

6TH | ANNUAL REPORT

छैठौं वार्षिक प्रतिवेदन
(आ. व. २०१८/०८०)



सानिमा जिआईसी इन्स्योरेंस लि.
Sanima GIC Insurance Ltd.

BOARD OF DIRECTORS



Mr. Kunal Kayal
Chairman



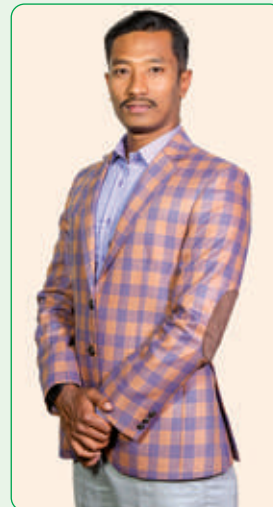
Mr. Dilip Shrestha
Director



Ms. Mita Murarka Agrawal
Director



Dr. Hemant Kumar Dabadi
Public Director



Mr. Prakash Man Shrestha
Public Director



Ms. Saraswatee Gautam Gyawali
Public Director



Dr. Anil Raj Bhattarai
Independent Director



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सानिमा जिआईसी इन्स्योरेन्स लिमिटेडको छैठौं वार्षिक साधारण सभा बस्ने सम्बन्धी सूचना

श्री शेयरधनी महानुभावहरू,

यस सानिमा जिआईसी इन्स्योरेन्स लिमिटेडको सञ्चालक समितिको मिति २०८०/१२/०१ गते बसेको १३७ औं बैठकको निर्णयानुसार कम्पनीको छैठौं वार्षिक साधारण सभा निम्न मिति, समय र स्थानमा निम्न विषयहरूमा 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 हुने मिति, समय र स्थान :

मिति : २०८० साल चैत २९ गते (तदनुसार ११, अप्रिल, २०२४) विहीवार।

समय : विहान ११:०० बजे।

स्थान : अमृतभोग, कालिकास्थान, काठमाण्डौ।

छलफलका विषयहरू:

(क) सामान्य प्रस्ताव:

- (१) कम्पनीको छैठौं वार्षिक साधारण सभामा सञ्चालक समितिको तर्फबाट अध्यक्षज्यूद्वारा प्रस्तुत हुने आ.व. २०७९/०८० को वार्षिक प्रतिवेदन छलफल गरी पारित गर्ने।
- (२) सानिमा जिआईसी इन्स्योरेन्स लि. को लेखापरीक्षण प्रतिवेदन सहित आ.व. २०७९/०८० आषाढ मसान्तको वासलात, मिति २०७९/०४/०१ गते देखि २०८०/०३/३१ गते सम्मको नाफा नोक्सान हिसाव, नगद प्रवाह विवरण सहित सम्बन्धित अनुसूचीहरू छलफल गरी पारित गर्ने।
- (३) साविक जनरल इन्स्योरेन्स कम्पनी नेपाल लि. को लेखापरीक्षण प्रतिवेदन सहित आ.व. २०७९/०८० को वासलात, मिति २०७९/०४/०१ गते देखि २०७९/०७/०६ गते सम्मको नाफा नोक्सान हिसाव, नगद प्रवाह विवरण सहित सम्बन्धित अनुसूचीहरू छलफल गरी पारित गर्ने।
- (४) कम्पनी ऐन, २०६३ को दफा १११ बमोजिम आर्थिक वर्ष २०८०/०८१ को लागि वाह्य लेखापरीक्षकको नियुक्ती तथा निजको पारिश्रमिक निर्धारण गर्ने। (वर्तमान लेखापरीक्षक कानूनत पुनः नियुक्त हुन योग्य रहेको)।
- (५) संचालक समितिबाट नियुक्त स्वतन्त्र संचालकको नियुक्ति अनुमोदन गर्ने।

(ख) विशेष प्रस्ताव :

- (१) कम्पनीको जारी पूँजी तथा चुक्ता पूँजी बृद्धि गर्न प्रबन्धपत्र तथा नियमावलीमा आवश्यक संसोधन गर्ने।
- (२) कम्पनीको चुक्ता पूँजी रु. २ अर्बको २५ प्रतिशत बराबर रु. ५० करोडको हकप्रद शेयर जारी गर्ने।
- (३) कम्पनी ऐनको दफा १०५ को उपदफा १(ग) बमोजिम आ.व. २०७९/०८० मा भएको खर्चको अनुमोदन गर्ने।
- (४) संचालक समिति तथा उपसमितिको बैठक भत्ता तथा अन्य भत्ताको अनुमोदन गर्ने।
- (५) उपरोक्त बमोजिम पारित सामान्य तथा विशेष प्रस्ताव स्वीकृतीको लागि पेश हुँदा नियमनकारी निकाय वा सम्बन्धित कार्यालयबाट कुनै विषयमा संशोधन वा परिवर्तन गर्न कुनै निर्देशन प्राप्त भएमा सो बमोजिम संशोधन वा परिवर्तन गर्न तथा अन्य कार्यहरू समेत गर्न संचालक समितिलाई अख्तियारी प्रदान गर्ने।

(ग) विविध :

सञ्चालक समितिको आज्ञाले
कम्पनी सचिव



साधारण सभा सम्बन्धी सामान्य जानकारी

१. यस साधारण सभामा भाग लिने प्रयोजनका लागि कम्पनीको शेयर दाखिला खारेजका लागि मिति २०८०।१२।१५ गते शेयर दर्ता किताव बन्द गरिनेछ। उक्त मिति भन्दा अघिल्लो दिन सम्म नेपाल स्टक एक्सचेञ्ज लि. मा कारोबार गरी सिडिएस एण्ड क्लियरिङ्ग लि. बाट राफसाफ भएको र कम्पनीको शेयर रजिष्ट्रार सानिमा क्यापिटल लि. को शेयर अभिलेखमा दर्ता भएका शेयरधनीहरू साधारण सभामा भाग लिन योग्य मानिनेछन्।
२. सभामा उपस्थित शेयरधनी महानुभावहरूले सभा हलमा प्रवेशको लागि आफ्नो परिचय खुल्ने आधिकारिक परिचय पत्र वा हितग्राही खाता खोलिएको कागजात साथमा लिई आउनुहुन अनुरोध छ।
३. सभामा भाग लिन प्रतिनिधि नियुक्त गर्न चाहने शेयरधनी महानुभावहरूले सभा सुरु हुने समय भन्दा कम्तीमा ४८ घण्टा अगावै यस कम्पनीको केन्द्रीय कार्यालय, टंगाल, काठमाडौंमा प्रोक्सी फारम दर्ता गरिसक्नु पर्नेछ। सभामा भाग लिन प्रतिनिधि नियुक्त गरिसकेपछि उक्त प्रतिनिधि बदर गरी अर्कै मुकरर गर्ने भएमा सोको लिखित सूचना सोही अवधि भित्र कम्पनीको केन्द्रीय कार्यालय, टंगाल, काठमाडौंमा दर्ता गरि सक्नु पर्नेछ। यसरी प्रतिनिधि (प्रोक्सी) नियुक्त गरिएको व्यक्ति समेत कम्पनीको शेयरधनी हुनु पर्नेछ। प्रोक्सी फारम यस कम्पनीको वेबसाइटबाट पनि Download गर्न सकिनेछ।
४. एकै शेयरधनीले एक भन्दा बढी प्रतिनिधि नियुक्त गरेको अवस्थामा जसको नियुक्ति सबै भन्दा पहिले प्राप्त भएको हो माथि (३) मा लेखिए बमोजिम बदर गरिएमा बाहेक उसैलाई प्रतिनिधि मानिनेछ, तर सभामा सम्बन्धित शेयरधनी आफै उपस्थित हुन आएमा शेयरधनीले दिएको प्रोक्सी स्वतः खारेज हुनेछ।
५. नाबालक शेयरधनीको तर्फबाट संरक्षकले (शेयरधनीको दर्ता कितावमा उल्लेख भएको) सभामा भाग लिन, छलफल गर्न, प्रतिनिधि नियुक्त गर्न र मत दिन समेत सक्नेछ।
६. सभामा भाग लिन प्रत्येक शेयरधनी महानुभावहरूले सभा हुने स्थानमा उपस्थित भई सभा स्थलमा रहेको हाजिरी पुस्तिकामा हाजिरी गर्नु पर्नेछ। हाजिरी पुस्तिका बिहान १० बजे देखि खुला रहनेछ।
७. प्रतिनिधि नियुक्त गर्नु भएको शेयरधनीहरूको निवेदनमा भएको दस्तखत कम्पनीको शेयरको अभिलेखमा रहेको दस्तखतसँग मिल्नु पर्नेछ।
८. कुनै शेयरधनी महानुभावले साधारण सभामा आफ्नो मन्तव्य राख्न चाहेमा सभा हुनु भन्दा अगावै आफ्नो नाम कम्पनी सचिवलाई टिपाउनु पर्नेछ।
९. अन्य कुनै जानकारी आवश्यक भएमा कम्पनीको केन्द्रीय कार्यालय, टंगाल, काठमाडौंमा सम्पर्क गर्नुहुन अनुरोध गरिन्छ।
१०. सभा सम्बन्धी अन्य काम कारवाही कम्पनी ऐन, २०६३ बमोजिम हुनेछ।

अध्यक्षको मन्तव्य

आदरणीय शेयरधनी महानुभावहरू,

सानिमा जिआईसी इन्स्योरेन्स लि. को छैठौं वार्षिक साधारण सभामा सहभागी हुन पाल्नु भएका आदरणीय शेयरधनी महानुभावहरू लगायत आमन्त्रित अतिथि महानुभावहरूमा कम्पनीको सञ्चालक समितिको तर्फबाट तथा मेरो व्यक्तिगत तर्फबाट हार्दिक स्वागत अभिवादन व्यक्त गर्दछु।

कम्पनीले नेपाल वित्तीय प्रतिवेदन मान (NFRS) बमोजिम तयार गरेको आर्थिक वर्ष २०७९/०८० को वित्तीय विवरण सहितको वार्षिक प्रतिवेदन अनुमोदनका लागि यहाँहरू समक्ष प्रस्तुत गरेकाछौं।

समिक्षा आर्थिक वर्ष २०७९/०८० को कार्तिक ७ गते देखि साविक जनरल इन्स्योरेन्स कम्पनी नेपाल लिमिटेड साविक सानिमा जनरल इन्स्योरेन्स लिमिटेडमा मर्ज भई सानिमा जिआईसी इन्स्योरेन्स लि.कायम भएको र सो भन्दा अघि २०७९ साल कार्तिक ६ गतेसम्मको साविक जनरल इन्स्योरेन्स कम्पनी नेपाल लिमिटेडको वित्तीय विवरणहरू प्रचलित ऐन बमोजिम छुट्टै तयार गरी सम्बन्धीत निकायहरूमा पेश गर्नु पर्ने भएकोले सोही बमोजिम वित्तीय विवरणहरू तयार गरी यहाँहरूको अनुमोदनका लागि यसै प्रतिवेदनमा प्रस्तुत गरेका छौं।

नियामक निकायको पूँजी वृद्धि सम्बन्धी निर्देशनलाई आत्मसात गर्दै कम्पनीको हालको चुक्ता पूँजी रु.२ अर्बको २५ प्रतिशत अर्थात रु.५० करोड बराबरको हकप्रद शेयर जारी गरी चुक्ता पूँजी रु.२ अर्ब ५० करोड पुऱ्याउन नेपाल बीमा प्राधिकरणबाट प्राप्त स्वीकृति बमोजिम हकप्रद शेयर जारी गर्ने प्रस्ताव यसै सभामा पेश गरेकाछौं। उक्त प्रस्ताव यस सभाबाट पारित भए पश्चात सम्बन्धित निकायहरूको स्वीकृति लिई हकप्रद शेयर जारी गर्ने प्रक्रिया थालनी गर्ने ब्यहोरा जानकारी गराउन चाहन्छौं।

आजको सर्द्धभमा बीमाको महत्व तथा आवश्यकतालाई नर्कान सकिदैन। अतः यसको दायरालाई बढाई जीवनको सबै क्षेत्रमा पुऱ्याउन आफ्नो सेवा अझ उत्कृष्ट बनाउन कम्पनी कटिबद्ध रहेको छ।

अन्त्यमा, कम्पनीको उत्थान एवं प्रगतिमा सधैं सहयोग एवं मार्गदर्शन प्रदान गर्ने नेपाल सरकार, नियामक निकाय नेपाल बीमा प्राधिकरण, कम्पनी रजिष्ट्रारको कार्यालय, नेपाल धितोपत्र बोर्ड, नेपाल स्टक एक्सचेन्ज लि., नेपाल सिडिएस एण्ड क्लियरिङ लि., बैङ्क तथा वित्तीय संस्थाहरू, पुनर्बीमा कम्पनीहरू, लेखापरीक्षकहरू, बीमा अभिकर्ताहरू लगायत अन्य सघं संस्था तथा बीमितवर्गहरू प्रति आभार तथा धन्यवाद ज्ञापन गर्दछु।

साथै कम्पनीको व्यवसाय प्रवर्द्धनमा इमान्दारी र लगनशीलताका साथ योगदान दिनु हुने यस कम्पनीका प्रमुख कार्यकारी अधिकृत लगायत सम्पूर्ण कर्तव्यनिष्ठ कर्मचारीहरूलाई पनि यस अवसरमा सञ्चालक समितिको तर्फबाट विशेष धन्यवाद दिन चाहन्छु। यस साधारण सभामा सहभागी हुन पाल्नु भएका सम्पूर्ण शेयरधनी महानुभावहरू लगायत सबै अतिथिहरूलाई यहाँहरूको गरिमामय उपस्थितिका लागि धन्यवाद ज्ञापन गर्दै यस साधारण सभामा शेयरधनी महानुभावहरूबाट अमूल्य सुझावको अपेक्षा राखेका छौं।

धन्यवाद।

कुनाल कयाल
अध्यक्ष



प्रमुख कार्यकारी अधिकृतको प्रतिवद्धता

आदरणीय शेयरधनी महानुभावहरू,

यस सानिमा जिआईसी इन्स्योरेन्स लि.को छैठौं वार्षिक साधारण सभामा सहभागी हुन पाल्नु भएका आदरणीय शेयरधनी महानुभावहरू लगायत आमन्त्रित अतिथि महानुभावहरूमा कम्पनीको व्यवस्थापनको तर्फबाट तथा मेरो व्यक्तिगत तर्फबाट हार्दिक स्वागत अभिवादन व्यक्त गर्दछु ।

समीक्षा आर्थिक वर्ष २०७९/०८० को कार्तिक ७ गतेबाट साविक जनरल इन्स्योरेन्स कम्पनी नेपाल लि.साविक सानिमा जनरल इन्स्योरेन्स लिमिटेडमा विधिवत गाभिए पश्चात सानिमा जिआईसी इन्स्योरेन्स लि.को नाममा कारोबार शुरु भए पश्चात नयाँ सिनर्जीका साथ बीमा सेवा विस्तार गर्न लागि परेका छौं ।

चुक्ता पूँजी वृद्धिसँगै पूँजीगत आधार बलियो भइ कम्पनीको जोखिम धारण क्षमतामा पनि वृद्धि भएको छ, जसबाट ठूला ठूला बीमाझका आयोजनाहरूको बीमा गर्न सहज र सफल भएका छौं । फलस्वरूप कम्पनीको व्यवसाय वृद्धिदर मुलुकको बीमा बजारकै औसत वृद्धिदरभन्दा माथि रहेको छ ।

नेपालको बीमा बजारमा ५ वर्षको इतिहास बोकेको दुई कम्पनीहरूको मर्जरबाट बनेको यस कम्पनीले बीमा बजारमा आफ्नो छुट्टै पहिचान राख्दै प्रगति तिर उन्मुख हुने सोचका साथ अगाडी बढ्दै गएको छ । यसका लागि कम्पनीको जोखिमाङ्गनलाई अझ सशक्त बनाउने, दावी भुक्तानी सरल र सवल बनाउने तथा ग्राहकमुखी प्रविधियुक्त सेवाको वातावरण तयार गरी सेवालाई अझ परिष्कृत गर्ने उद्देश्यका साथ अगाडि बढ्दै गएको छ ।

यसको अलावा मोफसल तथा ग्रामीण क्षेत्रहरूमा बीमा सचेतना बढाउने विषयमा कम्पनीले आफ्नो तर्फबाट श्रोत तथा साधन उपयोग गरी बीमा बजारमा आफ्नो अलग छवि बनाई व्यवसायको क्षेत्र विस्तार गर्न तथा देशको अर्थतन्त्रमा महत्वपूर्ण भूमिका निर्वाह गर्न क्रियाशील रहने प्रतिबद्धता व्यक्त गर्दछु ।

अन्त्यमा, कम्पनीको उत्थान तथा प्रगतिमा सधैं सहयोग एवं मार्गदर्शन प्रदान गर्ने नेपाल सरकार, नियामक निकाय नेपाल बीमा प्राधिकरण, कम्पनी रजिष्ट्रारको कार्यालय, नेपाल धितोपत्र बोर्ड, नेपाल स्टक एक्सचेन्ज लि, नेपाल सिडिएस एण्ड क्लियरिङ लि., बैङ्क तथा वित्तीय संस्थाहरू, पुनर्बीमा कम्पनीहरू, लेखापरीक्षकहरू, बीमा अभिकर्ताहरू लगायत अन्य सघं संस्था तथा बीमितवर्गहरू प्रति आभार तथा धन्यवाद ज्ञापन गर्दछु ।

धन्यवाद ।

सुद्युम्न प्रसाद उपाध्याय

प्रमुख कार्यकारी अधिकृत





सानिमा जिआईसी इन्स्योरेन्स लिमिटेडको छैठौं वार्षिक साधारण सभामा संचालक समितिको तर्फबाट अध्यक्ष श्री कुनाल कयालबाट प्रस्तुत आ.व. २०७५/०८० को वार्षिक प्रतिवेदन

आदरणीय शेयरधनी महानुभावहरू,

यस कम्पनीको छैठौं वार्षिक साधारण सभामा भाग लिन पाल्नु भएका सम्पूर्ण शेयरधनी महानुभावहरूमा यस कम्पनीको सञ्चालक समिति तथा मेरो आफ्नो तर्फबाट हार्दिक स्वागत तथा अभिवादन गर्दछु।

नेपाल बीमा प्राधिकरणबाट जारी मर्जर सम्बन्धी निर्देशिका, २०७६ बमोजिम गत २०७९ साल कार्तिक ७ गते साविक सानिमा जनरल इन्स्योरेन्स लिमिटेड र साविक जनरल इन्स्योरेन्स कम्पनी नेपाल लिमिटेड विधिवत मर्जर भए पश्चात सानिमा जिआईसी इन्स्योरेन्स लि. को नाममा कारोवार शुरू भएको ब्यहोरा शेयरधनी महानुभावहरूमा अवगत नै छ।

यस कम्पनीले नेपाल वित्तीय प्रतिवेदन मान (NFRS) बमोजिम तयार गरेको आर्थिक वर्ष २०७९/०८० को वित्तीय विवरणहरू सहितको वार्षिक प्रतिवेदन अनुमोदनका लागि यहाँहरू समक्ष प्रस्तुत गरेका छौं।

समीक्षा अर्थात्, आर्थिक वर्ष २०७९/०८० को कार्तिक ७ गते देखि साविक जनरल इन्स्योरेन्स कम्पनी नेपाल लिमिटेड साविक सानिमा जनरल इन्स्योरेन्स लिमिटेडमा मर्ज भएको र सो भन्दा अघि २०७९ साल कार्तिक ६ गतेसम्मको साविक जनरल इन्स्योरेन्स कम्पनी नेपाल लिमिटेडको वित्तीय विवरणहरू प्रचलित ऐन बमोजिम छुट्टै तयार गरी सम्बन्धीत निकायहरूमा पेश गर्नु पर्ने भएकोले सोही बमोजिम वित्तीय विवरणहरू तयार गरी यहाँहरूको अनुमोदनका लागि यसै प्रतिवेदनसाथ प्रस्तुत गरेका छौं।

बीमा ऐन, २०७९ को दफा ३६ बमोजिम न्यूनतम चुक्ता पूँजी हालको रु.२ अर्ब बाट रु.२ अर्ब ५० करोड पुऱ्याउन गत आ.व.२०७९/०८० को स्वीकृत वित्तीय विवरणको नाफा नोक्सान हिसाबमा बितरण योग्य मुनाफा कम भएकोले बोनस शेयर वितरण गर्न प्रस्ताव तर्खाएको र बोनस शेयरबाट तोकिए बमोजिमको चुक्ता पूँजी पुऱ्याउन कम्तीमा पनि चालु आर्थिक वर्ष सहित आगामी दुई आर्थिक वर्ष लाग्ने भएकोले न्यूनतम चुक्ता पूँजी रु.२ अर्ब ५० करोड यथासक्य चाँडो पुऱ्याउन २५ प्रतिशत हकप्रद शेयर निष्काशन गर्न नेपाल बीमा प्राधिकरणबाट अनुमति भए अनुसार रु.५० करोड बराबरको हकप्रद शेयर जारी गर्न स्वीकृतिका लागि यसै साधारण सभामा प्रस्ताव पेश गरेका छौं। उक्त प्रस्ताव यस सभाबाट पारित भए पश्चात सम्बन्धित निकायहरूको स्वीकृत लिई हकप्रद शेयर जारी गर्ने प्रक्रिया थालनी गर्ने ब्यहोरा जानकारी गराउन चाहन्छौं।

१) क) विगत वर्षको कारोवारको सिंहावलोकन :

कम्पनीको विगत वर्ष तथा समिक्षा वर्ष आ.व.२०७९/०८० को कारोवारको मुख्य सूचकाङ्कहरू यहाँहरू समक्ष पेश गर्न चाहन्छु।

	साविक - सानिमा जनरल इन्स्योरेन्स लि.			साविक - जनरल इन्स्योरेन्स कम्पनी नेपाल लि.		
	विगत वर्ष २०७८/०७९	समीक्षा वर्ष २०७९/०८०	बृद्धि %	विगत वर्ष २०७८/०७९	समीक्षा वर्ष २०७९/०८० <small>कार्तिक ०६, २०७९ सम्मको</small>	बृद्धि %
कुल बीमा शुल्क	८५१,६६६,४४७	२,१०२,९०५,३५१	१४६.९२	८२३,१८७,०८८	१,८७,३१०,४३३	-
पुनर्बीमा शुल्क भुक्तानी	(६२०,४९०,४६६)	(१,५४७,१७३,६३९)	१४९.३५	(५७३,२००,८४२)	(१३६,४१५,६५३)	-
खुद बीमा शुल्क	२३१,१७५,९८१	५५५,७३१,७१२	१४०.३५	२४९,९८६,२४६	५०,८९४,७८०	-
अन्य						-
पुनर्बीमा कमिशन आय	१६०,८३९,६०४	३९२,२८४,६५०	१४३.९०	१३८,१७४,१४६	२२,९४५,६२६	-
लगानी तथा अन्य प्रत्यक्ष आय	११४,१६७,०३४	२५७,७६८,९१३	१२५.७८	११६,०३९,९२७	३८,०३४,६४१	-
अन्य आम्दानी	७,१४५,०८१	२१,७२७,१३८	२०४.०९	(४,७४२,१८७)	१,०८१,४५२	-
जम्मा आम्दानी	५१३,३२७,७००	१,२२७,५१२,४१३	१३५.१३	४५५,४५०,१३२	११२,९५६,४५५	-
खुद दाबी भुक्तानी	१०१,६९३,८५१	२९२,३६३,१०३	१८७.७२	१४४,१६४,४४२	४४,६५३,६९४	-
बीमा दायित्वमा भएको परिवर्तन	३५,८५१,३३७	३९,४८७,०९६	१०.१४	८०,१४७,०८८	४०,६७८,०७५	-
व्यवस्थापन तथा अन्य खर्च	२१४,८७९,०९४	४९४,३४८,०६२	१३०.०६	२५०,०८६,०४६	८०,०९९,१९४	-
जम्मा खर्च	३५२,३४४,२८२	८२६,१९८,२६१	१३४.४५	४७४,३९७,५७६	१६५,४३०,८८३	-
आय कर अघि मुनाफा	१६०,९८३,४१८	४०१,३१४,१५२	१४५.२५	२५,०५२,५५६	(५२,४७४,३८४)	-
आयकर व्यवस्था	४९,००५,१४१	१२७,७६६,६२०	१६०.७२	७,७८२,७२२	(१३,८०१,८३८)	-
खुद नाफा	१११,९७८,२७७	२७३,५४७,५३२	१४४.२५	१७,२६९,८३४	(३८,६७२,५४६)	-



२) राष्ट्रिय तथा अर्न्तराष्ट्रिय स्थितिबाट कम्पनीको कारोवारमा परेको असर :

बीमा कम्पनीहरूको जोखिम बहन क्षमता अभिवृद्धि गर्दै बीमा व्यवसायलाई अभि परस्कृत, सवल तथा सेवामुखी बनाउन कम्पनीहरूलाई एक आपसमा मर्ज गराई कम्पनीहरूको संख्या घटाउने नियामक निकाय नेपाल बीमा प्राधिकरणको लक्ष्यलाई आत्मसाथ गर्दै बीमा कम्पनीहरू मर्ज भइरहेकोले यसबाट भविष्यमा कम्पनीहरूको पूँजीको आधार बलियो भई जोखिम बहन क्षमता बढने, बीमाको पहुँच तथा सेवा विस्तार भई स्वस्थ प्रतिस्पर्धाको वातावरण तयार हुने भएकाले यसबाट समग्र बीमा बजारको अवस्थामा परिवर्तन हुन जाँदा राष्ट्रिय/अर्न्तराष्ट्रिय पूनर्बीमकहरूको विश्वास समेत वृद्धि हुनेछ।

३) प्रतिवेदनको मिति सम्म चालु वर्षको उपलब्धि र भविष्यको सम्बन्धमा सञ्चालक समितिको धारणा :

क) चालु वर्षको उपलब्धि :

चालु आ.व. २०८०/०८१ को फाल्गुण मसान्त सम्म रु. १ अर्ब ५६ करोड १४ लाख बीमा शुल्क सङ्कलन भईसकेको छ।

चालु आर्थिक वर्ष २०८०/०८१ को दोस्रो त्रैमास सम्मको निम्न आर्थिक सूचकाङ्कहरू यहाँहरू समक्ष जानकारीको लागि पेश गरेका छौं।

विवरण	रकम (रु. हजारमा)
चुत्ता पूँजी	२,०००,०००
कुल बीमा शुल्क आर्जन	८६३,५७६
पुनर्बीमा शुल्क भुक्तानी	५७०,१५०
लगानी, कर्जा तथा अन्यबाट आय	२६६,३९५
व्यवस्थापन तथा अन्य खर्च	२७१,८५१
कुल दावी भुक्तानी तथा बीमा दायित्वमा भएको परिवर्तन	१३७,१२४
खुद नाफा	१०५,५९१

ख) प्रदेश कार्यालय तथा शाखा कार्यालय:

नेपाल बीमा प्राधिकरणबाट तोकिएको मापदण्ड बमोजिम कम्पनीले हालका शाखा/उपशाखा कार्यालयहरूको स्तर मुल्यांकन/पुनरावलोकन गरि आवश्यकता र संभाव्यता हेरी समायोजन/ स्थानान्तरण गरिएको तथा प्रदेश कार्यालयहरूको स्थापना गरिसकिएको छ।

ग) पुनर्बीमा व्यवस्था :

पुनर्बीमा बीमा व्यवसायको मेरुदण्ड भएकोले पुनर्बीमाको राम्रो र यथेष्ट व्यवस्थाका लागि हामीले विश्व विख्यात जर्मनीको A+ Rated पुनर्बीमक कम्पनी Hannover Ruckversicherung AG, को मलेशिया शाखाको अगुवाईमा चालु आर्थिक वर्ष २०८०/०८१ को लागि पनि पुनर्बीमा सम्झौता नवीकरण गरेका छौं भने विश्वका विभिन्न देशहरूमा रहेका पुनर्बीमक कम्पनीहरूसँग Facultative पुनर्बीमा गर्दै आएका छौं।

घ) मानव संशाधन तथा वृत्ति विकास :

कम्पनीमा कार्यरत कर्मचारीहरूको कार्य क्षमता तथा दक्षता अभिवृद्धि गर्न समय सापेक्ष आन्तरिक तथा बाह्य तालिम प्रदान गर्ने नीति लिएका छौं। सोही नीति अनुरूप कर्मचारीहरूलाई नियमित रूपमा कम्पनीको व्यवस्थापकीय तहका कर्मचारीहरू, बाह्य श्रोत व्यक्ति तथा विषयगत विज्ञहरूलाई आमन्त्रित गरी समय समयमा आन्तरिक तालिम प्रदान गर्दै आएको र बीमा सम्बन्धी तालिम दिने संस्था Insurance Institute Nepal Ltd. लगायत अन्य स्वदेशी तथा विदेशी संस्थाहरूले सञ्चालन गर्ने विभिन्न तालिममा आवश्यकता अनुसार कर्मचारीहरू छनौट गरी तालिममा सहभागी गराउँदै आएका छौं।

४) औद्योगिक वा व्यवसायिक सम्बन्ध :

बीमा व्यवसायको प्रत्यक्ष सम्बन्ध उद्योग, व्यवसाय, बैंक तथा वित्तीय संस्थाहरूसँग हुने भएकोले त्यस्ता औद्योगिक, व्यवसायिक तथा वित्तीय संस्थाहरूलाई बीमा सेवा उपलब्ध गराई ति संस्थसँग सुमधुर सम्बन्ध कायम राख्दै आएका छौं। समग्र अर्थतन्त्रमा आफ्नो तर्फबाट गर्न सकिने योगदानको बारेमा नियमित छलफल, संवाद तथा योजनाहरूमा सहभागी भई औद्योगिक तथा व्यवसायिक संस्थाहरूसँग कायम सुमधुर सम्बन्ध विस्तार गर्दै लगिनेछ।



५) सञ्चालक समितिमा हेरफेर :

कम्पनीको मिति २०८० साल जेष्ठ ३२ गते सम्पन्न पाँचौं वार्षिक साधारण सभाबाट संस्थापक शेयरधनी तथा सर्वसाधारण शेयरधनीहरूका तर्फबाट सञ्चालक समितिमा प्रतिनिधित्व गर्न निर्वाचित भई आउनु भएका सञ्चालकहरूबाट साधारण सभा पछि सोही मितिमा बसेको सञ्चालक समितिको १२३ औं बैठकबाट निम्नानुसार सञ्चालक समिति गठन भएको छ ।

- | | |
|------------------------------|------------------------------------------|
| क) श्री कुनाल कयाल | - अध्यक्ष (संस्थापक) |
| ख) श्री दिलिप श्रेष्ठ | - सञ्चालक (संस्थापक) |
| ग) श्री मिता मुरारका अग्रवाल | - सञ्चालक (संस्थापक) |
| घ) डा. हेमन्त कुमार दवाडी | - सञ्चालक (सर्वसाधारण शेयरधनीका तर्फबाट) |
| ङ) श्री प्रकाश मान श्रेष्ठ | - सञ्चालक (सर्वसाधारण शेयरधनीका तर्फबाट) |
| च) श्री सरस्वती गौतम ज्ञवाली | - सञ्चालक (सर्वसाधारण शेयरधनीका तर्फबाट) |

यसै गरी मिति २०८० साल श्रावण २८ गते बसेको सञ्चालक समितिको १२७ औं बैठकबाट डा. अनिल राज भट्टराईलाई स्वतन्त्र सञ्चालकमा चार वर्षका लागि नियुक्ति गरिएकोमा यहाँहरूको अनुमोदन लागि पेश गरेका छौं ।

६) कारोवारलाई असर पार्ने मुख्य कुराहरू :

विगत केही वर्षमा वैश्विक महामारी, युद्ध आदिका कारण सिर्जित विश्वव्यापी असामान्य परिस्थितिका कारण मुलुकको अर्थतन्त्रमा नकारात्मक असर पर्न गइ पूँजीगत खर्च तथा वित्तीय संस्थाबाट उत्पादनमुलक क्षेत्रमा लगानी हुन नसकेको लगायत अन्य कारणबाट बीमा बजारको दायरा बढ्न सकेको छैन । यसले गर्दा बीमा कम्पनीहरूको कारोवारमा नकारात्मक असर परेको छ ।

वर्तमान अवस्थामा बजारका चुनौतिहरूको सामना गर्दै उपलब्ध अवसरहरू लिन आफ्नो रणनीतिक योजना सहित कम्पनी अगाडी बढ्दै गईरहेको जानकारी गराउन चाहन्छौं ।

७) लेखापरीक्षण प्रतिवेदनमा कुनै कैफियत उल्लेख भएको भए सो उपर सञ्चालक समितिको प्रतिक्रिया:

लेखापरीक्षण प्रतिवेदनमा सामान्य सुझावहरू बाहेक अन्य कुनै कैफियत नरहेको जानकारी गराउँदछौं ।

८) लाभान्श बाँडफाँड गर्न सिफारिस गरिएको रकम :

समीक्षा वर्षको मुनाफाबाट लाभान्श वितरणको प्रस्ताव नगरिएको जानकारी गराउँदछौं ।

९) शेयर जफत भएको भए जफत भएको शेयर संख्या, त्यस्तो शेयरको अंकित मूल्य, त्यस्तो शेयर जफत हुनु भन्दा 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 वापत रकम फिर्ता गरेको भए सोको विवरण :

समीक्षा वर्षमा कुनै शेयर जफत नगरिएको जानकारी गराउँदछौं ।

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 व्यहोरा जानकारी गराउँदछु ।

११) कम्पनी तथा त्यसको सहायक कम्पनीले आर्थिक वर्षमा सम्पन्न गरेको प्रमुख कारोबारहरू र सो अवधिमा कम्पनीको कारोबारमा आएको कुनै महत्वपूर्ण परिवर्तन:

यस कम्पनीको हाल सम्मको कारोवार निर्जीवन बीमा व्यवसाय मात्र भएको र कम्पनीको कारोवारमा कुनै महत्वपूर्ण परिवर्तन नभएको जानकारी गराउँदछु ।

१२) विगत आर्थिक वर्षमा कम्पनीको आधारभूत शेयरधनीहरूले कम्पनीलाई उपलब्ध गराएको जानकारी :

शेयरधनीहरूबाट कुनै विशेष जानकारी प्राप्त नभएको जानकारी गराउँदछु ।

१३) विगत आर्थिक वर्षमा कम्पनीका सञ्चालक तथा पदाधिकारीहरूले लिएको शेयरको स्वामित्वको विवरण र कम्पनीको शेयर कारोबारमा निजहरू संलग्न रहेको भए सो सम्बन्धमा निजहरूबाट कम्पनीले प्राप्त गरेको जानकारी :

कम्पनीको शेयर कारोबारमा कुनै सञ्चालक संलग्न नरहेको जानकारी गराउँदछौं ।

१४) विगत आर्थिक वर्षमा कम्पनीसँग सम्बन्धित सम्भौताहरूमा कुनै सञ्चालक तथा निजको नजिकको नातेदारको व्यक्तिगत स्वार्थको बारेमा उपलब्ध गराइएको जानकारीको व्यहोरा :

कम्पनीसँग सम्बन्धित सम्भौताहरूमा कुनै सञ्चालक 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 वापत 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 प्रणाली प्रभावकारी भएको तथा सोको अतिरिक्त आन्तरिक नियन्त्रण प्रणालीको प्रभावकारिता मापनको लागि स्वतन्त्र चार्टर्ड एकाउण्टेण्टबाट आन्तरिक लेखा परीक्षण गराउने गरिएको छ । साथै नेपाल बीमा प्राधिकरणबाट जारी भएको "बीमकको संस्थागत सुशासन सम्बन्धी निर्देशिका, २०७५" बमोजिम सञ्चालक समितिका सदस्यहरूको संयोजकत्वमा निम्न समितिहरू गठन गरिएको छ ।

(१) दाबी भुक्तानी तथा पुनर्बीमा समिति :

(क) सञ्चालक, डा. हेमन्त कुमार दवाडी	संयोजक
(ख) सञ्चालक, श्री प्रकाश मान श्रेष्ठ	सदस्य
(ग) प्रमुख कार्यकारी अधिकृत, श्री सुचुम्न प्रसाद उपाध्याय	सदस्य
(घ) वरिष्ठ नायव प्रमुख कार्यकारी अधिकृत, श्री रामचन्द्र श्रेष्ठ	सदस्य सचिव

(२) लगानी, जोखिम व्यवस्थापन तथा वित्तीय स्वस्थता (सोल्भेन्सी) समिति :

(क) सञ्चालक, श्री प्रकाश मान श्रेष्ठ	संयोजक
(ख) सञ्चालक, श्री सरस्वती गौतम ज्ञवाली	सदस्य
(ग) प्रमुख कार्यकारी अधिकृत, श्री सुचुम्न प्रसाद उपाध्याय	सदस्य
(घ) नायव महाप्रबन्धक, श्री सुबोध लाल श्रेष्ठ	सदस्य सचिव

(३) मानव संशाधन समिति :

(क) अध्यक्ष, श्री कुनाल कयाल	संयोजक
(ख) सञ्चालक, डा. हेमन्त कुमार दवाडी	सदस्य
(ग) प्रमुख कार्यकारी अधिकृत, श्री सुचुम्न प्रसाद उपाध्याय	सदस्य
(घ) वरिष्ठ नायव प्रमुख कार्यकारी अधिकृत, श्री रामचन्द्र श्रेष्ठ	सदस्य सचिव

(४) सम्पत्ति शुद्धिकरण निवारण समिति :

(क) सञ्चालक, श्री सरस्वती गौतम ज्ञवाली	संयोजक
(ख) सञ्चालक, श्री मिता मुरारका अग्रवाल	सदस्य
(ग) स्वतन्त्र सञ्चालक, डा. अनिल राज भट्टराई	सदस्य
(घ) प्रबन्धक, श्री भद्र बहादुर बिष्ट	सदस्य सचिव

(५) लेखापरीक्षण समिति :

(क) स्वतन्त्र सञ्चालक, डा. अनिल राज भट्टराई	संयोजक
(ख) सञ्चालक, श्री दिलिप श्रेष्ठ	सदस्य
(ग) सञ्चालक, श्री मिता मुरारका अग्रवाल	सदस्य
(घ) नायव प्रबन्धक, श्री सविता वली	सदस्य सचिव

१७) विगत आर्थिक वर्षको कुल व्यवस्थापन खर्चको विवरण :

यस कम्पनीको आर्थिक वर्ष २०७९/०८० को कुल व्यवस्थापन खर्चको विवरण वित्तीय विवरणमा उल्लेख गरिएको छ ।

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

(क) स्वतन्त्र सञ्चालक, डा. अनिल राज भट्टराई	संयोजक
(ख) सञ्चालक, श्री दिलिप श्रेष्ठ	सदस्य
(ग) सञ्चालक, श्री मिता मुरारका अग्रवाल	सदस्य
(घ) नायव प्रबन्धक, श्री सविता वली	सदस्य सचिव

समीक्षा वर्षमा उक्त समितिका पदाधिकारीहरूलाई जम्मा रु.१,५६,०००/-भत्ता प्रदान गरिएको जानकारी गराउँदछौं ।



१९) सञ्चालक, प्रबन्ध सञ्चालक, 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 नरहेको जानकारी गराउंदछौं ।

२०) सञ्चालक, प्रबन्ध सञ्चालक, कार्यकारी प्रमुख तथा पदाधिकारीलाई भुक्तानी गरिएको पारिश्रमिक, भत्ता तथा सुविधाहरूको रकम :
समीक्षा वर्षमा सञ्चालक समितिका अध्यक्षलाई रु ८,०००/- तथा सञ्चालकहरूलाई रु ६,०००/- प्रति बैठक, बैठक भत्ता वापत प्रदान गर्ने गरिएको छ । यस बाहेक अन्य कुनै सुविधा प्रदान नगरिएको जानकारी गराउंदछौं ।

प्रमुख कार्यकारी अधिकृत देखि प्रबन्धक तह सम्मका पदाधिकारीहरूलाई पारिश्रमिक, भत्ता तथा अन्य सुविधा वापत रु. ४,४७,७२,२१९/- भुक्तानी गरिएको छ ।

२१) शेयरधनीहरूले बुझिलिन बाँकी रहेको लाभांशको रकम :
कम्पनीले हालसम्म लाभांश वितरण नगरेको जानकारी गराउंदछौं ।

२२) दफा १४१ बमोजिम सम्पत्ति खरिद वा बिक्री गरेको कुराको विवरण :
वासलातको आर्थिक प्रतिवेदनमा उल्लेख छ ।

२३) दफा १७५ बमोजिम सम्बद्ध कम्पनी बीच भएको कारोवारको विवरण :
यस कम्पनीको कुनै सम्बद्ध कम्पनीहरू नरहेको जानकारी गराउन चाहन्छौं ।

२४) यस ऐन तथा प्रचलित कानून बमोजिम सञ्चालक समितिको प्रतिवेदनमा खुलाउनु पर्ने अन्य कुनै कुरा :
यस्तो खुलाउनु पर्ने केही नभएको जानकारी गराउंदछौं ।

२५) कम्पनीको दैनिक कार्यमा संस्थागत सुशासनको महत्वपूर्ण भूमिका रहन्छ । बीमा ऐन, २०७९, बीमकको संस्थागत सुशासन सम्बन्धी निर्देशिका, २०७५, नेपाल बीमा प्राधिकरणबाट जारी निर्देशनहरू, कम्पनी ऐन, २०६३ मा भएका कानूनी व्यवस्थाहरूको पालन भएको छ । यसमा कम्पनी सदा सजग र सचेत छ ।

२६) अन्य आवश्यक कुराहरू :

क) लेखापरीक्षक नियुक्ती सिफारिस :

कम्पनी ऐन २०६३ को दफा १११(घ) बमोजिम यस कम्पनीको चालु आ.व. २०८०/०८१ को वाट्य लेखा परीक्षण, कर लेखा परीक्षण, विस्तृत लेखा परीक्षण प्रतिवेदन (LFAR), नेपाल वित्तीय प्रतिवेदन मान (NFRS) बमोजिमको वित्तीय विवरण परीक्षण तथा कम्पनी ऐन २०६३ को दफा ७८ बमोजिमको विवरण प्रमाणिकरण गर्नका लागि सञ्चालक समितिको सिफारिसमा श्री एन अमात्य एण्ड कम्पनी, चार्टर्ड एकाउण्टेण्टसलाई पारिश्रमिक रु ३,००,०००/- (मुल्य अभिवृद्धि कर बाहेक) प्रदान गर्ने गरी लेखा परीक्षक नियुक्ती गर्न अनुमोदनका लागि यहाँहरू समक्ष पेश गरेका छौं ।

धन्यवाद ज्ञापन :

अन्त्यमा, यस कम्पनीको स्थापनाकाल देखि सहयोग गर्नुहुने नियामक निकाय नेपाल बीमा प्राधिकरण, कम्पनी रजिष्ट्रारको कार्यालय, नेपाल धितोपत्र बोर्ड, उद्योग विभाग, बैंक तथा वित्तीय संस्थाहरू, स्वदेशी र विदेशी बीमा तथा पुनर्बीमा कम्पनीहरू, लेखा परीक्षकहरू, बीमा अभिकर्ताहरू लगायत अन्य संघ संस्था तथा ग्राहकवर्गहरू प्रति आभार तथा धन्यवाद ज्ञापन गर्दछौं ।

कम्पनीको व्यवसाय प्रवर्द्धनमा ईमानदारी र लगनशीलताका साथ योगदान दिनुहुने यस कम्पनीका प्रमुख कार्यकारी अधिकृत लगायत सम्पूर्ण कर्मचारीहरूलाई पनि यस अवसरमा हार्दिक धन्यवाद दिन चाहन्छौं ।

यस साधारण सभामा सहभागी हुन पाल्नु भएका सम्पूर्ण शेयरधनी महानुभावहरूलाई धन्यवाद ज्ञापन गर्दै यहाँहरूको अमूल्य सुभावको अपेक्षा गरेका छौं ।

धन्यवाद ।

अध्यक्ष

मिति : २०८० साल चैत्र २९ गते, बिहिवार ।



सानिमा जिआईसी इन्स्योरेन्स लि.

संस्थागत सुशासन सम्बन्धी वार्षिक अनुपालना प्रतिवेदन
(सूचीकृत संगठित संस्थाहरूको संस्थागत सुशासन सम्बन्धी निर्देशिका, २०७४ बमोजिम)

सूचीकृत संगठित संस्थाको नाम	सानिमा जिआईसी इन्स्योरेन्स लिमिटेड
ठेगाना	का.म.पा-५, टंगाल, काठमाडौं ।
इमेल	info@sgic.com.np
वेबसाइट	www.sgic.com.np
फोन नं.	०१-४४२७१७०/७१
प्रतिवेदन पेश गरिएको आ.व.	२०७९/०८०

१. सञ्चालक समिति सम्बन्धी विवरण :

- क) सञ्चालक समितिको अध्यक्षको नाम तथा नियुक्ति मिति : श्री कुनाल कयाल (२०८०/०२/०३२)
ख) संस्थाको शेयर संरचना सम्बन्धी विवरण (संस्थापक, सर्वसाधारण तथा अन्य): संस्थापक : ५१%, सर्वसाधारण : ४९% ।
ग) सञ्चालक समिति सम्बन्धी विवरण:

क्र.सं.	संचालकहरूको नाम तथा ठेगाना	प्रतिनिधित्व भएको समूह	शेयर संख्या	नियुक्ति भएको मिति	पद तथा गोपनियताको शपथ लिएको मिति	संचालक नियुक्तिको तरिका (विधि)
(१)	श्री कुनाल कयाल, का.म.न.पा.-३१, मिनभवन, काठमाडौं ।	संस्थापक शेयरधनीको तर्फबाट	५०,०००	२०८०/०२/३२	२०८०/०२/३२	साधारण सभाबाट निर्वाचित
(२)	श्री. दिलीप श्रेष्ठ, ललितपुर म.न.पा-१३, एकान्तकुना ललितपुर ।	संस्थापक शेयरधनीको तर्फबाट	५०,०००	२०८०/०२/३२	२०८०/०२/३२	साधारण सभाबाट निर्वाचित
(३)	श्री मिता मुरारका अग्रवाल, विराटनगर म.न.पा-७, मोरंग ।	संस्थापक शेयरधनीको तर्फबाट	९९,०००	२०८०/०२/३२	२०८०/०२/३२	साधारण सभाबाट निर्वाचित
(४)	डा. हेमन्त कुमार दवाडी, का.म.न.पा-३२, कोटेश्वर, काठमाडौं ।	सर्वसाधारण शेयरधनी, श्री एन.आर.एन. अफ्रिका भेञ्चर्स लि.को तर्फबाट	२,००	२०८०/०२/३२	२०८०/०२/३२	साधारण सभाबाट निर्वाचित
(५)	श्री प्रकाश मान श्रेष्ठ, गल्छी गा.पा-३, धादिङ ।	सर्वसाधारण शेयरधनीको तर्फबाट	१००	२०८०/०२/३२	२०८०/०२/३२	साधारण सभाबाट निर्वाचित ।
(६)	श्री सरस्वती गौतम ज्ञवाली, टोखा न.पा-१०, काठमाडौं ।	सर्वसाधारण शेयरधनीको तर्फबाट	१,०००	२०८०/०२/३२	२०८०/०२/३२	साधारण सभाबाट निर्वाचित
(७)	डा. अनिल राज भट्टराई, बुढानिलकण्ठ न.पा-१, काठमाडौं ।	स्वतन्त्र	-	२०८०/०४/२८	२०८०/०४/२८	संचालक समितिबाट

नोट : पछिल्लो साधारण सभा पछि सञ्चालकहरू नियुक्ति भए सो सम्बन्धी जानकारी र सो सम्बन्धमा बोर्डलाई जानकारी गराएको मिति समेत छुट्टै उल्लेख गर्नु पर्ने ।

घ) सञ्चालक समितिको बैठक ।

- सञ्चालक समितिको बैठक संचालन सम्बन्धी विवरण:

क्र.सं.	यस आ.व. मा बसेको संचालक समितिको बैठकको मिति	उपस्थित संचालकको संख्या	बैठकको निर्णयमा भिन्न मत राखी हस्ताक्षर गर्ने संचालकको संख्या	गत आ.व. मा बसेको बैठकको मिति
१	२०७९/०५/१२	७	नभएको	२०७८/०४/२२
२	२०७९/०५/२६	६	नभएको	२०७८/०६/२४
३	२०७९/०७/०४	७	नभएको	२०७८/०८/०६
४	२०७९/०७/०७	६	नभएको	२०७८/०८/०८
५	२०७९/०७/२१	६	नभएको	२०७८/०९/०८
६	२०७९/०७/२८	६	नभएको	२०७८/०९/११
७	२०७९/०८/१२	५	नभएको	२०७८/१०/२५



क्र.सं.	यस आ.व. मा बसेको संचालक समितिको बैठकको मिति	उपस्थित संचालकको संख्या	बैठकको निर्णयमा भिन्न मत राखी हस्ताक्षर गर्ने संचालकको संख्या	गत आ.व. मा बसेको बैठकको मिति
८	२०७९/०८/२७	६	नभएको	२०७८/११/१३
९	२०७९/०९/१४	६	नभएको	२०७८/१२/०९
१०	२०७९/१०/१८	६	नभएको	२०७९/०१/०४
११	२०७९/१२/२३	६	नभएको	२०७९/०१/२८
१२	२०७९/१२/३०	६	नभएको	२०७९/०२/२९
१३	२०८०/०१/२१	६	नभएको	२०७९/०३/१५
१४	२०८०/०२/०२	६	नभएको	२०७९/०३/२८
१५	२०८०/०२/२८	६	नभएको	२०७९/०३/२९
१६	२०८०/०२/३२	६	नभएको	
१७	२०८०/०३/०१	६	नभएको	
१८	२०८०/०३/०४	६	नभएको	
१९	२०८०/०३/३१	६	नभएको	

- कुनै संचालक समितिको बैठक आवश्यक गणपुरक संख्या नपुगी स्थगित भएको भए सोको विवरण: स्थगित नभएको ।
- सञ्चालक समितिको बैठक सम्बन्धी अन्य विवरण :

सञ्चालक समितिको बैठकमा सञ्चालक वा वैकल्पिक सञ्चालक उपस्थित भए/नभएको (नभएको अवस्थामा बैठकको मिति सहित कारण खुलाउने):	भएको
सञ्चालक समितिको बैठकमा उपस्थित सञ्चालकहरू, छलफल भएको विषय र तत् सम्बन्धमा भएको निर्णयको विवरण (माईन्युट) को छुट्टै अभिलेख राखे नराखेको:	राखेको
सञ्चालक समितिको दुई लगातार बसेको बैठकको अधिकतम अन्तर (दिनमा):	६५ दिन
सञ्चालक समितिको बैठक भत्ता निर्धारण सम्बन्धमा बसेको वार्षिक साधारण सभाको मिति :	२०७५/१२/१०३
सञ्चालक समितिको प्रति बैठक भत्ता रु.	अध्यक्षको रु. ८,०००/- र सदस्यको रु. ६,०००/-
आ.व.को सञ्चालक समितिको कुल बैठक खर्च रु.	रु. ८४०,०००।००

२. सञ्चालकको आचरण सम्बन्धी तथा अन्य विवरण

सञ्चालकको आचरण सम्बन्धमा सम्बन्धित संस्थाको आचार संहिता भए/नभएको :	नभएको			
एकाघर परिवारको एक भन्दा बढी सञ्चालक भए सो सम्बन्धी विवरण:	नभएको			
सञ्चालकहरूको वार्षिक रुपमा सिकाई तथा पूर्णताजगी कार्यक्रम सम्बन्धी विवरण :				
क्र.सं.	विषय	मिति	सहभागी संचालकको संख्या	तालिम संचालन भएको स्थान
	प्रत्येक सञ्चालकले आफु सञ्चालकको पदमा नियुक्त वा मनोनयन भएको पन्ध्र दिन भित्र देहायका कुराको लिखित जानकारी गराएको/नगराएको र नगराएको भए सोको विवरण :			जानकारी गराइएको
	<ul style="list-style-type: none"> ● संस्थासँग निज वा निजको एकाघरको परिवारको कुनै सदस्यले कुनै किसिमको करार गरेको वा गर्न लागेको भए सोको विवरण, ● निज वा निजको एकाघरको परिवारको कुनै सदस्यले संस्था वा सो संस्थाको मुख्य वा सहायक कम्पनीमा लिएको शेयर वा डिबेन्चरको विवरण, ● निज अन्य कुनै संघ संस्थाको आधारभूत शेयरधनी वा सञ्चालक रहेको भए त्यसको विवरण, ● निजको एकाघरको परिवारको कुनै सदस्य संस्थामा पदाधिकारी वा कर्मचारीको हैसियतमा काम गरिरहेको भए सोको विवरण । 			
	सञ्चालकले उस्तै प्रकृतिको उद्देश्य भएको सूचीकृत संस्थाको सञ्चालक, तलवी पदाधिकारी, कार्यकारी प्रमुख वा कर्मचारी भई कार्य गरेको भए सोको विवरण:			नभएको
	सञ्चालकहरूलाई नियमन निकाय तथा अन्य निकायहरूबाट कुनै कारवाही गरिएको भए सोको विवरण:			नगरिएको



३. संस्थाको जोखिम व्यवस्थापन तथा आन्तरिक नियन्त्रण प्रणाली सम्बन्धी विवरण

- (क) जोखिम व्यवस्थापनको लागि कुनै समिति गठन भए / नभएको गठन नभएको भए सोको कारण: भएको
(ख) जोखिम व्यवस्थापन समिति सम्बन्धी जानकारी :
(अ) समितिको संरचना (संयोजक तथा सदस्यहरूको नाम तथा पद)

क्र.सं.	पदाधिकारीको नाम	पद
१	सञ्चालक श्री प्रकाश मान श्रेष्ठ	संयोजक
२	सञ्चालक श्री सरस्वती गौतम ज्ञवाली	सदस्य
३	श्री. सुद्युम्न प्रसाद उपाध्याय (प्रमुख कार्यकारी अधिकृत)	सदस्य
४	श्री. सुबोध लाल श्रेष्ठ (नायव महाप्रबन्धक)	सदस्य सचिव

- (आ) समितिको बैठक संख्या : २
(इ) समितिको कार्य सम्बन्धी छोटो विवरण : यस समितिले कम्पनीले गर्ने लगानी, जोखिम व्यवस्थापन तथा वित्तीय स्वस्थता (सालभेसी) सम्बन्धी आवश्यक निर्णय तथा सञ्चालक समिति समक्ष सिफारिस गर्दछ ।
(ग) आन्तरिक नियन्त्रण कार्यविधि भए/नभएको : भएको
(घ) आन्तरिक नियन्त्रण प्रणालीको लागि कुनै समिति गठन भए/नभएको गठन नभएको भए सोको कारण : नभएको
(ङ) आन्तरिक नियन्त्रण प्रणाली समिति सम्बन्धी विवरण :
(अ) समितिको संरचना (संयोजक तथा सदस्यहरूको नाम तथा पद)
(आ) समितिको बैठक संख्या
(इ) समितिको कार्य सम्बन्धी छोटो विवरण
(च) आर्थिक प्रशासन विनियमावली भए/नभएको : भएको

४. सूचना तथा जानकारी प्रवाह सम्बन्धी विवरण

- (क) संस्थाले सार्वजनिक गरेको सूचना तथा जानकारी प्रवाहको विवरण:

विषय	माध्यम	सार्वजनिक गरेको मिति
वार्षिक साधारण सभाको सूचना	राष्ट्रिय दैनिक कारोबार र अभियान	२०८०।०२।०३/२०८०।०२।१८
विशेष साधारण सभाको सूचना		
वार्षिक प्रतिवेदन	कम्पनीको वेवसाइट	
त्रैमासिक प्रतिवेदन	राष्ट्रिय दैनिक र कम्पनीको वेवसाइट	
धितोपत्रको मुल्यमा प्रभाव पार्ने मुल्य संवेदनशील सूचना		
अन्य		

- (ख) सूचना सार्वजनिक नगरेको वा अन्य कारणले धितोपत्र बोर्ड तथा अन्य निकायबाट कारवाहीमा परेको भए सो सम्बन्धी जानकारी: नभएको
(ग) पछिल्लो वार्षिक तथा विशेष साधारण सभा सम्पन्न भएको मिति : मिति २०८०।०२।३२ गते वार्षिक साधारण सभा ।

५. संस्थागत संरचना र कर्मचारी सम्बन्धी विवरण :

- (क) कर्मचारीहरूको संरचना, पदपूर्ति, वृत्ति विकास, तालिम, तलब, भत्ता तथा अन्य सुविधा, हाजिर र विदा, आचार संहिता लगायतका कुराहरू समेटिएको कर्मचारी सेवा शर्त विनियमावली/व्यवस्था भए नभएको: भएको
(ख) सांगठनिक संरचना संलग्न गर्ने : यसै साथ संलग्न गरिएको ।
(ग) उच्च व्यवस्थापन तहका कर्मचारीहरूको नाम, शैक्षिक योग्यता तथा अनुभव सम्बन्धी विवरण :

क्र.सं.	नाम	शैक्षिक योग्यता तथा अनुभव
१.	सुद्युम्न प्रसाद उपाध्याय	व्यवस्थापनमा स्नातकोत्तर, कानूनमा स्नातक, २७ वर्ष बीमा कम्पनीको कार्यानुभव ।
२.	राम चन्द्र श्रेष्ठ	विज्ञान तथा प्रविधिमा स्नातक, ३५ वर्ष बीमा कम्पनीको कार्यानुभव ।
३.	सुबोध लाल श्रेष्ठ	व्यवस्थापनमा स्नातक, ३७ वर्ष बीमा कम्पनीको कार्यानुभव ।
४.	रेना रिजाल	व्यवस्थापनमा स्नातक, २५ वर्ष बैक तथा बीमा कम्पनीको कार्यानुभव ।
५.	राजु पौडेल	व्यवस्थापनमा स्नातक, २७ वर्ष बीमा कम्पनीको कार्यानुभव ।
६.	विनेश मास्के	व्यवस्थापन र कानूनमा स्नातक, २५ वर्ष बीमा कम्पनीको कार्यानुभव ।
७.	निल बराली	सि.ए, २२ वर्ष बीमा कम्पनीको कार्यानुभव ।



(३) कर्मचारी सम्बन्धी अन्य विवरण :

संरचना अनुसार कर्मचारी पदपूर्ति गर्ने गरे/नगरेको :	गरेको
नयाँ कर्मचारीहरूको पदपूर्ति गर्दा अपनाएको प्रकृया :	सार्वजनिक सूचना मार्फत
व्यवस्थापन स्तरका कर्मचारीको संख्या :	८
कुल कर्मचारीको संख्या :	३८२
कर्मचारीहरूको सक्सेसन प्लान भए/नभएको :	नभएको
आ.व.मा कर्मचारीहरूलाई दिइएको तालिम संख्या तथा सम्मिलित कर्मचारीको संख्या:	१) तालिम संख्या : १२ २) कर्मचारी संख्या : ३००
आ.व.को कर्मचारी तालिम खर्च रु :	रु. ५,३२७,१४०
कुल खर्चमा कर्मचारी खर्चको प्रतिशत :	६८.६३ %
कुल कर्मचारी खर्चमा कर्मचारी तालिम खर्चको प्रतिशत :	१.८७ %

६. संस्थाको लेखा तथा लेखापरीक्षण सम्बन्धी विवरण

(क) लेखासम्बन्धी विवरण

संस्थाको पछिल्लो आ.व.को वित्तीय विवरण NFRS अनुसार तयार गरे/नगरेको, नगरेको भए सोको कारण :	तयार गरेको
सञ्चालक समितिबाट पछिल्लो वित्तीय विवरण स्वीकृत भएको मिति :	२०७९।०८।२७
त्रैमासिक वित्तीय विवरण प्रकाशन गरेको मिति :	हरेक त्रैमास समाप्त भएको ३० दिन भित्र
अन्तिम लेखापरीक्षण सम्पन्न भएको मिति :	२०७९।०८।०५
साधारण सभाबाट वित्तीय विवरण स्वीकृत भएको मिति :	२०८०।०२।३२
संस्थाको आन्तरिक लेखापरीक्षण सम्बन्धी विवरण : (अ) आन्तरिक रूपमा लेखापरीक्षण गर्ने गरिएको, वाह्य विज्ञ नियुक्ति गर्ने गरिएको (आ) वाह्य विज्ञनियुक्त गरिएको भए सोको विवरण (इ) आन्तरिक लेखा परीक्षण कति अवधिको गर्ने गरिएको (त्रैमासिक, चौमासिक वा अर्धवार्षिक)	(अ) वाह्य विज्ञ नियुक्ति गर्ने गरिएको । (आ) श्री एन.अमात्य एण्ड कम्पनी, चार्टर्ड एकाउण्टेण्ट्स । (इ) त्रैमासिक अवधिको गर्ने गरेको ।

(ख) लेखापरीक्षण समिति सम्बन्धी विवरण

संयोजक तथा सदस्यहरूको नाम, पद तथा योग्यता:	१. स्वतन्त्र सञ्चालक श्री अनिल राज भट्टराई-संयोजक (विद्यावारिधि) २. सञ्चालक श्री दिलिप श्रेष्ठ-सदस्य (इन्जिनियरिङमा स्नातकोत्तर) ३. सञ्चालक श्री. मिता मुरारका अग्रवाल-सदस्य (स्नातक)																		
बैठक बसेको मिति तथा उपस्थित सदस्य संख्या:	<table border="1"> <thead> <tr> <th>मिति</th> <th>सदस्य संख्या</th> </tr> </thead> <tbody> <tr> <td>२०७९।०५।२३</td> <td>३</td> </tr> <tr> <td>२०७९।०७।०४</td> <td>३</td> </tr> <tr> <td>२०७९।०८।२६</td> <td>५</td> </tr> <tr> <td>२०७९।०८।२७</td> <td>३</td> </tr> <tr> <td>२०७९।०९।१४</td> <td>३</td> </tr> <tr> <td>२०७९।११।२८</td> <td>३</td> </tr> <tr> <td>२०८०।०२।२८</td> <td>३</td> </tr> <tr> <td>२०८०।०२।३०</td> <td>३</td> </tr> </tbody> </table>	मिति	सदस्य संख्या	२०७९।०५।२३	३	२०७९।०७।०४	३	२०७९।०८।२६	५	२०७९।०८।२७	३	२०७९।०९।१४	३	२०७९।११।२८	३	२०८०।०२।२८	३	२०८०।०२।३०	३
मिति	सदस्य संख्या																		
२०७९।०५।२३	३																		
२०७९।०७।०४	३																		
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२०७९।०९।१४	३																		
२०७९।११।२८	३																		
२०८०।०२।२८	३																		
२०८०।०२।३०	३																		
प्रति बैठक भत्ता रु.: ६,०००।-	रु. १,५६,०००।-																		
लेखापरीक्षण समितिले आफ्नो काम कारवाहीको प्रतिवेदन सञ्चालक समितिमा पेश गरेको मिति :	नभएको																		



७. अन्य विवरण

संस्थाले सञ्चालक तथा निजको एकाघरका परिवारको वित्तीय स्वार्थ भएको व्यक्ति, बैंक तथा वित्तीय संस्थाबाट ऋण वा सापटी वा अन्य कुनै रूपमा रकम लिए/नलिएको	नलिएको
प्रचलित कानून बमोजिम कम्पनीको सञ्चालक, शेयरधनी, कर्मचारी, सल्लाहकार, परामर्शदाताको हैसियतमा पाउने सुविधा वा लाभ बाहेक सूचिकृत संगठित संस्थाको वित्तीय स्वार्थ भएको कुनै व्यक्ति, फर्म, कम्पनी, कर्मचारी, सल्लाहकार वा परामर्शदाताले संस्थाको कुनै सम्पत्ति कुनै किसिमले भोग चलन गरे/नगरेको	नगरेको
नियमनकारी निकायले इजाजतपत्र जारी गर्दा तोकेको शर्तहरूको पालना भए/नभएको	भएको
नियमनकारी निकायले संस्थाको नियमन निरीक्षण वा सुपरीवेक्षण गर्दा संस्थालाई दिइएको निर्देशन पालना भए/नभएको	भएको
संस्था वा सञ्चालक विरुद्ध अदालतमा कुनै मुद्दा चलिरहेको भए सोको विवरण	खिलुङ्ग कालिका ऐग्रो फार्म प्रा.लि. को बीमा दाबी सम्बन्धमा नेपाल बीमा प्राधिकरणले गरेको निर्णय विरुद्ध नेपाल पुनर्बीमा कम्पनी लिमिटेडले उच्च अदालत पाटनमा यस कम्पनी समेतलाई विपक्ष बनाई पुनरावेदन पत्र दर्ता गरेकोमा हाल सो मुद्दा प्रक्रियामा रहेको ।

परिपालन अधिकृतको नाम : भद्र बहादुर विष्ट

पद : प्रबन्धक

मिति : २०८०।१।०४

संस्थाको छाप :

प्रतिवेदन सञ्चालक समितिबाट स्वीकृत मिति : २०८०।१।२।०१

नोट: यो प्रतिवेदन सूचीकृत संगठित संस्थाहरूको परिपालन अधिकृतले तयार गरी सञ्चालक समितिबाट स्वीकृत गराई लेखा परीक्षकबाट प्रमाणित गराई नेपाल धितोपत्र बोर्डमा लेखापरीक्षण प्रतिवेदनसंग पेश गर्नु पर्नेछ ।

प्रमाणित गर्ने लेखापरीक्षक

.....
सि.ए. नेम लाल अमात्य

साम्भेदार

एन. अमात्य एण्ड कम्पनी

चार्टर्ड एकाउण्टेण्टस्



N. Amatya & Co.

Chartered Accountants

UDIN: 240128CA00034nvGK5

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF SANIMA GIC INSURANCE LIMITED

Report on the audit of the financial statements

Opinion

We have audited the financial statements of **Sanima GIC Insurance Limited** (the Company), which comprise the statement of financial position as at Ashadh 31, 2080 (July 16, 2023), and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at Ashadh 31, 2080 (July 16, 2023), and its financial performance and its cash flows for the year then ended in accordance with Nepal Financial Reporting Standards (NFRSs).

