

Annual Report 2018



Delta Life Insurance Company Ltd.

(Delta Life : Prosperous Life)

Delta Life Annual Report 2018



৩৪ বছর ধরে

মানুষের সেবায় নিয়োজিত ডেল্টা লাইফ
দেশের জীবন বীমা শিল্পে ধারাবাহিকভাবে
৪র্থ বারের মত ক্রেডিট রেটিং-এ 'AAA'
অর্জন করা একমাত্র প্রতিষ্ঠান।



দেশের অন্যতম খ্যাতনামা ক্রেডিট রেটিং কোম্পানী 'ইমার্জিং ক্রেডিট রেটিং লি:'
কর্তৃক প্রদানকৃত এই সর্বোচ্চ রেটিং 'AAA' সুনিশ্চিত করে যে ডেল্টা লাইফের রয়েছে :

- ✓ মজবুত অর্থনৈতিক ভিত্তি
- ✓ বিনিয়োগের উপর সর্বোচ্চ আয়ের রেকর্ড
- ✓ গ্রাহক সেবা ও দাবী পরিশোধের অনন্য সক্ষমতা
- ✓ জনবান্ধব ও বাস্তবমুখী বিভিন্ন জীবন বীমা পরিকল্পনা
- ✓ দক্ষ এবং অভিজ্ঞ ব্যবস্থাপনা
- ✓ সর্বাধুনিক তথ্য ও প্রযুক্তির সমন্বয়
- ✓ প্রতিকূল অর্থনৈতিক পরিস্থিতি মোকাবেলার অসাধারণ সক্ষমতা



ডেল্টা লাইফ ইনসিওরেন্স কোম্পানী লিমিটেড

ডেল্টা জীবন : সমৃদ্ধ জীবন

ডেল্টা লাইফ টাওয়ার, প্লট-৩৭, রোড-৯০, গুলশান সার্কেল-২, ঢাকা-১২১২

ফোন : ০৯৬১ ৩৬৬৬০০০, ৫৫০৫১৯১৯ ফেইসবুক : fb.com/deltalife.org

ই-মেইল : info@deltalife.org, ওয়েবসাইট : www.deltalife.org



Table of Contents

Contents	Page No.
Letter of Transmittal	4
Notice of the 33 rd Annual General Meeting	5
Values/Vision/Goal	6
Corporate Directory	7
Board of Directors	8
Profile of the Board of Directors'	9
Board Committees	12
Corporate Management	13
Key Financial Indicators	14
Message from the Chairman	17
Directors' Report	19
Management Discussion and Analysis From CEO's Desk	37
Report on Corporate Governance	42
Declaration on Financial Statements by CEO & CFO	46
Certificate on Corporate Governance	47
Certificate of BAPLC	59
Audit Committee Report	61
Auditors' Report	65
Consolidated Financial Statements	72
Financial Statements of Delta Life Insurance Company Limited	83
Notes to the Financial Statements	93
Directors' Responsibility Statement	129
Directors' Report of DLIC Securities Limited	131
Auditors' Report and Financial Statements of DLIC Securities Limited	135
Proxy Form & Attendance Slip	151



Letter of Transmittal

All shareholders
Bangladesh Securities and Exchange Commission (BSEC)
Insurance Development and Regulatory Authority (IDRA)
Registrar of Joint Stock Companies and Firms (RJSC)
Dhaka Stock Exchange Limited (DSE)
Chittagong Stock Exchange Limited (CSE)
Central Depository Bangladesh Limited (CDBL)
All other Stakeholders

Dear Sir(s),

It is my pleasure to transmit the Annual Report 2018 of Delta Life Insurance Company Limited along with the Audited Financial Statements for the year ended 31 December 2018 together with the consolidated balance sheet of its subsidiary company namely DLIC Securities Limited for all concerned.

The Annual Report includes message from the Chairman of the Board of Directors, Directors' Report and Financial Statements with relevant notes along with the consolidated statements of its subsidiary company.

I would like to convey my thanks and gratitude to all concerned. This is for your kind information and record.

With regards,

Uttam Kumar Sadhu, FCMA, FCS
DMD & Company Secretary



NOTICE OF THE 33RD ANNUAL GENERAL MEETING

Notice is hereby given that the 33rd Annual General Meeting of Delta Life Insurance Company Limited will be held on Wednesday, July 24, 2019 at 10:30 A.M. at "Delta Life Tower," Plot # 37, Road # 90, Gulshan-2, Dhaka-1212 to transact the following business:

AGENDA

1. To receive, consider and adopt the Audited Financial Statements for the year ended December 31, 2018 together with the reports of the Auditors' and Directors' thereon.
2. To declare dividend for the year ended December 31, 2018 as recommended by the Board of Directors.
3. To elect/ re-elect Director(s) in terms of the relevant provision of Articles of Association of the Company.
4. To approve the appointment of Independent Director(s).
5. To appoint Statutory Auditors for the year 2019 and to fix their remuneration.
6. To appoint Compliance Auditors for the year 2019 and to fix their remuneration.

Dated: Dhaka
17 June 2019

By order of the Board of Directors

Uttam Kumar Sadhu, FCMA, FCS
DMD & Company Secretary

Notes:

- a) Shareholders whose names appear in the Depository Register/ Share Register on the 'Record Date' i.e. 9 July 2019 are eligible to attend the 33rd Annual General Meeting (AGM) and receive the Dividend.
- b) The Board of Directors recommended Cash Dividend @ 26 per cent or Tk.2.60 per share of Tk.10/- each for the year 2018.
- c) In accordance with the Articles of Association of the Company Directors shall retire at the AGM for the year 2018 and may, if eligible, offer them for re-election.
- d) A member entitled to attend and vote at the AGM may appoint a proxy who must be a shareholder of the Company to attend and vote in his/her stead. The "Proxy Form", duly filled & stamped at Tk.20/- must be deposited at the Registered Office of the Company no later than 48 (forty eight) hours before commencement of the AGM.
- e) Link of the web address has been sent to Shareholders to their respective e-mail address to download the Annual Report. Folio number holders are requested to submit their e-mail address to the Share Department of the Company. Shareholders may also find the annual report in the **Investors' Corner** section of the Company's website: www.deltalife.org
- f) In case of non-receipt of the Annual Report of the Company sent through e-mail, Shareholders may collect the same from the registered office of the Company.
- g) The concerned Merchant Banks and Depository Participants (DPs) are requested to provide us the soft/hard copies of the list of margin clients along with the bank details of the Company to the following e-mail address: asaduzzaman.mallik@deltalife.org/Company's Share Department on or before July 17, 2019.

As per directive of Bangladesh Securities and Exchange Commission (BSEC), no food or gift will be arranged at the AGM

VALUES

- Teamwork
- Respect for all people
- Unquestionable integrity
- Excellence in everything we do
- Speed in servicing
- Truthfulness

VISION

- We will be the Premier Life Insurance Company in Bangladesh.
- We will serve our customers with respect and will provide the best solution for their needs.
- We will be a Company with qualified professionals who will work together as a team and serve with dignity and the highest level of integrity. We believe in excellence and will continuously improve our service and will obtain the loyalty of our customers with service beyond their expectations.
- "Adding Value" will be the operative words of our organization.

GOAL

- Provide financial security to our customers with insurance policies that are most suitable for them.
- Make life insurance an easy saving instrument and a profitable one with attractive bonus and improved Customer service.
- Collect small savings from the people of our country and invest the accumulated savings in profitable nation building enterprises.



CORPORATE DIRECTORY

Registered Address

Delta Life Tower
Plot # 37, Road # 90, Gulshan Circle-2, Dhaka-1212
PABX: 09613666000, 55051919, Fax: +880(2)8831739, 9899605
Corporate Website: www.deltalife.org; Corporate e-mail: info@deltalife.org
Delta Life Customer Care: 09613666000-999

Servicing Centers, Cells & Zone Operation Centers

Servicing Centers	Zone Operation Centers
Dhaka, Chattogram, Bogura, Cumilla Feni, Khulna, Munshigonj, Laxmipur Rajshahi, Barishal, Tangail, Sylhet Thakurgaon	Dhaka-01, Dhaka-02 Thakurgaon, Dinajpur, Rangpur, Gaibandha Naogaon, Rajshahi, Bogura, Pabna, Kushtia, Khulna Jashore, Mymensingh, Faridpur, Barishal, Jhalokathi Chattogram, Chandpur, Cumilla, Sylhet, Moulvibazar
Servicing Cells	
Natore, Noakhali, Manikgonj, Jessore Faridpur, Chandpur, Cox's Bazar Kishoregonj Shariatpur, Narayangonj Rangpur, Sandwip Nawabgonj	

Bankers

Pubali Bank Ltd. Sonali Bank Ltd. Agrani Bank Ltd. Janata Bank Ltd. Rupali Bank Ltd. Uttara Bank Ltd. Bangladesh Krishi Bank Ltd. Rajshahi Krishi Unnayan Bank	Prime Bank Ltd. Dhaka Bank Ltd. National Bank Ltd. Islami Bank Ltd. City Bank Ltd. Mercantile Bank Ltd. Dutch Bangla Bank Ltd. Southeast Bank Ltd.	Social Islami Bank Limited First Security Islami Bank Ltd. Premier Bank Ltd. Bank Asia Ltd. Jamuna Bank Ltd. Al-Arafah bank Ltd. Citibank N.A. Standard Chartered Bank Ltd.
---	---	--

Auditors

M/s. M.J. Abedin & Co.
Chartered Accountants

M/s. Shafiq Basak & Co.
Chartered Accountants
(DLIC Securities Limited)



BOARD OF DIRECTORS'

Lt. Gen. M. Noor Uddin Khan, psc (Retd.)
Independent Director
Chairman

Mr. Monzurur Rahman
Director

Mr. Salahuddin Ahmad
Independent Director

Mr. Kazi Fazlur Rahman
Independent Director

Mrs. Suraiya Rahman
Director

Mr. Mohammad Shams-UI Islam
(Nominee of Agrani Equity & Investment Limited)
Director

Mr. Zeyad Rahman
Director

Mr. Saif Khondoker
Director

Mrs. Saika Rahman
Director



PROFILE OF THE BOARD OF DIRECTORS'



Lt. Gen. M. Noor Uddin Khan, psc (Retd.)

Chairman
Independent Director

Lt. Gen. M. Noor Uddin Khan, psc (Retd.), former Chief of Army Staff, former Member of the Parliament and former Minister of the Peoples Republic of Bangladesh, has joined on the Board of Directors of Delta Life Insurance Company Limited as an Independent Director and was elected as the Chairman of the Board of Directors in its 234th Meeting held on October 28, 2018.



Monzurur Rahman

Director

Mr. Monzurur Rahman has long 50 years' experiences in banking, insurance and tea business. He was the youngest Director of erstwhile Eastern Mercantile Bank Limited, which eventually was converted into Pubali Bank Limited. Currently, he is a member of the Board of Directors of Pubali Bank Limited and also Chairman of the Risk Committee of the Board Directors of the same Bank. He is a Sponsor Director of Delta Life Insurance Company Limited since its inception. Mr. Rahman is an Independent Director of LafargeHolcim Bangladesh Limited. He is the Chairman of Rema Tea Company Limited. He is also an elected member of the Executive Committee of Bangladesh Association of Publicly Listed Companies (BAPLC). He is a Member of Dhaka Club Limited and Kurmitola Golf Club. He is involved with many philanthropic and social activities. He is a business graduate of Kolkata University, India.



Salahuddin Ahmad

Independent Director

Chairman: Audit Committee

Chairman: Nomination and Remuneration Committee (NRC)

Chairman: DLIC Securities limited (A fully owned subsidiary of Delta Life Ins. Co. Ltd.)

Mr. Salahuddin Ahmad is a Bangladeshi jurist, former Attorney General of Bangladesh from 13 July 2008 to 12 January 2009, and a prominent lawyer of the Supreme Court of Bangladesh. He completed his B.Sc. in Economics from London School of Economics (LSE) in 1969; MA from the University of London in 1970 and LL.M from the Columbia School of Law in 1984.

Mr. Ahmad taught economics at the University of Dhaka in the 1970s and was associated with Dr. Kamal Hossain and Associates before and after his service at the Attorney General's Office. He is the Director of School of Law University of Asia and Pacific. The Members of the Board of Directors appointed him as an Independent Director on November 22, 2018.



Kazi Fazlur Rahman
Independent Director

Mr. Kazi Fazlur Rahman is a Civil Engineer and involved in business. He is a prominent social worker in Chattogram being a life member of Red Crescent Society, Diabetic Society, and Cumilla Samitee. He is a former Director of the Shadharan Bima Corporation (SBC).



Suraiya Rahman
Director

Mrs. Suraiya Rahman obtained her Master Degree from the University of Dhaka. She is well known for her dedication and commitment to social welfare and environmental upliftment being involved with reputed Non-Government Organizations Nijera Kori, Bangladesh Bonsai Society etc. She is a member of the Board of Directors of Delta Life Insurance Company Limited. She is also the Director of Rema Tea Co. Ltd., Chairperson of Delta Capital Ltd. and former Director of Pubali Bank Ltd.



Mohammad Shams-ul Islam
Director
(Nominee of Agrani Equity & Investment Limited)

Mr. Mohammad Shams-ul-Islam did his B.Com. (Hons) and M.Com. from the University of Dhaka in 1981. As a prudent banker he has 34 years of diversified experience. He started his banking career with Agrani Bank in 1984 as a Senior Officer (Financial Analyst). He was appointed Managing Director and CEO of Agrani Bank Limited on 24th August 2016. Before that he was the Managing Director of Ansar –VDP Unnayan Bank. He worked for a good number of other organizations i.e. Agrani Exchange House Private Limited, Singapore, a flagship remittance Company of Agrani Bank Limited during 2001-2008 which played a pivotal role in earning foreign currencies from Singapore to Bangladesh, the Chairman of Agrani SME Financing Company Limited, the Director of Agrani Equity and Investment Limited, Director of ICB, Agrani Exchange House Private Limited, Singapore, Agrani Remittance House Sdn, Bhd, Malaysia, Agrani remittance House, Canada Inc. respectively. He is also a Member of the Governing Board of Bangladesh Institute of Bank Management, the Council of IBB and member of the Executive Committee of Bangladesh Foreign Exchange Dealers Association. Immediately after joining in Agrani Bank Limited as CEO he prepared a 100 Day Roadmap for amelioration of the present condition of the bank. He joined in the Board of Delta Life Insurance Company Limited as a Director in 2018. He attended a number of seminars, workshops and trainings both at home and abroad conducted by prestigious and world famous institutions.

**Zeyad Rahman**

Director

Member: Audit Committee

Member: Nomination and Remuneration Committee (NRC)

Mr. Zeyad Rahman completed high school from the Doon School, Dehra Dun, India and graduated from the Pennsylvania State University, USA with a Bachelor of Science in Finance and Economics. He has extensive knowledge and experience in the fields of economics, finance and insurance. He is a member of the Board of Directors of Delta Life Insurance Company Limited and Pubali Bank Securities Limited. He is also a member of the Board of Directors of DSE Brokers Association of Bangladesh. He serves as the Chief Executive Officer of Delta Capital Limited and Rema Tea Company Limited. He is also involved with the Dhaka Chamber of Commerce and Industry (DCCI), where he is the convener of the Standing Committee on Financial Institutions. He is a former member of the Listing Committee of the Dhaka Stock Exchange Limited. He was awarded the International Award for Young People (Gold Award) by HRH The Duke of Edinburgh in the year 2000 for excellence in sports, social service and mountaineering. He is also a member of the Bhatary Golf Club. He has participated in numerous international seminars and conferences on banking, insurance, and capital market related topics.

**Saif Khondoker**

Director

Member: Audit Committee

Member: Nomination and Remuneration Committee (NRC)

Mr. Saif Khondoker completed his BBA with a specialization in Strategic Management from the University of Toronto, and his MBA from the Rotman School of Management, University of Toronto. He serves as the Director at Shanta Holdings Ltd a leading Real Estate developer of the country and as Managing Director of Shanta Asset Management Ltd. He joined the Board of Delta Life Insurance Company Limited as a Director in 2017. He is also a member of the Kurmitola Golf Club, Gulshan Club and Dhaka Club. His father Mr. Khondoker Monir Uddin is a famous business personality of the country and is the founder & Managing Director of Shanta Holdings Ltd. and the STS Group.

**Saika Rahman**

Director

Mrs. Saika Rahman completed her Bachelor of Business Administration in Finance and Insurance from the Northeastern University, Boston, USA and also completed the courses on Alternative Investments and Financial Markets from London School of Economics and Political Science (LSE), London, UK. She has extensive knowledge and experience in the fields of economics, finance and insurance. She is a member of the Board of Directors of Delta Life Insurance Company Limited. In her career among others, she served many organizations in various positions including Analyst at the Wellington Management Company, Boston, USA; Senior Consultant, Financial Services Regulatory Consulting at Deloitte & Touche LLP, Boston and New York City, USA; Investment Policy Analyst, International Finance Corporation (IFC), World Bank, Bangladesh Investment Climate Fund (BICF).



BOARD COMMITTEES

Audit Committee

Mr. Salahuddin Ahmad
(Independent Director)
Chairman

Mr. Zeyad Rahman
(Director)
Member

Mr. Saif Khondoker
(Director)
Member

Nomination & Remuneration Committee (NRC)

Mr. Salahuddin Ahmad
(Independent Director)
Chairman

Mr. Zeyad Rahman
(Director)
Member

Mr. Saif Khondoker
(Director)
Member



CORPORATE MANAGEMENT

Adeeba Rahman ACII, Chartered Insurer (UK)
Chief Executive Officer

Sayeed Ahmed FCA, ACMA, CGMA, MBA (IBA)
Additional Managing Director & CFO

Vineet Kumar Agarwal
Chief Marketing Officer

Uttam Kumar Sadhu FCMA, FCS
Deputy Managing Director & Company Secretary

Dr. Ashraf Uddin
Executive Director

Chowdhury Qamrul Ahsan
Executive Director

Anwarul Haque
Senior Executive Vice President

Md. Abdul Hai
Executive Vice President

Mohammed Farhan Uddin FCA
Senior Vice President & Head of Internal Audit and Compliance (HIAC)

Swapan Kumar Sarkar FCA
Consultant

Mohammad Sohrab Uddin PhD, AIA
Consulting Actuary



KEY FINANCIAL INDICATORS-2018

(Data relates to "Delta Life Insurance Company Limited")

(Amount in million BDT unless otherwise stated)

Sl. No.	Particulars	YEAR				
		2014	2015	2016	2017	2018
1	First Year Premium Income	1,000.43	1,065.76	1,226.52	1,316.72	1,395.08
2	Renewal Premium Income	4,089.36	4,131.04	4,208.30	4,428.93	4,588.45
3	Group & Health Insurance Premium	354.49	385.60	451.80	505.36	656.48
4	Gross premium	5,444.27	5,582.40	5,886.61	6,251.00	6,640.01
5	Reinsurance Premium	39.14	34.86	47.00	75.95	81.91
6	Net Premium (4-5)	5,405.13	5,547.54	5,839.61	6,175.05	6,558.10
7	Retention Ratio (6/4) (%)	99.28	99.38	99.20	98.78	98.77
8	First Year Premium income growth (%)	19.70	6.53	15.08	7.35	5.95
9	Renewal Premium Income growth (%)	1.38	1.02	1.87	5.24	3.60
10	Gross Premium Income growth (%)	1.82	2.54	5.45	6.19	6.22
11	First Year Commissions paid for acquisition of life insurance business	346.10	317.11	413.94	441.75	480.70
12	Second Year Commissions paid for acquisition of life insurance business	47.91	51.40	61.03	69.61	66.25
13	Third and Later year Commissions paid for acquisition of life insurance business	146.11	142.01	126.20	92.20	117.94
14	Total commissions paid for acquisition of life insurance business (11+12+13)	540.12	510.52	601.17	603.56	664.89
15	First Year Commissions/First year Premium (%)	25.54	21.85	24.66	24.24	23.43
16	Second Year Commissions/ Second Year Renewal Premium (%)	7.10	8.89	11.16	12.09	7.89
17	Third Year and Later Years Commissions/Third and Later Year Premium (%)	4.28	4.00	3.45	2.39	3.15
18	Management Expenses (Actual)	1,566.29	1,564.56	1,700.56	1,701.32	1,812.74
19	Allowable Management Expenses	1,484.04	1,566.99	1,725.30	1,831.64	1,931.35
20	Excess/(Lower) Management Expenses (18-19)	82.25	(2.43)	(24.73)	(130.32)	(118.61)
21	Excess/(Lower) Management Expense Ratio (%)	5.54	(0.15)	(1.43)	(7.11)	(6.14)
22	Overall Management Expenses Ratio (%)	28.77	28.03	28.89	27.22	27.30
23	Renewal Expenses Ratio (%)	17.01	14.94	14.41	12.06	12.41
24	Claims paid	3,946.59	4,245.97	4,887.22	5,337.41	5,566.15
25	Claims/ Gross Premium (%)	72.49	76.06	83.02	85.38	83.83
26	Total Commission Expenses/ Gross Premium (%)	14.52	14.41	15.02	13.73	13.79
27	Investment Income	3,002.76	3,067.64	2,850.29	3,388.70	2,928.61
28	Investment Income/ Gross premium (%)	55.15	54.95	48.42	54.21	44.11
29	Yield on Life Fund (%)	9.84	10.23	8.79	9.96	8.12
30	Conservation Ratio (%)	76.48	75.88	75.39	75.24	73.40
31	Second Policy Year Lapse Ratio (%) by number of policies	36.69	39.66	41.19	40.44	37.85
32	Third Policy Year Lapse Ratio (%) by number of policies	41.25	42.25	42.67	43.74	24.98
33	Fourth Policy Year Lapse Ratio (%) by number of policies	49.87	49.82	49.46	48.16	23.68
34	Fifth Policy Year Lapse Ratio (%) by number of policies	52.02	56.02	59.88	61.54	21.75
35	Sixth Policy Year Lapse Ratio (%) by number of policies	54.00	57.27	61.04	60.47	20.81



KEY FINANCIAL INDICATORS-2018

(Data relates to "Delta Life Insurance Company Limited")

(Amount in million BDT unless otherwise stated)

Sl. No.	Particulars	YEAR				
		2014	2015	2016	2017	2018
36	Second Policy Year Lapse Ratio (%) by Premium amount	39.61	42.65	42.03	43.34	37.69
37	Third Policy Year Lapse Ratio (%) by Premium amount	32.26	30.89	31.08	32.52	41.86
38	Fourth Policy Year Lapse Ratio (%) by Premium amount	44.63	40.77	45.54	42.48	46.40
39	Fifth Policy Year Lapse Ratio (%) by Premium amount	41.50	50.70	56.19	58.41	46.30
40	Sixth Policy Year Lapse Ratio (%) by Premium amount	45.42	47.27	60.06	61.21	47.16
41	Market Price per Share (in BDT) at year end	149.90	122.20	100.60	107.60	109.80
42	Dividend Yield (%)	1.33	1.47	1.99	2.32	2.37
43	Outstanding Premium as at 31st December	537.45	482.45	479.30	581.89	735.88
44	Total Investment as at 31st December	30,377.00	32,091.44	33,584.22	35,509.51	36,105.62
45	Life Fund as at 31st December	30,529.20	33,029.42	34,702.58	36,747.21	38,296.73
46	Total Assets as at 31st December	37,682.30	38,459.61	40,404.26	43,756.55	43,925.68
47	Paid Up Capital as at 31st December	1,237.50	1,237.50	1,237.50	1,237.50	1,237.50
48	Paid Up Capital/Total Asset (%)	3.28	3.22	3.06	2.83	2.82
49	Net cash flow from operating activities	(447.84)	(813.22)	(1,113.70)	(873.43)	(1,626.24)
50	Net cash flow from investing activities	1,145.58	(778.42)	1,065.40	2,788.46	2,928.74
51	Net cash flow from financing activities	(97.24)	(233.15)	(213.94)	(231.03)	(292.67)
52	Net change in cash and cash equivalent	600.50	(1,824.79)	(262.24)	1,684.00	1,009.83

53. First Year and Renewal Premium Income

Year	2014	2015	2016	2017	2018	Description
	1,000.43	1,065.76	1,226.52	1,316.72	1,395.08	First Year Premium Income
2014	N.A	511.27	314.82	332.32	439.51	Renewal premium out of the policies in 2014
2015	N.A	N.A	370.48	450.02	498.07	Renewal premium out of the policies in 2015
2016	N.A	N.A	N.A	551.69	668.62	Renewal premium out of the policies in 2016
2017	N.A	N.A	N.A	N.A	600.93	Renewal premium out of the policies in 2017

N.A= Not Applicable

54. Number of First Year and Renewal Policies

Year	2014	2015	2016	2017	2018	Description
	0.20	0.20	0.21	0.19	0.16	Number of new policies issued
2014	N.A	0.11	0.07	0.06	0.07	Number of policies renewed out of the policies issued in 2014
2015	N.A	N.A	0.07	0.08	0.08	Number of policies renewed out of the policies issued in 2015
2016	N.A	N.A	N.A	0.09	0.10	Number of policies renewed out of the policies issued in 2016
2017	N.A	N.A	N.A	N.A	0.09	Number of policies renewed out of the policies issued in 2017

N.A= Not Applicable

Note: Sl. No. 31-40 (2018) $(Lt,t-1 / Nt-1) \times 100$



এক নজরে
পেনশন বীমা পরিকল্প

পেনশন শুরুতে বীমাবৃত্তের বয়স	৫০ থেকে ৬৫
পেনশন শুরুর পূর্বে বীমাবৃত্তের মৃত্যুতে প্রতিপ্রাপ্য	বার্ষিক পেনশনের ১০ গুণ অর্থ (বীমা অংক) পাবেন।
সহযোগী বীমা	দুর্ঘটনাজনিত মৃত্যুবীমা, হাসপাতাল বীমা, গুরুব্যধী বীমা
প্রিমিয়াম প্রদান পদ্ধতি	বার্ষিক / ষান্মাসিক / ত্রৈমাসিক

আজকের সু-পরিকল্পনা আগামীর নির্ভাবনা

অবসরকালীন জীবনে পেনশন প্রদান এ পরিকল্পনের মূল লক্ষ্য। এ পরিকল্পনে অবসরকালীন সময় থেকে যতদিন বেঁচে থাকবেন ততদিন নির্দিষ্ট হারে পেনশন প্রদান করা হবে। বীমাবৃত্তের অকাল মৃত্যুতে অথবা স্থায়ীভাবে সম্পূর্ণ পঙ্গুত্বে আর্থিক ক্ষতিপূরণের নিশ্চয়তা প্রদান করা হয়।



ডেল্টা লাইফ ইনসিওরেন্স কোম্পানী লিমিটেড

ডেল্টা লাইফ টাওয়ার, প্লট-৩৭, রোড-৯০, গুলশান সার্কেল-২, ঢাকা-১২১২

ফোন : ০৯৬১ ৩৬৬৬০০০, ৮৮২৩৩২২ ফ্যাক্স : ৮৮-০২-৯৮৯৯৬০৫

কাস্টমার কেয়ার ইউনিট: ০৯৬১৩ ৬৬৬ ৯৯৯, ০১৭১ ৩৩৬ ১১০০, ০১৭১ ৩৩৬ ১১৯৯

ডেল্টা জীবন : সমৃদ্ধ জীবন



MESSAGE FROM THE CHAIRMAN



Dear Shareholders,
Assalamu Alaikum,

It gives me immense pleasure in welcoming you all to the 33rd Annual General Meeting of Delta Life Insurance Company Limited.

The Annual General Meeting (AGM) is a valuable opportunity for shareholders to communicate with the Board and together review the performance of the Company in 2018 and discuss our strategies to increase policyholders and shareholders values.

Over the years, our corporate culture has developed to helping people sustain the quality of their lives. Our Corporate culture is what motivates us

at Delta Life to think, work hard, innovate and create service with improvements in service delivery of our insurance products of high value at low cost. We provide a safety net for all income groups in Bangladesh, irrespective of cast, creed or religion, be he/she a high net-worth person in the city or a farmer in the remotest village of rural Bangladesh.

For a business that has navigated technology change over the last five years, the ups and downs of short-term economic cycles become insignificant blips in the broader sweep of history. We believe in our Company's ability to sustain its superior revenue growth and profitability in the longer term.



Your company is on rock solid ground to keep on operating for years with efficiency and empathy for policy holders, our workforce and our shareholders. The new technologies we have built will not only improve services for our policyholders but will allow our Company to improve internal controls to avoid risks of defalcations or mistakes in the records of the Company. Data handling will become easier and policy holders will get correct information swiftly on mobiles.

As enterprises become more technology-defined, the workforce require more knowledge, understanding and how to use the technology. We have initiated a training and skill development course for our entire field workforce in a big way.

Brands take a long time to build and are an outcome of how we conduct ourselves with our stakeholders. Our values guide us in everything we do and are core to the reputation for trust and integrity that we have built up over the decades. We have put in a drive to significantly upgrade the Delta Life brand to improve our policy services and penetrate the upscale urban market.

It is my pleasure to place the Annual Report of Delta Life Insurance Company Limited along with the Audited Financial Statements and Auditors' Report thereon for the year ended 31 December 2018.

Conclusion:

I conclude with sincere thanks to everyone who has contributed to our company in the year 2018, specially our policyholders and shareholders. I take this opportunity to give thanks to the Insurance Development and Regulatory Authority (IDRA), Registrar of Joint Stock Companies and Firms (RJSC), Bangladesh Securities and Exchange Commission (BSEC), Dhaka Stock Exchange Limited (DSE), Chittagong Stock Exchange Limited (CSE), the Central Depository of Bangladesh Limited (CDBL), Bangladesh Insurance Association (BIA), Bangladesh Association of Publicly Listed Companies (BAPLC) and the reporters of print and electronic media and other stakeholders who have supported the Company on its smooth journey.

I would also like to thank my colleagues in the Board of Delta Life, Management and entire team of staff for their dedication and commitment in ensuring the Company to meet its objectives even during challenging times.

Lt. Gen. M. Noor Uddin Khan, psc (Retd.)
Chairman
17 June, 2019

DIRECTORS' REPORT

Dear Shareholders,

The Board of Directors has the pleasure in presenting to the members their report together with the audited financial statements of the Company for the year ended on 31 December 2018.

The Board of Directors continued to focus on three key priorities in 2018: to have sustainable business growth through enhanced service proposition to customers, to engage with young population and position Insurance as a long-term rewarding career through continuous training and development programs, and to have a prudent investment philosophy mitigating the volatility risk, assessing right opportunities within permissible frame-work such that the benefits to our policyholders and shareholders are maximized. Delta Life has been able to steadfast considerably in each of these areas during the year 2018 and would continue to pursue them as ongoing initiatives.

This report has been prepared in compliance with section 184 of the Companies Act 1994 and Bangladesh Securities and Exchange Commission Notification Bo. BSEC/ CMRRCD/ 2006- 158/207/ Admin/ 80 dated 3 June 2018.

Principal Activities

The principal activities of the company continued growth of business by providing quality service to our policyholders and shareholders, to improve the efficiency and

performance ability of our agents and back office service providers, and to invest in an environment of rationalized risk management for maximizing the benefits to our policyholders and shareholders. Delta Life made a sustainable growth in the year 2018.

Insurance Industry outlook and possible future developments

Detail about Insurance industry outlook and possible future developments are discussed in the 'Insurance Industry outlook and possible future developments' on page 34 and 'Management discussion and analysis' on page 37 of this annual report.

Awards & Recognition

During the year 2018, Delta Life had the coveted distinction of being awarded as the "Best Customer Orientation Company in Life Insurance" at the Emerging Asia Awards, organized by Indian Chamber of Commerce.

Growth of Business

Being an integral part of the country's financial services industry, your Company had to witness and experiences various events like volatile interest rate, uncertain stock market and challenges of the banking industry. Each of these has a significant impact on our business. Growth in New Business is also dependent on the overall environment in the financial market besides the industry specific competition.



Your Company has always adhered to the policy of building trust with the Customers, and hence fairness and transparency in all our dealings. This helped us to continue on our growth journey and you will be happy to know that your Company posted a satisfactory growth in overall business – enhanced New Business Premium and Renewal Premium. The enthusiastic and passionate leadership team ensured this achievement through untiring efforts, dedication and commitment of all our field and office executives.

Highlights of our Operations

- i. Premium Income (Gross): During the year 2018, the first year life insurance premium collection was Tk.139.51 crore, against Tk.131.67 crore in the previous year, registering a growth of 5.95%. The Renewal Premium Collection grew by 3.60% and reached Tk.458.85 crore. Total Gross Premium income including Group and Health insurance witnessed a growth of 6.22% and rose to Tk.664.00 crore from Tk.625.10 crore the previous year.
- ii. Investment and other income: The year 2018 was an extremely challenging year with a volatile interest rate scenario and underperforming Capital Market. With a cautious and prudent approach, our total investment and other income was Tk.289.55 crore.
- iii. Total Income: With an increase in the total Gross Premium Income and stressed investment Income, the Company had a total Income of Tk.945.36 crore.
- iv. Yield on investment: Average rate of return on investment earned during the year 2018 was 8.12%.
- v. Total outgoings: Tk.739.27 crore; this includes payment to policyholders (claims etc.), commission and other allowances paid to development staff and officers, and management expenses.
- vi. Expenses: Management expenses increased to Tk.182.65 crore in 2018 from Tk. 171.35 crore in 2017, an increase of 6.60% amounting to Tk.11.30 crore. However, the expenses for the year 2018 are lower than the allowable limit prescribed by the Insurance Act. 2010.
- vii. Life insurance fund: The life insurance fund increased to Tk.3829.67 crore in 2018 from Tk.3674.22 crore in 2017, an increase of 4.23%.
- viii. Claims: Total Claims paid during the year increased to Tk. 556.62 crore from Tk. 533.74 crore in 2017, which is 4.29% more during the year.

Five Years' Financial Highlights

Amount in Crore Taka

Particulars	2018	2017	2016	2015	2014
First Year Premium	139.51	131.67	122.65	106.58	100.04
Renewal Premium	458.85	442.89	420.83	413.10	408.94
Group Life Insurance Premium	34.35	30.48	27.55	24.12	24.05
Group Health Insurance Premium	31.30	20.06	17.63	14.44	11.40
Gross Premium	664.00	625.10	588.66	558.24	544.43
Investment & other Income	289.55	345.41	291.13	312.79	303.49
Claims	556.62	533.74	488.72	424.60	394.66
Management Expenses					
a) Commission	91.57	85.83	88.39	80.43	79.05
b) Admin. Expenses	91.08	85.51	81.47	76.52	77.58
Total Management Expenses (a+b)	182.65	171.35	169.86	156.95	156.63
Assets	4473.89	4,388.42	4,065.31	3,850.64	3,771.42
Life Fund	3829.67	3,674.22	3,470.25	3,302.94	3,052.92
Claims to Premium (%)	83.83	85.38	83.02	76.06	72.49
Management Expenses to Premium (%)	27.51	27.41	28.86	28.12	28.77
Dividend on face value of share	26% Cash	25% Cash	20% Cash	18% Cash	20% Cash



Segment-wise operational result and capital employed based on the Financial Statements and Revenue Surplus are set out below:

	Amount in Taka ('000)	
	2018	2017
Ordinary Life		
- Premium Less Reinsurance	3,328,255	3,122,549
- Investment & other Income	2,007,343	2,365,824
Gono - Grameen Bima		
- Premium Less Reinsurance	2,644,425	2,617,361
- Investment & other Income	923,353	1,024,305
Group Insurance Business		
- Premium Less Reinsurance	585,417	435,143
- Other Income	2,769	1,904
Total Segment Revenue	9,491,562	9,567,086
Segment Results (Excess of Revenue over Expenditure) before tax & interest		
- Ordinary Life	1,289,866	1,613,101
- Gono - Grameen Bima	888,454	975,247
- Group Insurance Business	122,198	130,276
Total Segment Results	2,300,517	2,718,624
Add:/(Less): Un-allocable expenditure net of un-allocable Income	(223,113)	(206,398)
Total Revenue Surplus (Excess of Revenue over expenditure) before tax & dividend	2,077,404	2,512,226
Capital Employed (Segment Assets Less Liabilities)		
- Ordinary Life	26,576,878	25,674,566
- Gono - Grameen Bima	10,981,923	10,286,094
- Group Insurance Business	737,932	781,545
Total Capital Employed in Segments	38,296,734	36,742,205
Add: Unallocated Corporate Assets Less Corporate Liabilities	1,238,500	1,238,500
Total Capital Employed in Company	39,535,234	37,980,705

Notes on Segment information

- Instead of reporting separately Segment Assets and Liabilities, Capital Employed figures have been disclosed for an overall understanding of the Company's financial position
- Un-allocable expenditure, revenue, assets and liabilities are related to common service (not directly identifiable to the individual segments.)
- Un-allocable Corporate Assets Less Corporate Liabilities represents paid-up capital and dividend equalization reserve.



