

प्रथम वार्षिक प्रतिवेदन

२०७४/०७५



सानिमा इन्स्योरेन्स कम्पनी लि.
Sanima Insurance Company Ltd.

सिटी एक्प्रेस कम्प्लेक्स, पत्र मन्जुषा नं.: १६२२, कमलादी, काठमाडौं ।
फोन नं.: ४४२७१७०/७१/७२, ४४२७१०१, फ्याक्स नं.: ४४२७१०३



संचालक समिति



डा. जुगल भुर्तेल
अध्यक्ष



अरुण कुमार ओभा
संचालक



खेम राज लामिछाने
संचालक



डा. माणिक लाल श्रेष्ठ
वैकल्पिक संचालक



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सानिमा इन्स्योरेन्स कम्पनी लि. को प्रथम वार्षिक साधारण सभा बस्ने सम्बन्धी सूचना

श्री शेयरधनी महानुभावहरू

यस सानिमा इन्स्योरेन्स कम्पनी लि. को संचालक समितिको मिति २०७५ फागुन ६ गते बसेको ५८ औं बैठकको निर्णय अनुसार कम्पनीको प्रथम वार्षिक साधारण सभा निम्न मिति, स्थान र समयमा देहाय बमोजिमका विषयहरू उपर छलफल गरी निर्णय गर्न बस्ने भएको हुँदा कम्पनी ऐन, २०६३ को दफा ६७ बमोजिम सम्पूर्ण शेयरधनी महानुभावहरूको जानकारी तथा उपस्थितिका लागि यो सूचना प्रकाशित गरिएको छ।

सभा बस्ने मिति, स्थान र समय:

मिति : २०७५ साल चैत्र ३ गते आइतबार, तद्अनुसार (मार्च १७, २०१९)

स्थान : होटल एलो पेगोडा, कान्तीपथ, काठमाडौं।

समय : विहान ११:३० बजे

छलफलका विषयहरू :

क) सामान्य प्रस्तावहरू :

१. संचालक समितिको तर्फबाट अध्यक्षज्यूबाट प्रस्तुत आ.व.२०७४।०७५ को वार्षिक प्रतिवेदन पारित गर्ने बारे।
२. NFRS बमोजिमको आ.व.२०७४।०७५ को वित्तिय विवरण तथा लेखा परिक्षण प्रतिवेदन उपर छलफल गरी पारित गर्ने बारे।
३. लेखापरिक्षण प्रतिवेदन सहित आ.व. २०६४।०६५ देखि आ.व. २०७३।०७४ सम्मको वासलात, नाफा नोक्सान हिसाब, नगद प्रवाह विवरण सहित अनुसूचिहरू पारित गर्ने बारे।
४. संचालक समितिको शिफारिस बमोजिम आर्थिक वर्ष २०७५।०७६ को बाह्य लेखा परिक्षक नियुक्ति गर्ने तथा निजको पारिश्रमिक तोक्ने बारे।
६. संस्थापक समुहबाट ४ जना संचालकहरूको निर्वाचन गर्ने बारे।
७. संचालक समितिका अध्यक्ष र सदस्यहरूको बैठक भत्ता तथा अन्य उप समितिका सदस्यहरूको बैठक भत्ता अनुमोदन गर्ने बारे।

ख) विशेष प्रस्तावहरू :

१. कम्पनीको नियमावलीको ५ (१), नियम ६ (९), नियम ८(२), नियम ११ (क) तथानियम ३७(३) मा संशोधन गर्ने तथा उक्त संशोधनमा कम्पनी रजिष्ट्रारको कार्यालय, बीमा समिति वा अन्य नियमनकारी निकायबाट कुनै फेरबदल गरेमा आवश्यक संशोधन तथा परिमार्जन गर्न संचालक समितिलाई अख्तियारी प्रदान गर्ने बारे।
२. कम्पनीको नाम सानिमा इन्स्योरेन्स कम्पनी लि. लाई परिवर्तन गरी सानिमा जनरल इन्स्योरेन्स लि. राख्ने बारे।

ग) विविध।

संचालक समितिको आज्ञाले
कम्पनी सचिव



साधारण सभा सम्बन्धी सामान्य जानकारी

- १) सभामा भाग लिन आउनु हुने शेयरधनी महानुभावहरूले आफ्नोपरिचय खुल्ने प्रमाणपत्र वा शेयर प्रमाण पत्र साथमा लिई आउनु हुन अनुरोध छ ।
- २) सभामा भाग लिनका लागि प्रतिनिधि नियुक्त गर्न चाहने शेयरधनी महानुभावहरूले प्रतिनिधि फारम (प्रोक्सी) सभा हुने दिनभन्दा कम्तिमा ४८ घण्टा अगावै अर्थात् २०७५ साल चैत्र १ गते दिनको ११:३० बजे भित्र कम्पनीको केन्द्रिय कार्यालय भित्र दर्ता प्रोक्सी फारम गराई सक्नु पर्नेछ । सभामा भाग लिन र मतदान गर्नका लागि प्रतिनिधि नियुक्त गरिसकेपछि, उक्त प्रतिनिधि बदर गरी अर्कै मुकरर गर्ने भएमा सो को लिखित सूचना सोही अवधि भित्र कम्पनीको रजिष्ट्रार कार्यालयमा दर्ता गराई सक्नु पर्नेछ । यसरी प्रतिनिधि प्रोक्सी नियुक्त गरिएको व्यक्ति समेत कम्पनीको शेयर धनी हुनु पर्नेछ ।
- ३) कुनै संगठित संस्था वा कम्पनीले शेयर खरिद गरेको हकमा त्यस्ता संगठित संस्था वा कम्पनीले मनोनित गरेको प्रतिनिधिले शेयरधनीको हैसियतले सभामा भाग लिन सक्नु हुनेछ ।
- ४) शेयरधनी महानुभावहरूको सुविधाको लागि हाजिरी पुस्तिका सभास्थलमा सभा हुने दिन बिहान ११:०० बजे देखि सभा रहुन्जेलसम्म खुल्ला रहनेछ ।
- ५) सभा सम्बन्धी अन्य विस्तृत जानकारीको लागि कम्पनीको केन्द्रिय कार्यालय, सिटि एक्प्रेस, कमलादी, काठमाडौंमा कार्यालय समय भित्र कम्पनी सचिवसंग सम्पर्क राख्न अनुरोध गर्दछु ।
- ६) सभाको दिन सभा शुरु हुनुभन्दा अगावै सभा कक्षमा उपस्थित भई दिन हुन सम्पूर्ण शेयरधनी महानुभावहरूलाई अनुरोध गरिन्छ ।



अध्यक्षज्यूको मन्तव्य

यस सानिमा इन्स्योरेन्स कम्पनीको प्रथम वार्षिक साधारण सभामा भाग लिन पाल्नु भएका संस्थापक शेयरधनी महानुभावहरु तथा आमन्त्रित महानुभावहरुमा यस कम्पनीको संचालक समिति तथा मेरो आफ्नै तर्फबाट हार्दिक स्वागत अभिवादन गर्दछु ।

बीमाको आवश्यकता तथा महत्वलाई ध्यानमा राखी बीमा व्यवसाय संचालन गर्न एक दशकको अथक प्रयास पछि हामीले नियमक निकायहरुबाट संचालन अनुमति प्राप्त गरी गत २०७५ साल आषाढ २७ गते बाट विधिवत् कारोवार शुरु गरेको यहाँहरुमा सहर्ष जानकारी गराउँदछौं ।

बीमा आजको आधारभुत आवश्यकता भईसकेको सन्दर्भमा प्राकृतिक प्रकोप लगायत विभिन्न प्रकारका दुर्घटनाहरुका कारण हुने आर्थिक नोक्सानीले यसको आवश्यकतालाई अझ प्रष्टाएको छ । हाम्रो मुलुकको १४ प्रतिशत जनतामात्र बीमा सेवाको दायरामा रहेको सन्दर्भमा हामीले यस आवश्यक सेवाको दायरालाई बढाई बढी भन्दा बढी जनतामाझ पुऱ्याउन परम्परागत बीमा सेवाका साथै समयानुकूल Critical Illness, Loan Shield जस्ता नवीन बीमा प्रोडक्टहरु ल्याउने प्रक्रियामा छौं ।

यस कम्पनीको व्यवसाय शुरुआतसगै व्यवसायको पुर्वाधार र संरचनाको विकासलाई प्राथमिकताका साथ कार्यहरु गर्दै आईरहेका छौं । मुलुक भरका जनताहरुमा बीमालाई सर्व शुलभ बनाउनका लागि हामी हालसम्म विभिन्न स्थानमा १० वटा शाखाहरु स्थापना गरिसकेका छौं । यस आर्थिक वर्षको अन्त्य सम्ममा थप ४ वटा शाखाहरु स्थापना गर्ने गरी काम भईरहेको छ ।

हाम्रो जस्तो कृषि प्रधान देशमा बाली बीमा, पुश तथा पंक्षी बीमा केही वर्ष देखिमात्र शुरु भएको छ । यो बीमा सेवालार्ई कृषकहरु माझ पुऱ्याउन नियामक निकायबाट प्राप्त निर्देशन अनुरूप हामीले तराई तथा भित्री मधेशका ३ जिल्लाहरुमा शाखा विस्तार गरि सेवा उपलब्ध गराईरहेका छौं ।

कारोवार शुरु भएको यस छोटो अवधिमा बीमा बजारको पुर्ण प्रतिष्पर्धाका विच यस कम्पनीले आफ्नो छुट्टै छवी कायम राख्न प्रयासरत छ । नयाँ बीमा कम्पनीहरुको आगमन पछि बीमा व्यवसायमा थप प्रतिस्पर्धा श्रृजना भएकोले कारोवारमा थप असर पर्नु स्वभाविक हो । यसका साथै मुलुकको आर्थिक गतिविधीको उतार चढावले पनि बीमा व्यवसायमा प्रतक्ष्य तथा अप्रतक्ष्य प्रभाव परेको छ । तथापि यस कम्पनीले चालु आ.व.२०७५।०७६ को माघ मसान्त सम्म रु. ५ करोड ८१ लाख बीमा शुल्क संकलन गरेको छ । बीमा व्यवसायबाट उत्पन्न हुने जोखिम व्यवस्थापन गर्न हाम्रो कम्पनीले जर्मनीको विश्व विख्यात पूनर्बीकम कम्पनी Hannover Re को मलेशिया स्थित शाखा कम्पनीको अगुवाईमा पूनर्बीमा सम्झौता गर्न सफल भएको छ ।

कम्पनी ऐन २०६३ को दफा १०९ बमोजिम तयार गरिएको आर्थिक वर्ष २०६४।०६५ देखि २०७३।०७४ सम्मको तथा बीमा समितिको निर्देशन बमोजिम यस कम्पनीले नेपाल वित्तीय प्रतिवेदन मान (Nepal Financial Reporting Standard) बमोजिम तयार गरेको आर्थिक वर्ष २०७४।०७५ को वित्तीय विवरणहरु सहितको वार्षिक प्रतिवेदन अनुमोदनका लागि यहाँहरु समक्ष प्रस्तुत गरेका छौं । यस कम्पनी नेपाल वित्तीय प्रतिवेदन मान (NFRS) बमोजिमको प्रतिवेदन तयार गर्ने नेपालको बीमा कम्पनीहरु मध्ये पहिलो कम्पनी भएको जानकारी गराउँदा मलाई खुसी लागेको छ ।

हामी बीमा क्षेत्रमा नीतिगत सुधार गर्न नियमक निकायहरु र बीमा व्यवसायीहरुसंग सहकार्य गर्दै आएकाछौं । हाम्रो कम्पनीको पहिलमा बीमा समितिबाट कुनै बीमा कम्पनीले आफ्नो संस्थापक बैंक तथा वित्तीय संस्थाका ऋणीहरुलाई बीमा सेवा प्रदान गर्न पाउने नीतिगत व्यवस्था स्पष्ट गरी निर्देशन जारी भएको छ ।

अन्त्यमा, यस कम्पनीको स्थापनाकाल देखि सहयोग गर्नु हुने नियामक निकाय बीमा समिति, कम्पनी रजिष्ट्रारको कार्यालय, उद्योग विभाग, वाणिज्य बैंक तथा वित्तीय संस्थाहरु, स्वदेशी र विदेशी बीमा तथा पूनर्बीमा कम्पनीहरु, लेखा परिक्षकहरु, बीमा अभिकर्ताहरु लगायत अन्य सघं संस्था तथा ग्राहकवर्गहरु प्रति आभार तथा धन्यवाद ज्ञापन गर्दछु ।

कम्पनीको व्यवसाय प्रवर्द्धनमा ईमान्दारी र लगनशीलताका साथ योगदान दिनु हुने यस कम्पनीका सम्पूर्ण कर्मचारीहरुलाई पनि यस अवसरमा संचालक समितिको तर्फबाट धन्यवाद दिन चाहन्छु ।

यस साधारण सभामा सहभागी हुन पाल्नु भएका सम्पूर्ण शेयरधनी महानुभावहरु लगायत सबै अतिथीहरुलाई यहाँहरुको गरिमामय उपस्थितिका लागि धन्यवाद ज्ञापन गर्दै अमूल्य सुझावको अपेक्षा राखेकाछौं ।

धन्यवाद ।

अध्यक्ष

मिति : २०७५ साल चैत्र ३ गते, आइतवार ।



वार्षिक साधारण सभामा संचालक समितिको तर्फबाट
अध्यक्ष डा. जुगल भुर्तेलबाट प्रस्तुत
आ.व. २०७४/०७५ को वार्षिक प्रतिवेदन

आदरणीय शेयरधनी महानुभावहरू,

यस कम्पनीको प्रथम वार्षिक साधारण सभामा भाग लिन पाल्नु भएका शेयरधनी महानुभावहरूमा यस कम्पनीको संचालक समिति तथा मेरो आफ्नै तर्फबाट हार्दिक स्वागत अभिवादन गर्दछु।

बीमाको आवश्यकता तथा महत्वलाई ध्यानमा राखि बीमा व्यवसाय संचालन गर्न मिति २०६४ साल आषाढ ७ गते कम्पनी रजिष्ट्रार कार्यालयमा कम्पनी दर्ता गराई नियामक निकाय बीमा समितिमा बीमा व्यवसाय संचालन अनुमतिका लागी निवेदन दर्ता गराएका थियौं। बीमा समितिबाट मिति २०७४ साल माघ २४ गते यस कम्पनीलाई बीमकको रूपमा दर्ता गरि मिति २०७५ साल आषाढ १४ गते कारोवार संचालन अनुमति प्रदान हुनका साथै कम्पनी रजिष्ट्रारको कार्यालयबाट पनि मिति २०७५ साल आषाढ २४ गते कारोवार संचालन अनुमति प्राप्त भएको शेयरधनी महानुभावहरूलाई सहर्ष जानकारी गराउँदछौं।

कम्पनी ऐन २०६३ को दफा १०९ बमोजिम तयार गरिएको आर्थिक वर्ष २०६४/०६५ देखि २०७३/०७४ सम्मको तथा बीमा समितिको निर्देशन बमोजिम यस कम्पनीले नेपाल वित्तीय प्रतिवेदन मान (NFRS) बमोजिम तयार पारेको आर्थिक वर्ष २०७४/०७५ को वित्तीय विवरणहरू सहितको वार्षिक प्रतिवेदन अनुमोदनका लागि यहाँहरू समक्ष प्रस्तुत गरेका छौं। नेपाल वित्तीय प्रतिवेदन मान (NFRS) बमोजिमको प्रतिवेदन पहिलो पटक यस आर्थिक वर्ष देखी बीमा कम्पनीहरूबाट माग गरिएको थियो। हाम्रो कम्पनी यस्तो नेपाल वित्तीय प्रतिवेदन मान (NFRS) बमोजिम प्रतिवेदन तयार गर्ने पहिलो बीमा कम्पनी भएको जानकारी गराउन पाउँदा मलाई खुसी लागेको छ।

१) क. विगत वर्षको कारोवारको सिंहावलोकन

समीक्षा वर्षको आ. व. २०७४/०७५ को आषाढ २७ गतेबाट यस कम्पनीले व्यवसायिक कारोवार शुभारम्भमा गरेको जानकारी गराउदै उक्त ५ दिनको कारोवारको मुख्य सूचकाङ्कहरू यहाँहरू समक्ष पेश गर्न चाहन्छु।

विवरण	रकम (रु)
कुल बीमा शुल्क	२७४,१००
असमाप्त जोखिम बापत बीमा शुल्क	(२७०,०८६)
२०७४/०७५ को आर्जित बीमा शुल्क	४,०१४
पूनर्बीमा शुल्क	१४३,०२१
असमाप्त जोखिम बापत पूनर्बीमा शुल्क	(१४०,८८४)
२०७४/०७५ को खर्चित पूनर्बीमा शुल्क	२,१३७
खुद आर्जित बीमा शुल्क	१,८७७
पुनर्बीमा कमिशन आय	५६०
लगानी तथा अन्य प्रत्यक्ष आय	४१,१२६,६७४
व्यवस्थापन तथा अन्य खर्च	(८,५२८,३१२)
संचालन नाफा	३२,६००,७५५
आयकर व्यवस्था	(९,७५५,१३६)
खुद नाफा	२२,८४५,६१९
बीमा कोष	११,५४४,०६६
महा विपत्ति जगेडा	१,१३८,९३९
संचित नाफा (नोक्सान)	८,३०३,७४४



ख. चुक्ता पूँजी

यस कम्पनीको हाल चुक्ता पूँजी रु. ७० करोड रहेको छ। बीमा समितिबाट जारी निर्देशिका बमोजिम निर्जीवन बीमा कम्पनीको चुक्ता पूँजी रु. १ अर्ब हुनु पर्नेमा संस्थापक शेयरधनीहरूका तर्फबाट रु. ७० करोड लगानी गरिएको छ र बाँकी रु. ३० करोड आगामी आर्थिक वर्ष २०७६/०७७ मा सर्वसाधारणमा शेयर जारी गरि चुक्ता पूँजी रु. १ अर्ब पुऱ्याइने छ।

२) राष्ट्रिय तथा अन्तर्राष्ट्रिय स्थितिबाट कम्पनीको कारोवारमा परेको असर

बीमा बजारमा पहिले देखिनै बीमा व्यवसाय गरिरहेका र नयाँ निर्जीवन बीमा कम्पनीहरूको आगमन पछि बीमा व्यवसायमा थप प्रतिस्पर्धा श्रृजना भएको छ। यसका साथै मुलुकको आर्थिक गतिविधीको उतार चढावले पनि बीमा व्यवसायमा प्रत्यक्ष तथा अप्रत्यक्ष प्रभाव परेको छ। यसका साथै देशमा पूँजीगत खर्चको न्यूनताले पनि बीमा व्यवसायमा प्रत्यक्ष असर पारेको छ।

बीमा समितिले यही २०७५ साल माघ १ गते देखि लागु हुनेगरी प्रचलित अग्नी बीमालेखलाई प्रतिस्थापन गरी सम्पत्ति बीमालेख प्रचलनमा ल्याएको छ। यसमा बीमा कम्पनीहरूले लिने बीमाशुल्क पनि परिमार्जन गरी घटाइएको र बीमा कम्पनीहरूले धारण गर्नुपर्ने ऐच्छिक जोखिमहरू अनिवार्य बनाइएको कारणले गर्दा बीमा कम्पनीहरूको दायित्व बृद्धि भएको छ। तर यस बीमालेखमा भएको परिमार्जनबाट सर्वसाधारणको सम्पत्ति बीमामा सहज पहुँचको अभिवृद्धि हुनसक्ने अपेक्षा गर्न सकिन्छ।

३) प्रतिवेदनको मितिसम्म चालु वर्षको उपलब्धि र भविष्यको सम्बन्धमा संचालक समितिको धारणा

क. चालु वर्षको उपलब्धि

चालु आ.व. २०७५/०७६ को माघ मसान्त सम्म रु. ५ करोड ८१ लाख बीमा शुल्क संकलन भएको छ। यस आ. व. को पौष मसान्त सम्मको आर्थिक सुचकाङ्कहरू निम्नानुसार यहाँहरू समक्ष जानकारीको लागि पेश गरेका छौं।

विवरण	रकम रु. हजारमा २०७५ पौष मसान्त सम्मको
चुक्ता पूँजी	७००,०००
कुल बीमाशुल्क आर्जन	४४,१३६
लगानी, कर्जा तथा अन्यवाट आय	३४,८७८
व्यवस्थापन खर्च	२४,१८८
कुल दावी भुक्तानी	८४
भुक्तानी हुन बाँकी दावी	१,९६१
खुद नाफा	१२,८१६

ख. शाखा कार्यालय बिस्तार

हालसम्म प्रधान कार्यालय बाहेक सुन्धारा काठमाडौं, लगनखेल ललितपुर, सल्लाघारी भक्तपुर, नारायणघाट चितवन, लिङ्करोड विरगंज, वरगाछी विराटनगर, पुष्पलाल चोक नेपालगंज, सुखानगर बुटवल, पिडारी चोक जनकपुर तथा भद्रपुर रोड विर्तामोडमा शाखा कार्यालयहरू खोली बीमा सेवा सुरुवात गरिसकेका छौं। मुलुकभर शाखा विस्तारको क्रममा धनगढी, पोखरा, इटहरी तथा हेटौडामा कार्यालय खोल्ने क्रममा रहेको जानकारी गराउदछौं। साथै आगामी वर्षमा मुलुकका अन्य स्थानहरूमा थप शाखाहरू बिस्तार गरी बीमा सेवा सर्वसुलभ गर्ने योजना रहेको छ।

काठमाडौं, ललितपुर, भक्तपुर तथा रुपन्देही जिल्लाको मणीग्राम स्थित यातायात कार्यालयहरूमा ऐक्सटेन्सन काउण्टर खोली तेश्रो पक्ष मोटर बीमा सेवा सुरुवात गरी सकेका छौं भने चितवन, नवलपुर, धनगढी तथा विर्तामोड स्थित यातायात कार्यालयहरूमा ऐक्सटेन्सन काउण्टरहरू खोल्ने क्रममा रहेको समेत जानकारी गराउदछौं।

यस कम्पनीलाई मोरङ्ग, नवलपुर तथा कपिलवस्तु जिल्लाहरूमा बाली तथा पशुपंक्षी बीमा सेवा प्रदान गर्न नियामक निकाय बीमा समितिबाट निर्देशन प्राप्त भएकोमा उक्त तीनवटै जिल्लाहरूमा शाखा कार्यालय स्थापना गरी बाली तथा पशुपंक्षी बीमा सेवा शुरु गरिसकेका छौं।

बैंक तथा वित्तीय संस्था संस्थापक रहेको बीमा कम्पनीमा उक्त बैंक तथा वित्तीय संस्थाका ऋणीहरूको बीमा गर्न पाउने नपाउने सम्बन्धमा दुविधा भएकोमा यस कम्पनीको पहलमा बीमा समितिबाट संस्थापक रहेको बैंक तथा वित्तीय संस्थाका ऋणीहरूको बीमा गर्न पाउने स्पष्ट गरी निर्देशन जारी भएको छ । तसर्थ भविष्यमा यस दिशामा व्यवसाय विस्तार हुने अपेक्षा राखेका छौं ।

ग. पूनर्बीमा व्यवस्था

बीमा व्यवसाय जोखिमपूर्ण भएको र पूनर्बीमाको राम्रो र यथेष्ट व्यवस्था हुनु पर्ने भएकोले हामीले जर्मनीको विश्व विख्यात पूनर्बीमक कम्पनी Hannover Ruckversicherung AG, को मलेशिया शाखाको अगुवाईमा निम्न पूनर्बीमकहरूसंग पूनर्बीमा सम्भौता गरेकाछौं ।

- Kenya Reinsurance Corporation Ltd; Nairobi, Kenya
- East Africa Reinsurance Co. Ltd; Nairobi, Kenya
- Oman Reinsurance Company, "SAOC" Oman
- GIC- Bhutan Re Ltd; Bhutan
- Asian Reinsurane Corporation, Bangkok, Thailand
- Tunis Re, Tunisia
- General Insurance Corporation of India, Mumbai, India
- The New India Assurance Co. Ltd; Mumbai, India

घ. मानव संशाधन विकास तथा बृत्ति विकास

बीमा व्यवसायमा दक्ष जनशक्तिको कमी भएको अवस्थामा यस कम्पनीमा कार्यरत कर्मचारीहरूलाई आन्तरिक तथा बाह्य तालिम प्रदान गरि समय सापेक्ष दक्ष बनाउने नीति लिईएको छ । यस अन्तर्गत कर्मचारीहरूलाई बजार व्यवस्थापन, जोखिम व्यवस्थापन तथा पूनर्बीमा सम्बन्धमा स्वदेश तथा विदेशमा तालिममा पठाई दक्षता अभिवृद्धि गराईने छ । यसका साथै आन्तरिक तालिम निरन्तर रूपमा दिने व्यवस्था गरिएको छ ।

४) औद्योगिक वा व्यवसायिक सम्बन्ध

बीमा व्यवसायको प्रत्यक्ष सम्बन्ध उद्योग तथा व्यवसायसँग हुने भएकोले त्यस्ता औद्योगिक तथा व्यवसायिक संस्थाहरूलाई बीमा सेवा उपलब्ध गराई सुमधुर सम्बन्ध कायम राख्दै आएकाछौं ।

बीमा कारोवारमा बैंक तथा वित्तीय संस्थाहरूको पनि महत्वपूर्ण योगदान हुने भएकोले हामीले बैंक तथा वित्तीय संस्थाहरूलाई सरल र सहज रूपमा बीमा सेवा उपलब्ध गराउनका लागि १४ वटा वाणिज्य बैंकहरू, ४ वटा विकास बैंकहरू तथा एउटा फाइनेन्स कम्पनीसंग बैंक इन्स्योरेन्स(Bancassurance) सम्भौता गरिसकेका छौं । यस प्रकारले औद्योगिक तथा व्यवसायिक संस्थाहरूसँग कायम सुमधुर सम्बन्ध विस्तार गर्दै लगिनेछ ।

५) संचालक समितिमा हेरफेर

कम्पनीको प्रथम संचालक समितिमा संचालक श्री मोतिलाल दुगड अध्यक्ष तथा सदस्यहरूमा संचालक श्री अरुण कुमार ओभा, संचालक डा. जुगल भुर्तेल, संचालक श्री शाम्बा लामा रहनुभएकोमा मिति २०७३/१२/१५ गते अध्यक्ष श्री मोतिलाल दुगडज्यूले राजिनामा दिनुभएपछि संचालक डा. जुगल भुर्तेल अध्यक्षमा मनोनित हुनु भएको तथा श्री खेमराज लामिछानेज्यू संचालक पदमा नियुक्ति हुनु भएको थियो । यस पश्चात मिति २०७४/११/२८ गते संचालक श्री शाम्बा लामाज्यूले संचालक पदबाट राजिनामा दिनुभएको थियो । यस कम्पनीका संस्थापक सानिमा कम्पनी प्रा.लि का तर्फबाट प्रतिनिधित्व गर्दै आउनुभएका संचालक श्री अरुण कुमार ओभाको विकल्पमा उहाँको अनुपस्थितिमा उक्त कम्पनीबाट यस कम्पनीको संचालक समितिमा प्रतिनिधित्व गर्न डा. माणिक लाल श्रेष्ठज्यू मिति २०७५/०२/०४ देखि वैकल्पिक संचालकमा नियुक्त हुनु भएको छ ।

६) कारोवारलाई असर पार्ने मुख्य कुराहरू

बैंक तथा वित्तीय क्षेत्रमा भएको कर्जा मुलक वित्तीय श्रोतको अभावका कारण आर्थिक गतिविधिमा परेको नकारात्मक प्रभाव, बीमा कम्पनीहरू बिचको तिव्र प्रतिस्पर्धा, योजना अनुसार सरकारी पूँजीगत खर्च नहुनु, उत्पादन मुलक क्षेत्रमा लगानीको अवसरमा कमी आदि कारणले बीमा कारोवारमा असर परेको छ ।



- ७) लेखापरीक्षण प्रतिवेदनमा कुनै कैफियत उल्लेख भएको भए सो उपर संचालक समितिको प्रतिक्रिया लेखापरीक्षण प्रतिवेदनमा सामान्य सुभावहरु बाहेक अन्य कुनै कैफियत छैन ।
- ८) लाभांश बाँडफाँड गर्न सिफारिस गरिएको रकम समीक्षा वर्षको कारोबारबाट हुन आएको खुद मुनाफा रु. २,२८,४५,६३३ मा बीमा ऐन, २०४९ अनुसार मुनाफाको ५० प्रतिशतले हुने रकम रु. १,१५,४४,०६६ बीमा कोषमा सारे पछि बाँकी रकममा अधिल्लो वर्षबाट सारिएको नोक्सान तथा महा विपत्ति जगडा समायोजन पछि बाँकी वितरण योग्य मुनाफा रु. ८३,०३,७४४ वासलातमा सारेका छौं ।
समीक्षा वर्षको मुनाफाबाट लाभांश वितरणको प्रस्ताव गरिएको छैन ।
- ९) शेयर जफत भएको भए जफत भएको शेयर संख्या, त्यस्तो शेयरको अंकित मूल्य, त्यस्तो शेयर जफत हुनुभन्दा अगावै सो वापत कम्पनीले प्राप्त गरेको जम्मा रकम र त्यस्तो शेयर जफत भएपछि सो शेयर बिक्री गरी कम्पनीले प्राप्त गरेको रकम तथा जफत भएको शेयर बापत रकम फिर्ता गरेको भए सोको विवरण
यस कम्पनीको सञ्चालक समितिको मिति २०७४/०९/०२ गतेको निर्णय अनुसार कम्पनीको प्रतिशेयर रु. १००/ दरका जम्मा ३०,३६,००० कित्ता संस्थापक समूहको शेयर जफत गरी अन्य इच्छुक शेयरधनी तथा लगानीकर्ताहरुलाई नियमानुसार बिक्री गरिएको र जफत गरिएको शेयर बापत साविकमा प्राप्त रकम फिर्ता भुक्तानी गरिएको छ ।
- १०) विगत आर्थिक वर्षमा कम्पनी र यसको सहायक कम्पनीको कारोबारको प्रगति र सो आर्थिक वर्षको अन्तमा रहेको स्थितिको पुनरावलोकन
यस कम्पनीको कुनै सहायक कम्पनी नरहेको ब्यहोरा जानकारी गराउँदछु ।
- ११) कम्पनी तथा त्यसको सहायक कम्पनीले आर्थिक वर्षमा सम्पन्न गरेको प्रमुख कारोबारहरु र सो अवधिमा कम्पनीको कारोबारमा आएको कुनै महत्वपूर्ण परिवर्तन
यस कम्पनीको हालसम्मको कारोबार निर्जीवन बीमा व्यवसाय मात्र भएको र कम्पनीको कारोबारमा कुनै महत्वपूर्ण परिवर्तन नभएको जानकारी गराउँदछु ।
- १२) विगत आर्थिक वर्षमा कम्पनीको आधारभुत शेयरधनीहरुले कम्पनीलाई उपलब्ध गराएको जानकारी
शेयरधनीहरुबाट कुनै विशेष जानकारी प्राप्त नभएको जानकारी गराउँदछु ।
- १३) विगत आर्थिक वर्षमा कम्पनीका संचालक तथा पदाधिकारीहरुले लिएको शेयरको स्वामित्वको विवरण र कम्पनीको शेयर कारोबारमा निजहरु संलग्न रहेको भए सो सम्बन्धमा निजहरुबाट कम्पनीले प्राप्त गरेको जानकारी
कम्पनीको शेयर कारोबारमा कुनै संचालक संलग्न नरहेको जानकारी गराउँदछौं ।
- १४) विगत आर्थिक वर्षमा कम्पनीसँग सम्बन्धित संभौताहरुमा कुनै संचालक तथा निजको नजिकको नातेदारको व्यक्तिगत स्वार्थको बारेमा उपलब्ध गराइएको जानकारीको व्यहोरा
कम्पनीसँग सम्बन्धित संभौताहरुमा कुनै संचालक तथा निजको नजिकको नातेदारको व्यक्तिगत स्वार्थ नरहेको जानकारी गराउँदछु ।
- १५) कम्पनीले आफ्नो शेयर आफैले खरिद गरेको भए त्यसरी आफ्नो शेयर खरिद गर्नुको कारण, त्यस्तो शेयरको संख्या र अंकित मूल्य तथा त्यसरी शेयर खरिद गरे बापत कम्पनीले भुक्तानी गरेको रकम
कम्पनीले आफ्नो शेयर आफैले खरिद नगरेको जानकारी गराउँदछु ।
- १६) आन्तरिक नियन्त्रण प्रणाली भए वा नभएको र भएको भए सोको विस्तृत विवरण
कम्पनीको आन्तरिक नियन्त्रण प्रणालीलाई दरिलो बनाउन महत्व दिइएको छ । कम्पनीले आन्तरिक नियन्त्रणलाई व्यवस्थित गर्न विभिन्न विनियमावलीहरु र कार्यविधिहरुलाई आवश्यकता अनुसार लागु गरेको छ । कम्पनीले आन्तरिक नियन्त्रण प्रणालीको प्रभावकारिता मापनको लागि स्वतन्त्र चार्टर्ड एकाउण्टेण्टबाट आन्तरिक लेखा परीक्षण गराउने गरेको छ । साथै श्रम नियमावली २०७५ बमोजिम यस कम्पनीको समीक्षा वर्षको श्रम अडिट गराई सम्बन्धित निकायमा प्रतिवेदन पेश गरिसकेको छ ।



