



**लाइफ इन्स्योरन्स कर्पोरेशन (नेपाल) लिमिटेड**  
**Life Insurance Corporation (Nepal) Ltd.**  
 (A Joint Venture of Life Insurance Corporation of India)



स्टार मल, चौथो तल्ला, पुतलीसडक, काठमाडौं, फो.नं.: ०१-४०९२६९३  
 फ्याक्स नं.: ९७७-१-४०९२६९५, Email: liccorporate@licnepal.com.np

**Quarterly Financial Results for First Quarter, F.Y. 2081/82 B.S.**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

Fig in NPR.

Particulars	Unaudited	Unaudited
	At the end of this Quarter	At the end of Immediate Previous Year
<b>Assets:</b>		
Goodwill & Intangible Assets	115,143	97,200
Property and Equipment	391,418,412	412,019,381
Investment Properties		
Deferred Tax Assets		
Investment in Subsidiaries		
Investment in Associates		
Investments	104,056,764,788	100,469,266,783
Loans	22,296,820,621	22,216,594,678
Reinsurance Assets		
Current Tax Assets		254,631,892
Insurance Receivables	29,592,871	28,942,871
Other Assets	10,078,827	8,627,088
Other Financial Assets	3,321,596,748	3,269,414,426
Cash and Cash Equivalent	2,662,007,864	1,859,805,605
<b>Total Assets</b>	<b>132,768,395,274</b>	<b>128,519,399,924</b>
<b>Equity:</b>		
Share Capital	2,653,200,000	2,653,200,000
Share Application Money Pending Allotment		
Share Premium	61,151,801	61,151,801
Catastrophe Reserves	595,827,069	587,943,785
Retained Earnings	2,777,283,721	2,698,450,884
Other Equity	1,080,225,818	424,760,235
<b>Total Equity</b>	<b>7,167,688,409</b>	<b>6,425,506,705</b>
<b>Liabilities:</b>		
Provisions	55,813,166	51,722,284
Gross Insurance Contract Liabilities	124,098,300,751	120,265,996,287
Deferred Tax Liabilities	152,421,416	53,123,203
Insurance Payable	110,780,140	85,613,711
Current Tax Liabilities	297,179,055	-
Borrowings		
Other Liabilities	398,553,414	568,747,097
Other Financial Liabilities	487,658,924	1,068,690,638
<b>Total Liabilities</b>	<b>125,600,706,866</b>	<b>122,093,893,220</b>
<b>Total Equity and Liabilities</b>	<b>132,768,395,274</b>	<b>128,519,399,924</b>

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR Q1 END FY 2081/82**

Fig in NPR.

Particulars	Current Year		Corresponding Previous Year	
	This Quarter	Upto this Quarter (YTD)	This Quarter	Upto this Quarter (YTD)
<b>Income:</b>				
Gross Earned Premiums	4,573,717,626	4,573,717,626	4,510,597,627	4,510,597,627
Premiums Ceded	(25,282,410)	(25,282,410)	(19,582,202)	(19,582,202)
<b>Net Earned Premiums</b>	<b>4,548,435,216</b>	<b>4,548,435,216</b>	<b>4,491,015,425</b>	<b>4,491,015,425</b>
Commission Income	-	-	1,187,473	1,187,473
Other Direct Income	54,671,622	54,671,622	67,368,582	67,368,582
Interest Income on Loan to Policyholders	606,298,828	606,298,828	531,840,234	531,840,234
Income from Investments and Loans	2,542,650,221	2,542,650,221	2,289,490,439	2,289,490,439
Net Gain/(Loss) on Fair Value Changes	-	-	-	-
Net Realised Gains/(Losses)	-	-	-	-
Other Income	-	-	-	-
<b>Total Income</b>	<b>7,752,055,887</b>	<b>7,752,055,887</b>	<b>7,380,902,153</b>	<b>7,380,902,153</b>
<b>Expenses:</b>				
Gross Benefits and Claims Paid	2,660,248,906	2,660,248,906	2,702,972,029	2,702,972,029
Claims Ceded	(650,000)	(650,000)	(4,171,733)	(4,171,733)
Gross Change in Contract Liabilities	3,835,893,635	3,835,893,635	3,517,656,217	3,517,656,217
Change in Contract Liabilities Ceded to Reinsurers	-	-	-	-
<b>Net Benefits and Claims Paid</b>	<b>6,495,492,541</b>	<b>6,495,492,541</b>	<b>6,216,456,513</b>	<b>6,216,456,513</b>
Commission Expenses	287,358,202	287,358,202	306,295,476	306,295,476
Service Fees	34,113,264	34,113,264	33,679,586	33,679,586
Other Direct expenses	-	-	1,530,608	1,530,608
Employee Benefits Expenses	114,364,421	114,364,421	94,058,847	94,058,847
Depreciation and Amortization Expenses	8,816,800	8,816,800	4,705,548	4,705,548
Impairment Losses	-	-	-	-
Other Operating Expenses	57,288,551	57,288,551	56,583,578	56,583,578
Finance Cost	4,198,043	4,198,043	-	-
<b>Total Expenses</b>	<b>7,001,631,822</b>	<b>7,001,631,822</b>	<b>6,713,310,156</b>	<b>6,713,310,156</b>
<b>Net Profit/(Loss) For The Year Before Share of Net Profits of Associates Accounted for Using Equity Method and Tax</b>	<b>750,424,065</b>	<b>750,424,065</b>	<b>667,591,997</b>	<b>667,591,997</b>
Share of Net Profit of Associates accounted using Equity Method	-	-	-	-
<b>Profit Before Tax</b>	<b>750,424,065</b>	<b>750,424,065</b>	<b>667,591,997</b>	<b>667,591,997</b>
Income Tax Expenses	671,591,426	671,591,426	609,392,409	609,392,409
<b>Net Profit/(Loss) For The Year</b>	<b>78,832,639</b>	<b>78,832,639</b>	<b>58,199,588</b>	<b>58,199,588</b>
<b>Earning Per Share</b>				
Basic EPS		11.88		8.77
Diluted EPS		11.88		8.77

**CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME**

Fig in NPR.

