लाइफ इन्स्योरेन्स कर्पोरेशन (नेपाल) लिमिटेड
Life Insurance Corporation (Nepal) Ltd.
(A Joint Venture of Life Insurance Corporation of India)
AN ISO 9001 CERTIFIED ORGANISATION
Certificate No. 42693
स्टार मल, चौथो तल्ला, पुतलीसडक, काठमाडौं, फो.नं.: ०१-४०१२६१३
फ्याक्स् नं.: ९७७-१-४०१२६१५, Email: liccorporate@licnepal.com.np

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Fig in NPR.

Particulars	Unaudited At the end of this Quarter	Unaudited At the end of Immediate Previous Year (Restated)
Assets:		
Goodwill & Intangible Assets	89,910	97,200
Property and Equipment	392,072,155	424,229,330
Investment Properties	-	-
Deferred Tax Assets	-	-
Investment in Subsidiaries	-	-
Investment in Associates	-	-
Investments	114,009,384,381	100,302,577,745
Loans	21,937,310,786	22,213,684,173
Reinsurance Assets	-	-
Current Tax Assets	-	276,532,369
Insurance Receivables	12,678,341	28,942,871
Other Assets	10,299,500	8,236,838
Other Financial Assets	3,362,337,268	3,269,414,425
Cash and Cash Equivalent	1,857,534,084	1,857,624,512
Total Assets	**141,581,706,425**	**128,381,339,463**
Equity:		
Share Capital	5,000,000,000	2,653,200,000
Share Application Money Pending Allotment	-	-
Share Premium	498,012,562	61,151,801
Catastrophe Reserves	677,684,091	654,081,882
Retained Earnings	3,373,964,819	3,163,905,167
Other Equity	398,911,856	333,626,513
Total Equity	**9,948,573,328**	**6,865,965,363**
Liabilities:		
Provisions	113,252,336	98,835,270
Gross Insurance Contract Liabilities	130,520,189,902	119,633,798,005
Deferred Tax Liabilities	39,417,174	18,442,133
Insurance Payable	114,490,209	85,613,711
Current Tax Liabilities	11,042,994	-
Borrowings	-	-
Other Liabilities	297,348,894	593,165,793
Other Financial Liabilities	537,391,589	1,085,519,188
Total Liabilities	**131,633,133,097**	**121,515,374,100**
Total Equity and Liabilities	**141,581,706,425**	**128,381,339,463**

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Fig in NPR.

Particulars	Current Year		Corresponding Previous Year	
	This Quarter	Upto this Quarter (YTD)	This Quarter	Upto this Quarter (YTD)
Income:				
Gross Earned Premiums	4,579,047,521.00	14,038,990,491	4,234,311,577	12,897,456,939
Premiums Ceded	(29,663,092)	(84,416,696)	(11,009,621)	(27,534,509)
Net Earned Premiums	**4,549,384,429**	**13,954,573,795**	**4,223,301,956**	**12,869,922,430**
Commission Income	1,479,236.00	4,578,142	277,773	1,187,473
Other Direct Income	61,175,872.00	186,861,173	57,899,593	174,142,618
Interest Income on Loan to Policyholders	620,711,541.00	1,792,150,723	577,203,865	1,691,191,442
Income from Investments and Loans	2,418,174,176.00	7,398,619,647	2,318,613,107	6,881,310,373
Net Gain/(Loss) on Fair Value Changes	-	-	-	-
Net Realised Gains/(Losses)	-	-	-	-
Other Income	-	33,000	-	-
Total Income	**7,650,925,254**	**23,336,816,480**	**7,177,296,294**	**21,617,754,336**
Expenses:				
Gross Benefits and Claims Paid	2,834,892,793.01	8,654,314,221	2,462,587,521	7,719,567,188
Claims Ceded	(11,508,551)	(12,158,551)	12,510,132	5,971,733
Gross Change in Contract Liabilities	3,581,919,530.75	10,886,391,897	3,573,037,554	10,370,959,859
Change in Contract Liabities Ceded to Reinsurers	-			
Net Benefits and Claims Paid	**6,405,303,773**	**19,528,547,567**	**6,048,135,207**	**18,096,498,780**
Commission Expenses	326,423,541	982,838,052	274,986,485	935,924,717
Service Fees	34,120,383	104,659,303	31,839,910	96,524,419
Other Direct expenses	-	-		
Employee Benefits Expenses	70,232,284	281,062,411	81,615,489	250,882,064
Depreciation and Amortization Expenses	10,376,127	36,519,293	3,103,709	9,376,542
Impairment Losses	-	-	-	-
Other Operating Expenses	87,347,522	235,342,357	102,366,159	245,482,214
Finance Cost	6,910,676	15,655,279	-	-
Total Expenses	**6,940,714,306**	**21,184,624,262**	**6,542,046,959**	**19,634,688,736**
Net Profit/(Loss) For The Year Before Share of Net Profits of Associates Accounted for Using Equity Method and Tax	**710,210,948**	**2,152,192,218**	**635,249,335**	**1,983,065,600**
Share of Net Profit of Associates accounted using Equity Method				
Profit Before Tax	**710,210,948**	**2,152,192,218**	**635,249,335**	**1,983,065,600**
Income Tax Expenses	616,021,512	1,916,170,136	604,368,606	1,790,639,723
Net Profit/(Loss) For The Year	**94,189,436**	**236,022,082**	**30,880,729**	**192,425,877**
Earning Per Share				
Basic EPS		6.29		5.36
Diluted EPS		6.29		5.36