Basis for opinion

We conducted our audit in accordance with Nepal Standards on Auditing (NSAs). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics for professional accountant issued by Institute of Chartered Accountants of Nepal (ICAN) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2063 and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAN's Code of Ethics for professional accountants. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Emphasis of matter

We draw attention to note 1 of the financial statements which describe the merger of the company with General Insurance Company Nepal Limited and the merged entity commenced joint operations in the name of Sanima GIC Insurance Limited from Kartik 7, 2079 (October 24, 2022). Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the financial year ended on Ashadh 31, 2080 (July 16, 2023). These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matters	How our audit addressed the key audit matter
Investments (Refer Note 3(e) "Financial assets" and Note 10 of the financial statements)	
The Company's investments represent substantial portion of the assets as at Ashadh 31, 2080 which are valued in accordance with the accounting policy as framed in note 3(e) of the financial statements and in accordance with the framework as per the extent of the regulatory guidelines. Valuation of actively traded equity shares and mutual fund units are done as per the last traded price as on the reporting date in Nepal Stock	Our audit procedures included the following: <ul style="list-style-type: none"> Tested the design implementation and operating effectiveness of key controls over valuation process of investments. Assessed appropriateness of the valuation techniques with reference to NAS 39 – Financial Instruments: Recognition and Measurement read together with NFRS 9 – Financial Instruments along with the Company's own valuation policy.



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Key audit matters	How our audit addressed the key audit matter
<p>Exchange (NEPSE). If such securities are not traded on the reporting date, they are valued as per the previous closest traded price.</p> <p>Unlisted equity instruments and mutual fund units are measured at cost.</p> <p>All other securities including debt instruments have been measured at historical cost subject to amortization of premium paid, if any, over the residual period. The valuation of these investments is considered to be one of the areas which required attention and was one of the matters of significance in the financial statements.</p>	<ul style="list-style-type: none"> ▪ We have agreed a sample of year-end investment holdings to external valuations and custody sources to verify the valuation and existence of these investments. ▪ Understood the management's process for identifying the existence of impairment indicators in respect of the interests in equity instruments measured at fair value through Other comprehensive income. ▪ Obtained an understanding of price verification control, which is designed to review the appropriateness of valuation methodologies to derive model inputs. ▪ Based on our audit procedures performed, we concluded that the valuation of level 1 financial instruments is appropriate.
<p>Provision for outstanding claim (Refer Note 3(n) "Claims and expenses"; Note 3 (k) "Insurance contract liabilities"; Note 33 and Note 19 of the financial statements)</p>	
<p>Insurance claim is the major area of expense for the Company.</p> <p>The Company makes the complete provisions of the remaining amounts of the payment against the claim made by the Company before year-end and claims incurred but not reported (IBNR) is recognised as higher of the conventional 15% outstanding claim or that determined by the actuarial methods.</p> <p>Given the fact that the provision is required to be made in respect of outstanding claim and complexity of calculations, the same has been considered as Key Audit Matter in our audit of the financial statements of the Company.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> ▪ Verified the operational mechanisms of the Company including the internal guidelines and standard operating procedures relating to claim processing, performed test of controls over claim settlement process and recording processes including analytical procedures on outstanding claims. ▪ Obtained clear understanding of the process and guidelines as per directives issued by the Insurance Authority for claim processing and compared their implementation and effectiveness in regard to internal operational guidelines relating to claim processing. ▪ Verified the claim paid and provision on sample basis along with evidence of payment, documentation as well as surveyor report and understanding the recording process in the books of account. ▪ In the case of IBNR, the amount of insurance contract liabilities has been estimated by the actuary appointed by the Company. The actuarial valuation of insurance contract liabilities in respect of IBNR and IBN(E)R claims as of Ashadh 31, 2080 is as certified by the Company's appointed actuary. ▪ Verified the sufficiency and adequacy of related insurance contract liability based on report from the Company appointed actuary with the liabilities recognised in the financial statements.



Key audit matters	How our audit addressed the key audit matter
	<ul style="list-style-type: none"> Examined the appropriateness and validity of key assumptions and information provided by the Company to the Company appointed actuary for valuation of insurance contract liabilities.
<p>Revenue Recognition (Premium Income) (Refer Note 3(m) "Revenue recognition" and Note 25 of the financial statements)</p>	
<p>Premium income comprises a major part of revenue which is recorded on issue of policy as prescribed by the Insurance Authority.</p> <p>Unearned premium income of previous and current fiscal year is recorded / adjusted as estimated by the Company appointed actuary and as prescribed by the directives issued by the Insurance Authority.</p> <p>Unearned premiums are those proportions of premiums written in a year that relate to periods of risk after the reporting date. Unearned premiums are calculated on a daily pro-rata basis. The proportion attributable to subsequent periods is deferred as a provision for unearned premiums.</p> <p>Since the management considers revenue as key measure of evaluation of performance, there is a risk of revenue being recorded before control is transferred and is not recognised in the correct period.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> Obtained and read the Company's revenue accounting policy on revenue recognition in accordance with the requirements of relevant standards. Understood and tested the design, implementation and operating effectiveness of key controls over premium collection and its recognition. Obtained clear understanding of the process of issuing the policies as per directives issued by the Insurance Authority and understood the process of booking such premium as income. Tested on a sample basis unallocated premium to ensure that there were no policies where risk assumed were prior to recognition of revenue and corresponding to collection of premiums. Verified on a sample basis the policies and other related documents including premium calculations therein as per regulatory requirements and internal policies of the Company along with premium / cash receipt with special attention to the timestamp thereto so as to ascertain the correctness of period of revenue recognition. Verified on a sample basis, the premium ceded to the reinsurers as per Reinsurance agreement / treaty with the reinsurers. Verified unearned premium income as assessed by the Company appointed actuary in the actuarial valuation report. Based on our audit procedures performed, we concluded that the premium income recognition is appropriate.

Information other than the financial statements and auditor's report thereon

The management of the Company is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained during the course of audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement therein, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

The management of the Company is responsible for the preparation and fair presentation of the financial statements in accordance with NFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with NSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with NSAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

We report that:

- a. 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.
- b. In our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of those books.
- c. The enclosed statement of financial position, statement of profit or loss, statement of other comprehensive income and statement of cash flows have been prepared in conformity with provision of the Company Act, 2063 and format as prescribed by Nepal Insurance Authority and the same are in agreement with the books of account maintained by the Company.
- d. In our opinion and to the best of our information and according to the explanations given to us, the board or any member thereof or any employee of the Company has not acted against the provision of law relating the accounts nor caused loss or damage to the Company or misappropriated the funds of the Company.
- e. To the best of our knowledge, the Company has maintained insurance fund and other mandatory reserves as prescribed by the directive issued by Nepal Insurance Authority.
- f. We did not obtain any information indicating engagement of the Company in activities other than insurance business as approved/licensed by Nepal Insurance Authority.
- g. We did not obtain any information indicating the Company's activities which are prejudicial to the interest of the insured.
- h. The Company has complied with the directive issue by Nepal Insurance Authority.
- i. We did not obtain any information indicating issuance of insurance policies other than as approved by Nepal Insurance Authority.
- j. It appears that all the financial and other information which is required to be reported/informed to the shareholders as per the prevalent laws has been provided to the shareholders.
- k. To the best of our knowledge, the Company is capable of bearing its long-term liabilities from its assets.
- l. The internal control system implemented by the Company was found to be effective.



Nem Lal Amatya
Partner
N. Amatya & Co.
Chartered Accountants

Place: Kathmandu
Date: January 24, 2024 (Magh 10, 2080)



Sanima GIC Insurance Limited

Statement of Financial Position

As at Ashadh 31, 2080 (16th July, 2023)

Amount in NPR

Particulars	Notes	Current Year	Previous Year
Assets			
Goodwill & Intangible Assets	4	42,601,268	545,173
Property, Plant and Equipment	5	89,840,783	102,212,226
Investment Properties	6	-	-
Deferred Tax Assets	7	106,186,895	47,082,467
Investment in Subsidiaries	8	-	-
Investment in Associates	9	-	-
Investments	10	2,934,140,536	1,521,587,468
Loans	11	10,713,949	5,134,676
Reinsurance Assets	12	2,259,307,852	756,109,883
Current Tax Assets (Net)	21	50,815,030	6,791,485
Insurance Receivables	13	348,753,704	39,896,567
Other Assets	14	104,828,514	55,927,120
Other Financial Assets	15	95,846,028	50,230,693
Cash and Cash Equivalents	16	302,729,885	120,968,680
Total Assets		6,345,764,444	2,706,486,438
Equity & Liabilities			
Equity			
Share Capital	17(a)	2,000,000,000	1,000,000,000
Share Application Money Pending Allotment	17(b)	-	-
Share Premium	17(c)	-	-
Special Reserve	17(d)	437,098,948	165,751,412
Catastrophe Reserves	17(e)	30,318,036	13,899,051
Retained Earnings	17(f)	88,949,782	2,149,750
Other Equity	17(g)	96,113,487	48,560,445
Total Equity		2,652,480,253	1,230,360,658
Liabilities			
Provisions	18	82,477,658	27,465,192
Gross Insurance Contract Liabilities	19	3,027,857,888	1,035,277,137
Deferred Tax Liabilities	7	-	-
Insurance Payables	20	306,693,740	214,258,503
Current Tax Liabilities (Net)	21	-	-
Borrowings	22	-	-
Other Liabilities	23	235,008,757	185,238,481
Other Financial Liabilities	24	41,246,148	13,886,467
Total Liabilities		3,693,284,191	1,476,125,780
Total Equity and Liabilities		6,345,764,444	2,706,486,438

The accompanying notes form an integral part of these Financial Statements.

Ganesh Kadal
Chief Finance Officer

Sudyumna Prasad Upadhyaya
Chief Executive Officer

Kunal Kayal
Chairman

As per our report of even date

Dilip Shrestha
Director

Mita Murarka Agrawal
Director

Dr. Hemanta Kumar Dabadi
Director

CA Nem Lal Amatya
Partner
N. Amatya & Co.
Chartered Accountants

Prakash Man Shrestha
Director

Saraswati Gautam Gyawali
Director

Dr. Anil Raj Bhattarai
Director

Date: 2080.10.10
Place: Kathmandu



Sanima GIC Insurance Limited

Statement of Profit or Loss

For the Year Ended Ashadh 31, 2080

(For the Year Ended July 16, 2023)

Amount in NPR

Particulars	Notes	Current Year	Previous Year
Income:			
Gross Earned Premiums	25	2,102,905,351	851,666,447
Premiums Ceded	26	(1,547,173,639)	(620,490,466)
Net Earned Premiums	26	555,731,712	231,175,981
Commission Income	27	392,284,650	160,839,604
Other Direct Income	28	10,299,630	4,865,397
Income from Investments & Loans	29	247,469,283	114,167,034
Net Gains/ (Losses) on Fair Value Changes	30	-	-
Net Realised Gains/ (Losses)	31	-	-
Other Income	32	21,727,138	1,998,379
Total Income		1,227,512,413	513,046,395
Expenses:			
Gross Claims Paid	33	990,371,616	264,081,941
Claims Ceded	33	(698,008,513)	(162,468,090)
Gross Change in Contract Liabilities	34	282,629,411	164,974,646
Change in Contract Liabilities Ceded to Reinsurers	34	(243,142,315)	(129,123,309)
Net Claims Paid		331,850,199	137,465,188
Commission Expenses	35	38,047,674	15,301,518
Service Fees	36	5,802,757	3,446,465
Other Direct Expenses	37	11,975,271	6,432,813
Employee Benefits Expenses	38	285,176,466	109,196,913
Depreciation and Amortization Expenses	39	23,605,991	18,825,179
Impairment Losses	40	(611,572)	-
Other Operating Expenses	41	130,351,475	58,937,362
Finance Cost	42	-	2,457,539
Total Expenses		826,198,261	352,062,977
Net Profit/(Loss) For The Year Before Share of Net Profits of Associates Accounted for Using Equity Method and Tax		401,314,152	160,983,418
Share of Net Profit of Associates accounted using Equity Method	9		
Profit Before Tax		401,314,152	160,983,418
Income Tax Expense	43	(127,766,620)	(49,005,141)
Net Profit/ (Loss) For The Year		273,547,532	111,978,277
Earning Per Share	51		
Basic EPS		13.68	11.20
Diluted EPS		13.68	11.20

The accompanying notes form an integral part of these Financial Statements.

Ganesh Kadal
Chief Finance Officer

Sudyumna Prasad Upadhyaya
Chief Executive Officer

Kunal Kayal
Chairman

As per our report of even date

Dilip Shrestha
Director

Mita Murarka Agrawal
Director

Dr. Hemanta Kumar Dabadi
Director

CA Nem Lal Amatya
Partner

Prakash Man Shrestha
Director

Saraswati Gautam Gyawali
Director

Dr. Anil Raj Bhattarai
Director

N. Amatya & Co.
Chartered Accountants

Date: 2080.10.10

Place: Kathmandu



Sanima GIC Insurance Limited

Statement of Comprehensive Income For the Year Ended Ashadh 31, 2080 (For the Year Ended July 16, 2023)

Amount in NPR

Particulars	Current Year	Previous Year
Net Profit/ (Loss) For The Year	273,547,532	111,978,277
Other Comprehensive Income		
a) Items that are or may be Reclassified to Profit or Loss		
Changes in Fair Value of FVOCI Debt Instruments	-	-
Cash Flow Hedge - Effective Portion of Changes in Fair Value	-	-
Exchange differences on translation of Foreign Operation	-	-
Share of other comprehensive income of associates accounted for using the equity method	-	-
Income Tax Relating to Above Items	-	-
Reclassified to Profit or Loss	-	-
b) Items that will not be Reclassified to Profit or Loss		
Changes in fair value of FVOCI Equity Instruments	1,322,323	(1,109,608)
Revaluation of Property, Plant and Equipment/ Intangible Assets	-	-
Remeasurement of Post-Employment Benefit Obligations	-	-
Share of other comprehensive income of associates accounted for using the equity method	-	-
Income Tax Relating to Above Items	(396,697)	332,882
Total Other Comprehensive Income For the Year, Net of Tax	925,626	(776,726)
Total Comprehensive Income For the Year, Net of Tax	274,473,158	111,201,551

The accompanying notes form an integral part of these Financial Statements.

Ganesh Kadal
Chief Finance Officer

Sudyumna Prasad Upadhyaya
Chief Executive Officer

Kunal Kayal
Chairman

As per our report of even date

Dilip Shrestha
Director

Mita Murarka Agrawal
Director

Dr. Hemanta Kumar Dabadi
Director

CA Nem Lal Amatya
Partner

Prakash Man Shrestha
Director

Saraswati Gautam Gyawali
Director

Dr. Anil Raj Bhattarai
Director

N. Amatya & Co.
Chartered Accountants

Date: 2080.10.10
Place: Kathmandu

Sanima GIC Insurance Limited

Statement of Changes in Equity For the Year Ended Ashadh 31, 2080 (For the Year Ended July 16, 2023)

Amount in NPR

Previous Year

Particulars	Ordinary Share Capital	Preference Shares	Share Application Money Pending Allotment	Share Premium	Retained Earnings	Revaluation Reserves	Special Reserves	Capital Reserves	Catastrophe Reserves	Corporate Social Responsibility (CSR) Reserves	Insurance Fund Including Insurance Reserve	Fair Value Reserves	Actuarial Reserves	Deferred Tax Reserves	Other Reserves	Total
Balance as at Shrawan 01, 2078	1,000,000,000	-	-	-	(10,917,592)	-	92,777,176	-	6,440,920	-	-	-	-	30,014,575	-	1,118,315,079
Profit/(Loss) For the Year	-	-	-	-	111,978,277	-	-	-	-	-	-	-	-	-	-	111,978,277
Other Comprehensive Income for the Year, Net of Tax	-	-	-	-	(776,726)	-	-	-	-	-	-	-	-	-	-	(776,726)
i) Changes in Fair Value of FVOCI Debt Instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ii) Gains/ (Losses) on Cash Flow Hedge	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
iii) Exchange differences on translation of Foreign Operation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
iv) Changes in fair value of FVOCI Equity Instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
v) Revaluation of Property, Plant and Equipment/ Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
vi) Remeasurement of Post-Employment Benefit Obligations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to Reserves/ Funds	-	-	-	-	(81,910,345)	-	72,974,236	-	7,458,131	1,477,978	-	-	-	-	-	-
Transfer from Reserves/ Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer of Deferred Tax Reserves	-	-	-	-	(17,067,892)	-	-	-	-	-	-	-	-	17,067,892	-	-
Transfer of Depreciation on Revaluation of Property, Plant and Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer on Disposal of Revalued Property, Plant and Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer on Disposal of Equity Instruments Measured at FVTOCI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Prior Period Adjustments	-	-	-	-	1,244,028	-	-	-	-	-	-	-	-	-	-	1,244,028
Share Issuance Costs	-	-	-	-	(400,000)	-	-	-	-	-	-	-	-	-	-	(400,000)
Contribution by/ Distribution to the owners of the Company	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
i) Bonus Share Issued	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ii) Share Issue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
iii) Cash Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
iv) Dividend Distribution Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
v) Others (To be specified)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at Ashadh 32, 2079	1,000,000,000	-	-	-	2,149,750	-	165,751,412	-	13,899,051	1,477,978	-	-	-	47,082,467	-	1,230,360,658

Continue...





Amount in NPR

Previous Year

Particulars	Ordinary Share Capital	Preference Shares	Share Application Money Pending Allotment	Share Premium	Retained Earnings	Revaluation Reserves	Special Reserves	Capital Reserves	Catastrophe Reserves	Corporate Social Responsibility (CSR) Reserves	Insurance Fund Including Insurance Reserve	Fair Value Reserves	Actuarial Reserves	Deferred Tax Reserves	Other Reserves	Total
Balance as at Shrawan 01, 2079	1,000,000,000	-	-	-	2,148,750	-	165,751,412	-	13,899,051	1,477,978	-	-	-	47,082,467	-	1,230,360,658
Prior Period Adjustments	-	-	-	-	776,726	-	-	-	-	-	-	(776,726)	-	-	-	-
Equity Components added through merger	1,000,000,000	-	-	-	(53,283,017)	-	121,851,140	-	8,944,165	608,769	-	(9,982,118)	-	80,676,903	-	1,148,835,842
Profit/(Loss) For the Year	-	-	-	-	273,547,532	-	-	-	-	-	-	925,626	-	-	-	273,547,532
Other Comprehensive Income for the Year, Net of Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
i) Changes in Fair Value of FVOCI/Debt Instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ii) Gains/ (Losses) on Cash Flow Hedge	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
iii) Exchange differences on translation of Foreign Operation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
iv) Changes in fair value of FVOCI Equity Instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
v) Revaluation of Property, Plant and Equipment/ Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
vi) Remeasurement of Post-Employment Benefit Obligations	-	-	-	-	(159,961,144)	-	149,496,396	-	7,474,820	2,989,928	-	-	-	-	-	-
Transfer to Reserves/ Funds	-	-	-	-	1,131,200	-	-	-	-	(1,131,200)	-	-	-	-	-	-
Transfer from Reserves/ Funds	-	-	-	-	25,776,140	-	-	-	-	-	-	-	-	(25,776,140)	-	-
Transfer of Deferred Tax Reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer of Depreciation on Revaluation of Property, Plant and Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer on Disposal of Property, Plant and Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer on Disposal of Equity Instruments Measured at FVTOCI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Prior Period Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share Issuance Costs	-	-	-	-	(1,189,405)	-	-	-	-	-	-	-	-	-	-	(1,189,405)
Contribution by/ Distribution to the owners of the Company	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
i) Bonus Share issued	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ii) Share Issue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
iii) Cash Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
iv) Dividend Distribution Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
v) Others (To be specified)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at Ashaadh 31, 2080	2,000,000,000	-	-	-	88,949,782	-	437,098,948	-	30,318,036	3,945,475	-	(9,813,218)	-	101,981,230	-	2,652,460,253

Ganesh Kadal
Chief Finance Officer

Sudymna Prasad Upadhyaya
Chief Executive Officer

Kunal Kayal
Chairman

As per our report of even date

Dilip Shrestha
Director

Mita Murarka Agrawal
Director

Dr. Hemanta Kumar Dabadi
Director

CA Nem Lal Amatya
Partner

Prakash Man Shrestha
Director

Saraswati Gautam Gyawali
Director

Dr. Anil Raj Bhattarai
Director

N. Amatya & Co.
Chartered Accountants

Date: 2080.10.10
Place: Kathmandu



Sanima GIC Insurance Limited

Statement of Distributable Profit or Loss

For Period 17th July, 2022 - 16th July, 2023
(For the Year Ended Ashad 2080)

Amount in NPR

Particulars	Current Year	Previous Year
Opening Balance in Retained Earnings	(50,356,541)	(11,694,318)
Transfer from OCI reserves to retained earning in current year	-	-
Net profit or (loss) as per statement of profit or loss	273,547,532	111,978,277
Appropriations:		
i) Transfer to Insurance Fund	-	-
ii) Transfer to Special Reserve	(149,496,396)	(72,974,236)
iii) Transfer to Catastrophe Reserve	(7,474,820)	(7,458,131)
iv) Transfer to Capital Reserve	-	-
v) Transfer to CSR reserve	(1,858,728)	(1,477,978)
vi) Transfer to/from Regulatory Reserve	-	-
vii) Transfer to Fair Value Reserve	-	-
viii) Transfer of Deferred Tax Reserve	25,778,140	(17,067,892)
ix) Transfer to OCI reserves due to change in classification	-	-
x) Others (to be Specified)	-	1,244,028
Deductions:		
i) Accumulated Fair Value Gain on each Financial Assets Measured at FVTPL	-	-
a) Equity Instruments	-	-
b) Mutual Fund	-	-
c) Others (if any)	-	-
ii) Accumulated Fair Value gain on Investment Properties	-	-
iii) Accumulated Fair Value gain on Hedged Items in Fair Value Hedges	-	-
iv) Accumulated Fair Value gain on Hedging Instruments in Fair Value Hedges	-	-
v) Accumulated Fair value gain of Ineffective Portion on Cash Flow Hedges	-	-
vi) Goodwill Recognised	(40,100,000)	-
vii) Unrealised Gain on fluctuation of Foreign Exchange Currency	(483,620)	-
viii) Accumulated Share of Net Profit of Associates accounted using Equity Method included in Investment Account	-	-
ix) Overdue loans	-	-
x) Fair value gain recognised in Statement of Profit or Loss	-	-
xi) Investment in unlisted shares	-	-
xii) Delisted share Investment or mutual fund investment	-	-
xiii) Bonus share/ dividend paid	-	-
xiv) Deduction as per Sec 17 of Financial directive	-	-
xiv) Deduction as per Sec 18 of Financial directive	(11,212,306)	-
xv) Others	-	-
a) Share Related Cost	(1,189,405)	(400,000)
Adjusted Retained Earning	37,153,856	2,149,750
Add: Transfer from Share Premium Account	-	-
Less: Amount apportioned for Assigned capital	-	-
Less: Deduction as per sec 15(1) Of Financial directive	(9,813,218)	-
Add/Less: Others (to be specified)	-	-
Total Distributable Profit/(loss)	27,340,638	2,149,750

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Chief Executive Officer

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Partner

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Director

Dr. Anil Raj Bhattarai
Director

N. Amatya & Co.
Chartered Accountants

Date: 2080.10.10
Place: Kathmandu



Sanima GIC Insurance Limited

Statement of Cash Flows For the Year Ended Ashadh 31, 2080 (For the Year Ended July 16, 2023)

Amount in NPR

Particulars	Current Year	Previous Year
Cash Flow From Operating Activities:		
Cash Received		
Gross Premium Received	2,082,101,017	1,048,981,860
Commission Received	378,600,560	203,462,885
Claim Recovery Received from Reinsurers	489,857,519	152,060,709
Realised Foreign Exchange Income other than on Cash and Cash Equivalents	11,628,897	586,041
Others		
i) Other Income	11,346,179	6,455,204
ii) Other Direct Income	10,299,630	-
Cash Paid		
Gross Claims Paid	(935,557,470)	(302,806,490)
Reinsurance Premium Paid	(1,511,602,076)	(725,791,406)
Commission Paid	(31,152,511)	(18,822,208)
Service Fees Paid	(15,668,453)	(6,832,921)
Employee Benefits Expenses Paid	(233,958,192)	(97,792,857)
Other Expenses Paid	(86,825,188)	(64,862,624)
Other Direct Expenses	(11,975,271)	
Others (to be specified)		
Income Tax Paid	(105,863,945)	(69,980,006)
Net Cash Flow From Operating Activities [1]	51,230,696	124,658,187
Cash Flow From Investing Activities		
Acquisitions of Intangible Assets	(800,000)	-
Proceeds From Sale of Intangible Assets	-	-
Acquisitions of Investment Properties	-	-
Proceeds From Sale of Investment Properties	-	-
Rental Income Received	-	-
Acquisitions of Property, Plant & Equipment	(20,024,603)	(30,286,112)
Proceeds From Sale of Property, Plant & Equipment	3,196,472	1,532,570
Payment for acquisition of Subsidiaries/ Investment in Subsidiaries	-	-
Investment in Associates	-	-
Receipts from Sale of Investments in Subsidiaries	-	-
Receipts from Sale of Investments in Associates	-	-
Purchase of Equity Instruments	(7,170,000)	(3,547,768)
Proceeds from Sale of Equity Instruments	-	-
Purchase of Mutual Funds	(2,500,000)	(666,700)
Proceeds from Sale of Mutual Funds	-	-
Purchase of Preference Shares	-	-
Proceeds from Sale of Preference Shares	-	-
Purchase of Debentures	-	-
Proceeds from Sale of Debentures	-	-
Purchase of Bonds	-	-
Proceeds from Sale of Bonds	-	-
Investments in Deposits	(82,200,000)	(215,700,000)
Maturity of Deposits	-	-
Proceeds from Finance Lease	-	-

Continue...



Amount in NPR

Particulars	Current Year	Previous Year
Loans Paid	(5,579,273)	(5,134,676)
Proceeds from Loans	-	-
Interest Income Received	247,137,993	114,020,241
Dividend Received	180,912	-
Others (to be specified)	-	-
Total Cash Flow From Investing Activities [2]	132,241,501	(139,782,445)
Cash Flow From Financing Activities		
Interest Paid	-	-
Proceeds From Borrowings	-	-
Repayment of Borrowings	-	-
Payment of Finance Lease	-	-
Proceeds From Issue of Share Capital	-	-
Share Issuance Cost Paid	(1,189,405)	(400,000)
Dividend Paid	-	-
Dividend Distribution Tax Paid	-	-
Others (to be specified)	-	-
Total Cash Flow From Financing Activities [3]	(1,189,405)	(400,000)
Net Increase/(Decrease) In Cash & Cash Equivalents [1+2+3]	182,282,792	(15,524,258)
Cash & Cash Equivalents At Beginning of The Year/Period	120,968,680	136,492,938
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(521,587)	-
Cash & Cash Equivalents At End of The Year/Period	302,729,885	120,968,680
Components of Cash & Cash Equivalents		
Cash In Hand	-	17,373
Cheques In Hand	-	-
Term Deposit with Banks (with initial maturity upto 3 months)	-	-
Balance With Banks	302,729,885	120,951,307

The accompanying notes form an integral part of these Financial Statements.

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Dr. Anil Raj Bhattarai
Director

Date: 2080.10.10
Place: Kathmandu



Sanima GIC Insurance Limited

Notes to the Financial Statements for the year ended Ashadh 31, 2080 (July 16th, 2023)

1. Reporting Entity

Sanima GIC Insurance Limited (herein after referred to as the 'Company') is a public limited company, incorporated on 2063.03.07 and operated as Non-Life Insurance Company after obtaining license on 2074.10.25 under the Insurance Act 2049.

The registered office of the Company is located at Ward no. 1 KMC. The Company's share are listed on NEPSE

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

During the year, General Insurance Company Nepal Limited and Sanima General Insurance Ltd. have merged and carried out the transaction by the name of "Sanima GIC Insurance Ltd."

2. Basis of Preparation

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Reporting Period and approval of financial statements

The Company reporting period is from 1st Shrawan 2079 to 31st Ashadh 2080 with the corresponding previous year from 1st Shrawan 2078 to 32nd Ashadh 2079. These financial statements have been approved by the Board of Directors on 2080.10.10 (2024.01.24)

(b) Statement of Compliance

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

The Financial Statements have been prepared on a going concern basis. The term NFRS, includes all the standards and the related interpretations which are consistently used.

(c) Basis of Measurement

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

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

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

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



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

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

(d) Use of Estimates

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

(e) Functional and Presentation Currency

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

(f) Going Concern

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

(g) Change in Accounting Policies

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

(h) Recent Accounting Pronouncements

Accounting standards issued and effective

Accounting standards issued and non-effective

- i) IFRS-17-InsuranceContract IFRS 17 is an updated version of NFRS 4, Insurance Contracts. IFRS 17 requires entities to reflect the time value of money in estimated payments to settle the incurred claims, which is not provisioned by NFRS 4. IFRS 17 requires a company to recognize profits as it delivers insurance services (rather than when it receives premiums) and to provide information about insurance contract profits the company expects to recognize in the future.

(i) Carve-outs

The Company has not applied any carve-outs.

(j) Presentation of financial statements

The assets and liabilities of the Company presented in the Statement of Financial Position are grouped by the nature and listed in an order that reflects their relative liquidity and maturity pattern.



(k) Offsetting

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 liabilities simultaneously. Income and expenses are not offset in the Statement of Profit or Loss unless required or permitted by Nepalese Financial Reporting Standards or Interpretation (issued by the International Financial Reporting Interpretations Committee (IFRIC) and Standard Interpretations Committee (SIC) and as specifically disclosed in the Significant Accounting Policies of the Company.

(l) Materiality and Aggregation

Each material class of similar items is presented separately in the Financial Statements. Items of dissimilar nature or function are presented separately, unless they are immaterial as permitted by the Nepal Accounting Standard-NAS 1 on 'Presentation of Financial Statements'.

Notes to the Financial Statements are presented in a systematic manner which ensures the understandability and comparability of Financial Statements of the Company. Understandability of the Financial Statements is not compromised by obscuring material information with immaterial information or by aggregating material items that have different natures or functions.

3. Significant Accounting Policies

(a) Property and Equipment

i) Recognition

Freehold land is carried at historical cost and other items of Property and Equipment are stated at cost of acquisition or construction less accumulated depreciation when, it is probable that future economic benefits associated with the item will flow to the Company and it can be used for more than one year and the cost can be measured reliably.

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

ii) Revaluation

After recognition as an assets, lands and buildings whose fair value can be measured reliably, have been carried at revalued amount at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Valuations are being performed to ensure that the fair value of a revalued asset does not materially differ from its carrying amount as at the reporting date. Valuation of the land and buildings are undertaken by professionally qualified valuers.

An increase in the carrying amount as a result of revaluation, is recognized in other comprehensive income and accumulated in equity under the heading of revaluation reserve. However, the increase is recognized in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognized in profit and loss. A decrease in the carrying amount as a result of revaluation, is recognized in profit or loss. However, the decrease is recognized in other comprehensive income to the extent of any credit balance existing in the revaluation surplus in respect of that asset.

Additionally, accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Upon disposal, any revaluation reserve relating to the particular asset being sold is transferred directly to retained earnings.

Difference between depreciation on the revalued carrying amount of the asset and depreciation based on the asset's original cost is transferred to retained earnings.

iii) Depreciation

Depreciation of Property and Equipment other than the Freehold Land i.e. the Company's Freehold Building, Plant & Machinery, Vehicles & Other Assets is provided on "Straight Line Method (SLM) " based on Useful Life estimated by technical expert of the management.

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

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

List of Asset Categories	Useful Life (In Years) for SLM
Land	Not Applicable
Buildings	20
Leasehold Improvement	Lease Period
Furniture & Fixtures	5
Computers and IT Equipments	4
Office Equipment	5
Vehicles	5-8
Other Assets	5

iv) Derecognition

An item of Property and Equipment is derecognized up to disposal or when no Future Economic Benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of Property and Equipment is determined as the difference between the sales proceeds and the carrying amount of the Asset and is recognized in the Statement of Profit or Loss.

v) Impairment of Assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the Asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets. Assets that suffer an impairment are reviewed for possible reversal of the impairment at the end of each reporting period. In case of such reversal, the carrying amount of the asset is increased so as not to exceed the carrying amount that would have been determined had there been no impairment loss.

vi) Capital Work-In-Progress

These are expenses of capital nature directly incurred in the construction of buildings, major plant and machinery and system development which are to be capitalized. Capital Work in Progress would be transferred to the relevant asset when it is available for use. Capital Work in Progress is stated at cost less any accumulated impairment losses.

(b) Goodwill & Intangible Assets

i) Recognition

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

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

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

(a) The aggregate of:

1. The consideration transferred measured in accordance with the NFRS 3, which generally requires acquisition-date fair value
2. The amount of any non-controlling interest in the acquiree measured in accordance with the NFRS 3, and
3. In a business combination achieved in stages, the acquisition-date fair value of the acquirer's previously held equity interest in the acquiree.

(b) The net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed.



ii) Amortization

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

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

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

List of Asset Categories	Useful Life (In Years) for SLM
Softwares	5
Licences	License Period
Others (to be specified)	-

iii) Derecognition

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

iv) Impairment of Assets

The Company assesses at each reporting date as to whether there is any indication that Intangible Assets may be impaired. If any such indication exists, the recoverable amount of an asset is estimated to determine the extent of impairment, if any. An impairment loss is recognized in the Statement of Profit or Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

(c) Investment Properties

Fair Value Model

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market condition at the reporting date. Gains or losses arising from changes in the fair values of investment properties are included in the statement of profit or loss in the year in which they arise, including the corresponding tax effect.

The fair value of investment property is determined by an external, independent property valuer, having appropriate recognized professional qualification and recent experience in the location and category by property being valued.

Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognized in the statement of profit or loss in the year of retirement or disposal.

Transfer are made to (or from) investment property only when there is a change in use. For a transfer from investment property, the Company accounts for such property in accordance with the policy stated under PPE up to the date of change in use.

(d) Cash & Cash Equivalent

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



(e) Financial Assets

i) Initial Recognition & Measurement

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

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

ii) Subsequent Measurement

a) Financial Assets carried at Amortized Cost (AC)

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

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

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

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

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

iii) De-Recognition

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

iv) Impairment of Financial Assets

The Company assesses at each reporting date whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or group of financial assets is deemed to be impaired if, there is objective evidence of impairment as a result of one or more events that has occurred since the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that a financial asset or a group of financial assets is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

(f) Financial Liabilities

i) Initial Recognition & Measurement

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



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

ii) Subsequent Measurement

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

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

iii) De-Recognition

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

(g) Offsetting financial instruments

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

(h) Reinsurance Assets

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

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

(i) Equity

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

(j) Reserves and Funds

i) Share Application Money Pending Allotment

ii) Share Premium:

If the Company issues share capital at premium, it receives extra amount other than share capital such amount is transferred to share premium. The amount in share premium is allowed for distribution of bonus shares.

iii) Catastrophe Reserve:

The Company has allocated catastrophe reserve with 5% of the distributable profit for the year as per Regulator's Directive.

iv) Fair Value Reserve:

The Company has policy of creating fair value reserve equal to the amount of Fair Value Gain recognized in statement of other comprehensive income.

v) Regulatory Reserves:

Reserve created out of net profit in line with different circulars issued by Nepal Insurance Authority.

vi) Actuarial Reserves:

Reserve against actuarial gain or loss on present value of defined benefit obligation resulting from, experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred); and the effects of changes in actuarial assumptions.



vii) Revaluation Reserves:

Reserve created against revaluation gain on property, plant & equipment & intangible assets, other than the reversal of earlier revaluation losses charged to profit or loss.

viii) Special Reserve:

The Company has allocated insurance fund for the amount which is 50% of the net profit every year as per Regulator's Directive

ix) Other Reserves:

Reserve other than above reserves, for e.g. deferred tax reserve, CSR, others (to be specified)

(k) Insurance Contract Liabilities

i) Provision for unearned premiums

Unearned premiums reserve represents the portion of the premium written in the year but relating to the unexpired term of coverage.

Change in reserve for unearned insurance premium represents the net portion of the gross written premium transferred to the unearned premium reserve during the year to cover the unexpired period of the policies.

ii) Outstanding claims provisions

Outstanding claims provisions are based on the estimated ultimate cost of all claims incurred but not settled at the statement of financial position date, whether reported or not, together with related claims handling costs.

iii) Provision for claim incurred but not reported (IBNR)

Significant delays are experienced in the notification and settlement of certain types of claims, the ultimate cost of which cannot be known with certainty at the statement of financial position date.

The liability is calculated at the reporting date using a range of standard actuarial claim projection techniques, based on empirical data and current assumptions that may include a margin for adverse deviation.

Liability adequacy

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

(l) Employee Benefits

i) Short Term Obligations

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

ii) Post-Employment Benefits

- Defined Contribution Plan

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

- Defined Benefit Plan

For Defined Benefit Plan, the cost of providing benefits is determined using the Projected Unit Credit Method, with Actuarial Valuations being carried out at each Statement of Financial Position. Actuarial Gains & Losses are recognized in the Other Comprehensive Income in the period in which they occur. Past service cost is



recognized immediately to the extent that the benefits are already vested and otherwise is amortized on a Straight-Line Basis over the average period until the benefits become vested. The retirement benefit obligation recognized in the Statement of Financial Position represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost, as reduced by the Fair Value of plan Assets (If Any). Any Asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the plan.

iii) Long Term Employee Benefits

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

iv) Termination

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

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

(m) Revenue Recognition

i) Gross Premium

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

ii) Unearned Premium Reserves

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

iii) Premiums on Reinsurance Accepted

Premium on reinsurance accepted comprise the total premiums payable for the whole cover provided by contracts entered into the period and are recognized on the date on which the policy incepts. Premiums include any adjustments arising in the accounting period in respect of reinsurance contracts incepting in prior accounting periods. Unearned reinsurance premiums are those proportions of premiums written in a year that relate to periods of risk after the reporting date.

Reinsurance premiums and claims on the face of the statement of profit or loss have been presented as negative items within premiums and net claims, respectively, because this is consistent with how the business is managed.

iv) Reinsurance Premium

Direct Reinsurance premiums comprise the total premiums payable for the whole cover provided by contracts entered into the period and are recognized on the date on which the policy incepts. Premiums include any adjustments arising in the accounting period in respect of reinsurance contracts incepting in prior accounting periods.

Unearned reinsurance premiums are those proportions of premiums written in a year that relate to periods of risk after the reporting date. Unearned reinsurance premiums are deferred over the term of the underlying direct insurance policies for risks- attaching contracts and over the term of the reinsurance contract for losses occurring contracts.

Reinsurance premiums and claims on the face of the statement of profit or loss have been presented as negative items within premiums and net claims, respectively, because this is consistent with how the business is managed.



v) Commission Income

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

vi) Investment Income

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

vii) Net realized gains and losses

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

(n) Claims and Expenses

i) Gross Claims

Claims includes the cost of all claims arising during the year, including external claims handling costs that are directly related to processing and settlement of claims. Claims that are incurred during the financial year are recognized when a claimable event occurs and/or the insurer is notified.

The Company has completed just only six years of operations. As the Company is not very old, the available claims data is not sufficient to apply standard actuarial techniques of triangulation (Basic Chain Ladder) to estimate the ultimate losses that would result from a given accident year. Therefore, Ultimate Loss Ratios (ULRs) method has been applied to estimate the ultimate losses for accident years and line of businesses in operation. Paid claims and outstanding claims are then subtracted from the ultimate losses to arrive at the IBN(E)R.

ii) Reinsurance Claims

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

(o) Product Classification

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

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

i) Property Portfolio

Property/Fire insurance business means the business of affecting and carrying out contracts of insurance, otherwise than incidental to some other class of insurance business against loss or damage to property due to fire, explosion, storm and other occurrences customarily included among the risks insured against in the property/Fire insurance business.

ii) Motor Portfolio

Motor insurance business means the business of affecting and carrying out contracts of insurance against loss of, or damage to, or arising out of or in connection with the use of, motor vehicles, inclusive of third party risks but exclusive of transit risks.

iii) Marine Portfolio

Marine insurance business means the business of affecting and carrying out contracts of insurance against loss of consignment of goods during transit.

iv) Engineering Portfolio

Engineering insurance business means the insurance that provides economic safeguard to the risks faced by the ongoing construction project, installation project, and machines and equipment in project operation.



v) Micro Portfolio

Micro Insurance protects against loss of or damage to crops or livestock. It has great potential to provide value to low-income farmers and their communities, both by protecting farmers when shocks occur and by encouraging greater investment in crops.

vi) Aviation Portfolio

Aviation Insurance provides coverage for hull losses as well as liability for passenger injuries, environmental and third-party damage caused by aircraft accidents.

vii) Cattle and Crop Portfolio

Cattle and Crop Insurance provides insurance against loss of or damage to Cattle and crops.

viii) Miscellaneous Portfolio

All the insurance business which doesn't fall in above categories fall under miscellaneous insurance business. Group Personal Accidents, Medical Insurances, Professional indemnity insurance etc. fall under this category of business.

(p) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in statement of profit or loss in the period in which they are incurred.

(q) Cash Flow Statement

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

(r) Leases

The lease liability has been accounted for under NFRS 16 "Leases". For all the significant lease, the Right-of-Use assets has been recognized at its initial recognition under cash model. The Lease liability has been recognized at the present value of the lease payments that are not paid at that date.

Lease term is determined based on consideration of facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Lease payments associated with short-term leases and low value leases are charged to the statement of profit and loss on a straight-line basis over the term of the relevant lease.

(s) Income Taxes

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

i) Current Tax

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

ii) Deferred Tax

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

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



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

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

(t) Provisions, Contingent Liabilities & Contingent Assets

i) Provisions

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

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate to determine the present value is a Pre-Tax Rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expenses.

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

ii) Contingent Liabilities

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

iii) Contingent Assets

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

(u) Functional Currency & Foreign Currency Transactions

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

(v) Earnings Per Share

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

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

(w) Operating Segment

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

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

(x) Business Combinations

During the fiscal year 2079-80, the company has acquired erstwhile General Insurance Company Nepal Limited which was licensed Non-Life Insurance company. Accounting for acquisition of General Insurance Company Nepal Limited has been done as per NFRS 3 – Business Combination and Guidance Note on the same issued by ICAN dated July 31, 2022.



Sanima GIC Insurance Limited

Notes to the Financial Statements

Amount in NPR

4. Intangible Assets

Particulars	Softwares	Goodwill	Website	Total
Gross carrying amount				
As at Shrawan 1, 2078	1,600,000	-	90,000	1,690,000
Additions during the year	-	-	-	-
Acquisition	-	-	-	-
Internal Development	-	-	-	-
Business Combination(to be Specified)	-	-	-	-
Disposals during the year	-	-	-	-
Revaluation/Adjustment	-	-	-	-
As at Ashadh 32, 2079	1,600,000	-	90,000	1,690,000
Additions during the year	-	-	-	-
Acquisition	800,000	-	-	800,000
Internal Development	-	-	-	-
Business Combination	3,076,764	40,100,000	-	43,176,764
Disposals during the year	-	-	-	-
Revaluation/Adjustment	-	-	-	-
Balance as at Ashadh 31, 2080	5,476,764	40,100,000	90,000	45,666,764
Accumulated amortization and impairment				
As at Shrawan 1, 2078	960,000	-	26,827	986,827
Additions during the year	320,000	-	18,000	338,000
Disposals during the year	-	-	-	-
Impairment during the year	-	-	-	-
As at Ashadh 32, 2079	1,280,000	-	44,827	1,324,827
Additions during the year	812,723	-	18,000	830,723
Acquired During the Year	1,089,946	-	-	1,089,946
Disposals during the year	-	-	-	-
Impairment during the year	-	-	-	-
Balance as at Ashadh 31, 2080	3,182,669	-	62,827	3,245,496
Capital Work-In-Progress				
As on Shrawan 1, 2078	180,000			180,000
Additions during the year	-	-	-	-
Capitalisation during the year	-	-	-	-
Disposals during the year	-	-	-	-
Impairment during the year	-	-	-	-
As at Ashadh 32, 2079	180,000			180,000
Additions during the year	-	-	-	-
Capitalisation during the year	-	-	-	-
Disposals during the year	-	-	-	-
Impairment during the year	-	-	-	-
Balance as at Ashadh 31, 2080	180,000	-	-	180,000
As at Ashadh 32, 2079	500,000	-	45,173	545,173
As at Ashadh 31, 2080	2,474,095	40,100,000	27,173	42,601,268

Sanima GIC Insurance Limited

Notes to the Financial Statements

Amount in NPR

5. Property, Plant and Equipment

Particulars	Land	Buildings	Leasehold Improvement	Furniture and Fixtures	Computers and IT Equipments	Office Equipment	Vehicles	Other Assets	Total
Gross carrying amount									
As at Shrawan 1, 2078	-	-	4,807,558	9,559,876	10,059,542	5,078,726	23,401,813	3,803,790	56,711,305
Additions during the year	-	-	3,873,436	8,428,088	4,021,720	7,294,692	5,603,838	2,197,172	31,418,946
Capitalisation	-	-	-	-	-	-	-	-	-
Acquisition	-	-	-	-	-	-	-	-	-
Disposals during the year	-	-	-	-	-	-	(3,052,743)	-	(3,052,743)
Write-offs during the year	-	-	-	-	-	-	-	-	-
Revaluation during the year	-	-	-	-	-	-	-	-	-
Transfer/ adjustments	-	-	-	-	-	-	-	-	-
Balance As at Ashadh 32, 2079	-	-	8,680,994	17,987,964	14,081,262	12,373,418	25,952,908	6,000,962	85,077,508
Additions during the year	-	-	-	-	-	-	-	-	-
Capitalisation	-	-	-	1,921,647	770,717	1,031,021	15,864,049	437,169	20,024,603
Acquisition	-	-	5,660,568	24,761,972	12,237,116	16,096,116	12,447,664	-	71,203,436
Disposals during the year	-	-	(4,327,005)	(1,322,351)	-	(3,044,197)	-	(295,100)	(8,988,653)
Write-offs during the year	-	-	-	-	-	-	-	-	-
Revaluation during the year	-	-	-	-	-	-	-	-	-
Transfer/ adjustments	-	-	-	-	-	-	-	-	-
Balance as at Ashadh 31, 2080	-	-	10,014,557	43,349,232	27,089,095	26,456,358	54,264,621	6,143,031	167,316,894
Accumulated depreciation and impairment									
As at Shrawan 1, 2078	-	-	1,465,463	3,896,718	5,608,238	2,492,730	7,802,930	1,769,790	23,035,869
Additions during the year	-	-	540,631	2,138,520	3,057,837	1,079,505	3,280,985	917,768	11,015,246
Depreciation Acquired	-	-	-	-	-	-	(1,416,337)	-	(1,416,337)
Disposals during the year	-	-	-	-	-	-	-	-	-
Write-offs during the year	-	-	-	-	-	-	-	-	-
Impairment during the year	-	-	-	-	-	-	-	-	-
Transfer/ adjustments	-	-	-	-	-	-	-	-	-
As at Ashadh 32, 2079	-	-	2,006,094	6,035,238	8,666,075	3,572,235	9,667,578	2,687,558	32,634,778
Additions during the year	-	-	901,223	7,129,757	3,654,424	4,352,259	5,556,390	1,181,398	22,775,451
Depreciation	-	-	-	-	-	-	-	-	-

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Amount in NPR

Particulars	Land	Buildings	Leasehold Improvement	Furniture and Fixtures	Computers and IT Equipments	Office Equipment	Vehicles	Other Assets	Total
Acquired	-	-	1,300,204	9,156,349	8,919,115	5,184,492	2,571,552	-	27,131,712
Disposals during the year	-	-	(1,637,887)	(873,186)	-	(2,331,449)	-	(223,306)	(5,065,830)
Write-offs during the year	-	-	-	-	-	-	-	-	-
Impairment during the year	-	-	-	-	-	-	-	-	-
Transfer adjustments	-	-	-	-	-	-	-	-	-
Balance as at Ashadh 31, 2080	-	-	2,569,634	21,448,156	21,239,614	10,777,537	17,795,520	3,645,650	77,476,111
Capital Work-In-Progress									
As at Shrawan 1, 2078	-	-	-	-	-	-	-	-	-
Additions during the year	-	-	-	-	-	-	-	-	-
Capitalisation during the year	-	-	-	-	-	-	-	-	-
Disposals during the year	-	-	-	-	-	-	-	-	-
Impairment during the year	-	-	-	-	-	-	-	-	-
As at Ashadh 32, 2079	-	-	-	-	-	-	-	-	-
Additions during the year	-	-	-	-	-	-	-	-	-
Capitalisation during the year	-	-	-	-	-	-	-	-	-
Disposals during the year	-	-	-	-	-	-	-	-	-
Impairment during the year	-	-	-	-	-	-	-	-	-
Balance as at Ashadh 31, 2080	-	-	-	-	-	-	-	-	-
Net Carrying Amount									
As at Ashadh 32, 2079	-	-	6,674,900	11,952,726	5,415,187	8,801,183	16,285,330	3,313,404	52,442,730
As at Ashadh 31, 2080	-	-	7,444,923	21,901,076	5,849,481	15,678,821	36,469,101	2,497,381	89,840,783
Right-of-Use Assets (after Implementation of NFRS 16)									
Gross carrying amount									
As at Shrawan 1, 2078	-	-	-	-	-	-	-	-	-
Additions during the year	-	-	-	-	-	-	-	-	-
Disposals during the year	-	-	-	-	-	-	-	-	-
Write-offs during the year	-	-	-	-	-	-	-	-	-
Revaluation during the year	-	-	-	-	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-	-	-	-	-
As at Ashadh 32, 2079	-	-	57,241,428	-	-	-	-	-	57,241,428
Additions during the year	-	-	-	-	-	-	-	-	-
Disposals during the year	-	-	-	-	-	-	-	-	-
Write-offs during the year	-	-	-	-	-	-	-	-	-
Revaluation during the year	-	-	-	-	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-	-	-	-	-
Balance as at Ashadh 31, 2080	-	-	102,228,388	-	-	-	-	-	102,228,388

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Particulars	Amount in NPR									
	Land	Buildings	Leasehold Improvement	Furniture and Fixtures	Computers and IT Equipments	Office Equipment	Vehicles	Other Assets	Total	
Disposals during the year	-	-	-	-	-	-	-	-	-	-
Write-offs during the year	-	-	(159,469,816)	-	-	-	-	-	-	(159,469,816)
Revaluation during the year	-	-	-	-	-	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-	-	-	-	-	-
Balance as at Ashadh 31, 2080	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation										
As at Shrawan 1, 2078	-	-	-	-	-	-	-	-	-	-
Additions during the year	-	-	7,471,933	-	-	-	-	-	-	7,471,933
Depreciation	-	-	-	-	-	-	-	-	-	-
Acquisition	-	-	-	-	-	-	-	-	-	-
Disposals during the year	-	-	-	-	-	-	-	-	-	-
Write-offs during the year	-	-	-	-	-	-	-	-	-	-
Impairment during the year	-	-	-	-	-	-	-	-	-	-
Transfer/adjustments	-	-	-	-	-	-	-	-	-	-
As at Ashadh 32, 2079	-	-	7,471,933	-	-	-	-	-	-	7,471,933
Additions during the year	-	-	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-	-	-
Acquisition	-	-	21,470,344	-	-	-	-	-	-	21,470,344
Disposals during the year	-	-	-	-	-	-	-	-	-	-
Write-offs during the year	-	-	-	-	-	-	-	-	-	-
Impairment during the year	-	-	(28,942,277)	-	-	-	-	-	-	(28,942,277)
Transfer/adjustments	-	-	-	-	-	-	-	-	-	-
Balance as at Ashadh 31, 2080	-	-	-	-	-	-	-	-	-	-
Net Carrying Amount										
As at Ashadh 32, 2079	-	-	49,769,495	-	-	-	-	-	-	49,769,495
As at Ashadh 31, 2080	-	-	-	-	-	-	-	-	-	-



Sanima GIC Insurance Limited

Notes to the Financial Statements

Amount in NPR

6 Investment Properties

Particulars	Land	Building	Total
Gross carrying amount			
As at Shrawan 1, 2078	-	-	-
Additions during the Year	-	-	-
Acquisition	-	-	-
Subsequent Expenditure	-	-	-
Assets classified as held for sales	-	-	-
Disposals during the year	-	-	-
Transfer/Adjustments	-	-	-
As at Ashadh 32, 2079	-	-	-
Additions during the year	-	-	-
Acquisition	-	-	-
Subsequent Expenditure	-	-	-
Assets classified as held for sales	-	-	-
Disposals during the year	-	-	-
Transfer/Adjustments	-	-	-
Balance as at Ashadh 31, 2080	-	-	-
Depreciation and impairment			
As at Shrawan 1, 2078	-	-	-
Additions during the year	-	-	-
Disposals during the year	-	-	-
Impairment during the year	-	-	-
Transfer/Adjustments	-	-	-
Balance as at Ashadh 32, 2079	-	-	-
Additions during the year	-	-	-
Disposals during the year	-	-	-
Impairment during the year	-	-	-
Transfer/Adjustments	-	-	-
Balance as at Ashadh 31, 2080	-	-	-
Capital work-in-progress			
As on Shrawan 1, 2078	-	-	-
Additions during the year	-	-	-
Capitalisation during the year	-	-	-
Disposals during the year	-	-	-
Impairment during the year	-	-	-
Balance as on Ashadh 32, 2079	-	-	-
Additions during the year	-	-	-
Capitalisation during the year	-	-	-
Disposals during the year	-	-	-
Impairment during the year	-	-	-
Capital work-in-progress as at Ashadh 31, 2080	-	-	-
Net Carrying Amount	-	-	-
Balance as at Ashadh 32, 2079	-	-	-
Balance as at Ashadh 31, 2080	-	-	-



Sanima GIC Insurance Limited

Notes to the Financial Statements

Amount in NPR

(i) Amounts recognised in statement of profit or loss for investment properties

Particulars	Current Year	Previous Year
Rental income	-	-
Direct operating expenses from property that generated rental income	-	-
Direct operating expenses from property that didn't generated rental income	-	-
Profit from investment properties before depreciation	-	-
Depreciation charge	-	-
Profit from investment properties	-	-

(ii) Contractual obligations: Refer note no. 54 For disclosure of contractual obligations relating to investment properties.

