

SURYAJYOTI LIFE INSURANCE COMPANY LIMITED

INTERIM FINANCIAL STATEMENTS

As on

Ashwin End 2080 (October 17, 2023)

(Unaudited)



SuryaJyoti

जीवनको लागि

SURYAJYOTI LIFE INSURANCE COMPANY LIMITED
(Company formed by merger of erstwhile Surya Life Insurance Co. Ltd. and Jyoti Life Insurance Co. Ltd.)
Shanta Plaza, Gyaneshwor, Kathmandu

Quarterly Financial Results for First Quarter, F.Y. 2080/81 B.S

Unaudited	Unaudited
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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Fig in NPR.

Particulars	At the end of this Quarter	At the end of Immediate Previous Year
Assets:		
Goodwill & Intangible Assets	4,906,163	5,823,418
Property and Equipment	109,242,328	114,259,676
Investment Properties	-	-
Deferred Tax Assets	787,880,650	803,907,475
Investment in Subsidiaries	-	-
Investment in Associates	-	-
Investments	30,194,744,218	28,862,733,855
Loans	4,096,837,717	3,935,941,494
Reinsurance Assets	-	38,308,707
Current Tax Assets	1,058,812,127	1,024,829,168
Insurance Receivables	55,688,644	141,025,391
Other Assets	31,189,895	28,997,442
Other Financial Assets	742,787,834	260,710,407
Cash and Cash Equivalent	268,934,115	554,037,964
Total Assets	37,351,023,690	35,770,574,997
Equity:		
Share Capital	4,545,572,100	4,545,572,100
Share Application Money Pending Allotment	-	-
Share Premium	37,201,855	37,201,855
Catastrophe Reserves	326,147,265	319,462,255
Retained Earnings	1,308,399,111	1,182,820,919
Other Equity	1,178,514,105	1,172,369,056
Total Equity	7,395,834,436	7,257,426,185
Liabilities:		
Provisions	113,826,051	113,826,051
Gross Insurance Contract Liabilities	29,502,450,968	27,440,735,427
Deferred Tax Liabilities	-	-
Insurance Payable	71,268,198	115,734,999
Current Tax Liabilities	-	-
Borrowings	-	64,000,000
Other Liabilities	45,406,443	311,317,159
Other Financial Liabilities	222,237,595	467,535,176
Total Liabilities	29,955,189,254	28,513,148,812
Total Equity and Liabilities	37,351,023,691	35,770,574,997

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	2,304,524,720	2,304,524,720	1,324,489,726	1,324,489,726
Premiums Ceded	(70,603,812)	(70,603,812)	(60,502,222)	(60,502,222)
Net Earned Premiums	2,233,920,908	2,233,920,908	1,263,987,504	1,263,987,504
Commission Income	-	-	-	-
Other Direct Income	18,175,782	18,175,782	7,597,941	7,597,941
Interest Income on Loan to Policyholders	115,077,741	115,077,741	50,387,094	50,387,094
Income from Investments and Loans	739,795,103	739,795,103	356,795,312	356,795,312
Net Gain/(Loss) on Fair Value Changes	-	-	-	-
Net Realised Gains/(Losses)	-	-	-	-
Other Income	28,382	28,382	667,481	667,481
Total Income	3,106,997,916	3,106,997,916	1,679,435,332	1,679,435,332
Expenses:				
Gross Benefits and Claims Paid	520,539,406	520,539,406	376,857,613	376,857,613
Claims Ceded	(88,111,645)	(88,111,645)	(16,304,619)	(16,304,619)
Gross Change in Contract Liabilities	2,011,812,904	2,011,812,904	1,001,564,774	1,001,564,774
Change in Contract Liabilities Ceded to Reinsurers	38,308,707	38,308,707	(5,258,191)	(5,258,191)
Net Benefits and Claims Paid	2,482,549,372	2,482,549,372	1,356,859,577	1,356,859,577
Commission Expenses	212,765,048	212,765,048	118,151,289	118,151,289
Service Fees	16,754,407	16,754,407	12,639,875	12,639,875
Other Direct expenses	-	-	-	-
Employee Benefits Expenses	191,000,882	191,000,882	111,728,947	111,728,947
Depreciation and Amortization Expenses	11,027,895	11,027,895	4,610,695	4,610,695
Impairment Losses	-	-	-	-
Other Operating Expenses	60,721,787	60,721,787	39,084,192	39,084,192
Finance Cost	75,315	75,315	-	-
Total Expenses	2,974,894,705	2,974,894,705	1,643,074,576	1,643,074,576
Net Profit/(Loss) For The Year Before Share of Net Profits of Associates Accounted for Using Equity Method and Tax	132,103,210	132,103,210	36,360,756	36,360,756
Share of Net Profit of Associates accounted using Equity Method	-	-	-	-
Profit Before Tax	132,103,210	132,103,210	36,360,756	36,360,756
Income Tax Expenses	-	-	-	-
Net Profit/(Loss) For The Year	132,103,210	132,103,210	36,360,756	36,360,756
Earning Per Share				
Basic EPS (Annualized)	11.62	11.62	5.70	5.70
Diluted EPS (Annualized)	11.62	11.62	5.70	5.70

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	132,103,210	132,103,210	36,360,756	36,360,756
Other Comprehensive Income	48,080,475	48,080,475	(11,750,337)	(11,750,337)
Total Comprehensive Income	180,183,686	180,183,686	24,610,419	24,610,419

OTHER DETAILS

Particulars	Current Year	Previous Year
	Upto this Quarter (YTD)	Upto this Quarter (YTD)
1. Total inforce Policy count	891,188	409,593
2. First Year Premium	398,598,274	327,002,721
3. Single Premium	114,451,190	144,977,300
4. Renewal Premium	1,791,475,256	852,497,864
5. Total Benefits and Claims Paid in Count	5,430	2,898
6. Outstanding Benefits and Claims in Count	63	35
7. Declared Bonus rate (2078-79)	40-90 (Per Thousand)	40-90 (Per Thousand)
8. Interim bonus rate	40-90 (Per Thousand)	40-90 (Per Thousand)
9. Long Term Investments (Amount)	26,787,165,218	11,850,297,828
10. Short Term Investments (Amount)	3,407,579,000	3,488,915,215

