29th ANNUAL REPORT

2080 - 2081

PRABHU INSURANCE

protecting your future.

प्रभु इन्स्योरेन्स लिमिटेड

तीनकुने, काठमाडौं

हाम्रो सफलताका २९ वर्ष

PRABHU INSURANCE LTD.

30
YEARS
ANNIVERSARY

यस प्रभु इन्स्योरेन्स लिमिटेड, आफ्नो स्थापनाको २९ औं वर्ष पुरा गरी 30औं वर्षमा प्रवेश गरेको अवसरमा हाम्रा समस्त ग्राहक महानुभावहरु, नेपाल बीमा प्राधिकरण, सरोकारवाला निकायहरु, शेयरधनी महानुभावहरु, व्यवसायिक प्रतिष्ठानहरु एवं शुभचिन्तकहरु प्रति हार्दिक कृतज्ञता ज्ञापन गर्दछौं । साथै आगामी दिनहरुमा पनि तपाईहरुको हौसला, विश्वास र सहयोग निरन्तर पाइरहने अपेक्षा सहित अझ सरल, सुलभ, गुणस्तरीय एवं आधुनिक बीमा सेवा प्रदान गर्ने प्रतिबद्धता व्यक्त गर्दछौं ।

सधैं हामीसँगै रहनुभएकोमा धन्यवाद !

prabhu INSURANCE®
protecting your future.

प्रभु इन्स्योरेन्स लिमिटेड
prabhu insurance ltd.

TOLL FREE
1660-01-00066

P.O. Box: 10811, Tinkune,
Kathmandu, Nepal
977-1-5199220, 5199226
977-1-5199247
info@prabhuinsurance.com
www.prabhuinsurance.com

Message from the Chairman

Respected Shareholders,

It is with great honor and pleasure that I extend a warm welcome and sincere greetings to all respected shareholders, members of the Board of Directors, representatives from regulatory authorities, external and internal auditors, the Chief Executive Officer, company staff, members of the press, and all distinguished attendees of the 29th Annual General Meeting of Prabhu Insurance Limited.

On behalf of the Board of Directors and in my personal capacity, I would like to express my heartfelt appreciation for your continued support and confidence. Your steadfast encouragement has played a vital role in helping the company achieve consistent growth and advancement, even in the face of challenges within the evolving insurance landscape.

Recognizing that customer satisfaction is the foundation of a successful business, we have been actively implementing a Digital Transformation Plan to make our services faster, more reliable, efficient, and up-to-date. In today's rapidly evolving environment, information technology serves as the backbone of the insurance industry. Accordingly, the company has been consistently adopting forward-thinking policies to strengthen our IT systems, improve risk management, and enhance employee performance processes.

To maintain strong internal governance, the company has formed various subcommittees responsible for developing and recommending effective operational policies. Based on their recommendations, we have adopted both short-term and long-term strategies to ensure lasting success. Alongside business expansion, we remain committed to promoting sound governance and effective risk management as top priorities within the insurance sector. As part of our corporate social responsibility, the company has continued to carry out programs focused on community involvement and long-term socio-economic development. We remain committed to activities that encourage social accountability and contribute to sustainable progress.

Despite facing several challenges within the financial sector, the company recorded notable business growth during the fiscal year 2080/81. In recognition of this performance, the company has proposed a total dividend distribution of 18.9474%, which includes 18% bonus shares and a 0.9474% cash dividend (allocated for tax purposes), amounting to NPR 27,31,24,055 (Twenty-seven crore thirty-one lakh twenty-four thousand and fifty-five rupees only), to be approved in this Annual General Meeting.

In closing, we look forward to your continued support, guidance, and encouragement in the future. We reaffirm our commitment to further enhancing the quality and reach of our services ensuring that they remain accessible, transparent, and exceptional for our valued customers, shareholders, and stakeholders.

Once again, we warmly welcome you to this Annual General Meeting and extend our best wishes for continued success and prosperity.

Rajendra Malla
Chairman
Date: 2082-04-23

Board of Directors

Rajendra Malla
Chairman

Mr. Rajendra Malla is the current Chairman of Prabhu Insurance Limited. He served as a Director of the company from B.S. 2057 to B.S. 2081. Mr. Malla is the Immediate Past President of Nepal Chamber of Commerce. He is also the Chairman of Thamel Trade Center & Boutique Hotel and the Director at Nepal Development Public Limited and Manang Air.

Mr. Mijas Bhattachan is the Director of Prabhu Insurance Limited. He is also a Director of Nepal Shipping and Multi-Modal Transport Pvt. Ltd. and Nepal Shipping Lines S.D.N. B.H.D. He has been serving as a Director of Prabhu Insurance Limited from the Promoter Shareholders Group since B.S. 2080/04/14.

Mijas Bhattachan
Director

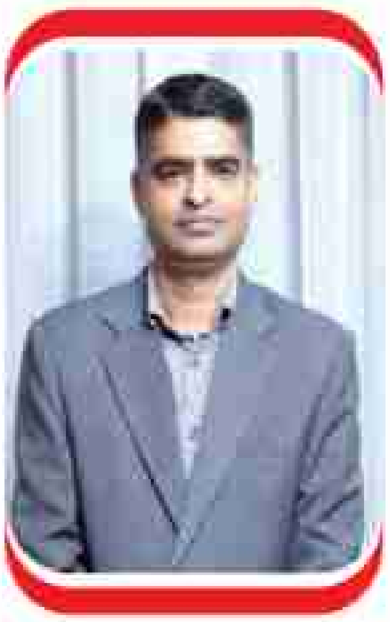
Rahul Thokar Lama
Director

Mr. Rahul Thokar Lama is the Director of Prabhu Insurance Limited. He is the Managing Director of Greentara Adventure, Chief Executive Officer of Jalpa Coffee, and Director of Dharmapala Thanka Centre. He represents the Promoter Shareholders Group and has been serving as a Director of Prabhu Insurance Limited since B.S. 2081/01/20

Shanta Gautam
Director

Mr. Shanta Gautam is the Director of Prabhu Insurance Limited. He is currently the Chief Manager at the Employees Provident Fund. He has been serving as a Director of Prabhu Insurance Limited as a representative of Employees Provident Fund since B.S. 2080/02/21.

Mr. Rameshwor Sapkota is the Director of Prabhu Insurance Limited. He is the General Manager of Prabhu Money Transfer Pvt. Ltd. and serves as a Director of Prabhu Insurance Limited from the Public Shareholders Group since B.S. 2081/01/20.



Rameshwor Sapkota
Director

Sangay Lama
Director

Mr. Sangay Lama is the Director of Prabhu Insurance Limited. He previously served as the Chief Executive Officer of Prabhu Technology Pvt. Ltd. from B.S. 2075/05/01 to B.S. 2079/08/01. He represents the Public Shareholders Group and has been a Director of Prabhu Insurance Limited since B.S. 2081/01/20.

Mrs. Sushma Sharma (Wasti) is the Independent Director of Prabhu Insurance Limited. She is the Chairperson of Ful Prasad Pvt. Ltd. and the Chief Executive Officer of Himalayan Tranquility Pvt. Ltd. She was elected as an Independent Director of Prabhu Insurance Limited by the Board of Directors in the Board meeting held on B.S. 2081/03/16.

Sushma Sharma (Wasti)
Independent Director

Commitment of the Chief Executive Officer

Dear Esteemed Shareholders,

Despite facing a wide range of internal and external challenges from rising inflation and market volatility to evolving regulatory frameworks and increasing competition Prabhu Insurance Limited has philosophy, and a forward-thinking strategy, we have consistently advanced our goals by expanding outreach, reinforcing internal systems, and enhancing service delivery through digital innovation and skilled human capital.

Our vision to become a dependable and trusted insurer continues to inspire every decision we make. Under the strategic oversight of our Board of Directors and in alignment with the directives of the Nepal Insurance Authority, we have implemented comprehensive risk management frameworks, upheld strict financial discipline, and worked diligently to generate sustainable, long-term value for our policyholders, shareholders, and partners.

Looking ahead, the company remains deeply committed to scaling its presence across the country by expanding our branch network, introducing customer-focused insurance solutions, and leveraging technology to improve client experience. We are equally focused on increasing operational efficiency, ensuring transparency at every level, and cultivating a high-performance, accountable culture within the organization.

I take this opportunity to express my heartfelt gratitude to our shareholders, regulatory bodies, Board members, reinsurers, business partners, valued customers, and our dedicated employees. Your trust, cooperation, and confidence continue to be the driving force behind our progress and commitment.

Together, we move forward with purpose, passion, and a promise:With Prabhu — Get Insured, Stay Assured.

Sanchit Bajracharya
Chief Executive Officer
Date: 2082-04-23

Management Team

Mr. Sanchit Bajracharya
Chief Executive Officer

Mr. Arbind Kr. Karn
Head-Finance Dept.

Mr. Samir Tamang
Head-Marketing Dept.

Mrs. Binita Shrestha
Head-Underwriting Dept.

Mrs. Rachana Bajracharya
Head-Administration Dept.

Mr. Nilhari Nepal
Head-IT Dept.

Mr. Batsal Dhakal
Head-Claim Dept.

Ms. Sajani Tamang
Head-AML & Risk Mgmt. Dept.

Mrs. Brinda Shahi
Head-Reinsurance Dept.

Ms. Durga Poudel
Head-HR Dept.

Table of Contents

प्रभु इन्स्योरेन्स लिमिटेड
prabhu insurance

२९ औं वार्षिक साधारण सभा बस्ने सम्बन्धी सूचना

आदरणीय शेयरधनी महानुभावहरु,

प्रभु इन्स्योरेन्स लिमिटेडको सञ्चालक समितिको ४५० औं बैठकको निर्णय अनुसार यस कम्पनीको २९ औं वार्षिक साधारण सभा निम्न लिखित स्थान, मिति र समयमा देहायका विषयहरु उपर छलफल गर्न बस्ने भएको हुंदा सम्पूर्ण शेयरधनी महानुभावहरुको उपस्थितिको लागि अनुरोध गरिएको छ।

सभा बस्ने स्थान, मिति र समय:

स्थान : प्रभु इन्स्योरेन्स लिमिटेडको केन्द्रिय कार्यालय, प्रभु कम्प्लेक्स, तीनकुने, काठमाण्डौ ।

मिति : २०८२ श्रावण २३ गते शुक्रबार (८ अगष्ट, २०२५)

समय : बिहान ११:०० बजे ।

छलफलका विषयहरु :

(क) सामान्य प्रस्ताव:

१. कम्पनीको २९ औं वार्षिक साधारण सभामा सञ्चालक समितिको तर्फबाट प्रस्तुत वार्षिक प्रतिवेदन उपर छलफल गरी पारित गर्ने ।

२. लेखापरीक्षकको प्रतिवेदन सहितको आ.व. २०८१ साल आषाढ मसान्तको वासलात तथा आ.ब.२०८०/०८१ को नाफा नोक्सान हिसाव एवं सोही अवधिको नगद प्रवाह विवरण, नाफा/नोक्सान बाँडफाँड हिसाब, ईक्विटीमा भएको परिवर्तन लगाएत वार्षिक आर्थिक विवरणसँग सम्बद्ध वित्तीय विवरण सहितका अनुसूचीहरु पारीत गर्ने ।

३. सञ्चालक समितिबाट प्रस्ताव भए अनुसार प्रस्तावित बोनश शेयरमा लाग्ने कर प्रयोजनको लागि कम्पनीको चुक्ता पूँजी रू.१,४४,१४,८८,०६७/- को ०.९४७४ प्रतिशतले हुन आउने रकम रु.१,३६,५६,२०३।०० नगद लाभाशं पारित गर्ने ।

४. आ.व. २०८१/०८२ को लागि लेखापरीक्षकको नियुक्ति तथा पारिश्रमिक निर्धारण गर्ने सम्वन्धमा ।

(ख) विषेश प्रस्ताव:

१. सञ्चालक समितिबाट प्रस्ताव भए अनुसार आर्थिक वर्ष २०८०/०८१ सम्मको बितरणयोग्य मुनाफाबाट कम्पनीको हाल कायम चुक्ता पूँजी रू.१,४४,१४,८८,०६७/- को १८ प्रतिशतले हुन आउने रू.२५,९४,६७,८५२/- (अक्षरेपी पच्चीस करोड चौरानब्बे लाख सतसठ्ठी हजार आठ सय बाउन्न मात्र) रकम बराबरको बोनश शेयर वितरण गर्ने प्रस्ताव पारित गर्ने । बोनश शेयर बितरण गर्दा कायम हुन आउने दशमलव पछिको अंकलाई सम्वन्धित शेयरधनीको नाममा पछि समायोजन गर्ने गरि यथावत राख्ने ।

२. कम्पनीको २८ औं वार्षिक साधारण सभाबाट ५०.१५ प्रतिशत हकप्रद शेयर जारी गर्ने निर्णय भएकोमा आ.व.२०८०/०८१ सम्मको बितरणयोग्य मुनाफाबाट १८ प्रतिशत बोनश शेयर बितरण गर्ने प्रस्ताव भए अनुसार कम्पनीको चुक्ता पुँजी बृद्धि हुने भएकोले ५०.१५ प्रतिशत हकप्रद शेयरलाई संशोधन गरि प्रस्तावित बोनश शेयर बितरण पश्चात कायम हुने चुक्ता पूँजीको ४७ प्रतिशत हकप्रद शेयर जारी गर्ने । हकप्रद शेयर पारित गर्दा भिन्न अंकमा आउने शेयरलाई संस्थापक शेयर र सर्वसाधारण शेयरको अनुपात कायमै राखी नजिकको पुरा अंक कायम गर्ने ।

३. कम्पनीको प्रबन्ध पत्र तथा नियमावलीमा आवश्यक संशोधन गर्ने ।

४. संशोधित प्रबन्ध पत्र तथा नियमावली अभिलेख वा स्वीकृत गर्ने निकायबाट कुनै संशोधन वा फेरबदल गर्न निर्देशन प्राप्त भएमा सो अनुसार संशोधन वा फेरबदल गरि कार्यान्वयन गर्न सञ्चालक समितिलाई पूर्ण अख्तियारी प्रदान गर्ने ।

(ग) विविध ।

साधारण सभा सम्वन्धी जानकारी :

१. कम्पनीको वार्षिक साधारणसभा तथा निर्वाचन प्रयोजनको लागि मिति २०८२ श्रावण २ गते शुक्रबार १ दिनको लागि कम्पनीको शेयरधनी दर्ता किताब बन्द गरिनेछ। शेयरधनी दर्ता किताब बन्द भएको मिति २०८२ साल श्रावण २ गते शुक्रबार भन्दा अघिल्लो कार्यदिन सम्म नेपाल स्टक एक्स्चेञ्ज लिमिटेडमा कारोवार भई ७ कार्य दिन भित्र यस कम्पनीको शेयर रजिष्ट्रार प्रभु क्यापिटल लिमिटेड, कमलादी, काठमाण्डौले प्राप्त गरेको नामसारीको कागजातका आधारमा शेयरधनी दर्ता किताबमा कायम शेयरधनीहरुले मात्र सभामा भाग लिन पाउने छन्।

२. सभा हुने दिन सभामा उपस्थितका लागि हाजिर पुस्तिका बिहान १०:३० बजे देखि खुल्ला रहनेछ। हाजिर जनाउने व्यवस्था भएको हुँदा शेयरधनी महानुभावहरुले आफ्नो परिचय पत्र तथा शेयर प्रमाण पत्र वा हितग्राही खाताको विवरण (Demat Statement) अनिवार्य रुपमा प्रस्तुत गर्नुहुन अनुरोध छ।

३. प्रतिनिधि (प्रोक्सी) नियुक्त गर्न चाहने शेयरधनीको मतदान गर्न पाउने अधिकतम हद वा सिमासम्म हुने गरी प्रतिनिधि-पत्र (प्रोक्सी फारम) भरी कम्पनीकै शेयरधनीलाई नियुक्त गरी संस्थाको केन्द्रिय कार्यालयमा सभा शुरु हुनु भन्दा कम्तिमा ४८ घण्टा अगाडी दर्ता गरी सक्नु पर्नेछ। प्रतिनिधि (प्रोक्सी) नियुक्त हुने व्यक्ती सोहि समुहको शेयरधनी हुनुपर्नेछ। एकै शेयरधनीले एक भन्दा बढि व्यक्तिलाई कुनै किसिमबाट विभाजन गरी वा नगरी प्रतिनिधि (प्रोक्सी) नियुक्त गरेको सक्कल दस्तखत भएमा त्यस्तो सबै प्रतिनिधि (प्रोक्सी) बदर हुनेछ।

४. सभामा भाग लिन प्रतिनिधि (प्रोक्सी) नियुक्त गरिसकेपछि सम्वन्धित शेयरधनी आफैं उपस्थित भएमा निजले दिएको प्रतिनिधि (प्रोक्सी) स्वतः बदर हुनेछ।

५. कुनै संगठित संस्था वा कम्पनीले शेयर खरिद गरेको हकमा त्यस्ता शेयरधनीको तर्फबाट समेत प्रतिनिधि भई मतदान गर्न पाउनेछ।

६. सक्कल दस्तखत भएको सोही फारमलाई मात्र मान्यता दिइनेछ। फ्याक्स तथा इमेलबाट प्राप्त प्रोक्सी फारमलाई मान्यता दिइने छैन।

७. छलफलका विषयसूचीसँग सम्वन्धित विषयमा छलफल गर्न इच्छुक शेयर धनीले सभा हुनु भन्दा ७ दिन अगावै कम्पनी सचिव मार्फत सञ्चालक समितिको अध्यक्षलाई लिखित रुपमा जानकारी दिनु पर्नेछ।

८. शेयरधनीहरुबाट उठेको प्रश्न, जिज्ञासा वा मन्तव्यहरुको सम्बन्धमा सञ्चालक समितिको तर्फबाट अध्यक्ष वा अध्यक्षबाट अनुमति प्राप्त व्यक्तिले जवाफ दिनेछन्।

९. साधारणसभा सम्वन्धी थप जानकारीको लागि कम्पनीको केन्द्रीय कार्यालय, तीनकुने, काठमाण्डौमा सम्पर्क राख्नु हुन अनुरोध छ। साथै कम्पनीको वार्षिक विवरण कम्पनीको वेबसाइट www.prabhuinsurance.com मा समेत हेर्न र डाउनलोड गर्न सकिनेछ।

सञ्चालक समितिको आज्ञाले
कम्पनी सचिव

प्रभु इन्स्योरेन्स लिमिटेड
prabhu insurance

PRABHU INSURANCE
protecting your future.

प्रभु इन्स्योरेन्स लिमिटेड

तीनकुने, पो.ब.न. १०८११, काठमाण्डौं, नेपाल
(कम्पनी ऐन २०६३ को दफा ७१ (३) साग सम्बन्धित)

प्रतिनिधि नियुक्त गर्ने फाराम (प्रोक्सी)

श्री सञ्चालक समिति,
प्रभु इन्स्योरेन्स लिमिटेड,
प्रभु कम्प्लेक्स, तीनकुने, काठमाडौं ।

विषयः प्रतिनिधि नियुक्त गरेको बारे ।

महाशय,

.... जिल्ला .... न.पा./गा.वि.स .... वडा नं .... बस्ने म/हामी .... शेयरधनी नं./BOID No. .... ले त्यस कम्पनीको शेयरवालाको हैसियतले संवत् २०८२ श्रावण २३ गते शुक्रबारका दिन हुने २९ औं वार्षिक साधारण सभामा म/हामी स्वयं उपस्थित भई छलफल तथा निर्णयमा सहभागी हुन नसक्ने भएकोले उक्त सभामा मेरा/हाम्रो तर्फबाट भाग लिन तथा मतदान गर्नका लागि .... जिल्ला .... न.पा./गा.वि.स .... वडा .... नं .... बस्ने श्री .... लाई मेरो/हाम्रो प्रतिनिधि मनोनित गरी पठाएको छु/छौं ।

प्रतिनिधि नियुक्त भएको व्यक्तिको
हस्ताक्षरको नमुना :
शेयरधनी नं./BOID No. :
मिति :

निवेदक :
दस्तखत :
नाम :
ठेगाना :
शेयरधनी नं./BOID No. :
जम्मा कित्ता:
मिति:

द्रष्टव्य : यो प्रोक्सी निवेदन साधारण सभा हुनु भन्दा कम्तिमा ४८ घण्टा अगावै कम्पनीको केन्द्रिय कार्यालयमा पेश गरिसक्नु पर्नेछ ।

✂---

प्रभु इन्स्योरेन्स लिमिटेड

प्रवेश-पत्र

शेयरधनीको नाम: ....
शेयरधनी नं./BOID No. .... शेयर संख्या: ....
प्रभु इन्स्योरेन्स लिमिटेडको २०८२ साल श्रावण २३ गते शुक्रबारका दिन हुने २९ औं वार्षिक साधारण सभामा उपस्थित हुन जारी गरिएको प्रवेश-पत्र ।

Akal.

शेयरधनीको सही

अरविन्द कुमार कर्ण
कम्पनी सचिव

द्रष्टव्य: शेयरधनी आफैंले खाली कोष्टहरु भर्नुहोला ।
(सभाकक्षमा प्रवेश गर्न यो प्रवेश पत्र अनिवार्य रूपमा लिई आउनुहुन अनुरोध छ ।)

प्रभु इन्स्योरेन्स लिमिटेड

को
२९ औं वार्षिक साधारण सभामा
सञ्चालक समितिको तर्फबाट प्रस्तुत
आर्थिक वर्ष २०८०/०८१ को २९ औं वार्षिक प्रतिवेदन

आदरणीय शेयरधनी महानुभावहरु,

यस प्रभु इन्स्योरेन्स लिमिटेडको २९ औं वार्षिक साधारण सभामा हाम्रो निमन्त्रणालाई स्वीकार गरी पाल्नु भएका आदरणीय शेयरधनी तथा उपस्थित महानुभावहरुमा कम्पनीको सञ्चालक समिति तथा समस्त कम्पनीको तर्फबाट हार्दिक स्वागत तथा अभिवादन व्यक्त गर्दछौं ।

यस गरिमामय सभामा सञ्चालक समितिको तर्फबाट कम्पनीले आर्थिक वर्ष २०८०/०८१ को समीक्षा अवधिमा भएको समग्र कारोवार, कम्पनीले हाशिल गरेका उपलब्धी र भावी योजनाहरुका विषयहरु समेतलाई समेटेर नेपाल बीमा प्राधिकरणबाट जारी भएको "बीमकको वित्तिय विवरण सम्बन्धी निर्देशन, २०८०" एवं नेपाल धितोपत्र बोर्डबाट जारी सूचिकृत संगठित संस्थाहरुको संस्थागत सुशासन सम्बन्धि निर्देशिका, २०७४ समेतको परिधि भित्र रही कम्पनी ऐन, २०६३ को दफा १०९ तथा नेपाल वित्तीय प्रतिवेदन मान (NFRS) बमोजिम तयार गरेको कम्पनीको आर्थिक वर्ष २०८०/०८१ को वित्तीय विवरण सहितको वार्षिक प्रतिवेदन अनुमोदनका लागि सम्मानित सभा समक्ष प्रस्तुत गरेका छौं ।

(१) विगत वर्षको कारोवारको सिंहावलोकन:

यस कम्पनीले अघिल्लो वर्ष २०७९/०८० र समिक्षा वर्ष २०८०/०८१ मा गरेको व्यवसाय अनुसार आर्जन भएको बीमाशुल्कको तुलनात्मक विवरण देहाय बमोजिम रहेको व्यहोरा अवगत गराउँदछौं ।

बीमा व्यवसाय	आ.व. २०७९/०८०	आ.व. २०८०/०८१	फरक प्रतिशत
	कुल बीमाशुल्क रु.	कुल बीमाशुल्क रु.	
सम्पत्ती बीमा	२०१,३३७,८७४	२४१,१९७,७११	१९.८०%
सामुद्रिक बीमा	२४,४६०,९५८	२४,७०७,८३०	१.०१%
मोटर बीमा	६४२,९९७,२०१	६६८,१८९,८८८	३.९२%
हवाई बीमा	४८,३३३,३०७	३८२,२९१,९२३	६९०.९५%
ईन्जिनियरिङ बीमा	३७१,२०४,०५८	२१२,०२९,८६२	-४२.८८%
विविध बीमा	२६६,४२१,६१६	१५७,७०६,९८६	-४०.८१%
बाली तथा पशुधन बीमा	१०१,६६३,३३९	९०,१०७,३२६	-११.३७%
माईक्रो (लघु) बीमा	२,३५९,०४२	१,७१६,००८	-२७.२६%
जम्मा	**१,६५८,७७७,३९५**	**१,७७७,९४७,५३४**	**७.१८%**

(२) प्रतिवेदन तयार भएको मितिसम्म आर्थिक वर्ष २०८१/०८२ को उपलब्धी र भविष्यमा गर्नुपर्ने कुराको सम्बन्धमा सञ्चालक समितिको धारणा:

कम्पनीको चालु आर्थिक वर्ष २०८१/०८२ को आषाढ मसान्त सम्मको उपलब्धी देहाय बमोजिम रहेको छ ।

बीमा व्यवसाय	आ.व. २०८०/०८१	आ.व. २०८१/०८२	बृद्धि रकम रु.	बृद्धि प्रतिशत
	कुल बीमाशुल्क रु.	कुल बीमाशुल्क रु.		
सम्पत्ती बीमा	२४१,१९७,७११	२६१,६७७,०४१	२०,४७९,३३०	८.४९%
सामुद्रिक बीमा	२४,७०७,८३०	२०,०९७,०४४	(४,६१०,७८६)	-१८.६६%
मोटर बीमा	६६८,१८९,८८८	७०९,९४७,४६२	४१,७५७,५७४	६.२५%
हवाई बीमा	३८२,२९१,९२३	४२०,०९७,७६९	३७,८०५,८४६	९.८९%
ईन्जिनियरिङ बीमा	२१२,०२९,८६२	२१०,६४४,९७७	(१,३८४,८८५)	-०.६५%
विविध बीमा	१५७,७०६,९८६	२०३,३१९,५२२	४५,६१२,५३६	२८.९७%
बाली तथा पशुधन बीमा	९०,१०७,३२६	४३,४४३,४६८	(४६,६६३,८५८)	-५१.७९%
माईक्रो (लघु) बीमा	१,७१६,००८	६,१६१	(१,७०९,८४७)	-९९.६४%
जम्मा	**१,७७७,९४७,५३४**	**१,८६९,३१३,४४४**	**९१,३६५,९१०**	**५.१४%**

