	√		
Officers of the Registrar of Joint Stock Companies & Firms, other duly authorized in this behalf under law, during the course of an inspection, can also inspect the Minutes for discharging of their official duties.	√		
Minutes shall not be pasted or attached to the Minutes Book.	√		

Title	Compliance Status (" " in appropriate column)		Remarks (if any)
	Complied	Not Complied	
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.	√		
Extracts of the Minutes shall be given only after the Minutes have duly been signed. However, certified copies of any Resolution passed at a Meeting may be issued even pending signing of the Minutes by the Chairman, if the draft of that Resolution had been placed at the Meeting and was duly approved.	√		
Minutes of an earlier Meeting shall be noted at the next Meeting.			
Any alteration, other than grammatical, typographical or minor corrections, in the Minutes as entered, shall be made only under the approval taken in the subsequent Meeting in which such Minutes are sought to be altered.	√		
The Minutes of Meetings of any Committee shall be circulated to the Members of the Board along with the Agenda for the Meeting of the Board next following such Meeting of the Committee and shall be noted at the Board Meeting.	√		
At the time of circulating the Agenda for the Meeting of the Board, if the Minutes of Meetings of any Committee are pending noting by the Committee on such Minutes shall be circulated to the Board in draft form.	√		
Attendance in Meetings and their Recording in the Minutes			
The names of the Directors present in the Meeting along with the names of persons who were in attendance and the names of invitees in the Meeting, if any, shall be recorded in the Minutes.	√		
Apart from the Resolution or the decision, the Minutes shall mention the brief background of the proposal and the rationale for passing the Resolution or taking of the decision.	√		
The names of the Directors who have dissented or have abstained from the decision shall be recorded. Similarly, the fact that an interested Director who did not participate in the discussion or vote on the agenda shall also be recorded in the Minutes.	√		
Wherever any approval of the Board or of the Committee is taken on the basis of certain papers laid before the Board or the Committee, proper identification by initialing of such papers by the Chairman or any Director shall be made and a reference thereto shall be made in the Minutes.	√		
Preservation of Minutes and Supporting Papers			
The Minutes of all Meetings shall be preserved permanently.	√		
If a company has been merged or amalgamated with any other company, the Minutes of all Meetings of the Board and Committees of the transferor company shall be preserved permanently by the transferee company for any future references notwithstanding the fact that the identity of the transferor company may not survive under such arrangement.	√		
All office copies of Notices, Agenda and Notes to Agenda and other related papers shall be preserved in orderly manner for as long as they remain current or for twelve years, whichever is later, and may not be destroyed thereafter without the authority of the Board.	√		
Disclosure			
The Annual Report of a company shall disclose the number of Meetings of the Board and Committees held during the year indicating the number of Meetings attended by each Director.	√		

11.4 Disclosure Checklist Regarding ICMAB Evaluation Criteria

Sl. No.	Evaluation Criteria	Page No.
1	**Capitalization/Solvency**	
	External Liab. Ratio	75-77
	Internal Capital Generation (ICGR)	
	Exceptional Loss Reserve to Net Premium	
	Capital & Fund to Total Asset	
2	**Technical**	
	Retention Ratio	177
	Expenses Ratio	
	Claim Ratio	
	Outstanding Premium to Equity	
3	**Liquidity and Funding Flexibility**	
	Current Ratio	75-77
	Liquid Asset to Total Insurance Fund Total	
	Liquid Asset to Total Asset	
4	**Profitability**	
	Gross Underwriting Margin Return on	75-77
	Average Assets (ROAA) Return on	
	Average Equity (ROAE) Return on	
	Average Investment (ROA!)	
5	**Market share**	
	Gross Premium	152
6	**Contribution to National Economy and CSR14.4**	
	Qualitative areas:	
(a)	Corporate Governance	156
(b)	Risk Management	118-122
(c)	Regulatory" Compliance	170-180
(d)	Disclosure	203-240
(e)	Market Franchise and Others	152

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11.5 Disclosure checklist regarding Integrated Reporting