Note:

1. SuryaJyoti Life Insurance Co. Ltd. has been formed by the merger of erstwhile Surya Life and Jyoti Life. The corresponding year quarterly figures are figures of erstwhile Surya Life alone.
2. The presented financial statements have been prepared as per new Financial Directives, 2080 that requires preparation of financial statements based on NFRS. This has caused regrouping and different presentation and have impact on the reported figures of already published financial statements.
3. The above financials does not have the impact of actuarial valuation. The financial results will change after actuarial valuation.
4. The company is yet to decide on the distribution of dividend from the earnings of FY 2079/80.
5. The above figures are unaudited, and therefore might change after audit or direction from regulator.
6. Detailed Interim Report for the period has been published in the website of the company. (www.suryajyotilife.com)

SURYAJYOTI LIFE INSURANCE COMPANY LIMITED
(Company formed by merger of erstwhile Surya Life Insurance Co. Ltd. and Jyoti Life Insurance Co. Ltd.)

Condensed Statement of Changes In Equity
For Period 17th July, 2023 - 17th October, 2023
(For the Quarter Ended Ashwin, 2080)

Fig. in NPR

	Ordinary Share Capital	Preference Shares	Share Application Money Pending Allotment	Share Premium	Retained Earnings	Revaluation Reserves	Capital Reserves	Catastrophe Reserve	Corporate Social Responsibility (CSR) Reserves	Insurance Fund	Fair Value Reserves	Actuarial Reserves	Deferred Tax Reserve	Other Reserves	Total
Balance as at Shrawan 1, 2079	2,550,282,100	-	-	37,201,855	459,174,297	-	-	170,466,679	2,279,278	-	952,407	(451,222)	247,036,942	115,018,940	3,581,961,275
Prior period adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated Balance as at Shrawan 1, 2079	2,550,282,100	-	-	37,201,855	459,174,297	-	-	170,466,679	2,279,278	-	952,407	(451,222)	247,036,942	115,018,940	3,581,961,275
Transfer during Acquisition					567,974,577		424,710,000	140,605,869	5,267,426				540,376,971		1,678,934,843
Profit/(Loss) For the Year					147,604,324										147,604,324
Other Comprehensive Income for the Year, Net of Tax															-
i) Changes in fair value of FVOCI Equity Instruments											(49,480,687)				(49,480,687)
Transfer of Catastrophe Reserves					(7,380,216)			7,380,216							
Transfer of Regulatory Reserves					18,978,416			1,009,490	201,898					(20,189,804)	
Transfer of Corporate Social Responsibility Reserves					(1,476,043)				1,476,043						
Transfer to Insurance Contract Liabilities														(94,829,136)	(94,829,136)
Share Issuance Costs					(2,054,435)										(2,054,435)
Contribution by/ Distribution to the owners of the Company															-
i) Bonus Share Issued															-
ii) Share Issue	1,995,290,000														1,995,290,000
iii) Cash Dividend															-
iv) Dividend Distribution Tax															-
v) Others (To be specified)															-
Balance as on Ashadh end, 2080	4,545,572,100	-	-	37,201,855	1,182,820,919	-	424,710,000	319,462,254	9,224,646	-	(48,528,281)	(451,222)	787,413,913	-	7,257,426,184
Prior period adjustment															-
Restated Balance as at Shrawan 1, 2080	4,545,572,100	-	-	37,201,855	1,182,820,919	-	424,710,000	319,462,254	9,224,646	-	(48,528,281)	(451,222)	787,413,913	-	7,257,426,184
Transfer during Acquisition					-		-	-	-						-
Profit/(Loss) For the Year					132,103,210										132,103,210
Other Comprehensive Income for the Year, Net of Tax															-
i) Changes in fair value of FVOCI Equity Instruments											48,080,475				48,080,475
Transfer of Catastrophe Reserves					(6,685,010)			6,685,010							-
Transfer of Regulatory Reserves															-
Transfer of Corporate Social Responsibility Reserves					(1,337,002)				1,337,002						-
Transfer on Disposal of Equity Instruments Measured at FVTOCI					8,227,203										8,227,203
Transfer to Insurance Contract Liabilities					(6,630,209)						(43,272,428)				(49,902,637)
Share Issuance Costs					(100,000)										(100,000)
Contribution by/ Distribution to the owners of the Company															-
i) Bonus Share Issued															-
ii) Share Issue															-
iii) Cash Dividend															-
iv) Dividend Distribution Tax															-
v) Others (To be specified)															-
Balance as on Ashadh end, 2080	4,545,572,100	-	-	37,201,855	1,308,399,111	-	424,710,000	326,147,265	10,561,648	-	(43,720,233)	(451,222)	787,413,913	-	7,395,834,435

SURYAJYOTI LIFE INSURANCE COMPANY LIMITED

(Company formed by merger of erstwhile Surya Life Insurance Co. Ltd. and Jyoti Life Insurance Co. Ltd.)

