



COOPERATIVE EDUCATION REPORT

**Accounting practices and Overall Insurance Process of a General Insurance Company: A
Case Study of Lumbini General Insurance**

WRITTEN BY

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A Case Study of Lumbini General Insurance

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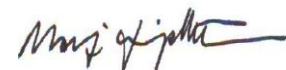
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Abstract

The cooperative report entitled Accounting and general non-life insurance practices has the goals to examine the practices of Non-life insurance company and explore its accounting practices. Objectives of the study include: (1) To examine and explore the accounting practices of a company. (2) To create a working ability in collaboration with the team members by putting theoretical knowledge into practice. (3) To assess the general non-life insurance practices and the COVID19 effect of the company. With the company, the student was assigned to work as an intern in the Finance and Accounting Department. The main responsibilities are to prepare journal entries of various incomes and expenses of the company, file vouchers systematically, calculation of tax, documentation of tax, assess the ledger book and prepare bank reconciliation statement, understand the process of insurance policy Upon the completion of the internship, it was found that the problem was resolved through means of proper communication and on job guidance gained throughout the period. The problems encountered during the internship were clear communication with the colleagues during certain period of the internship while working from home, time management issues.

Keywords: Accounting Process, Insurance Company, Lumbini General Insurance

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I would like to express my deepest gratitude towards Lumbini General Insurance Co Ltd, for accepting me as an intern which was a great opportunity to understand and explore about how the corporate world works. I would like to thank Mrs Amita Dangol (Chief Finance Officer) for accepting me as an intern and shouldering me with various responsibility that has been very fruitful learning through this opportunity. This internship wouldn't have been possible without her guidance and support. Also my sincere gratitude towards KCM and SIAM University for including such internship program as a part of the degree.

This internship opportunity has helped me broaden my knowledge about how insurance firms operate and also has helped me to put theoretical knowledge in practical life. I am very grateful for each and every staff of the company who has been helping, guiding, supporting and training me throughout my internship period.

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BBA 2017-2021

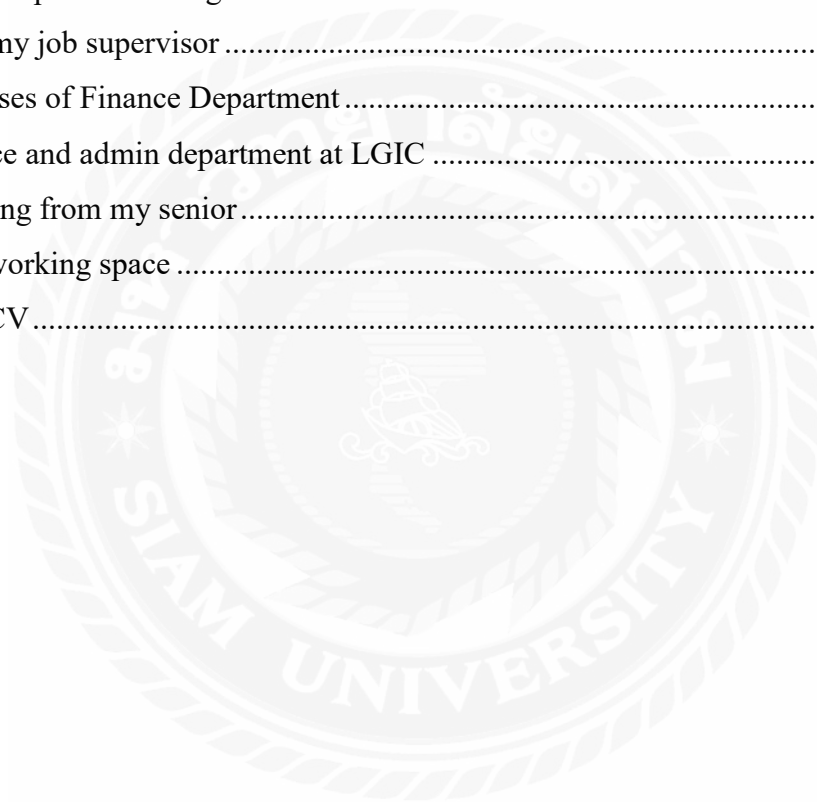
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LIST OF ABBREVIATIONS

- 1. LGIC: Lumbini General Insurance Co. Ltd**
- 2. SMART: Specific, Measurable, Attainable, Relevant and Time bound**
- 3. KCM: Kathmandu College of Management**
- 4. BBA: Bachelors in Business Administration**
- 5. HR: Human Resource**



Chapter 1: INTRODUCTION

In this chapter, the background of Lumbini General Insurance Co Ltd is presented to provide the readers information. Lumbini General Insurance Co Ltd is a well-known non-life insurance company that provides various insurance services like property insurance, marine-cargo insurance, motor insurance, engineering insurance, aviation insurance, agriculture and micro insurance and accident insurance in Nepal. The company profile, the organizational structure of the company, my motivation to choose this company as my workplace for training, and company strategic analysis are included as follows:

1.1 Company Profile

Lumbini General Insurance Co Ltd is an insurance company providing insurance services to protect against financial loss. The company was incorporated in the year 2005 by prominent businessmen, industrialists, financial institutions and commercial banks. Lumbini General Insurance operates in 25 branches in various parts of Nepal with its head office being in Gyaneshwor, Kathmandu.

Lumbini General Insurance is a non-life insurance company that provides various insurance services like property insurance, marine-cargo insurance, motor insurance, engineering insurance, aviation insurance, agriculture and micro insurance and accident insurance. Being the leading insurer of the country, LGIC provides its services to their customers with full satisfaction as the company provides prompt claim settlements.

LGIC is well known for providing fair underwriting policy. It provides SMART claim services which helps to attain high customer satisfaction. LGIC is also well known for providing Risk Management Advisory Services. The company has technically qualified and well experienced employees. LGIC was the first general insurance company that settled 100% Gorkha earthquake claims of 2015. The financial strength grading of the company is graded as Grade 3 by ICRA Nepal, which indicates average fundamentals of the company. LGIC is also a ISO 9001:2015 certified company which indicates that the company has been providing better quality services and products and provides enhanced organizational performance.

(Source: <http://lgic.com.np/#>)

1.1.1 Company Objectives, Mission and Vision

Company Objective

(Lumbini General Insurance Co Ltd, n.d.) To provide reasonable rate of return to the shareholders, good salary-benefits and career advancement to the employees, efficient service to the customers, sincere social service to the society and volume of revenue to the nation.

Company Mission

To be a Leading General Insurer of Nepal by providing Global Standard General Insurance Services to the customers and nation with wide range of products at par excellence.

Company Vision

A leading insurer of the country by providing services to the full satisfaction of customers and prompt claim settlement.