Capital Market Overview 2018

The most important event in capital market of Bangladesh in 2018 probably was the strategic partnership between DSE and a Chinese consortium of Shanghai and Shenzhen Stock exchanges. The consortium took 25% stake in DSE in exchange of USD 125 mn., valuing the exchange at USD 500 mn. The deal promised additional technical assistances worth USD 37 mn. The strategic partnership is expected to make significant contribution in improvement of local capital market.

Capital market of Bangladesh passed a challenging year in 2018. After posting a stellar return of 24% in 2017, broad index DSEX declined by 13.8% in 2018, wiping out USD 4.3 bn. of market capitalization (M cap). Average daily turnover amounted to USD 65.6 mn. down by 37.0% than that in 2017.

The market correction was largely driven by decline in financial sector scrip. In 2018, financial sector was adversely affected by rising interest rate and growing NPL problems which dominated its stock market performance. Financial composite which includes Bank, NBFI, and Insurance declined by 18.6% against overall market decline of 13.8%.

During the year, the highest value of Delta Life share was Tk.123.10 and the lowest price was Tk.95.60 and the closing price at the year-end was Tk.109.80. Delta Life market capitalization as on 31 December 2018 stood at Tk.1358.78 crore which represents 0.35% of the DSE total market capitalization.

Corporate and Financial Reporting Framework

In accordance with the Bangladesh Securities and Exchange Commission Code of Corporate Governance, BSEC/ CMRRCD/ 2006-158/ 207/ Admin/ 80 dated 3 June 2018; the Directors are pleased to confirm the following:

Risk and Concern

Our business may also be affected by risks

and uncertainties presently not known to us or that we currently believe to be immaterial. Details of risk factors and the determining ways of how to best handle such event are given on risk management strategies of this report.

Extra-Ordinary Events

No events of extra ordinary gain or loss occurred during the reporting period which would require adjustment or disclosure in the financial statements.

Related Party Transaction

Disclosure of all related party transactions, including basis for such transaction, has been provided.

Variance within the Financial Year

There was no event of significant variance between quarterly financial performances during the year under review.

Post Balance Sheet Events

There are no material events which have occurred after the balance sheet/reporting date, non disclosure of which could affect the ability of the users of these financial statements to make an appropriate evaluation.

Fairness of Financial Statements

The financial statements together with the notes thereon have been drawn up in conformity with the Companies Act 1994 and Securities and Exchange Rules 1987. These statements fairly present the company's state of affairs, the results of its operations, cash flow and changes in equity.

In compliance with the requirement of the Bangladesh Securities and Exchange Commission (BSEC) Corporate Governance Code dated 3 June 2018, Chief Executive Officer and Chief Financial Officer have given the declaration about the fairness of the financial statements which is shown on page 46 of the report.



Preparation of Financial Statements

The financial statements prepared by the management present fairly its state of affairs, the result of its operations, cash flows and changes in equity. These statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the ICAB in the name of Bangladesh Financial Reporting Standards (BFRS), the Securities and Exchange Rules 1987, Dhaka and Chittagong Stock Exchange's listing regulations and relevant rules & regulations applicable in Bangladesh.

The financial statements of 2018 have been reviewed by the Audit Committee of the Board of Directors of the Company and then referred to the Board of Directors for its consideration. The external auditors, M/s. M. J. Abedin & Co., Chartered Accountants appointed by the shareholders, have certified the fairness of the financial statements for the year ended 31 December 2018.

Maintaining proper books of account

Delta Life maintained proper books of account for its financial transactions occurred during 2018. The transactions are recorded as per guidelines stipulated by the Bangladesh Accounting Standard (BAS) and Bangladesh Financial Reporting Standards (BFRS) as applicable for the Company. The books of account have also been reviewed by the external auditors, M/s. M. J. Abedin & Co., Chartered Accountants with an opinion that proper books of accounts as required by the law have been properly maintained.

Appropriate Accounting policies

Appropriate accounting policies have been consistently applied in preparation of financial statements and that the accounting estimates are based on reasonable and prudent judgment.

Follow up of IAS & IFRS in preparation of financial statements

International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as applicable in Bangladesh have been

followed in preparation of financial statements.

Going concern

Going concern is one of the fundamental assumptions in accounting on the basis of which financial statements are prepared. Financial statements are prepared assuming that a business entity will continue to operate in the foreseeable future without the need or intention on the part of management to liquidate the entity or to significantly curtail its operational activities. Therefore, it is assumed that the entity will realize its assets and settle its obligations in the normal course of the business. It is the responsibility of the management of a company to determine whether the going concern assumption is appropriate in the preparation of financial statements. The management of Delta Life Insurance has calculated.

Events occurring after the reporting date

As at the date of this report, the Directors are not aware of any matter or circumstance that has arisen since the end of the year 2018 up to the date of approval of financial statements by the Board of Directors of the Company that has significantly affected or may significantly affect the operations of the Company, the results of its operations or its state of affairs. However, the only event is, "on 17 June 2019, the Board of Directors of the Company recommended 26 percent cash dividend" which is subject to approval of the shareholders in the next Annual General Meeting to be held on 24 July 2019.

Internal control & compliance

The Audit Committee, an assistive committee of the Board reviews the effectiveness of the system of internal controls and management, establish effective audit process and manage various risks. The internal audit function reporting to the Audit Committee operates independently of other aspects of the company's management structure. It continuously reviews the company's system of internal controls. These controls include



financial controls that assist the Board in meeting its responsibilities for the integrity and accuracy of the company's accounting records. The Company's financial statements, prepared from those records, comply with the required laws and standards. The system of internal control is sound in design and has been effectively implemented and monitored.

Statement of Directors' Responsibility to establish appropriate system of internal control

The Directors acknowledge their overall responsibility for the Company's systems of internal control for establishing efficiency, effectiveness, reliability, timeliness, completeness and compliance with the applicable laws and regulations. This process ensures that a system of internal control in accordance with the best financial reporting practice was in place throughout the year and up to the date of the signing of these financial statements. It also involved an assessment of the ongoing process for the identification, evaluation and management of individual risks and of the role of the various committees.

Statement of Directors' Responsibility on adequacy of the system of internal control

The Directors confirm that the Board through its committees has reviewed the effectiveness of the company's systems of internal control for the year ended 31 December 2018. The Board through the audit committee has supervised the policies and various parts of businesses to ensure an effective internal control system. The internal audit and control has been accomplished as per requirement of the Corporate Governance Code of Bangladesh Securities and Exchange Commission.

Corporate governance

Delta Life Insurance focuses on ethics, governance and transparency. We are committed to maintain full compliance with the laws, rules and regulations that govern our business. The main objective of Delta Life's corporate governance is to develop a

strong, sustainable and competitive company in the best interest of its policyholders, shareholders, stakeholders, employees, business associates and society at large. Successful value added business is profoundly dependent upon transparency, internal and external confidence and trust.

Compliance of the conditions of SEC's notification

In exercise of the power conferred by section 2CC of the Securities and Exchange Ordinance, 1969 (XVII of 1969), Bangladesh Securities and Exchange Commission (BSEC) issued notification no. SEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018 to comply with certain conditions for corporate governance. The notification was issued for establishing a framework for ensuring good governance practices in the listed companies for the interest of the investors and the capital market. A statement on the compliance with the SEC's conditions has been attached with the Annual Report with compliance certificate. Moreover, as per requirement of Bangladesh Securities & Exchange Commission, a certificate from professional Chartered Accountants has been obtained and attached with the annual report.

Protecting interest of minority shareholders

Delta Life is committed to protect the interest of minority shareholders of its subsidiary company. The subsidiary company is eventually fully owned considering direct and cross holding of shares except only six number of shares of DLIC Securities Limited is allocated to the name of senior management of the Company. As a result, no decision of the Company adversely affects the interest of any outsider.

Business ethics and Compliance

How we work is as important as what we do. Delta Life has a reputation for delivering innovation, performance and solutions. The key element to our long-term success is



something less tangible and less easily illustrated with figures. These are integrity and honesty in our business dealings, a factor that contributes to our long-term relationships with clients.

Dividend

Out of the surplus available for the shareholders as certified by the Actuary, the Board of Directors of the Company is pleased to recommend Cash Dividend at the rate of 26% or Tk. 2.60 per share of Tk.10.00 each of the paid-up capital of the Company amounting to Tk. 32,17,50,000.00 for the year 2018.

Pattern of Shareholding

The pattern of shareholding is provided in "Annexure-I" on page no. 33.

Corporate Governance Compliance Report

Delta Life Insurance Company Limited adheres to appropriate good Corporate Governance principles, as described on pages 47 to 57.

The Company also complied with all the requirements of Corporate Governance as required by the Bangladesh Securities and Exchange Commission. Accordingly, Corporate Governance Compliance checklist is shown in **Annexure-C** of this report.

Further in compliance with the requirement of the Bangladesh Securities and Exchange Commission (BSEC), Corporate Governance Code dated 3 June 2018, M/s. Artisan, Chartered Accountants in practice issued the Corporate Governance Compliance Certificate which is shown in **Annexure-B** of this report.

Contribution to the National Exchequer

Delta Life Insurance Company Limited regularly pays its direct and indirect tax obligations in time. Being one of the largest life insurers in the country, during the year under review, your Company paid Tk.37.85 crore to the National Exchequer in the form of

corporate Income tax, withholding tax and VAT from suppliers and service providers, supplementary and other duties/taxes.

Credit Rating

Delta Life Insurance Company Limited with its strong fundamentals as well as claims payment ability has achieved the highest credit rating award for the 4th consecutive years. Emerging Credit Rating reaffirms 'AAA' in its latest rating done based on the Company's performance. It is the first Life Insurer in Bangladesh to achieve this highest credit rating.

Statutory Payments

The Directors, to the best of their knowledge and belief, are satisfied that all statutory payments in relation to employees and the Government have been made to date.

Share Information

The distribution of shareholding and market value of shares are given in this report.

Human Resources and Staff Welfare

Delta Life Insurance Company Limited accords the highest priority to its human resource and staff welfare. The Company ensures a safe, healthy and congenial working environment for its employees. The Company has currently 2393 full time employees amongst them 526 are female employees.

Notably, the employees of the Company enjoy benefits of Contributory Provident Fund, Gratuity Scheme, Group and Health Life Insurance, Festival bonus and Incentive bonus too.

Compliance with Laws and Regulations

The Company was not engaged in any activities contravening the laws and regulations of Bangladesh as applicable to the life insurance companies. All those responsible for ensuring compliance with the provisions in various laws and regulations were able to do so within the stipulated time.

Subsidiary Operations



Delta Life Insurance Company Ltd. has a wholly owned subsidiary namely DLIC Securities Limited. Details of the business operation have been given in the later segment of this report.

Membership with BAPLC

Being a publicly listed company, Delta Life Insurance Company Limited has a membership with the Bangladesh Association of Publicly Listed Companies (BAPLC). A certificate of BAPLC membership has been included of this report.

Information Technology

For last couple of years, DLICL has focused on ramping up the technology infrastructure to bring in higher levels of operational efficiency, managing customer's expectations in the new era and simultaneously prepare the Company for long-term growth prospects through newer business avenues and innovative products and solutions.

DLICL has also revamped their website to give policyholder's an opportunity for Policy Enquiry at any point of the day, and the website is being further readied for Online Premium Payment. Your Company is also facilitating the field force through Mobile App where they can use it for transaction, information and learning purposes.

Internal Control

Delta Life has adequate system of internal controls for business processes, with regard to operations, financial reporting, compliance with applicable laws and regulations, etc. These internal controls and systems are devised as a part of the principles of good governance and are accordingly implemented within the framework of proper check and balances. Your Company ensures that a reasonably effective internal control framework operates throughout the organization, which provides assurance with regard to safeguarding the assets, reliability of financial and operational information. The Internal Audit department audits the system of internal controls to ensure they are sound and

operate effectively.

The segment-wise or product wise (Excluding DLIC Securities Ltd.) Performance

Segment-wise or product wise operational result and capital employed based on the Financial Statements is furnished of this report.

Management

The Company has an adequate number of professionals in line with its business volume with appropriate expertise. The members of the management team are qualified for the jobs they are doing and have been working in the insurance industry for a long time. They have participated in various on-job training programs, seminars and conferences both at home and abroad. Timely action and prudent managerial decisions have enabled the Company to withstand competition vis-a-vis other life insurers of the country and provide quality service to our valued policyholders and shareholders too.

Corporate Social Responsibilities

Delta Life Insurance Company Ltd. has always played its part in carrying out its Corporate Social Responsibilities. The Gono-Grameen Bima Division of the company provides a low cost insurance net to the poor of Bangladesh, primarily in the rural areas. During the year, the Company donated to some charities as part of its CSR program.

Auditors' Report

The Board of Directors reviewed the Auditors' Report issued by the Company's auditors M/s. M.J. Abedin & Co., Chartered Accountants based on the audited financial statements of the Company for the year ended on 31 December 2018. The auditors didn't raise any material misstatement or significant disagreement during review of the Company's financial statements.

Appointment of Auditors

a) M/s. M.J. ABEDIN & Co., Chartered



Accountants were the auditors of the Company for previous three consecutive years including 2018 shall retire in the 33rd Annual General Meeting and are not eligible for re-appointment as per the Bangladesh Securities and Exchange Commission (BSEC) order no. SEC/ CMRRCD/ 2009-193/ 104/ Admin dated 27 July 2011. The Company invited and received the proposals for appointment of the auditors of the Company for the year 2019. The Audit Committee of the Board scrutinized the proposals and recommended to appoint M/s. Hoda Vasi Chowdhury & Co., Chartered Accountants as the auditors of the Company for the year 2019. The Board of Directors endorsed the recommendation of the Audit Committee for appointment of M/s. Hoda Vasi Chowdhury & Co., Chartered Accountants as the auditors of the Company for the year 2019 which will be placed before the 33rd Annual General Meeting for shareholders' approval. Remuneration of the auditors will also be fixed by the shareholders in the said Annual General Meeting.

b) The Board also recommended appointment of corporate governance compliance auditors M/s. Artisan, Chartered Accountants for the year 2019.

Board of Directors

The Board of Directors of the Company comprises 9 (nine) members including 3 (three) Independent Directors. Names and profiles, including the nature of expertise in specific functional areas of the Directors of the Company are shown in the 'Directors' Profile' section of this report.

Appointment & Re-appointment of Directors

Lt. General M. Noor Uddin Khan, psc (Retd.) and Mr. Salahuddin Ahmad have been appointed as Independent Directors of the Company by the Board of Directors on 28 October 2018 and 22 November 2018 respectively for 3 (three) years and shall be placed for ratification of appointment by the shareholders in the 33rd Annual General

Meeting in compliance with the condition of the Corporate Governance Code issued by the Bangladesh Securities and Exchange Commission (BSEC) on 03 June 2018.

At the Annual General Meeting in every subsequent year one third (1/3rd) of the Directors who have been holding longest in office shall retire from the office according to the clause 95 & 96 of the Articles of Association (AOA) of the Company. The Company will follow the conditions and rotate the Directors as per laws.

Remuneration to Directors

This information is incorporated in the Notes to the financial statements with reference to the "Directors fees and remuneration in Annexure-III" figures concerning the Board of Directors including Independent Directors.

Board of Directors' and Committee Meetings and Attendance

During the year, the Board of Directors met eight times and the Audit Committee met six times.

The attendance record of the Directors is shown in 'Annexure-II' on page 30 of this report. The Directors who could not attend the meetings were granted leave of absence. As per Insurance regulations, the Company only pays a meeting fee to its Directors for attending the meeting.

Annual General Meeting

The 33rd Annual General Meeting of the Company will be held on 24th July 2019 at Delta Life Tower (13th Floor), Plot # 37, Road # 90, Gulshan Circle-2, Dhaka-1212 at 10:30 a.m. and in this connection Directors' Report and financial statements were approved in the Board Meeting held on 17th June 2019 for presentation to the shareholders.

Outlook for the year 2019

Continuing with the priorities of last year, the Company in 2019 has stepped up its efforts to be positioned as a Digital player with focus on



introducing customer-friendly easy to access product for ONLINE SALES. Being close to the Customer with an ear to listen always, your Company is also spreading its presence on the Social-media platform, which will also help create awareness about the benefits of life insurance and break the myth among common people. Harnessing the potential of the youth of the country by providing income opportunities is another focus area where your Company shall contribute in the Nation's agenda of providing career opportunity for educated youth. With a continued focus on skill-development and knowledge building, the Company is geared up for the future.

As an industry leader, your Company has always maintained to consolidate its position as an insurer of repute with high standards of Corporate Governance, Regulatory Compliance and Customer Satisfaction. The responsibilities of providing the right, most appropriate solution to the Customer is what makes us innovate on new product ideas, and be ahead of the Competitors.

Your Company is confident to consolidate its activities in a manner which enables the desired growth across all business parameters during the year 2019. The first few months have witnessed encouraging results of being able to maintain a sustainable growth, and as we move forward the business momentum shall accelerate at a higher rate, and that shall ensure that we register a growth rate higher than the previous years.

Appreciation

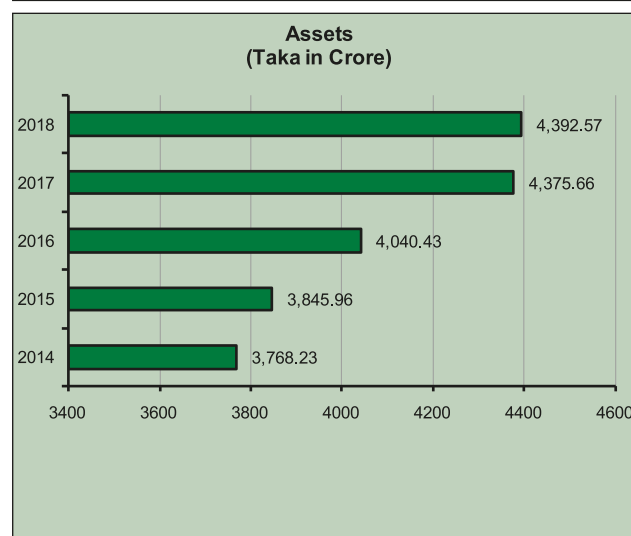
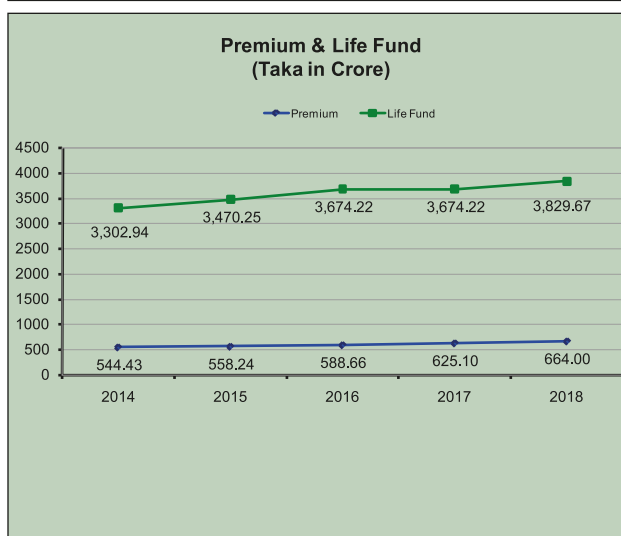
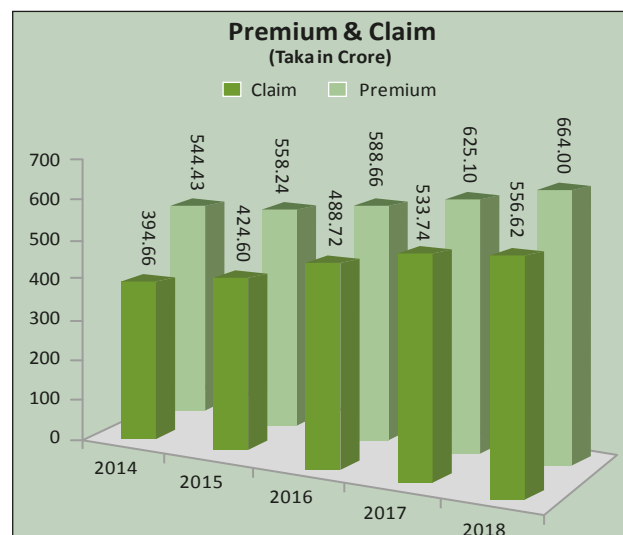
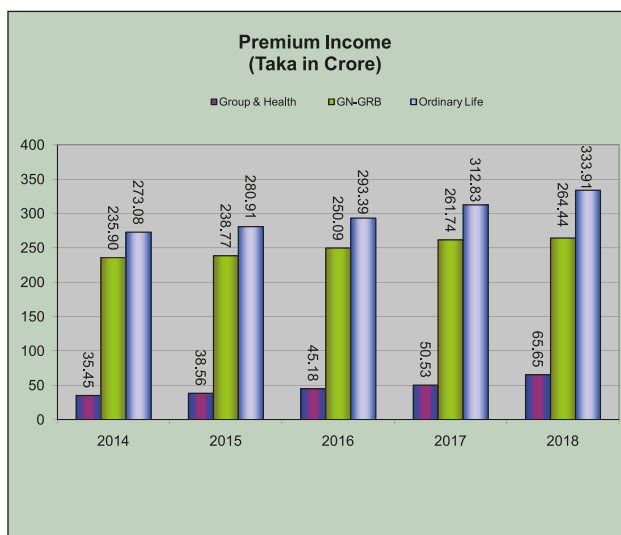
The Board of Directors firmly believes that Delta Life Insurance has the necessary strengths, resources and commitments to enable the Company to grow and further its contribution to the economy of Bangladesh. On this occasion, the Board of Directors extend its sincere thanks to the honorable shareholders, valued policyholders, the office of the Insurance Development and Regulatory Authority (IDRA), Registrar of Joint Stock Companies and Firms (RJSC), Bangladesh Securities and Exchange Commission (BSEC), Dhaka and Chittagong Stock Exchanges and the Central Depository Bangladesh Limited (CDBL) and other regulatory authorities for their guidance and support to the Company and the co-operation extended by the Auditors, and the devoted efforts put by the Company's Employees to uphold the Company's performance.

For and on behalf of the Board of Directors.

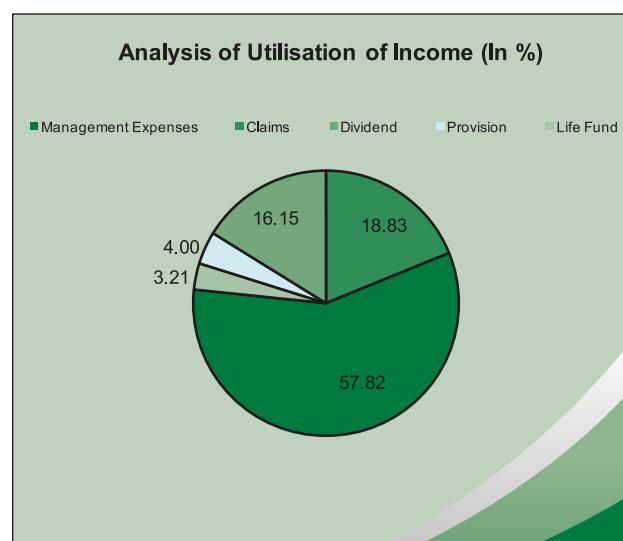
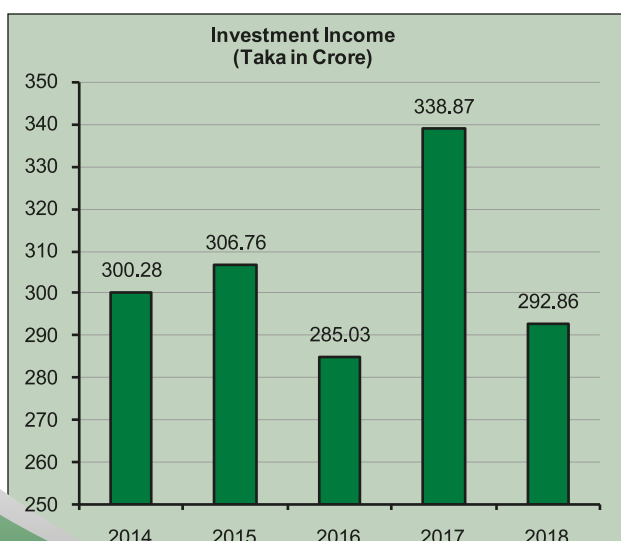
Lt. Gen. M. Noor Uddin Khan, psc (Retd.)
Chairman



GRAPHICAL PRESENTATION OF BUSINESS PERFORMANCE



GRAPHICAL PRESENTATION OF INVESTMENT INCOME & ITS UTILISATION





ANNEXURE-II

Board of Directors' Meeting & Attendance

During the year under reporting a total 8 (eight) Meetings of the Board of Directors were held and the attendances of the Members are presented below:

Name of Directors	Total meetings held	Meetings attended in person/ alternates	Changes during 2018	
			Date of Acceptance by the Board	
			Joining	Resignation
Lt. Gen. M. Noor Uddin Khan, psc (Retd.) Chairman Independent Director	8	2	28/10/2018	-
Mr. Monzurur Rahman	8	8	-	-
Mr. Zeyad Rahman	8	7	-	-
Mrs. Suraiya Rahman	8	7	-	-
Mrs. Saika Rahman	8	3	-	-
Ms. Anika Rahman	8	5	-	21/06/2018
Mr. Nizamul Hoque	8	5	-	21/06/2018
Mr. Saif Khondoker	8	5		-
Mr. Mohammad Shams-Ul Islam (Nominee of Agrani Equity and Investment Limited)	8	2	23/04/2018	-
Mr. Aziz Ahmed FCA, CISA (USA) Independent Director	8	5	-	On 28/10/2018 completed two tenures as Independent Director
Mr. Kazi Fazlur Rahman Independent Director	8	6	-	-
Mr. M. Anisul Haque FCMA Independent Director	8	6	-	On 22/11/2018 completed two tenures as Independent Director
Mr. Salahuddin Ahmad Independent Director	8	1	22/11/2018	-



Audit Committee Meetings & Attendance

During the year under reporting a total 6 (six) Meetings of the Audit Committee were held and the attendance of the Members is presented below:

Name of Directors	Total meetings held	Meetings attended	Changes during 2018	
			Date of acceptance by the Board	
			Joining	Resignation
Mr. Salahuddin Ahmad <i>Independent Director Chairman</i>	6	-	22/11/2018	-
Mr. Aziz Ahmed FCA, CISA (USA) <i>Independent Director</i>	6	4	-	28/10/2018
Mr. Zeyad Rahman <i>Member</i>	6	6	-	-
Mr. M. Anisul Haque FCMA <i>Independent Director</i>	6	5	-	22/11/2018
Mr. Saif Khondoker <i>Member</i>	6	-	22/11/2018	-

Nomination and Remuneration Committee (NRC) Meeting and Attendance

During the year under reporting a Nomination and Remuneration Committee (NRC) was formed on November 22, 2018.



ANNEXURE-III

Directors' Fees and Remuneration

The statements of fees and remuneration paid to the Directors during the year under reporting are noted below:

Name of Directors	Board		Audit Committee		Total Fees Paid (Tk.)
	Attendance	Fees (Tk.)	Attendance	Fees (Tk.)	
Lt. Gen. M. Noor Uddin Khan, psc (Retd.) <i>Independent Director</i> Chairman	2	16000/-	-	-	16,000/-
Mr. Monzurur Rahman	8	52000/-	-	-	52,000/-
Mr. Zeyad Rahman	7	47000/-	6	42000/-	89,000/-
Mrs. Suraiya Rahman	7	44000/-	-	-	44,000/-
Mrs. Saika Rahman	3	18000/-	-	-	18,000/-
Ms. Anika Rahman	5	28000/-	-	-	28,000/-
Mr. Nizamul Hoque	5	28000/-	-	-	28,000/-
Mr. Saif Khondoker	5	34000/-	-	-	34,000/-
Mr. Mohammad Shams-UI Islam (Nominee of Agrani Equity and Investment Limited)	2	13000/-	-	-	13,000/-
Mr. Aziz Ahmed FCA, CISA (USA) <i>Independent Director</i>	5	31000/-	4	29000/-	60,000/-
Mr. Kazi Fazlur Rahman <i>Independent Director</i>	6	39000/-	-	-	39,000/-
Mr. M. Anisul Haque FCMA <i>Independent Director</i>	6	36000/-	5	34000/-	70,000/-
Mr. Salahuddin Ahmad <i>Independent Director</i>	1	8000/-	-	-	8,000/-



ANNEXURE-I

The pattern of Shareholding

Name of shareholders	Status	Shares Held at 31 Dec'18	Percentage (%)
(i) Parent/Subsidiary/Associate Companies			
None			
(ii) Directors, CEO, CS, CFO, HIAC and their spouses and minor children			
Lt. Gen. M. Noor Uddin Khan, psc (Retd.)	Chairman Independent Director	-	-
Mr. Monzurur Rahman	Director	3,495,937	2.82
Mr. Salahuddin Ahmad	Independent Director	-	-
Mr. Kazi Fazlur Rahman	Independent Director	49,500	0.04
Mrs. Suraiya Rahman	Director	7,836,499	6.33
Mr. Mohammad Shams-Ul Islam (Nominee of Agrani Equity & Investment Limited)	Director	4,070,766	3.29
Mr. Zeyad Rahman	Director	4,202,549	3.40
Mr. Saif Khondoker	Director	3,423,487	2.77
Mrs. Saika Rahman	Director	4,203,374	3.40
Mrs. Adeeba Rahman, ACII (UK)	CEO	4,218,225	3.41
Mr. Nizamul Hoque	H/o. CEO	41,250	0.03
(iii) Executives			
None			
(iv) Shareholders Holding Ten Percent (10%) or More Voting Interest			
None			

The pattern of Shareholding in percentage:

- Sponsors & Directors : 42.05%
- Corporate Bodies : 22.56%
- General Investors : 35.39%





Insurance Industry Outlook And Possible Future Development

Bangladesh has emerged as one of the fastest growing economy in the world, and a stable political environment is poised to attract more domestic and foreign investment which shall further fuel the economic growth. Moving from Agricultural dependent economy to Industrial and Service Sector driven growth, Bangladesh has fairly young population with 34% aged 15 and younger, and just 5% aged 65 and older.

As Bangladesh's economy expands, so will its need to fund infrastructure projects. Wide health and pension coverage would prevent many people from falling into the poverty trap. This is particularly relevant for women who have lower levels of income and a higher average life expectancy, and are consequently at a higher risk of being destitute when they are old.

The role of insurance in managing risks in an economy cannot be overstated. On a micro scale, it safeguards households and companies from a myriad of risks. On a larger scale, it reduces the financial burden on a government and creates a stable environment in which businesses can thrive and succeed. Within Bangladesh's insurance sector, life insurance constitutes a 73.5% share of its insurance market and non-life insurance a 26.5% share. Micro-insurance and Islamic Insurance (Takaful) are also a part of Bangladesh's insurance sector. Globally, Bangladesh ranks 86th out of 88 countries in terms of its premium per capita (US dollars) and 85th out of 88 countries in terms of its premium as a percentage of its GDP.

Bangladesh's life insurance penetration rate is currently at 0.18% which provides a huge opportunity, considering the penetration in other developing economy like Vietnam is 0.7%, Indonesia is 1.2% and Malaysia is 3.3%. However, personal Savings in Bangladesh increased to 5004.60 BDT Billion in 2017 from 4328.30 BDT Billion in 2016, which is a positive indicator. Gross domestic savings (% of GDP) in Bangladesh was reported at 25 % in 2016, according to the World Bank collection of development indicators, compiled from officially recognized sources. The significant improvement in the Claim Settlement Rate (Life Insurance Business) from 71.91% in 2009 to 90.77% in 2018 provides hope and opportunity. A dedicated focus on improving the second and third year Persistency for the industry as a whole shall help build trust and confidence amongst the Customers, who would then be able to experience the benefits of life insurance.

Health insurance in Bangladesh in both the private and public sector is virtually non-existent. The percentage of its GDP spent on health is only 2.64% the lowest in South Asia. Close to 9% of households pay huge healthcare payments, and 7% have to finance their healthcare costs by selling their assets.

Bangladesh's macroeconomic trends show that potential growth in the insurance sector is possible, especially since Asia in general is expected to see unprecedented growth with over a quarter of global primary insurance premiums likely to be generated from the region. The region is set to represent a large share of overall



life insurance premiums between 2016 and 2025, rising from 11.6% to 21.7%. Bangladesh is poised to capture some of this growth. According to a report published by the Boston Consulting Group (2015), three out of five cities in Bangladesh will see the emergence of more than 100,000 people in the middle and wealthy classes in the upcoming decade.

Bank assurance (a partnership between an insurance company and bank where the bank sells insurance products) presents growth opportunities in Bangladesh's Insurance sector and can result in mutual benefits for banks, insurers, customers and regulators.

Banks usually have the preexisting technological and human resources to provide the best customer services. Therefore, it is likely to be more convenient for customers to, for instance, pay premiums and withdraw cash backed by life insurance policies from their banks' ATMs.

On the regulatory side, financial institutions diversifying their product range may reduce systematic risk. In this scenario, insurers stand to benefit as well, as access to banks' various distribution channels could widen their market-reach without them having to create a network of agents. Selling a range of financial services to customers can be in banks' best interests since insurance products would give them a stable source of income.

Globally, the insurance sector has been undergoing digitization and platforms are being created to optimize customer

service and streamline processes.

One of the ways the insurance sector can contribute towards giving a boost to Bangladesh's economy is via the development of its funding infrastructure. Infrastructure development requires long-term investments and insurance companies tend to make such investments. This synergy is leveraged by other countries where it is mandatory for pension funds to allocate a part of their funds to make investments in infrastructure.

Fundamental macroeconomic indicators including GDP growth, unemployment and foreign direct investment (FDI) could be strengthened by a robust insurance sector, which can promote growth by providing guaranteed access to liquidity via insurance coverage. And if increased savings are channeled to various financial savings instruments including insurance, capital markets stand to benefit greatly. A flourishing capital market contributes significantly to a country's growth. Additionally, a resilient insurance sector can help to curb unemployment. Provided there is adequate training and education, young graduates will be able to find various career opportunities in the insurance sector. FDI, yet another central concern for a developing country, is also likely to be boosted by regulatory reform relating to solvency and risk management. In such an environment, financial stability, enabled by a strong insurance sector, should increase investors' confidence and attract substantial international investment.



Congratulations

to

Adeeba Rahman ACII (UK)
Chief Executive Officer



For being Awarded as

WOMEN IN INSURANCE LEADERSHIP

At "Emerging Asia Insurance Awards"
at Bangkok on 14th June, 2019.

Best Wishes

Members of The Board of Directors



Delta Life
Insurance Company
LIMITED



Management Discussion and Analysis from CEO's Desk

2018 Overview

Delta Life Insurance Company Limited has been in Life and Health Insurance Business for more than three decades, and has been serving the cross-section of society through its pioneer micro-insurance schemes and catering to the urban population through dedicated field force. Over the years, the Company has participated in the overall development of the country, and has redefined its products and business models as per the changing needs of the Customer.

The Company's business operations is focused on providing right solutions with superior service to the Customers, enabling the field force through continuous learning and development, and ensuring best returns to the policyholders' and shareholders.

During the year 2018, the Company has been able to move forward in the following areas which shall help

determine a faster growth path in the future:

New Agent Recruitment:

Continuous inflow of new Agents is the primary need of this business and the Company has been able to introduce more than 1800 Agents during the year. With a designed Career Program and focus on New Recruitment, Delta Life promises to provide a consistent income earning opportunity for each of the new recruits.

Higher Protection for Client:

With the increasing cost of living, estimating future expenses to Children Education and other life events has become critical and important for each human-being. Delta Life has been advocating the need for higher risk-cover for Clients, which shall provide enhanced protection for their families in case of an eventuality, and shall ensure better benefits at the time of maturity. In 2018, Delta Life has been able to provide in



excess of 15% higher coverage to the Clients through proper counseling and helping them understand the need.

Higher Agent Productivity:

Agents are the central force in this business and hence it is important that Agent's Productivity continue to increase at a level which keeps them motivated and interested in the business. With persistent focus on the high vintage and new agents, we have been able to witness more than 10% increase in Agent Productivity during the year. This is an area of continuous focus and we shall pursue it for further enhancement.

Training & Development:

Life Insurance Industry is an integral part of the financial services industry and it is very important to have an educated and informed sales team which is interacting with the Customers. Delta Life focused on knowledge-based training and skill-based training for different segment of Agents and Officers. The Company engaged expert professionals to impart these training programs and have a plan to spread these programs to cover maximum development staff.