Condensed Statement of Cash Flows

For Period 17th July, 2023 - 17th October, 2023

(For the Quarter Ended Ashwin, 2080)

Fig. in NPR

Particulars	Up to this quarter	Corresponding Previous Year up to this quarter
Cash Flow From Operating Activities:		
Cash Received		
Gross Premium Received	2,304,524,720	1,324,489,726
Commission Received	-	-
Claim Recovery Received from Reinsurers	173,448,392	37,142,672
Realised Foreign Exchange Income other than on Cash and Cash Equivalents	-	-
Other Direct Income	18,175,782	7,597,941
Others (specify)	-	-
Cash Paid		
Gross Benefits and Claims Paid	(520,539,406)	(376,857,613)
Reinsurance Premium Paid	(115,070,613)	(39,318,956)
Commission Paid	(416,382,349)	(236,023,710)
Service Fees Paid	(35,526,795)	(23,233,878)
Employee Benefits Expenses Paid	(187,053,741)	(136,090,212)
Other Expenses Paid	(353,487,537)	(92,557,431)
Others (Other Assets)	(455,105,435)	(4,438,837)
Income Tax Paid	33,982,960	(23,631,290)
Net Cash Flow From Operating Activities [1]	446,965,978	437,078,413
Cash Flow From Investing Activities		
Acquisitions of Intangible Assets	(917,255)	-
Proceeds From Sale of Intangible Assets	-	-
Acquisitions of Investment Properties	-	-
Proceeds From Sale of Investment Properties	-	-
Rental Income Received	-	-
Acquisitions of Property and Equipment	(5,093,293)	(560,163)
Proceeds From Sale of Property and Equipment	-	-
Investment in Subsidiaries	-	-
Receipts from Sale of Investments in Subsidiaries	-	-
Investment in Associates	-	-
Receipts from Sale of Investments in Associates	-	-
Purchase of Equity Instruments	(90,910,363)	10,916,234
Proceeds from Sale of Equity Instruments	8,227,203	-
Purchase of Mutual Funds	(30,000,000)	-
Proceeds from Sale of Mutual Funds	-	-
Purchase of Preference Shares	-	-
Proceeds from Sale of Preference Shares	-	-
Purchase of Debentures	(260,000,000)	(96,462,000)
Proceeds from Sale of Debentures	-	-
Purchase of Bonds	-	-
Proceeds from Sale of Bonds	-	-
Investments in Deposits	(951,100,000)	(631,500,000)
Maturity of Deposits	-	-
Loans Paid	(160,896,223)	(142,897,338)
Proceeds from Loans	-	-
Interest Income Received	822,795,418	362,072,981
Dividend Received	-	-
Others (to be specified)	-	-
Total Cash Flow From Investing Activities [2]	(667,894,512)	(498,430,287)
Cash Flow From Financing Activities		
Interest Paid	(75,315)	-
Proceeds From Borrowings	-	-
Repayment of Borrowings	(64,000,000)	-
Payment of Finance Lease	-	-
Proceeds From Issue of Share Capital	-	-
Share Issuance Cost Paid	(100,000)	(110,000)
Dividend Paid	-	-
Dividend Distribution Tax Paid	-	-
Others (to be specified)	-	-
Total Cash Flow From Financing Activities [3]	(64,175,315)	(110,000)
Net Increase/(Decrease) In Cash & Cash Equivalents [1+2+3]	(285,103,850)	(61,461,874)
Cash & Cash Equivalents At Beginning of The Year/Period	554,037,964	516,996,504
Effect of Exchange Rate Changes on Cash and Cash Equivalents	-	-
Cash & Cash Equivalents At End of The Year/Period	268,934,115	455,534,630
Components of Cash & Cash Equivalents		
Cash In Hand	-	-
Cheque in Hand	-	-
Term Deposit with Banks (with initial maturity upto 3 months)	-	-
Balance With Banks	268,934,115	455,534,630

SURYAJYOTI LIFE INSURANCE COMPANY LIMITED

(Company formed by merger of erstwhile Surya Life Insurance Co. Ltd. and Jyoti Life Insurance Co. Ltd.)

**Condensed Statement of Distributable Profit or Loss
For Period 17th July, 2023 - 17th October, 2023
(For the Quarter Ended Ashwin, 2080)**

Fig. in NPR

Particulars	Upto this Quarter
Opening Balance in Retained Earnings	1,182,820,919
Transfer from OCI reserves to retained earning in current year	
Net profit or (loss) as per statement of profit or loss	132,103,210
Appropriations:	
i)Transfer to Insurance Fund	-
ii)Transfer to Catastrophe Reserve	(6,685,010)
iii)Transfer to Capital Reserve	
iv)Transfer to CSR reserve	(1,337,002)
v)Transfer to/from Regulatory Reserve	
vi)Transfer to Fair Value Reserve	
vii)Transfer of Deferred Tax Reserve	
viii)Transfer to OCI reserves due to change in classification	
ix)Others (to be Specified)	
- Transfer on Disposal of FVTOCI	8,227,203
- Lease Equalisation on application of NAS 17	
- Share related costs	(100,000)
- Transfer of FVTOCI Disposal to Portfolio	(6,630,209)
Deductions:	
i) Accumulated Fair Value Gain on each Financial Assets Measured at FVTPL	
a) Equity Instruments	
b) Mutual Fund	
c) Others (if any)	
ii) Accumulated Fair Value gain on Investment Properties	
iii) Accumulated Fair Value gain on Hedged Items in Fair Value Hedges	
iv) Accumulated Fair Value gain on Hedging Instruments in Fair Value Hedges	
v) Accumulated Fair value gain of Ineffective Portion on Cash Flow Hedges	
vi)) Goodwill Recognised	
vii) Unrealised Gain on fluctuation of Foreign Exchange Currency	
viii) Accumulated Share of Net Profit of Associates accounted using Equity Method included in Investment Account	
ix) Overdue loans	
x) Fair value gain recognised in Statement of Profit or Loss	
xi) Investment in unlisted shares as per sec 16 of Financial Directive	
xii) Delisted share investment or mutual fund investment	
xiii) Bonus share/ dividend paid	
xiv) Deduction as per Sec 17 of Financial directive	
xiv) Deduction as per Sec 18 of Financial directive	
xv) Others (to be specified)	
Adjusted Retained Earning	1,308,399,111
Add: Transfer from Share Premium Account	
Less: Amount apportioned for Assigned capital	
Less: Deduction as per sec 15(1) Of Financial directive	
Add/Less: Others (to be specified)	
Total Distributable Profit/(loss)	1,308,399,111

SURYAJYOTI LIFE INSURANCE COMPANY LIMITED

(Company formed by merger of erstwhile Surya Life Insurance Co. Ltd. and Jyoti Life Insurance Co. Ltd.)