बीमा समितिबाट मिति २०७५ साल भाद्र १ गते देखि लागु हुने गरी जारी बीमकको संस्थागत सुशासन सम्बन्धी निर्देशिका, २०७५ बमोजिम गठन गर्नुपर्ने निम्न समितिहरु यस साधारण सभा पछि गठन हुने संचालक समितिका सदस्यहरुको संयोजकत्वमा गठन गरिने जानकारी गराउँदछौं ।

- क) लेखा परिक्षण समिति
- ख) मानव संशाधन समिति
- ग) लगानी, जोखिम व्यवस्थापन तथा वित्तीय स्वस्थता (सोल्भेन्सी) समिति
- घ) दाबी भुक्तानी तथा पुनर्बीमा समिति
- ङ) सम्पत्ति शुद्धिकरण निवारण समिति

१७) विगत आर्थिक वर्षको कुल व्यवस्थापन खर्चको विवरण

यस कम्पनीको आर्थिक वर्ष २०७४/०७५ कुल व्यवस्थापन खर्चको विवरण वित्तीय विवरणमा उल्लेख गरिएको छ ।

१८) लेखापरीक्षण समितिका सदस्यहरुको नामावली, निजहरुले प्राप्त गरेको पारिश्रमिक, भत्ता तथा सुविधा, सो समितिले गरेको काम कारवाहीको विवरण र सो समितिले कुनै सुझाव दिएको भए सोको विवरण

लेखा परिक्षण समिति गठन भइनसकेको हुनाले उक्त समितिहरुबाट हुने काम कारवाही संचालक समितिबाट हुँदै आएकोले कुनै भत्ता सुविधा प्रदान नगरिएको जानकारी गराउँदछौं ।

१९) संचालक, प्रबन्ध संचालक, कार्यकारी प्रमुख, कम्पनीका आधारभुत शेयरधनी वा निजको नजिकका नातेदार वा निज संलग्न रहेको फर्म, कम्पनी वा संगठित संस्थाले कम्पनीलाई कुनै रकम बुझाउन बाँकी भए सो कुरा

कम्पनीलाई कुनै रकम बुझाउन बाँकी छैन ।

२०) संचालक, प्रबन्ध संचालक, कार्यकारी प्रमुख तथा पदाधिकारीलाई भुक्तानी गरिएको पारिश्रमिक, भत्ता तथा सुविधाहरुको रकम समीक्षा वर्षमा संचालक समितिका अध्यक्ष तथा संचालकहरुलाई बैठक वापत भत्ता प्रदान गरिएको छैन ।

नायब महा प्रबन्धक देखि प्रबन्धक तहसम्मका पदाधिकारीहरुलाई पारिश्रमिक, भत्ता तथा अन्य सुविधा वापत रु. १३,९०,९९५ भुक्तानी गरिएको छ ।

२१) शेयरधनीहरुले बुझिलिन बाँकी रहेको लाभांशको रकम

कम्पनीले हालसम्म लाभांश वितरण गरेको छैन ।

२२) दफा १४१ बमोजिम सम्पत्ती खरिद वा बिक्री गरेको कुराको विवरण

वासलातको आर्थिक प्रतिवेदनमा उल्लेख छ ।

२३) दफा १७५ बमोजिम सम्बद्ध कम्पनी बिच भएको कारोबारको विवरण

यस कम्पनीको कुनै सम्बद्ध कम्पनीहरु नरहेको जानकारी गराउन चाहान्छौं ।

२४) यस ऐन तथा प्रचलित कानून बमोजिम संचालक समितिको प्रतिवेदनमा खुलाउनु पर्ने अन्य कुनै कुरा

केही नभएको ।

२५) कम्पनीको दैनिक कार्यमा संस्थागत सुशासनको महत्वपूर्ण भुमिका रहन्छ । बीमा ऐन २०४९, बीमा नियमावली २०४९ बीमकको संस्थागत सुशासन सम्बन्धि निर्देशिका २०७५, बीमा समितिबाट निर्देशनहरु, कम्पनी ऐन २०६३ मा भएका कानुनी व्यवस्थाहरुको पालन भएको छ । यसमा कम्पनी सदा सजक र सचेत छ ।

२६) अन्य आवश्यक कुराहरु

क. लेखापरीक्षक नियुक्ती सिफारिस

कम्पनी ऐन २०६३ को दफा १११(घ) बमोजिम यस कम्पनीको चालु आ.व. २०७५/०७६ को वाह्य लेखा परीक्षण, कर लेखा परिक्षण, विस्तृत लेखा परिक्षण प्रतिवेदन (LFAR), नेपाल वित्तीय प्रतिवेदन मान (NFRS) बमोजिमको वित्तीय विवरण परिक्षण



तथा कम्पनी ऐन २०६३ को दफा ७८ बमोजिमको विवरण प्रमाणीकरण गर्नका लागि संचालक समितिको सिफारिसमा श्री टी.आर.उपाध्याय एण्ड कम्पनी, चार्टर्ड एकाउण्टेण्टस्लाई पारिश्रमिक रु. ७०,०००।- (मुल्य अभिवृद्धि कर बाहेक) प्रदान गर्ने गरी लेखा परीक्षक नियुक्ती गर्न अनुमोदनका लागि यहाँहरु समक्ष पेश गरेका छौं ।

ख. लेखापरीक्षक नियुक्ती अनुमोदन

यस कम्पनीको आर्थिक वर्ष २०६४/०६५ देखि २०७४/०७५ सम्मको हिसाब किताब लेखापरिक्षण गर्नका लागि सञ्चालक समितिको निर्णय अनुसार नियुक्त भएका देहाय बमोजिमका लेखापरीक्षकको नियुक्तिको अनुमोदनका लागि यसै साधारण सभामा पेश गरेका छौं ।

लेखापरीक्षकको नाम	आर्थिक वर्ष
जेबिआरयच एण्ड कम्पनी	२०६४/०६५, २०६५/०६६
जेआर एशोसिएट्स	२०६६/०६७
आचार्य एण्ड एशोसिएट्स	२०६७/०६८
शिवाकोटी एण्ड एशोसिएट्स	२०६८/०६९, २०६९/०७०
जेबिआरयच एण्ड कम्पनी	२०७०/०७१
शर्मा एण्ड कम्पनी	२०७१/०७२
सि. सुवेदी एण्ड एसोसिएट्स	२०७२/०७३, २०७३/०७४
सुजन काफ्ले एल आर एशोसिएट्स	२०७४/०७५

धन्यवाद ज्ञापन:

अन्त्यमा, यस कम्पनीको स्थापनाकाल देखि सहयोग गर्नुहुने नियामक निकाय बीमा समिति, कम्पनी रजिष्ट्रारको कार्यालय, उद्योग विभाग, वाणिज्य बैंक तथा वित्तीय संस्थाहरु, स्वदेशी र विदेशी बीमा तथा पूनर्बीमा कम्पनीहरु, लेखा परिक्षकहरु, बीमा अभिकर्ताहरु लगायत अन्य संघ संस्था तथा ग्राहकवर्गहरुप्रति आभार तथा धन्यवाद ज्ञापन गर्दछु ।

कम्पनीको व्यवसाय प्रवर्द्धनमा ईमानदारी र लगनशीलताका साथ योगदान दिनुहुने यस कम्पनीका सम्पूर्ण कर्मचारीहरुलाई पनि यस अवसरमा हार्दिक धन्यवाद दिन चाहन्छौं ।

यस साधारण सभामा सहभागी हुन पाल्नुभएका सम्पूर्ण शेयरधनी महानुभावहरुलाई धन्यवाद ज्ञापन गर्दै यहाँहरुको अमुल्य सुझावको अपेक्षा गरेकाछौं ।

धन्यवाद ।

अध्यक्ष

मिति : २०७५ साल चैत्र ३ गते, आइतवार ।



SUJAN KAFLE LR ASSOCIATES
CHARTERED ACCOUNTANTS

Post Box: 20357, House No. 173/44
Bhimsenmarg, Bishalnagar, Kathmandu, Nepal
Tel: 01-4440283, 4442603, Fax: 4422686
Email: support@skaca.com.np

**INDEPENDENT AUDIT REPORT
TO THE SHAREHOLDERS OF
SANIMA INSURANCE COMPANY LIMITED**

We have audited the accompanying financial statements of **SANIMA INSURANCE COMPANY LTD (Insurer)** which comprise the Statement of Financial Position as on Ashad 32, 2075 (Corresponding to July 16, 2018), Statement of Profit or Loss, Statement of Other Comprehensive Income, Statement of Cash Flow and Statement of Changes in Equity of the Company for the year then ended, and summary of significant accounting policies other explanatory information.

Management's Responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Nepal Financial Reporting Standards. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from the material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies and, making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Nepal Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our professional judgment, including the assessment of risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we considered internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by management as well as evaluating the overall presentation of the financial statements.

Report on Company Act, 2063, Insurance Act, 2049 and on other regulatory requirement

We report that:

- We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
- In our opinion and to the best of our information and according to explanation given to us from our examination of books of account of the company we have not come across any



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SUJAN KAFLE LR ASSOCIATES
CHARTERED ACCOUNTANTS

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cases where the Board of Directors or any employee of the Company have acted contrary to the provision of law or committed any misappropriation or caused any loss or damage to the Company.

- c) The Insurance Fund, compulsory reserves fund and other funds of similar nature are maintained as required by Directives of the BeemaSamiti.
- d) To the best of our knowledge, the Insurer is not involved in any insurance business other than licensed by Beema Samiti.
- e) We did not come across any information regarding violation of interest of insured by the Insurer.
- f) We didnot come across any case of non-compliance with Directives issued by Beema Samiti.
- g) We did not come across any insurance policies issued by the Insurer are in contrary to the licensed by regulator.
- h) Financial and other relevant information has been given to the shareholders
- i) The insurer is capable to bear all of its accepted longterm liabilities in proportion of company's assets.
- j) Internal Control System of Insurer seems to be effective.

Auditor's Opinion

In our opinion, Financial Statements give true and fair view of the financial position of Sanima Insurance Company Limited as at 32 Ashad 2075 (16 July, 2018) and its financial performance and its cash flow for the year then ended in accordance with Nepal Financial Reporting Standards.



CA. Sujan Kumar Kafle
Managing Partner

Date: 2075.09.02
Place: Kathmandu

Sanima Insurance Company Ltd.
Kamaladi, Kathmandu

Statement of Financial Position
as at 32 Ashadh 2075

	Note	FY 2074-75	FY 2073-74	FY 2072-73
		Rs.	Rs.	Rs.
Assets				
Intangible assets	32	-	-	-
Property & Equipment	31	8,554,176	22,917	5,185
Financial assets				
Cash and short-term deposits	19	701,410,461	108,334	593,678
Financial assets at amortized cost	16	-	-	-
Financial asset at fair value through other comprehensive income	15	-	-	-
Financial assets at fair value through profit or loss	14	-	-	-
Other Financial Assets	17	6,966,062	839,367	89,367
Reinsurance Asset	40	140,884	-	-
Insurance receivables	20	-	-	-
Current tax assets	26	10,681,768	46,178	42,623
Other Assets	18	8,672,343	-	-
Deferred Tax Assets	27	55,766	-	-
Total Assets		736,481,460	1,016,795	730,852
Liabilities				
Insurance contract liabilities	30	251,428	-	-
Insurance Payables	22	111,865	-	-
Trade and other payables	21	134,395	906,510	5,100
Other Financial Liabilities	28	1,915,911	708,500	8,500
Other Liabilities	29	3,270,210	260,700	206,700
Current tax Liabilities	26	9,613,966	-	-
Deferred Tax Liabilities	27	196,936	-	-
Total Liabilities		15,494,711	1,875,710	220,300
Equity				
Share capital	23	700,000,000	1,000,000	1,000,000
Share premium	25	-	-	-
Other capital reserves	24	12,683,005	-	-
Other Reserves	24	-	-	-
Retained Earnings	24	8,303,744	(1,858,915)	(489,447)
Total Equity		720,986,749	(858,915)	510,553
Total Liabilities and Equity		736,481,460	1,016,795	730,852

The notes to the financial statements as set out on schedules 01 to 40 form an integral part of these financial statements.

Subodh Lal Shrestha
Deputy General Manager

Khem Raj Lamichhane
Director

Dr. Jugal Bhurtel
Chairman

CA Sujan Kumar Kafle
Sujan Kafle LR Associates
Chartered Accountants

Ganesh Kadal
Chief Finance Officer

Dr. Manik Lal Shrestha
Alternate Director



Sanima Insurance Company Ltd.
Kamaladi, Kathmandu

Statement of Profit or Loss
Year ended 32 Ashad 2075

	Note	FY 2074-75	FY 2073-74
		Rs.	Rs.
Gross written premium	1	255,442	-
Change in reserve for unearned insurance premium	1	(251,428)	-
Gross earned premium		4,014	-
Premiums ceded to reinsurers	1	(143,021)	-
Change in reserve for unearned reinsurance premium	1	140,884	-
Net earned premiums		1,877	-
Fees and commission income	6	560	-
Investment income	2	40,865,734	23,701
Net realised gains and losses	3	-	-
Fair value gains and losses	4	-	-
Other income	5	260,940	-
Other revenue		41,127,234	23,701
Total Revenue		41,129,111	23,701
Gross benefits and claims paid	7	-	-
Claims ceded to reinsurers	7	-	-
Change in insurance contract liabilities	8	-	-
Net benefits and claims		-	-
Finance costs	10	-	-
Other operating and administrative expenses	9	(8,528,312)	(1,393,168)
Other expenses		(8,528,312)	(1,393,168)
Total benefits, claims and other expenses		(8,528,312)	(1,393,168)
Profit before tax		32,600,799	(1,369,467)
Income Tax Expense	11	(9,755,136)	-
Profit For the Year		22,845,663	(1,369,467)
Basic earnings per share	12	5.59	-

The notes to the financial statements as set out on schedules 01 to 40 form an integral part of these financial statements.

Subodh Lal Shrestha
Deputy General Manager

Khem Raj Lamichhane
Director

Dr. Jugal Bhurtel
Chairman

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Chartered Accountants

Ganesh Kadal
Chief Finance Officer

Dr. Manik Lal Shrestha
Alternate Director

Sanima Insurance Company Ltd.
Kamaladi, Kathmandu

Statement of Cash Flows
For the Year Ended 32nd Ashad 2075

	FY 2074-75	FY 2073-74
	Rs.	Rs.
Cash flow from operating activities		
Cash Received	263,377	-
Net premium income	1,877	-
Fee and Commission Income	560	-
Net Trading Income		
Other Income	260,940	-
Cash Paid	(18,283,448)	(1,393,168)
Net Claim Paid	-	-
Fee and Commission Expense	-	-
Staff Expense	(5,088,400)	-
Other Expenses	(3,439,912)	(1,393,168)
Income Tax	(9,755,136)	-
Non cash Items	(3,913,091)	2,083
Written back liabilities	(260,700)	-
Depreciation	31,461	2,083
Provision for Staff Bonus	3,270,210	-
Unexpired risk reserve provision	-	-
Income Receivable on investments	(6,954,062)	-
(Increase)/ Decrease of Current Assets	(18,677,216)	(753,555)
(Increase)/ Decrease in Financial Assets	(9,863,989)	(753,555)
(Increase)/ Decrease in Reinsurance Asset	(140,884)	-
(Increase)/ Decrease in Other Assets	(8,672,343)	-
Increase/ (Decrease) of Current Liabilities	10,609,492	1,655,410
Increase/ (Decrease) in Financial Liabilities	1,570,704	700,000
Increase/ (Decrease) in Other Liabilities	9,038,788	955,410
Net cash flow from operating activities (A)	(30,000,887)	(489,230)
Cash flow from investing activities		
(Increase) / Decrease in Fixed Assets	(8,562,720)	(19,815)
(Increase) / Decrease in Investment in Govt. & Govt. Guaranteed Securities		
(Increase) / Decrease in Investment in Fixed Deposit of Banks & Financial Institutions		
(Increase) / Decrease in Investment in Other Deposit of Banks & Financial Institutions		
(Increase) / Decrease in Investment in Equity Share		
(Increase) / Decrease in Investment in Preference Share / Debenture		
(Increase) / Decrease in Other Investment		
(Increase) / Decrease in Loans and Advances		
Interest Income Received on Investment	40,865,734	23,700
Dividend Received	-	-
Rent Income		
Interest Income Received on Loan		
Net cash flow from investing activities (B)	32,303,014	3,885
Cash flow on financing activities	699,000,000	(0)
Interest Expense	-	-
Dividend Paid	-	-
(Increase) / Decrease in Equity	699,000,000	(0)
Net cash flow from financing activities (C)	699,000,000	(0)
Change in Exchange rate in Cash and Bank Balances (D)		
Net increase/ (decrease) in cash and cash equivalents (E)	701,302,128	(485,345)
Cash and cash equivalents at the beginning of the year	108,334	593,678
Cash and cash equivalents at the end of the year	701,410,461	108,333

The notes to the financial statements as set out on schedules 01 to 40 form an integral part of these financial statements.

Subodh Lal Shrestha
Deputy General Manager

Khem Raj Lamichhane
Director

Dr. Jugal Bhurtel
Chairman

CA Sujan Kumar Kafle
Sujan Kafle LR Associates
Chartered Accountants

Ganesh Kadal
Chief Finance Officer

Dr. Manik Lal Shrestha
Alternate Director



Sanima Insurance Company Ltd.
Kamaladi, Kathmandu

Statement of Changes in Equity
Year ended 32 Ashad 2075

	Share Capital	Share Premium	Insurance Reserves	Retained Earnings	Other Reserves and Funds	Catastrophic Reserves	Insurance Fund	Fair Value Reserve	Actuarial Reserve	Total Shareholders' Funds
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Balance as at 31 Ashad 2073	1,000,000	-	-	(489,447)	-	-	-	-	-	510,553
Adjustments for Opening Restatement										
Reversal of Bonus shares Issued	-	-	-	-	-	-	-	-	-	-
Dividend Declared	-	-	-	-	-	-	-	-	-	-
Transfer to Other Reserves										
Share Premium	-	-	-	-	-	-	-	-	-	-
Other Reserves	-	-	-	-	-	-	-	-	-	-
Other Adjustments										
NFRS Adjustments	-	-	-	-	-	-	-	-	-	-
Balance as at 31 Ashad 2073	1,000,000	-	-	(489,447)	-	-	-	-	-	510,553
Net profit for the year	-	-	-	(1,369,467)	-	-	-	-	-	(1,369,467)
Issue of new shares	-	-	-	-	-	-	-	-	-	-
Calls in advance	-	-	-	-	-	-	-	-	-	-
Bonus shares Issued	-	-	-	-	-	-	-	-	-	-
Right Shares Issued	-	-	-	-	-	-	-	-	-	-
Proposed bonus shares	-	-	-	-	-	-	-	-	-	-
Addition from Acquisition	-	-	-	-	-	-	-	-	-	-
Dividend Paid	-	-	-	-	-	-	-	-	-	-
Adjustment for Prior Period Issue	-	-	-	-	-	-	-	-	-	-
Transfer to Other Reserves										
Share Premium	-	-	-	-	-	-	-	-	-	-
Other Reserves	-	-	-	-	-	-	-	-	-	-
Other Adjustments										
Adjustments to AFS reserve through OCI	-	-	-	-	-	-	-	-	-	-
Balance as at 31 Ashad 2074	1,000,000	-	-	(1,858,914)	-	-	-	-	-	(858,914)

Continue...



	Share Capital	Share Premium	Insurance Reserves	Retained Earnings	Other Reserves and Funds	Catastrophic Reserves	Insurance Fund	Fair Value Reserve	Actuarial Reserve	Total Shareholders' Funds
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Net profit for the year	-	-	-	22,845,663	-	-	-	-	-	22,845,663
Capital Called-up	99,000,000	-	-	-	-	-	-	-	-	99,000,000
Calls in advance	-	-	-	-	-	-	-	-	-	-
Bonus shares Issued	-	-	-	-	-	-	-	-	-	-
Right Shares Issued	600,000,000	-	-	-	-	-	-	-	-	600,000,000
Proposed bonus shares	-	-	-	-	-	-	-	-	-	-
Addition from Acquisition	-	-	-	-	-	-	-	-	-	-
Dividend Paid	-	-	-	-	-	-	-	-	-	-
Adjustment for Prior Period Issue	-	-	-	-	-	-	-	-	-	-
Transfer to Other Reserves										
Share Premium	-	-	-	-	-	-	-	-	-	-
Catastrophic Reserve	-	-	-	(1,138,939)	-	1,138,939	-	-	-	-
Transfer to Insurance Fund	-	-	-	(11,544,066)	-	-	11,544,066	-	-	-
Other Reserves	-	-	-	-	-	-	-	-	-	-
Other Adjustments										
Actuarial Gain or Loss	-	-	-	-	-	-	-	-	-	-
Adjustments to AFS reserve through OCI	-	-	-	-	-	-	-	-	-	-
Balance as at 32 Ashad 2075	700,000,000	-	-	8,303,744	-	1,138,939	11,544,066	-	-	720,986,749

The notes to the financial statements as set out on schedules 01 to 40 form an integral part of these financial statements.

Subodh Lal Shrestha
Deputy General Manager

Khem Raj Lamichhane
Director

Dr. Jugal Bhurtel
Chairman

CA Sujjan Kumar Kafle
Sujjan Kafle LR Associates
Chartered Accountants

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Dr. Manik Lal Shrestha
Alternate Director



Sanima Insurance Company Ltd.
Kamaladi, Kathmandu

Statement of other Comprehensive Income
Year ended 32 Ashad 2075

	FY 2074-75	FY 2073-74
	Rs	Rs
Profit for the year	22,845,663	(1,369,467)
Gains /(losses) on re-measuring financial assets at fair value through other comprehensive income	-	-
Gain/(loss) on Actuarial valuation of defined benefit liability	-	-
Gain/(loss) on Actuarial valuation of premium income	-	-
Total other comprehensive income	-	-
Deferred tax income /(expense) relating to components of other comprehensive income	-	-
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year, net of tax	22,845,663	(1,369,467)

The notes to the financial statements as set out on schedules 01 to 40 form an integral part of these financial statements.

Subodh Lal Shrestha
Deputy General Manager

Khem Raj Lamichhane
Director

Dr. Jugal Bhurtel
Chairman

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Alternate Director

Sanima Insurance Company Ltd.

Kamaladi, Kathmandu

Notes to the Financial Statements

Year ended 32 Ashad 2075

1 Net Premiums

	FY 2074-75 Rs	FY 2073-74 Rs
Gross written premium before adjustment	274,100	-
Transfer to deposit premium	(18,658)	-
Gross written premium after adjustment	255,442	-
Change in reserve for unearned insurance premium	(251,428)	-
Premiums ceded to reinsurers	(143,021)	-
Change in reserve for unearned reinsurance premium	140,884	-
	1,877	-

1.1 Gross premiums on insurance contracts

Product classification of insurance and investment contracts

NFRS 4 - Insurance Contracts, requires contracts written by insurer to be classified as either 'Insurance contracts' or 'Investment contracts' depending in the level of insurance risk transferred.

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.

Investment contracts are those contracts that transfer significant financial risk and no significant insurance risk. Financial risk is the risk of a possible future change in one or more of a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of price or rates, credit rating or credit index or other variables, provided in the case of a non-financial variable that the variable is not specific to a party to the contract.

Once a contract has been classified as an insurance contract, it remains an insurance contract for the remainder of its lifetime, even if the insurance risk reduces significantly during this period, unless all rights and obligations are extinguished or expire. Investment contracts can, however, be reclassified as insurance contracts after inception if insurance risk becomes significant.

All the products sold by the Company are insurance contracts. Therefore, classified as insurance contracts under the NFRS 4 - Insurance Contracts. Thus, the Company does not have any investment contracts within its product portfolio as at the reporting date.

Revenue recognition of gross written premium

Gross premium (GP) represents the premium charged by the Company to underwrite risks. GP is accounted on an accrual basis.

Non-life insurance gross premium comprises the total premiums received for the whole period of cover provided by contracts entered into during the accounting period and are recognised on the date on which the policy commences. Rebates that form part of the premium rate, such as no claim rebates, are deducted from the gross premium.

Continue...



Sanima Insurance Company Ltd.

Kamaladi, Kathmandu

Notes to the Financial Statements Year ended 32 Ashad 2075

Premium income for the year by major classes of business are as follows;

For the Year Ended

	FY 2074-75 Rs	FY 2073-74 Rs
Motor	71,986	-
Agricultural	-	-
Avaition	-	-
Engeneering	-	-
Fire	53,893	-
Marine	4,395	-
Miscellaneous	143,826	-
	274,100	-

1.2 Premiums ceded to reinsurers on insurance contracts

Recognition of premium ceded to reinsurers

Non-life gross reinsurance premium comprises the total premium payable for the whole cover provided by contracts entered into the period and is recognised on the date on which the policy incepts. Premium includes any adjustments arising in the accounting period in respect of reinsurance contracts incepting in prior accounting periods.

Premium ceded to reinsurer for the year by major classes of business and by payee are as follows;

For the Year Ended

	FY 2074-75 Rs	FY 2073-74 Rs
Class-wise		
Motor	28,725	-
Agricultural	-	-
Avaition	-	-
Engeneering	-	-
Fire	28,330	-
Marine	952	-
Miscellaneous	85,014	-
	143,021	-
Payee-wise		
Nepal Reinsurance Company	143,021	-
Less : Reinsurance Commission & Service Fee	(33,897)	-
Total Payable to Reinsurer	109,124	-

Sanima Insurance Company Ltd.

Kamaladi, Kathmandu

2 Investment Income

	FY 2074-75 Rs	FY 2073-74 Rs
Interest income	36,539,556	23,701
Income from Other (Other than Fixed Deposits)	4,326,178	-
Dividend income	-	-
	40,865,734	23,701

2.1 Interest income

Revenue recognition of interest income

Interest income is recognised in the statement of profit or loss as it accrues and is calculated by using the effective interest rate method. The effective interest rate is the rate that exactly discounts the estimated future cash receipts or payments through the expected life of the financial asset or liabilities (or, where appropriate, a shorter period) to the carrying amount of the financial asset or liabilities. When calculating the effective interest rate, the Company estimates future cash flows considering all contractual terms of the financial instrument, but not future credit losses. The calculation of the effective interest rate includes all transaction costs and fees and points paid or received that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or liability.

	FY 2074-75 Rs	FY 2073-74 Rs
Government securities	-	-
Commercial Banks Fixed Deposits	36,539,556	23,701
Development Banks Fixed Deposits	-	-
Citizen Investment Trust Units	-	-
Finance Companies Fixed Deposits	-	-
Debenture of Commercial Banks and Finance Companies	-	-
Saving & Revolving Account	-	-
	36,539,556	23,701

2.2 Dividend income

Revenue recognition of dividend income

Dividend income is recognised when the right to receive the dividend is established.

	FY 2074-75 Rs	FY 2073-74 Rs
Dividend from Ordinary Shares of Public Limited Company	-	-
Dividend from Preference Shares	-	-
	-	-

3 Net realised gains and losses

Net realised gains and losses recorded in the statement of profit or loss on investments include gains and losses on financial assets. Gains and losses on the sale of investments are calculated as the difference between net sales proceeds and the original or amortised cost and are recorded on occurrence of the sale transaction.

	FY 2074-75 Rs	FY 2073-74 Rs
Gain/(Loss) on sale of Mutual Fund	-	-
Gain/(Loss) from Sale of Equity investment	-	-
Gain/(Loss) from Sale of Other Investments	-	-
	-	-



Sanima Insurance Company Ltd.

Kamaladi, Kathmandu

4. Fair Value Gains and Losses

This includes the gains and losses arising from changes in fair value on financial instruments classified as financial asset at fair value through profit or loss, if any.

	FY 2074-75 Rs	FY 2073-74 Rs
Fair value gains and losses	-	-
	-	-

5 Other Income

Other income includes disposal gains/ losses on property, plant and equipment and miscellaneous income. Profit or loss on sale of property, plant and equipment is recognised in the period in which the sale occurs and is classified under other income.

	FY 2074-75 Rs	FY 2073-74 Rs
Written back liabilities	260,700	
Other Direct Income	240	
Foreign Exchange Income	-	-
Miscellaneous Income	-	-
Gain/(Loss) on Sale of Fixed Assets	-	-
	260,940	-

6 Fees and Commission Income

	FY 2074-75 Rs	FY 2073-74 Rs
Reinsurance commission income	38,196	-
Unearned reinsurance commission income	(37,636)	-
	560	-

7 Net benefits and Claims Paid

	FY 2074-75 Rs	FY 2073-74 Rs
Gross benefits and claims paid	-	-
Claims ceded to reinsurers	-	-
	-	-

8 Change in Insurance Contract Liabilities

	FY 2074-75 Rs	FY 2073-74 Rs
Change in insurance contract outstanding claims provision	-	-
Change in unexpired risk reserve provision	-	-
	-	-

Sanima Insurance Company Ltd.

Kamaladi, Kathmandu

Notes to the Financial Statements Year ended 32 Ashad 2075

9 Other Operating and Administrative Expenses

Recognition of other operating and administrative expenses

Other operating and administrative expenses are recognised on accrual basis. All expenditure incurred in the running of the business and in maintaining the property, plant and equipment are charged to the statement of profit or loss.

	FY 2074-75 Rs	FY 2073-74 Rs
Staff expenses	5,088,400	-
Administrative expenses	3,408,211	1,391,085
Depreciation	31,461	2,083
Share Issue Expenses	-	-
Share Listing Expenses	-	-
Other share Related Expenses	-	-
Agent Commission	-	-
Reinsurance Commission expenses	-	-
Service Charge	-	-
Other Direct expenses	240	-
Impairment loss	-	-
	8,528,312	1,393,168

9.1 Staff Expenses

Short-term Employee Benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined Benefit Plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The company recognises the changes in the defined benefit obligation under staff expenses in the statement of profit or loss. Company has made provision for gratuity and leave encashment for eligible employee. In current year, FY 2017.18, company being in operation for 5 days only, provision for Gratuity has been made and as eligibility criterion for Leave Encashment is not fulfilled, provision is not made.

Defined Contribution Plans

A defined contribution plan is a post employment plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay a further amount. Obligations for contributions to the employees' Provident Fund under the employees' as per Labour Act, 2074 as amended, covering all employees are recognised as an employee benefit expense in the statement of profit or loss when they are due. The Company contributes 10% of basic emoluments of employees' as provident fund.

For the Year Ended

	FY 2074-75 Rs	FY 2073-74 Rs
Wages and salaries	-	-
Staff benefit expenses	-	-
Provision for Staff Bonus	3,270,210	-
Employees Related Expenses	1,644,458	-
Contributions made to the Employees' Provident Fund (EPF)	94,780	-
Contributions made to the Employees' Trust Fund (ETF)	-	-
Defined benefit plan expenses	78,952	-
Total employee benefit expenses	5,088,400	-



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Notes to the Financial Statements
Year ended 32 Ashad 2075

9.2 Administrative Expenses

	FY 2074-75 Rs	FY 2073-74 Rs
Rent	1,750,000	60,000
Water & Electricity	70,195	-
Repair & Maintenance	4,000	-
Communication Expenses	78,282	-
Printing & Stationery	123,970	-
Miscellaneous Office & Materials Expenses	50,984	-
Conveyance Expenses	-	-
Insurance Levy- Net	1,311	-
Fuel expenses	84,636	-
Travelling Expenses	245,010	400
Dispose of Fixed Assets	-	5,185
Agent Training Expense	25,770	-
Agent Others	-	-
Insurance Premium	29,821	-
Security Expense	17,500	-
Consultancy Fee	-	904,000
Government Fee	-	390,000
Legal and Consultancy Fee	64,522	-
News Papers, Books & Periodical	4,170	-
Publicity and Advertisement	102,576	-
Business Promotion Expense	-	-
Guest Entertainment Expenses	26,030	-
Gift & Donation	-	-
Expense Related to Board Meeting	-	-
Expense Related to Committee/Sub-Committee	-	-
Annual General Meeting Expense	-	-
Audit Fee	35,000	10,000
Expense Related to Audit	-	-
Bank Charges	3,410	-
Rates and Taxes	-	-
Revenue Stamp	-	-
Anniversary expenses	-	-
Office rent	-	-
Office expenses	17,728	-
Service fee	131,160	-
Miscellaneous	174,437	-
Opening ceremony expenses	355,699	-
Tax renewal expenses	-	-
Festival expenses	-	-
Website and app development expenses	-	-
Crops and live stock expenses	-	-
Foreign Exchange loss	-	-

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	FY 2074-75 Rs	FY 2073-74 Rs
Others	-	-
Seminar Expense	-	-
Computer Expense	-	-
Subscription & Renewal Fees	-	-
Postage and courier	-	-
Miscellaneous Expense	-	21,500
Cleaning Expenses	12,000	-
Generator Expenses	-	-
Software Expenses	-	-
Penalty	-	-
Provision for Investment Loss (Share)	-	-
Other Provision	-	-
Total	3,408,211	1,391,085

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Notes to the Financial Statements
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10 Finance Costs

Finance costs include the finance charges in respect of Bank loan, other Financial liabilities at amortized cost and in respect of finance leases as per NAS 17 Leases.