(३) **कम्पनीको औद्योगिक वा व्यवसायिक सम्बन्ध:**

आफ्ना ग्राहक महानुभावहरूलाई उच्च प्राथमिकतामा राख्ने सिद्धान्तबाट कम्पनी सदैव सचेत रहेको छ। विभिन्न बीमा सुविधाहरु प्रदान गर्दै ग्राहकहरूको आवश्यकता अनुसार उच्च गुणस्तरको सेवाहरू प्रदान गर्न सक्ने बीमा कम्पनीको रुपमा परिचित हुने लक्ष्य रहेको छ। हाम्रो सफलताको श्रेय ग्राहकहरूको अपार विश्वासलाई नै जान्छ र यस अवसरमा ग्राहक सेवाको गुणस्तर बढाउने प्रण गर्दछौं। कम्पनीले आफ्ना ग्राहक वर्ग, नियमनकारी निकायहरु, लगानीकर्ताहरु, विभिन्न औद्योगिक प्रतिष्ठानहरु, व्यवसायीहरु, बैंक तथा वित्तिय संस्थाहरु, कर्मचारीहरु तथा अन्य सरोकारवालाहरुसंग व्यवसायिकता, पारदर्शिता र औचित्यपूर्ण आधारमा सुमधुर सम्बन्ध कायम राखी आफ्नो व्यवसाय विस्तार गरिरहेको छ।

(४) **सञ्चालक समितिमा भएको हेरफेर र सोको कारण:**

कम्पनीको सञ्चालक समितिमा संस्थापक शेयरधनी श्री प्रभु बैंक लिमिटेडको तर्फबाट श्री रेनु प्रसाद पाण्डेयले प्रतिनिधित्व गर्दै आउनु भएकोमा सञ्चालक समितिलाई जानकारी नगराई सञ्चालक समितिको नियमित ४ बैठकमा अनुपस्थित हुनु भएकोले कम्पनीको नियमावलीको नियम ४.३(७) अनुसार बिना जानकारी लगातार ३ (तीन) बैठकमा अनुपस्थित रहेमा सञ्चालक सदस्यबाट स्वतः पदमुक्त हुने प्रावधान अनुसार सञ्चालक पद रिक्त भएकाले रिक्त सञ्चालक पदमा मिति २०८०/०४/१४ देखि अर्को निर्वाचन नभएसम्मको लागि संस्थापक शेयरधनी श्री मिजास भट्टचन नियुक्त हुनु भएको थियो।

त्यसै गरी, २०८१ बैशाख २० गते भएको कम्पनीको २८ औं वार्षिक साधारण सभामा भएको सञ्चालक निर्वाचनबाट संस्थापक शेयरधनी समूह "क" बाट श्री मिजास भट्टचन र श्री राहुल थोकर लामा तथा सर्वसाधारण शेयरधनी समूह "ग" बाट श्री रामेश्वर सापकोटा, श्री राजेन्द्र मल्ल र श्री साङ्गे लामा निर्वाचित हुनु भएकोमा सञ्चालक समितिको बैठकबाट सञ्चालक श्री राजेन्द्र मल्ललाई कम्पनीको सञ्चालक समितिको अध्यक्ष पदमा चयन गरिएको थियो। साथै मिति २०८१ आषाढ ६ गते बसेको सञ्चालक समितिको बैठकबाट कम्पनीको स्वतन्त्र सञ्चालकमा श्रीमती सुषमा शर्मा (बस्ती)लाई नियुक्त गरिएको थियो।तत्कालिन अध्यक्ष श्रीमती कुसुम लामा, सञ्चालकहरु श्री रेनु प्रसाद पाण्डेय, श्री प्रमोद घिमिरे, श्री रणकेशव प्रधान तथा श्री राजगोपाल राजभण्डारीले कम्पनीलाई पुऱ्याउनु भएको उल्लेखनीय योगदानको कदर गर्दै हार्दिक धन्यवाद ज्ञापन गर्दछौं।

(५) **कारोवारलाई असर पार्ने मुख्य कुराहरु तथा नीतिगत एवं कार्यगत व्यवस्थाहरु:**

कम्पनीको कारोबारलाई असर पार्न सक्ने विभिन्न किसिमका जोखिमहरूलाई तल प्रस्तुत गरिएको छ :

- राष्ट्रिय तथा अन्तर्राष्ट्रिय रुपमा आर्थिक अवस्थामा आउने परिवर्तनबाट पर्न सक्ने जोखिमहरू।
- राष्ट्रको आर्थिक, मौद्रिक तथा वित्तीय नीति परिवर्तनबाट हुन सक्ने सम्भावित जोखिमहरू।
- नियमनकारी निकायहरुबाट समय समयमा जारी हुने निर्देशन तथा सोबाट बीमा बजारमा सिर्जना हुनसक्ने सम्भावित जोखिमहरू।
- विदेशी विनिमय कारोवार गर्दा विनिमयदरमा हुने परिवर्तनबाट हुन सक्ने जोखिमहरू।
- तरलतामा हुने उतार चढावका कारणले बैंक/वित्तीय संस्थामा लगानी गरिने निक्षेप लगानीको ब्याजदरमा हुने परिवर्तनबाट ब्याज आम्दानीमा आउन सक्ने जोखिमहरू।
- अन्तर्राष्ट्रिय राजनैतिक द्वन्दका तथा विश्व बजारमा हुने मन्दी तथा अन्य विश्व घटनाबाट नेपाली बजारमा पर्न सक्ने असरबाट हुन सक्ने आर्थिक जोखिमहरू।
- पूँजीबजारमा आउन सक्ने उतारचढावबाट हुन सक्ने जोखिमहरू।
- वैकल्पिक लगानी क्षेत्रको अभाव।
- देशको राजनीतिक अस्थिरताले पर्न सक्ने असरहरू।
- बीमा बजारमा देखिएको तीब्र प्रतिस्पर्धाका कारण पर्न सक्ने असरहरू।
- भूकम्प, बाढी, हावाहुरी लगायतका अन्य महाविपत्ति जोखिम तथा मौसम परिवर्तन सम्बन्धि जोखिमहरु।
- सम्पत्ति शुद्धीकरणलाई रोक्नका लागि देशमा केन्द्रीकृत तथ्याङ्कहरू तथा पर्याप्त प्रविधिहरूको अभावका कारण हुन सक्ने जोखिम।
- सूचना प्रविधिको विकास सँगै जोडिएका सञ्चालन जोखिम सम्बन्धी चुनौतीहरू।

माथि उल्लेखित कुराहरुबाट कम्पनीलाई पर्ने प्रभावलाई न्यूनीकरण गर्न सञ्चालक समिति तथा व्यवस्थापनको तर्फबाट गहन अध्ययन तथा विश्लेषण गरि उचित रणनीति तथा योजनाहरु तर्जुमा गर्दै अगाडि बढिरहेको व्यहोरा जानकारी गराउन चाहन्छौं।

(६) लेखा परीक्षण प्रतिवेदनमा कुनै कैफियत उल्लेख भए सो उपर सञ्चालक समितिको प्रतिकृया:

आर्थिक वर्ष २०८०/०८१ को लेखा परीक्षण प्रतिवेदनमा लेखा परीक्षकबाट कुनै प्रतिकुल कैफियत नभएको व्यहोरा शेयरधनी महानुभावहरूमा जानकारीको लागि अनुरोध छ।

(७) लाभांश बाँडफाँड गर्न सिफारिस गरिएको रकम

कम्पनीले समिक्षा वर्ष २०८०/०८१ को मुनाफाबाट हाल कायम चुक्ता पूँजीको १८ प्रतिशतले हुन आउने रकम रु.२५,९४,६७,८५२ बराबरको बोनश शेयर तथा उक्त प्रस्तावित बोनश शेयरमा लाग्ने कर प्रयोजनको लागि चुक्ता पूँजीको ०.९४७४ प्रतिशतले हुन आउने रु.१,३६,५६,२०२ नगद लाभांश सहित जम्मा १८.९४७४ प्रतिशत मुनाफा बाँडबाँड गर्न प्रस्ताव गरिएको छ।

(८) 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 सो को विवरण

कम्पनीले आ.व.२०८०/०८१ मा कुनै शेयर जफत नगरेको व्यहोरा जानकारी गराउँदछौं।

(९) 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 गराउँदछौं।

(१०) कम्पनी तथा त्यसको सहायक कम्पनीले आर्थिक वर्षमा सम्पन्न गरेको प्रमुख कारोबारहरु सो अवधिमा कम्पनीको कारोबारमा आएको कुनै महत्वपूर्ण परिवर्तन

कम्पनीको कुनै सहायक कम्पनी नरहेकोले उपरोक्त अनुसारको कुनै कारोवार नरहेको व्यहोरा जानकारी गराउँदछौं।

(११) विगत आर्थिक वर्षमा कम्पनीको आधारभूत शेयरधनीहरुले कम्पनीलाई उपलब्ध गराएको जानकारी:

आ.व.२०८०/०८१ मा कम्पनीलाई आधारभुत शेयरधनीहरुबाट कुनै जानकारी प्राप्त नभएको व्यहोरा जानकारी गराउँदछौं।

(१२) विगत आर्थिक वर्षमा कम्पनीका सञ्चालक तथा पदाधिकारीहरुले लिएको शेयरको स्वामित्वको विवरण र कम्पनीको शेयर कारोवारमा निजहरु संलग्न रहेको भए सो सम्बन्धमा निजहरुबाट कम्पनीले प्राप्त गरेको जानकारी:

कम्पनीको शेयर कारोवारमा कुनै पनि सञ्चालक संलग्न नभएको व्यहोरा जानकारी गराउँदछौं।

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

कम्पनीका सञ्चालक तथा निजको नजिकको नातेदारहरुसँग कम्पनीसँग सम्वन्धित कुनै पनि सम्झौताहरुमा स्वार्थ नरहेको व्यहोरा जानकारी गराउँदछौं।

(१४) कम्पनीले आफ्नो शेयर आफैले खरिद गरेको भए त्यसरी आफ्नो शेयर खरिद गर्नुको कारण त्यस्तो शेयर संख्या र अंकित मुल्य तथा त्यसरी शेयर खरिद गरे बापत कम्पनीले भुक्तानी गरेको रकम:

कम्पनीले आफ्नो शेयर आफैँले खरिद नगरेको व्यहोरा जानकारी गराउँदछौं।

(१५) आन्तरिक नियन्त्रण प्रणाली भए वा नभएको र भएको भए सो को विस्तृत विवरण:

कम्पनीको आन्तरिक नियन्त्रण प्रणालीलाई प्रभावकारी बनाउनका लागि नेपाल बीमा प्राधिकरणबाट जारी भएको "बीमकको संस्थागत सुशासन सम्वन्धि निर्देशिका, २०८०" बमोजिम सञ्चालक समितिका सदस्यहरुको संयोजकत्वमा गठित समितिहरुको हालको संरचना देहाय बमोजिम रहेको छ।

क. मानव संशाधन समिति:

१ अध्यक्ष, श्री राजेन्द्र मल्ल, संयोजक

२ प्रमुख कार्यकारी अधिकृत, श्री सन्चित बज्राचार्य, सदस्य सचिव

ख. सम्पत्ति शुद्धिकरण निवारण समिति:

१. सञ्चालक, श्री शान्ता गौतम, संयोजक

२. प्रमुख कार्यकारी अधिकृत, श्री सन्चित बज्राचार्य, सदस्य सचिव

ग. **लगानी समितिः**

१. सञ्चालक, श्री मिजास भट्टचन, संयोजक
२. प्रमुख कार्यकारी अधिकृत, श्री सन्चित बज्राचार्य, सदस्य
३. लेखा प्रमुख, श्री अरबिन्द कुमार कर्ण, सदस्य सचिव

घ. **जोखिम व्यवस्थापन तथा वित्तिय स्वस्थता (सोल्भेन्सी)**

१ सञ्चालक, श्री राहुल थोकर लामा, संयोजक
२ प्रमुख कार्यकारी अधिकृत, श्री सन्चित बज्राचार्य, सदस्य

ङ **दावी भुक्तानी तथा पुनर्बीमा समितिः**

१. सञ्चालक, श्री साङ्गे लामा, संयोजक
२. प्रमुख कार्यकारी अधिकृत, श्री सन्चित बज्राचार्य, सदस्य

च. **लेखापरीक्षण समितिः**

१ सञ्चालक श्रीमती सुषमा शर्मा (वस्ती), संयोजक
२ सञ्चालक, श्री रामेश्वर सापकोटा, सदस्य
३. सञ्चालक, श्री राहुल थोकर लामा, सदस्य

(१६) विगत आ.व.को कुल व्यवस्थापन खर्चको विवरण

कम्पनीको आ.व. २०८०/०८१ को वित्तीय बिवरण अनुसार कूल व्यवस्थापन खर्च रू. ३५ करोड ६८ लाख ६ हजार ४ सय ९८ रुपैयाँ रहेको छ।

(१७) लेखापरीक्षण समितिका सदस्यहरुको नामावली, निजहरुले प्राप्त गरेको पारिश्रमिक, भत्ता तथा सुविधा, सो समितिले गरेको काम कारवाहीको विवरण र सो समितिले कुनै सुझाव दिएको भए सो को विवरणः

लेखा परीक्षण समितिका सदस्यहरुको नामावली निम्नानुसार रहेका छन्।

१ सञ्चालक श्रीमती सुषमा शर्मा (वस्ती), संयोजक
२ सञ्चालक, श्री रामेश्वर सापकोटा, सदस्य
३. सञ्चालक, श्री राहुल थोकर लामा, सदस्य

कम्पनीको लेखापरीक्षण समितिले कम्पनी ऐन, बीमा ऐन, २०७९, बीमा नियमावली तथा नेपाल बीमा प्राधिकरणबाट जारी भएका निर्देशनहरुको अधिनमा रहि कम्पनीको वित्तीय स्थिति, आन्तरिक नियन्त्रण, जोखिम व्यवस्थापन, नियमहरु पालना, लेखापरीक्षण कार्यक्रम आदिबारे नियमित समीक्षा गर्दै आएको छ। आन्तरिक साथै बाह्य लेखापरीक्षण प्रतिवेदनमा उल्लिखित कैफियतहरूमाथि विस्तृत छलफल गरी समितिले आवश्यक सुधारका कामहरू समेत गर्दै आएको र त्यसको नियमित रूपमा संचालक समितिलाई जानकारी गराउने गरिएको छ। लेखा परीक्षण समितिका सदस्यहरुलाई भत्ता वापत मानव संशाधन समिति, लगानी, जोखिम व्यवस्थापन तथा बित्तिय स्वस्थता (सोल्भेन्सी) समिति, दावी भुक्तानी तथा पुनर्बीमा समिति एवं सम्पत्ति शुद्धीकरण निवारण समितिको बैठक भत्ता सरह (संयोजक रु.८,५००।०० प्रति बैठक तथा सदस्य रु.८,०००।०० प्रति बैठक) प्रदान गरिएको छ।

(१८) सञ्चालक, प्रबन्ध सञ्चालक, कार्यकारी प्रमुख, कम्पनीका आधारभूत शेयरधनी वा निजको नजिकका नातेदार वा निज संलग्न रहेको फर्म, कम्पनी वा संगठित संस्थाले कम्पनीलाई कुनै रकम बुझाउन बाँकी भए सो कुरा कम्पनीलाई त्यस प्रकारको कुनै पनि रकम बुझाउँन बाँकी नरहेको व्यहोरा जानकारी गराउँदछौं।

(१९) सञ्चालक तथा पदाधिकारीलाई भुक्तानी गरिएको पारिश्रमिक, भत्ता तथा सुविधाको रकमः

(क) सञ्चालकहरुः

कम्पनीका अध्यक्ष लगायत सञ्चालकहरुलाई आ.व.२०८०/०८१ मा बैठक भत्ता बापत रु.२० लाख ७० हजार ८ सय ८३ रुपैयाँ प्रदान गरिएको छ।

(ख) प्रमुख कार्यकारी अधिकृत तथा पदाधिकारीहरुलाई भुक्तानी गरिएको पारिश्रमिक, भत्ता तथा सुविधाको रकम रु. ३ करोड ३९ लाख ७७ हजार ५ सय ६९ रुपैयाँ रहेको छ।

(२०) शेयरधनीहरुले बुझिलिन बाँकी रहेको लाभांशको रकम

हालसम्म यस कम्पनीका शेयरधनीहरूलाई १० लाख ५६ हजार १ सय ५७ रुपैयाँ लाभांश भुक्तानी गर्न बाँकी रहेको देखिन्छ। जुन रकम कम्पनी ऐन, २०६३ को दफा १८२ (९) बमोजिम व्यवस्था गरी राखिएको छ।

(२१) दफा १४१ बमोजिम सम्पत्ति खरिद वा बिक्री गरेको कुराको विवरण

आर्थिक वर्ष २०८०/०८१ मा पछिल्लो आर्थिक वर्षको सम्पत्तिको मुल्यको १५ प्रतिशत भन्दा बढी मुल्यको सम्पत्ति खरिद नगरिएको व्यहोरा जानकारी गराउँदछौ।

(२२) दफा १७५ बमोजिम सम्बद्ध कम्पनी बीच भएको कारोबार विवरण

यस कम्पनीको कुनै पनि सहायक कम्पनी नभएको र यो कम्पनी अन्य कुनै मुख्य कम्पनीको सहायक कम्पनी पनि नभएको हुँदा उपरोक्त दफामा उल्लेख भए अनुसार कुनैपनि कारोवार नभएको व्यहोरा जानकारी गराउँदछौ।

(२३) कम्पनी ऐन तथा प्रचलित कानून बमोजिम सञ्चालक समितिको प्रतिवेदनमा खुलाउनु पर्ने अन्य कुरा

कम्पनी ऐन, २०६३ को दफा १०९ उपदफा ४ अनुसारको अतिरिक्त विवरणहरू तथा धितोपत्र दर्ता तथा निष्कासन नियमावली २०७३ को नियम २६ को उपनियम (२) सँग सम्बद्ध विवरणलाई यसै प्रतिवेदनको अंगको रुपमा राखिएको छ।

(२४) लेखापरीक्षकको नियूक्ति सिफारिसः

कम्पनीको लेखापरीक्षण समितिले आर्थिक वर्ष २०८१/०८२ को लागि लेखापरीक्षक श्री एम.जि.एस. एण्ड एसोसियट्स चार्टर्ड एकाउन्टेन्ट्स लाई रु.३,५०,०००।०० (अक्षरेपी तीन लाख पचास हजार मात्र) मु.अ.कर तथा अन्य वास्तविक शुल्क बाहेक पारिश्रमिक भुक्तानी गर्ने गरि नियुक्त गर्न सिफारिस गरेको छ।

(२५) अन्य आवश्यक कुराहरू

कम्पनीको सानो सहयोगले समाजमा ठुलो परिवर्तन नभएता पनि यसले समाजको लागि सकारात्मक सन्देश प्रदान गर्ने कुरामा हामी विश्वस्त छौं। यस कम्पनीले समाजको वृहत्तर हितका लागि आगामी दिनहरूमा पनि समाजसेवाका कार्यहरूलाई थप प्रभावकारी बनाउन कम्पनीको केन्द्रिय कार्यालय, प्रादेशिक कार्यालय तथा शाखा कार्यालयहरू मार्फत योजनाबद्ध रूपमा संस्थागत सामाजिक उत्तरदायित्व अन्तर्गतका कार्यक्रमहरू अघि बढाउँदै आएको छ र उक्त कार्यलाई आगामी दिनमा समेत निरन्तरता दिइने छ। समिक्षा वर्षमा कम्पनीले संस्थागत सामाजिक उत्तरदायित्वको लागी रु.१६,४३,७८५।०० व्यवस्था गरिएको छ।

धन्यवाद ज्ञापन

यस कम्पनी प्रति निरन्तर रुपमा विश्वास गरी सौहार्दपूर्ण वातावरणमा कारोवार गर्दै आउनु भएका हाम्रा आदरणीय सम्पूर्ण ग्राहकवर्गहरू प्रति हार्दिक कृतज्ञता ज्ञापन गर्दछौं। ग्राहक महानुभावहरूबाट कम्पनीलाई प्राप्त हुँदै आएको सकृय सहयोगको उच्च मुल्याङ्कन गर्दै आउँदा दिनहरूमा आफ्ना ग्राहकवर्गहरूलाई थप स्तरीय सेवा प्रदान गर्न हामी कटिबद्ध रहेका छौं।

कम्पनी सञ्चालनका लागि आदरणीय शेयरधनी महानुभावहरूले हामीलाई सुम्पनु भएको गहनतम अभिभारालाई इमान्दारीपूर्वक वहन गर्न कटिवद्ध रहेको व्यहोरा अवगत गराउदै यस कम्पनीको उन्नति र प्रगतिको लागि शेयरधनीहरूबाट प्राप्त निरन्तर सहयोग, समर्थन र प्रेरणा प्रति कृतज्ञता व्यक्त गर्दै यहाँहरूबाट निरन्तर सहयोग र सद्भाव पाउने विश्वास सहित कम्पनीको चौतर्फी प्रगतिका निम्ति प्रतिवद्ध रहेको विश्वास दिलाउन चाहन्छौं। कम्पनीको निरन्तर उन्नति एवं उत्तरोत्तर प्रगति तथा सम्वृद्धिका लागि अभिभावकको रुपमा निरन्तर मार्गदर्शन तथा सदा साथ दिनुहुने आदरणीय शेयरधनी महानुभावहरू तथा नियमनकारी निकायहरू नेपाल सरकार, नेपाल बीमा प्राधिकरण, नेपाल धितोपत्र बोर्ड, कम्पनी रजिष्ट्रारको कार्यालयका साथै नेपाल स्टक एक्स्चेन्ज लि., आन्तरिक तथा बाह्य लेखा परिक्षक र अन्य प्रत्यक्ष वा अप्रत्यक्ष रुपमा सहयोग पुऱ्याउँदै आउनु भएका हाम्रा सहयोगी संम्पूर्ण निकाय तथा महानुभावहरू प्रति हार्दिक कृतज्ञता ज्ञापन गर्दै भविष्यमा पनि यसै गरी यहाँहरूको साथ र सहयोग पाईरहने विश्वास लिएका छौं।

अन्त्यमा, कम्पनीको हितको लागि निरन्तर क्रियाशील भई ग्राहकवर्गको सेवामा संलग्न सम्पूर्ण कर्मचारीहरूले यस कम्पनीको प्रगति हासिल गर्नको लागि गरेको मेहनत र लगनशिलताको लागि विशेष धन्यवाद दिँदै आउँदा वर्षहरुमा समेत सहयोगको अपेक्षा राख्दछौं।
धन्यवाद !

सञ्चालक समितिको तर्फबाट
राजेन्द्र मल्ल
अध्यक्ष
मितिः २०८२ श्रावण २३ गते शुक्रबार।

Vision, Mission & Objectives

Vision

To be established as a competitive insurance company that safeguard futures and build lasting confidence through trusted and innovative insurance services

Mission

To offer customer oriented, innovative insurance services that safeguard individuals and businesses, while ensuring transparency, and delivering value to all stakeholders.

Strategy & Objectives

Expand Risk Coverage and Market Reach

We aim to increase our presence across Nepal by offering diverse and innovative non-life insurance products tailored to the needs of individuals, businesses, and communities. Our focus is on expanding access in rural and underserved areas to ensure broader financial protection against unforeseen risks.

Ensure Financial Sustainability

Our priority is to maintain strong financial health through sound underwriting practices, controlled claim settlements, and effective reinsurance partnerships. This helps us ensure long-term sustainability while continuing to meet our obligations to policyholders.

Increase Insurance Awareness

We are committed to promoting insurance literacy through public awareness campaigns, community programs, and partnerships. By educating people about the benefits and importance of general insurance, we aim to build trust and increase overall market participation.

Technological Integration

Integration of technology into our operations shall boost our service delivery and internal efficiency. By adopting digital tools and data analysis for policy management, decision making, claims processing, and customer interaction, we aim to enhance user experience and support smarter business decisions.

Maintain Compliance and Good Governance

Adhering to regulatory standards set by the Nepal Insurance Authority is a core value. We aim to operate with transparency, accountability, and ethical practices, supported by strong internal controls and effective corporate governance.

Boost Customer Trust and Satisfaction

Customer satisfaction is at the heart of our service. We prioritize clear communication, fair and prompt claims handling, and easy access to insurance services to build long-term relationships with our clients.

Develop Skilled Human Resources

We believe our employees are our greatest asset. By investing in training, skill development, and performance-based growth opportunities, we are building a professional team equipped to meet the evolving needs of our customers and the market.

Core Value

Customer-Centricity

Our customers are at the heart of our mission. We are dedicated to understanding their needs and delivering personalized, timely, and reliable insurance services that offer peace of mind.

Innovation

We continuously embrace change by adopting new technologies and creative solutions. Innovation drives us to improve service delivery, design new products, and stay ahead in a fast-evolving market.

Excellence

We strive for the highest standards in every aspect of our operations—from policy issuance to claims handling. Our goal is to deliver consistent quality and exceed expectations.

Teamwork

Collaboration is our strength. We promote open communication and shared goals, empowering our employees to work together and create a positive, inclusive workplace.

Transparency

Clear, open, and honest communication is key to our success. We ensure our processes and decisions are transparent and accountable to our clients and regulators.

Compliance

We strictly follow all regulatory and legal frameworks, maintaining high standards of governance, ethics, and sustainability in everything we do

Code of Conduct

Confidentiality

We strictly protect the confidentiality of client and company information. Employees must prevent unauthorized disclosures and use information only for legitimate business purposes.

Regulatory Compliance

We adhere to all relevant laws, industry regulations, anti-money laundering guidelines, and internal standards. This commitment ensures transparency, fairness, and legal accountability in all operations.

Conflict of Interest

Employees must avoid any situation where personal interests may interfere with the company's obligations or customer interests. Any potential conflicts must be disclosed and managed appropriately.

Professionalism

All employees are expected to demonstrate professionalism, respect, and courtesy in every interaction—with clients, regulators, and colleagues alike.

Accountability

We take full responsibility for our actions, decisions, and outcomes. Employees are encouraged to act with integrity and take ownership of their roles while maintaining trust with stakeholders.

Corporate and Social Responsibility

We are committed to contributing positively to society through community service, disaster relief, education, and wellness initiatives—supporting broader social development.

Customer Protection

We ensure fair treatment of policyholders, timely claim settlements, and ethical conduct during product sales and services.