(Source: http://lgic.com.np/?page_id=124)

1.1.2 Products and Services of Lumbini General Insurance Co Ltd

Lumbini General Insurance Company Ltd. (LGIC) have jointly promoted by prominent bankers, entrepreneurs, top dealers of automobile, Tourism specialists and other products, industrialists, finance companies and vast experienced persons in the insurance industry for more than two decades.

(Source (Lumbini General Insurance, n.d.))

Products of Lumbini General Insurance:

1. Property insurance

Property Insurance Policy was issued by Lumbini General Insurance Co Ltd. On 19th January 2019. Property insurance is a contract which provides protection against the loss caused on the insured building and property due to events like earthquake, fire, flood, explosion, riots, aircraft damage, sabotage, terrorism, hurricane, storm, landslide, malicious damage, inundation, lightening and various other natural disasters.

2. Marine-Cargo Insurance

Marine-Cargo Policy was issued by Lumbini General Insurance Co Ltd. On 13th July 2005. This is a contract which provides protection against the loss caused to the insured cargo during the transit period by Land/Sea/Air. Other perils like theft, pilferage, non-delivery, war, strikes, riots which causes the loss will also be covered with extra premium on the contract.

3. Motor Vehicle Insurance

Motor Insurance policy was issued by Lumbini General Insurance Co Ltd on 17th July 2005. It is a contract which provides protection against the loss caused to the insured motor vehicle during the period of cover. Other peril such as Riot, Strike damage will also be covered with additional premium. Motor vehicle are classified as:

- Private car
- Motor cycle/scooter
- Commercial vehicle
- The risk of these vehicles are classified as:
 - Comprehensive
 - Third party
 - Personal accident and medical coverage of driver/passenger

4. Engineering Insurance

Engineering insurance policy was issued by Lumbini General Insurance on 28th July 2005. This is a contract which gives protection against loss or damage of the insured property or project during the currency of the policy which are as follows:

- Contractors' All Risks Insurance
- Contractors' Plant & Machinery Insurance
- Erection All Risks Insurance

- Marine-cum-Erection Insurance
- Loss of Profits [Machinery] Insurance
- Machinery Insurance
- Electronic Equipment Insurance
- Boiler/Pressure Plant Insurance

5. Aviation Insurance

Aviation Insurance policy was issued by Lumbini General Insurance to give protection against loss or damage to the insured during currency of the policy which includes:

- Aircraft
- Crew Members/Passengers
- Airport Liability
- Loss of License

6. Agricultural Insurance and Micro Insurance

Agriculture Insurance policy was issued by Lumbini General Insurance Co Ltd. to give protection against loss or damage caused due to earthquake, floods, landslides, diseases, insects and other natural disasters in the agriculture, farms of livestock, bird, fish and businesses like paddy, vegetables, fruits etc. These policies were introduced on 12th September 2013.

7. Miscellaneous Accident Insurance

Miscellaneous Accident Insurance was issued by Lumbini General Insurance Co Ltd. On 19th July 2005. This is a contract which provides protection against loss or damage to the insured property/people/group/institution during the currency of the respective policy. This insurance covers the following risks:

- Group/Personal Accident Insurance

- Bankers' Indemnity Insurance
- Money Insurance
- Cash-in-Transit Insurance
- Burglary Insurance
- Fidelity Guarantee Insurance
- Health [Medical & Hospitalization] Insurance
- Overseas Travel & Medical Insurance
- Credit/Debit Card Insurance
- General Third Party Liability Insurance
- Plate Glass Insurance
- Travelers' Baggage Insurance
- Professional Indemnity Insurance
- Workmen's Compensation Insurance
- Public Liability Insurance
- Micro Insurance

(Source: <http://lgic.com.np/#>)

1.2 Organizational Structure

Lumbini General Insurance Co Ltd follows line and staff organization structure. In this type of organization structure, specialized and supportive activities are done through line of command by appointing staff supervisors. The power of command remains with the line executives.

- Board of directors: the board of directors jointly supervise the company activities and helps the company make better decisions. They are responsible to determine how the company will carry out its mission through long and short term planning. Currently there are 6 board of directors in the company.

- **Company Secretary:** The company secretary looks after the efficient administration of the company. He also ensures that the company has complied with the financial and legal requirements.
- **CEO:** CEO is responsible to make the overall corporate decisions, manage the overall operations and resources of the company. He is considered as the public face of the company. He is also responsible to bridge a communication between the management and board of directors.
- **Deputy CEO:** He is responsible to develop the budget, ensures the internal governance. He is also responsible for identifying issues and challenges and execute management team to follow up. There are currently 2 Deputy CEO in LGIC.
- **Department Heads (Manager level) :** Department heads of the company looks after the overall management of their respective departments. They are responsible to train, monitor, lead and manage the staffs of the department. They ensure that the day to day operations of the company is running smoothly.
- **Staffs:** Under each department, required number of staffs work. All the staffs are directed by their department heads and they all jointly work towards achieving the goals of the company.

1.2.1 Diagram of the Organizational Structure

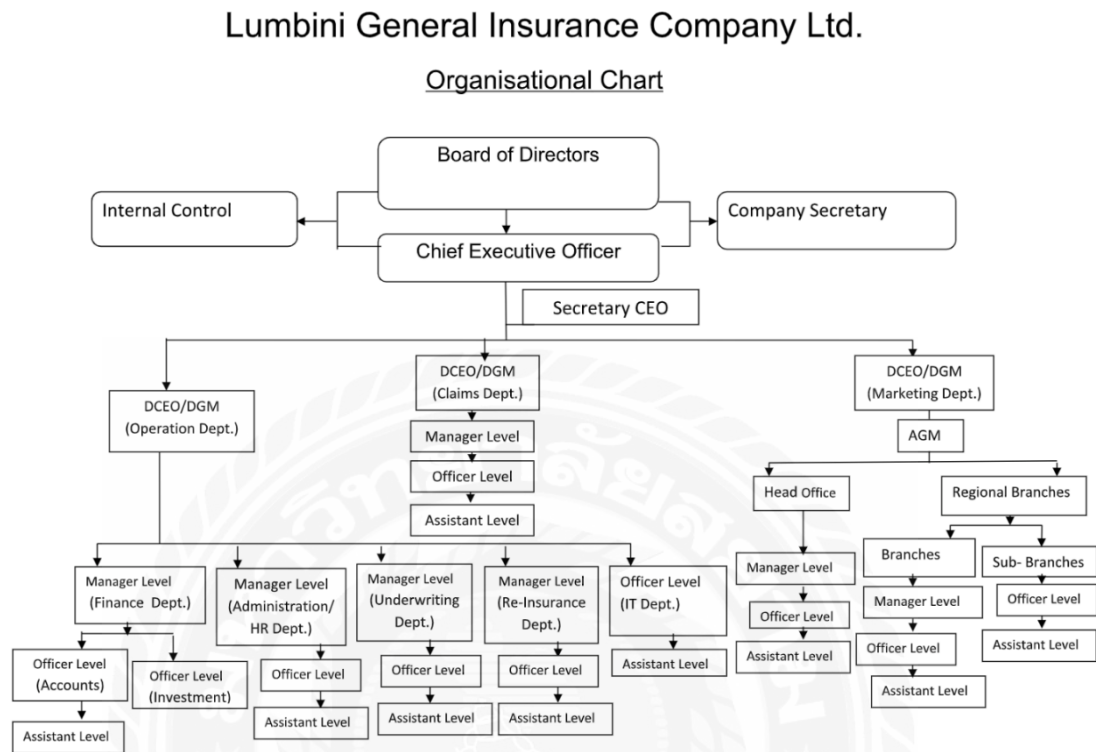


Figure 1: Organization Structure of Lumbini General Insurance

(Source: Interview with HR head)

