

**Independent Auditor's Report
and
Financial Statements
of
Life Insurance Corporation (LIC) of Bangladesh Limited
As at and for the year ended December 31, 2023**

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Mahfel Huq & Co.

Chartered Accountants

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Independent Auditor's Report

To the Shareholders of Life Insurance Corporation (LIC) of Bangladesh Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Life Insurance Corporation (LIC) of Bangladesh Limited ("the Company"), which comprise the Balance Sheet (Statement of Financial Position) as at 31 December 2023, and the Life Revenue Account (Profit and Loss and Other Comprehensive Income Account), Statement of Changes in Shareholders 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 present fairly, in all material respects, the financial position of the company as at 31 December 2023, and its 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 1938 (as amended in 2010) 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of 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 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 2023. 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.

Premium Income

Risks: Premium income is the most significant item in the Life Revenue Account. Net premium income comprises the gross premium received including group insurance less

reinsurance premium during the accounting period. Given the important nature, connections to other items to the financial statements and sensitivity of the item, this area poses high level of risk. At the year-end 2023, Net premium income was BDT. 172,790,011 (2022: BDT. 167,022,695).

Our Responses to the Risks: With respect to premium income of various types of life insurance policies, we have carried out the following procedures:

- Used professional judgments to calculate the premiums on sample basis and we considered the age, sex, weight & height, medical history, marital status, dependents, occupation, etc. of policy holders.
- Checked the design and operating effectiveness of key controls around premium income recognition process.
- Carried out analytical procedures and recalculated premium income for the period on a sample basis.
- Carried out cut-off testing (set by regulatory authority) to ensure premium deposit has not been included in the premium income.
- Ensured on a sample basis that the premium income was being deposited in the designated bank accounts.
- For a sample of insurance contracts tested to see if appropriate level of reinsurance was done and whether that reinsurance premium was properly calculated and it has been deducted from the gross premium income; and
- Finally, assessed the appropriateness and presentation of disclosures against relevant accounting standards, the Insurance Act, 1938 (as amended in 2010), the insurance Rules, 1958 and other applicable rules and regulations and regulatory requirements.

Investment

Risks: The classification and measurement of investment in securities required judgment and complex estimates. Investment in securities are needs to be classified as held to maturity or held for trading depending on the management intention about the investment. At the year end, the company reported total investment in Equity Shares BDT. 25,554,626(2022: BDT. 24,854,331), BGTB and Zero Coupon Bond BDT. 637,678,093(2022: BDT. 366,853,737).

Our Responses to the Risks: We assessed the processes and controls put in place by the company to identify and confirm the existence of investment. We obtained an understanding, evaluated the design and tested the operating effectiveness of the key controls over the investment adjustment. Finally, assessed the appropriateness and presentation of disclosures against relevant accounting standards and circulars issued by IDRA.

Emphasis of Matters

We draw attention to note no.3.18, which states that Provision for Gratuity has been made in the financial statements and the company will apply to NBR for the recognition of Gratuity fund income. Furthermore, to note 3.19 which state that the company did not set aside any profits contribution related to Worker's Profit Participation Fund for the current year due to the on-going discussion between the IDRA and related Finance Ministries. Finally, to note 3.09 which state that the company did not make any provision for income tax for the current year due to the gross external incomings of the income year 2023 (i.e. BDT 63,282,791) was



lower than the management expenses of the year ended 31 December 2023 (i.e. BDT 122,075,748) and actuarial-valuation for the year is yet to be made. Our opinion is not modified in respect of these matters.

Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual report other than the financial statements and our auditors' report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the 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. When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance of the company.

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 1938 (as amended in 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.

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 auditor's 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 1938 (as amended in 2010), Bangladesh Securities and Exchange Commission Rules, 2020 we also report that:



- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appeared from our examinations of those books;
- c) 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;
- d) As per section 62(2) of the Insurance Act 1938 (amended in 2010), in our opinion to the best of our knowledge and belief an according to the information and explanation given to us all expenses of management wherever incurred and whether incurred directly or indirectly, in respect of insurance business of the company transacted in Bangladesh during the year under report have been duly debited to the Revenue Accounts of the Company;
- e) As per regulation 11 of part 1 of the third schedule of the Insurance Act 1938 (amended in 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 its business re-insured abroad;
- f) The expenditure was incurred for the purpose of the Company's business.

Wasequl H Reagan, FCA
ICAB Enrolment No. : 1517
Partner
Mahfel Huq & Co.
Chartered Accountants
DVC: 2403241517AS428297
Dhaka, March 21, 2024

Life Insurance Corporation (LIC) of Bangladesh Limited
Balance Sheet (Statement of Financial Position)
As at 31st December 2023

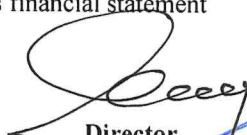
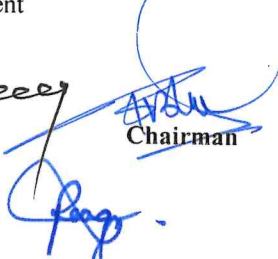
Particulars	Notes	Amount in Taka	
		2023	2022
Capital and Liabilities			
Share Capital			
Authorised Capital			
100,000,000 ordinary shares of Tk.10 each		1,000,000,000	1,000,000,000
Issued, subscribed and paid up capital			
60,000,000 ordinary shares of Tk.10 each fully paid up	5.00	600,000,000	600,000,000
Additional Fund Provided by LIC of India for security deposit		15,000,000	15,000,000
Balance of Fund and Accounts		287,495,539	199,321,576
Life Insurance Fund	6.00	293,103,052	204,519,332
Fair Value Changes Account	7.00	(5,607,513)	(5,197,756)
Liabilities and Provisions			
Lease Liability	8.00	15,320,640	20,979,368
Current Liabilities	9.00	14,188,568	11,876,021
Premium Deposits	10.00	7,669,466	5,715,450
Provision for Income Tax	11.00	8,208,277	8,208,277
Total Capital and Liabilities		947,882,490	861,100,693
Property and Assets			
Policy Loan			
	12.00	8,219,375	5,232,907
Investment			
Statutory Deposit	13.00	15,000,000	15,000,000
Treasury Bond and Zero Coupon Bond	13.00	622,678,093	351,853,737
Equity Share	14.00	25,554,626	24,854,331
Agents Balances	15.00	44,339	39,339
Outstanding Premiums	16.00	4,704,447	7,409,245
Interest Accruing but not Due	17.00	18,850,483	18,878,522
Advances and Deposits	18.00	24,167,868	24,754,815
Deferred Tax Assets	19.00	2,463,829	3,270,993
Cash and Bank Balances			
Bank Balances	20.00	199,358,635	375,249,565
Stamps in Hand		126,120	244,340
Cash in Hand		28,934	80,676
Fixed assets at cost less depreciation	21.00	9,717,380	10,795,132
Right of Use (RoU) Assets	22.00	16,968,363	23,437,091
Total Property and Assets		947,882,490	861,100,693
Net Asset Value (NAV) Per Share	38.00	10.00	10.00

The annexed notes form an integral part of this financial statement


Chief Executive Officer

 
Chief Financial Officer **Director**

Signed as per our annexed report on even date

 
Director **Chairman**

Wasequl Huq Reagan, FCA
Partner
ICAB Enrl. No. 1517
Mahfel Huq & Co.
Chartered Accountants
DVC: 2403241517AS428297

Dhaka, March 21, 2024

Life Insurance Corporation (LIC) of Bangladesh Limited
Life Revenue Account
For the year ended December 31, 2023