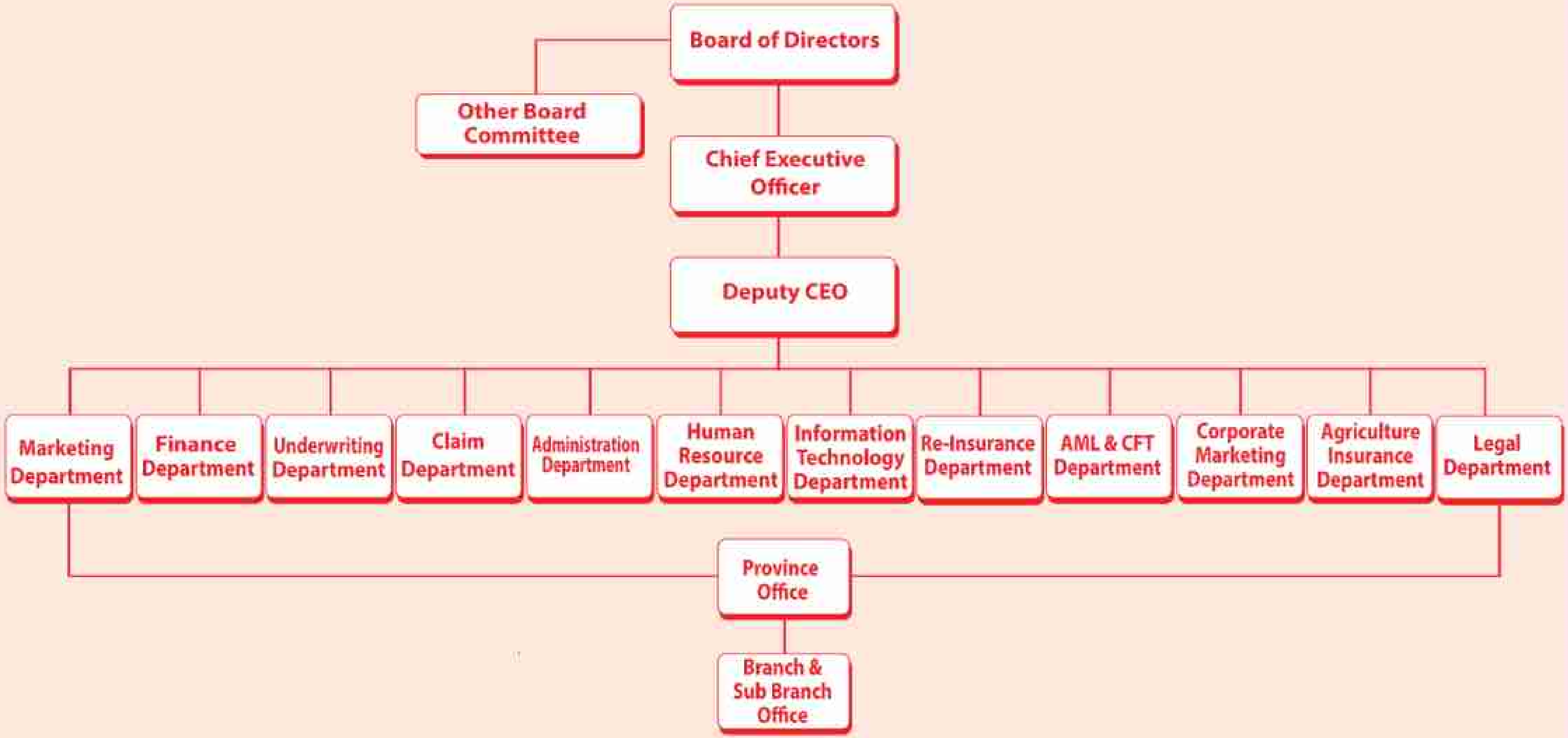
Organizational Structure

Overview of the company

Prabhu Insurance Limited is a leading non-life insurance company in Nepal, established as a Public Limited Company on 2052/03/18. The company received its operating license on 2053/04/01, in accordance with Insurance Act 2079. It officially commenced its business operations on 2053/04/17 and has since been committed to providing reliable and comprehensive insurance solutions across the country. The registered office of the company is at Kathmandu, Nepal.

Prabhu Insurance has major shareholding of Prabhu Group and Employees Provident Fund. Currently, the paid-up capital of the company is above NRs. 1.44 billion. With a strong focus on customer satisfaction and risk protection, the company aims to safeguard clients against unforeseen events while contributing to national economic resilience.

The company operates through an extensive network of 57 branches strategically located throughout Nepal, ensuring accessibility and timely service delivery. Prabhu Insurance offers a diverse range of products tailored to meet the needs of individuals, businesses, and communities. These include insurance contracts for Property, Marine, Motor, Engineering, Aviation, Agriculture & Cattle, Micro Insurance, and other Miscellaneous Policies. Through innovation, regulatory compliance, and a commitment to excellence, Prabhu Insurance continues to strengthen its position as a trusted name in the Nepali insurance sector.



Board of Directors
Other Board Committee
Chief Executive Officer
Deputy CEO
Marketing Department
Finance Department
Underwriting Department
Claim Department
Administration Department
Human Resource Department
Information Technology Department
Re-Insurance Department
AML & CFT Department
Corporate Marketing Department
Agriculture Insurance Department
Legal Department
Province Office
Branch & Sub Branch Office

Board of Director Composition

S.N	Name	Designation	Representing Group	Shares Hold	Appointment Date	Oath date
1	Mr. Rajendra Malla	Chairman	Public Shareholder	5,39,200	2081/01/20	2081/02/01
2	Mr. Mijas Bhattachan	Director	Promoter Shareholder	27,689	2081/01/20	2081/02/02
3	Mr. Rahul Thokar Lama	Director	Promoter Shareholder	716	2081/01/20	2081/02/02
4	Mr. Shanta Gautam	Director	Promoter Shareholder	31,15,609.85	2080/02/21	2081/02/21
5	Mr. Rameshwor Sapkota	Director	Public Shareholder	100	2081/01/20	2081/02/02
6	Mr. Sangay Lama	Director	Public Shareholder	472	2081/01/20	2081/02/02
7	Mrs. Sushma Sharma (Wasti)	Director	Independent	-	2081/03/06	2081/03/16

The Board of Directors of the company is appointed from the promoters' shareholder group and the public shareholder group through elections held at the Annual General Meeting (AGM) of the company. Independent directors are appointed by the elected Board of Directors.
The Board of Directors is responsible for:

- Ensuring that the company's vision, mission, goals, and objectives are aligned with market opportunities and stakeholder expectations.
- Establishing governance structures to promote transparency, accountability, and ethical decision-making.
- Ensuring a robust risk management framework is in place to identify, assess, and manage key risks.
- Approving budgets and financial statements, and ensuring solvency, profitability, and prudent asset management.
- Ensuring adherence to insurance laws and regulatory requirements, and fostering a strong compliance culture.
- Safeguarding policyholders' interests by maintaining the company's financial strength and honoring claims.
- Overseeing internal audits and internal controls to ensure accurate reporting and operational integrity.
- Evaluating management performance and ensuring corrective actions are taken when targets are not met.

Board Meeting details

Meeting date of current financial year	No. of Directors Present	Number of Directors opposing Board's Decision	Meeting date of Last financial year
2080/04/14	7	None	2079/04/01
2080/05/05	7	None	2079/05/17
2080/07/01	7	None	2079/07/04
2080/07/17	7	None	2079/08/11
2080/08/15	7	None	2079/09/07
2080/09/22	7	None	2079/09/24
2080/11/20	7	None	2079/09/26
2080/12/28	7	None	2079/10/27
2081/01/18	7	None	2079/11/19
2081/01/30	6	None	2079/11/23
2081/02/02	6	None	2079/12/17
2081/03/06	6	None	2079/12/21
2081/03/16	7	None	2079/12/24
			2080/01/08
			2080/02/21
			2080/03/17
			2080/03/22
			2080/03/27

Other Information about Board meeting

Whether the director or alternate director attended the meeting of the board of directors (in case of absence, state the reason along with the date of the meeting):	Not Attended
Aseparate record of the directors present at the meeting of the board of directors, the matters discussed and the details of the decisions made in that regard (minutes) is/not kept:	Kept
Maximum gap (in days) between two consecutive meetings of the Board of Directors	56
Date of the meeting held regarding the meeting allowance of the Board of Directors:	2078/02/06
Allowance per meeting of Board of Directors:	Chairman: Rs. 12,000 Director: Rs. 11,000
Total Board Meeting Expenses for the Fiscal Year	Rs. 14,05,266

Board Level Committees and their Terms of Reference (TOR)

The Board of Directors has established specialized sub-committees which focus on specific operational and regulatory matters, enabling better governance and effective decision-making. The main sub-committees include:

- Audit Committee
- Claim Settlement and Reinsurance Committee
- Investment Committee
- Risk management, Financial & Solvency Management Committee
- Human Resource Management Committee
- Anti- Money Laundering Committee

Audit Committee Composition and Role

Audit committee was composed on 2081/03/16 and following are the members of the committee:

Name of Committee Members		Designation
Mrs. Sushma Sharma (Wasti)	Director	Coordinator
Mr. Rameshwor Sapkota	Director	Member
Mr. Rahul Thokar Lama	Director	Member

Audit committee met 7 times during the year.

Role and Terms of Reference (TOR) of the audit committee are as follows:

- To discuss the internal audit report of the company of each quarter, and address audit findings, comments and suggestion by the auditor.
- To review the quarterly financial reports and verify the accuracy of the reporting
- To review the company's financial reporting processes, internal controls, and audit results.
- To ensure compliance of financial reporting with Nepal financial reporting standards (NFRS) and directives of Nepal Insurance Authority

Claim Settlement and Reinsurance Committee Composition and Role

Claim settlement and Reinsurance committee was composed on 2081/02/02 and following are the members of the committee:

Name of Committee Members		Designation
Mr. Sangay Lama	Director	Coordinator
Mr. Sanchit Bajracharya	Chief Executive Officer	Member

Claim committee met 21 times during the year.

Role and Terms of Reference (TOR) of the claim committee are as follows:

- To oversee the claims management process to ensure fairness, transparency, and timely settlement of claims.
- To review large or complex claims and makes recommendations for approvals or rejections.
- To monitor claim trends and suggests necessary improvements in underwriting and claims practices.
- To review the regular claim related report
- To provide necessary recommendations to the board for making any decision regarding claim management of the company
- To provide strategic guidance to strengthen the company's claim handling capabilities and customer satisfaction

Investment Committee Composition and Role

Investment committee was composed on 2081/02/02 and following are the members of the committee:

Name of Committee Members		Designation
Mr. Mijas Bhattachan	Director	Coordinator
Mr. Sanchit Bajracharya	Chief Executive Officer	Member
Mr. Arbind Kumar Karn	Finance Head	Member

Investment committee met 1 time during the year.

Role and Terms of Reference (TOR) of the committee are as follows:

- To formulate and monitor investment strategies to ensure they align with company policies and risk appetite.
- To review investment performance and ensure compliance with regulatory limits.
- To safeguard policyholders' funds through prudent asset management.
- To oversee the implementation of investment policy of the company

Risk Management, Financial and Solvency Management Committee Composition and Role

Risk Management, Financial and Solvency Management Committee was composed on 2081/02/02 and following are the members of the committee:

Name of Committee Members		Designation
Mr. Rahul Thokar Lama	Director	Coordinator
Mr. Sanchit Bajracharya	Chief Executive Officer	Member

Risk Management, Financial and Solvency Management Committee met 2 times during the year.

Role and Terms of Reference (TOR) of the committee are as follows:

- To identify, assess, and monitor various risks facing the company.
- To ensure that proper risk management policies and frameworks are implemented.
- To oversee financial stability, solvency position, and capital adequacy requirements.
- To oversee the implementation of risk management policy and its effectiveness

Human Resource Management Committee Composition and Role

Human Resource Management Committee was composed on 2081/02/02 and following are the members of the committee:

Name of Committee Members		Designation
Mr. Rajendra Malla	Chairman	Coordinator
Mr. Sanchit Bajracharya	Chief Executive Officer	Member

Human Resource Management Committee met 3 times during the year.

Role and Terms of Reference (TOR) of the committee are as follows:

- To oversee HR policies related to recruitment, compensation, training, and employee development.
- To ensure alignment of HR practices with the company's goals and regulatory requirements.
- To review leadership, succession planning and organizational structure.
- To develop and recommend framework for employees' remuneration, including salary increment and incentive program
- To promote HR practices that promote a fair, inclusive and productive work environment
- To ensure company HR policy and practices complies with the existing labors law, directives and industry standard

Anti-money Laundering (AML) Committee Composition and Role

Anti-money Laundering (AML) Committee was composed on 2081/02/02and following are the members of the committee:

Name of Committee Members		Designation
Mr. Shanta Gautam	Director	Coordinator
Mr. Sanchit Bajracharya	Chief Executive Officer	Member

Anti-money Laundering (AML) Committee met 7 times during the year.

Role and Terms of Reference (TOR) of the committee are as follows:

- To assist the Board of Directors in formulating rules, regulations and standards to combat money laundering and terrorism financing
- To ensure strict compliance with anti-money laundering (AML) and combating the financing of terrorism (CFT) regulations.
- To review and monitor suspicious activities and transaction reports.
- To implement and update AML/CFT policies and bring them in compliance with the local and international laws of money laundering and terrorism financing.

Business Model

Business Model and Its Description

Insurance Products

Engineering Insurance

- Contractors' All Risk Insurance
- Electronic Equipment Insurance
- Erection All Risk Insurance
- Machinery Breakdown Insurance

Contractors Plant & Machinery

Agriculture Insurance

Aviation Insurance

Marine Cargo Insurance

Motor Insurance

Micro Insurance

Miscellaneous Insurance

- Burglary & Housebreaking Insurance
- Cash in Transit Insurance
- Fidelity Guarantee Insurance
- Group Medical Insurance
- Accident Insurance
- Public Liability Insurance
- Students' Safety Insurance Scheme
- Bankers' Indemnity Insurance
- Travel Insurance
- Trekking and Mountaineering Insurance
- Cash Policy

Property Insurance

- House Insurance
- Property Insurance

Customer Segments

- Individuals
- Businesses/Enterprises
- Government or institutional clients

Channels

- Direct sales
- Insurance agents
- Online platforms and mobile apps
- Bancassurance (through bank partners)

Revenue Streams

- Premium Income
- Investment Income
- Reinsurance Commission
- Fee-Based Income

Key Activities

- Underwriting
- Claims Management
- Product Development
- Marketing & Sales
- Regulatory Compliance
- Risk Management

Cost Structure

- Claims payouts
- Commissions and distribution costs
- Administrative and operating expenses
- Technology and infrastructure costs
- Regulatory and compliance costs
- Marketing and customer acquisition
- Key Stakeholders

Key Stakeholders

- Shareholders
- Policyholders
- Re-insurers
- Regulators
- Surveyors
- Agents

Prabhu Insurance Limited is one of the well-established non-life insurance company in Nepal, dedicated to delivering comprehensive and innovative general insurance solutions. With a focus on customer trust, risk protection, and financial resilience, the company serves a wide range of customers-from individuals to corporate and government agencies

Our business model is centered on delivering risk protection while ensuring profitability, regulatory compliance, and long-term sustainability. Its core offerings span multiple lines of general insurance, including motor, fire & property, marine, engineering, health, travel, agriculture and aviation.

The company generates revenue through several streams, with premium income being the primary source. In addition, Prabhu Insurance earns investment income from the prudent management of reserves and surplus funds, reinsurance commissions through its partnerships with reinsurers, and fee-based income from various insurance-related services. Its financial model is structured to maintain sustainability, support growth, and deliver value to both shareholders and policyholders.

Prabhu Insurance's key activities include underwriting, claims management, product development, marketing and sales, regulatory compliance, and risk management. Underwriting practices are based on sound risk assessment and competitive pricing, while efficient claims handling ensures timely and fair compensation to clients. Product development is driven by market demand, regulatory requirements, and innovation, particularly in addressing new and evolving risks.

The company's cost structure reflects its operational focus and service commitment. Major expenses include claims payouts, commissions to agents and distribution partners, administrative and operational costs, investments in digital infrastructure, compliance-related costs, and customer acquisition efforts. Strategic cost management ensures the company remains financially resilient while delivering high-quality services.

Key stakeholders in Prabhu Insurance's ecosystem include shareholders, policyholders, reinsurers, regulatory bodies, surveyors, and insurance agents. The company maintains transparent governance, adheres strictly to regulatory guidelines, and upholds strong relationships with all its partners. Reinsurers play a crucial role in extending risk capacity, while agents and surveyors are essential in maintaining customer service standards and operational efficiency.

Through its diverse offerings, reliable distribution channels, and focus on operational excellence, Prabhu Insurance Limited continues to position itself as a one of the leading general insurer in Nepal. Its long-term vision emphasizes innovation, digital transformation, financial inclusion, and ESG integration ensuring it remains responsive to changing customer needs and a dynamic risk landscape.

Resources, Usage, Sustainable competitive Edge and Value creation

Prabhu Insurance Limited relies on a comprehensive set of resources to operate efficiently, innovate continuously, and deliver customer-focused insurance services across Nepal. These resources can be broadly categorized as follows:

Human Resources and Intellectual Resources

Human resources are at the core of Prabhu Insurance. Skilled professionals, including underwriters, claims officers, actuaries, legal and compliance experts, marketing teams, and customer service personnel, are essential for delivering high-quality insurance solutions. These experts handle critical functions such as underwriting, risk assessment, pricing, policy issuance, and claims settlement. Additionally, Prabhu Insurance places significant value on internal training and continuous professional development to maintain a high-performance workforce.

In addition to its workforce, the company leverages its intellectual resources—comprising proprietary underwriting models, actuarial methods, pricing tools, and sector insights—which guide decision-making and product development.

Human resources and intellectual resources are used for the following functions:

- Risk assessment and pricing
- Product development and innovation
- Claims management and fraud control
- Regulatory compliance and reporting
- Customer service and engagement
- Reinsurance and risk management
- Marketing, branding, and communications
- Strategic planning and governance

These human and intellectual resources serve as a cornerstone of the company's sustainable competitive advantage. Prabhu Insurance's emphasis on continuous professional development, cross-functional training, and institutional knowledge allows it to adapt to emerging risks like climate change, cyber threats, and health crises. By maintaining a high-performing, knowledgeable team and harnessing industry best practices, the company creates meaningful value for customers through trust, service excellence, and tailored insurance products that address evolving market needs.

Financial Resources

Financial resources are vital for ensuring operational sustainability, claim settlements, and business growth. Prabhu Insurance generates revenue primarily through premium collections from policyholders, investment returns on insurance reserves, and commission income from reinsurance arrangements and service fees.

These funds are allocated toward core financial activities such as:

- Settling claims across diverse insurance lines
- Maintaining solvency margins and capital adequacy
- Funding technology upgrades and infrastructure development
- Meeting operational and administrative expenses
- Supporting strategic expansion and partnerships

Sound financial management ensures the company can honor obligations and remain resilient against adverse market or claim events. Its strong financial base not only safeguards policyholder interests but also supports scalable growth, shareholder returns, and the ability to respond quickly to new business opportunities. This financial discipline reinforces the company's value proposition of stability, reliability, and long-term sustainability.

Technological Resources

Prabhu Insurance actively invests in advanced digital platforms and core insurance management systems. These resources enable real-time policy administration, automated claims processing, and robust data analytics for risk evaluation.

Technology is leveraged for:

- Digital policy issuance and renewal systems
- Claims tracking and fraud detection tools
- Customer Relationship Management (CRM) platforms to manage customer relationships
- Cybersecurity frameworks to protect sensitive data
- Online portal for policyholder convenience

By modernizing tech infrastructure, the company enhances customer experience, operational efficiency, and data-driven management. The adoption of digital tools also helps the company scale operations without proportional increases in costs. Through enhanced convenience, transparency, and accessibility, technology contributes to value creation by improving customer satisfaction, expanding reach, and supporting continuous innovation.

Physical Resources

Prabhu Insurance operates through a nationwide network of branches, regional offices, and counters to ensure strong market presence. Physical infrastructure includes office buildings, IT hardware, communication systems, office vehicles, furniture and fixtures. By strengthening its local presence, Prabhu Insurance enhances brand trust, builds stronger community relationships, and ensures inclusivity in access to insurance and thus creating both economic and social value.

Major Sources of Capital and Their interconnectedness:

The major sources of the capital for the company includes Equity capital, Reinsurance recoveries, Reserves and Retained Earning.

Equity Share Capital

Share Capital is the primary source of capital for the company. It refers to the money invested by the company's shareholders in exchange for ownership. Prabhu Insurance has raised the capital through initial public offering. The current paid up capital of the company is Rs. 1.44 billion.

Reinsurance Recoveries

The company has transferred a portion of its risk to different reinsurers under reinsurance arrangement. In the event of a claim that meets the reinsurance terms, the reinsurer reimburses the insurer for its share of the losses. These recoveries help maintain the insurer's liquidity and protect its capital during large or catastrophic events by reducing the financial burden of large claims.

Reserves and Retained Earning

The company sets aside a portion of its after-tax profits to cover future claims. These allocations include the special reserve, catastrophic reserve, fair value reserve, actuarial reserve, insurance funds, and retained earnings. These funds contribute to the company's long-term financial stability and risk-bearing capacity.

Interconnectedness

These sources of capital are closely interconnected, working together to ensure Prabhu Insurance's financial strength and long-term stability. Equity share capital serves as the foundation of our funding, raised through initial public offering, right shares and bonus shares enabling us to underwrite insurance policies and absorb unforeseen losses. As we operate and generate profits, a portion of these earnings is retained and allocated into various reserves, including catastrophic, actuarial, and special reserves. These retained earnings and reserves strengthen our capital base over time, reducing the need for additional equity infusion. Reinsurance recoveries also play a critical role in our capital management by transferring a portion of our liabilities to reinsurers. This arrangement provides financial protection during large or catastrophic claims, helping us preserve both equity and accumulated reserves by reducing the financial burden. With effective reinsurance support, we are able to operate with greater confidence and financial flexibility, reinforcing profitability and enabling further capital growth. Together, these capital components form a dynamic and interdependent system that enhances our ability to manage risk, maintain solvency, and support sustainable growth.

Plan for Resource Usage and Major Programs and their Relation with the Capital Plan

At Prabhu Insurance, our resource usage strategy is closely connected with our long-term capital planning framework to ensure sustainable growth, financial resilience, and value creation for all stakeholders. This integrated approach allows us to strengthen core business functions, drive innovation, and maintain regulatory compliance, all while preserving a robust capital position.

Throughout the fiscal year, we focused on strategically allocating resources to key operational areas that directly support our performance objectives. Significant investments were made in enhancing our underwriting function through the adoption of advanced analytics, digital underwriting platforms, and refined risk selection methodologies. In claims management, we directed resources toward upgrading systems and streamlining processes to ensure timely and transparent claims settlement. Concurrently, we expanded our outreach by strengthening both our branch network and digital distribution platforms, enabling us to reach a broader customer base, particularly in underserved regions. We also continued to prioritize employee development through structured training programs and leadership initiatives, fostering a culture of high performance, adaptability, and service excellence. Additionally, upgrades to our IT infrastructure and cybersecurity frameworks supported operational efficiency, data protection, and improved customer engagement.

Our major programs during the year were designed to enhance long-term competitiveness and operational effectiveness. The Digital Transformation Program remained a key strategic initiative, enabling end-to-end digitization of customer journeys and internal processes. This program is already delivering measurable improvements in cost efficiency, service turnaround times, and customer experience. Product innovation also remained a focal area, with the introduction of insurance products tailored to customer need and wants. These offerings have helped diversify our product portfolio and enhance risk management. In parallel, we continued to strengthen our reinsurance arrangements to safeguard our capital, reduce volatility, and support underwriting stability.

All resource deployment initiatives and strategic programs were carefully aligned with our capital plan, which remains central to our financial strategy. Our capital management framework is structured to maintain a healthy buffer above regulatory solvency requirements, enabling us to absorb potential market and underwriting shocks. We ensure that each investment or initiative is evaluated for its return potential and its impact on capital adequacy, thereby promoting disciplined capital efficiency. Our capital structure provides us both flexibility and stability in supporting business expansion and meeting regulatory standards

Prabhu Insurance remains committed to the strategic alignment of resource utilization, program implementation, and capital planning. This approach underpins our ability to deliver sustainable value to policyholders, shareholders, and regulators, while building a future-ready organization capable of adapting to the dynamic insurance landscape in Nepal.

Strategic Plan and Development

Short, Medium and Long Term Strategies of the Organization and Resources Allocation for Achieving them

In the short term, the organization's primary objective is to enhance internal efficiency and improve client-facing operations. This involves the adoption of digital tools to streamline claims processing and policy servicing, reducing delays and improving the overall customer experience. Additionally, there will be a focus on strengthening frontline staff through targeted training programs to improve service quality. Marketing activities will center around promoting awareness of current offerings to existing and potential customers. To support these initiatives, resource allocation will prioritize investments in digital infrastructure, customer service training modules, and short-term promotional campaigns across digital and traditional platforms.

For the medium term, the organization will shift focus towards scaling operations and strengthening its competitive position in the market. This includes the development and introduction of new insurance products tailored to market gaps especially those that promote financial inclusion, such as low-cost health or microinsurance policies. A key part of this phase is enhancing digital distribution capabilities to cater to a more tech-savvy customer base. Additionally, the company will invest in data analytics to refine underwriting, pricing, and customer engagement strategies. Resources will be allocated for product research and development, talent acquisition for specialized roles, and the modernization of IT systems to support scalable growth.

Looking at the long term, the organization aims to position itself as a resilient and forward-looking insurer. This involves diversifying its portfolio with innovative solutions to emerging risks, including environmental and climate-related coverages, while also strengthening its capital position. Strategic partnerships with healthcare providers, digital platforms, and reinsurance firms will also play a key role in supporting sustainable expansion. To achieve these goals, long-term resource planning will include setting aside funds for capital strengthening, establishing innovation labs or funds, and investing in sustainability and governance initiatives aligned with international best practices

Strategy for the Insurance Development, Insurance Products and Insurance Services

At Prabhu Insurance, our strategic focus is on fostering inclusive insurance development by expanding our reach to underserved populations and enhancing financial literacy across the country. We are committed to increasing insurance awareness and accessibility through community engagement, strategic partnerships, and the adoption of digital technologies. By actively contributing to the development of the insurance sector and aligning with national priorities, we aim to strengthen public trust and promote long-term financial protection for all segments of society.

Our product strategy is centered around innovation, affordability, and relevance. We continuously design and refine insurance solutions that address the evolving needs of our customers. Each product is developed with a focus on simplicity, flexibility, and regulatory compliance, ensuring that we deliver value while maintaining sustainability and integrity.

To complement our product offerings, Prabhu Insurance is committed to delivering superior service through a customer-centric and technology-driven approach. We have digitized key processes including policy issuance, renewals, and claims management to enhance efficiency, transparency, and speed.

Through continuous improvement, investment in staff development, and modern communication channels, we ensure that our customers receive reliable and responsive support at every stage of their insurance journey.

Sustainability Strategy with Measurable Objectives

At Prabhu Insurance, our sustainability strategy reflects our deep commitment to responsible business practices, long-term value creation, and the well-being of our customers, employees, and the wider community. We believe that integrating sustainability into our operations is not only essential for our growth but also for contributing to a more resilient and inclusive society. Our approach is guided by environmental, social, and governance (ESG) principles that shape how we operate, serve, and lead in the insurance industry.

On the environmental front, we strive to reduce our carbon footprint by adopting eco-friendly practices and embracing digital transformation. This includes minimizing the use of paper, conserving energy in our offices, and promoting digital communication across all levels of our organization. These efforts support our vision of building a more sustainable operational model that aligns with global environmental standards.

Socially, we are focused on expanding access to insurance and supporting financial inclusion. We continuously work to develop insurance products and services that are accessible, relevant, and tailored to the needs of diverse communities. Our commitment extends to raising awareness about the importance of insurance through educational initiatives and engagement programs, helping people better understand and access the protection they need.

In terms of governance, Prabhu Insurance upholds a strong ethical foundation in all aspects of our business. We are committed to transparency, accountability, and fairness in our dealings with policyholders, partners, and regulators. Our internal policies, training programs, and compliance frameworks ensure that our workforce operates with integrity and that our sustainability goals are consistently monitored and improved. By embedding ESG values into our culture, we aim to build a future-ready organization that leads with purpose and responsibility.