1.2.2 My Job Position

During my Co-Op Studies, I worked in the following positions:

Week 1- Week 8: financial assistant in the finance department

During my internship period, I worked in the finance department. As an intern, my job in the first few weeks was to assist the employees of the department. My primary responsibility was to help in various activity of the finance department.

The roles and responsibilities during my internship tenure are as follows:

- Systematically filing different types of documents.
- Recording the expenses of different branches of the company through journal entries.

- Documentation and updating the VAT paid by the company
 - Confirming the premium deposits made by different branches through the bank statement.
 - Comparing the company's ledger book with the bank's statement to check if there has been any mistake and preparing bank reconciliation statement

Week 8-10: Marketing assistant in the marketing department

As an intern in the marketing department, I had to assist my seniors and observe the work they perform. They majorly dealt with customers. This department dealt with bringing new customers and providing them information about the insurance policy they want to get. I wasn't given much job in this department as I was placed in this department for a week. However, my job revolved around helping the customers to fill the KYC (Know your customer) and proposal form and observing and assisting my seniors whenever they required.

Week 10-12: Underwriting assistant in the underwriting department

As an intern in the underwriting department, the roles and responsibilities during my internship in this department are:

- Study of different types of insurance policies.
- Systematic scanning, photocopy and filing of policy papers of the customers.
- Maintaining KYC updates.
- Filling out policy renewal forms.

Week 12-14: Claim assistant in the claim department

As an intern in the claim department, I had to assist and observe my seniors and learn about the claim process. My role in this department was dealing with the customers to help them with their claiming process. I helped them fill out the claim form which was then analyzed by my seniors. It was then sent to the surveyor which is appointed by the Insurance Board of Nepal to avoid

biasedness. They would investigate the case and approve the claim amount to be covered by the company.

1.2.3 My Job Position in the Organizational Structure of LGIC

My job positions are in the diagram of the organizational Structure of LGIC as follows:

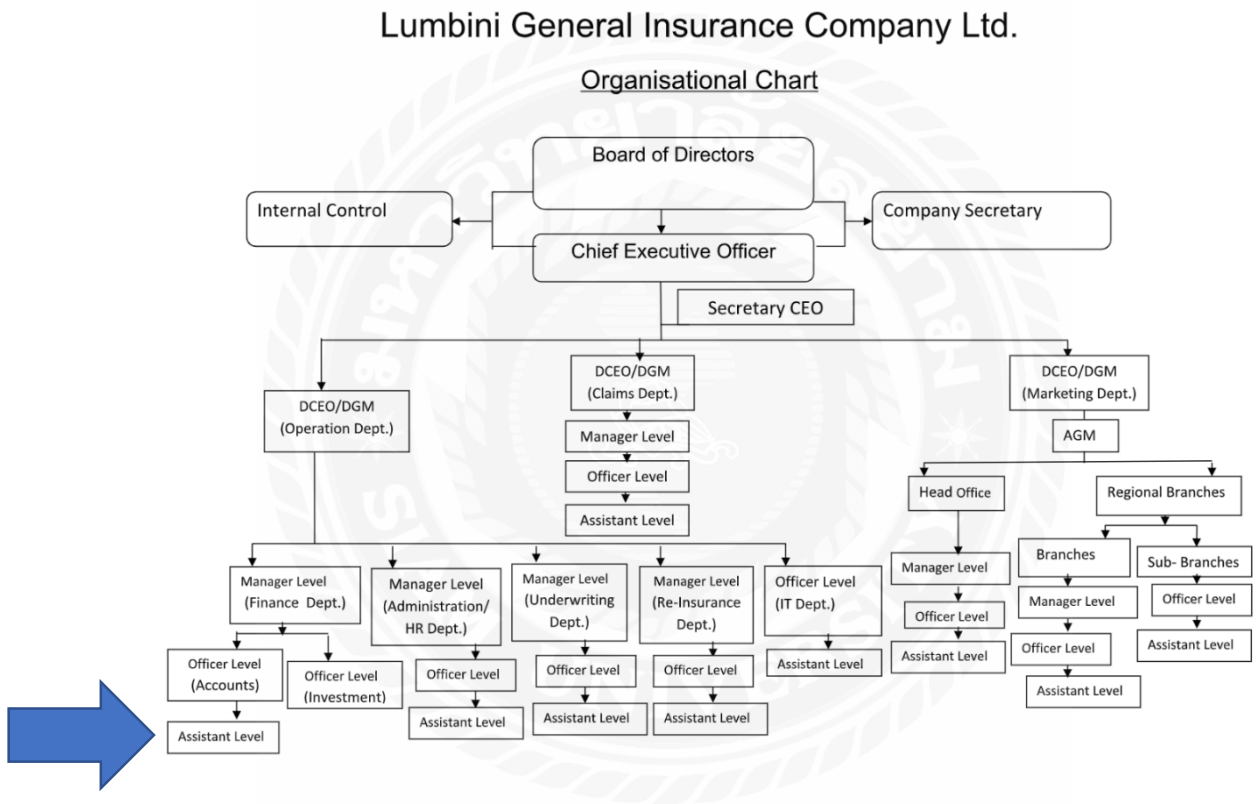


Figure 2: Job Position in Organization Chart

1.3 My Motivation to Choose the LGIC as the Workplace for My Training

I had considered several options to choose as my workplace for training. I decided to choose the LGIC because LGIC is a well-known and a very big company with 42 branches all around Nepal. I got the opportunity to work in the head office of the company, majorly in the Finance Department which was my field of interest. I

considered this opportunity to relate my academic knowledge in the practical world, being a Finance and Banking major student. Apart from this, I was also given the opportunity to work in different departments of the company for a few weeks to get a thorough knowledge about how the insurance company actually works. Also during the lockdown, LGIC had also given me the opportunity to work from my home so that my internship wouldn't get affected despite of the pandemic.