Enhanced Customer Service:

Delta Life has always been a customer-centric organization and efforts to reach out to Customers in various ways has always been there. With the help of technology, Delta Life has been able to provide status of policies through the Website on a real-time basis. Along with that the Company has introduced a dedicated number as ANYTIME HELPLINE where the Customer queries can be registered and solved in the minimum possible time. SMS on every transaction and SMS based alert for renewal due etc. are some of the facilities which has been

introduced for the benefit of the Customers.

Global Economy 2018

Economic growth accelerated in more than half the world's economies in 2018. Advanced economies expanded at a steady pace of 2.3 percent in 2018, and growth rates in many have risen close to their potential, while unemployment rates in several developed economies have dropped to historical lows. Among the developing economies, the regions of South Asia remained on a relatively strong growth trajectory, expanding by 5.6 percent in 2018. Many commodity exporting countries, notably fuel exporters, are continuing a gradual recovery, although they remain exposed to volatile prices. Global economic growth remained at steady 3.7 percent in 2018. Economic activity at the global level is expected to expand at a solid pace of more than 3 percent in 2019. The growth in global industrial production and merchandise trade volumes has been tapering since the beginning of 2018, especially in trade-intensive capital and intermediate goods sectors.

Particulars	2017	2018	2019	2020
World Output	3.8	3.7	3.5	3.6
Advanced Economies	2.4	2.3	2.0	1.7
Emerging market and Developing Economies	4.7	4.6	4.5	4.9

World Economic Outlook, IMF January 2019

IMF forecasted that weakness in the second half of 2018 will carry over to coming quarters, with global growth projected to decline to 3.5 percent in 2019 before picking up slightly to 3.6 percent in 2020. This growth pattern reflects a persistent decline in the growth rate of advanced economies. From the trend levels reflected above it appears that downtrend occurring more rapidly than



previously anticipated-together with a temporary decline in the growth rate for emerging market and developing economies in 2019, suggesting contractions in few countries like Argentina and Turkey, as well as the impact of trade actions on China and other Asian economies. Specifically, growth in advanced economies is projected to slow from an estimated 2.3 percent in 2018 to 2.0 percent in 2019 and 1.7 percent in 2020.

Bangladesh Economy

Bangladesh reached lower - middle - income status on the strength of an annual economic growth rate of 6 percent and above during last five years and more. The consistent growth was achieved mainly by a rise in readymade garment exports, overseas workers' remittances, and domestic consumption.

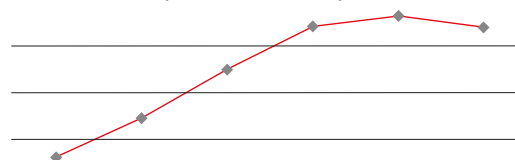
Economic growth in 2018 was mainly driven by strong domestic demand with support from robust credit growth, export and remittance inflows, Government expenditure supported by domestic consumption and investments. Buyers' confidence in the RMG industry underpinned by improving workplace safety conditions and external demand including strong US growth momentum and diversification of RMG orders away from China aided exports can be attributed for the trend. Improved energy supply and political calmness also supported economic activities. In terms of sector based performance, monthly industrial production indices suggest strong growth in first half of 2019. The service and agricultural sector activities to remain buoyant in 2019 supported with relatively political stability. Based on the recent economic trends and econometric estimates, Bangladesh Bank projected GDP growth in the range of 7.5-8.2 for

FY2019 assuming continued political stability and no external shocks.

FY (Jul-Jun)	GDP Growth (%)
2011-12	6.52
2012-13	6.01
2013-14	6.06
2014-15	6.55
2015-16	7.11
2016-17	7.28
2017-18	7.86

Foreign Exchange Reserve

(USD in million)



Foreign exchange reserves have grown fast to a level generally deemed as adequate, but not yet to a level that could be viewed as excessive seen against those of other developing economy competitors. Foreign exchange reserves held by the Bangladesh Bank stood at US\$ 32,016 million at the end of December 2018 while it was US\$ 33,227 million in December 2017. Foreign exchange reserves decreased due to weak/less remittance flow in 2018 and high import payments.

Overview of the Insurance Industry

Bangladesh's life insurance penetration rate is currently at 0.18% which provides a huge opportunity, considering the penetration in other developing economy like Vietnam is 0.7%, Indonesia is 1.2% and Malaysia is 3.3%. However, personal Savings in Bangladesh increased to 5004.60 BDT Billion in 2017 from 4328.30 BDT Billion in 2016, which is a positive indicator. Gross domestic savings (% of GDP) in Bangladesh was reported at 25% in 2016, according to the World Bank collection of development indicators, compiled from officially recognized



sources. The significant improvement in the Claim Settlement Rate (Life Insurance Business) from 71.91% in 2009 to 90.77% in 2018 provides hope and opportunity. A dedicated focus on improving the second and third year Persistency for the industry as a whole shall help build trust and confidence amongst the Customers, who would then be able to experience the benefits of life insurance.

Health insurance in Bangladesh in both the private and public sector is virtually non-existent. The percentage of its GDP spent on health is only 2.64% the lowest in South Asia. Close to 9% of households pay huge healthcare payments, and 7% have to finance their healthcare costs by selling their assets.

Pursuant to the Corporate Governance Code, 2018 the management of Delta Life Insurance has prepared the following analysis:

Accounting policies and estimation for preparation of financial statements

The financial statements have been prepared on a going concern basis. The preparation and presentation of the financial statements and the disclosure of information have been made in conformity with International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS), the Companies Act 1994, the Financial Institutions Act 1993, Securities and Exchange Rules 1987, the listing rules of Dhaka and Chittagong Stock Exchanges and other applicable laws & regulations in Bangladesh. Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.

Comparative analysis of financial performance

2018 has been a year filled with lot of activities, learnings, new experiences, and opportunities and at the same time witnessing challenges specific to the industry and also on an overall basis. Delta Life, though a first generation life insurance company, has always been agile and vigilant and hence it's much easier to identify the opportunities early and prepare for challenging times in a better manner. Delta Life currently has a network of 52 Customer Servicing Centres which cater to our urban and rural customers; along with that we have around 768 Point of Sales which is spread across Bangladesh to support the development team. A team of more than 16,000 licensed and qualified Financial Associates help the Customers to understand the benefits of life insurance, assist them in making an informed decision to buy insurance and thereafter render continuous service to the Customers for the complete policy tenure. We have been focused upon giving Career Opportunity to the new generation and Delta Life was able to recruit about 2000 new agents during the year. Our Agents' Earnings are in excess of Tk 10000 on a monthly basis for Ordinary Life, and we have taken initiatives for training and development such that the average earning increases further and insurance as a Career becomes attractive to the young educated youth.

Currently, the Company is servicing more than 18 lakh policyholders, and have empowered the Customers through technology-enabled solutions like SMS facility, Online Policy Enquiry, Anytime Helpline. Dedicated team of 2300 employees and 268 development people ensure that right from the point of



acquisition to the completion of policy term, the Customer is attended to in the most professional manner and he experiences prompt and satisfactory service from Delta Life.

With a total Premium Income of Tk.664 Cr, the Company continued to follow the growth trajectory in spite of challenging external environment. First Year Premium Income rose to Tk.139.51 Cr, and the Renewal Premium Income was Tk.458.85 Cr. The Company garnered Tk.65.65 Cr in Group & Health Insurance, which witnessed a growth of 29.9%. Our endeavour to fulfil our commitment to the Customers in terms of Claims Payment ensured that we were able to make a total Claim Payment of Tk.556.62 Cr against Tk.533.74 Cr last year. Working in a tightly controlled environment of managing expenses within the permissible limits, the Company ensured a growth in the Life Fund which stood at Tk.3829.67 Cr.

Risk and concerns

The Company always concentrates on delivering high value to its stakeholders through appropriate tradeoff between risk and return. A well - structured and proactive risk management system is in place within the Company to address the risks relating to day to day operations.

Future plan

Delta Life is fully geared up to continue on the growth journey at a faster pace, and introduce newer avenues like Online Sales and Social Media platform for engaging with Customers in a convenient way. The Company is also introducing newer products and solutions for the Customers whose needs are varied and hence requires customized solutions. The Company has been successful in servicing the Corporate Clients for both Group and Health Insurance, and is now focusing on

addressing wider areas in Employee Benefits side where more innovative products and flexibility shall be offered soon.

Delta Life and its team has started the year 2019 on a positive and encouraging note and confident of maintaining its leadership position across all business parameters. The Management is committed to maximize the return to its policyholders and valued shareholders in line with previous years.

Going Forward

Considering the overall situation, we intend to achieve cautious and healthy growth in earnings in the following year as the political situation is expected to improve in upcoming days. However, we intend to pick up pace in the medium term future by leveraging the opportunities of the country's growing economy. Given the well-tested management excellence, goodwill of the company, relationship with the policyholders, shareholders and stakeholders, we are well positioned to reap the benefits from such prospects.

Adeeba Rahman ACII (UK)
Chief Executive Officer



REPORT ON CORPORATE GOVERNANCE

The company believes in adopting the best practices in the area of Corporate Governance and follows the principles of transparency and accountability, thereby protecting the interests of its stakeholders. The Board considers itself a trustee of all shareholders and acknowledges its responsibilities to the shareholders for creating and safeguarding their assets.

During the year under review, the Board continued its pursuit of achieving these objectives through adopting and monitoring corporate strategies, prudent business plans, monitoring major risks of the Company's business and ensuring that the Company pursues policies and procedures to satisfy its legal and ethical responsibilities.

The Board also believes that a good corporate reputation is a valuable asset of a company. It is directly linked to uncompromising compliance with applicable laws, regulations and internal guidelines. Compliance is thus a central pillar of Delta Life management and corporate culture and, at the same time, an integral part of all of its business processes. The Board of Directors ensures that the activities of the company are always conducted in accordance with the highest ethical standards to the best interest of all stakeholders and also to the preservation of the environment.

Board Composition

The Board comprises nine members including three Independent Directors having diverse professional expertise and experiences. The Directors are from varied businesses and other backgrounds and their long and rich experiences enable them to execute independent judgments on the Board where their views carry substantial weight in the decision making. They contribute to the company's strategy and

policy formulation in addition to maintaining its performance as well as its executive management. The profiles of Board members are incorporated in pages 9 to 11.

Responsibilities of the Board

The Board is collectively accountable to the company's shareholders as laid down in its Articles of Association and the relevant laws and Regulations. The company Secretary is accountable to the Board for ensuring that the Board procedures are followed and that applicable rules and regulations are complied with.

Chairman and Chief Executive Officer

The Chairman is responsible for the leadership of the Board, for ensuring its effectiveness in all aspects of its role and also for facilitating the productive contribution of all Directors.

The Chief Executive Officer has overall responsibility for ensuring and enhancing the performance of the company's business. She provides leadership to the company to ensure the successful planning and execution of the objectives and strategies.

In compliance with the requirement of the Bangladesh Securities and Exchange Commission (BSEC) Code, the roles of Chairman and the Chief Executive Officer have been clearly defined by the Board of Directors.

Independent Director

The company has complied with the notification of the Bangladesh Securities and Exchange Commission Corporate Governance Code with regard to composition of the Board.

Lt. Gen. M. Noor Uddin Khan, psc (Retd.), Mr. Salahuddin Ahmad and Mr. Kazi Fazlur Rahman being the Independent Directors of



the Company, they are free from any business or other relationships with the company that might materially interfere with or affect the exercise of their independent judgment.

The Board believes their experience and knowledge will enable them to provide both effective and constructive contribution to the company.

Board Meetings

The Board meets regularly to discharge its duties effectively. Eight Board meetings were held during the year 2018 and the gap between two meetings did not exceed three months. The Annexure-II shows the attendance record for the Board meetings held during the year.

Board Committees

The Board has established two Board Committees to which it has delegated some of its responsibilities as per the Bangladesh Securities and Exchange Commission (BSEC) Corporate Governance Code. They were the Audit Committee and the Nomination and Remuneration Committee (NRC). The Nomination and Remuneration Committee (NRC) was formed on 22 November 2018 in compliance with the Bangladesh Securities and Exchange Commission corporate governance code 2018.

Audit Committee

The company's control mechanism is overseen by the Board's Audit Committee which comprises three members including one Independent Director of the Company.

Independent Director Mr. Salahuddin Ahmad is the Chairman of the Audit Committee. His long career with multinational company as well as extensive experience as a practicing Lawyer has been a great benefit to the Company.

The committee's role is to ensure and maintain a direct link between the Board and the internal and external audit

functions of the Company.

Nomination and Remuneration Committee (NRC)

In accordance with the condition no. 6 of Bangladesh Securities and Exchange Commission's Code of Corporate Governance, BSEC/ CMRRCD/ 2006 - 158/ 207/ Admin/ 80 dated 3 June 2018, a Nomination and Remuneration Committee (NRC) was formed on 22 November 2018 as a sub-committee under the Board. The committee consists of the following members:

- Mr. Salahuddin Ahmad, Chairman
- Mr. Zeyad Rahman, Member
- Mr. Saif Khondoker, Member

Reporting by the Committees to the Board

Each committee regularly reports on their work to the Board. As a minimum, the report includes a summary of the matters addressed and the measures undertaken by the committee.

Management Committee

The Management Committee is entrusted with the day-to-day management of the company. The Management Committee is chaired by the Chief Executive Officer and comprises twenty seven key senior and mid level executives. The Management Committee, as the Company's management body, is committed to serving the interests of the Company and achieving sustainable growth in company value.

Financial Reporting and Transparency

Financial statements have been prepared in line with the International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS). Financial data is circulated as appropriate within and outside the organization.

The timely publication of quarterly,



half-yearly and annual financial statements with comprehensive details beyond the statutory requirements has been a salient feature of the financial reporting system. The financial statements included in this annual report have been audited by M/s. M.J. ABEDIN & Co., Chartered Accountants.

Internal Controls

Management is responsible for instituting a system of internal controls to ensure the effective implementation of all policies and decisions of the Board.

The Board ensures that the Management maintains full and effective control of all significant strategic, financial, and organizational and compliance issues.

The Directors have delegated to the Management Committee the responsibility of establishing and implementing a system of internal control appropriate to the business environment in which it operates.

The company has an Internal Audit Department headed by the Head of Internal Audit & Compliance. The internal control system is maintained and reviewed by an internal audit function that operates throughout the company and reports to the Management and the Audit Committee. The work of the internal auditor is focused on the areas of risk to the company which is determined on the basis of a risk management approach to audit.

Compliance with the Law

Ethical business conduct and compliance with applicable laws and regulations are fundamental aspects of Delta Life Insurance Company Limited

Independent Corporate Compliance Auditor M/s. ARTISAN, Chartered Accountants were appointed by the Board to conduct Corporate Compliance Certification as per requirement of the Bangladesh Securities and Exchange Commission (BSEC).

Accordingly, M/s. ARTISAN, upon examination, issued a Compliance Certificate which has been shown in page 47 of the Annual Report.

Code of Ethics

The Board of Delta Life also established a separate 'Code of Conduct' for its Directors in compliance with the requirement of Bangladesh Securities and Exchange Commission (BSEC) notification.

Communication with Shareholders

The company encourages maintaining well communications with all shareholders throughout the year and welcomes their participation at the shareholders' meeting. Four times each year, Delta Life reports to its shareholders regarding its business and financial position.

Among other things, the Annual General Meeting decides adoption of annual audited statements, declaration of dividend, election of the Board members as per the Articles of Association of the Company and the appointment of the Auditors.

Quarterly/Half Yearly/Yearly Results

Shareholders are provided with Quarterly Financial Statements, Half Yearly Financial Statements and the Annual Report, which the company considers as its principal communication with them and the other stakeholders.

The quarterly and half yearly results of the company are published in the newspapers. Annual reports will be furnished in soft form to the shareholders and also send to the email addresses of the shareholders available in their beneficial owner (BO) accounts with the depository.

The company shall also print sufficient number of annual reports so that any



shareholder may collect the printed copy of the annual report from the registered office of the company or its Investors' Relation Department or from the AGM venue.

The reports are also available on the company's website-www.deltalife.org.

Company's Corporate Website

The company's website is a comprehensive reference on Delta Life's management, vision, mission, value statement, investor relations, products, promotions and events. The section on **Investors' Corner** information serves to inform the

shareholders, by giving complete financial details, shareholding patterns, and corporate benefits and by providing answers to frequently asked questions.

Dematerialization of Shares as on 31 December 2018

The company's shares are compulsorily traded in dematerialized form and are available for trading on Central Depository Bangladesh Limited (CDBL). 11,02,54,677 Ordinary Shares of the company representing 89.09% of the company's share capital were in dematerialized form as on 31 December 2018.



DECLARATION ON FINANCIAL STATEMENTS BY CEO AND CFO

ANNEXURE – A

[As per condition No. 1(5) (xxvi)]

17 June 2019

The Board of Directors

Delta Life Insurance Company Limited

Subject: Declaration on Financial Statements for the year ended on 31st December 2018.

Dear Sir(s),

Pursuant to the condition No.1(5)(xxvi) imposed vide the Commission's Notification No.SEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 under section 2CC of the Securities and Exchange Ordinance 1969, we do hereby declare that:

- (1) The Financial Statements of Delta Life Insurance Company Limited for the year ended on 31 December 2018 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
- (2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- (3) The form and substance of transactions and the Company's state of affair have been reasonably and fairly presented in its financial statements;
- (4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- (5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- (6) The management's use of the going concern basis of accounting in preparing the financial statements in appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:

- (i) We have reviewed the financial statements for the year ended on 31 December 2018 and that to the best of our knowledge and belief:
 - a) These statements do not contain any materially untrue statement or omit any material fact or certain statements that might be misleading;
 - b) These statements collectively present true and fair view of the Company's affair and are in compliance with existing accounting standards and applicable laws.
- (ii) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sayeed Ahmed, FCA, ACMA, CGMA
Additional Managing Director & CFO

Adeeba Rahman, ACII (UK)
Chief Executive Officer

**ANNEXURE –B****M/s. ARTISAN****Chartered Accountants****[Certificate as per condition No. 1(5) (xxvii) of Corporate Governance Code]****Report to the Shareholders of Delta Life Insurance Company Limited (the Company)
with compliance with Corporate Governance Code**

We have examined the compliance with Corporate Governance of Delta Life Insurance Company Limited for the year ended 31 December 2018. This code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 of Bangladesh Securities and Commission (BSEC).

Such compliance with Corporate Governance Code is the responsibility of the Company. Our examination is limited to the review of procedures and implementation thereof as adopted by the management of the Company for ensuring the compliance with the conditions of the corporate Governance Code.

This is a security and verification and an independent audit on compliance with the conditions of Corporate Governance Code as well as the provisions of Bangladesh Secretarial Standards as adopted by Institute of Chartered Secretaries of Bangladesh in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

We state that we have obtained all the information and explanations which we have required and after due scrutiny and verification thereof, we report that, in our opinion:

- (a) The Company has complied with the conditions of Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission;
- (b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards as adopted by the Institute of Chartered Secretaries of Bangladesh as required by this Code;
- (c) Proper books and records have been kept by the Company as required by the Companies Act 1994, laws and regulations of Bangladesh Securities and Exchange Commission and other relevant authorities; and
- (d) The Governance of the Company is satisfactory.



Dhaka

Dated, 17 June 2019

Md. Selim Reza FCA, FCS

Partner

ARTISAN

Chartered Accountants



Annexure – C

[As per condition No. 1(5) (xxvii)]

Status of compliance with the conditions imposed by the Commission's Notification No. SEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

(Report under Condition No. 9)

Condition No.	Title	Compliance Status (Put ✓ in the appropriate Column)		Remarks (if any)
		Complied	Not complied	
1. BOARD OF DIRECTORS:				
1(1)	Size of the Board of Directors: The total number of members of the company's Board of Directors shall not be less than 5 (five) and more than 20 (twenty)	✓		Board comprises 9 members including 3 independent Directors
1(2)	Independent Directors			
1(2) (a)	At least one fifth (1/5) of the total number of Directors shall be Independent Directors	✓		3 (three) Independent Directors namely: (1). Lt. Gen. M. Noor Uddin Khan, psc (Retd.), (2). Salahuddin Ahmad and (3). Kazi Fazlur Rahman
1(2)(b)	Independent Director means a Director			
1(2)(b)(i)	who either does not hold share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	✓		
1(2)(b)(ii)	who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or share holder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company;	✓		
1(2)(b)(iii)	who has not been an executive of the company in immediately preceding 2 (two) financial years;	✓		
1(2)(b)(iv)	who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	✓		
1(2)(b)(v)	who is not a member of TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	✓		
1(2)(b)(vi)	who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	✓		
1(2)(b)(vii)	who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this code;	✓		
1(2)(b)(viii)	who is not independent director in more than 5 (five) listed companies;	✓		
1(2)(b)(ix)	who has not been convicted by a court of competent jurisdiction as defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI); and	✓		
1(2)(b)(x)	who has not been convicted for a criminal offence involving moral turpitude;	✓		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate Column)		Remarks (if any)
		Complied	Not complied	
1(2)©	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM);	✓		Appointment of Lt. Gen. M. Noor Uddin Khan, psc (Retd.) and Salahuddin Ahmad will be placed before the 33rd AGM for approval
1(2)(d)	The post of independent director(s) cannot remain vacant for the more than 90 (ninety) days; and	✓		
1(2)(e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only;	✓		
1(3)	Qualification of Independent Director:			
1(3)(a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business;	✓		
1(3)(b)	Independent Director shall have following Qualifications:	✓		
1(3)(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk.100.00 million or any listed company or a member of any national or international chamber of commerce or business association; or			N/A
1(3)(b)(ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive Officer of Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid up capital of Tk. 100.00 million or of a listed company; or	✓		
1(3)(b)(iii)	Former official of government or statutory or autonomous of regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or law; or	✓		
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or	✓		
1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	✓		
1(3)(c)	The independent director shall have at least 10 (ten) years of experiences in any filed mentioned in clause (b);	✓		
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission,			N/A
1(4)	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer			
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director (MD) and /or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	✓		
1(4)(b)	The Managing Directors (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	✓		
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	✓		
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;	✓		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate Column)		Remarks (if any)
		Complied	Not complied	
1(4)(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as chairperson for that particular Board meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.			N/A
1(5)	The Directors' Report to Shareholders			
1(5)(i)	An industry outlook and possible future developments in the industry;	✓		
1(5)(ii)	The segment-wise or product-wise performance;	✓		
1(5)(iii)	Risk and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	✓		
1(5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	✓		
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);	✓		
1(5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	✓		
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments;			N/A
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc;			N/A
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performance and Annual Financial Statements;			N/A
1(5)(x)	A statement of remuneration paid to the directors including independent director;	✓		
1(5)(xi)	A statement that the Financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	✓		
1(5)(xii)	A statement that proper books of account of the issuer company have been maintained;	✓		
1(5)(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	✓		
1(5)(xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	✓		
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	✓		
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	✓		
1(5)(xvii)	A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	✓		
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;			N/A
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	✓		
1(5)(xx)	An explanation of the reasons if the issuer company has not declared dividend (cash or stock) for the years;			N/A



Condition No.	Title	Compliance Status (Put ✓ in the appropriate Column)		Remarks (if any)
		Complied	Not complied	
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	✓		
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each director;	✓		
1(5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by :-	✓		
1(5)(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details);	✓		
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details);	✓		
1(5)(xxiii)(c)	Executives; and	✓		
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details);	✓		
1(5)(xxiv)	In case of the appointment or reappointment of a director, a disclosure on the following information of the shareholders :-	✓		
1(5)(xxiv)(a)	A brief resume of the director;	✓		
1(5)(xxiv)(b)	Nature of his or her expertise in specific functional areas; and	✓		
1(5)(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the Board;	✓		
1(5)(xxv)	A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with brief discussion of changes in the financial statements, among others, focusing on :-	✓		Page no. 37
1(5)(xxv)(a)	Accounting policies and estimation for preparation of financial statements;	✓		
1(5)(xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;		N/A	
1(5)(xxv)(c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	✓		
1(5)(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	✓		
1(5)(xxv)(e)	Briefly explain the financial and economic scenario of the country and the globe;	✓		
1(5)(xxv)(f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	✓		
1(5)(xxv)(g)	Future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	✓		
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No.3(3) shall be disclosed as per Annexure-A; and	✓		Page no. 46
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C.	✓		
1(6)	Meetings of the Board of Directors The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	✓		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate Column)		Remarks (if any)
		Complied	Not complied	
1(7)	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	✓		
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.	✓		
2.	GOVERNANCE OF BOARD OF DIRECTORS OF SUBSIDIARY COMPANY :			
2(a)	Provisions relating to the compositions of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;	✓		
2(b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company;	✓		
2(c)	The minutes of the board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company;	✓		
2(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;	✓		
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	✓		
3.	MANAGING DIRECTOR (MD) OR CHIEF EXECUTIVE OFFICER (CEO), CHIEF FINANCIAL OFFICER (CFO), HEAD OF INTERNAL AUDIT AND COMPLIANCE (HIAC) AND COMPANY SECRETARY (CS) :			
3(1)	Appointment			
3(1)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	✓		
3(1)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	✓		
3(1)(c)	The MD or CEO, CS, CFO, and HIAC of a listed company shall not hold any executive position in any other company at the same time;	✓		
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	✓		
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).			N/A
3(2)	Requirement to attend Board of Directors' Meetings The MD or CEO, CS, CFO, HIAC of the company shall attend the meetings of the Board: Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters.	✓		
3(3)	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)			



Condition No.	Title	Compliance Status (Put ✓ in the appropriate Column)		Remarks (if any)
		Complied	Not complied	
3(3)(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:	✓		
3(3)(a)(i)	these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	✓		
3(3)(a)(ii)	these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	✓		
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members;	✓		
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓		
4.	BOARD OF DIRECTORS' COMMITTEE :			
4(i)	Audit Committee; and	✓		
4(ii)	Nomination and Remuneration Committee (NRC).	✓		The BoD formed a committee namely NRC on 22/11/2018
5.	AUDIT COMMITTEE :			
5(1)	Responsibility to the Board of Directors			
5(1)(a)	The company shall have an Audit Committee as a sub-committee of the Board;	✓		
5(1)(b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;	✓		
5(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	✓		
5(2)	Constitution of the Audit Committee			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	✓		
5(2)(b)	The Board shall appoint members of the Audit Committee who shall be nonexecutive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;	✓		
5(2)(c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	✓		
5(2)(d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the committee to ensure continuity of the performance of work of the Audit Committee;	✓		
5(2)(e)	The Company Secretary shall act as the secretary of the Committee;	✓		
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director;	✓		
5(3)	Chairperson of the Audit Committee			
5(3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	✓		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate Column)		Remarks (if any)
		Complied	Not complied	
5(3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	✓		
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM)	✓		
5(4)	Meeting of the Audit Committee			
5(4)(a)	The Audit Committee shall conduct at least its four meeting in a financial year.	✓		
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	✓		
5(5)	Role of Audit Committee			
5(5)(a)	Oversee the financial reporting process;	✓		
5(5)(b)	monitor choice of accounting policies and principles;	✓		
5(5)(c)	monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	✓		
5(5)(d)	oversee hiring and performance of external auditors;	✓		
5(5)(e)	hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval of adoption;	✓		
5(5)(f)	review along with the management, the annual financial statements before submission to the Board for approval;	✓		
5(5)(g)	review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;	✓		
5(5)(h)	review the adequacy of internal audit function;	✓		
5(5)(i)	review the Management's Discussion and Analysis before disclosing in the Annual Report;	✓		
5(5)(j)	review statement of all related party transactions submitted by the management;	✓		
5(5)(k)	review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	✓		
5(5)(l)	oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and	✓		
5(5)(m)	oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Right Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission			N/A
5(6)	Reporting of the Audit Committee			
5(6)(a)	Reporting to the Board of Directors			
5(6)(a)(i)	The Audit Committee shall report on its activities to the board.	✓		
5(6)(a)(ii)	The Audit Committee shall immediately report to the Board on the following findings, if any :-			
5(6)(a)(ii)(a)	report on conflicts of interest;			N/A
5(6)(a)(ii)(b)	suspected or presumed fraud or irregularly or material defect identified in the internal audit and compliance process or in the financial statements;			N/A
5(6)(a)(ii)(c)	suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and			N/A
5(6)(a)(ii)(d)	any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately.			N/A



Condition No.	Title	Compliance Status (Put ✓ in the appropriate Column)		Remarks (if any)
		Complied	Not complied	
5(6)(b)	Reporting to the Authorities If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.			N/A
5(7)	Reporting to the Shareholders and General Investors Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.	✓		
6.	NOMINATION AND REMUNERATION COMMITTEE (NRC):			
6(1)	Responsibility to the Board of Directors			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a subcommittee of the Board,	✓		
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	✓		
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b),	✓		
6(2)	Constitution of the NRC			
6(2)(a)	The Committee shall comprise of at least three members including an independent director,	✓		
6(2)(b)	All members of the Committee shall be non-executive directors;	✓		
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	✓		
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	✓		
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	✓		
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;	✓		
6(2)(g)	The Company Secretary shall act as the secretary of the Committee;	✓		
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an Independent Director;	✓		
6(2)(i)	No member of the NRC receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	✓		
6(3)	Chairperson of the NRC			
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	✓		
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for the particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	✓		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate Column)		Remarks (if any)
		Complied	Not complied	
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders;	✓		
6(4)	Meeting of the NRC			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	✓		
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	✓		
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	✓		
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	✓		
6(5)	Role of the NRC			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	✓		
6(5)(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board			
6(5)(b)(i)	Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:			
6(5)(b)(i)(a)	the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	✓		
6(5)(b)(i)(b)	the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	✓		
6(5)(b)(i)(c)	remuneration to the directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	✓		
6(5)(b)(ii)	devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	✓		
6(5)(b)(iii)	identifying persons who are qualified to become directors and who may be appointed in top level executives position in accordance with the criteria laid down, recommended their appointment and removal to the board;	✓		
6(5)(b)(iv)	formulating the criteria for evaluation of performance of independent directors and the Board;	✓		
6(5)(b)(v)	identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and	✓		
6(5)(b)(vi)	developing, recommending and reviewing annually the company's human resources and training policies;	✓		
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	✓		
7.	EXTERNAL OR STATUTORY AUDITORS :			
7(1)	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:			
7(1)(i)	appraisal or valuation services or fairness opinions,	✓		
7(1)(ii)	financial information systems design and implementation;	✓		
7(1)(iii)	book-keeping or other services related to the accounting records or financial statements;	✓		
7(1)(iv)	broker-dealer services;	✓		
7(1)(v)	actuarial services;	✓		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate Column)		Remarks (if any)
		Complied	Not complied	
7(1)(vi)	internal audit services or special audit services;	✓		
7(1)(vii)	audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	✓		
7(1)(ix)	any other service that creates conflict of interest.	✓		
7(2)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company	✓		
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	✓		
8.	MAINTAINING A WEBSITE BY THE COMPANY:			
8(1)	The company shall have an official website linked with the website of the stock exchange.	✓		
8(2)	The company shall keep the website functional from the date of listing.	✓		
8(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchanges(s).	✓		
9.	REPORTING AND COMPLIANCE OF CORPORATE GOVERNANCE:			
9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in Annual Report.	✓		
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.	✓		The professional who will provide the certificate for the year 2019 will be placed for appointment in the forthcoming AGM
9(3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	✓		

বছর বছর সঞ্চয় ভবিষ্যত সুখময়

এক নজরে বার্ষিক সঞ্চয়ী পরিকল্প

	সর্বনিম্ন	সর্বোচ্চ
বীমাকারীর বয়স	১৮ বছর	৫৫ বছর
মেয়াদপূর্তিতে বয়স	২৮ বছর	৭০ বছর
বীমার মেয়াদ	১০ বছর	২৫ বছর
ন্যূনতম বার্ষিক প্রিমিয়াম	ট ১,২০০/- (বার্ষিক প্রিমিয়াম ১০০/- টাকা দ্বারা বিভাজ্য হতে হবে)	
সর্বোচ্চ বীমাঅংক	ট ২০,০০,০০০/-	
সহযোগী বীমা	দুর্ঘটনাজনিত মৃত্যুবীমা, স্থায়ী অক্ষমতা ও দুর্ঘটনা বীমা, গুরুব্যাধী বীমা ও হাসপাতাল বীমা	

*কোন নির্দিষ্ট মেয়াদ পর্যন্ত বেঁচে থাকলে মেয়াদ শেষে বা তার আগে মৃত্যু হলে মৃত্যুর পরেই অর্জিত বোনাসসহ বীমাঅংক অর্থাৎ বীমার টাকা দেয়া হয়।

বর্তমানের পরিকল্পনা যদি সঠিক হয়, তাহলে ভবিষ্যতটাও হয় সুন্দর ও সুনিশ্চিত। আমাদের বার্ষিক সঞ্চয়ী পরিকল্পে প্রতি বছর ন্যূনতম ১২০০ টাকা করে জমা দিন এবং ভবিষ্যতকে করুন ভাবনাহীন।



ডেল্টা লাইফ ইনসিওরেন্স কোম্পানী লিমিটেড

ডেল্টা লাইফ টাওয়ার, প্লট-৩৭, রোড-৯০, গুলশান সার্কেল-২, ঢাকা-১২১২

ফোন : ০৯৬১ ৩৬৬৬০০০, ৮৮২৩৩২২ ফ্যাক্স : ৮৮-০২-৯৮৯৯৬০৫

কাস্টমার কেয়ার ইউনিট: ০৯৬১৩ ৬৬৬ ৯৯৯, ০১৭১ ৩৩৬ ১১০০, ০১৭১ ৩৩৬ ১১৯৯

ডেল্টা জীবন : সমৃদ্ধ জীবন

BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES

Ref. No: CM-2019/015



Date of issue : January 30, 2019

Renewed Certificate

This is to certify that

DELTA LIFE INSURANCE COMPANY LIMITED

*is an 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 2019.




Secretary-General

Photo Gallery



32nd Annual General Meeting of the Company held on 21 June 2018.



CEO with the honorable shareholders of the Company in the 32nd AGM.



Honorable shareholders of Delta Life Insurance participating in the 32nd AGM of the Company.



AUDIT COMMITTEE REPORT

Preamble

The Audit Committee is a committee of the Board. The Audit Committee acts as an effective forum in assisting the Board of Directors in discharging their responsibilities on ensuring the quality of financial reporting, overseeing internal & external audit functions and internal control structure as well as related communications to the shareholders and stakeholders.

Composition of the Audit Committee

The Audit Committee consists of the following directors:

- Mr. Salahuddin Ahmad, Chairman
- Mr. Zeyad Rahman, Member
- Mr. Saif Khondoker, Member

The Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and directors attend the meetings by invitation. The Company Secretary acts as the Secretary of the Committee.

Role and responsibilities of the Committee

The Audit Committee's jurisdiction,

responsibilities and specific duties have been formalized in compliance with the Corporate Governance Code 2018. The Audit Committee is empowered to consider any matter related to the financial affairs of the Company and to review all internal and external audits, internal control systems and procedures, accounting policies, related party transaction, management letter issued by statutory auditors, determine audit fee etc., so as to ensure that a sound financial reporting system is in place and is well managed in order to provide accurate, appropriate and timely information to the Management, Regulatory Authorities and to the Shareholders as well.

Meetings and Attendance

During the financial year ended on 31 December 2018, six meetings of the Audit Committee were held. The details of attendance of the members have been shown in the ANNEXTURE-II of the annual report.

The Company's external auditors were present at one meeting during the financial year where matters related to the audit of the statutory accounts were discussed.

Summary of Activities

The following activities were carried out by the Audit Committee during the financial year ended on 31 December 2018:

Financial Reporting

- The quarterly, half yearly and interim financial results of the Company reviewed and the relevant announcements made to the Stock Exchanges by the Board of Directors.
- The annual financial statements of the Company reviewed prior to submission to the Board of Directors for approval to ensure that the financial reporting and disclosures were in compliance with the relevant laws.

Internal Audit

- The annual and quarterly audit plans including the audit methodology in assessing and rating risks of auditable areas reviewed to ensure adequate scope and comprehensive coverage on the audit activities of the Company.
- The Internal Audit reports encompassing the audit issues, audit recommendations and Management's responses reviewed. Improvement actions suggested by the internal auditors in the areas of internal controls, systems and efficiency enhancements were discussed with Management.
- The implementation of these recommendations through follow-up audit reports reviewed to ensure all key areas were addressed.

External Audit

- The Committee met with external auditors at the conclusion of the annual audit in the absence of the Management and also reviewed the findings following their observation, if any as well as and the Management's response thereto.
- Their audit scopes, audit strategies, audit plans and performance for the

year and their proposed fees for the statutory audit reviewed with the external auditors about.

- The Audit Committee recommended to the Board of Directors that M/s. Hoda Vasi Chowdhury & Co., Chartered Accountants be appointed as auditors for the financial year ending on 31 December 2019 subject to the approval of the shareholders at the 33rd Annual General Meeting of the Company.
- The external audit reports reviewed and areas of concern highlighted in the Management letter including the Management's responses to the findings of the external auditors.
- The committee reviewed statement of related party transaction as discussed in the Financial Statement to ensure all parties were added in compliance with IFRS.