Future Outlook and Business Prospects

At Prabhu Insurance, we are optimistic about the evolving landscape of the non-life insurance sector. Rising risk awareness, increased digital adoption, and progressive regulatory developments are collectively contributing to a more dynamic and opportunity-rich environment. These trends are not only expanding the market but also reshaping customer expectations and product demand across various segments.

We are actively leveraging technology to enhance service delivery, streamline claims processing, and extend our reach to previously underserved markets. Our digital initiatives aim to simplify the customer journey while ensuring efficiency, transparency, and convenience at every touchpoint. With a strong focus on innovation, operational excellence, and customer-centricity, Prabhu Insurance is confidently positioned for sustainable growth. We remain committed to adapting to market changes, embracing new opportunities, and delivering long-term value to our stakeholders in the years ahead.

Effect of External Environment

At Prabhu Insurance, we recognize that our performance and strategic direction are closely influenced by the broader external environment. Understanding and responding to these factors enables us to navigate challenges effectively while capitalizing on emerging opportunities. The following outlines key external forces that have impacted, and continue to shape, our business operations:

Economic Environment

The macroeconomic conditions of Nepal remain a significant determinant of insurance uptake and financial performance. Factors such as GDP growth, inflation, interest rates, and employment trends directly affect consumer purchasing power and, in turn, influence demand for insurance products. In

FY 2080/81, while moderate economic recovery supported business activities, inflationary pressures impacted customer affordability.

Regulatory and Legal Landscape

The insurance industry is governed by the Nepal Insurance Authority, whose policies and directives continue to shape the operational framework of insurers. During the fiscal year, regulatory updates aimed at strengthening governance, solvency margins, and capital adequacy have prompted strategic realignments. Prabhu Insurance remains committed to full compliance with evolving regulations and continues to engage constructively with the regulator to align with national financial inclusion goals.

Technological Advancements

Technology remains a transformative force within the insurance sector. The acceleration of digital adoption, particularly post-pandemic, has redefined customer expectations. In response, Prabhu Insurance has continued to invest in digital infrastructure to enhance service delivery, claims processing, and policy management. The digital push also presents cyber risk challenges, necessitating increased focus on data security and IT resilience.

Sociocultural Dynamics

Public perception and awareness of insurance remain critical to market growth. Socioeconomic shifts, urbanization, and rising financial literacy are gradually enhancing insurance penetration, particularly in underserved segments. However, cultural hesitancy and limited awareness in rural regions continue to pose barriers. Prabhu Insurance has intensified outreach and awareness campaigns to address these gaps and expand its footprint.

Competitive Environment

The domestic insurance market remains competitive, with insurers vying for customer loyalty through product innovation, digital engagement, and service excellence. Prabhu Insurance has focused on maintaining competitiveness through customer-centric offerings, timely claims servicing, and robust distribution strategies.

Environmental and Natural Risks

Nepal is highly susceptible to natural disasters, including earthquakes, floods, and landslides. These events not only elevate risk exposure but also highlight the critical role of insurance in recovery and resilience. During the reporting period, Prabhu Insurance continued to refine its risk assessment frameworks and diversify its reinsurance arrangements to mitigate large-scale exposure.

Corporate Responsibility

Company's Initiative for the Staff Development

At Prabhu Insurance, we firmly believe that the well-being of our employees is not just a human resource priority but a cornerstone of long-term organizational success. To ensure that our team members are healthy, motivated, and equipped for success, we have implemented a wide range of welfare programs that focus on physical health, emotional well-being, professional advancement, and financial stability.

Our health and safety benefits reflect our commitment to protecting our employees and their families. We offer extensive health insurance coverage that includes hospitalization, outpatient care, and personal accident protection, giving them peace of mind and financial security. For additional support, the company has provisions in place to assist employees in urgent or extraordinary medical situations.

Prabhu Insurance is equally invested in the professional development of its workforce. During the fiscal year, we spent a total of NRs. 2,042,474.34 toward training and capacity-building programs. These covered a diverse spectrum of learning, including leadership training, technical skills enhancement, regulatory updates, and insurance-specific workshops. We also partnered with industry experts and external institutions to ensure that our staff remain at the forefront of professional excellence.

In our efforts to promote a healthy work-life balance, we provide generous leave benefits, including sick, casual, maternity, mourning and home leave. Additional leave days are also granted in special circumstances to ensure that employees can attend to personal matters without undue stress.

Recognizing effort and commitment is integral to our work culture. We have formal employee recognition programs in place to celebrate outstanding contributions and long-term service. These initiatives boost morale, reinforce a sense of achievement, and encourage a positive, engaged workplace culture.

Altogether, Prabhu Insurance's approach to employee welfare reflects a strong commitment to creating a supportive, inclusive, and high-performing work environment. By prioritizing the overall needs of our people, we foster a culture where employees feel valued, secure, and empowered to give their best.

Company's Contribution in National Economy

Prabhu Insurance plays a vital role in strengthening Nepal's national economy through its core function of risk management and financial security. By offering a wide range of non-life insurance products, the company protects valuable assets across key economic sectors such as agriculture, transportation, manufacturing, health, education, tourism, hydropower, and infrastructure. This protection enables businesses and individuals to operate with confidence, thereby stimulating entrepreneurship, investment, and productivity. The company's insurance solutions not only help mitigate financial losses caused by unforeseen events but also promote resilience and economic stability across the country. Additionally, Prabhu Insurance contributes to government revenue through the payment of taxes and regulatory fees and supports financial inclusion by expanding insurance access to underserved and rural communities. Through its growing nationwide network, the company also creates employment opportunities directly and indirectly, playing an active part in socio-economic development. As a responsible financial institution, Prabhu Insurance continues to invest in Nepal's future by fostering economic security, facilitating business continuity, and encouraging a culture of long-term financial planning among citizens.

Actions Taken by the Company to Become More Sustainable and Contribute to a Sustainable Global Economy

We recognize the growing responsibility of businesses to operate sustainably and contribute toward building a greener, more inclusive global economy. In alignment with both national priorities and international sustainability goals, the company has taken deliberate steps to integrate environmental, social, and governance (ESG) principles into its operational framework.

A major shift toward digital transformation has been central to these efforts. By promoting the use of electronic policies, digital claim processing, and online customer support services, the company has significantly reduced its reliance on paper, printing, and physical logistics lowering its environmental Carbon footprint. In terms of corporate operations, Prabhu Insurance prioritizes eco-friendly procurement, encourages waste reduction, and practices responsible resource usage.

From a broader perspective, Prabhu Insurance also supports sustainable development by insuring environmentally responsible projects and businesses. This includes providing coverage for renewable energy ventures such as hydropower, solar energy installations, and eco-tourism-based enterprises. In doing so, the company not only mitigates risks for such projects but also contributes to Nepal's green economic transition.

Internally, sustainability is promoted through staff awareness programs and stakeholder engagement, fostering a culture of responsibility, accountability, and environmental stewardship. These actions reflect Prabhu Insurance's long-term commitment to balancing profitability with purpose, as the company continues to evolve as a responsible corporate citizen contributing to a more resilient and sustainable global economy.

Disclosure in relation to Corporate Social Responsibility

At Prabhu Insurance, we are committed to operating in a manner that benefits society, the environment, and our diverse stakeholders. We believe that responsible business practices and sustainable development are essential to long-term success and the welfare of the communities we serve. In alignment with our core values and regulatory obligations, we allocate 1% of our net profit each year to a dedicated CSR fund. As per the provision of the directives of NIA, an insurance company can spend on the following projects through CSR reserve:

- Social welfare projects: Education, health, disaster management, economic upliftment of deprived sector public, Insurance Awareness, Insurance protection and insurance of marginalized public
- Direct Subsidy: Education and health of deprived and marginalized public
- Poverty reduction: Insurance protection of deprived sector public from natural disaster
- Expense of childcare center for children of the staff of the company.

During the fiscal year, the CSR fund opened with a balance of Rs.3,040,869. An additional Rs. 1,643,785 was allocated from this year profit, Of which, Rs. 1,412,288 was spent on various CSR activities like Insurance Seminar, Free Reproduction Health Camp, International Women's Day Program and many more. Our CSR programs are aligned with national development goals and focus on healthcare, education, financial literacy, and environmental protection. Activities are implemented in partnership with local authorities and development organizations, with careful monitoring to ensure measurable outcomes. CSR disclosures are made publicly available through our annual reports and other communication platforms to keep stakeholders informed of our contributions and commitments.

Corporate Governance and Compliance

Compliance Report and Non-Compliance Issues

Prabhu Insurance Limited continues to uphold high standards of corporate governance, guided by its dedicated leadership and skilled workforce. The company places strong emphasis on adhering to regulatory frameworks, facilitating timely and fair claim settlements, and aligning with all relevant laws, guidelines, and directives issued by the Nepal Insurance Authority. We are committed to strengthening transparency, accountability, and ethical conduct across all levels of operation.

S. N	Name of the Policies or Directives	Compliance Status
1	Insurance Act, 2079	Complied
2	Insurance Regulation, 2049	Complied
3	Insurer's Corporate Governance, 2080	Complied
4	AML/CFT Policy and Procedures, 2074 (Amended, 2081)	Mostly Complied
5	Claim Settlement Guideline, 2081	Mostly Complied
6	Reinsurance Directive, 2080	Complied
7	Insurance Branch Office Directives, 2079	Mostly Complied
8	Investment Directives, 2079	Complied
9	Insurer's Information Technology Guidelines, 2076	Complied
10	Micro Insurance Policies, 2079	Complied
11	Livestock, Crop and Herbal Insurance Policies, 2079	Complied
12	Actuarial Valuation Directive, 2073	Complied
13	Property Insurance Directive, 2080	Complied
14	Motor Insurance Guideline, 2073	Complied
15	Risk Management Guidelines for Insurance Companies, 2076	Complied
16	Securities Act, 2063	Complied
17	Labour Act, 2074	Complied
18	Bonus Act, 2030	Complied
19	Insurance Financial Directive, 2080	Complied
20	IRMIS Guidelines,2080	Complied
21	Guidelines Related to Appointment of Actuary	Mostly Complied
22	Risk Based Capital and Solvency Directive 2024	Complied

Despite our efforts, full compliance has not been achieved in the following areas due to various operational or transitional challenges:

- Certain elements of the AML/CFT Policy and Procedures, 2074 (Amended, 2081)
- A few sections of the Claim Settlement Guideline, 2081
- Some provisions of the Insurance Branch Office Directives, 2079

Ms. Durga Poudel
Compliance Officer

Report of Senior Management

The fiscal year 2080/81 was a year of purposeful growth and operational enhancement for Prabhu Insurance Limited. Amid an evolving regulatory landscape, growing climate-related risks, and shifting customer expectations, the company remained focused on sustainable performance, digital innovation, and service excellence. Through disciplined underwriting, strategic investments, and operational efficiency, we were able to deliver strong financial results while reinforcing our long-term competitiveness.

Financial Performance

The company reported significant growth across key financial metrics, demonstrating robust operational strength.

Gross Written Premium (GWP): NRs. 1,777,947,534.00, 7% increase from the previous fiscal year.

Net Profit: NRs. 152,223,133

Investment Income: NRs. 108,718,517

Solvency Margin: 466.3% which is much above the regulatory target level of 130%.

Gross Claims Paid: NRs. 421,375,339

This strong performance underscores the company's ability to manage risk effectively and respond to changing market conditions.

Operational Highlights

Throughout the year, operational excellence was prioritized across all key departments. The company expanded its reach by opening through its extensive network of branches and introduced several innovative insurance products tailored to customer needs. These efforts helped diversify our product mix and increase policyholder engagement. The claims department implemented system upgrades to accelerate processing time, successfully reducing the average claims settlement duration. Our digital initiatives enabled customers to renew policies, submit claims, and make inquiries online, contributing to increased service efficiency and client satisfaction. These operational improvements have positioned the company well for long-term scalability and modernization.

Governance and Risk Management

In line with best practices, the company maintained high standards of corporate governance and regulatory compliance. The Board of Directors met regularly to review strategic goals and operational risks. Governance structures were further strengthened through enhanced internal audits and risk controls. A major focus of the year was aligning internal processes with the Risk-Based Capital (RBC) framework, as required by Nepal Insurance Authority. This reflect our commitment to transparency, accountability, and responsible risk management.

Outlook for FY 2081/82

Looking ahead, Prabhu Insurance is focused on deepening its digital capabilities, enhancing product accessibility, and reinforcing its risk management practices. We plan to introduce inclusive solutions for small businesses, leveraging partnerships with banks and cooperatives for wider reach. A key strategic priority will be the adoption of predictive analytics to optimize pricing, detect fraud, and improve customer segmentation. At the same time, we will accelerate our preparations for full RBC implementation and align our financial reporting practices with international standards such as NFRS 17. Through these initiatives, we aim to drive sustainable growth while remaining responsive to stakeholder needs and market developments.

Acknowledgement

The fiscal year 2080/81 was marked by strong execution, financial discipline, and forward-looking investments. The management team expresses its sincere appreciation to all stakeholders: shareholders, policyholders, employees, agents, reinsurers, partners, and regulators for their continued trust and support. With clear strategy, skilled workforce, and our strong commitment to service excellence, Prabhu Insurance Limited is well-positioned to lead responsibly and deliver long-term value in the years ahead.

Sanchit Bajracharya
Chief Executive Officer

Major Policies and Practices

S.N	Policies	Purpose
1	HR Policy, 2081	To establish clear guidelines on recruitment, compensation, performance evaluation, training, employee rights, and discipline, ensuring consistency and legal compliance in managing human resources.
2	Claim Manual, 2078	To provide a standardized procedure for receiving, processing, evaluating, and settling claims to ensure timely, fair, and transparent claim management and customer satisfaction.
3	Reinsurance Manual, 2079	To define the processes and protocols for managing reinsurance arrangements, including selection of reinsurers, treaty terms, facultative placement, accounting, and recoveries, thereby ensuring effective risk transfer and protection of the company's financial stability.
4	Risk Management Policy	To identify, assess, monitor, and mitigate internal and external risks that may affect the company's objectives, ensuring business continuity and regulatory compliance.
6	Underwriting Policy, 2079	To guide the risk assessment and pricing decisions for issuing insurance policies, ensuring consistent and profitable underwriting practices aligned with the company's risk appetite.
7	Finance and Administration Policy, 2081	To ensure proper governance of administrative and financial operations, including budgeting, financial reporting, procurement, and internal controls, thereby maintaining financial discipline and accountability.
8	AML policy, 2080	To prevent, detect, and report money laundering and financing of terrorism activities, in compliance with national and international regulatory frameworks.
9	Succession Planning, 2078	To ensure leadership continuity and minimize disruption by identifying and developing internal personnel with the potential to fill key leadership positions in the future.
10	IT Policy, 2077	To govern the secure and efficient use of IT resources, data protection, cybersecurity, and digital infrastructure in alignment with the company's operational and strategic goals.
11	TOR of Board of Director and board committees, 2078	To clearly define the roles, responsibilities, authority, and structure of the Board and its committees, ensuring good corporate governance and accountability
12	Audit Manual	To establish the framework and procedures for internal and external audits, including planning, execution, reporting, and follow-up of audit findings, promoting transparency and control.
13	Marketing Manual, 2079	To provide guidance on branding, product promotion, communication strategies, and customer engagement, ensuring consistent messaging and market growth aligned with company objectives.
14	Agriculture and Livestock directive, 2078	To provide structured, fair, and accessible insurance coverage to safeguard farmers and livestock owners against agricultural and livestock-related risks.
15	CSR Manual, 2082	To guide the company's initiatives in contributing to social, environmental, and economic development by promoting responsible business practices, supporting community welfare, and aligning with national priorities for inclusive and sustainable growth

Risk Management and Internal Control

Risk Management Framework

Effective risk management is a fundamental component of our corporate governance and operational strategy. We recognize that the insurance business inherently involves the acceptance and management of risk, and we are committed to identifying, assessing, and mitigating risks to safeguard our stakeholders' interests and ensure long-term sustainability.

Risk governance is overseen by the Board of Directors, with key responsibilities delegated to the Risk Management Committee. The committee regularly reviews risk exposures, assesses the effectiveness of risk controls, and ensures alignment with the company's risk appetite. Senior management is responsible for implementing risk management policies and integrating them into day-to-day operations.

Risk Identification and Assessment:

Risks are identified through continuous monitoring of internal and external environments, including changes in regulatory frameworks, economic conditions, and operational processes. A structured risk assessment process is applied to evaluate the potential impact and likelihood of each risk.

Risk Mitigation and Control:

We maintain a system of internal controls and risk limits to reduce exposure to unacceptable levels. For underwriting risk, we follow prudent pricing and risk selection practices. Credit risks are minimized through careful selection of reinsurance partners and financial counterparties. Market and liquidity risks are managed through sound investment strategies and regular stress testing.

Monitoring and Reporting:

A robust reporting system is in place to ensure timely communication of key risk indicators to the Board and senior management. Internal audit and compliance teams conduct regular reviews to evaluate the adequacy of risk controls and ensure adherence to policies.

Business Continuity and Resilience:

We have developed and tested business continuity plans to ensure operational resilience in the face of unforeseen disruptions, including natural disasters, cyber threats, and pandemics.

Climate Risk Related Disclosure

Prabhu Insurance recognizes the growing impact of climate change on the insurance industry and is committed to proactively managing associated risks and opportunities. In 2025, the company adopted its Climate Change Policy 2025, which provides a strategic framework for identifying, assessing, and mitigating climate-related risks across our operations, underwriting practices, and investment strategies. Chief Executive Officer of the company is responsible for the monitoring and evaluating the implementation of the policy. The primary activities included identifying potential climate-related risks to the company's underwriting and investment portfolio, coordinating with the Risk Management Committee to incorporate climate risk into the enterprise risk framework, and initiating groundwork for the formation of a dedicated Climate Change Committee. The responsible person also led internal awareness sessions to build capacity on climate-related financial disclosures and engaged with external stakeholders to stay aligned with emerging regulatory and environmental expectations.

At present, climate change risks are overseen by the Risk Management Committee, ensuring that environmental factors are integrated into our overall risk assessment and governance processes. To further strengthen our approach, the company is in the process of establishing a dedicated Climate Change Committee. This committee will focus on developing specialized risk models, enhancing climate resilience in our portfolio, and aligning our practices with national and global sustainability goals. Prabhu Insurance remains committed to transparency and accountability in its climate-related disclosures and actions.

Reinsurance Policy and Adequacy of Reinsurance Coverage

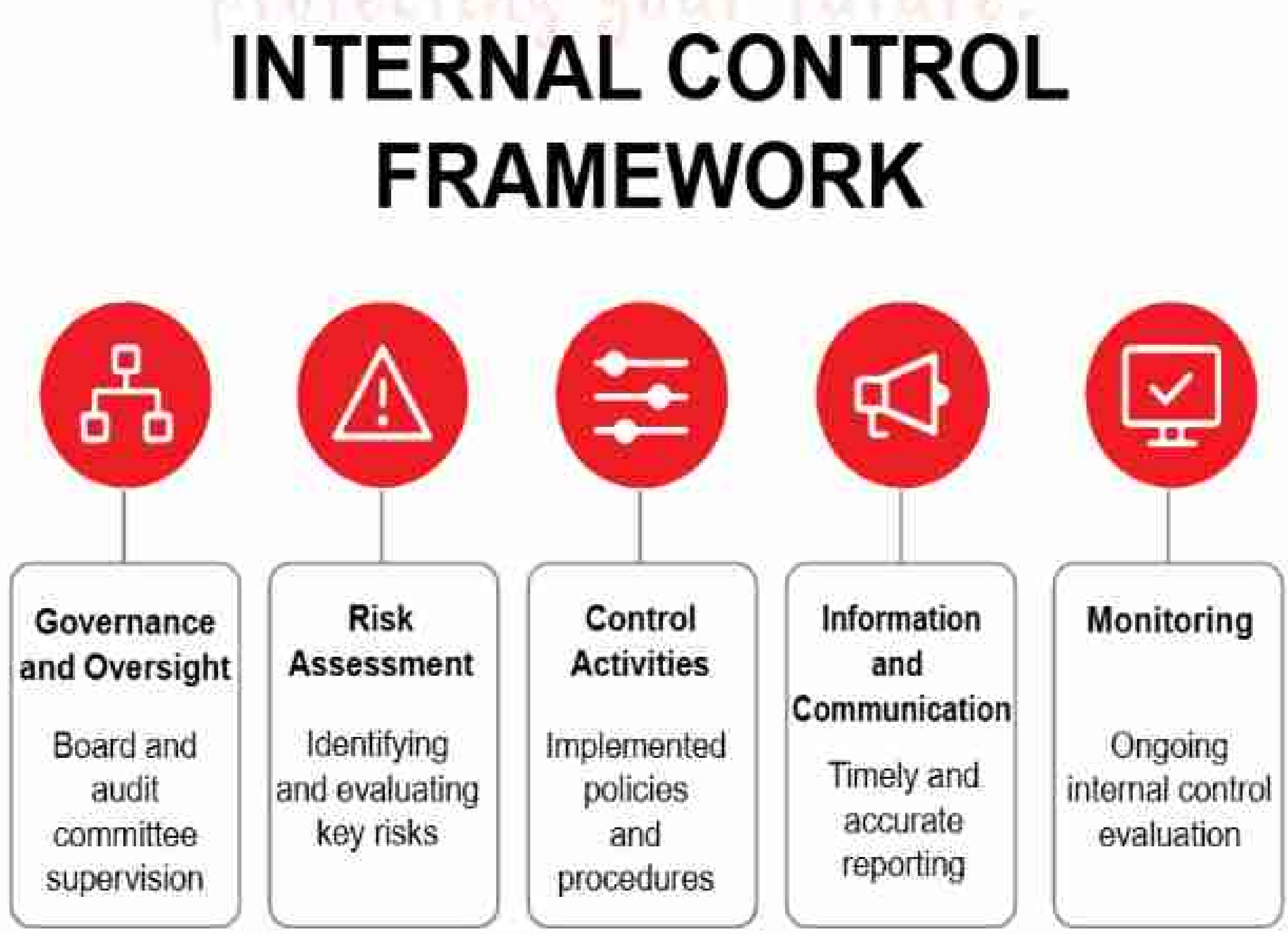
Reinsurance plays a critical role in the risk management strategy of Prabhu Insurance, helping to enhance our underwriting capacity, protect our balance sheet, and ensure long-term financial stability. Our reinsurance policy is designed to provide robust protection against catastrophic losses, limit exposure to large individual risks, and support the company's solvency position in accordance with regulatory requirements and international best practices.

We follow a prudent and structured approach to reinsurance, placing appropriate treaties and facultative arrangements based on the nature, size, and complexity of the risks underwritten. Our reinsurance program includes both proportional and non-proportional treaties. This diversified structure ensures that our risk exposure remains within acceptable limits and aligned with the company's risk appetite.

The adequacy of our reinsurance arrangements is assessed on a regular basis through actuarial reviews, exposure analysis, and stress testing. These evaluations confirm that the current reinsurance program is well-aligned with our underwriting portfolio and provides sufficient protection against adverse claim developments, including catastrophe risks. For the catstrophic protection, company has a catastrophic whole account excess of loss reinsurance arrangement with maximum retention of Rs. 4 Crore for each and every loss or series of losses arising out of any one event/occurrence.

Overall, our reinsurance policy is adequate and effective in supporting our business operations, maintaining solvency, and providing security to our stakeholders. We remain committed to continuously reviewing and enhancing our reinsurance strategy in line with market dynamics, emerging risks, and regulatory expectations.

Internal Control Framework and its Effectiveness



At Prabhu Insurance, a strong and effective internal control framework forms the backbone of our governance structure and is essential for achieving operational efficiency, financial accuracy, regulatory compliance, and risk mitigation. Our internal control system is designed to ensure the integrity of financial reporting, safeguard assets, promote operational effectiveness, and ensure adherence to applicable laws, regulations, and internal policies.

The internal control framework is based on the principles of accountability, transparency, and continuous improvement. It operates across all levels of the organization and is embedded in our daily processes, ensuring that key risks are identified, assessed, and appropriately controlled. The Board of Directors, through the Audit Committee, provides oversight and ensures that the internal control mechanisms are functioning effectively and are regularly reviewed.

Key components of our internal control framework include well-defined roles and responsibilities, standardized operating procedures, segregation of duties, authorization and approval hierarchies, and secure information systems. These controls help minimize the risk of error, fraud, and mismanagement across business functions.

The Internal Audit team plays a central role in independently evaluating the adequacy and effectiveness of internal controls. Regular audits are conducted in accordance with a risk-based audit plan approved by the Audit Committee. Findings and recommendations from these audits are reported to senior management and the Board, and corrective actions are monitored for timely implementation.

We also promote a culture of compliance and ethical conduct throughout the organization. Staff at all levels are regularly trained on company policies, regulatory requirements, and internal control procedures. This helps foster awareness and accountability, ensuring that internal controls are not only implemented but consistently followed.

Prabhu Insurance remains committed to strengthening its internal control environment through continuous monitoring, technological enhancements, and alignment with international best practices. This ensures that we operate with integrity, efficiency, and resilience, while maintaining the trust of our policyholders, regulators, investors, and other stakeholders.

IT Systems, Controls, and Cybersecurity

In today's increasingly digital environment, robust Information Technology (IT) systems and strong internal controls are essential to achieving operational resilience, data security, and regulatory compliance. Prabhu Insurance Ltd remains committed to investing in secure, efficient, and scalable IT infrastructure to support business continuity, improve service delivery, and strengthen our risk management framework.

IT Infrastructure and Operations

We continue to modernize our IT infrastructure to meet the evolving needs of our business and stakeholders. Our infrastructure strategy focuses on reliability, scalability, and efficiency:

- Virtualized Servers & Hybrid Cloud: A combination of on-premise and cloud-based servers supports critical applications and enhances system flexibility.
- Enterprise Storage Systems: Centralized and redundant storage ensures rapid data access and recovery in case of failure.
- Network Architecture: High-speed, secure communication links connect all branch offices, supported by network segmentation for added security and performance.
- Productivity Tools: Employees are equipped with licensed and secure productivity tools, to promote secure collaboration.

Governance and Policy Framework

A robust IT governance model ensures our technology environment aligns with business goals and regulatory requirements:

- IT Policies: Comprehensive policies covering Acceptable Use, Data Classification, Password Management, and Mobile Device Security are enforced organization-wide.
- Regulatory Compliance: IT practices are aligned with IT guidelines issued by Nepal Insurance Authority 2076 and international frameworks such as ISO 27001.
- IT Steering Committee: This cross-functional committee oversees major technology investments, risk mitigation, and digital strategy implementation.

Cybersecurity and Risk Mitigation

Protecting our digital assets and ensuring system integrity are key components of our cybersecurity strategy:

- Network Security: Next-generation firewalls, intrusion prevention systems (IPS), and deep-packet inspection tools provide advanced perimeter security.
- Endpoint Protection: All employee devices are secured with enterprise-grade antivirus, patch management, and threat detection systems.
- Access Controls: Role-based access and Multi-Factor Authentication (MFA) are enforced across critical systems to prevent unauthorized access.
- Encryption: Sensitive data is encrypted both at rest and in transit using industry-standard algorithms.
- Staff Training: Regular cybersecurity awareness training is provided to all employees to recognize threats such as phishing, ransomware, and insider risks.