Particulars	Notes	Amount in Taka	
		2023	2022
Balance of fund at the beginning of the year		204,519,332	135,812,956
Premium Less Reinsurance	23.00		
First Year Premium		70,731,727	57,543,968
Renewal Premium		92,154,405	94,140,510
Group Insurance Premium		17,758,352	20,698,132
Gross Premium		180,644,484	172,382,610
Less: Reinsurance Premium		(7,854,473)	(5,359,915)
Net Premium		172,790,011	167,022,695
Interest, dividend and rent	24.00	62,931,559	52,963,328
Other income	25.00	351,232	139,248
Total		236,072,802	220,125,271

First year premium where the maximum premium paying period is :		
Single	37,472,189	33,785,392
Two years	-	-
Three years	-	-
Four years	-	-
Five years	3,472,066	-
Six years	1,943,472	173,299
Seven years	2,177,216	380,347
Eight years	652,653	223,890
Nine years	997,230	290,149
Ten years	8,030,853	9,692,443
Eleven years	609,641	288,843
Twelve years or over (including throughout life)	15,376,407	12,709,606
Total	70,731,727	57,543,968

Life Insurance Corporation (LIC) of Bangladesh Limited

Life Revenue Account

For the year ended December 31, 2023

Particulars	Notes	Amount in Taka	
		2023	2022
Expenditure			
Claims under policies (including provision for claims due or intimates) less reinsurances			
by Death	26.00	7,259,846	18,770,446
by Survival Benefit		11,835,400	10,904,000
Annuity Claim		130,065	-
by Surrender		5,380,860	2,886,712
		24,606,171	32,561,158
Expenses of Management			
Commission		22,744,346	17,085,280
(a) Commission to insurance agents (less reinsurances)	27.00	22,744,346	17,085,280
(b) Allowances and Commission (other than (a) above)		-	-
Other Management Expenses (Except Commission)		99,331,401	101,734,058
Salary and Allowances	28.00	52,469,722	44,902,531
Travelling Expenses	29.00	1,035,276	1,290,303
Office Expenses	30.00	2,131,419	1,509,038
Motor Car Expenditure Staff Cars		2,839,643	2,708,614
Rent, Rates, Taxes and Maintenances Expenses	31.00	24,139,448	23,671,657
Printing and Stationary		959,326	1,277,519
Postage Telegram Expenses		232,873	246,123
Gratuity Expenses		1,132,595	4,579,650
Telephone Expenses		61,016	79,885
Networking Expenses		1,086,330	778,683
Legal and Consultancy Fee	32.00	1,943,027	5,391,435
Publicity Expenses	33.00	2,980,736	6,752,355
Audit Fees		402,500	402,500
Competition Prizes-Branch Head		-	1,659,149
Competition Prizes-BM/UM		80,875	-
Competition Prizes-Agents		1,899,344	-
Policy Stamp Expenses	34.00	567,690	679,709
Electricity Charges		896,388	997,013
Agents Training Expenses		922,598	580,509
Other Misc. Expenses		1,050,135	1,957,303
Depreciation on Fixed Assets	Annexure-A	1,161,584	1,102,693
Amortization on Software	Annexure-A	69,855	207,087
Board Meeting Expenses	35.00	921,721	621,473
IDRA Renewal Fee and Trade License Renewal Fee	36.00	347,300	338,829
Total Management Expenses		122,075,747	118,819,338
Other Expenses			
Income Tax Expenses	11.01	807,164	38,399
Total Expenses		147,489,082	151,418,895
Balance of Life Insurance Fund at the end of the year as shown in the Balance Sheet	6.00	88,583,720	68,706,376
Total		236,072,802	220,125,271

The annexed notes form an integral part of this financial statement


Chief Executive Officer


Chief Financial Officer


Director


Director


Chairman

Signed as per our annexed report on even date

Wasequl Huq Reagan, FCA
Partner

ICAB Enrl. No. 1517

Mahfel Huq & Co.

Chartered Accountants


DVC: 2403241517AS428297

Dhaka, March 21, 2024

Life Insurance Corporation (LIC) of Bangladesh Limited
Statement of Cash Flows
For the year ended 31 December, 2023

Particulars	Amount in Taka	
	2023	2022
A. Cash flow from Operating Activities		
Collection from premium	185,303,298	174,773,233
Payment of Claims	(24,606,171)	(32,561,158)
Other income received	351,232	224,119
Payment for reinsurances, management expenses and others	(117,056,972)	(121,884,627)
Interest, dividend and rent received	62,959,598	46,309,131
Tax paid during the year	(7,932,314)	(4,590,676)
Net Cash Flows from Operating Activities	99,018,671	62,270,023
B. Cash flow from Investing Activities		
Treasury bond and Zero Coupon Bond	(270,824,356)	(104,300,336)
Acquisition of fixed assets	(153,686)	(717,214)
Sale of Fixed Assets	-	145,504
Policy Loan & Advance to Agents	(2,991,468)	(3,072,833)
Purchase of Equity Share	(1,110,051)	(18,357,397)
Net Cash Used in Investing Activities	(275,079,562)	(126,302,276)
C. Cash flow from Financing Activities		
Net Cash Received/ (Used) in Financing Activities	-	-
D. Net (decrease)/increase in cash and cash equivalents (A+B+C)	(176,060,891)	(64,032,253)
E. Cash and cash equivalents at beginning of the year	375,574,581	439,606,834
F. Cash and cash equivalents at end of the year (D+E)	199,513,689	375,574,581
Net operating Cash Flows Per Share (Note No. 39)	1.65	1.04


Chief Executive Officer


Chief Financial Officer


Director


Director


Chairman

Dhaka, March 21, 2024



Life Insurance Corporation (LIC) of Bangladesh Limited
Statement of Changes in Shareholders Equity
For the year ended December 31, 2023

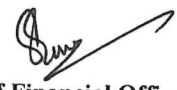



Particulars	Share Capital	General Reserve	Retained Earnings	Total
Opening Balance	600,000,000	-	-	600,000,000
Changes during the period	-	-	-	-
Closing Balance	600,000,000	-	-	600,000,000

For the year ended December 31, 2022

Particulars	Share Capital	General Reserve	Retained Earnings	Total
Opening Balance	600,000,000	-	-	600,000,000
Changes during the period	-	-	-	-
Closing Balance	600,000,000	-	-	600,000,000


Chief Executive Officer

Dhaka, March 21, 2024


 **Chief Financial Officer**  **Director**  **Director**  **Chairman**



Life Insurance Corporation (LIC) of Bangladesh Limited
Statement of Life Insurance Fund
As at 31st December 2023

Particulars	Amount in Taka	
	2023	2022
A. Assets		
Investment (including FDRs)	838,817,219	747,657,318
Interest accrued but not due	18,850,483	18,878,522
Outstanding Premiums	4,704,447	7,409,245
Advances and deposits	34,895,410	33,298,054
Right of Use (RoU) Assets	16,968,363	23,437,091
Cash and bank balances (excluding FDRs)	23,929,189	19,625,331
Fixed assets (at cost less depreciation)	9,717,380	10,795,132
	947,882,490	861,100,693
B. Liabilities		
Current liabilities	45,386,951	46,779,116
Fair Value Changes Account	(5,607,513)	(5,197,756)
	39,779,438	41,581,360
C. Gross fund (assets minus liabilities)	A-B	
	908,103,052	819,519,333
D. Less: shareholders capital (paid up capital)	(600,000,000)	(600,000,000)
Less: Fund by LIC(India) as security deposit	(15,000,000)	(15,000,000)
E. Life insurance fund at the end of the year	C-D	
	293,103,052	204,519,333