The committee also reviewed management's decisions and analysis before disclosing in the Annual Report with an objective that discussions and analysis represents by Financial Statement.

Internal Control and Risk Management System

Based on the review of the effectiveness of the internal controls and the procedures established for identifying, assessing and managing risks, the Committee is of the view that adequate controls and procedures are in place to provide reasonable assurance that the company's assets are safeguarded and that the financial position of the Company is adequately reflected and disclosed.

On behalf of the Audit Committee



Salahuddin Ahmad
Chairman



Photo Gallery



Annual Conference-2018 of Delta Life Insurance Co. Ltd. held on 11 April 2019.



CEO delivering her speech at the half-yearly conference of the Company.



CEO with the development Officers' of the Company.



ডেল্টা লাইফ ইনসিওরেন্স কোম্পানী লিমিটেড



আপনার
ও
আপনার

পরিবারের

আর্থিক নিরাপত্তায় আমাদের
পরিকল্পনাসমূহ

ক্ষুদ্র
সঞ্চয়

বিনিয়োগ

শিক্ষা

পেনশন

বিস্তারিত জানতে :

☎ Helpline : 01885060000

🌐 Website : www.deltalife.org

📘 Facebook : fb.com/deltalife.org

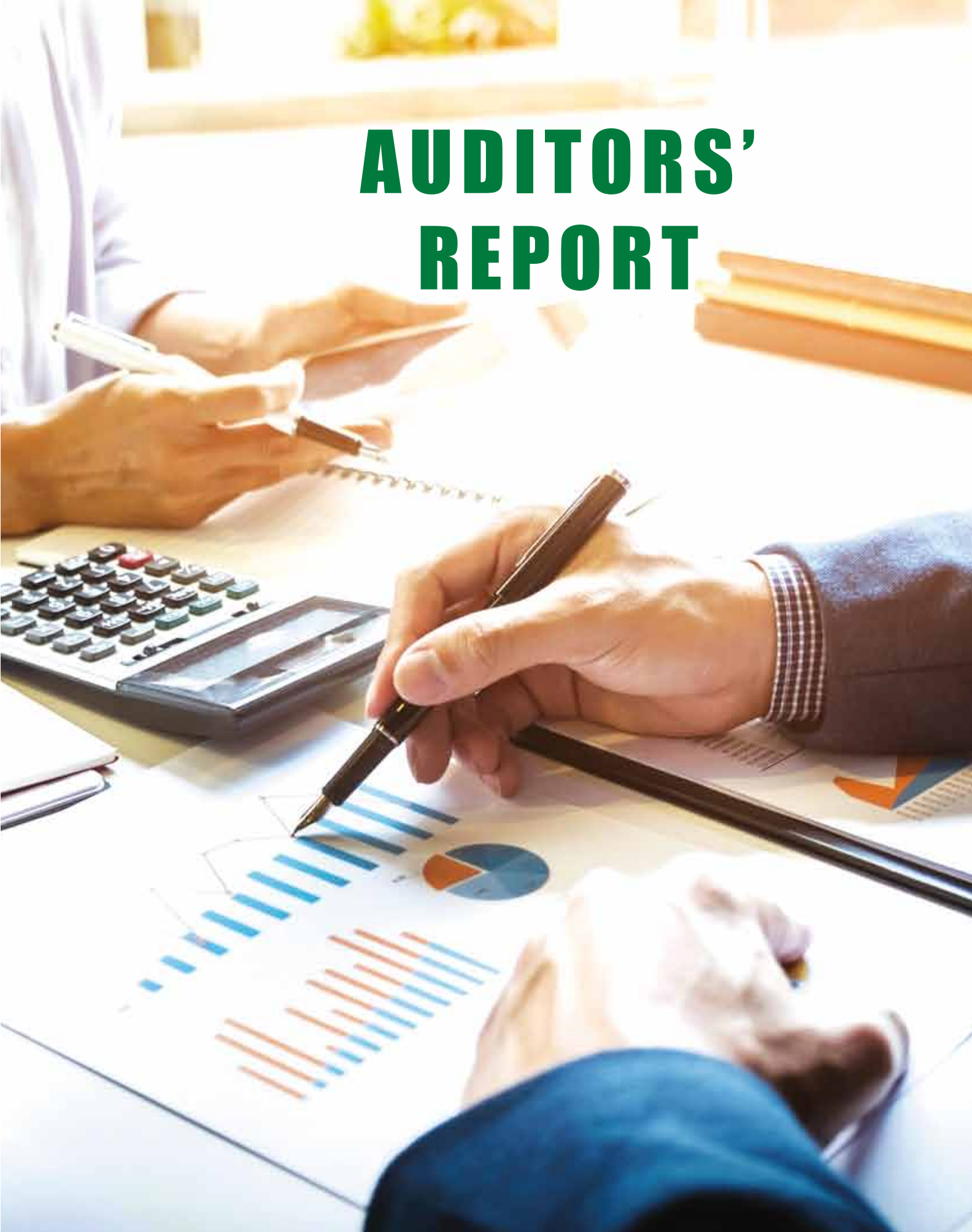
ডেল্টা লাইফ টাওয়ার

প্লট - ৩৭, রোড - ৯০

গুলশান-২, ঢাকা - ১২১২

ফোন : ০৯৬১৩৬৬৬০০০

AUDITORS' REPORT





Independent Auditor's Report to the Shareholders of Delta Life Insurance Company Limited

Opinion

We have audited the accompanying consolidated financial statements of Delta Life Insurance Company Limited and its subsidiary as well as the separate financial statements of Delta Life Insurance Company Limited which comprise the Consolidated and separate Balance sheets as at 31 December 2018, and the Consolidated Life Revenue and Profit or Loss and other Comprehensive Income Account and separate Life Revenue Account, Consolidated and separate Statements of Changes in Stockholder's Equity and Consolidated and separate Statements of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Delta Life Insurance Company Limited and its subsidiary as at 31 December 2018, and their financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Insurance Act 2010, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We are independent of the Group and the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of financial statements for the year 2018. These matters were addressed in the context of the audit of the financial statements as a whole, and in forming the auditor's opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matters described in the Basis for Opinion section we have determined the matters described below to be the key audit matters to be communicated in our report. For each matter below, our description of how our audit addressed the matter is provided in that context.



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

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

Risk	Our Response to the Risk
Contingencies relating to Income Tax	
<p>As disclosed in note 3.6.1 to the financial statements, the company has pending tax assessments for the assessment year 2005-2006 to 2015-2016 (Income Year 2004-2014) as there is a dispute with the tax authorities. The determination of provisions and contingent liabilities arising from the open tax assessments make this a particular area of significant judgment.</p> <p>We focused on management's assessments of the likely outcome and qualification of tax exposure which involves significant judgment.</p> <p>We also consider there to be a risk that the tax disclosures in note 3.6.1 to the financial statements, which are significant to the company's tax position may not be adequate.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> • Understanding the process of estimating, recording and reassessing tax provision and contingencies. • Involving our tax specialist to assist in analyzing the judgments used to determine provisions for matters based on their knowledge and experience of local regulations and practices. • Inspecting the correspondence with tax authorities. • Inspecting reports on open tax assessments prepared by the company's tax advisors and in-house tax manager and where appropriate documentation considered necessary to understand the position and conclusions made by the company. • We also assessed the adequacy of the company's financial statements disclosures in respect of the tax positions and contingent liabilities.
See note no. 3.6.1 to the financial statements	
Valuation of Life Fund	
<p>Valuation of life fund involves complex and subjective judgments about future events, both internal and external to the business, for which small changes in assumptions can result in material impacts to the valuation of these liabilities.</p>	<p>The work to address the valuation of life fund included the following procedures:</p> <ul style="list-style-type: none"> • Understood the governance process in place to determine the life fund. • Reviewed the actuarial report and assessed the reasonableness of the assumptions used to estimate the liability.



At 31 December 2018, the company reported total balance under the head of Life Insurance Fund of BDT 38,296,734,105 (2017:

BDT 36,742,205,130).

- Tested key judgment and controls over the liability, including the preparation of the manually calculated components. We focused on the consistency in treatment and methodology period-on-period.

Based on the work performed and the evidence obtained, we consider the assumption used to be appropriate.

See note no. 5.00 to the financial statements

Fair Value Change Account

Insurance company makes a number of investments in the listed capital market with required regulatory permission. Income generated from the investments (realized gain and dividend received) is credited to the Profit & Loss Account. Unrealized gain or loss if any is transferred to the Fair Value Change Account.

This item has significant impact on the earnings performance of the company and return to the shareholders and might be prone to misreporting as large unreported fall in the value of any holding may wipe out the value of the portfolio and hamper the distribution capability of the company.

At 31 December 2018, the company reported total balance under the head of Fair Value Change Account of BDT 2,148,220,286 (2017:

BDT 3,880,453,203).

We tested the design and operating effectiveness of key controls around monitoring, valuation and updating of prices of the positions held by the company from trusted sources. Additionally, we performed the following:

- Obtained year-end share holding positions from the company and through directional testing assessed the completeness of the report.
- Ascertained the valuation of the holding as per IFRS 13.
- Recalculated unrealized gain or loss at the year end.
- Carried out cut-off testing to ensure unrealized gain or loss was recognized in correct period.
- Obtained the CDBL report and share portfolio and cross checked against each other to confirm unrealized gain or loss.
- Checked the subsequent position of this unrealized amount.
- Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, The Companies Act 1994, Insurance Act 2010 and other applicable rules and regulations and regulatory guidelines.

See note no. 7.00 to the financial statements



Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls

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

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

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

Reporting on other Information

The other information comprises all of the information in the Annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures



responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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



Report on other Legal and Regulatory Requirements

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

- a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account, records and other statutory books as required by law have been kept by the Company so far as it appeared from our examination of those books and proper returns adequate for the purpose of our audit have been received from branches not visited by us;
- c) The financial statements of subsidiary of the Company, DLIC Securities Limited has been audited by Shafiq Basak & Co., Chartered Accountants and an unqualified opinion was expressed on the financial statements and those financial statements have been properly reflected in the consolidated and separate financial statements of the Company.
- d) As per section 62(2) of the Insurance Act 2010, in our opinion, to the best of our knowledge and belief and according to the information and explanation given to us, all expenses of management wherever incurred directly or indirectly, in respect of insurance business of the company transacted in Bangladesh during the year under report have been duly debited to Revenue Accounts of the Company;
- e) the information and explanation required by us have been received and found satisfactory;
- f) As per regulation 11 of part 1 of the third schedule of the Insurance Act 2010, in our opinion, to the best of our information and as shown by its books, the company during the year under report has not paid any persons any commission in any form outside Bangladesh in respect of any business re-insured abroad;
- g) The Statement of Financial Position, Life Revenue and Profit and Loss and Other Comprehensive Income Accounts and Statement of Changes in Equity and Statement of Cash Flows of the Company dealt with by the report are in agreement with the books of account and returns;
- h) The expenditure was incurred for the purpose of the Company's business; and
- i) The company has complied with relevant laws and regulations pertaining to reserves.

Dhaka, 17 June 2019

M. J. ABEDIN & CO.
Chartered Accountants



অবিচল আস্থা
আর ভালোবাসায়
আমার পরিবারের আর্থিক সুরক্ষায়...



Website: www.deltalife.org

Facebook: fb.com/deltalife.org

A close-up photograph of a business meeting. Two people in light blue shirts and a patterned tie are seated at a white table. One person's hand is holding a silver pen, pointing at a document. The document features several colorful bar charts and a line graph. A large, bold, green text overlay with a white outline reads "CONSOLIDATED FINANCIAL STATEMENTS". In the foreground, a silver calculator with a black display and various function keys is visible. A pair of black-rimmed glasses rests on the table to the right. The overall scene suggests a professional financial review or presentation.

CONSOLIDATED FINANCIAL STATEMENTS



CONSOLIDATED BALANCE SHEET

as at 31 December 2018

	Notes	Amount in Taka	
		2018	2017
Share capital and liabilities			
Shareholders' capital			
Authorized	4.00		
50,00,00,000 ordinary shares of Tk. 10 each		5,000,000,000	5,000,000,000
Issued, subscribed and paid-up			
12,37,50,000 ordinary shares of Tk. 10 each fully paid up in cash		1,237,500,000	1,237,500,000
Dividend equalization reserve		1,000,000	1,000,000
Life insurance fund	5.00	38,296,734,105	36,742,205,130
Retained Earnings (DLIC Securities)	6.00	4,557,362	71,818,168
Fair Value Change Account	7.00	2,148,220,286	3,880,453,203
Non-Controlling Interest (Minority Interest)	8.00	60	63
Estimated liabilities in respect of outstanding claims, whether due or intimated	9.00	123,832,401	83,907,280
Amount due to other persons or bodies carrying on insurance business	10.00	87,529,729	65,548,408
Sundry creditors	11.00	1,812,690,302	1,537,112,299
Provision for doubtful debts	12.00	80,135,530	80,189,710
Reserve for unexpired risk	13.00	171,229,029	135,959,591
Premium deposits	14.00	22,586,620	22,535,200
		2,298,003,611	1,925,252,488
Total share capital and liabilities		43,986,015,424	43,858,229,052

The annexed notes form an integral part of these financial statements

Adeeba Rahman, ACII (UK)
Chief Executive Officer

Zeyad Rahman
Director

Salahuddin Ahmad
Director

Li. Gen. M. Noor Uddin Khan, psc (Retd.)
Chairman

As per our report of same date

M.J. ABEDIN & CO.
Chartered Accountants

Dated, Dhaka;
17 June 2019



CONSOLIDATED BALANCE SHEET

as at 31 December 2018

	Notes	Amount in Taka	
		2018	2017
Property and assets			
Loan	15.00	748,116,070	725,889,129
On insurer's policies within their surrender value			
Investment	16.00		
Statutory deposit with Bangladesh Bank (BGTB)	16.01	15,000,000	15,000,000
Bangladesh Govt. Treasury Bond (BGTB)	16.01	11,340,143,437	11,920,033,076
Mutual fund	16.02	122,638,001	42,638,001
Shares listed on stock exchanges		11,429,486,246	13,528,381,202
Debentures and bonds	16.04	1,355,928,175	1,008,719,165
Central Depository Bangladesh Ltd.	16.06	3,138,890	3,138,890
Investment property	16.07	1,580,004,629	1,605,818,769
Other loans	16.08	29,135,717	29,407,285
		25,875,475,095	28,153,136,388
DSE Membership	17.00	240,150,000	320,200,000
Preliminary Expenses	18.00	257,193	514,387
Agents' balance		42,360	82,590
Outstanding premium	19.00	735,878,203	581,886,551
Interest, dividends and rents accruing but not due	20.00	1,473,569,523	1,034,491,366
Advances and deposits	21.00	1,979,426,819	1,861,163,895
Sundry debtors	22.00	543,941,936	126,242,130
	23.00		
Cash and bank balances			
On fixed deposit with banks		9,787,203,063	8,825,506,407
On current account with banks		376,033,031	338,346,375
On SND account with banks		1,466,723,948	983,991,351
Cash in hand		17,749,772	151,604,321
Cash in transit		11,832,117	4,266,911
Branch petty cash		16,134,334	54,130,661
		11,675,676,265	10,357,846,026
Other accounts			
Fixed assets (at cost less depreciation) and CWIP	24.00	704,877,132	686,892,329
Stamps, printing and stationery in hand		8,604,828	9,884,261
Total property and assets		43,986,015,424	43,858,229,052

Adeeba Rahman, ACII (UK)
Chief Executive Officer

Zeyad Rahman
Director

Salahuddin Ahmad
Director

Li. Gen. M. Noor Uddin Khan, psc (Retd.)
Chairman

As per our report of same date

Dated, Dhaka;
17 June 2019

M.J. ABEDIN & CO.
Chartered Accountants



CONSOLIDATED LIFE REVENUE AND PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME ACCOUNT

For the Year ended 31 December 2018

	Notes	Amount in Taka	
		2018	2017
Balance of fund at the beginning of the year Delta Life Insurance Company Limited (DLICL)		36,742,205,130	34,702,479,378
Balance of retained earnings at the beginning of the year (DLIC Securities)		71,818,170	47,810,423
Non-Controlling Interest (Minority Interest)		1	1
Adjustment (prior-period) made during the year	25.00	135,959,591	119,737,637
Premium less reinsurance	26.00		
First year premium {Ordinary Life (OL)}		851,079,717	777,164,847
First year premium {Gono-Grameen (GN-GRB)}		543,995,481	539,553,386
		1,395,075,198	1,316,718,233
Renewal premium (OL)		2,488,020,335	2,351,122,605
Renewal premium (GN-GRB)		2,100,429,751	2,077,807,458
		4,588,450,086	4,428,930,063
Group life insurance premium		343,513,593	304,758,637
Group health insurance premium		312,968,678	200,597,759
		656,482,271	505,356,396
Gross premium		6,640,007,555	6,251,004,692
Reinsurance premium		(81,910,177)	(75,951,739)
Net premium		6,558,097,378	6,175,052,953
Interest, dividend and rents	27.00	2,872,863,025	3,416,995,907
Other income	28.00	22,616,580	7,089,267
Total		46,403,559,875	44,499,165,566
First year premium, where the maximum premium paying period is;			
Single		92,044,828	78,736,726
Four years		-	-
Five years		27,585,550	11,604,764
Six years		1,113,697	106,508
Seven years		842,582	94,493
Eight years		1,441,046	734,289
Nine years		150,889	128,011
Ten years		344,191,932	312,557,638
Eleven years		6,041,561	7,315,984
Twelve years or over (including throughout life)		921,663,113	905,439,820
		1,395,075,198	1,316,718,233



CONSOLIDATED LIFE REVENUE AND PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME ACCOUNT

For the Year ended 31 December 2018

	Notes	Amount in Taka	
		2018	2017
EXPENSES			
Claims under policies (including provision for claims due or intimated), less reinsurance	29.00		
By death		200,203,407	194,050,068
By maturity		2,676,245,924	2,547,648,785
By survival		388,657,964	461,432,483
By hospitalization		243,168,436	112,297,466
By others		10,373,202	1,806,201
By surrenders		193,951,658	200,383,034
Annuities		1,877,218	813,776
Bonus in cash		1,824,170,741	1,773,161,108
		5,538,648,550	5,291,592,921
Profit commission		27,503,806	45,815,401
		5,566,152,356	5,337,408,322
Commission:	30.00		
(a) Commission to insurance agents (less that on reinsurance)		664,889,190	603,560,921
(b) Allowances and commission [other than commission including in sub-item (a) preceding]		250,775,020	254,776,290
		915,664,210	858,337,211
Salaries etc. (other than to agents and those contained in the allowance and commission)	31.00	487,840,564	457,799,837
Gratuity		42,664,950	12,723,495
Traveling and conveyance	32.00	9,171,405	8,281,728
Directors' fees		443,900	540,500
Auditors' fees	33.00	522,000	506,000
Medical fees		2,379,301	2,167,633
Legal and professional fees	34.00	2,810,812	2,618,850
Insurance policy stamp		17,446,723	16,083,723
Advertisement and publicity	35.00	4,505,611	11,225,926
Printing and stationery	36.00	16,696,617	15,113,161
Office rent	37.00	60,231,830	60,282,226
Bank charges	38.00	35,442,583	32,839,793
Repairs and maintenance	39.00	31,166,960	34,226,664
Car fuel, maintenance & repairs	40.00	28,805,684	27,447,987
Group insurance		5,289,566	5,638,944
Papers and periodicals		380,907	380,791
Telephone, telex and internet	41.00	8,474,210	7,918,575
Electricity, water and gas	42.00	4,544,716	4,127,997
Training & recruitment expenses	43.00	1,838,169	2,747,515
Fees and subscriptions	44.00	4,237,044	5,564,408
Donations		15,000	720,000
Entertainment expense	45.00	3,348,246	2,941,537
Insurance premium (general)	46.00	4,316,576	3,655,979
Postage and telegram		3,518,118	3,227,692



CONSOLIDATED LIFE REVENUE AND PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME ACCOUNT

For the Year ended 31 December 2018


	Notes	Amount in Taka	
		2018	2017
Uniform and liveries		1,063,828	1,061,601
Development expenses		3,182,632	1,821,089
Prize and Awards		26,114,189	23,673,370
Municipality Tax		6,297,588	6,385,406
Conference & Seminar		9,626,823	7,402,282
Company registration (renewal) fees		10,119,418	23,693,620
Stamps		3,909,868	4,433,677
Staff transport expenses		2,083,104	1,417,838
AGM/EGM expenses		669,952	655,605
Depreciations	47.00	68,214,103	59,391,641
DSE Expenses (DLIC Securities)		1,858,445	3,678,567
Miscellaneous Expenses (DLIC Securities)		276,160	120,000
Written Off Preliminary Expenses (DLIC Securities)		257,194	257,194
CDBL related charges	48.00	1,067,037	2,349,390
		910,831,833	855,122,241
		1,826,496,043	1,713,459,452
OTHER EXPENSES			
Reserve for unexpired risk		171,229,029	135,959,591
Provision for income tax	49.00	229,015,977	250,814,898
Appropriations			
Dividend	50.00	309,375,003	247,500,002
Balance of retained earnings at the end of the year (DLIC Securities)		4,557,365	71,818,170
Non-Controlling Interest (Minority Interest)		(3)	1
Balance of the fund at the end of the year (DLICL)		38,296,734,105	36,742,205,130
Total		46,403,559,875	44,499,165,566

The annexed notes form an integral part of these financial statements


Adeeba Rahman, ACII (UK)
Chief Executive Officer


Zeyad Rahman
Director


Salahuddin Ahmad
Director


Lt. Gen. M. Noor Uddin Khan, psc (Retd.)
Chairman

As per our report of same date

Dated, Dhaka;
17 June 2019


M.J. ABEDIN & CO.
Chartered Accountants



CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDER'S EQUITY

For the Year ended 31 December 2018

Particulars	Share Capital	Share Premium	Dividend equalization reserve	Other Reserve	Retained Earnings	Non-Controlling Interest	Total
Balance as on January 01, 2018	1,237,500,000	-	1,000,000	-	71,818,168	63	1,310,318,231
Addition during the year	-	-	-	-	(67,260,806)	(3)	(67,260,809)
Balance as on December 31, 2018	1,237,500,000	-	1,000,000	-	4,557,362	60	1,243,057,422


Balance as on January 01, 2017	1,237,500,000	-	1,000,000	-	47,810,422	62	1,286,310,484
Addition during the year	-	-	-	-	24,007,746	1	24,007,747
Balance as on December 31, 2017	1,237,500,000	-	1,000,000	-	71,818,168	63	1,310,318,231

The annexed notes form an integral part of these financial statements


Adeeba Rahman, ACII (UK)
Chief Executive Officer


Zeyad Rahman
Director


Salahuddin Ahmad
Director


Li. Gen. M. Noor Uddin Khan, psc (Retd.)
Chairman

As per our report of same date

Dated, Dhaka;
17 June 2019


M.J. ABEDIN & CO.
Chartered Accountants



CONSOLIDATED STATEMENT OF CASH FLOWS

For the Year ended 31 December 2018

	Amount in Taka	
	2018	2017
Cash flows from operating activities		
Collection from premium	6,486,015,903	6,148,419,674
Other income received	22,246,956	36,951,059
Payment for operating activities	(1,964,953,900)	(1,501,888,753)
Re-insurance premium paid	(59,928,856)	(47,698,427)
Claim paid	(5,526,227,235)	(5,345,271,676)
Source tax (income tax) deducted	(201,307,942)	(172,059,716)
Net cash from operating activities	(1,244,155,074)	(881,547,839)
Cash flows from investing activities		
Investment made	519,342,669	(855,817,696)
Acquisition of fixed assets	(68,771,557)	(132,391,715)
Addition of investment property	(11,613,210)	(13,500)
Proceeds from sale of fixed assets	3,869,309	7,204,832
Loan paid against policies	(219,856,227)	(223,352,240)
Loan realized against policies	197,629,286	213,402,091
Interest, dividends & rents received	2,433,784,868	3,277,029,954
Other loans realized	271,568	574,286
Net cash used in investing activities	2,854,656,706	2,286,636,012
Cash flows from financing activities		
Dividend paid	(292,671,393)	(231,032,483)
Net cash used in financing activities	(292,671,393)	(231,032,483)
Net increase in cash & cash equivalents	1,317,830,239	1,174,055,690
Cash and cash equivalents at the beginning of the year	10,357,846,026	9,183,790,336
Cash and cash equivalents at the end of the year	11,675,676,265	10,357,846,026

The annexed notes form an integral part of these financial statements

Adeeba Rahman, ACII (UK)
Chief Executive Officer

Zeyad Rahman
Director

Salahuddin Ahmad
Director

Lt. Gen. M. Noor Uddin Khan, psc (Retd.)
Chairman

As per our report of same date

Dated, Dhaka;
17 June 2019

M.J. ABEDIN & CO.
Chartered Accountants



CONSOLIDATED STATEMENT OF LIFE INSURANCE FUND

For the Year ended 31 December 2018

Amount in Taka

Assets

Loan on Insurer's policies within their surrender value	748,116,070
Investments	25,875,475,095
DSE Membership	240,150,000
Preliminary Expenses	257,193
Agents' balance	42,360
Outstanding premium	735,878,203
Interest, dividends & rents accruing but not due	1,473,569,523
Advances & deposits	1,979,426,819
Sundry debtors	543,941,936
Cash & bank balances	11,675,676,265
Fixed assets (at cost less depreciation) and CWIP	704,877,132
Stamps, printing and stationery in hand	8,604,828
	43,986,015,424

Less: Liabilities

Estimated liabilities in respect of outstanding claims, whether due or intimated	123,832,401
Amount due to other persons or bodies carrying on insurance business	87,529,729
Sundry creditors	1,812,690,302
Provision for doubtful debts	80,135,530
Reserve for unexpired risk	171,229,029
Premium deposits	22,586,620
	2,298,003,611

Gross fund (assets - liabilities)

Shareholders' capital (paid-up capital)

Dividend equalization reserve

Retained Earnings (DLIC Securities)

Fair Value Change Account

Non-Controlling Interest (Minority Interest)

Life insurance fund as at December 31, 2018

41,688,011,813

(1,237,500,000)

(1,000,000)

(4,557,362)

(2,148,220,286)

(60)

38,296,734,105

The annexed notes form an integral part of these financial statements

Adeeba Rahman, ACII (UK)
Chief Executive Officer

Zeyad Rahman
Director

Salahuddin Ahmad
Director

Lt. Gen. M. Noor Uddin Khan, psc (Retd.)
Chairman

As per our report of same date

Dated, Dhaka;
17 June 2019

M.J. ABEDIN & CO.
Chartered Accountants



CONSOLIDATED FORM AA

Classified Summary of the Assets in Bangladesh

as at 31 December 2018

Class of Assets	Book Value Taka	Market Value Taka	Remarks
Loan			
On insurer's policies within their surrender value	748,116,070	748,116,070	Realizable Value
Investment			
Statutory deposit with Bangladesh Bank (BGTB)	15,000,000	15,000,000	At Cost
Bangladesh Govt. Treasury Bond (BGTB)	11,340,143,437	11,340,143,437	At Cost
Mutual fund	122,638,001	122,638,001	At Cost
Shares listed on stock exchanges	11,429,486,246	11,429,486,246	Fair Value
Debentures and bonds	1,355,928,175	1,355,928,175	At Cost
Central Depository Bangladesh Ltd. (CDBL)	3,138,890	3,138,890	Book Value
Investment property	1,580,004,629	1,580,004,629	Carrying Value
Other loans	29,135,717	29,135,717	Realizable Value
DSE Membership	240,150,000	240,150,000	Book Value
Preliminary Expenses	257,193	257,193	Book Value
Cash and bank balances			
On fixed deposit with banks	9,787,203,063	9,787,203,063	Book Value
On current account with banks	376,033,031	376,033,031	Book Value
On SND account with banks	1,466,723,948	1,466,723,948	Book Value
Cash in hand	17,749,772	17,749,772	Book Value
Cash in transit	11,832,117	11,832,117	Realizable Value
Branch petty cash	16,134,334	16,134,334	Realizable Value
Other accounts			
Agents' balance	42,360	42,360	Realizable Value
Outstanding premium	735,878,203	735,878,203	Realizable Value
Interest, dividends and rents accruing but not due	1,473,569,523	1,473,569,523	Realizable Value
Advances and deposits	1,979,426,819	1,979,426,819	Realizable Value
Sundry debtors	543,941,936	543,941,936	Realizable Value
Fixed assets (at cost less depreciation) and CWIP	704,877,132	704,877,132	Carrying Value
Stamps, printing and stationery in hand	8,604,828	8,604,828	At Cost
Total	43,986,015,424	43,986,015,424	

The annexed notes form an integral part of these financial statements

Adeeba Rahman, ACII (UK)
Chief Executive Officer

Zeyad Rahman
Director

Salahuddin Ahmad
Director

Lt. Gen. M. Noor Uddin Khan, psc (Retd.)
Chairman

As per our report of same date

M.J. ABEDIN & CO.
Chartered Accountants

Dated, Dhaka;
17 June 2019

FINANCIAL STATEMENTS OF DELTA LIFE INSURANCE COMPANY LIMITED





BALANCE SHEET

as at 31 December 2018

	Notes	Amount in Taka	
		2018	2017
Share capital and liabilities			
Shareholders' capital			
Authorized	4.00		
50,00,00,000 ordinary shares of Tk. 10 each		5,000,000,000	5,000,000,000
Issued, subscribed and paid-up			
12,37,50,000 ordinary shares of Tk. 10 each fully paid up in cash		1,237,500,000	1,237,500,000
Dividend equalization reserve		1,000,000	1,000,000
Life insurance fund	5.00	38,296,734,105	36,742,205,130
Fair Value Change Account	7.00	2,148,220,286	3,880,453,203
Estimated liabilities in respect of outstanding claims, whether due or intimated	9.00	123,832,401	83,907,280
Amount due to other persons or bodies carrying on insurance business	10.00	87,529,729	65,548,408
Sundry creditors	11.A	1,756,912,737	1,507,254,069
Provision for doubtful debts	12.00	80,135,530	80,189,710
Reserve for unexpired risk	13.00	171,229,029	135,959,591
Premium deposits	14.00	22,586,620	22,535,200
		2,242,226,046	1,895,394,258
Total share capital and liabilities		43,925,680,437	43,756,552,591

The annexed notes form an integral part of these financial statements

Adeeba Rahman, ACII (UK)
Chief Executive Officer

Zeyad Rahman
Director

Salahuddin Ahmad
Director

Lt. Gen. M. Noor Uddin Khan, psc (Retd.)
Chairman

As per our report of same date

Dated, Dhaka;
17 June 2019

M.J. ABEDIN & CO.
Chartered Accountants




BALANCE SHEET

as at 31 December 2018

as at 31 December 2018

Notes	Amount in Taka		
	2018	2017	
Property and assets			
Loan	15.00	748,116,070	725,889,129
On insurer's policies within their surrender value			
Investment	16.A		
Statutory deposit with Bangladesh Bank (BGTB)	16.01	15,000,000	15,000,000
Bangladesh Govt. Treasury Bond (BGTB)	16.01	11,340,143,437	11,920,033,076
Mutual fund	16.02	122,638,001	42,638,001
Shares listed on stock exchanges	16.03	10,484,786,279	12,600,760,957
Debentures and bonds	16.04	1,355,928,175	1,008,719,165
DLIC Securities Limited (Subsidiary)	16.05	1,399,999,940	1,399,999,940
Central Depository Bangladesh Ltd.	16.06	3,138,890	3,138,890
Investment property	16.07	1,580,004,629	1,605,818,769
Other loans	16.08	29,135,717	29,407,285
		26,330,775,068	28,625,516,083
Agents' balance		42,360	82,590
Outstanding premium	19.00	735,878,203	581,886,551
Interest, dividends and rents accruing but not due	20.00	1,473,569,523	1,034,491,366
Advances and deposits	21.A	1,940,230,102	1,845,452,306
Sundry debtors	22.A	875,405,724	148,555,458
Cash and bank balances	23.A		
On fixed deposit with banks	23.01	9,682,191,807	8,720,408,125
On current account with banks	23.03	376,033,031	338,346,375
On SND account with banks	23.04	1,019,305,582	844,688,312
Cash in hand		17,747,696	151,575,313
Cash in transit		11,832,117	4,266,911
Branch petty cash		16,134,334	54,130,661
		11,123,244,567	10,113,415,697
Other accounts			
Fixed assets (at cost less depreciation) and CWIP	24.A	689,813,992	671,379,150
Stamps, printing and stationery in hand		8,604,828	9,884,261
Total property and assets		43,925,680,437	43,756,552,591

The annexed notes form an integral part of these financial statements


Adeeba Rahman, ACII (UK)

Chief Executive Officer


Zeyad Rahman

Director


Salahuddin Ahmad

Director


Lt. Gen. M. Noor Uddin Khan, psc (Retd.)

Chairman

As per our report of same date


M.J. ABEDIN & CO.

