



रिलायबल नेपाल लाइफ इन्स्योरेन्स लिमिटेड

Reliable Nepal Life Insurance Limited

प्रधान कार्यालय, ज्ञानेश्वर, काठमाडौं
फोन नं. ०१-४५२३६१८, ४५२३६३०, फ्याक्स नं. ०१-४५२३६५७
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Quarterly Financial Results for First Quarter, F.Y. 2080/81 B.S

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (As on Aswin 30, 2080)

Fig in NPR.

Particulars	Unaudited	
	At the end of this Quarter	At the end of Immediate Previous Year
Assets:		
Goodwill & Intangible Assets	2,182,401	1,634,991
Property and Equipment	140,752,281	136,303,348
Investment Properties	-	-
Deferred Tax Assets	23,455,856	9,851,835
Investment in Subsidiaries	-	-
Investment in Associates	-	-
Investments	14,173,106,612	8,808,779,577
Loans	405,284,544	242,758,064
Reinsurance Assets	370,212	1,197,146
Current Tax Assets	269,188,541	194,547,924
Insurance Receivables	136,828,409	207,597,206
Other Assets	14,518,891	53,724,660
Other Financial Assets	156,016,902	151,193,777
Cash and Cash Equivalent	235,060,523	295,853,822
Total Assets	15,556,765,171	10,103,442,351
Equity:		
Share Capital	4,000,000,000	2,800,000,000
Share Application Money Pending Allotment	-	-
Share Premium	1,750,420,288	-
Catastrophe Reserves	130,885,220	97,625,474
Retained Earnings	1,134,798,720	846,262,891
Other Equity	20,432,952	46,435,622
Total Equity	7,036,537,181	3,790,323,987
Liabilities:		
Provisions	78,441,807	98,553,909
Gross Insurance Contract Liabilities	8,002,029,204	5,978,554,690
Deferred Tax Liabilities	-	-
Insurance Payable	21,351,446	672,004
Current Tax Liabilities	-	-
Borrowings	-	-
Other Liabilities	56,474,618	32,075,345
Other Financial Liabilities	361,930,915	203,262,417
Total Liabilities	8,520,227,991	6,313,118,364
Total Equity and Liabilities	15,556,765,171	10,103,442,351

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS (For the Quarter ended Aswin 30, 2080)

Fig in NPR.

Particulars	Unaudited		Unaudited	
	Current Year		Corresponding Previous Year	
	This Quarter	Upto this Quarter (YTD)	This Quarter	Upto this Quarter (YTD)
Income:				
Gross Earned Premiums	1,015,147,187	1,015,147,187	893,179,114	893,179,114
Premiums Ceded	(81,560,902)	(81,560,902)	(40,193,060)	(40,193,060)
Net Earned Premiums	933,586,286	933,586,286	852,986,054	852,986,054
Commission Income				
Other Direct Income	2,325,038	2,325,038	1,006,991	1,006,991
Interest Income on Loan to Policyholders	2,776,368	2,776,368	840,647	840,647
Income from Investments and Loans	305,052,203	305,052,203	194,862,220	194,862,220
Net Gain/(Loss) on Fair Value Changes				
Net Realised Gains/(Losses)				
Other Income	4,622	4,622	-	-
Total Income	1,243,744,516	1,243,744,516	1,049,695,912	1,049,695,912
Expenses:				
Gross Benefits and Claims Paid	296,901,364	296,901,364	261,947,828	261,947,828
Claims Ceded	(53,535,532)	(53,535,532)	(111,683,712)	(111,683,712)
Gross Change in Contract Liabilities	605,028,011	605,028,011	461,947,404	461,947,404
Change in Contract Liabilities Ceded to Reinsurers				
Net Benefits and Claims Paid	848,393,843	848,393,843	612,211,520	612,211,520
Commission Expenses	119,264,809	119,264,809	122,188,119	122,188,119
Service Fees	7,613,604	7,613,604	8,529,861	8,529,861
Other Direct expenses				
Employee Benefits Expenses	70,199,577	70,199,577	63,525,547	63,525,547
Depreciation and Amortization Expenses	3,137,160	3,137,160	2,901,789	2,901,789
Impairment Losses				
Other Operating Expenses	75,732,124	75,732,124	122,132,527	122,132,527
Finance Cost				
Total Expenses	1,124,341,118	1,124,341,118	931,489,363	931,489,363
Net Profit/(Loss) For The Year Before Share of Net Profits of Associates Accounted for Using Equity Method and Tax	119,403,399	119,403,399	118,206,549	118,206,549
Share of Net Profit of Associates accounted using Equity Method				
Profit Before Tax	119,403,399	119,403,399	118,206,549	118,206,549
Income Tax Expenses				
Net Profit/(Loss) For The Year	119,403,399	119,403,399	118,206,549	118,206,549
Earning Per Share				
Basic EPS	11.94	11.94	16.89	16.89
Diluted EPS	11.94	11.94	16.89	16.89

CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME (For the Quarter ended Aswin 30, 2080)

Fig in NPR.