	FY 2074-75 Rs	FY 2073-74 Rs
Interest Expense	-	-
	-	-

11 Income tax Expense

Recognition of Income Tax Expense

Income tax expense comprises current and deferred tax. Current and deferred taxes are recognised in the statement of profit or loss except to the extent that it relates to items recognised directly in equity, when it is recognised in equity.

	FY 2074-75 Rs	FY 2073-74 Rs
Income Tax Expenses	(9,613,966)	-
Deferred Tax Expenses/(Income)	(141,170)	-
	(9,755,136)	-

11.1 Deferred Tax Expenses/(Income)

	FY 2074-75 Rs	FY 2073-74 Rs
GAAP Deferred tax expenses/(Income)	(141,170)	-
NFRS Adjustment Deferred tax effect	-	-
	(141,170)	-



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Notes to the Financial Statements Year Ended 32 Ashad 2075

12 Basic Earnings Per Share (Eps)

Company presents basic and diluted Earnings Per Share (EPS) for its ordinary shares.

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise share options granted to employees.

	FY 2074-75 Rs	FY 2073-74 Rs
For the year ended		
Profit for the year (Rs.)	22,845,663	-
Weighted average number of shares	4,087,500	-
Basic earnings per share (Rs.)	5.59	-
Weighted average number of shares		
Issued ordinary shares as at 1 Shrawan	10,000	-
Shares issued during the year	4,077,500	-
	4,087,500	-

Diluted earnings per share

There were no potential dilutive ordinary shares outstanding at any time during the year. Therefore, diluted earnings per share is same as the basic earnings per share stated above.

13 Dividends

Dividends on ordinary shares are recognised as a liability and deducted from equity when they are approved by the Company's shareholders. Interim dividends are deducted from equity when they are paid.

Dividends proposed by the Board of Directors after the reporting date is not recognised as a liability and is only disclosed as a note to the financial statements.

	FY 2074-75 Rs	FY 2073-74 Rs
Final dividend		
Final dividend proposed (Rs.)	-	-
Number of ordinary shares	-	-
Final dividend per share (Rs.)	-	-

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Notes to the Financial Statements

Year ended 32 Ashad 2075

14 Financial assets at fair value through profit or loss

Recognition of fair value through profit or loss financial assets

Financial assets at fair value through profit or loss include financial assets held for trading and those designated upon initial recognition at fair value through profit or loss. Investments typically bought with the intention to sell in the near future are classified as held for trading. Attributable transaction costs are recognised in the statement of profit or loss as incurred. These investments are initially recorded at fair value. Subsequent to initial recognition, they are remeasured at fair value.

Changes in fair value are recorded in 'fair value gains and losses' in the statement of profit or loss. Interest is accrued and presented in 'investment income' using the Effective Interest rate (EIR). Dividend income is recorded in the 'investment income' when the right to the payment has been established. The Company will evaluate its financial assets at fair value through profit or loss (held for trading) by considering whether the intent to sell them in the near term is still appropriate.

For investments to be designated as at Fair Value through Profit or Loss, the following criteria must be met:

The designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognising gains or losses on a different basis.

	FY 2074-75 Rs	FY 2074-75 Rs	FY 2073-74 Rs
Quoted Equities	-	-	-
	-	-	-

14.1 Quoted Equities

FY 2074-75		FY 2073-74		FY 2072-73	
Carrying Value Rs	Fair Value Rs	Carrying Value Rs	Fair Value Rs	Carrying Value Rs	Fair Value Rs
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-



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Notes to the Financial Statements Year ended 32 Ashad 2075

15 Financial Assets at Fair Value Through other Comprehensive Income

Recognition of Financial assets at fair value through other comprehensive income

Fair value through OCI (FVTOCI) financial investments include equity shares. Equity investments classified as fair value through OCI are those that are neither classified as held for trading nor designated at fair value through profit or loss.

After the initial measurement, FVTOCI are subsequently measured at fair value, with unrealised gains or losses recognised in the statement of comprehensive income in the available-for-sale reserve. Dividends earned whilst FVTOCI are recognised in the statement of profit or loss as 'Investment income' when the right of the payment has been established. When the asset is de-recognised, cumulative gain or loss is in the statement of profit or loss and other comprehensive income is transferred to the statement of profit or loss. If the asset is determined to be impaired, the cumulative loss is recognised in the statement of profit or loss and removed from the available-for-sale reserve.

	FY 2074-75 Rs	FY 2073-74 Rs	FY 2072-73 Rs
Quoted Equities	-	-	-
Unquoted Equities(Nepal reinsurance company share)	-	-	-
Mutual Funds	-	-	-
Citizen Investment Trust Units	-	-	-
Less: Impairment	-	-	-

15.1 Quoted Equity Shares

FY 2074-75		FY 2073-74		FY 2072-73	
Carrying Value Rs	Fair Value Rs	Carrying Value Rs	Fair Value Rs	Carrying Value Rs	Fair Value Rs
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-

15.2 Unquoted Equity Shares

FY 2074-75		FY 2073-74		FY 2072-73	
Carrying Value Rs	Fair Value Rs	Carrying Value Rs	Fair Value Rs	Carrying Value Rs	Fair Value Rs
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-

15.3 Quoted Mutual Fund Shares

FY 2074-75		FY 2073-74		FY 2072-73	
Carrying Value Rs	Fair Value Rs	Carrying Value Rs	Fair Value Rs	Carrying Value Rs	Fair Value Rs
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-

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Notes to the Financial Statements

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16 Financial assets at amortized cost

Financial assets at amortized cost includes those financial assets that are held by the entity for long term purpose and intend to hold till maturity.

The asset is measured at the amount recognized at initial recognition minus principal repayments, plus or minus the cumulative amortization of any difference between that initial amount and the maturity amount, and any loss allowance. Interest income is calculated using the effective interest method and is recognized in "Investment income" in statement of profit or loss.

	FY 2074-75 Rs	FY 2073-74 Rs	FY 2072-73 Rs
Government Securities	-	-	-
Commercial Banks Fixed Deposits	-	-	-
Development Banks Fixed Deposits	-	-	-
Finance Companies Fixed Deposits	-	-	-
Foreign Bonds	-	-	-
Debenture/Bond of Financial Institutions	-	-	-
	-	-	-

17 Other Financial Assets

Other financial assets includes financial assets other than the above normal classification of financial assets measured at amortized cost, fair value through profit or loss and fair value through other comprehensive income. This is stated at net of any impairment recognized.

	FY 2074-75 Rs	FY 2073-74 Rs	FY 2072-73 Rs
Security Deposit	-	2,000	2,000
Advance Gold and Silver	-	-	-
Staff Advances	-	-	-
Government Grant Receivable	-	-	-
Income Receivable on investments	6,954,062	-	-
Deposit For Utilities	12,000	-	-
Claim Advance	-	-	-
Other Advance	-	57,367	57,367
Advance To Other	-	780,000	30,000
Gratuity Fund	-	-	-
Business Advance to Staff	-	-	-
Miscellaneous Deposit	-	-	-
Less: Impairment Provisions (please specify)	-	-	-
	6,966,062	839,367	89,367



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Notes to the Financial Statements Year Ended 32 Ashad 2075

18 Other Assets

	FY 2074-75 Rs	FY 2073-74 Rs	FY 2072-73 Rs
Stock of tickets	1,420	-	-
Prepaid Employee Benefits	-	-	-
Prepayments	7,841,839	-	-
Seed Money to Insurance Promotion Board	200,000	-	-
Other Transit Items (including cheques)	-	-	-
Branch Adjustment Accounts	-	-	-
Written off / Due Adjustable Outstanding Expenses	-	-	-
VAT Receivable	629,084	-	-
	8,672,343	-	-

19 Cash and short-term deposits

Cash and short term deposits in the statement of financial position comprise cash at bank and on hand, call deposits and fixed deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value, net of any provisions.

	FY 2074-75 Rs	FY 2073-74 Rs	FY 2072-73 Rs
Cash Balance	1,596	-	-
Bank Balance	8,867,718	108,334	593,678
Commercial Banks Fixed Deposits	650,000,000	-	-
Development Banks Fixed Deposits	-	-	-
Finance Companies Fixed Deposits	-	-	-
Commercial Banks Call Deposits	42,541,147	-	-
Development Banks Call Deposits	-	-	-
Finance Companies Call Deposits	-	-	-
Less: Impairment Provisions	-	-	-
	701,410,461	108,334	593,678

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20 Insurance Receivables

Insurance receivables includes amount receivable related to insurance businesses such as due from other insurance companies, due from reinsurers.

Reinsurance receivables are recognised when due and measured on initial recognition at the fair value of the consideration received or receivable.

Reinsurance assets are derecognised when the contractual rights are extinguished or expire or when the contract is transferred to another party.

Reinsurance assets are reviewed for impairment at each reporting date or more frequently when an indication of impairment arises during the reporting year. Impairment occurs when there is objective evidence as a result of an event that occurred after initial recognition of the reinsurance asset that the Company may not receive all outstanding amounts due under the terms of the contract and the event has a reliably measurable impact on the amounts that the Company will receive from the reinsurer. The impairment loss is recorded in the statement of profit or loss.

	FY 2074-75 Rs	FY 2073-74 Rs	FY 2072-73 Rs
Outstanding from Other Insurance Companies	-	-	-
Sundry Debtors	-	-	-
Outstanding from Reinsurers	-	-	-
Outstanding premium receivable	-	-	-
Less: Impairment provisions	-	-	-
	-	-	-

20.1 Assessment of Impairment of Insurance Receivables

The Board of Directors has assessed potential impairment loss of insurance receivables as at 31 Ashad 2073, 31 Ashad 2074 and 32 Ashad 2075. Based on the assessment, it was concluded that there is no requirement for an additional impairment loss provision other than amounts provided.

20.2 Analysis of Impairment Provision on Insurance Receivables

	FY 2074-75		FY 2073-74	
	Age category	Provision for impairment	Age category	Provision for impairment
0 - 30 days	-	-	-	-
31 - 60 days	-	-	-	-
61 - 90 days	-	-	-	-
Over 90 days	-	-	-	-
	-	-	-	-
	FY 2072-73			
	Age category	Provision for impairment		
0 - 30 days	-	-		
31 - 60 days	-	-		
61 - 90 days	-	-		
Over 90 days	-	-		
	-	-		



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Notes to the Financial Statements Year Ended 32 Ashad 2075

20.3 Fair value of Insurance Receivables

The carrying amount disclosed above approximates the fair value at the reporting date.

21 Trade and other Payables

Trade and other payables includes the payable to trade suppliers and any other payables other than the financial liabilities and other liabilities. These payables are recorded at the amount expected to be payable as at the reporting date.

	FY 2074-75 Rs	FY 2073-74 Rs	FY 2072-73 Rs
TDS payable	134,395	14,500	5,100
VAT Payable	-	-	-
Service fee payable	-	-	-
Payable to employee	-	-	-
Payable to Board	-	-	-
Dividend Payable	-	-	-
Payable Survey Fee	-	-	-
Payable to Other	-	892,010	-
	134,395	906,510	5,100

22 Insurance Payables

Insurance payables includes amount payable related to insurance businesses such as due to agents, due to other insurance companies, due to reinsurers.

Insurance payables are recognised when due and measured on initial recognition at the fair value of the consideration paid or payable.

Insurance payables are derecognised when the contractual obligations are extinguished or expire or when the contract is transferred to another party.

	FY 2074-75 Rs	FY 2073-74 Rs	FY 2072-73 Rs
Outstanding payable to Agents	-	-	-
Due to Other insurance Company	109,124	-	-
Insurance Levy Payable to Beema Samiti	2,741	-	-
Payable to Reinsurers	-	-	-
	111,865	-	-

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Notes to the Financial Statements Year Ended 32 Ashad 2075

23 Share Capital

The Company has issued ordinary shares that are classified as equity. Incremental external costs that are directly attributable to the issue of these shares are recognised in equity, net of tax.

	FY 2074-75 Rs	FY 2073-74 Rs	FY 2072-73 Rs
Shares as at 1st Shrawan	1,000,000	1,000,000	1,000,000
Add: Adjustment	-	-	-
Add: Bonus Shared Issued	-	-	-
Add: Right Shared Issued	600,000,000	-	-
Add: Called-Up capital	99,000,000	-	-
Add: Calls in Advance	-	-	-
Shares as at Ashad End	700,000,000	1,000,000	1,000,000

23.1 Reconciliation of No. of Shares

	FY 2074-75 Rs	FY 2073-74 Rs	FY 2072-73 Rs
Ordinary Shares as at 1st Shrawan	1,000,000	1,000,000	1,000,000
Add: Adjustment	-	-	-
Add: Bonus Shared Issued	-	-	-
Add: Right Shared Issued	6,000,000	-	-
Add: Addition this year	-	-	-
Add: Calls in Advance	-	-	-
Ordinary Shares as at Ashad End	7,000,000	1,000,000	1,000,000

23.2 Rights of Ordinary Shareholders

All issued shares are fully paid and shares of the Company are not listed on the Nepal stock exchange being non issuance of Intial Public Offering. On being listed, the holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at General Meetings of the Company.



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Notes to the Financial Statements
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24 Reserves & Surplus

	FY 2074-75 Rs	FY 2073-74 Rs	FY 2072-73 Rs
Other Capital Reserves			
Insurance Reserve	-	-	-
Insurance Fund	11,544,066	-	-
Catastrophic reserves	1,138,939	-	-
Total	12,683,005	-	-
General Reserves			
Retained Earnings	8,391,540	(1,858,915)	(489,447)
NFRS First Time Adoption Transition Adjustment	(87,796)	-	-
Total	8,303,744	(1,858,915)	(489,447)
Other Reserves			
Other Free reserve	-	-	-
Deferred tax reserve	-	-	-
Fair value reserve	-	-	-
Actuarial reserve	-	-	-
Total	-	-	-

24.1 Fair Value Reserve

Fair value reserves comprise the cumulative net change in the fair value of financial assets at fair value through other comprehensive income and is carried forward until the respective assets are derecognised

	FY 2074-75 Rs	FY 2073-74 Rs	FY 2072-73 Rs
Balance as at 1 Shrawan	-	-	-
NFRS Remeasurement Impact:	-	-	-
Statement of financial position	-	-	-
Other comprehensive income	-	-	-
Balance as at Ashad end	-	-	-

24.2 Actuarial Reserve

Actuarial reserve include the actuarial gains/(losses) arising from valuation of leave encashment liability as required by NAS 19 - Employee Benefits.

	FY 2074-75 Rs	FY 2073-74 Rs	FY 2072-73 Rs
Balance as at 1 Shrawan	-	-	-
NFRS Remeasurement Impact:	-	-	-
Opening restatement	-	-	-
Other comprehensive income	-	-	-
Profit or loss	-	-	-
Balance as at Ashad end	-	-	-

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Notes to the Financial Statements Year Ended 32 Ashad 2075

25 Share Premium

	FY 2074-75 Rs	FY 2073-74 Rs	FY 2072-73 Rs
Share premium	-	-	-
	-	-	-

26 Current Tax Assets/ Liabilities

Current income tax liabilities for the current period are measured at the amount expected to be paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Company operates and generates taxable income.

	FY 2074-75 Rs	FY 2073-74 Rs	FY 2072-73 Rs
Income Tax Liabilities	9,613,966	-	-
Income Tax Receivables	-	-	-
Advance Tax Payment	10,681,768	46,178	42,623
	(1,067,802)	(46,178)	(42,623)

26.1 Current Tax Assets/ Liabilities

	FY 2074-75 Rs	FY 2073-74 Rs	FY 2072-73 Rs
Balance as at 1st Shrawan			
Advance Payment Transferred	-	-	-
Current Year Provision			
(Over) / under provision in respect of previous years	-	-	-
Payment of tax	-	-	-
Balance as at 31st Ashar	-	-	-

27 Deferred Tax Assets/ Liabilities

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

When the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

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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 profit will be available to allow all or part of the deferred income tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside the statement of profit or loss is recognised outside statement of profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Valuation of Deferred Tax Assets and Liabilities

	FY 2074-75 Rs	FY 2073-74 Rs	FY 2072-73 Rs
Deferred tax Assets	55,766	-	-
Deferred tax liabilities	196,936	-	-
	252,702	-	-

27.1 Deferred Tax Asset

	FY 2074-75		FY 2073-74	
	Temporary Difference Rs.	Tax Effect Rs.	Temporary Difference Rs.	Tax Effect Rs.
Property, plant and equipment				
Insurance contract liabilities	185,887	55,766	-	-
Fair value gains recognised in other comprehensive income	-	-	-	-
	185,887	55,766	-	-

27.2 Deferred Tax Liabilities

	FY 2074-75		FY 2073-74	
	Temporary Difference Rs.	Tax Effect Rs.	Temporary Difference Rs.	Tax Effect Rs.
Property, plant and equipment	594,523	178,357	-	-
Grauity	(78,953)	(23,686)	-	-
Reinsurance Asset	140,884	42,265	-	-
Fair value gains recognised in other comprehensive income	-	-	-	-
	656,454	196,936	-	-

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Notes to the Financial Statements
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28 Other Financial Liabilities

Other financial liabilities include financial liabilities other than the normal classification of financial liabilities measured at amortized cost.

	FY 2074-75 Rs	FY 2073-74 Rs	FY 2072-73 Rs
Audit fee payable	-	8,500	8,500
Sundry Creditor	1,403,439	-	-
Deposit Received	-	-	-
Other Payable(Unknown share subscription)	-	-	-
Gratuity/Pension Fund	78,952	-	-
Payable to Associates Co	-	700,000	-
Employees Leave Fund	-	-	-
Deposit Premium	19,273	-	-
Unearned reinsurance Commission income	37,636	-	-
PF & CIT Payable	376,611	-	-
	1,915,911	708,500	8,500

29 Other Liabilities

Other liabilities includes the amount of provisions made for staff bonus and any other provisions determined in accordance with the requirements of NAS 37.

	FY 2074-75 Rs	FY 2073-74 Rs	FY 2072-73 Rs
Provision for staff bonus	3,270,210	-	-
Office Rent Payable	-	260,700	206,700
Provision For Dividend	-	-	-
Impairment Provision	-	-	-
Provison for Doubtful Debt for sundry creditors	-	-	-
Provision for other losses	-	-	-
Provision for salary	-	-	-
Provision for debt for reinsurers	-	-	-
Provision for VAT	-	-	-
	3,270,210	260,700	206,700



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Notes to the Financial Statements Year Ended 32 Ashad 2075

30 Insurance Contract Liabilities

Provision for unexpired risk reserve

Provision for unexpired risk represents premiums received for risks that have not yet expired. Generally, the reserve is released over the term of the contract and is recognised as premium income.

As required by NFRS 4 - Insurance Contracts, the Company performs a Liability Adequacy Test (LAT) in respect of non-life contract liabilities with the assistance of an external actuary.

Provision for gross outstanding claims & unexpired risk reserve

Non-life insurance contract liabilities are recognised when contracts are entered into and premiums are charged. These liabilities are known as the outstanding claims provision, which are based on the estimated ultimate cost of all claims incurred but not settled at the reporting date, whether reported or not, together with related claims handling costs and reduction for the expected value of salvage and other recoveries.

The liability is not discounted for the time value of money. No provision for equalisation or catastrophe reserves is recognised. The liabilities are de-recognised when the contract expires, is discharged or is cancelled. Total provision for Unexpired Risk Reserve was done to the tune of Nrs. 65,541. Same was reversed and total reserve to tune of Nrs. 251,428 was made. Net movement in the Unexpired Risk Reserve is of Nrs. 185,887.

	Note	FY 2074-75 Rs	FY 2073-74 Rs	FY 2072-73 Rs
Insurance contract outstanding claims provision	30.1	-	-	-
Incurred But not Reported Claims	30.1	-	-	-
Unexpired Premium Reserve	30.1	251,428	-	-
		251,428	-	-

30.1 Liability Adequacy Test and Assumptions

A Liability Adequacy Test (LAT) was performed by Global risk consultants Mumbai, a firm of professional actuaries as at 32 Ashad 2075, 31 Ashad 2074 and 31 Ashad 2073 as required by NFRS 4 - Insurance Contracts in order to assess the adequacy of the carrying amount of the provision for unexpired risk. The valuation is based on internationally accepted actuarial methods. According to the report issued by Global risk consultants Mumbai, the liability carried forward by the Company was adequate. Hence, no provision was made for premium deficiency for the year ended. 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. This 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 non-life insurance technical provisions. If these estimates show that the carrying amount of the unearned premiums is inadequate, the deficiency is recognised in the statement of profit or loss by setting up a provision for liability adequacy.

Valuation Assumptions used by Acturaries are :

1. Accounting Policy:

NFRS 4 Accounting Policy document is a policy framework which specifies the fundamental approach of the Company to implementation of the NFRS 4 in the background of regulatory specifications (of Bima Samiti) for estimation of various liability provisions. The FY 2017-18 being the first year of application of the NFRS 4, it is expected that this Accounting Policy document shall undergo changes so as to capture directions of the Bima Samiti including experience of the Company as the business develops.

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2. Cash Flow :

Cash Flows considered and estimation are as follows:

Income side;

- Premium
- Reinsurance claims
- Reinsurance commission

Outflow side;

- Claims
- Reinsurance premium
- Commission for intermediation
- Expenses

The current liability estimates are not based on present value of future cash flows, the portfolio size being very small. Alternative methods have been applied.

3. Valuation Methods and Assumptions

For all one-year policies, except for Marine Cargo Open Cover Policies, the UPR is determined on 1/365th basis, assuming the risk is uniform over the policy year.

b) For shorter than oneyear Marine Cargo policies, UPR is determined:

- i. Using straight-line method over the policy term as in (a) above; or
- ii. In the absence of data required for (i) above, using the last three months' premium for the relevant period as per Article 69 (2) of Implementing Regulations.

4. Discounting Policy:

No discounting has been used. The estimates of liability amounts for non-life insurance contracts are always carried out on non discount basis for 1) liability terms being short and 11) the Pricing (determination of premium) is on non discount basis.

5. Aggregation practices

Principles of aggregation:

“When applying an existing accounting policy, the aggregation practice follows that practice already established in that policy. When using an NAS 37 measure of the future cash flows, the test “shall be made at the level of a portfolio of contracts that are subject to broadly similar risks and managed together as a single portfolio.”

The portfolio of insurance contracts as at the reporting date is very small, hence no aggregation has been considered.

30.2 Provision for Gross Premium

	FY 2074-75 Rs	FY 2073-74 Rs	FY 2072-73 Rs
	Gross Liabilities	Gross Liabilities	Gross Liabilities
Opening Balance	-	-	-
Gross Premium Written during the Year	255,442	-	-
Premium Recognised during the Year	4,014	-	-
Unearned Premium Reserve transferred to Unexpired Risk Reserve	251,428	-	-



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31 Property, Plant and Equipment

Property, plant and equipment (PPE) are tangible items that are held for servicing or for administrative purposes and are expected to be used for more than one year. Property, plant and equipment include office equipment, furniture and fixtures and motor vehicles.

Basis of recognition

Property, plant and equipment are recognised if it is probable that future economic benefits associated with the asset will flow to the Company and cost of the asset can be measured reliably.

Measurement

An item of property, plant and equipment that qualifies for recognition as an asset is initially measured at its cost. Cost includes expenditure that is directly attributable to the acquisition of the asset and cost incurred subsequently to add to or replace a part of it. The cost of self constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use and the costs of dismantling and removing the items and restoring at the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as a part of computer equipment.

The Company applies the cost model to plant and equipment and records at cost of purchase or construction together with any incidental expenses thereon less accumulated depreciation and any accumulated impairment losses.

Repairs and maintenance

Repairs and maintenance are charged to the statement of profit or loss during the financial period in which they are incurred. Cost of major renovations is included in the carrying amount of the assets when it is probable that future economic benefits in excess of the most recently assessed standard of performance of the existing assets will flow to the Company and the renovation replaces an identifiable part of the asset. Major renovations are depreciated during the remaining useful life of the related asset.

Depreciation

Depreciation is calculated using the straight-line method to write down the cost of property, plant and equipment to their residual values over their estimated useful lives. Depreciation charge begins when an assets is available for use. The estimated useful lives are as follows;

Asset Class	Useful Life
Buildings	50
Furniture and Fixtures	3-5
Computer & Accessories	3-5
Motor Vehicles	5-8
Office Equipment	3-5
Miscellaneous Assets	3-5
Leasehold Improvement	5

De-recognition

Carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from it. Gain or loss arising from the de-recognition of an item of property, plant and equipment is included in the statement of profit or loss when the item is de-recognised.

31.1 Capitalisation of borrowing cost

There were no capitalised borrowing costs relating to the acquisition of PPE during the year

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Cost:	Land Rs	Buildings Rs	Furniture and Fixtures Rs	Computer & Accessories Rs	Photocopy/ Fax/ Printer Rs	Motor Vehicles Rs	Network Equipments Rs	Office Equipment Rs	Miscellaneous Assets Rs	Leasehold Improvement Rs	Capital WIP Rs	Total Rs
At 31 Ashad 2074	-	-	-	25,000	-	-	-	-	-	-	-	25,000
Additions	-	-	-	1,093,111	-	5,815,798	-	1,653,811	-	-	-	8,562,720
Additions from Acquired Entity	-	-	-	-	-	-	-	-	-	-	-	-
This Year adjustment/written off	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
At 32 Ashad 2075	-	-	-	1,118,111	-	5,815,798	-	1,653,811	-	-	-	8,587,720
Accumulated Depreciation												
At 31 Ashad 2074	-	-	-	2,083	-	-	-	-	-	-	-	2,083
Depreciation charge for the year	-	-	-	16,012	-	15,264	-	185	-	-	-	31,461
Depreciation from acquired entity	-	-	-	-	-	-	-	-	-	-	-	-
This Year Depreciation	-	-	-	-	-	-	-	-	-	-	-	-
adjustment/written off	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
At 32 Ashad 2075	-	-	-	18,095	-	15,264	-	185	-	-	-	33,544
At 31 Ashad 2073												
Cost	-	-	-	51,790	-	-	-	-	-	-	-	51,790
Accumulated Depreciation	-	-	-	46,605	-	-	-	-	-	-	-	46,605
Net book value:												
At 31 Ashad 2074	-	-	-	5,185	-	-	-	-	-	-	-	5,185
At 32 Ashad 2075	-	-	-	22,917	-	-	-	-	-	-	-	22,917
	-	-	-	1,100,016	-	5,800,534	-	1,653,626	-	-	-	8,554,176



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31.2 Assessment of impairment of Property, plant and equipment

The Board of Directors has assessed the potential impairment indicators of Property, plant and equipment as at 31 Ashad 2073, 31 Ashad 2074 and 32 Ashad 2075. Based on the assessment, no impairment indicators were identified and therefore no impairment provision is required to be made in the financial statements as at the reporting date in respect of property plant and equipments.

32 Intangible Assets

The Company's intangible assets include the value of acquired computer software.

Basis of recognition

An intangible asset is recognised if it is probable that future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably.

Software acquired by the Company is initially measured at cost and subsequently stated at cost less accumulated amortisation and accumulated impairment losses, if any.

Subsequent Expenditure

Subsequent to initial recognition, the intangible asset is carried at cost less accumulated amortisation and accumulated impairment losses.

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

Amortisation

Intangible assets are amortised on a straight line basis over the period of services to be rendered. Amortisation is recorded in the statement of profit or loss.

Intangible assets with finite lives are amortised over the useful economic life. Amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, and they are treated as changes in accounting estimates.

Amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss in the expense category consistent with the function of the intangible asset.

Amortisation is calculated using the straight-line method to write down the cost of intangible assets to their residual values over their estimated useful lives as follows;

Asset Class	Useful Life	Amortisation Method
Computer Software	5 Year	SLM

De-recognition

An intangible asset is de-recognised on disposal or when no future economic benefits are expected from it. The gain or loss arising from the de-recognition of such intangible assets is included in the statement of profit or loss when the item is de-recognised.

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Impairment

An impairment review is performed whenever there is an indication of impairment. When the recoverable amount is less than the carrying value, an impairment loss is recognised in the statement of profit or loss.

	Intangibles Rs
Cost:	
At 31 Ashad 2074	-
Additions	-
Disposals	-
At 32 Ashad 2075	-
Accumulated Amortization	
At 31 Ashad 2074	-
Additions	-
Disposals	-
At 32 Ashad 2075	-
Net book value:	
Cost	-
Accumulated Amortization	-
At 31 Ashad 2073	-
At 31 Ashad 2074	-
At 32 Ashad 2075	-

32.1 Assessment of Impairment of Intangible Assets

The Board of Directors has assessed the potential impairment indicators of Intangible assets as at 31 Ashad 2073, 31 Ashad 2074 and 32 Ashad 2075. Based on the assessment, no impairment indicators were identified.

33 Related Party Transactions

The Company has not carried out any business with parties who are defined as related parties in NAS 24 - Related Party Disclosures.

Details of the related party transactions are reported below.

33.1 Transactions and Outstanding Balances with the Key Management Personnel

According to the NAS 24 - Related Party Disclosures, key management personnel are those having authority and responsibility for planning, directing and controlling the activities of the entity.

Sanima Insurance company considers its Board of Directors and their immediate family members as key management personnel of the Company.

KMPs of the Sanima Insurance Company Ltd. includes members of Board of directors and Chief Executive Officer namely:

Dr. Jugal Bhurtel	Chairman
Mr. Arun Kumar Ojha	Director
Mr. Khem Raj Lamichhane	Director
Dr. Manik Lal Shrestha	Alternate Director



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a) Key management personnel compensation

Transactions

For the year ended

Short term employment benefits

FY 2074-75 Rs	FY 2073-74 Rs	FY 2072-73 Rs
-	-	-

b) Other transactions with key management personnel

Transactions

For the year ended

FY 2074-75 Rs	FY 2073-74 Rs	FY 2072-73 Rs
-	-	-

34 Accounting Classification and Fair Value

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction on the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either;

In the principal market for the asset or liability or;

In the absence of the principal market, in the most advantageous market for the asset or liability.

Fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. When available, the Company measures the fair value of an instrument using quoted prices in an active market for that instrument. A market is regarded as active if quoted prices are readily and regularly available and represent actual and regularly occurring market transactions on an arm's length basis. For units in unit trusts, fair value is determined by reference to published bid-values. If a market for a financial instrument is not active, then the Company establishes fair value using a valuation technique.

Valuation techniques include using recent arm's length transactions between knowledgeable, willing parties (if available), reference to the current fair value of other instruments that are substantially the same, discounted cash flow analyses and option pricing models. The chosen valuation technique makes maximum use of market inputs, relies as little as possible on estimates specific to the Company, incorporates all factors that market participants would consider in setting a price, and is consistent with accepted economic methodologies for pricing financial instruments. Inputs to valuation techniques reasonably represent market expectations and measures of the risk-return factors inherent in the financial instrument. The Company calibrates valuation techniques and tests them for validity using prices from observable current market transactions in the same instrument or based on other available observable market data.

The best evidence of the fair value of a financial instrument at initial recognition is the transaction price, i.e. the fair value of the consideration given or received, unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument, i.e. without modification or repackaging, or based on a valuation technique whose variables include only data from observable markets.

When transaction price provides the best evidence of fair value at initial recognition, the financial instrument is initially measured at the transaction price and any difference between this price and the value initially obtained from a valuation model is subsequently recognised in the statement of profit or loss on an appropriate basis over the life of the instrument but not later than when the valuation is supported wholly by observable market data or the transaction is closed out.

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Any difference between the fair value at initial recognition and the amount that would be determined at that date using a valuation technique in a situation in which the valuation is dependent on unobservable is not recognised in the statement of profit or loss immediately, but is recognised over the life of the instrument on an appropriate basis or when the instrument is redeemed, transferred or sold, or the fair value becomes observable. Assets and long positions are measured at a bid price; liabilities and short positions are measured at an asking price. Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Company and the counter party where appropriate. Fair value estimates obtained from models are adjusted for any other factors, such as liquidity risk or model uncertainties; to the extent that the Company believes a third-party market participant would take them into accounting pricing a transaction.

Financial assets and liabilities based on the accounting classification with their carrying values and fair values are tabulated below.

As at		32 Ashad 2075			
	Fair value through profit or loss Rs.	Fair value through other comprehensive income Rs.	Amortized cost Rs.	Total carrying amount Rs.	Fair value Rs.
Financial assets					
Measured at fair value through PL	-	-	-	-	-
Measured at fair value through OCI	-	-	-	-	-
Measured at amortised cost	-	-	-	-	-
Reinsurance receivables	-	-	-	-	-
Other Insurance receivables	-	-	-	-	-
Total	-	-	-	-	-
Financial liabilities					
Reinsurance payables	-	-	-	-	-
Other financial liabilities	-	-	-	-	-
	-	-	-	-	-

As at		31 Ashad 2074			
	Fair value through profit or loss Rs.	Fair value through other comprehensive income Rs.	Amortized cost Rs.	Total carrying amount Rs.	Fair value Rs.
Financial assets					
Measured at fair value through PL	-	-	-	-	-
Measured at fair value through OCI	-	-	-	-	-
Measured at amortised cost	-	-	-	-	-
Reinsurance receivables	-	-	-	-	-
Other Insurance receivables	-	-	-	-	-
Total	-	-	-	-	-
Financial liabilities					
Reinsurance payables	-	-	-	-	-
Other financial liabilities	-	-	-	-	-
	-	-	-	-	-

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Notes to the Financial Statements Year Ended 32 Ashad 2075

As at	31 Ashad 2073				
	Fair value through profit or loss Rs.	Fair value through other comprehensive income Rs.	Amortized cost Rs.	Total carrying amount Rs.	Fair value Rs.
Financial assets					
Measured at fair value through PL	-	-	-	-	-
Measured at fair value through OCI	-	-	-	-	-
Measured at amortised cost	-	-	-	-	-
Reinsurance receivables	-	-	-	-	-
Other Insurance receivables	-	-	-	-	-
Total	-	-	-	-	-
Financial liabilities					
Reinsurance payables	-	-	-	-	-
Other financial liabilities	-	-	-	-	-
	-	-	-	-	-

34.1 Determination of fair value and fair value hierarchy

Valuation of fair value of financial instruments.