Chartered Accountants

Dated, Dhaka;
17 June 2019



LIFE REVENUE ACCOUNT

For the Year ended 31 December 2018

	Notes	Amount in Taka	
		2018	2017
Balance of fund at the beginning of the year		36,742,205,130	34,702,479,378
Adjustment (prior-period) made during the year	25.00	135,959,591	119,737,637
Premium less reinsurance	26.00		
First year premium {Ordinary Life (OL)}		851,079,717	777,164,847
First year premium {Gono-Grameen (GN-GRB)}		543,995,481	539,553,386
		1,395,075,198	1,316,718,233
Renewal premium (OL)		2,488,020,335	2,351,122,605
Renewal premium (GN-GRB)		2,100,429,751	2,077,807,458
		4,588,450,086	4,428,930,063
Group life insurance premium		343,513,593	304,758,637
Group health insurance premium		312,968,678	200,597,759
		656,482,271	505,356,396
Gross premium		6,640,007,555	6,251,004,692
Reinsurance premium		(81,910,177)	(75,951,739)
Net premium		6,558,097,378	6,175,052,953
Interest, dividend and rents	27.A	2,928,607,168	3,388,696,600
Other income	28.A	4,857,171	3,431,439
Total		46,369,726,438	44,389,398,007
First year premium, where the maximum premium paying period is;			
Single		92,044,828	78,736,726
Four years		-	-
Five years		27,585,550	11,604,764
Six years		1,113,697	106,508
Seven years		842,582	94,493
Eight years		1,441,046	734,289
Nine years		150,889	128,011
Ten years		344,191,932	312,557,638
Eleven years		6,041,561	7,315,984
Twelve years or over (including throughout life)		921,663,113	905,439,820
		1,395,075,198	1,316,718,233



LIFE REVENUE ACCOUNT

For the Year ended 31 December 2018

	Notes	Amount in Taka	
		2018	2017
Claims under policies (including provision for claims due or intimated), less reinsurance	29.00		
By death		200,203,407	194,050,068
By maturity		2,676,245,924	2,547,648,785
By survival		388,657,964	461,432,483
By hospitalization		243,168,436	112,297,466
By others		10,373,202	1,806,201
By surrenders		193,951,658	200,383,034
Annuities		1,877,218	813,776
Bonus in cash		1,824,170,741	1,773,161,108
		5,538,648,550	5,291,592,921
Profit commission		27,503,806	45,815,401
		5,566,152,356	5,337,408,322
Expenses of management			
Commission:	30.00		
(a) Commission to insurance agents (less that on reinsurance)		664,889,190	603,560,921
(b) Allowances and commission [other than commission including in sub-item (a) preceding]		250,775,020	254,776,290
		915,664,210	858,337,211
Salaries etc. (other than to agents and those contained in the allowance and commission)	31.00	482,272,471	455,130,772
Gratuity		42,664,950	12,723,495
Traveling and conveyance	32.00	9,125,878	7,972,892
Directors' fees		443,900	540,500
Auditors' fees	33.00	460,000	460,000
Medical fees		2,379,301	2,167,633
Legal and professional fees	34.00	2,810,812	2,618,850
Insurance policy stamp		17,446,723	16,083,723
Advertisement and publicity	35.00	4,477,311	11,184,880
Printing and stationery	36.00	16,630,573	15,051,112
Office rent	37.00	59,130,246	59,257,576
Bank charges	38.00	35,302,896	32,487,519
Repairs and maintenance	39.00	31,095,790	34,055,664
Car fuel, maintenance & repairs	40.00	28,153,460	26,804,838
Group insurance		5,289,566	5,638,944
Papers and periodicals		380,907	380,791
Telephone, telex and internet	41.00	8,164,475	7,695,996
Electricity, water and gas	42.00	4,179,818	4,127,997
Training & recruitment expenses	43.00	1,828,169	2,747,515
Fees and subscriptions	44.00	3,808,444	5,487,908
Donations		15,000	720,000
Entertainment expense	45.00	3,182,228	2,763,587
Insurance premium (general)	46.00	4,034,018	3,655,979



LIFE REVENUE ACCOUNT

For the Year ended 31 December 2018

	Notes	Amount in Taka	
		2018	2017
Postage and telegram		3,518,118	3,227,692
Uniform and liveries		1,063,828	1,061,601
Development expenses		3,182,632	1,821,089
Prize and Awards		26,114,189	23,673,370
Municipality Tax		6,297,588	6,385,406
Conference & Seminar		9,626,823	7,402,282
Company registration (renewal) fees		10,119,418	23,693,620
Stamps		3,909,868	4,433,677
Staff transport expenses		2,083,104	1,417,838
AGM/EGM expenses		669,952	655,605
Depreciations	47.A	66,502,565	58,144,722
CDBL related charges	48.00	706,717	1,312,680
		897,071,738	842,987,753
		1,812,735,948	1,701,324,964
OTHER EXPENSES			
Reserve for unexpired risk		171,229,029	135,959,591
Provision for income tax	49.A	213,500,000	225,000,000
Appropriations			
Dividend	50.00	309,375,000	247,500,000
Balance of the fund at the end of the year as shown in the Balance Sheet			
Total		38,296,734,105	36,742,205,130
		46,369,726,438	44,389,398,007

The annexed notes form an integral part of these financial statements


Adeeba Rahman, ACII (UK)
Chief Executive Officer


Zeyad Rahman
Director


Salahuddin Ahmad
Director


Lt. Gen. M. Noor Uddin Khan, psc (Retd.)
Chairman

As per our report of same date

Dated, Dhaka;
17 June 2019


M.J. ABEDIN & CO.
Chartered Accountants



STATEMENT OF CHANGES IN STOCKHOLDER'S EQUITY

For the Year ended 31 December 2018

Particulars	Share Capital	Share Premium	Dividend equalization reserve	Retained Earnings	Other Reserve	Total
Balance as on January 01, 2018	1,237,500,000	-	1,000,000	-	-	1,238,500,000
Addition during the year	-	-	-	-	-	-
Balance as on December 31, 2018	1,237,500,000	-	1,000,000	-	-	1,238,500,000


Balance as on January 01, 2017	1,237,500,000	-	1,000,000	-	-	1,238,500,000
Addition during the year	-	-	-	-	-	-
Balance as on December 31, 2017	1,237,500,000	-	1,000,000	-	-	1,238,500,000

The annexed notes form an integral part of these financial statements


Adeeba Rahman, ACII (UK)
 Chief Executive Officer


Zeyad Rahman
 Director


Salahuddin Ahmad
 Director


Lt. Gen. M. Noor Uddin Khan, psc (Retd.)
 Chairman

As per our report of same date

Dated, Dhaka;
 17 June 2019


M.J. ABEDIN & CO.
 Chartered Accountants



STATEMENT OF CASH FLOWS

For the Year ended 31 December 2018


	Amount in Taka	
	2018	2017
Cash flows from operating activities		
Collection from premium	6,486,015,903	6,148,419,674
Other income received	4,487,547	3,318,543
Payment for operating activities	(2,352,822,106)	(1,483,416,617)
Re-insurance premium paid	(59,928,856)	(47,698,427)
Claim paid	(5,526,227,235)	(5,345,271,676)
Source tax (income tax) deducted	(177,767,054)	(148,778,980)
Net cash flows from operating activities	(1,626,241,801)	(873,427,483)
Cash flows from investing activities		
Investment made	536,422,391	(341,160,894)
Acquisition of fixed assets	(67,510,058)	(116,920,908)
Addition of investment property	(11,613,210)	(13,500)
Proceeds from sale of fixed assets	3,869,309	7,204,832
Loan paid against policies	(219,856,227)	(223,352,240)
Loan realized against policies	197,629,286	213,402,091
Interest, dividends & rents received	2,489,529,011	3,248,730,647
Other loans realized	271,568	574,286
Net cash flows from investing activities	2,928,742,070	2,788,464,314
Cash flows from financing activities		
Dividend paid	(292,671,399)	(231,032,482)
Net cash flows from financing activities	(292,671,399)	(231,032,482)
Net increase in cash & cash equivalents	1,009,828,870	1,684,004,349
Cash and cash equivalents at the beginning of the year	10,113,415,697	8,429,411,348
Cash and cash equivalents at the end of the year	11,123,244,567	10,113,415,697

The annexed notes form an integral part of these financial statements


Adeeba Rahman, ACII (UK)
Chief Executive Officer


Zeyad Rahman
Director


Salahuddin Ahmad
Director


Lt. Gen. M. Noor Uddin Khan, psc (Retd.)
Chairman

As per our report of same date

Dated, Dhaka;
17 June 2019


M.J. ABEDIN & CO.
Chartered Accountants



STATEMENT OF LIFE INSURANCE FUND

For the Year ended 31 December 2018

Amount in Taka

Assets

Loan on Insurer's policies within their surrender value
Investments
Agents' balance
Outstanding premium
Interest, dividends & rents accruing but not due
Advances & deposits
Sundry debtors
Cash & bank balances
Fixed assets (at cost less depreciation) and CWIP
Stamps, printing and stationery in hand

748,116,070
26,330,775,068
42,360
735,878,203
1,473,569,523
1,940,230,102
875,405,724
11,123,244,567
689,813,992
8,604,828
43,925,680,437

Less: Liabilities

Estimated liabilities in respect of outstanding claims, whether due or intimated
Amount due to other persons or bodies carrying on insurance business
Sundry creditors
Provision for doubtful debts
Reserve for unexpired risk
Premium deposits

123,832,401
87,529,729
1,756,912,737
80,135,530
171,229,029
22,586,620
2,242,226,046

Gross fund (assets - liabilities)

Shareholders' capital (paid-up capital)

Dividend equalization reserve

Fair Value Change Account

Life insurance fund as at December 31, 2018

41,683,454,391
(1,237,500,000)
(1,000,000)
(2,148,220,286)
38,296,734,105

The annexed notes form an integral part of these financial statements



Adeeba Rahman, ACII (UK)
Chief Executive Officer



Zeyad Rahman
Director



Salahuddin Ahmad
Director



Lt. Gen. M. Noor Uddin Khan, psc (Retd.)
Chairman

As per our report of same date

Dated, Dhaka;
17 June 2019



M.J. ABEDIN & CO.
Chartered Accountants



FORM AA

Classified Summary of the Assets in Bangladesh

as at 31 December 2018

Class of Assets	Book Value Taka	Market Value Taka	Remarks
Loan			
On insurer's policies within their surrender value	748,116,070	748,116,070	Realizable Value
Investment			
Statutory deposit with Bangladesh Bank (BGTB)	15,000,000	15,000,000	At Cost
Bangladesh Govt. Treasury Bond (BGTB)	11,340,143,437	11,340,143,437	At Cost
Mutual fund	122,638,001	122,638,001	At Cost
Shares listed on stock exchanges	10,484,786,279	10,484,786,279	Fair Value
Debentures and bonds	1,355,928,175	1,355,928,175	At Cost
DLIC Securities Limited	1,399,999,940	1,399,999,940	Book Value
Central Depository Bangladesh Ltd. (CDBL)	3,138,890	3,138,890	Book Value
Investment property	1,580,004,629	1,580,004,629	Carrying Value
Other loans	29,135,717	29,135,717	Realizable Value
Cash and bank balances			
On fixed deposit with banks	9,682,191,807	9,682,191,807	Book Value
On current account with banks	376,033,031	376,033,031	Book Value
On SND account with banks	1,019,305,582	1,019,305,582	Book Value
Cash in hand	17,747,696	17,747,696	Book Value
Cash in transit	11,832,117	11,832,117	Realizable Value
Branch petty cash	16,134,334	16,134,334	Realizable Value
Other accounts			
Agents' balance	42,360	42,360	Realizable Value
Outstanding premium	735,878,203	735,878,203	Realizable Value
Interest, dividends and rents accruing but not due	1,473,569,523	1,473,569,523	Realizable Value
Advances and deposits	1,940,230,102	1,940,230,102	Realizable Value
Sundry debtors	875,405,724	875,405,724	Realizable Value
Fixed assets (at cost less depreciation) and CWIP	689,813,992	689,813,992	Carrying Value
Stamps, printing and stationery in hand	8,604,828	8,604,828	At Cost
Total	43,925,680,437	43,925,680,437	

The annexed notes form an integral part of these financial statements


Adeeba Rahman, ACII (UK)
Chief Executive Officer


Zeyad Rahman
Director


Salahuddin Ahmad
Director


Lt. Gen. M. Noor Uddin Khan, psc (Retd.)
Chairman

As per our report of same date

Dated, Dhaka;
17 June 2019


M.J. ABEDIN & CO.
Chartered Accountants

A photograph of a business meeting. In the foreground, a person's hand is typing on a white laptop keyboard. To the right, another person's hand holds a pen over a document. The document contains a line graph and some text. In the bottom left corner, there is a white cup of black coffee. The background shows the arms and hands of other people in business attire. The text "NOTES TO THE FINANCIAL STATEMENTS" is overlaid in the center in a bold, green, sans-serif font.

NOTES TO THE FINANCIAL STATEMENTS



NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 December 2018

1.00 Status and nature of business

1.01 Establishment and status of the company

Delta Life Insurance Company Limited (hereinafter referred to as "DLICL"/"the Company") was incorporated as a public limited company as on 10 November, 1986 under the Companies Act 1913 as amended in 1994. DLICL got listed in the Dhaka and Chittagong Stock Exchange Ltd. in the year 1995. The Company obtained Certificate of Registration from the Controller of Insurance/The Insurance Development and Regulatory Authority (IDRA) on 27th November 1986 to carry on Life Insurance Business in Bangladesh. The Certificate of Registration has been renewed annually and is in force as at 31st December 2018. The Registered Office of the Company is located at Delta Life Tower, Plot # 37, Road # 45 (South) & 90 (North), Gulshan Circle-2, Dhaka 1212, and Bangladesh.

1.02 Nature of business

The Company is carrying on the business of providing Life Insurance, under which the following different divisions exists: Ordinary Life (OL), Group Life Insurance (GLI) and Group Health Insurance (GHI). The Company's Life Insurance business comprises of Individual life for urban and suburban people, micro insurance in the name of Gono-Grameen Bima (GN-GRB) for low income group with limited or no access to financial instruments and Group business for conglomerates.

Most of the products are participating traditional while few products under individual life are non-participating traditional. To enhance the benefits of the plans accidental and disability riders are also offered.

Subsidiary Company:

Delta Life Insurance Company is a parent company with a subsidiary named DLIC Securities Limited. Details of the subsidiary are given below.

The Company obtained permission to form a subsidiary company from Insurance Development & Regulatory Authority (IDRA) on September 20, 2012. In pursuant to the permission from IDRA, the Company (Parent) formed a wholly owned (99.999%) subsidiary public limited company named DLIC Securities Limited. The main objectives of the subsidiary company is to carry out business of a stock broker and stock dealer and therefore to buy, sell, and deal in shares, stocks, debentures, bonds and other securities and to carry out business as is permissible for a broker and dealer.

2.00 Basis of Presentation, Statement of Compliance and Measurement Basis

2.01 Basis of Presentation

These financial statements have been prepared on the format of financial statement prescribed in the Insurance Act 2010 and Insurance Rules 1958, Securities & Exchange Commission Rules (SEC) 1987 (as amended to date).

2.02 Statement of compliance

The following underlying assumptions, laws, rules, regulations and accounting pronouncements have been considered in preparing accompanying financial statements:

- Going Concern
- Accrual unless stated otherwise except for Cash Flow Statement
- The Insurance Act 2010
- The Companies Act 1994
- SEC Rules 1987 (as amended to date)
- Dhaka Stock Exchanges (listing) Regulations 2015 (as amended to date)
- Income Tax Ordinance 1984 (as amended to date)
- The International Financial Reporting Standards (IFRS) which have been adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) which comprise of:
 - i) International Financial Reporting Standards



- ii) International Accounting Standards
- iii) Interpretations
- Any other applicable laws, regulations, covenants, conventions and practices prevailing with the insurance industry in Bangladesh
- Where the requirement of the companies Act 1994, The Insurance Act 2010, The Securities and Exchange Rules 1987 differ with the requirement of these standards, the requirements of the Companies Act 1994, The Insurance Act 2010 and The SEC Rules 1987 take precedence.

Application of International Financial Reporting Standards (IFRS)

The Accounting and Financial Reporting Standards that are applicable for the financial statements for the year under review, include the following:

- IAS 1 Presentation of Financial Statements
- IAS 2 Inventories
- IAS 7 Statement of Cash Flows
- IAS 8 Accounting policies, Changing in Accounting Estimates and Errors
- IAS 10 Events after the Reporting Period
- IAS 12 Income Taxes
- IAS 16 Property, Plant and Equipment
- IAS 19 Employee Benefits
- IAS 24 Related Party Disclosures
- IAS 27 Consolidated and Separate Financial Statements
- IAS 32 Financial Instruments: Presentation
- IAS 34 Interim Financial Reporting
- IAS 37 Provisions, Contingent Liabilities and Contingent Assets
- IAS 38 Intangible Assets
- IAS 40 Investment Property
- IFRS 4 Insurance Contracts
- IFRS 7 Financial Instruments Disclosures
- IFRS 9 Financial Instruments
- IFRS 13 Fair Value Measurement
- IFRS 15 Revenue from Contracts with Customers

2.03 Basis of Measurement

These financial statements have been prepared under the historical cost convention except as disclosed in accounting policies relating to investments.

2.04 The functional and presentation currency

The financial statements are presented in Bangladeshi Taka, which is the company's functional and presentation currency.

2.05 Use of critical accounting estimates and judgments

The preparation of financial statements in conformity with the approved accounting standards as applicable in Bangladesh requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumption are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future period affected.

2.06 Reporting period

The financial statements of the company cover one financial year from 01 January 2018 to 31 December 2018 of the calendar year.



2.07 Components of the financial statements

The financial statements include the following components:

- Balance Sheet
- Life Revenue Account
- Cash Flow Statement
- Statement of Life Insurance Fund
- Statement of changes in Stockholders' equity
- Classified summary of the Assets (Form AA) and
- Accounting Policies and Explanatory Notes.

3.00 Summary of significant accounting policies

- The accounting policies adopted in the preparation of these Financial Statements are consistent with those of the previous financial year.
- The significant accounting policies adopted in the preparation of these Financial Statements are set out below.

3.01 Basis of Consolidation

These consolidated financial statements are prepared in accordance with the principles and procedures for preparation and presentation of consolidated financial statements as laid down under the International Financial Reporting Standard (IFRS)-10 "Consolidated Financial Statements". The financial statements of the Company and the Subsidiary have been combined on a line-by-line basis by adding together similar items of assets and liabilities after eliminating all intra group balances, transactions, income and expenses, and profit and loss resulting from intra-group transaction and dividend. (Income and expenses of subsidiary have been disclosed in the consolidated life revenue account under the heads – "Other income" and "Other expenses" respectively).

The Company and the Subsidiary are governed by different regulations. Wherever, accounting policies applied in the consolidated financial statements differ, respective accounting policies of the Company and the Subsidiary as applied to such items have been disclosed. The financial statements of the subsidiaries are prepared for the same reporting year as the parent company, using consistent accounting policies.

The notes to the consolidated financial statements are intended to serve as a means of informative disclosure and a guide towards better understanding of the consolidated position of the Group. The Group has disclosed such notes from the standalone financial statements of the Company and the Subsidiary which are necessary for presenting a true and fair view of the consolidated financial statements.

3.02 Revenue recognitions

All business is written in Bangladesh.

3.2.1 Individual life policies

- Individual life first year, renewal and single premiums are recognized once related policies are issued/renewed against receipt and realization of premium.
- First year premium against individual life business of 2018 deposited to the bank accounts within 15th January of the year 2019 has also been recognized as First Year Premium income (individual life) as per directives of the IDRA.
- Renewal Premium outstanding as at 31st December 2018, for which, the grace period has not been expired and collected subsequently by 31st January 2019 are also recognized as revenue.
- Uncollected premium from lapsed policies is not recognized as income until such policies are revived.

3.2.2 Group life and health policies

The premiums of Group policies are recorded after receipt of the premiums and in certain circumstances premiums falling due under the policies within the financial period are also recognized if these premiums are subsequently received.

3.2.3 Reserve for unexpired risk- group business

Gross premium proportionate to the unexpired duration of the period for which the respective premiums have been billed and received are held as reserve for unexpired risk.



3.03 Reinsurance Premium

Commission received on reinsurance ceded is recognized as income, and net off against commission paid, in the period in which reinsurance premium is ceded. Profit commission on reinsurance ceded is recognized as income, and net off against reinsurance premium, in the period in which reinsurance premium is ceded.

3.04 Interest, dividends and rents

Interest income is recognized on accrual basis (except project loan) unless otherwise stated. Interest income on bank deposits (FDRs) is recognized on accrual basis (time proportion basis). Income on Government securities is recognized on Coupon Rate basis for the number of days these are held.

Dividend income is recognized when the Company's right to receive dividend is established.

Rental income is recognized on accrual basis, except for the cases that are under litigation.

Realized gains and losses in respect of financial instruments, such as, equity securities, units of mutual fund and corporate bonds listed in the stock exchange are calculated as the difference between the net sales proceeds and their costs using the weighted average method, that is profit or loss on sale of the listed financial instruments are recognized in the Income Statement on cost basis.

Policy loans are allowed to the policy holders to the extent of surrender values of their respective policies provided the policies are in force for not less than two years. Interest on policy loan is accounted on accrual basis subject to the provisions of the Insurance Act/Rules.

Profit or loss on sale of securities/equities is taken to revenue only in the year of sale.

Income on debentures is recognized at prescribed rates except recovery is considered doubtful in which case the income is recognized on a receipt basis.

Interest and dividend are accounted at gross value (before deduction of Income Tax).

3.05 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events and it is probable that an outflow or resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made.

A provision is made against the loans, advances and receivable with small prospect of recovery. Provisions are not made against loans, advance and receivable for which legal cases instituted but remained pending for decision.

3.06 Contingencies & Commitments

3.6.1 Contingencies

Contingencies arising from claim, litigation, tax assessment, fines, penalties etc. are recorded when it is probable that the obligation has been incurred and the amount can reasonably be measured.

Income Tax Assessments

Income Years ended 31st December 2004-2014 (Assessment Years: 2005-2006 to 2015-2016)

The DCT assessed incomes of the company for the income years ended on 31st December 2004-2014 (Assessment years 2005-06 to 2015-2016) & raised additional tax demand on different issues. The company filed appeals to different higher authorities (Commissioner of taxes appeal-2, The Appellate tribunal & High court) contesting the Tax Assessment orders of DCT on different grounds such as-

Improper computation of income from business of life insurance under clause 2(a)/2(b) of Fourth schedule of Income Tax ordinance, 1984, unfair add back of certain management expenses to income, non allowance of management expenses for Group Health Insurance, improper credit for TDS/advance income tax paid, inappropriate segregations of income with income tax at separate rates etc.

Most of the appeals are pending with these authorities and for some Income years revised tax assessments based on the orders of the different authorities (CT Appeal-2 & tribunal) have not yet been finalized & issued by the taxes department.

The management of the company and its Tax advisor are confident that ultimate outcome of these matters will be decided in favor of the company resulting likely to a tax refund in favor of the company instead of any additional tax. Accordingly, no provision is required in financial statements on account of these matters.



The company has submitted its tax return for the income years 2015, 2016 & 2017 (Assessment year: 2016-2017, 2017-2018 & 2018-2019) which are still pending for assessment with the respective taxes department.

3.6.2 Commitments

Bank guarantees amounting to Tk. 800,000.00 (Eight lac) has been given in respect of Group Health Coverage. These bank guarantees will expire by 30.04.2021.

3.07 Premium deposit

Premium deposit represents premium received but risk has not yet been accepted because of pending underwriting decision as at 31 December 2018.

3.08 Re-insurance

- This represents provisional amount payable to the re-insurer (Munich Re) for the 12 (twelve) months ended on 31 December 2018. Provision has been made on the basis of best available information.
- Reinsurance premium is recognized at the same time when the premium income is recognized. It is measured in line with the terms and conditions of the reinsurance treaties.
- Claim recoveries from reinsurers are recognized at the same time as the claims are intimated in line with the term and condition of the reinsurance arrangements.

3.09 Claims costs

Claims costs consist of the policy benefit amount and claim settlement costs, where applicable.

Death and rider claims are accounted for on receipt of intimation. Intimations upto the end of the period are considered for accounting of such claims.

Annuity benefits and Maturity benefits are accounted when due.

Surrenders are accounted for on the receipt of consent from the insured to the amount as per terms and conditions of the policies.

Maturity claims also include amounts payable on lapsed policies which are accounted for on the date of maturity of policies.

Amount recoverable from Re-insurers are accounted for in the same period as the related claim and are reduced from claims.

3.10 Investments

Investments are made and accounted in accordance with the provisions of the Insurance Act/Rules 1958 and the circulars/notifications issued by the IDRA from time to time.

a) Classification of investment

Held-to-Maturity - Investments with fixed or determinable payments and fixed maturity, where the company has both the intent and ability to hold to maturity, are classified as Held-to-Maturity.

Available-for-Sale - Investments which are intended to be held for an indefinite period but may be sold in response to the need for liquidity or change in mark-up/ interest rates are classified as Available- for- Sale.

Held-for-Trading - Investments which are acquired principally for the purposes of generating profit from short term fluctuation in price are classified as Held-for-Trading. Subsequent to initial recognition, these investments are re-measured at fair value.

b) Valuation of investments

(i) Investment property

Investment property represents land or building held for investment purpose. Investment property is valued at historical cost subject to revaluation, if any.

Cost of investment property includes their acquisition cost and costs of various phases of construction works including advance to contractors which have been completed at the balance sheet date.

The construction works of office buildings on leasehold land at various places are in progress, which has not been fully completed at Balance Sheet date and hence classified as capital work in progress (CWIP) in the accounts.



(ii) Debt Securities

Debt securities with fixed income (Bangladesh Govt. Treasury Bond), Private and Public Bonds and Debentures are categorized by class and are accounted for "held to maturity" and have been valued at cost. The discount in respect of the debt securities which is the difference between the purchase price and the redemption amount is amortized and recognized in the Revenue Account on straight line basis over the remaining period to maturity of these securities. For fair presentation, premium, if any, premium on acquisition of those bonds and debentures are however charged to Revenue in the year of acquisition.

(iii) Financial instruments are stated at fair value

Listed financial instruments such as equities, mutual funds and corporate bonds are measured at fair value which is based on their quoted closing price on the primary exchanges (Dhaka and Chittagong Stock Exchanges) at the balance sheet date without any deduction for transaction costs. Unlisted equities are measured at historical cost.

Unrealized gains and losses arising due to changes in fair value of financial instruments (listed equity shares & mutual funds) are recognized in the balance sheet under the head "Fair Value Change Accounts".

(iv) Loans are valued at historical cost (less repayments), subject to provision for impairment, if any.

(v) Investment in DLIC Securities Ltd. (Subsidiary) is valued at cost.

(vi) All other investments are recognized at cost including their acquisition charges, if any, less impairment, if any. Interest income from reinstatement of policy is recognized on receipt basis.

3.11 Fixed Assets and Depreciation/Amortization

Fixed assets are reported at cost less accumulated depreciation and impairment, if any. Cost includes the purchase price and any cost directly attributable to bring the asset to its working condition for its intended use. Fixed assets of small value and assets for which useful lives cannot be estimated properly are fully charged to the Revenue in the year of their purchases. Subsequent expenditures incurred on existing fixed assets are expensed out except where such expenditure increases the future economic benefits from the existing assets. Any addition to the original fixed asset is depreciated over the useful life of the asset. Depreciation is charged on pro-rata basis from the month of purchase and up to the previous month of sale. Methods and rates of providing depreciation are consistently applied in relation to the previous year.

Capital works in progress (CWIP) is stated at cost less impairment, if any and consist of expenditure incurred and advances made in respect of fixed assets in the course of their acquisition, erection, construction and installation. The assets are transferred to relevant category of fixed asset when they are available for use.

Gains/Losses on disposal of fixed asset are taken to revenue account.

Tangible assets

The company has adopted straight line method of depreciation so as to depreciate the cost of following type of assets over the useful life of these respective assets which are as follows:

Asset class	Useful life of assets
Furniture & Fixture	10
Renovation	5
Computer Hardware & Software	4
IT Infrastructure	25
Data Center-IT Infrastructure	5
Electrical Equipment	5
Vehicles	5
<u>Investment Property</u>	
Building - (Delta Life Tower - Gulshan, Khulna & Bogura)	100
Lift - (Delta Life Tower - Gulshan, Khulna & Bogura)	20
Generator - (Delta Life Tower - Gulshan, Khulna & Bogura)	20
Solar Plant - (Delta Life Tower - Gulshan, Khulna & Bogura)	10
Central Air Condition System	20



Intangible assets

Expenditure incurred on major application software and their customization or further development is recognized as an intangible asset. The same is capitalized under fixed assets if such expenditure results in a benefit of enduring nature. Other software expenses such as support and maintenance annually are expensed in the period in which they are incurred. Intangible Assets are stated at cost less accumulated depreciation/amortization. This is amortized over period of four (04) years.

Preliminary expenses incurred for formation of DLIC Securities Ltd. (Subsidiary) has been amortized over the period of five years commencing from the year 2015.

Depreciation rates and methods are reviewed at each balance sheet date and adjusted, if required.

Impairment of assets

The carrying amounts of assets are reviewed at the Balance Sheet date if there is any indication of impairment based on internal/external factors. An impairment loss, if any, is recognized wherever carrying amount of an asset exceeds its recoverable amounts.

Encumbrances

There were no encumbrances on assets of the company as at the Balance Sheet date (previous year Tk. nil).

3.12 Stamps, printing, stationery in hand

Stock of stamps, printing and stationery in hand etc. are valued at cost determined on average basis.

3.13 Provision for doubtful debts

The company regularly evaluates the probability of recovery and provides for doubtful recoverable in the Revenue Account or Profit & Loss Account, as applicable.

3.14 Taxation

Current Tax

Provision for Taxation is based on taxable income determined under the Fourth Schedule of the Income Tax Ordinance 1984 and best judgment of the management.

Charge for the current tax is calculated following the accepted method of income assessment and the using tax rate enacted at the Balance Sheet date and includes adjustments, where considered necessary, relating to prior years.

Deferred tax

The company does not provide for deferred taxation as current tax has been calculated based on the actuarial valuation and there is no effect of tax base assets and liabilities.

3.15 Risk Minimization strategies

3.15.1 Insurance Risk

3.15.1.01 Individual life business

Insurance underwriting risk is the risk that the Company will suffer losses due to economic situation or the rate of occurrence of an incident contrary to the forecast made at the time of setting up of the premium rate. The risk underwritten, i.e., the risk of death and critical illness may vary from division to division.

The underwriting risk arises from death and sometimes due to permanent disability and critical illness. The Company may get exposed to poor risk due to unexpected experience in terms of claim severity or frequency. This can be a result of anti-selection, fraudulent claims or poor persistency. The Company faces the risk of under pricing particularly due to nature of long-term contract. In addition to this, due to poor persistency, the Company would be unable to recover expenses of policy acquisition. **The Company manages these risks through its underwriting, reinsurance, claims handling policy and other related control mechanisms.** The Company has a good spread of business throughout the country thereby ensuring diversification of geographical risks. The Company has a well defined medical under-writing policy and avoids selling policies to high risk individuals. Underwriting procedures have been enhanced and rules have been structured to enable the Company to strike a balance between mitigating risk, ensuring control and providing better service. This puts a check on anti-selection.

The Company seeks to reduce its risk exposure by reinsuring certain levels of risk with renowned re-insurance Munich-Re.



The Company provides quality service to the policyholders and checks to minimize miss-selling and avoid poor persistency. A regular monitoring of lapsation rate is conducted. On the claims handling side, the Company has procedures in place to ensure avoidance of payment of fraudulent claim. The Claim Committee reviews high sum assured and early claims for verification and detailed investigation of all doubtful and early claims are conducted. The Company maintains adequate liquidity to cater for potentially sudden and high cash requirement.

3.15.1.02 Group life insurance

The major risk underwritten by the company is death which depends on mortality. Other risks underwritten include disability and major disease.

Risk increases as a result of catastrophic events, business procurement without following underwriting guidelines, business procurement at low premium rate due to tough market competition and fraudulent claims. Non-receipt of premium in due time is an additional factor.

The company manages these risks through proper underwriting, reinsurance, effective claims handling and other claim control mechanism. The company also avoids underwriting group business with employees exposed to hazardous profession. Pricing is done in line with actuarial guideline, experience and the mortality exposure the concerned group faces. Moreover, premium rates of existing groups are also reviewed from time to time on the basis of claim experience. Reinsurance arrangements are made by the company with renowned re-insurer to limit the risk at affordable level. Besides, the company avoids payment of fraudulent claims through claim investigation. Strict monitoring is in place to keep the outstanding balances of premium at a minimum.

3.15.1.03 Group health insurance

The main risk underwritten by the company is morbidity that requires treatment as inpatient or outpatient. Risks are increased as a result of increasing incidences of fatal diseases, accident & catastrophic event, fraudulent practices, health over consciousness of insured etc. Consistent increase in charges of various hospital services, lack of adequate claim control mechanism and business procurement at low price in the competitive market are additional factors.

The company manages these risks through proper underwriting and other related claim control mechanism, premium rate review on claim experience and hospital agreements with discount facility etc.

The Company has a well defined medical underwriting policy to avoid underwriting Group Health business with potentially high health risk. Any pre-existing conditions are also screened at this stage. Health plans are designed and terms & condition are set in such a way that abuses of benefit utilization are minimized. Pricing is done in consultation with actuarial department on the basis of actual claim experience. Company has also pre-determined charges for certain illness and investigations with its panel hospitals. The charges are treated as "Standard Rate" which is applied to restrict settlement of inflated bills. The company avoids settlement of any fraudulent claims through claims investigations which is managed by experienced technical staff.

3.15.2 Liquidity risk

Liquidity risk is the risk that the Company will be unable to meet its funding requirements. To guard against the risk the Company has diversified funding sources and assets are managed with liquidity in mind, maintaining healthy balance of cash and cash equivalent and readily market securities.

3.15.3 Interest rate risk

The Company invests in securities and has deposits that are subject to interest rate risk. Interest rate risk is the risk that the value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company limits interest risk by monitoring changes in interest rates in the money market and by diversifying into various institutions (issuers' of securities).

3.15.4 Market risk (investment pattern)

Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether these changes are caused by factors specific to the individual security or its issuer or factors affecting all securities traded in the market.

The Company is exposed to market risk with respect to its investment.

The Company continues to adopt a prudent policy in respect of investments. The fund of the Company has been invested as per provision of the Insurance Act. The investments are mainly in Govt. securities, Fixed Deposits Receipts (FDR's) with various commercial banks and financial institutions having acceptable performance parameters and ratings and equity shares in listed companies having good and positive fundamental and technical attributes.



The Company also limits market risk maintaining a diversified profile and by continuous monitoring of developments in Govt. securities (treasury bills) equity and term finance certificates markets. In addition, the Company actively monitors the key factors that affect the underlying value of these securities.

3.15.5 Reinsurance risk

The Company seeks to reduce its risk exposure by reinsuring certain levels of risk with re-insurer. Re-insurer ceded does not relieve the Company from its obligation to policyholders and as a result, the Company also remains liable for the portion of outstanding claims reinsured to the extent that re-insurer does not meet the obligations ultimately under the reinsurance agreements.

In order to minimize the risk, the Company has obtained reinsurance cover from a renowned re-insurer, Munich-Re with proven sound financial health.

3.15.6 Credit risk

Credit Risk is the risk, which arises with the possibility that one party to a financial instrument will fail to discharge its obligation and cause the other party to incur a financial loss. Major credit risk is in reinsurance receivables, bank balances and investments. The management monitors exposure to credit risk through regular review of credit exposure/CAMELS rating and assessing credit worthiness of counter parties.

3.16 Commission

Commission to Insurance Agents (Less that on Reinsurance) represents first year commission, renewal commission and Group commission.

Allowances and Commission (Other than Commission to Insurance Agents less that on Reinsurance) represent Field Officers salary and allowances including bonuses.

3.17 Cash flow statement

Cash Flow Statement is prepared in accordance with IAS-7 and Cash Flow from operating activities has been presented under direct method as outlined in the Securities and Exchange Rules 1987 (as amended to date). For the purpose of cash flow statement, cash and cash equivalents include the following:

- Cash at bank in current and SND accounts
- Term deposits (FDRs) with commercial banks
- Cash in hand & petty cash and in transit

Net operating cash flow per share (NOCFPS) for the year 2018 each Tk. (13.14) as compared to Tk. (7.06) of the previous year. Reasons for the deviation in the NOCFPS is due to combined effects of increase in collection from premium, claim payments, payments for operating expenses and payment for other elements of operating activities.

3.18 Comparative information

Relevant comparative information has been disclosed in respect of the year for all numerical information in the financial statements.

3.19 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 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 (please refer to note no. 57).

3.20 Dividend to shareholders

Dividends in cash and stock (bonus shares) to share holders are recognized in the period in which they are approved.

3.21 General

The previous year's figures are regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current financial statements and are to be read in relation to the amounts and other disclosures relating to the current year. Disclosure regarding nature, amount and reasons for reclassification of comparative items of the previous year are however not provided if the effects of reclassified comparative information are immaterial to user focus areas of significance and the information are also insignificant to an understanding of the affairs of current period.

Amounts presented have been rounded to the nearest taka. Figures in brackets () indicate deduction/negative balances.

**4.00 Shareholders' capital****Authorized capital**

50,00,00,000 ordinary shares of Tk. 10 each.

Issued, subscribed and paid-up capital

12,37,50,000 ordinary shares of Tk. 10 each.

Category of ShareholdersSponsor
General public**Share holding (%) 2018**

42.05
57.95
100.00

Amount in Taka	
2018	2017
5,000,000,000	5,000,000,000
1,237,500,000	1,237,500,000
520,412,970	530,343,810
717,087,030	707,156,190
1,237,500,000	1,237,500,000

The Company was incorporated on 10 November 1986 with paid up capital of Tk. 1.5 crore. In the year 1995, the Company listed with the bourses by issuing additional 15 lac shares to public @ Tk. 10.00 each which made the paid up capital Tk. 3.0 crore. Subsequently the Company has raised its paid up capital by issuing 15 lac, 9.45 crore and 2.475 crore bonus shares on several dates i.e. 4 August 2013, 16 November 2013 and 20 July 2014 respectively.

4.01 Classification of shareholders by range of number of shares held

Shareholding Range	No. of Shareholders		No. of Shares	
	As at December 31, 2018	As at December 31, 2017	As at December 31, 2018	As at December 31, 2017
01-500	3,061	3,567	544,144	665,982
501-5000	2,068	2,637	3,584,689	4,571,004
5001-10000	230	280	1,720,406	2,083,880
10001-20000	135	165	1,899,228	2,352,473
20001-30000	68	67	1,609,341	1,526,963
30001-40000	28	20	982,307	712,673
40001-50000	28	30	1,283,305	1,354,017
50001-100000	83	84	6,413,454	6,297,063
100001-1000000	72	80	25,959,747	29,195,784
1000001- Above	31	27	79,753,379	74,990,161
Total	5,804	6,957	123,750,000	123,750,000

5.00 Life Insurance Fund (DLICL)**Tk. 38,296,734,105**

This represents the sum of the reserve held on all the policies in the books of the company. Each year, the life insurance fund is increased by the actual premiums received and the income earned on investments and is depleted by the actual claims paid & provided and expenses incurred. The life fund figure of the company has been arrived as at under:

Balance at the beginning of the year

36,742,205,130

34,702,479,378

Add: Increase in Life Revenue Account during the year

1,554,528,975

2,039,725,752

Balance at the end of the year**38,296,734,105****36,742,205,130****6.00 Retained Earnings (DLIC Securities Ltd.) Tk. 4,557,362**

Balance at the beginning of the year

71,818,171

47,810,424

Add: Increase in Profit or Loss Account during the year

(67,260,809)

24,007,747

Non-Controlling Interest (Retained Earnings)

-

(3)

Balance at the end of the year**4,557,362****71,818,168****7.00 Fair Value Change Accounts****Tk. 2,148,220,286**

The figure has been arrived at as under:

Market Value (Quoted Market Price) of listed financial instruments as at 31.12.2018

10,484,786,279

12,600,760,957

Less: Book Value (at Cost) of listed financial instruments as at 31.12.2018**8,336,565,993****8,720,307,754****2,148,220,286****3,880,453,203**

{Please refer note no. 3.10-b (iii)}

8.00 Non-Controlling Interest (Minority Interest) (DLIC Securities)**60****63**

This represents shares and retained earnings belong to outsiders, they are not owned by the group.