Notes to Interim Financial Statements

For the interim period ended Ashwin 30, 2080 (October 17th, 2023)

1. General Information

Surya Jyoti Life Insurance Company Limited (herein after referred to as the 'Company') is a public limited company formed by the merger of erstwhile Surya Life Insurance Co. Ltd. and Jyoti Life Insurance Co. Ltd. and started its joint operation from December 22, 2022.

The registered office of the Company is located at Biratnagar while the company operates from its corporate office at Shanta Plaza, Gyaneshwor, Kathmandu and through its branches spread across the country. The Company's share are listed on Nepal Stock Exchange Limited.

The principal activities of the Company are to provide various life insurance products including participating and non-participating products through its province offices, branches, sub-branches, and network of agents.

2. Basis of Preparation

The Interim Financial Statements have been prepared in accordance with the Nepal Accounting Standard (NAS)-34 "Interim Financial Reporting" published by the Nepal Accounting Standards Board (NASB) and pronounced by The Institute of Chartered Accountants of Nepal (ICAN). The disclosures made in the condensed consolidated interim financial information have been limited based on the format prescribed by Nepal Insurance Authority (NIA) and should be read in conjunction with the company's last annual financial statements as at and for the year ended 32 Asar 2079. They do not include all of the information required for a complete set of Nepal Financial Reporting Standards ("NFRS") financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Bank's financial position and performance since the last annual financial statements. The financial statements have been prepared in accordance with the historical cost convention with some exceptions described in the relevant sections. The interim cash flow statement has been prepared using the direct method whereby operating profit is adjusted for effects of non-cash transactions such as depreciation and loan losses. The cash flow is classified by operating, investing and financing activities. The Condensed Interim Financial Statements comprise of:

- Condensed Statement of Financial Position,
- Condensed Statement of Profit or Loss,
- Condensed Statement of Other Comprehensive Income,
- Condensed Statement of Changes in Equity,
- Condensed Statement of Cash Flows
- Condensed Statement of Distributable Profit or Loss,
- Notes to Interim Financial Statements
- Other Indicators as per NIA circular

3. Statement of Compliance

The Interim Financial Statements of the Company which comprises components mentioned above have been prepared in accordance with Nepal Accounting Standards comprising of Nepal Financial Reporting Standards and Nepal Accounting Standards (hereafter referred as NFRS), laid down by the Institute of Chartered Accountants of Nepal and in compliance with the requirements of the Companies Act, 2063 and generally accepted Accounting Principles and directives of Nepal Insurance Authority.

4. Basis of Measurement

The Interim Financial Statements have been prepared on the historical cost basis except for following Assets & Liabilities which have been measured at Fair Value amount:

- i. Certain Financial Assets and Liabilities which are required to be measured at fair value
- ii. Defined Employee Benefits
- iii. Insurance Contract Liabilities which are required to be determined using actuarial valuation for Liability Adequacy Test (LAT).

Historical cost is generally Fair Value of the consideration given in exchange for goods and services.

Fair Value is the price that would be received to sell an assets or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

In addition, for Financial Reporting purposes, Fair Value measurements are categorized into Level 1, or 2 or 3 based on the degree to which the inputs to the Fair Value measurements are observable & the significance of the inputs to the Fair Value measurements in its entirety, which are described as follows:

- Level 1 – Inputs are quoted prices (unadjusted) in active markets for identical Assets or Liabilities that the entity can access at the measurement date;
- Level 2- Inputs are inputs ,other than quoted prices included within Level 1, that are observable for the Asset or Liability, either directly or indirectly; and
- Level 3- Inputs are unobservable inputs for the Asset or Liability.

5. Use of Estimates, assumptions, and judgements

The preparation of these Financial Statements in conformity with NFRS requires management to make estimates, judgments, and assumptions. These estimates, judgments and assumptions affect the reported balance of Assets & Liabilities, disclosures relating to Contingent Liabilities as at the date of the Financial Statements and the reported amounts of Income & Expenses for the year presented. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Changes in estimates are reflected in the Financial Statements in the period in which changes are made and, if material, their effects are disclosed in the Notes to the Financial Statements.

6. Functional and Presentation Currency

These Financial Statements are presented in Nepalese Rupees (NPR) which is the Company's functional currency. All financial information presented in NPR has been rounded to the nearest rupee except where indicated otherwise.

7. Going Concern

The financial statements are prepared on going concern basis. The Board of Directors have considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources while assessing the going concern basis. Furthermore, Board is not aware of any material uncertainties that may cast significant doubt upon Company's ability to continue as a going concern and they do not intend either to liquidate or to cease operation of it.

8. Change in Accounting Policies

Accounting Policies are the specific principles, bases, conventions, rules and practices applied by the Company in preparing and presenting financial statements. The Company is permitted to change an accounting policy only if the change is required by a standard or interpretation; or results in the financial statements providing reliable and more relevant information about the effects of transactions, other events or conditions on the entity's financial position, financial performance, or cash flow.

9. Significant Accounting Policies

(a) Goodwill and Intangible Assets

i) Recognition

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses. Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in Statement of profit or loss in the year in which the expenditure is incurred.

Subsequent expenditure on intangible assets is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

Goodwill on business combination is recognized on the acquisition date at the excess of (a) over (b) below :

(a) The aggregate of :

- a. The consideration transferred measured in accordance with the NFRS 3, which generally requires acquisition-date fair value
- b. The amount of any non-controlling interest in the acquiree measured in accordance with the NFRS 3, and
- c. In a business combination achieved in stages, the acquisition-date fair value of the acquirer's previously held equity interest in the acquiree.
- d. The net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed.

ii) Amortization

The useful lives of intangible assets are assessed to be either finite or indefinite. An intangible asset shall be regarded as having an indefinite useful life when, based on an analysis of all of the relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflow for the entity.