(iii) There are no restrictions on the realisability of investment properties or proceeds of disposal.

(iv) Fair value of investment properties:

Particulars	Current Year	Previous Year
Land	-	-
Building	-	-
Total	-	-

Estimation of Fair Value

The company obtains independent valuations for its investment properties. The best evidence of fair value is current prices in an active market for similar properties.

Where such information is not available, the company consider information from a variety of sources including:

- Current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences,
- Discounted cash flow projections based on reliable estimates of future cash flows,
- Capitalised income projections based upon a property's estimated net market income and a capitalisation rate derived from an analysis of market evidence.

The main inputs used are the rental growth rates, expected vacancy rates, terminal yields and discount rates based on comparable transactions and industry data.



Sanima GIC Insurance Limited

Notes to the Financial Statements

Amount in NPR

7 Deferred Tax Assets/ (Liabilities)

Particulars	Current Year			Previous Year		
	Through SOPL	Through SOCI	Total	Through SOPL	Through SOCI	Total
Intangible Assets	-	-	-	-	-	-
Property, Plant and Equipment	(2,101,322)	-	(2,101,322)	(422,189)	-	(422,189)
Financial Assets at FVTPL	-	-	-	-	-	-
Financial Assets at FVTOCI	-	4,205,665	4,205,665	-	332,882	332,882
Provision for Leave Encashment	11,285,317	-	11,285,317	3,399,687	-	3,399,687
Provision for Gratuity	80,843	-	80,843	22,369	-	22,369
Impairment Loss on Financial Assets	433,966	-	433,966	-	-	-
Impairment Loss on Other Assets	-	-	-	-	-	-
Unearned Premiums Reserve	10,009,638	-	10,009,638	931,875	-	931,875
Premum Deficiency Reserve	2,273,754	-	2,273,754	898,758	-	898,758
IBNR and IBNER Claims	31,546,334	-	31,546,334	11,729,756	-	11,729,756
Margin for Adverse Deviation	2,093,492	-	2,093,492	761,073	-	761,073
Tax Losses	-	-	-	-	-	-
Other	-	-	-	-	-	-
i) Deferred Agent Commission expense	(5,250,482)	-	(5,250,482)	(2,883,596)	-	(2,883,596)
ii) Deferred Reinsurance Commission expense	(30,449)	-	(30,449)	(45,521)	-	(45,521)
iii) Deferred Reinsurance Commission income	50,360,988	-	50,360,988	31,880,909	-	31,880,909
iv) Lease Liability	1,279,151	-	1,279,151	476,464	-	476,464
Total	101,981,230	4,205,665	106,186,895	46,749,585	332,882	47,082,467

Movements in deferred tax assets/ (liabilities)

Particulars	Current Year			Previous Year		
	Through SOPL	Through SOCI	Total	Through SOPL	Through SOCI	Total
As at Shrawan 1, 2079	46,749,585	332,882	47,082,467	30,014,575	-	30,014,575
Acquired	80,676,902	4,269,480	84,946,382	-	-	-
Charged/(Credited) to Statement of Profit or Loss	(25,445,257)	-	(25,445,257)	16,735,010	-	16,735,010
Charged/(Credited) to Other Comprehensive Income	-	(396,697)	(396,697)	-	332,882	332,882
As at Ashadh 31, 2080	101,981,230	4,205,665	106,186,895	46,749,585	332,882	47,082,467

8 Investments in Subsidiaries

Particulars	Current Year	Previous Year
Investment in Quoted Subsidiaries	-	-
Investment in Unquoted Subsidiaries	-	-
Less: Impairment Losses	-	-
Total	-	-

Continue...



Sanima GIC Insurance Limited

Notes to the Financial Statements

Amount in NPR

Investment in Quoted Subsidiaries

Particulars	Current Year		Previous Year	
	Cost	Fair Value	Cost	Fair Value
..... Shares of Rs..... each of Ltd.	-	-	-	-
..... Shares of Rs..... each of Ltd.	-	-	-	-
Total	-	-	-	-

Investment in Unquoted Subsidiaries

Particulars	Current Year		Previous Year	
	Cost	Fair Value	Cost	Fair Value
..... Shares of Rs..... each of Ltd.	-	-	-	-
..... Shares of Rs..... each of Ltd.	-	-	-	-
Total	-	-	-	-

Information Relating to Subsidiaries

Particulars	Percentage of Ownership	
	Current Year	Previous Year
..... Shares of Rs..... each of Ltd.	-	-
..... Shares of Rs..... each of Ltd.	-	-
..... Shares of Rs..... each of Ltd.	-	-
..... Shares of Rs..... each of Ltd.	-	-

9 Investments in Associates

Particulars	Current Year	Previous Year
Investment in Quoted Subsidiaries	-	-
Investment in Unquoted Subsidiaries	-	-
Less: Impairment Losses	-	-
Total	-	-

Investment in Quoted Associates

Particulars	Current Year			Previous Year		
	Cost	Fair Value	(or) Equity Method	Cost	Fair Value	(or) Equity Method
..... Shares of Rs..... each of Ltd.	-	-	-	-	-	-
..... Shares of Rs..... each of Ltd.	-	-	-	-	-	-
Add: Share of Profit or Loss for Earlier Years	-	-	-	-	-	-
Add: Share of Profit or Loss for Current Year	-	-	-	-	-	-
Total	-	-	-	-	-	-

Continue...



Sanima GIC Insurance Limited

Notes to the Financial Statements

Amount in NPR

Investment in Unquoted Associates

Particulars	Current Year			Previous Year		
	Cost	Fair Value	(or) Equity Method	Cost	Fair Value	(or) Equity Method
..... Shares of Rs..... each of Ltd.	-	-	-	-	-	-
..... Shares of Rs..... each of Ltd.	-	-	-	-	-	-
Add: Share of Profit or Loss for Earlier Years	-	-	-	-	-	-
Add: Share of Profit or Loss for Current Year	-	-	-	-	-	-
Total	-	-	-	-	-	-

Information Relating to Associates

Particulars	Current Year	Previous Year
Name		
Place of Business	-	-
Accounting Method	-	-
% of Ownership	-	-
Current Assets	-	-
Non-Current Assets	-	-
Current Liabilities	-	-
Non-Current Liabilities	-	-
Income	-	-
Net Profit or Loss	-	-
Other Comprehensive Income	-	-
Total Comprehensive Income	-	-
Company's share of profits		
Net Profit or Loss	-	-
Other Comprehensive Income	-	-

10 Investments

Particulars	Current Year	Previous Year
Investments measured at Amortised Cost		
i) Investment in Preference Shares of Bank and Financial Institutions	-	-
ii) Investment in Debentures	69,743,000	17,378,000
iii) Investment in Bonds (Nepal Government/ NRB/ Guaranteed by Nepal Government)	-	-
iv) Fixed Deposit of "A" Class Financial Institutions	2,492,300,000	1,389,800,000
v) Fixed Deposit of Infrastructure Banks	-	-
vi) Fixed Deposits in "B" Class Financial Institutions	303,700,000	97,500,000
vii) Fixed Deposits in "C" Class Financial Institutions	28,500,000	11,500,000
viii) Others (to be specified)	-	-
Less: Impairment Losses	-	-
Investments measured at FVTOCI		
i) Investment in Equity Instruments (Quoted)	27,209,344	3,547,768
ii) Investment in Equity Instruments (Unquoted)	9,560,000	1,195,000
iii) Investment in Mutual Funds	3,128,192	666,700
iv) Investment in Debentures	-	-
v) Others (to be Specified)	-	-
Investments measured at FVTPL		
i) Investment in Equity Instruments	-	-
ii) Investment in Equity Instruments (Quoted)	-	-
iii) Investment in Mutual Funds	-	-
iv) Others (to be Specified)	-	-
Total	2,934,140,536	1,521,587,468

Continue...



Sanima GIC Insurance Limited

Notes to the Financial Statements

Amount in NPR

a) Details of Impairment Losses

Particulars	Current Year	Previous Year
Investment in Preference Shares of Bank and Financial Institutions	-	-
Investment in Debentures	-	-
Investment in Bonds (Nepal Government/ NRB/ Guaranteed by Nepal Government)	-	-
Fixed Deposit with "A" Class Financial Institutions	-	-
Fixed Deposit with Infrastructure Bank	-	-
Fixed Deposits with "B" Class Financial Institutions	-	-
Fixed Deposits with "C" Class Financial Institutions	-	-
Others (to be specified)	-	-
Total	-	-

b) Investments having expected maturities less than 12 months:

Particulars	Current Year	Previous Year
Investment in Equity Instruments (Quoted)	-	-
Investment in Equity Instruments (Unquoted)	-	-
Investment in Mutual Funds	-	-
Investment in Preference Shares of Bank and Financial Institutions	-	-
Investment in Debentures	-	-
Investment in Bonds	-	-
Fixed Deposit with "A" Class Financial Institutions	2,452,300,000	1,389,800,000
Fixed Deposit with Infrastructure Bank	-	-
Fixed Deposits with "B" Class Financial Institutions	303,700,000	97,500,000
Fixed Deposits with "C" Class Financial Institutions	28,500,000	11,500,000
Others (to be specified)	-	-
Total	2,784,500,000	1,498,800,000

c) Information relating to investment in equity instruments

Particulars	Current Year		Previous Year	
	Cost	Fair Value	Cost	Fair Value
Investment in Equity Instruments (Quoted)				
Central Finance Limited 33 Shares of Rs 100 Each	-	12,969	-	-
Deprosc Laghubitta Bittiya Sansthan Ltd. 3,520 Shares of Rs 100 Each	4,204,461	2,907,520	1,239,409	940,000
Goodwill Finance Limited. 1,670 Shares of Rs 100 Each	414,157	806,609	-	-
Jeevan Bikas Laghubitta Sansthan Ltd. 563 Shares of Rs 100 Each	1,282,759	900,856	-	-
Kumari Bank Ltd. 2,000 Shares of Rs 100 Each	550,140	330,000	550,140	382,000
Life Insurance Corporation (Nepal) Ltd. 600 Shares of Rs 100 Each	1,081,350	933,000	-	-
Machhapuchhre Bank Ltd. 8,000 Shares of Rs 100 Each	2,730,150	1,854,400	-	-
Manjushree Finance Ltd. 1 Shares of Rs 100 Each	-	550	-	-
Arun Valley Hydropower Development Company Ltd. 1 Shares of Rs 100 Each	-	255	-	-
Nepal Inv Mega Bank Nepal Ltd. 1,872 Shares of Rs 100 Each	612,191	325,354	612,191	452,000
Mero Microfinance Bittiya Sansthan Ltd. 3,532 Shares of Rs 100 Each	3,977,716	2,334,653	1,054,007	761,268
Mountain Hydro Nepal Ltd. 5,000 Shares of Rs 100 Each	2,721,621	1,190,000	-	-
Nepal Reinsurance Company Ltd. 1,209 Shares of Rs 100 Each	1,429,650	894,660	-	-
NIC Asia Laghubitta Bittiya Sanstha Ltd. 3,250 Shares of Rs 100 Each	4,106,300	2,369,250	-	-
Prime Commercial Bank Ltd. 7,800 Shares of Rs 100 Each	2,898,282	1,521,000	-	-
Ridi Power Company Ltd. 7,000 Shares of Rs 100 Each	4,272,506	1,701,000	-	-
Sana Kisan Bikas Bank Ltd. 3,773 Shares of Rs 100 Each	4,197,349	3,391,927	-	-
Siddhartha Bank Ltd. 7,087 Shares of Rs 100 Each	2,991,773	1,793,011	-	-
Singati Hydro Energy Ltd. 4,986 Shares of Rs 100 Each	2,517,685	1,396,080	-	-
Soaltee Hotel Ltd. 5,250 Shares of Rs 100 Each	1,201,629	2,546,250	1,201,629	1,012,500
Investment in Mutual Funds (Quoted)				
Nabil Balanced Fund-3 16,670 Shares of Rs 10 Each	166,700	126,192	166,700	166,700
Citizens Super-30 250,000 Shares of Rs 10 Each	2,500,000	2,500,000	-	-
Kumari Dhanbradhi Fund 50,000 Shares of Rs 10 Each	500,000	502,000	500,000	500,000
Investment in Equity Instruments (Unquoted)				
Insurance Training Institute Nepal Ltd. 95,600 Shares of Rs 100 Each	9,560,000	9,560,000	1,195,000	1,195,000



Sanima GIC Insurance Limited

Notes to the Financial Statements

Amount in NPR

d) The Company has earmarked investments amounting NPR 2.82 Arab to Nepal Insurance Authority.

11 Loans

Particulars	Current Year	Previous Year
Loans at Amortised Cost		
Loan to Associates	-	-
Loan to Employees	10,713,949	5,134,676.00
Loan to Agent	-	-
Others (to be specified)	-	-
Less: Impairment Losses	-	-
Total	10,713,949.00	5,134,676.00

a) Expected recovery period within 12 months:

Particulars	Current Year	Previous Year
Loan to Associates	-	-
Loan to Employees	-	-
Loan to Agent	-	-
Others (to be specified)	-	-
Total	-	-

12 Reinsurance Assets

Particulars	Current Year	Previous Year
Reinsurance Assets on:		
Unearned Premiums	767,010,246	406,012,431
Provision for Premium Deficiency	11,309,595	-
Outstanding Claims	1,073,209,353	350,097,452
IBNR and IBNER Claim	388,360,627	-
Margin For Adverse Deviation	19,418,031	-
Less: Impairment Losses	-	-
Total	2,259,307,852	756,109,883

13 Insurance Receivables

Particulars	Current Year	Previous Year
Receivable from Reinsurers	202,670,600	-
Receivable from Other Insurance Companies	146,770,796	39,896,567
Others (to be Specified)	-	-
Less: Impairment Losses	(687,692)	-
Total	348,753,704	39,896,567

a) Expected recovery period within 12 months:

Particulars	Current Year	Previous Year
Receivable from Reinsurers	202,670,600	-
Receivable from Other Insurance Companies	146,770,796	39,896,567
Others (to be Specified)	-	-
Total	349,441,396	39,896,567



Sanima GIC Insurance Limited

Notes to the Financial Statements

Amount in NPR

14 Other Assets

Particulars	Current Year	Previous Year
Capital Advances	-	-
Prepaid Expenses	2,917,396	2,753,837
Claim Advance	74,181,816	39,400,000
Advance To Suppliers	-	-
Staff Advances	8,868,778	2,842,520
VAT Receivable	-	-
Printing and Stationery Stock	-	-
Stamp Stock	4,910	58,680
Deferred Expenses	-	-
Deferred Reinsurance Commission Expenses	101,495	151,737
Deferred Agent Commission Expenses	17,501,608	9,611,987
Finance Lease Receivable	-	-
Others		
i) Other Advance	2,011,372	1,108,359
Less: Impairment Losses	(758,861)	-
Total	104,828,514	55,927,120

a) Expected to be recovered/ settled within 12 months:

Particulars	Current Year	Previous Year
Capital Advances	-	-
Prepaid Expenses	2,917,396	2,753,837
Claim Advance	74,181,816	39,400,000
Advance To Suppliers	-	-
Staff Advances	8,868,778	2,842,520
VAT Receivable	-	-
Printing and Stationery Stock	-	-
Stamp Stock	4,910	58,680
Deferred Expenses	-	-
Deferred Reinsurance Commission Expenses	101,495	151,737
Deferred Agent Commission Expenses	17,501,608	9,611,987
Finance Lease Receivable	-	-
Others	-	-
i) Other Advance	2,011,372	1,108,359
Less: Impairment Losses	(758,861)	-
Total	104,828,514	55,927,120



Sanima GIC Insurance Limited

Notes to the Financial Statements

Amount in NPR

15 Other Financial Assets

Particulars	Current Year	Previous Year
Security Deposits	839,700	54,289
Accrued Interest	5,132,895	1,438,857
Other Receivables	75,628,075	35,905,045
Other Deposits	7,236,662	5,530,174
Sundry Debtors	-	-
Others	-	-
i) Deposit in CIT For Leave	7,008,696	7,302,328
Less: Impairment Losses	-	-
Total	95,846,028	50,230,693

a) Expected maturities within 12 months:

Particulars	Current Year	Previous Year
Security Deposits	-	-
Accrued Interest	5,132,895	1,438,857
Other Receivables	75,628,075	35,905,045
Other Deposits	7,236,662	5,530,174
Sundry Debtors	-	-
Others	-	-
Total	87,997,632	42,874,076

16 Cash and Cash Equivalents

Particulars	Current Year	Previous Year
Cash In Hand	-	17,373
Cheques In Hand	-	-
Bank Balances	-	-
i) Balance with "A" Class Financial Institutions	273,964,900	104,803,408
ii) Balance with Infrastructure Bank	-	-
iii) Balance with "B" Class Financial Institutions	22,847,481	11,227,601
iv) Balance with "C" Class Financial Institutions	5,917,504	4,920,298
Less: Impairment Losses	-	-
Deposit with initial maturity upto 3 months	-	-
Others (to be Specified)	-	-
Less: Impairment Losses	-	-
Total	302,729,885	120,968,680



Sanima GIC Insurance Limited

Notes to the Financial Statements

Amount in NPR

17 (a) Share Capital

Particulars	Current Year	Previous Year
Ordinary Shares		
As at Shrawan 1, 2079	1,000,000,000	1,000,000,000
Additions during the year	-	-
i) Bonus Share Issue	-	-
ii) Share Issue	1,000,000,000	-
As at Ashadh 31, 2080	2,000,000,000	1,000,000,000
Convertible Preference Shares (Equity Component Only)		
As at Shrawan 1, 2079	-	-
Additions during the year	-	-
As at Ashadh 31, 2080	-	-
Irredeemable Preference Shares (Equity Component Only)		
As at Shrawan 1, 2079	-	-
Additions during the year	-	-
As at Ashadh 31, 2080	-	-
Total	2,000,000,000	1,000,000,000

(i) Ordinary Shares

Particulars	Current Year	Previous Year
Authorised Capital:		
30,000,000 Ordinary Shares of Rs. 100 each	3,000,000,000	1,500,000,000
Issued Capital:		
20,000,000 Ordinary Shares of Rs. 100 each	2,000,000,000	1,000,000,000
Subscribed and Paid Up Capital:		
20,000,000 Ordinary Shares of Rs. 100 each	2,000,000,000	1,000,000,000
Total	2,000,000,000	1,000,000,000

(ii) Preference Share Capital

Particulars	Current Year	Previous Year
Authorised Capital:		
..... Convertible Preference Shares of Rs. ... each	-	-
..... Irredeemable Preference Shares of Rs. ... each	-	-
Issued Capital:		
..... Convertible Preference Shares of Rs. ... each	-	-
..... Irredeemable Preference Shares of Rs. ... each	-	-
Subscribed and Paid Up Capital:		
..... Convertible Preference Shares of Rs. ... each	-	-
..... Irredeemable Preference Shares of Rs. ... each	-	-
Total	-	-

Continue...



Sanima GIC Insurance Limited

Notes to the Financial Statements

Amount in NPR

Shareholding Structure of Share Capital

Particulars	Number of Shares		Percentage	
	Current Year	Previous Year	Current Year	Previous Year
Promoters				
Government of Nepal	-	-	-	-
Nepali Organized Institutions	4,550,000	2,100,000	23%	21%
Nepali Citizen	9,450,000	4,900,000	47%	49%
Foreigner	-	-	-	-
Others (to be Specified)	-	-	-	-
Total (A)	14,000,000	7,000,000	70%	70%
Other than Promoters				
General Public	6,000,000	3,000,000	30%	30%
Others (to be Specified)	-	-	-	-
Total (B)	6,000,000	3,000,000	30%	30%
Total (A+B)	20,000,000	10,000,000	100%	100%

Details of shares held by shareholders holding 1% or more than 1% of the aggregate shares in the Company:

Particulars	Number of Shares		Percentage	
	Current Year	Previous Year	Current Year	Previous Year
Sanima Pvt. Ltd.	1,100,000	1,100,000	5.50%	11%
Sanima Bank Ltd.	1,000,000	1,000,000	5.00%	10%
Jibanath Lamichhane	950,000	950,000	4.75%	10%
Binay Kumar Shrestha	820,000	820,000	4.10%	8%
Moti Lal Dugar	700,000	700,000	3.50%	7%
Khem Raj Lamichhane	465,000	465,000	2.33%	5%
Shamba lama	400,000	400,000	2.00%	4%
Sonam Gyatso	300,000	300,000	1.50%	3%
Ghanshyam Thapa	300,000	300,000	1.50%	3%
Vivek Dugar	300,000	300,000	1.50%	3%
Tenjing Yongdu Nepali	200,000	200,000	1.00%	2%
Shangrila Development Bank Limited	300,000	-	1.50%	0%
Babita Kumari Agrawal Keyal	635,000	-	3.18%	0%
Global Ime Bank	200,000	-	1.00%	0%
Kumari Bank Limited	500,000	-	2.50%	0%
Mega Bank Nepal Limited	500,000	-	2.50%	0%
Gurkhas Finance Ltd.	300,000	-	1.50%	0%
Namkhang Lama	100,000	100,000	0.50%	1%
Bhuwan Kumar Dahal	100,000	100,000	0.50%	1%
Mal Chanda Dugar	150,000	150,000	0.75%	2%

17 (b) Share Application Money Pending Allotment

Particulars	Current Year	Previous Year
Share Application Money Pending Allotment	-	-
Total	-	-



Sanima GIC Insurance Limited

Notes to the Financial Statements

Amount in NPR

17 (c) Share Premium

Particulars	Current Year	Previous Year
As at Shrawan 1, 2079	-	-
Increase due to issue of shares at premium	-	-
Decrease due to issue of bonus share	-	-
Transaction costs on issue of share	-	-
Others (to be Specified)	-	-
As at Ashadh 31, 2080	-	-

17 (d) Special Reserves

Particulars	Current Year	Previous Year
As at Shrawan 1, 2079	165,751,412	92,777,176
Acquired	121,851,140	-
Additions	149,496,396	72,974,236
Utilizations	-	-
As at Ashadh 31, 2080	437,098,948	165,751,412

17 (e) Catastrophe Reserves

Particulars	Current Year	Previous Year
As at Shrawan 1, 2079	13,899,051	6,440,920
Acquired	8,944,165	-
Additions	7,474,820	7,458,131
Utilizations	-	-
As at Ashadh 31, 2080	30,318,036	13,899,051

17 (f) Retained Earnings

Particulars	Current Year	Previous Year
As at Shrawan 1, 2079	2,149,750	(10,917,592)
Acquired through merger	(53,283,017)	-
Net Profit or Loss	273,547,532	111,978,277
Items of OCI recognised directly in retained earnings	-	(776,726)
Remeasurement of Post-Employment Benefit Obligations	-	-
Transfer to/ from reserves	-	-
Capital Reserves	-	-
Insurance Fund	(149,496,396)	(72,974,236)
Catastrophe Reserves	(6,343,620)	(7,458,131)
Regulatory Reserves	-	-
Fair Value Reserves	-	-
Actuarial Reserves	-	-
Revaluation Reserves	-	-
Deferred Tax Reserves	25,778,140	(17,067,892)
Compulsory Reserve Fund	-	-
Transfer of depreciation on Revaluation of Property, Plant and Equipment	-	-
Transfer on Disposal of Revalued Property, Plant and Equipment	-	-
Transfer on Disposal of Equity Instruments Measured at FVTOCI	-	-
Transaction costs on issue of share	(1,189,405)	(400,000)
Issue of Bonus Shares	-	-
Dividend Paid	-	-
Dividend Distribution Tax	-	-
Prior Period Adjustment	776,726	1,244,028
CSR Fund	(2,989,928)	(1,477,978)
As at Ashadh 31, 2080	88,949,782	2,149,750



Sanima GIC Insurance Limited

Notes to the Financial Statements

Amount in NPR

17 (g) Other Equity

Particulars	Current Year	Previous Year
Revaluation Reserves	-	-
Capital Reserves	-	-
Corporate Social Responsibility (CSR) Reserves	3,945,475	1,477,978
Insurance Fund including Insurance Reserves	-	-
Fair Value Reserves	(9,813,218)	-
Actuarial Reserves	-	-
Deferred Tax Reserves	101,981,230	47,082,467
Cash Flow Hedge Reserves	-	-
Other Reserves	-	-
Total	96,113,487	48,560,445

18 Provisions

Particulars	Current Year	Previous Year
Provisions for employee benefits		
i) Provision for Leave Encashment	37,617,722	11,332,289
ii) Defined Benefits Plan - Gratuity	269,475	74,562
iii) Termination Benefits	-	-
iv) Other employee benefit obligation - Staff Bonus	44,590,461	16,058,341
Provision for tax related legal cases	-	-
Provision for non-tax legal cases	-	-
Others (to be Specified)	-	-
i) Provision for Bad Debt	-	-
Total	82,477,658	27,465,192

(a) Additional Disclosure under of Provisions

Description	Opening Balance	Additions During the Year	Utilised During the Year	Reversed During the Year	Unwinding of Discount	Closing Balance
Provision for tax related legal cases	-	-	-	-	-	-
Provision for non-tax legal cases	-	-	-	-	-	-
Others (to be Specified)	-	-	-	-	-	-

Continue...



Sanima GIC Insurance Limited

Notes to the Financial Statements

Amount in NPR

(b) Provision with expected payouts within 12 months:

Particulars	Current Year	Previous Year
Provisions for employee benefits		
i) Provision for Leave Encashment	-	-
ii) Defined Benefits Plan - Gratuity	-	-
iii) Termination Benefits	-	-
iv) Other employee benefit obligation - Staff Bonus	44,590,461	16,058,341
Provision for tax related legal cases	-	-
Provision for non-tax legal cases	-	-
Others (to be Specified)	-	-
Total	44,590,461	16,058,341

19 Gross Insurance Contract Liabilities

Particulars	Current Year	Previous Year
Unearned Premiums	1,152,025,634	551,315,382
Premium Deficiency	18,888,775	2,995,860
Outstanding Claims	1,302,620,411	427,690,795
IBNR and IBNER	527,926,731	50,738,190
Margin For Adverse Deviation	26,396,337	2,536,910
Total	3,027,857,888	1,035,277,137



Sanima GIC Insurance Limited

Notes to the Financial Statements

19 Gross Insurance Contract Liabilities

Amount in NPR

Particulars	Line of Business								Total	
	Property	Motor	Marine	Engineering	Micro	Aviation	Cattle and Crop	Miscellaneous		
As at Ashadh 32, 2079										
Unearned Premiums Reserve	129,657,020	195,600,956	29,793,462	123,971,640	1,959,927	-	18,460,393	51,871,983	551,315,381	
Premium Deficiency Reserve	-	2,866,990	-	-	-	-	60,046	68,824	2,995,860	
Outstanding Claims	160,837,206	108,769,258	7,876,000	28,697,315	105,850,000	-	5,618,000	10,043,016	427,690,795	
IBNR and IBNER	3,897,093	36,932,271	1,341,485	859,746	2,036,360	-	936,452	4,734,783	50,738,190	
Margin For Adverse Deviation	194,855	1,846,614	67,074	42,987	101,818	-	46,823	236,740	2,536,911	
Total Balance As at Ashadh 32, 2079	294,586,174	346,016,089	39,078,021	153,571,688	109,948,105	-	25,121,714	66,955,346	1,035,277,137	
Changes during the year										
Unearned Premiums Reserve	170,781,406	146,776,778	16,767,356	147,866,457	1,881,412	72,137,192	14,181,975	30,317,676	600,710,252	
Premium Deficiency Reserve	-	(2,866,990)	-	-	-	-	(60,046)	18,819,951	15,892,915	
Outstanding Claims	347,875,946	194,203,502	13,685,230	125,116,744	163,250,000	-	3,348,097	27,450,097	874,929,616	
IBNR and IBNER	84,859,691	220,639,946	12,892,321	79,847,814	2,611,119	9,712,912	21,195,248	45,429,490	477,188,541	
Margin For Adverse Deviation	4,242,984	11,031,997	644,616	3,992,391	130,556	485,646	1,059,762	2,271,475	23,859,427	
Total changes during the year	607,760,027	569,785,233	43,989,523	356,823,406	167,873,087	82,335,750	39,725,036	124,288,689	1,992,580,751	
As at Ashadh 31, 2080										
Unearned Premiums Reserve	300,438,426	342,377,734	46,560,818	271,838,097	3,841,339	72,137,192	32,642,368	82,189,659	1,152,025,633	
Premium Deficiency Reserve	-	-	-	-	-	-	-	18,888,775	18,888,775	
Outstanding Claims	508,713,152	302,972,760	21,561,230	153,814,059	269,100,000	9,712,912	8,966,097	37,493,113	1,302,620,411	
IBNR and IBNER	88,756,784	257,572,217	14,233,806	80,707,560	4,647,479	485,646	22,131,700	50,164,273	527,926,731	
Margin For Adverse Deviation	4,437,839	12,878,611	711,690	4,035,378	232,374	485,646	1,106,585	2,508,215	26,396,338	
Total Balance As at Ashadh 31, 2080	902,346,201	915,801,322	83,067,544	510,395,094	277,821,192	82,335,750	64,846,750	191,244,035	3,027,857,888	

Sanima GIC Insurance Limited

Notes to the Financial Statements

Amount in NPR

b) Reinsurance Assets

Particulars	Line of Business								Total
	Property	Motor	Marine	Engineering	Micro	Aviation	Cattle and Crop	Miscellaneous	
As at Ashadh 32, 2079	115,390,115	95,558,313	20,968,137	114,755,603	963,519	-	14,745,571	43,631,173	406,012,431
Unearned Premiums Reserve	-	-	-	-	-	-	-	-	-
Premium Deficiency Reserve	152,762,802	46,972,745	6,777,993	25,107,494	105,850,000	-	4,494,400	8,132,018	350,097,452
Outstanding Claims	-	-	-	-	-	-	-	-	-
IBNR and IBNER	-	-	-	-	-	-	-	-	-
Margin For Adverse Deviation	-	-	-	-	-	-	-	-	-
Total Balance As at Ashadh 32, 2079	268,152,917	142,531,058	27,746,130	139,863,097	106,813,519	-	19,239,971	51,763,191	756,109,883
Changes during the year									
Unearned Premiums Reserve	128,750,169	(9,153,028)	3,395,301	139,375,500	(660,235)	71,900,850	12,246,051	15,143,207	360,997,815
Premium Deficiency Reserve	-	-	-	-	-	-	-	11,309,595	11,309,595
Outstanding Claims	344,993,393	62,019,662	11,867,049	116,468,970	162,730,000	-	2,918,080	22,114,747	723,111,901
IBNR and IBNER	79,014,507	154,550,086	9,063,523	73,138,880	3,858,342	9,680,273	17,460,361	41,594,655	388,360,627
Margin For Adverse Deviation	3,950,725	7,727,504	453,176	3,656,944	192,917	484,014	873,018	2,079,733	19,418,031
Total changes during the year	556,708,794	215,144,224	24,779,049	332,640,294	166,121,024	82,065,137	33,497,510	92,241,937	1,503,197,969
As at Ashadh 31, 2080	244,140,284	86,405,285	24,363,438	254,131,103	303,284	71,900,850	26,991,622	58,774,380	767,010,246
Unearned Premiums Reserve	-	-	-	-	-	-	-	11,309,595	11,309,595
Premium Deficiency Reserve	497,756,195	108,992,407	18,645,042	141,576,464	268,580,000	-	7,412,480	30,246,765	1,073,209,353
Outstanding Claims	79,014,507	154,550,086	9,063,523	73,138,880	3,858,342	9,680,273	17,460,361	41,594,655	388,360,627
IBNR and IBNER	3,950,725	7,727,504	453,176	3,656,944	192,917	484,014	873,018	2,079,733	19,418,031
Margin For Adverse Deviation	-	-	-	-	-	-	-	-	-
Total Balance As at Ashadh 31, 2080	824,861,711	357,675,282	52,525,179	472,503,391	272,934,543	82,065,137	52,737,481	144,005,128	2,259,307,852





Sanima GIC Insurance Limited

Notes to the Financial Statements

19.2 Disclosure of Outstanding claim

Fig. in NPR

S.No.	Type of insurance	Outstanding claim for claims intimated during the year (A)	Unclaimed Fund			Gross Outstanding Claim (A+B)	Reinsurance Share (C)	Net Outstanding Claim (A+B-C)
			Outstanding claim for claims intimated during the previous 1 year	Outstanding claim for claims intimated during the previous 2 year	Outstanding claim for claims intimated during the previous 3 year			
1	Property	146,173,680	361,233,053	1,306,420	-	508,713,153	497,756,195	10,956,958
2	Motor	251,508,806	41,280,186	8,311,595	1,872,173	302,972,760	108,992,407	193,980,353
3	Marine	13,866,230	3,565,000	540,000	3,590,000	21,561,230	18,645,042	2,916,188
4	Engineering	106,503,475	29,513,921	17,255,650	541,012	153,814,058	141,576,464	12,237,594
5	Micro	1,150,000	113,150,000	154,800,000	-	269,100,000	268,580,000	520,000
6	Aviation	-	-	-	-	-	-	-
7	Cattle and Crop	8,200,813	165,284	-	600,000	8,966,097	7,412,480	1,553,617
8	Miscellaneous	32,510,508	2,586,784	395,821	2,000,000	37,493,113	30,246,765	7,246,348
	Total	559,913,512	551,494,228	182,609,486	8,603,185	1,302,620,411	1,073,209,353	229,411,058



Sanima GIC Insurance Limited

Notes to the Financial Statements

Amount in NPR

20 Insurance Payables

Particulars	Current Year	Previous Year
Payable to Reinsurers	294,034,120	214,258,503
Payable to Other Insurance Companies	12,659,620	-
Withdrawal Premiums	-	-
Withdrawal Claims	-	-
Others (to be Specified)	-	-
Total	306,693,740	214,258,503

Payable within 12 months:

Particulars	Current Year	Previous Year
Payable to Reinsurers	294,034,120	214,258,503
Payable to Other Insurance Companies	12,659,620	-
Withdrawal Premiums	-	-
Withdrawal Claims	-	-
Others (to be Specified)	-	-
Total	306,693,740	214,258,503

21 Current Tax (Assets)/ Liabilities (Net)

Particulars	Current Year	Previous Year
Income Tax Liabilities	(93,542,799)	(65,740,151)
Income Tax Assets	144,357,829	72,531,636
Total	50,815,030	6,791,485

22 Borrowings

Particulars	Current Year	Previous Year
Bond	-	-
Debenture	-	-
Term Loan - Bank and Financial Institution	-	-
Bank Overdraft	-	-
Others (to be Specified)	-	-
Total	-	-

Payable within 12 months:

Particulars	Current Year	Previous Year
Bond	-	-
Debenture	-	-
Term Loan - Bank and Financial Institution	-	-
Bank Overdraft	-	-
Others (to be Specified)	-	-
Total	-	-



Sanima GIC Insurance Limited

Notes to the Financial Statements

Amount in NPR

23 Other Liabilities

Particulars	Current Year	Previous Year
TDS Payable	4,595,699	2,386,443
VAT Payable	29,955,783	11,730,271
Deposit Premium	5,444,834	1,595,666
Deferred Commission Income	167,869,956	106,269,696
Insurance Service Fee Payable	19,271,359	10,496,837
Lease Liability	4,263,836	51,357,709
Deferred Income	-	-
Others (to be specified)	-	-
i) Unidentified Insurance Premium Deposit	3,607,290	1,401,859
Total	235,008,757	185,238,481

Payable within 12 months:

Particulars	Current Year	Previous Year
TDS Payable	4,595,699	2,386,443
VAT Payable	29,955,783	11,730,271
Deposit Premium	5,444,834	1,595,666
Deferred Commission Income	167,869,956	106,269,696
Insurance Service Fee Payable	19,271,359	10,496,837
Lease Liability	4,263,836	51,357,709
Deferred Income	-	-
Others (to be specified)	-	-
i) Unidentified Insurance Premium Deposit	3,607,290	1,401,859
Total	235,008,757	185,238,481

24 Other Financial Liabilities

Particulars	Current Year	Previous Year
Redeemable Preference Shares	-	-
Irredeemable Cumulative Preference Shares	-	-
Refundable Share Application Money	-	-
Payable to Insured	8,472,277	2,487,978
Payable to Agent	7,430,685	2,946,462
Payable to Surveyors	4,473,748	1,898,642
Sundry Creditors	14,553,485	2,530,809
Retention and deposits	-	-
Short-term employee benefits payable	-	-
i) Salary Payable	-	67,728
ii) PF & CIT Payable	741,925	41,118
iii) Other employee benefit payable	3,257,416	2,749,962
Audit Fee Payable	756,613	319,062
Actuarial Fees Payable	960,000	244,706
Dividend Payable	-	-
Others (to be Specified)	-	-
i) Bid Security	600,000	600,000
Total	41,246,148	13,886,467

Continue...



Sanima GIC Insurance Limited

Notes to the Financial Statements

Amount in NPR

Payable within 12 months:

Particulars	Current Year	Previous Year
Redeemable Preference Shares	-	-
Irredeemable Cumulative Preference Shares	-	-
Payable to Agent	7,430,685	2,946,462
Payable to Surveyors	4,473,748	1,898,642
Refundable Share Application Money	-	-
Payable to Insured	8,472,277	2,487,978
Sundry Creditors	14,553,485	2,530,809
Retention and deposits	-	-
Short-term employee benefits payable	-	-
i) Salary Payable	-	67,728
ii) PF & CIT Payable	741,925	41,118
iii) Other employee benefit payable	3,257,416	2,749,962
Audit Fee Payable	756,613	319,062
Actuarial Fees Payable	960,000	244,706
Dividend Payable	-	-
Others (to be Specified)	-	-
i) Bid Security	600,000	600,000
Total	41,246,148	13,886,467



Sanima GIC Insurance Limited

Notes to the Financial Statements

Amount in NPR

25 Gross Earned Premiums

Particulars	Direct Premiums		Premium on Reinsurance Accepted		Gross Change in Unearned Premiums		Gross Earned Premiums	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Property	491,762,322	251,931,174	144,000	(19,463)	(63,043,064)	(45,912,267)	428,863,258	205,999,444
Motor	578,380,560	342,932,616	130,815,801	65,625,994	91,120,697	(68,664,220)	800,317,058	339,894,390
Marine	88,933,648	63,097,914	64,174	229,750	48,339,132	(7,101,106)	137,336,954	56,226,558
Engineering	468,244,320	184,731,513	729,646	1,096,097	(37,602,596)	(59,992,500)	431,371,370	125,835,110
Micro	6,812,273	4,077,704	-	-	590,327	13,898,124	7,402,600	17,975,828
Aviation	97,020,350	-	-	-	(72,097,397)	-	24,922,953	-
Cattle and Crop	55,886,364	37,148,220	-	-	10,456,424	(1,033,012)	66,342,788	36,115,208
Miscellaneous	161,263,990	98,750,948	152,380	81,347	44,932,000	(29,212,386)	206,348,370	69,619,909
Total	1,948,303,827	982,670,089	131,906,001	67,013,725	22,695,523	(198,017,367)	2,102,905,351	851,666,447

25.1 Direct Premiums

Particulars	New Business Premium		Renewal Premium		Co-Insurance Premium		Total Direct Premium	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Property	281,280,535	129,444,442	176,860,827	104,604,143	33,620,960	17,882,589	491,762,322	251,931,174
Motor	411,048,452	270,445,980	166,925,456	72,406,789	406,652	79,847	578,380,560	342,932,616
Marine	87,513,964	63,043,320	1,419,684	54,594	-	-	88,933,648	63,097,914
Engineering	421,727,975	178,611,303	18,299,255	5,912,674	28,217,090	207,536	468,244,320	184,731,513
Micro	3,012,584	2,333,328	3,799,689	1,744,376	-	-	6,812,273	4,077,704
Aviation	97,020,350	-	-	-	-	-	97,020,350	-
Cattle and Crop	53,494,380	34,136,623	2,391,984	3,011,597	-	-	55,886,364	37,148,220
Miscellaneous	129,975,568	81,574,482	29,977,618	14,877,567	1,310,804	2,298,899	161,263,990	98,750,948
Total	1,485,073,808	759,589,478	399,674,513	202,611,740	63,555,506	20,468,871	1,948,303,827	982,670,089



Sanima GIC Insurance Limited

Notes to the Financial Statements

Amount in NPR

26 Premiums Ceded

Particulars	Premiums Ceded to Reinsurers		Reinsurer's Share of Change in Unearned Premiums		Premium Ceded	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Property	417,018,098	224,192,421	(27,793,134)	(42,902,364)	389,224,964	181,290,057
Motor	264,869,398	208,473,324	104,560,728	(27,672,409)	369,430,126	180,800,915
Marine	77,073,706	52,408,799	53,084,133	(2,281,630)	130,157,839	50,127,169
Engineering	436,099,441	172,013,207	(33,410,445)	(53,213,747)	402,688,996	118,799,460
Micro	1,048,303	2,084,888	660,235	(186,300)	1,708,538	1,898,588
Aviation	97,010,648	-	(71,864,172)	-	25,146,476	-
Cattle and Crop	46,944,241	29,718,576	7,960,146	(623,825)	54,904,387	29,094,751
Miscellaneous	122,810,269	83,130,982	51,102,044	(24,651,456)	173,912,313	58,479,526
Total	1,462,874,104	772,022,197	84,299,535	(151,531,731)	1,547,173,639	620,490,466

26.1 Portfolio-wise detail of Net Earned Premiums

Particulars	Gross Earned Premiums		Premiums Ceded		Net Earned Premiums	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Property	428,863,258	205,999,444	389,224,964	181,290,057	39,638,294	24,709,387
Motor	800,317,058	339,894,390	369,430,126	180,800,915	430,886,932	159,093,475
Marine	137,336,954	56,226,558	130,157,839	50,127,169	7,179,115	6,099,389
Engineering	431,371,370	125,835,110	402,688,996	118,799,460	28,682,374	7,035,650
Micro	7,402,600	17,975,828	1,708,538	1,898,588	5,694,062	16,077,240
Aviation	24,922,953	-	25,146,476	-	(223,523)	-
Cattle and Crop	66,342,788	36,115,208	54,904,387	29,094,751	11,438,401	7,020,457
Miscellaneous	206,348,370	69,619,909	173,912,313	58,479,526	32,436,057	11,140,383
Total	2,102,905,351	851,666,447	1,547,173,639	620,490,466	555,731,712	231,175,981

27 Commission Income

Particulars	Reinsurance Commission Income		Deferred Commission Income		Profit Commission		Commission Income	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Property	126,567,367	70,937,985	15,122,281	12,570,515	22,391,552	(743,053)	133,836,638	57,624,417
Motor	28,511,256	39,063,615	(20,035,507)	6,726,392	(1,092,801)	2,291,733	47,453,962	34,628,956
Marine	25,018,628	16,592,720	(4,123,750)	1,293,960	6,016,556	(1,065,275)	35,158,934	14,233,485
Engineering	93,893,536	38,804,856	4,418,627	12,878,252	12,514,735	3,351,943	101,989,644	29,278,547
Micro	393,114	782,217	(2,238,557)	436,426	-	-	2,631,671	345,791
Aviation	-	-	(3,287)	-	-	-	3,287	-
Cattle and Crop	9,500,606	5,052,158	867,899	355,359	3,152,589	-	11,785,296	4,696,799
Miscellaneous	42,947,827	27,713,011	(7,691,796)	8,362,377	8,785,595	680,975	59,425,218	20,031,609
Total	326,832,334	198,946,562	(13,684,090)	42,623,281	51,768,226	4,516,323	392,284,650	160,839,604

28 Other Direct Income

Particulars	Direct Income		Others (to be Specified)		Total Other Direct Income	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Property	-	-	-	-	-	-
Motor	10,299,630	4,865,397	-	-	10,299,630	4,865,397
Marine	-	-	-	-	-	-
Engineering	-	-	-	-	-	-
Micro	-	-	-	-	-	-
Aviation	-	-	-	-	-	-
Cattle and Crop	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Total	10,299,630	4,865,397	-	-	10,299,630	4,865,397



Sanima GIC Insurance Limited

Notes to the Financial Statements

Amount in NPR

29 Investment Income

Particulars	Current Year	Previous Year
Interest Income from Financial Assets Measured at Amortised Costs		
i) Fixed Deposit with "A" Class Financial Institutions	214,923,063	103,413,761
ii) Fixed Deposit with Infrastructure Bank	-	-
iii) Fixed Deposit with "B" Class Financial Institutions	20,038,512	7,729,618
iv) Fixed Deposit with "C" Class Financial Institutions	2,547,492	789,243
v) Debentures	5,535,405	1,614,630
vi) Bonds (Nepal Government/ NRB/ Guaranteed by Nepal Government)	-	-
vii) Preference Shares of Bank and Financial Institutions	-	-
viii) Bank Deposits other than Fixed Deposit	3,559,374	488,719
ix) Agents Loan	-	-
x) Employee Loan	684,525	131,063
xi) Other Interest Income (to be specified)	-	-
Financial Assets Measured at at FVTOCI		
i) Interest Income on Debentures	-	-
ii) Dividend Income	180,912	-
iii) Other Interest Income (to be specified)	-	-
Financial Assets Measured at at FVTPL		
i) Dividend Income	-	-
ii) Other Interest Income (to be specified)	-	-
Rental Income	-	-
Others (to be specified)	-	-
Total	247,469,283	114,167,034

30 Net Gains/ (Losses) on Fair Value Changes

Particulars	Current Year	Previous Year
Changes in Fair Value of Financial Assets Measured at FVTPL		
i) Equity Instruments	-	-
ii) Mutual Fund	-	-
iii) Others (to be specified)	-	-
Changes in Fair Value on Investment Properties	-	-
Changes in Fair Value on Hedged Items in Fair Value Hedges	-	-
Changes in Fair Value on Hedging Instruments in Fair Value Hedges	-	-
Gains/(Losses) of Ineffective Portion on Cash Flow Hedge	-	-
Others (to be specified)	-	-
Total	-	-

31 Net Realised Gains/ (Losses)

Particulars	Current Year	Previous Year
Realised Gains/(Losses) on Derecognition of Financial Assets Measured at FVTPL		
i) Equity Instruments	-	-
ii) Mutual Fund	-	-
iii) Others (to be specified)	-	-
Realised Gains/(Losses) on Derecognition of Financial Assets at Amortised Costs		
i) Debentures	-	-
ii) Bonds	-	-
iii) Others (to be specified)	-	-
Total	-	-



Sanima GIC Insurance Limited

Notes to the Financial Statements

Amount in NPR

32 Other Income

Particulars	Current Year	Previous Year
Unwinding of discount on Financial Assets at Amortised Cost		
i) Employee Loan	-	-
ii) Bonds	-	-
iii) Others (to be Specified)	-	-
Foreign Exchange Income	11,107,310	586,041
Interest Income from Finance Lease	-	-
Profit from disposal of Property, Plant and Equipment	(726,351)	(103,836)
Amortization of Deferred Income	-	-
Stamp Income	2,228,470	1,276,660
Others (to be specified)	-	-
i) Management Expenses Recovery	-	-
ii) Gain on Derecognition of Lease Liability	6,662,628	-
iii) Miscellaneous Income	2,455,081	239,514
Total	21,727,138	1,998,379

33 Gross Claims Paid and Claims Ceded

Particulars	Gross Claims Paid		Claims Ceded		Net Claims Paid before Change in Contract Liabilities	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Property	274,291,407	57,059,526	257,747,677	54,493,722	16,543,730	2,565,804
Motor	353,609,012	153,190,184	124,440,188	65,054,842	229,168,824	88,135,342
Marine	24,491,466	2,914,719	21,240,744	2,293,617	3,250,722	621,102
Engineering	56,629,297	12,925,308	49,210,114	10,450,772	7,419,183	2,474,536
Micro	93,550,409	836,888	93,504,548	800,000	45,861	36,888
Aviation	-	-	-	-	-	-
Cattle and Crop	41,478,520	19,623,140	33,843,477	15,698,512	7,635,043	3,924,628
Miscellaneous	146,321,505	17,532,176	118,021,765	13,676,625	28,299,740	3,855,551
Total	990,371,616	264,081,941	698,008,513	162,468,090	292,363,103	101,613,851

33.1 Details of Gross Claim Paid

Particulars	Claim Paid		Survey Fees		Total Claims Paid	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Property	265,835,010	55,635,102	8,456,397	1,424,424	274,291,407	57,059,526
Motor	343,383,233	149,439,855	10,225,779	3,750,329	353,609,012	153,190,184
Marine	22,601,429	2,686,134	1,890,037	228,585	24,491,466	2,914,719
Engineering	51,174,831	12,095,045	5,454,466	830,263	56,629,297	12,925,308
Micro	93,529,670	836,888	20,739	-	93,550,409	836,888
Aviation	-	-	-	-	-	-
Cattle and Crop	41,382,167	19,582,440	96,353	40,700	41,478,520	19,623,140
Miscellaneous	145,871,012	17,471,608	450,493	60,568	146,321,505	17,532,176
Total	963,777,352	257,747,072	26,594,264	6,334,869	990,371,616	264,081,941



Sanima GIC Insurance Limited

Notes to the Financial Statements

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34 Change in Insurance Contract Liabilities

Particulars	Gross Change in Contract Liabilities		Change in Reinsurance Assets		Net Change in Contract Liabilities	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Property	(86,794,338)	78,556,912	(59,769,072)	75,511,044	(27,025,266)	3,045,868
Motor	236,379,141	39,720,400	186,313,441	10,662,328	50,065,700	29,058,072
Marine	2,484,660	1,803,125	1,182,508	1,245,965	1,302,152	557,160
Engineering	120,603,065	9,485,177	113,978,532	8,017,988	6,624,533	1,467,189
Micro	(91,433,354)	30,051,058	(89,132,949)	30,340,000	(2,300,405)	(288,942)
Aviation	10,198,558	-	10,164,287	-	34,271	-
Cattle and Crop	13,960,104	79,511	16,036,739	335,840	(2,076,635)	(256,329)
Miscellaneous	77,231,575	5,278,463	64,368,829	3,010,144	12,862,746	2,268,319
Total	282,629,411	164,974,646	243,142,315	129,123,309	39,487,096	35,851,337

35 Commission Expenses

Particulars	Commission Expenses on Insurance Contracts		Commission Expenses on Reinsurance Accepted		Deferred Commission Expenses		Commission Expenses	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Property	6,021,593	2,518,441	27,360	(3,698)	737,752	9,472	5,311,201	2,505,271
Motor	3,957,318	2,482,770	-	-	(1,209,991)	286,583	5,167,309	2,196,187
Marine	670,799	541,756	12,193	43,652	(142,089)	24,429	825,081	560,979
Engineering	14,508,875	5,508,461	128,307	188,238	1,821,297	1,469,991	12,815,885	4,226,708
Micro	651,857	391,861	-	-	(110,574)	71,301	762,431	320,560
Aviation	-	-	-	-	(3,210)	-	3,210	-
Cattle and Crop	5,536,881	3,380,590	-	-	(1,281,058)	(278,661)	6,817,939	3,659,251
Miscellaneous	3,176,617	2,532,303	27,144	14,334	(3,140,857)	714,075	6,344,618	1,832,562
Total	34,523,940	17,356,182	195,004	242,526	(3,328,730)	2,297,190	38,047,674	15,301,518

36 Service Fees

Particulars	Gross Service Fees		Reinsurer's Share of Service Fees		Net Service Fees	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Property	3,891,474	2,519,117	3,338,612	2,282,254	552,862	236,863
Motor	5,628,881	4,085,586	1,053,669	1,428,473	4,575,212	2,657,113
Marine	720,782	633,277	598,057	508,257	122,725	125,020
Engineering	3,682,218	1,858,276	3,479,589	1,696,614	202,629	161,662
Micro	54,749	40,777	8,291	21,137	46,458	19,640
Aviation	727,653	-	727,580	-	73	-
Cattle and Crop	448,551	371,482	446,561	297,186	1,990	74,296
Miscellaneous	1,321,857	988,323	1,021,049	816,452	300,808	171,871
Total	16,476,165	10,496,838	10,673,408	7,050,373	5,802,757	3,446,465



Sanima GIC Insurance Limited

Notes to the Financial Statements

Amount in NPR

37 Other Direct Expenses

Particulars	Direct Expenses		Other (to be Specified)		Total Other Direct Expenses	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Property	891,670	239,030	-	-	891,670	239,030
Motor	9,607,111	4,904,494	-	-	9,607,111	4,904,494
Marine	153,830	131,250	-	-	153,830	131,250
Engineering	25,610	18,350	-	-	25,610	18,350
Micro	55,700	35,769	-	-	55,700	35,769
Aviation	-	-	-	-	-	-
Cattle and Crop	1,093,600	1,031,020	-	-	1,093,600	1,031,020
Miscellaneous	147,750	72,900	-	-	147,750	72,900
Total	11,975,271	6,432,813	-	-	11,975,271	6,432,813

38 Employee Benefits Expenses

Particulars	Current Year	Previous Year
Salaries	105,240,954	40,193,021
Allowances	79,867,542	31,869,507
Festival Allowance	5,960,070	4,635,417
Defined Benefit Plans	-	-
i) Others (to be Specified)	-	-
Defined Contribution Plans	-	-
i) Provident Fund	10,524,095	4,019,302
ii) Gratuity	8,760,069	3,346,857
iii) Others (to be Specified)	-	-
Leave Encashments	18,257,186	4,866,187
Termination Benefits	-	-
Training Expenses	5,327,140	1,914,049
Uniform Expenses	-	-
Medical Expenses	-	-
Staff Insurance Expenses	3,966,461	1,377,285
Staff Welfare Expenses	2,480,562	854,857
Others (to be Specified)	-	-
i) Overtime Expenses	201,926	62,090
Sub Total	240,586,005	93,138,572
Employee Bonus	44,590,461	16,058,341
Total	285,176,466	109,196,913

39 Depreciation & Amortization Expenses

Particulars	Current Year	Previous Year
Amortization of Intangible Assets (Refer Note 4)	830,723	338,000
Depreciation on Property, Plant and Equipment (Refer Note 5)	22,775,268	18,487,179
Depreciation on Investment Properties (Refer Note 6)	-	-
Total	23,605,991	18,825,179



Sanima GIC Insurance Limited

Notes to the Financial Statements

Amount in NPR

40 Impairment Losses

Particulars	Current Year	Previous Year
Impairment Losses on PPE, Investment Properties and Intangible Assets		
i) Property, Plant and Equipment	-	-
ii) Investment Properties	-	-
iii) Intangible Assets	-	-
Impairment Losses on Financial Assets		
i) Investment	-	-
ii) Loans	-	-
iii) Other Financial Assets	-	-
iv) Cash and Cash Equivalent	-	-
v) Others (to be Specified)	-	-
Impairment Losses on Other Assets		
i) Reinsurance Assets	-	-
ii) Insurance Receivables	687,692	-
iii) Lease Receivables	-	-
iv) Others (to be Specified)	-	-
Reversal of impairment losses	(1,299,264)	
Total	(611,572)	-

41 Other Operating Expenses

Particulars	Current Year	Previous Year
Rent Expenses	38,722,787	11,214,243
Electricity and Water	3,460,469	1,613,105
Repair & Maintenance		
i) Building	-	-
ii) Vehicle	1,914,764	905,796
iii) Office Equipments	700,396	586,319
iv) Others Assets	105,173	253,119
Telephone & Communication	7,066,148	3,607,777
Printing & Stationary	7,957,213	3,203,710
Office Consumable Expenses	6,966,246	3,201,288
Travelling Expenses		
i) Domestic	2,805,699	1,937,088
ii) Foreign	919,434	239,747
Transportation & Fuel Expenses	15,512,955	6,260,907
Agent Training	-	412,448
Other Agent Expenses	-	-
Insurance Premium	1,073,585	595,629
Security & Outsourcing Expenses	2,708,601	8,447,562
Legal and Consulting Expenses	1,742,941	1,052,500
Newspapers, Books and Periodicals	77,199	44,113
Advertisement & Promotion Expenses	2,539,123	1,263,981
Business Promotion	711,765	565,000
Guest Entertainment	5,602,883	2,109,979
Gift and Donations	-	10,000

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Sanima GIC Insurance Limited

Notes to the Financial Statements

Amount in NPR

Particulars	Current Year	Previous Year
Board Meeting Fees and Expenses		
i) Meeting Allowances	840,000	630,000
ii) Other Allowances	480,000	80,088
Other Committee/ Sub-committee Expenses		
i) Meeting Allowances	372,000	420,000
ii) Other Allowances	-	-
General Meeting Expenses	787,458	252,620
Actuarial Service Fee	414,118	244,706
Other Actuarial Expenses	-	-
Audit Related Expenses		
i) Statutory Audit	300,000	225,000
ii) Tax Audit	-	-
iii) Long Form Audit Report	-	-
iv) Other Fees	-	-
v) Internal Audit	325,000	175,000
vi) Other Expenses	484,033	81,536
Bank Charges	1,022,209	524,851
Fee and Charges	4,153,513	2,747,411
Postage Charges	1,662,000	875,290
Foreign Exchange Losses	-	-
Fines and Penalties	-	23,000
Others		
i) Office Cleaning Expenses	2,672,482	1,462,690
ii) Server & Web Management Services Exp	5,669,479	3,190,409
iii) Miscellaneous Expenses	575,715	324,957
iv) Corporate Social Responsibility Expenses	1,616,000	-
v) Merger Related Expenses	8,390,087	155,493
Total	130,351,475	58,937,362

42 Finance Cost

Particulars	Current Year	Previous Year
Unwinding of discount on Provisions	-	-
Unwinding of discount on Financial Liabilities at Amortised Costs	-	-
Interest Expenses - Bonds	-	-
Interest Expenses - Debentures	-	-
Interest Expenses - Term Loans	-	-
Interest Expenses - Lease	-	2,457,539
Interest Expenses - Overdraft Loans	-	-
Others (to be specified)	-	-
Total	-	2,457,539



Sanima GIC Insurance Limited

Notes to the Financial Statements

Amount in NPR

43 Income Tax Expense

(a) Income Tax Expense

Particulars	Current Year	Previous Year
Current Tax		
i) Income Tax Expenses for the Year	(93,542,799)	(65,497,894)
ii) Income Tax Relating to Prior Periods	(8,778,561)	(242,257)
Deferred Tax For The Year		
i) Originating and reversal of temporary differences	(25,445,260)	16,735,010
ii) Changes in tax rate	-	-
iii) Recognition of previously unrecognised tax losses	-	-
iv) Write-down or reversal	-	-
v) Others (to be Specified)	-	-
Income Tax Expense	(127,766,620)	(49,005,141)

(b) Reconciliation of Taxable Profit & Accounting Profit

Particulars	Current Year	Previous Year
Accounting Profit Before Tax	401,314,152	160,983,418
Applicable Tax Rate	30%	30%
Tax at the applicable rate on Accounting Profit	120,394,246	48,295,025
Add: Tax effect of expenses that are not deductible for tax purpose	-	-
i) Disallowed Expenses	(729,635)	94,650
ii) Other Timing Differences	(676,552)	-
Less: Tax effect on exempt income and additional deduction	-	-
i)	-	-
ii)	-	-
Less: Adjustments to Current Tax for Prior Periods	-	-
i) As per self Assessed Tax Return	8,778,561	242,258
ii) Reversal of Lease Liability	-	373,208
Add/ (Less): Others	-	-
i)	-	-
ii)	-	-
Income Tax Expense	127,766,620	49,005,141
Effective Tax Rate	31.84%	30.44%

44 Employee Retirement Benefits

a) Post Employment Benefit - Defined Contribution Plans

For the year ended Ashadh 31,2080 (July 16, 2023) the company has recognised an amount of NPR. 19,284,164 as an expenses under the defined contribution plans in the Statement of Profit or Loss.

b) Earned Leave Plan_Other Longterm Employee Benefit

For Defined Benefit Plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with Actuarial Valuations being carried out.