Amount in Taka

2018

2017

9.00 Estimated liabilities in respect of outstanding claims, whether due or intimated. Tk. 123,832,401

The figures has been arrived at as under:

Particulars	Ordinary Life	GN-GRB	Group Life Insurance	Group Health Insurance	Total
By Death	40,632,800	734,500	13,364,820	-	54,732,120
By Maturity	60,393,201	1,352,680	-	-	61,745,881
By Hospitalization	-	-	-	7,354,400	7,354,400
By Others	-	-	-	-	-
By Surrenders	-	-	-	-	-
Total Tk. in 2018	101,026,001	2,087,180	13,364,820	7,354,400	123,832,401
Total Tk. in 2017	30,942,450	35,873,481	14,553,854	2,537,495	83,907,280

10.00 Amount due to others persons or bodies carrying on insurance business Tk. 87,529,729

Munich Reinsurance Company

87,529,729	65,548,408
87,529,729	65,548,408

This represents net amount (after adjustment of claims, profit commission, etc.) payable to Re-insurer (Munich-Re) for life re-insured with them as shown below:

Nature of transactions	Amount (Tk.)	Remarks
Payable for the (3rd & 4th quarters) 2016	9,107,238	
Payable for the (four quarters) 2017	37,278,400	Awaits for confirmation
Provision for (4 quarters) - 2018	41,144,091	by the Re-insurer.
Balance as at 31 December 2018	87,529,729	

11.00 Sundry Creditors Tk. 1,812,690,302**This consists as followings:**Delta Life Insurance Co. Ltd. (Note-11.A)
DLIC Securities Ltd. (Note-11.B)

1,756,912,737	1,507,254,069
808,665,638	55,841,857
2,565,578,375	1,563,095,926
752,888,073	25,983,627
1,812,690,302	1,537,112,299

Less: Inter-company transaction

Total Consolidated**11.A Sundry creditors (DLICL) Tk. 1,756,912,737**

Sundry creditors and payable for expenses represent amounts payable to various service providers towards goods and services availed by the Company along with the provision for expenses and commission on the basis of actual bills received but not paid within the year.

The break-up of the figure is as followings:

Commission Payable (Note-11.01)
Development Salary & Other Allowances (Note-11.02)
Agents' License Fees (Note-11.03)
Tax and VAT Deducted at Source
Security Deposit (Note-11.04)
Unclaimed Dividend (Note-11.05)
Creditors for Expenses (Note-11.06)
Provident Fund and Gratuity Provision (Note-11.07)
Group Insurance & Hospitalization Insurance Premium
Provision for Income Tax (Note-11.08)
Interest Suspense Account (Note-11.10)
Unidentified Deposit (Note-11.11)
Auditors' Fees
Car Loan Deposit (Note-11.12)
Advance Rent
Others (Imprest Account)

161,999,000	98,462,308
49,973,893	7,168,276
9,077,952	7,861,576
469,957	1,245,156
25,447,629	67,756,090
69,166,825	52,463,224
5,268,100	61,498,049
26,664,903	2,329,906
217,398	30,562
1,329,698,799	1,116,198,799
26,056,421	26,056,421
7,280,886	5,719,330
960,000	960,000
2,733,809	3,213,809
41,691,199	56,084,597
205,966	205,966
1,756,912,737	1,507,254,069

11.B Sundry creditors (DLIC Securities Ltd.) Tk. 808,665,638**The break-up of the figure is as followings:**

For Expenses & Other Finance
Payable to Client
Unclaimed Dividend
Provision for Income Tax (Subsidiary Company) (Note-11.09)

2,999,211	3,132,415
765,001,543	26,909,676
6	2
40,664,878	25,799,764
808,665,638	55,841,857



Amount in Taka

2018

2017

11.01 Commissions payable**161,999,000****98,462,308**

This represents the provision of commissions payable to OL and GN-GRB's agents and different level of development officers which were due in December 2018 against first year and renewal business. These were subsequently paid.

11.02 Development Salary & Other Allowances**49,973,893****7,168,276**

This represents provision of salary, performance and production bonus payable to OL and GN-GRB development officers (other than agents). These were paid subsequently.

11.03 Agents' License Fees**9,077,952****7,861,576**

This represents amounts received from various development staff for agent's licenses fees which were under process and deposited gradually to the IDRA.

11.04 Security Deposit**Tk.****25,447,629**

The break-up of the figure is as followings:

Courier

38,000

38,000

Printing Materials

937,623

973,223

Stationery Suppliers

24,000

24,000

Car Repairs (Garage)

555,100

580,100

Contractor's (Construction for office buildings)

17,543,117

58,484,550

Computer Hardware & Software Suppliers

733,625

733,625

Staff (Employment related)

4,272,017

4,722,017

Others

1,344,147

2,200,575

25,447,629**67,756,090****11.05 Unclaimed dividend****Tk.****69,166,825**

The break-up of the figure is as followings:

Unclaimed dividend upto 2012

880,547

880,547

Unclaimed dividend-2013

9,046,391

9,050,195

Unclaimed dividend-2014

12,672,571

12,672,571

Unclaimed dividend-2015

12,724,598

12,812,929

Unclaimed dividend-2016

14,766,725

17,046,982

Unclaimed dividend-2017

19,075,993

-

69,166,825**52,463,224****11.06 Creditors for Expenses****Tk.****5,268,100**

The break-up of the figure is as followings:

Printing and stationery

890,656

934,197

Office Rent

155,700

-

Electricity Bill

-

831,620

Car Fuel & Maintenance

-

1,329,367

Postage

445,317

466,741

Contractor's bill payable (Bogura Building)

-

53,973,627

Legal Expenses

446,300

446,300

Staff Welfare Expenses

445,339

466,765

Computer Expenses

25,000

25,000

Others

2,859,788

3,024,432

5,268,100**61,498,049**

This represents various expenses incurred by the Company in the ordinary course of business exclusively for the purpose of its operation.

11.07 Provident Fund and Gratuity Provision**26,664,903****2,329,906**

This includes company's and employees' contribution to PF (Provident Fund Trust) of Tk. 1,664,903 for the month of December 2018. This was paid subsequently to the Trust. This also includes Tk. 25,000,000 being provision for gratuity.



		Amount in Taka	
		2018	2017
11.08 Provision for Income Tax	Tk. 1,329,698,799		
Upto 2003		38,563,596	38,563,596
2004 - 2017		1,077,635,203	1,077,635,203
2018		213,500,000	-
Balance at the end of the year		1,329,698,799	1,116,198,799
Provision for income tax has been made as required under the Income Tax Ordinance 1984. Assessment of income tax of the company has been finalized up to Financial Year (FY) 2003 with the exception of Financial Year (FY) 2001 for which assessment has become time barred (Note no-3.14). Income Tax Return of the Company for the Financial Year 2017 (Assessment Year 2018-2019) has been submitted to the Income Tax Authorities for Assessment which is under process.			
11.09 Provision for Income Tax: DLIC Securities	Tk. 40,664,878		
Balance at the beginning of the year		25,799,764	32,800,728
Add: Provision for Income Tax - Current year		15,515,977	25,148,901
Add: Short Provision		-	665,997
Less: Adjusted with Advance Tax for 2015-2016, 2016-2017 & 2017-2018		650,863	32,815,862
Balance at the end of the year		40,664,878	25,799,764
11.10 Interest Suspense Account	Tk. 26,056,421		
Overdue Interest on Home Loan Insurance Scheme		25,608,631	25,608,631
Debenture Interest Receivable from Beximco Denims Ltd.		447,790	447,790
		26,056,421	26,056,421
Interest accrued and overdue from loanees under Home Loan insurance scheme related to the period after legal actions were instituted against those loanees has been credited to Interest Suspense Account. Overdue debenture Interest receivable from the Beximco Denims Ltd. from FY 2003 but not yet received has been also credited to this Account.			
11.11 Unidentified Deposits	Tk. 7,280,886		
Balance at the beginning of the year		5,719,330	6,243,357
Adjustments/ reconciled		(1,600,480)	(2,807,289)
Additions		3,162,036	2,283,262
Balance at the end of the year		7,280,886	5,719,330
These represent deposits to company's various bank accounts which could not be reconciled and hence remained unidentified at year end due to lack of proper documents from banks. For fair representation, the balance in the account aged more than three (3) years are credited to the Revenue Account but proper records are kept for audit-trail and any subsequent adjustment, if any.			
11.12 Car Loan Deposit		2,733,809	3,213,809
This represents deposits received from the employees and adjustable under the Company's Car Scheme.			
12.00 Provision for doubtful debts	Tk. 80,135,530		
The above amount has arrived at as under:			
Project loan		54,164,796	54,208,534
Motor car, cycle and bicycle Loan		3,457,640	3,463,425
Branch collection account		3,383,872	3,383,872
Other receivables		3,748,126	3,752,783
Advance Salary		152,064	152,064
Business Dev. Advance B. Scheme		5,589,102	5,589,102
OTC Shares		9,639,930	9,639,930
		80,135,530	80,189,710
Provision for doubtful debts on account of Project loan; Motor car, cycle and bicycle loan and other receivables have be reduced due to recovery/adjustment of some outstandings.			
13.00 Reserve for unexpired risk (Group Life & Health Insurance Business)		171,229,029	135,959,591
This represents gross premium proportionate to the unexpired duration of the period for which the respective premiums have been billed and received are held as reserve for unexpired risk. This is applicable for Group Life (GT Scheme) and Health Insurance Business.			



Amount in Taka

2018

2017

14.00 Premium deposits Tk. 22,586,620

The figures has been arrived at as under:

Ordinary Life – 1st year

Ordinary Life – Renewal

Gono-Grameen Bima - 1st year

Group Life Insurance

Group Health Insurance

1,202,177

11,653,793

7,314,815

476,495

1,939,340

22,586,620

2,241,060

10,215,089

7,082,521

305,900

2,690,630

22,535,200

This represents payments made by policyholders awaiting adjustment against the policy premiums.

15.00 Loan Tk. 748,116,070

The figures has been arrived at as under:

On Insurer's Policies within their surrender value

Balance at the beginning of the year

Loan disbursement during the Year (Note 15.01)

Loan recovery of loan during the year (Note 15.02)

Balance at the end of the year

725,889,129

219,856,227

(197,629,286)

748,116,070

715,938,980

223,352,240

(213,402,091)

725,889,129**15.01 Loan disbursement during the year Tk. 219,856,227**

Ordinary Life (OL)

Gono-Grameen Bima (GN-GRB)

198,934,764

20,921,463

219,856,227

203,490,340

19,861,900

223,352,240**15.02 Loan recovery during the year Tk. (197,629,286)**

Ordinary Life (OL)

Gono-Grameen Bima (GN-GRB)

(175,957,857)

(21,671,429)

(197,629,286)

(192,474,343)

(20,927,748)

(213,402,091)**16.00 Investment Tk. 25,875,475,095**

This consists as followings:

Delta Life Insurance Co. Ltd. (Note-16.A)

DLIC Securities Ltd. (Note-16.B)

Total Consolidated

26,330,775,068

(455,299,973)

25,875,475,095

28,625,516,083

(472,379,695)

28,153,136,388**16.A Investment (DLICL) Tk. 26,330,775,068**

The break-up of the figure is as followings:

Government Securities (Note-16.01)

Mutual Fund (Note-16.02)

Shares Listed on Stock Exchanges (Note-16.03)

Debentures and Bonds (Note-16.04)

DLIC Securities Ltd. (Subsidiary Company Note-16.05)

Other Investment (Note-16.06)

Investment Property (Note-16.07)

Other Loans (Note-16.08)

11,355,143,437

122,638,001

10,484,786,279

1,355,928,175

1,399,999,940

3,138,890

1,580,004,629

29,135,717

26,330,775,068

11,935,033,076

42,638,001

12,600,760,957

1,008,719,165

1,399,999,940

3,138,890

1,605,818,769

29,407,285

28,625,516,083**16.B Investment (DLIC Securities Ltd.) Tk. (455,299,973)**

The break-up of the figure is as followings:

Shares Listed on Stock Exchanges

Investment in Subsidiary

944,699,967

(1,399,999,940)

(455,299,973)

927,620,245

(1,399,999,940)

(472,379,695)**16.01 Government Securities Tk. 11,355,143,437**

Statutory Deposit with Bangladesh Bank (BGTB):

The amount represents investment made under statutory requirements which is made up as follows:

15,000,000

15,000,000

15,000,000

15,000,000

The above amount is invested in 10-year Bangladesh Govt. Treasury Bond (BGTB) and deposited with Bangladesh Bank as Statutory Deposit as per provisions of the Insurance Act 2010.

Bangladesh Govt. Treasury Bond (BGTB)

11,340,143,437

11,340,143,437**11,355,143,437**

11,920,033,076

11,920,033,076**11,935,033,076****16.02 Mutual Fund Tk. 122,638,001**

Prime Financial First Unit Fund (PFFUF)

ICB AMCL First Unit Fund (ICBAMCL 1ST)

ICB AMCL ISLAMIC UNIT FUND

Shanta First Income Unit Fund

10,000,000

12,238,876

20,399,125

80,000,000

122,638,001

10,000,000

12,238,876

20,399,125

-

42,638,001



Amount in Taka

2018

2017

16.03 Shares Listed on Stock Exchanges (DLICL)

Tk. 10,484,786,279

12,600,760,957

Sl. No.	Name of the Institution	Face Value Per Share	No. of Unit	Average Cost Per Unit	Book Value at Cost as at 31.12.2018	Market Value (Quoted Market Price) as at 31.12.2018
Bank						
1	ABBANK	10.00	728,960	49.27	35,915,433	8,747,520
2	BRACBANK	10.00	11,570,814	74.03	856,565,777	841,198,178
3	CITYBANK	10.00	3,104,471	182.25	565,781,012	395,755,024
4	DUTCHBANGL	10.00	89,000	159.99	14,239,186	12,851,600
5	EBL	10.00	3,517,873	45.18	158,935,374	126,643,428
6	FIRSTSBANK	10.00	335,228	18.74	6,282,235	3,653,985
7	ICBIBANK	10.00	2,084,000	10.01	20,851,052	10,003,200
8	IFIC	10.00	1,390,336	21.25	29,538,322	15,154,662
9	ISLAMIBANK	10.00	549,230	43.72	24,013,824	13,291,366
10	ONEBANKLTD	10.00	1,918,683	24.43	46,875,994	28,780,245
11	PRIMEBANK	10.00	4,459,819	25.36	113,091,850	80,722,724
12	PUBALIBANK	10.00	49,921,020	22.23	1,109,654,722	1,297,946,520
13	SHAHJABANK	10.00	12,452,832	27.79	346,099,226	343,698,163
14	SOUTHEASTB	10.00	254,956	35.72	9,105,829	3,977,314
15	UCB	10.00	1,470,352	38.04	55,930,879	25,878,195
16	UTTARABANK	10.00	316,052	40.04	12,655,128	9,007,482
Cement						
17	CONFIDCEM	10.00	1,562,585	129.70	202,669,178	280,327,749
18	HEIDELBCEM	10.00	153,340	560.28	85,913,702	51,322,898
19	LHBL	10.00	23,230,000	18.87	438,465,132	1,010,505,000
Ceramics Sector						
20	SPCERAMICS	10.00	592,147	48.49	28,714,989	8,290,058
Corporate Bond						
21	IBBLPBOND	1,000.00	1,740	965.58	1,680,109	1,639,080
Engineering						
22	ATLASBANG	10.00	444,197	174.58	77,546,083	54,147,614
23	BDLAMPS	10.00	7,500	244.39	1,832,926	1,477,500
24	BDTHAI	10.00	4,349,274	30.22	131,445,250	91,334,754
25	DESHBANDHU	10.00	4,183	43.42	181,628	55,216
26	GOLDENSON	10.00	4,930,183	43.62	215,042,172	52,752,958
27	IFADAUTOS	10.00	17,967	120.39	2,163,019	1,947,623
28	NAVANACNG	10.00	853,212	92.40	78,836,190	40,612,891
29	NLTUBES	10.00	524,880	124.14	65,156,866	54,430,056
30	SSSTEEL	10.00	13,492	10.00	134,920	-



Sl. No.	Name of the Institution	Face Value Per Share	No. of Unit	Average Cost Per Unit	Book Value at Cost as at 31.12.2018	Market Value (Quoted Market Price) as at 31.12.2018
Financial Institutions						
31	DBH	10.00	21,479,325	3.39	72,777,463	2,779,424,655
32	FASFIN	10.00	6,894,143	19.44	134,010,484	93,070,931
33	IDLC	10.00	2,245,065	79.68	178,879,406	156,481,030
34	ISLAMICFIN	10.00	894,492	30.72	27,479,101	15,295,813
35	LANKABAFIN	10.00	12,963,585	38.52	499,312,022	296,866,097
36	PRIMEFIN	10.00	504,030	68.01	34,278,611	4,788,285
37	UNIONCAP	10.00	416,244	52.29	21,766,720	5,161,426
Fuel and Power						
38	CVOPRL	10.00	99,069	251.88	24,953,730	15,306,161
39	INTRACO	10.00	266	9.53	2,534	-
40	KPCL	10.00	2,592,563	98.19	254,553,725	153,738,986
41	MPETROLEUM	10.00	2,794,359	192.25	537,219,964	527,016,107
42	PADMAOIL	10.00	108,273	209.18	22,648,781	24,383,080
43	UPGDCL	10.00	1,294,720	252.40	326,788,984	376,375,104
Insurance						
44	GREENDELT	10.00	1,697,078	76.79	130,314,613	110,310,070
IT Sector						
45	AAMRANET	10.00	236,564	87.30	20,653,053	13,909,963
46	BDCOM	10.00	695,166	34.94	24,289,343	19,951,264
Miscellaneous						
47	AMANFEED	10.00	513,381	67.46	34,634,754	24,128,907
48	ARAMIT	10.00	69,533	467.77	32,525,242	27,868,824
49	BEXIMCO	10.00	583,227	83.62	48,766,697	13,705,835
50	SKTRIMS	10.00	6,049	9.09	54,992	280,069
51	UNITEDAIR	10.00	3,442,692	14.52	49,998,673	9,983,807
Mutual Funds						
52	1JANATAMF	10.00	3,508,267	7.02	24,641,527	15,436,375
53	1STPRIMFMF	10.00	418,000	44.64	18,660,965	4,514,400
54	DBH1STMF	10.00	6,120,000	10.31	63,084,706	49,572,000
55	EBL1STMF	10.00	254,413	20.22	5,145,178	1,933,539
56	GRAMEENS2	10.00	1,023,615	35.14	35,968,435	12,181,019
57	ICB2NDNRB	10.00	737,000	23.11	17,030,051	7,296,300
58	ICB3RDNRB	10.00	680,000	12.61	8,578,037	3,672,000
59	ICBAMCL2ND	10.00	1,464,000	16.57	24,254,183	9,369,600
60	ICBPMF1S1	10.00	647,000	16.68	10,793,169	3,493,800
61	POPULAR1MF	10.00	752,075	6.65	5,000,000	3,158,715
62	PRIME1ICBA	10.00	310,500	14.33	4,450,929	1,925,100
63	PHPMF1	10.00	2,838,162	7.05	20,000,000	12,487,913
64	EBLNRBMF	10.00	1,508,463	6.63	10,000,000	6,938,930
65	LRGLOBMF1	10.00	518,467	9.64	5,000,000	3,577,422
66	VAMLBDMF1	10.00	2,000,000	10.00	20,000,000	13,800,000



Sl. No.	Name of the Institution	Face Value Per Share	No. of Unit	Average Cost Per Unit	Book Value at Cost as at 31.12.2018	Market Value (Quoted Market Price) as at 31.12.2018
Pharmaceuticals and Chemicals						
67	ACI	10.00	254,716	511.26	130,225,428	83,088,359
68	BEACONPHAR	10.00	434,700	77.67	33,763,686	7,042,140
69	IBP	10.00	294	9.09	2,673	9,143
70	SILVAPHL	10.00	9,194	10.00	91,940	276,739
71	SQURPHARMA	10.00	312,664	155.63	48,658,933	79,479,189
Telecommunication						
72	BSCCL	10.00	317,057	102.38	32,458,924	29,644,830
73	GP	10.00	1,281,781	355.39	455,536,399	470,798,161
Textile						
74	KTL	10.00	12,076	9.09	109,785	305,523
75	MAKSONSPIN	10.00	887,725	31.76	28,192,350	6,657,938
76	MLDYEING	10.00	3,020	8.33	25,167	89,694
77	VFSTD	10.00	3,519	9.09	31,994	203,398
Preference Share						
78	DOREEN PWR	5,000,000.00	9	5,000,000.00	45,000,000	45,000,000
Private Placement Share						
79	JMI HOSP. REQ. MFG.	10.00	2,500,000	30.00	75,000,000	75,000,000
IPO						
80	ESQUIRENITE	10.00	41,780	45.00	1,880,100	1,880,100
81	RUNNERAUTO	10.00	14,411	75.00	1,080,825	1,080,825
82	ADNTEL	10.00	18,968	30.00	569,040	569,040
83	GENEXIL	10.00	10,467	10.00	104,670	104,670
Fair Value Change Account					2,148,220,286	-
Total :					10,484,786,279	10,484,786,279



Amount in Taka

2018

2017

16.04 Debentures and Bonds

1,355,928,175

1,008,719,165

Sl. No.	Name of the Debentures and Bonds	Rate of Interest per annum	Face Value Per Debenture	No. of Unit	Total Book Value At Cost as at 31.12.2018
1.00	Beximco Fisheries		3,000	100	17,405
2.00	Beximco Denims Ltd.		2,500	4,000	3,602,325
3.00	United Commercial Bank Bond	11.13%	N/A	N/A	195,000,000
4.00	Dhaka Bank Sub Bond	9.77%	N/A	N/A	450,000,000
5.00	Bangla Trac Zero Coupon Bond	8.75%	N/A	N/A	137,308,445
6.00	Mutual Trust 3rd Sub Bond	8.59%	N/A	N/A	200,000,000
7.00	Golden Harvest Agro Indus. Corp. Bond	10.00%	N/A	N/A	120,000,000
8.00	Southeast Bank Sub Bonds	9.54%	N/A	N/A	250,000,000
	Total				1,355,928,175

Sl. No.

1.00: Purchased in 1995, defaulted in payments as per schedule. Rescheduled and defaulted again. Legal action was taken by ICB. Latest rescheduling was done in 2010. Defaulted again. Legal action is in progress.

2.00: Purchased in 1995, defaulted in payments as per schedule. Rescheduled and defaulted again. Legal action was taken by ICB. Latest rescheduling was done in 2009. Defaulted again. Legal action is in progress.



Amount in Taka

2018

2017

- 16.05 Investment in DLIC Securities Ltd. (Subsidiary Company)** **1,399,999,940** **1,399,999,940**
Delta Life Insurance Co. Ltd. holds 139,999,994 shares (99.999%) out of 140,000,000 shares @ Tk. 10/- each against the paid-up capital of the subsidiary company.

**DISCLOSURE IN RESPECT OF SUBSIDIARY COMPANY
UNDER SECTION 186 OF THE COMPANIES ACT 1994**

DLIC Securities Limited, a Subsidiary Company of Delta Life Insurance Company Limited was incorporated as a public limited company in Bangladesh bearing certificate of incorporation no. C-110106/13 dated July 07, 2013 under the Companies Act 1994. Delta Life Insurance Company Limited holds 139,999,994 shares (99.999%) of the paid-up capital of the Subsidiary Company.

*The Subsidiary Company declared the Interim Cash Dividend for the period of 9 (nine) months from January 01, 2018 to September 30, 2018 at the rate of 5% (Tk. 0.50 per share of Tk. 10/- each) of the paid-up capital of the Company. The Subsidiary Company paid the Interim Cash Dividend to the shareholders on December 20, 2018. Subsequently the parent company Delta Life Insurance Company Limited receive the Interim Cash Dividend at Tk. 6,99,99,997 on December 20, 2018.

The parent company Delta Life Insurance Company Limited has been maintaining capital market operations with DLIC Securities Limited. During the year under reporting, the parent company has bought and sold shares in the stock market through its subsidiary. However, the parent company has outstanding receivables amounting Tk. 752,888,073.00 from DLIC Securities Limited as at 31st December 2018, comprising Tk. 1,738,534.00 as various payments and Tk. 751,149,539.00 as buy or sale of shares which is subsequently adjusted.

16.06 Other Investment	Tk.	3,138,890		
Share of Central Depository Bangladesh Ltd. (Private)			3,138,890	3,138,890
			3,138,890	3,138,890

16.07 Investment Property-at cost (Annexure-A)	Tk.	1,580,004,629		
The figures has been arrived at as under:				
Delta Tower (Corporate Office-Gulshan) at cost			575,651,093	582,980,244
Delta Tower - Khulna at cost			407,326,617	409,236,810
Delta Tower - Bogura at cost			597,026,919	613,601,715
Carrying value at the end of the year			1,580,004,629	1,605,818,769

16.08 Other Loans	Tk.	29,135,717		
Home Loan Insurance Scheme (HLIS)			29,135,717	29,407,285
			29,135,717	29,407,285

17.00 DSE Membership	Tk.	240,150,000		
DLIC Securities Ltd.			240,150,000	320,200,000
			240,150,000	320,200,000

The above amount has been paid to Dhaka Stock Exchange Ltd. as investment for purchases of one share (Membership) of Dhaka Stock Exchange Ltd. on behalf of DLIC Securities Ltd.

18.00 Preliminary Expenses: DLIC Securities Ltd.	Tk.	257,193		
This represents preliminary expenses incurred for formation of DLIC Securities Ltd. (Subsidiary) and consists the following:				
Company formation Fee paid to RJSC			232,193	464,387
BSEC permission Fee			25,000	50,000
			257,193	514,387

The expenses has been amortized over the period of five years commencing from the year 2015.



Amount in Taka

2018

2017

19.00 Outstanding premium Tk. 735,878,203

This consists as followings:

Ordinary Life (OL)

Group Life Insurance (GLI)

Group Health Insurance (GHI)

Gono-Grameen Bima (GN-GRB)

276,961,930

260,560,551

27,635,539

46,383,877

17,498,536

6,208,339

413,782,198

268,733,784

735,878,203**581,886,551**

Premium outstanding as at 31st December 2018, for which, the grace period has not been expired and collected subsequently by 31st January 2019 are also recognized as revenue.

20.00 Interest, dividends and rents accruing but not due Tk. 1,473,569,523

The break-up of the figure is as followings:

Bangladesh Govt. Treasury Bond (BGTB)

Fixed Deposit with Banks

Home Loan Insurance Scheme

Interest on Debentures & Bonds

Dividend on Share

Rental Income

Interest on Policy and Project Loan

395,118,207

367,766,250

901,702,598

526,010,660

37,105,696

37,105,696

53,089,705

25,920,751

63,635,780

53,308,808

85,671

1,827,160

22,831,866

22,552,041

1,473,569,523**1,034,491,366****21.00 Advances and deposits Tk. 1,979,426,819**

This consists as followings:

Delta Life Insurance Co. Ltd. (Note-21.A)

DLIC Securities Ltd. (Note-21.B)

Total Consolidated

1,940,230,102

1,845,452,306

39,196,717

15,711,589

1,979,426,819**1,861,163,895****21.A Advances and deposits (DLICL) Tk. 1,940,230,102**

The break-up of the figure is as follows:

Advance Office Rent

Advance Income Tax (TDS) (Note-21.01)

Security Deposit

Motor Cycle, Bicycles Loan

AIT Adjustable (Treasury Bond)

Sundry receivable*

Advance against Renewal Commission

Advance against Gratuity-Fund

Advance against salary

Advance against utility

Advance against Legal & Professional Expenses

Advance Training Expenses

Advance against Business Dev. B-Scheme

Advance against office equipment

Other Advances (Note-21.02)

7,238,050

8,136,894

1,766,944,508

1,589,177,454

5,839,533

6,714,139

155,895

155,895

154,413,846

180,688,516

1,011,056

1,011,056

166,643

2,400,000

382,120

382,120

1,062,473

1,383,743

10,344

12,343

229,874

29,874

2,544,706

3,342,116

-

51,339,156

68,000

-

163,054

679,000

1,940,230,102**1,845,452,306**

* This represents Company's money defalcated by Mr. Md. Ashrafuzzaman, Ex-Officer (Grade-1), Rajshahi Service Centre. The company has instituted legal proceedings against Mr. Md. Ashrafuzzaman for recovery of the money. The case is still pending with the court.

21.B Advances and deposits (DLIC Securities Ltd.) Tk. 39,196,717

The break-up of the figure is as follows:

Opening Balance

Add: Addition during the year

Tax Paid for the Assessment Year 2014-2017

Advance Income Tax on Interest Income

Advance Tax on Commission Income

14,883,839

24,418,965

-

-

1,697,427

3,376,916

3,709,003

7,151,872



Amount in Taka

Tax deducted on Dividend Income	5,869,396	4,355,051
Tax Paid for the Assessment Year 2015-2016, 2016-2017 & 2017-2018	650,863	8,396,897
Tax Paid for the Assessment Year 2018-2019	10,265,062	-
Tax Paid for the Assessment Year 2019-2020	2,000,000	-
Adjustment for the Assessment year 2014-2015	-	-
Adjusted with Advance Tax for 2015-16, 2016-2017 & 2017-2018	(650,863)	-
Adjusted with Advance Tax for 2015-16	-	(2,614,585)
Adjusted with Advance Tax for 2016-17	-	(11,650,162)
Adjusted with Advance Tax for 2017-18	-	(18,551,115)

Security Deposit	200,000	200,000
Advance against Office Rent	567,000	627,750
Advance to Vehicle	3,929	-
Advance Branch (Petty Cash)	1,061	-

39,196,717

15,711,589

21.01 Advance Income Tax (TDS)

Tk. 1,766,944,508

Balance at the beginning of the year

Add: Addition during the year

On FDR's Interest	61,010,132	44,964,467
On Dividend's Income	72,751,195	58,307,137
On Treasury Bond's Interest	30,552,191	30,672,449
On Vehicle's Registration	1,702,530	1,675,000
On Rental's Income	9,864,181	9,575,966
On SND Bank's Interest	1,886,825	2,289,032
On Profit of Sale of Share	-	458,232
On Group Premium	-	836,697

1,589,177,454

1,440,398,474

177,767,054

148,778,980

Adjustment during the year

Balance at the end of the year

1,766,944,508

1,589,177,454

1,766,944,508

1,589,177,454

21.02 Other Advances

163,054

679,000

Other Advances include advances against staff salary and various expenses which have been adjusted subsequently.

22.00 Sundry Debtors

Tk. 543,941,936

This consists of followings:

Delta Life Insurance Co. Ltd. (Note-22.A)	875,405,724	148,555,458
DLIC Securities Ltd. (Note-22.B)	421,424,285	3,670,299

1,296,830,009

152,225,757

Less: Inter-company transaction

Total Consolidated

752,888,073

25,983,627

543,941,936

126,242,130

22.A Sundry debtors (DLICL)

Tk. 875,405,724

The break-up of the figure is as follows:

Motor Car & Cycle Loan (Note-22.01)	2,457,396	2,457,396
Bicycle Loan (Note-22.02)	1,000,244	1,006,029
Project Loan	54,164,796	54,208,534
Branch Collection Account (Note-22.03)	3,383,872	3,383,872
Income Tax Refund due (Note-22.04)	42,382,121	42,382,121
Debtors Development Advance	5,589,102	5,589,102
Current Account with DLIC Securities Ltd. *	752,888,073	25,983,627
Other Receivables (Note-22.05) **	13,540,120	13,544,777

875,405,724

148,555,458

* This represents current account balance with DLIC Securities Ltd. at the end for various payments (Tk. 17,38,534), routine and normal investment activities in listed shares (Tk. 75,11,49,539) which is subsequently adjusted.



Amount in Taka

2018

2017

** Adequate provision has been made against project loan (GN-GRB), branch collection account, motor car & motor cycle loan, bicycle loan and other receivables (Note 12).

22.B Sundry Debtors (DLIC Securities Ltd.) Tk. 421,424,285

The break-up of the figure is as follows:

Receivable from Client
Receivable from DSE

61,035	77,775
421,363,250	3,592,524
421,424,285	3,670,299

22.01 Motor Car & Cycle Loan

2,457,396	2,457,396
------------------	------------------

This represents the long outstanding of motor cycle and car loan lying with the development personnel.

22.02 Bicycle Loan

1,000,244	1,006,029
------------------	------------------

This represents the long outstanding of bi cycle and car loan of the insurance agents of GN-GRB.

22.03 Branch Collection Account

3,383,872	3,383,872
------------------	------------------

This represents the money receivable from various insurance agents at unit level offices of GN-GRB.

22.04 Income Tax Refund Due

42,382,121	42,382,121
-------------------	-------------------

This represents net income tax refundable to the company for the assessment years from 1996-1997 to 2001-2002 & 2003-2004 to 2004-2005 as per tax assessment orders by the Income Tax Department. The assessment of the income tax of the company for the assessment year 2004-05 has been completed and the necessary adjustments have been effected in the accounts. The company filed tax return for the year 2002-2003 FY 2001 with loss and the tax return has been barred by limitation of time. Regarding tax assessment for year 2003-2004, The Income Tax Department has assessed the tax liability of the company giving tax refund which have been duly accounted for in the accounts. Later on The Income Tax Department (DCT) has appealed to the High Court Division of the Supreme Court against the order of the Appellate Tribunal for allowing the interest income on national investment bond (NIB) as exempt income in the tax assessment of the company for 2003-2004. The case is still pending in court (Please refer to note 3.6.1).

22.05 Other Receivables Tk. 13,540,120

OTC
Others *

9,639,930	9,639,930
3,900,190	3,904,847
13,540,120	13,544,777

* This represent money lying with development staff against advance allowances, abuse of company's money for purchase of furniture and electrical equipments etc. of unit level offices of GN-GRB and have been brought forward from the account of FY 1999. The amounts have been fully provided in the accounts (Please refer to note no.-12)

23.00 Cash and bank balances Tk. 11,675,676,265

The figure has been arrived at as under:

On Fixed Deposit with Banks (Note 23.01 & 23.02)
On Current Account with Banks (Note 23.03)
On SND Account with Banks (Note 23.04 & 23.05)

Cash in hand

Cash in transit

Branch petty cash

Total Consolidated

9,787,203,063	8,825,506,407
376,033,031	338,346,375
1,466,723,948	983,991,351
17,749,772	151,604,321
11,832,117	4,266,911
16,134,334	54,130,661
11,675,676,265	10,357,846,026



Amount in Taka

2018

2017

23.A Cash and bank balances (DLICL) Tk. 11,123,244,567

The break-up of the figure is as follows:

On Fixed Deposit with Banks (Note-23.01)
On Current Account with Banks (Note-23.03)
On SND Account with Banks (Note-23.04)
Cash in hand
Cash in transit
Branch petty cash

9,682,191,807	8,720,408,125
376,033,031	338,346,375
1,019,305,582	844,688,312
17,747,696	151,575,313
11,832,117	4,266,911
16,134,334	54,130,661

* **11,123,244,567** **10,113,415,697**

* Including Tk. 319,525,166 collected and deposited as per Insurance Development & Regulatory Authority (IDRA) circular no. 53.03.0000.036.16.001.17.59 dated 01 January 2019.

23.B Cash and bank balances (DLIC Securities Ltd.) Tk. 552,431,698

The break-up of the figure is as follows:

On Fixed Deposit with Banks (Note-23.02)
On SND Account with Banks (Note-23.05)
Cash in hand

105,011,256	105,098,282
447,418,366	139,303,039
2,076	29,008
552,431,698	244,430,329

23.01 On Fixed Deposit with Banks (DLICL) Tk. 9,682,191,807

The above amount has arrived at as under:

Bank Asia Ltd.
DBH Finance Corp. Ltd.
EXIM Bank Ltd.
Mercantile Bank Ltd.
Mutual Trust Bank Ltd.
Southeast Bank Ltd.
Standard Bank Ltd.
One Bank Ltd.
IDLC of Bangladesh Ltd.
United Finance Ltd.
Modhumoti Bank Ltd.
GSP Finance Co. (Bangladesh) Ltd.
Dhaka Bank Ltd.
IFIC Bank Ltd.
IPDC Finance Ltd.
LankaBangla Finance Ltd.
Midland Bank Ltd.
NRB Bank Ltd.
Social Islami Bank Ltd.

-	41,172,422
150,000,000	550,302,500
1,774,518,438	1,625,097,474
250,000,000	-
350,000,000	200,000,000
1,495,267,898	1,396,865,746
592,634,050	620,200,000
1,150,000,000	550,000,000
2,001,174,974	1,691,214,316
138,800,000	455,123,485
600,000,000	-
-	5,912,651
780,000,000	-
150,000,000	150,000,000
-	486,421,125
-	744,723,406
249,796,447	100,000,000
-	50,000,000
-	53,375,000
9,682,191,807	8,720,408,125

23.02 On Fixed Deposit with Banks: (DLIC Securities Ltd.) Tk. 105,011,256

EXIM Bank Ltd.
IDLC Finance Ltd.