Amortization is recognized in statement of profit of loss on Straight Line Method (SLM) over the estimated useful life of the intangible assets, from the date that is available for use since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates, The amortization expense on intangible assets with finite lives is recognized in the statement of profit or loss.

Useful Life of Intangible Assets based on SLM is categorized as stated below:

List of Assets Categories	Useful Life (In Years) for SLM	Residual Value
Soft wares	Lower of 3 years or License period	5%
Licenses	License period	5%
Others(to be specified)		

iii) Derecognition

An Intangible Asset is derecognized when no Future Economic Benefits are expected to arise from the continued use of the Asset. Any Gain or Loss arising on the derecognition is determined as the difference between the sales proceeds and the carrying amount of the Asset and is recognized in the Statement of Profit or Loss.

(b) Property and Equipment (P&E)

i) Recognition

Property and equipment are tangible items that are held for and used in the provision of services, for rental to others, or for administrative purposes, and are expected to be used for more than one-year period. The Company applies NAS 16 – “Property, Plant and Equipment” in the accounting of property and equipment.

Property and equipment are recognized if it is probable that future economic benefits associated with the asset will flow to the Company and the cost of the asset can be reliably measured. An item of property and equipment that qualifies for recognition as an asset is initially measured at cost. Cost includes expenditure that is directly attributable to the acquisition of the asset and eligible subsequent expenditure. Subsequent expenditure is capitalized only when it is probable that the future economic benefits of the expenditure will flow to the Company. Ongoing repairs and maintenance are expensed off as incurred.

The Company applies the cost model to all property and equipment and records these at cost of purchase together with any incidental expenses thereon, less accumulated depreciation and any accumulated impairment losses, except for those acquired from mergers and acquisition, which have been revalued at the date of acquisition. Cost also includes the cost of replacing part of the equipment when the recognition criteria are met.

ii) Derecognition

The carrying amount of an item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of an asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in profit or loss in the year the asset is derecognized.

iii) Depreciation

Depreciation of Property and Equipment other than the Freehold Land is provided on "Straight Line Method (SLM) " based on Useful Life estimated by technical expert of the management.

The Assets Useful Life and Residual Values are reviewed at the Reporting date and the effect of any changes in estimates are accounted for on a prospective basis.

Useful Life of Property, Plant and Equipment based on SLM is categorized as stated below:

List of Assets Categories	Useful Life (In Years) for SLM	Residual Value
Land	Not Applicable	Not Applicable
Buildings	Not Available	5%
Leasehold Improvement	Lower of 5 Years or Lease Period	5%
Furniture & Fixture	10	5%
Computers and IT Equipment	5	5%
Officer Equipment	5	5%
Vehicles	10	5%
Other Assets	5	5%

(c) Deferred Tax Assets and Liabilities

Deferred Tax Assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible Temporary difference and the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred Tax Liabilities are generally recognized for all taxable Temporary Difference.

The carrying amount of Deferred Tax Assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the Deferred Tax Asset to be utilized.

(d) Financial Assets

i) Initial Recognition & Measurement

Financial Assets are recognized when, and only when, the Company becomes a party to the contractual provisions of the Financial Instrument. The Company determines the classification of its Financial Assets at initial recognition.

When Financial Assets are recognized initially, they are measured at Fair Value, plus, in the case of Financial Assets not at fair value through profit or loss, transaction costs that are attributable to the acquisition of the Financial Asset. Transaction costs of Financial Assets carried at Fair Value through Profit or Loss are expensed in the Statement of Profit or Loss.

ii) Subsequent Measurement

a) Financial Assets carried at Amortized Cost (AC)

A Financial Asset is measured at amortized cost if it is held within a business model whose objective is achieved is to hold the asset in order to collect contractual cash flows and the contractual terms of the Financial Asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income in these financial assets is measured using effective interest rate method.

b) Financial Assets at Fair Value through Other Comprehensive Income (FVTOCI)

A Financial Asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling Financial Assets and the contractual terms of the Financial Asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These financial assets are measured at fair value and changes are taken to statement of other comprehensive income.

c) Financial Assets at Fair Value through Profit or Loss (FVTPL)

A Financial Asset which is not classified in any of the above categories are measured at FVTPL.

iii) De-Recognition

A Financial Assets is derecognized only when the Company has transferred the rights to receive cash flows from the Financial Assets. Where the Company has transferred an Asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the Financial Asset. In such cases, the Financial Asset is derecognized. Where the Company has not transferred substantially all risks and rewards of ownership of the Financial Asset, the Financial Asset is not derecognized. Where the Company retains control of the Financial Asset, the Asset is continued to be recognized to the extent of continuing involvement in the Financial Asset.

iv) Impairment of Financial Assets

The Company assesses at each reporting date whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or group of financial assets is deemed to be impaired if, there is objective evidence of impairment as a result of one or more events that has occurred since the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that a financial asset or a group of financial assets is experiencing

significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

(e) Reinsurance Assets

Reinsurance assets are the assets which are created against insurance contract liabilities of the amount which are recoverable from the reinsurer. These assets are created for the reinsurer's share of insurance contract liabilities.

A reinsurance asset is impaired if there is objective evidence, as a result of an event that occurred after the initial recognition of the reinsurance asset, that the Company may not receive all amounts due to it under the terms of the contract, and the event has a reliably measurable impact on the amount that the company will receive from the re-insurer. If a reinsurance asset is impaired, the company reduce the carrying amount accordingly and is recognized in statement of profit or loss.

(f) Cash & Cash Equivalent

Cash & Cash Equivalents includes Cash in Hand, Cheque in Hand, Bank Balances and short term deposits with a maturity of three months or less.

(g) Financial Liabilities

i) Initial Recognition & Measurement

Financial Liabilities are recognized when, and only when, the Company becomes a party to the contractual provisions of the Financial Instrument. The Company determines the classification of its Financial Liabilities at initial recognition.

