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 Second Quarter, F.Y. 2081/82

CONDENSED 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	64,173,195	65,406,267
Property and Equipment	309,244,473	309,229,852
Investment Properties	-	-
Deferred Tax Assets	430,295,363	394,597,123
Investment in Subsidiaries	-	-
Investment in Associates	-	-
Investments	37,417,084,851	34,959,986,739
Loans	4,603,299,413	4,178,944,904
Reinsurance Assets	20,514,347	21,424,347
Current Tax Assets	991,234,437	1,027,696,996
Insurance Receivables	222,662,945	160,562,040
Other Assets	152,160,030	145,263,587
Other Financial Assets	335,624,127	242,050,217
Cash and Cash Equivalent	597,691,513	717,408,474
Total Assets	**45,143,984,694**	**42,222,570,547**
Equity:		
Share Capital	5,011,947,797	5,011,947,797
Share Application Money Pending Allotment	-	-
Share Premium	-	-
Catastrophe Reserves	386,950,419	377,143,461
Retained Earnings	328,286,884	1,150,565,318
Other Equity	459,810,285	468,858,365
Total Equity	**6,186,995,384**	**7,008,514,941**
Liabilities:		
Provisions	14,149,332	14,149,332
Gross Insurance Contract Liabilities	37,734,088,550	33,712,064,839
Deferred Tax Liabilities	-	-
Insurance Payable	60,225,904	85,050,890
Borrowings	-	-
Other Liabilities	766,168,428	769,343,859
Other Financial Liabilities	382,357,095	633,446,685
Total Liabilities	**38,956,989,309**	**35,214,055,605**
Total Equity and Liabilities	**45,143,984,694**	**42,222,570,547**

CONDENSED 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	2,565,344,473	5,064,783,304	1,978,988,739	4,283,513,459
Premiums Ceded	(42,471,463)	(83,187,343)	(55,727,930)	(126,331,743)
Net Earned Premiums	**2,522,873,010**	**4,981,595,961**	**1,923,260,809**	**4,157,181,716**
Commission Income	-	-	-	-
Other Direct Income	24,104,473	40,314,906	15,842,502	34,018,284
Interest Income on Loan to Policyholders	100,928,417	207,321,117	62,214,156	177,291,897
Income from Investments and Loans	829,150,807	1,769,325,959	756,639,367	1,496,434,470
Net Gain/(Loss) on Fair Value Changes	-	-	-	-
Net Realised Gains/(Losses)	-	-	-	-
Other Income	452,482	1,509,146	3,553	31,935
Total Income	**3,477,509,188**	**7,000,067,089**	**2,757,960,386**	**5,864,958,302**
Expenses:				
Gross Benefits and Claims Paid	907,944,965	1,615,392,258	1,267,330,675	1,787,870,081
Claims Ceded	(59,332,738)	(95,872,548)	(30,416,886)	(118,528,531)
Gross Change in Contract Liabilities	1,943,724,062	4,118,408,960	915,857,694	2,904,705,209
Change in Contract Liabities Ceded to Reinsurers	(934,084)	910,000	-	38,308,707
Net Benefits and Claims Paid	**2,791,402,205**	**5,638,838,670**	**2,152,771,483**	**4,612,355,466**
Commission Expenses	214,891,949	441,784,408	165,772,738	378,537,786
Service Fees	18,921,548	37,361,970	14,424,456	31,178,863
Other Direct expenses	-	-	-	-
Employee Benefits Expenses	146,571,922	328,988,933	140,483,262	333,780,683
Depreciation and Amortization Expenses	7,632,930	15,556,479	11,281,580	22,309,474
Impairment Losses	-	-	-	-
Other Operating Expenses	100,502,743	176,386,236	90,745,870	151,467,657
Finance Cost	-	1,981,661	14,562,659	14,637,973
Total Expenses	**3,279,923,297**	**6,640,898,356**	**2,590,042,047**	**5,544,267,902**
Net Profit/(Loss) For The Year Before Share of Net Profits of Associates Accounted for Using Equity Method and Tax	197,585,891	359,168,733	167,918,339	320,690,400
Share of Net Profit of Associates accounted using Equity Method	-	-	-	-
Profit Before Tax	**197,585,891**	**359,168,733**	**167,918,339**	**320,690,400**
Income Tax Expenses	116,781,282	163,029,573	90,675,710	130,942,218
Net Profit/(Loss) For The Year	**80,804,610**	**196,139,160**	**77,242,629**	**189,748,182**
Earning Per Share				
Basic EPS (Annualized)		7.83		8.35
Diluted EPS (Annualized)		7.83		8.35