Sanima GIC Insurance Limited

Notes to the Financial Statements

Amount in NPR

c) Total Expenses Recognised in the Statement of Profit or Loss

Particulars	Employee Benefit Plan		Any Other Funded Liability	
	Current Year	Previous Year	Current Year	Previous Year
Current service cost	2,951,808	353,984	-	-
Past service cost	-	-	-	-
Net interest cost	583,253	346,597	-	-
a. Interest expense on defined benefit obligation (DBO)	-	-	-	-
b. Interest (income) on plan assets	(374,173)	(281,304)	-	-
c. Actuarial (gain)/ loss	15,086,678	3,915,413	-	-
Defined benefit cost included in Statement of Profit or Loss	18,247,566	4,334,690	-	-

d) Remeasurement effects recognised in Statement of Other Comprehensive Income (OCI)

Particulars	Employee Benefit Plan		Any Other Funded Liability	
	Current Year	Previous Year	Current Year	Previous Year
a. Actuarial (gain)/ loss due to financial assumption changes in DBO	-	-	-	-
b. Actuarial (gain)/ loss due to experience on DBO	-	-	-	-
c. Return on plan assets (greater)/ less than discount rate	-	-	-	-
Total actuarial (gain)/ loss included in OCI	-	-	-	-

e) Total cost recognised in Comprehensive Income

Particulars	Employee Benefit Plan		Any Other Funded Liability	
	Current Year	Previous Year	Current Year	Previous Year
Cost recognised in Statement of Profit or Loss	18,247,566	4,334,690	-	-
Remeasurements effects recognised in OCI	-	-	-	-
Total cost recognised in Comprehensive Income	18,247,566	4,334,690	-	-

f) Change in Defined Benefit Obligation

Particulars	Employee Benefit Plan		Any Other Funded Liability	
	Current Year	Previous Year	Current Year	Previous Year
Defined benefit obligation as at the beginning of the year	11,332,289.00	7,557,794	-	-
Service cost	2,951,808.00	353,984	-	-
Interest cost	583,253.00	346,597	-	-
Benefit payments from plan assets	(4,397,122.00)	(841,499)	-	-
Actuarial (gain)/ loss - financial assumptions	15,230,100.00	3,915,413	-	-
Acquisition/Business Combination	11,917,394.00	-	-	-
Defined Benefit Obligation As At Year End	37,617,722	11,332,289	-	-

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Sanima GIC Insurance Limited

Notes to the Financial Statements

Amount in NPR

g) Change in Fair Value of Plan Assets

Particulars	Employee Benefit Plan		Any Other Funded Liability	
	Current Year	Previous Year	Current Year	Previous Year
Fair value of plan assets at end of prior year	7,483,453	-	-	-
Expected return on plan assets	374,173	281,304	-	-
Employer contributions	-	7,557,794	-	-
Participant contributions	-	-	-	-
Benefit payments from plan assets	(898,466)	(355,646)	-	-
Transfer in/ transfer out	-	-	-	-
Actuarial gain/ (loss) on plan assets	143,423	123,995	-	-
Fair value of Plan Assets At End of Year	7,102,583	7,607,447	-	-

h) Net Defined Benefit Asset/(Liability)

Particulars	Employee Benefit Plan		Any Other Funded Liability	
	Current Year	Previous Year	Current Year	Previous Year
Defined Benefit Obligation	37,617,722	11,332,289	-	-
Fair Value of Plan Assets	-	-	-	-
(Surplus)/Deficit Recognised in Statement of Financial Position	37,617,722	11,332,289	-	-

i) Expected Company Contributions for the Next Year

Particulars	Employee Benefit Plan		Any Other Funded Liability	
	Current Year	Previous Year	Current Year	Previous Year
Expected company contributions for the next year	-	-	-	-
(Surplus)/Deficit Recognised in Statement of Financial Position	-	-	-	-

j) Reconciliation of amounts in Statement of Financial Position

Particulars	Employee Benefit Plan		Any Other Funded Liability	
	Current Year	Previous Year	Current Year	Previous Year
Net defined benefit liability/(asset) at prior year end	3,848,836	7,557,794	-	-
Defined benefit cost included in Statement of Profit or Loss	18,247,566	4,334,689	-	-
Total remeasurements included in OCI	-	-	-	-
Acquisition/ divestment	11,917,394	-	-	-
Employer contributions	-	(8,043,647)	-	-
Benefits Paid Out	(3,498,655)	-	-	-
Net defined benefit liability/(asset)	30,515,141	3,848,836	-	-

k) Reconciliation of Statement of Other Comprehensive Income

Particulars	Employee Benefit Plan		Any Other Funded Liability	
	Current Year	Previous Year	Current Year	Previous Year
Cumulative OCI - (Income)/Loss, beginning of period	-	-	-	-
Total remeasurements included in OCI	-	-	-	-
Cumulative OCI - (Income)/Loss	-	-	-	-

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Sanima GIC Insurance Limited

Notes to the Financial Statements

Amount in NPR

l) Current/Non - Current Liability

Particulars	Employee Benefit Plan		Any Other Funded Liability	
	Current Year	Previous Year	Current Year	Previous Year
Current Liability	6,273,053	2,286,282	-	-
Non - Current Liability	31,344,669	9,046,007	-	-
Total	37,617,722	11,332,289	-	-

m) Expected Future Benefit Payments

Particulars	Employee Benefit Plan		Any Other Funded Liability	
	Current Year	Previous Year	Current Year	Previous Year
Within 1 year	-	-	-	-
Between 1-2 years	-	-	-	-
Between 2-5 years	-	-	-	-
From 6 to 10	-	-	-	-
Total	-	-	-	-

n) Plan assets

Particulars	Employee Benefit Plan		Any Other Funded Liability	
	Current Year (% Invested)	Previous Year (% Invested)	Current Year (% Invested)	Previous Year (% Invested)
Government Securities (Central and State)	-	-	-	-
Corporate Bonds (including Public Sector bonds)	-	-	-	-
Mutual Funds	-	-	-	-
Deposits	-	-	-	-
Cash and bank balances	-	-	-	-
Others (to be Specified)	-	-	-	-
Total	-	-	-	-

o) Sensitivity Analysis

Particulars	Employee Benefit Plan		Any Other Funded Liability	
	Current Year	Previous Year	Current Year	Previous Year
Effect in Defined Benefit Obligation Due to 1% Increase in Discount Rate	-	-	-	-
Effect in Defined Benefit Obligation Due to 1% Decrease in Discount Rate	-	-	-	-
Effect in Defined Benefit Obligation Due to 1% Increase in Salary Escalation Rate	-	-	-	-
Effect in Defined Benefit Obligation Due to 1% Decrease in Salary Escalation Rate	-	-	-	-
Effect in Defined Benefit Obligation Due to 1% Increase in Attrition Rate	-	-	-	-
Effect in Defined Benefit Obligation Due to 1% Decrease in Attrition Rate	-	-	-	-



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p) Assumptions

Particulars	Employee Benefit Plan	Any Other Funded Liability
Discount Rate	5.00%	-
Escalation Rate (Rate of Increase in Compensation Levels)	3.33%	-
Attrition Rate (Employee Turnover)	11.00%	-
Mortality Rate During Employment	Nepali Assured lives mortality 2009	-

45 Fair Value Measurements

(i) Financial Instruments by Category & Hierarchy

This section explains the judgements and estimates made in determining the Fair Values of the Financial Instruments that are (a) recognised and measured at fair value and (b) measured at Amortised Cost and for which Fair Values are disclosed in the Financial Statements.

To provide an indication about the reliability of the inputs used in determining Fair Value, the Company has classified its financial instruments into Three Levels prescribed as per applicable NFRS.

Particulars	Level	Current Year			Previous Year		
		FVTPL	FVOCI	Amortised Cost	FVTPL	FVOCI	Amortised Cost
Investments							
i) Investment in Equity Instruments	1	-	36,769,344	-	-	4,742,768	-
ii) Investment in Mutual Funds	1	-	3,128,192	-	-	666,700	-
iii) Investment in Preference Shares of Bank and Financial Institutions		-	-	-	-	-	-
iv) Investment in Debentures	3	-	-	69,743,000	-	-	17,378,000
v) Investment in Bonds (Nepal Government/ NRB/ Guaranteed by Nepal Government)		-	-	-	-	-	-
vi) Fixed Deposits	3	-	-	2,824,500,000	-	-	1,498,800,000
vii) Others (to be specified)		-	-	-	-	-	-
Loans	3	-	-	10,713,949	-	-	5,134,676
Other Financial Assets	3	-	-	95,846,028	-	-	50,230,693
Cash and Cash Equivalents	3	-	-	302,729,885	-	-	120,968,680
Total Financial Assets		-	39,897,536	3,303,532,862	-	5,409,468	1,692,512,049
Loans and Borrowings		-	-	-	-	-	-
Other Financial Liabilities	3	-	-	41,246,148	-	-	13,886,467
Insurance Payables	3	-	-	306,693,740	-	-	214,258,503
Total Financial Liabilities		-	-	347,939,888	-	-	228,144,970

Level 1 : Level 1 Hierarchy includes Financial Instruments measured using Quoted Prices.

Level 2 : Fair Value of Financial Instruments that are not traded in an active market is determined using valuation techniques which maximises the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to determine Fair Value of an instrument are observable, the instrument is included in Level 2.

Level 3 : If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.



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There is no transfer of Financial Instruments between different levels as mentioned above during the year.

(ii) Valuation Technique Used to Determine Fair Value

- Use of quoted market prices or dealer quotes for similar instruments
- Fair Value of remaining financial instruments is determined using discounted cash flow analysis

(iii) Valuation Process

The finance and accounts department of the Company performs the valuation of financial assets and liabilities required for financial reporting purposes. Discussion on valuation processes and results are held at least once in a year.

The main level 3 inputs are derived and evaluated as follows:

- Discount rate is arrived at considering the internal and external factors.
- Discounting has been applied where assets and liabilities are non-current, and the impact of the discounting is material

(iv) Fair Value of Financial Assets and Liabilities Measured at Amortised Cost

Particulars	Current Year		Previous Year	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Investments				
i) Investment in Preference Shares of Bank and Financial Institutions	-	-	-	-
ii) Investment in Debentures	69,743,000	69,743,000	17,378,000	17,378,000
iii) Investment in Bonds (Nepal Government/ NRB/ Guaranteed by Nepal Government)	-	-	-	-
iv) Fixed Deposit	2,824,500,000	2,824,500,000	1,498,800,000	1,498,800,000
v) Others (to be Specified)	-	-	-	-
Loans				
i) Loan to Associates	-	-	-	-
ii) Loan to Employees	10,713,949	10,713,949	5,134,676	5,134,676
iii) Others (to be Specified)	-	-	-	-
Other Financial Assets	95,846,028	95,846,028	50,230,693	50,230,693
Total Financial Liabilities at Amortised Cost	3,000,802,977	3,000,802,977	1,571,543,369	1,571,543,369
Loans and Borrowings				
i) Bond	-	-	-	-
ii) Debenture	-	-	-	-
iii) Term Loan - Bank and Financial Institution	-	-	-	-
iv) Bank Overdraft	-	-	-	-
v) Others (to be Specified)	-	-	-	-
Other Financial Liabilities	41,246,148	41,246,148	13,886,467	13,886,467
Total Financial Liabilities at Amortised Cost	41,246,148	41,246,148	13,886,467	13,886,467

The fair values of the above financial instruments measured at amortised cost are calculated based on cash flows discounted using current discount rate.

The carrying amounts of cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.



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46 Insurance Risk

Insurance risk includes the risk of incurring higher claims costs than expected owing to the random nature of claims, frequency and severity and the risk of change in the legal or economic conditions of insurance or reinsurance cover. This may result in the insurer having either received too little premium for the risks it has agreed to underwrite and hence has not enough funds to invest and pay claims, or that claims are in excess of those expected.

The Company seeks to minimise insurance risk through a formalised reinsurance arrangement with an appropriate mix and spread of business between classes of business based on its overall strategy. This is complemented by observing formalised risk management policies.

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

- a) Product development
- b) Pricing
- c) Underwriting
- d) Reinsurance
- e) Claims Handling
- f) Reserving

a) Product development:

The Company principally issues the following types of Non-Life Insurance contracts:

- Property
- Motor
- Marine
- Engineering
- Micro
- Aviation
- Cattle and Crop
- Miscellaneous

The significant risks arising under the Non-Life Insurance portfolio emanates from changes in the climate leading to natural disasters, behavioral trends of people due to changing life styles, the steady escalation of costs in respect of spares in the auto industry.

The above risk exposure is mitigated by the diversification across a large portfolio of insurance contracts and geographical areas. The variability of risks 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 and level of insured benefits.

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 put in place 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.

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Notes to the Financial Statements

The Company's Business on Portfolio wise basis is as follows

Portfolio	Current Year		Previous Year	
	Gross Written Premium	% Concentration	Gross Written Premium	% Concentration
Property	491,906,322	24%	251,911,711	24%
Motor	709,196,361	34%	408,558,610	39%
Marine	88,997,822	4%	63,327,664	6%
Engineering	468,973,966	23%	185,827,610	18%
Micro	6,812,273	0%	4,077,704	0%
Aviation	97,020,350	5%	-	0%
Cattle and Crop	55,886,364	3%	37,148,220	4%
Miscellaneous	161,416,370	8%	98,832,295	9%
Total	2,080,209,828	100%	1,049,683,814	100%

b) Pricing:

The pricing of an insurance product involves the estimation of claims, operational and financing costs and the income arising from investing the premium received. The pricing process typically comprises collecting data on the underlying risks to be covered, determining the pricing assumptions and the base rate, setting the final premium rate, and monitoring the review of the appropriateness of pricing.

The Company collects adequate data to validate the reasonableness of the underlying assumptions used for pricing. The base rate represents the amount required to meet the value of anticipated benefits, expenses, and margins for risks and profit. Data primarily relates to the company's own historical experience and that of the industry where relevant. These may be supplemented by other internal and external data, and could include trends observed in claims costs and expenses.

Pricing is done by modelling all identified risks, using appropriate methodologies depending on the complexity of the risks and available data. Adequate buffers are kept in the premiums to cushion against the risk that actual experience may turn out to be worse than expected.

c) Underwriting:

The Company's underwriting process is governed by the by the internal underwriting procedures. Some of the actions undertaken to mitigate underwriting risks are detailed below:

- Investments are made on the training and development of underwriting and claims management staff, including those attached to the distribution network.
- Application of Four-Eye principle on underwriting process.
- Pre-underwriting inspections are made on new business over a predetermined threshold to evaluate risk prior to acceptance
- Post-underwriting reviews are conducted to ensure that set guidelines have been observed.
- Adequate reinsurance arrangements are in place and reviews are undertaken to ensure the adequacy of these covers

d) Reinsurance

The Company purchases reinsurance as part of its risks mitigation programme. Premium ceded to the reinsurers is in accordance with the terms of the programmes already agreed based on the risks written by the insurance companies. Recoveries from reinsurers on claims are based on the cession made in respect of each risk and is estimated in a manner consistent with the outstanding claims provisions made for the loss. Although we mitigate our exposures through prudent reinsurance arrangements, the obligation to meet claims emanating from policy holders rests with the Company. Default of reinsurers does not negate this obligation and in that respect the Company carries a credit risk up to the extent ceded to each reinsurer.

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The Company has Reinsurance Treaty with the following Reinsurers:

Name of Reinsurer	Rating	Issuing Agency
Hannover Ruckversincherung AG, Malaysia	A+	A.M. Best
Kenya Reinsurance Corporation Ltd., Nairobi, Kenya	B	A.M. Best
Asian Reinsurance Company Ltd.	B+	A.M. Best
Tunis Re	B	A.M. Best
Saudi Reinsurance Company	A	S&P
General Insurance Corporation of India, India	B++	A.M. Best
Trust International Insurance & Reinsurance Company Baharain		A.M. Best
Cica Re, Togo	B+	A.M. Best
Nepal Reinsurance Company Ltd.		
Himalayan Reinsurance Company Ltd.	B	A.M. Best

c) Claims handling:

Some of the actions undertaken to mitigate claims risks is detailed below:

- Claims are assessed immediately.
- Assessments are carried out by in-house as well as independent assessors / loss adjustors working throughout.
- The service of a qualified independent actuary is obtained annually to assess the adequacy of reserves made in relation to Incurred But Not Reported (IBNR) and
- Post-underwriting reviews are conducted to ensure that set guidelines have been observed.
- Adequate reinsurance arrangements are in place and reviews are undertaken to ensure the adequacy of these covers

Sensitivities

The non-life insurance claim liabilities are sensitive to the key assumptions as mentioned in the table below.

The following analysis is performed for reasonably possible movements in key assumptions with all other assumptions held constant, showing the impact on gross and net liabilities, profit before tax and profit after tax. The correlation of assumptions will have a significant effect in determining the ultimate claims liabilities, but to demonstrate the impact due to changes in assumptions, assumptions had to be changed on an individual basis.

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Particulars	Changes in Assumptions	Current Year				Previous Year			
		Increase/ (Decrease) on Gross Liabilities	Increase/ (Decrease) on Net Liabilities	Increase/ (Decrease) - Profit Before Tax	Increase/ (Decrease) - Profit After Tax	Increase/ (Decrease) on Gross Liabilities	Increase/ (Decrease) on Net Liabilities	Increase/ (Decrease) - Profit Before Tax	Increase/ (Decrease) - Profit After Tax
Average Claim Cost	"+" 10%	185,694,348	144,916,482	(144,916,482)	(144,916,482)	48,096,590	13,086,844	(13,086,844)	(13,086,844)
Average Number of Claims	"+" 10%	185,694,348	144,916,482	(144,916,482)	(144,916,482)	48,096,590	13,086,844	(13,086,844)	(13,086,844)
Average Claim Cost	"-" 10%	(185,694,348)	(144,916,482)	144,916,482	101,441,537	(48,096,590)	(13,086,844)	13,086,844	9,160,791
Average Number of Claims	"-" 10%	(185,694,348)	(144,916,482)	144,916,482	101,441,537	(48,096,590)	(13,086,844)	13,086,844	9,160,791

Claim development table

The following tables show the estimates of cumulative incurred claims, including both claims notified and IBNR for each successive accident year at each reporting date, together with cumulative payments to date.

Gross insurance contract outstanding claim provision

Year of incident	> PY 4				PY 3	PY 2	PY 1	Current Year	Total
	> PY 4	PY 4	PY 4	PY 4					
At end of incident year	-	-	-	-	-	-	-	1,000,652,118	1,000,652,118
One year later	-	-	-	-	-	-	975,172,645	-	975,172,645
Two year later	-	-	-	-	-	300,862,799	-	-	300,862,799.00
Three year later	-	-	-	-	12,911,642	-	-	-	12,911,642.00
Four year later	-	-	-	3,392,823.00	-	-	-	-	3,392,823.00
More than Four years	-	-	-	-	-	-	-	-	-
Current estimate of cumulative claims	-	3,392,823.00	12,911,642	300,862,799	975,172,645	1,000,652,118	440,738,607	2,292,992,027	2,292,992,027
At end of incident year	-	-	-	-	-	-	423,678,417	440,738,607	440,738,607
One year later	-	-	-	-	-	118,253,313	-	-	423,678,417
Two year later	-	-	-	-	4,308,456	-	-	-	118,253,313.00
Three year later	-	-	-	-	-	-	-	-	4,308,456.00
Four year later	-	-	-	3,392,823.00	-	-	-	-	3,392,823.00
More than Four years	-	-	-	-	-	-	-	-	-
Cumulative payments to date	-	3,392,823.00	4,308,456	118,253,313	423,678,417	440,738,607	559,913,511	990,371,616	990,371,616
Gross insurance contract outstanding claim provision	-	-	8,603,186	182,609,486	551,494,228	1,302,620,411	1,302,620,411	1,302,620,411	1,302,620,411

Continue...





Amount in NPR

Net insurance contract outstanding claim provision

Year of incident	> PY 4	PY 4	PY 3	PY 2	PY 1	Current Year	Total
At end of incident year	-	-	-	-	-	228,717,637	228,717,637
One year later	-	-	-	-	222,198,613	-	222,198,613
Two year later	-	-	-	67,069,302	-	-	67,069,302.00
Three year later	-	-	2,787,031	-	-	-	2,787,031.00
Four year later	-	1,001,580.00	-	-	-	-	1,001,580.00
More than Four years	-	-	-	-	-	-	-
Current estimate of cumulative claims	-	1,001,580.00	2,787,031	67,069,302	222,198,613	228,717,637	521,774,163
At end of incident year	-	-	-	-	-	130,108,441	130,108,441
One year later	-	-	-	-	125,072,181	-	125,072,181
Two year later	-	-	-	34,909,023	-	-	34,909,023.00
Three year later	-	-	1,271,880	-	-	-	1,271,880.00
Four year later	-	1,001,580.00	-	-	-	-	1,001,580.00
More than Four years	-	-	-	-	-	-	-
Cumulative payments to date	-	1,001,580.00	1,271,880	34,909,023	125,072,181	130,108,441	292,363,105
Net insurance contract outstanding claim provision	-	-	1,515,151	32,160,279	97,126,432	98,609,196	229,411,058

f) Reserving

Insurance Contract Liabilities are created to cover this risk based on the actuarial valuation report.

The table below sets out the concentration of risk associated with above mentioned products. Risk as at year end has been measured as insurance contract liabilities and disclosed as below:

Particulars	Current Year			Previous Year		
	Gross Insurance Liabilities	Reinsurance Assets	Net Liabilities	Gross Insurance Liabilities	Reinsurance Assets	Net Liabilities
Property	902,346,201	824,861,711	77,484,490	294,586,174	268,152,917	26,433,257
Motor	915,801,322	357,675,282	558,126,040	346,016,089	142,531,058	203,485,031
Marine	83,067,544	52,525,179	30,542,365	39,078,021	27,746,130	11,331,891
Engineering	510,395,094	472,503,391	37,891,703	153,571,688	139,863,097	13,708,591
Micro	277,821,192	272,934,543	4,886,649	109,948,105	106,813,519	3,134,586
Aviation	82,335,750	82,065,137	270,613	-	-	-
Cattle and Crop	64,846,750	52,737,481	12,109,269	25,121,714	19,239,971	5,881,743
Miscellaneous	191,244,035	144,005,128	47,238,907	66,955,346	51,763,191	15,192,155
Total	3,027,857,888	2,259,307,852	768,550,036	1,035,277,137	756,109,883	279,167,254



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Notes to the Financial Statements

47 Financial Risk Management

The Company's activities expose it to Credit Risk, Liquidity Risk & Market Risk.

i) Credit Risk

Credit risk is the risk of financial loss as a result of the default or failure of third parties to meet their payment obligations to the Company. Thus, for an insurance contract, credit risk includes the risk that an insurer incurs a financial loss because a reinsurer defaults on its obligations under the reinsurance contract.

The following policies and procedures are in place to mitigate the Company's exposure to credit risk:

- Company has credit risk policy which sets out the assessment and determination of what constitutes credit risk for the Company. Compliance with the policy is monitored and exposures and breaches are reported to the Company's risk committee. The policy is regularly reviewed for pertinence and for changes in the risk environment.
- Reinsurance is placed with counterparties that have a good credit rating and concentration of risk is avoided by entering into agreement with more than one party. At each reporting date, management performs an assessment of creditworthiness of reinsurers and updates the reinsurance purchase strategy, ascertaining suitable allowance for impairment.
- The company deals with only creditworthy counterparties and obtains sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults.

Expected Credit Losses for Financial Assets at Amortised Costs as at Ashadh 31, 2080

Particulars		Asset Group	Gross Carrying Amount	Expected Probability of Default	Expected Credit Losses	Carrying Amount After Provision
Credit Risk has not significantly increased since initial recognition	Loss allowance measured at 12 months expected credit losses	-	-	-	-	-
Credit Risk has significantly increased and not credit impaired	Loss allowance measured at life-time expected credit losses	-	-	-	-	-
Credit Risk has significantly increased and credit impaired		-	-	-	-	-

Expected Credit Losses for Financial Assets at Amortised Costs as at Ashadh 32, 2079

Particulars		Asset Group	Gross Carrying Amount	Expected Probability of Default	Expected Credit Losses	Carrying Amount After Provision
Credit Risk has not significantly increased since initial recognition	Loss allowance measured at 12 months expected credit losses	-	-	-	-	-
Credit Risk has significantly increased and not credit impaired	Loss allowance measured at life-time expected credit losses	-	-	-	-	-
Credit Risk has significantly increased and credit impaired		-	-	-	-	-

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Amount in NPR

Reconciliation of Loss Allowance Provision

Particulars	Measured at 12 months expected credit losses	Measured at life-time expected credit losses	
		Credit Risk has significantly increased and not credit impaired	Credit Risk has significantly increased and credit impaired
Loss Allowance on Ashadh 32, 2079	-	-	-
Changes in loss allowances	-	-	-
Write-offs	-	-	-
Recoveries	-	-	-
Loss Allowance on Ashadh 31, 2080	-	-	-

ii) Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with 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 the timing differences between gross cash out-flows and expected reinsurance recoveries.

Maturity of Financial Liabilities:

The table below summarises the Company's Financial Liabilities into Relevant Maturity Groupings based on their Contractual Maturities for all Financial Liabilities.

Particulars	Current Year			Previous Year		
	Upto 1 Year	1 Year to 5 Year	More than 5 Year	Upto 1 Year	1 Year to 5 Year	More than 5 Year
Insurance Payables	306,693,740	-	-	214,258,503	-	-
Other Financial Liabilities	41,246,148	-	-	13,886,467	-	-
Total Financial Liabilities	347,939,888	-	-	228,144,970	-	-

iii) Market Risk

a1) Foreign Currency Risk Exposure

Operation of the Company has exposed it to foreign exchange risk arising from foreign currency transactions, with respect to the USD Currency. The risk is measured through a forecast of highly probable foreign currency cash flows. The objective of the hedges is to minimise the volatility of the NPR cash flows of highly probable forecast transactions.

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The Company's exposure to foreign currency risk at the end of the reporting period expressed in NPR, are as follows:

Particulars	Current Year		Previous Year	
	USD	Other Currency	USD	Other Currency
Investments	-	-	-	-
Loans	-	-	-	-
Insurance Receivables	-	-	-	-
Other Financial Assets	-	-	-	-
Cash & Cash Equivalent	852,399	-	-	-
Less: Derivative Assets				
i) Foreign exchange forward contracts - Sell Foreign Currency	-	-	-	-
ii) Foreign exchange option contracts - Sell Foreign Currency	-	-	-	-
Net Exposure to Foreign Currency Risk/ (Assets)	852,399	-	-	-
Insurance Payables	50,547	-	286,175	-
Other Financial Liabilities				
Less: Derivative Liabilities				
i) Foreign exchange forward contracts - Buy Foreign Currency	-	-	-	-
ii) Foreign exchange option contracts - Buy Foreign Currency	-	-	-	-
Net Exposure to Foreign Currency Risk/ (Liabilities)	50,547	-	286,175	-

a2) Foreign Currency Risk - Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments and the impact on the other components of equity arising from foreign forward exchange contracts, foreign exchange option contracts designated as cash flow hedges

Particulars	Impact on profit after tax		Impact on other component of equity	
	Current Year	Previous Year	Current Year	Previous Year
USD sensitivity				
NPR/ USD - Increases by 10% *	10,517,893	(3,666,192)	-	-
NPR/ USD - Decreases by 10% *	(10,517,893)	3,666,192	-	-
Other Currency sensitivity				
NPR/ Currency A - Increases by 10% *	-	-	-	-
NPR/ Currency A - Decreases by 10% *	-	-	-	-

* Holding all other variable constant

b1) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The major interest rate risk that the Company is exposed to is the discount rate for determining insurance liabilities.

b2) Interest Rate Sensitivity

Profit or Loss is sensitive to changes in Interest Rate for Borrowings. A change in Market Interest Level by 1% which is reasonably possible based on Management's Assessment would have the following effect on the Profit After Tax.

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Notes to the Financial Statements

Amount in NPR

Particulars	Current Year	Previous Year
Interest Rate - Increase By 1%*	20,472,064	10,642,747
Interest Rate - Decrease By 1%*	(20,472,064)	(10,642,747)

* Holding all other Variable Constant

c1) Equity Price Risk

Equity price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in equity prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or by factors affecting all similar financial instruments traded in the market.

The Company has invested in equity securities and the exposure is equity securities price risk from investments held by the Company and classified in the statement of financial position as fair value through OCI.

c2) Sensitivity

The table below summarises the impact of increase/decrease of the index in the Company's equity and impact on OCI for the period. The analysis is based on the assumption that the equity index had increased/ decreased by 1% with all other variables held constant, and that all the Company's equity instruments moved in line with the index.

Particulars	Current Year	Previous Year
Index - Increase By 1%*	377,415	45,634
Index - Decrease By 1%*	(377,415)	(45,634)

* Other components of equity would increase/decrease as a result of gains/ (losses) on equity securities classified as fair value through other comprehensive income.

48 Operation Risk

Operational Risk is the risk of direct or indirect loss, or damaged reputation resulting from inadequate or failed internal processes, people and systems 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.

49 Climate Related Risk

Climate risk is the potential for climate change to create adverse consequences for human or ecological systems. This includes impacts on lives, livelihoods, health and wellbeing, economic, social and cultural assets and investments. Generally there are two types of risk caused by Climate risk.

1. Physical Climate Risk
2. Transition Climate Risk

It is the measure of vulnerability to climate-related impacts that have financial consequences, or that may affect various aspects of financial performance. Most commonly in our region we are being affected by the global warming that is causing the various natural calamities such as Landslide, Hailstorm, Flooding and they are affecting the various insured properties and the changes is deteriorating the health of individual increasing the medical claims.

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Notes to the Financial Statements

Amount in NPR

We are directly impacted in claim caused by the climate related issues.

Particulars	Amount
Gross claim outstanding Caused due to Climate related risk	221,453,489
Gross claim Outstanding as on Date	1,302,620,411
% of Gross claim outstanding Caused due to Climate related risk to Gross Outstanding Claim	17.00%
Gross claim paid Caused due to Climate related risk	166,261,207
Gross claim Paid for the period	990,371,616
% of Gross claim paid caused due to climate related risk to Gross paid Claim	16.79%

50 Capital Management

The Company's objectives when managing Capital are to:

- Safeguard their ability to continue as a going concern so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

Regulatory minimum paid up capital

Non-Life insurance companies were required by the Directive issued by Insurance Regulatory Authority to attain a stipulated minimum paid up capital of NPR 2.5 billion by mid-July 2023. As on the reporting date, the company's paid up capital is NPR 2 billion.

Dividend

Particulars	Current Year	Previous Year
(i) Dividends recognised		
Final dividend for the year ended Ashadh 32, 2079 of NPR/- (Ashadh 31, 2078 - NPR/-) per fully paid share	-	-
	-	-
(ii) Dividends not recognised at the end of the reporting period		
In addition to the above dividends, since the year ended the directors have recommended the payment of a final dividend of NPR 0/- per fully paid equity share (Ashadh 31, 2080 - NPR /-). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting	-	-
	-	-

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Sanima GIC Insurance Limited

Notes to the Financial Statements

Amount in NPR

51 Earnings Per Share

Particulars	Current Year	Previous Year
Profit For the Year	273,547,532	111,978,277
Less: Dividend on Preference Shares	-	-
Profit For the Year used for Calculating Basic Earning per Share	-	-
Add: Interest saving on Convertible Bonds	-	-
Profit For the Year used for Calculating Diluted Earning per Share	273,547,532	111,978,277
Weighted Average Number of Equity Shares Outstanding During the Year For Basic Earning per Share	20,000,000	10,000,000
Adjustments for calculation of Diluted Earning per Share:	-	-
i) Dilutive Shares	-	-
ii) Options	-	-
iii) Convertible Bonds	-	-
Weighted Average Number of Equity Shares Outstanding During the Year for Diluted Earning Per Share	20,000,000	10,000,000
Nominal Value of Equity Shares	100	100
Basic Earnings Per Share	13.68	11.20
Diluted Earnings Per Share	13.68	11.20
Proposed Bonus Share		
Weighted Average Number of Equity Shares Outstanding During the Year for Restated Earning Per Share	20,000,000	10,000,000
Restated Basic Earning Per Share	13.68	11.20
Restated Diluted Earning Per Share	13.68	11.20

52 Operating Segment

Segment information is presented in respect of the Company's business segments. Management of the Company has identified portfolio as business segment and the Company's internal reporting structure is also based on portfolio. Performance is measured based on segment profit as management believes that it is most relevant in evaluating the results of segment relative to other entities that operate within these industries.

Segment asset is disclosed below based on total of all asset for each business segment.

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

Business Segments of the Company's are:

- i) Property
- ii) Motor
- iii) Marine
- iv) Engineering
- v) Micro
- vi) Aviation
- vii) Cattle and Crop
- viii) Miscellaneous

Continue...

Sanima GIC Insurance Limited

Notes to the Financial Statements

Amount in NPR

a) Segmental Information for the year ended Ashadh 31, 2080 (July 16, 2023)

Particular	Property	Motor	Marine	Engineering	Micro	Aviation	Cattle and Crop	Miscellaneous	Inter Segment Elimination	Total
Income:										
Gross Earned Premiums	428,863,258	800,317,058	137,336,954	431,371,370	7,402,600	24,922,953	66,342,788	206,348,370	-	2,102,905,351
Premiums Ceded	(389,224,964)	(369,430,126)	(130,157,839)	(402,688,996)	(1,708,538)	(25,146,476)	(54,904,387)	(173,912,313)	-	(1,547,173,639)
Inter-Segment Revenue	-	-	-	-	-	-	-	-	-	-
Net Earned Premiums	39,638,294	430,886,932	7,179,115	28,682,374	5,694,062	(223,523)	11,438,401	32,436,057	-	555,731,712
Commission Income	133,836,638	47,453,962	35,158,934	101,989,644	2,631,671	3,287	11,785,296	59,425,218	-	392,284,650.00
Other Direct Income	-	10,299,630	-	-	-	-	-	-	-	10,299,630
Income from Investments & Loans	-	-	-	-	-	-	-	-	-	-
Net Gains/(Losses) on Fair Value Changes	-	-	-	-	-	-	-	-	-	-
Net Realised Gains/(Losses)	-	-	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-	-	-
Total Segmental Income	173,474,932	488,640,524	42,338,049	130,672,018	8,325,733	(220,236)	23,223,697	91,861,275	-	958,315,992
Expenses:										
Gross Claims Paid	274,291,407	353,609,012	24,491,466	56,629,297	93,550,409	-	41,478,520	146,321,505	-	990,371,616
Claims Ceded	(257,747,677)	(124,440,188)	(21,240,744)	(49,210,114)	(93,504,548)	-	(33,843,477)	(118,021,765)	-	(698,008,513)
Gross Change in Contract Liabilities	(86,794,338)	236,379,141	2,484,660	120,603,065	(91,433,354)	10,198,558	13,960,104	77,231,575	-	282,629,411
Change in Contract Liabilities Ceded to Reinsurers	59,769,072	(186,313,441)	(1,182,508)	(113,978,532)	89,132,949	(10,164,287)	(16,036,739)	(64,368,829)	-	(243,142,315)
Net Claims Paid	(10,481,536)	279,234,524	4,552,874	14,043,716	(2,254,544)	34,271	5,558,408	41,162,486	-	331,850,199
Commission Expenses	5,311,201	5,167,309	825,081	12,815,885	762,431	3,210	6,817,939	6,344,618	-	38,047,674
Other Direct Expenses	891,670	9,607,111	153,830	25,610	55,700	-	1,093,600	147,750	-	11,975,271
Service Fees	552,862	4,575,212	122,725	202,629	46,458	73	1,990	300,808	-	5,802,757
Employee Benefits Expenses	-	-	-	-	-	-	-	-	-	-
Depreciation and Amortization Expenses	-	-	-	-	-	-	-	-	-	-
Impairment Losses	-	-	-	-	-	-	-	-	-	-
Other Operating Expenses	-	-	-	-	-	-	-	-	-	-
Finance Cost	-	-	-	-	-	-	-	-	-	-
Total Segmental Expenses	(3,725,803)	298,584,156	5,654,510	27,087,840	(1,389,955)	37,554	13,471,937	47,955,662	-	387,675,901
Total Segmental Results	177,200,735	190,056,368	36,683,539	103,584,178	9,715,688	(257,790)	9,751,760	43,905,613	-	570,640,091
Segment Assets	824,861,711	357,675,282	52,525,179	472,503,391	272,934,543	82,065,137	52,737,481	144,005,128	-	2,259,307,852
Segment Liabilities	902,346,200	915,801,322	83,067,544	510,395,094	277,821,192	82,335,750	64,846,750	191,244,036	-	3,027,857,888

Continue...



Sanima GIC Insurance Limited

Notes to the Financial Statements

Amount in NPR

b) Segmental Information for the year ended Ashadh 32, 2079 (July 16, 2022)

Particular	Property	Motor	Marine	Engineering	Micro	Aviation	Cattle and Crop	Miscellaneous	Inter Segment Elimination	Total
Income:										
Gross Earned Premiums	205,999,444	339,894,390	56,226,558	125,835,110	17,975,828		36,115,208	69,619,909	-	851,666,447
Premiums Ceded	(181,290,057)	(180,800,915)	(50,127,169)	(118,799,460)	(1,898,588)		(29,094,751)	(58,479,526)	-	(620,490,466)
Inter-Segment Revenue	-	-	-	-	-	-	-	-	-	-
Net Earned Premiums	24,709,387	159,093,475	6,099,389	7,035,650	16,077,240	-	7,020,457	11,140,383	-	231,175,981
Commission Income	57,624,417	34,628,956	14,233,485	29,278,547	345,791		4,696,799	20,031,609	-	160,839,604
Other Direct Income	-	4,865,397	-	-	-	-	-	-	-	4,865,397
Income from Investments & Loans	-	-	-	-	-	-	-	-	-	-
Net Gains/ (Losses) on Fair Value Changes	-	-	-	-	-	-	-	-	-	-
Net Realised Gains/ (Losses)	-	-	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-	-	-
Total Income	82,333,804	198,587,828	20,332,874	36,314,197	16,423,031	-	11,717,256	31,171,992	-	396,880,982
Expenses:										
Gross Claims Paid	57,059,526	153,190,184	2,914,719	12,925,308	836,888		19,623,140	17,532,176	-	264,081,941
Claims Ceded	(54,493,722)	(65,054,842)	(2,293,617)	(10,450,772)	(800,000)		(15,698,512)	(13,676,625)	-	(162,468,090)
Gross Change in Contract Liabilities	78,556,912	39,720,400	1,803,125	9,485,177	30,051,058		79,510	5,278,462	-	164,974,644
Change in Contract Liabilities Ceded to Reinsurers	(75,511,044)	(10,662,328)	(1,245,965)	(8,017,986)	(30,340,000)		(335,839)	(3,010,143)	-	(129,123,307)
Net Claims Paid	5,611,672	117,193,414	1,178,262	3,941,725	(252,054)	-	3,668,299	6,123,870	-	137,465,188
Commission Expenses	2,505,271	2,196,187	560,979	4,226,708	320,560		3,659,251	1,832,562	-	15,301,518
Other Direct Expenses	239,030	4,904,494	131,250	18,350	35,769		1,031,020	72,900	-	6,432,813
Service Fees	236,863	2,657,113	125,020	161,662	19,640		74,296	171,871	-	3,446,465
Employee Benefits Expenses	-	-	-	-	-	-	-	-	-	-
Depreciation and Amortization Expenses	-	-	-	-	-	-	-	-	-	-
Impairment Losses	-	-	-	-	-	-	-	-	-	-
Other Operating Expenses	-	-	-	-	-	-	-	-	-	-
Finance Cost	-	-	-	-	-	-	-	-	-	-
Total Expenses	8,592,836	126,951,208	1,995,511	8,348,445	123,915	-	8,432,866	8,201,203	-	162,645,984
Total Segmental Results	73,740,968	71,636,620	18,337,363	27,965,752	16,299,116	-	3,284,390	22,970,789	-	234,234,998
Segment Assets	268,152,917	142,531,058	27,746,130	139,863,097	106,813,519	-	19,239,971	51,763,191	-	756,109,883
Segment Liabilities	294,586,173	346,016,089	39,078,021	153,571,688	109,948,105	-	25,121,714	66,955,347	-	1,035,277,137

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Sanima GIC Insurance Limited

Notes to the Financial Statements

Amount in NPR

c) Reconciliation of Segmental Profit with Statement of Profit or Loss

Particulars	Current Year	Previous Year
Segmental Profit	570,640,091	234,234,998
Less: Depreciation and Amortization	(23,605,991)	(18,825,179)
Less: Non-cash expenses other than Depreciation and Amortization	611,572	-
Less: Unallocable Corporate Expenditures	(415,527,941)	(168,134,275)
Add: Unallocable Other Income	269,196,421	116,165,413
Less: Finance Cost	-	(2,457,539)
Profit Before Tax	401,314,152	160,983,418

d) Reconciliation of Assets

Particulars	Current Year	Previous Year
Segment Assets	2,259,307,852	756,109,883
Goodwill & Intangible Assets	42,601,268	545,173
Property, Plant and Equipment	89,840,783	102,212,226
Investment Properties	-	-
Deferred Tax Assets	106,186,895	47,082,467
Investments	2,934,140,536	1,521,587,468
Loans	10,713,949	5,134,676
Current Tax Assets (Net)	50,815,030	6,791,485
Other Assets	852,158,131	267,023,060
Total Assets	6,345,764,444	2,706,486,438

e) Reconciliation of Liabilities

Particulars	Current Year	Previous Year
Segment Liabilities	3,027,857,888	1,035,277,137
Provisions	82,477,658	27,465,192
Deferred Tax Liabilities	-	-
Current Tax Liabilities (Net)	-	-
Other Financial Liabilities	41,246,148	13,886,467
Other Liabilities	541,702,497	399,496,984
Total Liabilities	3,693,284,191	1,476,125,780



Sanima GIC Insurance Limited

Notes to the Financial Statements

53 Related Party Disclosure

(a) Identify Related Parties

Holding Company:

The company does not have any holding company.

Subsidiaries:

The company does not have any subsidiary company.

Associates:

The company does not have any associates.

Fellow Subsidiaries:

The company does not have any fellow subsidiary company.

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.

KMPs of the Sanima GIC Insurance Ltd. includes following persons:

Name of key management personnel	Position	Remarks
Mr. Kunal Kayal	Chairman	From Kartik 07, 2079
Mr. Khem Raj Lammichhane	Chairman	Till Kartik 06, 2079 and As Advisor Till Jestha 32, 2080
Dr. Hemanta Kumar Dabadi	Director	
Mr. Dilip Shrestha	Director	Till Kartik 06, 2079 and From Jestha 32, 2080
Mr. Prakash Man Shrestha	Director	
Mrs. Saraswati Gautam Gyawali	Director	As Advisor From Kartik 07, 2079 to Jestha 32, 2080 and As Director From Jestha 32, 2080
Mrs. Mita Murarka Agrawal	Director	From Kartik 07, 2079
Mr. Sonam Gyatso	Director	Till Jestha 32, 2080
Mr. Damodar Prasad Acharya	Independent Director	Till Kartik 06, 2079
Mrs. Prapuja Pokharel	Director	Till Kartik 06, 2079
Mr. Sudyumna Prasad Upadhyaya	CEO	
Mr. Ram Chandra Shrestha	Sr. DCEO	
Mr. Subodh Lal Shrestha	DGM	
Mr. Prabin Kumar Koirala	DGM	Till Bhadra 31, 2079
Ms. Rena Rijal	DGM	
Mr. Raju Poudel	AGM	
Mr. Binesh Maskey	AGM	
Mr. Nil Bahadur Barali	AGM	
Mr. Munindra Kumar Thakur	AGM	

(b) Key Management Personnel Compensation:

Particulars	Current Year	Previous Year
Short-term employee benefits	28,442,074	14,611,096
Post-employment benefits	1,076,805	536,877
Other long-term benefits	-	-
Termination benefits	-	-
Meeting Fees	2,020,000	1,050,000
Total	31,538,879	16,197,973

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Sanima GIC Insurance Limited

Notes to the Financial Statements

Amount in NPR

Payment to Chief Executive Officer (CEO)

Particulars	Current Year	Previous Year
Annual salary and allowances	7,143,561	4,800,000
Performance based allowances		
i) Employee Bonus	1,277,754	554,882
ii) Benefits as per prevailing provisions	1,130,742	688,000
iii) Incentives	-	-
Insurance related benefits		
i) Life Insurance	300,000	300,000
ii) Accident Insurance	-	-
iii) Health Insurance (including family members)	-	-
Total	9,852,057	6,342,882

(c) Related Party Transactions:

Particulars	Holding Company	Subsidiaries	Associates	Fellow Subsidiaries	Key Managerial Personnel	Total
Premium Earned						
Current Year	-	-	-	-	-	-
Previous Year	-	-	-	-	-	-
Commission Income						
Current Year	-	-	-	-	-	-
Previous Year	-	-	-	-	-	-
Rental Income						
Current Year	-	-	-	-	-	-
Previous Year	-	-	-	-	-	-
Interest Income						
Current Year	-	-	-	-	-	-
Previous Year	-	-	-	-	-	-
Sale of Property, Plant & Equipment						
Current Year	-	-	-	-	-	-
Previous Year	-	-	-	-	-	-
Purchase of Property, Plant & Equipment						
Current Year	-	-	-	-	-	-
Previous Year	-	-	-	-	-	-
Premium Paid						
Current Year	-	-	-	-	-	-
Previous Year	-	-	-	-	-	-
Commission Expenses						
Current Year	-	-	-	-	-	-
Previous Year	-	-	-	-	-	-
Dividend						
Current Year	-	-	-	-	-	-
Previous Year	-	-	-	-	-	-
Meeting Fees						
Current Year	-	-	-	-	1,540,000	1,540,000
Previous Year	-	-	-	-	1,050,000	1,050,000
Allowances to Directors						
Current Year	-	-	-	-	480,000	480,000
Previous Year	-	-	-	-	-	-
Others (to be specified)						
Current Year	-	-	-	-	-	-
Previous Year	-	-	-	-	-	-

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Sanima GIC Insurance Limited

Notes to the Financial Statements

Amount in NPR

(d) Related Party Balances:

Particulars	Holding Company	Subsidiaries	Associates	Fellow Subsidiaries	Key Managerial Personnel	Total
Receivables including Reinsurance Receivables						
Current Year	-	-	-	-	-	-
Previous Year	-	-	-	-	-	-
Other Receivables (to be Specified)						
Current Year	-	-	-	-	-	-
Previous Year	-	-	-	-	-	-
Payables including Reinsurance Payables						
Current Year	-	-	-	-	-	-
Previous Year	-	-	-	-	-	-
Other Payables (to be Specified)						
Current Year	-	-	-	-	-	-
Previous Year	-	-	-	-	-	-

54 Leases

(a) Leases as Lessee

(i) Operating Leases:

The Company has various operating leases ranging from 1 years to 10 years and all the leases contains the clause of cancellation by giving the certain period notice to the either party. The leases are renewable by mutual consent and contain escalation clause. Rental expenses for operating leases recognised in the Statement of Profit and Loss under SLM for the year is NPR 38,722,787 (Ashadh 32, 2079: NPR 11,214,243).

Disclosure in respect of Non-cancellable lease is as given below

Future Minimum Lease Payments	Current Year	Previous Year
i) Not Later than 1 year	-	-
ii) Later than 1 year and not later than 5 years	-	-
iii) Later than 5 years	-	-

(ii) Finance Lease:

The Company holds assets under finance leases. Future minimum lease payments and lease liability at the end of the year is given below:

Future Minimum Lease Payments	Current Year	Previous Year
i) Not Later than 1 year	-	-
ii) Later than 1 year and not later than 5 years	-	-
iii) Later than 5 years	-	-
Total Future Minimum Lease Payments	-	-
Less: Effect of Discounting	-	-
Finance lease liability recognised	-	-

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Sanima GIC Insurance Limited

Notes to the Financial Statements

Amount in NPR

(b) Leases as Lessor

(i) Operating Lease:

The Company has not leased out any office spaces that are renewable on a periodic basis.

Disclosure in respect of Non-cancellable lease is as given below

Future Minimum Lease Payments	Current Year	Previous Year
i) Not Later than 1 year	-	-
ii) Later than 1 year and not later than 5 years	-	-
iii) Later than 5 years	-	-

(ii) Finance Lease:

The Company has not given any assets under finance leases.

Particulars	Current Year			Previous Year		
	Gross Investment	Unearned Finance Income	Net Investment	Gross Investment	Unearned Finance Income	Net Investment
i) Not Later than 1 year	-	-	-	-	-	-
ii) Later than 1 year and not later than 5 years	-	-	-	-	-	-
iii) Later than 5 years	-	-	-	-	-	-
Total	-	-	-	-	-	-

55 Capital Commitments

Estimated amount of contracts remaining to be executed and not provided for

Particulars	Current Year	Previous Year
Intangible Assets	-	-
Property, Plant and Equipment	-	-
Investment Properties	-	-
Total	-	-

56 Contingent Liabilities

Particulars	Current Year	Previous Year
Claims against Company not acknowledged as debts	-	-
a) Income Tax	-	-
b) Indirect Taxes	-	-
c) Other (to be Specified)	-	-
Total	-	-

57 Events occurring after Balance Sheet

58 Assets Pledged as Security (only if pledged)

The carrying amount of assets pledged as security are:

Particulars	Current Year	Previous Year
Reinsurance Receivables	-	-
Investments in equity	-	-
Fixed Deposits	-	-
Property, plant and equipment	-	-
Others (to be Specified)	-	-
Total	-	-



Sanima GIC Insurance Limited

Notes to the Financial Statements

Amount in NPR

59 Corporate Social Responsibility

As per provision of section 11 Ga of Financial Directive, 2080 and Good Governance Directive, the Company is required to provide 1% of the reported net profit during the year for corporate social responsibility. Good Governance Directive mandates that the amount so provided be utilised for social welfare activities. The details and movement of provisions for corporate social responsibility is as follows:

Particulars	Current Year	Previous Year
Balance at the beginning of the year	1,477,978	-
Acquired	608,769	-
Provision for corporate social responsibility recognised	2,989,928	1,477,978
Utilization of corporate social responsibility	(1,131,200)	
Balance at the end of the year	3,945,475	1,477,978

During the year company has expensed Rs. 1,616,000 under CSR Expenses and details are as follows:

Particulars	Current Year	Previous Year
Contribution towards health related sector of remote area	1,550,000	-
Contribution towards Old age home, Orphanage and Balmandir	15,000	-
Contribution towards education sector	51,000	-
Total Amount Expensed Under CSR	1,616,000	-

60 Miscellaneous

- All amounts are in Nepalese Rupees unless otherwise stated.
- All figures are in the Nearest Rupee & Rounded off.

61 Others

a) Regarding Claim Payment of Khilung Kalika Agro Farm P. Ltd.

Three separate Agro Policy having sum insured 341 lakh for each had been issued to M/s Khilung Kalika Agro Farm P.Ltd., on 10th Ashadh 2076. Claim Intimation for the two policy was lodged by insured and recorded on 12 Shrawan, 2076. After review of file, then claim committee (board level) decided and recommended for claim payment of Rs. 2,26,70,668 on 28 Kartik, 2076. Same decision was ratified by the Board Meeting held on 29 Kartik, 2076.