Disaster Recovery and Business Continuity

To ensure service continuity in the event of a disruption, Prabhu Insurance Ltd has implemented comprehensive business continuity and disaster recovery (BC/DR) protocols:

- Disaster Recovery Site: A geographically distant DR site mirrors our primary systems to ensure resilience against natural and man-made disasters.
- Data Backup: Automated and encrypted backups are maintained at multiple secure offsite locations.
- Recovery Testing: Periodic drills are conducted to validate recovery plans and restore operations within defined RTO/RPO benchmarks.

Digital Platforms and Customer Engagement

Digital transformation is central to our mission of improving customer experience and operational agility:

- Online Customer Portal: Customers can securely purchase policies, submit and track claims, and access services anytime through a user-friendly portal.
- Third-Party Integrations: We collaborate with payment gateways and external platforms for seamless customer transactions and real-time data exchange.
- API Ecosystem: Secure APIs allow efficient data sharing with regulators and digital partners, enhancing operational transparency and speed.

Monitoring, Audits and Compliance

Continuous improvement and proactive oversight are pillars of our technology risk management:

- IS Audits and VAPT: We conduct periodic Information Security audits and Vulnerability Assessments & Penetration Testing (VAPT) to identify and remediate risks.
- Patch and Change Management: Critical systems receive regular updates, and all changes undergo approval and documentation through our IT Change Management process.
- IT Risk Register: A centralized register is maintained to document, assess, and mitigate technology-related risks.

Prabhu Insurance Ltd is committed to continued IT excellence through:

- Expansion of Automation and AI: Investing in artificial intelligence and process automation to enhance efficiency and decision-making.
- Cloud Optimization: Increasing adoption of scalable and cost-effective cloud infrastructure.
- Enhanced Data Analytics: Leveraging big data for deeper customer insights and improved product offerings.
- Compliance with International Standards: Continued progress toward ISO/IEC 27001 and other global best practices.

Our sustained investments in IT systems, controls, and cybersecurity reflect Prabhu Insurance Ltd 's strategic commitment to innovation, risk resilience, and stakeholder trust. These efforts ensure that our operations remain secure, agile, and prepared for the challenges of a dynamic digital landscape.


CERTIFICATE

OF COMPLETION

This Certificate is Proudly Presented To:

Prabhu Insurance Limited

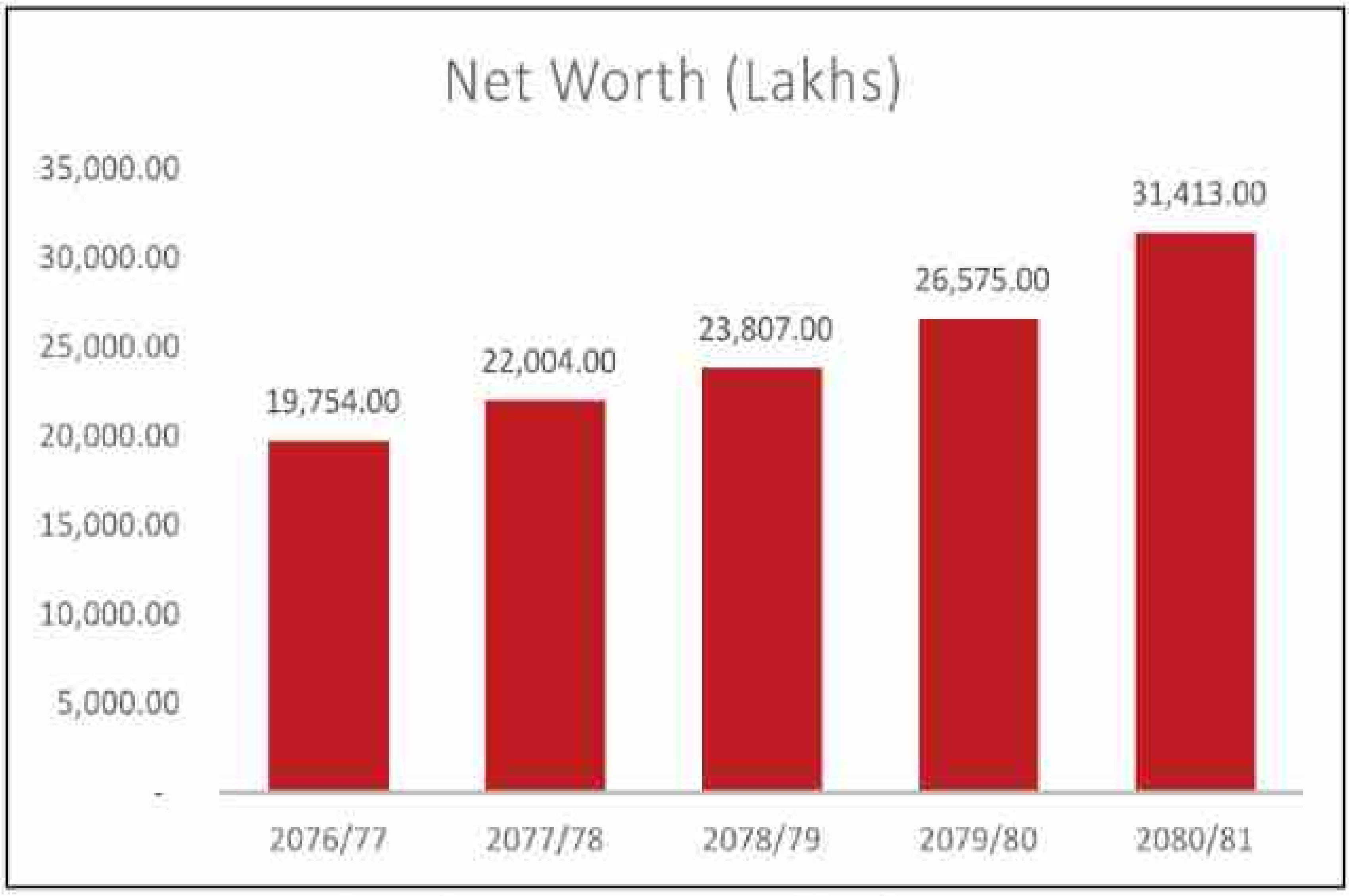
For Successfully Completion of IS audit and VAPT assessment. These audits have been successfully completed according to NIA, ISO 27001 & COBIT Guidelines and compliances with the aim of strengthening cybersecurity. We look forward to future collaborations.

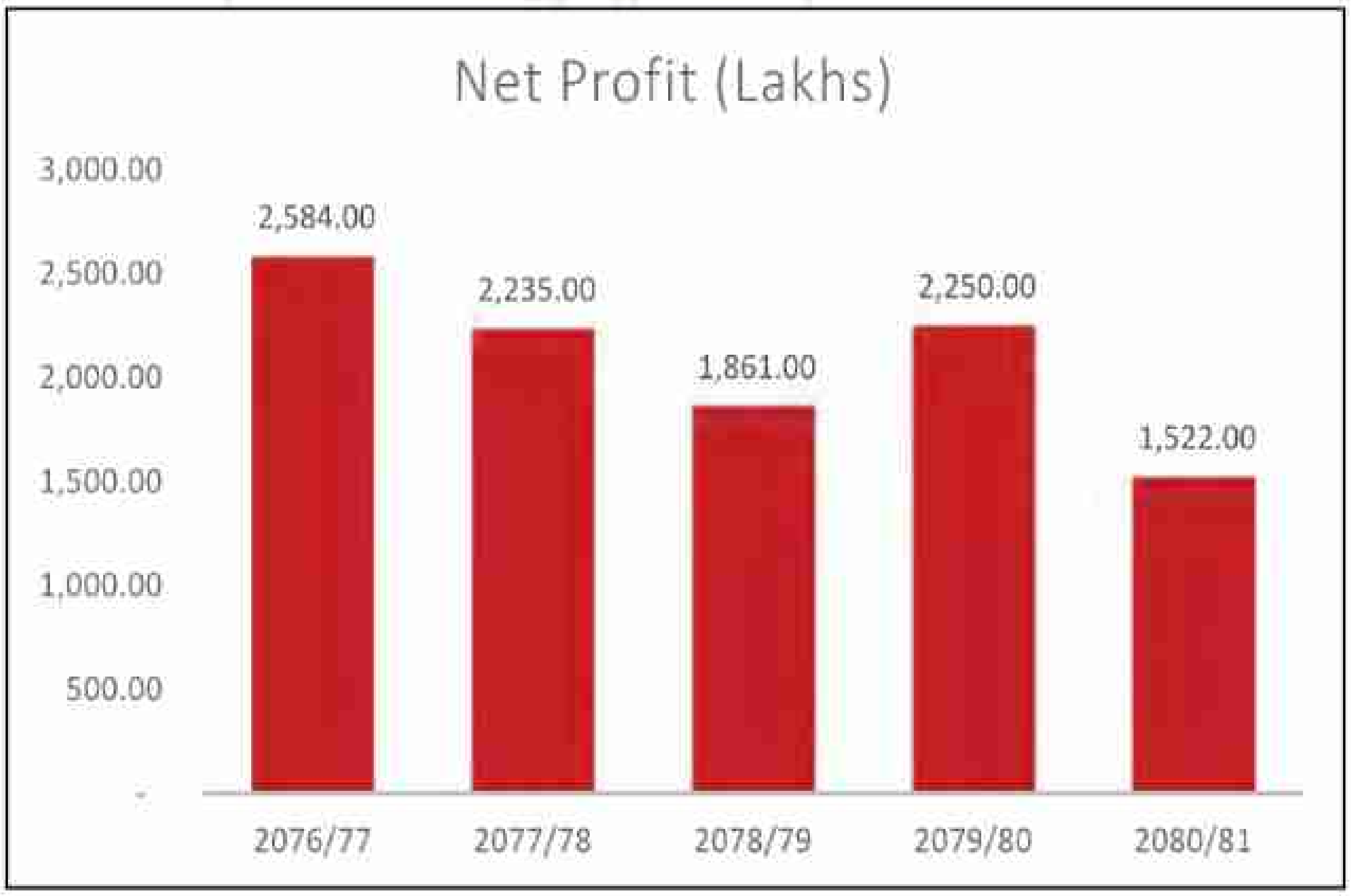
MR. RIDESH RAI
LEAD AUDITOR

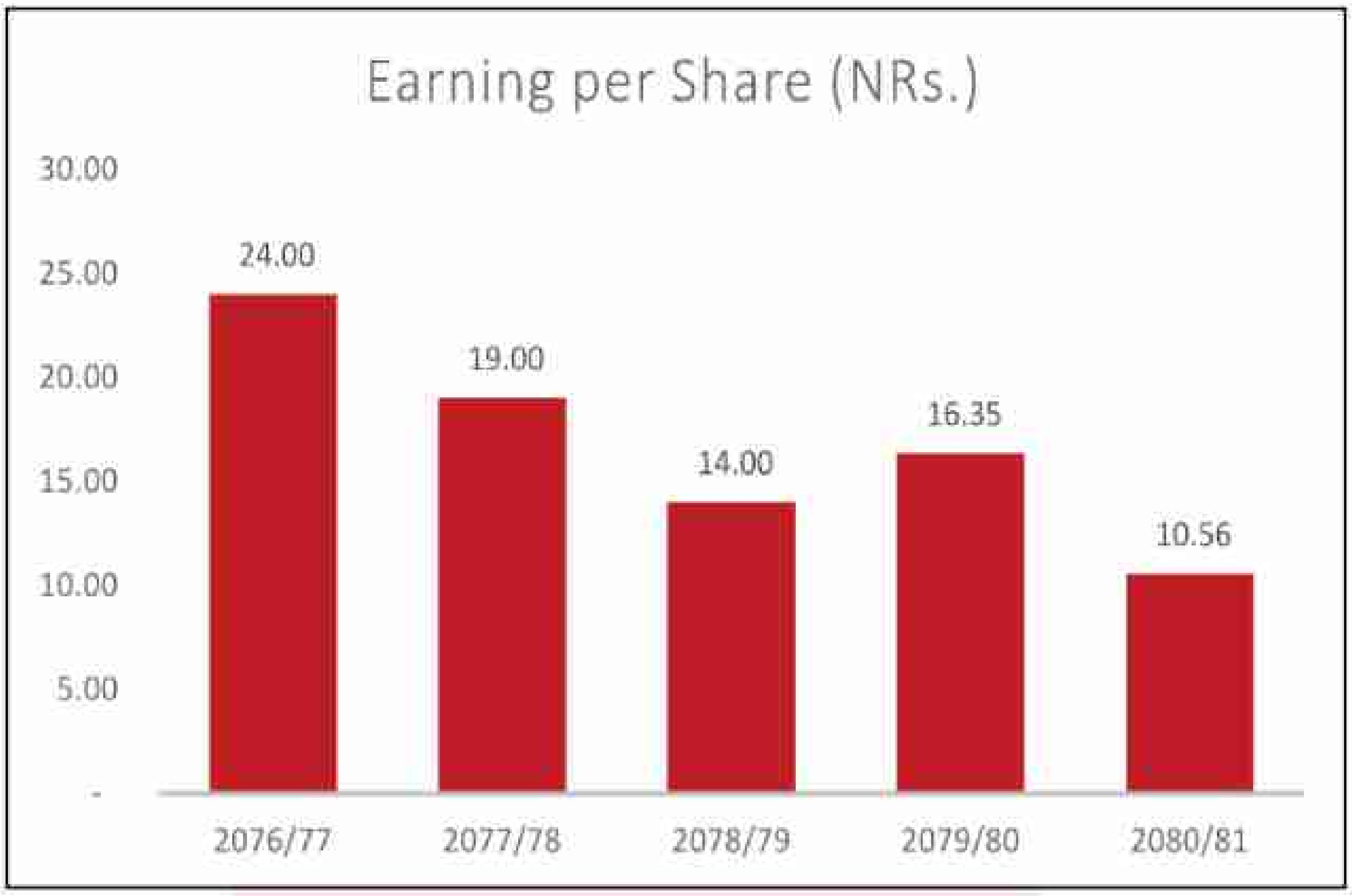
CUBE Technologies

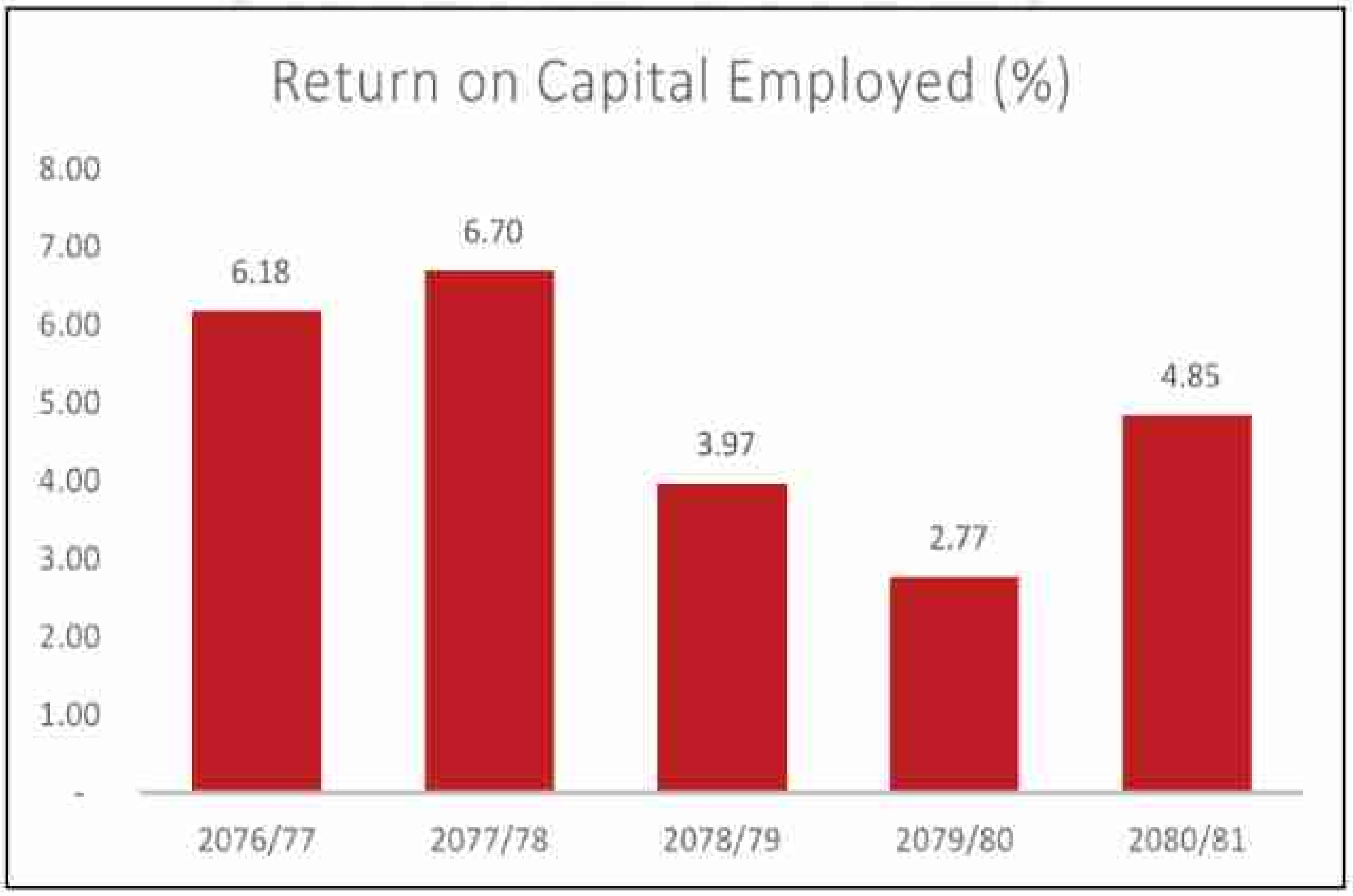
DATE OF COMPLETION
2081/09/22

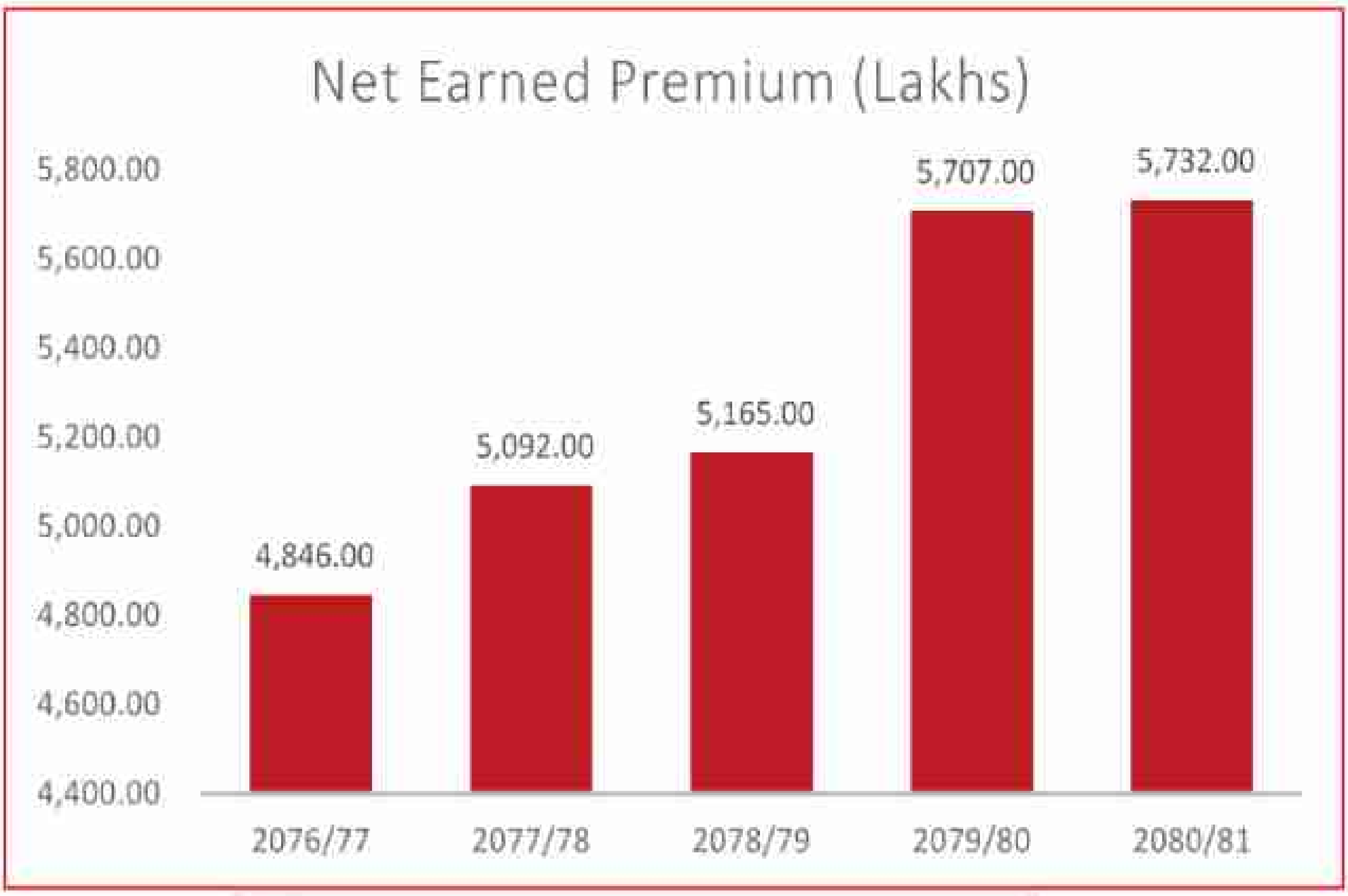
Performance Evaluation & Key Perfomance Indicators

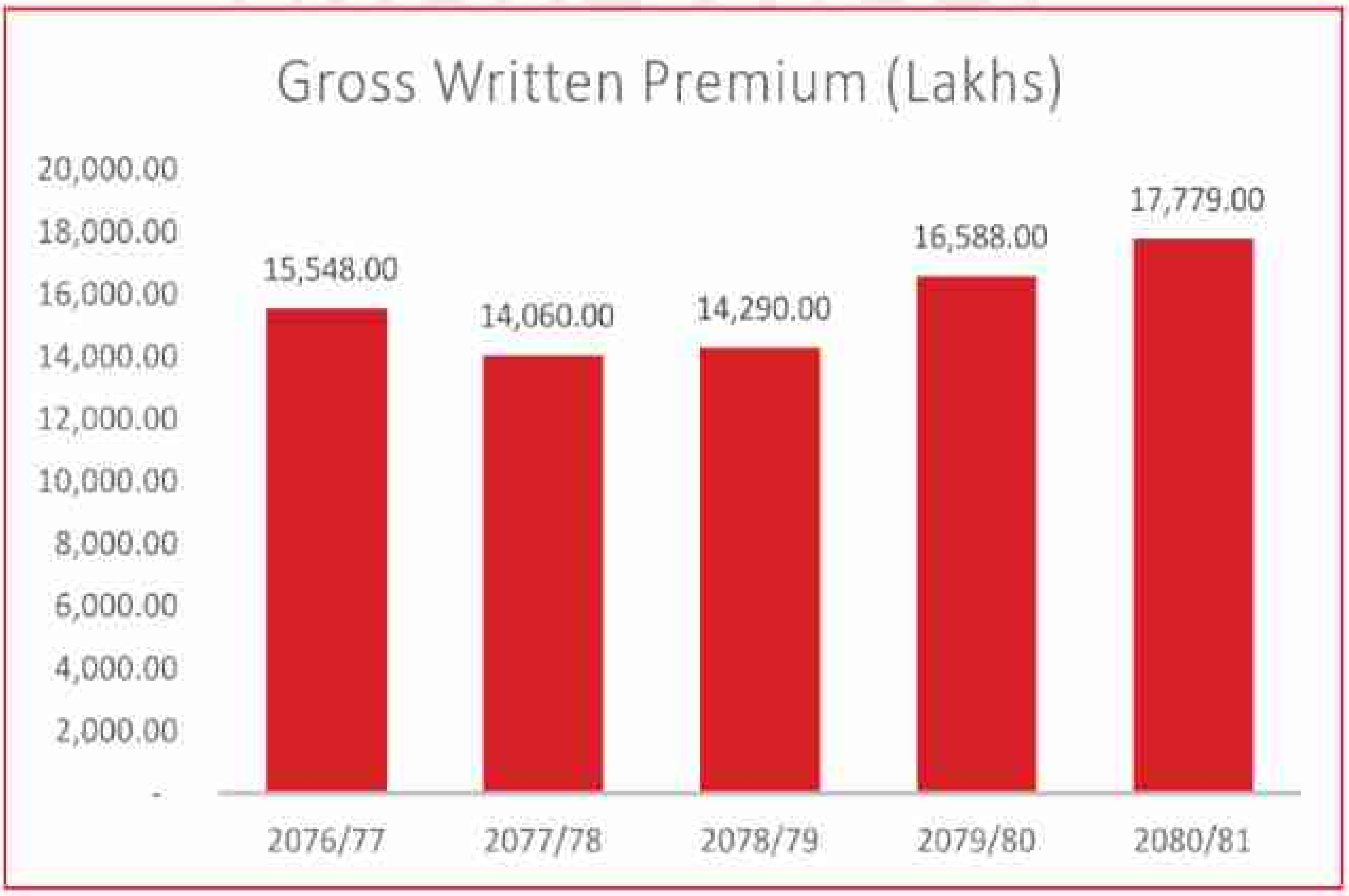





Earning per Share (NRs.)
30.00
25.00
20.00
15.00
10.00
5.00
-
24.00
19.00
14.00
16.35
10.56
2076/77
2077/78
2078/79
2079/80
2080/81


Return on Capital Employed (%)
8.00
7.00
6.00
5.00
4.00
3.00
2.00
1.00
-
6.18
6.70
3.97
2.77
4.85
2076/77
2077/78
2078/79
2079/80
2080/81


Net Earned Premium (Lakhs)
5,800.00
5,600.00
5,400.00
5,200.00
5,000.00
4,800.00
4,600.00
4,400.00
4,846.00
5,092.00
5,165.00
5,707.00
5,732.00
2076/77
2077/78
2078/79
2079/80
2080/81


Gross Written Premium (Lakhs)
20,000.00
18,000.00
16,000.00
14,000.00
12,000.00
10,000.00
8,000.00
6,000.00
4,000.00
2,000.00
-
15,548.00
14,060.00
14,290.00
16,588.00
17,779.00
2076/77
2077/78
2078/79
2079/80
2080/81

Finance Head's Responsibility Statement

As the Finance Head, I acknowledge and accept responsibility for the preparation and fair presentation of the financial statements of the Company. These financial statements have been prepared in accordance with:

- Nepal Financial Reporting Standard (NFRS) issued by Accounting Standard Board of Nepal
- The Companies Act, 2063
- Risk Based Capital and Solvency Directive, 2024
- The Insurance Act, 2079 and other directives, guidelines and Circulars issued by the Nepal Insurance Authority (NIA)

The financial statements have been prepared using the prescribed formats and templates issued by the Nepal Insurance Authority and comply with the relevant accounting and regulatory standards. Appropriate accounting policies have been applied consistently unless otherwise stated in the accompanying notes.