1.4 Strategic Analysis of the LGIC

To analyze the LGIC's strategies, I have used SWOT analysis tool:

- Strengths

1. SMART Claim service

Lumbini General Insurance Co Ltd. has been providing SMART (Specific, Measurable, Achievable, Realistic, and Timely) claim services to their customers. The customers will rightfully get the compensation of their loss as LGIC gives a very good claim service. This helps to attain higher customer satisfaction which is one of the strengths of the company.

2. Technically qualified and well experienced management team

LGIC has a very good HR team. Having a good management team will develop the company's strategy by enhancing the employee's perception throughout the workforce. This is also one of the strengths of the company as it helps the company to attain its goals more effectively and efficiently. Therefore, having a good team of employees is also one of the strengths of the company.

- Weakness

1. Lack of awareness

Awareness is the most sensitive issue in the sale of general insurance. Mostly illiterate people do not want get insured even if they require to. People also find the general insurance a waste of money as it is non-redeemable

2. Lack of digital advertisement in social media

Unlike other insurance companies, LGIC hasn't advertised their products in their social media accounts. Advertising in social media would have brought a lot of customers.

- Opportunity

1. Use of technology

Proper use of technology which allows the customers to get insured electronically is one of the opportunities because people wouldn't want to visit the office to get insured during the pandemic.

2. Using social media platforms to reach the customers

In today's world, social media is one of the biggest platforms to capture customers. advertising through social media would help reach a lot of target customers.

3. Conducting awareness programs

In rural areas, most people are unaware about many insurance policies. Conducting awareness programs to educate people about the insurance policies will also help reach a lot of customers.

- Threats

1. Coronavirus

This is one of the biggest threats to all the business at this moment, specially to the general insurance company as LGIC offers its new product; COVID Insurance. The increased number of COVID cases, brings about increased number of claims which will be expensive for the company. Therefore, this is one of the threats of the company.

2. Global warming

Global warming causes increased natural disasters. With the increasing natural disasters, the company might have to pay heavy claim amounts.

1.5 Statement of the report

With immense pleasure, I, Liwana Shrestha hereby present my internship report titled “Accounting and General Non-Life Insurance practices at Lumbini General Insurance” showcases my internship experience of 16 weeks. Working in the organization I was given the responsibilities like preparing journal entries of various incomes and expenses of the company, file vouchers systematically, calculation of tax, documentation of tax, assess the ledger book and prepare bank reconciliation statement, understand the process of insurance policy. It was a great experience to explore how the corporate world is like. I was supervised and guided by my job supervisor Mrs Amita Dangol throughout my internship period. I hereby confirm that this report is prepared only for my academic requirement and not for any other purposes.

1.6 Objectives of the study

As a Finance and Banking student the primary objective of the internship program is to apply the theoretical knowledge accumulated over the BBA program to practice. To know about the corporate world and to build and expand contacts and connections of the corporate world. My internship program in Lumbini General Insurance had several objectives. Those are as follows:

- To learn about the operations of the company.
- To understand the general accounting practices of the company and explore the accounting software practiced by the company.
- To learn about the work culture and adapt to the circumstances with the team members.
- To assess the various types of documents maintained by the company.
- To learn about General Insurance industry in Nepal.

CHAPTER 2: CO-OP STUDY ACTIVITIES

In this chapter, my job descriptions, job responsibilities, job process and contributions to the company are presented as follows:

2.1 My Job Descriptions

At Lumbini General Insurance, I worked as a Finance assistant in the finance department. For the last few weeks of my internship, I worked in other departments as well; Marketing, underwriting and claim department as marketing assistant, underwriting assistant and claim assistant respectively. I had helped in all these department with the day to day operations. Because of COVID, few weeks of my internship period was on work from home basis.

The roles and responsibilities that was assigned to me are listed below:

- Book keeping of daily transactions.
- Data entry; documentation and updating various records.
- Confirming deposits made by customers.
- Bank reconciliation
- Maintaining KYC (Know your customer) form.
- Systematically filing, photocopy and filling policy forms.
- Helping customers fill the claim form

2.2 My Job Responsibilities

The job responsibilities which was given to me varied from department to department.

2.2.1 Finance Department

My internship was majorly focused in the Finance department of the company. However, I also revolved around other departments of the company to understand the general insurance process. The job in this department revolved around carrying out various transactions, management of funds, proper planning and controlling of funds, documentation and reporting of financial transactions and so on. Some of the jobs which was assigned to me in this department are as follows:

Book keeping

- Preparing journal vouchers of various accounting transactions of different branches.
- These transactions were prepared on an accounting software which the company uses known as Arhant solutions. I was trained to use the software during the first few days of my internship period.

Systematic arrangement of files and documents

- Proper filing and documentation of various files of the company which includes all the vouchers of different invoices which had been prepared.
- Systematically arranging files makes it easier to get access to all the files whenever required.

Proper documentation

- The documentation of different expenses of the company was one of the responsibilities which was given to me. Those documents were prepared on Excel which was later used for the purpose of preparing financial statements and auditing purpose.

Opening bank accounts for the company for Fund Management purpose

- For the management of company's funds, I was given the responsibility of opening accounts for the company. I had to prepare the KYC form of top level managers of the company.

Confirmation of daily deposits of premium with different banks

- Working in the head office of the company, I was given the responsibility of comparing the company's ledger book with the bank's ledger book to make sure that the premiums have been deposited. I majorly focused on two branches of the company.

Preparing Bank Reconciliation Statements

- After comparing the ledger book of the company with the bank statements. I was also given the responsibility to find out the error in the statement and rectify it accordingly.

2.2.2 Other departments:

In the Marketing department, I got the opportunity to deal with customers to provide information about various insurance policies of the company. I was also involved in assisting the customers while filling the proposal form and KYC (Know your customer) forms.

In the underwriting department, I was able to understand the various types of policies of the company. The major responsibility which was given to me in this department was proper documentation. Systematically scanning, photocopy and filing of policy papers of all the new customers, maintaining KYC updates and filling out the policy renewal forms were the types of job responsibilities which I had performed in this department.

In the claim department, my role revolved around dealing with customers to help them file the claim. I assisted the customers to fill out the claim forms and prepared all the documents which was required in the claim process.

2.3 Activities in Coordinating with Co-Workers

There are 20 employees at the Finance department of Lumbini General Insurance Co. Ltd.

During my time working at Finance Department, I had to deal with my seniors who had trained me to perform various financial and accounting practices. Since I had to prepare journal entries, I was trained to use the accounting software used by the company for bookkeeping. Since I was working in the head office of the company, the accounts of all the branches were to be recorded. Therefore, I also had to deal with the staffs of other branches of the company to get the receipts to record the transactions.

Another job which was given to me was prepare bank reconciliation statements. During this period, I had to deal with the staffs of various banks to confirm the deposits and work on rectifying errors if found. I had to report all the statements to my supervisor.