Particulars	Unaudited		Unaudited	
	Current Year		Corresponding Previous Year	
	This Quarter	Upto this Quarter (YTD)	This Quarter	Upto this Quarter (YTD)
Net Profit/(Loss) For The Year	119,403,399	119,403,399	118,206,549	118,206,549
Other Comprehensive Income	20,640,715	20,640,715	(17,811,197)	(17,811,197)
Total Comprehensive Income	140,044,113	140,044,113	100,395,352	100,395,352

OTHER INDICATORS

Particulars	Current Year	Previous Year
	Upto this Quarter (YTD)	Upto this Quarter (YTD)
1. Total inforce Policy count	169,277	354,323
2. First Year Premium	323,694,356	366,661,282
3. Single Premium	14,701,537	14,239,925
4. Renewal Premium	689,172,911	526,517,832
5. Total Benefits and Claims Paid in Count	621	783
6. Outstanding Benefits and Claims in Count	68	-
7. Declared Bonus rate (Mention the period)	20 to 75 (2078-79)	20 to 75 (2078-79)
8. Interim bonus rate		
9. Long Term Investments (Amount)	12,819,206,612	7,437,379,577
10. Short Term Investments (Amount)	1,353,900,000	1,371,400,000

Notes:

- The detailed interim report has been published in our website.
- Above unaudited figures might be changed during the audit finalisation and Life Insurance Fund, Unexpired Risk Reserve and its related surplus will change after actuarial valuation.

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

- The company has maintained solvency ratio of 2.16 for the Fiscal Year 2078/79. (Approved by Nepal Insurance Authority)
- The company has made adequate reinsurance arrangement to cover the risk from the class of its business. Unexpired Risk Reserve and its related surplus will change after actuarial valuation.
- There is no any legal proceeding by or against the company.
- The company has complied with the corporate governance Directive issued by Nepal Insurance Authority.
- The expense of company is within the expense ratio prescribed by Nepal Insurance Authority.

Disclosure as required by Securities Registration and Issue Regulations, 2073

(Related to sub-rule (1) of Rule 26)

1. Financial Statements:

- Statements related to Financial Position and Profit or Loss have been published along with this. Transactions with related parties:
 - Group comprises of Reliable Nepal Life Insurance Ltd. (Company), Reliable Investment and Merchant Capital Ltd. (Subsidiary).
 - No intra-group transactions.

b) Key Financial Indicators:

Earnings per Share Rs.	11.94	Market Price per Share Rs.	411.5
Price Earnings Ratio	34	Return on Total Assets	0.90%
Net Worth per Share Rs.	176	Liquidity Ratio	1.85

2. Management Analysis:

- Details relating to the change in the Company's Premium, income and liquidity in the quarter and its main reason

Company has been able to earn Net Profits of Rs. 11.94 crores. There are 68 outstanding claims which are on the process of decision. Investment has increase by 60.90% which indicated for sustainability of the company.

b) Management's analytical details regarding future business plan:

Besides various financial constraints in Nepalese Financial Market management is satisfied with current financial performance.

c) Analytical details of the incidents that may have major impact on reserves, profit or cash flow (if any), based on previous experience:

Current adverse economic situation has had adverse effect on new business growth however increase in investment portfolio will help for profitability.

3. Statement related to legal proceedings:

a) Case filed by or against the Company in this quarter:

There have been no legal cases except the cases which are related to dispute of claim and fraudulent by the employee.

b) Case relating to disobedience of prevailing law or commission of criminal offence filed by or against the promoter or director of the Company:

No such information has been received.

c) Case relating to commission of financial crime filed against any promoter or director of the Company:

No such information has been received.

4. Statements related to Share Transactions:

a) Management view on the transactions of the shares of the Company in the share market:

Company's share was started for trading from 17th of September 2023 and movements in the share price are determined by the open market principles. Hence, management has neutral opinion regarding the share price movements.

b) Maximum, minimum and closing share price, total transaction days and total transacted number of shares in the quarter:

Maximum Price (Rs.)	535.2	Minimum Price (Rs.)	400
Closing Price (Rs.)	411.5	Total Transaction Days	20
No. of Transactions	172,919		

5. Problem and Challenges:

Internal Problems and Challenges:

- Challenge to manage Operational Risk with the increase in business volume
- Challenge of Human Resources
- Limitation of Investment scope
- Additional claim Liabilities due to Disaster.

External Problems and Challenges:

- Cut throat completion between Life insurance Companies
- Interest rate risk
- Reduce income level of general people.

Company's Strategy to mitigate problems and challenges:

- Expanding business activities with caution observing the changes in internal and external environment
- Providing trainings to staff to enhance skills and abilities
- Introducing new products and services considering the interest of the customers
- Effective risk management, monitoring and controlling on various risk

6. Corporate Governance:

Company has been meticulously following the laws in force, directions issued by regulatory authorities Nepal Insurance Authority, Securities Board, Company Registrar office. Company has created Compliance Department, Internal Audit Department and Risk Management Department to perform their responsibilities in an independent manner. Risk Management Department and Internal Audit Department have also been working to mitigate the risks arising from the business activities of the Company. Risk Management Sub-Committee and Audit Committee of Board review the work of Risk Management Department and Internal Audit Department respectively and provide guidelines.

7. CEO's declaration regarding truth and fairness:

I, CEO, take responsibility for the truth and fairness of the information and statements in this report till date. Besides, I declare that, to the extent of my knowledge and belief, the statements are true and fair and any information necessary for investors to take informed decisions has not been suppressed.