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	94,189,436	236,022,082	30,880,729	192,425,877
Other Comprehensive Income	(373,364,086)	83,900,162	(10,122,483)	(16,879,491)
Total Comprehensive Income	(279,174,650)	319,922,244	20,758,246	175,546,386

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

1 Solvency Ratio related disclosure:

The Solvency Ratio for the year ended Asadh 32, 2081 is declared as 1.45 which is above the requirements prescribed by Nepai Insurance Authority.

2 Reinsurance related disclosure:

A. The Company currently has reinsurance arrangements with Nepal Re and Himalayan Re in Nepal and Hannover Re in Malaysia.

B. Reinsurance Premium ceded to the reinsurers has been 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.

C. 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

D. 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

3 Details regarding legal proceeding:

Certain legal cases concerning tax matters are currently pending before the Supreme Court, following our successful outcomes in the Revenue Tribunal.

4 Corporate Governance:

We declare that we comply with the provision of Corporate Governance Directives, 2075 issued by Nepal InsuranceAuthority and other prevailing laws & regulation to which company shall adhere to.

5 Regulatory limit on expenses ratio:

Particulars	Current Year Upto This Quarter End (YTD)	Previous Year Upto This Quarter End (YTD)
Total Management Expenditure	1,656,076,695	1,538,189,956
Agent related Expenditure	147,994,052	133,382,044
Total Premium	14,038,990,491	12,897,456,939
First Premium	1,891,490,342	1,541,330,811
Total Management Expenditure as percentage of Total Premium	11.80%	11.93%
Agent related Expenditure as percentage of First Premium	7.82%	8.65%

6 Any other disclosure as deemed relevant

Comparative unaudited figures of last financial year have been restated to reflect the impact of a rights issue on EPS and adjustments arising from finalized actuarial valuations and preliminary audit recommendation. These restatements ensure consistency , comparability and fair presentation of the reported financial figures.

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

Financial Statements

1 "The Financial Statements for the company for third 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"

2 Major Financial Indicators

Earnings per Share (Annualised)	6.29	Net worth per share	198.97
PE Ratio	154.63	Assets per share	2,831.63

3 Management Analysis

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

Particulars	Q3 FY 2081-82	Q3 FY 2080-81
Total Premium	14,038,990,491	12,897,456,939
Net Profits	236,022,082	192,425,877
Life Insurance Fund	129,809,369,710	117,049,236,821
Total investments	114,009,384,381	96,872,722,353

4 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 during the quarter are mentioned below

Maximum Rate	1415	No. of Transaction	22,599
Minimum Rate	966	No. of Transaction days	56
Closing Price	973		

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

Particulars	Current Year Upto This Quarter End (YTD)	Previous Year Upto This Quarter End (YTD)
1. Total Inforce Policy count	6,81,985	6,83,866
2. Total no of policy issued during the year	41,477	40,697
3. First Year Premium (including single premium)	1,891,490,342	1,541,330,811
4. Single Premium	269,043,435	83,839,488
5. Renewal Premium	12,147,500,149	11,356,126,128
6. Total Benefits and Claims Paid in Count	21,162	21,210
7. Outstanding Benefits and Claims in Count	7,938	5,841
8. Gross Claim outstanding (Amount)	710,820,192	321,740,842
9. Declared Bonus rate (FY 2023-24)	41-65	40-64
10. Interim bonus rate	41-65	40-64
11. Long Term Investments (Amount)	96,639,712,818	89,822,382,753
12. Short Term Investments (Amount)	17,369,671,563	7,050,339,600
13. Policyholders Loan	21,817,341,119	22,198,400,595
14. Investment in cost value	113,819,866,938	96,872,722,353
15. Life Insurance Fund	129,809,369,710	117,049,236,821
16. Unearned Premium reserve for term policies (Amount)	7,938,714	588,034,113
17. Solvency Margin Ratio (As on 15.07.2024)	1.45	1.45