

**ACTUARIAL VALUATION REPORT AS AT 31st
DECEMBER 2023 PROTECTIVE ISLAMI LIFE INSURANCE
LIMITED**

100 H.R. Complex (6th Floor), A.K.Khandakar Road, Mohakhalli C/A, Dhaka
1212

**Afsar Uddin Ahmed M.Sc.
Actuary & Chief Consultant
Actuary Bangladesh**

Afsar Uddin Ahmed M.Sc.

Qualified Actuary from Institute of Actuaries, London, FCA (Fellow of C C Actuaries, USA) Dip. in Superannuation Management (Aust.), Dip. In Risk Management Consulting Actuary afsar_a@hotmail.com

PROTECTIVE ISLAMI LIFE INSURANCE LIMITED

Actuarial Valuation Report

- 1 The valuation date was 31st December 2023
- 2 (a) This is a valuation to ascertain the financial performance of the company and is a statutory valuation which required the valuation basis approved by IDRA.
- (b) (i) The liabilities under all classes of assurances were arrived at by deducting from the present value of the benefits (i.e. sum assured and bonuses (if any)), the present value of the future net premiums.
- (ii) Net premiums were initially calculated on the basis set out in para 3. These were adjusted to allow for recovery of initial expenses by adding with the net premium the equivalent value of an additional fixed amount per thousand-taka sum assured/pension over term of the policy.
- (iii) The age at entry was taken to be the age nearest birthday at entry age.
- (iv) The actual premium term and the exact maturity date were used.
- (v) Group term assurances were valued by reserving 40% of annual premium. The company has monthly group insurance and the coverage is extended for a month on payment of a monthly premium. The company has provided the total amount of outstanding claims for monthly premium group covers. An appropriate amount of margins to ensure adequacy of estimate has been added to the outstanding claim amount provided by the company.
- c) (i) The valuation age was taken as the age at entry plus nearest duration of the policy to the valuation date.
- (ii) The factors for valuing the sum assured and bonuses, if any and the net premiums were calculated for each policy separately.
- d) No specific provision has been made for the maintenance of any specific rate of future bonus.
- e) (i) All premiums were assumed to be paid annually.
- (ii) Where premiums were paid more frequently than yearly the net premium in respect of outstanding installments of premiums were deducted from liabilities.
- f) (i) No specific provision was made for immediate payment of claims.

- (ii) No specific provision was made for future expenses and profits on limited payment and paid up policies.
- (iii) An adequate reserve has been made for revival of lapsed policies.
- g) Policies were valued according to plans of assurance and term. Calculations were carried out on a computer that was programmed to ignore negative values arising as a result of the valuation method adopted.
- h) Extra premiums and supplementary riders were valued by taking 40% of actual premiums received. An allowance of 50% of reinsurance premium paid has been provided in the valuation.
- i) No policy in foreign currency was issued.

3 The mortality tables and the rates of interest used in the valuation have been approved by the office of the Insurance and Development Regulatory Authority and are as follows:

a	Mortality Table:	Bangladesh Assured Lives Mortality Table (2015-18)
b	Interest Rate:	
	All with profit plans:	Interest Rate : @ 3.00%
	All without profit plans (including paid ups and pension policies):	Interest Rate : @ 5.00%

4 The proportion of future premium provided for future expenses:

With participation of profits	: 24.84%
Without participation of profits (excluding single premium)	: 22.32%

5. The valuation disclosed a deficit. If there was a sufficient surplus then the basis of distribution of surplus between the insurer and the policyholders would have been determined by the Company as per the Insurance Act 1938 and the recommendation of the actuary.
6. No surplus distribution has been made in this valuation. The distribution of surplus among the policyholders is usually made by the use of reversionary bonus method as follows:
 - The distribution of surplus is made by the Company as per recommendation of the actuary.
 - The bonus is allocated on the basis of the premium payment term.
 - The bonus is allotted in respect of each year's premium paid.
7. (i) There is no allocation of reversionary bonuses in this valuation. The valuation disclosed a deficit as shown in Form I below.
8. Policy documents issued to the policyholders do not contain any minimum guaranteed surrender values and as such 'J' form has not been prepared.
9. Provision for disability benefit was provided under supplementary rider.
10. Forms H and I are attached.
11. Valuation was carried out on a computer under my supervision.

FORM – G

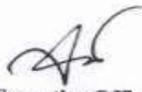
The Revenue Account of Protective Islami Life Insurance Limited for the year ending 31st December 2023 has been submitted to the Insurance Development and Regulatory Authority (IDRA). However, the relevant portion (life fund) of the Balance sheet is given below:

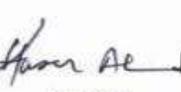
KAZI ZAHIR KHAN & CO.
CHARTERED ACCOUNTANTS

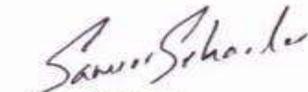
PROTECTIVE ISLAMI LIFE INSURANCE LIMITED
STATEMENT OF LIFE INSURANCE FUND
AS AT 31 December, 2022
AS PER SUB SECTION-2 OF SECTION-26 OF INSURANCE ACT,2010