All Financial Liabilities are recognized initially at Fair Value, plus, in the case of Financial Liabilities not at fair value through profit or loss, transaction costs that are attributable to the issue of the Financial Liability.

ii) Subsequent Measurement

After initial recognition, Financial Liabilities are subsequently measured at amortized cost using the Effective Interest Method.

For trade and other payables maturing within one year from the date of Statement of Financial Position, the carrying amounts approximate Fair Value due to short maturity of these instruments.

iii) De-Recognition

A Financial Liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing Financial Liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the Statement of Profit or Loss.

(h) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Statement of Financial Position where there is legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(i) Equity

Financial Instruments issued by the Company are classified as Equity only to the extent that they do not meet the definition of a Financial Liability or Financial Asset.

(j) Gross Insurance Contract Liabilities

Liability adequacy

At each reporting date, the Company reviews its unexpired risk and a liability adequacy test is performed to determine whether there is any overall excess of expected claims and deferred acquisition costs over unearned premiums. The calculation uses current estimates of future contractual cash flows after taking account of the investment return expected to arise on assets relating to the relevant life insurance technical provisions. If these estimates show that the carrying amount of the unearned premiums is inadequate, the deficiency is recognized in the statement of profit or loss by setting up a provision for liability.

(k) Employee Benefits

i) Short Term Obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligation in the Statement of Financial Position.

ii) Post-Employment Benefits

-Defined Contribution Plan

The Company pays Provident Fund contributions to publicly administered Provident Funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contribution are recognized as Employee Benefit Expenses when they are due.

-Defined Benefit Plan

For Defined Benefit Plan, the cost of providing benefits is determined using the Projected Unit Credit Method, with Actuarial Valuations being carried out at each Statement of Financial Position. Actuarial Gains & Losses are recognized in the Other Comprehensive Income in the period in which they occur. Past service cost is recognized immediately to the extent that the benefits are already vested and otherwise is amortized on a Straight Line Basis over the average period until the benefits become vested. The retirement benefit obligation recognized in the Statement of Financial Position represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost, as reduced by the Fair Value of plan Assets (If Any). Any Asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the plan.

iii) Long Term Employee Benefits

The liabilities for un-availed earned leaves are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. Leave Encashment has been computed using Actuarial Assumptions and these are measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the year using the Projected Unit Credit Method. The benefits are discounted using the market yields at the end of the year that have terms approximating to the terms of assumptions.

iv) Termination

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary retirement in exchange of these benefits. The Company recognizes termination benefits at the earlier of the following dates:

- a) When the Company can no longer withdraw the offer of those benefits; and
- b) When the entity recognizes costs for a restructuring that is within the scope of NAS 37 and involves the payment of termination benefits. The termination benefits are measured based on the number of employees expected to accept the offer in case of voluntary retirement scheme.

(l) Revenue Recognition

i) Gross Premium

Gross Premium are recognized as soon as the amount of the premiums can be reliably measured. First premium is recognized from inception date. At the end of the financial year, all due premiums are accounted for to the extent that they can be reliably measured.

ii) Unearned Premium Reserves

Unearned premiums are those proportions of premiums written in a year that relate to periods of risk after the reporting date. Unearned premiums are calculated on a pro rate basis. The proportion attributable to subsequent periods is deferred as a provision for unearned premiums.

iii) Commission Income

Commission Income is recognized on accrual basis. If the income is for future periods, then they are deferred and recognized over those future periods.

iv) Investment Income

Interest income is recognized in the statement of profit or loss as it accrues and is calculated by using the EIR method. Fees and commission that are an integral part of the effective yield of the financial asset are recognized as an adjustment to the EIR of the instrument.

(m) Benefit, Claims and Expenses

i) Gross Benefits and Claims

Benefits and claims includes the cost of all claims arising during the year, including external claims handling costs that are directly related to processing and settlement of claims. Benefits and claims that are incurred during the financial year are recognized when a claimable event occurs and/or the insurer is notified. Death, surrender and other benefits without due dates are treated as claims payable, on the date of receipt of intimation of death of the assured or occurrence of contingency covered.

ii) Reinsurance Claims

Reinsurance claims are recognized when the related gross insurance claim is recognized according to the term of the relevant contracts.

iii) Commission Expenses: Commission expenses are recognized on accrual basis. If the expenses is for future periods, then they are deferred and recognized over those future periods.

iv) Service Fees: Service fees are recognized on accrual basis as per the rates mentioned in Insurance act, 2019.

v) Finance Cost : Finance costs are recognized for the period relating to unwinding of discount and interest expenses due to re-measurement of liabilities.

(n) Product Classification

Insurance contracts are those contracts when the Company (the insurer) has accepted significant insurance risk from another party (the policyholders) by agreeing to compensate the policyholders if a specified uncertain future event (the insured event) adversely affects the policyholders. As a general guideline, the Company determines whether it has significant insurance risk by comparing benefits paid with benefits payable if the insured event did not occur. Insurance contracts can also transfer financial risk.

The Company has following portfolios under which it operates its business:

i) Endowment

This is a with profit plan that makes provisions for the family of the Life Assured in event of his early death and also assures a lump sum at a desired age on maturity. It costs moderate premiums, has high liquidity and is savings oriented. This plan is opt for people of all ages and social groups who wish to protect their families from a financial setback that may occur owing to their demise.

ii) Anticipated

This scheme provides for specific periodic payments or partial survival benefits during the term of the policy itself so long as the policy holder is alive. It is therefore suitable to meet specified financial requirements needed for occasions like Brata Bandha, Academic Graduations etc. An important feature of plan is that in the event of death at any time within the policy term, the death claim comprises full sum assured without deducting any of the survival benefit amounts, which have already been paid. It is also with profit plan.

iii) Endowment Cum Whole Life

This plan is a combination of Endowment Assurance and Whole Life with profit plan. It provided financial protection against death throughout the lifetime of the life assured with the provision of payment of a lump sum at the maturity of the policy to the assured in case of his survival.

iv) Foreign Employment Term

The main objective of foreign employment term is providing insurance for financial assistance if there is death or elimination of any insured due to work or staying abroad.

v) Simple Term

Term life insurance, also known as pure life insurance, is life insurance that guarantees payment of a stated death benefit during a specified term. Once the term expires, the policyholder can renew it for another term, convert the policy to permanent coverage, or allow the policy to terminate.