Determination of fair values of financial assets and financial liabilities recorded on the statement of financial position for which there is no observable market price are determined using a variety of valuation techniques that include the use of mathematical techniques. The inputs to these models are derived from observable market data where possible, but if this is not available, judgment is required to establish their fair values.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique.

- **Level 1:** Listed/quoted (adjusted) prices in active markets for identical instruments are available. The Company measures the fair value of a financial instrument using active listed/quoted prices or dealer price quotations and managers buying price. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis.
- **Level 2:** Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly. This category includes instruments valued using; quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.
- **Level 3:** Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data. Non-market observable input means that fair values are determined, in whole or in part, using a valuation technique (model) based on assumptions that are neither supported by prices from observable current market transactions in the same instrument, nor are they based on available market data.

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34.2 Fair Value Measurement

The following table analyses financial assets measured at fair value at the reporting date, by the level in the fair value hierarchy into which the fair value measurement is categorised.

As at	32 Ashad 2075				31 Ashad 2074			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets at fair value through OCI								
Quoted equities	-	-	-	-	-	-	-	-
Unquoted equities	-	-	-	-	-	-	-	-
Quoted mutual funds	-	-	-	-	-	-	-	-
Financial assets at fair value through PL								
Quoted equities	-	-	-	-	-	-	-	-
Unquoted equities	-	-	-	-	-	-	-	-
Quoted mutual funds	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-

As at	31 Ashad 2073			
	Level 1	Level 2	Level 3	Total
Financial assets at fair value through OCI				
Quoted equities	-	-	-	-
Unquoted equities	-	-	-	-
Quoted mutual funds	-	-	-	-
Financial assets at fair value through PL				
Quoted equities	-	-	-	-
Unquoted equities	-	-	-	-
Quoted mutual funds	-	-	-	-
Total	-	-	-	-



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35 Employee Defined Benefit Obligations

Defined Contribution Plans

As at	32 Ashad 2075 Rs.	31 Ashad 2074 Rs.	31 Ashad 2073 Rs.
Employees' Provident Fund	94,780	-	-
Employees' Gratuity	-	-	-
	94,780	-	-

Recognition and measurement of employee defined benefit obligations

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The liability recognised in the financial statements in respect of defined benefit plans is the present value of the defined benefit obligation as at the reporting date. The value of defined benefit obligation is calculated by a qualified Actuary as at the reporting date, using the Projected Unit Credit (PUC) method as recommended by NAS 19 - Employee Benefits. The Actuarial valuation involves making assumptions about discount rate, salary increment rate and balance service period of employees. Due to the long-term nature of the plans, such estimates are subject to significant uncertainty.

The re-measurement of the net defined benefit liability which comprises actuarial gains and losses are charged or credited to the statement of other comprehensive income in the period in which they arise. The assumptions based on which the results of the actuarial valuation was determined, are included in Note 35.2.4 to the financial statements.

Cost of defined benefit obligations (gratuity) is determined on funded basis as per provision of Labour Act, 2074 as amended. Same Act, has mandated to contribute 8.33% of basic salary on monthly basis. Being funded benefit, actuarial valuation is not required

Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

35.1 Defined Benefit Plans - Provision for Employee Benefits

As at	32 Ashad 2075 Rs.	31 Ashad 2074 Rs.	31 Ashad 2073 Rs.
Present value of unfunded obligation	-	-	-

35.2 Movement in the Present Value of the Employee Benefits

	32 Ashad 2075 Rs.	31 Ashad 2074 Rs.	31 Ashad 2073 Rs.
As at 1 Shrawan	-	-	-
Expenses recognised in statement of profit or loss	-	-	-
Payments during the year	-	-	-
Actuarial loss recognised in statement of comprehensive income	-	-	-
As at 32/31 Ashad	-	-	-

35.2.1 Expenses Recognised in Statement of Profit or Loss

For the year ended	32 Ashad 2075 Rs.	31 Ashad 2074 Rs.	31 Ashad 2073 Rs.
Interest cost	-	-	-
Current service cost	-	-	-
	-	-	-

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35.2.2 Expenses Recognised in Statement of Comprehensive Income

For the year ended	32 Ashad 2075 Rs.	31 Ashad 2074 Rs.	31 Ashad 2073 Rs.
Actuarial loss	-	-	-

35.2.3 Valuation of Employee Benefit Obligations

Cost of defined benefit obligations (gratuity) is determined on funded basis as per provision of Labour Act, 2074 as amended. Same Act, has mandated to contribute 8.33% of basic salary on monthly basis. Being funded benefit, actuarial valuation is not required.

35.2.4 Principal Actuarial Assumptions Used

	32 Ashad 2075	31 Ashad 2074	31 Ashad 2073
Actuarial information			
(a) Discount rate	-	-	-
(b) Salary increase	-	-	-
(c) Incidence of withdrawal	-	-	-
(e) Mortality rates	-	-	-
(g) Disability rates	-	-	-
Employee information			
(a) Average age	-	-	-
(b) Average service period (years)	-	-	-
(c) Expected future working life time (years)	-	-	-
(d) Number of employees	-	-	-

36 Risk Management Framework

(a) Governance framework

The Board of Directors of the Company has the overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board is ultimately responsible for monitoring compliance with the Company's risk management policies and procedures. The Board is assisted in these functions by internal audit department and the Board Audit Committee. The internal audit department undertakes both regular and ad-hoc reviews of risk management controls and procedures, the results of which are reported to the Board.

(b) Regulatory framework

Regulators are primarily interested in protecting the rights of policyholders and monitor them closely to ensure that the Company is satisfactorily managing affairs for policyholders' benefit. At the same time, regulators are also interested in ensuring that the Company maintains an appropriate solvency position to meet unforeseen liabilities arising from economic shocks or natural disasters.

As an insurer, the operations of the Company are subject to regulatory supervision of the Insurance Board of Nepal. The Company has taken necessary action to comply with and complied with applicable regulations throughout the year.

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Notes to the Financial Statements Year Ended 32 Ashad 2075

(c) Insurance and financial risk

(i) Financial risks

Nature and extent of risk arising from financial instruments

The Company has exposure to the following risks from financial instruments.

- Credit risk
- Liquidity risk
- Market risk
- Concentration risk

This note presents information about the Company's exposure to each of the above risks and the Company's objectives, policies and processes for measuring and managing risks.

● Credit risk

Credit risk is the risk of financial loss to the Company, if a customer or counter-party to a financial instrument fails to meet its contractual obligations in accordance with agreed terms and arises principally from the Company's premium receivables, reinsurance receivables, investments in debt securities and deposits with financial institutions such as time deposits, demand deposits, etc.

Management of Credit Risk - Insurance Receivables

There is no policy for providing Credit facility against issued policy document as per regulatory restriction.

Management of Credit Risk - Reinsurance Receivables

Credit risk with regard to reinsurance receivables is mitigated by selecting the reinsurers with higher credit ratings and reviewing their ratings periodically. The following table depicts the reinsurers of the Company with their ratings.

Reinsurer	Rating	Issuing agency
Nepal reinsurance company limited	-	-
Other foreign reinsurer (please specify)	-	-

Management of Credit Risk - Financial Investments (Except Listed Equity Securities)

The Company evaluates the credit ratings of the respective investee and/or respective issue prior to the investment decision are made. In addition, the Company focuses on tolerable levels concentration risk and portfolio monitoring in line with the Company's risk appetite.

Management of Credit Risk - Cash at Bank

The Company's exposure to credit risk with relevant to cash and cash equivalents is minimal since these balances are maintained at banks and finance companies with high credit ratings.

Collateral Adequacy

Being restriction on credit facility floating, collateral adequacy is not applicable in case of Sanima Insurance Limited.

● Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. In respect of catastrophic events, there is also a liquidity risk associated with timing differences between gross cash out-flows and expected reinsurance recoveries. As per requirement of NFRS, adequate provision as per Liability Adequacy Test conducted by Fellow Actuary is being made.

Management of liquidity risk

The following controls are in place to mitigate liquidity risk which is faced by the Company.

- i. The Company's approach to managing liquidity is to ensure that funds available are adequate to meet claim payments to its policyholders and to ensure operational expenses are paid when they are due.

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Notes to the Financial Statements Year Ended 32 Ashad 2075

- ii. Main sources of the Company's funding are capital and gross written premium. The Company also maintains a portfolio of readily marketable securities to strengthen its liquidity position. Investment durations are diversified, depending on the cash flow needs of the Company and maturity periods are regularly reviewed. Cash flow analysis is done prior to investments are made.
- iii. The Company's treaty agreements with reinsurers contain clauses permitting the immediate draw down of funds to meet claim payments should claim events exceed a certain agreed size.
- iv. Availability of a stand-by overdraft facility to be used only in the event of an emergency.
- v. Determining the maturity profiles of insurance contract liabilities and reinsurance assets based on the estimated timing of net cash outflows from recognised insurance liabilities.
- vi. Planning for all large cash outflows in advance and making necessary arrangements to ensure the availability of funds to meet such outflows.

Exposure to liquidity risk

The Company monitors the liquidity position of the Company to assess funding requirements. Liquid assets include cash and short term investments and bills purchased. The Company also monitors maturity profile of its assets and liabilities.

Maturity profiles

The following table summarises the maturity profile of the financial assets, financial liabilities and insurance contract liabilities. Unearned premiums have been excluded from the analysis as they are not contractual obligations. The Company maintains a portfolio of highly marketable and diverse assets that can be easily liquidated in the event of an unforeseeable interruption of cash flow. The Company also has committed lines of credit that it can access to meet liquidity needs.

Contractual maturities of undiscounted cash flows of financial assets and financial liabilities are provided below.

As at 32 Ashad 2075As at 32 Ashad 2075

Financial assets/liabilities	0-6 Months	7-12 Months	1-2 Years	Over 2 Years	No Stated Maturity	Total
Financial assets						
Fair value through profit or loss	-	-	-	-	-	-
Listed equity securities	-	-	-	-	-	-
Fair value through other comprehensive income	-	-	-	-	-	-
Amortized cost (please specify separately)	-	-	-	-	-	-
Fixed deposit	-	-	-	-	-	-
Government bond	-	-	-	-	-	-
Reinsurance receivables	-	-	-	-	-	-
Other Financial Assets	6,966,062	-	-	-	-	6,966,062
Cash and short term deposits	701,410,461	-	-	-	-	701,410,461
Total	708,376,523	-	-	-	-	708,376,523
Financial liabilities						
Reinsurance payable	111,865	-	-	-	-	111,865
Other financial liabilities (Sundry Creditors)	1,403,439	-	-	-	-	1,403,439
Total	1,515,304	-	-	-	-	1,515,304

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Notes to the Financial Statements

As at 31 Ashad 2074

Financial assets/liabilities	0-6 Months	7-12 Months	1-2 Years	Over 2 Years	No Stated Maturity	Total
Financial assets						
Fair value through profit or loss	-	-	-	-	-	-
Listed equity securities	-	-	-	-	-	-
Fair value through other comprehensive income	-	-	-	-	-	-
Amortized cost (please specify separately)	-	-	-	-	-	-
Fixed deposit	-	-	-	-	-	-
Government bond	-	-	-	-	-	-
Reinsurance receivables	-	-	-	-	-	-
Other Financial Assets	839,367	-	-	-	-	839,367
Cash and short term deposits	108,334	-	-	-	-	108,334
Total	947,701	-	-	-	-	947,701
Financial liabilities						
Reinsurance payable	-	-	-	-	-	-
Other financial liabilities (Sundry Creditors)	-	-	-	-	-	-
Total	-	-	-	-	-	-

As at 31 Ashad 2073

Financial assets/liabilities	0-6 Months	7-12 Months	1-2 Years	Over 2 Years	No Stated Maturity	Total
Financial assets						
Fair value through profit or loss	-	-	-	-	-	-
Listed equity securities	-	-	-	-	-	-
Fair value through other comprehensive income	-	-	-	-	-	-
Amortized cost (please specify separately)	-	-	-	-	-	-
Fixed deposit	-	-	-	-	-	-
Government bond	-	-	-	-	-	-
Reinsurance receivables	-	-	-	-	-	-
Other Financial Assets	89,367	-	-	-	-	89,367
Cash and short term deposits	593,678	-	-	-	-	593,678
Total	683,045	-	-	-	-	683,045
Financial liabilities						
Reinsurance payable	-	-	-	-	-	-
Other financial liabilities (Sundry Creditors)	-	-	-	-	-	-
Total	-	-	-	-	-	-

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Notes to the Financial Statements Year Ended 32 Ashad 2075

● **Market risk**

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices. Market risk is an aggregation of,

- Interest rate risk
- Currency risk
- Equity price risk

a) Interest rate risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Floating rate instruments typically expose the Company to cash flow interest risk, whereas fixed interest rate instruments expose the Company to fair value interest rate risk.

Management of interest rate risk

In order to mitigate the interest rate risk faced by the Company, the management follows the guidelines set out in the investment policy which is regularly reviewed by the Investment Committee. Among such guidelines, following guidelines included to mitigate the interest rate risk faced by the Company.

- Preferred investment horizon for the investment portfolio is limited to a maximum of ten years from the time of investment.
- Forecasting and monitoring future cash inflows and outflows when formulating investment strategies.
- Relative amounts of the each portfolio will be determined by the Company's liquidity position, availability of market values, individual securities' risk/return profiles.

However, Company does not have any variable rate interest bearing financial assets and financial liabilities as at the reporting date. Therefore, the Company is exposed only to fair value interest rate risk during the period.

Sensitivity analysis - Interest rate risk

Sensitivity analysis for interest rate risk reflects the changes in the fair value or future cash flows of a financial instrument at the reporting date in response to assumed movements in market interest rates. The sensitivity of reported fair value of financial instruments is monitored by assessing the projected changes in the fair value of financial instruments held by the portfolios in response to assumed parallel shift in the yield curve by +/- 100 basis points and +/- 200 basis points.

Change in variables	32 Ashad 2075		31 Ashad 2074		31 Ashad 2073	
	Impact on PBT* Rs.	Impact on Equity Rs.	Impact on PBT* Rs.	Impact on Equity Rs.	Impact on PBT* Rs.	Impact on Equity Rs.
+ 100 basis points	-	-	-	-	-	-
- 100 basis points	-	-	-	-	-	-
+ 200 basis points	-	-	-	-	-	-
- 200 basis points	-	-	-	-	-	-

PBT* - Profit before tax

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Notes to the Financial Statements Year Ended 32 Ashad 2075

b) Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to the changes in foreign exchange rates. The Company's principal transactions are carried out in Nepalese Rupees (Rs.) and hence, its exposure to foreign exchange risk arises primarily with respect to reinsurance recoveries and US Dollars denominated assets developed out of aforementioned recoveries.

Management of currency risk

The currency risk faced by the Company is minimal since no material liabilities or assets were recorded on foreign currency denominated as at the reporting date.

Sensitivity analysis - Currency risk

The tables below indicate the currencies to which the Company had significant exposures as at 32 Ashad 2075 and the effect to the gains/(losses) in case of a market exchange rates up/drop by 1%. The analysis below calculates the effect of a reasonably possible movement of the currency rate against the Nepalese Rupee, with all other variables held constant, on the statement of profit or loss and the equity.

Change in variables	32 Ashad 2075		31 Ashad 2074		31 Ashad 2073	
	Impact on PBT* Rs.	Impact on Equity Rs.	Impact on PBT* Rs.	Impact on Equity Rs.	Impact on PBT* Rs.	Impact on Equity Rs.
5 % strengthening of Rupee	-	-	-	-	-	-
5 % weakening of Rupee	-	-	-	-	-	-

c) Equity price risk

The risk of fluctuation in fair values or future cash flows of a financial instrument due to a change in market prices, other than those occurring due to interest rate risk or currency risk, is referred to as equity price risk. Accordingly, the equity price risk affects the Company's investments in equity instruments.

Management of equity price risk

In order to mitigate the equity price risk faced by the Company, the management follows the guidelines set out in the investment policy. The Company's investment policy guides the management to set/monitor objectives and constraints on investments, diversification plans as well as limits on equity exposure. Compliance with the policy is monitored and the exposure and instances of non-compliance are reported to the Board of Directors. The policy is reviewed regularly for pertinence and for changes in the risk environment. The Company manages its equity price risk by investing in relatively less volatile sectors and in different sectors.

Sensitivity analysis - Equity price risk

Sensitivity analysis for equity risk reflects how changes in the fair value of equity securities at the reporting date will fluctuate in response to assumed changes in equity market prices. The movements in the fair value of equity securities monitored by assessing the projected changes in the fair value of equity securities held by the portfolios in response to assumed equity price movements of +/- 10% and +/- 20%.

Change in variables	32 Ashad 2075		31 Ashad 2074		31 Ashad 2073	
	Impact on PBT* Rs.	Impact on Equity Rs.	Impact on PBT* Rs.	Impact on Equity Rs.	Impact on PBT* Rs.	Impact on Equity Rs.
10% increase in equity market prices	-	-	-	-	-	-
10% decrease in equity market prices	-	-	-	-	-	-
20% increase in equity market prices	-	-	-	-	-	-
20% decrease in equity market prices	-	-	-	-	-	-

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Sanima Insurance Company Ltd. Kamaladi, Kathmandu

Notes to the Financial Statements Year Ended 32 Ashad 2075

(ii) Insurance risks

The Company principally issues the following types of general insurance contracts : Motor, Fire, Engineering, Marine, Healthcare and Miscellaneous. Risks under non-life insurance policies usually cover twelve months duration.

For general insurance contracts, the most significant risks arise from natural disasters, climate changes and terrorist activities. For longer tail claims that take some years to settle, there is also inflation risk.

The above risk exposure is mitigated by diversification across a large portfolio of insurance contracts and geographical areas. This is largely achieved through diversification across industry sectors and geography. Furthermore, strict claim review policies to assess all new and ongoing claims, regular detailed review of claims handling procedures and frequent investigation of possible fraudulent claims are established to reduce the risk exposure of the Company. The Company further enforces a policy of actively managing and promptly pursuing claims, in order to reduce its exposure to unpredictable future developments that can negatively impact the business. Inflation risk is mitigated by taking expected inflation in to account when estimating insurance contract liabilities. The Company identifies and categorises risks in terms of their source, their impact on the Company and preferred strategies for dealing with them.

The Company has also limited its exposure by imposing maximum claim amounts on certain contracts as well as the use of reinsurance arrangements in order to limit exposure to catastrophic events (e.g. flood damage).

The Company considers insurance risk to be a combination of the following components.

- Product design risk
- Underwriting risk
- Reinsurance risk
- Claims risk

Operational risk	Mitigation strategies
<p>Product design risk</p> <p>The Company issues non-life insurance contracts such as motor, fire and engineering, marine and miscellaneous. Product designs of the portfolio may be outdated due to changes in the climate leading to natural disasters, behavioral trends of people due to changing life styles and steady escalation of costs in respect of spare parts in the industry.</p>	<p>Diversification of insurance contracts across a large geographical areas.</p> <p>Variability of risk is improved by careful selection and implementation of underwriting strategies, which are designed to ensure that risks are diversified in terms of type of risk.</p> <p>Strategies are periodically reviewed and suitable action taken.</p> <p>Constant watch on internal and external factors that may impede planned objectives.</p>
<p>Underwriting risk</p> <p>Underwriting risk generally refers to the risk of loss on underwriting activity in the insurance. In insurance, underwriting risk may either arise from an inaccurate assessment of the risks entailed in writing an insurance policy, or from factors wholly out of the underwriter's control.</p>	<p>Improve knowledge and skills of the underwriting staff.</p> <p>Statistical databases are maintained on loss making clients to ensure such clients are strategically declined.</p> <p>Review profitability, pricing, terms and conditions of various products.</p> <p>Financial authority limits are in place for underwriting clearly prescribing the limits to underwrite based on the sum assured and risk.</p>

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Notes to the Financial Statements Year Ended 32 Ashad 2075

Reinsurance risk Reinsurance risk refers to the inability of the ceding company or the primary insurer to obtain insurance from a reinsurer at the right time and at an appropriate cost.	Global trusted and stable portfolio of reinsurance companies which are rated highly used for reinsurance placements. Very close and professional relationship is maintained with all reinsurers. Provisions are made for long outstanding reinsurance receivables. Outstanding reinsurance receivables are reviewed on a monthly basis to ensure that all dues are collected or set-off against payables on time.
Claims risk The risk of actual claims or the timing thereof, may differ from expectations.	Claim intimation is done through the call centre which works on 24x7 basis. Customers are advised of consequence of inadequate sum insured and excesses. Cross check information from various issues and segregation of approval and payment duties. Qualified independent actuary carries out independent valuation on a quarterly basis in order to assess adequacy of reserves. Significant outstanding claims are subjected to periodic reviews by the management and the Board of Directors.

37 Events After the Reporting Date

37.1 Dividends

Company being in first year of operation, no dividend has been proposed or declared.

There have been no events subsequent to the reporting date, which would have any material effect on the Company, other than disclosed above.

38 Capital Commitments and Contingencies

38.1 Capital Commitments

The Company has no Capital Commitments.

38.2 Contingencies

In the opinion of the Directors and the Company's lawyers, there is no such pending litigation against which the Company will have a material impact on the reported financial results or future operations of the Company.

All pending litigation for claims have been evaluated and adequate provisions have been made in the financial statements.

Sanima Insurance Company Ltd.
Kamaladi, Kathmandu

Notes to the Financial Statements
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Operational Risks

Operational risk is the risk of loss arising from system failure, human error, fraud or external events. When controls fail to perform, operational risks can cause damage to reputation, have legal or regulatory implications or can lead to financial loss. The Company cannot expect to eliminate all operational risks, but by initiating a rigorous control framework and by monitoring and responding to potential risks, the Company is able to manage the risks. Controls include effective segregation of duties, access controls, authorisation and reconciliation procedures, staff education and assessment processes, including the use of internal audit. Business risks such as changes in environment, technology and the industry are monitored through the Company's strategic planning and budgeting process.

Net change in Operational Assets and Liabilities	FY 2074-75 Rs.	FY 2073-74 Rs.	FY 2072-73 Rs.
Net change in reinsurance receivables	-	-	-
Net change in receivables and other assets	-	-	-
Net change in insurance liabilities	-	-	-
Net change in other liabilities	-	-	-



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Notes to the Financial Statements Year Ended 32 Ashad 2075

39 Employee Benefits:

The Nepal Accounting Standard 19 on "Employee Benefits" issued by the Institute of chartered Accountants of Nepal has been adopted by the Company as under:

Defined Benefit plans in respect of Leave Encashment will be as per actuarial valuation. Being Company in first year of operation and no leave encashment benefit obligation, actuarial valuation is not done in case of Leave Encashment.

Brief calculation pattern of Actuarial Valuation Working as disclosed hereunder:

S.N.	Particulars	2074-75	2073-74		2072-73	
		Leave Encashment (Non Funded)	Leave Encashment (Non Funded)	Gratuity (Non Funded)	Leave Encashment (Non Funded)	Gratuity (Non Funded)
1	Expenses Recognized In Income Statement					
	Interest Cost	-	-	-	-	-
	Current Service Cost	-	-	-	-	-
	Expected Return on Plan Assets	-	-	-	-	-
	Actuarial (Gain)/ Loss	-	-	-	-	-
	Past Service Cost	-	-	-	-	-
	Expenses recognized in the Profit & Loss A/c	-	-	-	-	-
2	Change in Present Value Obligations					
	PV of Obligation at beginning of the year	-	-	-	-	-
	Interest Cost	-	-	-	-	-
	Current Service Cost	-	-	-	-	-
	Benefit paid	-	-	-	-	-
	Actuarial (Gain)/ Loss	-	-	-	-	-
	Liability at the end of the year	-	-	-	-	-
3	Change in Fair Value of Plan Assets					
	Fair Value of Plan Asset at Beginning of the Year	-	-	-	-	-
	Expected Return on Plan Assets	-	-	-	-	-
	Contribution by Employer	-	-	-	-	-
	Benefit paid	-	-	-	-	-
	Actuarial (Gain)/ Loss on Plan Assets	-	-	-	-	-
	Fair Value of Plan Asset at End of the Year	-	-	-	-	-
4	Amount Recognized in Statement of Financial Position					
	Present Value of Obligations at Year End	-	-	-	-	-
	Fair Value of Plan Assets at Year End	-	-	-	-	-
	Funded Status	-	-	-	-	-
	Unrecognised Actuarial (Gain)/Loss at Year End	-	-	-	-	-
	Unrecognised Past Service Cost	-	-	-	-	-
	Net Asset/(Liability) Recognised in Balance Sheet	-	-	-	-	-
5	Actuarial Assumptions					
	Discount rate	-	-	-	-	-
	Salary escalation rate	-	-	-	-	-
	Retirement age	-	-	-	-	-
	Remining Working Life	-	-	-	-	-
	Mortality	-	-	-	-	-

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40 Reinsurance Asset

Reinsurance Asset is recognised from the portion of reinsurance amount paid to Reinsurer. Premium is collected in cash basis and not accrued during the year portion is parked in Reinsurance Asset.

	FY 2074-75 Rs	FY 2073-74 Rs	FY 2072-73 Rs
Reinsurance Asset	140,884	-	-

40.1 Reinsurance Ceded Premium

	FY 2074-75 Rs	FY 2073-74 Rs	FY 2072-73 Rs
Opening Balance	-	-	-
Gross Reinsurance Ceded	143,021	-	-
Reinsurance Ceded Recognised During the year	(2,137)	-	-
Closing Balance	140,884	-	-



Sanima Insurance Company Ltd.

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1. Insurance

1.1 General

Sanima Insurance Company Limited (hereinafter referred to as "SICL") is a public limited company, established on 2064.03.07 from company registrar office, Kathmandu. The company obtained the license (18/074/075) from Beema Samiti on 2074.10.24 and finally got approval from Beema Samiti to carry on business from 2075.03.14 and company finally started its commercial operation from 2075.03.27.

1.2 Financial Statements

The Financial Statement of the SICL for the year ended 32 Ashad 2075 comprises Statement of Financial Position, Statement of Profit or Loss, Statement of Other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows, Notes to the Financial Statements, Significant Accounting Policies of the Company and Statement of Financial Position and reconciliations.

1.3 Principal Activities and Operations

Insurance

The principal activities of the company is to issue Non - Life Insurance contract to the general public.

2. Basis of Preparation and Other Significant Accounting Policies

2.1. Basis of Preparation

2.1.1. Statement of Compliance

The Financial Statement of SICL which comprises components mentioned above have been prepared in accordance with Nepal Financial Reporting Standards comprising of Nepal Financial Reporting Standards and Nepal Accounting Standards (hereafter referred as NFRS), laid down by the Institute of Chartered Accountants of Nepal and in compliance with the requirements of the Companies Act, 2006.

For all periods up to 32 Ashad 2075 the SICL prepared the financial statements in accordance with the Nepal Accounting Standards which were effective till that period. These financial statements for the year ended 32 Ashad 2075 are the first set of statements that SICL has prepared in accordance with NFRSs.

2.1.2. Responsibility for Financial Statements

The Board of Directors is responsible for the preparation and presentation of Financial Statements of SICL as per the provisions of the Companies Act, 2006.

2.1.3. Approval of Financial Statements by Directors

The accompanied Financial Statements have been authorized by the Board of Directors vide its resolution dated 2075.09.02 and recommended for its approval by the Annual General Meeting of the shareholders.

2.1.4. Basis of Measurement

The Financial Statements of Insurance have been prepared on the historical cost basis, except for the following material items in the Statement of Financial Position:

- Financial assets at fair value through other comprehensive income (quoted) are measured at fair value.
- Insurance contract liabilities are determined in accordance with internationally accepted actuarial principles.

2.1.5. Functional and Presentation Currency

The Financial Statements of SICL are presented in Nepalese Rupees (Rs), which is the currency of the primary economic environment in which the Insurance operates. Financial information presented in Nepalese Rupees. There was no change in SICL's presentation and functional currency during the year under review.

2.1.6. Presentation of Financial Statements

The assets and liabilities of SICL presented in the Statement of Financial Position are grouped in an order of liquidity.

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2.1.7. Materiality and Aggregation

In compliance with Nepal Accounting Standard - NAS 01 (Presentation of Financial Statements), each material class of similar items is presented separately in the Financial Statements. Items of dissimilar nature or functions too are presented separately unless they are immaterial. Financial Assets and Financial Liabilities are offset and the net amount reported in the Statement of Financial Position only when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liability simultaneously. Income and expenses are not offset in the Statement of Profit or Loss unless required or permitted by an Accounting Standard.

2.1.8. Comparative Information

The accounting policies have been consistently applied by Insurance with those of the previous financial year in accordance with NAS 01 Presentation of Financial Statements, except those which had to be changed as a result of application of the new NFRS. Further, comparative information is reclassified wherever necessary to comply with the current NFRS presentation.

2.2. Significant Accounting Judgments, Estimates and Assumptions

The preparation of Financial Statements in conformity with Nepal Accounting Standards requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

The most significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have most significant effect in the Financial Statements are as follows:

2.2.1 Going Concern

The Directors have made an assessment of Insurance's ability to continue as a going concern and satisfied that it has the resources to continue in business for the foreseeable future. Furthermore, Board is not aware of any material uncertainties that may cast significant doubt upon Insurance's ability to continue as a going concern and they do not intend either to liquidate or to cease operations of it. Therefore, the Financial Statements continue to be prepared on the going concern basis.

2.2.2 Fair Value of Financial Instruments

Where the fair values of financial assets and financial liabilities recorded in the statement of financial position can be derived from active markets, they are derived from observable market data. However, if this is not available, judgment is required to establish fair values.

2.2.3 Assessment of impairment

The Company assesses whether there are any indicators of impairment for an asset or a cash-generating unit at each reporting date or more frequently, if events or changes in circumstances necessitate to do so. This requires the estimation of the 'value in use' of such individual assets or the cash-generating units. Estimating value in use requires management to make an estimate of the expected future cash flows from the asset or the cash-generating unit and also to select a suitable discount rate in order to calculate the present value of the relevant cash flows. This valuation requires the Company to make estimates about expected future cash flows and discount rates; hence, they are subject to uncertainty.

2.2.4 Provisions for liabilities and contingencies

The Company receives legal claims against it in the normal course of business. Management has made judgments as to the likelihood of any claim succeeding in making provisions. The time of concluding legal claims is uncertain, as is the amount of possible outflow of economic benefits. Timing and cost ultimately depend on the due process in respective legal jurisdictions.

2.2.5 Foreign currency translation

The Company's financial statements are presented in Nepalese Rupees which is also the Company's functional currency. Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange ruling at the reporting date. All differences are taken to the statement of profit or loss.



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Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction and are not subsequently restated. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

2.2.6 Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) fair value less costs to sell and its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed, only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceeds the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of income.

2.2.7 Amortised cost measurement

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount recognised and the maturity amount, minus any reduction for impairment

2.2.8 Impairment of financial assets

The Company assesses at each balance sheet date whether a financial asset or group of financial assets is impaired. The Company assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets not carried at fair value through profit or loss are impaired.

A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that have occurred after the initial recognition of the asset (an 'incurred loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

• Impairment of financial assets carried at amortised cost

If there is objective evidence that an impairment loss on assets carried at amortised cost has been incurred, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the loss is recorded in the statement of income.

The Company first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If it is determined that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, the asset is included in a group of financial assets with similar risk characteristics and that group of financial assets is collectively assessed for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment. The impairment assessment is performed at each reporting date.

If, in a subsequent period, the amount of the impairment loss decreases and that decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. Any subsequent reversal of an impairment loss is recognised in the statement of income, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

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• Impairment of financial assets at fair value through OCI

If a fair value through OCI financial asset is impaired, an amount comprising the difference between its costs (net of any principal repayment and amortisation) and its current fair value, less any impairment loss previously recognised in other comprehensive income, is transferred from equity to the statement of profit or loss. Reversals in respect of equity instruments classified as fair value through OCI are not recognised in the statement of profit or loss.

Reversals of impairment losses on debt instruments classified at fair value through OCI are reversed through the statement of profit or loss, if the increase in the fair value of the instruments can be objectively related to an event occurring after the impairment losses were recognised in the statement of income.

• Impairment of financial assets carried at cost

If there is objective evidence that an impairment loss has been incurred on an unquoted equity instrument that is not carried at fair value because its fair value cannot be reliably measured, or on a derivative asset that is linked to and must be settled by delivery of such an unquoted equity instrument, the amount of the impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses shall not be reversed.