Chief Executive Officer


Chief Financial Officer


Director


Director


Chairman

Dhaka, March 21, 2024




Life Insurance Corporation (LIC) of Bangladesh Limited


FORM AA


Classified Summary of the Assets


As at December 31, 2023

SL. No.	Class of Assets	Book Value (Taka)	Market / Realizable Value (Taka)	Remarks
Class of Assets				
	Investments			
1	Statutory deposit with Bangladesh Bank	15,000,000	15,000,000	At cost
2	Treasury Bond and Zero Coupon Bond	622,678,093	622,678,093	Realizable value
3	Equity Share	25,554,626	25,554,626	At market value
	Cash and Bank Balances			
4	Cash in hand, STD and current accounts	199,513,689	199,513,689	Book value
	Other Assets			
5	Interest accrued but not due	18,850,483	18,850,483	Realizable value
6	Advance and deposits	24,167,868	24,167,868	Realizable value
7	Fixed assets (at cost less depreciation)	9,717,380	9,717,380	Carrying Amount
8	Right of Use (RoU) Assets	16,968,363	16,968,363	Carrying Amount
9	Deferred Tax Assets	2,463,829	2,463,829	Carrying Amount
10	Outstanding Premiums	4,704,447	4,704,447	Carrying Amount
11	Agent Balance	44,339	44,339	Carrying Amount
12	Policy Loan	8,219,375	8,219,375	Carrying Amount


Chief Executive Officer


Chief Financial Officer


Director


Director


Chairman

Dhaka, March 21, 2024



Life Insurance Corporation of Bangladesh Limited
Notes to the Financial Statement
As at and for the year ended 31 December 2023

1.00 Legal status and nature of the business

1.01 Legal status of business

Life Insurance Corporation of Bangladesh Ltd. (the 'Company') was incorporated as public limited company under Company's Act 1994 on December 14, 2015 and commenced its operation from October 27, 2016 bearing registration no. C-127605/2015 and has got the license from Insurance Development & Regulatory Authority, Bangladesh bearing certificate no- Life 17/2015, to run life insurance business.

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).

2.00 Basis of presentation

2.01 Statement of compliance

The financial statements have been prepared in accordance with the format of financial statements prescribed in the Insurance Act 1938 (as amended in 2010) and Insurance Rules 1958, The Companies Act 1994, applicable International Financial Reporting Standards (IFRSs) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) and other applicable laws and regulations. Where the requirements of the FRC, the companies Act 1994, the Insurance Act 1938, differ with the requirements of the applicable International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB), the requirements of the Companies Act 1994 and The Insurance Act 2010 take precedence.

2.02 Other regulatory compliances

The company is also required to comply with following rules and regulations:

- Income Tax ordinance 1984
- Income Tax rules 1984
- Bangladesh Securities and Exchange Commission (BSEC) Rules, 2020
- Value Added Tax and Supplementary Duty Act 2012
- Value Added Tax and Supplementary Duty Rules 2016

2.03 The structure and content of the financial statements

A complete set of financial statement comprises :

- i) Balance Sheet
- ii) Life Revenue Account
- iii) Statement of changes in equity
- iv) Statement of cash flow
- v) Statement of life insurance fund
- vi) Classified summary of asset (Form AA)
- vii) Notes comprising significant accounting policy and other explanatory information.

2.04 Period of financial statements

The financial statement covers 12 months from 1st January 2023 to 31st December 2023.

2.05 The date of authorisation for issue

The financial statement were authorised for issue by the Board of Directors in its meeting held on 21 March 2024.



2.06 The functional and presentation currency

Functional and presentation currency items included in these financial statements are measured using the currency of the primary economic environment in which the company operates ('the functional currency'). These financial statements are presented in Bangladesh Taka ("BDT") which is also the functional currency of the company. The amount in these financial statements have been rounded off to the nearest BDT, except otherwise indicated.

2.07 The risk and uncertainty for use of estimates and judgement

The preparation of financial statements in conformity with IFRS requires, management to make judgment, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses as well as the application of accounting policies. Uncertainty about these assumptions and estimates could result in outcomes that may require adjustment to the carrying amount of assets or liabilities affected in future period.

2.08 Going concern

As per IAS-I para 25, a company is required to make assessment at the end of each year to assess its capability to continue as a going concern. Management of the Company makes such assessment each year. The company has adequate resources to continue in operation for the foreseeable future and has wide coverage against its liabilities. For this reason, the directors continue to adopt the going concern assumption while preparing the financial statements.

2.09 Accrual basis

The company prepares its financial statements, except for cash flow information, using the accrual basis of accounting. Since the accrual basis of accounting is used, the company recognizes items such as assets, liabilities, equity, income and expenses (the elements of financial statements) when they satisfy the definitions and recognition criteria for those elements in the IFRS conceptual Framework.

2.10 Materiality, aggregation and offsetting

Each material item as considered by management significant, has been presented separately in the financial statements. No amount has been set off unless the Company has legal right to set off the amounts and intends to settle on net basis. Income and expenses are presented on a net basis only when permitted by the relevant accounting standards. The values of assets or liabilities as shown in the statement of financial position are not off-set by way of deduction from another liability or asset unless there exist a legal right therefore. No such incident existed during the year.

2.11 Comparative information

Comparative information has been disclosed in respect of the year in accordance with IAS 1: Presentation of Financial Statements for all numeric information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current period's financial statements. Prior year figure is rearranged wherever considered necessary to ensure comparability with the current period.

2.12 Basis of measurement of elements of financial statements

The financial statements have been prepared on the historical cost basis, and therefore, do not take into consideration the effect of inflation. The accounting policies, unless otherwise stated, have been consistently applied by the Company and are consistent with those of the previous year.

3.00 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.



3.01 Revenue recognition

Accounting policies set out below have been applied consistently for all periods presented in this financial statements.

→ Premiums are recognized as income when due, for which grace period has not expired and the previous installments have been paid.

→ Interest income in respect of all government securities, debt securities including loans, debentures and bonds, Pass Through Certificate (PTC) is taken as credit to the Revenue Account as per the guidelines issued by Insurance Development and Regulatory Authority (IDRA).

→ In respect of purchase or sales of Government and other approved securities from secondary market, interest for the broken period is accounted for on cash basis.

→ Interest, Dividend, Rent, etc. are accounted at gross value (before deduction of Income Tax).

→ In respect of loans, debentures and bonds, accrued interest as at the date of the balance sheet is calculated as per method of calculation of simple interest mentioned in the loan document/ information memorandum or such other document.

→ In respect of Government and other approved securities and mortgage loans, accrued interest as at the date of balance sheet is calculated based on 360 days a year.

→ Profit or Loss on sale of securities/ Equities/ Mutual Fund is taken to Revenue only in the year of sale. Dividend on equity where right to receive the same has fallen due on or before 31st December (i.e. dividend declared by the company) is taken as income though received subsequently.

→ Interest on policy loans is accounted for on accrual basis.

→ Interest on application Money on purchase of debentures/ bonds is accounted on cash basis.

→ Income from zero coupon bonds is accounted on accrual basis.

→ Premium on redemption / maturity is recognized as income on redemption/ maturity.

3.01.01 Acquisition costs

Acquisition Costs are expensed in the period in which they are incurred. Acquisition costs are those costs that vary with and are primarily related to the acquisition of new renewal insurance contracts.

3.02 Reinsurance premium

This represents amount receivable from the re-insurer (General Insurance Corporation of India) for the year ended on 31 December, 2023. The net retention of the company for individual life is BDT 10 lac per policy per person and group insurance is BDT 10 lac per policy per person.

3.03 Claim

a) Claims costs consist of the policy benefit amount and claims settlement costs, wherever applicable.

b) Provision for the outstanding death claims is made for those policies where the intimation of death has been received up to 31st December.