(o) Cash Flow Statement

Cash Flows are reported using the direct method, whereby major classes of cash receipts and cash payments are disclosed as cash flows.

(p) Income Taxes

Income Tax Expense represents the sum of the tax currently payable & Deferred Tax.

i) Current Tax

Current Tax Expenses are accounted in the same period to which the revenue and expenses relate. Provision for Current Income Tax is made for the Tax Liability payable on Taxable Income after considering tax allowances, deductions and exemptions determined in accordance with the applicable tax rates and the prevailing tax laws.

ii) Deferred Tax

Deferred Tax is recognized on temporary difference between the carrying amounts of Assets and Liabilities in the Statement of Financial Position and their Tax Base. Deferred Tax Assets & Liabilities are recognized for deductible and taxable temporary differences arising between the tax base of Assets & Liability in a transaction that is not a business combination and affects neither accounting nor taxable Profit nor Loss at the time of the transaction.

(q) Provisions, Contingent Liabilities & Contingent Assets

i) Provisions

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

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate to determine the present value is a Pre-Tax Rate that reflects current market assessments of the time value of money and the risks

specific to the liability. The increase in the provision due to the passage of time is recognized as interest expenses.

Provisions for Contingent Liability are recognized in the books a matter of abundant precaution and conservative approach based on management's best estimate. However, Management believes that chances of these matters going against the company are remote and there will not be any probable cash outflow.

ii) Contingent Liabilities

Contingent Liabilities are recognized only when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

iii) Contingent Assets

Contingent assets where it is probable that future economic benefits will flow to the Company are not recognized but disclosed in the Financial Statements.

(r) Functional Currency & Foreign Currency Transactions

The Financial Statements of the Company are presented in Nepalese Rupees, which in the Company's Functional Currency. In preparing the Financial Statements of the Company, transactions in currencies other than the Company's Functional Currency i.e. Foreign Currencies are recognized at the rates of exchange prevailing at the dates of the transactions.

(s) Earnings Per Share

Basic Earnings per share is calculated by dividing the profit attributable to owners of the company by the Weighted Average Number of equity shares outstanding during the Financial Year.

For diluted earnings per share, the weighted average number of ordinary shares in issue is adjusted to assumed conversion of all dilutive potential ordinary shares.

(t) Operating Segment

Operating Segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM) as defined by NFRS 8, "Operating Segment".

Company's Income & Expenses including interest are considered as part of un-allocable Income & Expenses which are not identifiable to any business segment. Company's Asset & Liabilities are considered as part of un-allocable Assets & Liabilities which are not identifiable to any business.

10 Related Party Disclosure

(a) Identify Related Parties

Holding Company: Not Applicable

Subsidiaries: Not Applicable

Associates: Not Applicable

Fellow Subsidiaries: Not Applicable

Key Management Personnel:

Name	Relationship
1. Keshab Prasad Bhattarai	Chairman
2. Nanda Kishore Sharma	Director
3. Hemanta Nahata	Director
4. Vivek Jha	Director
5. Priya Tayal	Director
6. Akash Golcha	Director
7. Chudamani Devkota	Director
8. Prakash Bikram Khatri	Chief Executive Officer

(b) Key Management Personnel Compensation:

Particulars	Upto this quarter
Short-term employee benefits	4,528,205
Post-employment benefits	
Other long-term benefits	
Termination benefits	
Total	4,528,205

Payment to Chief Executive Officer (CEO)

Particulars	Upto this quarter
Annual salary and allowances	4,513,750
Performance based allowances	
i) Employee Bonus	
ii) Benefits as per prevailing provisions	
iii) Incentives	
Insurance related benefits	
i) Life Insurance	
ii) Accident Insurance	9,455
iii) Health Insurance (including family members)	5,000
Total	4,528,205

(c) Related Party Transactions:

Particulars	Upto this quarter
Key Managerial Personnel (Directors)	
Meeting Fees to Directors	2,204,000
Allowances to Directors	1,028,899
Total	3,232,899

(d) Related Party Balances:

There are no any balances with related parties at Ashwin end, 2080.

11 Operating Segment

Segment information is presented in respect of the Company's business segments. Management of the Company has identified portfolio as business segment and the Company's internal reporting structure is also based on portfolio. Performance is measured based on segment profit as management believes that it is most relevant in evaluating the results of segment relative to Segment asset is disclosed below based on total of all asset for each business segment.

The Company operates predominantly in Nepal and accordingly, the Management of the Company is of the view that the financial information by geographical segments of the Company's operation is not necessary to be

Business Segments of the Company's are:

- Endowment
- Anticipated Endowment
- Endowment Cum Whole Life
- Foreign Employment Term
- Simple Term

a) Segmental Information for the quarter ended Ashwin 30, 2080 (October 17, 2023)