The Board of Directors and the Management of the Company accept responsibility for the integrity and objectivity of the financial statements. Judgments and estimates used are based on prudent and reasonable assumptions. Adequate internal controls have been implemented to safeguard assets and ensure the reliability of financial reporting. The financial statements fairly reflect the financial position and performance of the Company, free from material misstatements.

Where differences or material fluctuations exist compared to the previous year, necessary disclosures and justifications have been provided. We confirm that the Company has complied with applicable tax laws, and that any liabilities, including reinsurance obligations and off-balance-sheet exposures, have been disclosed accurately.

In line with the directives of the Nepal Insurance Authority, we have also ensured the accurate preparation and certification of the Risk-Based Capital Valuation Note and RBC Summary Certification. The Company has met the minimum solvency margin as required by the Risk Based Capital & Solvency Directive, 2024.

To the best of my knowledge, the financial statements are complete, accurate, and comply with all applicable financial and regulatory standards.

Arbind Kumar Karn
Finance Head

TransValue Consultants

Actuaries & Financial Consultants

503, Ellora Fiesta, Sector 11, Sanpada (W),
Opp.Juinagar Station, Navi Mumbai,
Maharashtra India – 400705
Tel : (+91) 9987050647, 9967970647

Date: 27th May 2025

To,
Prabhu Insurance Limited,
P.O.Box 10811,
Tinkune, Kathmandu, Nepal

Subject: Regarding Adequacy of the Estimated Actuarial Liabilities as on July 2024

Dear Sirs,

We have carried out actuarial valuation of insurance (Incurred But Not (Enough) Reported, Premium Deficiency and Earthquake Reserves along with the Margin Over Best Estimates) and employee benefits (Gratuity, Earned Leave and Sick Leave Schemes) liabilities for Prabhu Insurance Limited as on July 2024. The data required for the valuations was provided by the management of the Company. The assumptions and other information considered for the valuation were discussed with the Company.

In carrying out the valuation we have complied with relevant accounting and actuarial standards. We have also complied with the relevant regulatory guidelines and directives.

This is to state that based on the data, assumptions and other information provided by the Company, the actuarial liabilities estimated as on 15 July 2024 are adequate. The methodologies and assumptions considered for the valuations are detailed in the respective reports.

Best Regards
Saket Singhal
(Fellow of Institute of Actuaries of India)

N. B. S. M. & Associates
Chartered Accountants
6th Floor, Block C & D, Four Square Complex
Narayan Chaur, Naxal, Kathmandu, Nepal

T +977.1.4533069
T +977.1.4515242
info@nbsm.com.np
www.nbsm.com.np

INDEPENDENT AUDITOR'S REPORT

The Shareholders of Prabhu Insurance Limited.

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of Prabhu Insurance Limited, Kathmandu, Nepal (herein after referred as " the Company") which comprises Statement of Financial Position as at Ashad 31, 2081 [July 15, 2024], Statement of Profit or Loss, Statement of Other Comprehensive Income, Statement of Changes in Equity & Statement of Cash Flows for the year then ended and Notes to the Financial Statements including a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying financial statements give a true and fair view, in all material respects, of the Financial Position of the Company as at Ashad 31, 2081 (July 15, 2024) and its financial performance and its Cash Flows for the year then ended and summary of significant accounting policies and other explanatory notes in accordance with Nepal Financial Reporting Standards (NFRS).

Basis of 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 Institute of Chartered Accountant of Nepal's code of ethics for professional accountants together with the ethical requirements that are relevant to our audit of the financial statements in Nepal, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAN Code. We believe that the audit evidence which we have obtained are sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the Financial Statements of the current period. These matters were addressed in the context of the 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.

S.N	Key Audit Matters	Our Audit Approach and Response
1.	**Revenue Recognition (Net Earned Premium):** Company recognizes gross earned premium after additions of total direct premium received from the insured, premium on reinsurance accepted and gross change in unearned premium. Direct premiums comprise the total premiums receivable for the whole period of cover provided by contracts entered during the reporting period. They are recognized on the date on which the policy commences. Net earned premium is the major area of revenue for the Insurance company. Net earned premium is derived after deducting the premium ceded to reinsurers from the gross earned premium. Unearned premiums Reserves are those porportions of premiums written in a year that	Our audit approach regarding verification of process of premium included: • Obtaining clear understanding of the process of issuing the policies as per directives issued by Nepal Insurance Authority standing the process of booking such income. • Understood and tested the design, implementation and operating effectiveness of key controls over premium collection and its recognition. • We have verified the underwriting documents and premium calculation thereon as per regulatory requirements and internal policies of the company in a sample basis along with receipt of premium.

	relate to the period of risks after the reporting period. Unearned premiums are calculated on a pro rate basis. The proportion attributable to subsequent periods is deferred as a provision for unearned premiums. Direct reinsurance premiums represent the total premiums payable for the full coverage provided under reinsurance contracts that commence during the reporting period. These premiums are recognized on the inception date of the respective contracts. Additionally, the amount includes any adjustments made during the accounting period relating to reinsurance contracts that began in prior periods.	
2.	**Insurance Claim:** Insurance claim is a major area of expense for the Company. Total claims incurred include paid claims, outstanding claims (OC), claims incurred but not reported (IBNR), and claims incurred but not enough reported (IBNER). Significant delays are experienced in the notification and settlement of certain types of claims, the ultimate cost of which cannot be determined with certainty as 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, which may include a margin for adverse deviation. The payment and processing of claims required significant auditor attention and have been identified as a Key Audit Matter in our report.	Our audit approach regarding verification of process of claim included: • We verified operational guidelines of the company relating to claim processing, have performed test of controls, test of details and analytical review procedures on the outstanding claims. • Verified the claim paid and provision on sample basis with payment proof and preliminary loss advice received from the ceding company and the same is further verified from the surveyor's report. • For IBNR & IBNER, these cases has been captured by the actuary appointed by the company. The actuarial valuation of liability in respect of IBNR & IBNER as at July 15, 2024 is as certified by the company's appointed actuary and we have verified the amounts and the related liability based on such report.
3.	**Investment Valuation, Identifiation and Impairment** The value of Investment is **21.29%** out of total assets of the company. Major investment of the company includes investment in fixed deposited and quoted equity instruments. The investment in bonds and debentures should be recognized on reporting date on Amortized cost basis whereas other investments in equity instruments, other than those held for trading, should be valued at Fair Value through Other Comprehensive Income.	Our audit approach regarding verification of investments valuation, identification and impairment included: • We evaluated management's process for classifying investments into "Investments Measured at Amortized Cost," "Investments Measured at Fair Value Through Other Comprehensive Income (FVTOCI)," and "Investments Measured at Fair Value Through Profit or Loss (FVTPL)" in compliance with NFRS • We confirmed the valuation of investments measured at amortized cost by comparing them with their amortization schedules and verified their existence using fixed deposit (FD) receipts, and for debentures, through Mero Share statements. • For quoted equity instruments, we validated their valuation as of the reporting date using listed market values on the Nepal Stock Exchange (NEPSE). For unquoted shares, we evaluated

		• management's valuation model and assumptions and corroborated these with regulatory requirements and the Company's internal policies. • We also verified that realized gains on the disposal of equity instruments measured at FVTOCI were appropriately transferred to retained earnings and regulatory reserves in accordance with financial directives. • We evaluated the adequacy of impairment allowances for investments, ensuring compliance with the requirements of NFRS.
4	**Information Technology General Controls** Recording transactions, generating various reports in compliance with Insurance Authority guidelines and other compliances to regulators is highly dependent on the effective working of software and IT controls associated with it. We have considered this as key audit matter as any control lapses, validation failures, incorrect input data and wrong extraction of data may result in wrong reporting of data the management, shareholders and regulators.	**Following Audit Procedure have been followed by us:** • Our audit approach regarding Information technology of company is based upon the Information Technology Guidelines 2076 issued by Insurance Authority and it is included. • Understanding the system and process adopted by the company for various categories of products. • Understanding the feeding of the data in the system and going through the extraction of the financial information and statements from the IT system existing in company. • Checking of the user requirements for any changes in the regulations/policy of the company • We reviewed the reports generated by the system on sample basis and verified the premium income/expense and claim payment in regard to policies issued and claim intimated on test basis.

Information Other than the Financial Statements and Auditor's Report Thereon
Management is responsible for the other Information. The other Information comprises the information included in 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 will 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We confirm that we have nothing material to report, add or draw attention to in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements
Management is responsible for the preparation and fair presentation of the financial statements in accordance with Nepal Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, 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 misstatements, 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 it 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 judgment 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, including the disclosures, represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision, and performance of the Company audit. We remain solely responsible for our audit opinion.

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such comment.

Report on Other Legal and Regulatory Requirements

We have determined to communicate following matters in accordance with the requirements of Nepal Insurance Authority Directives, Companies Act 2063, Nepal insurance Act 2079 and other regulatory requirements: -

- We have obtained all necessary information and explanations, to the best of our knowledge and belief, for the purpose of our audit.
- Based on our audit, proper books of accounts as required by Law have been kept by the Company.
- The Statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income, Cash Flow Statement, and Statement of Changes in Equity covered by this report align with the company's books of accounts.
- The returns received from the branch offices of the company, though the statements are not independently audited, were deemed sufficient and appropriate for the purposes of our audit. These returns provided adequate information to support our audit procedures and conclusions regarding the company's financial statements.
- To the best of our knowledge Company has maintained the Special Reserve, and other required reserves in line with directives issued by Insurance Borard.
- Based on our examination of the company's books of accounts, and to the best of our knowledge and according to the explanations provided, we have not identified any instances where the Board of Directors or any office bearer of the company has acted contrary to the provisions of applicable laws, including the Insurance Act, 2079, or violated directives issued by the Nepal Insurance Authority. Furthermore, we have not come across any cases of misappropriation, actions causing loss or damage to the company, or conduct that would endanger the interests and security of the company and its shareholders.
- The business of the Company has been conducted satisfactorily and operated within its jurisdiction and has been functioning as per Nepal Insurance Authority Directives.
- We have not identified any instances indicating engagement of the company in activities other than insurance business as approved licensed by the Nepal Insurance Authority.
- We have not come across any action and situation that impair internal conrrol relevant to the Company's operation and fair presentation of the financial statements.
- The Internal Control System implemented by the Company was found to be effective.
- To the best of our knowledge, the Company is capable of bearing its long-term liabilites from its assets.

For N. B. S. M. & Associates,
Chartered Accountants

....

CA. Rajesh Kumar Sah, FCA
Senior Partner

Place: Kathmandu, Nepal
Date: 2082/03/08
UDIN: 250623CA00546gPY5X

प्रभु इन्स्योरेन्स लिमिटेड
prabhu insurance

prabhu INSURANCE
protecting your future.

Prabhu Insurance Limited

Statement of Financial Position

As at 15th July, 2024 (Ashadh End 2081)

Fig in NPR

Particulars	Notes	Current Year	Previous Year
Assets			
Goodwill & Intangible Assets	4	198,859	279,759
Property and Equipment	5	111,269,343	115,719,196
Investment Properties	6	22,059,715	22,549,990
Deferred Tax Assets	7	-	32,201,061
Investment in Subsidiaries	8	-	-
Investment in Associates	9	-	-
Investments	10	1,266,382,041	1,266,498,489
Loans	11	-	-
Reinsurance Assets	12	1,512,415,729	1,131,656,741
Current Tax Assets	21	16,612,641	-
Insurance Receivables	13	944,063,621	905,528,856
Other Assets	14	504,355,250	576,069,204
Other Financial Assets	15	172,461,567	142,731,692
Cash and Cash Equivalent	16	1,398,625,811	703,420,326
Total Assets		**5,948,444,575**	**4,896,655,314**
Equity & Liabilities			
Equity			
Share Capital	17 (a)	1,441,488,067	1,376,122,260
Share Application Money Pending Allotment	17 (b)	-	-
Share Premium	17 (c)	-	-
Special Reserves	17 (d)	1,132,593,119	1,050,403,865
Catastrophe Reserves	17 (e)	92,096,196	83,877,271
Retained Earnings	17 (f)	351,281,081	69,796,826
Other Equity	17 (g)	123,881,165	77,260,968
Total Equity		**3,141,339,628**	**2,657,461,190**
Liabilities			
Provisions	18	118,763,059	152,076,309
Gross Insurance Contract Liabilities	19	2,024,076,117	1,599,683,676
Deferred Tax Liabilities	7	4,813,856	-
Insurance Payable	20	409,840,726	205,475,987
Current Tax Liabilities	21	-	62,678,919
Borrowings	22	-	-
Other Liabilities	23	233,645,467	200,458,091
Other Financial Liabilities	24	15,965,721	18,821,142
Total Liabilities		**2,807,104,947**	**2,239,194,124**
Total Equity and Liabilities		**5,948,444,575**	**4,896,655,314**

The accompanying notes form an Integral Part of Financial Statements.

Arbind Kumar Karn
Finance Head

Sanchit Bajracharya
Chief Executive Officer

Rajendra Malla
Chairman

Mijas Bhattachan
Director

Rahul Thokar Lama
Director

Shanta Gautam
Director

Rameshwor Sapkota
Director

Sangay Lama
Director

Sushma Sharma (Wasti)
Independent Director

Rajesh Kumar Sah, FCA
Senior Partner
N. B. S. M. & Associates.
Chartered Accountants

Date : 2082.03.08
Place : Kathmandu

प्रभु इन्स्योरेन्स लिमिटेड
prabhu insurance

Prabhu Insurance Limited

Statement of Profit or Loss
For Period 17th July, 2023-15th July 2024
(For the Year Ended Ahadh 2081)

Fig. in NPR

	Notes	Current Year	Previous Year
Income:			
Gross Earned Premiums	25	1,706,611,906	1,568,178,822
Premiums Ceded	26	(1,133,369,654)	(997,472,310)
Net Earned Premiums		**573,242,252**	**570,706,512**
Commission Income	27	180,043,900	214,492,861
Other Direct Income	28	10,774,215	5,657,736
Income from Investments & Loans	29	108,718,571	104,616,081
Net Gain/ (Loss) on Fair Value Changes	30	538,471	(413,748)
Net Realised Gains/ (Losses)	31	699,194	-
Other Income	32	5,727,479	3,027,965
Total Income		**879,744,082**	**898,087,406**
Expenses:			
Gross Claims Paid	33	421,375,339	631,790,636
Claims Ceded	33	(231,714,157)	(440,904,784)
Gross Change in Contract Liabilities	34	353,056,813	(210,725,836)
Change in Contract Liabities Ceded to Reinsurers	34	(324,856,770)	217,292,931
Net Claims Incurred		**217,861,225**	**197,452,947**
Commission Expenses	35	63,039,005	33,483,115
Service Fees	36	4,415,067	5,677,697
Other Direct Expenes	37	-	-
Employee Benefits Expenses	38	211,082,341	192,019,378
Depreciation and Amortization Expenses	39	30,722,124	33,021,247
Impairment Losses	40	45,548,300	60,893,693
Other Operating Expenses	41	65,700,596	54,308,542
Finance Cost	42	3,753,136	6,697,257
Total Expenses		**642,121,796**	**583,553,876**
Net Profit/(Loss) For The Year Before Share of Net Profits of Associates Accounted for Using Equity Method and Tax		**237,622,286**	**314,533,530**
Share of Net Profit of Associates accounted using Equity Method	9	-	-
Profit Before Tax		**237,622,286**	**314,533,530**
Income Tax Expense	43	(85,399,153)	(89,486,995)
Net Profit/(Loss) For The Year		**152,223,133**	**225,046,535**
Earning Per Share	50		
Basic EPS		**10.56**	**16.35**
Diluted EPS		**10.56**	**16.35**

The accompanying notes form an Integral Part of Financial Statements.

Arbind Kumar Karn
Finance Head

Sanchit Bajracharya
Chief Executive Officer

Rajendra Malla
Chairman

Mijas Bhattachan
Director

Rahul Thokar Lama
Director

Shanta Gautam
Director

Rajesh Kumar Sah, FCA
Senior Partner
N. B. S. M. & Associates.
Chartered Accountants

Rameshwor Sapkota
Director

Sangay Lama
Director

Sushma Sharma (Wasti)
Independent Director

Date : 2082.03.08
Place : Kathmandu

Prabhu Insurance Limited

Statement of Other Comprehensive Income
For Period 17th July, 2023 - 15th July, 2024
(For the Year Ended Ashadh 2081)

Fig. in NPR

Particulars	Notes	Current Year	Previous Year
Net Profit/(Loss) For the Year		152,223,133	225,046,535
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	9	-	-
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		73,740,974	95,741,550
Revaluation of Property and Equipment/ Goodwill & Intangible Assets			
Remeasurement of Post-Employment Benefit Obligations		9,124,172	(23,683,539)
Share of other comprehensive income of associates accounted for using the equity method			
Income Tax Relating to Above Items		(24,859,544)	(21,617,403)
Total Other Comprehensive Income For the Year, Net of Tax		58,005,602	50,440,607
Total Comprehensive Income For the Year, Net of Tax		210,228,736	275,487,142

The accompanying notes form an Integral Part of Financial Statements.

Arbind Kumar Karn
Finance Head

Sanchit Bajracharya
Chief Executive Officer

Rajendra Malla
Chairman

Mijas Bhattachan
Director

Rahul Thokar Lama
Director

Shanta Gautam
Director

Rameshwor Sapkota
Director

Sangay Lama
Director

Sushma Sharma (Wasti)
Independent Director

Rajesh Kumar Sah, FCA
Senior Partner
N. B. S. M. & Associates.
Chartered Accountants

Date : 2082.03.08
Place : Kathmandu

प्रभु इन्स्योरेन्स लिमिटेड
prabhu insurance

Prabhu Insurance Limited

Statement of Distributable Profit or Loss
For Period 17th July, 2023 - 15th July, 2024
(For the Year Ended Ashadh 2081)

Fig. in NPR

Particulars	Current Year	Previous Year
Opening Balance in Retained Earnings	69,796,827	91,032,735
Transfer from OCI reserves to retained earning in current year	-	
Net profit or (loss) as per statement of profit or loss	152,223,133	225,046,535
Appropriations:		
i)Transfer to Insurance Fund		
ii)Transfer to Special Reserve	(82,189,254)	(108,273,574)
iii)Transfer to Catastrophe Reserve	(8,218,925)	(10,827,357)
iv)Transfer to Capital Reserve		
v)Transfer to CSR reserve	(1,643,785)	(2,165,471)
vi) Employees' Training Fund	-	
vi)Transfer to/fromRegulatory Reserve	-	8,882,917
vii)Transfer to Fair Value Reserve		
viii)Transfer of Deferred Tax Reserve	12,155,374	(28,872,324)
ix)Transfer to OCI reserves due to change in classification		
x)Others (to be Specified)		
Transfer to Acturial Reserve		
Share issuance cost	(161,572)	(131,296)
Deductions:		
i) Accumulated Fair Value Gain on each Financial Assets Measured at FVTPL		
a) Equity Instruments	(538,471)	
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	(68,806,113)	(90,958,606)
xiv) Deduction as per Sec 17 of Financial directive		
xiv) Deduction as per Sec 18 of Financial directive		
xv) Others (to be specified)		
Issuance of Bonus share		
Dividend		
Adjusted Retained Earning	**72,617,214**	**83,733,557**
Add: Transfer from Share Premium Account		
Less: Amount apportioned for Assigned capital		
Less: Deduction as per sec 15(1) Of Financial directive		
Less: Impairment of Investment	-	(500,000)
Add/Less: Others (to be specified)		
Add:Transfer on Disposal of Equity Instruments Measured at FVTOCI	278,663,867	
Less: Prior Period Tax Expenses	-	
Less: Provision for tax on Share premium	-	(13,436,730)
Total Distributable Profit/(loss)	**351,281,081**	**69,796,827**

The accompanying notes form an Integral Part of Financial Statements.

Arbind Kumar Karn
Finance Head

Sanchit Bajracharya
Chief Executive Officer

Rajendra Malla
Chairman

Mijas Bhattachan
Director

Rahul Thokar Lama
Director

Shanta Gautam
Director

Rameshwor Sapkota
Director

Sangay Lama
Director

Sushma Sharma (Wasti)
Independent Director

Rajesh Kumar Sah, FCA
Senior Partner
N. B. S. M. & Associates,
Chartered Accountants

Date : 2082.03.08
Place : Kathmandu

Prabhu Insurance Limited

Statement of Changes In Equity

For Period 17th July, 2023 - 15th July, 2024

(For the Year Ended Ashadh 2081)

PREVIOUS YEAR

Fig in NPR

Particulars	Ordinary Share Capital	Preference Shares	Share Application Money Pending Allotment	Share Premium	Retained Earnings	Revaluation Reserves	Special Reserves	Capital Reserves	Catastrophic Reserve	Corporate Social Responsibility (CSR) Reserves	Insurance Fund Including Insurance Reserve	Fair Value Reserves	Actuarial Reserves	Deferred Tax Reserve	Other Reserves	Total
Balance as on Shrawan 1, 2079	1,289,711,584	-	-	-	91,032,735	-	-		73,049,913	1,861,303	942,130,291	37,602,316	(89,134,568)	25,585,470	8,882,917	2,380,722,361
Prior period adjustment																
Restated Balance as at Shrawan 1, 2079																
Profit/(Loss) For the Year					225,046,535											225,046,535
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												95,741,550				95,741,550
v) Revaluation of Property and Equipment/ Goodwill & Intangible Assets																-
vi) Remeasurement of Post-Employment Benefit Obligations													(23,683,539)	(783,654)		(24,467,193)
Transfer to Reserves/ Funds					(112,353,487)		1,050,403,865		10,927,357	1,179,566	(942,130,291)				(8,882,917)	(805,906)
Transfer to Deferred Tax Reserves					(28,872,524)									28,872,524		-
Transfer of Depreciation on Revaluation of Property and Equipment																-
Transfer on Disposal of Revalued Property and Equipment																-
Transfer on Disposal of Equity Instruments Measured at FVTOCI																-
Share Issuance Costs					(131,296)											(131,296)
Contribution by/ Distribution to the owners of the Company																-
i) Bonus Share Issued	86,410,676				(86,410,676)											-
ii) Share Issue																-
iii) Cash Dividend					(4,547,930)											(4,547,930)
iv) Dividend Distribution Tax																-
v) Others (To be specified)																-
Tax on Share premium					(13,436,730)											(13,436,730)
Impairment loss on Investment					(500,000)											(500,000)
Balance as on Ashadh end, 2080	1,376,122,260	-	-	-	69,796,827	-	1,050,403,865		83,977,271	3,040,869	-	133,343,866	(112,818,107)	53,694,340		2,657,461,190

The accompanying notes form an Integral Part of Financial Statements.

Arbind Kumar Karn
Finance Head

Sanchit Bajracharya
Chief Executive Officer

Rajendra Malla
Chairman

Mijas Bhattachan
Director

Rahul Thokar Lama
Director

Shanta Gautam
Director

Rameshwor Sapkota
Director

Sangay Lama
Director

Sushma Sharma (Wasti)
Independent Director

Rajesh Kumar Sah, FCA
Senior Partner
N. B. S. M. & Associates.
Chartered Accountants

Date : 2082.03.08
Place : Kathmandu

Prabhu Insurance Limited

Statement of Changes In Equity

For Period 17th July, 2023 - 15th July, 2024

(For the Year Ended Ashadh 2081)

CURRENT YEAR

Fig. in NPR

Particulars	Ordinary Share Capital	Preference Shares	Share Application Money Pending Allotment	Share Premium	Retained Earnings	Revaluation Reserves	Special Reserves	Capital Reserves	Catastrophe Reserve	Corporate Social Responsibility (CSR) Reserves	Insurance Fund Including Insurance Reserve	Fair Value Reserves	Actuarial Reserves	Deferred Tax Reserve	Other Reserves	Total
Balance as on Shrawan 1, 2080	1,376,122,260	-	-	-	69,792,827	-	1,050,403,865	-	83,877,271	3,040,867	-	133,343,865	(112,818,107)	53,698,340	-	2,657,461,190
Prior period adjustment					-											-
Restated Balance as at Shrawan 1, 2080																-
Profit/(Loss) For the Year					152,223,133											152,223,133
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												51,618,682				51,618,682
v) Revaluation of Property and Equipment/ Goodwill & Intangible Assets																-
vi) Remeasurement of Post-Employment Benefit Obligations													6,366,920			6,366,920
Transfer to Reserves/ Funds					(92,051,964)		82,189,253.68		8,218,925	1,643,787	-					0
Transfer to Insurance Fund Including Insurance Reserve																
Transfer to Deferred Tax Reserves					12,159,374									(12,159,374)		-
and Equipment																-
Transfer on Disposal of Revalued Property and Equipment																-
Share Issuance Costs					(161,572)											(161,572)
Contribution by/ Distribution to the owners of the Company																-
i) Bonus Share Issued	65,365,807				(65,365,807)											-
ii) Share Issue																-
iii) Cash Dividend					(3,440,306)											(3,440,306)
iv) Dividend Distribution Tax																-
v) Others (To be specified)															-	-
Transfer on Disposal of Equity Instruments Measured at FVTOCI					278,663,867											278,663,867
Corporate Social Responsibility actual Expense										(1,412,288)						(1,412,288)
Others -Tax on Share premium					-											-
Net gain Realised on FVTPL					(538,471)										538,471	
Impairment loss on Investment					-											-
Balance as on Ashadh end, 2081	**1,441,488,067**	**-**	**-**	**-**	**351,281,081**	**-**	**1,132,593,119**	**-**	**92,096,196**	**3,272,366**	**-**	**184,962,547**	**(106,451,187)**	**41,538,966**	**538,471**	**3,141,339,628**

The accompanying notes form an Integral Part of Financial Statements.