CONDENSED 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	80,804,610	196,139,160	77,242,629	189,748,182
Other Comprehensive Income	(298,494,732)	(107,094,722)	31,141,705	79,222,181
Total Comprehensive Income	**(217,690,123)**	**89,044,438**	**108,384,334**	**268,970,363**

OTHER DETAILS

Particulars	Current Year	Previous Year
	Upto this Quarter (YTD)	Upto this Quarter (YTD)
1. Total inforce Policy count	821,935	985,685
2. Total no. of policy issued during the year	180,118	171,284
3. First Year Premium (including Single premium)	1,309,325,829	958,874,350
4. Single Premium	402,680,971	213,614,997
5. Renewal Premium	3,755,457,475	3,324,639,109
6. Total Benefits and Claims Paid in Count	4,319	6,420
7. Outstanding Benefits and Claims in Count	51	82
8. Gross Claim outstanding (Amount)	39,279,930	46,505,288
9. Declared Bonus rate for existing Product (2079-80)	40-90 (Per Thousand)	40-90 (Per Thousand)
10. Interim bonus rate for existing Product	40-90 (Per Thousand)	40-90 (Per Thousand)
11. Long Term Investments (Amount)	31,116,084,851	30,134,880,328
12. Short Term Investments (Amount)	6,301,000,000	3,407,579,000
13. Policyholders Loan	4,445,666,041	3,644,669,342
14. Investment in cost value	37,419,954,019	33,490,126,390
15. Life Insurance Fund	37,734,088,550	30,423,583,927
16. Unearned Premium Reserve for term policies (Amount)	234,622,377	314,152,201
17. Solvency Margin Ratio	2.47	3.00

Note:

1. SuryaJyoti Life Insurance Co. Ltd. has been formed by the merger of erstwhile Surya Life and Jyoti Life.
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 above figures are unaudited, and therefore might change after audit or direction from regulator.
5. Detailed Interim Report for the period has been published in the website of the company. (www.suryajyotilife.com)

SURYAJYOTI LIFE INSURANCE COMPANY LIMITED

Notes to the Financial Statements for Poush end, 2081 (Jan 13, 2025)

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 Dcember 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 Financial Statements of the Company comprises of Statement of Financial Position, Statement of Profit or Loss and Statement of Other Comprehensive Income shown as two separate statements, Statement of Changes in Equity, Statement of Cash Flows and Notes to the Financial Statements which have been prepared in accordance with the Nepal Financial Reporting Standards (NFRS) issued by the Nepal Accounting Standards Board (ASB) and in compliance with the requirements of the Companies Act , 2006, directives issued by Nepal Insurance Authority and required disclosures as per Securities Board of Nepal. The format used in the preparation and presentation of the Financial Statements and disclosures made therein also complies with the specified formats prescribed in the directives of Nepal Insurance Authority.

(c) Basis of Measurement

The 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 & 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 & services.

Fair value is the price that would be received to sell an asset 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 measurement 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

The preparation of these Financial Statements in conformity with NFRS requires management to make estimates, judgements and assumptions. These estimates, judgments and assumptions affect the reported balances 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 years 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 a 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 operations of it.

8 Changes 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 flows.

3 Significant Accounting Policies

This note provides a list of the significant policies adopted in the preparation of these Financial Statements.

(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. However, Company has not internally generated any assets.

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.

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 generate net cash inflow for the entity.

Useful Life of Intangible Assets based on SLM/ DBM is categorised as stated below:

List of Asset Categories	Useful Life (In Years) for SLM
Softwares	7 Years or Licensed Period
Licenses	License Period
Others (to be Specified)	Not Any

However, Company has not acquired any license till end of reporting period.

iii) Derecognition

An Intangible Asset is derecognised 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. However, Company has not derecognised any intangible asset till end of reporting period.