3.04 Reinsurance

This represents provisional amount payable to the re-insurer(GICI) for the year ended on 31 December 2023. Provision has been made on the basis of best available information.

Reinsurance premium is recognized at the same time when the premium income is received. 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 terms and condition of the reinsurance arrangements.

3.05 Premium deposit

Premium deposits represent premium received but risk has not yet been accepted because of lapse policy and advance premium as at 31 December 2023.



3.06 Accruals, provisions and contingencies

a) Accruals

Accruals are liabilities to pay for services that have been received or supplied but have not been paid, invoiced or formally agreed with the supplier, including amounts due to employees. Accruals are reported as part of sundry creditors. Sundry creditors are not interest bearing and are stated at their nominal value.

b) Provisions, contingent liabilities and contingent assets

A provision is made based on a reliable estimate when it is probable that an outflow of resources embodying economic benefits will be required to settle an obligation. Contingent liabilities (other than policies), if material, are disclosed by way of notes. Contingent assets are not recognized or disclosed in the financial statements.

3.07 Employee benefits

The company maintains defined contribution plan for its eligible permanent employees. The eligibility is determined according to the terms and conditions set forth in the respective trust deeds and rules.

a) Provision for Gratuity has been made in the financial statements and the company will apply to NBR for the recognition of Gratuity fund.

b) In respect of employees who have opted for Provident Fund Scheme, matching contribution is made to the Provident Fund Trust.

c) Leave Encashment Benefits on retirement/VRS/Death is provided through Group Leave Encashment Fund maintained by the Company and as such, liability in respect thereof, forms part of the Group Leave Encashment Fund.

3.08 Fixed assets

3.08.01 Tangible fixed assets

An item shall be recognized as fixed asset if it is probable that future economic benefits associated with the item will flow to the entity, and the cost of the item can be measured reliably. Fixed assets are capitalized at cost of acquisition and subsequently stated at cost less accumulated depreciation in compliance with the requirements of IAS 16: Property, Plant and Equipment. The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the assets to its working condition for its intended use. The cost also includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term debt availed for the construction/implementation of the property, plant and equipment, if the recognition criteria are met.

Subsequent cost

The subsequent expenditure is only capitalized as part of assets when the useful life or economic benefit or both of that asset is increased provided that it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The costs of day to day servicing of fixed assets are recognized in the Revenue Account as 'repairs and maintenance' when it is incurred.

Depreciation

Depreciation is charged on straight line basis. Depreciation is charged on newly acquired assets from the date when asset is available for use to comply with IAS-16. In case of disposal, depreciation charged up to the date of disposal. The rates of depreciation are furnished below;

Category of Asset	Rate of depreciation
Electronic installation	5%
Furniture & fitting	4%
Refrigerator & Air condition	10%
IT Equipment	30%
Renovation & modernization	5%
Telephone	5%
Miscellaneous & Capital Equipment	10%
Audio visual equipment	20%



Neon sign	20%
Voltage stabilizer & UPS	30%

Disposal of fixed asset

An item of fixed asset is removed from the Balance Sheet when it is disposed off or when no future economic benefits are expected from its use or disposal. The gain or loss on the disposal or retirement of an item of fixed asset is included in the Revenue Account in the period in which the de-recognition occurs.

Impairment of asset

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. No such assets have been impaired during the year and for this reason no provision has been made for impairment of assets.

3.08.02 Intangible asset

Expenditure incurred on major application software and its customization or further development is recognized as intangible asset. The same is capitalized under fixed assets if such expenditure results in a benefit of enduring nature. Intangible assets are reported at acquisition value with deductions for impairment losses, if any. Intangible assets comprises web design and software (Windows) which are stated at cost of acquisition, including any cost attributable for bringing the same to its working condition less accumulated amortization. Other software expenses such as support and maintenance annually are expensed in the period in which they are incurred. The intangible assets are amortized on a straight line basis based on useful life as estimated by management. Amortization is charged when asset is available for use. In case of disposal, amortisation charged up to the date of disposal.

Category of Asset	Rate of Amortisation
Software	20%

3.09 Taxation

Income tax expense comprises current and deferred taxes. Income tax expense is recognized in Revenue Account except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity in accordance with IAS 12: Income Tax.

Current tax

Income tax expense for current year is recognized on the basis of company's computation of taxable income according to the Fourth Schedule of the Income Tax Ordinance 1984 and the best judgments of management at the applicable tax rate pursuant to provision of Income Tax Ordinance 1984. As per paragraph 46 of IAS 12: Income Taxes, current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous periods. The tax rate used for the reporting period was 40%.

Provision for Income Tax

The company (Life Insurance Corporation of Bangladesh Ltd.) did not made any provision for income tax for the current year due to the gross external incomings of the income year 2023 (i.e. BDT 63,282,791) was lower than the management expenses of the year ended 31 December 2023 (i.e. BDT 122,075,747) and actuarial-valuation for the year is yet be made.

Deferred tax

Company has recognized deferred tax as per IAS12. Temporary differences arises in respect to depreciation charge on asset addition (since tax authority charge depreciation for full year) or difference of tax rates between LIC Bangladesh and 3 rd schedule of ITO-1984 and for gratuity provision. The management believe that the deferred tax asset is recoverable.



3.10 Commission

Commission to insurance agents represents first year commission & renewal commission. Allowances and commission other than field officers represent unit manager & branch manager's allowance & bonus.

3.11 Leases

The Company leases a number of office spaces for different branch offices in different locations. Before the adoption of IFRS 16, all lease contracts were classified as operating leases. IFRS 16 requires all contracts that contain a lease to be recognized in the Balance Sheet as a right-of-use asset and lease liability. Only certain short and low-value leases are exempted.

Detail calculation is available in note no. 8 and 22.

3.12 Cash and bank balance

Cash, bank and other balances consist of cash in hand and with banks on current and deposit accounts and short-term investments in fixed deposit receipts which are held and available for use by the company without any restriction.

3.13 Stamps in hand

Stock of policy stamp are valued at cost.

3.14 Statement of cash flow

statement of cash flows has been prepared in accordance with as per IAS 7: "Statement of Cash Flows" under direct method as prescribed by the Bangladesh Securities and Exchange Commission (BSEC) rule-1987. A reconciliation of Net Operating Cash Flows from operating activities under the indirect method has also been prepared in accordance with clause no 5 (2)(e) of Notification No. BSEC/CMRRCD/2006-158/258/Admin/81 Dated- 20 June, 2018 (Gazette publication date: 8 August, 2018) as shown in note no 37.

3.15 Responsibility for preparation of financial statements

The Board of Directors is responsible for the preparation of financial statements under section 183 of the Companies Act 1994 and as per Provisions of the Frame work for the preparation and presentation Financial Statements "issued by the International Accounting Standard Committee (IASC) as adopted by the Institute of the Chartered Accountants of Bangladesh (ICAB).

3.16 Related party disclosure

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 with related parties in the normal course of business and on arm's length basis. The information as required by IAS 24: Related party disclosures has been disclosed in a separate notes to the financial statements (Note-44 & 45).

3.17 Actuarial Valuation

Actuarial Valuation for the year ended 31 December 2022 has been completed by Ranadey Professional Services (RPS). Life Insurance Corporation of Bangladesh Limited has a deficit of life fund around BDT. 490.31 Million as per Actuarial Valuation dated: 12th September 2023. The life fund deficit amount of BDT. 490 million for the year ended 31 December 2021 as per actuarial valuation.

3.18 Gratuity Fund

Provision for Gratuity has been made in the financial statements and the company will apply to NBR for the recognition of Gratuity fund.