105,011,256	-
-	105,098,282
105,011,256	105,098,282

23.03 On Current Account with Banks (DLICL) Tk. 376,033,031

The above amount has arrived at as under:

Bangladesh Krishi Bank
Pubali Bank Ltd.
Rajshahi Krishi Unnyan Bank
Uttara Bank Ltd.
National Bank Ltd.
Sonal Bank Ltd.
Janata Bank Ltd.
Agrani Bank Ltd.
Rupali Bank Ltd.
Islami Bank Bangladesh Ltd.

140,735,447	168,158,393
98,307,792	89,460,634
28,377,280	32,703,645
13,484	13,484
407,299	-
1,753	1,753
11,520,561	7,460,951
6,640,947	6,006,119
14,112	14,112
208,063	208,063



Bank Asia Ltd.
Trust Bank Ltd.
Al-Arafah Bank Ltd.
Social Islami Bank Ltd.
Southeast Bank Ltd.
Jamuna Bank Ltd.
Standard Chartered Bank
First Security Islami Bank Ltd.
Mercantile Bank Ltd.
Dhaka Bank Ltd.
Eastern Bank Ltd.

Amount in Taka

2018	2017
126,427	126,427
8,084	8,084
8,250	8,250
435,510	1,173,013
500	500
1,000	1,000
87,796,504	32,418,627
5,000	5,000
1,000	1,000
20,153	351,272
1,403,865	226,048
376,033,031	338,346,375

23.04 On SND Account with Banks (DLICL) Tk. 1,019,305,582

The above amount has arrived at as under:

Dutch Bangla Bank Limited
Bangladesh Krishi Bank
Pubali Bank Limited
Rajshahi Krishi Unnyan Bank
Uttara Bank Ltd.
The City Bank Ltd.
National Bank Ltd.
Premier Bank Ltd.
Agrani Bank Ltd.
Sonal Bank Ltd.
Janata Bank Ltd.
Rupali Bank Ltd.
Islami Bank Bangladesh Ltd.
Dhaka Bank Ltd.
Mercantile Bank Ltd.
Bank Asia Limited
Jamuna Bank Ltd.
Al-Arafah Bank Ltd.
Mutual Trust Bank Ltd.
First Security Islami Bank Ltd.
EXIM Bank Ltd.
Modhumoti Bank Ltd.
Prime Bank Ltd.
NCC Bank Ltd.
Standard Bank Ltd.
UCBL
Farmers Bank Ltd.
NRB Bank Ltd.
Standard Chartered Bank
Eastern Bank Ltd.

68,430,831	18,994,644
21,072,134	15,729,005
759,192,098	606,892,743
14,883,068	38,888,576
3,756,181	11,920,724
-	70,586
15,307,128	12,937,051
-	164,391
14,925,278	16,421,485
355,016	2,812,185
4,231,775	10,578,742
5,427,679	9,371,549
21,248,214	24,502,067
19,519,704	10,249,294
4,029,635	3,905,223
5,666,049	8,362,387
340,199	490,164
1,541,767	2,817,421
5,642,875	6,397,355
6,629,088	6,584,436
13,566,780	13,708,055
109,427	107,765
221,286	-
1,294,674	1,077,228
365,013	860,598
25,941	250,428
738	13,908
131,145	85,922
3,019,922	238,112
28,371,937	20,256,268
1,019,305,582	844,688,312

23.05 On SND Account with Banks: (DLIC Securities Ltd.) Tk. 447,418,366

Pubali Bank Ltd.
EXIM Bank Ltd.

446,885,165	138,762,866
533,201	540,173
447,418,366	139,303,039

24.00 Fixed Assets (at cost less depreciation) and CWIP Tk. 704,877,132

The amount consists of followings:

Delta Life Insurance Co. Ltd. (Note-24.A)
DLIC Securities Ltd. (Note-24.B)

Total Consolidated

689,813,992	671,379,150
15,063,140	15,513,179
704,877,132	686,892,329



Amount in Taka

2018

2017

24.A Fixed Assets (DLICL) - (Annexure-B) CostTk. 689,813,992

The break-up of the figure is as followings:

Capital Work- In- Progress (Annexure-C)

Furniture & Fixture

Renovation

Computer Hardware & Software

IT Infrastructure

Data Center-IT Infrastructure

Electrical Equipment

Vehicles

Total Cost

Accumulated depreciation at the end of the year

Carrying Value at the end of the year

519,499,895

107,374,376

64,306,213

101,412,272

7,315,930

22,755,221

51,538,392

181,915,569

1,056,117,868

(366,303,876)

689,813,992

514,932,175

107,218,655

64,243,097

72,580,948

7,315,930

22,755,221

49,507,437

161,521,774

1,000,075,237

(328,696,087)

671,379,150**24.B Fixed Assets (DLIC Securities Ltd.) Tk. 15,063,140**

(Annexure-D)

Cost

The break-up of the figure is as followings:

Computer, Hardware & Server

LED TV and Hanger

Furniture & Fixture

Electrical Equipment IP Phone Set

Office Equipment

Software

Motor Vehicles

Office Renovation

Total Cost

Accumulated depreciation at the end of the year

Carrying Value at the end of the year

2,004,420

512,716

1,314,663

30,900

1,200

438,900

13,656,083

941,034

18,899,916

(3,836,776)

15,063,140

1,387,050

233,500

949,750

30,900

1,200

438,900

13,656,083

941,034

17,638,417

(2,125,238)

15,513,179**25.00 Adjustment (prior-period) made during the year Tk. 135,959,591**

This includes the following item:

Reserve for Unexpired Risk (DLICL - Group Business)

135,959,591

135,959,591

119,737,637

119,737,637

This represents reversal of opening balance of Reserve for Unexpired Risk (Note No. 3.2.3) and correction of prior period fundamental errors, if any, to the opening balance of life insurance fund. To give fair view & more appropriate presentation of financial position, the Company has adopted the accounting practice which is followed consistently by the Company.

26.00 Premium less reinsurance

The break-up of the figure is as followings:

6,558,097,378**6,175,052,953**

Type of Premium	Gross Premium	RI Premium	Net Premium
First Year Premium-OL	851,079,717	2,871,780	848,207,937
First Year Premium- GN-GRB	543,995,481	-	543,995,481
Sub-total	1,395,075,198	2,871,780	1,392,203,418
Renewal Premium-OL	2,488,020,335	7,973,448	2,480,046,887
Renewal Premium- GN-GRB	2,100,429,751	-	2,100,429,751
Sub-total	4,588,450,086	7,973,448	4,580,476,638
Group Life Insurance Premium	343,513,593	67,881,299	275,632,294
Group Health Insurance Premium	312,968,678	3,183,650	309,785,028
Sub-total	656,482,271	71,064,949	585,417,322
Total Tk. in 2018	6,640,007,555	81,910,177	6,558,097,378
Total Tk. in 2017	6,251,004,692	75,951,739	6,175,052,953

OL, GN-GRB and RI represent Ordinary Life, Gono -Grameen Bima and Reinsurance respectively.



Amount in Taka

2018

2017

27.00 Interest, dividend and rents Tk. 2,872,863,025

This consists of the followings:

Delta Life Insurance Co. Ltd. (Note-27.A)

DLIC Securities Ltd. (Note-27.B)

2,928,607,168

3,388,696,600

14,255,854

70,299,305

2,942,863,022**3,458,995,905**

Less: Inter Company Dividend

69,999,997

41,999,998

Total Consolidated**2,872,863,025****3,416,995,907****27.A Interest, dividend and rents (DLICL) Tk. 2,928,607,168**

The above amount has arrived at as under:

Interest on Fixed Deposit Receipts (FDRs)

985,798,267

670,041,849

Interest on Debentures and Bonds

106,800,086

83,356,502

Interest on Policy and Project Loan

60,547,515

63,463,860

Interest and Commission on Bangladesh Govt. Treasury Bond (BGTB)

1,165,448,598

1,304,365,907

Interest on Short Notice Deposit (SND A/Cs)

17,493,440

21,689,409

Dividends on Shares

304,646,439

226,504,319

Dividend received from DLIC Securities (Subsidiary Company)

69,999,997

41,999,998

Interest on Home Loan

150,772

281,746

Profit/ (Loss) on Sale of Shares

25,269,621

786,420,878

Rental Income

192,452,433

190,572,132

2,928,607,168**3,388,696,600****27.B Interest, dividend and rents (DLIC Securities Ltd.) Tk. 14,255,854**

The above amount has been arrived at as under:

Interest on Short Notice Deposit (SND A/Cs)

-

3,727,366

Interest on Fixed Deposit Receipts (FDRs)

16,964,377

29,905,701

Dividends on Shares

29,347,209

21,775,350

Profit/ (Loss) on Sale of Shares

(32,055,732)

14,890,888

14,255,854**70,299,305****28.00 Other Income Tk. 22,616,580**

The amount consists of followings:

Delta Life Insurance Co. Ltd. (Note-28.A)

4,857,171

3,431,439

DLIC Securities Ltd. (Note-28.B)

17,759,409

33,657,828

Total Consolidated**22,616,580****37,089,267****28.A Other income (DLICL) Tk. 4,857,171**

Service Charge & others

1,165,398

1,051,613

Late Fees

2,960,500

1,601,123

Misc. Income

361,649

665,807

Profit/(Loss) on disposal of Fixed Assets

369,624

112,896

4,857,171**3,431,439****28.B Other income (DLIC Securities Ltd.) Tk. 17,759,409**

Brokerage Commission

17,196,964

33,531,652

Dealer Commission

362,526

-

BO Account Opening Charges/Misc. Income

199,919

126,176

17,759,409**33,657,828****29.00 Claims under policies (including provision for claims due or intimated), less reinsurance****Tk. 5,566,152,356****5,337,408,322**



Amount in Taka

2018

2017

The break-up of the figure is as followings:

Particulars	Ordinary Life	GN-GRB	Group Life Insurance	Group Health Insurance	Total
By Death	74,838,701	26,769,365	98,595,341	-	200,203,407
By Maturity	1,390,377,174	1,283,625,224	2,243,526	-	2,676,245,924
By Survival	321,694,399	66,963,565	-	-	388,657,964
By Hospitalization	4,587,162	-	-	238,581,274	243,168,436
By Others	905,280	-	9,467,922	-	10,373,202
By Surrenders	180,997,368	12,175,310	778,980	-	193,951,658
Annuities	1,790,458	-	86,760	-	1,877,218
Bonus in Cash	1,197,733,666	626,437,075	-	-	1,824,170,741
Sub-total	3,172,924,208	2,015,970,539	111,172,529	238,581,274	5,538,648,550
Profit Commission	-	-	26,514,254	989,552	27,503,806
Total Tk. in 2018	3,172,924,208	2,015,970,539	137,686,783	239,570,826	5,566,152,356
Total Tk. in 2017	3,069,548,178	2,008,881,429	151,853,699	107,125,016	5,337,408,322

30.00 Commission Tk. 915,664,210

The above amount has arrived at as under:

Ordinary Life	573,178,127	527,933,193
Gono-Grameen Bima	320,722,209	317,745,216
Group Life Insurance	9,825,505	7,072,471
Group Health Insurance	11,938,369	5,586,331
Total Consolidated	915,664,210	858,337,211

31.00 Salaries & Allowances Tk. 487,840,564

Delta Life Insurance Company Limited
DLIC Securities Limited
Total Consolidated

482,272,471	455,130,772
5,568,093	2,669,065
487,840,564	457,799,837

32.00 Traveling & Conveyances Tk. 9,171,405

Delta Life Insurance Company Limited
DLIC Securities Limited
Total Consolidated

9,125,878	7,972,892
45,527	308,836
9,171,405	8,281,728

33.00 Auditors' Fees Tk. 522,000

Delta Life Insurance Company Limited
DLIC Securities Limited
Total Consolidated

460,000	460,000
62,000	46,000
522,000	506,000

34.00 Legal and Professional fees (DLICL) Tk. 2,810,812

This consists as followings:

Legal Retainers' (in-house) Fees
Other legal & professional fees

888,000	846,000
1,922,812	1,772,850
2,810,812	2,618,850

Legal Retainers' (in-house) fees represents fees paid to legal retainers for opinion on different types of office matters/files, vetting and providing legal opinion and representing company in judicial matters.

Other legal & professional fees represents fees paid to (i) the Arbitrator for Arbitration Case (ii) Tax Advisor for Income Tax Assessment of the company and (iii) Lawyers for opinion on various office legal matters and attending at various court cases on behalf of the company.



				Amount in Taka	
				2018	2017
35.00	Advertisement and publicity	Tk.	4,505,611		
	Delta Life Insurance Company Limited			4,477,311	11,184,880
	DLIC Securities Limited			28,300	41,046
	Total Consolidated			4,505,611	11,225,926
36.00	Printing and Stationery	Tk.	16,696,617		
	Delta Life Insurance Company Limited			16,630,573	15,051,112
	DLIC Securities Limited			66,044	62,049
	Total Consolidated			16,696,617	15,113,161
37.00	Office Rent	Tk.	60,231,830		
	Delta Life Insurance Company Limited			59,130,246	59,257,576
	DLIC Securities Limited			1,101,584	1,024,650
	Total Consolidated			60,231,830	60,282,226
38.00	Bank Charges	Tk.	35,442,583		
	Delta Life Insurance Company Limited			35,302,896	32,487,519
	DLIC Securities Limited			139,687	352,274
	Total Consolidated			35,442,583	32,839,793
39.00	Repairs & Maintenance	Tk.	31,166,960		
	The amount consists of followings:				
	Delta Life Insurance Co. Ltd. (Note-39.A)			31,095,790	34,055,664
	DLIC Securities Ltd. (Note-39.B)			71,170	171,000
	Total Consolidated			31,166,960	34,226,664
39.A	Repairs & Maintenance (DLICL)	Tk.	31,095,790		
	Repairs and Renewals			2,452,066	789,375
	Office Maintenance			4,092,901	3,716,064
	Crockerries			37,176	117,775
	Computer Maintenance			3,228,587	3,302,286
	Office Decoration			325,870	516,111
	Electrical Expenses			265,006	666,222
	Software Maintenance			7,223,414	4,893,822
	Office Shifting & Carrying			399,126	599,097
	Building Maintenance			13,071,644	19,454,912
				31,095,790	34,055,664
39.B	Repairs & Maintenance (DLIC Securities Ltd.)	Tk.	71,170		
	Office Maintenance			71,170	66,000
	Software Maintenance			-	105,000
				71,170	171,000
40.00	Car Fuel, Maintenance & Repairs	Tk.	28,805,684		
	Delta Life Insurance Company Limited			28,153,460	26,804,838
	DLIC Securities Limited			652,224	643,149
	Total Consolidated			28,805,684	27,447,987
41.00	Telephone, Telex & Internet	Tk.	8,474,210		
	Delta Life Insurance Company Limited			8,164,475	7,695,996
	DLIC Securities Limited			309,735	222,579
	Total Consolidated			8,474,210	7,918,575
42.00	Electricity, Water & Gas	Tk.	4,544,716		
	Delta Life Insurance Company Limited			4,179,818	4,127,997
	DLIC Securities Limited			364,898	-
	Total Consolidated			4,544,716	4,127,997



Amount in Taka

			2018	2017
43.00 Training & Recruitment Expenses	Tk.	1,838,169		
Delta Life Insurance Company Limited			1,828,169	2,747,515
DLIC Securities Limited			10,000	-
Total Consolidated			1,838,169	2,747,515
44.00 Fees and subscriptions	Tk.	4,237,044		
Delta Life Insurance Company Limited			3,808,444	5,487,908
DLIC Securities Limited			428,600	76,500
Total Consolidated			4,237,044	5,564,408
45.00 Entertainment expense	Tk.	3,348,246		
Delta Life Insurance Company Limited			3,182,228	2,763,587
DLIC Securities Limited			166,018	177,950
Total Consolidated			3,348,246	2,941,537
46.00 Insurance Premium (General)	Tk.	4,316,576		
Delta Life Insurance Company Limited			4,034,018	3,655,979
DLIC Securities Limited			282,558	-
Total Consolidated			4,316,576	3,655,979
47.00 Depreciations	Tk.	68,214,103		
Delta Life Insurance Co. Ltd. (Note-47.A)			66,502,565	58,144,722
DLIC Securities Ltd. (Note-47.B)			1,711,538	1,246,919
Total Consolidated			68,214,103	59,391,641
47.A Depreciation (DLICL)	Tk.	66,502,565		
Investment Properties (Annexure-A)			17,427,350	15,034,559
Fixed Assets (Annexure-B)			49,075,215	43,110,163
			66,502,565	58,144,722
47.B Depreciation (DLIC Securities Ltd.)	Tk.	1,711,538		
Fixed Assets (Annexure-D)			1,711,538	1,246,919
			1,711,538	1,246,919
48.00 CDBL Related Charges	Tk.	1,067,037		
Delta Life Insurance Company Limited			706,717	1,312,680
DLIC Securities Limited			360,320	1,036,710
Total Consolidated			1,067,037	2,349,390
49.00 Provision for income tax	Tk.	229,015,977		
Delta Life Insurance Co. Ltd. (Note-49.A)			213,500,000	225,000,000
DLIC Securities Ltd. (Note-49.B)			15,515,977	25,814,898
Total Consolidated			229,015,977	250,814,898
49.A Provision for income tax (DLICL)	Tk.	213,500,000		
Provision for Income Tax - Current year			213,500,000	225,000,000
			213,500,000	225,000,000
Provision for Taxation is based on taxable income determined under the Fourth Schedule of the Income Tax Ordinance, 1984 and best judgment of the management.				
49.B Provision for income tax (DLIC Securities Ltd.)	Tk.	15,515,977		
Provision for Income Tax - Current year			15,515,977	25,148,901
Add: Short Provision			-	665,997
			15,515,977	25,814,898
50.00 Dividend	Tk.	309,375,003		
Delta Life Insurance Co. Ltd.			309,375,000	247,500,000
DLIC Securities Ltd. (Outsider's shareholders)			3	2
Total Consolidated			309,375,003	247,500,002



Amount in Taka

2018

2017

51.00 Capital expenditure commitment Tk. NIL

There was no capital expenditure commitment authorized by the Board as on December 31st, 2018.

52.00 Credit facility available to the company Tk. NIL

There was no credit facility available to the Company under any contract as on December 31st, 2018 other than trade credit available in the ordinary course of business.

53.00 Expenses incurred in foreign currency Tk. 19,162,770

During the year under review, following payments were made in foreign currencies to Munich Reinsurance Company, Germany:

For Reinsurance operation

19,162,770	9,025,088
19,162,770	9,025,088

54.00 Companies Act, 1994, Schedule XI Part-II [Note-3(P) (VI) 5]

- i) Number of employees drawing salary above Tk. 3000 per month
ii) Number of employees drawing salary Tk. 3000 and below per month

2,183	2,569
206	394

55.00 Payments/perquisites to directors/officers**55.01** The aggregate amounts paid/provided during the year in respect of directors and officers of the company (DLICL) as defined in the Securities and Exchange Rules, 1987 are disclosed below:

Particulars	2018		2017	
	Directors	Officers	Directors	Officers
Board Meeting Fee	443,900	-	540,500	-
Basic Salary	-	240,054,820	-	239,721,742
Provident Fund Contribution	-	19,085,342	-	19,276,432
House Rent	-	78,680,005	-	76,253,920
Other Allowances	-	144,452,304	-	119,878,678
Total	443,900	482,272,471	540,500	455,130,772

55.02 Money was not spent by the company for compensating any member of the board for special services rendered except as stated above.**56.00 Employees' benefit plans**

The Company (DLICL), for its permanent employees, operates the following benefit schemes:

- i) Contributory Provident Fund
ii) Gratuity Scheme
iii) Group Insurance
iv) Health Insurance

The company makes contribution towards provident fund, a defined benefit retirement plan. The provident fund is administered by the trustees of the Delta Life Insurance Company Limited Employees PF Trust. The contribution paid or payable under the schemes is charged to the revenue account during the period in which the employee renders the related service.

The Company has incorporated a gratuity trust. The Company makes contribution to a Gratuity Fund administered by trustees of Delta Life Insurance Company Limited Employees Gratuity Fund. The plan provides payment to vested employees at retirement, resignation or termination of employment based on the respective employee's salary and the years of employment with the Company. This scheme is approved by the National Board of Revenue (NBR) on 02 December 2015 vide nothi no. 08.01.0000.035.02.0034.2015/181.

57.00 Related party transactions

DLIC Securities Ltd. - a subsidiary company (please refer to note no 16.05).



Amount in Taka

2018

2017

57.01 Key management personnel compensation (IAS-24)

Even though it is very difficult to differentiate and exact the key personnel management in the organization's hierarchy of the Company (DLICL), generally, CEO, AMD, DMD and Line Managers not below the rank of Assistant Vice President (AVP), including in-charges of servicing cells/centers & Zone Operation Center (ZOC) possess authority and responsibility for planning and controlling the activities of the company, directly or indirectly.

The company's key management personnel compensation in total and for each of the following categories are stated below:

a) Short Term Employee Benefits - Employee benefits (other than termination benefits) which fall due wholly within twelve months after the end of the period in which the employees render service. Such as - salaries and bonuses for current employees.

Development Staff Salaries
Bonuses

33,904,116	33,981,691
21,389,653	24,597,923
55,293,769	58,579,614

b) Post Employment Benefits - Employee benefits such as Gratuity, leave encashment.

Gratuity

17,664,950	12,723,495
17,664,950	12,723,495

c) Other Long Term Employee Benefits

-	-
-	-

Employee benefits that is not due to be paid wholly within twelve months after the end of the period in which the employees render the related service. Such as - long service benefits or sabbatical leave, jubilee or other long service benefits, long term disability benefits. (No such benefits are available in the Company hence, it is not applicable).

d) Termination Benefits

-	-
-	-

Employee benefits payable as result of either: (i) an entity's decision to terminate an employee's employment before normal retirement date; or (ii) an entity's decision to accept voluntary redundancy in exchange for those benefits. (No such event has occurred in the Company in 2018, hence, it is not applicable).

e) Share based payments

-	-
-	-

No such scheme is available in the Company.

Total

72,958,719	71,303,109
-------------------	-------------------

58.00 Events after the reporting period

Out of the surplus available for shareholders as certified by the Actuary, Cash Dividend has been proposed by the Board of Directors subject to the approval of the shareholders at the 33rd Annual General Meeting for the year 2018 as under:

Cash dividend: Cash Dividend at the rate of 26% for each share of Tk. 10 to the tune of Tk. 321,750,000 on the paid up capital of Tk. 1,237,500,000.

These financial statements do not reflect these appropriations as explained above (please refer to note no. 3.20).

59.00 Date of authorization for issue

These financial statements were authorized for issue on 17 June 2019 by the Board of Directors of the company.

Adeeba Rahman

Adeeba Rahman, ACII (UK)
Chief Executive Officer

Zeyad Rahman

Zeyad Rahman
Director

Salahuddin Ahmad

Salahuddin Ahmad
Director

Lt. Gen. M. Noor Uddin Khan

Lt. Gen. M. Noor Uddin Khan, psc (Retd.)
Chairman



Investment Properties

As on December 31, 2018

Annexure-A

Note: 16.07 / 47.A

Amount in Taka

Sl. No.	Particulars	Cost			Dep. Rate	Depreciation			Carrying Value
		Opening Balance as at 01/01/2018	Addition during the year	Adjustment/ Disposal during the year		Closing Balance as at 31/12/2018	Opening Balance as at 01/01/2018	Adjustment/ Disposal during the year	
Delta Life Tower - (Corporate Office-Gulshan): Plot # 37, Road # 45 (South) & 90 (North), Gulshan Circle-2, Dhaka-1212 (14-storied Building-around 2,00,929 sq. ft. excluding 3 basements)									
1	Land	112,112,337	-	-	-	-	-	-	112,112,337
2	Building & Construction	413,029,319	-	-	1%	20,593,715	-	24,724,008	388,305,311
3	Lift	15,126,096	-	-	5%	3,763,191	-	4,519,496	10,606,600
4	Generator	28,536,929	2,263,470	-	5%	6,595,015	-	8,078,448	22,721,951
5	Solar Plant	7,486,530	-	-	10%	3,669,869	-	4,418,522	3,068,008
6	Central AC	50,168,836	-	-	5%	9,125,230	-	11,633,672	38,535,164
7	Fire Alarm	311,416	-	-	5%	44,199	-	59,770	251,646
8	Electrical Equipment	-	55,640	-	20%	-	5,564	5,564	50,076
(A) Sub-Total		626,771,463	2,319,110	-		43,791,219	9,648,261	53,439,480	575,651,093
Delta Life Tower - (Khulna): House # 16/17, M.A. Bari Road, Sonadanga, Khulna (22-storied Building-around 94,495 sq. ft. excluding 2 basements)									
1	Land	6,058,760	-	-	-	-	-	-	6,058,760
2	Building & Construction	382,754,710	3,564,993	-	1%	7,655,094	3,854,284	11,509,378	374,810,325
3	Lift	15,092,538	-	-	5%	1,509,254	754,627	2,263,881	12,828,657
4	Generator	15,151,500	-	-	5%	1,515,150	757,575	2,272,725	12,878,775
5	Solar Plant	1,060,000	-	-	10%	212,000	106,000	318,000	742,000
6	Electrical Equipment	13,500	-	-	20%	2,700	2,700	5,400	8,100
(B) Sub-Total		420,131,008	3,564,993	-		10,894,198	5,475,186	16,369,384	407,326,617
Delta Life Tower - (Bogura): Bhandary City One, Katnar para, College Road, Bogura (20-storied Building-around 1,33,929 sq. ft. excluding 2 basements)									
1	Land	10,019,946	-	-	-	-	-	-	10,019,946
2	Building & Construction	572,471,544	5,729,107	(20,000,000)	1%	-	585,892	585,892	557,614,759
3	Lift	23,934,885	-	-	5%	-	1,196,744	1,196,744	22,738,141
4	Generator	3,925,340	-	-	5%	-	196,267	196,267	3,729,073
5	Solar Plant	3,250,000	-	-	10%	-	325,000	325,000	2,925,000
(C) Sub-Total		613,601,715	5,729,107	(20,000,000)		-	2,303,903	2,303,903	597,026,919
Total on 31.12.2018 (A+B+C)		1,660,504,186	11,613,210	(20,000,000)		54,685,417	17,427,350	72,112,767	1,580,004,629
Total on 31.12.2017		1,046,888,971	613,615,215	-	-	39,650,858	15,034,559	54,685,417	1,605,818,769

Annexure-B

Fixed Assets Schedule

As on December 31, 2018

Note: 24.A / 47.A

Amount in Taka

Sl. No.	Particulars	Cost			Dep. Rate	Depreciation			Carrying Value
		Opening Balance as at 01/01/2018	Addition during the year	Adjustment/ Disposal during the year		Opening Balance as at 01/01/2018	Adjustment/ Disposal during the year	Closing Balance as at 31/12/2018	
1	Capital Work in Progress (Doctor's Tower)	473,456,758	-	-	N/A	-	-	-	473,456,758
2	Capital Work in Progress (Others)	41,475,417	4,567,720	-	N/A	-	-	-	46,043,137
3	Furniture & Fixtures	107,218,655	1,240,376	(1,084,655)	10%	63,291,723	5,819,046	68,026,114	39,348,262
4	Renovation	64,243,097	63,116	-	20%	14,772,429	12,557,878	27,330,307	36,975,906
5	Computer Hardware & Software	72,580,948	30,874,841	(2,043,517)	25%	58,305,111	11,910,891	68,172,485	33,239,787
6	IT Infrastructure	7,315,930	-	-	4%	849,909	292,637	1,142,546	6,173,384
7	Data Center - IT Infrastructure	22,755,221	-	-	20%	12,830,413	4,551,044	17,381,457	5,373,764
8	Electrical Equipment	49,507,437	2,313,805	(282,850)	20%	44,429,129	2,008,501	46,154,780	5,383,612
9	Vehicles	161,521,774	28,450,200	(8,056,405)	20%	134,217,373	11,935,218	138,096,187	43,819,382
	Total-2018	1,000,075,237	67,510,058	(11,467,427)		328,696,087	49,075,215	366,303,876	689,813,992
	Total-2017	1,516,308,723	116,920,908	(633,154,394)		43,110,163	(19,357,989)	328,696,087	671,379,150



Annexure-C

Capital Work-In-Progress (CWIP)

as at December 31, 2018

This represents of expenses incurred for various works under construction and installation.
The break-up of the figure is as under.

Note: 24.A

Amount in Taka

Sl. No.	Particulars	Cost			
		Opening Balance as at 01/01/2018	Addition during the year	Adjustment/ Transfer/ Disposal during the year	Closing Balance as at 31/12/2018
1	Purchase of Office space at Doctor's Tower (8th, 9th & 10th Floor)	473,456,758	-	-	473,456,758
2	Computer Software	41,475,417	4,567,720	-	46,043,137
	Total-2018	514,932,175	4,567,720	-	519,499,895
	Total-2017	512,527,726	2,404,449	-	514,932,175

Fixed Assets Schedule DLIC Securities Ltd.

As on December 31, 2018

Annexure-D

Note: 24.B / 47.B

Amount in Taka

Sl. No.	Particulars	Cost			Dep. Rate	Depreciation				Carrying Value
		Opening Balance as at 01/01/2018	Addition during the year	Adjustment/ Disposal during the year		Opening Balance as at 01/01/2018	Opening Balance as at 01/01/2018	Adjustment/ Disposal during the year	Closing Balance as at 31/12/2018	
1	Furniture & Fixtures	949,750	364,913	-	10%	118,620	160,718	-	279,338	1,035,325
2	LED TV & Hanger	233,500	279,216	-	25%	134,992	79,476	-	214,468	298,248
3	Computer Hardware	1,387,050	617,370	-	25%	747,348	271,202	-	1,018,550	985,870
4	Electrical Equipment	30,900	-	-	20%	15,079	3,164	-	18,243	12,657
5	Office Equipment	1,200	-	-	20%	586	123	-	709	491
6	Software	438,900	-	-	25%	253,739	46,290	-	300,029	138,871
7	Motor Vehicles	13,656,083	-	-	20%	666,667	1,000,000	-	1,666,667	11,989,416
8	Office Renovation	941,034	-	-	20%	188,207	150,565	-	338,772	602,262
	Total-2018	17,638,417	1,261,499	-		2,125,238	1,711,538	-	3,836,776	15,063,140
	Total-2017	2,167,610	15,470,807	-		878,319	1,246,919	-	2,125,238	15,513,179



Directors' Responsibility Statement

Responsibility to Financial Statements

The Board of Directors of Delta Life Insurance Company Limited would like to inform that the audited accounts containing the Financial Statements for the year ended 31st December 2018 are in conformity with the requirements of the Companies Act-1994, International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as adopted by ICAB, Securities and Exchange Rules- 1987 and the Listing Regulations of Dhaka and Chittagong Stock Exchanges and they believe that the Financial Statements reflect fairly the form and substance of transactions carried out during the year and reasonably present the Company's financial condition and results of operations. These Financial Statements are audited by the Statutory Auditors, M/s. M. J. Abedin & Co., Chartered Accountants.

In accordance with the provisions of section 185 of the Companies Act-1994 and based on the information provided by the management, your directors state that:

- (1) In the preparation of accounts, the applicable accounting standards have been followed.
- (2) They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st December 2018 and the profit of the Company for the year ended on that date.
- (3) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act-1994, for safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- (4) They have prepared the annual accounts on a going concern basis.

Responsibility to Internal Control System

The Company has taken proper steps and sufficient care in building a system of Internal Control, which is reviewed, evaluated and updated regularly. The Internal audit department of the Company conducts periodic audit to provide reasonable assurance that the established policies and procedures of the Company were consistently followed.

Opinion of the External Auditors

M/s. M. J. Abedin & Co., Chartered Accountants, the statutory auditor of the Company have carried out annual audit to review the system of internal controls, as they consider appropriate and necessary, for expressing their opinion on the Financial Statements. They have also examined the Financial Statements made available by the management together with all the financial records, related data, minutes of shareholders meeting and board meetings, relevant policies and expressed their opinion.


Adeeba Rahman, ACII (UK)
Chief Executive Officer


Zeyad Rahman
Director


Salahuddin Ahmad
Director


Lt. Gen. M. Noor Uddin Khan, psc (Retd.)
Chairman

As per our report of same date


M.J. ABEDIN & CO.
Chartered Accountants

Dated, Dhaka;
17 June 2019



ডেল্টা লাইফ আছে তাই
স্বপ্ন দেখতে নেই মানা



ডেল্টা লাইফ ইনসিওরেন্স কোম্পানী লিমিটেড

A hand is shown stacking gold coins on a wooden desk. In the background, there is a calculator displaying '354', a pen, and a small potted plant. The text 'DIRECTORS' REPORT 2018 DLIC SECURITIES LTD.' is overlaid in green with a white outline.

DIRECTORS' REPORT 2018 DLIC SECURITIES LTD.



DIRECTORS' REPORT 2018

DLIC Securities Limited

Dear Shareholders,

The Directors have the pleasure in presenting to the members their report together with the audited financial statements of the Company for the year ended on 31 December 2018.

This report has been prepared in compliance with section 184 of the Companies Act 1994.

Principal Activities

The principal activities of the company is to act as member of stock exchanges and to carry on the business of stock brokers/dealers in relation to shares and securities dealings and other services as mentioned in the Memorandum and Articles of Association of the Company. Delta Life Insurance Company Limited holds all the shares except six shares held by six individuals.

Capital Market Outlook

Bangladesh's capital market experienced a tumultuous year in 2018. This can be attributed to various factors including the pressure arising from an increase in non-performing assets in the banking sector, rising interest rates owing to the liquidity crunch, a deficit of historically high proportions in the current account balance (USD 9.8 billion deficit in FY18), import payments to finance capital machineries for mega infrastructure and power projects reaching a record high, expensive fuel oil import prices, and the need to import food grains (especially rice) due to extensive flooding in mid-to-late 2017. Many foreign investors withdrew their investments from the country's capital market through a share sale worth USD 500.0 million. This was largely brought on by a fear of currency (BDT) depreciation versus the world's largest currencies such as the US dollar. In addition to this, concerns over the country's national election, which took place at the tail end of the year, was a further factor to notably affect the Bangladeshi economy in 2018.

Looking to the future (3-5 years), we believe that the prospects of Bangladesh's equity market are bright. Current valuation metrics are still hovering around the 12-year average range. In addition, we anticipate that a rebound in earnings growth of listed equities will also take place. In 2018, the market consolidated its position due largely to the staggering return of 24.0% achieved in 2017. Investors started to inject funds which saw a reasonable correction in the market (13.8% in 2018). Moreover, the on boarding of Chinese consortium 'Shanghai Stock Exchange (SSE) and Shenzhen Stock Exchange (SZSE)' as strategic partners is anticipated to improve even further the development of Bangladesh's capital market in the years ahead. This positive forecast is inspired by the likely introduction of new technological know-how, the introduction of a new product base, and greater efficiency being brought to the surveillance and trading system.

Review of Business

The net profit of the Company has declined for the year ended on 31 December 2018 compared to the corresponding year ended on 31 December 2017, due to completion of sale proceeds of 25% shares of Dhaka Stock Exchange Ltd. to Shenzhen & Shanghai Stock Exchange amounting to Tk.3,78,79,317.00 (18,03,777 shares @Tk.21/- per share) against of its acquisition cost of Tk.8,00,50,000.00;

Fairness of Financial Statements

The financial statements together with the notes thereon have been drawn up in conformity with the Companies Act 1994. These statements present fairly the company's state of affairs, the results of its operations, cash flow and changes in equity.

Books of Accounts

Proper books of accounts of the Company were maintained.

Accounting Policies

Appropriate accounting policies have been consistently applied in preparation of the financial statements and the accounting estimates are based on reasonable and prudent judgment.

**Application of IAS and IFRS**

International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed.

Board of Directors

The Board of Directors of the Company comprises 4 (four) members including 1 (one) Independent Director on the Board of the holding company.

Board Meetings

During the year, the Board of Directors met five times.

Appointment & Re-appointment of Directors

Delta Life Insurance Company Limited nominated Mr. Salahuddin Ahmad, Independent Director, to the Board of the company. The Board of Directors of DLIC Securities Limited in their meeting held on 17 December 2018 co-opted him as a Director of the Company. The Board of Directors also elected him as the Chairman of the Company.

In accordance with the Articles of Association of the Company Mr. Salahuddin Ahmad, Director (Nominated by Delta Life Insurance Company Limited) retired and re-appointed at the 6th Annual General Meeting (AGM).