(b) Property and Equipment (P&E)

i) Recognition

Freehold land is carried at historical cost and other items of property and equipment are stated at cost of acquisition or construction less accumulated depreciation when, it is probable that future economic benefits associated with the item will flow to the Company and it can be used for more than one year and the cost can be measured reliably. Company does not have freehold land as on reporting date.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it meets the recognition criteria as mentioned above. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

ii) Depreciation

Depreciation on Property and Equipment other than Freehold Land i.e. the Company’s Freehold Building, Plant & Machinery, Vehicles & Other Assets 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 categorised as stated below:

List of Asset Categories	Useful Life (In Years) for SLM
Buildings	50
Leasehold Assets	5 Years or Lease Period
Furniture & Fixtures	10
Computers and IT Equipments	5
Office Equipment	5
Vehicles	10
Other Assets	5

Company however does not have any building as on reporting date.

iii) 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.

(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.

(e) 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 acquisation 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 Asset is derecognized only when the Company has transferred the rights to receive cash flows from the Financial Asset. 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 a 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 resinsurer'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 reduces the carrying amount accordingly and is recognized in statement of profit or loss.

(f) Cash & Cash Equivalent

Cash & Cash Equivalents includes Cash In Hand, Cheques in Hand, Bank Balances and short term deposits with a maturity of three months or less. There are however no short term deposits at the end of reporting period.

(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 recognised amounts and there is an intention to settle on a net basis or realise 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 obligations 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 Expense 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 recognises 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 recognises 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 premiums are recognised as soon as the amount of the premiums can be reliably measured. First premium is recognised 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 rata basis. The proportion attributable to subsequent periods is deferred as a provision for unearned premiums.

iii) Commission Income

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

iv) Investment income

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

Investment income also includes dividends when the right to receive payment is established.

(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 settlements of claims. Benefits and claims that are incurred during the financial year are recognised 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 recognised when the related gross insurance claim is recognised according to the terms 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, 2079.

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 in savings oriented.This plan is apt 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 of 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 provides 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) Whole Life - Whole life is a type of life insurance contract that provides insurance coverage of the contract holder for his or her entire life. Upon the inevitable death of the contract holder, the insurance payout is made to the contract's beneficiaries. These policies also include a savings component, which accumulates a cash value. This cash value is one of the key elements of whole life insurance.

iv) Foreign Employment Term - The main objective of foreign employement term is providing insurance for financial assistance if there is death or elimination of any insured due to work or staying abroad.

iv) Other 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.

v) Special Term - Special Term insurance is a modified version of term insurance with added benefits.

vi) Others to be Specified- Life insurance policies other than above mentioned products are classified as others.

(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 differences between the carrying amounts of Assets & 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 & Liabilities and their carrying amount in Financial Statements, except when the Deferred Income Tax arises from the initial recognition of goodwill, an Asset or Liability in a transaction that is not a business combination and affects neither accounting nor taxable Profits or 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 expense.
Provisions for Contingent Liability are recognized in the books as 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 is 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 Earning 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 earning per share, the weighted average number of ordinary shares in issue is adjusted to assume 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.

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 16th July, 2024 - 13th Jan, 2025

(For the Quarter Ended Poush, 2081)