Arbind Kumar Karn *Finance Head*	**Sanchit Bajracharya** *Chief Executive Officer*	**Rajendra Malla** *Chairman*	**Rajesh Kumar Sah, FCA** *Senior Partner* *N. B. S. M. & Associates,* *Chartered Accountants*
Mijas Bhattachan *Director*	**Rahul Thokar Lama** *Director*	**Shanta Gautam** *Director*	
Rameshwor Sapkota *Director*	**Sangay Lama** *Director*	**Sushma Sharma (Wasti)** *Independent Director*	Date : 2082.03.08 Place : Kathmandu

Prabhu Insurance Limited

Statement of Cash Flows

For Period 17th July, 2023 - 15th July, 2024

(For the Year Ended Ashadh 2081)

Fig. in NPR

	Current Year	Previous Year
Cash Flow From Operating Activities:		
Cash Received		
Gross Premium Received	1,777,947,534	1,658,777,394
Reinsurance Commission Received	180,043,900	236,291,710
Claim Recovery Received from Reinsurers	231,714,157	440,904,784
Realised Foreign Exchange Income other than on Cash and Cash Equivalents		
Other Direct Income Received	10,774,215	7,094,604
Others (to be specified)		
Other Income	3,364,540	5,072,476
Cash Paid		
Gross Benefits and Claims Paid	(421,375,339)	(631,790,636)
Reinsurance Premium Paid	(1,189,271,872)	(997,472,310)
Commission Paid	(63,039,005)	(6,101,719)
Service Fees Paid	(4,415,067)	(5,677,697)
Employee Benefits Expenses Paid	(221,834,690)	(152,855,166)
Other Expenses Paid	(18,134,130)	(219,482,379)
Other Direct Expenses Paid		
Others (to be specified)		
Income Tax Paid	(135,922,698)	(48,198,105)
Net Cash Flow From Operating Activities [1]	**149,851,545**	**286,562,956**
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		
Acquisitions of Property & Equipment	(11,754,600)	(3,827,846)
Proceeds From Sale of Property & Equipment	1,739,529	-
Investment in Subsidiaries		
Receipts from Sale of Investments in Subsidiaries		
Investment in Associates		
Receipts from Sale of Investments in Associates		
Purchase of Equity Instruments	(36,151,471)	(10,481,541)
Proceeds from Sale of Equity Instruments	565,778,611	9,282,697
Purchase of Mutual Funds	(4,000,000)	-
Proceeds from Sale of Mutual Funds	-	1,795,160
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	(1,046,655,747)	262,746,581
Maturity of Deposits	999,155,747	
Loans Paid		
Proceeds from Loans		
Rental Income Received	8,958,645	13,505,639
Proceeds from Finance Lease		
Interest Income Received	96,809,304	82,629,209
Dividend Received	3,123,806	3,342,965
Others (to be specified)		
Name Transfer Income	846,507	1,365,072
Total Cash Flow From Investing Activities [2]	**577,850,330**	**360,357,934**

Particulars	Current Year	Previous Year
Cash Flow From Financing Activities		
Interest Paid		-
Proceeds From Borrowings		
Repayment of Borrowings		
Payment of Finance Lease	(31,412,545)	(29,989,212)
Proceeds From Issue of Share Capital		
Share Issuance Cost Paid	(161,572)	(131,296)
Dividend Paid	(3,440,306)	(4,547,930)
Dividend Distribution Tax Paid		
Others (to be specified)		
Total Cash Flow From Financing Activities [3]	**(35,014,423)**	**(34,668,439)**
Net Increase/(Decrease) In Cash & Cash Equivalents [1+2+3]	**692,687,451**	**612,252,451**
Cash & Cash Equivalents At Beginning of The Year/Period	703,420,326	89,576,779
Effect of Exchange Rate Changes on Cash and Cash Equivalents	2,518,033	1,591,096
Cash & Cash Equivalents At End of The Year/Period	**1,398,625,811**	**703,420,326**
Components of Cash & Cash Equivalents		
Cash In Hand	160,000	160,000
Cheuqe in Hand		
Term Deposit with Banks (with initial maturity upto 3 months)		
Balance With Banks	1,398,465,811	703,260,326

The accompanying notes form an Integral Part of Financial Statements.

Arbind Kumar Karn
Finance Head

Sanchit Bajracharya
Chief Executive Officer

Rajendra Malla
Chairman

Mijas Bhattachan
Director

Rahul Thokar Lama
Director

Shanta Gautam
Director

Rameshwor Sapkota
Director

Sangay Lama
Director

Sushma Sharma (Wasti)
Independent Director

Rajesh Kumar Sah, FCA
Senior Partner
N. B. S. M. & Associates.
Chartered Accountants

Date : 2082.03.08
Place : Kathmandu

Notes to the Financial Statements

For the year ended Ashadh 31, 2081 (July 15th, 2024)

1. Reporting Entity

Prabhu Insurance Limited (herein after referred to as the 'Company') is a public limited company, incorporated as per the law of Nepal on 2053.04.01 and operated as Non-Life Insurance Company after obtaining license on Shrawan 1, 2053 under the Insurance Act 2079. The registered office of the Company is located at Tinkune. The Company's share is listed on Nepal Stock Exchange.

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 2080 to 31st Ashadh 2081 with the corresponding previous year from 1st Shrawan 2079 to 31st Ashadh 2080. These financial statements have been approved by the Board of Directors of the company on 449th Board Meeting dated 2082.03.08.

(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 non -effective

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 service 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 is 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 Assets Categories	Useful Life (In Years) for SLM/Rate for WDV
Land	Not Applicable
Buildings	60
Leasehold Improvement	Lease Period
Furniture & Fixture	10
Computers and IT Equipment	5
Officer Equipment	5
Vehicles	10
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 Assets Categories	Useful Life (In Years) for SLM
Soft wares	5
Licenses	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

Cost Model

Property that is held for rental income or for capital appreciation or both, is classified as investment property. Investment properties are measured initially at cost, including related transaction cost. It is subsequently carried at cost less accumulated depreciation. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the company and the cost can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

Land is carried at historical cost; however, buildings are depreciated over their estimated useful lives as mentioned above.

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.

Transfers 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.

The company has recognized rentable area as Investment Property valued at Rs. 37,342,372.92. The company has classified 48.38% (22,343 Sq. Ft) of total building area as property held for rental income. Such classification is based on fair value determined by NIPS Consult Pvt. Ltd.

(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 Asset 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: If the company has received any calls in advance amount, the amount will be presented under this head.

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 subject to provisions of company act & regulatory requirement.

iii) Special Reserve: The Company has allocated Rs. 82,189,253.68 for special reserve which is 50% of net profit after tax as per Regulator's Directive.

iv) Catastrophe Reserve: The Company has allocated 10% of profit for the year remaining after appropriation to Special reserve amount to Rs. 8,218,925 as per Regulator's Directives.

v) 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 as per regulator's directive.

vi) Regulatory Reserves: Reserve created out of net profit in line with different circulars issued by Insurance Board.

vii) 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.

viii) Cashflow Hedge Reserves: Is the exposure to variability in cash flows that is attributable to a particular risk associated with all or a component of a recognized asset or liability or a higher probable forecast transaction, and could affect profit or loss. Reserve represents effective portion of the gain or loss on the hedging instrument recognized in other comprehensive income.

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

x) Corporate Social Responsibility Reserve: As per Regulator's Directive, 1% of Net profit for the year is allocated as Corporate Social Responsibility Reserve. The company has allocated Rs. 1,643,750 as Corporate Social Responsibility Reserve for FY 2080-81.

(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), IBNER, MOBE&EPR

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 over best estimates and earthquake premium reserve.

Reserving

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. Investment income includes dividend income, which is recognized when right to receive payment is established.

vii) Net realized gains and losses

Net realized gains and losses recorded in the statement or 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.

IBNR, IBNER are calculated by actuary applying the Basic chain ladder method and MOBE is calculated at 75 percent confidence level and earthquake premium is calculated at 15% of Net Earthquake Premium.

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.

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 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.

Prabhu Insurance Limited
Notes to the Financial Statements

4 Goodwill & Intangible Assets

Fig. in NPR

Particulars	Softwares	Goodwill	Others(to be Specify)	Total
Gross carrying amount				
As at Shrawan 1, 2079	1,496,745.34			1,496,745.34
Additions during the year				
Acquisition				-
Internal Development				-
Business Combination(to be Specified)				-
Disposals during the year				-
Revaluation/Adjustment				-
Balance as at Ashadh 31, 2080	1,496,745.34	-	-	1,496,745.34
Additions during the year				
Acquisition				
Internal Development				
Business Combination(to be Specified)				
Disposals during the year				
Revaluation/Adjustment				
Balance as at Ashadh end, 2081	1,496,745.34	-	-	1,496,745.34
Accumulated amortization and impairment				
As at Shrawan 1, 2079	1,136,086.73			1,136,086.73
Additions during the year	80,900.00			80,900.00
Disposals during the year				-
Impairment during the year				-
Balance as at Ashadh 31, 2080	1,216,986.73	-	-	1,216,986.73
Additions during the year	80,900.00			80,900.00
Disposals during the year				
Impairment during the year				
Balance as at Ashadh end, 2081	1,297,886.73	-	-	1,297,886.73
Capital Work-In-Progress				
As at Shrawan 1, 2079				
Additions during the year				
Capitalisation during the year				
Disposals during the year				
Impairment during the year				
Balance as at Ashadh 31, 2081	-	-	-	-
Additions during the year				
Capitalisation during the year				
Disposals during the year				
Impairment during the year				
Balance as at Ashadh end, 2081	-	-	-	-
Net Carrying Amount				
As on Ashadh 31, 2080	279,758.61	-	-	279,758.61
As on Ashadh end, 2081	198,858.61	-	-	198,858.61

Prabhu Insurance Limited

Notes to the Financial Statements

5 Property and Equipment

Fig. in NPR

Particulars	Land	Buildings	Leasehold Improvement	Furniture & Fixtures	Computers and IT Equipments	Office Equipment	Vehicles	Other Assets	Total
Gross carrying amount									
As on Shrawan 1, 2079	31,405,600	77,189,161	-	17,951,270	10,491,320	10,540,514	14,428,790	8,037,686	170,044,339
Additions during the year									
Acquisition				1,533,031	1,109,692	245,752	939,371		3,827,846
Capitalization									-
Disposals during the year							(933,628)		(933,628)
Write-offs during the year									-
Revaluation during the year									-
Transfer/ adjustments		(37,342,373)							(37,342,373)
Balance as on Ashadh 31, 2080	31,405,600.00	39,846,788.08	-	19,484,300.14	11,601,012.14	10,786,265.90	14,434,532.42	8,037,685.61	135,596,184.29
Additions during the year									
Acquisition				914,440.51	508,227.65	951,558.84	9,380,373.44		11,754,600.44
Capitalization									-
Disposals during the year							(4,511,592.18)		(4,511,592.18)
Write-offs during the year									-
Revaluation during the year									-
Transfer/ adjustments									-
Balance as on Ashadh 31, 2081	31,405,600.00	39,846,788.08	-	20,398,740.65	12,109,239.79	11,737,824.74	19,303,313.68	8,037,685.61	142,839,192.55
Accumulated depreciation and impairment									
As on Shrawan 1, 2079	-	29,563,404	-	13,912,613	8,606,608	8,782,978	8,263,009	7,945,355	77,073,967
Depreciation during the year		523,157		616,184	693,461	557,853	1,570,568	30,021	3,991,243
Disposals during the year							(933,628)		(933,628)
Write-offs during the year									
Impairment during the year									-
Transfer/ adjustments		(14,302,107)							(14,302,107)
Balance as on Ashadh 31, 2080	-	15,784,453.17	-	14,528,797.13	9,300,069.04	9,340,831.09	8,899,949.13	7,975,375.26	65,829,474.84
Depreciation during the year	-	523,156.55	-	748,567.21	740,932.36	581,726.77	1,119,708.71	30,020.63	3,744,112.23
Disposals during the year							(3,126,126.75)		(3,126,126.75)
Write-offs during the year									-
Impairment during the year									-
Transfer/ adjustments									-
Balance as on Ashadh 31, 2081	-	16,307,609.72	-	15,277,364.34	10,041,001.40	9,922,557.86	6,893,531.09	8,005,395.89	66,447,460.31

Prabhu Insurance Limited

Notes to the Financial Statements

5 Property and Equipment

Fig. in NPR

Particulars	Land	Buildings	Leasehold Improvement	Furniture & Fixtures	Computers and IT Equipments	Office Equipment	Vehicles	Other Assets	Total
Capital Work-In-Progress									
As on Shrawan 1, 2079									-
Additions during the year									-
Capitalisation during the year									-
Disposals during the year									
Impairment during the year									-
Balance as on Ashadh 31, 2080	-	-	-	-	-	-	-	-	-
Additions during the year									-
Capitalisation during the year									-
Disposals during the year									-
Impairment during the year									-
Balance as on Ashadh 31, 2081	-	-	-	-	-	-	-	-	-
Net Carrying Amount									
As on Ashadh 31, 2080	31,405,600	24,062,335	-	4,955,503	2,300,943	1,445,435	5,534,583	62,310	69,766,709
As on Ashadh 31, 2081	31,405,600.00	23,539,178.35	-	5,121,376.31	2,068,238.39	1,815,266.88	12,409,782.59	32,289.72	76,391,732.24
Right-of-Use Assets (after Implemenation of NFRS 16)									
Gross carrying amount									-
As on Shrawan 1, 2079	-	43,478,951	-	-	-	-	-	-	43,478,951
Additions during the year		74,413,963							74,413,963
Disposals during the year		(43,478,951)							(43,478,951)
Write-offs during the year									-
Revaluation during the year									-
Transfer/Adjustment									-
Balance as on Ashadh 31, 2080	-	74,413,963.30	-	-	-	-	-	-	74,413,963.30
Additions during the year		18,528,310.72							18,528,311
Disposals during the year		(4,597,024.60)							(4,597,025)
Write-offs during the year									-
Revaluation during the year									-
Transfer/Adjustment		(95,922)							(95,922)
Balance as on Ashadh 31, 2081	-	88,249,328	-	-	-	-	-	-	88,249,327.87

Prabhu Insurance Limited

Notes to the Financial Statements

5 Property and Equipment

Fig. in NPR

Particulars	Land	Buildings	Leasehold Improvement	Furniture & Fixtures	Computers and IT Equipments	Office Equipment	Vehicles	Other Assets	Total
Accumulated depreciation									
As on Shrawan 1, 2079	-	21,739,476	-	-	-	-	-	-	21,739,476
Depreciation during the year		28,461,477							28,461,477
Disposals during the year		(21,739,476)							(21,739,476)
Write-offs during the year									
Impairment during the year									
Transfer/adjustments									
Balance as on Ashadh 31, 2080	-	28,461,477	-	-	-	-	-	-	28,461,477
Depreciation during the year		26,406,837							26,406,837
Disposals during the year		(1,496,596)							(1,496,596)
Write-offs during the year									
Impairment during the year									
Transfer/adjustments									
Balance as on Ashadh 31, 2081	-	53,371,717	-	-	-	-	-	-	53,371,717
Net Carrying Amount									
As on Ashadh 31, 2080	-	45,952,486	-	-	-	-	-	-	45,952,486
As on Ashadh 31, 2081	-	34,877,610	-	-	-	-	-	-	34,877,610
Grand Total									
As on Ashadh 31, 2080	31,405,600	70,014,821	-	4,955,503	2,300,943	1,445,435	5,534,583	62,310	115,719,196
As on Ashadh 31, 2081	31,405,600	58,416,789	-	5,121,376	2,068,238	1,815,267	12,409,783	32,290	111,269,343

Prabhu Insurance Limited

Notes to the Financial Statements

6 Investment Properties

Investment Properties at Cost

Fig. in NPR

Particulars	Land	Building	Total
Gross carrying amount			
As at Shrawan 1, 2079			-
Additions during the year			-
Acquisition			-
Subsequent Expenditure			-
Assets classified as held for sales			-
Disposals during the year			-
Revaluation/Adjustment		37,342,372.92	37,342,372.92
Balance as at Ashadh 31, 2080	-	37,342,372.92	37,342,372.92
Additions during the year			-
Acquisition			-
Subsequent Expenditure			-
Assets classified as held for sales			-
Disposals during the year			-
Revaluation/Adjustment		-	-
Balance as at Ashadh 31, 2081	-	37,342,372.92	37,342,372.92
Accumulated depreciation and impairment			
As at Shrawan 1, 2079			-
Depreciation during the year		490,275.58	490,275.58
Disposals during the year			-
Impairment during the year			-
Transfer/Adjustments		14,302,107.07	14,302,107.07
Balance as at Ashadh 31, 2080	-	14,792,382.65	14,792,382.65
Depreciation during the year		490,275.58	490,275.58
Disposals during the year			-
Impairment during the year			-
Transfer/Adjustments			-
Balance as at Ashadh 31, 2081	-	15,282,658.23	15,282,658.23
Capital Work-In-Progress			
As on Shrawan 1, 2079			
Additions during the year			
Capitalisation during the year			
Disposals during the year			
Impairment during the year			
Balance as on Ashadh 31, 2080	-	-	-
Additions during the year			
Capitalisation during the year			
Disposals during the year			
Impairment during the year			
Balance as on Ashadh 31, 2081			
Net Carrying Amount			
Net Balance As At Ashad 31, 2080	-	22,549,990.27	22,549,990.27
Net Balance As At Ashad 31, 2081	-	22,059,714.69	22,059,714.69

(i) Amounts recognised in statement of profit or loss

Particulars	Current Year	Previous Year
Rental income	8,958,644.65	13,505,638.68
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	8,958,644.65	13,505,638.68
Depreciation charge	490,275.58	
Profit from investment properties	8,468,369.07	13,505,638.68

(ii) Fair value of investment properties:

Particulars	Current Year	Previous Year
Land		
Building		
Total	-	-

Notes on Fair Value : N/A

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 :

i) 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,

ii) discounted cash flow projections based on reliable estimates of future cash flows,

iii) capitalised income projections based upon a property's estimated net market income, and a capitalization rate derived from an analysis of market evidence.
The fair values of investment properties have been deteremined by .....The main inputs used are the rental growth rates, expected vacancy rates, terminal yields and discount rates based on comparable transcations and industry data.

(iii) Disclosure on restriction on the realisability of investment properties:

(iv) Contractual obligations:

Investment Properties at Fair Value

Particulars	Land	Building	Total
Gross carrying amount			
As at Shrawan 1, 2078			-
Additions during the year			-
Disposals during the year			-
Net changes in Fair Value			-
Revaluation/Adjustment			-
Balance as at Ashadh 32, 2079	-	-	-
Additions during the year			-
Disposals during the year			-
Net changes in Fair Value			-
Revaluation/Adjustment			-
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			
Balance as on Ashadh 31, 2080	-	-	-
Net Carrying Amount			
Net Balance As At Ashad 31, 2079	-	-	-
Net Balance As At Ashad 31, 2080	-	-	-

Notes on 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 :

i) 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,

ii) discounted cash flow projections based on reliable estimates of future cash flows,

iii) capitalised income projections based upon a property's estimated net market income, and a capitalization rate derived from an analysis of market evidence.
The fair values of investment properties have been deteremined by .....The main inputs used are the rental growth rates, expected vacancy rates, terminal yields and discount rates based on comparable transcations and industry data.

Prabhu Insurance Limited

Notes to the Financial Statements

7 Deferred Tax Assets/(Liabilities)

Fig. in NPR

Particulars	Current Year			Previous Year		
	Through SOPL	Through SOCI	Total	Through SOPL	Through SOCI	Total
Intangible Assets			-			-
Property and Equipment	(947,037)		(947,037)	7,336,028		7,336,028
Financial Assets at FVTPL	-		-			-
Financial Assets at FVTOCI		(50,720,633)	(50,720,633)		(28,598,340)	(28,598,340)
Provision for Leave	9,655,031		9,655,031	7,211,895	-	7,211,895
Provision for Gratuity	18,015,726	4,367,810	22,383,536	18,749,119	7,105,062	25,854,181
Impairment Loss on Financial Assets			-			-
Impairment Loss on Other Assets	13,664,490		13,664,490	18,268,108		18,268,108
Unexpired Risk Reserve			-			-
Incurred But Not Reported including IBNER			-			-
Margin For Adverse Deviation			-			-
Premium Deficiency Reserve			-			-
Carry forward of unused tax losses			-			-
Changes in tax rate			-			-
Others (specify if any)			-			-
Right to Use assets	(10,463,283)		(10,463,283)	(13,785,746)		(13,785,746)
Lease liability	11,614,039		11,614,039	15,914,936		15,914,936
Total	41,538,966	(46,352,823)	(4,813,856)	53,694,340	(21,493,279)	32,201,061
Deferred Tax Asstes	41,538,966	(46,352,823)	(4,813,856)	53,694,340	(21,493,279)	32,201,061
Deferred Tax Liabilities			-			-

Movements in deferred tax Assets/ (Liabilities)

Particulars	Current Year			Previous Year		
	SOPL	SOCI	Total	SOPL	SOCI	Total
As at Shrawan 1, 2080	**53,694,340**	**(21,493,279)**	**32,201,061**	**20,792,927**	**(5,210,315)**	**15,582,612**
Charged/(Credited) to Statement of Profit or Loss	**(12,155,374)**		**(12,155,374)**	**32,901,413**		**32,901,413**
Charged/(Credited) to Other Comprehensive Income		**(24,859,544)**	**(24,859,544)**		**(16,282,964)**	**(16,282,964)**
As at Ashadh 31, 2081	41,538,966	(46,352,823)	(4,813,856)	53,694,340	(21,493,279)	32,201,061

Prabhu Insurance Limited

Notes to the Financial Statements

Fig. in NPR

8 Investment in Subsidiaries

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

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.		

Prabhu Insurance Limited

Notes to the Financial Statements

9 Investment in Associates — Fig. in NPR

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

Investment in Quoted Associates

Particulars	Current Year			Previous Year		
	Cost	Fair Value	(or) Equit Method	Cost	Fair Value	(or) Equit 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	-	-	-	-	-	-

Investment in Unquoted Associates

Particulars	Current Year			Previous Year		
	Cost	Fair Value	(or) Equit Method	Cost	Fair Value	(or) Equit 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						
	-	-	-	-	-	-

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		

Prabhu Insurance Limited

Notes to the Financial Statements

10 Investments

Fig. in NPR

Particulars	Current Year	Previous Year
Investments measured at Amortised Cost	**850,100,000**	**802,600,000**
i) Investment in Preference Shares of Bank and Financial Institutions		
ii) Investment in Debentures	60,000,000	60,000,000
iii) Investment in Bonds (Nepal Government/ NRB/ Guaranteed by Nepal Government)	5,000,000	5,000,000
iv) Fixed Deposits in "A" Class Financial Institutions	594,800,000	579,300,000
v) Fixed Deposits in Infrastructure Banks		
vi) Fixed Deposits in "B" Class Financial Institutions	156,000,000	135,000,000
vii) Fixed Deposits in "C" Class Financial Institutions	22,300,000	11,300,000
viii) Others(to be Specified)		
Citizen Investment Planning Fund	12,000,000	12,000,000
Less: Impairment Losses		
Investments at FVTOCI	397,174,316	452,155,104
i) Investment in Equity Instruments (Quoted)	357,693,877	437,606,027
ii) Investment in Equity Instruments (Unquoted)	7,360,439	4,780,000
iii) Investment in Mutual Funds	12,620,000	10,269,077
iv) Investment in Debentures	-	-
v) Investment in Private Equity Fund	20,000,000	-
Less: Impairment Losses	(500,000)	(500,000)
Investments at FVTPL	19,107,725	11,743,385
i) Investment in Equity Instruments (Quoted)	15,616,638	11,743,385
ii) Investment in Equity Instruments (Unquoted)	-	-
iii) Investment in Mutual Funds	-	-
iv) Others (to be specified)-Siddhartha capital PMS-cash Balance	3,491,087	-
Total	1,266,382,041	1,266,498,489

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 Banks		
Fixed Deposit with"B" Class Financial Institutions		
Fixed Deposit with"C" Class Financial Institutions		
Others (to be Specified)		
Investment in Equity share	500,000	500,000
Total	500,000	500,000

b) Investments having expected maturies 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 (Nepal Government/NRB/Guaranteed by Nepal Government)		
Fixed Deposit with"A" Class Financial Institutions	594,800,000	579,300,000
Fixed Deposit with Infrastructure Banks		
Fixed Deposit with"B" Class Financial Institutions	156,000,000	135,000,000
Fixed Deposit with"C" Class Financial Institutions	22,300,000	11,300,000
Others (to be Specified)		
Total	773,100,000	725,600,000

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 Ltd 6267 Shares of 100 each	550,000.00	1,052,856.00	550,000	2,663,475
Himalayan Bank Ltd 5267 Shares of 100 each	525,000.00	658,375.00	525,000	1,580,100
Nepal Infrastructure Bank Ltd 486000 Shares of 100 each	45,000,000.00	53,946,000.00	45,000,000	48,600,000
Nepal Reinsurance Co.98488 Sharesof 100 each	7,669,724.70	27,675,128.00	161,816,800	188,516,500
Prabhu Mahalaxmi Life Insurance Company Limited 142740 Shares of 100 each	13,000,000.00	39,310,596.00	13,000,000	76,310,000
Reliance Lotus Finance Ltd 45266 Shares of 100 each	3,000,000.00	9,234,264.00	3,000,000	9,138,360
Standard chartered Bank Nepal -OWN 301 Shares of 100 each	165,123.00	181,202.00	165,123	159,560
Kumari Bank Limited 224 Shares of 100 each	31,500.00	34,428.80	31,500	36,960
Himalayan Bank Ltd 4249 Shares of 100 each	840,275.42	867,645.80	840,275	904,187
Soaltee Hotel Ltd 108920 Shares of 100 each	19,715,635.12	48,142,640.00	19,715,635	50,310,505
Nepal Doorsanchar Co. Ltd. 864 Shares of 100 each	448,220.49	730,080.00	448,220	783,562
Nabil Bank Ltd. Share 7051 Shares of 100 each	1,602,780.00	3,694,724.00	1,602,780	4,224,360
Green Dev. Bank Ltd 279 Shares of 100 each	26,000.00	136,989.00	26,000	82,314
Deprosc Dev. Bank Ltd 6509 Shares of 100 each	3,063,562.00	5,474,069.00	3,063,562	4,887,442
First Micro Finance Development Bank Ltd 932 Shares of 100 each	422,213.09	634,692.00	422,213	638,372
Shangrila Development Bank Ltd. 5612 Shares of 100 each	600,000.00	1,958,588.00	600,000	1,721,090
Maya Khola Hydropower Company Limited-460000 Shares of 100 each	46,000,000.00	163,208,000.00	46,000,000	46,000,000
Ngadi Group Power Ltd. 1764 Shares of 100 each	147,500.00	601,524.00	147,500	412,600
RSDC Laghubitta Bittiya Sanstha Ltd. 1 Shares of 100 each	-	692.00	-	594
Sanima Bank LimitedShares 1 of 100 each	-	279.00	-	286
Nepal SBI Bank Limited 1 Shares of 100 each	-	656.00	-	702
Global IME Bank Limited 1Shares of 100 each	-	194.20	-	220
Chhimek Laghubitta Bittiya Sanstha Limited 1 Shares of 100 each	-	900.00	-	971
National Laghubitta Bittiya Sanstha Limited 106 Shares of 100 each	-	149,354.00	-	133,868
Prime Commercial Bank Limited 2659 Shares of 100 each	570,222.55	589,766.20	570,223	518,505
Standard Chartered Bank Limited 2000 Shares of 100 each	1,047,619.05	1,204,000.00	2,200,000	2,226,420
Citizens Bank International Limited 469 Shares of 100 each	91,642.60	90,751.50	91,643	81,184
Chhimek Laghubitta Bikas Bank Limited 1035 Shares of 100 each	764,000.00	931,500.00	-	186,000
National Laghubitta Bittiya Sanstha Limited 145 Shares of 100 each	232,830.45	204,305.00	232,830	184,410
Life Insurance Company Nepal 615 Shares of 100 each	807,950.10	884,370.00	807,950	956,325
National Life Insurance Company Limited 2038 Shares of 100 each	1,271,214.00	1,212,610.00	678,420	645,000
Ridi Power Company Limited 1260 Shares of 100 each	348,121.20	240,030.00	306,121	204,120
Himalayan Distillery Limited 352 Shares of 100 each	811,945.60	487,168.00	811,946	719,360
Shine Resunga Development Bank Limited 4778 Shares of 100 each	1,733,090.61	1,935,567.80	1,795,200	1,920,000
Himalayan Life Insurance Limited 511 Shares of 100 each	257,758.62	199,801.00	257,759	259,077
Sana Kisan Bikas Laghubitta Bittiya Sanstha Limited 1240 Shares of 100 each	825,664.32	1,058,588.00	825,664	967,200
Nepal Doorsanchar Company Limited 1900 Shares of 100 each	1,668,522.00	1,605,500.00	-	-
Shivam Cements Limited 1770 Shares of 100 each	901,916.00	889,071.00	-	-

Kamana Sewa Bikas Bank Limited 3000 Shares of 100 each	1,218,000.00	1,248,000.00	-	-
Gurkhas Finance Ltd.1500 Shares of 100 each	1,102,500.00	1,080,000.00	-	-
Mountain Energy Nepal Limited 2940 Shares of 100 each	1,838,916.00	1,755,180.00	-	-
Suryajyoti Life Insurance Company Limited 1 Shares of 100 each	-	429.90	-	-
Nerude Mirmire Laghubitta Bittiya Sanstha Limited 401 Shares of 100 each			356,276	284,309
Bottlers Nepal (Terai)Limited 17 Shares of 100 each			223,153	234,600
Nepal Investment Mega Bank Limited 5000 Shares of 100 each			1,207,250	869,000
Makar Jitumaya Suri Hydropower Ltd 2592 Shares of 100 each			852,068	707,875
Rasuwagadhi Hydropower Company Limited 2600 Shares of 100 each			940,628	780,000
Investment in Mutual Fund				
NMB Hybrid Fund L-1 share of 10 each			315,480	340,403
NIBL Pragati Fund share of 10 each			342,610	332,674
Siddhartha Equity Fund share of 10 each	2,000,000.00	1,678,000.00	2,000,000	1,886,000
Sanima Equity Fund share of 10 each	2,000,000.00	2,182,000.00	2,000,000	2,360,000
NMB 50share of 10 each	2,500,000.00	2,510,000.00	2,500,000	3,150,000
NABIL BALANCED FUND-2 share of 10 each	2,500,000.00	2,250,000.00	2,500,000	2,200,000
Kumari Sabal Yojana share of 10 each	4,000,000.00	4,000,000.00	-	-
Investment in Equity Instruments(Un Quoted)				
Sindu Jwala Hydroposwer Ltd 5000 Shares of 100 each	500,000.00	500,000.00	500,000	500,000
Other Investments				
Insurance Institute Nepal Ltd. 47800 Shares of 100 each	4,780,000.00	4,780,000.00	4,780,000	4,780,000
Nepal Insurer's Association Mutual fund for Micro Insurance 20804 Shares of 100 each	2,080,439.00	2,080,439.00	2,080,439	2,080,439
Alpha plus vision- Private Equity fund 200000 shares of 100 each	20,000,000.00	20,000,000.00	-	-
Total	198,658,885.93	413,290,954.20	326,130,269.42	466,478,928.32

d) The company has earmarked investments amounting to NPR. 77,31,00,000 to Nepal Insurance Authority.