After due verification of claim file, confirming RI segregation and receiving Claim committee Minute and extract of Board decision Minute, Claimed Amount Rs. 2,26,70,668 has been paid in different dates.

RI portion Rs. 1,80,74,855 is to be received from Nepal ReInsurance. However, citing various grounds, such amount was denied to pay by the Nepal Re. Against the decision, formal case was filed up on Beema Samiti on 26 Magh, 2078. On 05 Shrawan 2079, Beema Pradhikaran (Then Beema Samiti) decided case in favour of GIC Nepal Insurance Co. Ltd.,

Nepal Re not being satisfied with the decision of Nepal Insurance Authority has filed the petition in Patan High Court.

b) Business Combinations

The Company has acquired Previous General Insurance Company Nepal Limited, for the purpose of obtaining synergy, in the reporting period which was an "Non-Life Insurance Company Licensed by Nepal Insurance Authority". The Memorandum of Understanding (MoU) for the acquisition was signed on 2079/03/29, the prior approval (Letter of Intent) from Nepal Insurance Authority was obtained on 2079/03/30. The acquisition was



approved by the Special General Meetings of both the institutions held on 2079/06/11. The final approval for the consolidated transaction was obtained from Nepal Insurance Authority on 2079/07/03. The joint operation was started from 2079/07/07.

For the consideration of acquisition, the company has issued 10,000,000 number of equity shares at swap ratio of 100:100 (100 shares of Sanima GIC Insurance Ltd for every 100 shares of General Insurance Company Nepal Limited). Accounting for acquisition of General Insurance Company Nepal Limited has been done as per NFRS – 3 Business Combination along with considering the explanatory notes prescribed by The Institute of Chartered Accountants of Nepal (ICAN) by recognizing Goodwill NPR 40,100,000. NFRS 3 – Business combination has been applied for the purpose of calculating goodwill/ Gain on bargain purchase along with the explanatory notes as below:

Para 32 of NFRS 3 states that “The acquirer shall recognize goodwill as of the acquisition date measured as the excess of (a) over (b) below:

- (a) The aggregate of:
- (i) The consideration transferred measured in accordance with this NFRS, which generally requires acquisition-date fair value,
 - (ii) The amount of any non-controlling interest in the acquiree measured in accordance with this NFRS; and
 - (iii) In a business combination achieved in stages, the acquisition-date fair value of the acquirer’s previously held equity interest in the acquiree.
- (b) The net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed measured in accordance with this NFRS.

Accordingly, as per the standard goodwill has been recognized for the excess of the value derived as per (a) over (b).

Particulars	Amount
Consideration Transferred (A) (10000000*132.86)	1,328,600,000
Fair Value of Net Identifiable Assets (B)	1,288,500,000
Goodwill/Gain on Bargain Purchase (A-B)	40,100,000

Goodwill has been measured in a business combination effected through exchange of equity interest of the acquirer by considering the business valuation of acquiree computed based on Due Diligence Audit carried out by professional experts that has been approved by Special AGM of the both acquirer and acquiree for the purpose of computing swap ratio. The excess of consideration paid by the acquirer over the business value of the acquiree has been considered as goodwill because it represents the expected synergies and other benefits arising from combining the businesses. The assets and liabilities of the acquiree has been recognized in fair value and the details can be observed in the financial statements of the acquire as of acquisition date.



Sanima GIC Insurance Limited

Annexure II

Minimum Disclosure in Board Report (Year Ended Upto Ashadh 31, 2080)

A Information related to Non Life Insurer

1 Date of establishment

The company was established on 2064.03.07 at CRO, Tripureshwore, Kathmandu.

2 Insurer licence date

The company obtained the licence from regulatory body (Beema Samiti) on 2074.10.24.

3 Insurance business type, nature

The company carries on Non- Life Insurance Business.

4 Date of commencement of business

Company started its commercial operation from 2075.03.27.

5 Other matters which insurer wish to include

Sanima General Insurance Ltd. & GIC Nepal Ltd. have merged and carried out the consolidated transaction from Kartik 07, 2079.

B Following matters are approved by Board of Directors

1 Tax, service charges, fine and penalties to be paid under laws & regulation whether paid or not

The tax has been paid on time to IRD and other charges relating to other corporate bodies has been paid on time.

2 Share structure of the insurer, changes if any in line with prevailing laws & regulation

There has been no any change in share structure of company as compared to previous year.

3 Whether solvency ratio as prescribed by Nepal Insurance Authority is maintained or not

Solvency Ratio as prescribed by the Nepal Insurance Authority has been maintained by the company.

4 a) Statement regarding assets that financial amount contained in SOFP are not overstated than it's fair value.

b) Measurement basis of the assets recognized in financial statements.

The value of asset mentioned in the statement of financial position has not been overstated than the fair value of such asset.

Fair Value, Cost Basis and Amortised cost basis method has been applied to recognise the assets in the financial statement.

5 Declaration on investment made by insurer that are in line with prevailing laws. If not reason to be disclosed.

The investment made by the company are in line with the prevailing laws directive issued by the regulatory body.

6 Number of claim settled within the year and outstanding claim number and time frame to settle the outstanding claim.

Total no of claim settled during the current financial year is 7,324 and claim outstanding as on year end is 5,389 and normally the claim are settled in the time frame as directed by the regulatory body, in some exception there is some delay for settling of claim due to insufficient documents.

7 Declaration on compliance with the provision of Insurance Act 2079, Company Act 2063, NFRSs and other prevailing laws & regulation to which insurer shall adhere to and any non compliance with reasons thereof.

Company's financial statements are prepared as complied with Insurance Act 2079, Company Act 2063, NFRSs and other prevailing laws & regulation that needs to be adhered.

8 Declaration that the appropriate accounting policy has been consistently adopted.

The company has consistently applied the appropriate accounting policy for the preparation of financial statement.

9 Declaration on Financial Statements as at Reporting Date that the insurer's Financial Position and Financial Performance are presented true & fairly.

The financial statement prepared as of reporting date are presented true and fairly.

10 Declaration that Board of Directors have implemented adequate and appropriate provision to safeguard the assets and for identification and mitigation against losses due to fraud, embezzlement and irregularities.

The BOD of company has adopted the necessary provision to safeguard the assets and for identification and mitigation against losses due to fraud and embezzlement.



11 Declaration that Financial Statements have been prepared based on going concern basis.

The financial statement have been prepared based on going concern basis.

12 Declaration that the internal control system is commensurate with the size, nature & volume of the insurer's business.

The internal control system commensurate with the size, nature & volume of the insurer's business is adequate.

13 Declaration that the insurer has not conducted any transactions contrary to Insurance Act, 2079, Companies Act, 2063, related regulations and directions with any person, firm, company and insurer's director or with any entity in which insurer's director has interest.

The company has not conducted any transactions contrary to Insurance Act, 2079, Companies Act, 2063, related regulations and directions with any person, firm, company and insurer's director or with any entity in which insurer's director has interest.

14 Disclosure on any penalties, levied by Nepal Insurance Authority for the particular financial year.

No any fines and penalties has been leived by Nepal Insurance Authority pertaining to current fiscal year.

15 Other disclosure which is deemed appropriate by management

GIC Insurance Company Nepal Ltd. and Sanima General Insurance Ltd. have merged and carried out the joint transaction from Kartik 07, 2079.



Sanima GIC Insurance Limited

Annexure III Major Financial Indicator

S.N.	Particular	Indicators	Fiscal Year				
			2079-80	2078/79	2077-78	2076-77	2075-76
Equity							
1	Net worth	NRs.	2,652,480,253	1,230,360,658	1,118,315,079	769,443,416	726,143,704
2	Number of Shares	Number	20,000,000	10,000,000	10,000,000	7,000,000	7,000,000
3	Book value per shares	NRs.	133	123	112	110	104
4	Net Profit	NRs.	273,547,532	111,978,277	56,630,214	43,588,612	5,156,955
5	Earning per Shares (EPS)	NRs.	13.68	11.20	5.66	6.23	0.74
6	Dividend per Shares (DPS)	NRs.	-	-	-	-	-
7	Market Price per Shares (MPPS)	NRs.	650	365	731	-	-
8	Price Earning Ratio	Ratio	47.52	32.60	129.08	-	-
9	Change in Equity	%	25.47	10.02	45.34	5.96	0.72
10	Return on Equity	%	10.31	9.10	5.06	5.66	0.71
11	Capital to Total Net Assets Ratio	%	75.40	81.28	89.42	90.97	96.40
12	Capital to Technical Reserve Ratio	%	260.23	358.21	491.95	281.79	445.28
13	Affiliate Ratio	%	-	-	-	-	-
Business:							
14	Total Premium Growth Rate						
	Property	%	95.27	58.74	96.05	90.62	78,691.83
	Motor	%	73.58	46.19	60.00	77.70	136,441.10
	Marine	%	40.54	59.33	98.51	92.49	-
	Engineering	%	152.37	114.06	352.17	88.14	-
	Micro	%	67.06	(88.61)	144.63	3,939.75	-
	Aviation	%	-	-	-	-	-
	Cattle and Crop	%	50.44	12.38	32.58	113.20	-
	Miscellaneous	%	63.32	98.74	86.01	17.26	15,752.67
15	Net Premium Growth Rate						
	Property	%	170.17	23.12	78.77	118.01	22,498.57
	Motor	%	122.07	69.42	21.72	57.98	141,867.64
	Marine	%	9.21	154.06	76.56	90.18	37,074.35
	Engineering	%	137.97	183.40	558.86	(362.19)	-
	Micro	%	189.24	(93.39)	124.74	3,605.60	-
	Aviation	%	-	-	-	-	-
	Cattle and Crop	%	20.36	12.38	32.58	113.20	-
	Miscellaneous	%	145.88	113.34	56.11	22.51	6,443.65
16	Net Insurance Premium/ Gross Insurance Premium						
	Property	%	15.22	11.00	14.19	15.56	13.60
	Motor	%	62.65	48.97	42.26	55.55	62.48
	Marine	%	13.40	17.24	10.81	12.16	12.30
	Engineering	%	7.01	7.43	5.62	3.85	(2.77)
	Micro	%	84.61	48.87	84.27	91.73	100.00
	Aviation	%	0.01	-	-	-	-
	Cattle and Crop	%	16.00	20.00	20.00	20.00	20.00
	Miscellaneous	%	23.92	15.89	14.80	17.63	16.88
17	Reinsurance commission/ Gross Reinsurance Premium	%	25.88	26.35	24.30	28.42	28.92
18	Gross Premium Revenue/Equity	%	78.43	85.32	61.10	46.93	27.02
19	Net Premium Revenue/ Equity	%	23.27	22.57	17.34	17.66	10.29
20	Gross Insurance Premium/ Total Assets	%	32.78	38.78	32.91	30.64	19.99
21	Return on Investment & Loan	%	8.43	7.50	6.38	9.37	10.17
22	Net Profit/ Gross Insurance Premium	%	13.15	10.67	8.29	12.07	2.63
Expenses:							
23	Reinsurance Ratio	%	70.32	73.55	71.62	62.36	61.91
24	Management expenses/ Gross Insurance Premium	%	19.98	16.02	19.30	29.68	36.32
25	Agent Related Expenses/ Gross Insurance Premium	%	1.67	1.65	1.89	2.15	2.21

Continue...



S.N.	Particular	Indicators	Fiscal Year				
			2079-80	2078/79	2077-78	2076-77	2075-76
26	Agent Related Expenses/Management Expenses	%	8.36	10.07	10.95	11.71	18.29
27	Employee Expenses/ Management Expenses	%	68.63	60.62	61.26	58.65	54.05
28	Employee Expenses/ Number of Employees	Amt.	727,491	545,985	576,944	604,387	377,599
29	Expense Ratio (Underwriting Expense/ Net Written Premium)	%	7.56	8.65	17.39	47.15	241.83
30	Commission Ratio (Commission Expense/ Net Written Premium)	%	5.62	6.34	6.89	8.48	16.08
31	Loss Ratio {(Claim Paid + change in reserve)/ (Net Written Premium)}	%	53.76	49.51	75.00	55.18	140.03
32	Combined Ratio (Loss Ratio + Expense Ratio)	%	61.32	58.16	92.40	102.33	381.86
Assets:							
33	Increment in Investment Held	%	6.12	16.89	61.38	15.51	8.55
34	Return on Assets	%	4.31	4.14	2.73	3.70	0.53
35	Long term Investments/Total Investments	%	3.74	1.50	1.43	0.12	-
36	Short term Investments/Total Investments	%	96.26	98.50	98.57	99.88	100.00
37	Total Investment & Loan/Gross Insurance Contract Liabilities	%	97.26	147.47	193.62	273.99	408.59
38	Investment in Unlisted Shares and Debtors/ Total Net Assets	%	0.36	0.10	0.06	0.08	0.02
39	Investment in Shares/ Total Net Assets	%	1.39	0.39	0.11	0.13	-
40	Liquidity Ratio	%	231.39	233.88	524.76	884.70	980.69
Liabilities:							
41	Solvency Margin	%	217.55	247.59	225.71	151.79	142.26
42	Increment in Gross Insurance Contract Liabilities	%	25.11	53.99	128.37	72.26	67,873.04
43	Net Technical Reserve/ Average of Net Claim Paid for Last 3 Years	%	142.22	106.32	130.16	261.13	708.49
44	Actuarial Provision	Amt.	768,550,036	279,167,254	203,271,200	248,413,000	157,203,000
45	Technical Provisions/ Total Equity	%	28.97	22.69	18.18	32.28	21.65
46	Insurance Debt/ Total Equity	%	13.15	3.24	2.64	2.59	3.32
47	Outstanding Claim/ Claim Intimated	%	56.81	61.83	59.47	54.44	71.50
48	No. of Outstanding Claim/ No. of Intimated Claim	%	73.58	106.79	74.09	50.31	49.49
49	Total Number of Inforce Policies	No.s	154,013.00	86,438.00	71,203.00	42,383.00	17,811.00
50	Number of Renewed Policy/ Last Year's Total Number of In Force Policies	%	28.12	15.80	12.54	10.38	40.00
51	Number of Intimated Claim/ Total Number of In Force Policy	%	8.25	5.18	5.12	2.86	1.65
Others:							
52	Number of Offices	Nos	63	27	20	19	16
53	Number of Agents	Nos	130	77	64	208	114
54	Number of Surveyor	Nos	210	246	173	163	159
55	Number of Employees	Nos	392	200	140	104	102



Sanima GIC Insurance Limited

Details of Insured Amount

S.N.	Particulars	Existing Insurance Policies Numbers		Insured Amount against Existing Insurance Policies		Insured Risk Ceded to Re-Insurer		Net Insured Risk Retained by Insurer	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
1	Property	24,197	11,943	303,807,024,775	151,100,982,485	249,384,714,162	126,420,631,597	54,422,310,613	24,680,350,888
2	Motor	107,398	59,690	39,044,053,106	23,519,458,244	7,796,946,326	8,239,821,599	31,247,106,780	15,279,636,645
3	Marine	7,701	6,579	60,300,675,231	35,551,350,101	49,905,711,903	31,217,775,379	10,394,963,328	4,333,574,722
4	Engineering	1,900	918	91,042,851,803	44,952,422,161	85,795,370,038	42,504,735,844	5,247,481,765	2,447,686,317
5	Micro	2,785	1,732	3,994,451,490	2,048,072,480	2,396,670,894	1,228,843,488	1,597,780,596	819,228,992
6	Aviation	1	-	425,133,358,563	-	425,090,845,227	-	42,513,336	-
7	Cattle and Crop	2,620	1,872	2,237,503,972	1,311,548,510	1,879,145,336	1,049,238,808	358,358,636	262,309,702
8	Miscellaneous	7,411	3,704	152,024,084,409	90,246,474,978	113,292,877,850	72,791,583,983	38,731,206,559	17,454,890,995
	Total	154,013	86,438	1,077,584,003,349	348,730,308,959	935,542,281,736	283,452,630,698	142,041,721,613	65,277,678,261



नेपाल बीमा प्राधिकरण NEPAL INSURANCE AUTHORITY

वि. वि. शा. : २४२ (२०८०/०८१) च.नं. ५४२४

श्री सानिमा जि आइ सि इन्स्योरेन्स लि.,
टङ्गाल, काठमाण्डौं ।



मिति: २०८०।११।११

Sanima GIC Insurance Ltd.	
Head Office	
RECEIVED	
No. 3946	Date Feb-23-2024
Signature:	

विषय: आ.व. २०७९।८० को वित्तीय विवरणको स-शर्त स्वीकृति बारे ।

तहाँको मिति २०८०।१०।१४ (च.नं.१५९७।२०८०।८१) को पत्र साथ प्राधिकरणमा पेश भएको आ.व. २०७९।८० को वित्तीय विवरण सम्बन्धमा लेखिदैछ ।

उपरोक्त सम्बन्धमा बीमक श्री सानिमा जि आइ सि इन्स्योरेन्स लिमिटेडबाट पेश भएको आ.व. २०७९।८० को वित्तीय विवरण तथा अन्य कागजातहरु अध्ययन गर्दा बीमा ऐन, २०७९ को दफा ३८, ३९, ४० र ४१ तथा बीमकको वित्तीय विवरण सम्बन्धी निर्देशन, २०८० को दफा ११ बमोजिम बीमा कोष, अनिवार्य जगेडा कोष, महाविपत्ति कोष र दाबी भुक्तानी कोष तथा जगेडा कोष कायम गरेको देखिएकोले तहाँको आ.व.२०७९।८० को वार्षिक वित्तीय विवरणलाई बीमा ऐन, २०७९ को दफा ८७ को उपदफा (८) तथा बीमकको वित्तीय विवरण सम्बन्धी निर्देशन, २०८० को दफा ७, ८ र ९ बमोजिम वार्षिक प्रतिवेदनमा समावेश गर्न, साधारण सभामा पेश गर्न तथा प्रकाशित गर्न देहायको निर्देशन, शर्त तथा आदेश सहित स्वीकृति प्रदान गरिएको व्यहोरा निर्णयानुसार जानकारी गराउदछौं ।

शर्तहरु:

१. बीमकले बीमा ऐन, २०७९ को दफा ३६ बमोजिमको न्यूनतम चुक्ता पूँजी कायम गर्ने ।
२. बीमकले NIRS-17 Insurance Contracts लागु गर्नको लागि आवश्यक तयारी गर्ने ।
३. बीमकले अन्य बीमक तथा पुनर्बीमकसंगको लेना/देना हिसाबलाई राफ साफ गर्ने ।
४. बीमकको संस्थागत सुशासन सम्बन्धी निर्देशिकाको दफा ५७ "ख" को व्यवस्था पूर्ण रूपमा पालना गर्ने ।
५. बीमकले जोखिम व्यवस्थापन समितिलाई प्रभावकारी बनाउन प्राधिकरणबाट जारी भएको जोखिम व्यवस्थापन सम्बन्धी मार्गदर्शन बमोजिम जोखिम व्यवस्थापन सम्बन्धी कार्य गर्ने ।
६. बीमकले लेखा परीक्षण समितिलाई प्रभावकारी बनाई आन्तरिक नियन्त्रण प्रणालि सुदृढ बनाउने ।
७. बीमकको जोखिमाइकन तथा दाबी भुक्तानी प्रक्रिया प्रभावकारी गराउने ।
८. प्राधिकरणको स्थलगत निरीक्षण क्रममा देखियका कैफियत तथा लेखापरीक्षकले औल्याएका कैफियतहरु सुधार गर्न तथा त्यस्ता कैफियतहरु पुनः दोहोरिन नदिन आवश्यक व्यवस्था गर्ने ।
९. बीमकले प्राधिकरणबाट वित्तीय विवरण स्वीकृत भएको मितिले ६०(साठी) दिन भित्र साधारण सभा गर्ने ।

विरोध वाग्ले
उप निर्देशक



सानिमा जिआईसी इन्स्योरिन्स लि.

नेपाल बीमा प्राधिकरणबाट यस कम्पनीको आ.व. २०७५/०८० को वित्तीय विवरण स-शर्त स्वीकृतको सम्बन्धमा व्यवस्थापनको प्रत्युत्तर ।

१. बीमकले बीमा ऐन, २०७५ को दफा ३६ बमोजिमको न्यूनतम चुक्ता पूँजी कायम गर्ने ।
प्रत्युत्तर: बीमकले बीमा ऐन, २०७५ को दफा ३६ बमोजिमको न्यूनतम चुक्ता पूँजी कायम गर्नका लागि वार्षिक साधारण सभामा हकप्रद शेयर जारीको प्रस्ताव पेश गरेको जानकारी गराउँदछौं ।
२. बीमकले NFRS-17 Insurance Contracts लागू गर्नको लागि आवश्यक तयारी गर्ने ।
प्रत्युत्तर: कम्पनीले NFRS 17 Insurance Contracts सम्बन्धी विभिन्न संस्थाहरू ICAN, Nepal Insurance Authority ले आयोजना गरिरहेको तालिम तथा प्रशिक्षणमा भाग लिई Impact Assessment गरिरहेको र यस सम्बन्धमा लेखासँग सम्बन्धित कर्मचारीहरूलाई अभिमुखीकरण गराउँदै गरेको जानकारी गराउँदछौं ।
३. बीमकले अन्य बीमक तथा पुनर्बीमकसँगको लेना/देना हिसाबलाई राफ साफ गर्ने ।
प्रत्युत्तर: कम्पनीले अन्य बीमक तथा पुनर्बीमकसँगको लेना/देना हिसाब नियमित रूपमा राफसाफ गरिने गरेको व्यहोरा जानकारी गराउँदछौं ।
४. बीमकको संस्थागत सुशासन सम्बन्धी निर्देशिकाको दफा ५७ (ख) को व्यवस्था पूर्ण रूपमा पालना गर्ने ।
प्रत्युत्तर: कम्पनीले संस्थागत सुशासन सम्बन्धी निर्देशिकाको दफा ५७ (ख) को व्यवस्था बमोजिम सामाजिक उत्तरदायित्व अन्तर्गत खर्च गरिरहेको र भविष्यमा अझ प्रभावकारी ढंगले खर्च गरिने व्यहोरा जानकारी गराउँदछौं ।
५. बीमकले जोखिम व्यवस्थापन समितिलाई प्रभावकारी बनाई, प्राधिकरणबाट जारी भएको जोखिम व्यवस्थापन मार्गदर्शन बमोजिम जोखिम व्यवस्थापन सम्बन्धी कार्य गर्ने ।
प्रत्युत्तर: जोखिम व्यवस्थापन विभाग स्थापन गरी जोखिम व्यवस्थापनलाई प्रभावकारी बनाउँदै लिएको जानकारी गराउँदछौं ।
६. बीमकको लेखापरीक्षण समितिलाई प्रभावकारी बनाई आन्तरिक नियन्त्रण प्रणाली सुदृढ बनाउने ।
प्रत्युत्तर: कम्पनीको लेखापरीक्षण समितिलाई प्रभावकारी बनाई आन्तरिक नियन्त्रण प्रणाली अझ सुदृढ बनाउन प्रतिबद्ध रहेको जानकारी गराउँदछौं ।
७. बीमकको जोखिमाङ्कन तथा दाबी भुक्तानी प्रक्रिया प्रभावकारी गराउने ।
प्रत्युत्तर: कम्पनीले जोखिमाङ्कन तथा दाबी भुक्तानी प्रक्रियालाई प्रभावकारी बनाउँदै लगेको र आगामी दिनमा अझ प्रभावकारी बनाउन प्रतिबद्ध रहेको जानकारी गराउँदछौं ।
८. प्राधिकरणको स्थलगत निरीक्षण क्रममा देखिएका कैफियत तथा लेखापरीक्षकले औल्याएका कैफियतहरू सुधार गर्न तथा त्यस्ता कैफियतहरू पुनः दोहोरिन नदिन आवश्यक व्यवस्था गर्ने ।
प्रत्युत्तर: नेपाल बीमा प्राधिकरणको स्थलगत निरीक्षण क्रममा देखिएका कैफियत तथा लेखापरीक्षकले औल्याएका कैफियतहरूमा सुधार गर्दै आइरहेको र पुनः दोहोरिन नदिन कम्पनी प्रतिबद्ध रहेको जानकारी गराउँदछौं ।
९. बीमकले प्राधिकरणबाट वित्तीय विवरण स्वीकृति भएको मितिले ६० (साठी) दिन भित्र साधारण सभा गर्ने ।
प्रत्युत्तर: निर्देशन बमोजिम तोकिएको समय भित्र साधारण सभा सम्पन्न गरिने जानकारी गराउँदछौं ।



N. Amatya & Co.

Chartered Accountants

UDIN: 240102CA00209eZ2Tv

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF GENERAL INSURANCE COMPANY NEPAL LIMITED

Report on the audit of the financial statements

Opinion

We have audited the financial statements of **General Insurance Company Nepal Limited** (the Company), which comprise the statement of financial position as at Kartik 6, 2079 (October 23, 2022), and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the period then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at Kartik 6, 2079 (October 23, 2022), and its financial performance and its cash flows for the period then ended in accordance with Nepal Financial Reporting Standards (NFRSs).

Basis for opinion

We conducted our audit in accordance with Nepal Standards on Auditing (NSAs). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics for professional accountant issued by Institute of Chartered Accountants of Nepal (ICAN) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2063 and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAN's Code of Ethics for professional accountants. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Emphasis of matter

We draw attention to note 2(f) of the financial statements which describe the merger of the company with Sanima General Insurance Ltd. and the merged entity commenced joint operations in the name of Sanima GIC Insurance Ltd from Kartik 7, 2079 (October 24, 2022). Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the period ended on Kartik 6, 2079 (October 23, 2022). These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matters	How our audit addressed the key audit matter
Investments (Refer Note 3(e) "Financial assets" and Note 10 of the financial statements)	
The Company's investments represent substantial portion of the assets as at Kartik 6, 2079 which are measured in accordance with the accounting policy as per note 3(e) of the financial statements and in accordance with the framework as per the extent of the regulatory guidelines.	Our audit procedures included the following: <ul style="list-style-type: none"> ▪ Tested the design implementation and operating effectiveness of key controls over valuation process of investments. ▪ Assessed appropriateness of the valuation techniques with reference to NAS 39 – Financial Instruments: Recognition and Measurement read together with NFRS 9 –



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Key audit matters	How our audit addressed the key audit matter
<p>Valuation of actively traded equity shares and mutual fund units are done as per the last traded price as on the reporting date in Nepal Stock Exchange (NEPSE). If such securities are not traded on the reporting date, they are valued as per the previous closest traded price.</p> <p>Unlisted equity instruments and mutual fund units are measured at cost.</p> <p>All other securities including debt instruments have been measured at historical cost subject to amortization of premium paid, if any, over the residual period. The valuation of these investments is considered to be one of the areas which required attention and was one of the matters of significance in the financial statements.</p>	<p>Financial Instruments along with the Company's own valuation policy.</p> <ul style="list-style-type: none"> ▪ We have agreed a sample of period-end investment holdings to external valuations and custody sources to verify the valuation and existence of these investments. ▪ Understood the management's process for identifying the existence of impairment indicators in respect of the interests in equity instruments measured at fair value through Other comprehensive income. ▪ Obtained an understanding of price verification control, which is designed to review the appropriateness of valuation methodologies to derive model inputs. ▪ Based on our audit procedures performed, we concluded that the valuation of level 1 financial instruments is appropriate.
<p>Provision for outstanding claim (Refer Note 3(n) "Claims and expenses"; Note 3 (k) "Insurance contract liabilities"; Note 33 and Note 19 of the financial statements)</p>	
<p>Insurance claim is the major area of expense for the Company.</p> <p>The Company makes the complete provisions of the remaining amounts of the payment against the claim made by the Company before period-end and claims incurred but not reported (IBNR) is recognised as higher of the conventional 15% outstanding claim or that determined by the actuarial methods.</p> <p>Given the fact that the provision is required to be made in respect of outstanding claim and complexity of calculations, the same has been considered as Key Audit Matter in our audit of the financial statements of the Company.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> ▪ Verified the operational mechanisms of the Company including the internal guidelines and standard operating procedures relating to claim processing, performed test of controls over claim settlement process and recording processes including analytical procedures on outstanding claims. ▪ Obtained clear understanding of the process and guidelines as per directives issued by the Nepal Insurance Authority for claim processing and compared their implementation and effectiveness in regard to internal operational guidelines relating to claim processing. ▪ Verified the claim paid and provision on sample basis along with evidence of payment, documentation as well as surveyor report and understanding the recording process in the books of account. ▪ In the case of IBNR, the amount of insurance contract liabilities has been estimated by the actuary appointed by the Company. The actuarial valuation of insurance contract liabilities in respect of IBNR and IBN(E)R claims as of Kartik 6, 2079 is as certified by the Company's appointed actuary. ▪ Verified the sufficiency and adequacy of related insurance contract liability based on





Key audit matters	How our audit addressed the key audit matter
	<p>report from the Company appointed actuary with the liabilities recognised in the financial statements.</p> <ul style="list-style-type: none"> Examined the appropriateness and validity of key assumptions and information provided by the Company to the Company appointed actuary for valuation of insurance contract liabilities.
<p>Revenue Recognition (Premium Income) <i>(Refer Note 3(m) "Revenue recognition" and Note 25 of the financial statements)</i></p>	
<p>Premium income comprises a major part of revenue which is recorded on issue of policy as prescribed by the Nepal Insurance Authority.</p> <p>Unearned premium income of the previous fiscal year and current period is recorded / adjusted as estimated by the Company appointed actuary and as prescribed by the directives issued by Nepal Insurance Authority.</p> <p>Unearned premiums are those proportions of premiums written in a year that relate to periods of risk after the reporting date. Unearned premiums are calculated on a daily pro-rata basis. The proportion attributable to subsequent periods is deferred as a provision for unearned premiums.</p> <p>Since the management considers revenue as key measure of evaluation of performance, there is a risk of revenue being recorded before control is transferred and is not recognised in the correct period.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> Obtained and read the Company's revenue accounting policy on revenue recognition in accordance with the requirements of relevant standards. Understood and tested the design, implementation and operating effectiveness of key controls over premium collection and its recognition. Obtained clear understanding of the process of issuing the policies as per directives issued by the Nepal Insurance Authority and understood the process of booking such premium as income. Tested on a sample basis unallocated premium to ensure that there were no policies where risk assumed were prior to recognition of revenue and corresponding to collection of premiums. Verified on a sample basis the policies and other related documents including premium calculations therein as per regulatory requirements and internal policies of the Company along with premium / cash receipt with special attention to the timestamp thereto so as to ascertain the correctness of period of revenue recognition. Verified on a sample basis, the premium ceded to the reinsurers as per reinsurance agreement / treaty with the reinsurers. Verified unearned premium income as assessed by the Company appointed actuary in the actuarial valuation report.

Information other than the financial statements and auditor's report thereon

The management of the Company is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.





In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement therein, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

The management of the Company is responsible for the preparation and fair presentation of the financial statements in accordance with NFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with NSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with NSAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

We report that:

- a. 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.
- b. In our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of those books.
- c. The enclosed statement of financial position, statement of profit or loss, statement of comprehensive income and statement of cash flows have been prepared in conformity with provision of the Company Act, 2063 and format as prescribed by Nepal Insurance Authority and the same are in agreement with the books of account maintained by the Company.
- d. In our opinion and to the best of our information and according to the explanations given to us, the board or any member thereof or any employee of the Company has not acted against the provision of law relating the accounts nor caused loss or damage to the Company or misappropriated the funds of the Company.
- e. To the best of our knowledge, the Company has maintained insurance fund and other mandatory reserves as prescribed by the directive issued by Nepal Insurance Authority.
- f. We did not obtain any information indicating engagement of the Company in activities other than insurance business as approved/licensed by Nepal Insurance Authority.
- g. We did not obtain any information indicating the Company's activities which are prejudicial to the interest of the insured.
- h. The Company has complied with the directive issue by Nepal Insurance Authority.
- i. We did not obtain any information indicating issuance of insurance policies other than as approved by Nepal Insurance Authority.
- j. It appears that all the financial and other information which is required to be reported/informed to the shareholders as per the prevalent laws has been provided to the shareholders.
- k. To the best of our knowledge, the Company is capable to bear its long-term liabilities from its assets.
- l. The internal control system implemented by the Company was found to be effective.


Manish Amatya
Partner
N. Amatya & Co.
Chartered Accountants



Place: Kathmandu

Date: December 29, 2023 (Poush 13, 2080)



General Insurance Company Nepal Ltd.

Statement of Financial Position As at Kartik 06, 2079 (23rd October, 2022)

Amount in NPR

Particulars	Notes	Current Year	Previous Year
Assets			
Goodwill & Intangible Assets	4	1,986,818	2,069,882
Property, Plant and Equipment	5	124,829,767	131,094,095
Investment Properties	6	-	-
Deferred Tax Assets	7	84,946,382	43,383,125
Investment in Subsidiaries	8	-	-
Investment in Associates	9	-	-
Investments	10	1,319,360,744	1,342,142,976
Loans	11	-	-
Reinsurance Assets	12	1,344,355,186	1,074,121,273
Current Tax Assets	21	5,210,369	24,668,527
Insurance Receivables	13	101,393,837	296,738,284
Other Assets	14	119,285,820	102,943,383
Other Financial Assets	15	50,011,059	38,476,771
Cash and Cash Equivalents	16	55,210,286	65,683,225
Total Assets		3,206,590,268	3,121,321,541
Equity & Liabilities			
Equity			
Share Capital	17(a)	1,000,000,000	1,000,000,000
Share Application Money Pending Allotment	17(b)	-	-
Share Premium	17(c)	-	-
Special Reserves	17(d)	121,851,140	120,896,954
Catastrophe Reserves	17(e)	8,944,165	8,848,746
Retained Earnings	17(f)	(93,383,017)	(18,256,377)
Other Equity	17(g)	71,323,554	38,880,974
Total Equity		1,108,735,842	1,150,370,297
Liabilities			
Provisions	18	13,975,518	17,399,095
Gross Insurance Contract Liabilities	19	1,732,647,026	1,386,665,687
Deferred Tax Liabilities	7	-	-
Insurance Payables	20	146,965,966	362,767,932
Current Tax Liabilities	21	-	-
Borrowings	22	-	-
Other Liabilities	23	183,162,466	178,069,869
Other Financial Liabilities	24	21,103,450	26,048,661
Total Liabilities		2,097,854,426	1,970,951,244
Total Equity and Liabilities		3,206,590,268	3,121,321,541

The accompanying notes form an integral part of Financial Statements.

Ganesh Kadal
Chief Finance Officer

Sudyumna Prasad Upadhyaya
Chief Executive Officer

Kunal Kayal
Chairman

As per our report of even date

Dilip Shrestha
Director

Mita Murarka Agrawal
Director

Dr. Hemanta Kumar Dabadi
Director

CA Manish Amatya
Partner
N. Amatya & Co.
Chartered Accountants

Prakash Man Shrestha
Director

Saraswati Gautam Gyawali
Director

Dr. Anil Raj Bhattarai
Director

Date: 2080.09.13
Place: Kathmandu



General Insurance Company Nepal Ltd.

Statement of Profit or Loss

For Period 17th July, 2022 - 23rd October, 2022

Amount in NPR

Particulars	Notes	Current Year	Previous Year
Income:			
Gross Earned Premiums	25	187,310,433	823,187,088
Premiums Ceded	26	(136,415,653)	(573,200,842)
Net Earned Premiums		50,894,780	249,986,246
Commission Income	27	22,945,626	138,174,146
Other Direct Income	28	1,282,763	4,666,390
Income from Investments & Loans	29	36,751,878	116,031,927
Net Gains/ (Losses) on Fair Value Changes	30	-	-
Net Realised Gains/ (Losses)	31	-	-
Other Income	32	1,081,452	2,133,201
Total Income		112,956,499	510,991,910
Expenses:			
Gross Claims Paid	33	134,600,299	299,653,960
Claims Ceded	33	(89,946,685)	(155,489,518)
Gross Change in Contract Liabilities	34	253,772,454	670,746,726
Change in Contract Liabilities Ceded to Reinsurers	34	(213,094,379)	(590,599,637)
Net Claims Paid		85,331,689	224,311,531
Commission Expenses	35	3,295,910	16,793,676
Service Fees	36	1,754,586	2,552,044
Other Direct Expenses	37	472,845	12,575,081
Employee Benefits Expenses	38	41,853,845	125,408,249
Depreciation and Amortization Expenses	39	6,814,389	26,248,084
Impairment Losses	40	(1,475,195)	(179,077)
Other Operating Expenses	41	25,217,597	70,891,314
Finance Cost	42	2,165,217	7,338,453
Total Expenses		165,430,883	485,939,355
Net Profit/(Loss) For The Year Before Share of Net Profits of Associates Accounted for Using Equity Method and Tax		(52,474,384)	25,052,555
Share of Net Profit of Associates accounted using Equity Method	9		
Profit Before Tax		(52,474,384)	25,052,555
Income Tax Expense	43	13,801,838	(7,782,722)
Net Profit/ (Loss) For The Year		(38,672,546)	17,269,833
Earning Per Share	51		
Basic EPS		(3.87)	1.73
Diluted EPS		(3.87)	1.73

The accompanying notes form an integral part of Financial Statements.

Ganesh Kadal
Chief Finance Officer

Sudyumna Prasad Upadhyaya
Chief Executive Officer

Kunal Kayal
Chairman

As per our report of even date

Dilip Shrestha
Director

Mita Murarka Agrawal
Director

Dr. Hemanta Kumar Dabadi
Director

CA Manish Amatya
Partner

Prakash Man Shrestha
Director

Saraswati Gautam Gyawali
Director

Dr. Anil Raj Bhattarai
Director

N. Amatya & Co.
Chartered Accountants

Date: 2080.09.13
Place: Kathmandu



General Insurance Company Nepal Ltd.

Statement of Comprehensive Income For Period 17th July, 2022 - 23rd October, 2022

Amount in NPR

Particulars	Current Year	Previous Year
Net Profit/ (Loss) For The Year	(38,672,546)	17,269,833
Other Comprehensive Income		
a) Items that are or may be Reclassified to Profit or Loss		
Changes in Fair Value of FVOCI Debt Instruments	-	-
Cash Flow Hedge - Effective Portion of Changes in Fair Value	-	-
Exchange differences on translation of Foreign Operation	-	-
Share of other comprehensive income of associates accounted for using the equity method	-	-
Net realised gains/ (loss) from sale of Investments measured at FVTOCI	-	28,671,300
Income Tax Relating to Above Items	-	(8,601,390)
Reclassified to Profit or Loss	-	-
b) Items that will not be Reclassified to Profit or Loss		
Changes in fair value of FVOCI Equity Instruments	(4,231,298)	(28,087,022)
Revaluation of Property, Plant and Equipment/ Intangible Assets	-	-
Remeasurement of Post-Employment Benefit Obligations	-	-
Share of other comprehensive income of associates accounted for using the equity method	-	-
Income Tax Relating to Above Items	1,269,389	8,426,107
Total Other Comprehensive Income For the Year, Net of Tax	(2,961,909)	408,995
Total Comprehensive Income For the Year, Net of Tax	(41,634,455)	17,678,828

The accompanying notes form an integral part of Financial Statements.

Ganesh Kadal
Chief Finance Officer

Sudyumna Prasad Upadhyaya
Chief Executive Officer

Kunal Kayal
Chairman

As per our report of even date

Dilip Shrestha
Director

Mita Murarka Agrawal
Director

Dr. Hemanta Kumar Dabadi
Director

CA Manish Amatya
Partner

Prakash Man Shrestha
Director

Saraswati Gautam Gyawali
Director

Dr. Anil Raj Bhattarai
Director

N. Amatya & Co.
Chartered Accountants

Date: 2080.09.13
Place: Kathmandu

General Insurance Company Nepal Ltd.

Statement of Changes in Equity For Period 17th July, 2022 - 23rd October, 2022

Amount in NPR

Particulars	Previous Year											Total				
	Ordinary Share Capital	Preference Shares	Share Application Money Allotment	Share Premium	Retained Earnings	Revaluation Reserves	Special Reserves	Capital Reserves	Catastrophe Reserves	Corporate Social Responsibility (CSR) Reserves	Insurance Fund Including Insurance Reserve		Fair Value Reserves	Actuarial Reserves	Deferred Tax Reserves	Other Reserves
Balance as at Shrawan 01, 2078	1,000,000,000	-	-	-	(5,546,537)	-	89,095,424	-	6,132,053	-	-	12,660,706	-	23,897,311	1,908,372	1,127,845,329
Prior Period Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit/(Loss) For the Year	-	-	-	-	17,269,834	-	-	-	-	-	-	-	-	-	-	17,269,834
Other Comprehensive Income for the Year, Net of Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Changes in Fair Value of FVOCI Debt Instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
i) Gains/ (Losses) on Cash Flow Hedge	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ii) Exchange differences on translation of Foreign Operation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
iii) Changes in fair value of FVOCI Equity Instruments	-	-	-	-	300,710	-	-	-	-	-	-	(19,660,915)	-	-	-	(19,360,205)
iv) Revaluation of Property, Plant and Equipment/ Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
v) Remeasurement of Post-Employment Benefit Obligations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
vi) Transfer to Reserves/ Funds	-	-	-	-	(35,107,908)	-	31,801,530	-	2,716,683	589,685	-	-	-	-	-	-
Transfer from Reserves/ Funds	-	-	-	-	(19,785,815)	-	-	-	-	-	-	-	-	19,785,815	-	-
Transfer of Deferred Tax Reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer of Depreciation on Revaluation of Property, Plant and Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer on Disposal of Revalued Property, Plant and Equipment	-	-	-	-	20,069,911	-	-	-	-	-	-	-	-	-	-	20,069,911
Transfer on Disposal of Equity Instruments Measured at FVTOCI	-	-	-	-	4,545,428	-	-	-	-	-	-	-	-	-	-	4,545,428
Prior Period Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share Issuance Costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contribution by / Distribution to the owners of the Company	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
i) Bonus Share Issued	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ii) Share Issue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
iii) Cash Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
iv) Dividend Distribution Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
v) Others (To be specified)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at Ashadh 32, 2079	1,000,000,000	-	-	-	(18,256,377)	-	120,896,954	-	8,548,746	589,685	-	(7,000,209)	-	43,383,126	1,908,372	1,150,370,297

Continue...





General Insurance Company Nepal Ltd.

Statement of Changes in Equity For Period 17th July, 2022 - 23rd October, 2022

Amount in NPR

Current Year	Ordinary Share Capital	Preference Shares	Share Application Money Pending Allotment	Share Premium	Retained Earnings	Revaluation Reserves	Special Reserves	Capital Reserves	Catastrophe Reserves	Corporate Social Responsibility (CSR) Reserves	Insurance Fund Including Insurance Reserve	Fair Value Reserves	Actuarial Reserves	Deferred Tax Reserves	Other Reserves	Total
Balance as at Shrawan 01, 2079	1,000,000,000	-	-	-	(18,256,377)	-	120,896,954	-	8,848,746	589,685	-	(7,000,209)	-	43,383,126	1,908,372	1,150,370,297
Prior Period Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit/(Loss) For the Year	-	-	-	-	(38,672,546)	-	-	-	-	-	-	-	-	-	-	(38,672,546)
Other Comprehensive Income for the Year, Net of Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
i) Changes in Fair Value of FVOCI Debt Instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ii) Gains/ (Losses) on Cash Flow Hedge	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
iii) Exchange differences on translation of Foreign Operation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
iv) Changes in fair value of FVOCI Equity Instruments	-	-	-	-	-	-	-	-	-	-	-	(2,961,909)	-	-	-	(2,961,909)
v) Revaluation of Property, Plant and Equipment/ Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
vi) Remeasurement of Post-Employment Benefit Obligations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to Reserves/ Funds	-	-	-	-	839,683	-	954,186	-	95,419	19,084	-	-	-	-	(1,908,372)	-
Transfer from Reserves/ Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer of Deferred Tax Reserves	-	-	-	-	(37,293,777)	-	-	-	-	-	-	-	37,293,777	-	-	-
Transfer of Depreciation on Revaluation of Property, Plant/Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer on Disposal of Property, Plant and Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer on Disposal of Equity Instruments Measured at FVOCI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Prior Period Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share Issuance Costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contribution by/ Distribution to the owners of the Company	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
i) Bonus Share Issued	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ii) Share Issue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
iii) Cash Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
iv) Dividend Distribution Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
v) Others (To be specified)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at Kartik 06, 2079	1,000,000,000	-	-	-	(93,383,017)	-	121,851,140	-	8,344,165	608,769	-	(9,962,118)	-	80,676,903	-	1,108,735,842

Ganesh Kadal
Chief Finance Officer

Dilip Shrestha
Director

Prakash Man Shrestha
Director

Sudymna Prasad Upadhyaya
Chief Executive Officer

Mita Murarka Agrawal
Director

Saraswati Gautam Gyawali
Director

Kunal Kayal
Chairman

Dr. Hemanta Kumar Dabadi
Director

Dr. Anil Raj Bhattarai
Director

As per our report of even date

CA Manish Amatya
Partner
N. Amatya & Co.
Chartered Accountants



General Insurance Company Nepal Ltd.

Statement of Distributable Profit or Loss

For Period 17th July, 2022 - 23rd October, 2022

Amount in NPR

Particulars	Current Year	Previous Year
Opening Balance in Retained Earnings	(18,256,377)	(1,003,109)
Transfer from OCI reserves to retained earning in current year	-	20,370,621
Net profit or (loss) as per statement of profit or loss	(38,672,546)	17,269,834
Appropriations:		
i) Transfer to Insurance Fund	-	-
ii) Transfer to Special Reserve	-	(31,801,530)
iii) Transfer to Catastrophe Reserve	-	(2,716,693)
iv) Transfer to Capital Reserve	-	-
v) Transfer to CSR reserve	-	(589,685)
vi) Transfer to/from Regulatory Reserve	839,683	-
vii) Transfer to Fair Value Reserve	-	-
viii) Transfer of Deferred Tax Reserve	(37,293,777)	(19,785,815)
ix) Transfer to OCI reserves due to change in classification	-	-
x) Others (to be Specified)	-	-
Deductions:		
i) Accumulated Fair Value Gain on each Financial Assets Measured at FVTPL	-	-
a) Equity Instruments	-	-
b) Mutual Fund	-	-
c) Others (if any)	-	-
ii) Accumulated Fair Value gain on Investment Properties	-	-
iii) Accumulated Fair Value gain on Hedged Items in Fair Value Hedges	-	-
iv) Accumulated Fair Value gain on Hedging Instruments in Fair Value Hedges	-	-
v) Accumulated Fair value gain of Ineffective Portion on Cash Flow Hedges	-	-
vi) Goodwill Recognised	-	-
vii) Unrealised Gain on fluctuation of Foreign Exchange Currency	-	-
viii) Accumulated Share of Net Profit of Associates accounted using Equity Method included in Investment Account	-	-
ix) Overdue loans	-	-
x) Fair value gain recognised in Statement of Profit or Loss	-	-
xi) Investment in unlisted shares	-	-
xii) Delisted share Investment or mutual fund investment	-	-
xiii) Bonus share/ dividend paid	-	-
xiv) Deduction as per Sec 17 of Financial directive	-	-
xiv) Deduction as per Sec 18 of Financial directive	-	-
xv) Others (to be specified)	-	-
Adjusted Retained Earning	(93,383,017)	(18,256,377)
Add: Transfer from Share Premium Account	-	-
Less: Amount apportioned for Assigned capital	-	-
Less: Deduction as per sec 15(1) of Financial directive	9,962,118	7,000,209
Add/Less: Others (to be specified)	-	-
Total Distributable Profit/(loss)	(103,345,135)	(25,256,586)

Ganesh Kadal
Chief Finance Officer

Sudyumna Prasad Upadhyaya
Chief Executive Officer

Kunal Kayal
Chairman

As per our report of even date

Dilip Shrestha
Director

Mita Murarka Agrawal
Director

Dr. Hemanta Kumar Dabadi
Director

CA Manish Amatya
Partner

Prakash Man Shrestha
Director

Saraswati Gautam Gyawali
Director

Dr. Anil Raj Bhattarai
Director

N. Amatya & Co.
Chartered Accountants

Date: 2080.09.13
Place: Kathmandu



General Insurance Company Nepal Ltd.

Statement of Cash Flows

For Period 17th July, 2022 - 23rd October, 2022

Amount in NPR

Particulars	Current Year	Previous Year
Cash Flow From Operating Activities:		
Cash Received		
Gross Premium Received	268,009,572	960,213,621
Commission Received	32,191,558	157,525,646
Claim Recovery Received from Reinsurers	285,291,131	(13,123,146)
Realised Foreign Exchange Income other than on Cash and Cash Equivalents	-	-
Others		
i) Other Income	3,835,591	(4,742,187)
Cash Paid		
Gross Claims Paid	(140,030,167)	(381,560,215)
Reinsurance Premium Paid	(410,397,763)	(497,322,032)
Commission Paid	(6,676,737)	(23,706,278)
Service Fees Paid	(3,689,666)	(7,335,857)
Employee Benefits Expenses Paid	(47,895,231)	(122,041,809)
Other Expenses Paid	(38,616,627)	(80,392,357)
Other Direct Expenses	(472,845)	-
Others (to be specified)	-	-
Income Tax Paid	(7,033,872)	(43,800,680)
Adjustment		
Changes in Operating Assets	-	-
Changes in Operating Liabilities	-	-
Changes in Reinsurance Asset	-	-
Net Cash Flow From Operating Activities [1]	(65,485,056)	(56,285,294)
Cash Flow From Investing Activities		
Acquisitions of Intangible Assets	-	-
Proceeds From Sale of Intangible Assets	-	-
Acquisitions of Investment Properties	-	-
Proceeds From Sale of Investment Properties	-	-
Rental Income Received	-	-
Acquisitions of Property, Plant & Equipment	(686,421)	(11,907,237)
Proceeds From Sale of Property, Plant & Equipment	223,239	239,599
Payment for acquisition of Subsidiaries/ Investment in Subsidiaries	-	-
Investment in Associates	-	-
Receipts from Sale of Investments in Subsidiaries	-	-
Receipts from Sale of Investments in Associates	-	-
Purchase of Equity Instruments	(50,934)	13,369,006
Proceeds from Sale of Equity Instruments	-	-
Purchase of Mutual Funds	-	-
Proceeds from Sale of Mutual Funds	-	-
Purchase of Preference Shares	-	-
Proceeds from Sale of Preference Shares	-	-
Purchase of Debentures	-	-
Proceeds from Sale of Debentures	-	-
Purchase of Bonds	-	-
Proceeds from Sale of Bonds	-	-
Investments in Deposits	18,500,000	(120,000,000)

Continue...



Particulars	Current Year	Previous Year
Maturity of Deposits	-	-
Proceeds from Finance Lease	-	-
Loans Paid	-	-
Proceeds from Loans	-	-
Interest Income Received	37,026,233	115,717,684
Dividend Received	-	-
Others (to be specified)	-	-
Total Cash Flow From Investing Activities [2]	55,012,117	(2,580,948)
Cash Flow From Financing Activities		
Interest Paid	-	-
Proceeds From Borrowings	-	-
Repayment of Borrowings	-	-
Payment of Finance Lease	-	-
Proceeds From Issue of Share Capital	-	-
Share Issuance Cost Paid	-	-
Dividend Paid	-	-
Dividend Distribution Tax Paid	-	-
Others (to be specified)	-	-
Total Cash Flow From Financing Activities [3]	-	-
Net Increase/(Decrease) In Cash & Cash Equivalents [1+2+3]	(10,472,939)	(58,866,242)
Cash & Cash Equivalents At Beginning of The Year/Period	65,683,225	124,549,467
Effect of Exchange Rate Changes on Cash and Cash Equivalents	-	-
Cash & Cash Equivalents At End of The Year/Period	55,210,286	65,683,225
Components of Cash & Cash Equivalents		
Cash In Hand	-	-
Cheques In Hand	-	3,533,320
Term Deposit with Banks (with initial maturity upto 3 months)	-	-
Balance With Banks	55,210,286	62,149,905

The accompanying notes form an integral part of Financial Statements.

Ganesh Kadal
Chief Finance Officer

Sudyumna Prasad Upadhyaya
Chief Executive Officer

Kunal Kayal
Chairman

As per our report of even date

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Dr. Anil Raj Bhattarai
Director

N. Amatya & Co.
Chartered Accountants

Date: 2080.09.13
Place: Kathmandu



General Insurance Company Nepal Ltd.

Notes to the Financial Statements For the period ended Kartik 06, 2079 (October 23rd, 2022)

1. Reporting Entity

General Insurance Company Limited (herein after referred to as the 'Company') is a public limited company, incorporated on Mangsir 10, 2064 and operated as Non-Life Insurance Company after obtaining license on Magh 24, 2074 under the Insurance Act 2049.

The registered office of the Company is located at Hattisar, Kathmandu. The Company's share are listed on Nepal Stock Exchange Ltd.

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

2. Basis of Preparation

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Reporting Period and approval of financial statements

The Company reporting period is from 1st Shrawan 2079 to 06th Kartik 2079 with the corresponding previous year from 1st Shrawan 2078 to 32nd Ashadh 2079. These financial statements have been approved by the Board of Directors on 2080.09.13.

(b) Statement of Compliance

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

The Financial Statements have been prepared on a going concern basis. The term NFRS, includes all the standards and the related interpretations which are consistently used.

(c) Basis of Measurement

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

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

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



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

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

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

(d) Use of Estimates

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

(e) Functional and Presentation Currency

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

(f) Going Concern

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

The company has merged with Sanima General Insurance Ltd and new transaction is being carried out in name of "Sanima GIC Insurance Ltd." from Kartik 07, 2079 after the approval from the regulatory bodies and all the assets and liabilities are transferred to "Sanima GIC Insurance Ltd".

(g) Change in Accounting Policies

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

(h) Recent Accounting Pronouncements

Accounting standards issued and effective
Accounting standards issued and non-effective



i) IFRS-17-Insurance Contract

IFRS 17 is an updated version of NFRS 4, Insurance Contracts. IFRS 17 requires entities to reflect the time value of money in estimated payments to settle the incurred claims, which is not provisioned by NFRS 4. IFRS 17 requires a company to recognize profits as it delivers insurance services (rather than when it receives premiums) and to provide information about insurance contract profits the company expects to recognize in the future.

(i) Carve-outs

The Company has not applied any carve outs provided by the ASB.

(j) Presentation of financial statements

The assets and liabilities of the Company presented in the Statement of Financial Position are grouped by the nature and listed in an order that reflects their relative liquidity and maturity pattern.

(k) Offsetting

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 liabilities simultaneously. Income and expenses are not offset in the Statement of Profit or Loss unless required or permitted by Nepalese Financial Reporting Standards or Interpretation (issued by the International Financial Reporting Interpretations Committee (IFRIC) and Standard Interpretations Committee (SIC) and as specifically disclosed in the Significant Accounting Policies of the Company.

(l) Materiality and Aggregation

Each material class of similar items is presented separately in the Financial Statements. Items of dissimilar nature or function are presented separately, unless they are immaterial as permitted by the Nepal Accounting Standard-NAS 1 on 'Presentation of Financial Statements'.

Notes to the Financial Statements are presented in a systematic manner which ensures the understandability and comparability of Financial Statements of the Company. Understandability of the Financial Statements is not compromised by obscuring material information with immaterial information or by aggregating material items that have different natures or functions.

3. Significant Accounting Policies

(a) Property and Equipment

i) Recognition

Freehold land is carried at historical cost and other items of Property and Equipment are stated at cost of acquisition or construction less accumulated depreciation when, it is probable that future economic benefits associated with the item will flow to the Company and it can be used for more than one year and the cost can be measured reliably.

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

ii) Revaluation

After recognition as an assets, lands and buildings whose fair value can be measured reliably, have been carried at revalued amount at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Valuations are being performed to ensure that the fair value of a revalued



asset does not materially differ from its carrying amount as at the reporting date. Valuation of the land and buildings are undertaken by professionally qualified valuers.

An increase in the carrying amount as a result of revaluation, is recognized in other comprehensive income and accumulated in equity under the heading of revaluation reserve. However, the increase is recognized in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognized in profit and loss. A decrease in the carrying amount as a result of revaluation, is recognized in profit or loss. However, the decrease is recognized in other comprehensive income to the extent of any credit balance existing in the revaluation surplus in respect of that asset.

Additionally, accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Upon disposal, any revaluation reserve relating to the particular asset being sold is transferred directly to retained earnings.

Difference between depreciation on the revalued carrying amount of the asset and depreciation based on the asset's original cost is transferred to retained earnings.

iii) Depreciation

Depreciation of Property and Equipment other than the Freehold Land i.e. the Company's Freehold Building, Plant & Machinery, Vehicles & Other Assets is provided on "Straight Line Method (SLM)" based on Useful Life estimated by technical expert of the management.

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

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

List of Asset Categories	Useful Life (In Years) for SLM
Land	NA
Buildings	50
Leasehold Improvement	10
Furniture & Fixtures	8-10
Computers and IT Equipments	4
Office Equipment	8
Vehicles	8
Other Assets	8

iv) Derecognition

An item of Property and Equipment is derecognized up to disposal or when no Future Economic Benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of Property and Equipment is determined as the difference between the sales proceeds and the carrying amount of the Asset and is recognized in the Statement of Profit or Loss.

v) Impairment of Assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the Asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets. Assets that suffer an impairment are reviewed for possible reversal of the impairment at the end of each reporting period. In case of such reversal, the carrying amount of the asset is increased so as not to exceed the carrying amount that would have been determined had there been no impairment loss.



vi) Capital Work-In-Progress

These are expenses of capital nature directly incurred in the construction of buildings, major plant and machinery and system development which are to be capitalized. Capital Work in Progress would be transferred to the relevant asset when it is available for use. Capital Work in Progress is stated at cost less any accumulated impairment losses.