3.19 Workers profit participation fund (WPPF):

Section 234 of chapter 15 of Bangladesh Labor Act 2006 (as amended in 2013) requires every company to establish a workers Participation Fund and Welfare Fund. However, BFID, on behalf of the financial institution sector, requested clarification from the Labor Ministry regarding the applicability of the provisions for the sector. Similarly Bangladesh Insurance Association has corresponded with Financial Ministry on this matter requesting for clarification on the applicability of WPPF on Insurance Companies. As no decision has been yet concluded on such communications.. Therefore, The company (Life Insurance Corporation of Bangladesh Ltd.) did not set aside any profits contribution related to Worker's profit participation Fund for the current year due to the on-going discussion between the IDRA and related Finance Ministries

4.00 Compliance with accounting standards:

The company complies with following accounting standards:

Serial No	Name	Status
IAS 1	Presentation of financial statement	*
IAS 2	Inventory	N/A
IAS 7	Statement of Cash Flow	Complied
IAS 8	Accounting policies, changes in accounting estimates	Complied
IAS 10	Event after reporting period	Complied
IAS12	Income Tax	Complied
IAS 16	Property ,plant and equipment	Complied
IAS 19	Employee Benefit	Complied
IAS 20	Accounting for government grant	N/A
IAS 21	Effects of changes in foreign exchange rate	N/A
IAS 23	Borrowing Costs	N/A
IAS 24	Related party transaction	Complied
IAS 26	Accounting and reporting by retirement benefit plan	N/A
IAS 27	Separate Financial Statement	N/A
IAS 28	Investment in joint venture and associates	N/A
IAS 29	Financial reporting in hyperinflationary economy	N/A
IAS 31	Interest in joint venture	N/A
IAS 32	Financial Instruments: presentation	*
IAS 33	Earning per share	N/A
IAS 34	Interim financial reporting	N/A
IAS 36	Impairment of asset	Complied
IAS 37	Provision, contingent liabilities & contingent asset	Complied
IAS 38	Intangible Asset	Complied
IAS 40	Investment Property	N/A
IAS41	Agriculture	N/A

Serial No	Name	Status
IFRS 1	First time adoption of financial reporting	N/A
IFRS 2	Share based payment	N/A
IFRS 3	Business combination	N/A
IFRS 4	Insurance Contract	*
IFRS 5	Non current asset held for sale and discontinued business	N/A
IFRS 6	Evaluation and exploration of mineral resources	N/A
IFRS 7	Financial Instrument	*
IFRS 8	Operating Segment	N/A
IFRS 9	Financial Instrument	*
IFRS 10	Consolidated Financial Statement	N/A
IFRS 11	Joint Arrangement	N/A
IFRS 12	Disclosure of interest in other entities	N/A
IFRS 13	Fair Value Measurement	Complied
IFRS 14	Regulatory and deferral account	N/A



IFRS 15	Revenue from contract with customer	N/A
IFRS 16	Leases	Complied
IFRS 17	Insurance Contract	N/A

* The management of Life Insurance Company of Bangladesh Limited has followed the principles of IAS and IFRS consistently in the preparation of the financial statements to that extent as applicable to Insurance Company in Bangladesh. Some of the standards have not been complied with, about which IDRA or Insurance Act 1938, Insurance rules 1958 has special guidelines.

4.01 Disclosure of departure from the requirements of IFRS due to mandatory compliance with Insurance Act

The management has followed the principles of IFRS consistently in preparation of the financial statements to that extent as applicable to the company. Some requirements of Insurance Act 2010 and Insurance Rules 1958 and regulations contradict with those of financial instruments and general provision standards of IFRS. As such the LIC Bangladesh has departed from those contradictory requirements of IFRS in order to comply with the rules and regulations of IDRA which are disclosed below where applicable:

- a) As per Insurance Act 1938 (as amended in 2010), investments in quoted shares and unquoted shares are revalued at the year end at market price and as per book value of last audited balance sheet respectively. Provisions have been made by netting off any unrealized gain/(loss) arising at the Balance sheet date. Under IFRS 9, on initial recognition, a financial asset is classified as measured at: amortized cost; Fair Value through Other Comprehensive Income (FVOCI) – debt investment; Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or Fair Value Through Profit or Loss (FVTPL). The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.
- i) On initial recognition of an equity investment that is not held for trading, the company may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income (OCI). This election is made on an investment-by-investment basis.
- ii) These assets are subsequently measured at fair value. Other net gains and losses are recognized in OCI
- b) Insurance Act 1938 has issued templates for financial statements which will strictly be followed by all non-life and life insurance companies. The templates of financial statements issued by Insurance Act does not include other comprehensive income (OCI) and the elements of other comprehensive income allowed to include in a single comprehensive income (OCI) Statement. As such LIC Bangladesh Ltd does not prepare the other comprehensive income statement. However the LIC Bangladesh Ltd does not have any elements of OCI to be presented.
- c) As per IDRA guidelines, financial instruments are categorized, recognized and measured differently from those prescribed in IFRS 9. As such some disclosure and presentation requirements of IFRS 7 and IAS 32 have not been made in the financial statements.



		Amount in Taka	
		2023	2022
5.00 Share capital			
Authorized Capital (100,000,000 Ordinary Shares of Tk.10 each)		1,000,000,000	1,000,000,000
Issued subscribed and paid up			
60,000,000 Ordinary Shares of Tk.10 each fully paid up		600,000,000	600,000,000
5.01 Distribution schedule of paid up capital			
	Name of the Sponsors	No. of Shares	% of Holdings
	1. LIC (India)	50,000,000	83.33%
	2. Strategic Equity Management Limited	7,000,000	11.67%
	3. Mutual Trust Bank Limited	3,000,000	5.00%
	Total	60,000,000	100.00%
			600,000,000
6.00 Life Insurance Fund			
Balance as on January 01, 2023		204,519,332	135,812,956
Add: Surplus/(Deficit) in Life Revenue account for the year		88,583,720	68,706,376
Balance as on December' 2023		293,103,052	204,519,332
7.00 Fair Value Changes Account			
Equity Shares Value at Market Price on 31 Dec 2023		25,554,626	24,854,331
Equity Shares Value at Cost Price on 31 Dec 2023		(31,162,138)	(30,052,087)
		(5,607,513)	(5,197,756)
Detailed disclosure of the equity share investment, is shown in note 14.00.			
According to IDRA circular No. Life -04/2012 dated 11 June, 2012 "Guidelines for Preparation of Accounts and Financial Statements" as well as in compliance with the section 2.2 of the said circular namely Valuation of Equity Shares : Listed equity shares shall be measured at fair value at the balance sheet date. Fair value is the lowest of the quoted closing price at the balance sheet date. Unrealized gains/losses arising due to changes in the fair value of the listed equity shares should be taken under Fair Value Changes Account. In this regard difference between Cost price and closing market price of listed shares i.e. unrealized loss have been taken under Fair Value Changes Account of the Balance Sheet.			
8.00 Lease Liability			
Opening Balance		20,979,368	25,219,579
Addition during the Year		1,112,989	3,531,209
Adjustment during the Year		(6,771,717)	(7,771,420)
Closing Balance		15,320,640	20,979,368
9.00 Current Liabilities			
Retention Money		24,000	24,000
Other Miscellaneous Credit		100	-
Agents Exam Fee		219,790	235,090
Agents License Renewal Fee		13,350	8,540
Withheld Commission		19,175	20,953
Other Sundry Liabilities		4,015,473	-
Other Outstanding expenses		2,347,764	4,713,742
Provision for Gratuity (9.01)		6,997,188	6,014,593
Commission Payment Returned by Bank		82,643	82,643
Outstanding Commission 1st year		280,931	487,493
Outstanding Commission Renewal		188,154	288,967
Closing Balance		14,188,568	11,876,021