Dividend

The Board of Directors of the Company is pleased to paid to the shareholders an Interim Cash Dividend at the rate of 5% or Tk.0.50 per share of Tk.10.00 each of the paid-up capital of the Company amounting to Tk.7,00,00,000.00 for the nine months period ended on 30 September 2018. The Interim dividend will however be treated as final dividend for the year ended 31 December 2018.

Appointment of Auditors

The existing auditors M/s. Shafiq Basak & Co., Chartered Accountants have expressed their willingness to be appointed as statutory auditors of DLIC Securities Limited for the year 2019.

The Board of Directors recommends appointment of M/s. Shafiq Basak & Co., Chartered Accountants as statutory auditors of the Company for the year 2019 and the Shareholders in its 6th Annual General Meeting approve the appointment of statutory auditors until the next Annual General Meeting.

Compliance with Laws and Regulations

The Company was not engaged in any activities contravening the laws and regulations. All those responsible for ensuring compliance with the provisions in various laws and regulations did so within the stipulated time.

Appreciation

The Board of Directors wishes to express its sincere appreciation to all employees of the Company for their contribution and at the same time thanked all the stakeholders for their continued support and confidence.

For and on behalf of the Board of Directors.

Salahuddin Ahmad
Chairman



জমা প্রতি তিন মাসে ভবিষ্যতে সুখ আসে

বর্তমানের পরিকল্পনা যদি সঠিক হয়, তাহলে ভবিষ্যতটাও হয় সুন্দর ও সুনিশ্চিত। আমাদের ত্রৈমাসিক সঞ্চয় পরিকল্পনে প্রতি তিন মাসে ন্যূনতম ৩০০ টাকা করে জমা করে নিশ্চিত করুন ভবিষ্যতের সুখের দিন।

এক নজরে ত্রৈমাসিক সঞ্চয় পরিকল্পনা

বীমাকারীর বয়স	সর্বনিম্ন ১৮ বছর	সর্বোচ্চ ৫৩ বছর
মেয়াদপূর্তিতে বয়স(সর্বোচ্চ)	৬৫ বছর	
বীমার মেয়াদ	১২ বছর	২৫ বছর
ন্যূনতম ত্রৈমাসিক প্রিমিয়াম	৳ ৩০০/- (ত্রৈমাসিক প্রিমিয়াম ১০০/- টাকা দ্বারা বিভাজ্য হতে হবে)	
সর্বোচ্চ বীমাঅংক	৳ ১,০০,০০০/-	
অবলিখন চাহিদাদি	কোম্পানীর নিয়মানুযায়ী প্রযোজ্য হবে	

*পলিসির মেয়াদপূর্তিতে বীমাগ্রাহককে অর্জিত বোনাসসহ পূর্ণ বীমাঅংক প্রদান করা হবে। বীমার মেয়াদ পূর্ণ হবার আগে যদি বীমাকারীর মৃত্যু হয়, তাহলে অর্জিত বোনাসসহ বীমাঅংক ফেরত দেয়া হবে।



ডেল্টা লাইফ ইনসিওরেন্স কোম্পানী লিমিটেড
গণ-গ্রামীণ বীমা

ডেল্টা লাইফ টাওয়ার, প্লট-৩৭, রোড-৯০, গুলশান সার্কেল-২, ঢাকা-১২১২
ফোন : ০৯৬১ ৩৬৬৬০০০, ৮৮২৩৩২২ ফ্যাক্স : ৮৮-০২-
কাস্টমার কেয়ার ইউনিট: ০৯৬১৩ ৬৬৬ ৯৯৯, ০১৭১ ৩৩৬ ১১০০, ০১৭১ ৩৩৬ ১১৯৯

A person in a dark blue suit and white shirt is holding a magnifying glass over a document. The background is a blurred image of binary code (0s and 1s) in a light blue color. The text is overlaid in the center of the image.

Auditors' Report and Financial Statements of DLIC Securities



INDEPENDENT AUDITORS' REPORT

To the Shareholders of DLIC Securities Limited

Report on the Audit of the Financial Statements for the year ended December 31, 2018.

Opinion

We have audited the financial statements of DLIC Securities Limited (the Company), which comprise the statement of financial position as at 31 December 2018, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2018, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirement that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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



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

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

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

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, we also report the following:

- a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books; and
- c) The 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 account.

Dated, Dhaka;
March 27, 2019



(SHAFIQ BASAK & CO.)
Chartered Accountants



DLIC SECURITIES LIMITED

STATEMENT OF FINANCIAL POSITION

as at 31 December 2018

Particulars	Notes	Taka 31.12.2018	Taka 31.12.2017
ASSETS			
Non Current Assets:			
Property, Plant & Equipment	3.00	15,063,140.00	15,513,179.00
Preliminary Expenses	4.00	257,193.00	514,387.00
		15,320,333.00	16,027,566.00
Current Assets:			
Investment in DSE Ltd.	5.00	240,150,000.00	320,200,000.00
Investment in Shares (At Cost)	6.00	944,699,967.00	927,620,245.00
Advance, Deposit & Prepayment	7.00	38,996,717.00	15,511,589.00
FDR	8.00	105,011,256.00	105,098,282.00
Cash & Bank Balances	9.00	447,420,442.00	139,332,047.00
Security Deposit		200,000.00	200,000.00
Receivable from Client		61,035.00	77,775.00
Receivable from DSE		421,363,250.00	3,592,524.00
		2,197,902,667.00	1,511,632,462.00
TOTAL ASSETS:		2,213,223,000.00	1,527,660,028.00
EQUITY AND LIABILITIES			
Shareholders Equity:			
Issued & Paid up Capital	10.00	1,400,000,000.00	1,400,000,000.00
Retained Earnings	11.00	4,557,362.00	71,818,171.00
		1,404,557,362.00	1,471,818,171.00
Current Liabilities:			
For Expenses & Other Finance	12.00	2,999,211.00	3,132,415.00
Sundry Creditors	13.00	765,001,549.00	26,909,678.00
Provision for Taxation	14.00	40,664,878.00	25,799,764.00
		808,665,638.00	55,841,857.00
TOTAL EQUITY AND LIABILITIES		2,213,223,000.00	1,527,660,028.00

Salahuddin Ahmad

Chairman

AUDITORS' REPORT TO THE SHAREHOLDERS

Please see annexed report of date

Md. Sayeed Ahmed, FCA, ACMA, CGMA

Director

Md. Asaduzzaman Mallik

Company Secretary

Dated: Dhaka
March 27, 2019

(SHAFIQ BASAK & CO.)

Chartered Accountants



DLIC SECURITIES LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For The Year Ended December 31, 2018

Particulars	Notes	Taka 31.12.2018	Taka 31.12.2017
Revenue Earned:			
Brokerage Commission Income	15.00	17,759,409.00	33,657,828.00
Less: Administrative & Other Expenses			
Salary & Allowances		5,463,775.00	2,669,065.00
VAT and TAX at Source	16.00	289,733.00	133,650.00
Telephone & Mobile Charges		48,591.00	36,279.00
Bank Charges		139,687.00	352,274.00
DSE Purpose Exp., Fees, Renewal & Cha.	17.00	2,326,615.00	4,031,067.00
CDBL Charges		360,320.00	534,223.00
Office Expenses		276,160.00	641,017.00
Vehicle Expenses	18.00	934,782.00	524,619.00
Utility Bill & Other Monthly Bill	19.00	626,042.00	186,300.00
Staff Welfare Expenses		92,164.00	43,176.00
Office Rent		957,900.00	891,000.00
Service Charge		69,000.00	66,000.00
Conveyance		45,527.00	199,299.00
Stationery		58,913.00	62,049.00
Advertisement Expenses		28,300.00	41,046.00
Travelling & Conveyance		-	109,537.00
Entertainment		73,854.00	109,774.00
Written Off Preliminary Expenses	20.00	257,194.00	257,194.00
Depreciation		1,711,538.00	1,246,919.00
Total Administrative & Other Expenses		13,760,095.00	12,134,488.00
Profit before Provision & Tax		3,999,314.00	21,523,340.00
Add: Interest Income		16,964,377.00	33,633,067.00
Add: Dividend Income		29,347,209.00	21,775,350.00
Add: Gain/(Loss) on Sale of Public Company Shares	21.00	(32,055,732.00)	14,890,888.00
Total Profit before Provision & Tax		18,255,168.00	91,822,645.00
Less: Provision for Taxation (Current Year)	22.00	15,515,977.00	25,148,901.00
Less: Short Provision for the Assessment Year 2015-2016, 2016-2017 & 2017-2018.		-	665,997.00
Net Profit after tax for the year		2,739,191.00	66,007,747.00

Salahuddin Ahmad
Chairman

AUDITORS' REPORT TO THE SHAREHOLDERS
Please see annexed report of date

Md. Sayeed Ahmed, FCA, ACMA, CGMA
Director

Md. Asaduzzaman Mallik
Company Secretary

Dated: Dhaka
March 27, 2019

(SHAFIQ BASAK & CO.)
Chartered Accountants



DLIC SECURITIES LIMITED

STATEMENT OF CASH FLOWS

For the year ended 31 December 2018

Particulars	Taka 31.12.2018	Taka 31.12.2017
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Brokerage & Other Income	64,070,995.00	103,957,133.00
Administrative Expenses	(43,847,095.00)	(10,630,375.00)
	20,223,900.00	93,326,758.00
Changes in Current Assets and Liabilities (Increase)/Decrease in Current Assets:	(378,832,673.00)	125,839,971.00
Increase/(Decrease) in Current Liabilities:	737,958,667.00	(138,220,653.00)
	359,125,994.00	(12,380,682.00)
Net Cash Flow from Operating Activities	379,349,894.00	80,946,076.00
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Fixed Assets	(1,261,499.00)	(15,470,807.00)
Net Cash Flow from Investing Activities	(1,261,499.00)	(15,470,807.00)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Final/Interim Dividend Paid	(70,000,000.00)	(42,000,000.00)
Net Cash Flow from Financing Activities	(70,000,000.00)	(42,000,000.00)
D. NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENT (A+B+C)	308,088,395.00	23,475,269.00
Opening Cash & Bank Balance	139,332,047.00	115,856,778.00
Closing Cash & Bank Balance	447,420,442.00	139,332,047.00

Salahuddin Ahmad
Chairman

AUDITORS' REPORT TO THE SHAREHOLDERS
Please see annexed report of date

Md. Sayeed Ahmed, FCA, ACMA, CGMA
Director

Md. Asaduzzaman Mallik
Company Secretary

Dated: Dhaka
March 27, 2019

(SHAFIQ BASAK & CO.)
Chartered Accountants



DLIC SECURITIES LIMITED STATEMENT OF CHANGES IN EQUITY

For The Year Ended December 31, 2018

Particulars	Share Capital	Retained Earning	Total (Taka)
Balance as on January 01, 2018	1,400,000,000.00	71,818,171.00	1,471,818,171.00
Net Profit after tax	-	2,739,191.00	2,739,191.00
Interim Dividend (Note: 23.00)	-	(70,000,000.00)	(70,000,000.00)
Balance as of December 31, 2018	1,400,000,000.00	4,557,362.00	1,404,557,362.00

DLIC SECURITIES LIMITED STATEMENT OF CHANGES IN EQUITY

For The Year Ended December 31, 2017

Particulars	Share Capital	Retained Earning	Total (Taka)
Balance as on January 01, 2017	1,400,000,000.00	47,810,424.00	1,447,810,424.00
Net Profit after tax	-	66,007,747.00	66,007,747.00
Final Dividend	-	(42,000,000.00)	(42,000,000.00)
Balance as of December 31, 2017	1,400,000,000.00	71,818,171.00	1,471,818,171.00

Salahuddin Ahmad
Chairman

AUDITORS' REPORT TO THE SHAREHOLDERS
Please see annexed report of date

Md. Sayeed Ahmed, FCA, ACMA, CGMA
Director

Md. Asaduzzaman Mallik
Company Secretary

Dated: Dhaka
March 27, 2019

(SHAFIQ BASAK & CO.)
Chartered Accountants



DLIC SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

BASED ON INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS) FOR THE YEAR ENDED DECEMBER 31, 2018.

1.00 Legal status and nature of the company-Disclosure under IAS 1 "Presentation of Financial Statement".

1.01 Company Profile:

DLIC Securities Limited was incorporated on July 07, 2013 as a public limited company with the Registrar of Joint Stock Companies and Firms, Dhaka under the Companies Act, 1994 bearing registration No C - 110106/13.

1.02 Nature of Business Operations:

The main activities of the company is to act as member of stock exchanges and to carry on the business of brokers, stocks, shares, securities, bonds, debentures relation a stock and securities dealing and other services as mention in the Memorandum & Articles of Association of the company.

1.03 Address of Registered Office:

The registered head office of the Company is located at Delta Life Tower (9th Floor), Plot # 37, Road # 45 (South) & 90 (North), Gulshan-2, Dhaka-1212.

2.00 Specific Accounting Policies - Disclosure under IAS 1 "Presentation of Financial Statements"

2.01 Basis of preparation and presentation of the Financial Statements:

The financial statements have been prepared and the disclosures of information made in accordance with the requirements of the Companies Act 1994 and International Accounting Standards (IASs) adopted by the Institute of Chartered Accountants Bangladesh (ICAB), as Bangladesh Accounting Standards (IAS) & International Financial Reporting Standards (IFRS). The Balance Sheet and Income Statement have been prepared according to **IAS-1** Presentation of Financial Statement based on accrual basis of accounting following going concern assumption under Generally Accepted Accounting Principles (GAAP) and Cash Flow Statement according to **IAS-7** Cash Flow Statement.

2.02 Accounting Convention and Assumption:

The Financial Statements are prepared under the "Historical Cost" convention.

2.03 Principal Accounting Policies:

The specific accounting policies have been selected and applied by the Company's management for significant transactions and events that have a material effect within the framework for the preparation and presentation of financial statements. Financial Statements have been prepared and presented in compliance with **IAS-1** Preparation of Financial Statements. Financial statements of the previous year were prepared according to the same accounting principles. Compared to the previous year, there were no significant changes in the accounting and valuation policies affecting the financial position and performance of the company. However, changes made to the presentation are explained in the note for the respective item(s).

2.04 Components of Financial Statements:

1. Statement of Financial Position as at December 31, 2018.
2. Statement of Profit or Loss and Other Comprehensive Income for the year ended December 31, 2018.
3. Statement of Cash Flows for the year ended December 31, 2018.
4. Statement of Changes in Equity for the year ended December 31, 2018.
5. Notes, Comprising a Summary of Significant Accounting Policies and other Explanatory notes.



2.05 Application of International Accounting Standards (IAS's):

Following IAS's are applicable for the preparation and presentation of financial statements for the year under report.

- IAS – 1 Presentation of Financial Statements
- IAS – 7 Statement of Cash Flows
- IAS – 8 Accounting Policies, Changes in Accounting Estimates and Errors
- IAS – 10 Events after the Financial Position date
- IAS – 12 Income Taxes
- IAS – 16 Property, Plant and Equipment
- IFRS – 15 Revenue from Contracts with Customers
- IAS – 37 Provisions, Contingent Liabilities and Contingent Assets.

2.06 Tangible Fixed Assets: Property, Plant and Equipment (IAS-16):

Tangible fixed assets are accounted for according to **IAS-16** Property, Plant and Equipment at historical cost less cumulative depreciation. Assets are depreciated according to the diminishing balance method.

2.07 Depreciation of the fixed assets:

Depreciation is provided on diminishing method on the cost at which the asset is carried in the books of account.

Depreciation continues to be provided until such time as the written down value is reduced to Taka one.

Depreciation of an asset begins when it is available for use. No depreciation is charged on asset deleted during the year.

The rates at which assets are depreciated per annum, depending on the nature and estimated useful life of assets are given below:

Category of Assets	Rate
Computer, PC and Sarver	25 %
LED TV and Hanger	25 %
Furniture & Fixture	10 %
Electric Equipment IP Phone Set	20 %
Office Equipment	20 %
Software	25%
Motor Vehicles	20%
Office Renovation	20%

Depreciation has been charged to Operational Expenses and Administrative Expenses proportionately on a consistent basis.

2.08 Investment in Shares:

As per requirements of Bangladesh Accounting Standards (**IAS**)-39, investment in shares falls either under "at fair value through Statement of Comprehensive Income" or under "available for sale" where any change in the fair value at the year ended is taken to Statement of Comprehensive Income. DLIC Securities recognizes its investment in shares as per **IAS-39** and accounted for the required provision for diminution in Value of Investment in Share in the Statement of Comprehensive Income.

2.09 Accounts Receivable:

Accounts Receivables are recognized at cost which is the fair value of the consideration given.

2.10 Cash & Cash Equivalents:

Cash and cash equivalents include Cash in hand, Cash at banks, term deposit, government treasury bills etc. which are available for use by the company without any restrictions. There is an insignificant risk of change in value of the same.



2.11 Creditors and Accrued Expenses:

Provision:

The preparation of financial statements in conformity with **IAS-37** Provisions, Contingent Liabilities and Contingent Assets requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses, assets and liabilities during and at the date of financial statements.

In accordance with the guidelines as prescribed by **IAS-37**, provisions were recognized in the following situations:

- When the company has a present obligation as a result of past events;
- When it is probable that an out flow of resources embodying economic benefits will be required to settle the obligation; and
- Reliable estimates can be made of the amount of the obligation.

The provisions in the Statement of Financial Position at an appropriate level have been shown with regard to an adequate provision for risks and uncertainties. An amount recorded as a provision represented the best estimate of the probable expenditure required to fulfill the current obligation on the Statement of Financial Position date. Other provisions are valued in accordance with **IAS-37** Provisions, Contingent Liabilities and Contingent Assets. Other provisions comprise all recognizable risks from uncertain liabilities and anticipated losses from pending transactions.

2.12 Taxation (IAS-12):

Income Tax

The company is a Private Limited Company in terms of the Income Tax Ordinance 1984 and Income Tax is applicable @ 35% on operating and other income, 20% on dividend income & 10% on capital gain.

Deferred Tax

Deferred Tax has not been considered for immateriality.

2.13 Contingent Liabilities and Assets:

Contingent liabilities are current or possible obligations, arising from past events and whose existence is due to the occurrence or non occurrence of one or more uncertain future events which are not within the control of the company. In accordance with **IAS-37** Provisions, Contingent Liabilities and Contingent Assets they are disclosed in notes to the financial statements.

2.14 Revenue from Contracts with Customers:

Recognition In compliance with the requirements of **IFRS-18** Revenue, revenue is recognized only when;

- a) Service is recognized.
- b) Interest income is accrued on a time basis by reference to the principal outstanding at the effective interest rate applicable.
- c) Other non-operating income is recognized only when relevant cash flow received.

2.15 Cash Flow Statements:

Statements of Cash Flow is prepared principally in accordance with **IAS-7** Cash Flow Statement and the cash flows from operating activities have been presented under direct method as required by the Securities and Exchange Rules 1987 and considering the provisions that "**Enterprises are Encouraged to Report Cash Flow From Operating Activities using The Direct Method**".



	Taka 2018	Taka 2017
3.00 Movement of Fixed Assets:		
Opening cost value	17,638,417.00	2,167,610.00
Add: Addition during the year (Schedule-01)	1,261,499.00	15,470,807.00
Total Cost Value	18,899,916.00	17,638,417.00
Less: Accumulated Depreciation at Beginning	2,125,238.00	878,319.00
	16,774,678.00	16,760,098.00
Less: Depreciation during the year	1,711,538.00	1,246,919.00
Written Down Value as on December 31, 2018	15,063,140.00	15,513,179.00
3.01 Property, Plant & Equipment:		
Computer, PC and Server	2,004,420.00	1,387,050.00
LED TV and Hanger	512,716.00	233,500.00
Furniture & Fixture	1,314,663.00	949,750.00
Electric Equipment IP Phone Set	30,900.00	30,900.00
Office Equipment	1,200.00	1,200.00
Software	438,900.00	438,900.00
Motor Vehicles	13,656,083.00	13,656,083.00
Office Renovation	941,034.00	941,034.00
	18,899,916.00	17,638,417.00
4.00 Preliminary Expenses:		
Company formation Fee paid to RJSC	232,193.00	464,387.00
BSEC Permission Fee	25,000.00	50,000.00
	257,193.00	514,387.00
5.00 Investment in DSE Ltd.:	240,150,000.00	320,200,000.00

The Above amount paid to Dhaka Stock Exchange Ltd as Investment for Purchases of one share (Membership) of Dhaka Stock Exchange Ltd.

Dhaka Stock Exchange Limited had allotted 72,15,106.00 ordinary shares of tk. 10.00 each against existing 01(one) ordinary share in pursuance of scheme section 3.1.4 of the scheme Demutualization of Dhaka Stock Exchange. Vide allotment no.10043-243 dt. 10-10-2013 Details are given in the following manner:

Previous Shares Allotted	Total Shares
DSE transferred 40% ordinary shares of Tk. 10/- each directly to the credit of the Beneficiary Owner's account of the Company.	7,215,106.00
2,886,042.00	(Seven million two hundred fifteen thousand and one hundred six)
(Two million eight hundred eighty six thousand and forty two)	

The Board Directors of Dhaka Stock Exchange Limited approved the transfer of said 25% DSE Share to Shenzhen Stock Exchange (SZSE) and Shanghai Stock Exchange (SSE) at cost of Tk. 21/- per share including premium. Details are given below:

Particular	Taka 2018	Taka 2017
Total Shares	7,215,106.00	Total Shares
No. Of Shares sold (i. e. 25%)	(1,803,777.00)	
Blocked Share Amount	5,411,329.00	5,411,329.00
Total Sale Proceeds (1,803,777.00 shares @ TK.21)	37,879,317.00	(Fifty Four Lac Eleven Thousand Three Hundred Twenty Nine)
A. Cost of acquisition of 100% (7,215,106 Shares)	320,200,000.00	
B. Cost of acquisition of 25% (1,803,777.00 Shares)	80,050,000.00	
Invested Amount at DSE (A-B)	240,150,000.00	

6.00 Investment in Shares:

Quoted Shares	944,699,967.00	927,620,245.00
	944,699,967.00	927,620,245.00



	Taka 2018	Taka 2017
6.01 Provision for Share Value Fluctuation Accounts		
Provision for share value fluctuation was made in the past years for diminution in the value of shares based on year end all share price Index of Dhaka stock Exchange (DSE). In view of present upward trend persistent in the value of shares of DSE, the provision made is not considered necessary and written back.		
Market Value of Quoted Shares	947,591,807.00	1,145,281,783.00
Gain/(Loss) On Marketable Securities (Unrealized):		
Unrealized Gain/(Loss) Position (Opening)	217,671,772.00	32,363,226.00
Unrealized Gain/(Loss) Position (Closing)	6,295,127.00	217,671,772.00
7.00 Advance, Deposit & Prepayments:		
Advance Against Office Rent	567,000.00	627,750.00
Advance to Others		
Advance to Vehicle	3,929.00	-
Advance to Branch (Petty Cash)	1,061.00	-
Advance Tax Paid (Note: 7.01)	38,424,727.00	14,883,839.00
	38,996,717.00	15,511,589.00
7.01 Advance Tax Paid		
Opening Balance	14,883,839.00	24,418,965.00
Add: Addition during the year		
Advance Tax on Commission Income	3,709,003.00	7,151,872.00
Advance Income Tax on Interest Income	1,697,427.00	3,376,916.00
Tax Deducted on Dividend Income	5,869,396.00	4,355,051.00
Tax Paid for the Assessment Year 2015-16, 2016-17 & 2017-18	650,863.00	8,396,897.00
Tax Paid for the Assessment Year 2018-19	10,265,062.00	
Tax Paid for the Assessment Year 2019-20	2,000,000.00	
	39,075,590.00	47,699,701.00
Less: Adjusted for 2015-16, 2016-17 & 2017-18	650,863.00	2,614,585.00
Adjusted with Advance Tax for 2016-17		11,650,162.00
Adjusted with Advance Tax for 2017-18		18,551,115.00
	38,424,727.00	14,883,839.00
8.00 FDR:		
EXIM Bank Limited A/C No.: 001-601-01159228	105,011,256.00	-
IPDC Finance Limited A/C NO.-000225000000226		52,549,141.00
IPDC Finance Limited A/C NO.-000225000000227		52,549,141.00
	105,011,256.00	105,098,282.00
9.00 Cash & Bank Balances:		
Cash in Hand	2,076.00	29,008.00
Cash at Bank:		
Pubali Bank Limited A/C No - 2905102001086	431,151,171.00	94,497,559.00
Pubali Bank Limited A/C No - 2905102001090	14,470,532.00	34,624,010.00
Pubali Bank Limited A/C No - 3555102002603	1,263,462.00	9,641,297.00
Exim Bank Limited A/C No-0764	533,201.00	540,173.00
	447,420,442.00	139,332,047.00
10.00 Share Capital:		
a) Authorized Capital:		
(250,000,000 Ordinary Shares of TK.10 each)	2,500,000,000.00	2,500,000,000.00
	2,500,000,000.00	2,500,000,000.00
b) Issued & Paid up Capital:		
(140,000,000 Ordinary Shares of TK.10 each)	1,400,000,000.00	1,400,000,000.00
	1,400,000,000.00	1,400,000,000.00



c) Percentage of Share holdings as on 31st December, 2018.

	Taka 2018	Taka 2017
Name of Share Holders	No of Shares	Percentage
i) Corporate:		
Delta Life Insurance Company Limited (Nominated by Mr. Salauddin Ahmad)	139,999,994	99.999995714
ii) Individual:		
Mr. Swapan Kumar Sarkar, FCA	1	0.000000714
Mr. M. Anisul Haque, FCMA	1	0.000000714
Mr. Md. Sayeed Ahmed, FCA, ACMA, CGMA	1	0.000000714
Dr. Md. Nazrul Islam	1	0.000000714
Mr. M. Hafizur Rahman Khan	1	0.000000714
Brig. Gen M. Mosharraf Hussain (Rtd)	1	0.000000714
	140,000,000	100.00
11.00 Retained Earnings		
Opening Balances	71,818,171.00	47,810,424.00
Add: Net Profit for the year	2,739,191.00	66,007,747.00
Less: Dividend Paid during the year	(70,000,000.00)	(42,000,000.00)
Closing Balances	4,557,362.00	71,818,171.00
12.00 For Expenses and Other Finance:		
Tax Payable on Office Rent	3,345.00	3,712.00
VAT Payable on Office Rent	10,035.00	11,138.00
Electricity, Water & Sewerage Bill Payable	3,363.00	-
Telephone Bill Payable	522.00	-
Payable to DSE	932,892.00	1,030,341.00
Payable to DLIC Against Fixed Assets	1,738,534.00	1,738,534.00
CDBL Charges Payable	40,095.00	11,150.00
Others Payable regarding BO A/C Balances	-	10,234.00
Audit Fee Payable including VAT	46,000.00	106,000.00
Salary & Allowances Payable	224,425.00	221,306.00
	2,999,211.00	3,132,415.00
13.00 Sundry Creditors:		
Payable to Client	13,852,004.00	2,716,644.00
Payable to Delta Life Insurance Co. Ltd	751,149,539.00	24,193,032.00
Unpaid Dividend	6.00	2.00
	765,001,549.00	26,909,678.00
14.00 Provision for Taxation:		
Opening Balance	25,799,764.00	32,800,728.00
For the Ass. Year 2015-16, 2016-17 & 2017-18	650,863.00	2,599,451.00
For the Ass. year 2016-2017	-	11,650,162.00
For the Ass. year 2018-2019	25,148,901.00	18,551,115.00
Add: Provision Made During the year (Note - 22)	15,515,977.00	25,148,901.00
Short Provision for 2015-16, 2016-17 & 2017-18	-	665,997.00
	41,315,741.00	58,615,626.00
Less:		
Adjusted with Advance Tax for 2015-16, 2016-17 & 2017-18	650,863.00	2,614,585.00
Adjusted with Advance Tax for 2016-17	-	11,650,162.00
Adjusted with Advance Tax for 2017-18	-	18,551,115.00
	40,664,878.00	25,799,764.00

**15.00 Brokerage Commission Income**

Brokerage Commission
Dealer Commission
Other Income
CDBL Transfer/Transmission
CDBL Demat of Existing Securities
CDBL Bulk A/C Transfer
IPO Service Income
BO Account Opening Fee
BO Account Renewal Fee

Taka
2018

Taka
2017

17,196,964.00
362,526.00
5.00
100.00
16,464.00
2,350.00
56,000.00
125,000.00
17,759,409.00

33,531,652.00
-
126,176.00
-
-
-
-
-
33,657,828.00

16.00 VAT and TAX at Source

VAT on Office Rent
Tax on Employee Salary
VAT on Printing & Packaging
TAX on Printing & Packaging
VAT for Fees and Renewal
Tax on Audit fee & Other

143,684.00
104,318.00
3,992.00
3,139.00
18,600.00
16,000.00
289,733.00

133,650.00
-
-
-
-
-
133,650.00

17.00 DSE Purpose Expenses, Fees, Renewal & Charges

DSE Laga Charge
DSE Laga Charge (Dealer)
DSE Howla Charges
DSE Trader License Transfer Exp.
DSE Other Charges
DSE IPF Bill (Quarterly)
DSE TWS Installation Fee
DSE Authorization Fee
DSE TREC Renewal fee
Subscription Fee (DSE Brokerage)
IPO Bidding Fee
Stock Broker & Dealer Reg. Fee
Training Expenses
Trade License Purpose
Fees & Renewals
Consultancy Fees
Software Maintenance Fee
Audit Fee including VAT
BSEC Renewal Fee
RJSC Fees

1,801,704.66
37,470.46
-
5,600.00
6,500.00
7,169.50
25,000.00
500.00
50,000.00
12,500.00
48,000.00
20,000.00
10,000.00
2,170.00
29,000.00
120,000.00
105,000.00
46,000.00
-
-
2,326,615.00

3,573,834.00
-
50.00
-
104,683.00
-
-
-
-
-
13,000.00
20,000.00
-
-
11,500.00
-
105,000.00
46,000.00
125,000.00
32,000.00
4,031,067.00

18.00 Vehicle Expenses

Fuel-Vehicle Reg. No: 1 (15-5422)
Fuel-Vehicle Reg. No: 2 (32-1286)
Repair & Maintenance Vehicle No: 1 (15-5422)
Repair & Maintenance Vehicle No: 2 (32-1286)
Insurance Premium for Vehicle No. 1 (15-5422)
Insurance Premium for Vehicle No. 2 (32-1286)

308,113.00
299,024.00
25,465.00
19,622.00
227,053.00
55,505.00
934,782.00

325,000.00
199,619.00
-
-
-
-
524,619.00

19.00 Utility Bill & Other Monthly Bill

Electricity
Water & Sewerage
Cable Operator Bill
Office Cleaning Expenses
Network Connectivity Bill
Newspaper Bill

330,743.00
28,845.00
4,400.00
2,700.00
256,744.00
2,610.00
626,042.00

-
-
-
-
186,300.00
-
186,300.00

**20.00 Written Off Preliminary Expenses:**

Company formation Fee paid to RJSC
BSEC Permission Fee

Taka 2018	Taka 2017
232,194.00	232,194.00
25,000.00	25,000.00
257,194.00	257,194.00
(42,170,683.00)	-
10,114,951.00	14,890,888.00
(32,055,732.00)	14,890,888.00
3,709,003.00	7,533,169.00
-	1,489,089.00
5,869,442.00	4,355,070.00
5,937,532.00	11,771,573.00
15,515,977.00	25,148,901.00

21.00 Gain/(Loss) on Sale of Public Company Share

Loss on Sale of Public Company Share
Add: Gain on Sale of Public Company Share
Total Gain or Loss

22.00 Income Tax Provision made during the year

Calculation is as Under:
On Business Income on the basis of tax deducted at source
On Capital Gain @ Tk. 10%
On Dividend Income @ Tk. 20%
On Interest Income @ Tk. 35%
Total Current year tax

23.00 Interim Dividend:

The Company paid an Interim Dividend @ 5% i.e. Tk. 0.5 per share of Tk. 10/- each to the share holders of the Company for the period ended 30 September 2018, against the Paid Up Capital of 140,000,000 nos. of shares.

Salahuddin Ahmad
Chairman

AUDITORS' REPORT TO THE SHAREHOLDERS
Please see annexed report of date

Md. Sayeed Ahmed, FCA, ACMA, CGMA
Director

Md. Asaduzzaman Mallik
Company Secretary

Dated: Dhaka
March 27, 2019

(SHAFIQ BASAK & CO.)
Chartered Accountants



DLIC SECURITIES LIMITED

PROPERTY, PLANT & EQUIPMENT SCHEDULE

As At December 31, 2018

SCHEDULE- 01:

PARTICULARS	Cost			Depreciation		W . D . V. At 31.12.2018	RATE %
	At 01.01.2018	Addition During the year	At 31.12.2018	At 01.01.2018	Depreciation During the year	Total At 31.12.2018	
Computer, PC and Server	1,387,050.00	617,370.00	2,004,420.00	747,348.00	271,202.00	1,018,550.00	25
LED TV and Hanger	233,500.00	279,216.00	512,716.00	134,992.00	79,476.00	214,468.00	25
Furniture & Fixture	949,750.00	364,913.00	1,314,663.00	118,620.00	160,718.00	279,338.00	10
Electric Equipment IP Phone Set	30,900.00	-	30,900.00	15,079.00	3,164.00	18,243.00	20
Office Equipment	1,200.00	-	1,200.00	586.00	123.00	709.00	20
Software	438,900.00	-	438,900.00	253,739.00	46,290.00	300,029.00	25
Motor Vehicles	13,656,083.00		13,656,083.00	666,667.00	1,000,000.00	1,666,667.00	20
Office Renovation	941,034.00		941,034.00	188,207.00	150,565.00	338,772.00	20
TAKA:	17,638,417.00	1,261,499.00	18,899,916.00	2,125,238.00	1,711,538.00	3,836,776.00	
Note: Depreciation on two motor vehicles has been computed considering the value of two motor vehicles tk. 5,000,000.00 as per third schedule para 11 clause 6(a) of the ITO 1984							
Balance as on 31.12.2017	2,167,610.00	15,470,807.00	17,638,417.00	878,319.00	1,246,919.00	2,125,238.00	15,513,179.00



Delta Life Insurance Company Limited

Delta Life Tower
Plot # 37, Road # 90, Gulshan Circle-2, Dhaka-1212

PROXY FORM

I/We of
..... being the shareholder(s), Delta Life Insurance Company Limited hereby appoint Mr./Ms. failing which Mr./Ms. as my/our proxy to attend and vote for me/us and on my/our behalf at the 33rd Annual General Meeting of the Company to be held on Wednesday, July 24, 2019 at 10:30 A.M. at Delta Life Tower, Plot # 37, Road # 90, Gulshan Circle-2, Dhaka-1212 and/or any adjournment thereof.

Signed this: Day of 2018.

Signature of Proxy:

1)
Folio/BO ID No.



.....
Signature of Shareholder(s)

Folio / BO ID No.
No. of Shares

2)
Folio/BO ID No.

Note:

A member entitled to attend and vote at the 33rd Annual General Meeting may appoint a proxy who must be a shareholder of the Company to attend and vote in his/her stead. The proxy form, duly stamped, must be submitted at the Registered Office of the Company not later than 48 hours before the time fixed for the AGM.

.....
Signature Verified
Delta Life Insurance Company Ltd.



Delta Life Insurance Company Limited

SHAREHOLDERS' ATTENDANCE SLIP

I/We hereby record my attendance at the 33rd Annual General Meeting being held on Wednesday, July 24, 2019 at 10:30 A.M. at Delta Life Tower, Plot # 37, Road # 90, Gulshan Circle-2, Dhaka-1212.

Name of the Shareholder(s)/Proxy
Folio/BO ID No. Holding of Ordinary Shares
of Delta Life Insurance Company Limited

Signature of Proxy :

.....
Signature of Shareholder(s)

1)
2)

Notes:

- Please note that the AGM can only be attended by the honorable shareholder or properly constituted proxy. Therefore any friend or children accompanying honorable shareholder or proxy cannot be allowed into the meeting.
- Please present this slip at the Reception Desk.

সম্মানিত শেয়ারহোল্ডারবৃন্দের সদয় অবগতির জন্য জানানো যাচ্ছে যে, বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের নোটিফিকেশন নং এসইসি/সিএমআরআরসিডি/২০০৯-১৯৩/১৫৪ তারিখঃ অক্টোবর ২৪, ২০১৩ মোতাবেক বার্ষিক সাধারণ সভায় কোন প্রকার উপহার অথবা কোন ধরনের আপ্যায়নের ব্যবস্থা থাকবে না।



Delta Life Insurance Company Ltd.

(Delta Life : Prosperous Life)

Delta Life Tower

Plot # 37, Road # 90, Gulshan Circle-2, Dhaka.

Phone : 09613666000, 55051919, FAX : 88-02-9899605

E-mail : info@deltalife.org, Website : www.deltalife.org