(b) Goodwill & Intangible Assets

i) Recognition

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

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

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

a. The aggregate of:

1. The consideration transferred measured in accordance with the NFRS 3, which generally requires acquisition-date fair value
2. The amount of any non-controlling interest in the acquiree measured in accordance with the NFRS 3, and
3. In a business combination achieved in stages, the acquisition-date fair value of the acquirer's previously held equity interest in the acquiree.

b. The net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed.

ii) Amortization

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

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

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

List of Asset Categories	Useful Life (In Years) for SLM
Softwares	10
Licences	Licence Period
Others (to be specified)	-

iii) Derecognition

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



iv) Impairment of Assets

The Company assesses at each reporting date as to whether there is any indication that Intangible Assets may be impaired. If any such indication exists, the recoverable amount of an asset is estimated to determine the extent of impairment, if any. An impairment loss is recognized in the Statement of Profit or Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

(c) Investment Properties

Fair Value Model

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market condition at the reporting date. Gains or losses arising from changes in the fair values of investment properties are included in the statement of profit or loss in the year in which they arise, including the corresponding tax effect.

The fair value of investment property is determined by an external, independent property valuer, having appropriate recognized professional qualification and recent experience in the location and category by property being valued.

Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognized in the statement of profit or loss in the year of retirement or disposal.

Transfer are made to (or from) investment property only when there is a change in use. For a transfer from investment property, the Company accounts for such property in accordance with the policy stated under PPE up to the date of change in use.

(d) Cash & Cash Equivalent

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

(e) Financial Assets

i) Initial Recognition & Measurement

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

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

ii) Subsequent Measurement

a) Financial Assets carried at Amortized Cost (AC)

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



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

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

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

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

iii) De-Recognition

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

iv) Impairment of Financial Assets

The Company assesses at each reporting date whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or group of financial assets is deemed to be impaired if, there is objective evidence of impairment as a result of one or more events that has occurred since the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that a financial asset or a group of financial assets is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

(f) Financial Liabilities

i) Initial Recognition & Measurement

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

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

ii) Subsequent Measurement

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

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

iii) De-Recognition

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



(g) Offsetting financial instruments

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

(h) Reinsurance Assets

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

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

(i) Equity

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

(j) Reserves and Funds

i) Share Application Money Pending Allotment

ii) Share Premium:

If the Company issues share capital at premium, it receives extra amount other than share capital such amount is transferred to share premium. The amount in share premium is allowed for distribution of bonus shares.

iii) Catastrophe Reserve:

The Company has allocated catastrophe reserve for the amount which is 10% of the net profit for the year.

iv) Fair Value Reserve:

The Company has policy of creating fair value reserve equal to the amount of Fair Value Gain recognized in statement of other comprehensive income.

v) Actuarial Reserves:

Reserve against actuarial gain or loss on present value of defined benefit obligation resulting from, experience adjustments (the effects of difference between the previous actuarial assumptions and what has actually occurred); and the effects of changes in actuarial assumptions.

vi) Revaluation Reserves:

Reserve created against revaluation gain on property, plant & equipment & intangible assets, other than the reversal of earlier re-valuation losses charged to profit or loss.

vii) Special Reserve:

The Company allocates 50% of net profit every year to special reserve.

viii) Other Reserves:

Reserve other than above reserves, for e.g. deferred tax reserve.

(k) Insurance Contract Liabilities

i) Provision for unearned premiums

Unearned premiums reserve represents the portion of the premium written in the year but relating to the unexpired term of coverage.



Change in reserve for unearned insurance premium represents the net portion of the gross written premium transferred to the unearned premium reserve during the year to cover the unexpired period of the policies.

ii) Outstanding claims provisions

Outstanding claims provisions are based on the estimated ultimate cost of all claims incurred but not settled at the statement of financial position date, whether reported or not, together with related claims handling costs.

iii) Provision for claim incurred but not reported (IBNR)

Significant delays are experienced in the notification and settlement of certain types of claims, the ultimate cost of which cannot be known with certainty at the statement of financial position date.

The liability is calculated at the reporting date using a range of standard actuarial claim projection techniques, based on empirical data and current assumptions that may include a margin for adverse deviation.

Liability adequacy

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

(I) Employee Benefits

i) Short Term Obligations

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

ii) Post-Employment Benefits

- Defined Contribution Plan

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

- Defined Benefit Plan

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

iii) Long Term Employee Benefits

The liabilities for un-availed earned leaves are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. Leave Encashment has been computed



using Actuarial Assumptions and these are measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the year using the Projected Unit Credit Method. The benefits are discounted using the market yields at the end of the year that have terms approximating to the terms of assumptions.

iv) Termination

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

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

(m) Revenue Recognition

i) Gross Premium

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

ii) Unearned Premium Reserves

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

iii) Premiums on Reinsurance Accepted

Premium on reinsurance accepted comprise the total premiums payable for the whole cover provided by contracts entered into the period and are recognized on the date on which the policy incepts. Premiums include any adjustments arising in the accounting period in respect of reinsurance contracts incepting in prior accounting periods. Unearned reinsurance premiums are those proportions of premiums written in a year that relate to periods of risk after the reporting date.

Reinsurance premiums and claims on the face of the statement of profit or loss have been presented as negative items within premiums and net claims, respectively, because this is consistent with how the business is managed.

iv) Reinsurance Premium

Direct Reinsurance premiums comprise the total premiums payable for the whole cover provided by contracts entered into the period and are recognized on the date on which the policy incepts. Premiums include any adjustments arising in the accounting period in respect of reinsurance contracts incepting in prior accounting periods. Unearned reinsurance premiums are those proportions of premiums written in a year that relate to periods of risk after the reporting date. Unearned reinsurance premiums are deferred over the term of the underlying direct insurance policies for risks- attaching contracts and over the term of the reinsurance contract for losses occurring contracts. Reinsurance premiums and claims on the face of the statement of profit or loss have been presented as negative items within premiums and net claims, respectively, because this is consistent with how the business is managed.

v) Commission Income

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



vi) Investment Income

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

vii) Net realized gains and losses

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

(n) Claims and Expenses

i) Gross Claims

Claims includes the cost of all claims arising during the year, including external claims handling costs that are directly related to processing and settlement of claims. Claims that are incurred during the financial year are recognized when a claimable event occurs and/or the insurer is notified.

The Company has completed a little more than four years of operations. As the Company is relatively new and growing rapidly the available claims data is not sufficient and stable to apply standard actuarial techniques of triangulation (Basic Chain Ladder) to estimate the ultimate losses that would result from a given accident year. Therefore, Ultimate Loss Ratios (ULRs) method has been applied to estimate the ultimate losses for accident years and line of businesses in operation. Paid claims and outstanding claims are then subtracted from the ultimate losses to arrive at the IBN(E)R.

ii) Reinsurance Claims

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

(o) Product Classification

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

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

- i) Property Portfolio - Property/Fire insurance business means the business of affecting and carrying out contracts of insurance, otherwise than incidental to some other class of insurance business against loss or damage to property due to fire, explosion, storm and other occurrences customarily included among the risks insured against in the property/fire insurance business.
- ii) Motor Portfolio - Motor insurance business means the business of affecting and carrying out contracts of insurance against loss of, or damage to, or arising out of or in connection with the use of, motor vehicles, inclusive of third party risks but exclusive of transit risks.
- iii) Marine Portfolio - Marine insurance business means the business of affecting and carrying out contracts of insurance against loss of consignment of goods during transit.



- iv) Engineering Portfolio - Engineering insurance business means the insurance that provides economic safeguard to the risks faced by the ongoing construction project, installation project, and machines and equipment in project operation.
- v) Micro Portfolio - Micro Insurance protects against loss of or damage to crops or livestock. It has great potential to provide value to low-income farmers and their communities, both by protecting farmers when shocks occur and by encouraging greater investment in crops.
- vi) Aviation Portfolio – Aviation Insurance provides coverage for hull losses as well as liability for passenger injuries, environmental and third-party damage caused by aircraft accidents.
- vii) Cattle and Crop Portfolio - Cattle and Crop Insurance provides insurance against loss of or damage to Cattle and crops.
- viii) Miscellaneous Portfolio – All the insurance business which doesn't fall in above categories fall under miscellaneous insurance business. Group Personal Accidents, Medical Insurances, Professional indemnity insurance etc. fall under this category of business.

(p) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in statement of profit or loss in the period in which they are incurred.

(q) Cash Flow Statement

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

(r) Leases

The lease liability has been accounted for under NFRS 16 "Leases". For all the significant lease, the Right-of-Use assets has been recognized at its initial recognition under cash model. The Lease liability has been recognized at the present value of the lease payments that are not paid at that date. The lease payment has been discounted at the incremental borrowing rate in lease which is 10.38%.

After the commencement date, the right of use asset has been measured using cost model. The lease liability has been increased to reflect interest on the lease liability & has been reduced by the lease payment.

The lease assets having the lease liability of equal to or less than NPR 0 present value at inception has been considered as low value and for those lease the expenses has been recognized under straight line basis.

(s) Income Taxes

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

i) Current Tax

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



ii) Deferred Tax

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

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

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

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

(t) Provisions, Contingent Liabilities & Contingent Assets

i) Provisions

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

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate to determine the present value is a Pre-Tax Rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expenses.

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

ii) Contingent Liabilities

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

iii) Contingent Assets

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

(u) Functional Currency & Foreign Currency Transactions

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



(v) Earnings Per Share

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

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

(w) Operating Segment

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

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



General Insurance Company Nepal Ltd.

Notes to the Financial Statements

Amount in NPR

4. Goodwill & Intangible Assets

Particulars	Softwares	Licenses	Website	Total
Gross carrying amount				
As at Shrawan 1, 2078	3,076,763.73	-	-	3,076,763.73
Additions during the year	-	-	-	-
Acquisition	-	-	-	-
Internal Development	-	-	-	-
Business Combination (to be Specified)	-	-	-	-
Disposals during the year	-	-	-	-
Revaluation/Adjustment	-	-	-	-
As at Ashadh 32, 2079	3,076,764	-	-	3,076,764
Additions during the year	-	-	-	-
Acquisition	-	-	-	-
Internal Development	-	-	-	-
Business Combination	-	-	-	-
Disposals during the year	-	-	-	-
Revaluation/Adjustment	-	-	-	-
Balance as at Kartik 06, 2079	3,076,764	-	-	3,076,764
Accumulated amortization and impairment				
As at Shrawan 1, 2078	700,637	-	-	700,637
Additions during the year	306,245	-	-	306,245
Disposals during the year	-	-	-	-
Impairment during the year	-	-	-	-
As at Ashadh 32, 2079	1,006,882	-	-	1,006,882
Additions during the year	83,064	-	-	83,064
Disposals during the year	-	-	-	-
Impairment during the year	-	-	-	-
Balance as at Kartik 06, 2079	1,089,946	-	-	1,089,946
Capital Work-In-Progress				
As on Shrawan 1, 2078	-	-	-	-
Additions during the year	-	-	-	-
Capitalisation during the year	-	-	-	-
Disposals during the year	-	-	-	-
Impairment during the year	-	-	-	-
As at Ashadh 32, 2079	-	-	-	-
Additions during the year	-	-	-	-
Capitalisation during the year	-	-	-	-
Disposals during the year	-	-	-	-
Impairment during the year	-	-	-	-
Balance as at Kartik 06, 2079	-	-	-	-
As at Ashadh 32, 2079	2,069,882	-	-	2,069,882
As at Kartik 06, 2079	1,986,818	-	-	1,986,818

General Insurance Company Nepal Ltd.

Notes to the Financial Statements

Amount in NPR

Particulars	Land	Buildings	Leasehold Improvement	Furniture and Fixtures	Computers and IT Equipments	Office Equipment	Vehicles	Other Assets	Total
Gross carrying amount									
As at Shrawan 1, 2078	-	-	4,531,149	22,975,446	11,091,325	13,627,681	7,099,230	-	59,324,831
Additions during the year	-	-	-	-	-	-	-	-	-
Capitalisation	-	-	1,129,419	1,767,926	953,343	2,170,057	5,886,490	-	11,907,235
Acquisition	-	-	-	-	-	-	(361,065)	-	(361,065)
Disposals during the year	-	-	-	-	-	-	-	-	-
Write-offs during the year	-	-	-	-	-	-	-	-	-
Revaluation during the year	-	-	-	-	-	-	-	-	-
Transfer/ adjustments	-	-	-	-	-	-	-	-	-
As at Ashadh 32, 2079	-	-	5,660,568	24,743,372	12,044,668	15,797,736	12,624,655	-	70,870,999
Additions during the year	-	-	-	18,600	192,448	298,380	176,991	-	686,419
Capitalisation	-	-	-	-	-	-	(353,982)	-	(353,982)
Acquisition	-	-	-	-	-	-	-	-	-
Disposals during the year	-	-	-	-	-	-	-	-	-
Write-offs during the year	-	-	-	-	-	-	-	-	-
Revaluation during the year	-	-	-	-	-	-	-	-	-
Transfer/ adjustments	-	-	-	-	-	-	-	-	-
Balance as at Kartik 06, 2079	-	-	5,660,568	24,761,972	12,237,116	16,096,116	12,447,664	-	71,203,436
Accumulated depreciation and impairment									
As at Shrawan 1, 2078	-	-	810,592	5,640,020	5,689,627	3,078,588	966,094	-	16,184,921
Additions during the year	-	-	-	-	-	-	-	-	-
Depreciation	-	-	336,122	2,741,352	2,620,406	1,624,876	1,440,405	-	8,763,161
Acquired	-	-	-	-	-	-	(121,466)	-	(121,466)
Disposals during the year	-	-	-	-	-	-	-	-	-
Write-offs during the year	-	-	-	-	-	-	-	-	-
Impairment during the year	-	-	-	-	-	-	-	-	-
Transfer/ adjustments	-	-	-	-	-	-	-	-	-
As at Ashadh 32, 2079	-	-	1,146,714	8,381,372	8,310,033	4,703,462	2,285,033	-	24,826,615
Additions during the year	-	-	-	-	-	-	-	-	-
Depreciation	-	-	153,490	774,977	609,082	481,030	421,081	-	2,439,660

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Amount in NPR

Particulars	Land	Buildings	Leasehold Improvement	Furniture and Fixtures	Computers and IT Equipments	Office Equipment	Vehicles	Other Assets	Total
Acquired	-	-	-	-	-	-	(134,562)	-	(134,562)
Disposals during the year	-	-	-	-	-	-	-	-	-
Write-offs during the year	-	-	-	-	-	-	-	-	-
Impairment during the year	-	-	-	-	-	-	-	-	-
Transfer/ adjustments	-	-	-	-	-	-	-	-	-
Balance as at Kartik 06, 2079	-	-	1,300,204	9,156,349	8,919,115	5,184,492	2,571,552	-	27,131,713
Capital Work-In-Progress									
As at Shrawan 1, 2078	-	-	-	-	-	-	-	-	-
Additions during the year	-	-	-	-	-	-	-	-	-
Capitalisation during the year	-	-	-	-	-	-	-	-	-
Disposals during the year	-	-	-	-	-	-	-	-	-
Impairment during the year	-	-	-	-	-	-	-	-	-
As at Ashadh 32, 2079	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-	-
Capitalisation	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Impairment losses	-	-	-	-	-	-	-	-	-
Impairment reversal	-	-	-	-	-	-	-	-	-
Balance as at Kartik 06, 2079	-	-	4,513,854	16,362,000	3,734,635	11,094,274	10,339,622	-	46,044,384
Net Carrying Amount									
As at Ashadh 32, 2079	-	-	4,360,364	15,605,623	3,318,001	10,911,624	9,876,112	-	44,071,723
As at Kartik 06, 2079	-	-	-	-	-	-	-	-	-
Right-of-Use Assets (after Implementation of NFRS 16) or Finance Lease assets held by the Company, out of above Property, Plant and Equipment:									
Gross carrying amount			102,228,388	-	-	-	-	-	102,228,388
As at Ashadh 32, 2079	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-	-

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Particulars	Amount in NPR									
	Land	Buildings	Leasehold Improvement	Furniture and Fixtures	Computers and IT Equipments	Office Equipment	Vehicles	Other Assets	Total	
Disposals	-	-	-	-	-	-	-	-	-	-
Write-offs	-	-	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-	-	-	-	-	-
Balance as at Kartik 06, 2079	-	-	102,228,388	-	-	-	-	-	-	102,228,388
Accumulated depreciation	-	-	-	-	-	-	-	-	-	-
As at Ashadh 32, 2079	-	-	17,178,679	-	-	-	-	-	-	17,178,679
Depreciation	-	-	4,291,665	-	-	-	-	-	-	4,291,665
Disposals/ Write-offs	-	-	-	-	-	-	-	-	-	-
Impairment losses	-	-	-	-	-	-	-	-	-	-
Impairment reversal	-	-	-	-	-	-	-	-	-	-
Transfer/ adjustments	-	-	-	-	-	-	-	-	-	-
Balance as at Kartik 06, 2079	-	-	21,470,344	-	-	-	-	-	-	21,470,344
Net Carrying Amount	-	-	-	-	-	-	-	-	-	-
As at Ashadh 32, 2079	-	-	85,049,709	-	-	-	-	-	-	85,049,709
As at Kartik 06, 2079	-	-	80,758,044	-	-	-	-	-	-	80,758,044



General Insurance Company Nepal Ltd.

Notes to the Financial Statements

Amount in NPR

6 Investment Properties

Particulars	Land	Building	Total
Gross carrying amount			
As at Shrawan 1, 2078	-	-	-
Additions during the year	-	-	-
Acquisition	-	-	-
Subsequent Expenditure	-	-	-
Assets classified as held for sales	-	-	-
Disposals during the year	-	-	-
Transfer/Adjustments	-	-	-
As at Ashadh 32, 2079	-	-	-
Additions during the year	-	-	-
Acquisition	-	-	-
Subsequent Expenditure	-	-	-
Assets classified as held for sales	-	-	-
Disposals during the year	-	-	-
Transfer/Adjustments	-	-	-
Balance as at Kartik 06, 2079	-	-	-
Depreciation and impairment			
As at Shrawan 1, 2078	-	-	-
Additions during the year	-	-	-
Disposals during the year	-	-	-
Impairment during the year	-	-	-
Transfer/Adjustments	-	-	-
As at Ashadh 32, 2079	-	-	-
Additions during the year	-	-	-
Disposals during the year	-	-	-
Impairment during the year	-	-	-
Transfer/Adjustments	-	-	-
Balance as at Kartik 06, 2079	-	-	-
Capital Work-In-Progress			
As on Shrawan 1, 2078	-	-	-
Additions during the year	-	-	-
Capitalisation during the year	-	-	-
Disposals during the year	-	-	-
Impairment during the year	-	-	-
Balance as on Ashadh 32, 2079	-	-	-
Additions during the year	-	-	-
Capitalisation during the year	-	-	-
Disposals during the year	-	-	-
Impairment during the year	-	-	-
Balance as on Kartik 06, 2079	-	-	-
Net Carrying Amount			
Balance as at Ashadh 32, 2079	-	-	-
Balance as at Kartik 06, 2079	-	-	-



General Insurance Company Nepal Ltd.

Notes to the Financial Statements

Amount in NPR

(i) Amounts recognised in statement of profit or loss for investment properties

Particulars	Current Year	Previous Year
Rental income	-	-
Direct operating expenses from property that generated rental income	-	-
Direct operating expenses from property that didn't generated rental income	-	-
Profit from investment properties before depreciation	-	-
Depreciation charge	-	-
Profit from investment properties	-	-

(ii) Contractual obligations: Refer note no. 54 For disclosure of contractual obligations relating to investment properties.

(iii) There are no restrictions on the realisability of investment properties or proceeds of disposal.

(iv) Fair value of investment properties:

Particulars	Current Year	Previous Year
Land	-	-
Building	-	-
Total	-	-

Estimation of Fair Value

The company obtains independent valuations for its investment properties. The best evidence of fair value is current prices in an active market for similar properties.

Where such information is not available, the company consider information from a variety of sources including:

- Current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences,
- Discounted cash flow projections based on reliable estimates of future cash flows,
- Capitalised income projections based upon a property's estimated net market income and a capitalisation rate derived from an analysis of market evidence.

The main inputs used are the rental growth rates, expected vacancy rates, terminal yields and discount rates based on comparable transactions and industry data.



General Insurance Company Nepal Ltd.

Notes to the Financial Statements

Amount in NPR

7 Deferred Tax Assets/ (Liabilities)

Particulars	Current Year			Previous Year		
	Through SOPL	Through SOCI	Total	Through SOPL	Through SOCI	Total
Intangible Assets	-	-	-	-	-	-
Property, Plant and Equipment	(2,610,103)	-	(2,610,103)	(2,689,220)	-	(2,689,220)
Financial Assets at FVTPL	-	-	-	-	-	-
Financial Assets at FVTOCI	-	4,269,480	4,269,480	-	3,000,089	3,000,089
Provision for Leave Encashment	3,575,218	-	3,575,218	3,324,647	-	3,324,647
Provision for Gratuity	-	-	-	1,621,788	-	1,621,788
Impairment Loss on Financial Assets	617,438	-	617,438	1,059,996	-	1,059,996
Impairment Loss on Other Assets	-	-	-	-	-	-
Unearned Premiums Reserve	40,537,957	-	40,537,957	3,549,047	-	3,549,047
Premum Deficiency Reserve	10,552,921	-	10,552,921	3,027,881	-	3,027,881
IBNR and IBNER Claims	6,620,122	-	6,620,122	11,027,276	-	11,027,276
Margin for Adverse Deviation	626,153	-	626,153	786,213	-	786,213
Tax Losses	-	-	-	-	-	-
Bonus Payable	-	-	-	303,842	-	303,842
Other	-	-	-	-	-	-
i) Deferred Agent Commission expense	(3,132,786)	-	(3,132,786)	(2,358,406)	-	(2,358,406)
ii) Deferred Reinsurance Commission expense	(217,647)	-	(217,647)	(274,719)	-	(274,719)
iii) Deferred Reinsurance Commission income	22,585,305	-	22,585,305	19,811,525	-	19,811,525
iv) Lease Liability	1,522,324	-	1,522,324	1,193,166	-	1,193,166
Total	80,676,902	4,269,480	84,946,382	40,383,036	3,000,089	43,383,125

Movements in deferred tax assets/ (liabilities)

Particulars	Current Year			Previous Year		
	Through SOPL	Through SOCI	Total	Through SOPL	Through SOCI	Total
As at Shrawan 1, 2079	40,383,036	3,000,089	43,383,125	26,554,109	(5,426,018)	21,128,091
Charged/(Credited) to Statement of Profit or Loss	40,293,866	-	40,293,866	13,828,927	-	13,828,927
Charged/(Credited) to Other Comprehensive Income	-	1,269,391	1,269,391	-	8,426,107	8,426,107
As at Kartik 06, 2079	80,676,902	4,269,480	84,946,382	40,383,036	3,000,089	43,383,125

8 Investments in Subsidiaries

Particulars	Current Year	Previous Year
Investment in Quoted Subsidiaries	-	-
Investment in Unquoted Subsidiaries	-	-
Less: Impairment Losses	-	-
Total	-	-

Continue...



General Insurance Company Nepal Ltd.

Notes to the Financial Statements

Amount in NPR

Investment in Quoted Subsidiaries

Particulars	Current Year		Previous Year	
	Cost	Fair Value	Cost	Fair Value
..... Shares of Rs..... each of Ltd.	-	-	-	-
..... Shares of Rs..... each of Ltd.	-	-	-	-
Total	-	-	-	-

Investment in Unquoted Subsidiaries

Particulars	Current Year		Previous Year	
	Cost	Fair Value	Cost	Fair Value
..... Shares of Rs..... each of Ltd.	-	-	-	-
..... Shares of Rs..... each of Ltd.	-	-	-	-
Total	-	-	-	-

Information Relating to Subsidiaries

Particulars	Percentage of Ownership	
	Current Year	Previous Year
..... Shares of Rs..... each of Ltd.	-	-
..... Shares of Rs..... each of Ltd.	-	-
..... Shares of Rs..... each of Ltd.	-	-
..... Shares of Rs..... each of Ltd.	-	-

9 Investments in Associates

Particulars	Current Year	Previous Year
Investment in Quoted Subsidiaries	-	-
Investment in Unquoted Subsidiaries	-	-
Less: Impairment Losses	-	-
Total	-	-

Investment in Quoted Associates

Particulars	Current Year			Previous Year		
	Cost	Fair Value	(or) Equity Method	Cost	Fair Value	(or) Equity Method
..... Shares of Rs..... each of Ltd.	-	-	-	-	-	-
..... Shares of Rs..... each of Ltd.	-	-	-	-	-	-
Add: Share of Profit or Loss for Earlier Years	-	-	-	-	-	-
Add: Share of Profit or Loss for Current Year	-	-	-	-	-	-
Total	-	-	-	-	-	-

Continue...



General Insurance Company Nepal Ltd.

Notes to the Financial Statements

Amount in NPR

Investment in Unquoted Associates

Particulars	Current Year			Previous Year		
	Cost	Fair Value	(or) Equity Method	Cost	Fair Value	(or) Equity Method
..... Shares of Rs..... each of Ltd.	-	-	-	-	-	-
..... Shares of Rs..... each of Ltd.	-	-	-	-	-	-
Add: Share of Profit or Loss for Earlier Years	-	-	-	-	-	-
Add: Share of Profit or Loss for Current Year	-	-	-	-	-	-
Total	-	-	-	-	-	-

Information Relating to Associates

Particulars	Current Year	Previous Year
Name		
Place of Business	-	-
Accounting Method	-	-
% of Ownership	-	-
Current Assets	-	-
Non-Current Assets	-	-
Current Liabilities	-	-
Non-Current Liabilities	-	-
Income		
Net Profit or Loss	-	-
Other Comprehensive Income	-	-
Total Comprehensive Income	-	-
Company's share of profits		
Net Profit or Loss	-	-
Other Comprehensive Income	-	-

10 Investments

Particulars	Current Year	Previous Year
Investments measured at Amortised Cost		
i) Investment in Preference Shares of Bank and Financial Institutions	-	-
ii) Investment in Debentures	52,365,000	52,365,000
iii) Investment in Bonds (Nepal Government/ NRB/ Guaranteed by Nepal Government)	-	-
iv) Fixed Deposit of "A" Class Financial Institutions	1,119,000,000	1,136,500,000
v) Fixed Deposit of Infrastructure Banks	-	-
vi) Fixed Deposits in "B" Class Financial Institutions	103,000,000	105,000,000
vii) Fixed Deposits in "C" Class Financial Institutions	21,500,000	20,500,000
viii) Others (to be specified)	-	-
Less: Impairment Losses	-	-
Investments measured at FVTOCI		
i) Investment in Equity Instruments (Quoted)	22,300,744	26,582,976
ii) Investment in Equity Instruments (Unquoted)	1,195,000	1,195,000
iii) Investment in Mutual Funds	-	-
iv) Investment in Debentures	-	-
v) Others (to be Specified)	-	-
Investments measured at FVTPL		
i) Investment in Equity Instruments	-	-
ii) Investment in Equity Instruments (Quoted)	-	-
iii) Investment in Mutual Funds	-	-
iv) Others (to be Specified)	-	-
Total	1,319,360,744	1,342,142,976

Continue...



General Insurance Company Nepal Ltd.

Notes to the Financial Statements

Amount in NPR

a) Details of Impairment Losses

Particulars	Current Year	Previous Year
Investment in Preference Shares of Bank and Financial Institutions	-	-
Investment in Debentures	-	-
Investment in Bonds (Nepal Government/ NRB/ Guaranteed by Nepal Government)	-	-
Fixed Deposit with "A" Class Financial Institutions	-	-
Fixed Deposit with Infrastructure Bank	-	-
Fixed Deposits with "B" Class Financial Institutions	-	-
Fixed Deposits with "C" Class Financial Institutions	-	-
Others (to be specified)	-	-
Total	-	-

b) Investments having expected maturities less than 12 months:

Particulars	Current Year	Previous Year
Investment in Equity Instruments (Quoted)	-	-
Investment in Equity Instruments (Unquoted)	-	-
Investment in Mutual Funds	-	-
Investment in Preference Shares of Bank and Financial Institutions	-	-
Investment in Debentures	-	-
Investment in Bonds	-	-
Fixed Deposit with "A" Class Financial Institutions	1,119,000,000	1,136,500,000
Fixed Deposit with Infrastructure Bank	-	-
Fixed Deposits with "B" Class Financial Institutions	103,000,000	105,000,000
Fixed Deposits with "C" Class Financial Institutions	21,500,000	20,500,000
Others (to be specified)	-	-
Total	1,243,500,000	1,262,000,000

c) Information relating to investment in equity instruments

Particulars	Current Year		Previous Year	
	Cost	Fair Value	Cost	Fair Value
Investment in Equity Instruments (Quoted)				
Central Finance Limited 33 Shares of Rs 100 Each	-	9,768	-	9,966
Deprosc Laghubitta Bittiya Sansthan Ltd 2,420 Shares of Rs 100 Each	2,965,052	2,006,620	2,965,052.00	2,068,000
Goodwill Finance Limited 1,670 Shares of Rs 100 Each	414,157	718,099	414,157.00	833,329
Jeevan Bikas Laghubitta Sansthan Ltd 493 Shares of Rs 100 Each	1,282,759	1,244,825	1,333,642.00	1,330,607
Life Insurance Corporation (Nepal) Ltd. 600 Shares of Rs 100 Each	1,081,350	731,940	1,081,350.00	849,000
Machhapuchhre Bank Ltd. 8,000 Shares of Rs 100 Each	2,730,150	1,780,000	2,730,150.00	2,032,000
Manjushree Finance Ltd. 1 Shares of Rs 100 Each	-	377	-	447
Arun Valley Hydropower Development Company Ltd. 1 Shares of Rs 100 Each	-	-	-	-
Mero Microfinance Bittiya Sansthan Ltd. 2,531 Shares of Rs 100 Each	2,923,709	1,740,937	2,923,709.00	1,948,947
Mountain Hydro Nepal Ltd. 5,000 Shares of Rs 100 Each	2,721,671	1,086,500	2,721,671.00	1,360,000
Nepal Reinsurance Company Ltd. 1,155 Shares of Rs 100 Each	1,429,650	667,590	1,429,650.00	808,500
NIC Asia Laghubitta Bittiya Sanstha Ltd. 3,250 Shares of Rs 100 Each	4,106,300	2,320,500	4,106,300.00	2,794,675
Prime Commercial Bank Ltd. 7,800 Shares of Rs 100 Each	2,898,282	1,687,500	2,898,282.00	1,987,500
Ridi Power Company Ltd. 7,000 Shares of Rs 100 Each	4,272,506	2,217,500	4,272,506.00	4,190,000
Sana Kisan Bikas Bank Ltd. 2,995 Shares of Rs 100 Each	4,197,349	3,048,910	4,197,349.00	3,189,675
Siddhartha Bank Ltd. 7,087 Shares of Rs 100 Each	2,991,773	1,927,800	2,991,773.00	1,908,900
Singati Hydro Energy Ltd. 4,986 Shares of Rs 100 Each	2,517,685	1,111,878	2,517,685.00	1,271,430
Investment in Equity Instruments (Unquoted)				
Insurance Training Institute Nepal 11,950 Shares of Rs 100 Each	1,195,000	1,195,000	1,195,000	1,195,000

d) The Company has not earmarked investments to Nepal Insurance Authority.



General Insurance Company Nepal Ltd.

Notes to the Financial Statements

Amount in NPR

11 Loans

Particulars	Current Year	Previous Year
Loans at Amortised Cost		
Loan to Associates	-	-
Loan to Employees	-	-
Loan to Agent	-	-
Others (to be specified)	-	-
Less: Impairment Losses	-	-
Total	-	-

a) Expected recovery period within 12 months:

Particulars	Current Year	Previous Year
Loan to Associates	-	-
Loan to Employees	-	-
Loan to Agent	-	-
Others (to be specified)	-	-
Total	-	-

12 Reinsurance Assets

Particulars	Current Year	Previous Year
Reinsurance Assets on:		
Unearned Premiums	445,297,349	388,157,813
Provision for Premium Deficiency	-	-
IBNR and IBNER Claim	-	-
Outstanding Claims	899,057,837	685,963,460
Margin For Adverse Deviation	-	-
Less: Impairment Losses	-	-
Total	1,344,355,186	1,074,121,273

13 Insurance Receivables

Particulars	Current Year	Previous Year
Receivable from Reinsurers	32,347,543	209,321,470
Receivable from Other Insurance Companies	69,046,294	87,416,814
Others (to be Specified)	-	-
Less: Impairment Losses	-	-
Total	101,393,837	296,738,284

a) Expected recovery period within 12 months:

Particulars	Current Year	Previous Year
Receivable from Reinsurers	32,347,543	209,321,470
Receivable from Other Insurance Companies	69,046,294	87,416,814
Others (to be Specified)	-	-
Total	101,393,837	296,738,284



General Insurance Company Nepal Ltd.

Notes to the Financial Statements

Amount in NPR

14 Other Assets

Particulars	Current Year	Previous Year
Capital Advances	-	-
Prepaid Expenses	2,529,274	2,100,306
Claim Advance	91,881,916	83,926,294
Advance To Suppliers	-	1,862,689
Staff Advances	9,603,815	6,225,360
VAT Receivable	-	-
Printing and Stationery Stock	-	-
Stamp Stock	-	-
Deferred Expenses	-	-
Deferred Reinsurance Commission Expenses	725,489	915,730
Deferred Agent Commission Expenses	10,442,621	7,861,354
Lease Receivable	-	-
Gold Coin	33,042	33,042
Others	-	-
i) Other Advance	4,069,663	18,608
Less: Impairment Losses	-	-
Total	119,285,820	102,943,383

a) Expected to be recovered/ settled within 12 months:

Particulars	Current Year	Previous Year
Capital Advances	-	-
Prepaid Expenses	2,529,274	2,100,306
Claim Advance	91,881,916	83,926,294
Advance To Suppliers	-	1,862,689
Staff Advances	9,603,815	6,225,360
VAT Receivable	-	-
Printing and Stationery Stock	-	-
Stamp Stock	-	-
Deferred Expenses	-	-
Deferred Reinsurance Commission Expenses	725,489	915,730
Deferred Agent Commission Expenses	10,442,621	7,861,354
Lease Receivable	-	-
Others	-	-
i) Other Advance	4,069,663	18,608
Less: Impairment Losses	-	-
Total	119,252,778	102,910,341



General Insurance Company Nepal Ltd.

Notes to the Financial Statements

Amount in NPR

15 Other Financial Assets

Particulars	Current Year	Previous Year
Security Deposits	4,771,356	4,549,778
Accrued Interest	3,543,660	3,818,013
Other Receivables	-	-
Other Deposits	-	-
Sundry Debtors	81,824	4,510
Government Subsidy Receivable	41,614,219	30,104,470
Others	-	-
Less: Impairment Losses	-	-
Total	50,011,059	38,476,771

a) Expected maturities within 12 months:

Particulars	Current Year	Previous Year
Security Deposits	-	-
Accrued Interest	3,543,660	3,818,013
Other Receivables	-	-
Other Deposits	-	-
Sundry Debtors	81,824	4,510
Government Subsidy Receivable	41,614,219	30,104,470
Others	-	-
Total	45,239,703	33,926,993

16 Cash and Cash Equivalents

Particulars	Current Year	Previous Year
Cash In Hand	-	-
Cheques In Hand	-	3,533,320
Bank Balances		
i) Balance with "A" Class Financial Institutions	43,638,870	44,060,174
ii) Balance with Infrastructure Bank		
iii) Balance with "B" Class Financial Institutions	7,223,688	9,948,634
iv) Balance with "C" Class Financial Institutions	4,347,728	8,141,097
Less: Impairment Losses	-	-
Deposit with initial maturity upto 3 months	-	-
Others (to be Specified)	-	-
Less: Impairment Losses	-	-
Total	55,210,286	65,683,225



General Insurance Company Nepal Ltd.

Notes to the Financial Statements

Amount in NPR

17 (a) Share Capital

Particulars	Current Year	Previous Year
Ordinary Shares		
As at Shrawan 1, 2079	1,000,000,000	1,000,000,000
Additions during the year	-	-
i) Bonus Share Issue	-	-
ii) Share Issue	-	-
As at Kartik 06, 2079	1,000,000,000	1,000,000,000
Convertible Preference Shares (Equity Component Only)		
As at Shrawan 1, 2079	-	-
Additions during the year	-	-
As at Kartik 06, 2079	-	-
Irredeemable Preference Shares (Equity Component Only)		
As at Shrawan 1, 2079	-	-
Additions during the year	-	-
As at Kartik 06, 2079	-	-
Total	1,000,000,000	1,000,000,000

(i) Ordinary Shares

Particulars	Current Year	Previous Year
Authorised Capital:		
10,000,000 Ordinary Shares of Rs. 100 each	1,000,000,000	1,000,000,000
Issued Capital:		
10,000,000 Ordinary Shares of Rs. 100 each	1,000,000,000	1,000,000,000
Subscribed and Paid Up Capital:		
10,000,000 Ordinary Shares of Rs. 100 each	1,000,000,000	1,000,000,000
Total	1,000,000,000	1,000,000,000

(ii) Preference Share Capital

Particulars	Current Year	Previous Year
Authorised Capital:		
..... Convertible Preference Shares of Rs. ... each	-	-
.....Irredeemable Preference Shares of Rs. ... each	-	-
Issued Capital:		
..... Convertible Preference Shares of Rs. ... each	-	-
.....Irredeemable Preference Shares of Rs. ... each	-	-
Subscribed and Paid Up Capital:		
..... Convertible Preference Shares of Rs. ... each	-	-
.....Irredeemable Preference Shares of Rs. ... each	-	-
Total	-	-

Continue...



General Insurance Company Nepal Ltd.

Notes to the Financial Statements

Amount in NPR

Shareholding Structure of Share Capital

Particulars	Number of Shares		Percentage	
	Current Year	Previous Year	Current Year	Previous Year
Promoters				
Government of Nepal				
Nepali Organized Institutions	2,450,000	2,450,000	24.50%	24.50%
Nepali Citizen	4,550,000	4,550,000	45.50%	45.50%
Foreigner				
Others (to be Specified)				
Total (A)	7,000,000	7,000,000	70.00%	70.00%
Other than Promoters				
General Public	3,000,000	3,000,000	30.00%	30.00%
Others (to be Specified)				
Total (B)	3,000,000	3,000,000	30.00%	30.00%
Total (A+B)	10,000,000	10,000,000	100.00%	100.00%

Details of shares held by shareholders holding 1% or more than 1% of the aggregate shares in the Company:

Particulars	Number of Shares		Percentage	
	Current Year	Previous Year	Current Year	Previous Year
Group A				
Babita Kumari Agrawal	635,000	635,000	6.35	6.35
Anuj Kayal	166,500	166,500	1.67	1.67
Bikash Kumar Kayal	162,500	162,500	1.63	1.63
Durga Bohora	136,800	136,800	1.37	1.37
Nikita Kayal	105,000	105,000	1.05	1.05
Bamdev Gauli	103,000	103,000	1.03	1.03
Group B				
Mega Bank Nepal Limited	500,000	500,000	5.00	5.00
Kumari Bank Ltd.	500,000	500,000	5.00	5.00
Shangrilla Development Bank Limited	300,000	300,000	3.00	3.00
Gurkhas Finance Limited	300,000	300,000	3.00	3.00
Global IME Bank Ltd.	200,000	200,000	2.00	2.00
Best Finance Limited	100,000	100,000	1.00	1.00
Century Commercial Bank Limited	100,000	100,000	1.00	1.00
Muktinath Bikash Bank Limited	100,000	100,000	1.00	1.00
Shine Resunga Development Bank Limited	100,000	100,000	1.00	1.00

17 (b) Share Application Money Pending Allotment

Particulars	Current Year	Previous Year
Share Application Money Pending Allotment	-	-
Total	-	-



General Insurance Company Nepal Ltd.

Notes to the Financial Statements

Amount in NPR

17 (c) Share Premium

Particulars	Current Year	Previous Year
As at Shrawan 1, 2079	-	-
Increase due to issue of shares at premium	-	-
Decrease due to issue of bonus shares	-	-
Transaction costs on issue of share	-	-
Others (to be Specified)	-	-
As at Kartik 06, 2079	-	-

17 (d) Special Reserves

Particulars	Current Year	Previous Year
As at Shrawan 1, 2079	120,896,954	89,095,424
Additions	954,186	31,801,530
Utilizations	-	-
As at Kartik 06, 2079	121,851,140	120,896,954

17 (e) Catastrophe Reserves

Particulars	Current Year	Previous Year
As at Shrawan 1, 2079	8,848,746	6,132,053
Additions	95,419	2,716,693
Utilizations	-	-
As at Kartik 06, 2079	8,944,165	8,848,746

17 (f) Retained Earnings

Particulars	Current Year	Previous Year
As at Shrawan 1, 2079	(18,256,377)	(5,548,536)
Net Profit or Loss	(38,672,546)	17,269,834
Items of OCI recognised directly in retained earnings	-	-
Remeasurement of Post-Employment Benefit Obligations	-	-
Transfer to/ from reserves	-	-
Revaluation Reserves	-	-
Special Reserves	-	-
Capital Reserves	-	-
Catastrophe Reserves	(95,419)	(2,716,693)
Corporate Social Responsibility (CSR) Reserves	(19,084.00)	(589,685)
Insurance Fund including Insurance Reserves	(954,186)	(31,801,530)
Fair Value Reserves	-	300,710
Actuarial Reserves	-	-
Deferred Tax Reserves	(37,293,777)	(19,785,815)
Regulatory Reserves	1,908,372	-
Transfer of depreciation on Revaluation of Property, Plant and Equipment	-	-
Transfer on Disposal of Revalued Property, Plant and Equipment	-	-
Transfer on Disposal of Equity Instruments Measured at FVTOCI	-	20,069,910
Transaction costs on issue of share	-	-
Issue of Bonus Shares	-	-
Dividend Paid	-	-
Dividend Distribution Tax	-	-
Prior Period Adjustment	-	4,545,428
As at Kartik 06, 2079	(93,383,017)	(18,256,377)



General Insurance Company Nepal Ltd.

Notes to the Financial Statements

Amount in NPR

17 (g) Other Equity

Particulars	Current Year	Previous Year
Revaluation Reserves	-	-
Capital Reserves	-	-
Corporate Social Responsibility (CSR) Reserves	608,769	589,685
Insurance Fund including Insurance Reserves	-	-
Fair Value Reserves	(9,962,118)	(7,000,209)
Actuarial Reserves	-	-
Deferred Tax Reserves	80,676,903	43,383,126
Cash Flow Hedge Reserves	-	-
Other Reserve(to be specified)	-	-
Regulatory Reserve	-	1,908,372
Total	71,323,554	38,880,974

18 Provisions

Particulars	Current Year	Previous Year
Provisions for employee benefits		
i) Provision for Leave Encashment	11,917,393	11,082,157
ii) Defined Benefits Plan - Gratuity	-	-
iii) Termination Benefits	-	-
iv) Other employee benefit obligation - Staff Bonus	-	2,783,618
Provision for tax related legal cases	-	-
Provision for bad debt	2,058,125	3,533,320
Provision for non-tax legal cases	-	-
Others (to be Specified)	-	-
Total	13,975,518	17,399,095

(a) Additional Disclosure under of Provisions

Description	Opening Balance	Additions During the Year	Utilised During the Year	Reversed During the Year	Unwinding of Discount	Closing Balance
Provision for employee benefits						
i) Provision for Leave	-	-	-	-	-	-
ii) Provision for Gratuity	-	-	-	-	-	-
iii) Termination Benefits	-	-	-	-	-	-
iv) Other Employee Benefit obligations (to be Specified)	-	-	-	-	-	-
Provision for tax related legal cases	-	-	-	-	-	-
Provision for non-tax legal cases	-	-	-	-	-	-
Others (to be Specified)	-	-	-	-	-	-

Continue...



General Insurance Company Nepal Ltd.

Notes to the Financial Statements

Amount in NPR

(b) Provision with expected payouts within 12 months:

Particulars	Current Year	Previous Year
Provisions for employee benefits		
i) Provision for Leave Encashment	-	-
ii) Defined Benefits Plan - Gratuity	-	-
iii) Termination Benefits	-	-
iv) Other employee benefit obligation - Staff Bonus	-	2,783,618
Provision for tax related legal cases	-	-
Provision for non-tax legal cases	-	-
Others (to be Specified)	-	-
Total	-	2,783,618

19 Gross Insurance Contract Liabilities

Particulars	Current Year	Previous Year
Unearned Premiums Reserve	623,405,938	531,197,052
Premium Deficiency Reserve	35,176,404	10,092,935
Outstanding Claims	1,030,234,010	790,340,803
IBNR and IBNER	41,743,498	52,414,187
Margin For Adverse Deviation	2,087,176	2,620,710
Total	1,732,647,026	1,386,665,687



General Insurance Company Nepal Ltd.

Notes to the Financial Statements

19 Gross Insurance Contract Liabilities

Amount in NPR

a) Gross Insurance Contract Liability

Particulars	Line of Business								Total	
	Property	Motor	Marine	Engineering	Micro	Aviation	Cattle and Crop	Miscellaneous		
As at Shrawan 01, 2079										
Unearned Premiums Reserve	92,918,123	199,205,464	71,453,764	108,134,406	1,818,647	54,607	16,811,197	40,800,844	531,197,052	
Premium Deficiency Reserve	202,851	9,368,342	-	-	-	-	504,336	17,406	10,092,935	
Outstanding Claims	366,111,203	111,017,883	8,515,000	37,939,965	256,220,000	-	7,858,100	2,678,652	790,340,803	
IBNR and IBNER	4,052,472	41,333,827	1,045,133	1,304,208	75,417	-	2,045,301	2,557,829	52,414,187	
Margin For Adverse Deviation	202,624	2,066,691	52,257	65,210	3,771	-	102,267	127,890	2,620,710	
Total Balance As at Shrawan 01, 2079	463,487,273	362,992,207	81,066,154	147,443,789	258,117,835	54,607	27,321,201	46,182,621	1,386,665,687	
Changes during the year										
Unearned Premiums Reserve	14,820,219	38,692,010	(6,347,276)	2,129,455	653,257	(14,811)	7,827,201	34,448,833	92,208,888	
Premium Deficiency Reserve	3,526,868	15,119,995	-	1,504,582	1,359,547	-	3,041,425	531,052	25,083,469	
Outstanding Claims	149,340,194	18,283,330	14,746,589	47,178,736	(212,986)	-	(1,380,650)	11,937,994	239,893,207	
IBNR and IBNER	320,712	(10,057,861)	360,503	343,983	(19,734)	-	(559,829)	(1,058,463)	(10,670,689)	
Margin For Adverse Deviation	16,035	(502,893)	18,025	17,200	(987)	-	(27,993)	(52,923)	(533,536)	
Total changes during the year	168,024,028	61,534,581	8,777,841	51,173,956	1,779,097	(14,811)	8,900,154	45,806,493	345,981,339	
As at Kartik 06, 2079										
Unearned Premiums Reserve	107,738,342	237,897,474	65,106,488	110,263,861	2,471,904	39,796	24,638,398	75,249,677	623,405,940	
Premium Deficiency Reserve	3,729,719	24,488,337	-	1,504,582	1,359,547	-	3,545,761	548,458	35,176,404	
Outstanding Claims	515,451,397	129,301,213	23,261,589	85,118,701	256,007,014	-	6,477,450	14,616,646	1,030,234,010	
IBNR and IBNER	4,373,184	31,275,966	1,405,636	1,648,191	55,683	-	1,485,472	1,499,366	41,743,498	
Margin For Adverse Deviation	218,659,000	1,563,798	70,282	82,410	2,784	-	74,274	74,967	2,087,174	
Total Balance As at Kartik 06, 2079	631,511,301	424,526,788	89,843,995	198,617,745	259,896,932	39,796	36,221,355	91,989,114	1,732,647,026	

General Insurance Company Nepal Ltd.

Notes to the Financial Statements

Amount in NPR

Particulars	Line of Business								Total	
	Property	Motor	Marine	Engineering	Micro	Aviation	Cattle and Crop	Miscellaneous		
b) Reinsurance Assets										
As at Shrawan 01, 2079										
Unearned Premiums Reserve	87,798,587	84,050,408	61,085,104	104,134,464	-	50,328	13,448,958	37,589,964		388,157,813
Premium Deficiency Reserve	-	-	-	-	-	-	-	-	-	-
Outstanding Claims	350,306,832	28,404,191	7,537,560	34,672,080	256,212,000	-	6,286,480	2,544,317		685,963,460
IBNR and IBNER	-	-	-	-	-	-	-	-	-	-
Margin For Adverse Deviation	-	-	-	-	-	-	-	-	-	-
Total Balance As at Shrawan 01, 2079	438,105,419	112,454,599	68,622,664	138,806,544	256,212,000	50,328	19,735,438	40,134,281		1,074,121,273
Changes during the year										
Unearned Premiums Reserve	13,158,448	11,357,292	(4,605,670)	1,830,591	-	(13,650)	6,757,239	28,655,287		57,139,537
Premium Deficiency Reserve	-	-	-	-	-	-	-	-	-	-
Outstanding Claims	137,420,865	9,579,619	12,663,680	44,614,181	(297,792)	-	(1,071,760)	10,185,583		213,094,376
IBNR and IBNER	-	-	-	-	-	-	-	-	-	-
Margin For Adverse Deviation	-	-	-	-	-	-	-	-	-	-
Total changes during the year	150,579,313	20,936,911	8,058,010	46,444,772	(297,792)	(13,650)	5,685,479	38,840,870		270,233,913
As at Kartik 06, 2079										
Unearned Premiums Reserve	100,957,035	95,407,700	56,479,434	105,965,055	-	36,678	20,206,197	66,245,251		445,297,350
Premium Deficiency Reserve	-	-	-	-	-	-	-	-	-	-
Outstanding Claims	487,727,697	37,983,810	20,201,240	79,286,261	255,914,208	-	5,214,720	12,729,900		899,057,836
IBNR and IBNER	-	-	-	-	-	-	-	-	-	-
Margin For Adverse Deviation	-	-	-	-	-	-	-	-	-	-
Total Balance As at Kartik 06, 2079	588,684,732	133,391,510	76,680,674	185,251,316	255,914,208	36,678	25,420,917	78,975,151		1,344,355,186





General Insurance Company Nepal Ltd.

Notes to the Financial Statements

19.2 Disclosure of Outstanding claim

S.No.	Type of insurance	Outstanding claim for claims intimated during the year (A)	Unclaimed Fund			Gross Outstanding Claim (A+B)	Reinsurance Share (C)	Net Outstanding Claim (A+B-C)
			Outstanding claim for claims intimated during the previous 1 year	Outstanding claim for claims intimated during the previous 2 year	Outstanding claim for claims intimated during the previous 3 year			
1	Property	50,000	384,623,983	129,086,015	1,691,400.00	515,451,398	487,727,697	27,723,701
2	Motor	10,878,828	93,766,548	20,302,668	4,363,169.00	129,301,213	37,983,810	91,317,403
3	Marine	434,911	18,948,428	378,250	3,500,000.00	23,261,589	20,201,240	3,060,349
4	Engineering	5,600,000	20,108,678	33,769,106	25,640,917.00	85,118,701	79,286,261	5,832,440
5	Micro	82,014	150,000	165,900,000.00	89,875,000.00	256,007,014	255,914,208	92,806
6	Aviation	-	-	-	-	-	-	-
7	Cattle and Crop	1,839,500	3,847,950	190,000	600,000.00	6,477,450	5,214,720	1,262,730
8	Miscellaneous	9,744,786	2,791,207	50,000	2,030,652.00	14,616,645	12,729,902	1,886,743
	Total	28,630,039	524,236,794	349,676,039	127,691,138	1,030,234,010	899,057,838	131,176,172

Fig. in NPR



General Insurance Company Nepal Ltd.

Notes to the Financial Statements

Amount in NPR

20 Insurance Payables

Particulars	Current Year	Previous Year
Payable to Reinsurers	146,370,002	357,107,354
Payable to Other Insurance Companies	595,964	5,660,578
Portfolio Withdrawal Premium	-	-
Outstanding Withdrawal Claims	-	-
Others (to be Specified)	-	-
Total	146,965,966	362,767,932

Payable within 12 months:

Particulars	Current Year	Previous Year
Payable to Reinsurers	146,370,002	357,107,354
Payable to Other Insurance Companies	595,964	5,660,578
Portfolio Withdrawal Premium	-	-
Outstanding Withdrawal Claims	-	-
Others (to be Specified)	-	-
Total	146,965,966	362,767,932

21 Current Tax (Assets)/ Liabilities

Particulars	Current Year	Previous Year
Income Tax Liabilities	(26,492,030)	(30,037,756)
Income Tax Assets	31,702,399	54,706,283
Total	5,210,369	24,668,527

22 Borrowings

Particulars	Current Year	Previous Year
Bond	-	-
Debenture	-	-
Term Loan - Bank and Financial Institution	-	-
Bank Overdraft	-	-
Others (to be Specified)	-	-
Total	-	-

Payable within 12 months:

Particulars	Current Year	Previous Year
Bond	-	-
Debenture	-	-
Term Loan - Bank and Financial Institution	-	-
Bank Overdraft	-	-
Others (to be Specified)	-	-
Total	-	-



General Insurance Company Nepal Ltd.

Notes to the Financial Statements

Amount in NPR

23 Other Liabilities

Particulars	Current Year	Previous Year
TDS Payable	1,421,180	2,312,503
VAT Payable	7,227,913	7,995,379
Unidentified Deposit	5,124,311	3,835,353
Advance Premiums	305,444	-
Insurance Service Fee Payable	7,966,810	8,861,284
Lease Liability	85,832,458	89,026,931
Deferred Reinsurance Commission Income	75,284,350	66,038,418
Deferred Income	-	-
Others (to be specified)	-	-
Total	183,162,466	178,069,869

Payable within 12 months:

Particulars	Current Year	Previous Year
TDS Payable	1,421,180	2,312,503
VAT Payable	7,227,913	7,995,379
Unidentified Deposit	5,124,311	3,835,353
Advance Premiums	305,444	-
Insurance Service Fee Payable	7,966,810	8,861,284
Lease Liability	-	-
Deferred Reinsurance Commission Income	75,284,350	66,038,418
Deferred Income	-	-
Others (to be specified)	-	-
Total	97,330,008	89,042,938

24 Other Financial Liabilities

Particulars	Current Year	Previous Year
Redeemable Preference Shares	-	-
Irredeemable Cumulative Preference Shares	-	-
Refundable Share Application Money	-	-
Payable to Insured	344,623	2,685,474
Payable to Agent	917,790	1,907,591
Payable to Surveyors	4,861,060	2,335,305
Sundry Creditors	3,930,480	9,678,287
Retention and deposits	-	-
Short-term employee benefits payable	-	-
i) Salary Payable	-	498,511
ii) Bonus Payable	-	-
iii) PF & CIT Payable	926,032	696,161
iv) Other employee benefit payable	4,522,606	1,371,756
v) Gratuity Payable	1,585,192	5,409,556
Audit Fee Payable	325,050	236,400
Actuarial Fees Payable	545,882	208,195
Dividend Payable	-	-
Payable to employees	3,144,735	873,066
Others (to be Specified)	-	-
i) Payable to Directors	-	148,360
Total	21,103,450	26,048,661

Continue...



General Insurance Company Nepal Ltd.

Notes to the Financial Statements

Amount in NPR

Payable within 12 months:

Particulars	Current Year	Previous Year
Redeemable Preference Shares	-	-
Irredeemable Cumulative Preference Shares	-	-
Refundable Share Application Money	-	-
Payable to Insured	344,623	2,685,474
Payable to Agent	917,790	1,907,591
Payable to Surveyors	4,861,060	2,335,305
Sundry Creditors	3,930,480	9,678,287
Retention and deposits	-	-
Short-term employee benefits payable	-	-
i) Salary Payable	-	498,511
ii) Bonus Payable	-	-
iii) PF & CIT Payable	926,032	696,161
iv) Other employee benefit payable	4,522,606	1,371,756
v) Gratuity Payable	1,585,192	5,409,556
Audit Fee Payable	325,050	236,400
Actuarial Fees Payable	545,882	208,195
Dividend Payable	-	-
Payable to employees	3,144,735	873,066
Others (to be Specified)	-	-
i) Payable to Directors	-	148,360
Total	21,103,450	26,048,661



General Insurance Company Nepal Ltd.

Notes to the Financial Statements

Amount in NPR

25 Gross Earned Premiums

Particulars	Direct Premiums		Premium on Reinsurance Accepted		Gross Change in Unearned Premiums		Gross Earned Premiums	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Property	47,165,000	185,828,954	-	7,291	(14,820,219)	(15,160,960)	32,344,781	170,675,285
Motor	92,577,095	321,632,932	14,469,358	63,015,618	(38,692,011)	(153,781,736)	68,354,442	230,866,814
Marine	15,706,970	62,129,630	1,463	189,925	6,347,275	101,831,799	22,055,708	164,151,354
Engineering	37,347,030	216,225,044	24,581	43,768	(2,129,455)	(64,631,806)	35,242,156	151,637,006
Micro	1,312,139	3,637,295	-	-	(653,257)	22,735,203	658,882	26,372,498
Aviation	-	-	-	108,772	14,811	(16,671)	14,811	92,101
Cattle and Crop	14,746,049	31,511,340	-	-	(7,827,201)	(5,624,484)	6,918,848	25,886,856
Miscellaneous	56,070,520	65,140,040	99,116	10,743,012	(34,448,831)	(22,377,878)	21,720,805	53,505,174
Total	264,924,803	886,105,235	14,594,518	74,108,386	(92,208,888)	(137,026,533)	187,310,433	823,187,088

25.1 Direct Premiums

Particulars	New Business Premium		Renewal Premium		Co-Insurance Premium		Total Direct Premium	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Property	17,703,644	78,400,213	26,537,014	101,106,086	2,924,342	6,322,655	47,165,000	185,828,954
Motor	55,848,039	208,396,352	36,607,126	112,262,461	121,930	974,119	92,577,095	321,632,932
Marine	15,706,970	57,113,942	-	-	-	5,015,688	15,706,970	62,129,630
Engineering	35,977,608	157,535,014	1,147,318	12,374,361	222,104	46,315,669	37,347,030	216,225,044
Micro	463,566	2,458,562	848,573	1,178,733	-	-	1,312,139	3,637,295
Aviation	-	-	-	-	-	-	-	-
Cattle and Crop	14,724,949	31,511,340	21,100	-	-	-	14,746,049	31,511,340
Miscellaneous	46,643,301	54,263,138	5,291,695	10,577,823	4,135,524	299,079	56,070,520	65,140,040
Total	187,068,077	589,678,561	70,452,826	237,499,464	7,403,900	58,927,210	264,924,803	886,105,235



General Insurance Company Nepal Ltd.