PARTICULARS	NOTE	Amount in Taka	
		31-Dec-22	31-Dec-21
A. Assets		375,276,168	295,270,603
Loan		81,500	66,500
On Insurer,s Policies within their Surrender Value		81,500	66,500
Investment		37,524,183	44,221,145
Investment in Govt. Treasury Bond	13.00	15,000,000	15,000,000
(Statutory Deposit with Bangladesh Bank)			
Profit, Dividend & rent Accrued but not Due	14.00	2,873,025	2,148,976
Advance Deposit & Prepayments	15.00	19,651,158	27,072,169
Cash bank and Other Balance		258,776,075	165,760,095
Fixed Deposit with Banks	16.00	87,937,000	85,000,000
SND and CD with Banks	17.00	169,637,364	79,981,348
Cash in Hand		1,201,711	778,747
		78,894,410	85,222,863
Property, Plant and Equipment	18.00	65,821,499	69,572,394
Right Of Use Assets	32.00	12,231,489	14,866,141
Printing Stationery & Stamps in Hand	19.00	841,422	784,328
B. Liabilities		33,877,945	49,156,030
Estimated liabilities in respect of outstanding Claims,whether due or intimates	10.00	3,717,777	16,848,638
Amount due to Others persons or Bodies Carrying on Insurance business	11.00	2,203,362	7,959,657
Sundry Creditors	12.00	12,390,028	8,843,325
Lease Liability	31.00	13,128,301	15,504,410
Deferred Tax Liabilities	33.00	2,438,476	-
C Gross Fund(A-B)		341,398,224	246,114,573
		225,000,000	180,000,000
D. Shareholders Capital (Paid-up Capital)		225,000,000	180,000,000
E. Life insurance Fund as at 31 December (C-D)		116,398,224	66,114,573

The accounting policies and other notes form an integral part of the financial statements.


Chief Executive Officer(c.c)

 
Director Director


Chairman

Place: Dhaka
Date: 16 April 2023
DVC: 2304160240AS360715




Md. Nurul Hossain Khan FCA
Enrolment No: 0240
Managing Partner
Kazi Zahir Khan & Co.
Chartered Accountants

Summary of figures shown in Form H are set out below:

A.				Tk.(000's)
	i)	Assurance business with immediate participation of profits including single premium assurances		90,328
	ii)	Assurance business without participation of profits including single premium assurances		15,041
			Sub Total (A)	105,369
B.	i)	Group Term Insurance		104,656
			Sub Total (B)	104,656
C.	i)	Supplementary Rider		373
	ii)	Revival of lapsed policies and policies may not have been included in the Valuation		2500
	iii)	Allowance for reinsurance		-39,946
			Sub Total(C)	-37,073
		Grand Total (A+B+C)		172,952

Form-I

Valuation Balance sheet of PROTECTIVE ISLAMI LIFE INSURANCE LIMITED
As at 31st December 2023

TK (000's)

Net Liability under business as shown in the summary and valuation of policies	172,952	Balance of Life shown in the Balance Sheet	126,561
Deficit	-46,391		

Protective Islami Life Insurance Limited

FORM – H

Actuarial Valuation of liabilities undervalued policies as at 31.12.2023 - **In force Policies**

Division 1

Insurances

Group A - with immediate participation in profits

Plan no.	Description	Particulars of policies for valuation					VALUATION			
		No. of policies	Sum Assured (Tk. 000)	Annualized Premium(Tk. 000)	Net Yearly Premium (Tk. 000)	Vested Bonus (Tk. 000)	Sum Assured and Bonus (Tk. 000)	Annualized Premium (Tk. 000)	Net Premium (Tk. 000)	Net liabilities (Tk. 000)
1	FIVE STAGE ANTICIPATED ENDOWMENT INSURANCE PLAN WITH PROFIT	1807	722008	60282	44867	0	544286	713531	591090	2299
2	FOUR STAGE PAYMENT ANTICIPATED ENDOWMENT INSURANCE PLAN WITH PROFIT	448	66907	6229	4639	0	48753	59329	49117	2044
3	BIENNIAL PAYMENT PLAN WITH PROFIT	131	24154	2098	1582	0	18665	23004	19210	374
4	ORDINARY ENDOWMENT INSURANCE PLAN WITH PROFIT	106	29993	2294	1730	0	20454	24550	20820	1119
5	THREE STAGE PAYMENT ANTICIPATED ENDOWMENT INSURANCE WITH PROFIT	1098	224012	18825	14387	0	167851	198745	169012	5055
7	MONTHLY DEPOSIT PENSION SCHEME (MDPS)	345	30462	3605	2594	0	27795	10840	8687	17185
8	CHILD PROTECTION ASSURANCE PLAN (WITH PROFIT)	123	35906	3120	2201	0	27543	34834	27425	435
10	HAJJ BIMA (WITH PROFIT)	1	850	94	73	0	634	816	707	99
11	DENMOHOR BIMA (WITH PROFIT)	3	1129	82	60	0	747	957	796	120
13	MONTHLY SAVING INSURANCE PLAN (WITH PROFITS)	270	65789	4863	3718	0	43973	54432	47034	302
14	TWO STAGE MONTHLY SAVING INSURANCE PLAN (WITH PROFIT)	1080	169894	18006	15926	0	61233	148870	54688	5109
15	MONTHLY DPS SUPER PLAN (WITH PROFIT)	147	19892	3157	408	0	4128	18341	4475	0
Total		5,559	1,390,996	122,655	92,185	0	966,062	1,288,249	993,061	34,141