2.2.9 Provisions

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. Expense relating to any provision is presented in the statement of income net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.2.10 Capital commitments and contingencies

All discernible risks are accounted for in determining the amount of all known liabilities. Contingent liabilities are possible obligations whose existence will be confirmed only by uncertain future events or present obligations where the transfer of economic benefit is not probable or cannot be reliably measured. Contingent liabilities are not recognised in the statement of financial position but are disclosed unless they are remote.

2.2.11 Events occurring after the reporting date

Events after the reporting period are those events, favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue.

All material post reporting date events have been considered and where appropriate, adjustments or disclosures have been made in the respective notes to the financial statements.

2.2.12 Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.2.13 Leases

The determination of whether an arrangement is a lease, or contains a lease, is based on the substance of the arrangement at the inception date and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset (or assets) and the arrangement conveys a right to use the asset (or assets), even if that asset is (or those assets are) not explicitly specified in an arrangement.



Sanima Insurance Company Ltd. Kamaladi, Kathmandu

Insurance company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. Leases that do not transfer substantially all of the risks and rewards of ownership of an asset to the Insurance company are classified as operating leases.

Operating lease payments are recognised as an expense in the statement of profit or loss on a straight line basis over the lease term.

Insurance company as a lessor

Leases in which the Insurance company does not transfer substantially all of the risks and rewards of ownership of an asset are classified as operating leases.

Rental income is recognised as revenue in the statement of profit or loss on a straight line basis over the lease term. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same bases as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

2.2.14 Property, Plant and Equipment

Property, plant & equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any.

Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalised. Expenses capitalised also include applicable borrowing costs for qualifying assets, if any. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits.

Cost model

Property and equipment is stated at cost less accumulated depreciation less accumulated impairment losses.

Revaluation model

The Insurance Company has not applied the revaluation model to the any class of freehold land and buildings or other assets. Such properties are carried at a previously recognized GAAP Amount.

Depreciation

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning and not when it starts to be used. Items of Property, Plant and Equipment are depreciated in a manner that amortises the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives on a straight line basis. Land is not depreciated.

Estimated useful lives

The estimated useful lives of property, plant and equipment of the Company are as follows:

Buildings	50 Years
Plant and Equipment	5 Years
Furniture and Fixtures	3-5 Years
Vehicles	5-8 Years
Office Equipment	3-5 Years
Computers	3-5 Years

Property, plant and equipment's residual values and useful lives are reviewed at each Statement of Financial Position date and changes, if any, are treated as changes in accounting estimate.

Capital Work in Progress

These are expenses of capital nature directly incurred in the construction of buildings, major plant and machinery and system development, awaiting capitalization. Capital work-in-progress would be transferred to the relevant asset when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Capital work-in-progress is stated at cost less any accumulated impairment losses.

Sanima Insurance Company Ltd. Kamaladi, Kathmandu

2.2.15 Intangible Assets

Intangible Assets that the Company controls and from which it expects future economic benefits are capitalised upon acquisition and initially measured at cost comprising the purchase price (including import duties and non-refundable taxes) and directly attributable costs to prepare the asset for its intended use.

Software is amortized over a period of five years.

2.2.16 Cash and Short Term Deposits

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

The insurance company holds NPR. 1,596 cash and NPR. 8,867,718 as bank balance as on 32nd Ashad 2075.

2.2.17 Retirement Benefits Obligations

A. Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which an Insurance pays fixed contribution into a separate Institution (or own fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee services in the current and prior periods, as defined in Nepal Accounting Standards – NAS 19 (Employee Benefits).

The contribution payable by the employer to a defined contribution plan in proportion to the services rendered to Insurance by the employees and is recorded as an expense under 'Other operating and administrative expenses' as and when they become due. Unpaid contributions are recorded as a liability under 'Other liabilities'.

B. Defined Benefit Plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Accordingly, staff gratuity and leave encashment has been considered as defined benefit plans as per Nepal Accounting Standards – NAS 19 (Employee Benefits).

a. Gratuity

The gratuity has been provided on the basis of provision as per Labour Act 2074. NAS 19 requires actuarial valuations for Gratuity. No actuarial valuations has been carried out. So, the GAAP figure has been taken as a basis for Gratuity.

b. Unutilized Accumulated Leave

NAS 19 requires actuarial valuations for Leave encashment. No actuarial valuations has been carried out.

2.2.18 Income Tax

As per Nepal Accounting Standard- NAS 12 (Income Taxes) tax expense is the aggregate amount included in determination of profit or loss for the period in respect of current and deferred taxation. Income Tax expense is recognized in the statement of Profit or Loss, except to the extent it relates to items recognized directly in equity or other comprehensive income in which case it is recognized in equity or in other comprehensive income.

a. Current Tax

Current tax assets and liabilities consist of amounts expected to be recovered from or paid to Inland Revenue Department in respect of the current year, using the tax rates and tax laws enacted or substantively enacted on the reporting date and any adjustment to tax payable in respect of prior years.

Income Tax liabilities of amounts NPR. 9,613,966 and Income tax assets of NPR. 10,681,768.00 exist as on 32nd Ashad 2075.

b. Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognized for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilized.



Sanima Insurance Company Ltd. Kamaladi, Kathmandu

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax liabilities of NPR196,936 and Deferred tax assets of NPR 55,766 exists as on 32nd Ashad 2075.

2.2.19 Standards issued but not yet effective

Standards issued but not yet effective up to the date of issuance of the financial statements are set out below. The Insurance and will adopt these standards when they become effective. Pending a detailed review the financial impact is not reasonably estimable as at the date of publication of these financial statements.

(i) NFRS 9- Financial Instruments: Classification and Measurement

NFRS 9, as issued reflects the first phase of work on replacement of NAS 39 and applies to classification and measurement of financial assets and liabilities.

Since NFRS 9 consists of mixed sets of standards from IAS 39 and IFRS 9, this standard has been brought to the attention on issuing body and Institute of Chartered Accountants of Nepal. This is under review and will be effective after this has been resolved.

2.2.20 First Time Adoption of NFRS

These are the Insurance's first financial statements prepared in accordance with NFRS. The accounting policies set out in Point 2 have been applied in preparing the Financial Statements for the year ended 16th July 2018, the comparative information presented for the year ended 15th July 2017 and in the preparation of an opening NFRS based Statement of Financial Position at 15th July 2016 (the date of transition).

2.2.21 Reco of Profit and loss as per previous GAAP with Total Comprehensive income as per NFRS

Particulars	Year Ended 2017	Year Ended 2018
Profit/Loss as per GAAP	(1,369,467)	22,933,459
Adjustments due to NFRS adjustments		
1. Unearned Premium	-	(270,086)
2. Premium ceded to reinsurers (un-accrued)	-	140,884
3. Reversal of change in insurance contract liabilities	-	65,541
4. Increase in Deferred tax due to NFRS implementation	-	13,501
5. Unearned reinsurance commission income	-	(37,636)
Total Adjustment	-	(87,796)
Total Comprehensive income as per NFRS	(1,369,467)	22,845,663



बीमा समिति
BEEMA SAMITI

नेपालको बीमा नियमनकारी निकाय
Insurance Regulatory Authority of Nepal

गैरस्थलगत सुपरीवेक्षण २१८ (२०७५/०७६) च.न. ३१२०

मिति: २०७५/१०/१६



Wednesday: 03:32pm

श्री सानिमा इन्स्योरेन्स कम्पनी लि.
कमलादी, काठमाण्डौं ।

Sanima Insurance Company Ltd.	
Head Office	
RECEIVED	
No. 659	Date 30 th Jan 08

Magh: 16

विषय: आ.व. २०७४/७५ को वित्तीय विवरण स-शर्त स्वीकृति बारे ।

तहाँको मिति २०७५/०९/०३ च.न.५७४/०७५/०७६ को पत्र सम्बन्धमा लेखिदै छ ।

बीमकको वित्तीय विवरण प्रतिको उत्तरदायित्व बीमकमा रहेको सर्वविदितै छ । लेखापरीक्षण भई समितिको स्वीकृतिको लागि पेश हुन आएको तहाँको आ.व. २०७४/७५ को वित्तीय विवरण सम्बन्धमा देहाय बमोजिमका शर्तहरू सहित स्वीकृत गरिएको व्यहोरा निर्णयानुसार आवश्यक कार्यार्थ जानकारी गराईन्छ ।

१. बीमकले समितिबाट जारी भएको “बीमकको संस्थागत सुशासन सम्बन्धी निर्देशिका, २०७५ पूर्ण रूपमा पालना गर्नुहुन ।
२. बीमकको सोल्वेन्सी मार्जिन (Solvency Margin) न्यून रहेको प्रति सचेत रहनु हुन ।
३. समितिबाट जारी भएको वेभसाइट सम्बन्धी निर्देशिका वमोजिम वेभसाइट निर्माण गर्नुहुन ।
४. बीमकको आन्तरिक नियन्त्रण प्रणालीलाई प्रभावकारी बनाउनु हुन ।
५. बीमकको आन्तरिक तथा बाह्य लेखा परीक्षकले औल्याएका कैफियतहरू सुधार गर्नुहुन ।
६. बीमकले समितिबाट वित्तीय विवरण स्वीकृत भएको मितिले ६० (साठी) दिनभित्र साधारण सभा गर्नुहुन ।

सन्तोष कार्की

प्रमुख, गैरस्थलगत सुपरीवेक्षण शाखा



सानिमा इन्स्योरेन्स कम्पनी लि.

कमलादी, काठमाडौं

आ. वा. २०७४/०७५ को वित्तीय विवरण स-शर्तहरू स्विकृति बारे बीमकको संचालक समितिबाट पारित प्रत्युत्तर

१. बीमकले समितिबाट जारी भएको “बीमकको संस्थागत सुशासन सम्बन्धि निर्देशिका, २०७५” पुर्ण रुपमा पालना गर्नुहुन ।
प्रत्युत्तर
समितिबाट जारी बीमकको संस्थागत सुशासन सम्बन्धि निर्देशिकाको पुर्णरुपमा पालना गर्न कम्पनी प्रतिबद्ध रहेको छ ।
२. बीमकको सोल्भेन्स मार्जिन न्यून रहेको प्रति सचेत रहनु हुन ।
प्रत्युत्तर
कम्पनी संचालनमा आएको प्रथम वर्ष भएको हुनाले सोल्भेन्स मार्जिन न्यून देखिएको हो । आगामि वर्षहरूमा कम्पनीको कारोबार बृद्धिसंगै सोल्भेन्स मार्जिन क्रमशः बढ्दै जानेछ ।
३. समितिबाट जारी भएको वेभसाइट सम्बन्धि निर्देशिका बमोजिम वेभसाइट निर्माण गर्नुहुन ।
प्रत्युत्तर
बीमासमितिले जारी गरेको वेभसाइट सम्बन्धि निर्देशिका बमोजिम कम्पनीको वेभसाइट निर्माण अन्तिमचरणमा रहेकोले छिट्टै जारी गरिने जानकारी गराउदछौं ।
४. बीमकको आन्तरिक नियन्त्रण प्रणालीलाई प्रभावकारी बनाउनु हुन ।
प्रत्युत्तर
कम्पनीको आन्तरिक नियन्त्रण प्रणालि प्रभावकारी बनाउन आवश्यक विनियमवालिहरू बनाई कार्यान्वयन गरिरहेको छौं र समय सापेक्ष आवश्यक थप कदम चालिने छ ।
५. बीमकको आन्तरिक तथा बाह्य लेखापरीक्षकले औल्याएका कैफियतहरू सुधार गर्नुहुन ।
प्रत्युत्तर
आन्तरिक तथा बाह्य लेखापरीक्षकले औल्याएका कैफियतहरूलाई सुधार गर्न व्यवस्थापनलाई निर्देशन दिइएको छ ।



JBRH and Company
Chartered Accountants

GPO Box: 10228, 36, Shankerdev Marg
Putali Sadak, Kathmandu, Nepal
Tel: 4269234, 4232006, 4240635, Fax: 977-1-4228850
E-mail: jbrh@info.com.np

**INDEPENDENT AUDITOR'S REPORT TO THE
SHAREHOLDER'S OF SANIMA INSURANCE Co. LTD.**

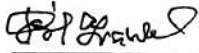
We have audited the accompanying Balance Sheet of the M/S Sanima Insurance Co. Ltd., Kathmandu, Nepal as at Ashad 31, 2065 (15 July 2008) and the related Statement of Income and Cash Flow statement for the year. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Nepal Standard on Auditing or relevant practices. Those Standards or relevant practices require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining on a test basis, evidence supporting the amount and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion. We express our opinion that:

- a. We have obtained prompt replies to our queries and explanations asked for.
- b. The financial statements are in agreement with the books of accounts maintained by the Company.
- c. The accounts and records of the company have been accurately maintained in accordance with the law.
- d. To the best of our information and according to the explanations given to us, neither the Board of directors nor any employee of the company have acted contrary to legal provisions relating to accounts nor committed any misappropriation causing loss or damage to the company.

In our opinion, the financial statements give a true and fair view of the financial position of the company as of Ashad 31, 2065 (15 July 2008), and of the results of its operation and its cash flows for the year then ended in accordance with Nepal Accounting Standards or relevant practices and comply with Company Act 2063.

Date: 2065.8.10
Place: Kathmandu


Jagdish Agrawal, FCA
Partner,
JBRH and Company
Chartered Accountants





Sanima Insurance Company Ltd.
Kamaladi, Kathmandu

Balance-Sheet
As at Ashadh 31, 2065 (July 15, 2008)

	Schedules	2064-65 NRs.
Equity		
Equity Holders' Fund		
Share Capital	1	1,000,000.00
Retained Earnings		(174,887.00)
Total Equity		825,113.00
Assets		
Current Assets		
Cash and Bank Balances	2	958,007.00
Sundry Debtor & Advance	3	10,900.00
Total Current Assets (A)		968,907.00
less: Current Liabilities & Provision		
Sundry Creditors and Payable	4	143,794.00
Total Current Liabilities (B)		143,794.00
Net Current Assets (A-B)		825,113.00
Total Assets		825,113.00

Significant Accounting Policies and Notes to the Accounts 7

As Per Our Report of Even Date

Moti Lal Dugar
Chairman

Arun Kumar Ojha
Director

Sampa Lama
Director

Jagdish Agrawal, FCA
Partner
JBRH & Company
Chartered Accountants

Date: 2065-08-10
Place: Kathmandu



Sanima Insurance Company Ltd.
Kamaladi, Kathmandu

Income Statement

For the year ended on Ashadh 31, 2065 (July 15, 2008)

	Schedules	2064-65 NRs.
Income		
Income		-
Total Income		-
Administrative expenses	5	(79,887.00)
Company Registration Expenses	6	(95,000.00)
Net Profit/(loss) before tax		(174,887.00)
Provision for Income Tax		-
Net Profit/(loss) After Tax		(174,887.00)
Profit/(Loss) brought forward from last year		-
Net Profit/ (Loss) transferred to Balance Sheet		(174,887.00)

Significant Accounting Policies and Notes to the Accounts 7

As Per Our Report of Even Date

Moti Lal Dugar
Chairman

Arun Kumar Ojha
Director

Sampa Lama
Director

Jagdish Agrawal, FCA
Partner
JBRH & Company
Chartered Accountants

Date: 2065-08-10
Place: Kathmandu



Sanima Insurance Company Ltd.
Kamaladi, Kathmandu

Cash Flow Statement

For the year ended Ashadh 31, 2065 (July 15, 2008)

	2064-65 NRs.
Cash flow from operating activities	
Net Profit Before Taxation	(174,887.00)
Adjustment for:	
Depreciation	-
Cash flow from operating activities before changes in working capital	(174,887.00)
Cash flow from changes in working capital	
Increase/(Decrease) in current liabilities	143,794.00
(Increase)/Decrease in current assets	(10,900.00)
Cash Flow from operating activities	(41,993.00)
Cash flow on investing activities	
Investment in shares	-
Purchase/Capitalisation of fixed assets	-
Cash flow on investing activities	-
Cash flow on financing activities	
From issue of share capital	1,000,000.00
Cash flow on financing activities	1,000,000.00
Total cash generated in the year	958,007.00
Opening cash and bank balances	-
Cash and bank balance at the end of the year	958,007.00

Significant Accounting Policies and Notes to the Accounts 7

As Per Our Report Of Even Date

Moti Lal Dugar
Chairman

Arun Kumar Ojha
Director

Sampa Lama
Director

Jagdish Agrawal, FCA
Partner
JBRH & Company
Chartered Accountants

Date: 2065-08-10
Place: Kathmandu



Sanima Insurance Company Ltd.
Kamaladi, Kathmandu

Statement of Change in Equity
As at Ashadh 31, 2065 (July 15, 2008)

(Amount in NRs.)

Particulars	Share Capital	Reserve and Surplus	Total
Opening balance			
Addition during the year	1,000,000.00	(174,887.00)	825,113.00
Closing Balance	1,000,000.00	(174,887.00)	825,113.00

Significant Accounting Policies and Notes to the Accounts 7

As Per Our Report of Even Date

Moti Lal Dugar
Chairman

Arun Kumar Ojha
Director

Sampa Lama
Director

Jagdish Agrawal, FCA
Partner
JBRH & Company
Chartered Accountants

Date: 2065-08-10
Place: Kathmandu



Sanima Insurance Company Ltd.

Kamaladi, Kathmandu

Schedule Annexed to and Forming Part of the Financial Statements As At Ashadh 31, 2065

Schedule 1: Share Capital

	2064-65 NRs.
Authorized Capital	
20,00,000 ordinary shares of Rs. 100 each	200,000,000.00
Issued Capital	
12,50,000 Ordinary shares of Rs. 100 each	125,000,000.00
Paid up Capital	
10,00,000 Ordinary shares of Rs. 100 each and Rs. 1 paid for each	1,000,000.00
Total	1,000,000.00

Schedule 2: Cash and Bank

	2064-65 NRs.
Cash at Bank	768,007.00
Cash in Hand	190,000.00
Total	958,007.00

Schedule 3: Sundry Debtors & Advances

	2064-65 NRs.
Business Advance to Staff	10,300.00
Prepaid Tax	600.00
Total Current Assets	10,900.00

Schedule 4: Sundry Creditors & Payable

	2064-65 NRs.
Audit Fee Payable	5,575.00
Payable to Staff	900.00
House Rent Payable	1,700.00
Sanima Pvt. Ltd.	135,544.00
Tax Deducted at Source	75.00
Total	143,794.00

Schedule 5: Administrative Expenses

	2064-65 NRs.
Salary	18,000.00
Stationery & Printing	3,210.00
Office Rent	2,000.00
Communication Expenses	22.00
Transportation Expenses	1,005.00
Audit Fee	5,650.00
License Register Expenses	50,000.00
Total	79,887.00

Schedule 6: Registration Expenses

	2064-65 NRs.
Company Registration Expenses	95,000.00
	95,000.00

Sanima Insurance Company Ltd. Kamaladi, Kathmandu

Schedule – 7: Significant Accounting Policies and Notes to the Accounts

1. Introduction

Sanima Insurance Company Ltd. has been registered as public limited company for operating general insurance business. The company has not yet obtained the certificate of operation and is still in process for obtaining license from Beema Samiti.

2. Accounting Policies

A. Accounting Convention

The financial statements are prepared under the historical cost convention in accordance certain relevant Nepal Accounting Standards and requirements of Nepal Company Act, 2063 and Income Tax Act, 2058.

B. Income

Since the company is in pre-operational phase, no income is generated during the year.

C. Deferred Tax Assets

The company has incurred loss for Rs. 174,887 during the year due to which the deferred tax assets of Rs. 55,089 @ 31.5% tax rate is raised. But we have not adjusted the same in books as the company has not started its core business and the license is also not issued by the regulatory body yet.

As per NAS 09, deferred tax assets shall be recognized only to the extent that there is future possibility of profit against which the same can be adjusted, but in this case since regulatory requirement are still in process, we have not shown the same in books.

3. Notes to the Accounts

No Previous year's Figures are mentioned as this is the first year after registration.



JBRH and Co.
Chartered Accountants

157/10 Janapath Marg
Anamnagar, Kathmandu, Nepal
Tel: 4770187, 4770290, 4770796
E-mail: jbrh@info.com.np

**INDEPENDENT AUDITOR'S REPORT TO THE
SHAREHOLDER'S OF SANIMA INSURANCE CO. LTD.**

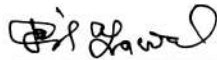
We have audited the accompanying Balance Sheet of the M/S Sanima Insurance Co. Ltd., Kathmandu, Nepal as at Ashad 31, 2066 (15 July 2009) and the related Statement of Income and Cash Flow statement for the year. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

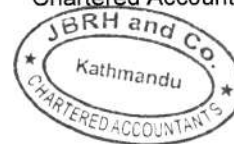
We conducted our audit in accordance with Nepal Standard on Auditing or relevant practices. Those Standards or relevant practices require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining on a test basis, evidence supporting the amount and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion. We express our opinion that:

- a. We have obtained prompt replies to our queries and explanations asked for.
- b. The financial statements are in agreement with the books of accounts maintained by the Company.
- c. The accounts and records of the company have been accurately maintained in accordance with the law.
- d. To the best of our information and according to the explanations given to us, neither the Board of directors nor any employee of the company have acted contrary to legal provisions relating to accounts nor committed any misappropriation causing loss or damage to the company.

In our opinion, the financial statements give a true and fair view of the financial position of the company as of Ashad 31, 2066 (15 July 2009), and of the results of its operation and its cash flows for the year then ended in accordance with Nepal Accounting Standards or relevant practices and comply with Company Act 2063.

Date: 2066.8.01
Place: Kathmandu


Jagdish Agrawal, FCA
Partner,
JBRH and Co.
Chartered Accountants



Sanima Insurance Company Ltd.
Kamaladi, Kathmandu

Balance-Sheet
As at Ashadh 31, 2066 (July 15, 2009)

(Amount in NRs.)

	Schedules	As At 31.03.2066	As At 31.03.2065
Equity			
Equity Holders' Fund			
Share Capital	1	1,000,000.00	1,000,000.00
Retained Earnings		(286,174.36)	(174,887.00)
Total Equity		713,825.64	825,113.00
Assets			
Non Current Assets			
Fixed Assets	2	51,790.00	-
Less: Accumulated Depreciation		(12,947.50)	-
Net Fixed Assets		38,842.50	-
Current Assets			
Cash and Bank Balances	3	726,066.67	958,007.00
Loan Advance and deposits	4	120,947.47	10,900.00
Total Current Assets (A)		847,014.14	968,907.00
less: Current Liabilities & Provision			
Sundry Creditors and Payable	5	170,518.50	143,719.00
TDS Payable		1,512.50	75.00
Total Current Liabilities (B)		172,031.00	143,794.00
Net Current Assets (A-B)		674,983.14	825,113.00
Total Assets		713,825.64	825,113.00

Significant Accounting Policies and Notes to the Accounts 8

As Per Our Report of Even Date

Moti Lal Dugar
Chairman

Arun Kumar Ojha
Director

Sampa Lama
Director

Jagdish Agrawal, FCA
Partner
JBRH & Company
Chartered Accountants

Date: 2066-08-01
Place: Kathmandu



Sanima Insurance Company Ltd.
Kamaladi, Kathmandu

Income Statement

For the year ended on Ashadh 31, 2066 (July 15, 2009)

(Amount in NRs.)

	Schedules	Current Year 2065-066	Previous Year 2064-065
Income			
Income		37,323.14	-
Total Income		37,323.14	-
Administrative expenses	6	(135,663.00)	(79,887.00)
Company Registration Expenses	7	-	(95,000.00)
Depreciation Charge	2	(12,947.50)	
Sub Total		(148,610.50)	(174,887.00)
Net Profit/(loss) before tax		(111,287.36)	(174,887.00)
Provision for Income Tax		-	-
Net Profit/(loss) After Tax		(111,287.36)	(174,887.00)
Profit/(Loss) brought forward from last year		(174,887.00)	-
Net Profit/ (Loss) transferred to Balance Sheet		(286,174.36)	(174,887.00)

Significant Accounting Policies and Notes to the Accounts 8

As Per Our Report of Even Date

Moti Lal Dugar
Chairman

Arun Kumar Ojha
Director

Sampa Lama
Director

Jagdish Agrawal, FCA
Partner
JBRH & Company
Chartered Accountants

Date: 2066-08-01
Place: Kathmandu



Sanima Insurance Company Ltd.
Kamaladi, Kathmandu

Cash Flow Statement
For the year ended Ashadh 31, 2066 (July 15, 2009)

(Amount in NRs.)

	Current Year 2065-066	Previous Year 2064-065
Cash flow from operating activities		
Net Profit Before Taxation	(111,287.36)	(174,887.00)
Adjustment for:		
Depreciation	12,947.50	-
Cash flow from operating activities before changes in working capital	(98,339.86)	(174,887.00)
Cash flow from changes in working capital		
(Increase)/Decrease in current assets	(110,047.47)	(10,900.00)
Increase/(Decrease) in current liabilities	28,237.00	143,794.00
Cash Flow from operating activities	(180,150.33)	(41,993.00)
Cash flow on investing activities		
Investment in shares	-	-
Purchase/Capitalisation of fixed assets	(51,790.00)	-
Cash flow on investing activities	(51,790.00)	-
Cash flow on financing activities		
From issue of share capital	-	1,000,000.00
Cash flow on financing activities	-	1,000,000.00
Total cash generated in the year	(231,940.33)	958,007.00
Opening cash and bank balances	958,007.00	-
Cash and bank balance at the end of the year	726,066.67	958,007.00

Significant Accounting Policies and Notes to the Accounts 8

As Per Our Report of Even Date

Moti Lal Dugar
Chairman

Arun Kumar Ojha
Director

Sampa Lama
Director

Jagdish Agrawal, FCA
Partner
JBRH & Company
Chartered Accountants

Date: 2066-08-01
Place: Kathmandu



सानिमा इन्स्योरेन्स कम्पनी लि.
Sanima Insurance Company Ltd.

Sanima Insurance Company Ltd.

Kamaladi, Kathmandu

Statement of Change in Equity

As at Ashadh 31, 2066 (July 15, 2009)

(Amount in NRs.)

Particulars	Share Capital	Retained Earning	Total
Balance as at 32 Ashad 2064	-	-	-
Adjustment During the year			
Issue of Share Capital	1,000,000.00		1,000,000.00
Net Loss		(174,887.00)	(174,887.00)
Balance as at 31 Ashad 2065	1,000,000.00	(174,887.00)	825,113.00
Adjustment During the year			
Issue of Share Capital	-		-
Net Loss		(111,287.36)	(111,287.36)
Closing Balance	1,000,000.00	(286,174.36)	713,825.64

Significant Accounting Policies and Notes to the Accounts 8

As Per Our Report of Even Date

Moti Lal Dugar
Chairman

Arun Kumar Ojha
Director

Sampa Lama
Director

Jagdish Agrawal, FCA
Partner
JBRH & Company
Chartered Accountants

Date: 2066-08-01
Place: Kathmandu

Sanima Insurance Company Ltd.
Kamaladi, Kathmandu

Schedule Annexed to and Forming Part of the Financial Statements
As At Ashadh 31, 2066

Schedule 1: Share Capital

(Amount in NRs.)

	Current Year 2065-066	Previous Year 2064-065
Authorized Capital 20,00,000 ordinary shares of Rs. 100 each	200,000,000.00	200,000,000.00
Issued Capital 12,50,000 Ordinary shares of Rs. 100 each	125,000,000.00	125,000,000.00
Paid up Capital 10,00,000 Ordinary shares of Rs. 100 each and Rs. 1 paid for each	1,000,000.00	1,000,000.00
Total	1,000,000.00	1,000,000.00

Schedule 3: Cash and Bank

	Current Year 2065-066	Previous Year 2064-065
Sanima Bikas Bank (Current A/C)	10,000.00	768,007.00
Sanima Bikas Bank (Call Deposit A/C)	716,066.67	
Cash in Hand		190,000.00
Total	726,066.67	958,007.00

Schedule 4: Loans, Advance and Deposits

	Current Year 2065-066	Previous Year 2064-065
Advance Tax Payment	5,598.47	
Business Advance to Staff	85,349.00	10,300.00
Advance To Other	30,000.00	
Prepaid TDS	-	600.00
Total Current Assets	120,947.47	10,900.00

Schedule 5: Sundry Creditors & Payable

	Current Year 2065-066	Previous Year 2064-065
Sundry Creditor	135,544.00	135,544.00
Audit Fee Payable	8,362.50	5,575.00
Office Rent Payable	23,100.00	1,700.00
Payable to Staff	-	900.00
Expenses Payable	3,512.00	
Total	170,518.50	143,719.00



Sanima Insurance Company Ltd.
Kamaladi, Kathmandu

Schedule Annexed to and Forming Part of the Financial Statements
As At Ashadh 31, 2066

Schedule 6: Administrative Expenses

(Amount in NRs.)

	Current Year 2065-066	Previous Year 2064-065
Salary Exp.	63,800.00	18,000.00
Office Rent	24,000.00	2,000.00
Transportation Expenses	1,287.00	1,005.00
Stationery & Printing	474.00	3,210.00
Staff Refreshment Expenses	195.00	-
Guest Refreshment Expenses	4,340.00	-
Communication Exp.	11,257.00	22.00
Postage/Air/Document	1,535.00	-
Advertisement Expenses	400.00	-
Miscellaneous Expenses	19,900.00	-
Audit Fee	8,475.00	5,650.00
License Registr. Exp	-	50,000.00
Total	135,663.00	79,887.00

Schedule 7: Registration Expenses

	Current Year 2065-066	Previous Year 2064-065
Company Registration Expenses	-	95,000.00
Total	-	95,000.00

Sanima Insurance Company Ltd.
Kamaladi, Kathmandu



**Schedule Annexed to and Forming Part of the Financial Statements
As At Ashadh 31, 2066**

(Amount in NRs.)

Pool Particulars	Dep. Rate	Gross Block			Depreciation			Net Block		
		Gross Value as on 01.04.2065	Addition During the year	Disposal During the year	Total Gross Value as at 31.03.2066	Accumulated	Disposal For the year	Total As at 31.03.2066	Net Block As at 31.03.2066	Net Block As at 31.03.2065
Depreciable Assets										
Pool B										
B. Furniture, Computers & Office Equipments										
Computer and Accessories	25%		51,790.00	-	51,790.00	-	12,947.50	-	38,842.50	-
Total assets		-	51,790.00	-	51,790.00	-	12,947.50	-	38,842.50	-
Last Year		-	-	-	-	-	-	-	-	-



Sanima Insurance Company Ltd. Kamaladi, Kathmandu

Schedule to and Forming Part of the Financial Statements as at Ashad 2066.

Schedule – 8: Significant Accounting Policies and Notes to the Accounts

1. Introduction

Sanima Insurance Company Ltd. has been registered as public limited company for operating general insurance business. The company has not yet obtained the certificate of operation and is still in process for obtaining license from Beema Samiti.

2. Accounting Policies

A. Accounting Convention

The financial statements are prepared under the historical cost convention in accordance certain relevant Nepal Accounting Standards and requirements of Nepal Company Act, 2063 and Income Tax Act, 2058.

B. Fixed Assets and Depreciation

- Fixed assets are stated at cost and are inclusive of all expenses to the date of commissioning/ putting the assets to use.
- Depreciation is charged as per the provision in Income Tax Act 2058.

C. Income

Since the company is in pre-operational phase, no income is generated during the year except interest income.

3. Notes to the Accounts

- Being operational loss in the year, no corporate tax is required to provide.
- Previous year's Figures have been regrouped and rearranged wherever necessary.



CHARTERED ACCOUNTANTS

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
SANIMA INSURANCE CO. LTD.**

We have audited the accompanying Balance Sheet of the M/S. Sanima Insurance Co. Ltd., Kathmandu, Nepal as at Ashad 32, 2067 (July 16, 2010) and the related Statement of Income and Cash Flow Statement for the year. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Nepal Standards on Auditing or relevant practices. Those Standards or relevant practices require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion. We express our opinion that:

- a. We have obtained prompt replies to our queries and explanations asked for.
- b. The financial statements are in agreement with the books of accounts maintained by the Company.
- c. The accounts and records of the Company have been accurately maintained in accordance with the law.
- d. To the best of our information and according to the explanations given to us, neither the board of the Directors nor any employee of the Company have acted contrary to legal provisions relating to accounts nor committed any misappropriation causing loss or damage to the Company.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as of Ashad 32, 2067 (July 16, 2010) and of the results of its operation flows for the year then ended in accordance with Nepal Accounting Standards or relevant practices and comply with Company Act, 2063.

CA. Janak Raj Kalakheti
JR Associates
Chartered Accountants

Date: 2067/08/25
Place: Kathmandu



Sanima Insurance Company Ltd.
Kamaladi, Kathmandu

Balance-Sheet
As at Ashadh 32, 2067 (July 16, 2010)

(Amount in NRs.)