Notes to the Financial Statements

Amount in NPR

26 Premiums Ceded

Particulars	Premiums Ceded to Reinsurers		Reinsurer's Share of Change in Unearned Premiums		Premium Ceded	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Property	43,570,283	175,597,174	(13,158,448)	(15,471,715)	30,411,835	160,125,459
Motor	39,428,519	177,126,468	(11,357,292)	(45,357,837)	28,071,227	131,768,631
Marine	14,496,771	52,780,750	4,605,669	4,725,674	19,102,440	57,506,424
Engineering	35,727,759	208,268,928	(1,830,591)	(63,984,065)	33,897,168	144,284,863
Micro	-	-	-	10,296,450	-	10,296,450
Aviation	-	100,249	13,650	(14,637)	13,650	85,612
Cattle and Crop	12,386,681	25,209,072	(6,757,239)	(4,499,588)	5,629,442	20,709,484
Miscellaneous	47,945,178	69,911,327	(28,655,287)	(21,487,408)	19,289,891	48,423,919
Total	193,555,191	708,993,968	(57,139,538)	(135,793,126)	136,415,653	573,200,842

26.1 Portfolio-wise detail of Net Earned Premiums

Particulars	Gross Earned Premiums		Premiums Ceded		Net Earned Premiums	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Property	32,344,781	170,675,285	30,411,835	160,125,459	1,932,946	10,549,826
Motor	68,354,442	230,866,814	28,071,227	131,768,631	40,283,215	99,098,183
Marine	22,055,708	164,151,354	19,102,440	57,506,424	2,953,268	106,644,930
Engineering	35,242,156	151,637,006	33,897,168	144,284,863	1,344,988	7,352,143
Micro	658,882	26,372,498	-	10,296,450	658,882	16,076,048
Aviation	14,811	92,101	13,650	85,612	1,161	6,489
Cattle and Crop	6,918,848	25,886,856	5,629,442	20,709,484	1,289,406	5,177,372
Miscellaneous	21,720,805	53,505,174	19,289,891	48,423,919	2,430,914	5,081,255
Total	187,310,433	823,187,088	136,415,653	573,200,842	50,894,780	249,986,246

27 Commission Income

Particulars	Reinsurance Commission Income		Deferred Commission Income		Profit Commission		Commission Income	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Property	7,482,138	40,735,398	1,521,977	1,284,321	-	1,219,811	5,960,161	40,670,888
Motor	4,371,964	28,922,319	491,240	2,405,027	-	1,487,594	3,880,724	28,004,887
Marine	4,239,061	13,590,039	1,618,916	200,911	-	30,751	2,620,145	13,419,878
Engineering	6,823,558	45,529,812	208,486	12,025,260	-	6,312,651	6,615,072	39,817,204
Micro	-	-	-	1,701,613	-	-	-	(1,701,613)
Aviation	-	10,025	(1,224)	4,511	-	-	1,224	5,514
Cattle and Crop	2,506,828	3,781,361	1,584,138	(833,453)	-	-	922,690	4,614,813
Miscellaneous	6,768,009	14,183,087	3,822,399	2,563,310	-	1,722,797	2,945,610	13,342,575
Total	32,191,558	146,752,041	9,245,932	19,351,499	-	10,773,604	22,945,626	138,174,146

28 Other Direct Income

Particulars	Direct Income		Others (to be Specified)		Total Other Direct Income	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Property	-	-	-	-	-	-
Motor	1,269,652	4,662,744	-	-	1,269,652	4,662,744
Marine	-	-	-	-	-	-
Engineering	-	-	-	-	-	-
Micro	13,111	3,646	-	-	13,111	3,646
Aviation	-	-	-	-	-	-
Cattle and Crop	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Total	1,282,763	4,666,390	-	-	1,282,763	4,666,390



General Insurance Company Nepal Ltd.

Notes to the Financial Statements

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29 Investment Income

Particulars	Current Year	Previous Year
Interest Income from Financial Assets Measured at Amortised Costs		
i) Fixed Deposit with "A" Class Financial Institutions	31,330,026	99,226,124
ii) Fixed Deposit with Infrastructure Bank	-	-
iii) Fixed Deposit with "B" Class Financial Institutions	3,116,238	8,378,605
iv) Fixed Deposit with "C" Class Financial Institutions	624,872	2,317,421
v) Debentures	1,437,342	5,357,540
vi) Bonds (Nepal Government/ NRB/ Guaranteed by Nepal Government)	-	-
vii) Preference Shares of Bank and Financial Institutions	-	-
viii) Bank Deposits other than Fixed Deposit	243,400	687,321
ix) Agents Loan	-	-
x) Employee Loan	-	-
xi) Other Interest Income (to be specified)	-	-
Financial Assets Measured at at FVTOCI		
i) Interest Income on Debentures	-	-
ii) Dividend Income	-	64,916
iii) Other Interest Income (to be specified)	-	-
Financial Assets Measured at at FVTPL		
i) Dividend Income	-	-
ii) Other Interest Income (to be specified)	-	-
Rental Income	-	-
Others (to be specified)	-	-
Total	36,751,878	116,031,927

30 Net Gains/ (Losses) on Fair Value Changes

Particulars	Current Year	Previous Year
Changes in Fair Value of Financial Assets Measured at FVTPL		
i) Equity Instruments	-	-
ii) Mutual Fund	-	-
iii) Others (to be specified)	-	-
Changes in Fair Value on Investment Properties	-	-
Changes in Fair Value on Hedged Items in Fair Value Hedges	-	-
Changes in Fair Value on Hedging Instruments in Fair Value Hedges	-	-
Gains/(Losses) of Ineffective Portion on Cash Flow Hedge	-	-
Others (to be specified)	-	-
Total	-	-

31 Net Realised Gains/ (Losses)

Particulars	Current Year	Previous Year
Realised Gains/(Losses) on Derecognition of Financial Assets Measured at FVTPL		
i) Equity Instruments	-	-
ii) Mutual Fund	-	-
iii) Others (to be specified)	-	-
Realised Gains/(Losses) on Derecognition of Financial Assets at Amortised Costs		
i) Debentures	-	-
ii) Bonds	-	-
iii) Others (to be specified)	-	-
Total	-	-



General Insurance Company Nepal Ltd.

Notes to the Financial Statements

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32 Other Income

Particulars	Current Year	Previous Year
Unwinding of discount on Financial Assets at Amortised Cost		
i) Employee Loan	-	-
ii) Bonds	-	-
iii) Others (to be Specified)	-	-
Foreign Exchange Income	45,214	97,258
Interest Income from Finance Lease	-	-
Interest on staff advance	-	276,365
Profit from disposal of Property, Plant and Equipment	3,819	-
Amortization of Deferred Income	-	-
Stamp Income	305,310	1,098,555
Pool related income	-	(1,149)
Others (to be specified)	-	-
i) Management Expenses Recovery	-	-
ii) Miscellaneous Income	727,109	662,172
Total	1,081,452	2,133,201

33 Gross Claims Paid and Claims Ceded

Particulars	Gross Claims Paid		Claims Ceded		Net Claims Paid before Change in Contract Liabilities	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Property	38,099,156	28,203,708	34,715,510	20,377,271	3,383,646	7,826,438
Motor	50,513,085	175,632,533	15,837,353	48,107,175	34,675,732	127,525,358
Marine	1,605,796	13,407,200	1,348,868	12,080,871	256,928	1,326,329
Engineering	26,539,449	51,955,248	24,111,572	49,393,040	2,427,877	2,562,207
Micro	851,821	2,104,109	6,608	1,952,765	845,213	151,344
Aviation	-	-	-	-	-	-
Cattle and Crop	13,414,765	18,695,809	10,762,772	14,958,087	2,651,993	3,737,722
Miscellaneous	3,576,227	9,655,352	3,164,001	8,620,309	412,226	1,035,043
Total	134,600,299	299,653,960	89,946,685	155,489,518	44,653,614	144,164,441

33.1 Details of Gross Claim Paid

Particulars	Claim Paid		Survey Fees		Total Claims Paid	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Property	35,300,899	25,674,657	2,798,257	2,529,051	38,099,156	28,203,708.00
Motor	48,474,170	168,203,661	2,038,915	7,428,872	50,513,085	175,632,533.00
Marine	1,455,785	11,987,699	150,011	1,419,501	1,605,796	13,407,200.00
Engineering	23,456,843	46,849,669	3,082,606	5,105,579	26,539,449	51,955,248.00
Micro	851,821	2,008,464	-	95,645	851,821	2,104,109.00
Aviation	-	-	-	-	-	-
Cattle and Crop	12,511,361	18,695,809	903,404	-	13,414,765	18,695,809.00
Miscellaneous	3,514,651	9,497,139	61,576	158,214	3,576,227	9,655,353.00
Total	125,565,530	282,917,098	9,034,769	16,736,862	134,600,299	299,653,960



General Insurance Company Nepal Ltd.

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34 Change in Insurance Contract Liabilities

Particulars	Gross Change in Contract Liabilities		Change in Reinsurance Assets		Net Change in Contract Liabilities	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Property	153,203,809	321,043,197	137,420,865	318,989,020	15,782,944	2,054,177
Motor	22,842,571	95,757,785	9,579,620	17,670,213	13,262,951	78,087,572
Marine	15,125,117	4,675,057	12,663,680	4,141,070	2,461,437	533,987
Engineering	49,044,501	(4,709,152)	44,614,182	(4,895,384)	4,430,319	186,232
Micro	1,125,841	254,973,831	(297,792)	256,212,000	1,423,633	(1,238,169)
Aviation	-	-	-	-	-	-
Cattle and Crop	1,072,955	(1,698,427)	(1,071,760)	(1,334,880)	2,144,715	(363,547)
Miscellaneous	11,357,660	704,435	10,185,584	(182,402)	1,172,076	886,837
Total	253,772,454	670,746,726	213,094,379	590,599,637	40,678,075	80,147,089

35 Commission Expenses

Particulars	Commission Expenses on Insurance Contracts		Commission Expenses on Reinsurance Accepted		Deferred Commission Expenses		Commission Expenses	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Property	710,931	2,419,097	-	1,198	295,301	(85,650)	415,630	2,505,945
Motor	776,543	3,007,760	-	161,041	284,951	162,826	491,592	3,005,975
Marine	67,750	337,546	322	41,783	7,653	(27,214)	60,419	406,543
Engineering	586,489	5,514,383	3,196	5,690	(154,782)	752,851	744,467	4,767,222
Micro	132,576	372,008	-	-	69,444	58,526	63,132	313,482
Aviation	-	-	-	9,789	(1,195)	4,405	1,195	5,384
Cattle and Crop	1,473,480	3,125,029	-	-	842,104	487,895	631,376	2,637,134
Miscellaneous	1,918,946	2,693,851	16,703	1,815,454	1,047,550	1,357,314	888,099	3,151,991
Total	5,666,715	17,469,674	20,221	2,034,955	2,391,026	2,710,953	3,295,910	16,793,676

36 Service Fees

Particulars	Gross Service Fees		Reinsurer's Share of Service Fees		Net Service Fees	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Property	471,650	1,858,362	435,127	1,755,972	36,523	102,391
Motor	1,070,465	3,886,387	(390,203)	1,771,265	1,460,668	2,115,123
Marine	157,084	623,196	143,053	527,807	14,031	95,388
Engineering	373,716	2,162,688	358,821	2,082,689	14,895	79,999
Micro	13,121	36,317	-	-	13,121	36,317
Aviation	-	1,088	(1,088)	1,002	1,088	85
Cattle and Crop	147,460	315,113	123,866	252,091	23,594	63,023
Miscellaneous	561,696	758,831	371,030	699,112	190,666	59,718
Total	2,795,192	9,641,982	1,040,606	7,089,939	1,754,586	2,552,044



General Insurance Company Nepal Ltd.

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37 Other Direct Expenses

Particulars	Direct Expenses		Other (to be Specified)		Total Other Direct Expenses	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Property	-	-	-	-	-	-
Motor	-	11,444,520	-	-	-	11,444,520
Marine	-	-	-	-	-	-
Engineering	-	-	-	-	-	-
Micro	229,713	-	-	-	229,713	-
Aviation	-	-	-	-	-	-
Cattle and Crop	243,132	1,130,561	-	-	243,132	1,130,561
Miscellaneous	-	-	-	-	-	-
Total	472,845	12,575,081	-	-	472,845	12,575,081

38 Employee Benefits Expenses

Particulars	Current Year	Previous Year
Salaries	17,513,385	63,214,295
Allowances	8,195,515	29,857,435
Festival Allowance	6,974,080	6,703,016
Defined Benefit Plans	-	-
i) Others (to be Specified)	-	-
Defined Contribution Plans		
i) Provident Fund	1,751,289	6,327,529
ii) Gratuity	1,315,480	5,405,961
iii) Others (to be Specified)	-	-
Leave Encashments	1,555,699	5,774,915
Termination Benefits	-	-
Training Expenses	1,522,870	1,158,059
Uniform Expenses	1,939,644	1,298,726
Medical Expenses	-	-
Staff Insurance Expenses	983,044	2,463,115
Staff Welfare Expenses	79,250	421,580
Others (to be Specified)	-	-
i) Overtime Expenses	23,589	-
Sub Total	41,853,845	122,624,631
Employees Bonus	-	2,783,618
Total	41,853,845	125,408,249

39 Depreciation & Amortization Expenses

Particulars	Current Year	Previous Year
Amortization of Intangible Assets (Refer Note 4)	83,064	306,245
Depreciation on Property, Plant and Equipment (Refer Note 5)	6,731,325	25,941,839
Depreciation on Investment Properties (Refer Note 6)	-	-
Total	6,814,389	26,248,084



General Insurance Company Nepal Ltd.

Notes to the Financial Statements

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40 Impairment Losses

Particulars	Current Year	Previous Year
Impairment Losses on PPE, Investment Properties and Intangible Assets		
i) Property, Plant and Equipment	-	-
ii) Investment Properties	-	-
iii) Intangible Assets	-	-
Impairment Losses on Financial Assets		
i) Investment	-	-
ii) Loans	-	-
iii) Other Financial Assets	-	-
iv) Cash and Cash Equivalent	-	-
v) Others (to be Specified)	-	-
Impairment Losses on Other Assets	-	-
i) Reinsurance Assets	-	-
ii) Insurance Receivables	-	3,533,320
iii) Lease Receivables	-	-
iv) Others (to be Specified)	-	-
Reversal of impairment losses	(1,475,195)	(3,712,397)
Total	(1,475,195)	(179,077)

41 Other Operating Expenses

Particulars	Current Year	Previous Year
Rent Expenses	-	-
Electricity and Water	644,371	2,011,831
Repair & Maintenance		
i) Building	-	-
ii) Vehicle	183,846	704,677
iii) Office Equipments	140,654	83,975
iv) Others Assets	-	1,523,793
Telephone & Communication	1,444,764	5,528,235
Printing & Stationary	1,126,360	5,189,044
Office Consumable Expenses	3,734,879	12,336,224
Travelling Expenses		
i) Domestic	566,899	1,588,882
ii) Foreign	487,993	128,594
Transportation & Fuel Expenses	2,532,138	6,439,267
Agent Training	-	-
Other Agent Expenses	-	-
Insurance Premium	773,751	62,917
Security & Outsourcing Expenses	554,035	1,626,693
Legal and Consulting Expenses	200,947	886,764
Newspapers, Books and Periodicals	23,743	34,429
Advertisement & Promotion Expenses	429,847	2,989,891
Business Promotion	3,493,019	18,153,130
Guest Entertainment	-	93,389
Gift and Donations	49,500	181,160

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General Insurance Company Nepal Ltd.

Notes to the Financial Statements

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Particulars	Current Year	Previous Year
Board Meeting Fees and Expenses		
i) Meeting Allowances	390,000	522,000
ii) Other Allowances	-	1,129
Other Committee/ Sub-committee Expenses		
i) Meeting Allowances	172,000	394,000
ii) Other Allowances	-	24,000
General Meeting Expenses	417,875	417,069
Actuarial Service Fee	272,941	244,935
Other Actuarial Expenses	-	-
Audit Related Expenses		
i) Statutory Audit	150,000	240,000
ii) Tax Audit	-	-
iii) Long Form Audit Report	-	-
iv) Other Fees	-	150,000
v) Internal Audit	75,000	200,000
vi) Others	443,528	814,547
Bank Charges	2,354,021	485,454
Fee and Charges	1,200,398	2,406,370
Postage Charges	496,331	2,121,127
Foreign Exchange Losses	-	-
Fines and Penalties	-	-
Others		
i) Server & Web Management Services Exp	2,238,013	2,343,049
ii) Miscellaneous Expenses	170,744	964,739
iii) Merger Related Expenses	450,000	-
Total	25,217,597	70,891,314

42 Finance Cost

Particulars	Current Year	Previous Year
Unwinding of discount on Provisions	-	-
Unwinding of discount on Financial Liabilities at Amortised Costs	-	-
Interest Expenses - Bonds	-	-
Interest Expenses - Debentures	-	-
Interest Expenses - Term Loans	-	-
Interest Expenses - Lease	2,165,217	7,338,453
Interest Expenses - Overdraft Loans	-	-
Others (to be specified)	-	-
Total	2,165,217	7,338,453



General Insurance Company Nepal Ltd.

Notes to the Financial Statements

Amount in NPR

43 Income Tax Expense

(a) Income Tax Expense

Particulars	Current Year	Previous Year
Current Tax		
i) Income Tax Expenses for the Year	(26,492,030)	(30,037,756)
ii) Income Tax Relating to Prior Periods	-	-
Deferred Tax For The Year		
i) Originating and reversal of temporary differences	40,293,868	13,828,927
ii) Originating from the items classified through OCI	-	8,426,107
iii) Changes in tax rate	-	-
iv) Recognition of previously unrecognised tax losses	-	-
v) Write-down or reversal	-	-
vi) Others (to be Specified)	-	-
Income Tax Expense	13,801,838	(7,782,722)

(b) Reconciliation of Taxable Profit & Accounting Profit

Particulars	Current Year	Previous Year
Accounting Profit Before Tax	(52,474,384)	25,636,833
Applicable Tax Rate	30%	30%
Tax at the applicable rate on Accounting Profit	(15,742,315)	7,691,050
Add: Tax effect of expenses that are not deductible for tax purpose		
i) Disallowed Expenses	14,850	91,672
ii) Other Timing Differences	1,925,627	
Less: Tax effect on exempt income and additional deduction		
i)	-	-
ii)	-	-
Less: Adjustments to Current Tax for Prior Periods		
i) Temporary Reversal of DTL on Fair Value	-	-
ii) Reversal of Lease Liability	-	-
Add/ (Less): Others		
i)	-	-
ii)	-	-
Income Tax Expense	(13,801,838)	7,782,722
Effective Tax Rate	26.30%	30.36%

44 Employee Retirement Benefits

a) Post Employment Benefit - Defined Contribution Plans

For the year ended Kartik 06, 2079 (October 23, 2022) the company has recognised an amount of NPR. 17,51,289 as an expenses under the defined contribution plans in the Statement of Profit or Loss.

b) Earned Leave Plan_Other Longterm Employee Benefit

For Defined Benefit Plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with Actuarial Valuations being carried out.



General Insurance Company Nepal Ltd.

Notes to the Financial Statements

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c) Total Expenses Recognised in the Statement of Profit or Loss

Particulars	Employee Benefit Plan		Any Other Funded Liability	
	Current Year	Previous Year	Current Year	Previous Year
Current service cost	488,304	1,082,152	-	-
Past service cost	-	-	-	-
Net interest cost	200,409	505,314	-	-
a. Interest expense on defined benefit obligation (DBO)	-	-	-	-
b. Interest (income) on plan assets	-	-	-	-
c. Actuarial (gain)/ loss	866,986	4,187,449	-	-
Defined benefit cost included in Statement of Profit or Loss	1,555,699	5,774,915	-	-

d) Remeasurement effects recognised in Statement of Other Comprehensive Income (OCI)

Particulars	Employee Benefit Plan		Any Other Funded Liability	
	Current Year	Previous Year	Current Year	Previous Year
a. Actuarial (gain)/ loss due to financial assumption changes in DBO	-	-	-	-
b. Actuarial (gain)/ loss due to experience on DBO	-	-	-	-
c. Return on plan assets (greater)/ less than discount rate	-	-	-	-
Total actuarial (gain)/ loss included in OCI	-	-	-	-

e) Total cost recognised in Comprehensive Income

Particulars	Employee Benefit Plan		Any Other Funded Liability	
	Current Year	Previous Year	Current Year	Previous Year
Cost recognised in Statement of Profit or Loss	1,555,699	5,774,915	-	-
Remeasurements effects recognised in OCI	-	-	-	-
Total cost recognised in Comprehensive Income	1,555,699	5,774,915	-	-

f) Change in Defined Benefit Obligation

Particulars	Employee Benefit Plan		Any Other Funded Liability	
	Current Year	Previous Year	Current Year	Previous Year
Defined benefit obligation as at the beginning of the year	11,082,157	6,139,910	-	-
Service cost	488,304	1,082,152	-	-
Interest cost	200,409	505,314	-	-
Benefit payments from plan assets	(720,463)	(832,668)	-	-
Actuarial (gain)/ loss - financial assumptions	866,986	4,187,449	-	-
Actuarial (gain)/ Loss - experience	-	-	-	-
Defined Benefit Obligation As At Year End	11,917,393	11,082,157	-	-

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General Insurance Company Nepal Ltd.

Notes to the Financial Statements

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g) Change in Fair Value Of Plan Assets

Particulars	Employee Benefit Plan		Any Other Funded Liability	
	Current Year	Previous Year	Current Year	Previous Year
Fair value of plan assets at end of prior year	-	-	-	-
Expected return on plan assets	-	-	-	-
Employer contributions	-	-	-	-
Participant contributions	-	-	-	-
Benefit payments from plan assets	-	-	-	-
Transfer in/ transfer out	-	-	-	-
Actuarial gain/ (loss) on plan assets	-	-	-	-
Fair value of Plan Assets At End of Year	-	-	-	-

h) Net Defined Benefit Asset/(Liability)

Particulars	Employee Benefit Plan		Any Other Funded Liability	
	Current Year	Previous Year	Current Year	Previous Year
Defined Benefit Obligation	11,917,393	11,082,157	-	-
Fair Value of Plan Assets	-	-	-	-
(Surplus)/Deficit Recognised in Statement of Financial Position	11,917,393	11,082,157	-	-

i) Expected Company Contributions for the Next Year

Particulars	Employee Benefit Plan		Any Other Funded Liability	
	Current Year	Previous Year	Current Year	Previous Year
Expected company contributions for the next year	-	-	-	-
(Surplus)/Deficit Recognised in Statement of Financial Position	-	-	-	-

j) Reconciliation of amounts in Statement of Financial Position

Particulars	Employee Benefit Plan		Any Other Funded Liability	
	Current Year	Previous Year	Current Year	Previous Year
Net defined benefit liability/(asset) at prior year end	11,082,157	6,139,910	-	-
Defined benefit cost included in Statement of Profit or Loss	1,555,699	5,774,915	-	-
Total remeasurements included in OCI	-	-	-	-
Acquisition/ divestment	-	-	-	-
Employer contributions	(720,463)	(832,668)	-	-
Benefits Paid Out	-	-	-	-
Net defined benefit liability/(asset)	11,917,393	11,082,157	-	-

k) Reconciliation of Statement of Other Comprehensive Income

Particulars	Employee Benefit Plan		Any Other Funded Liability	
	Current Year	Previous Year	Current Year	Previous Year
Cumulative OCI - (Income)/Loss, beginning of period	-	-	-	-
Total remeasurements included in OCI	-	-	-	-
Cumulative OCI - (Income)/Loss	-	-	-	-

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Notes to the Financial Statements

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l) Current/Non - Current Liability

Particulars	Employee Benefit Plan		Any Other Funded Liability	
	Current Year	Previous Year	Current Year	Previous Year
Current Liability	2,863,637	2,611,706	-	-
Non - Current Liability	9,053,756	8,470,451	-	-
Total	11,917,393	11,082,157	-	-

m) Expected Future Benefit Payments

Particulars	Employee Benefit Plan		Any Other Funded Liability	
	Current Year	Previous Year	Current Year	Previous Year
Within 1 year	-	-	-	-
Between 1-2 years	-	-	-	-
Between 2-5 years	-	-	-	-
From 6 to 10	-	-	-	-
Total	-	-	-	-

n) Plan assets

Particulars	Employee Benefit Plan		Any Other Funded Liability	
	Current Year (% Invested)	Previous Year (% Invested)	Current Year (% Invested)	Previous Year (% Invested)
Government Securities (Central and State)	-	-	-	-
Corporate Bonds (including Public Sector bonds)	-	-	-	-
Mutual Funds	-	-	-	-
Deposits	-	-	-	-
Cash and bank balances	-	-	-	-
Others (to be Specified)	-	-	-	-
Total	-	-	-	-

o) Sensitivity Analysis

Particulars	Employee Benefit Plan		Any Other Funded Liability	
	Current Year	Previous Year	Current Year	Previous Year
Effect in Defined Benefit Obligation Due to 1% Increase in Discount Rate	-	-	-	-
Effect in Defined Benefit Obligation Due to 1% Decrease in Discount Rate	-	-	-	-
Effect in Defined Benefit Obligation Due to 1% Increase in Salary Escalation Rate	-	-	-	-
Effect in Defined Benefit Obligation Due to 1% Decrease in Salary Escalation Rate	-	-	-	-
Effect in Defined Benefit Obligation Due to 1% Increase in Attrition Rate	-	-	-	-
Effect in Defined Benefit Obligation Due to 1% Decrease in Attrition Rate	-	-	-	-



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Notes to the Financial Statements

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p) Assumptions

Particulars	Employee Benefit Plan	Any Other Funded Liability
Discount Rate	8.00%	-
Escalation Rate (Rate of Increase in Compensation Levels)	3.33%	-
Attrition Rate (Employee Turnover)	18.64%	-
Mortality Rate During Employment	Nepali Assured lives mortality 2009	-

45 Fair Value Measurements

(i) Financial Instruments by Category & Hierarchy

This section explains the judgements and estimates made in determining the Fair Values of the Financial Instruments that are (a) recognised and measured at fair value and (b) measured at Amortised Cost and for which Fair Values are disclosed in the Financial Statements.

To provide an indication about the reliability of the inputs used in determining Fair Value, the Company has classified its financial instruments into Three Levels prescribed as per applicable NFRS.

Particulars	Level	Current Year			Previous Year		
		FVTPL	FVOCI	Amortised Cost	FVTPL	FVOCI	Amortised Cost
Investments							
i) Investment in Equity Instruments		-	-	-	-	-	-
Investment in Equity (Quoted)	1	-	22,300,744	-	-	26,582,976	-
Investment in Equity (Unquoted)	3	-	1,195,000	-	-	1,195,000	-
ii) Investment in Mutual Funds		-	-	-	-	-	-
iii) Investment in Preference Shares of Bank and Financial Institutions		-	-	-	-	-	-
iv) Investment in Debentures	3	-	-	52,365,000	-	-	52,365,000
v) Investment in Bonds (Nepal Government/ NRB/ Guaranteed by Nepal Government)		-	-	-	-	-	-
vi) Fixed Deposits	3	-	-	1,243,500,000	-	-	1,262,000,000
vii) Others (to be specified)		-	-	-	-	-	-
Loans	3	-	-	-	-	-	-
Other Financial Assets	3	-	-	50,011,059	-	-	38,476,771
Cash and Cash Equivalents	3	-	-	55,210,286	-	-	65,683,225
Total Financial Assets		-	23,495,744	1,401,086,345	-	27,777,976	1,418,524,996
Loans and Borrowings		-	-	-	-	-	-
Other Financial Liabilities	3	-	-	21,103,450	-	-	26,048,661
Insurance Payables	3	-	-	146,965,966	-	-	362,767,932
Total Financial Liabilities		-	-	168,069,416	-	-	388,816,593

Level 1 : Level 1 Hierarchy includes Financial Instruments measured using Quoted Prices.

Level 2 : Fair Value of Financial Instruments that are not traded in an active market is determined using valuation techniques which maximises the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to determine Fair Value of an instrument are observable, the instrument is included in Level 2.

Level 3 : If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.



General Insurance Company Nepal Ltd.

Notes to the Financial Statements

Amount in NPR

There is no transfer of Financial Instruments between different levels as mentioned above during the year.

(ii) Valuation Technique Used to Determine Fair Value

- Use of quoted market prices or dealer quotes for similar instruments
- Fair Value of remaining financial instruments is determined using discounted cash flow analysis

(iii) Valuation Process

The finance and accounts department of the Company performs the valuation of financial assets and liabilities required for financial reporting purposes. Discussion on valuation processes and results are held at least once in a year.

The main level 3 inputs are derived and evaluated as follows:

- Discount rate is arrived at considering the internal and external factors.
- Discounting has been applied where assets and liabilities are non-current, and the impact of the discounting is material

(iv) Fair Value of Financial Assets and Liabilities Measured at Amortised Cost

Particulars	Current Year		Previous Year	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Investments				
i) Investment in Preference Shares of Bank and Financial Institutions	-	-	-	-
ii) Investment in Debentures	52,365,000	52,365,000	52,365,000	52,365,000
iii) Investment in Bonds (Nepal Government/ NRB/ Guaranteed by Nepal Government)	-	-	-	-
iv) Fixed Deposit	1,243,500,000	1,243,500,000	1,262,000,000	1,262,000,000
v) Others (to be Specified)	-	-	-	-
Loans				
i) Loan to Associates	-	-	-	-
ii) Loan to Employees	-	-	-	-
v) Others (to be Specified)	-	-	-	-
Other Financial Assets	50,011,059	50,011,059	38,476,771	38,476,771
Total Financial Assets at Amortised Cost	1,345,876,059	1,345,876,059	1,352,841,771	1,352,841,771
Loans and Borrowings				
i) Bond	-	-	-	-
ii) Debenture	-	-	-	-
iii) Term Loan - Bank and Financial Institution	-	-	-	-
iv) Bank Overdraft	-	-	-	-
v) Others (to be Specified)	-	-	-	-
Other Financial Liabilities	21,103,450	21,103,450	26,048,661	26,048,661
Total Financial Liabilities at Amortised Cost	21,103,450	21,103,450	26,048,661	26,048,661

The fair values of the above financial instruments measured at amortised cost are calculated based on cash flows discounted using current discount rate.

The carrying amounts of cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.



General Insurance Company Nepal Ltd.

Notes to the Financial Statements

46 Insurance Risk

Insurance risk includes the risk of incurring higher claims costs than expected owing to the random nature of claims, frequency and severity and the risk of change in the legal or economic conditions of insurance or reinsurance cover. This may result in the insurer having either received too little premium for the risks it has agreed to underwrite and hence has not enough funds to invest and pay claims, or that claims are in excess of those expected.

The Company seeks to minimise insurance risk through a formalised reinsurance arrangement with an appropriate mix and spread of business between classes of business based on its overall strategy. This is complemented by observing formalised risk management policies.

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

- a) Product development
- b) Pricing
- c) Underwriting
- d) Reinsurance
- e) Claims Handling
- f) Reserving

a) Product development:

The Company principally issues the following types of Non-Life Insurance contracts:

- Property
- Motor
- Marine
- Engineering
- Micro
- Aviation
- Cattle and Crop
- Miscellaneous

The significant risks arising under the Non-Life Insurance portfolio emanates from changes in the climate leading to natural disasters, behavioral trends of people due to changing life styles, the steady escalation of costs in respect of spares in the auto industry.

The above risk exposure is mitigated by the diversification across a large portfolio of insurance contracts and geographical areas. The variability of risks 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 and level of insured benefits.

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 put in place 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.

b) Pricing:

The pricing of an insurance product involves the estimation of claims, operational and financing costs and the income arising from investing the premium received. The pricing process typically comprises collecting data on the underlying risks to be covered, determining the pricing assumptions and the base rate, setting the final premium rate, and monitoring the review of the appropriateness of pricing.

The Company collects adequate data to validate the reasonableness of the underlying assumptions used for pricing. The base rate represents the amount required to meet the value of anticipated benefits, expenses, and margins for risks and profit. Data primarily relates to the company's own historical experience and that of the industry where relevant. These may be supplemented by other internal and external data, and could include trends observed in claims costs and expenses.



General Insurance Company Nepal Ltd.

Notes to the Financial Statements

Pricing is done by modelling all identified risks, using appropriate methodologies depending on the complexity of the risks and available data. Adequate buffers are kept in the premiums to cushion against the risk that actual experience may turn out to be worse than expected.

c) Underwriting:

The Company's underwriting process is governed by the by the internal underwriting procedures. Some of the actions undertaken to mitigate underwriting risks are detailed below:

- i) Investments are made on the training and development of underwriting and claims management staff, including those attached to the distribution network.
- ii) Application of Four-Eye principle on underwriting process.
- iii) Pre-underwriting inspections are made on new business over a predetermined threshold to evaluate risk prior to acceptance
- iv) Post-underwriting reviews are conducted to ensure that set guidelines have been observed.
- v) Adequate reinsurance arrangements are in place and reviews are undertaken to ensure the adequacy of these covers

d) Reinsurance

The Company purchases reinsurance as part of its risks mitigation programme. Premium ceded to the reinsurers is in accordance with the terms of the programmes already agreed based on the risks written by the insurance companies. Recoveries from reinsurers on claims are based on the cession made in respect of each risk and is estimated in a manner consistent with the outstanding claims provisions made for the loss. Although we mitigate our exposures through prudent reinsurance arrangements, the obligation to meet claims emanating from policy holders rests with the Company. Default of reinsurers does not negate this obligation and in that respect the Company carries a credit risk up to the extent ceded to each reinsurer.

c) Claims handling:

Some of the actions undertaken to mitigate claims risks is detailed below:

- i) Claims are assessed immediately.
- ii) Assessments are carried out by in-house as well as independent assessors / loss adjustors working throughout.
- iii) The service of a qualified independent actuary is obtained annually to assess the adequacy of reserves made in relation to Incurred But Not Reported (IBNR) and
- iv) Post-underwriting reviews are conducted to ensure that set guidelines have been observed.
- v) Adequate reinsurance arrangements are in place and reviews are undertaken to ensure the adequacy of these covers

Sensitivities

The non-life insurance claim liabilities are sensitive to the key assumptions as mentioned in the table below.

The following analysis is performed for reasonably possible movements in key assumptions with all other assumptions held constant, showing the impact on gross and net liabilities, profit before tax and profit after tax. The correlation of assumptions will have a significant effect in determining the ultimate claims liabilities, but to demonstrate the impact due to changes in assumptions, assumptions had to be changed on an individual basis.

Continue...



General Insurance Company Nepal Ltd.

Notes to the Financial Statements

Particulars	Changes in Assumptions	Amount in NPR						
		Current Year			Previous Year			
		Increase/ (Decrease) on Gross Liabilities	Increase/ (Decrease) on Net Liabilities	Increase/ (Decrease) Profit Before Tax	Increase/ (Decrease) on Gross Liabilities	Increase/ (Decrease) on Net Liabilities	Increase/ (Decrease) Profit Before Tax	
Average Claim Cost	"+" 10%	107,406,468	17,500,685	(17,500,685)	84,537,570	15,941,224	(15,941,224)	(15,941,224)
Average Number of Claims	"+" 10%	107,406,468	17,500,685	(17,500,685)	84,537,570	15,941,224	(15,941,224)	(15,941,224)
Average Claim Cost	"-" 10%	(107,406,468)	(17,500,685)	17,500,685	(84,537,570)	(15,941,224)	15,941,224	11,158,857
Average Number of Claims	"-" 10%	(107,406,468)	(17,500,685)	17,500,685	(84,537,570)	(15,941,224)	15,941,224	11,158,857

Claim development table

The following tables show the estimates of cumulative incurred claims, including both claims notified and IBNR for each successive accident year at each reporting date, together with cumulative payments to date.

Gross insurance contract outstanding claim provision

Year of incident	> PY 4	PY 4	PY 3	PY 2	PY 1	Current Year	Total
At end of incident year	-	-	-	-	-	49,502,863	49,502,863
One year later	-	-	-	-	602,485,244	-	602,485,244
Two year later	-	-	-	385,130,688	-	-	385,130,688.00
Three year later	-	-	127,715,514	-	-	-	127,715,514.00
Four year later	-	-	-	-	-	-	-
More than Four years	-	-	-	-	-	-	-
Current estimate of cumulative claims	-	-	127,715,514	385,130,688	602,485,244	49,502,863	1,164,834,309
At end of incident year	-	-	-	-	-	20,872,824	20,872,824
One year later	-	-	-	-	78,248,451	-	78,248,451
Two year later	-	-	-	35,454,650	-	-	35,454,650.00
Three year later	-	-	24,374	-	-	-	24,374.00
Four year later	-	-	-	-	-	-	-
More than Four years	-	-	-	-	-	-	-
Cumulative payments to date	-	-	24,374	35,454,650	78,248,451	20,872,824	134,600,299
Gross insurance contract outstanding claim provision	-	-	127,691,140	349,676,038	524,236,793	28,630,039	1,030,234,010

Continue...

Amount in NPR

Net insurance contract outstanding claim provision

Year of incident	> PY 4	PY 4	PY 3	PY 2	PY 1	Current Year	Total
At end of incident year	-	-	-	-	92,708,180	10,569,919	10,569,919
One year later	-	-	-	-	92,708,180	-	92,708,180
Two year later	-	-	-	56,285,124	-	-	56,285,124.00
Three year later	-	-	16,266,563	-	-	-	16,266,563.00
Four year later	-	-	-	-	-	-	-
More than Four years	-	-	-	-	-	-	-
Current estimate of cumulative claims	-	-	16,266,563	56,285,124	92,708,180	10,569,919	175,829,786
At end of incident year	-	-	-	-	-	6,924,554	6,924,554
One year later	-	-	-	-	25,958,904	-	25,958,904
Two year later	-	-	-	11,762,071	-	-	11,762,071.00
Three year later	-	-	8,084	-	-	-	8,084.00
Four year later	-	-	-	-	-	-	-
More than Four years	-	-	-	-	-	-	-
Cumulative payments to date	-	-	8,084	11,762,071	25,958,904	6,924,554	44,653,613
Net insurance contract outstanding claim provision	-	-	16,258,479	44,523,053	66,749,276	3,645,365	131,176,173

f) Reserving

Insurance Contract Liabilities are created to cover this risk based on the actuarial valuation report.

The table below sets out the concentration of risk associated with above mentioned products. Risk as at year end has been measured as insurance contract liabilities and disclosed as below:

Particulars	Current Year			Previous Year		
	Gross Insurance Liabilities	Reinsurance Assets	Net Liabilities	Gross Insurance Liabilities	Reinsurance Assets	Net Liabilities
Property	631,511,301	588,684,732	42,826,569	463,487,273	438,105,419	25,381,854
Motor	424,526,788	133,391,510	291,135,278	362,992,207	112,454,599	250,537,608
Marine	89,843,995	76,680,674	13,163,321	81,066,154	68,622,664	12,443,490
Engineering	198,617,745	185,251,316	13,366,429	147,443,789	138,806,544	8,637,245
Micro	259,896,932	255,914,208	3,982,724	258,117,835	256,212,000	1,905,835
Aviation	39,796	36,678	3,118	54,607	50,328	4,279
Cattle and Crop	36,221,355	25,420,917	10,800,438	27,321,201	19,735,438	7,585,763
Miscellaneous	91,989,114	78,975,151	13,013,963	46,182,621	40,134,281	6,048,340
Total	1,732,647,026	1,344,355,186	388,291,840	1,386,665,687	1,074,121,273	312,544,414



General Insurance Company Nepal Ltd.

Notes to the Financial Statements

47 Financial Risk Management

a) The Company's activities expose it to Credit Risk, Liquidity Risk & Market Risk.

i) Credit Risk

Credit risk is the risk of financial loss as a result of the default or failure of third parties to meet their payment obligations to the Company. Thus, for an insurance contract, credit risk includes the risk that an insurer incurs a financial loss because a reinsurer defaults on its obligations under the reinsurance contract.

The following policies and procedures are in place to mitigate the Company's exposure to credit risk:

- Company has credit risk policy which sets out the assessment and determination of what constitutes credit risk for the Company. Compliance with the policy is monitored and exposures and breaches are reported to the Company's risk committee. The policy is regularly reviewed for pertinence and for changes in the risk environment.
- Reinsurance is placed with counterparties that have a good credit rating and concentration of risk is avoided by entering into agreement with more than one party. At each reporting date, management performs an assessment of creditworthiness of reinsurers and updates the reinsurance purchase strategy, ascertaining suitable allowance for impairment.
- The company deals with only creditworthy counterparties and obtains sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults.

Expected Credit Losses for Financial Assets at Amortised Costs as at Kartik 06, 2079

Particulars		Asset Group	Gross Carrying Amount	Expected Probability of Default	Expected Credit Losses	Carrying Amount After Provision
Credit Risk has not significantly increased since initial recognition	Loss allowance measured at 12 months expected credit losses	-	-	-	-	-
Credit Risk has significantly increased and not credit impaired	Loss allowance measured at life-time expected credit losses	-	-	-	-	-
Credit Risk has significantly increased and credit impaired		-	-	-	-	-

Expected Credit Losses for Financial Assets at Amortised Costs as at Ashadh 32, 2079

Particulars		Asset Group	Gross Carrying Amount	Expected Probability of Default	Expected Credit Losses	Carrying Amount After Provision
Credit Risk has not significantly increased since initial recognition	Loss allowance measured at 12 months expected credit losses	-	-	-	-	-
Credit Risk has significantly increased and not credit impaired	Loss allowance measured at life-time expected credit losses	-	-	-	-	-
Credit Risk has significantly increased and credit impaired		-	-	-	-	-

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General Insurance Company Nepal Ltd.

Notes to the Financial Statements

Amount in NPR

Reconciliation of Loss Allowance Provision

Particulars	Measured at 12 months expected credit losses	Measured at life-time expected credit losses	
		Credit Risk has significantly increased and not credit impaired	Credit Risk has significantly increased and credit impaired
Loss Allowance on Ashadh 32, 2079	-	-	-
Changes in loss allowances	-	-	-
Write-offs	-	-	-
Recoveries	-	-	-
Loss Allowance on Kartik 06, 2079	-	-	-

ii) Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with 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 the timing differences between gross cash out-flows and expected reinsurance recoveries.

Maturity of Financial Liabilities:

The table below summarises the Company's Financial Liabilities into Relevant Maturity Groupings based on their Contractual Maturities for all Financial Liabilities.

Particulars	Current Year			Previous Year		
	Upto 1 Year	1 Year to 5 Year	More than 5 Year	Upto 1 Year	1 Year to 5 Year	More than 5 Year
Borrowings	-	-	-	-	-	-
Other Financial Liabilities	21,103,450	-	-	26,048,661	-	-
Insurance Payables	146,965,966	-	-	362,767,932	-	-
Total Financial Liabilities	168,069,416	-	-	388,816,593	-	-

iii) Market Risk

a1) Foreign Currency Risk Exposure

Operation of the Company has exposed it to foreign exchange risk arising from foreign currency transactions, with respect to the USD Currency. The risk is measured through a forecast of highly probable foreign currency cash flows. The objective of the hedges is to minimise the volatility of the NPR cash flows of highly probable forecast transactions.

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General Insurance Company Nepal Ltd.

Notes to the Financial Statements

Amount in NPR

The Company's exposure to foreign currency risk at the end of the reporting period expressed in NPR, are as follows:

Particulars	Current Year		Previous Year	
	USD	Other Currency	USD	Other Currency
Investments	-	-	-	-
Loans	-	-	-	-
Insurance Receivables	-	-	-	-
Other Financial Assets	-	-	-	-
Less: Derivative Assets	-	-	-	-
i) Foreign exchange forward contracts - Sell Foreign Currency	-	-	-	-
ii) Foreign exchange option contracts - Sell Foreign Currency	-	-	-	-
Net Exposure to Foreign Currency Risk/ (Assets)	-	-	-	-
Insurance Payables	-	-	-	-
Other Financial Liabilities	-	-	-	-
Less: Derivative Liabilities	-	-	-	-
i) Foreign exchange forward contracts - Buy Foreign Currency	-	-	-	-
ii) Foreign exchange option contracts - Buy Foreign Currency	-	-	-	-
Net Exposure to Foreign Currency Risk/ (Liabilities)	-	-	-	-

a2) Foreign Currency Risk - Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments and the impact on the other components of equity arising from foreign forward exchange contracts, foreign exchange option contracts designated as cash flow hedges.

Particulars	Impact on profit after tax		Impact on other component of equity	
	Current Year	Previous Year	Current Year	Previous Year
USD sensitivity				
NPR/ USD - Increases by 10% *	-	-	-	-
NPR/ USD - Decreases by 10% *	-	-	-	-
Other Currency sensitivity				
NPR/ Currency A - Increases by 10% *	-	-	-	-
NPR/ Currency A - Decreases by 10% *	-	-	-	-

* Holding all other variable constant

b1) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The major interest rate risk that the Company is exposed to is the discount rate for determining insurance liabilities.

b2) Interest Rate Sensitivity

Profit or Loss is sensitive to changes in Interest Rate for Borrowings. A change in Market Interest Level by 1% which is reasonably possible based on Management's Assessment would have the following effect on the Profit After Tax.

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General Insurance Company Nepal Ltd.

Notes to the Financial Statements

Amount in NPR

Particulars	Current Year	Previous Year
Interest Rate - Increase By 1%*	9,227,160	9,386,636
Interest Rate - Decrease By 1%*	(13,181,657)	(13,409,480)

* Holding all other Variable Constant

c1) Equity Price Risk

Equity price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in equity prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or by factors affecting all similar financial instruments traded in the market.

The Company has invested in equity securities and the exposure is equity securities price risk from investments held by the Company and classified in the statement of financial position as fair value through OCI.

c2) Sensitivity

The table below summarises the impact of increase/decrease of the index in the Company's equity and impact on OCI for the period. The analysis is based on the assumption that the equity index had increased/ decreased by 1% with all other variables held constant, and that all the Company's equity instruments moved in line with the index.

Particulars	Current Year	Previous Year
Interest Rate - Increase By 1%*	377,273	365,833
Interest Rate - Decrease By 1%*	(377,273)	(365,833)

* Other components of equity would increase/decrease as a result of gains/ (losses) on equity securities classified as fair value through other comprehensive income.

48 Operation Risk

Operational Risk is the risk of direct or indirect loss, or damaged reputation resulting from inadequate or failed internal processes, people and systems 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.

49 Climate Related Risk

Climate risk is the potential for climate change to create adverse consequences for human or ecological systems. This includes impacts on lives, livelihoods, health and wellbeing, economic, social and cultural assets and investments. Generally there are two types of risk caused by Climate risk.

1. Physical Climate Risk
2. Transition Climate Risk

It is the measure of vulnerability to climate-related impacts that have financial consequences, or that may affect various aspects of financial performance. Most commonly in our region we are being affected by the global warming that is causing the various natural calamities such as Landslide, Hailstorm, Flooding and they are affecting the various insured properties and the changes is deteriorating the health of individual increasing the medical claims.

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General Insurance Company Nepal Ltd.

Notes to the Financial Statements

Amount in NPR

Losses suffered due to climate related risk during the year is as follows:

Particulars	Amount
Gross claim outstanding Caused due to Climate related risk	183,780,270
Gross claim Outstanding as on Date	1,030,234,010
% of Gross claim outstanding Caused due to Climate related risk to Gross Outstanding Claim	17.84%
Gross claim paid Caused due to Climate related risk	47,164,467
Gross claim Paid for the period	134,600,299
% of Gross claim paid caused due to climate related risk to Gross paid Claim	35.04%

50 Capital Management

The Company's objectives when managing Capital are to:

- Safeguard their ability to continue as a going concern so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

Regulatory minimum paid up capital

Non-Life insurance companies were required by the Directive issued by Beema Samiti to attain a stipulated minimum paid up capital of NPR 2.5 billion by mid-July 2023. As on the reporting date, the company's paid up capital is NPR 1 billion.

Dividend

Particulars	Current Year	Previous Year
(i) Dividends recognised		
Final dividend for the year ended Ashadh 32, 2079 of NPR/- (Ashadh 31, 2078 - NPR/-) per fully paid share	-	-
	-	-
(ii) Dividends not recognised at the end of the reporting period		
In addition to the above dividends, since the year ended the directors have recommended the payment of a final dividend of NPR 0/- per fully paid equity share (Kartik 06, 2079 - NPR /-). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting	-	-
	-	-

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General Insurance Company Nepal Ltd.

Notes to the Financial Statements

Amount in NPR

51 Earnings Per Share

Particulars	Current Year	Previous Year
Profit For the Year	(38,672,546)	17,269,833
Less: Dividend on Preference Shares	-	-
Profit For the Year used for Calculating Basic Earning per Share	-	-
Add: Interest saving on Convertible Bonds	-	-
Profit For the Year used for Calculating Diluted Earning per Share	(38,672,546)	17,269,833
Weighted Average Number of Equity Shares Outstanding During the Year For Basic Earning per Share	10,000,000	10,000,000
Adjustments for calculation of Diluted Earning per Share:		
i) Dilutive Shares	-	-
ii) Options	-	-
iii) Convertible Bonds	-	-
Weighted Average Number of Equity Shares Outstanding During the Year for Diluted Earning Per Share	10,000,000	10,000,000
Nominal Value of Equity Shares	100	100
Basic Earnings Per Share	(3.87)	1.73
Diluted Earnings Per Share	(3.87)	1.73
Proposed Bonus Share	-	-
Weighted Average Number of Equity Shares Outstanding During the Year for Restated Earning Per Share	10,000,000	10,000,000
Restated Basic Earning Per Share	(3.87)	1.73
Restated Diluted Earning Per Share	(3.87)	1.73

52 Operating Segment

Segment information is presented in respect of the Company's business segments. Management of the Company has identified portfolio as business segment and the Company's internal reporting structure is also based on portfolio. Performance is measured based on segment profit as management believes that it is most relevant in evaluating the results of segment relative to other entities that operate within these industries.

Segment asset is disclosed below based on total of all asset for each business segment.

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

Business Segments of the Company's are:

- i) Property
- ii) Motor
- iii) Marine
- iv) Engineering
- v) Micro
- vi) Aviation
- vii) Cattle and Crop
- viii) Miscellaneous

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General Insurance Company Nepal Ltd.

Notes to the Financial Statements

Amount in NPR

a) Segmental Information for the year ended Kartik 06, 2079 (October 23, 2022)

Particular	Property	Motor	Marine	Engineering	Micro	Aviation	Cattle and Crop	Miscellaneous	Inter Segment Elimination	Total
Income:										
Gross Earned Premiums	32,344,781	68,354,442	22,055,708	35,242,156	658,882	14,811	6,918,848	21,720,805	-	187,310,433
Premiums Ceded	(30,411,835)	(28,071,227)	(19,102,440)	(33,897,168)	-	(13,650)	(5,629,442)	(19,289,891)	-	(136,415,663)
Inter-Segment Revenue	-	-	-	-	-	-	-	-	-	-
Net Earned Premiums	1,932,946	40,283,215	2,953,268	1,344,988	658,882	1,161	1,289,406	2,430,914	-	50,894,780
Commission Income	5,960,161	3,880,724	2,620,145	6,615,072	-	1,224	922,690	2,945,610	-	22,945,626
Other Direct Income	-	1,269,652	-	-	13,111	-	-	-	-	1,282,763
Income from Investments & Loans	-	-	-	-	-	-	-	-	-	-
Net Gains/ (Losses) on Fair Value Changes	-	-	-	-	-	-	-	-	-	-
Net Realised Gains/ (Losses)	-	-	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-	-	-
Total Segmental Income	7,893,107	45,433,591	5,573,413	7,960,060	671,993	2,385	2,212,096	5,376,524	-	75,123,169
Expenses:										
Gross Claims Paid	38,099,156	50,513,065	1,605,796	26,539,449	851,821	-	13,414,765	3,576,227	-	134,600,299
Claims Ceded	(34,715,510)	(15,837,353)	(1,348,868)	(24,111,572)	(6,608)	-	(10,762,772)	(3,164,001)	-	(89,946,685)
Gross Change in Contract Liabilities	153,203,809	22,842,571	15,125,117	49,044,501	1,125,841	-	1,072,955	11,357,660	-	253,772,454
Change in Contract Liabilities Ceded to Reinsurers	(137,420,865)	(9,579,620)	(12,663,680)	(44,614,182)	297,792	-	1,071,760	(10,185,584)	-	(213,094,379)
Net Claims Paid	19,166,590	47,938,683	2,718,365	6,858,196	2,268,846	-	4,796,708	1,584,302	-	85,331,689
Commission Expenses	415,630	491,592	60,419	744,467	63,132	1,195	631,376	888,099	-	3,295,910
Service Fees	36,523	1,460,668	14,031	14,895	13,121	1,088	23,594	190,666	-	1,754,586
Other Direct Expenses	-	-	-	-	229,713	-	243,132	-	-	472,845
Employee Benefits Expenses	-	-	-	-	-	-	-	-	-	-
Depreciation and Amortization Expenses	-	-	-	-	-	-	-	-	-	-
Impairment Losses	-	-	-	-	-	-	-	-	-	-
Other Operating Expenses	-	-	-	-	-	-	-	-	-	-
Finance Cost	-	-	-	-	-	-	-	-	-	-
Total Segmental Expenses	19,618,743	49,890,943	2,792,815	7,617,558	2,574,812	2,283	5,694,810	2,663,067	-	90,855,030
Total Segmental Results	(11,725,636)	(4,457,352)	2,780,598	342,502	(1,902,819)	102	(3,482,714)	2,713,457	-	(15,731,861)
Segment Assets	588,684,732	133,391,510	76,680,674	185,251,316	255,914,208	36,678	25,420,917	78,975,150	-	1,344,355,185
Segment Liabilities	631,511,300	424,526,788	89,843,995	198,617,745	259,896,932	39,796	36,221,355	91,989,115	-	1,732,647,026

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General Insurance Company Nepal Ltd.

Notes to the Financial Statements

Amount in NPR

b) Segmental Information for the year ended Ashadh 32, 2079 (July 16, 2022)

Particular	Property	Motor	Marine	Engineering	Micro	Aviation	Cattle and Crop	Miscellaneous	Inter Segment Elimination	Total
Income:										
Gross Earned Premiums	170,675,285	230,866,814	164,151,354	151,637,006	26,372,498	92,101	25,886,856	53,505,174	-	823,187,088
Premiums Ceded	(160,125,459)	(131,768,631)	(57,506,424)	(144,284,863)	(10,296,450)	(85,612)	(20,709,484)	(48,423,919)	-	(573,200,842)
Inter-Segment Revenue	-	-	-	-	-	-	-	-	-	-
Net Earned Premiums	10,549,826	99,098,183	106,644,930	7,352,143	16,076,048	6,489	5,177,372	5,081,255	-	249,986,246
Commission Income	40,670,888	28,004,887	13,419,878	39,817,204	(1,701,613)	5,514	4,614,813	13,342,575	-	138,174,146
Other Direct Income	-	4,662,744	-	-	3,646	-	-	-	-	4,666,390
Income from Investments & Loans	-	-	-	-	-	-	-	-	-	-
Net Gains/(Losses) on Fair Value Changes	-	-	-	-	-	-	-	-	-	-
Net Realised Gains/(Losses)	-	-	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-	-	-
Total Income	51,220,714	131,765,814	120,064,808	47,169,347	14,378,081	12,003	9,792,185	18,423,830	-	392,826,782
Expenses:										
Gross Claims Paid	28,203,708	175,632,533	13,407,200	51,955,248	2,104,109	-	18,695,809	9,655,352	-	299,653,960
Claims Ceded	(20,377,271)	(48,107,175)	(12,080,871)	(49,393,040)	(1,952,765)	-	(14,958,087)	(8,620,309)	-	(155,489,518)
Gross Change in Contract Liabilities	321,043,197	95,757,785	4,675,057	(4,709,152)	254,973,831	-	(1,698,427)	704,435	-	670,746,726
Change in Contract Liabilities Ceded to Reinsurers	(318,989,020)	(17,670,213)	(4,141,070)	4,895,384	(256,212,000)	-	1,334,880	182,402	-	(590,599,637)
Net Claims Paid	9,880,615	205,612,930	1,860,316	2,748,439	(1,086,825)	-	3,374,175	1,921,880	-	224,311,530
Commission Expenses	2,505,945	3,005,975	406,543	4,767,222	313,482	5,384	2,637,134	3,151,991	-	16,793,676
Service Fees	102,391	2,115,123	95,388	79,999	36,317	85	63,023	59,718	-	2,552,044
Other Direct Expenses	-	11,444,520	-	-	-	-	1,130,561	-	-	12,575,081
Employee Benefits Expenses	-	-	-	-	-	-	-	-	-	-
Depreciation and Amortization Expenses	-	-	-	-	-	-	-	-	-	-
Impairment Losses	-	-	-	-	-	-	-	-	-	-
Other Operating Expenses	-	-	-	-	-	-	-	-	-	-
Finance Cost	-	-	-	-	-	-	-	-	-	-
Total Expenses	12,489,950	222,178,548	2,362,247	7,595,660	(737,026)	5,469	7,204,892	5,133,590	-	256,232,331
Total Segmental Results	38,731,764	(90,412,734)	117,702,561	39,573,686	15,115,107	6,534	2,587,293	13,290,240	-	136,594,451
Segment Assets	438,105,419	112,454,599	68,622,664	138,806,544	256,212,000	50,327	19,735,438	40,134,281	-	1,074,121,272
Segment Liabilities	463,487,273	362,992,207	81,066,154	147,443,789	258,117,835	54,607	27,321,201	46,182,621	-	1,386,665,687

Continue...