Sl. No.	Particulars	Page No.
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.	14,16-21
	An integrated report should identify the organization's mission and vision, and provides essential context by identifying matters such as:	16
	The organization's:	
	Culture, Ethics and Values	17
	Ownership and Operating structure including size of the organization,location of its operations	28,31,32,90,91
	Principal Activities and Markets	21,152
	Competitive landscape and Market positioning	90,152,
	Position within the value chain	134
	Key quantitative information	
	The number of employees, revenue and number of countries in which the organization operates highlighting, in particular, significant changes from prior periods	20,30,70,72,91
	Significant factors affecting the external environment and the organization's response	88
	The legitimate needs and interests of key stakeholders	129,133
	Macro and micro economic conditions, such as economic stability, globalization, and industry trends	52,58,78,81,139
	Market forces, such as the relative strengths and weaknesses of competitors and customer demand	85
	The speed and effect of technological change	88
	Societal issues, such as population and demographic changes, human rights, health, poverty, collective values and educational systems	88
	Environmental challenges, such as climate change, the loss of ecosystems, and resource shortages as planetary limits are approached	88
	The legislative and regulatory environment in which the organization operates	88
	The political environment in countries where the organization operates and other countries that may affect the ability of the organization to implement its strategy	88
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.	72,156
	An integrated report needs to provide an insight about how such matters as the following are linked to its ability to create value:	

Sl. No.	Particulars	Page No.
	The organization's leadership structure, including the skills and diversity	34,108
	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	156
	Particular actions those charged with governance have taken to influence and monitor the strategic direction of the organization and its approach to risk management	110,156
	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	127,156
	Whether the organization is implementing governance practices that exceed legal requirements/ Key Policies	127,156
	The responsibility those charged with governance take for promoting and enabling innovation	91,93,156
	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.	116, 97
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	129-137
	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	156
	An integrated report need to identify the various forms of capitals which are essential for the success of its business operations. Eg: financial, manufactured, intellectual, human, social and relationship, and natural,	134
1.4	**Business model**	
	An integrated report need to describe the business model, including key:	20
	Inputs	
	Business activities	
	Outputs	
	Outcomes	
	Identification of critical stakeholder and other	129
	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).	30,70,73
	Inputs An integrated report shows how key inputs relate to the capitals on which the organization depends, or that provide a source of differentiation for the organization, to the extent they are material to understanding the robustness and resilience of the business model.	20

Sl. No.	Particulars	Page No.
	Business activities	21
	An integrated report describes key business activities. This can include:	
	How the organization differentiates itself in the market place	97
	How the organization approaches the need to innovate	21
	How the business model has been designed to adapt to change	97
	Outputs An integrated report identifies an organization's keyproducts and services.	21
	Outcomes: An integrated report describes key outcomes, including: Both internal outcomes, and external outcomes, Both positive outcomes and negative outcomes	21
	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.	97
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?	30,52,70
	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	85
	The state of key stakeholder relationships and how the organization has responded to key stakeholders' legitimate needs and interests	129,132
	The linkages between past and current performance, and between current performance and the organization's outlook.	52,58
	KPIs that combine financial measures with other components or narrative that explains the financial implications of significant effects on other capitals and other causal relationships 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.	30,70,72,73
1.6	**Risks and 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?	85,118-122
	This can include identifying:	
	The specific source of risks and opportunities, which can be internal, external or, commonly, a mix of the two.	85,118-122
	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.	118-122
	The specific steps being taken to mitigate or manage key risks or to create value from key opportunities, including the identification of the associated strategic objectives, strategies, policies, targets and KPIs.	118-122

Sl. No.	Particulars	Page No.
1.7	**Strategy and resource allocation**	
	An integrated report should describe it strategic direction (Where does the organization want to go and how does it intend to get there)	97
	An integrated report need to identify:	
	The organization's short, medium and long term strategic objectives	97
	The strategies it has in place, or intends to implement, to achieve those strategic objectives	97
	The resource allocation plans it has to implement its strategy	97
	How it will measure achievements and target outcomes for the short, medium and long term. This can include describing:	97
	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:	
	relate to the organization's business model, and what changes to that business model might be necessary to implement chosen strategies to provide an understanding of the organization's ability to adapt to change '	97
	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	97
	What differentiates the organization to give it competitive advantage and enable it to create value	97
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 model and future performance?	30,52,58,70
	An integrated report should highlight anticipated changes over time and provides information on:	
	The organization's expectations about the external environment the organization is likely to face in the short, medium and long term	21,85,88
	How that will affect the organization	85,88
	How the organization is currently equipped to respond to the critical challenges and uncertainties that are likely to arise.	85,88
	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	21,85,88
	The availability, quality and afford-ability of capitals the organization uses or affects including how key relationships are managed and why they are important to the organization's ability to create value over time.	129-134
	An integrated report may also provide lead indicators, KPIs or objectives, relevant information from recognized external sources, and sensitivity analyses. If forecasts or projections are included in reporting the organization's outlook, a summary of related assumptions is useful. Comparisons of actual performance to previously identified targets further enables evaluation of the current outlook.	30,73,139
	Disclosures about an organization's outlook in an integrated report should consider the legal or regulatory requirements to which the organization is subject.	21,168