Particulars	Current Year		Corresponding Previous Year	
	This Quarter	Upto this Quarter (YTD)	This Quarter	Upto this Quarter (YTD)
Net Profit/(Loss) For The Year	78,832,639	78,832,639	58,199,588	58,199,588
Other Comprehensive Income	457,264,248	457,264,248	(32,322,046)	(32,322,046)
<b>Total Comprehensive Income</b>	<b>536,096,887</b>	<b>536,096,887</b>	<b>25,877,542</b>	<b>25,877,542</b>

**Disclosure as per Section 84(3) of Insurance Act, 2079**

- Solvency Ratio related disclosure:**  
The Solvency Ratio for the year ended Asadh 32, 2080 is declared as 3.7 which is above the requirements prescribed by Nepal Insurance Authority
- Reinsurance related disclosure:**
  - The Company currently has reinsurance arrangements with Nepal Re and Himalayan Re in Nepal and Hannover Re in Malaysia.
  - Reinsurance Premium ceded to the reinsurers up to FY 2023-24 has been already made, is in accordance with the directives issued by Nepal Insurance Authority (NIA) from time to time and as per the terms already agreed between the insurer and reinsurer.
  - Claims recoverable from reinsurers are based on the cession made in respect of each risk. The estimated recoverable is aligned with the provisions made by the company for outstanding claims, ensuring consistency between the loss provisions and the amounts expected from reinsurance recoveries
  - Although we mitigate our exposures through prudent reinsurance arrangements, the primary responsibility for fulfilling claims made by policy holders' rests with the Company. Default of reinsurers does not negate this obligation and in that respect the Company carries a credit risk up to the extent ceded to each reinsurer. Proper provision to mitigate such credit risk has already incorporated in our Valuation report as prescribed by the Regulator
- Details regarding legal proceeding:**  
There is no legal proceeding by or against the company in the current period.
- Corporate Governance:**  
We declare that we comply with the provision of Corporate Governance Directives, 2075 issued by Nepal Insurance Authority and other prevailing laws & regulation to which company shall adhere to.
- Regulatory limit on expenses ratio:**

Particulars	Current Year	Previous Year
	Upto This Quarter End (YTD)	Upto This Quarter End (YTD)
Total Management Expenditure	504,546,445	482,542,726
Agent related Expenditure	30,121,051	21,673,232
Total Premium	4,573,717,626	4,510,597,627
First Premium	516,623,689	505,001,774
Total Management Expenditure as percentage of Total Premium	11.03%	10.70%
Agent related Expenditure as percentage of First Premium	5.83%	4.29%

**6 Any other disclosure as deemed relevant**

No any other disclosures.

**Disclosure as required by Rule 26 (1) of Annexure 14 of Securities Listing and Issue Directives, 2073**

**Financial Statements**

- The Financial Statements for the company for first quarter of FY 2081-82 has been published along with this report. The interim financial reports have been prepared as per the Quarterly Financials Circular, 2080 issued by Nepal insurance Authority
- Major Financial Indicators

Earnings per Share (Annualised)	11.88	Net worth per share	228.46
PE Ratio	177.97	Assets per share	5,004.09

**3 Management Analysis**

The transactions of the company for the First Quarter of FY 2081-82 can be summarized as follows:

Particulars	Q1 FY 2081-82	Q1 FY 2080-81
Total Premium	4,573,717,626	4,510,597,627
Net Profits	78,832,639	58,199,588
Life Insurance Fund	123,788,031,982	110,173,245,631
Total investments	104,056,764,788	100,469,266,783

**4 Legal Proceedings**

There are no legal proceedings against the company or by the company during this period.

**5 Details of Share Transactions**

The shares of the companies are listed and actively traded in Nepal Stock Exchange Limited. The details of the share transactions of the company are mentioned below

Maximum Rate	2,475	No. of Transaction	13,801
Minimum Rate	1,438	No. of Transaction days	57
Closing Price	2,115		

**DISCLOSURES IN BOTH GROUP AND STANDALONE FINANCIAL STATEMENTS DISCLOSURES: OTHER DETAILS/INDICATORS**

Particulars	Current Year	Previous Year
	Upto This Quarter End (YTD)	Upto This Quarter End (YTD)
1. Total Inforce Policy count	687,428.00	701,723
2. Total no of policy issued during the year	13,188	15,329
3. First Year Premium (including single premium)	516,623,689	481,757,495
4. Single Premium	54,060,623	23,244,279
5. Renewal Premium	4,057,093,937	4,005,191,856
6. Total Benefits and Claims Paid in Count	6,277	12031
7. Outstanding Benefits and Claims in Count	5,878	6050
8. Gross Claim outstanding (Amount)	305,037,503	342,598,820
9. Declared Bonus rate (FY 2022-23)	40-64	40-64
10. Interim bonus rate FY (2023-24)	40-64	39-64
11. Long Term Investments (Amount)	91,414,099,851	85,096,971,559
12. Short Term Investments (Amount)	12,032,979,273	7,087,348,023
13. Policyholders Loan	22,162,303,567	21,884,023,234
14. Investment in cost value	103,447,079,124	92,227,415,643
15. Life Insurance Fund	123,788,031,982	110,173,245,631
16. Unearned Premium reserve for term policies (Amount)	3,887,903	5,494,906
17. Solvency Margin Ratio (As on 16.07.2023)	3.76	3.76