While I was working in other departments, I also had to deal with the staffs of other departments. I assisted them in the jobs they performed. I assisted them while dealing with the customers. I was trained to explain the different policies of the company to the customers. I was also given the responsibility to keep track of the customer's documents and handing over it to my seniors whenever they require

2.4 My Job Process Diagram

Weeks	Key Responsibility Area
Week 2 (August 9 th – 23 rd)	Systematic filing and learning different policies
Week 4 (August 23 rd - 6 th September)	Documentation of various files and invoice
Week 6 (September 6 th -20 th)	Book keeping (journal entry, preparing ledger books)
Week 8 (September 20 ^h -4 th October)	Preparing bank reconciliation statement
Week 10 (October 4 th – 18 th)	Dealing with customers
Week 12 (October 18 th - 1 st November)	Maintaining various documents
Week 14 (1 st November- 15 th)	Assisting in claim process

Figure 3: Job Process

2.5 Contributions as a Co-Op Students at Lumbini General Insurance

During my internship, as I worked in different departments, I was able to contribute and experience more. At Finance department, the contribution I made during the internship revolved mostly about assisting my seniors in various financial functions of the company. Different accounting activities like journalizing, balancing ledger, deposit confirmation, filing and documentation etc. were performed. I was able to identify and rectify various accounting errors. I highly dedicated myself to simplify the process of dealing with a lot of transactions at once. I was a very keen learner. I carefully listened to all the instructions given by my seniors and completed all the assigned jobs on time. I assisted all my seniors whenever required and actively asked them to teach me what they have been doing. I had also prepared bank reconciliation statement which helped me connect with a lot of people inside and outside the organization. I also contributed in giving insights on proper documentation. In other departments of the company, I had given some insights on bringing new marketing plans.

Regardless of a lot of limitations and confusions, I was able to learn a lot of things which helped me with my personal growth. This internship was a wonderful experience and has made me even surer that I want to pursue my career in Finance department. At first, I was very nervous about working in such a huge company. But the friendly working environment of LGIC and very supportive seniors has helped me a lot through this internship and helped me make the most out of this internship even at this time of pandemic.



CHAPTER 3: Learning Process

In this chapter, the problem statement and how to solve the problems of the organization and my internship will be presented. I gathered the issues I found during the time of my working at Lumbini General Insurance Co Ltd. Out of a few issues which I noticed I have selected the important one to study further. I also reviewed the previous academic research and some literatures that are related to this problem to present guidelines on how to solve this issue. In addition, I interviewed, my supervisor (Finance Manager) and few other employees of the company to discuss about the practices of the company. Finally, I present a set of recommendations to the company to consider for improving the finance and operations of the company.

3.1 Problem statement

During my internship training I got chance to learn many things but I also found some issues of Lumbini General Insurance which should be considered for the company's performance improvement. The problem that I want to discuss "Impact of COVID-19 on the overall operations of the company" As we all know about the serious pandemic which hit world and created global crises. Due to this crisis people around the world are adopting social distancing and lockdown as a safety measure to control the virus.

The COVID crisis has definitely affected the company. The company added a new product, which was COVID Insurance. This has been both a boon and ban for the company as many people insured, however, the claims for this insurance has been increasing with the increasing number of cases. Because of the pandemic, the major impact was on Travel Insurance policy as people didn't travel. Motor insurance which contributes almost 50% of the company's revenue had been affected because of the lockdown people couldn't run their vehicle and there is no question of insuring or renewing their motor insurance policy. Engineering insurance was also affected because of the halt of construction business in the industry. Marine insurance was also affected as many businesses didn't operate for a long period of time and trading stopped.

Because of the lockdown, everything was on halt because of which people didn't do any insurance which hampered the insurance industry and the overall business was affected. The company incurred its fixed costs with a little revenue. This has impacted the overall finances of the company. Also, the company had to give insurance discount to the insured if they don't file any claim. This also created a tension to the company during the pandemic.

As we all know that COVID-19 hit the world and made it upside down. It has affected the life of the whole world and businesses. With the risk of health comes insurance. Lumbini General Insurance introduced its new product which is COVID-19. With the increased number of COVID cases in Nepal, millions of people applied and now the company is facing a serious issue which has to be covering the COVID-19 claims. The Insurance Board approved the coronavirus scheme because the public needed to be reassured, and it looked like a good business proposition as private companies partnered with e-pay services to process applications. As the spread of the pandemic across Nepal shows no sign of abating, insurance companies themselves may need Covid-19 insurance because of over-exposure to claims. With this the financial performance of the company was greatly affected.

COVID-19 has also affected the company in a number of other ways:

- Delay in preparing financial statements

With the lockdown in Nepal due to COVID-19, the company's operations had been halted for months because of which the company couldn't prepare and publish its financial reports of the fiscal year on time

- Adapting to working from home

Work from home has been the new normal. But this has also been a problematic one because many works have been delayed. After interviewing few staffs of the company, I came to know that the work which used to take 1 day to complete, takes 2-3 days while working from home because of communication gap.

- Work pressure

With the delay of a lot of works, there were a lot of pending works. This created a lot of work pressure and tension environment at office

3.2 Literature Review

(History of Insurance in Nepal, 2021)The first insurance company in Nepal was established in 2004 BS (1947 AD) which was named as “Nepal Malchalani Tatha Beema Company”. This company was established with the partnership with Nepal Bank Limited under Nepal Companies Act. It is a non-life insurance company which was later named as Nepal Insurance Company and is still operating now. With some political changes in the year 1989 AD, the government had adopted few economic policies which brought in new insurance companies in the market.

(Thapa, Banking and Insurance, 2056) revealed that the insurance business started to flourish in Nepal because many industries were established, and the people really became aware of the businesses. As a result, many people were involved in it which ultimately contributed to the national development. They reported around 19 insurance companies working in Nepal.

In the year 2044, National Life and General Insurance Company was established as private insurance company. It was initially a non-life insurance company which later was converted into life insurance company. From the year 1993 AD to 2008 AD 7 life insurance companies and 13 non-life insurance companies came into operation. After that new insurance companies were regulated by the insurance board (Beema Samiti) because of which new license for insurance company was halted. From 2017, 3 non-life insurance company came into operation.

Currently there are 18 life insurance companies and 20 non-life insurance companies and 1 reinsurance company in Nepal.

There has been a significant growth in the insurance industry in Nepal, both qualitative and quantitative growth. However, the insurance industry is yet to outreach for the common people residing in Nepal. Researchers have found that up until now, the insurance companies have strived good till now but with little improvisation based on market research can lead insurance companies & the concept to a level of excellence in Nepal.

(Source: <https://www.nepalitimes.com/latest/nepal-tries-to-ensure-covid-19-insurance/>)

(Source: <https://www.investopaper.com/news/history-of-insurance-in-nepal/>)

3.3 Impact of COVID-19 pandemic on doing business

(Subash Thapa, 2020)The insurance business has been expanding for several years at a satisfactory rate in Nepal. The contribution of insurance sector to the GDP to the country had

gradually increased over the years. In the last fiscal year, the insurance sector contributed 2.6% of the GDP. The number of COVID insurance policies gradually increased in Nepal.