		Amount in Taka	
		2023	2022
9.01 Provision for Gratuity			
	Opening Balance	6,014,593	3,858,892
	Gratuity Expenses	1,132,595	4,579,650
	Payment/Adjustment During the year	(150,000)	(2,423,949)
	Closing Balance	6,997,188	6,014,593
10.00 Premium Deposits			
	Premium Deposits	492,613	208,853
	Deposit and unidentified	4,722,167	3,133,450
	Policy Deposit Claim	120,000	-
	P & G's Premium Deposit (Proposal)	658,617	566,417
	P & G's Premium Deposit (Policy)	1,676,068	1,806,730
	Closing Balance	7,669,466	5,715,450
11.00 Provision for Income Tax			
	Opening Balance	8,208,277	8,208,277
	Provision made During the Year	-	-
	Adjustment During the Year	-	-
	Closing Balance	8,208,277	8,208,277

The gross external incomings of the income year 2023 (i.e. BDT 63,282,931) was lower than the management expenses for the year ended 31 December 2023 (i.e. BDT 122,074,390) and the latest actuarial-valuation available (i.e. 2022) contains deficit for which no further provision has been made during the year ended 31 December 2023.

11.01 Income Tax Expenses			
	Income Tax Expenses (Paid to DCT for the financial Year-2021)	-	566,658
	Deferred Tax Assets (19.00)	807,164	(528,259)
	Total	807,164	38,399
12.00 Policy Loan		8,219,375	5,232,907
13.00 Investment			
	Statutory deposit	15,000,000	15,000,000
	Zero-Coupon Bond	1,648,163	3,414,091
	Treasury Bond	621,029,930	348,439,646
	Closing Balance	637,678,093	366,853,737
14.00 Investment in Equity Share			
	Investment in Equity Share	25,554,626	24,854,331
	Closing Balance	25,554,626	24,854,331

Sl. No.	Name of Companies	Unit/Qty.	Cost as on 31.12.2023	Market Value as on 31.12.2023
1	Green Delta Capital	106,914	13,037,077	9,784,138
2	Green Delta Securities Ltd.	145,014	13,519,055	11,122,356
3	IDLC Investments Ltd.	39,479	4,606,007	4,648,131
	Total	291,407	31,162,138	25,554,626



		Amount in Taka	
		2023	2022
15.00 Agents Balances			
	Advances to agents	44,339	39,339
	Closing Balance	44,339	39,339
16.00 Outstanding Premium			
	Premium-First Year	936,438	1,624,977
	Premium-Renewal	3,768,009	5,784,268
	Closing Balance	4,704,447	7,409,245
17.00 Interest accrued but not due			
	Accrued Interest on BGTB, FDR and ZCB (17.01)	18,850,483	18,878,522
	Closing Balance	18,850,483	18,878,522
17.01 Accrued Interest on BGTB, FDR and ZCB			
	Opening Balance	18,878,522	12,224,325
	Add: Interest accrued during the year	17,638,735	18,025,997
	Less: Received during the year	(17,666,774)	(11,371,800)
	Closing Balance	18,850,483	18,878,522
18.00 Advances, Deposits and Prepayments			
	Rent deposit	3,490,460	3,098,185
	Advance Rent	25,900	-
	Sundry Advance	578,888	1,844,690
	Advance to Employee	116,775	74,779
	Interest Receivable on BGTB (Holding Period Interest of Bond Seller)	619,060	-
	Other Sundry deposits	-	7,988,820
	Deferred Commission for FA/UM/BM	545,999	81,684
	Tax deducted at source (18.01)	18,790,786	11,665,636
	Other Miscellaneous Debit Account	-	1,021
	Closing Balance	24,167,868	24,754,815
18.01 Tax deducted at source			
	Opening Balance and addition during the year	11,665,636	7,641,619
	Addition during the year	7,125,150	4,024,017
	Closing Balance	18,790,786	11,665,636
19.00 Deferred Tax Assets			
	Carrying Amount of assets as per tax base	14,894,356	16,816,913
	Carrying Amount of assets as per accounting base	(9,717,380)	(10,795,132)
	Provision for Gratuity	1,132,595	4,579,650
	Gratuity Payment during the year	(150,000)	(2,423,949)
	Temporary difference	6,159,572	8,177,482
	Tax rate	40.00%	40.00%
	Closing Balance	2,463,829.0	3,270,993
20.00 Bank Balances			
	Short Term Deposits (20.01)	175,584,500	355,949,250
	Current Accounts (20.02)	23,774,134.8	19,300,315
	Closing Balance	199,358,635	375,249,565
20.01 Short Term Deposits			
	State Bank of India Fixed Deposit	-	15,821,250
	FDR	175,584,500	340,128,000
	Closing Balance	175,584,500	355,949,250

	Amount in Taka	
	2023	2022
20.02 Current Accounts		
Green Delta Security Ltd.	220	16,190
Green Delta Capital Ltd.	93,367	201,658
IDLC Investments Limited	397,778	873,267
Collection A/C-MTB	6,243,109	3,245,070
Premier Bank (SND Account)	150,863	1,294,930
Standard Chartered Bank	1,424,772	1,248,700
DBBL-Rocket Account	946,583	48,425
Portal Payment Collection Account	23,522	23,522
Brac Bank	2,285,214	8,033,117
Brac BFTN	36,331	-
Bank Account - One Bank Ltd	909,821	450,657
Bkash Collection Account	377,421	201,773
NAGAD Collection A/C	21,860	8,736
Bank Account Current No111- Gulshan	5,028,337	-
Pubali Bank Ltd-Uttara	423,244	775,997
State Bank of India- Branch Motijheel	501,453	1,044,094
The City Bank Ltd-Narayanganj	64,862	185,129
State Bank of India-Khulna	529,275	239,471
Mutual Trust Bank-Jessore	256,750	349,221
Bank Asia-Agrabad(Chittagong)	2,273,694	485,507
State Bank of India-Jubilee (Chittagong)	985	985
Mutual Trust Bank-Syhlet	181,428	49,624
Prime Bank-Bogra	265,719	149,642
Mutual Trust Bank-Rangpur	934,690	248,351
Mutual Trust Bank-Rajsahi	133,652	71,881
Brac Bank Barishal	155,021	54,367
BANK A/C Current No.111 - MymenSingh	114,164	-
Closing Balance	23,774,135	19,300,315
21.00 Fixed assets at cost less depreciation or amortisation		
Software	36,085	105,940
Electric Installment	1,154,243	1,245,661
Furniture & Fittings	4,616,707	4,823,393
Refrig. & air conditioners	1,045,485	1,400,188
Information Technology (IT) equipment	297,961	446,705
Renovation/ Modernization	2,206,646	2,381,610
Telephones	75,509	80,860
Miscellaneous capital equipment	24,009	30,249
Audio Visual equipment	4	4
Neon signs, etc.	198,704	207,779
Voltage stabilizer & UPS	62,026	72,743
Closing Balance	9,717,380	10,795,132
22.00 Right of Use (RoU) Assets		
Opening Balance	23,437,091	28,650,377
Addition during the year	1,112,989	3,873,209
Amortization	(7,581,717)	(9,086,495)
Closing Balance	16,968,363	23,437,090.60
23.00 Premium less reinsurances		
First year Premium	13,814,833	8,856,267
Single Premium (Ordinary)	37,452,737	30,371,631
Other First year Premium (Ordinary)	19,464,157	18,316,070
Renewal Premium	92,154,405	94,140,510
Group Insurance		
P & GS First Premium Account - OYRGTA	10,353,521	11,983,747