	Schedules	As At 32.03.2067	As At 31.03.2066
Equity			
Equity Holders' Fund			
Share Capital	1	1,000,000.00	1,000,000.00
Retained Earnings		(401,396.93)	(286,174.36)
Total Equity		598,603.07	713,825.64
Assets			
Non Current Assets			
Fixed Assets	2	51,790.00	51,790.00
Less: Accumulated Depreciation		(22,658.13)	(12,947.50)
Net Fixed Assets		29,131.87	38,842.50
Current Assets			
Cash and Bank Balances	3	664,463.72	726,066.67
Loan Advance and deposits	4	106,700.48	120,947.47
Total Current Assets (A)		771,164.20	847,014.14
less: Current Liabilities & Provision			
Sundry Creditors and Payable	5	63,189.00	34,974.50
Payable To Associates Co.	6	135,544.00	135,544.00
TDS Payable		2,960.00	1,512.50
Total Current Liabilities (B)		201,693.00	172,031.00
Net Current Assets (A-B)		569,471.20	674,983.14
Total Assets		598,603.07	713,825.64

Significant Accounting Policies and Notes to the Accounts 8

As Per Our Report of Even Date

Sampa Lama
Director

Moti Lal Dugar
Chairman

CA. Janak Raj Kalakheti
JR Associates
Chartered Accountants

Date: 2067-08-25
Place: Kathmandu

Sanima Insurance Company Ltd.
Kamaladi, Kathmandu

Income Statement

For the year ended on Ashadh 32, 2067 (July 16, 2010)

(Amount in NRs.)

	Schedules	Current Year 2066-067	Previous Year 2065-066
Income			
Income		34,070.06	37,323.14
Total Income		34,070.06	37,323.14
Administrative expenses	7	(139,582.00)	(135,663.00)
Depreciation Charge	2	(9,710.63)	(12,947.50)
Sub Total		(149,292.63)	(148,610.50)
Net Profit/(loss) before tax		(115,222.57)	(111,287.36)
Provision for Income Tax		-	-
Net Profit/(loss) After Tax		(115,222.57)	(111,287.36)
Profit/(Loss) brought forward from last year		(286,174.36)	(174,887.00)
Net Profit/ (Loss) transferred to Balance Sheet		(401,396.93)	(286,174.36)

Significant Accounting Policies and Notes to the Accounts 8

As Per Our Report of Even Date

Sampa Lama
Director

Moti Lal Dugar
Chairman

CA. Janak Raj Kalakheti
JR Associates
Chartered Accountants

Date: 2067-08-25
Place: Kathmandu



Sanima Insurance Company Ltd.
Kamaladi, Kathmandu

Cash Flow Statement

For the year ended Ashadh 32, 2067 (July 16, 2010)

(Amount in NRs.)

	Current Year 2066-067	Previous Year 2065-066
Cash flow from operating activities		
Net Profit Before Taxation	(115,222.57)	(111,287.36)
Adjustment for:		
Depreciation	9,710.63	12,947.50
Cash flow from operating activities before changes in working capital	(105,511.94)	(98,339.86)
Cash flow from changes in working capital		
(Increase)/Decrease in current assets	14,246.99	(110,047.47)
Increase/(Decrease) in current liabilities	29,662.00	28,237.00
Cash Flow from operating activities	(61,602.95)	(180,150.33)
Cash flow on investing activities		
Investment in shares		
Purchase/Capitalisation of fixed assets	-	(51,790.00)
Cash flow on investing activities	-	(51,790.00)
Cash flow on financing activities		
From issue of share capital	-	-
Cash flow on financing activities	-	-
Total cash generated in the year	(61,602.95)	(231,940.33)
Opening cash and bank balances	726,066.67	958,007.00
Cash and bank balance at the end of the year	664,463.72	726,066.67

Significant Accounting Policies and Notes to the Accounts 8

As Per Our Report of Even Date

Sampa Lama
Director

Moti Lal Dugar
Chairman

CA. Janak Raj Kalakheti
JR Associates
Chartered Accountants

Date: 2067-08-25
Place: Kathmandu

Sanima Insurance Company Ltd.
Kamaladi, Kathmandu

Statement of Change in Equity
As at Ashadh 32, 2067 (July 16, 2010)

(Amount in NRs.)

Particulars	Share capital	Retained Earning	Total
Balance as at 31 Ashad 2066	1,000,000.00	(286,174.36)	713,825.64
Adjustment During the year			
Issue of Share Capital			-
Net Loss		(115,222.57)	(115,222.57)
Balance as at 32 Ashad 2067	1,000,000.00	(401,396.93)	598,603.07

Significant Accounting Policies and Notes to the Accounts 8

As Per Our Report of Even Date

Sampa Lama
Director

Moti Lal Dugar
Chairman

CA. Janak Raj Kalakheti
JR Associates
Chartered Accountants

Date: 2067-08-25
Place: Kathmandu



Sanima Insurance Company Ltd.

Kamaladi, Kathmandu

Schedule Annexed to and Forming Part of the Financial Statements As At Ashadh 32, 2067

Schedule 1: Share Capital

(Amount in NRs.)

	Current Year 2066-067	Previous Year 2065-066
Authorized Capital 20,00,000 ordinary shares of Rs. 100 each	200,000,000.00	200,000,000.00
Issued Capital 12,50,000 Ordinary shares of Rs. 100 each	125,000,000.00	125,000,000.00
Paid up Capital 10,00,000 Ordinary shares of Rs. 100 each and Rs. 1 paid for each	1,000,000.00	1,000,000.00
Total	1,000,000.00	1,000,000.00

Schedule 3: Cash and Bank

	Current Year 2066-067	Previous Year 2065-066
Sanima Bikas Bank (Current A/C)	600.00	10,000.00
Sanima Bikas Bank (Call Deposit A/C)	663,863.72	716,066.67
Total	664,463.72	726,066.67

Schedule 4: Loans, Advance and Deposits

	Current Year 2066-067	Previous Year 2065-066
Miscellaneous Deposit	3,000.00	-
Advance Tax Payment	10,708.98	5,598.47
Business Advance to Staff	62,991.50	85,349.00
Advance To Other	30,000.00	30,000.00
Total Current Assets	106,700.48	120,947.47

Schedule 5: Sundry Creditors & Payable

	Current Year 2066-067	Previous Year 2065-066
Audit Fee Payable	12,750.00	8,362.50
Office Rent Payable	44,700.00	23,100.00
Expenses Payable	5,739.00	3,512.00
Total	63,189.00	34,974.50

Sanima Insurance Company Ltd.
Kamaladi, Kathmandu

Schedule Annexed to and Forming Part of the Financial Statements
As At Ashadh 32, 2067

Schedule 6: Payable To Associates Co.

	Current Year 2066-067	Previous Year 2065-066
Sanima Pvt. Ltd.	135,544.00	135,544.00
Total	135,544.00	135,544.00

Schedule 7: Administrative Expenses

	Current Year 2066-067	Previous Year 2065-066
Salary Exp.	70,710.00	63,800.00
Office Rent	24,000.00	24,000.00
Transportation Expenses	120.00	1,287.00
Stationery & Printing	13,000.00	474.00
Staff Refreshment Expenses	-	195.00
Guest Refreshment Expenses	-	4,340.00
Communication Exp.	11,405.00	11,257.00
Postage/Air/Document	500.00	1,535.00
Advertisement Expenses	-	400.00
Miscellaneous Expenses	-	19,900.00
Audit Fee	15,000.00	8,475.00
Office Consumable Goods	3,840.00	-
Meeting Expenses	1,007.00	-
Total	139,582.00	135,663.00



Sanima Insurance Company Ltd.
Kamaladi, Kathmandu

**Schedule Annexed to and Forming Part of the Financial Statements
As At Ashadh 32, 2067**

Schedule 2: Fixed Assets

(Amount in NRs.)

Pool Particulars	Dep. Rate	Gross Block			Depreciation			Net Block		
		Gross Value as on 01.04.2066	Addition During the year	Disposal During the year	Total Gross Value as at 32.03.2067	Accumulated	Disposal For the year	Total As at 32.03.2067	Net Block As at 32.03.2067	Net Block As at 31.03.2066
Depreciable Assets										
Pool B										
B. Furniture, Computers & Office Equipments	25%	51,790.00		-	51,790.00	12,947.50	-	22,658.13	29,131.87	38,842.50
Computer and Accessories		51,790.00	-	-	51,790.00	12,947.50	-	22,658.13	29,131.87	38,842.50
Total assets		-	51,790.00	-	51,790.00	-	-	12,947.50	38,842.50	-
Last Year										

Sanima Insurance Company Ltd.

Kamaladi, Kathmandu

Schedule to and Forming Part of the Financial Statements as at Ashad 2067.

Schedule – 8: Significant Accounting Policies and Notes to the Accounts

1. Introduction

Sanima Insurance Company Ltd. has been registered as public limited company for operating general insurance business. The company has not yet obtained the certificate of operation and is still in process for obtaining license from Beema Samiti.

2. Accounting Policies

A. Accounting Convention

The financial statements are prepared under the historical cost convention in accordance certain relevant Nepal Accounting Standards and requirements of Nepal Company Act, 2063 and Income Tax Act, 2058.

B. Fixed Assets and Depreciation

- a. Fixed assets are stated at cost and are inclusive of all expenses to the date of commissioning/ putting the assets to use.
- b. Depreciation is charged as per the provision in Income Tax Act 2058.

C. Income

Since the company is in pre-operational phase, no income is generated during the year except interest income.

3. Notes to the Accounts

A. Being operational loss in the year, no corporate tax is required to provide.

B. Related Party Transactions

The Company has done the transaction with its related party, which are as below.

S.No.	Related Party	Status	Transaction Type	Amount (Rs.)
1.	Sanima Pvt. Ltd.	Sister Concern	Advanced Received	1,35,544
2.	Sanima Bikas Bank Ltd.	Director Interested	Account Operation	Year End balance NRs. 664,463.72

C. Previous year's Figures have been regrouped and rearranged wherever necessary.



ACHARYA & ASSOCIATES

Registered Auditors

Regd. No. 2952, C.O.P. No. "C" 1114
ICAN Membership No. 6411, PAN: 301430524

Contact No:
Chitwan: 9845044234
Kathmandu: 98510 01434

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF SANIMA INSURANCE CO. LTD.

We have audited the accompanying Balance Sheet of the M/S Sanima Insurance Co. Ltd., Kathmandu, Nepal as at Ashad 32, 2068 (July 16, 2011) and the related Statement of Income and Cash Flow Statement for the year ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Nepal Standards on Auditing or relevant practices. Those Standards or relevant practices require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion. We express our opinion that:

- We have obtained prompt replies to our queries and explanations asked for.
- The financial statements are in agreement with the books of accounts maintained by the Company.
- The accounts and records of the Company have been accurately maintained in accordance with the law.
- To the best of our information and according to the explanations given to us, neither the board of the Directors nor any employee of the Company have acted contrary to legal provisions relating to accounts nor committed any misappropriation causing loss or damage to the Company.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as of Ashad 32, 2068 (July 16, 2011) and of the results of its operation, operation flows for the year then ended in accordance with Nepal Accounting Standards, relevant practices and comply with Company Act, 2063.

Mukunda Acharya
Acharya and Associates
Registered Auditors

Date: 2068/07/25
Place: Kathmandu

E-mail: muksacharva@yahoo.com



Sanima Insurance Company Ltd.
Kamaladi, Kathmandu

Balance-Sheet
As at Ashadh 32, 2068 (July 16, 2011)

(Amount in NRs.)

	Schedules	As At 32.03.2068	As At 32.03.2067
Equity			
Equity Holders' Fund			
Share Capital	1	1,000,000.00	1,000,000.00
Retained Earnings		(397,011.05)	(401,396.93)
Total Equity		602,988.95	598,603.07
Assets			
Non Current Assets			
Fixed Assets	2	51,790.00	51,790.00
Less: Accumulated Depreciation		(29,941.10)	(22,658.13)
Net Fixed Assets		21,848.90	29,131.87
Current Assets			
Cash and Bank Balances	3	676,083.29	664,463.72
Loan Advance and deposits	4	119,645.76	106,700.48
Total Current Assets (A)		795,729.05	771,164.20
less: Current Liabilities & Provision			
Sundry Creditors and Payable	5	75,895.00	63,189.00
Payable To Associates Co.	6	135,544.00	135,544.00
TDS Payable		3,150.00	2,960.00
Total Current Liabilities (B)		214,589.00	201,693.00
Net Current Assets (A-B)		581,140.05	569,471.20
Total Assets		602,988.95	598,603.07

Significant Accounting Policies and Notes to the Accounts 8

As Per Our Report of Even Date

Arun Kumar Ojha
Director

Moti Lal Dugar
Chairman

Mukunda Acharya
Acharya & Associates
Registered Auditors

Date: 2068-09-25
Place: Kathmandu



Sanima Insurance Company Ltd.
Kamaladi, Kathmandu

Income Statement

For the year ended on Ashadh 32, 2068 (July 16, 2011)

(Amount in NRs.)

	Schedules	Current Year 2067-068	Previous Year 2066-067
Income			
Income		47,581.85	34,070.06
Total Income		47,581.85	34,070.06
Administrative expenses	7	(35,913.00)	(139,582.00)
Depreciation Charge	2	(7,282.97)	(9,710.63)
Sub Total		(43,195.97)	(149,292.63)
Net Profit/(loss) before tax		4,385.88	(115,222.57)
Provision for Income Tax		-	-
Net Profit/(loss) After Tax		4,385.88	(115,222.57)
Profit/(Loss) brought forward from last year		(401,396.93)	(286,174.36)
Net Profit/ (Loss) transferred to Balance Sheet		(397,011.05)	(401,396.93)

Significant Accounting Policies and Notes to the Accounts 8

As Per Our Report of Even Date

Arun Kumar Ojha
Director

Moti Lal Dugar
Chairman

Mukunda Acharya
Acharya & Associates
Registered Auditors

Date: 2068-09-25
Place: Kathmandu

Sanima Insurance Company Ltd.
Kamaladi, Kathmandu

Cash Flow Statement
For the year ended Ashadh 32, 2068 (July 16, 2011)

(Amount in NRs.)

	Current Year 2067-068	Previous Year 2066-067
Cash flow from operating activities		
Net Profit Before Taxation	4,385.88	(115,222.57)
Adjustment for:		
Depreciation	7,282.97	9,710.63
Cash flow from operating activities before changes in working capital	11,668.85	(105,511.94)
Cash flow from changes in working capital		
(Increase)/Decrease in current assets	(12,945.28)	14,246.99
Increase/(Decrease) in current liabilities	12,896.00	29,662.00
Cash Flow from operating activities	11,619.57	(61,602.95)
Cash flow on investing activities		
Investment in shares		
Purchase/Capitalisation of fixed assets	-	-
Cash flow on investing activities	-	-
Cash flow on financing activities		
From issue of share capital	-	-
Cash flow on financing activities	-	-
Total cash generated in the year	11,619.57	(61,602.95)
Opening cash and bank balances	664,463.72	726,066.67
Cash and bank balance at the end of the year	676,083.29	664,463.72

Significant Accounting Policies and Notes to the Accounts 8

As Per Our Report of Even Date

Arun Kumar Ojha
Director

Moti Lal Dugar
Chairman

Mukunda Acharya
Acharya & Associates
Registered Auditors

Date: 2068-09-25
Place: Kathmandu



सानिमा इन्स्योरेन्स कम्पनी लि.
Sanima Insurance Company Ltd.

Sanima Insurance Company Ltd.

Kamaladi, Kathmandu

Statement of Change in Equity As at Ashadh 32, 2068 (July 16, 2011)

(Amount in NRs.)

Particulars	Share capital	Retained Earning	Total
Balance as at 32 Ashad 2067	1,000,000.00	(401,396.93)	598,603.07
Adjustment During the year			
Issue of Share Capital			-
Net Loss		4,385.88	4,385.88
Balance as at 32 Ashad 2068	1,000,000.00	(397,011.05)	602,988.95

Significant Accounting Policies and Notes to the Accounts 8

As Per Our Report of Even Date

Arun Kumar Ojha
Director

Moti Lal Dugar
Chairman

Mukunda Acharya
Acharya & Associates
Registered Auditors

Date: 2068-09-25
Place: Kathmandu

Sanima Insurance Company Ltd.

Kamaladi, Kathmandu

Schedule Annexed to and Forming Part of the Financial Statements As At Ashadh 32, 2068

Schedule 1: Share Capital

(Amount in NRs.)

	Current Year 2067-068	Previous Year 2066-067
Authorized Capital 20,00,000 ordinary shares of Rs. 100 each	200,000,000.00	200,000,000.00
Issued Capital 12,50,000 Ordinary shares of Rs. 100 each	125,000,000.00	125,000,000.00
Paid up Capital 10,00,000 Ordinary shares of Rs. 100 each and Rs. 1 paid for each	1,000,000.00	1,000,000.00
Total	1,000,000.00	1,000,000.00

Schedule 3: Cash and Bank

	Current Year 2067-068	Previous Year 2066-067
Sanima Bikas Bank (Current A/C)	1,000.00	600.00
Sanima Bikas Bank (Call Deposit A/C)	675,083.29	663,863.72
Total	676,083.29	664,463.72

Schedule 4: Loans, Advance and Deposits

	Current Year 2067-068	Previous Year 2066-067
Miscellaneous Deposit	3,000.00	3,000.00
Advance Tax Payment	17,846.26	10,708.98
Business Advance to Staff	60,366.50	62,991.50
Advance To Other	38,433.00	30,000.00
Total Current Assets	119,645.76	106,700.48

Schedule 5: Sundry Creditors & Payable

	Current Year 2067-068	Previous Year 2066-067
Audit Fee Payable	4,250.00	12,750.00
Office Rent Payable	66,300.00	44,700.00
Expenses Payable	5,345.00	5,739.00
Total	75,895.00	63,189.00

Schedule 6: Payable To Associates Co.

	Current Year 2067-068	Previous Year 2066-067
Sanima Pvt. Ltd.	135,544.00	135,544.00
Total	135,544.00	135,544.00



सानिमा इन्स्योरेन्स कम्पनी लि.
Sanima Insurance Company Ltd.

Sanima Insurance Company Ltd.

Kamaladi, Kathmandu

Schedule Annexed to and Forming Part of the Financial Statements As At Ashadh 32, 2068

Schedule 7: Administrative Expenses

	Current Year 2067-068	Previous Year 2066-067
Salary Exp.	-	70,710.00
Office Rent	24,000.00	24,000.00
Transportation Expenses	-	120.00
Stationery & Printing	225.00	13,000.00
Communication Exp.	6,063.00	11,405.00
Postage/Air/Document	625.00	500.00
Audit Fee	5,000.00	15,000.00
Office Consumable Goods	-	3,840.00
Meeting Expenses	-	1,007.00
Total	35,913.00	139,582.00

Sanima Insurance Company Ltd.
Kamaladi, Kathmandu



**Schedule Annexed to and Forming Part of the Financial Statements
As At Ashadh 32, 2068**

Schedule 2: Fixed Assets

(Amount in NRs.)

Pool Particulars	Gross Block				Depreciation			Net Block			
	Dep. Rate	Gross Value as on 01.04.2067	Addition During the year	Disposal During the year	Total Gross Value as at 32.03.2068	Accumulated	Disposal For the year	Depreciation For the year	Total As at 32.03.2068	Net Block As at 32.03.2068	Net Block As at 32.03.2067
Depreciable Assets											
Pool B											
B. Furniture, Computers & Office Equipments	25%	51,790.00			51,790.00	22,658.13			29,941.10	21,848.90	29,131.87
Computer and Accessories		51,790.00			51,790.00	22,658.13		7,282.97	29,941.10	21,848.90	29,131.87
Total assets		-	-	-	51,790.00	-	-	9,710.63	22,658.13	29,131.87	-
Last Year											



Sanima Insurance Company Ltd. Kamaladi, Kathmandu

Schedule – 8: Significant Accounting Policies and Notes to the Accounts at Ashadh 32, 2068

1. Introduction:

Sanima Insurance Company Ltd. has been registered as public limited company for operating general insurance business. The company has applied for operating license and not yet obtained the certificate of operation and is still in process for obtaining license from Beema Samiti.

2. Accounting Policies

A. Accounting Convention

The financial statements are prepared under the historical cost convention in accordance certain relevant Nepal Accounting Standards and requirements of Nepal Company Act, 2063 and Income Tax Act, 2058.

B. Fixed Assets and Depreciation

- Fixed assets are stated at cost and are inclusive of all expenses to the date of commissioning/ putting the assets to use.
- Depreciation is charged as per the provision in Income Tax Act 2058.

C. Income

Since the company is in pre-operational phase, no income is generated during the year except interest income.

3. Notes to the Accounts

A. Being operational loss in the year, no corporate tax is required to provide.

B. Related Party Transactions

The Company has done the transaction with its related party, which are as below.

S.No.	Related Party	Status	Transaction Type	Amount (Rs.)
1.	Sanima Pvt. Ltd.	Sister Concern	Advanced Received	1,35,544
2.	Sanima Bikas Bank Ltd.	Director Interested	Account Operation	Year End balance NRs. 676,083.29

C. Previous year's Figures have been regrouped and rearranged wherever necessary.



Regd. (ICAN)No.: 62
PAN : 300732092

SIBAKOTI & ASSOCIATES
Chartered Accountants

Raju kumar Sibakoti, FCA
157/10 Janapath Marg
Anamnagar, Kathmandu, Nepal
Tel: 00977-4770187, 4770796
E-mail: carajusibakoti@gmail.com

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
SANIMA INSURANCE CO. LTD.**

We have audited the accompanying Balance Sheet of the M/S. Sanima Insurance Co. Ltd., Kathmandu, Nepal as at Ashad 31, 2069 (July 15, 2012) and the related Statement of Income and Cash Flow Statement for the year. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Nepal Standards on Auditing or relevant practices. Those Standards or relevant practices that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion. We express our opinion that:

- a. We have obtained prompt replies to our queries and explanations asked for.
- b. The financial statements are in agreement with the books of accounts maintained by the Company.
- c. The accounts and records of the Company have been accurately maintained in accordance with the law.
- d. To the best our information and according to the explanations given to us, neither the board of the Directors nor any employee of the Company have acted contrary to legal provisions relating to accounts nor committed any misappropriation causing loss or damage to the Company.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as of Ashad 31, 2069 (July 15, 2012) and of the results of its operation flows for the year then ended in accordance with Nepal Accounting Standards and other relevant practices and comply with Company Acts, 2063.

Raju Kumar Sibakoti, FCA
Sibakoti & Associates
Chartered Accountants

Date: 2069-09-16
Place: Kathmandu





Sanima Insurance Company Ltd.
Kamaladi, Kathmandu

Balance-Sheet

As at Ashadh 31, 2069 (July 15, 2015)

(Amount in NRs.)

	Schedules	As At 31.03.2069	As At 32.03.2068
Equity			
Equity Holders' Fund			
Share Capital	1	1,000,000.00	1,000,000.00
Retained Earnings		(394,525.83)	(397,011.05)
Total Equity		605,474.17	602,988.95
Assets			
Non Current Assets			
Fixed Assets	2	51,790.00	51,790.00
Less: Accumulated Depreciation		(35,403.33)	(29,941.10)
Net Fixed Assets		16,386.67	21,848.90
Current Assets			
Cash and Bank Balances	3	719,573.93	676,083.29
Loan Advance and deposits	4	119,637.57	119,645.76
Total Current Assets (A)		839,211.50	795,729.05
less: Current Liabilities & Provision			
Sundry Creditors and Payable	5	111,955.00	75,895.00
Payable To Associates Co.	6	135,544.00	135,544.00
TDS Payable		2,625.00	3,150.00
Total Current Liabilities (B)		250,124.00	214,589.00
Net Current Assets (A-B)		589,087.50	581,140.05
Total Assets		605,474.17	602,988.95

Significant Accounting Policies and Notes to the Accounts 8

As Per Our Report of Even Date

Arun Kumar Ojha
Director

Moti Lal Dugar
Chairman

Raj Kumar Sibakoti, FCA
Sibakoti and Associates
Chartered Accountants

Date: 2069-09-16
Place: Kathmandu



Sanima Insurance Company Ltd.
Kamaladi, Kathmandu

Income Statement

For the year ended on Ashadh 31, 2069 (July 15, 2012)

(Amount in NRs.)

	Schedules	Current Year 2068-069	Previous Year 2067-068
Income			
Income		56,165.45	47,581.85
Total Income		56,165.45	47,581.85
Administrative expenses	7	(48,218.00)	(35,913.00)
Depreciation Charge	2	(5,462.23)	(7,282.97)
Sub Total		(53,680.23)	(43,195.97)
Net Profit/(loss) before tax		2,485.22	4,385.88
Provision for Income Tax		-	-
Net Profit/(loss) After Tax		2,485.22	4,385.88
Profit/(Loss) brought forward from last year		(397,011.05)	(401,396.93)
Net Profit/ (Loss) transferred to Balance Sheet		(394,525.83)	(397,011.05)

Significant Accounting Policies and Notes to the Accounts 8

As Per Our Report of Even Date

Arun Kumar Ojha
Director

Moti Lal Dugar
Chairman

Raj Kumar Sibakoti, FCA
Sibakoti and Associates
Chartered Accountants

Date: 2069-09-16
Place: Kathmandu



Sanima Insurance Company Ltd.
Kamaladi, Kathmandu

Cash Flow Statement

For the year ended Ashadh 31, 2069 (July 15, 2012)

(Amount in NRs.)

	Current Year 2068-069	Previous Year 2067-068
Cash flow from operating activities		
Net Profit Before Taxation	2,485.22	4,385.88
Adjustment for:		
Depreciation	5,462.23	7,282.97
Cash flow from operating activities before changes in working capital	7,947.45	11,668.85
Cash flow from changes in working capital		
(Increase)/Decrease in current assets	8.19	(12,945.28)
Increase/(Decrease) in current liabilities	35,535.00	12,896.00
Cash Flow from operating activities	43,490.64	11,619.57
Cash flow on investing activities		
Investment in shares		
Purchase/Capitalisation of fixed assets	-	-
Cash flow on investing activities	-	-
Cash flow on financing activities		
From issue of share capital	-	-
Cash flow on financing activities	-	-
Total cash generated in the year	43,490.64	11,619.57
Opening cash and bank balances	676,083.29	664,463.72
Cash and bank balance at the end of the year	719,573.93	676,083.29

Significant Accounting Policies and Notes to the Accounts 8

As Per Our Report of Even Date

Arun Kumar Ojha
Director

Moti Lal Dugar
Chairman

Raj Kumar Sibakoti, FCA
Sibakoti and Associates
Chartered Accountants

Date: 2069-09-16
Place: Kathmandu

Sanima Insurance Company Ltd.
Kamaladi, Kathmandu

Statement of Change in Equity
As at Ashadh 31, 2069 (July 15, 2012)

(Amount in NRs.)

Particulars	Share capital	Retained Earning	Total
Balance as at 32 Ashad 2068	1,000,000.00	(397,011.05)	602,988.95
Adjustment During the year			
Issue of Share Capital			-
Net Loss		2,485.22	2,485.22
Balance as at 31 Ashad 2069	1,000,000.00	(394,525.83)	605,474.17

Significant Accounting Policies and Notes to the Accounts 8

As Per Our Report of Even Date

Arun Kumar Ojha
Director

Moti Lal Dugar
Chairman

Raj Kumar Sibakoti, FCA
Sibakoti and Associates
Chartered Accountants

Date: 2069-09-16
Place: Kathmandu



Sanima Insurance Company Ltd.

Kamaladi, Kathmandu

Schedule Annexed to and Forming Part of the Financial Statements As At Ashadh 31, 2069

Schedule 1: Share Capital

(Amount in NRs.)

	Current Year 2068-069	Previous Year 2067-068
Authorized Capital 20,00,000 ordinary shares of Rs. 100 each	200,000,000.00	200,000,000.00
Issued Capital 12,50,000 Ordinary shares of Rs. 100 each	125,000,000.00	125,000,000.00
Paid up Capital 10,00,000 Ordinary shares of Rs. 100 each and Rs. 1 paid for each	1,000,000.00	1,000,000.00
Total	1,000,000.00	1,000,000.00

Schedule 3: Cash and Bank

	Current Year 2068-069	Previous Year 2067-068
Sanima Bikas Bank (Current A/C)	1,000.00	1,000.00
Sanima Bikas Bank (Call Deposit A/C)	718,573.93	675,083.29
Total	719,573.93	676,083.29

Schedule 4: Loans, Advance and Deposits

	Current Year 2068-069	Previous Year 2067-068
Miscellaneous Deposit	3,000.00	3,000.00
Advance Tax Payment	26,271.07	17,846.26
Business Advance to Staff	60,366.50	60,366.50
Advance To Other	30,000.00	38,433.00
Total Current Assets	119,637.57	119,645.76

Schedule 5: Sundry Creditors & Payable

	Current Year 2068-069	Previous Year 2067-068
Audit Fee Payable	16,725.00	4,250.00
Office Rent Payable	87,900.00	66,300.00
Expenses Payable	7,330.00	5,345.00
Total	111,955.00	75,895.00

Schedule 6: Payable To Associates Co.

	Current Year 2068-069	Previous Year 2067-068
Sanima Pvt. Ltd.	135,544.00	135,544.00
Total	135,544.00	135,544.00



Sanima Insurance Company Ltd.
Kamaladi, Kathmandu

Schedule Annexed to and Forming Part of the Financial Statements
As At Ashadh 31, 2069

Schedule 7: Administrative Expenses

	Current Year 2068-069	Previous Year 2067-068
Office Rent	24,000.00	24,000.00
Stationery & Printing	-	225.00
Communication Exp.	6,643.00	6,063.00
Postage/Air/Document	625.00	625.00
Audit Fee	16,950.00	5,000.00
Total	48,218.00	35,913.00



Sanima Insurance Company Ltd.
Kamaladi, Kathmandu

**Schedule Annexed to and Forming Part of the Financial Statements
As At Ashadh 31, 2069**

(Amount in NRs.)

Pool Particulars	Gross Block				Depreciation			Net Block		
	Dep. Rate	Gross Value as on 01.04.2068	Addition During the year	Disposal During the year	Total Gross Value as at 31.03.2069	Accumulated	Disposal For the year	Total As at 31.03.2069	Net Block As at 31.03.2069	Net Block As at 32.03.2068
Depreciable Assets										
Pool B										
B. Furniture, Computers & Office Equipments										
Computer and Accessories	25%	51,790.00		-	51,790.00	29,941.10	5,462.23	35,403.33	16,386.67	21,848.90
Total assets		51,790.00	-	-	51,790.00	29,941.10	5,462.23	35,403.33	16,386.67	21,848.90
Last Year		-	51,790.00	-	51,790.00	-	7,282.97	29,941.10	21,848.90	-

Sanima Insurance Company Ltd.

Kamaladi, Kathmandu

Schedule – 8: Significant Accounting Policies and Notes to the Accounts as at Ashadh 31, 2069

1. Introduction

Sanima Insurance Company Ltd. has been registered as public limited company for operating general insurance business. The company has applied for operating license and not yet obtained the certificate of operation and is still in process for obtaining license from Beema Samiti.

2. Accounting Policies

A. Accounting Convention

The financial statements are prepared under the historical cost convention in accordance certain relevant Nepal Accounting Standards and requirements of Nepal Company Act, 2063 and Income Tax Act, 2058.

B. Fixed Assets and Depreciation:

- a. Fixed assets are stated at cost and are inclusive of all expenses to the date of commissioning/ putting the assets to use.
- b. Depreciation is charged as per the provision in Income Tax Act 2058.

C. Income

Since the company is in pre-operational phase, no income is generated during the year except interest income.

3. Notes to the Accounts

A. Being operational loss in the year, no corporate tax is required to provide.

B. Related Party Transactions

The Company has done the transaction with its related party, which are as below.

S.No.	Related Party	Status	Transaction Type	Amount (Rs.)
1.	Sanima Pvt. Ltd.	Sister Concern	Advanced Received	1,35,544
2.	Sanima Bikas Bank Ltd.	Director Interested	Account Operation	Year End balance NRs. 719,573.93

C. Previous year's Figures have been regrouped and rearranged wherever necessary.



Regd. (ICAN)No.: 62
PAN : 300732092

SIBAKOTI & ASSOCIATES
Chartered Accountants

Raju kumar Sibakoti, FCA
157/10 Janapath Marg
Anamnagar, Kathmandu, Nepal
Tel: 00977-4770187, 4770796
E-mail: carajusibakoti@gmail.com


**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
SANIMA INSURANCE CO. LTD.**

We have audited the accompanying Balance Sheet of the M/S Sanima Insurance Co. Ltd, Kathmandu, Nepal as at Ashad 31, 2070 (15th July 2013) and the related Statement of Income and Cash Flow Statement for the year ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Nepal Standard on Auditing or relevant practices. Those Standards or relevant practices require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining on a test basis, evidence supporting the amount and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion. We express our opinion that:

- a. We have obtained prompt replies to our queries and explanations asked for.
- b. The financial statements are in agreement with the books of accounts maintained by the Company.
- c. The accounts and records of the company have been accurately maintained in accordance with the law.
- d. To the best of our information and according to the explanations given to us, neither the Board of directors nor any employee of the company have acted contrary to legal provisions relating to accounts nor committed any misappropriation causing loss or damage to the company.

In our opinion, the financial statements give a true and fair view of the financial position of the company as of Ashad 31, 2070 (15th July 2013), and of the results of its operation and its cash flows for the year then ended in accordance with Nepal Accounting Standards or relevant practices and comply with Company Act 2063.