Therefore, all the non-life insurance companies started the facility to insure corona. 1.7 million people have insured themselves with this policy until November 2020. The government provided free insurance services to all the civil servants.

With the increasing number of COVID cases in Nepal, the claims that the insurance companies received skyrocketed. Insurance companies had received claims up to Rs. 1.28 billion by November 2020.

Like every other sector, COVID-19 has impacted the insurance industry as well. Most of the companies has started adopting work from home culture. Businesses have also started operating online. As insurance business is one of the most on demand businesses at this time of pandemic, it is very important to conduct their services online. With the increasing numbers of covid cases every day, the insurance industry should focus on looking for measures to reduce the burden of the company.

Businesses should start adopting flexibility to work from home which should also be convenient and easy for the employees so that the productivity does not get affected.

The Corona Virus (COVID 19) Policy

Insurance Plan :

Plan	Sum Insured (Per Person)	For Individual (Premium for single insured)	For Family (Premium for each family member)
Plan A	Rs. 100,000.00	Rs. 1000.00	Rs. 600.00
Plan B	Rs. 50,000.00	Rs. 500.00	Rs. 300.00

Coverage: If insured person is infected with Corona Virus (Covid 19) and diagnosed positive Polymerase Chain Reaction (PCR) Test he/she is entitled to be compensated for sum insured agreed for individual basis in the policy schedule.

Eligible Age: From 3 months onward to till 99 years of age. The policy valid for 12 months after the date of issuance.

How to purchase policy? Company Online (web page) or App service, also contacting nearest branch office or marketing staff.

Claim: If insured person is infected with Corona Virus (Covid 19) and found positive on Polymerase Chain Reaction (PCR) Test, he/she is entitled for claim.

Figure 4: New Insurance Policy

(Source: <https://www.investopaper.com/news/corona-insurance-in-nepal/>)

3.4 The Business Management Practices at Lumbini General Insurance

As an intern in Lumbini General Insurance for 14 weeks, I was able to figure out different problems in the business. There were various positive and negative aspects of the operations in the company which I noticed.

Some of the positive aspects were that the company has a very systematic and smooth workflow. As the company operates department wise, each department performs their work which will be then flowed to other departments accurately and in a timely manner. As I dealt with few customers, I also listened to a few positive feedbacks from them. The customers were very happy and satisfied with the services the company provided. They said that the company's claim service is very convenient and quick compared to other insurance companies in Nepal. Some of the negative points of the company were that the company lacks e-commerce business even at this time of pandemic. The company also does not practice digital marketing to advertise its products.

Some of the problems I went through during my time of internship are as follows:

- Adjusting to the new office culture
- Being assigned with trivial jobs
- Communication gap
- Miscommunication
- Lack of access to the company's software

3.5 Recommendations to the Company

As an intern at Lumbini General Insurance Co Ltd, I would recommend few things which I think would help the business grow. The recommendation which I would want to present would be focusing more on marketing campaign which brings about awareness to people about why they should do insurance. As many people don't trust insurance companies because of poverty. Therefore, insurance companies should take the initiative to solve these kinds of issues of the country.

Another recommendation which I would want to give is to hire some more employees which will increase the efficiency of employees. As I noticed that the employees of the company had heavy workloads and they always worked extra hours.

3.6 What I have Learned during Co-Op Studies at Lumbini General Insurance Co Ltd.

The following are the things I've learnt during my internship period.

- **Communication**

This is one of the most important part of any job. I got to build my communication skills through this opportunity.

- **Developing public relation**

This internship opportunity has helped me explore the corporate world and meet a lot of professionals. This will be very fruitful for my future career.

- **Importance of coordination**

All the staffs of the company works towards achieving the same organizational goal. Therefore, the importance of co-ordination between all the departments is very crucial for the smooth functioning and healthy environment of the company.

- **Self confidence**

This opportunity has helped me build my self-confidence. Self-confidence is very important that helps us build career. Through this opportunity, I was able to communicate with people more confidently and was able to perform my assigned.

- **Initiation**

This is one of the most important quality that should be possessed by any intern. One shouldn't wait for others to come and teach you. As an intern, I wanted to learn a lot of things and make the most out of this internship. I approached as many people as I could at my workplace to understand and learn more things.

Other things I learnt during my internship are as follows:

- the importance of cross checking and proper data management.
- Time management and its impact on the quality of work
- The importance of having a senior member's guidance to have my doubts cleared.
- The importance of work ethics.

Every day was a new learning experience to me. I was assigned to work in the finance department which helped me learn about the general accounting practices of the company. Working in an insurance company, I also got to learn about general non-life insurance practices of the company. Even though the jobs assigned to me was quite monotonous, I was highly motivated in doing the assigned jobs as I got better every day and also because it was of my interest. Working in other departments of the company, I got a lot of exposure and got to learn other operations of the company.

I was able to develop my communication and interaction skills. During my internship, I was able to understand about the corporate culture and how it acts as a unit. I got to understand the corporate working environment which is very important part of career development as a business student. The friendly working environment and the company activities acted as a motivator for me to learn and develop new skills. As a student with little work experience, this journey helped me value the importance of proper communication. I was also able to develop my interaction skill. There is a certain way to interact with the seniors. I also got to build networks and build good relation with the staffs. This will also be a benefit for my future career. Establishing and maintaining relations is an equally important thing for the growth of the company as well.

Having a very supporting supervisor, I not only got knowledge about the operations of finance department, but also the insurance company. This experience had helped me explore more about insurance industry. During my internship, I also got the opportunity to develop my computer related skills as I had to work on Microsoft Word, Microsoft Excel and the company's accounting software ARHANT SOLUTIONS. The use of technology increased my ability to relate theoretical knowledge with the practical knowledge or the assigned work in the organization

3.6 How I Applied the Knowledge from Classrooms to My Co-Op Work

Through my internship period, I was able to relate most of the things which I had already learnt in class. I was able to perform accounting practices such as journal entries, preparing ledger books, bank reconciliation statements. I was also able to relate to a lot of management practices which the company adopted. While I was working in the finance department, the company was working on its financial reports for the year. I also got the chance to study the companies' financials and was able to understand and analyze a lot of things. I regularly reviewed by coursework which helped me perform a lot of tasks in a better way.

3.7 Special Skills and New Knowledge I gained from the Co-Op Studies

I was able to learn a lot of things during my internship period. as mentioned in other sections, I was able to gain a lot of knowledge and skills with the various activities which was assigned to me. The special skills and new knowledge which I gain are as follows:

1. Use of accounting software

As I was trained to use the company's accounting software (ARHANT SOLUTIONS) for various book keeping activities, this has been one of the new things to me. As accounting in classroom were only related to solving questions and case studies, I could develop my skill in this field.