	Amount in Taka	
	2023	2022
P & GS First Premium (DAB) Account - OYRGTA	2,924,724	2,616,077
P & GS First Premium Account (PTD)-OYRGTA	1,605,039	2,002,614
P & GS First Premium Account(PPD) - OYRGTA	2,702,431	3,357,535
P & GS First Year Renewal Premium - OYRGTA	172,638	738,159
Gross Premium	180,644,484	172,382,610
Less: Reinsurance Premium	(7,854,473)	(5,359,915)
Net Premium	172,790,011	167,022,695

24.00 Interest, Dividend and Rent

Interest on FDR and SND Accounts	18,619,634	27,515,245
Interest on BGTB	42,855,434	23,782,371
Interest on Zero Coupon Bond	234,072	103,722
Dividend on Shares	637,114	255,139
X Charge	1,154	-
Capital Gain/ (loss) on Investment	148,306	362,177
Profit on sale of shares	352,804	943,269
Loss on sale of shares	-	-
Other Receipts	83,041	2,679
Loss on sales of shares	-	(1,274)
Total	62,931,559	52,963,328

Particulars	Interest Realized	Interest Accrued for 2023	Total
Interest on FDR and SND Accounts	13,136,366	5,483,268	18,619,634
Interest on BGTB	30,699,967	12,155,467	42,855,434
Total	43,836,333	17,638,735	61,475,068

25.00 Other Income

Interest on Policy Loan	202,427	140,253
Interest on Premium	120,798	82,991
Interest on loan to employees	28,007	875
Profit/Loss on sale of asset	-	(84,871)
Total	351,232	139,248

26.00 Claim by Death

Claim by Death Ordinary	4,277,796	7,757,656
Guaranteed Addition	164,050	35,100
Claim by Death P & Gs	2,818,000	10,977,690
Total	7,259,846	18,770,446

27.00 Commission to Insurance Agents (less reinsurance)

Commission on First Premium	3,110,103	2,211,197
Commission on 1st Year Renewal Premium	3,962,974	4,210,644
Bonus Commission to Agents	1,334,774	783,427
Persistency Bonus	-	39,288
Commission on Renewal Premium	5,212,173	4,857,951
Commission on Single Premium	1,039,413	899,583
Commission Paid to Unit Managers	1,935,070	1,634,890
Commission Paid to Branch Managers	1,081,728	937,271
Incentives	3,887,700	588,000
P & GS Commission Account -1st Premium - OYRG	701,494	818,605
P & GS Commission Account -1st Premium - OYRG	255,402	-
P & GS Profit Sharing	223,514	104,424
Total	22,744,346	17,085,280

28.00 Salary and Allowances

Class 1 Basic Salary	25,185,691	21,853,424
House Upkeep Allowance	1,662,717	1,276,647
House Rent Allowance	4,297,097	3,931,609



	Amount in Taka	
	2023	2022
Class 1 Conveyance Allowance	594,871	641,307
House Maintenance Allowance	1,253,128	1,357,405
Utility Allowance	441,709	463,857
Tax Relief for Expatriate CL-1	6,206,140	5,707,780
Gratuity - Expatriates	-	-
Leave Encashment - Expatriates	1,093,916	802,631
Festival Allowance	3,953,744	2,620,943
Children Educational Allowance	272,525	281,525
Telephone Allowance	967,260	755,190
PF Contribution - Employer	3,324,347	2,939,593
Medical Expenses CL-1	689,658	675,337
Other Staff Amenities	581,599	284,739
Reimbursement Gas Electricity Water Charges	232,474	108,974
Entertainment Expenses	1,298,301	913,806
Newspaper Allowance	414,545	287,764
Total	52,469,722	44,902,531
29.00 Travelling Expenses		
Travel Expenses Class 1 Offices	475,552	259,363
Travelling Expenses of Agents	397,380	17,990
Transfer Travelling Expenses	162,344	1,012,950
Total	1,035,276	1,290,303
30.00 Office Expenses		
Management Training Expenses	185,918	167,989
Employees Training Expenses.	-	-
Fire and Other Insurance Premium	258,022	270,021
Medical Fees	168,018	172,848
Donation	15,000	100,000
Subscription	172,631	149,313
Bank Charges Collection A/c	603,967	482,859
Bank Charges Current A/c	677,863	166,008
Donation to PM Relief Fund	50,000	-
Total	2,131,419	1,509,038
31.00 Rent, Rates, Taxes and Maintenances Expenses		
Rent Rate and Tax Paid - Office	6,144,109	6,857,081
Amortization of RoU Assets	7,581,717	9,086,495
Annual Maintenance Fee-Software	5,405,867	3,230,404
Repairs and Maintenance of Furniture	4,000	58,120
Finance Expense	1,122,430	955,072
Office Upkeep and Cleaning Materials	3,656,541	3,393,816
Office Equipment Expenses	224,784	90,669
Total	24,139,448	23,671,657
32.00 Legal and Consultancy Fee		
Legal Charges	-	23,000
Other Fee as Advisor	1,943,027	5,368,435
Total	1,943,027	5,391,435
33.00 Publicity Expenses		
Cost of Diaries and Calendars	621,887	635,375
Other Publicity Expenses	2,358,849	6,116,980
Total	2,980,736	6,752,355
34.00 Policy Stamp Expenses		
Policy Stamp	514,920	617,070
Receipt Stamp	52,770	62,639
Total	567,690	679,709

		Amount in Taka	
		2023	2022
35.00 Board Meeting Expenses			
Director Fee		48,000	64,000
Board Meeting Expenses		873,721	557,473
Total		921,721	621,473
36.00 IDRA Renewal Fee and Trade License Renewal Fee			
IDRA Renewable Fee		199,240	182,071
Fee for Filing Returns and Renewal Trade License		148,060	156,758
Total		347,300	338,829
37.00 Disclosures on reconciliation between Life Fund & Net operating cash flows			
Addition of Life Fund		88,583,720	68,706,376
Adjustments for			
Loss on Sale of Assets		-	84,871
Depreciation of Property Plant & Equipments		1,161,584	1,102,693
Amortization of Software		69,855	207,087
		89,815,159	70,101,027
Adjustments of Increases / Decreases		9,203,512	(7,831,004)
Increase / (Decrease) Lease Liability		(5,658,728)	(4,240,211)
Increase / (Decrease) Current Liabilities		2,312,547	1,545,264
Increase / (Decrease) Premium Deposits		1,954,016	1,534,541
Increase / (Decrease) Provision for Income Tax		-	-
(Increase) / Decrease Agents Balances		-	-
(Increase) / Decrease Outstanding Premiums		2,704,798	856,082
(Increase) / Decrease Interest Accruing but not Due		28,039	(6,654,197)
(Increase) / Decrease Deferred tax Assets		807,164	(528,260)
(Increase) / Decrease RoU Assets		6,468,728	5,213,286
(Increase) / Decrease Advances and Deposits		586,948	(5,557,510)
Net Clash Flows from Operation		99,018,671	62,270,023
38.00 Net Asset Value per share (NAV)			
Total Assets		947,882,490	861,100,693
Total Liabilities		(347,882,490)	(261,100,693)
Net Assets		600,000,000	600,000,000
No. of Shares		60,000,000	60,000,000
Net Assets Per Value (NAV)		10.00	10.00
39.00 Net Operating Cash Flow Per Share			
Net Operating Cash Flows Per Share (NOCFPS) has been calculated based on net cash generated from operating activities and number of shares outstanding during the period as at December 31, 2023. Detailed calculations are as follows:			
Net Cash Generated From Operating Activities		99,018,671	62,270,023
Number of Shares		60,000,000	60,000,000
Net Operating Cash Flow Per Share (NOCFPS)		1.65	1.04
40.00 Capital expenditure commitment			
There was no capital expenditure commitment entered into by the Company as on December 31, 2023.			
41.00 Contingent liability			
There was no claim against the Company nor acknowledged as debt by the Company as on December 31, 2023.			
42.00 Credit facility available to the Company			
There was no credit facility available to the company under any contract as on December 31, 2023.			