Fig. in NPR

	Ordinary Share Capital	Preference Shares	Share Application Money Pending Allotment	Share Premium	Retained Earnings	Revaluation Reserves	Capital Adjustment Reserves	Catastrophe Reserve	Corporate Social Responsibility (CSR) Reserves	Insurance Fund	Fair Value Reserves	Actuarial Reserves	Deferred Tax Reserve	Other Reserves	Total
Restated Balance as at Shrawan 1, 2081	**5,011,947,797**	**-**	**-**	**-**	**1,150,565,317**	**-**	**61,512,300**	**377,143,461**	**20,630,120**	**-**	**10,494,285**	**(46,501,756)**	**418,456,870**	**4,266,546**	**7,008,514,940**
Prior Period Adjustment					-										
Transfer from acquisition															-
Profit/(Loss) For the Year					**196,139,160**										196,139,160
Other Comprehensive Income for the Year, Net of Tax															-
i) Changes in Fair Value of FVOCI Debt Instruments															-
ii) Gains/ (Losses) on Cash Flow Hedge															-
iii) Exchange differences on translation of Foreign Operation															-
iv) Changes in fair value of FVOCI Equity Instruments											(107,094,722)				(107,094,722)
v) Revaluation of Property and Equipments/ Goodwill & Intangible Assets															-
vi) Remeasurement of Post-Employment Benefit Obligations												-			-
Transfer to Reserves/ Funds					(11,768,350)			9,806,958	1,961,392					-	(0)
Transfer of OCI Reserve					-						-				
Transfer of Regulatory Reserve					-			-	-					-	-
Transfer to Deferred Tax Reserves					-							-	-		-
Transfer of Depreciation on Revaluation of Property and Equipment															-
Transfer on Disposal of Revalued Property and Equipment															-
Transfer on Disposal of Equity Instruments Measured at FVTOCI															-
Transfer to Insurance Contract Liabilities											96,385,249			-	96,385,249
Goodwill Created in merger					-		-								
CSR Expenses made during the Year					-				(300,000)						
Share Issuance Costs					(3,925,324)										(3,925,324)
-Prior period depreciation adjustment					-										-
Contribution by/ Distribution to the owners of the Company															-
i) Bonus Share Issued	-			-	-		-								-
ii) Share Issue	-														-
iii) Cash Dividend					(1,002,723,920)										(1,002,723,920)
iv) Dividend Distribution Tax															-
v) Others (To be specified)															-
Balance as on Ashwin end, 2081	5,011,947,797	-	-	-	328,286,884	-	61,512,300	386,950,418	22,291,512	-	(215,188)	(46,501,756)	418,456,870	4,266,546	6,186,995,384

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 16th July, 2024 - 13th Jan, 2025

(For the Quarter Ended Poush, 2081)

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	5,064,783,304	9,499,466,419
Commission Received	-	-
Claim Recovery Received from Reinsurers	33,771,643	353,922,337
Realised Foreign Exchange Income other than on Cash and Cash Equivalents	-	-
Other Direct Income	40,314,906	73,588,857
Others (Other Income)	1,509,146	317,319
Cash Paid		
Gross Benefits and Claims Paid	(1,615,392,258)	(3,265,773,814)
Reinsurance Premium Paid	(108,012,329)	(328,916,503)
Commission Paid	(570,601,243)	(882,741,100)
Service Fees Paid	(70,621,723)	(69,954,330)
Employee Benefits Expenses Paid	(429,612,793)	(665,723,509)
Other Expenses Paid	(212,557,824)	(630,109,697)
Others (to be specified)	(97,438,954)	340,289,925
Income Tax Paid	(36,462,559)	(41,280,590)
Net Cash Flow From Operating Activities [1]	**1,999,679,316**	**4,383,085,313**
Cash Flow From Investing Activities		
Acquisitions of Intangible Assets	-	(506,240)
Proceeds From Sale of Intangible Assets	-	-
Acquisitions of Investment Properties	-	-
Proceeds From Sale of Investment Properties	-	-
Rental Income Received	-	-
Acquisitions of Property and Equipment	(14,972,400)	(16,316,533)
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	(920,428,804)	(778,847,271)
Proceeds from Sale of Equity Instruments	-	-
Purchase of Mutual Funds	(29,330,321)	(59,707,363)
Proceeds from Sale of Mutual Funds	-	-
Purchase of Preference Shares	-	-
Proceeds from Sale of Preference Shares	-	-
Purchase of Debentures	99,661,013	(1,161,518,132)
Purchase of Bonds	-	-
Proceeds from Sale of Bonds	-	-
Investments in Deposits	(1,557,000,000)	(3,926,100,000)
Maturity of Deposits	-	-
Loans Paid	(424,354,509)	(310,156,205)
Proceeds from Loans	-	-
Rental Income Received	-	-
Proceeds from Finance Lease	-	-
Interest Income Received	1,763,011,852	3,162,145,787
Dividend Received	13,804,991	12,039,147
Investment on Venture Capital	(50,000,000)	(100,000,000)
Total Cash Flow From Investing Activities [2]	**(1,119,608,178)**	**(3,178,966,811)**
Cash Flow From Financing Activities		
Interest Paid	(1,981,661)	(21,484,417)
Proceeds From Borrowings	-	-
Repayment of Borrowings	-	(64,000,000)
Payment of Finance Lease	-	-
Proceeds From Issue of Share Capital	-	-
Share Issuance Cost Paid	(3,925,324)	(3,925,324)
Dividend Paid	(1,002,723,920)	(1,124,574,538)
Dividend Distribution Tax Paid	-	-
Others (to be specified)	-	-
Total Cash Flow From Financing Activities [3]	**(1,008,630,905)**	**(1,213,984,278)**
Net Increase/(Decrease) In Cash & Cash Equivalents [1+2+3]	**(128,559,767)**	**(9,865,776)**
Cash & Cash Equivalents At Beginning of The Year/Period	726,251,281	736,117,057
Effect of Exchange Rate Changes on Cash and Cash Equivalents		
Cash & Cash Equivalents At End of The Year/Period	**597,691,513**	**726,251,281**
Components of Cash & Cash Equivalents		
Cash In Hand	-	-
Cheuqe in Hand	-	-
Term Deposit with Banks (with initial maturity upto 3 months)		
Balance With Banks	597,691,513	726,251,281