Raju Kumar Sibakoti, FCA
Sibakoti & Associates
Chartered Accountants



Date: 2070-09-24
Place: Kathmandu

Sanima Insurance Company Ltd.
Kamaladi, Kathmandu

Balance-Sheet

As at Ashadh 31, 2070 (July 15, 2013)

(Amount in NRs.)

	Schedules	As At 31.03.2070	As At 31.03.2069
Equity			
Equity Holders' Fund			
Share Capital	1	1,000,000.00	1,000,000.00
Retained Earnings		(410,040.82)	(394,525.83)
Total Equity		589,959.18	605,474.17
Assets			
Non Current Assets			
Fixed Assets	2	51,790.00	51,790.00
Less: Accumulated Depreciation		(39,500.00)	(35,403.33)
Net Fixed Assets		12,290.00	16,386.67
Current Assets			
Cash and Bank Balances	3	734,160.96	719,573.93
Loan Advance and deposits	4	125,163.22	119,637.57
Total Current Assets (A)		859,324.18	839,211.50
less: Current Liabilities & Provision			
Sundry Creditors and Payable	5	141,970.00	111,955.00
Payable To Associates Co.	6	137,060.00	135,544.00
TDS Payable		2,625.00	2,625.00
Total Current Liabilities (B)		281,655.00	250,124.00
Net Current Assets (A-B)		577,669.18	589,087.50
Total Assets		589,959.18	605,474.17

Significant Accounting Policies and Notes to the Accounts 8

As Per Our Report of Even Date

Arun Kumar Ojha
Director

Jugal Bhurtel
Director

Raj Kumar Sibakoti, FCA
Sibakoti and Associates
Chartered Accountants

Date: 2070-09-24
Place: Kathmandu



Sanima Insurance Company Ltd.
Kamaladi, Kathmandu

Income Statement
For the year ended on Ashadh 31, 2070 (July 15, 2013)

(Amount in NRs.)

	Schedules	Current Year 2069-070	Previous Year 2068-069
Income			
Income		36,837.68	56,165.45
Total Income		36,837.68	56,165.45
Administrative expenses	7	(48,256.00)	(48,218.00)
Depreciation Charge	2	(4,096.67)	(5,462.23)
Sub Total		(52,352.67)	(53,680.23)
Net Profit/(loss) before tax		(15,514.99)	2,485.22
Provision for Income Tax		-	-
Net Profit/(loss) After Tax		(15,514.99)	2,485.22
Profit/(Loss) brought forward from last year		(394,525.83)	(397,011.05)
Net Profit/ (Loss) transferred to Balance Sheet		(410,040.82)	(394,525.83)

Significant Accounting Policies and Notes to the Accounts 8

As Per Our Report of Even Date

Arun Kumar Ojha
Director

Jugal Bhurtel
Director

Raj Kumar Sibakoti, FCA
Sibakoti and Associates
Chartered Accountants

Date: 2070-09-24
Place: Kathmandu



Sanima Insurance Company Ltd.
Kamaladi, Kathmandu

Cash Flow Statement
For the year ended Ashadh 31, 2070 (July 15, 2013)

(Amount in NRs.)

	Current Year 2069-070	Previous Year 2068-069
Cash flow from operating activities		
Net Profit Before Taxation	(15,514.99)	2,485.22
Adjustment for:		
Depreciation	4,096.67	5,462.23
Cash flow from operating activities before changes in working capital	(11,418.32)	7,947.45
Cash flow from changes in working capital		
(Increase)/Decrease in current assets	(5,525.65)	8.19
Increase/(Decrease) in current liabilities	31,531.00	35,535.00
Cash Flow from operating activities	14,587.03	43,490.64
Cash flow on investing activities		
Investment in shares		
Purchase/Capitalisation of fixed assets	-	-
Cash flow on investing activities	-	-
Cash flow on financing activities		
From issue of share capital	-	-
Cash flow on financing activities	-	-
Total cash generated in the year	14,587.03	43,490.64
Opening cash and bank balances	719,573.93	676,083.29
Cash and bank balance at the end of the year	734,160.96	719,573.93

Significant Accounting Policies and Notes to the Accounts 8

As Per Our Report of Even Date

Arun Kumar Ojha
Director

Jugal Bhurtel
Director

Raj Kumar Sibakoti, FCA
Sibakoti and Associates
Chartered Accountants

Date: 2070-09-24
Place: Kathmandu



सानिमा इन्स्योरेन्स कम्पनी लि.
Sanima Insurance Company Ltd.

Sanima Insurance Company Ltd.

Kamaladi, Kathmandu

Statement of Change in Equity As at Ashadh 31, 2070 (July 15, 2013)

(Amount in NRs.)

Particulars	Share capital	Retained Earning	Total
Balance as at 31 Ashad 2069	1,000,000.00	(394,525.83)	605,474.17
Adjustment During the year			
Issue of Share Capital			-
Net Loss		(15,514.99)	(15,514.99)
Balance as at 31 Ashad 2070	1,000,000.00	(410,040.82)	589,959.18

Significant Accounting Policies and Notes to the Accounts 8

As Per Our Report of Even Date

Arun Kumar Ojha
Director

Jugal Bhurtel
Director

Raj Kumar Sibakoti, FCA
Sibakoti and Associates
Chartered Accountants

Date: 2070-09-24
Place: Kathmandu

Sanima Insurance Company Ltd.

Kamaladi, Kathmandu

Schedule Annexed to and Forming Part of the Financial Statements As At Ashadh 31, 2070

Schedule 1: Share Capital

(Amount in NRs.)

	Current Year 2069-070	Previous Year 2068-069
Authorized Capital 20,00,000 ordinary shares of Rs. 100 each	200,000,000.00	200,000,000.00
Issued Capital 12,50,000 Ordinary shares of Rs. 100 each	125,000,000.00	125,000,000.00
Paid up Capital 10,00,000 Ordinary shares of Rs. 100 each and Rs. 1 paid for each	1,000,000.00	1,000,000.00
Total	1,000,000.00	1,000,000.00

Schedule 3: Cash and Bank

	Current Year 2069-070	Previous Year 2068-069
Sanima Bikas Bank (Current A/C)	1,000.00	1,000.00
Sanima Bikas Bank (Call Deposit A/C)	733,160.96	718,573.93
Total	734,160.96	719,573.93

Schedule 4: Loans, Advance and Deposits

	Current Year 2069-070	Previous Year 2068-069
Miscellaneous Deposit	3,000.00	3,000.00
Advance Tax Payment	31,796.72	26,271.07
Business Advance to Staff	60,366.50	60,366.50
Advance To Other	30,000.00	30,000.00
Total Current Assets	125,163.22	119,637.57

Schedule 5: Sundry Creditors & Payable

	Current Year 2069-070	Previous Year 2068-069
Audit Fee Payable	16,725.00	16,725.00
Office Rent Payable	109,500.00	87,900.00
Expenses Payable	15,745.00	7,330.00
Total	141,970.00	111,955.00

Schedule 6: Payable To Associates Co.

	Current Year 2069-070	Previous Year 2068-069
Sanima Pvt. Ltd.	135,544.00	135,544.00
Sanima Hydropower (P.) Ltd.	1,516.00	-
Total	137,060.00	135,544.00



सानिमा इन्स्योरेन्स कम्पनी लि.
Sanima Insurance Company Ltd.

Sanima Insurance Company Ltd.

Kamaladi, Kathmandu

Schedule Annexed to and Forming Part of the Financial Statements As At Ashadh 31, 2070

Schedule 7: Administrative Expenses

	Current Year 2069-070	Previous Year 2068-069
Office Rent	24,000.00	24,000.00
Miscellaneous Exp	705.00	-
Communication Exp.	5,851.00	6,643.00
Postage/Air/Document	750.00	625.00
Audit Fee	16,950.00	16,950.00
Total	48,256.00	48,218.00

Sanima Insurance Company Ltd.
Kamaladi, Kathmandu



**Schedule Annexed to and Forming Part of the Financial Statements
As At Ashadh 31, 2070**

Schedule 2: Fixed Assets

(Amount in NRs.)

Pool Particulars	Dep. Rate	Gross Block			Depreciation			Net Block		
		Gross Value as on 01.04.2069	Addition During the year	Disposal During the year	Total Gross Value as at 31.03.2070	Accumulated	Disposal For the year	Total As at 31.03.2070	Net Block As at 31.03.2070	Net Block As at 31.03.2069
Depreciable Assets										
Pool B										
B. Furniture, Computers & Office Equipments										
Computer and Accessories	25%	51,790.00		-	51,790.00	35,403.33	4,096.67	39,500.00	12,290.00	16,386.67
Total assets		51,790.00	-	-	51,790.00	35,403.33	4,096.67	39,500.00	12,290.00	16,386.67
Last Year		-	51,790.00	-	51,790.00	-	5,462.23	35,403.33	16,386.67	-



Sanima Insurance Company Ltd.

Kamaladi, Kathmandu

Schedule – 8: Significant Accounting Policies and Notes to the Accounts as at Ashadh 31, 2070

1. Introduction

Sanima Insurance Company Ltd. has been registered as public limited company for operating general insurance business. The company has applied for operating license and not yet obtained the certificate of operation and is still in process for obtaining license from Beema Samiti.

2. Accounting Policies

A. Accounting Convention

The financial statements are prepared under the historical cost convention in accordance certain relevant Nepal Accounting Standards and requirements of Nepal Company Act, 2063 and Income Tax Act, 2058.

B. Fixed Assets and Depreciation

- Fixed assets are stated at cost and are inclusive of all expenses to the date of commissioning/ putting the assets to use.
- Depreciation is charged as per the provision in Income Tax Act 2058.

C. Income

Since the company is in pre-operational phase, no income is generated during the year except interest income.

3. Notes to the Accounts

A. Being operational loss in the year, no corporate tax is required to provide.

B. Related Party Transactions:

The Company has done the transaction with its related party, which are as below.

S.No.	Related Party	Status	Transaction Type	Amount (Rs.)
1.	Sanima Pvt. Ltd.	Sister Concern	Advanced Received	1,35,544
2.	Sanima Hydropower	Sister Concern	Payable	1,516
3.	Sanima Bikas Bank Ltd.	Director Interested	Account Operation	Year End balance NRs. 734,160.96

C. Previous year's Figures have been regrouped and rearranged wherever necessary.



Regd. (ICAN) No.079
PAN: 500182468

JBRH and Co.
Chartered Accountants

157/10 Janapath Marg
Anamnagar, Kathmandu, Nepal
Tel: 4770187, 4770796
E-mail: jbrh@info.com.np

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF SANIMA INSURANCE Co. LTD.

We have audited the accompanying Balance Sheet of the M/S. Sanima Insurance Co. Ltd., Kathmandu, Nepal as at Ashad 32, 2071 (July 16, 2014) and the related Statement of Income and Cash Flow Statement for the period. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Nepal Standards on Auditing or relevant practices. Those Standards or relevant practices require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion. We express our opinion that:

- We have obtained prompt replies to our queries and explanations asked for.
- The financial statements are in agreement with the books of accounts maintained by the Company.
- The accounts and records of the Company have been accurately maintained in accordance with the law.
- To the best of our information and according to the explanations given to us, neither the board of the Directors nor any employee of the Company have acted contrary to legal provisions relating to accounts nor committed any misappropriation causing loss or damage to the Company.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as of Ashad 32, 2071 (July 16, 2014) and of the results of its operation flows for the period then ended in accordance with Nepal Accounting Standards or relevant practices and comply with Company Act, 2063.




Raju Kumar Sibakoti, FCA
JBRH & Co.
Chartered Accountants

Date: 2071-06-28
Place: Kathmandu



Sanima Insurance Company Ltd.
Kamaladi, Kathmandu

Balance-Sheet

As at Ashadh 32, 2071 (July 16 , 2014)

(Amount in NRs.)

	Schedules	As At 32.03.2071	As At 31.03.2070
Equity			
Equity Holders' Fund			
Share Capital	1	1,000,000.00	1,000,000.00
Retained Earnings		(425,365.58)	(410,040.82)
Total Equity		574,634.42	589,959.18
Assets			
Non Current Assets			
Fixed Assets	2	51,790.00	51,790.00
Less: Accumulated Depreciation		(42,572.50)	(39,500.00)
Net Fixed Assets		9,217.50	12,290.00
Current Assets			
Cash and Bank Balances	3	584,964.73	734,160.96
Loan Advance and deposits	4	128,954.19	125,163.22
Total Current Assets (A)		713,918.92	859,324.18
less: Current Liabilities & Provision			
Sundry Creditors and Payable	5	148,277.00	141,970.00
Payable To Associates Co.	6	-	137,060.00
TDS Payable		225.00	2,625.00
Total Current Liabilities (B)		148,502.00	281,655.00
Net Current Assets (A-B)		565,416.92	577,669.18
Total Assets		574,634.42	589,959.18

Significant Accounting Policies and Notes to the Accounts 8

As Per Our Report of Even Date

Arun Kumar Ojha
Director

Motilal Dugar
Chairman

Raj Kumar Sibakoti, FCA
Sibakoti and Associates
Chartered Accountants

Date: 2071-06-28
Place: Kathmandu

Sanima Insurance Company Ltd.
Kamaladi, Kathmandu

Income Statement

For the year ended on Ashadh 32, 2071 (July 16, 2014)

(Amount in NRs.)

	Schedules	Current Year 2070-071	Previous Year 2069-070
Income			
Income		31,939.74	36,837.68
Total Income		31,939.74	36,837.68
Administrative expenses	7	(44,192.00)	(48,256.00)
Depreciation Charge	2	(3,072.50)	(4,096.67)
Sub Total		(47,264.50)	(52,352.67)
Net Profit/(loss) before tax		(15,324.76)	(15,514.99)
Provision for Income Tax		-	-
Net Profit/(loss) After Tax		(15,324.76)	(15,514.99)
Profit/(Loss) brought forward from last year		(410,040.82)	(394,525.83)
Net Profit/ (Loss) transferred to Balance Sheet		(425,365.58)	(410,040.82)

Significant Accounting Policies and Notes to the Accounts 8

As Per Our Report of Even Date

Arun Kumar Ojha
Director

Motilal Dugar
Chairman

Raj Kumar Sibakoti, FCA
Sibakoti and Associates
Chartered Accountants

Date: 2071-06-28
Place: Kathmandu



Sanima Insurance Company Ltd.
Kamaladi, Kathmandu

Cash Flow Statement

For the year ended Ashadh 32, 2071 (July 16, 2014)

(Amount in NRs.)

	Current Year 2070-071	Previous Year 2069-070
Cash flow from operating activities		
Net Profit Before Taxation	(15,324.76)	(15,514.99)
Adjustment for:		
Depreciation	3,072.50	4,096.67
Cash flow from operating activities before changes in working capital	(12,252.26)	(11,418.32)
Cash flow from changes in working capital		
(Increase)/Decrease in current assets	(3,790.97)	(5,525.65)
Increase/(Decrease) in current liabilities	(133,153.00)	31,531.00
Cash Flow from operating activities	(149,196.23)	14,587.03
Cash flow on investing activities		
Investment in shares		
Purchase/Capitalisation of fixed assets	-	-
Cash flow on investing activities	-	-
Cash flow on financing activities		
From issue of share capital	-	-
Cash flow on financing activities	-	-
Total cash generated in the year	(149,196.23)	14,587.03
Opening cash and bank balances	734,160.96	719,573.93
Cash and bank balance at the end of the year	584,964.73	734,160.96

Significant Accounting Policies and Notes to the Accounts 8

As Per Our Report of Even Date

Arun Kumar Ojha
Director

Motilal Dugar
Chairman

Raj Kumar Sibakoti, FCA
Sibakoti and Associates
Chartered Accountants

Date: 2071-06-28
Place: Kathmandu



Sanima Insurance Company Ltd.
Kamaladi, Kathmandu

Statement of Change in Equity
As at Ashadh 32, 2071 (July 16, 2014)

(Amount in NRs.)

Particulars	Share capital	Retained Earning	Total
Balance as at 31 Ashad 2070	1,000,000.00	(410,040.82)	589,959.18
Adjustment During the year			
Issue of Share Capital			-
Net Loss		(15,324.76)	(15,324.76)
Balance as at 32 Ashad 2071	1,000,000.00	(425,365.58)	574,634.42

Significant Accounting Policies and Notes to the Accounts 8

As Per Our Report of Even Date

Arun Kumar Ojha
Director

Motilal Dugar
Chairman

Raj Kumar Sibakoti, FCA
Sibakoti and Associates
Chartered Accountants

Date: 2071-06-28
Place: Kathmandu



Sanima Insurance Company Ltd.

Kamaladi, Kathmandu

Schedule Annexed to and Forming Part of the Financial Statements As At Ashadh 32, 2071

Schedule 1: Share Capital

(Amount in NRs.)

	Current Year 2070-071	Previous Year 2069-070
Authorized Capital 20,00,000 ordinary shares of Rs. 100 each	200,000,000.00	200,000,000.00
Issued Capital 12,50,000 Ordinary shares of Rs. 100 each	125,000,000.00	125,000,000.00
Paid up Capital 10,00,000 Ordinary shares of Rs. 100 each and Rs. 1 paid for each	1,000,000.00	1,000,000.00
Total	1,000,000.00	1,000,000.00

Schedule 3: Cash and Bank

	Current Year 2070-071	Previous Year 2069-070
Sanima Bikas Bank (Current A/C)	1,000.00	1,000.00
Sanima Bikas Bank (Call Deposit A/C)	583,964.73	733,160.96
Total	584,964.73	734,160.96

Schedule 4: Loans, Advance and Deposits

	Current Year 2070-071	Previous Year 2069-070
Miscellaneous Deposit	2,000.00	3,000.00
Advance Tax Payment	36,587.69	31,796.72
Business Advance to Staff	60,367.00	60,366.50
Advance To Other	30,000.00	30,000.00
Total Current Assets	128,954.69	125,163.22

Schedule 5: Sundry Creditors & Payable

	Current Year 2070-071	Previous Year 2069-070
Audit Fee Payable	16,725.00	16,725.00
Office Rent Payable	131,100.00	109,500.00
Expenses Payable	452.00	15,745.00
Total	148,277.00	141,970.00

Schedule 6: Payable To Associates Co.

	Current Year 2070-071	Previous Year 2069-070
Sanima Pvt. Ltd.	-	135,544.00
Sanima Hydropower (P.) Ltd.	-	1,516.00
Total	-	137,060.00



Sanima Insurance Company Ltd.
Kamaladi, Kathmandu

Schedule Annexed to and Forming Part of the Financial Statements
As At Ashadh 32, 2071

Schedule 7: Administrative Expenses

	Current Year 2070-071	Previous Year 2069-070
Office Rent	24,000.00	24,000.00
Miscellaneous Exp	-	705.00
Communication Exp.	3,242.00	5,851.00
Postage/Air/Document	-	750.00
Audit Fee	16,950.00	16,950.00
Total	44,192.00	48,256.00



Sanima Insurance Company Ltd.
Kamaladi, Kathmandu

**Schedule Annexed to and Forming Part of the Financial Statements
As At Ashadh 32, 2071**

Schedule 2: Fixed Assets

(Amount in NRs.)

Pool Particulars	Dep. Rate	Gross Block			Depreciation			Net Block		
		Gross Value as on 01.04.2070	Addition During the year	Disposal During the year	Total Gross Value as at 32.03.2071	Accumulated	Disposal For the year	Total As at 32.03.2071	Net Block As at 32.03.2071	Net Block As at 31.03.2070
Depreciable Assets										
Pool B										
B. Furniture, Computers & Office Equipments										
Computer and Accessories	25%	51,790.00		-	51,790.00	39,500.00	-	42,572.50	9,217.50	12,290.00
Total assets		51,790.00	-	-	51,790.00	39,500.00	-	42,572.50	9,217.50	12,290.00
Last Year		-	51,790.00	-	51,790.00	-	-	39,500.00	12,290.00	-

Sanima Insurance Company Ltd. Kamaladi, Kathmandu

Schedule – 8: Significant Accounting Policies and Notes to the Accounts as at Ashadh 32, 2071

1. Introduction

Sanima Insurance Company Ltd. has been registered as public limited company for operating general insurance business. The company has applied for operating license and not yet obtained the certificate of operation and is still in process for obtaining license from Beema Samiti.

2. Accounting Policies

A. Accounting Convention

The financial statements are prepared under the historical cost convention in accordance certain relevant Nepal Accounting Standards and requirements of Nepal Company Act, 2063 and Income Tax Act, 2058.

B. Fixed Assets and Depreciation

- Fixed assets are stated at cost and are inclusive of all expenses to the date of commissioning/ putting the assets to use.
- Depreciation is charged as per the provision in Income Tax Act 2058.

C. Income

Since the company is in pre-operational phase, no income is generated during the year except interest income.

3. Notes to the Accounts

A. Being operational loss in the year, no corporate tax is required to provide.

B. Related Party Transactions:

The Company has done the transaction with its related party, which are as below.

S.No.	Related Party	Status	Transaction Type	Amount (Rs.)
1.	Sanima Bikas Bank Ltd.	Director Interested	Account Operation	Year End balance NRs. 584,964.73

C. Previous year's Figures have been regrouped and rearranged wherever necessary.



SHARMA & COMPANY

R.P. Sharma
Cop. No. GA/909- 'C'
R.No.: 2156
PAN No.: 301084561
Mobile: 9851003866
E-mail: r_pradeep200@yahoo.com

शर्मा एण्ड कम्पनी

Regd. Auditors

Membership No.: 5753
The Institute of C/A Nepal

Ref.

Date:


INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF SANIMA INSURANCE CO. LTD.

We have audited the accompanying Balance Sheet of the M/S Sanima Insurance Co. Ltd. Kathmandu, Nepal as at Ashad 31, 2072 (July 16, 2015) and the related Statement of Income and Cash Flow Statement for the period. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Nepal Standards on Auditing or relevant practices. Those Standards or relevant practices require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion. We express our opinion that:

- We have obtained prompt replies to our queries and explanations asked for.
- The financial statements are in agreement with the books of accounts maintained by the Company.
- The accounts and records of the Company have been accurately maintained in accordance with the law.
- To the best of our information and according to the explanations given to us, neither the board of the Directors nor any employee of the Company have acted contrary to legal provisions relating to accounts nor committed any misappropriation causing loss or damage to the Company.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as of Ashad 31, 2072 (July 16, 2015) and of the results of its operation flows for the year then ended in accordance with Nepal Accounting Standards or relevant practices and comply with Company Act, 2063.


Ram Prasad Sharma, RA
Sharma & Co.
Regd. Auditor

Date: 2072-09-08
Place: Kathmandu

Sanima Insurance Company Ltd.
Kamaladi, Kathmandu

Balance-Sheet
As at Ashadh 31, 2072 (July 16, 2015)

(Amount in NRs.)

	Schedules	As At 31.03.2072	As At 32.03.2071
Equity			
Equity Holders' Fund			
Share Capital	1	1,000,000.00	1,000,000.00
Retained Earnings		(436,938.15)	(425,365.58)
Total Equity		563,061.85	574,634.42
Assets			
Non Current Assets			
Fixed Assets	2	51,790.00	51,790.00
Less: Accumulated Depreciation		(44,876.88)	(42,572.50)
Net Fixed Assets		6,913.12	9,217.50
Current Assets			
Cash and Bank Balances	3	585,941.86	584,964.73
Loan Advance and deposits	4	129,106.87	128,954.19
Total Current Assets (A)		715,048.73	713,918.92
less: Current Liabilities & Provision			
Sundry Creditors and Payable	5	156,950.00	148,277.00
TDS Payable		1,950.00	225.00
Total Current Liabilities (B)		158,900.00	148,502.00
Net Current Assets (A-B)		556,148.73	565,416.92
Total Assets		563,061.85	574,634.42

Significant Accounting Policies and Notes to the Accounts 7

As Per Our Report of Even Date

Arun Kumar Ojha
Director

Motilal Dugar
Chairman

Ram Prasad Sharma, RA
Sharma & Co.

Date: 2072-09-08
Place: Kathmandu



Sanima Insurance Company Ltd.
Kamaladi, Kathmandu

Income Statement

For the year ended on Ashadh 31, 2072 (July 16, 2015)

(Amount in NRs.)

	Schedules	Current Year 2071-072	Previous Year 2070-071
Income			
Income		21,017.81	31,939.74
Total Income		21,017.81	31,939.74
Administrative expenses	6	(30,286.00)	(44,192.00)
Depreciation Charge	2	(2,304.38)	(3,072.50)
Sub Total		(32,590.38)	(47,264.50)
Net Profit/(loss) before tax		(11,572.57)	(15,324.76)
Provision for Income Tax		-	-
Net Profit/(loss) After Tax		(11,572.57)	(15,324.76)
Profit/(Loss) brought forward from last year		(425,365.58)	(410,040.82)
Net Profit/ (Loss) transferred to Balance Sheet		(436,938.15)	(425,365.58)

Significant Accounting Policies and Notes to the Accounts 7

As Per Our Report of Even Date

Arun Kumar Ojha
Director

Motilal Dugar
Chairman

Ram Prasad Sharma, RA
Sharma & Co.

Date: 2072-09-08
Place: Kathmandu

Sanima Insurance Company Ltd.
Kamaladi, Kathmandu

Cash Flow Statement
For the year ended Ashadh 31, 2072 (July 16, 2015)

(Amount in NRs.)

	Current Year 2071-072	Previous Year 2070-071
Cash flow from operating activities		
Net Profit Before Taxation	(11,572.57)	(15,324.76)
Adjustment for:		
Depreciation	2,304.38	3,072.50
Cash flow from operating activities before changes in working capital	(9,268.19)	(12,252.26)
Cash flow from changes in working capital		
(Increase)/Decrease in current assets	(152.68)	(3,790.97)
Increase/(Decrease) in current liabilities	10,398.00	(133,153.00)
Cash Flow from operating activities	977.13	(149,196.23)
Cash flow on investing activities		
Investment in shares		
Purchase/Capitalisation of fixed assets	-	-
Cash flow on investing activities	-	-
Cash flow on financing activities		
From issue of share capital	-	-
Cash flow on financing activities	-	-
Total cash generated in the year	977.13	(149,196.23)
Opening cash and bank balances	584,964.73	734,160.96
Cash and bank balance at the end of the year	585,941.86	584,964.73

Significant Accounting Policies and Notes to the Accounts 7

As Per Our Report of Even Date

Arun Kumar Ojha
Director

Motilal Dugar
Chairman

Ram Prasad Sharma, RA
Sharma & Co.

Date: 2072-09-08
Place: Kathmandu



सानिमा इन्स्योरेन्स कम्पनी लि.
Sanima Insurance Company Ltd.

Sanima Insurance Company Ltd.

Kamaladi, Kathmandu

Statement of Change in Equity As at Ashadh 31, 2072 (July 16, 2015)

(Amount in NRs.)

Particulars	Share capital	Retained Earning	Total
Balance as at 32 Ashad 2071	1,000,000.00	(425,365.58)	574,634.42
Adjustment During the year			
Issue of Share Capital			-
Net Loss		(11,572.57)	(11,572.57)
Balance as at 31 Ashad 2072	1,000,000.00	(436,938.15)	563,061.85

Significant Accounting Policies and Notes to the Accounts 7

As Per Our Report of Even Date

Arun Kumar Ojha
Director

Motilal Dugar
Chairman

Ram Prasad Sharma, RA
Sharma & Co.

Date: 2072-09-08
Place: Kathmandu

Sanima Insurance Company Ltd.

Kamaladi, Kathmandu

Schedule Annexed to and Forming Part of the Financial Statements As At Ashadh 31, 2072

Schedule 1: Share Capital

(Amount in NRs.)

	Current Year 2071-072	Previous Year 2070-071
Authorized Capital 20,00,000 ordinary shares of Rs. 100 each	200,000,000.00	200,000,000.00
Issued Capital 12,50,000 Ordinary shares of Rs. 100 each	125,000,000.00	125,000,000.00
Paid up Capital 10,00,000 Ordinary shares of Rs. 100 each and Rs. 1 paid for each	1,000,000.00	1,000,000.00
Total	1,000,000.00	1,000,000.00

Schedule 3: Cash and Bank

	Current Year 2071-072	Previous Year 2070-071
Sanima Bikas Bank (Current A/C)	1,000.00	1,000.00
Sanima Bikas Bank (Call Deposit A/C)	584,941.86	583,964.73
Total	585,941.86	584,964.73

Schedule 4: Loans, Advance and Deposits

	Current Year 2071-072	Previous Year 2070-071
Miscellaneous Deposit	2,000.00	2,000.00
Advance Tax Payment	39,740.37	36,587.69
Business Advance to Staff	57,366.50	60,367.00
Advance To Other	30,000.00	30,000.00
Total Current Assets	129,106.87	128,954.69

Schedule 5: Sundry Creditors & Payable

	Current Year 2071-072	Previous Year 2070-071
Audit Fee Payable	4,250.00	16,725.00
Office Rent Payable	152,700.00	131,100.00
Expenses Payable	-	452.00
Total	156,950.00	148,277.00

Schedule 6: Administrative Expenses

	Current Year 2071-072	Previous Year 2070-071
Office Rent	24,000.00	24,000.00
Communication Exp.	1,286.00	3,242.00
Audit Fee	5,000.00	16,950.00
Total	30,286.00	44,192.00



Sanima Insurance Company Ltd.
Kamaladi, Kathmandu

**Schedule Annexed to and Forming Part of the Financial Statements
As At Ashadh 31, 2072**

Schedule 2: Fixed Assets

(Amount in NRs.)

Pool Particulars	Dep. Rate	Gross Block			Depreciation			Net Block		
		Gross Value as on 01.04.2071	Addition During the year	Disposal During the year	Total Gross Value as at 31.03.2072	Accumulated	Disposal For the year	Total As at 31.03.2072	Net Block As at 31.03.2072	Net Block As at 32.03.2071
Depreciable Assets										
Pool B										
B. Furniture, Computers & Office Equipments										
Computer and Accessories	25%	51,790.00		-	51,790.00	42,572.50	-	2,304.38	44,876.88	9,217.50
Total assets		51,790.00	-	-	51,790.00	42,572.50	-	2,304.38	44,876.88	9,217.50
Last Year		-	51,790.00	-	51,790.00	-	-	4,096.67	42,572.50	9,217.50

Sanima Insurance Company Ltd.

Kamaladi, Kathmandu

Schedule – 7: Significant Accounting Policies and Notes to the Accounts as at Ashadh 31, 2072

1. Introduction:

Sanima Insurance Company Ltd. has been registered as public limited company for operating general insurance business. The company has applied for operating license and not yet obtained the certificate of operation and is still in process for obtaining license from Beema Samiti.

2. Accounting Policies

A. Accounting Convention:

The financial statements are prepared under the historical cost convention in accordance certain relevant Nepal Accounting Standards and requirements of Nepal Company Act, 2063 and Income Tax Act, 2058.

B. Fixed Assets and Depreciation

- Fixed assets are stated at cost and are inclusive of all expenses to the date of commissioning/ putting the assets to use.
- Depreciation is charged as per the provision in Income Tax Act 2058.

C. Income:

Since the company is in pre-operational phase, no income is generated during the year except interest income.

3. Notes to the Accounts

A. Being operational loss in the year, no corporate tax is required to provide.

B. Related Party Transactions:

The Company has done the transaction with its related party, which are as below.

S.No.	Related Party	Status	Transaction Type	Amount (Rs.)
1.	Sanima Bikas Bank Ltd.	Director Interested	Account Operation	Year End balance NRs. 585,941.86

C. Previous year's Figures have been regrouped and rearranged wherever necessary.



C. Subedi & Associates
Registered Auditor

Chandra Kanta Subedi, RA
Regd.No:5193, Cop No:0137
ICAN Membership No:2926
Contact No:+977-1-4770796
Pan No:106727678



**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
Sanima Insurance Co.LTD**

We have audited the accompanying Balance Sheet of the M/S Sanima Insurance Co. Ltd, Kathmandu, Nepal as at Ashad 31, 2073 (July 15, 2016) and the Statement of Income and Cash Flows Statement for the year ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Nepal Standards on Auditing or relevant practices. Those Standards or relevant practices require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion. We express our opinion that:

- a. We have obtained prompt replies to our queries and explanations asked for.
- b. The financial statements are in agreement with the books of accounts maintained by the Company.
- c. The accounts and records of the Company have been accurately maintained in accordance with the law.
- d. To the best our information and according to the explanations given to us, neither the board of the Directors nor any employee of the Company have acted contrary to legal provisions relating to accounts nor committed any misappropriation causing loss or damage to the Company.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as of Ashad 31, 2073 (July 15, 2016) and of the results of its operation flow for the year then ended in accordance with Nepal Accounting Standards, relevant practices and comply with Company Act, 2063.


Chandra Kanta Subedi, RA
C.Subedi & Associates
Registered Auditor


Date: 2073.08.28
Place: Kathmandu

Sanima Insurance Company Ltd.
Kamaladi, Kathmandu

Balance-Sheet
As at Ashadh 31, 2073 (July 15, 2016)

(Amount in NRs.)