PROTECTIVE ISLAMI LIFE INSURANCE LIMITED

FORM – H

Actuarial Valuation of liabilities undervalued policies as at 31.12.2023 -

Paid-up Policies Group A - with profits plans with no further participation in profits

Plan no.	Description	Particulars of policies for valuation				VALUATION	
		No. of policies	Paid-up Sum Assured (Tk. 000)	Annualized Premium (Tk. 000)	Vested Bonus (Tk 000)	Paid-up Sum Assured (Tk. 000)	Net liabilities (Tk. 000)
1	FIVE STAGE ANTICIPATED ENDOWMENT INSURANCE PLAN WITH PROFIT	205	8040	2387	0	1427	1221
2	FOUR STAGE PAYMENT ANTICIPATED ENDOWMENT INSURANCE PLAN WITH PROFIT	286	11839	3087	0	1769	1687
3	BIENNIAL PAYMENT PLAN WITH PROFIT	15	879	245	0	282	202
4	ORDINARY ENDOWMENT INSURANCE PLAN WITH PROFIT	5	524	190	0	331	237
5	THREE STAGE PAYMENT ANTICIPATED ENDOWMENT INSURANCE WITH PROFIT	257	11857	3191	0	3462	2796
7	THREE STAGE MONTHLY DEPOSIT PENSION SCHEME (MDPS)	1661	57056	16952	0	47565	44348
8	CHILD PROTECTION ASSURANCE PLAN (WITH PROFIT)	8	229	79	0	154	124
13	MONTHLY SAVING INSURANCE PLAN (WITH PROFITS)	13	774	246	0	511	393
14	TWO STAGE MONTHLY SAVING INSURANCE PLAN (WITH PROFIT)	513	17213	6544	0	6489	5179
Total		2,963	108,411	32,921	0	61,990	56,187

Group A Total:

90,328

Group B - with deferred participation of profits – Nil

Group C – under discontinued bonus system- Nil

Protective Islami Life Insurance Limited

FORM – H

Actuarial Valuation of liabilities undervalued policies as at 31.12.2023 - **In force Policies.**

Group D – without participation in profits

Plan no.	Description	Particulars of policies for valuation				VALUATION			
		No. of policies	Sum Assured (Tk. 000)	Annualized Premium (Tk. 000)	Net Yearly Premium (Tk. 000)	Sum Assured and bonus (Tk. 000)	Annualized Premium (Tk. 000)	Net Premium (Tk. 000)	Net liabilities (Tk. 000)
6	SINGLE PREMIUM INSURANCE PLAN	137	11117			16606			14646
9	ASSURANCE CUM PENSION PLAN	8	1026	402	251	370	4354	431	125
12	MONEY BACK TERM INSURANCE PLAN WITH GUARANTEED PROFIT	21	16552	579	511	6378	6419	7580	211
Total		166	28,695	981	762	23,354	10,773	8,011	14,982

Protective Islami Life Insurance Limited

FORM – H

Actuarial Valuation of liabilities undervalued policies as at 31.12.2023 – **Paid up Policies.**

Group D – without participation in profits

Plan no.	Description	Particulars of policies for valuation			VALUATION	
		No. of policies	Paid-up Sum Assured (Tk. 000)	Annualized Premium (Tk. 000)	Paid-up Sum Assured (Tk. 000)	Net liabilities (Tk. 000)
12	MONEY BACK TERM INSURANCE PLAN WITH GUARANTEED PROFIT	2	142	24	83	59
		2	142	24	83	59

Group D Total:

15,041

Afsar Uddin Ahmed M.Sc.
Actuary from Institute of Actuaries, London, FCA (Fellow of C C Actuaries, USA) Dip. in Superannuation Management (Aust.), Dip. In Risk Management Consulting Actuary afsar_a@hotmail.com

Certification Under Regulation 4, Part I of the Fourth Schedule of the Repealed Insurance Act, 1938 read with Section 160 of the Insurance Act, 2010

I hereby certify that I have satisfied myself as to the accuracy of the valuation data, and of the valuation of Protective Islami Life Insurance Limited as at 31st December 2023 made for the purpose of the abstract prepared in accordance with the requirements of part II of the Fourth Schedule of the Repealed Insurance Act 1938 read with Section 160 of the Insurance Act, 2010. The data was supplied by the IT department. I have checked the data and held discussions with the IT manager and the senior management to reasonably ensure accuracy of the data supplied to me.



Afsar Uddin Ahmed
Actuary
6 March 2025