General Insurance Company Nepal Ltd.

Notes to the Financial Statements

Amount in NPR

c) Reconciliation of Segmental Profit with Statement of Profit or Loss

Particulars	Current Year	Previous Year
Segmental Profit	(15,731,861)	136,594,451
Less: Depreciation and Amortization	(6,814,389)	(26,248,084)
Less: Non-cash expenses other than Depreciation and Amortization	-	-
Less: Unallocable Corporate Expenditures	(67,071,442)	(196,299,563)
Add: Unallocable Other Income	39,308,525	118,344,204
Less: Finance Cost	(2,165,217)	(7,338,453)
Profit Before Tax	(52,474,384)	25,052,555

d) Reconciliation of Assets

Particulars	Current Year	Previous Year
Segment Assets	1,344,355,185	1,074,121,272
Goodwill & Intangible Assets	1,986,818	2,069,882
Property, Plant and Equipment	124,829,767	131,094,095
Investment Properties	-	-
Deferred Tax Assets	84,946,382	43,383,125
Investments	1,319,360,744	1,342,142,976
Loans	-	-
Current Tax Assets	5,210,369	24,668,527
Other Assets	325,901,003	503,841,664
Total Assets	3,206,590,268	3,121,321,541

e) Reconciliation of Liabilities

Particulars	Current Year	Previous Year
Segment Liabilities	1,732,647,026	1,386,665,687
Provisions	13,975,518	17,399,095
Deferred Tax Liabilities	-	-
Current Tax Liabilities	-	-
Other Financial Liabilities	21,103,450	26,048,661
Other Liabilities	330,128,432	540,837,801
Total Liabilities	2,097,854,426	1,970,951,244



General Insurance Company Nepal Ltd..

Notes to the Financial Statements

53 Related Party Disclosure

(a) Identify Related Parties

Holding Company:

The company does not have any holding company.

Subsidiaries:

The company does not have any subsidiary company.

Associates:

The company does not have any associates.

Fellow Subsidiaries:

The company does not have any fellow subsidiary company.

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.

KMPs of the GIC Insurance Company Nepal Ltd. includes following persons:

Name of key management personnel	Position	Remarks
Mr. Kunal Kayal	Chairman	
Mr. Bhola Nath Dhungana	Director	
Mr. Krishna Bohara	Director	
Mrs. Mita Murarka Agrawal	Director	
Mr. Gyaneswar Acharya	Independent Director	
Mrs. Saraswati Gautam Gyawali	Public Director	
Mr. Amrit Banjade	Public Director	
Mr. Ram Chandra Shrestha	CEO	
Mr. Binesh Maskey	AGM	
Mr. Nil Bahadur Barali	AGM	
Mr. Munindra Kumar Thakur	AGM	

(b) Key Management Personnel Compensation:

Particulars	Current Year	Previous Year
Short-term employee benefits	3,584,935	11,963,152
Post-employment benefits	157,437	1,087,500
Other long-term benefits	-	-
Termination benefits	-	-
Meeting Fees	-	-
Total	3,742,372	13,050,652

Continue...



General Insurance Company Nepal Ltd.

Notes to the Financial Statements

Amount in NPR

Payment to Chief Executive Officer (CEO)

Particulars	Current Year	Previous Year
Annual salary and allowances	1,155,000	3,905,000
Performance based allowances		
i) Employee Bonus	-	-
ii) Benefits as per prevailing provisions	161,304	-
iii) Incentives	-	-
Insurance related benefits		
i) Life Insurance	-	-
ii) Accident Insurance	-	-
iii) Health Insurance (including family members)	-	-
Total	1,316,304	3,905,000

(c) Related Party Transactions:

Particulars	Holding Company	Subsidiaries	Associates	Fellow Subsidiaries	Key Managerial Personnel	Total
Premium Earned						
Current Year	-	-	-	-	-	-
Previous Year	-	-	-	-	-	-
Commission Income						
Current Year	-	-	-	-	-	-
Previous Year	-	-	-	-	-	-
Rental Income						
Current Year	-	-	-	-	-	-
Previous Year	-	-	-	-	-	-
Interest Income						
Current Year	-	-	-	-	-	-
Previous Year	-	-	-	-	-	-
Sale of Property, Plant & Equipment						
Current Year	-	-	-	-	-	-
Previous Year	-	-	-	-	-	-
Purchase of Property, Plant & Equipment						
Current Year	-	-	-	-	-	-
Previous Year	-	-	-	-	-	-
Premium Paid						
Current Year	-	-	-	-	-	-
Previous Year	-	-	-	-	-	-
Commission Expenses						
Current Year	-	-	-	-	-	-
Previous Year	-	-	-	-	-	-
Dividend						
Current Year	-	-	-	-	-	-
Previous Year	-	-	-	-	-	-
Meeting Fees						
Current Year	-	-	-	-	562,000	562,000
Previous Year	-	-	-	-	916,000	916,000
Allowances to Directors						
Current Year	-	-	-	-	-	-
Previous Year	-	-	-	-	1,138,831	1,138,831
Others (to be specified)						
Current Year	-	-	-	-	-	-
Previous Year	-	-	-	-	-	-

Continue...



General Insurance Company Nepal Ltd.

Notes to the Financial Statements

Amount in NPR

(d) Related Party Balances:

Particulars	Holding Company	Subsidiaries	Associates	Fellow Subsidiaries	Key Managerial Personnel	Total
Receivables including Reinsurance Receivables						
Current Year	-	-	-	-	-	-
Previous Year	-	-	-	-	-	-
Other Receivables (to be Specified)						
Current Year	-	-	-	-	-	-
Previous Year	-	-	-	-	-	-
Payables including Reinsurance Payables						
Current Year	-	-	-	-	-	-
Previous Year	-	-	-	-	-	-
Other Payables (to be Specified)						
Current Year	-	-	-	-	-	-
Previous Year	-	-	-	-	-	-

54 Leases

(a) Leases as Lessee

(i) Operating Leases:

The company has various Rental Lease agreement ranging from 2 years to 10 years. The leases are renewable by mutual consent and contain escalation clause. After introduction of NFRS 16, Right of Use Assets- Lease Period has been discounted and Lease Liability has been created. Depreciation (discounted Rental expenses) has been charged on Depreciation on PPE and deducted from ROU Assets. Interest Expenses arising from discounting factor has been adjusted with Lease Liability amount. Actual Rent Paid during the period has been deducted from Lease Liabilities.

Disclosure in respect of Non-cancellable lease is as given below

Future Minimum Lease Payments	Current Year	Previous Year
i) Not Later than 1 year	-	-
ii) Later than 1 year and not later than 5 years	-	-
iii) Later than 5 years	-	-

(ii) Finance Lease:

The Company has not held assets under finance leases.

Future Minimum Lease Payments	Current Year	Previous Year
i) Not Later than 1 year	-	-
ii) Later than 1 year and not later than 5 years	-	-
iii) Later than 5 years	-	-
Total Future Minimum Lease Payments	-	-
Less: Effect of Discounting	-	-
Finance lease liability recognised	-	-

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General Insurance Company Nepal Ltd.

Notes to the Financial Statements

Amount in NPR

(b) Leases as Lessor

(i) Operating Lease:

The company has not leased out any office spaces during the year that generates rental income.

Disclosure in respect of Non-cancellable lease is as given below

Future Minimum Lease Payments	Current Year	Previous Year
i) Not Later than 1 year	-	-
ii) Later than 1 year and not later than 5 years	-	-
iii) Later than 5 years	-	-

(ii) Finance Lease:

The Company has not given any assets under finance leases.

Particulars	Current Year			Previous Year		
	Gross Investment	Unearned Finance Income	Net Investment	Gross Investment	Unearned Finance Income	Net Investment
i) Not Later than 1 year	-	-	-	-	-	-
ii) Later than 1 year and not later than 5 years	-	-	-	-	-	-
iii) Later than 5 years	-	-	-	-	-	-
Total	-	-	-	-	-	-

55 Capital Commitments

Estimated amount of contracts remaining to be executed and not provided for

Particulars	Current Year	Previous Year
Intangible Assets	-	-
Property, Plant and Equipment	-	-
Investment Properties	-	-
Total	-	-

56 Contingent Liabilities

Particulars	Current Year	Previous Year
Claims against Company not acknowledged as debts	-	-
a) Income Tax	-	-
b) Indirect Taxes	-	-
c) Other (to be Specified)	-	-
Total	-	-

57 Events occurring after Balance Sheet

58 Assets Pledged as Security (only if pledged)

The carrying amount of assets pledged as security are:

Particulars	Current Year	Previous Year
Reinsurance Receivables	-	-
Investments in equity	-	-
Fixed Deposits	-	-
Property, plant and equipment	-	-
Others (to be Specified)	-	-
Total	-	-



General Insurance Company Nepal Ltd.

Notes to the Financial Statements

Amount in NPR

59 Corporate Social Responsibility

As per provision of section 11 Ga of Financial Directive, 2080 and Good Governance Directive, the Company is required to provide 1% of the reported net profit during the year for corporate social responsibility. Good Governance Directive mandates that the amount so provided be utilised for social welfare activities. The details and movement of provisions for corporate social responsibility is as follows:

Particulars	Current Year	Previous Year
Balance at the beginning of the year	589,685	-
Provision for corporate social responsibility recognised	19,084	589,685
Utilization of corporate social responsibility	-	-
Balance at the end of the year	608,769	589,685

60 Miscellaneous

- (i) All amounts are in Nepalese Rupees unless otherwise stated.
(ii) All figures are in the Nearest Rupee & Rounded off.

61 Others (to be Specified)

Regarding Claim Payment of Khilung Kalika Agro Farm P. Ltd.:

Three separate Agro Policy having sum insured 341 lakh for each had been issued to M/s Khilung Kalika Agro Farm P.Ltd., on 10th Ashadh 2076. Claim Intimation for the two policy was lodged by insured and recorded on 12 Shrawan, 2076. After review of file, then claim committee (board level) decided and recommended for claim payment of Rs. 2,26,70,668 on 28 Kartik, 2076. Same decision was ratified by the Board Meeting held on 29 Kartik, 2076.

After due verification of claim file, confirming RI segregation and receiving Claim committee Minute and extract of Board decision Minute, claim amount Rs. 2,26,70,668 has been paid on different dates.

RI portion Rs. 1,80,74,855 is to be received from Nepal Reinsurance. However, citing various grounds, such amount was denied to pay by the Nepal Re. Against the decision, formal case was filed in Nepal Insurance Authority on 26 Magh, 2078. On 05 Shrawan 2079, Nepal Insurance Authority decided case in favour of GIC Nepal Insurance Co. Ltd.,

Merger & Acquisition

As Per Memorandum of Understanding (MOU) for Merger Between GIC Insurance Company Nepal Ltd. and Sanima General Insurance Ltd. both the companies has merged and started the joint transaction from Kartik 07, 2079.



General Insurance Company Nepal Ltd.

Minimum Disclosure in Directors' Report (Year Ended Upto Kartik 06, 2079)

A Information related to Non Life Insurer

- 1 **Date of establishment** - Mangsir 10, 2064
- 2 **Insurer license date** - Magh 24, 2074
- 3 **Insurance business type, nature** - Non - life insurance
- 4 **Date of commencement of business** - Ashadh 6, 2075
- 5 **Other matters which insurer wish to include;**

- 1 **Tax, service charges, fine and penalties to be paid under laws & regulation whether paid or not.**

Tax, service charges, fine and penalties to be paid under laws & regulation has been paid on prescribed time.

- 2 **Share structure of the insurer, changes if any in line with prevailing laws & regulation.**

Share structure of the company is in line with prevailing laws & regulation.

- 3 **Whether solvency ratio as prescribed by Nepal Beema Pradhikaran is maintained or not.**

The company has maintained the solvency ratio as prescribed by regulatory body.

- 4 a) **Statement regarding assets that financial amount contained in SOFP are not overstated than it's fair value.**

Financial amount contained in SOFP are not overstated than it's fair value.

- b) **Measurement basis of the assets recognized in financial statements.**

Measurement basis of the assets recognized in financial statements are;

1. *Fixed Deposits investment measurement has been made in cost basis.*
2. *Investment in debenture of Public limited company are measured at amortised cost.*
3. *Short term investment at market value*

- 5 **Declaration on investment made by insurer that are in line with prevailing laws. If not reason to be disclosed.**

Investment made by company are in line with the investment directive.

- 6 **Number of claim settled within the year and outstanding claim number and time frame to settle the outstanding claim.**

506 number of claim has been settled during FY 2079/080 and 3861 number of claim file are still to be settled for the period.

- 7 **Declaration on compliance with the provision of Insurance Act 2049, Insurance Regulation 2049, Company Act 2063, NFRSs and other prevailing laws & regulation to which insurer shall adhere to and any non compliance with reasons thereof.**

The company has complied all the provision of Insurance Act 2079, Company Act 2063, NFRSs and other prevailing laws & regulation.

- 8 **Declaration that the appropriate accounting policy has been consistently adopted.**

Accounting policy has been consistently adopted. If any changes has occurred, declaration of the same has been provided in appropriate place.

- 9 **Declaration on Financial Statements as at Reporting Date that the insurer's Financial Position and Financial Performance are presented true & fairly.**

Financial position and financial performance in Financial Statements has been presented true & fairly.



- 10 Declaration that Board of Directors have implemented adequate and appropriate provision to safeguard the assets and for identification and mitigation against losses due to fraud, embezzlement and irregularities.**
Board of Directors have implemented adequate and appropriate provision to safeguard the assets and for identification and mitigation against losses due to fraud, embezzlement and irregularities.
- 11 Declaration that Financial Statements have been prepared based on going concern basis.**
Financial Statements has been prepared based on going concern basis.
- 12 Declaration that the internal control system is commensurate with the size, nature & volume of the insurer's business.**
The internal control system is commensurate with the size, nature & volume of the insurer's business.
- 13 Declaration that the insurer has not conducted any transactions contrary to Insurance Act, 2079, Insurance Regulation, Companies Act, 2063, related regulations and directions with any person, firm, company and insurer's director or with any entity in which insurer's director has interest.**
The company has not conducted any transactions contrary to Insurance Act 2079, Insurance Regulation, Companies Act, 2063, related regulations and directions with any person, firm, company and insurer's director or with any entity in which insurer's director has interest.
- 14 Disclosure on any penalties, levied by Nepal Insurance Authority for the particular financial year.**
No Any fine, penalties has been levied by Nepal Beema Pradhikaran during the financial year.
- 15 Other disclosure which is deemed appropriate by Board of Directors/management**
GIC Insurance Company Nepal Ltd. and Sanima General Insurance Ltd. have merged and carried out the joint transaction from Kartik 07, 2079.



General Insurance Company Nepal Ltd.

Major Financial Indicator

S.N.	Particular	Indicators	Fiscal Year				
			2079-80	2078/79	2077-78	2076-77	2075-76
Equity							
1	Net worth	NRs.	1,108,735,842	1,150,370,297	1,127,845,328	757,861,954	712,315,994
2	Number of Shares	Number	10,000,000	10,000,000	10,000,000	7,000,000	7,000,000
3	Book value per shares	NRs.	110.87	115.04	100.00	100.00	100.00
4	Net Profit	NRs.	(38,672,546)	17,269,834	47,034,276	38,192,951	(7,232,721)
5	Earning per Shares (EPS)	NRs.	(3.87)	1.73	4.70	5.46	(1.03)
6	Dividend per Shares (DPS)	NRs.	-	-	-	-	-
7	Market Price per Shares (MPPS)	NRs.	370.00	370.00	693.00	-	-
8	Price Earning Ratio	Ratio	-	214.25	147.34	-	-
9	Change in Equity	%	(3.62)	2.00	48.82	6.39	(1.01)
10	Return on Equity	%	(3.42)	1.52	4.17	5.04	(1.02)
11	Capital to Total Net Assets Ratio	%	90.19	86.93	88.66	92.37	-
12	Capital to Technical Reserve Ratio	%	257.54	319.95	432.59	404.63	646.62
13	Affiliate Ratio	%	-	-	-	-	-
Business:							
14 Total Premium Growth Rate							
14.1	Property	%	(74.62)	21.74	(17.86)	95.43	-
14.2	Motor	%	(71.22)	17.23	(14.70)	68.95	-
14.3	Marine	%	(74.72)	10.97	(9.88)	138.10	-
14.4	Engineering	%	(82.73)	186.04	(65.04)	62.40	-
14.5	Micro	%	(63.93)	(92.59)	1,250.12	6,143.03	-
14.6	Aviation	%	-	43.36	(30.25)	-	-
14.7	Cattle and Crop	%	(53.20)	40.89	(29.02)	7.14	-
14.8	Miscellaneous	%	(13.92)	116.05	(53.71)	(12.37)	-
15 Net Premium Growth Rate							
15.1	Property	%	(64.87)	(3.96)	(86.70)	61.44	-
15.2	Motor	%	(63.22)	1.50	(28.59)	55.61	-
15.3	Marine	%	(87.06)	54.14	(85.58)	121.32	-
15.4	Engineering	%	(79.65)	37.31	(96.21)	(1.93)	-
15.5	Micro	%	(63.93)	(87.24)	(867.62)	4,113.08	-
15.6	Aviation	%	(100.00)	89.91	(95.87)	-	-
15.7	Cattle and Crop	%	(62.56)	40.89	(21.23)	7.14	-
15.8	Miscellaneous	%	(270.30)	48.41	(92.67)	(6.56)	-
16 Net Insurance Premium/ Gross Insurance Premium							
16.1	Property	%	7.62	5.51	6.98	10.92	-
16.2	Motor	%	57.41	53.95	62.31	63.87	-
16.3	Marine	%	7.70	15.31	11.02	20.51	-
16.4	Engineering	%	4.34	3.70	7.71	7.92	-
16.5	Micro	%	100.00	100.00	58.07	67.48	-
16.6	Aviation	%	-	7.84	5.92	-	-
16.7	Cattle and Crop	%	16.00	20.00	20.00	20.00	-
16.8	Miscellaneous	%	14.49	7.87	11.46	15.67	-
17	Reinsurance commission/ Gross Reinsurance Premium	%	16.63	20.70	26.41	29.48	27.42
18	Gross Premium Revenue/Equity	%	25.21	83.47	54.72	63.22	17.66
19	Net Premium Revenue/ Equity	%	7.75	21.84	21.15	25.07	7.84
20	Gross Insurance Premium/ Total Assets	%	8.72	30.76	28.92	32.61	11.25
21	Return on Investment & Loan	%	2.76	9.01	3.81	4.38	(0.87)
22	Net Profit/ Gross Insurance Premium	%	(13.84)	1.80	7.62	7.97	(5.75)
Expenses:							
23	Reinsurance Ratio	%	73.06	73.84	61.35	60.34	55.60

Continue...



S.N.	Particular	Indicators	Fiscal Year				
			2079-80	2078/79	2077-78	2076-77	2075-76
24	Management expenses/ Gross Insurance Premium	%	26.43	23.28	30.37	36.39	86.55
25	Agent Related Expenses/ Gross Insurance Premium	%	2.03	1.82	1.96	2.78	2.23
26	Agent Related Expenses/Management Expenses	%	4.91	-	6.98	7.48	-
27	Employee Expenses/ Management Expenses	%	56.65	59.75	63.24	64.71	63.12
28	Employee Expenses/ Number of Employees	Amt.	220,283.39	685,107.76	562,129.41	567,460.61	395,934.76
29	Expense Ratio (Underwriting Expense/ Net Written Premium)	%	11.09	7.10	6.18	8.19	7.49
30	Commission Ratio (Commission Expense/ Net Written Premium)	%	7.97	6.10	5.28	6.99	6.19
31	Loss Ratio {(Claim Paid + change in reserve)/ (Net Written Premium)}	%	119.56	89.73	63.77	58.46	85.16
32	Combined Ratio (Loss Ratio + Expense Ratio)	%	130.65	96.83	69.94	66.65	92.64
Assets:							
33	Increment in Investment Held	%	(1.70)	8.64	-	-	-
34	Return on Assets	%	(1.21)	0.55	2.20	2.60	(0.65)
35	Long term Investments/Total Investments	%	5.66	5.89	-	7.64	1.81
36	Short term Investments/Total Investments	%	94.34	94.11	100.00	92.36	98.19
37	Total Investment & Loan/Gross Insurance Contract Liabilities	%	76.15	96.70	167.40	160.35	335.47
38	Investment in Unlisted Shares and Debtors/ Total Net Assets	%	0.04	-	-	-	-
39	Investment in Shares/ Total Net Assets	%	2.01	2.31	3.54	2.54	-
40	Liquidity Ratio	%	369.76	234.21	83.36	75.49	56.87
Liabilities:							
41	Solvency Margin	%	216.46	224.40	166.78	146.00	105.00
42	Increment in Gross Insurance Contract Liabilities	%	24.95	88.06	35.57	119.83	-
43	Net Technical Reserve/ Average of Net Claim Paid for Last 3 Years	%	131.70	91.32	0.74	5.90	13.63
44	Actuarial Provision	Amt.	388,291,840	312,544,414	231,163,921	172,997,169	108,255,660
45	Technical Provisions/ Total Equity	%	35.02	27.17	18.06	22.68	29.00
46	Insurance Debt/ Total Equity	%	9.14	25.80	11.36	3.85	-
47	Outstanding Claim/ Claim Intimated	%	74.60	250.22	39.72	20.47	33.09
48	No. of Outstanding Claim/ No. of Intimated Claim	%	763.04	121.71	65.92	22.75	33.02
49	Total Number of Inforce Policies	No.s	12,016	72,927	61,412	53,197	43,078
50	Number of Renewed Policy/ Last Year's Total Number of In Force Policies	%	7.00	17.09	19.73	10.69	5.53
51	Number of Intimated Claim/ Total Number of In Force Policy	%	36.34	8.46	9.55	3.61	0.16
Others:							
52	Number of Offices	Nos	41	41	41	43	44
53	Number of Agents	Nos	107	107	107	118	121
54	Number of Surveyor	Nos	147	146	110	102	99
55	Number of Employees	Nos	190	195	175	171	23



General Insurance Company Nepal Ltd.

Details of Insured Amount

S.N.	Particulars	Existing Insurance Policies Numbers		Insured Amount against Existing Insurance Policies		Insured Risk Ceded to Re-Insurer		Net Insured Risk Retained by Insurer	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
1	Property	3,851	12,235	26,252,135,541	97,804,598,516	19,634,626,424	75,078,347,649	6,617,509,117	22,726,250,867
2	Motor	4,627	2,945	5,417,684,171	38,914,710,086	1,083,911,834	37,485,053,443	4,333,772,337	1,429,656,643
3	Marine	1,164	49,973	11,100,689,998	19,194,076,813	10,623,101,843	3,518,785,188	477,588,155	15,675,291,625
4	Engineering	236	1,009	7,515,267,802	40,203,368,863	7,300,765,022	38,874,206,377	214,502,780	1,329,162,486
5	Micro	548	2,443	618,958,140	762,453,557	371,374,884	609,962,846	247,583,256	152,490,711
6	Aviation	-	2,896	-	28,919,691,075	-	26,295,830,146	-	2,623,860,929
7	Cattle and Crop	803	1,422	295,438,974	1,729,105,683	248,168,738	1,037,163,410	47,270,236	691,942,273
8	Miscellaneous	787	4	21,088,414,653	102,102,000	18,305,558,344	94,102,000	2,782,866,309	8,000,000
	Total	12,016	72,927	72,288,589,279	227,630,106,593	57,567,507,089	182,993,451,059	14,721,082,190	44,636,655,534



नेपाल बीमा प्राधिकरण NEPAL INSURANCE AUTHORITY

मिति: २०८०।१०।०५

वि. वि. शा. : १४८ (२०८०/०८१) च.नं. ४५२७

श्री सानिमा जि आइ सी इन्स्योरेन्स लिमिटेड,
टङ्गाल, काठमाण्डौ :



Sanima GIC Insurance Ltd. Head Office	
RECEIVED	
No. 3323	Date Jan-17, 2024
Signature: _____	

विषय: आ.व. २०७९।८० को वित्तीय विवरणको स-शर्त स्वीकृति बारे।

तहाँको मिति २०८०।०९।१७ (च.नं.१३५१-२०८०।८१) को पत्र साथ प्राधिकरणमा पेश भएको आ.व. २०७९।८० को वित्तीय विवरण सम्बन्धमा लेखिदैछ।

उपरोक्त सम्बन्धमा बीमक श्री सानिमा जि आइ सी इन्स्योरेन्स लिमिटेड (साबिक जनरल इन्स्योरेन्स कम्पनी नेपाल लिमिटेड) बाट पेश भएको आ.व. २०७९।८० को वित्तीय विवरण तथा अन्य कागजातहरु अध्ययन गर्दा बीमा ऐन, २०७९ को दफा ३८, ३९, ४० र ४१ तथा बीमकको वित्तीय विवरण सम्बन्धी निर्देशन, २०८० को दफा ११ बमोजिम बीमा कोष, अनिवार्य जगेडा कोष, महाविपत्ति कोष र दाबी भुक्तानी कोष तथा जगेडा कोष कायम गरेको देखिएकोले तहाँको आ.व. २०७९।८० को वार्षिक वित्तीय विवरणलाई बीमा ऐन, २०७९ को दफा ८७ को उपदफा (८) तथा बीमकको वित्तीय विवरण सम्बन्धी निर्देशन, २०८० को दफा ७, ८ र ९ बमोजिम वार्षिक प्रतिवेदनमा समावेश गर्न, साधारण सभामा पेश गर्न तथा प्रकाशित गर्न देहायको निर्देशन, शर्त तथा आदेश सहित स्वीकृति प्रदान गरिएको व्यहोरा निर्णयानुसार जानकारी गराउदछौं।

शर्तहरु:

- बीमकले जोखिम व्यवस्थापन समितिलाई प्रभावकारी बनाउन प्राधिकरणबाट जारी भएको जोखिम व्यवस्थापन सम्बन्धी मार्गदर्शन बमोजिम जोखिम व्यवस्थापन सम्बन्धी कार्य गर्ने।
- बीमकले लेखा परीक्षण समितिलाई प्रभावकारी बनाई आन्तरिक नियन्त्रण प्रणालि सुदृढ बनाउने।
- बीमकको जोखिमाडुकन तथा दाबी भुक्तानी प्रक्रिया प्रभावकारी गराउने।
- प्राधिकरणको स्थलगत निरीक्षण क्रममा देखियका कैफियत तथा लेखापरीक्षकले औँल्याएका कैफियतहरु सुधार गर्न तथा त्यस्ता कैफियतहरु पुनः दोहोरिन नदिन आवश्यक व्यवस्था गर्ने।
- बीमकले प्राधिकरणबाट वित्तीय विवरण स्वीकृत भएको मितिले ६०(साठी) दिन भित्र साधारण सभा गर्ने।

(सुशील देव सुवेदी)
निर्देशक



सानिमा जिआईसी इन्स्योरेन्स लि.

(साविक जनरल इन्स्योरेन्स कम्पनी नेपाल लि.)

नेपाल बीमा प्राधिकरणबाट यस कम्पनीको आ.व. २०७५/०८० को वित्तीय विवरण स-शर्त स्वीकृतको सम्बन्धमा व्यवस्थापनको प्रत्युत्तर ।

१. बीमकले जोखिम व्यवस्थापन समितिलाई प्रभावकारी बनाउन प्राधिकरणबाट जारी भएको जोखिम व्यवस्थापन मार्गदर्शन बमोजिम जोखिम व्यवस्थापन सम्बन्धी कार्य गर्ने ।
प्रत्युत्तर: जोखिम व्यवस्थापन विभाग स्थापन गरी जोखिम व्यवस्थापनलाई प्रभावकारी बनाउँदै लिएको जानकारी गराउँदछौं ।
२. बीमकको लेखापरीक्षण समितिलाई प्रभावकारी बनाई आन्तरिक नियन्त्रण प्रणाली सुदृढ बनाउने ।
प्रत्युत्तर: कम्पनीको लेखापरीक्षण समितिलाई प्रभावकारी बनाई आन्तरिक नियन्त्रण प्रणाली अझ सुदृढ बनाउन प्रतिबद्ध रहेको जानकारी गराउँदछौं ।
३. बीमकको जोखिमाङ्कन तथा दाबी भुक्तानी प्रक्रिया प्रभावकारी गराउने ।
प्रत्युत्तर: कम्पनीले जोखिमाङ्कन तथा दाबी भुक्तानी प्रक्रियालाई प्रभावकारी बनाउँदै लगेको र आगामी दिनमा अझ प्रभावकारी बनाउन प्रतिबद्ध रहेको जानकारी गराउँदछौं ।
४. प्राधिकरणको स्थलगत निरीक्षण क्रममा देखिएका कैफियत तथा लेखापरीक्षकले औल्याएका कैफियतहरू सुधार गर्न तथा त्यस्ता कैफियतहरू पुनः दोहोरिन नदिन आवश्यक व्यवस्था गर्ने ।
प्रत्युत्तर: नेपाल बीमा प्राधिकरणको स्थलगत निरीक्षण क्रममा देखिएका कैफियत तथा लेखापरीक्षकले औल्याएका कैफियतहरूमा सुधार गर्दै आइरहेको र पुनः दोहोरिन नदिन कम्पनी प्रतिबद्ध रहेको जानकारी गराउँदछौं ।
५. बीमकले प्राधिकरणबाट वित्तीय विवरण स्वीकृति भएको मितिले ६० (साठी) दिन भित्र साधारण सभा गर्ने ।
प्रत्युत्तर: साविक जनरल इन्स्योरेन्स कम्पनी नेपाल लि., सानिमा जनरल इन्स्योरेन्स लि.मा गाभिई सानिमा जिआईसी इन्स्योरेन्स लि. कायम भएको हुनाले उक्त कम्पनीको तोकिएको समय भित्रै साविक साधारण सभा सम्पन्न गरिने जानकारी गराउँदछौं ।



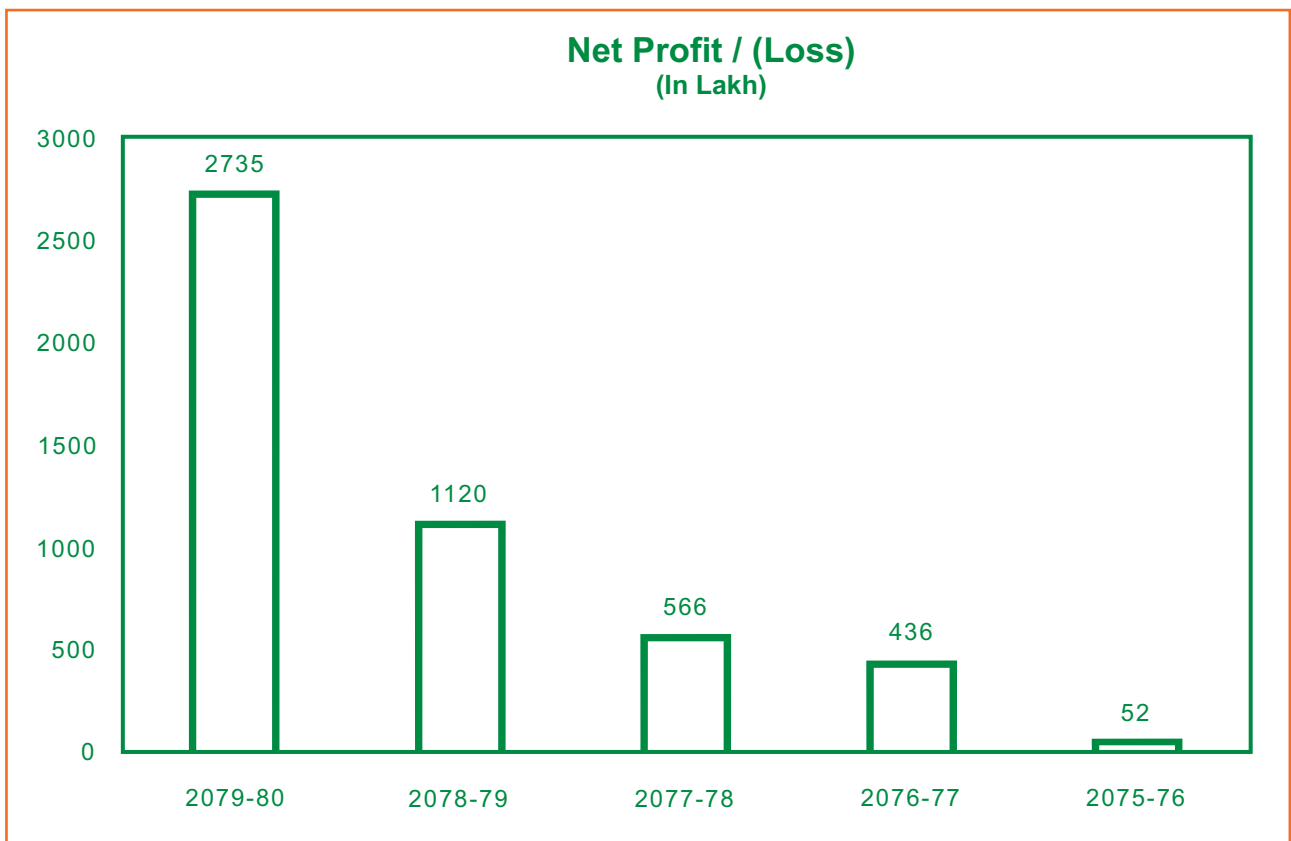
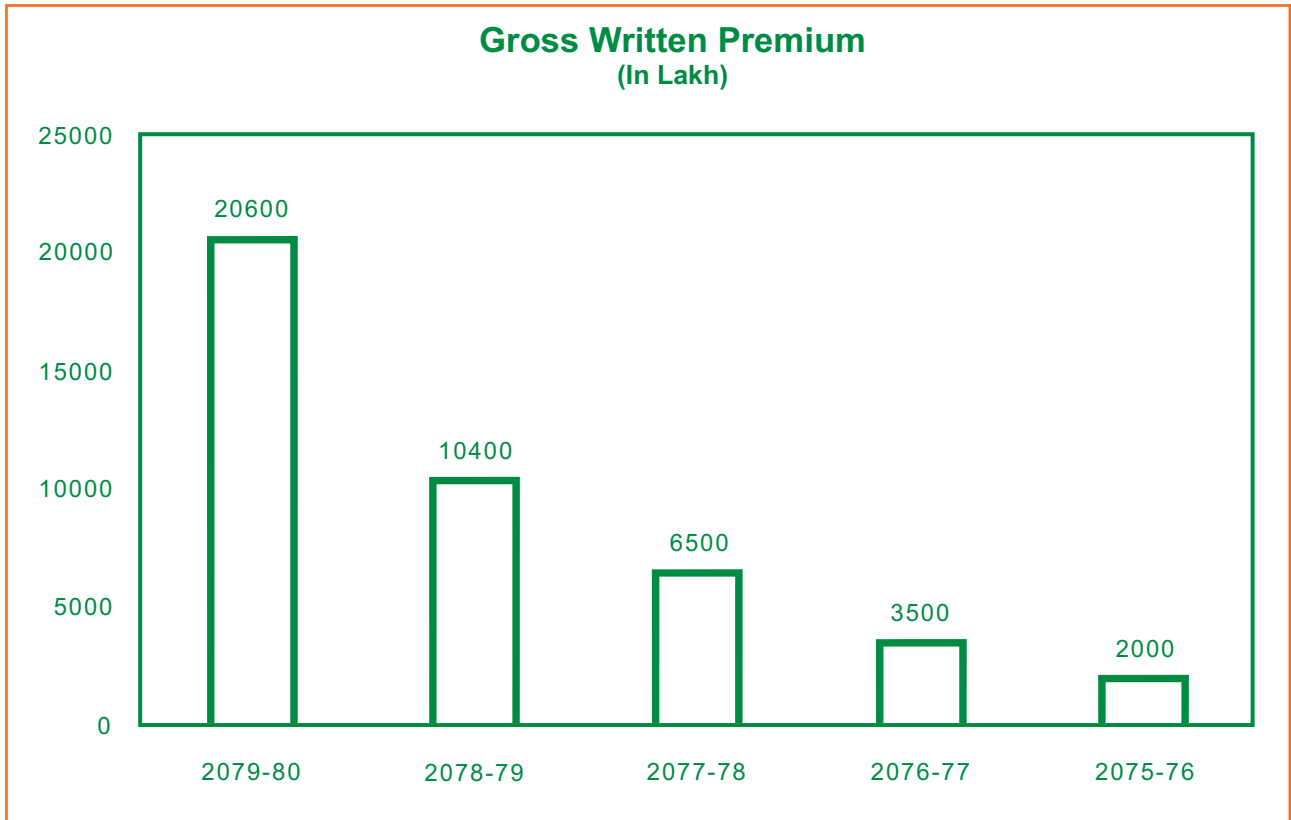
सानिमा जिआईसी इन्स्युरेन्स लि.

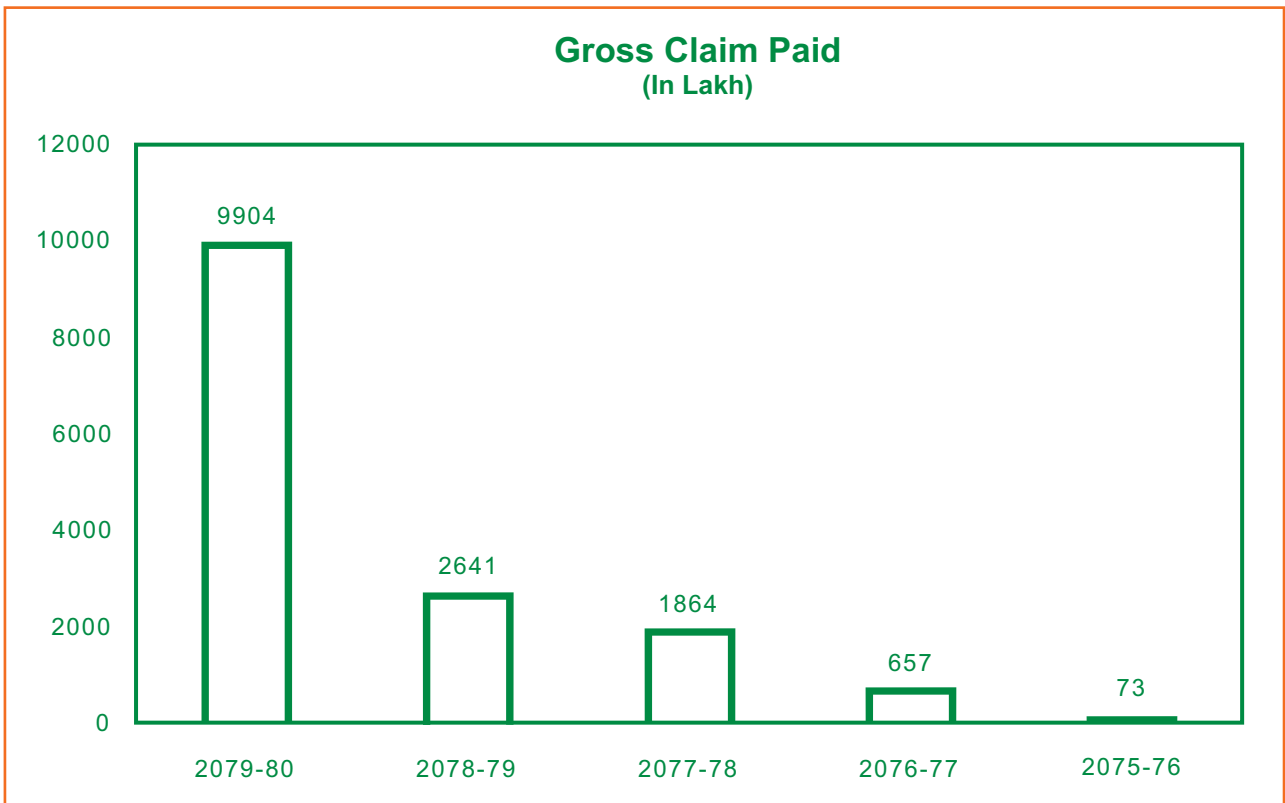
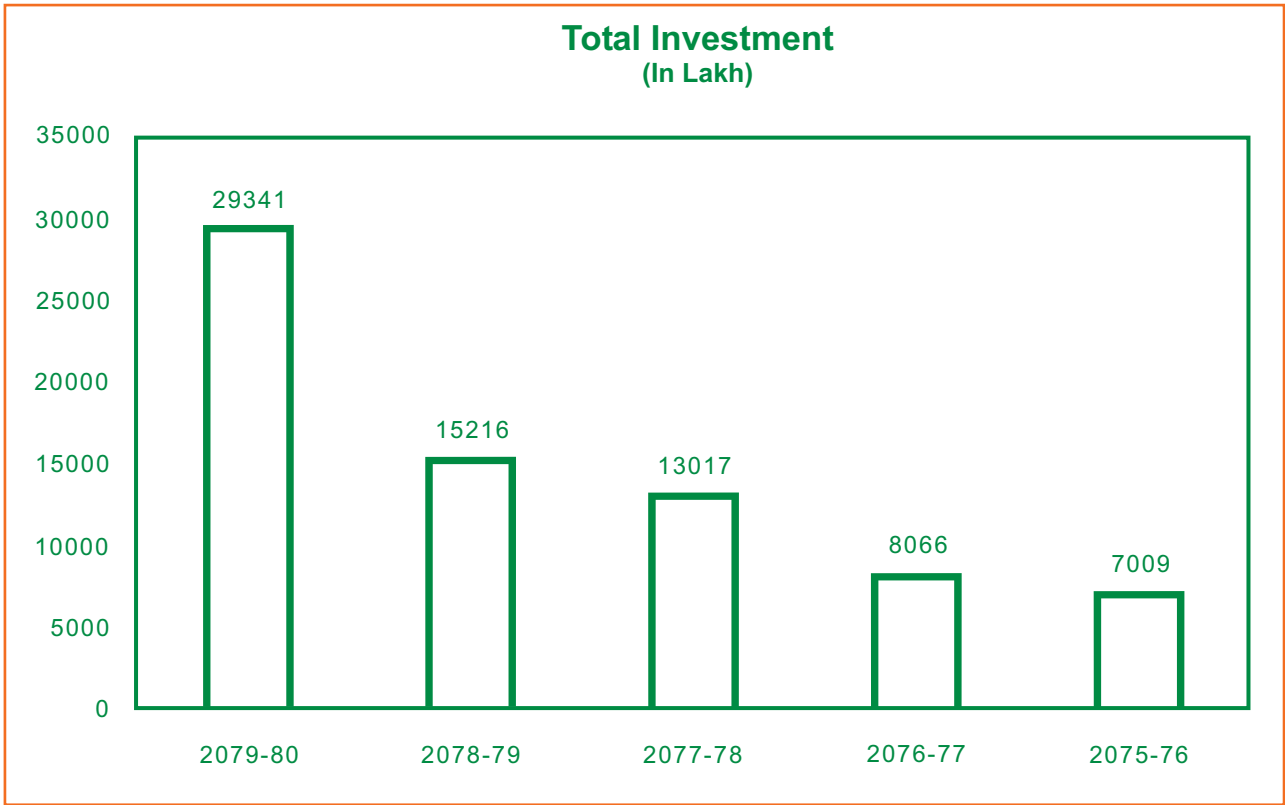
छैठौं वार्षिक साधारण सभाबाट प्रबन्धपत्रमा संशोधन

दफा	साविकको व्यवस्था	प्रस्तावित संशोधन	संशोधन गर्नुपर्ने कारण
५	<p>कम्पनीको पूँजीको संरचना :</p> <p>(ख) कम्पनीले तत्काल जारी गर्ने शेयर पूँजी रु. २,००,००,००,०००/- (अक्षरेपी: दुई अर्ब) हुनेछ। सो पूँजीलाई प्रति शेयर रु. १०० का दरका २,००,००,००० (दुई करोड) थान साधारण शेयरमा विभाजन गरिएको छ।</p>	<p>कम्पनीको पूँजीको संरचना :</p> <p>(ख) कम्पनीको तत्काल जारी गर्ने शेयर पूँजी रु २,५०,००,००,०००/- (अक्षरेपी: दुई अर्ब पचाँस करोड) हुनेछ। सो पूँजीलाई प्रति शेयर रु.१०० का दरले २,५०,००,००० (दुई करोड पचाँस लाख) थान साधारण शेयरमा विभाजन गरिएको छ।</p>	<p>नियामक निकाय श्री नेपाल बीमा प्राधिकरणको चुक्ता पूँजी बृद्धी गर्ने निर्देशन बमोजिम हकप्रद शेयर जारी गर्नुपर्ने भएकोले।</p>
	<p>कम्पनीको पूँजीको संरचना :</p> <p>(ग) कम्पनीको तत्काल चुक्ता पूँजी रु. २,००,००,००,००० (दुई अर्ब) हुनेछ र सो पूँजीलाई प्रति शेयर रु.१०० का दरले २,००,००,००० (दुई करोड) थान साधारण शेयरमा विभाजन गरिएको छ।</p>	<p>कम्पनीको पूँजीको संरचना :</p> <p>(ग) कम्पनीको तत्काल चुक्ता पूँजी रु. २,५०,००,००,००० (दुई अर्ब पचाँस करोड) हुनेछ र सो पूँजीलाई प्रति शेयर रु.१०० का दरले २,५०,००,००० (दुई करोड पचाँस लाख) थान साधारण शेयरमा विभाजन गरिएको छ।</p>	<p>नियामक निकाय श्री नेपाल बीमा प्राधिकरणको चुक्ता पूँजी बृद्धी गर्ने निर्देशन बमोजिम हकप्रद शेयर जारी गर्नुपर्ने भएकोले।</p>



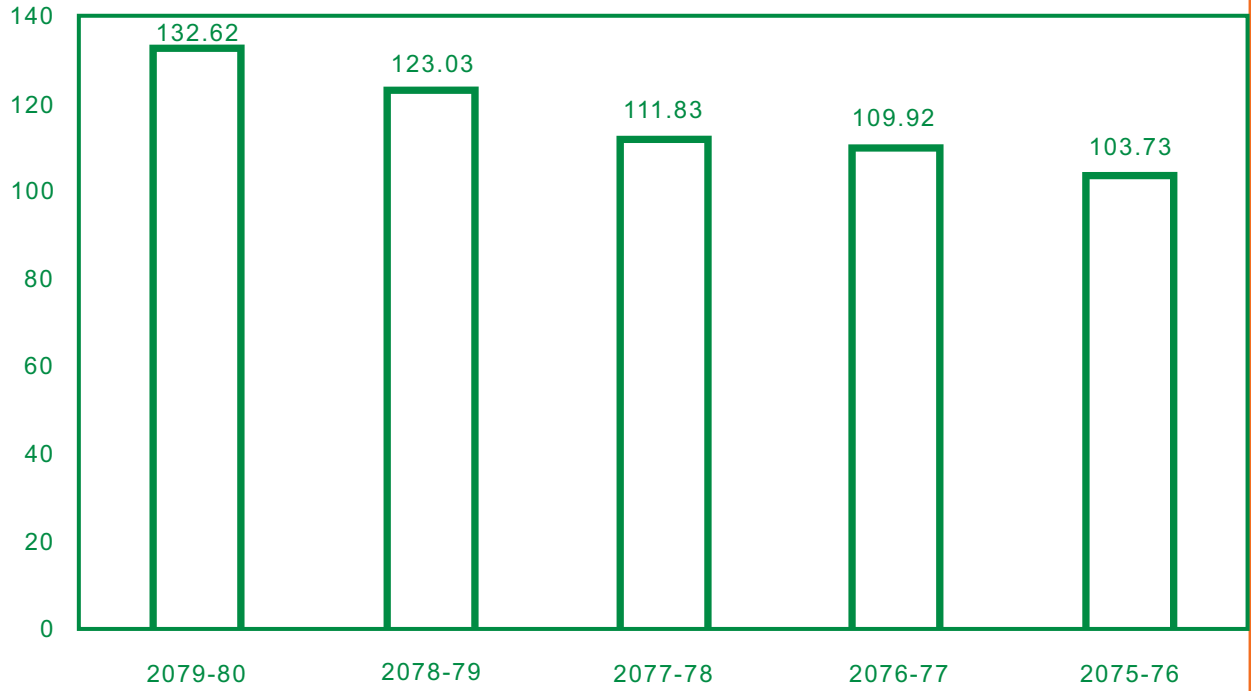
Graphs of Key Indicators



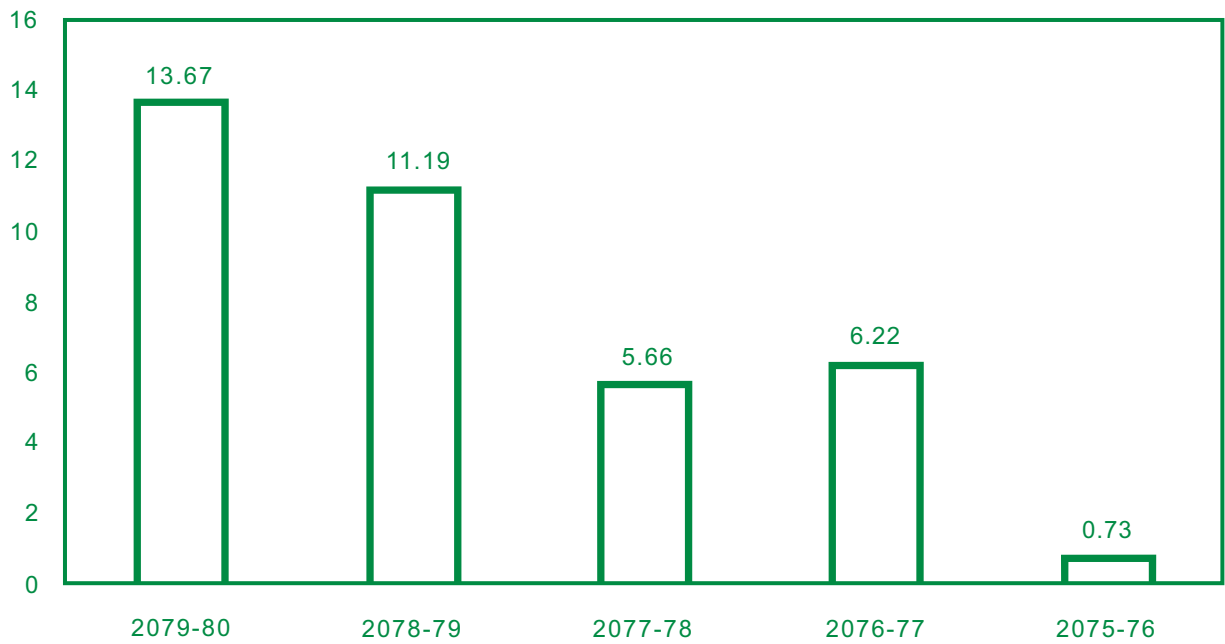




Net Worth Per Share



Earning Per Share





MANAGEMENT TEAM

Sudyumna Prasad Upadhyaya
Chief Executive Officer

Ram Chandra Shrestha
Sr. Dy. Chief Executive Officer

Subodh Lal Shrestha
Dy. General Manager/
Company Secretary

Rena Rijal
Dy. General Manager

Raju Poudel
Dy. General Manager

Binesh Maskey
Asst. General Manager

Hangma Subba
Sr. Manager
Risk Management

Ganesh Kadal
Sr. Manager
Finance

Bishnu Prasad Acharya
Sr. Manager
Marketing

Tirtha Raj Puri
Sr. Manager
Marketing

Pradeep Kumar Yadav
Sr. Manager
Legal

Tara Khanal Koirala
Sr. Manager
Marketing

Sabhyata Tuladhar
Manager
Re- Insurance

Bhadra Bahadur Bist
Manager
Compliance

Nirja Shrestha
Manager
Marketing

Anjana Singh
Manager
Finance

Sumi Malla
Manager
Re-insurance

Rakesh Shrestha
Manager
Underwriting

PROVINCE HEAD

Arjun Subedi
Koshi Province

Murari Prasad Subedi
Madesh Province

Govinda Poudel
Gandaki Province

Drona Raj Bhattarai
Lumbini Province

Govinda Jung Singh
Karnali Province (Act)

Naresh Gautam
Sudurpashchim Province



Sanima GIC Insurance Ltd.

Branches/Sub Branches/TP Counters

Koshi Province

- ⇒ Koshi Province/ Biratnagar Branch
- ⇒ Birtamod Branch
- ⇒ Itahari Branch
- ⇒ Duhabi Branch
- ⇒ Dharan Branch
- ⇒ Damak Branch
- ⇒ BiratChowk Sub Branch
- ⇒ Inaruwa Sub Branch
- ⇒ Kakarbhitta Extension Counter
- ⇒ Rangeli Extension Counter

Madesh Province

- ⇒ Madesh Province/ Birgunj Branch
- ⇒ Janakpur Branch
- ⇒ Nijgadh Branch
- ⇒ Hariwan Branch
- ⇒ Lahan Branch
- ⇒ Bardibas Sub Branch
- ⇒ Chandranigahapur Sub Branch
- ⇒ Kalaiya Sub Branch

Bagmati Province

- ⇒ Jawalakhel Branch
- ⇒ Lagankhel Branch
- ⇒ Bhaktapur Branch
- ⇒ Gathaghar Branch
- ⇒ Sundhara Branch
- ⇒ Gongabu Branch
- ⇒ Jorpati Branch
- ⇒ Newroad Branch
- ⇒ Kalimati Branch
- ⇒ Maharajgunj Branch
- ⇒ Pepsicola Branch
- ⇒ New Baneshwor Branch
- ⇒ Chabahil Branch
- ⇒ Banepa Branch
- ⇒ Narayanghat Branch
- ⇒ Hetauda Branch
- ⇒ Rasuwa Sub Branch
- ⇒ Charikot Sub Branch
- ⇒ Tadi Sub Branch
- ⇒ Battar Sub Branch
- ⇒ Bhaktapur Extension Counter
- ⇒ Hetauda Extension Counter

Gandaki Province

- ⇒ Gandaki Province/ Pokhara Branch
- ⇒ Daldale Sub Branch
- ⇒ Waling Sub Branch
- ⇒ Kawasoti Sub Branch
- ⇒ Damauli Sub Branch
- ⇒ Lekhnath Sub Branch
- ⇒ Baglung Sub Branch

Lumbini Province

- ⇒ Lumbini Province/ Butwal Branch
- ⇒ Butwal Branch
- ⇒ Bhairahawa Branch
- ⇒ Nepalgunj Branch
- ⇒ Jeetpur Branch
- ⇒ Bhumahi Sub Branch
- ⇒ Manigram Branch
- ⇒ Dang Sub Branch
- ⇒ Pharsatikar Sub Branch
- ⇒ Butwal Extension Counter

Karnali Province

- ⇒ Karnali Province/ Surkhet Branch
- ⇒ West Rukum Extension Counter

Sudurpaschim Province

- ⇒ Sudurpashchim Province/ Dhangadhi Branch
- ⇒ Attariya Sub Branch
- ⇒ Tikapur Sub Branch
- ⇒ Mahendranagar Sub Branch
- ⇒ Dadeldhura Extension Counter
- ⇒ Lamki Extension Counter
- ⇒ Dhangadhi Extension Counter

सानिमा जिआईसी इन्स्योरेन्स लि.

टंगाल, काठमाडौं

प्रतिनिधि (Proxy) नियुक्त गर्ने निवेदन

श्री संचालक समिति
सानिमा जिआईसी इन्स्योरेन्स लि.
टंगाल, काठमाडौं ।

विषय: प्रतिनिधि नियुक्त गरेको बारे ।

महाशय,

जिल्ला..... न.पा./गा.पा. वडा नं.बस्ने म/हामीले
सानिमा जिआईसी इन्स्योरेन्स लि. को शेयरधनीको हैसियतले मिति २०८० साल चैत्र २९ गते बिहीबार, अमृतभोग,
कालिकास्थान, काठमाडौंमा हुने छैठौं वार्षिक साधारण सभामा म/हामी स्वयं उपस्थित भई छलफल तथा निर्णयमा सहभागी
हुन नसक्ने भएकोले उक्त सभामा मेरो/हाम्रो तर्फबाट भाग लिनको लागि जिल्ला
न.पा./गा.पा. वडा नं. बस्ने त्यस कम्पनीका शेयरधनी श्री/श्रीमती,
BOID No.:लाई मेरो/हाम्रो प्रतिनिधि मनोनयन गरी पठाएको छु/छौं ।

प्रतिनिधि नियुक्त भएको व्यक्तिको

दस्तखत:

BOID No.:

शेयर संख्या

मिति:

निवेदक,

दस्तखत:

नाम:

ठेगाना:

BOID No.:

शेयर संख्या:

मिति:

सानिमा जिआईसी इन्स्योरेन्स लि.

टंगाल, काठमाडौं

प्रवेश-पत्र

शेयरधनीको नाम

BOID No.:

शेयर संख्या

सानिमा जिआईसी इन्स्योरेन्स लि. को छैठौं वार्षिक साधारण सभामा उपस्थित हुन जारी गरिएको प्रवेश-पत्र ।

.....
शेयरधनीको दस्तखत

.....
कम्पनी सचिवको दस्तखत

कम्पनीको छाप

दृष्टव्य : १) खाली स्थान शेयरधनी आफैले भर्नुहोला ।

२) सभाकक्षमा प्रवेश गर्न यो प्रवेश-पत्र अनिवार्य रूपमा लिई आउनुहुन अनुरोध छ ।

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