2. Dealing with customers

I was trained to learn about different products of the company. This helped me a lot while I was communicating and solving the queries of the customers. This also heled me build my communication skills.

3. Data visualization

I was able to improve my skills of data visualization. As the documents were very huge, it needed proper documentation. I was able to document the files systematically and regularly

Chapter 4: Conclusion

In this chapter, summary of the study as well as work experience evaluation, limitations of the co-op studies, and recommendations will be presented

4.1 Highlights of Co-Op Studies at Lumbini General Insurance Co Ltd

The 14-week work experiences at Lumbini General Insurance Co Ltd. introduces me to insurance industry in Nepal. Lumbini General Insurance is one of the non-life insurance companies of Nepal. I worked as a finance assistant and also revolved around different departments of the company which has given me an idea of the overall insurance process of the company. The major roles which was given to me was bookkeeping, bank reconciliation, systematic filing and documentation, assisting the customers and my seniors and also learning about various policies of the company. With all these responsibilities which was given to me, I got to relate what had been taught in class to the real world practices. I got the opportunity to build a lot of connections which will be beneficial for my career in future. With all the experience and learnings, I can say that my internship at Lumbini General Insurance has been a fruitful one.

4.2.1 Self-assessment

Under the completion of the internship, it has given me the opportunity to apply the theories like Ledger and journal entries, Income and expenses, sundry creditors and taxation which has been already studied in the professional work setting. It has given the exposure to learn about the financial activities, knowledge and tools that are performed in organization. It has also given me the exposure on the insurance industry of Nepal. Hence, the desired objectives for joining the company as an intern has been fulfilled which has been rewarding, knowledgeable and memorable.

My objectives of doing this internship are achieved as follows:

- To learn about the operations in the Finance Department.
- To understand the general accounting practices of the company and explore the accounting software practiced by the company.

- To learn about the work culture and adapt to the circumstances with the team members.
- To assess the various types of documents maintained by the company.
- To learn about General Insurance industry in Nepal.

4.2.2 Self-assessment as Professional:

The internship at Lumbini General Insurance has proven to be fruitful for me as I have learned a lot and developed both my personal and professional skills. This opportunity has helped me broaden my knowledge, vision and ability to work in practical life. This opportunity was a great chance to link theoretical knowledge learnt in class in practical life. I have done internship in other organizations working in various departments but this experience has helped me realize what career path I want to follow in future, as in this internship opportunity I got to work closely with all the staffs of the finance department. Through this internship, I also learnt that different organizations have different methods of accounting and maintaining data. I got to learn about the accounting software used by the company which is ARHANT SOLUTIONS. I also came to understand the impact an authoritative figure can have by just working in close quarters with the rest of the employees. Not only does this help the employees clear their doubts and improve effective communication, but it also improves work efficiency

Working in an insurance company, I also got to widen my knowledge about the insurance industry in Nepal. I got to learn about the insurance process of the company and various insurance policies that the company offers. I was pushed by my supervisor to not just limit my learnings on finance sector but the whole insurance sector as well. I learnt about how the insurance is proposed. I also got a wide knowledge about the terms and conditions of different policies and other process of filing and inspecting the insurance claim.

This internship made me revise my own strength and weakness, which enabled me to hone my strength further and turn my weaknesses into strength. I was able to understand the fact that opportunities and chances are available around us if only we are able to grab them at time and make proper use out of them.

I am extremely grateful to have this opportunity which wouldn't have been possible without KCM and SIAM pushing us for this internship as well as Lumbini General Insurance for welcoming me as an intern and explore a lot of things.

During my tenure of internship, I faced certain challenges as an intern. However, I tried my level best to address the problems and solve them. Some of the problems that were faced during my internship period are as follows:

- Adjusting to the new office culture

During the first few days of my internship, as I was the only intern in the company. Therefore, I was quite hesitant and unable to socialize with my seniors. Adjusting to the new office culture was quite a struggle for me.

- Being assigned with trivial jobs

During the first few days of my internship, I was only assigned with simple jobs which was quite discouraging. However, with time the assigned jobs improved.

- Communication gap

Due to the COVID 19 pandemic, few weeks of my internship period was based on working from home. During that period, I had faced communication gap problem because my seniors wouldn't be available at all times if any problem while working arises.

- Miscommunication

Miscommunication between different banks and the company had caused many accounting errors. Sometimes it was very difficult to identify the error.

- Lack of access to the company's software

Since most of my internship was based on working from home and I was not given the permission to use the company's e-banking, I had to depend on my seniors to get access to all bank statements through email. This was time consuming.

4.2.3 Provide supportive examples

The solutions I applied to solve the above problems are as follows:

- Adjusting to new office culture:

As I was the only intern in the company, I had to adjust working with all the seniors. I tried bonding with my seniors during lunch hours. Also, because I was very keen about learning new things, all my seniors were very supportive and helped me a lot.

- Being assigned with trivial jobs

As an intern, I was only assigned to do simple jobs like filing and documentation which was quiet discouraging as I felt it wasn't adding to my abilities. However, with time all my seniors helped me training and understanding many challenging jobs which was new to me.

- Communication gap

To avoid communication gap, I tried to communicate all the problems I faced at once. This saved both mine and my seniors time as they could help me with all my problems at once. The communication gap faced when I was working from home also encouraged me to find ways to solve the accounting problems on my own without consulting my seniors.

- Miscommunication

The errors caused due to miscommunication had to be rectified. I was able to rectify it with constant support and guidance from my seniors.

- Lack of access to company's software

Because I didn't have the access to using the company's internet banking and other software, I tried to document all the statements that had been sent to me in a systematic way. This helped me a lot when I had to use old statements in future.

4.3 Limitations of My Co-Op Studies

As we all know about the serious pandemic which hit world and created global crises. Due to this crisis people around the world are adopting social distancing and lockdown as a safety measure to control the virus.

In Nepal, the government imposed lockdown twice due to which the company had to close its operation for a few weeks during my internship. Because of the wide spread of the virus, I had to switch to working from home. This unfortunate pandemic had caused me valuable time which would have been devoted in learning and understanding through the internship even better. To make the most out of the situation, I devoted my time on learning about different insurance companies and the products they offer. While working from home, I was constantly in touch with my seniors who guided me through online platforms.

The COVID crisis has definitely affected the company. The company added a new product, which was COVID Insurance. This has been both a boon and ban for the company as many people insured, however, the claims for this insurance has been increasing with the increasing number of cases. Because of the pandemic, the major impact was on Travel Insurance policy as people didn't travel. Motor insurance which contributes almost 50% of the company's revenue had been affected because of the lockdown people couldn't run their vehicle and there is no question of insuring or renewing their motor insurance policy. Engineering insurance was also affected because of the halt of construction business in the industry. Marine insurance was also affected as many businesses didn't operate for a long period of time and trading stopped. Because of the lockdown, everything was on halt because of which people didn't do any insurance which hampered the insurance industry and the overall business was affected. The company incurred its fixed costs with a little revenue. This has impacted the overall finances of the company. Also, the company had to give insurance discount to the insured if they don't file any claim. This also created a tension to the company during the pandemic.