Sl. No.	Particulars	Page No.
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?	168
	An integrated report describes its basis of preparation and presentation, including:	
	A summary of the organization's materiality determination process	129-132
	Brief description of the process used to identify relevant matters, evaluate their importance and narrow them down to material matters	129-133
	Identification of the role of those charged with governance and key personnel in the identification and prioritization of material matters.	168
	A description of the reporting boundary and how it has been determined	168
	A summary of the significant frameworks and methods used to quantify or evaluate material matters	139,168
2	**Responsibility for an integrated report**	
	An integrated report should include a statement from those charged with governance that includes:	139
	An acknowledgment of their responsibility to ensure the integrity of the integrated report	168
	An acknowledgment that they have applied their collective mind to the preparation and presentation of the integrated report	168
	Their opinion or conclusion about whether the integrated report is presented in accordance with the Framework	168
3	**Other Qualitative Characteristics of an Integrated Report**	
	Consistency and Comparability	
	The information in an integrated report should be presented:	
	On a basis that is consistent over time	139, 156
	Presenting information in the form of ratios	75
	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.	31, 70, 168
	Content elements	8
	Past, Present & Future	52, 58, 139
	Finance and other information	30,70,72
	Materiality	
	An integrated report should disclose information about matters that substantively affect	129
	the organization's ability to create value over the short, medium and long term	134
	Assurance on the Report	
	The policy and practice relating to seeking assurance on the report	139
	the nature and scope of assurance provided for this particular report	203, 253, 284, 313, 331
	any qualifications arising from the assurance, and the nature of the between the organization and the assurance providers	N/A

Notes:

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GREEN DELTA INSURANCE
marches with time

Green Delta Insurance Co. Ltd.
Green Delta AIMS Tower (6th floor), 51-52 Mohakhali C/A, Dhaka
Phone: 9851902, 9851170(PABX) FAX: 9851124 www.green-delta.com

PROXY FORM

I/ We .....

of .....

being a member of Green Delta Insurance Company Limited do hereby appoint

Mr./ Mrs./ Miss. .....

of ..... or (failing his/her)

Mr./ Mrs./ Miss. .....

of .....

as my/ our proxy, to vote for me/ us and on my/ our behalf at the 31st Annual General Meeting of the company to be held on Thursday, 30 th March 2017 at 11.00 a.m. at Spectra Convention Centre Ltd., House # 19, Road # 7, Gulshan-1, Dhaka-1212 and any adjournment thereof or at any ballot to be taken in consequence thereof.

Signed this ..... day of .....

Signature of proxy ..... Signature of shareholder .....

Folio No .....

BO A/C No .....

Revenue Stamp Tk. 20/-

Note

1. This form of proxy, duly completed, must be deposited at least 48 hours before the meeting at the company registered office. Proxy is invalid if not signed and stumped as explained above.
2. Signature of the Shareholders should agree with the Specimen signature registered with the Company.

N.B: As per BSEC Notification # SEC/CMRRCD/2009-193/154 dated October 24, 2013 "No benefit in Cash or kind, other than in the form of Cash Dividend or Stock Dividend, shall be paid to the holders of equity Securities."

GREEN DELTA INSURANCE
marches with time

Green Delta Insurance Co. Ltd.
Green Delta AIMS Tower (6th floor), 51-52 Mohakhali C/A, Dhaka
Phone: 9851902, 9851170(PABX) FAX: 9851124 www.green-delta.com

ATTENDANCE SLIP

I hereby record my attendance at the 31st Annual General Meeting of the company to be held on Thursday, 30th March 2017 at 11.00 a.m. at Spectra Convention Centre Ltd., House # 19, Road # 7, Gulshan-1, Dhaka-1212

Name of the Member/ Proxy .....

Folio or BO A/C No .....

Signature ..... Date .....

Note

Shareholders' attending meeting in person or by proxy are requested to complete the Attendance slip and hand it over the entrance of the meeting hall.

N.B: As per BSEC Notification # SEC/CMRRCD/2009-193/154 dated October 24, 2013 "No benefit in Cash or kind, other than in the form of Cash Dividend or Stock Dividend, shall be paid to the holders of equity Securities."

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Green Delta Insurance Company Limited
Green Delta AIMS Tower (6th Floor)
51-52, Mohakhali, Dhaka-1216, Bangladesh
Phone: +880 9851170, +880 9851902
Fax: +880 9851124, **Hotline:** +8801730074299
Email: info@green-delta.com
Web: www.green-delta.com

nymphea | www.nymphea-bd.com