Particulars	Endowment	Anticipated Endowment	Endowment Cum Whole Life	Foreign Employment Term	Simple Term	Inter Segment Elimination	Total
Income:							
Gross Earned Premiums	1,396,639,630	579,461,878	175,761,646	54,340,929	98,320,637	-	2,304,524,720
Premiums Ceded	(26,149,285)	(14,013,373)	(3,042,609)	(15,902,540)	(11,496,004)	-	(70,603,812)
Inter-Segment Revenue							-
Net Earned Premiums	1,370,490,345	565,448,505	172,719,037	38,438,389	86,824,633	-	2,233,920,908
Commission Income	-	-	-	-	-	-	-
Other Direct Income	10,504,261	5,561,106	1,997,433	-	112,982	-	18,175,782
Interest Income on Loan to Policyholders	83,662,919	16,998,995	14,415,827	-	-	-	115,077,741
Income from Investments and Loans	409,742,978	102,907,224	65,733,738	9,258,320	8,550,191	143,602,653	739,795,103
Net Gain/(Loss) on Fair Value Changes							-
Net Realised Gains/(Losses)							-
Other Income	15,720	3,948	2,522	355	328	5,509	28,382
Total Segmental Income	1,874,416,222	690,919,778	254,868,556	47,697,064	95,488,134	143,608,162	3,106,997,916
Expenses:							
Gross Benefits and Claims Paid	274,741,649	106,985,451	28,841,656	73,203,638	36,767,013	-	520,539,406
Claims Ceded	(10,954,062)	(12,378,137)	(1,943,809)	(54,147,004)	(8,688,633)	-	(88,111,645)
Gross Change in Contract Liabilities	1,288,858,608	452,643,283	199,649,874	23,683,663	46,977,475		2,011,812,904
Change in Contract Liabilities Ceded to Reinsurers	18,498,395	14,106,754	1,519,958	720,000	3,463,600		38,308,707
Net Benefits and Claims Paid	1,571,144,590	561,357,351	228,067,679	43,460,297	78,519,455	-	2,482,549,372
Commission Expenses	135,874,499	54,726,560	14,433,922	-	7,730,067	-	212,765,048
Service Fees	10,278,678	4,240,864	1,295,393	288,288	651,185		16,754,407
Employee Benefits Expenses	95,624,447	39,820,970	12,242,900	4,125,172	6,876,983	32,310,409	191,000,882
Depreciation and Amortization Expenses	5,980,716	2,490,555	765,718	258,004	430,113	1,102,789	11,027,895
Impairment Losses	-	-	-	-	-	-	-
Other Operating Expenses	33,313,868	13,586,745	4,175,824	1,389,541	2,316,474	5,939,335	60,721,787
Finance Cost	40,845	17,009	5,229	1,762	2,937	7,531	75,315
Total Segmental Expenses	1,852,257,643	676,240,054	260,986,665	49,523,064	96,527,214	39,360,065	2,974,894,705
Total Segmental Results	22,158,579	14,679,724	(6,118,109)	(1,826,000)	(1,039,080)	104,248,097	132,103,210
Segment Assets	26,090,904,701	6,262,386,654	4,048,290,213	501,251,335	448,190,787		37,351,023,690
Segment Liabilities	20,924,673,836	5,022,378,475	3,246,692,794	401,999,118	359,445,031		29,955,189,254

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

1. Solvency Ratio related disclosure:

The Solvency Ratio for the year ended Asadh 32, 2079 is declared as 2.64 which is above the requirements prescribed by Nepal Insurance Authority

2. Reinsurance related disclosure:

The Company purchases reinsurance as part of its risks mitigation programme. Premium ceded to the reinsurers is in accordance with the terms of the programmes already agreed based on the risks written by the insurance companies. Recoveries from reinsurers on claims are based on the cession made in respect of each risk and is estimated in a manner consistent with the outstanding claims provisions made for the loss. Although we mitigate our exposures through prudent reinsurance arrangements, the obligation to meet claims emanating from 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. The Company currently has treaties with Nepal Re and Himalayan Re in Nepal and Hannover Re in Malaysia for the reinsurance arrangements.

3. Details regarding legal proceeding:

There is no legal proceeding by or against the company in the current period.

4. Corporate Governance:

We declare that the 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.

5. Regulatory limit on expenses ratio:

Particulars	Current Year	Previous Year
	Upto this Quarter (YTD)	Upto this Quarter (YTD)
Total Management Expenditure	262,825,879	155,423,835
Agent related Expenditure	19,430,504	7,682,420
Total Premium	2,233,920,908	1,324,489,726
First Premium	513,049,464	471,991,863
Total Management Expenditure as percentage of Total Premium	11.77%	11.73%
Agent related Expenditure as percentage of First Premium	3.79%	1.63%

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

1 Financial Statements

The Financial Statements for the company for first quarter of FY 2080-81 has been published along with this report.

The Interim Financial Report have been prepared as per the Quarterly Financials Circular, 2080 issued by Nepal Insurance Authority

2 Major Financial Indicators

Earnings per Share (Annualised)	11.62
PE Ratio	42.84
Networth per share	136.80
Assets per share	819.31

3 Management Analysis

The transactions of the company for the First Quarter of FY 2080-81 can be summarized as follows:

Particulars	Q1 FY 2080-81	Q1 FY 2079-80	Growth (%)
Total Premium	2,233,920,908	1,324,489,726	68.66%
Life Insurance Fund	29,502,450,968	15,074,204,071	95.71%
Net Profits	132,103,210	36,360,756	263.31%
Total Investments	30,194,744,218	15,048,308,257	100.65%

SuryaJyoti Life Insurance Company has been serving its customers after successful merger of then Surya Life and Jyoti Life Insurance companies since Poush 6, 2079 and have established itself as the insurer of choice through its innovative product line and customer service.

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	631
Minimum Rate	491.90
Closing Price	498
No. of Transactions	2034557 shares
No. of Transaction days	61 days

6 Problems and Threats

Lack of awareness among general public, absence of reliable database to develop new products and policies, general economic crisis across the globe are the major problems and threats to life insurance industry at present.

7 Corporate Good Governance

The Company has a strong internal control which is regularly supervised and monitored through various committees and sub committees formed. It has adopted the latest IT infrastructures and facilities so as to maintain transparency and governance. The company has complied with the directives and circulars issued by Nepal Insurance Authority and other regulators.

8 Declaration by the Chief Executive Officer

I personally take responsibility of true and fair presentation of information and statements made in this report and to the best of my knowledge, no any information relevant to make informed decision by the investors, has been knowingly omitted while preparing this report.