	Schedules	As At 31.03.2073	As At 31.03.2072
Equity			
Equity Holders' Fund			
Share Capital	1	1,000,000.00	1,000,000.00
Retained Earnings		(489,447.51)	(436,938.15)
Total Equity		510,552.49	563,061.85
Assets			
Non Current Assets			
Fixed Assets	2	51,790.00	51,790.00
Less: Accumulated Depreciation		(46,605.16)	(44,876.88)
Net Fixed Assets		5,184.84	6,913.12
Current Assets			
Cash and Bank Balances	3	593,677.94	585,941.86
Loan Advance and deposits	4	131,989.71	129,106.87
Total Current Assets (A)		725,667.65	715,048.73
less: Current Liabilities & Provision			
Sundry Creditors and Payable	5	215,200.00	156,950.00
TDS Payable		5,100.00	1,950.00
Total Current Liabilities (B)		220,300.00	158,900.00
Net Current Assets (A-B)		505,367.65	556,148.73
Total Assets		510,552.49	563,061.85

Significant Accounting Policies and Notes to the Accounts 7

As Per Our Report of Even Date

Arun Kumar Ojha
Director

Motilal Dugar
Chairman

Chandra Kanta Subedi, RA
C.Subedi & Associates
Registered Auditors

Date: 2073-08-28
Place: Kathmandu



Sanima Insurance Company Ltd.
Kamaladi, Kathmandu

Income Statement

For the year ended on Ashadh 31, 2073 (July 15, 2016)

(Amount in NRs.)

	Schedules	Current Year 2072-073	Previous Year 2071-072
Income			
Income		19,218.92	21,017.81
Total Income		19,218.92	21,017.81
Administrative expenses	7	(70,000.00)	(30,286.00)
Depreciation Charge	2	(1,728.28)	(2,304.38)
Sub Total		(71,728.28)	(32,590.38)
Net Profit/(loss) before tax		(52,509.36)	(11,572.57)
Provision for Income Tax		-	-
Net Profit/(loss) After Tax		(52,509.36)	(11,572.57)
Profit/(Loss) brought forward from last year		(436,938.15)	(425,365.58)
Net Profit/ (Loss) transferred to Balance Sheet		(489,447.51)	(436,938.15)

Significant Accounting Policies and Notes to the Accounts 7

As Per Our Report of Even Date

Arun Kumar Ojha
Director

Motilal Dugar
Chairman

Chandra Kanta Subedi, RA
C.Subedi & Associates
Registered Auditors

Date: 2073-08-28
Place: Kathmandu

Sanima Insurance Company Ltd.
Kamaladi, Kathmandu

Cash Flow Statement
For the year ended Ashadh 31, 2073 (July 15, 2016)

(Amount in NRs.)

	Current Year 2072-073	Previous Year 2071-072
Cash flow from operating activities		
Net Profit Before Taxation	(52,509.36)	(11,572.57)
Adjustment for:		
Depreciation	1,728.28	2,304.38
Cash flow from operating activities before changes in working capital	(50,781.08)	(9,268.19)
Cash flow from changes in working capital		
(Increase)/Decrease in current assets	(2,882.84)	(152.68)
Increase/(Decrease) in current liabilities	61,400.00	10,398.00
Cash Flow from operating activities	7,736.08	977.13
Cash flow on investing activities		
Investment in shares		
Purchase/Capitalisation of fixed assets	-	-
Cash flow on investing activities	-	-
Cash flow on financing activities		
From issue of share capital	-	-
Cash flow on financing activities	-	-
Total cash generated in the year	7,736.08	977.13
Opening cash and bank balances	585,941.86	584,964.73
Cash and bank balance at the end of the year	593,677.94	585,941.86

Significant Accounting Policies and Notes to the Accounts 7

As Per Our Report of Even Date

Arun Kumar Ojha
Director

Motilal Dugar
Chairman

Chandra Kanta Subedi, RA
C.Subedi & Associates
Registered Auditors

Date: 2073-08-28
Place: Kathmandu



सानिमा इन्स्योरेन्स कम्पनी लि.
Sanima Insurance Company Ltd.

Sanima Insurance Company Ltd.

Kamaladi, Kathmandu

Statement of Change in Equity As at Ashadh 31, 2073 (July 15, 2016)

(Amount in NRs.)

Particulars	Share capital	Retained Earning	Total
Balance as at 31 Ashad 2072	1,000,000.00	(436,938.15)	563,061.85
Adjustment During the year			
Issue of Share Capital			-
Net Loss		(52,509.36)	(52,509.36)
Balance as at 31 Ashad 2073	1,000,000.00	(489,447.51)	510,552.49

Significant Accounting Policies and Notes to the Accounts 7

As Per Our Report of Even Date

Arun Kumar Ojha
Director

Motilal Dugar
Chairman

Chandra Kanta Subedi, RA
C.Subedi & Associates
Registered Auditors

Date: 2073-08-28

Place: Kathmandu

Sanima Insurance Company Ltd.

Kamaladi, Kathmandu

Schedule Annexed to and Forming Part of the Financial Statements As At Ashadh 31, 2073

Schedule 1: Share Capital

(Amount in NRs.)

	Current Year 2072-073	Previous Year 2071-072
Authorized Capital 20,00,000 ordinary shares of Rs. 100 each	200,000,000.00	200,000,000.00
Issued Capital 12,50,000 Ordinary shares of Rs. 100 each	125,000,000.00	125,000,000.00
Paid up Capital 10,00,000 Ordinary shares of Rs. 100 each and Rs. 1 paid for each	1,000,000.00	1,000,000.00
Total	1,000,000.00	1,000,000.00

Schedule 3: Cash and Bank

	Current Year 2072-073	Previous Year 2071-072
Sanima Bikas Bank (Current A/C)	1,000.00	1,000.00
Sanima Bikas Bank (Call Deposit A/C)	592,677.94	584,941.86
Total	593,677.94	585,941.86

Schedule 4: Loans, Advance and Deposits

	Current Year 2072-073	Previous Year 2071-072
Miscellaneous Deposit	2,000.00	2,000.00
Advance Tax Payment	42,623.21	39,740.37
Business Advance to Staff	57,366.50	57,366.50
Advance To Other	30,000.00	30,000.00
Total Current Assets	131,989.71	129,106.87

Schedule 5: Sundry Creditors & Payable

	Current Year 2072-073	Previous Year 2071-072
Audit Fee Payable	8,500.00	4,250.00
Office Rent Payable	206,700.00	152,700.00
Expenses Payable	-	-
Total	215,200.00	156,950.00

Schedule 6: Administrative Expenses

	Current Year 2072-073	Previous Year 2071-072
Office Rent	60,000.00	24,000.00
Communication Exp.	-	1,286.00
Audit Fee	10,000.00	5,000.00
Sub-Total	70,000.00	30,286.00



Sanima Insurance Company Ltd.
Kamaladi, Kathmandu

**Schedule Annexed to and Forming Part of the Financial Statements
As At Ashadh 31, 2073**

(Amount in NRs.)

Schedule 2: Fixed Assets

Pool Particulars	Dep. Rate	Gross Block			Depreciation			Net Block		
		Gross Value as on 01.04.2072	Addition During the year	Disposal During the year	Total Gross Value as at 31.03.2073	Accumulated	Disposal For the year	Total As at 31.03.2073	Net Block As at 31.03.2073	Net Block As at 31.03.2072
Depreciable Assets										
Pool B										
B. Furniture, Computers & Office Equipments										
Computer and Accessories	25%	51,790.00		-	51,790.00	44,876.88	-	46,605.16	5,184.84	6,913.12
Total assets		51,790.00	-	-	51,790.00	44,876.88	-	46,605.16	5,184.84	6,913.12
Last Year		-	51,790.00	-	51,790.00	-	-	44,876.88	6,913.12	-

Sanima Insurance Company Ltd.

Kamaladi, Kathmandu

Schedule – 7: Significant Accounting Policies and Notes to the Accounts as at Ashadh 31, 2073

1. Introduction

Sanima Insurance Company Ltd. has been registered as public limited company for operating general insurance business. The company has applied for operating license and not yet obtained the certificate of operation and is still in process for obtaining license from Beema Samiti.

2. Accounting Policies

A. Accounting Convention

The financial statements are prepared under the historical cost convention in accordance certain relevant Nepal Accounting Standards and requirements of Nepal Company Act, 2063 and Income Tax Act, 2058.

B. Fixed Assets and Depreciation

- a. Fixed assets are stated at cost and are inclusive of all expenses to the date of commissioning/ putting the assets to use.
- b. Depreciation is charged as per the provision in Income Tax Act 2058.

C. Income

Since the company is in pre-operational phase, no income is generated during the year except interest income.

3. Notes to the Accounts

- A. Being operational loss in the year, no corporate tax is required to provide.

B. Related Party Transactions

The Company has done the transaction with its related party, which are as below.

S.No.	Related Party	Status	Transaction Type	Amount (Rs.)
1.	Sanima Bikas Bank Ltd.	Director Interested	Account Operation	Year End balance NRs. 593,677.94

- C. Previous year's Figures have been regrouped and rearranged wherever necessary.



C. Subedi & Associates
Registered Auditor

Chandra Kanta Subedi, RA
Regd.No:5193, Cop No:0137
ICAN Membership No:2926
Contact No:+977-1-4770796
Pan No:106727678

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
SANIMA INSURANCE CO LTD**


We have audited the accompanying Balance Sheet of the M/S SANIMA INSURANCE CO LTD., Kathmandu, Nepal as at Ashadh 31, 2074 (July 15, 2017) and the Income Statement, Cash Flow Statement and Statement of Changes in Equity for the year ended. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these Financial Statements based on our audit.

We conducted our audit in accordance with Nepal Standards on Auditing and relevant practices. Those Standards or relevant practices require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the significant accounting principles used and estimates made by Management, as well as evaluating the overall Financial Statement presentation. We believe that our audit provides a reasonable basis for our opinion. We express our opinion that:

- a. We have obtained prompt replies to our queries and explanations asked for.
- b. The financial statements are in agreement with the books of accounts maintained by the Company.
- c. The accounts and records of the Company have been accurately maintained in accordance with the law.
- d. To the best our information and according to the explanations given to us, neither board of director nor any employee of the Company have acted contrary to legal provisions relating to accounts nor committed any misappropriation causing loss or damage to the Company.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as of Ashadh 31, 2074 (July 15, 2017) and of the results of its operation and cash flow for the year then ended in accordance with Nepal Accounting Standards, relevant practices and comply with Company Acts 2063.

Date: 2074-06-30
Place: Kathmandu


RA. Chandra Kanta Subedi
C. Subedi & Associates
Registered Auditor Kathmandu

Sanima Insurance Company Ltd.
Kamaladi, Kathmandu

Balance-Sheet
As at Ashadh 31, 2074 (July 15, 2017)

(Amount in NRs.)

	Schedules	As At 31.03.2074	As At 31.03.2073
Equity			
Equity Holders' Fund			
Share Capital	1	1,000,000.00	1,000,000.00
Total Equity		1,000,000.00	1,000,000.00
Assets			
Non Current Assets			
Fixed Assets	2	25,000.00	51,790.00
Less: Accumulated Depreciation		(2,083.33)	(46,605.16)
Net Fixed Assets		22,916.67	5,184.84
Current Assets			
Cash and Bank Balances	3	108,333.60	593,677.94
Loans, advances, deposits	4	885,544.83	131,989.71
Total Current Assets (A)		993,878.43	725,667.65
less: Current Liabilities & Provision			
Sundry Creditors and Payable	5	1,861,210.00	215,200.00
TDS Payable		14,500.00	5,100.00
Total Current Liabilities (B)		1,875,710.00	220,300.00
Net Current Assets (A-B)		(881,831.57)	505,367.65
Debit Balance in P/L Account		1,858,914.90	489,447.51
Total Assets		1,000,000.00	1,000,000.00

Significant Accounting Policies and Notes to the Accounts 7

As Per Our Report of Even Date

Arun Kumar Ojha
Director

Motilal Dugar
Chairman

Chandra Kanta Subedi, RA
C.Subedi & Associates
Registered Auditor

Date: 2074-06-30
Place: Kathmandu



Sanima Insurance Company Ltd.
Kamaladi, Kathmandu

Income Statement

For the year ended Ashadh 31, 2074 (July 15, 2017)

(Amount in NRs.)

	Schedules	Current Year 2073-074	Previous Year 2072-073
Income			
Income from Operation		-	-
Interest Income		23,700.78	19,218.92
Total Income			
Less: Operating Expenses			
Administrative expenses	6	1,385,900.00	70,000.00
Depreciation Charge	2	2,083.33	1,728.28
Dispose of Fixed Assets		5,184.84	-
Sub-total		1,393,168.17	71,728.28
Net Profit/(loss) before tax		(1,369,467.39)	(52,509.36)
Provision for Income Tax		-	-
Net Profit/(loss) After Tax		(1,369,467.39)	(52,509.36)
Profit/(Loss) broughtforward from last year		(489,447.51)	(436,938.15)
Net Profit/ (Loss) transferred to Balance Sheet		(1,858,914.90)	(489,447.51)

Significant Accounting Policies and Notes to the Accounts 7

As Per Our Report of Even Date

Arun Kumar Ojha
Director

Motilal Dugar
Chairman

Chandra Kanta Subedi, RA
C.Subedi & Associates
Registered Auditor

Date: 2074-06-30

Place: Kathmandu

Sanima Insurance Company Ltd.

Kamaladi, Kathmandu

Cash Flow Statement

For the year ended Ashadh 31, 2074 (July 15, 2017)

(Amount in NRs.)

	Current Year 2073-074	Previous Year 2072-073
Cash flow from operating activities		
Net Profit as per profit and loss account	(1,369,467.39)	(52,509.36)
Add: depreciation and write offs	2,083.33	1,728.28
Add: Dispose of Fixed Assets	5,184.84	-
Cash flow from operating activities before changes in working capital	(1,362,199.22)	(50,781.08)
Cash flow from changes in working capital		
(Increase)/Decrease in current assets	(753,555.12)	(2,882.84)
Increase/(Decrease) in current liabilities	1,655,410.00	61,400.00
Cash Flow from operating activities	901,854.88	58,517.16
Cash flow on investing activities		
Investment in shares	-	-
Purchase of fixed assets	(25,000.00)	-
Cash flow on investing activities	(25,000.00)	-
Cash flow on financing activities		
From issue of share capital	-	-
Cash flow on financing activities	-	-
Total cash generated in the year	(485,344.34)	7,736.08
Opening cash and bank balances	593,677.94	585,941.86
Cash and bank balance at the end of the year	108,333.60	593,677.94

Significant Accounting Policies and Notes to the Accounts 7

As Per Our Report of Even Date

Arun Kumar Ojha
Director

Motilal Dugar
Chairman

Chandra Kanta Subedi, RA
C.Subedi & Associates
Registered Auditors

Date: 2074-06-30
Place: Kathmandu



सानिमा इन्स्योरेन्स कम्पनी लि.
Sanima Insurance Company Ltd.

Sanima Insurance Company Ltd.

Kamaladi, Kathmandu

Statement of Change in Equity For the year ended Ashadh 31, 2074 (July 15, 2017)

(Amount in NRs.)

Particulars	Share capital	Retained Earning	Total
Balance as at Ashadh 31, 2073	1,000,000.00	(489,447.51)	510,552.49
Issue of Share Capital	-	-	-
Net Profit after Tax		(1,369,467.39)	(1,369,467.39)
Balance as at Ashadh 31, 2074	1,000,000.00	(1,858,914.90)	(858,914.90)

Significant Accounting Policies and Notes to the Accounts 7

As Per Our Report of Even Date

Arun Kumar Ojha
Director

Motilal Dugar
Chairman

Chandra Kanta Subedi, RA
C.Subedi & Associates
Registered Auditors

Date: 2074-06-30

Place: Kathmandu

Sanima Insurance Company Ltd.

Kamaladi, Kathmandu

Schedule Annexed to and Forming Part of the Financial Statements As At Ashadh 31, 2074

Schedule 1: Share Capital

(Amount in NRs.)

	Current Year 2073-074	Previous Year 2072-073
Authorized Capital 20,00,000 ordinary shares of Rs. 100 each	200,000,000.00	200,000,000.00
Issued Capital 12,50,000 Ordinary shares of Rs. 100 each	125,000,000.00	125,000,000.00
Paid up Capital 10,00,000 Ordinary shares of Rs. 100 each and Rs. 1 paid for each	1,000,000.00	1,000,000.00
Total	1,000,000.00	1,000,000.00

Schedule 3: Cash and Bank

	Current Year 2073-074	Previous Year 2072-073
Sanima Bank Current A/C	1,000.00	1,000.00
Sanima Bank Call Deposit A/C	107,333.60	592,677.94
Total	108,333.60	593,677.94

Schedule 4: Loans, Advance and Deposits

	Current Year 2073-074	Previous Year 2072-073
Advance To Other	780,000.00	30,000.00
Advance Tax Payment (TDS)	46,178.33	42,623.21
Business Advance to Staff	57,366.50	57,366.50
Miscellaneous Deposit	2,000.00	2,000.00
Total	885,544.83	131,989.71

Schedule 5: Sundry Creditors & Payable

	Current Year 2073-074	Previous Year 2072-073
Audit Fee Payable	8,500.00	8,500.00
Office Rent Payable	260,700.00	206,700.00
Payable to Other	892,010.00	-
Payable to Associates Co	700,000.00	-
Total	1,861,210.00	215,200.00

Schedule 6: Administrative Expenses

	Current Year 2073-074	Previous Year 2072-073
Audit Fee	10,000.00	10,000.00
Consultancy Fee	904,000.00	-
Government Fee	390,000.00	-
Miscellaneous Expenses	21,500.00	-
Office rent	60,000.00	60,000.00
Transportation Expenses	400.00	-
Total	1,385,900.00	70,000.00



Sanima Insurance Company Ltd.
Kamaladi, Kathmandu

**Schedule Annexed to and Forming Part of the Financial Statements
As At Ashadh 31, 2074**

Schedule 2: Fixed Assets

(Amount in NRs.)

Pool Particulars	Gross Block				Depreciation			Net Block			
	Dep. Rate	Gross Value as on 01.04.2073	Addition During the year	Disposal During the year	Total Gross Value as at 31.03.2074	Accumulated	Disposal	Depreciation For the year	Total As at 31.03.2074	Unabsorbed Addition during the year	Net Block As at 31.03.2074
Depreciable Assets											
Pool B											
B. Furniture, Computers & Office Equipments											
Computer and Accessories	25%	51,790.00	-	51,790.00	-	46,605.16	46,605.16	-	-	-	-
Photocopy/Fax/Printer	25%		25,000.00	-	25,000.00	-	-	2,083.33	2,083.33	16,666.67	22,916.67
Total assets		51,790.00	25,000.00	51,790.00	25,000.00	46,605.16	46,605.16	2,083.33	2,083.33	16,666.67	22,916.67
Last Year				-	51,790.00	44,876.88	-	1,728.28	46,605.16	-	5,184.84

Sanima Insurance Company Ltd. Kamaladi, Kathmandu

Schedule – 7: Significant Accounting Policies and Notes to the Accounts as at Ashadh 31, 2074

1. Introduction

Sanima Insurance Company Ltd. has been registered as public limited company for operating general insurance business. The company has applied for operating license and not yet obtained the certificate of operation and is still in process for obtaining license from Beema Samiti.

2. Accounting Policies

A. Accounting Convention

The financial statements are prepared under the historical cost convention in accordance certain relevant Nepal Accounting Standards and requirements of Nepal Company Act, 2063 and Income Tax Act, 2058.

B. Fixed Assets and Depreciation:

- Fixed assets are stated at cost and are inclusive of all expenses to the date of commissioning/ putting the assets to use.
- Depreciation is charged as per the provision in Income Tax Act 2058.

C. Income

Since the company is in pre-operational phase, no income from insurance business is generated during the year except interest income.

3. Notes to the Accounts

A. Income Tax

Being taxable loss in the year, no corporate tax is provided during the FY 2073-74.

B. Related Party Transaction

The company has done the transaction with its related party, which are as below.

S.No.	Related Party	Status	Transaction Type	Amount (Rs.)
1.	Sanima Bikas Bank Ltd.	Director Interested	Account Operation	Year End balance NRs. 108,333.60
2.	Sanima Life Insurance Co. Ltd.		Payable	Nrs.700,000.00

C. Previous year's Figures have been regrouped and rearranged wherever necessary.



सानिमा इन्स्योरेन्स कम्पनी लि. कमलादी, काठमाडौं

तीन महले

साबिक ब्यवस्था	संशोधन प्रस्ताव	संशोधन गर्नु पर्ने कारण
नियम ५ (१) तर नियम ४ को उपनियम ५ मा उल्लेख भए बमोजिम पूनः बोलाईएको साधारण सभामा कूल शेयर संख्याको पचास प्रतिशत शेयरको प्रतिनिधि हुने गरी कम्तिमा जना शेयरधनीहरु स्वयम् वा आफ्नो प्रतिनिधि (प्रोक्सी) द्वारा उपस्थित भएमा सभा गर्न बाधा पर्ने छैन ।	नियम ५ (१) तर नियम ४ को उपनियम ५ मा उल्लेख भए बमोजिम पूनः बोलाईएको साधारण सभामा कूल शेयर संख्याको पचास प्रतिशत शेयरको प्रतिनिधि हुने गरि कम्तिमा ३ जना शेयरधनीहरु स्वयम् वा आफ्नो प्रतिनिधि (प्रोक्सी) द्वारा उपस्थित भएमा सभा गर्न बाधा पर्ने छैन ।	कम्पनी ऐन २०६३ को दफा ७३ को ३ अनुसार ।
नियम ६ (९) साधारण सभामा पेश नभएको प्रस्ताव उपर निर्णय गर्न पाइने छैन । तर साधारण सभामा उपस्थित कूल शेयरधनीहरु बीच सहमति भई कुनै विषयमा सर्वसम्मत निर्णय भएमा कुनै नयाँ प्रस्ताव प्रस्तुत गर्न सकिने छ ।	नियम ६ (९) देहायका अवस्थामा बाहेक पहिलेनै सूचित नगरिएको विषयमा साधारण सभामा कुनै निर्णय गर्न सकिने छैन । क) यस ऐनको अन्य नियमहरुमा अन्यथा लेखिएको बाहेक साधारण सभामा मतदान गर्न पाउने कम्पनीको जम्मा शेयरको सतसठ्ठी प्रतिशत प्रतिनिधित्व गर्ने शेयरधनीहरु स्वयं वा प्रतिनिधि मार्फत उपस्थित भई कुनै विषयमा निर्णय लिने पक्षमा मतदान गरेमा, ख) स्थगित भएको कुनै साधारण सभामा छलफको निमित्त सूचित गरिएको कुनै विषय भएमा ।	कम्पनी ऐन २०६३, दफा ६७ को ३ (क) अनुसार ।
नियम ८(२)यस कम्पनीमा ५ जनाको संचालक समिति हुनेछ ।	नियम ८(२)यस कम्पनीमा ७ जनाको संचालक समिति हुनेछ ।	वीमकको संस्थागत सुशासन सम्बन्धी निर्देशिका २०७५, ३ को १ अनुसार
नियम ११ (क) यस कम्पनीमा ५ जनाको संचालक समिति हुनेछ । जसमा संस्थापक शेयरधनीहरुको समुह (क) को तर्फबाट मनोनित प्रकृया वा आपसी वा निर्वाचनको प्रकृयाद्वारा ४ (चार) जना संचालक र सर्वसाधारण शेयरधनीहरुको समुह (ख) को तर्फबाट मनोनित वा निर्वाचन १ (एक) जना संचालक नियुक्ति गरिनेछ ।	नियम ११ (क) यस कम्पनीमा ७ जनाको संचालक समिति हुनेछ । जसमा संस्थापक शेयरधनीहरुको समुह (क) को तर्फबाट मनोनित प्रकृया वा आपसी वा निर्वाचनको प्रकृयाद्वारा ४ (चार) जना संचालक र सर्वसाधारण शेयरधनीहरुको समुह (ख) वाट २ जना मनोनित वा निर्वाचित तथा (१) जना विज्ञ स्वतन्त्र संचालक नियुक्ति गरिनेछ ।	वीमकको संस्थागत सुशासन सम्बन्धी निर्देशिका २०७५, ३ को १ अनुसार
नियम ३७ (३) संचालक समितिको निर्णयले तोकिएको बमोजिम अन्तरिम लाभांश घोषणा गर्न सक्नेछ ।	नियम ३७ (३) यस कम्पनीले दायित्व वहन गर्ने रकम जगेडा कोषमा जम्मा गरि संचालक समितिको निर्णयले तोकिएको बमोजिम अन्तरिम लाभांश घोषणा गर्न सक्नेछ ।	वीमा ऐन दफा २१ र २२ तथा वीमा नियमावलीको नियम १५ बमोजिम परिमार्जन गर्नु पर्ने भएकोले ।



अनुसूची -२७
(कम्पनी ऐन, २०६३ को दफा ७१ ३ सँग सम्बन्धित)

प्रतिनिधि नियुक्त गर्ने फाराम (प्रोक्सी)

श्री संचालक समिति
सानिमा इन्स्योरेन्स क. लि.
कमलादी, काठमाडौं ।

विषय: प्रतिनिधि नियुक्त गरेको बारे ।

महाशय,

.....जिल्ला.....म.न.पा./न.पा./गा.पा. वडा नं.बस्ने म/हामीले त्यस कम्पनीको शेयरधनीको हैसियतले मिति २०७५ साल चैत्र ३ गते आईतबारका दिन हुने प्रथम वार्षिक साधारण सभामा स्वयं उपस्थित भई छलफल तथा निर्णयमा सहभागी हुन नसक्ने भएकोले उक्त सभामा मेरो/हाम्रो तर्फबाट भाग लिन तथा मतदान गर्नका लागि जिल्ला म.न.पा./न.पा./गा.पा. वडा नं. बस्ने श्री.....लाई मेरो/हाम्रो प्रतिनिधि मनोनयन गरी पठाएको छु/छौं ।

प्रतिनिधि नियुक्त भएको ब्यक्तिको

हस्ताक्षरको नमूना:

शेयरधनी भए शेयर प्रमाणपत्र नं.:

शेयरधनी नभए नागरिकताको प्रमाण-पत्र नं.:

मिति:

निवेदक,

दस्तखत:

नाम:

ठेगाना:

शेयर प्रमाणपत्र नं.:

शेयर संख्या:

द्रष्टव्य: यो प्रोक्सी फाराम साधारण सभा हुनुभन्दा कम्तीमा ४८ घण्टा अगावै कम्पनीको केन्द्रीय, कमलादीमा कार्यालयमा पेश गरी सक्नु पर्नेछ ।

सानिमा इन्स्योरेन्स कम्पनी लि.

कमलादी, काठमाडौं

प्रवेश-पत्र

शेयरधनीको नाम शेयरधनीको दस्तखत

शेयर प्रमाण पत्र नं. शेयर संख्या

सानिमा इन्स्योरेन्स कम्पनी लिमिटेडको मिति २०७५।१२।०३ गतेका दिन हुने प्रथम वार्षिक साधारण सभामा उपस्थित हुन जारी गरिएको प्रवेश पत्र ।

.....
कम्पनी सचिव

(सभा कक्षमा प्रवेश गर्न यो प्रवेश-पत्र अनिवार्य रूपमा लिई आउनु हुन अनुरोध छ ।)



Management Team

Mr. Subodh Lal Shrestha	Deputy General Manager
Mr. Prabeen Kumar Koirala	Deputy General Manager (Claim/Underwriting/Re-insurance)
Ms. Upasana Poudel	Assistant General Manager (Head-Marketing Department)
Mr. Raju Poudel	Assistant General Manager (Marketing Department)
Mr. Anil Raj Giri	Assistant General Manager (Marketing Department)
Ms. Hangma Subba	Head-Underwriting Department
Ms. Sabhyata Tuladhar	Head-Re-insurance Department
Mr. Ganesh Kadal	Head-Finance Department
Ms. Deechya Thakuri	Head-Human Resource Department
Mr. Anil Guragain	Head- Legal/Company Secretary
Mr. Prashant Shrestha	Head- Information Technology

Provincewise Branch Details

Province 1

- 1 Biratnagar Branch
Bargachhi-5, Biratnagar
021-463551/021-463552
- 2 Birtamode Branch
Bhadrapur Road, Birtamode, Jhapa
023545010/023544514

Province 2

- 1 Birgunj Branch
Linkroad, Ghantaghar, Birgunj
051520054/051520076
- 2 Janakpur Branch
Dhanusa-14, Pidari Chowk
41525799

Province 3

- 1 Sundhara Branch
Sundhara, Kathmandu
01-4251504/01-4251548
- 2 Lalitpur Branch
Lagenkhel, Lalitpur
01-5546728/01-5549328

- 3 Bhaktapur
Sallaghari, Bhaktapur
01-6614022/01-6618422

- 4 Narayanghat Branch
Bharatpur-01, Pulchowk, Narayanghat
Chitwan Nepal
056-533066/056-533042

Province 4

- 1 Kawasoti Branch
Thanachowk, Kawasoti
78540935

Province 5

- 1 Butwal
Sukhanagar-8, Shukrapath, Butwal
071540492, 071540531

- 2 Nepalgunj
Puspallchowk- 18, Nepalgunj
081-524243/081525389

Province 7

- 1 Dhangadi
Chauraha-2, Bhansar Road Dhangadi
091417749/091417750

Far/Western

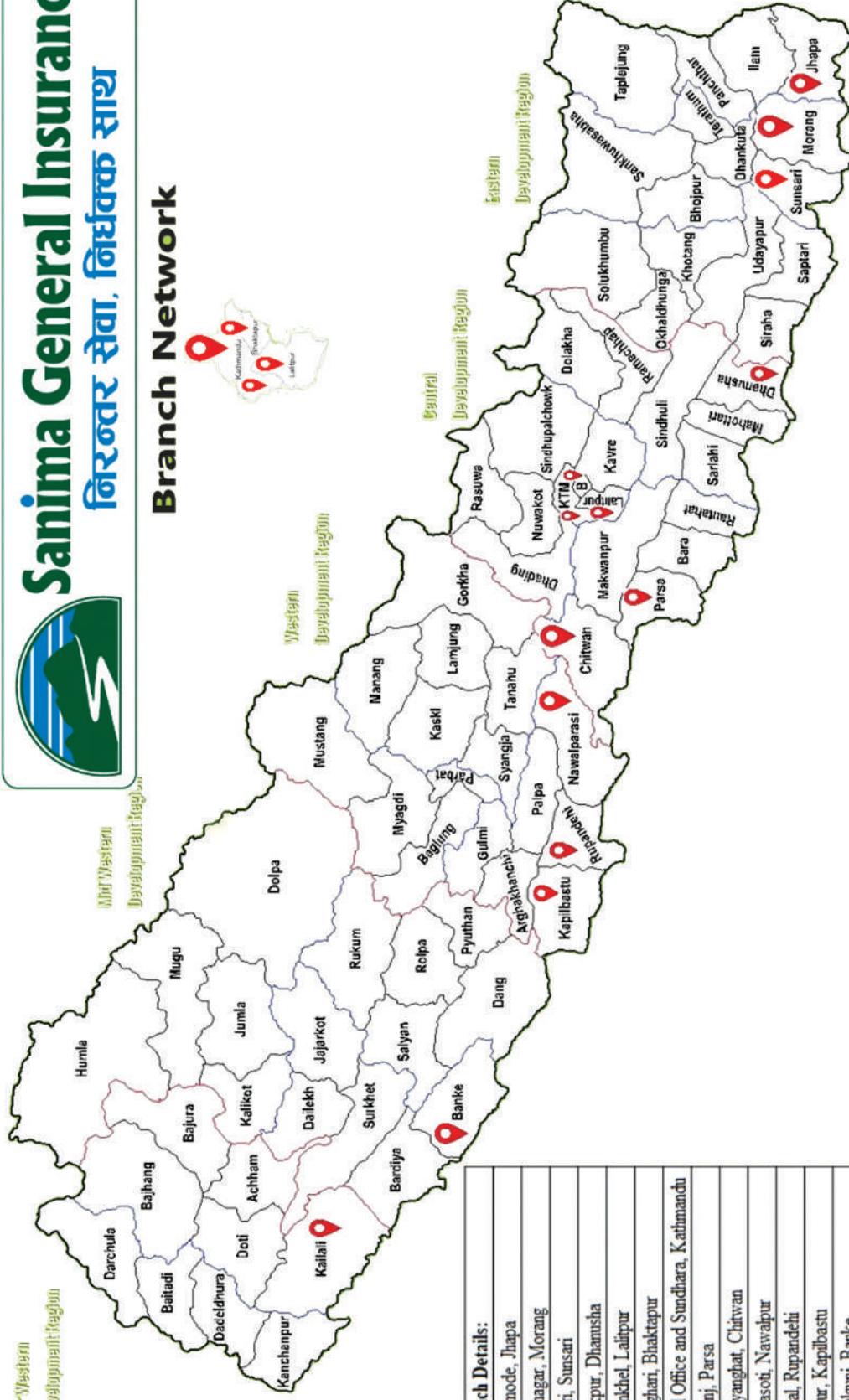
Development Region



Sanima General Insurance

निरन्तर सेवा, निधित्क साथ

Branch Network



Branch Details:
Birtamode, Jhapa
Biratnagar, Morang
Itahari, Sunsari
Janakpur, Dhanusha
Lagankhel, Lalitpur
Sallaghari, Bhaktapur
Head Office and Sundhara, Kathmandu
Birgunj, Parsa
Narayanghat, Chitwan
Kawasoti, Nawalpur
Butwal, Rupandehi
Jeetpur, Kapilbastu
Nepalgunj, Banke
Dhangadi, Kailali