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 16th July, 2024 - 13th Jan, 2025

(For the Quarter Ended Poush, 2081)

Fig. in NPR

Particulars	Upto this Quarter
Opening Balance in Retained Earnings	1,150,565,317
Transfer from Jyoti Life on Merger	-
Transfer from OCI reserves to retained earning in current year	-
Net profit or (loss) as per statement of profit or loss	196,139,160
Appropriations:	
i)Transfer to Insurance Fund	-
ii)Transfer to Catastrophe Reserve	(9,806,958)
iii)Transfer to Capital Reserve	-
iv)Transfer to CSR reserve	(1,961,392)
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)	-
Share Issuance Costs	(3,925,324)
Reversal of Deferred Agent Loan	-
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	(1,002,723,920)
xiv) Deduction as per Sec 17 of Financial directive	-
xv) Others (to be specified)	-
Adjusted Retained Earning	**328,286,884**
Add: Transfer from Share Premium Account	-
Add: Transfer from Capital Adjustment Reserve	-
Less: Amount apportioned for Assigned capital	-
Less: Deduction as per sec 15(1) Of Financial directive	(46,716,943)
Less: Goodwil Recognised	-
Add/Less: Others (to be specified)	-
Total Distributable Profit/(loss)	**281,569,941**

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. Hemanta Nahata	Director
3. Akash Golchha	Director
4. Chudamani Devkota	Director
5. Priya Tayal	Director
6. Namita Sharma	Director
7. Ashish Kumar Agrawal	Director
8. Prakash Bikram Khatri	Chief Executive Officer

(b) Key Management Personnel Compensation:

Particulars	**Upto this quarter**
Short-term employee benefits	8,081,090
Post-employment benefits	
Other long-term benefits	
Termination benefits	
Total	**8,081,090**

Payment to Chief Executive Officer (CEO)

Particulars	**Upto this quarter**
Annual salary and allowances	5,475,000.00
Performance based allowances	
i) Employee Bonus	2,583,419.40
ii) Benefits as per prevailing provisions	
iii) Incentives	
Insurance related benefits	
i) Life Insurance	8,516.00
ii) Accident Insurance	9,454.50
iii) Health Insurance (including family members)	4,700.00
Total	**8,081,090**

(c) Related Party Transactions:

Particulars	**Upto this quarter**
Key Managerial Personnel (Directors)	
Meeting Fees to Directors	2,588,000
Allowances to Directors	1,009,333
Total	**3,597,333**

(d) Related Party Balances:

There are no any balances with related parties at Poush end, 2081.

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 other entities

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 Poush end, 2081 (Jan 13, 2025)