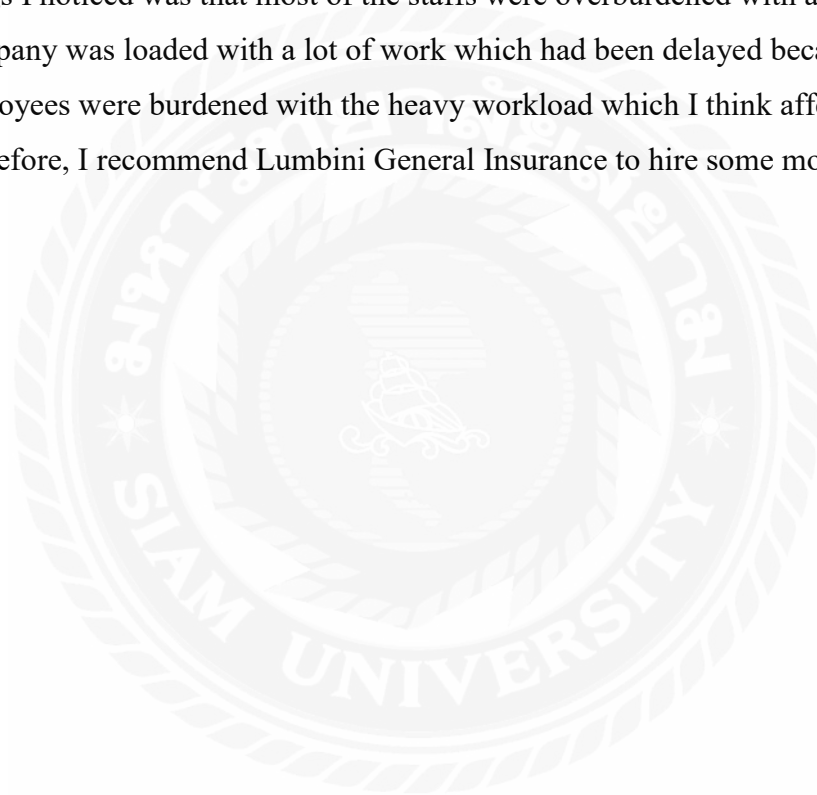
4.4 Recommendations for the Company

Working in Lumbini General Company as an intern I got to experience and understand how the insurance company works. I am very happy that this opportunity turned out to be a fruitful one as I gained a very good work experience in multiple departments. I would recommend Lumbini

General Insurance Co. to offer more of such internship offers in future since there weren't any other interns during my internship period and also in the past.

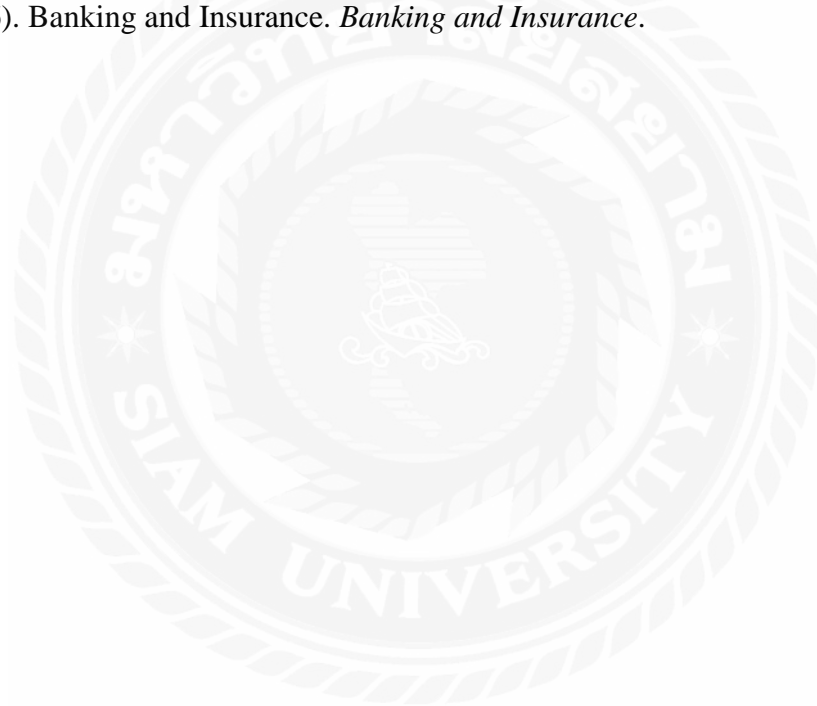
I would also recommend the company to focus more on bringing awareness to the people to do insurance which suits best to cover their risks. Many illiterate people in Nepal do not do any insurance as they think it is a waste of money. Therefore, I would recommend the marketing department of the company to conduct various awareness programs especially in the rural areas of Nepal. With the increasing number of claims that has been affecting the company's financials, I would also recommend the company to take measures to control the expenses.

One of the things I noticed was that most of the staffs were overburdened with a lot of workload. Even if the company was loaded with a lot of work which had been delayed because of the lockdown, employees were burdened with the heavy workload which I think affected the efficiency. Therefore, I recommend Lumbini General Insurance to hire some more employees.



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APPENDICES



Figure 5: My workplace Building



Figure 6: With my job supervisor



Figure 7: Glimpses of Finance Department



Figure 8: Finance and admin department at LGIC



Figure 9: Learning from my senior



Figure 10: My working space



CURRICULUM VITAE



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OBJECTIVE

To apply for the post of finance assistant at LGIC with my interpersonal, communication and finance analyst skills to help the company grow and become the manager in the next 5 years.

SKILLS

- Web designing diploma course.
- Computer: Microsoft office package (Microsoft word, Power Point, Excel), Adobe Photoshop,

VOLUNTEER EXPERIENCE OR LEADERSHIP

- Treasurer of KCM Arts Club
- KCM Mentorship Program

EXPERIENCE

1. Nepal Investment Bank Limited
 - Experience in Customer Service Department
 - Exposure in Trade and Finance department, cash and forex department.
2. Movers and Shakers Events.
 - Experience in managing events.
 - Duties was to look after all the financials of the events.
3. Lumbini General Insurance.
 - Experience in Finance department majorly in accounting

EDUCATION

St Mary's School (2005-2015)

- Completed School Leaving Certificate with distinction.

St Mary's High School (2015-2017)

- Concentration: Management
- National Examination Board (NEB)

Kathmandu College of Management (KCM) (2017-2021)

- "Bachelor's in Business Administration" (Affiliated to SIAM UNIVERSITY, BANGKOK)
- Major in Finance and Banking

Figure 11: My CV