Amount in Taka	
2023	2022

43.00 Expenses incurred in foreign currency

The Company has neither incurred any expense nor earned any income in foreign currency as on December 31, 2023.

44.00 Key Management Personnel Compensation:

The aggregate amount paid/provided during the year in respect of directors and officers of the Company as defined in the Securities and Exchange Rules, 1987 are disclosed below

Sl No.	Name of employee	Short employee benefits	Termination benefits
1	SASWATA RAY (MD & CEO)	4,199,524	P.F, Gratuity & Group insurance.
2	SUDIPTA SARKAR (CFO)	3,705,234	P.F, Gratuity & Group insurance.
3	ABHIJIT BHATTACHARYYA (CMO)	4,019,545	P.F, Gratuity & Group insurance.
4	MR. M.S. CHAKRAVARTI (CTO)	3,796,573	P.F, Gratuity & Group insurance.

45.00 Related party disclosures

Life Insurance Corporation Bangladesh Limited, in normal course of business, carried out a number of transactions with related parties (common directors). As per IAS 24: Related Party Disclosures all transactions involving related parties arising in normal course of business were conducted on an arm's length basis at commercial rates on the same terms and conditions as applicable to the third parties.

Details of transaction with related parties and balances with them were as follows:

Sl. No.	Name of the Parties	Nature of Relationship	Types of Transaction	Closing Balance
1	Strategic Equity Management Limited	Shareholder	-	-
2	Mutual Trust Bank	Shareholder	FDR	51,400,000
			Current Account	7,644,112
3	LIC (India)	Shareholder	Software Maintenance Fee (transaction during the year 5,002,468.89)	-

There was no provisions for doubtful debts related to the amount of outstanding balances to the related parties. Expense recognized during the period in respect of bad or doubtful debts due from related parties was Nil.

46.00 Disclosure as per Schedule XI, Part II of the Companies Act 1994

- i) Number of employees drawing salary above Tk. 3,000 per month
ii) Number of employees drawing salary below Tk. 3,000 per month

28
-
<u>28</u>

47.00 Date of authorization

These financial statements were authorized for issue on 13 March 2023 by the board of directors of the Company.

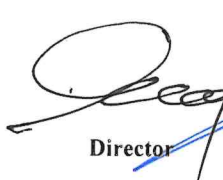
48.00 Subsequent Event

There has not any subsequent event for the year ended 31 December 2023.


Chief Executive Officer


Chief Financial Officer


Director


Director


Chairman



Life Insurance Corporation (LIC) of Bangladesh Limited
Fixed Assets Schedule
As at December 31, 2023

Particulars	Cost				Depreciation			Carrying amount at 31.12.2023	
	Balance at 01.01.2023	Addition during the period	Adjustment	Total as at 31.12.2023	Rate %	Balance at 01.01.2023	Charge for the year		Adjustment
Electric Installation	1,828,330	-	-	1,828,330	5%	582,669	91,418	-	674,087
Furniture & fittings	6,273,252	45,430	-	6,318,682	4%	1,449,859	252,116	-	1,701,975
Refrigerator & Aircondition	3,547,040	-	-	3,547,040	10%	2,146,852	354,703	-	2,501,555
IT equipment	3,493,890	29,563	-	3,523,453	30%	3,047,185	178,307	-	3,225,492
Renovation/modernization	3,499,250	-	-	3,499,250	5%	1,117,640	174,964	-	1,292,604
Telephones	107,010	-	-	107,010	5%	26,150	5,351	-	31,501
Miscellaneous capital equipment	62,400	-	-	62,400	10%	32,151	6,240	-	38,391
Audio-Visual equipment	748,048	-	-	748,048	20%	748,044	-	-	748,044
Neon signs	572,286	62,675	-	634,961	20%	364,507	71,750	-	436,257
Voltage stabilizer & equipment	275,804	16,018	-	291,822	30%	203,061	26,735	-	229,796
Total	20,407,310	153,686	-	20,560,996		9,718,118	1,161,584	-	10,879,702
									9,681,295

Intangible Assets Schedule

Particulars	Cost			Amortization			Carrying amount at 31.12.2023		
	Balance at 01.01.2023	Addition during the period	Adjustment	Total as at 31.12.2023	Rate %	Balance at 01.01.2023		Charge for the year	Adjustment
Software	16,251,526	-	-	16,251,526	20%	16,145,586	69,855	-	16,215,441
Total	16,251,526	-	-	16,251,526		16,145,586	69,855	-	16,215,441
									36,085
									36,085

Chief Executive Officer

Director

Director

Chairman



As at December 31, 2022

Particulars	Cost				Depreciation				Carrying amount at 31.12.2022	
	Balance at 01.01.2022	Addition during the period	Adjustment	Total as at 30.06.2022	Rate %	Balance at 01.01.2022	Charge for the year	Adjustment		Total at 31.12.2022
Electric Installation	1,828,330	-	-	1,828,330	5%	491,251	91,418	-	582,669	1,245,661
Furniture & fittings	6,101,472	171,780	-	6,273,252	4%	1,203,030	246,829	-	1,449,859	4,823,393
Refrigerator & Aircondition	4,006,540	-	459,500	3,547,040	10%	2,037,828	400,653	291,629	2,146,852	1,400,188
IT equipment	3,273,239	326,319	105,668	3,499,890	30%	2,990,943	99,406	43,164	3,047,185	446,705
Renovation/modernization	3,499,250	-	-	3,499,250	5%	942,676	174,964	-	1,117,640	2,381,610
Telephones	91,500	15,510	-	107,010	5%	21,547	4,603	-	26,150	80,860
Miscellaneous capital equip	62,400	-	-	62,400	10%	25,911	6,240	-	32,151	30,249
Audio-Visual equipment	748,048	-	-	748,048	20%	748,044	-	-	748,044	4
Neon signs	497,845	74,441	-	572,286	20%	297,953	66,554	-	364,507	207,779
Voltage stabilizer & equipment	198,440	77,364	-	275,804	30%	191,035	12,026	-	203,061	72,743
Total	20,307,064	665,414	565,168.00	20,407,310		8,950,218	1,102,693	334,793	9,718,118	10,689,192

Intangible Assets Schedule

Particulars	Cost			Amortization			Carrying amount at 31.12.2022			
	Balance at 01.01.2022	Addition during the period	Adjustment	Total as at 30.06.2022	Rate %	Balance at 01.01.2022		Charge for the year	Adjustment	Total at 31.12.2022
Software	16,199,726	51,800	-	16,251,526	20%	15,938,499	207,087	-	16,145,586	105,940
Total	16,199,726	51,800.00	-	16,251,526		15,938,499	207,087	-	16,145,586	105,940



CERTIFICATE UNDER THE INSURANCE ACT, 2010

As per regulations contained in the Insurance Act, 2010, section 62 of the said Act, we certify that:

- 1 The value of investment in shares and debentures have been taken at cost with adequate provision for fluctuation in share price, if any.
- 2 The values of all assets as shown in the Balance Sheet and as classified on Form "AA" annexed have been duly reviewed as on December 31, 2023 and in our belief, the said assets have been set forth in the Balance Sheet at amounts not exceeding their realizable or market values under the several headings as enumerated in the annexed form.
- 3 All expenses of management in respect of life insurance business transacted by the Company in Bangladesh have been fully debited to the Life Revenue Account as expenses.


Chief Executive officer


Chief Financial Officer


Director


Director


Chairman