Particulars	Endowment	Anticipated Endowment	Endowment Cum Whole Life	Foreign Employment Term	Simple Term	Inter Segment Elimination	Total
Income:							
Gross Earned Premiums	3,364,404,341	1,074,430,802	317,727,154	128,548,472	179,672,535	-	5,064,783,304
Premiums Ceded	(42,998,301)	(19,263,637)	(4,389,077)	(507,380)	(16,028,949)	-	(83,187,343)
Inter-Segment Revenue	-	-	-	-	-	-	-
Net Earned Premiums	**3,321,406,040**	**1,055,167,165**	**313,338,077**	**128,041,092**	**163,643,586**	**-**	**4,981,595,961**
Commission Income	-	-	-	-	-	-	-
Other Direct Income	25,606,715	10,878,179	3,562,111	-	267,901	-	40,314,906
Interest Income on Loan to Policyholders	147,579,047	31,524,993	28,217,077	-	-	**-**	207,321,117
Income from Investments and Loans	1,280,443,701	275,823,561	180,170,114	23,308,975	9,579,608	-	1,769,325,959
Net Gain/(Loss) on Fair Value Changes	-	-	-	-	-	-	-
Net Realised Gains/(Losses)	-	-	-	-	-	-	-
Other Income	1,092,154	235,264	153,676	19,881	8,171	-	1,509,146
Total Segmental Income	**4,776,127,657**	**1,373,629,162**	**525,441,056**	**151,369,949**	**173,499,266**	**-**	**7,000,067,089**
Expenses:							
Gross Benefits and Claims Paid	701,113,612	553,504,075	60,790,085	153,013,077	146,971,410	-	1,615,392,258
Claims Ceded	(29,875,682)	(9,962,750)	(1,367,264)	(37,463,366)	(17,203,486)	-	(95,872,548)
Gross Change in Contract Liabilities	3,136,216,670	585,335,440	366,490,696	18,314,427	12,051,728	-	4,118,408,960
Change in Contract Liabities Ceded to Reinsurers	-	-	-	910,000	-	-	910,000
Net Benefits and Claims Paid	**3,807,454,599**	**1,128,876,764**	**425,913,517**	**134,774,139**	**141,819,652**	**-**	**5,638,838,670**
Commission Expenses	319,906,688	82,357,931	25,094,234	-	14,425,555	-	441,784,408
Service Fees	24,910,545	7,913,754	2,350,036	960,308	1,227,327	-	37,361,970
Other Direct expenses	-	-	-	-	-	-	-
Employee Benefits Expenses	216,639,354	70,617,390	20,829,180	9,152,661	11,750,349	-	328,988,933
Depreciation and Amortization Expenses	10,243,948	3,339,194	984,923	432,790	555,624	-	15,556,479
Impairment Losses	-	-	-	-	-	-	-
Other Operating Expenses	116,150,412	37,861,260	11,167,490	4,907,166	6,299,907	-	176,386,236
Finance Cost	1,304,924	425,363	125,464	55,131	70,778	-	1,981,661
Total Segmental Expenses	**4,496,610,471**	**1,331,391,656**	**486,464,842**	**150,282,196**	**176,149,191**	**-**	**6,640,898,356**
Total Segmental Results	**279,517,186**	**42,237,506**	**38,976,214**	**1,087,753**	**(2,649,925)**	**-**	**359,168,733**
Segment Assets	**153,372,165.54**	**56,342,583**	**14,428,231**	**7,171,373**	**11,862,939.29**	**-**	**243,177,293**
Segment Liabilities	**27,375,648,825.80**	**5,877,136,901**	**4,025,653,233**	**437,541,948.49**	**174,718,795.80**	**-**	**37,890,699,704**

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

1. Solvency Ratio related disclosure:

The Solvency Ratio for the year ended Asadh 31, 2081 is declared as 2.47 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 we comply with the provision of Corporate Governance Directives, 2080 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	522,913,309	522,195,788
Agent related Expenditure	71,472,107	52,941,457
Total Premium	5,064,783,304	4,283,513,459
First Premium	1,309,325,829	958,874,350
Total Management Expenditure as percentage of Total Premium	10.32%	12.19%
Agent related Expenditure as percentage of First Premium	5.46%	5.52%

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 second quarter of FY 2081-82 has been published aling 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)	7.83
PE Ratio	56.73
Networth per share	123.44
Assets per share	900.73

3 **Management Analysis**

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

Particulars	Q1 FY 2081-82	Q1 FY 2080-81	Growth (%)
Total Premium	5,064,783,304	4,283,513,459	18.24%
Life Insurance Fund	37,734,088,550	30,423,583,927	24.03%
Net Profits	196,139,160	189,748,182	3.37%
Total Investments	37,417,084,851	33,542,459,328	11.55%

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	521
Minimum Rate	437
Closing Price	444
No. of Transactions	21,816
No. of Transaction days	55 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 regulary 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.