Prabhu Insurance Limited

Notes to the Financial Statements

11 Loans

Fig. in NPR

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

a) Expected repayment of loan within 12 months:

Particulars	Current Year	Previous Year
Loan to Employees		
Others (to be Specified)		
Total	-	-

12 Reinsurance Assets

Particulars	Current Year	Previous Year
Reinsurance Assets on:		
Unearned Premiums	606,386,493	550,484,275
Unexpired Risk Reserve	-	
Earthquake Premium Reserves	-	
Incurred but not reported (IBNR)	187,237,041	
Incurred but not enough reported (IBNER)	76,315,333	581,172,466
Outstanding Claims	642,476,862	
Others		
Less: Impairment Losses		
Total	1,512,415,729	1,131,656,741

13 Insurance Receivables

Particulars	Current Year	Previous Year
Receivable from Reinsurer	903,752,344	837,435,624
Receivable from Other Insurance Companies	151,792,843	134,026,498
Others(to be Specified)		
Less: Impairment Losses	(111,481,566)	(65,933,266)
Total	944,063,621	905,528,856

a) Expected receivable within 12 months:

Particulars	Current Year	Previous Year
Receivable from Reinsurer	903,752,344	837,435,624
Receivable from Other Insurance Companies	151,792,843	134,026,498
Others(to be Specified)		
Total	1,055,545,187	971,462,122

14 Other Assets

Fig. in NPR

Particulars	Current Year	Previous Year
Capital Advances		
Prepaid Expenses	6,780	302,627
Claim Advances	464,766,819	530,993,769
Advance To Suppliers		
VAT Receivable		
Staff Advances	4,054,265	2,055,198
Printing and Stationary Stocks		
Stamp Stocks	459,787	118,553
Deferred Expenses		
Deferred Reinsurance Commission Expenses	22,818,953	20,675,267
Deferred Agent Commission Expenses	12,248,645	21,923,790
Lease Receivables		
Recoverable from Re-insurance Companies	-	-
Less: Impairment Losses		
Total	504,355,250	576,069,204

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

Particulars	Current Year	Previous Year
Capital Advances		
Prepaid Expenses	6,780	42,901,684
Claim Advances	464,766,819	530,993,769
Advance To Suppliers		
Staff Advances	4,054,265	2,055,198
VAT Receivable		
Printing and Stationary Stocks		
Stamp Stocks	459,787	118,552
Deferred Expenses		
Deferred Reinsurance Commission Expenses		
Deferred Agent Commission Expenses		
Lease Receivables		
Others (to be specified)		
Total	469,287,651	576,069,203

15 Other Financial Assets

Particulars	Current Year	Previous Year
Security Deposits	18,816,809	6,943,692
Accured Interest	3,516,371	3,689,554
Other Receivables		
Other Deposits		
Sundry Debtors	150,128,387	132,098,446
Other (to be Specified)		
Less: Impairment Losses		
Total	172,461,567	142,731,692

a) Expected maturies within 12 months:

Particulars	Current Year	Previous Year
Security Deposits		
Accured Interest	3,516,371	3,689,554
Other Receivables	-	-
Other Deposits		
Sundry Debtors	150,128,387	132,098,446
Other (to be Specified)		
Total	153,644,758	135,788,000

16 **Cash and Cash Equivalent**

Particulars	Current Year	Previous Year
Cash in Hand	160,000	160,000
Cheque in Hand		
Bank Balances		
i) Balance With"A" Class Financial Institutions	58,036,575	37,479,998
ii) Balance With Infrastructure Banks		
iii) Balance With"B" Class Financial Institutions	15,586,398	12,031,836
iv) Balance With"C" Class Financial Institutions	1,053,435	1,223,830
Less: Impairment Losses		
Deposit with initial maturity upto 3 months		
Others (to be Specified)- Call Deposits in various bank and Financial institution	1,323,789,402	652,524,662
Less: Impairment Losses		
Total	1,398,625,811	703,420,326

17 (a) Share Capital

Fig. in NPR

Particulars	Current Year	Previous Year
Ordinary Shares		
As at Shrawan 1, 2080	1,376,122,260	1,289,711,584
Additions during the year		
i) Bonus Share Issue	65,365,807	86,410,676
ii) Share Issue		
As at Ashadh 31, 2081	**1,441,488,067**	**1,376,122,260**
Convertible Preference Shares (Equity Component Only)		
As at Shrawan 1, 2080		
Additions during the year		
As at Ashadh 31, 2081		
Irredeemable Preference Shares (Equity Component Only)		
As at Shrawan 1, 2080		
Additions during the year		
As at Ashadh 31, 2081		
Total	1,441,488,067	1,376,122,260

(i) Ordinary Shares

Particulars	Current Year	Previous Year
Authorised Capital:		
30,000,000 Ordinary Shares of Rs. 100 each	3,000,000,000	3,000,000,000
Issued Capital:		
14414880.67 Ordinary Shares of Rs. 100 Each.	1,441,488,067	1,376,122,260
Subscribed and Paid Up Capital:		
14414880.67 Ordinary Shares of Rs. 100 Each.	1,441,488,067	1,376,122,260
Total	1,441,488,067	1,376,122,260

(ii) Preference Share Capital

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

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	3,115,609.86	2,974,329.00	21.61	21.61
Nepali Citizens	4,235,980.01	4,043,894.21	29.39	29.39
Foreigners				
Others (to be Specified)				
Total (A)	7,351,589.87	7,018,223.21	51.00	51.00
Other than Promoters				
General Public	7,063,290.80	6,742,999.39	49.00	49.00
Others (to be Specified)				
Total (B)	7,063,290.80	6,742,999.39	49.00	49.00
Total(A+B)	14,414,880.67	13,761,222.60	100.00	100.00

Details of 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
KARMACHARI SANCHAYA KOSH	3,115,609.85	2,974,329.00	21.61	21.61
PRABHU BANK LIMITED	2,017,693.04	1,926,198.00	14.00	14.00
DEVI PRAKASH BHATTACHAN	1,114,187.78	1,063,663.00	7.73	7.73
RAJENDRA MALLA	539,200.07	514,749.47	3.74	3.74
PURNA MAN SHAKYA	230,811.44	240,068.24	1.60	1.74
PRABHU MANAGEMENT PVT LTD	187,182.33	174,186.35	1.30	1.27

17(b) Share Application Money Pending Allotment

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

17 (c) Share Premium

Particulars	Current Year	Previous Year
As on Shrawan 1, 2080		
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 on Ashadh 31, 2081	-	-

17 (d) Special Reserves

Particulars	Current Year	Previous Year
As on Shrawan 1, 2080	1,050,403,865	915,371,881
Additions	82,189,254	135,031,985
Utilizations		
As on Ashadh 31, 2081	1,132,593,119	1,050,403,865

17 (e) Catastrophe Reserves

Particulars	Current Year	Previous Year
As on Shrawan 1, 2080	83,877,271	73,049,913
Additions	8,218,925	10,827,357
Utilizations		
As on Ashadh 31, 2081	92,096,196	83,877,271

17 (f) Retained Earnings

Particulars	Current Year	Previous Year
As on Shrawan 1, 2080	69,796,826	91,032,736
Net Profit or Loss	152,223,133	225,046,535
Items of OCI recognised directly in retained earnings		
Remeasurement of Post-Employment Benefit Obligations		
Transfer to reserves		
Revaluation Reserves		
Special Reserves	(82,189,254)	(108,273,574)
Capital Reserves		
Catastrophe Reserves	(8,218,925)	(10,827,357)
Corporate Social Responsibility (CSR) Reserves	(1,643,785)	(2,165,471)
Insurance Fund including Insurance Reserves		

Fair Value Reserves		
Actuarial Reserves	-	
Deferred Tax Reserves	12,155,374	(28,872,324)
Regulatory Reserves	-	8,882,917
Other Reserve(to be specified)		
Transfer of Depreciation on Revaluation of Property and Equipment		
Transfer of Disposal of Revalued Property and Equipment		
Transfer of Disposal of Equity Instruments Measured at FVTOCI	278,663,867	
Issue of Bonus Shares	(65,365,807)	
Transaction costs on issue of Shares	(161,572)	(131,296)
Dividend Paid	(3,440,306)	(90,958,607)
Dividend Distribution Tax		
Others (to be Specified)	-	
Prior Period adjustment	-	
Net Gain realised on FVTPL	(538,471)	
Impairment Loss	-	(500,000)
Provision for tax on share premium	-	(13,436,730)
As on Ashadh 31, 2081	**351,251,081**	**69,796,826**

17 (g) Other Equity

Particulars	Current Year	Previous Year
Revaluation Reserves		
Capital Reserves		
Corporate Social Responsibility (CSR) Reserves	3,272,366	3,040,869
Fair Value Reserves	184,962,547	133,343,865
Actuarial Reserves	(106,431,187)	(112,818,107)
Insurance Fund including Insurance Reserves		
Deferred Tax Reserve	41,538,966	53,694,340
Regulatory Reserves		-
Other Reserve(to be specified)	-	
Net Gain realised on FVTPL	538,471.49	
Total	**123,881,165**	**77,260,968**

Prabhu Insurance Limited

Notes to the Financial Statements

18 Provisions — Fig. in NPR

Particulars	Current Year	Previous Year
Provision for employee benefits		
i) Provision for Leave	32,308,162	24,039,651
ii) Provision for Gratuity	60,052,420	83,146,575
iii)Termination Benefits		
iv)Other Employee Benefit obligations(to be Specified)- Staff Bonus Provision	26,402,476	31,453,353
Provision for tax related legal cases	-	
Provision for non-tax legal cases		
Others(to be Specified)- Tax on Bonus Share Distributed from Share Premium		13,436,730
Total	118,763,058.64	152,076,309.00

(a) Movement of Provisions, Contingent Liabilities and Contingent Assets

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	24,039,651	11,700,071	11,362,805			24,376,916
ii) Provision for Gratuity	83,146,575	22,032,475		28,071,212		77,107,838
iii)Termination Benefits						
iv)Other Employee Benefit obligations(to be Specified)	31,453,353	26,402,476	31,453,353			26,402,476
Provision for tax related legal cases						
Provision for non-tax legal cases						
Others(to be Specified)						

(b) Provision with expected payouts within 12 months

Particulars	Current Year	Previous Year
Provision for emoloyee benefits		
i) Provision for Leave		
ii) Provision for Gratuity		
iii)Termination Benefits		
iv)Other Employee Benefit obligations(to be Specified)	26,402,476.24	31,453,353.02
Provision for tax related legal cases		
Provision for non-tax related legal cases		
Others (to be Specified)		

Prabhu Insurance Limited

Notes to the Financial Statements

19 Gross Insurance Contract Liabilities

Fig. in NPR

Particulars	Current Year	Previous Year
Unearned Premiums Reserve	900,724,325	829,388,697
Unexpired Risk Reserve	-	-
Earthquake Premium Reserves	10,596,161	-
Margin over Best Estimates	11,269,683	9,279,977
Incurred But not Reported(IBNR)	256,879,596	-
Incurred But not Enough Reported(IBNER)	112,998,809	102,398,324
Outstanding Claims	731,607,543	658,616,678
Others		
Total	2,024,076,117	1,599,683,676

19.1 Gross Insurance Contract Liabilities

a) Gross Insurance Contract Liability

Fig. in NPR

Particulars	Line of Business								Total
	Property	Motor	Marine	Engineering	Micro	Aviation	Cattle and Crop	Miscellaneous	
As at Shrawan 1, 2080									
Unearned Premiums Reserve	100,668,937	321,498,601	12,230,479	185,602,029	1,179,521	24,166,653	50,831,670	133,210,808	829,388,697
Unexpired Risk Reserve	-	-	-	-	-	-	-	-	-
Earthquake Premium Reserves	-	-	-	-	-	-	-	-	-
Margin over Best Estimates	495,118	6,738,869	98,602	205,009	38,071	151,927	62,202	1,490,179	9,279,977
Incurred But not Reported(IBNR)	-	-	-	-	-	-	-	-	-
Incurred But not Enough Reported(IBNER)	7,412,131	74,442,346	1,120,409	2,954,439	713,320	983,999	818,480	13,953,200	102,398,324
Outstanding Claims	29,982,574	204,484,865	4,308,056	28,617,134	-	378,317,692	1,706,758	11,199,600	658,616,678
Others	-	-	-	-	-	-	-	-	-
Total Balance As at Shrawan 1, 2080	138,558,760	607,164,681	17,757,545	217,378,611	1,930,912	403,620,271	53,419,109	159,853,787	1,599,683,676
Changes during the year									
Unearned Premiums Reserve	26,258,093	17,746,446	123,437	(79,556,110)	(321,517)	166,979,308	(5,778,006)	(54,116,022)	71,335,628
Unexpired Risk Reserve	-	-	-	-	-	-	-	-	-
Earthquake Premium Reserves	1,159,105	6,030,425	165,698	1,614,590	28,711	46,401	460,058	1,091,173	10,596,161
Margin over Best Estimates	539,860	78,804	204,480	995,031	14,759	(139,738)	119,158	177,352	1,989,706
Incurred But not Reported(IBNR)	15,601,681	113,759,763	2,252,019	35,103,344	1,268,119	62,493,477	4,256,463	22,144,730	256,879,596
Incurred But not Enough Reported(IBNER)	388,709	(22,226,459)	1,068,747	12,658,361	(619,987)	30,262,739	(631,442)	(10,300,183)	10,600,485
Outstanding Claims	71,518,261	(29,745,493)	7,457,750	27,423,404	280,000	-	(1,116,458)	(2,826,600)	72,990,865
Others	-	-	-	-	-	-	-	-	-
Total changes during the year	115,465,709	85,643,486	11,272,131	(1,761,380)	650,085	259,642,187	(2,690,227)	(43,829,550)	424,392,441
As at Ashadh 31, 2081									
Unearned Premiums Reserve	126,927,030	339,245,046	12,353,915	106,045,919	858,004	191,145,962	45,053,663	79,094,786	900,724,325
Unexpired Risk Reserve	-	-	-	-	-	-	-	-	-
Earthquake Premium Reserves	1,159,105	6,030,425	165,698	1,614,590	28,711	46,401	460,058	1,091,173	10,596,161
Margin over Best Estimates	1,034,978	6,817,673	303,082	1,200,040	52,830	12,189	181,360	1,667,531	11,269,683
Incurred But not Reported(IBNR)	15,601,681	113,759,763	2,252,019	35,103,344	1,268,119	62,493,477	4,256,463	22,144,730	256,879,596
Incurred But not Enough Reported(IBNER)	7,800,840	52,215,887	2,189,156	15,612,800	93,333	31,246,738	187,038	3,653,017	112,998,809
Outstanding Claims	101,500,835	174,739,372	11,765,806	56,040,538	280,000	378,317,692	590,300	8,373,000	731,607,543
Others	-	-	-	-	-	-	-	-	-
Total Balance As at Ashadh 31, 2081	254,024,469	692,808,166	29,029,676	215,617,231	2,580,997	663,262,459	50,728,882	116,024,237	2,024,076,117

b) Reinsurance Assets

Fig. in NPR

Particulars	Line of Business								Total
	Property	Motor	Marine	Engineering	Micro	Aviation	Cattle and Crop	Miscellaneous	
As at Shrawan 1, 2080									
Unearned Premiums Reserve	65,386,920	171,888,091	34,121,994	168,200,447	178,454	20,506,300	25,072,212	65,129,859	550,484,275
Unexpired Risk Reserve	-	-	-	-	-	-	-	-	
Earthquake Premium Reserves	-	-	-	-	-	-	-	-	
Margin over Best Estimates	-	-	-	-	-	-	-	-	-
Incurred But not Reported(IBNR)	-	-	-	-	-	-	-	-	-
Incurred But not Enough Reported(IBNER)	-	-	-	-	-	-	-	-	-
Outstanding Claims	23,195,650	142,851,679	3,029,245	25,554,027	-	377,475,239	1,365,406	7,701,220	581,172,466
Others	-	-	-	-	-	-	-	-	-
Total Balance As at Shrawan 1, 2080	**88,582,570.00**	**314,739,769.50**	**37,151,238.03**	**193,754,473.92**	**178,453.98**	**397,981,539.09**	**26,437,617.88**	**72,831,078.29**	**1,131,656,741**
Changes during the year									
Unearned Premiums Reserve	29,342,731	14,845,163	(26,370,809)	(101,504,269)	(117,992)	169,100,743	6,202,072	(35,595,422)	55,902,218
Unexpired Risk Reserve	-	-	-	-	-	-	-	-	
Earthquake Premium Reserves	-	-	-	-	-	-	-	-	
Margin over Best Estimates	-	-	-	-	-	-	-	-	-
Incurred But not Reported(IBNR)	8,265,508	72,303,660	529,158	29,579,147	240,226	62,296,093	3,541,144	10,482,104	187,237,041
Incurred But not Enough Reported(IBNER)	5,489,221	20,970,276	1,469,310	14,858,776	78,400	30,965,920	154,507	2,328,922	76,315,333
Outstanding Claims	70,764,444	(41,820,114)	6,415,236	27,911,474	235,200	-	(877,774)	(1,324,070)	61,304,396
Others	-	-	-	-	-	-	-	-	-
Total changes during the year	**113,861,904.55**	**66,298,984.56**	**(17,957,104.04)**	**(29,154,871.98)**	**435,833.74**	**262,362,756.31**	**9,019,949.96**	**(24,108,465.06)**	**380,758,988.03**
As at Ashadh 31, 2081									
Unearned Premiums Reserve	94,729,651	186,733,253	7,751,185	66,696,178	60,462	189,607,043	31,274,284	29,534,437	606,386,493
Unexpired Risk Reserve	-	-	-	-	-	-	-	-	-
Earthquake Premium Reserves	-	-	-	-	-	-	-	-	
Margin over Best Estimates	-	-	-	-	-	-	-	-	
Incurred But not Reported(IBNR)	8,265,508	72,303,660	529,158	29,579,147	240,226	62,296,093	3,541,144	10,482,104	187,237,041
Incurred But not Enough Reported(IBNER)	5,489,221	20,970,276	1,469,310	14,858,776	78,400	30,965,920	154,507	2,328,922	76,315,333
Outstanding Claims	93,960,094	101,031,565	9,444,481	53,465,501	235,200	377,475,239	487,632	6,377,150	642,476,862
Others	-	-	-	-	-	-	-	-	-
Total Balance As at Ashadh 31, 2081	**202,444,474.55**	**381,038,754.06**	**19,194,133.99**	**164,599,601.93**	**614,287.72**	**660,344,295.40**	**35,457,567.84**	**48,722,613.23**	**1,512,415,729**

Prabhu Insurance Limited

Notes to the Financial Statements

19.2 Disclosure of Outstanding claim

S.no	ype of insuranc	Outstanding claim for claims intimated during the year (A)	Unclaimed Fund				Gross oustanding 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	Total Unclaimed Fund (B)			
1	Property	-	101,500,835	-	-	101,500,835.00	101,500,835	93,960,094	7,540,741
2	Motor	121,298,035	35,114,337	850,000	17,477,000	53,441,337.00	174,739,372	101,031,565	73,707,807
3	Marine	8,955,000	115,000	-	2,695,806	2,810,806	11,765,806	9,444,481	2,321,324
4	Engineering	1,050,000	45,840,000	1,500,000	7,650,538	54,990,538	56,040,538	53,465,501	2,575,037
5	Micro	280,000	-	-	-	-	280,000	235,200	44,800
6	Aviation	-	-	-	378,317,692	378,317,692	378,317,692	377,475,239	842,453
7	Cattle and Crop	487,300	103,000	-	-	103,000	590,300	487,632	102,668
8	Miscellaneous	5,373,000	-	3,000,000	-	3,000,000.00	8,373,000	6,377,150	1,995,850
	Total	137,443,335	182,673,172	5,350,000	406,141,036	594,164,208	731,607,542	642,476,862	89,130,680

20. Insurance Payable

Particulars	Current Year	Previous Year
Payable to Reinsurer	195,579,172	97,723,813
Payable to Other Insurance Companies	214,261,554	107,752,173
Withdrawal Premium		
Withdrawal Claims		
Others (to be Specified)		
Total	409,840,726	205,475,987

Payable within 12 months:

Particulars	Current Year	Previous Year
Payable to Reinsurer	195,579,172	97,723,813
Payable to other Insurance Companies	214,261,554	107,752,173
Withdrawal Premium		
Withdrawal Claims		
Others (to be Specified)		
Total	409,840,726.18	205,475,986.51

Prabhu Insurance Limited

Notes to the Financial Statements

21. Current Tax Assets/(Liabilities) (Net)

Particulars	Current Year	Previous Year
Income Tax Liabilities	85,399,153	106,869,298
Income Tax Assets	(102,011,794)	(44,190,379)
Total	(16,612,641)	62,678,919

Borrowings

Particulars	Current Year	Previous Year
Bonds		
Debentures		
Term Loans-Bank and Financial Institution		
Bank Overdrafts		
Others (to be Specified)		
Total	-	-

22. Payable within 12 months:

Particulars	Current Year	Previous Year
Bonds		
Debentures		
Term Loans-Bank and Financial Institution		
Bank Overdrafts		
Others (to be Specified)		
Total	-	-

23 Other Liabilities

Fig. in NPR

Particulars	Current Year	Previous Year
TDS Payable	3,969,741	1,121,389
VAT Payable	2,313,367	31,980,544
Unidentified deposits		
Advance Premiums		
Insurance Service Fee Payable	13,334,606	13,575,591
Lease Liability	38,713,462	53,049,786
Deferred Reinsurance Commission Income	55,886,918	100,730,782
Deferred Income		
Others(to be specified)		
Tax liability on Gain on Financial Instrument disposed off	119,427,372	-
Total	233,645,467	200,458,091

Payable within 12 months

Particulars	Current Year	Previous Year
TDS Payable	3,969,741	1,121,389
VAT Payable	2,313,367	31,980,544
Unidentified Deposits		
Advance Premiums		
Insurance Service Fee Payable	13,334,606	13,575,591
Lease Liability	38,713,462	53,049,786
Deferred Reinsurance Commission Income	55,886,918	100,730,782
Deferred Income		
Others(to be specified)		
Total	114,218,095	200,458,091

24 Other Financial Liabilities

Particulars	Current Year	Previous Year
Redeemable Preference Shares		
Irredemable Cumulative Preference Shares		
Refundable Share Application Money		
Payable to Insured		
Payable to Agents	5,046,472	5,224,249
Payable to Surveyor	2,235,552	3,497,411
Sundry Creditors	6,306,413	7,631,958
Retention and deposits		
Short-term employee benefits payable		
i) Salary Payables		
ii) Bonus Payables		
iii) Other employee benefit payable (to be Specified)	384,332	289,747
Audit Fees Payable		414,250
Actuarial Fees Payable		230,000
Dividend Payable	1,056,157	1,056,157
Others (to be specified)	936,795	477,370
Total	15,965,721	18,821,142

Payable within 12 months

Particulars	Current Year	Previous Year
Redeemable Preference Shares		
Irredemable Cumulative Preference Shares		
Refundable Share Application Money		
Payable to Insured		
Payable to Agents	5,046,472	5,224,249
Payable to Surveyor	2,235,552	3,497,411
Sundry Creditors	6,306,413	7,631,958
Retention and deposits	-	-
Short-term employee benefits payable	-	-
i) Salary Payables	-	-
ii) Bonus Payables	-	-
iii) Other employee benefit payable (to be Specified)	384,332	289,747
Audit Fees Payable	-	414,250
Actuarial Fees Payable	-	230,000
Dividend Payable	1,056,157	1,056,157
Others (to be specified)	936,795	477,370
Total	15,965,721	18,821,142

Prabhu Insurance Limited

Notes to the Financial Statements

25 Gross Earned Premiums

Fig.in NPR

Particulars	Direct Premiums		Premium on Reinsurance Accepted		Gross Change in Unearned Premium		Gross Earned Premiums	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Property	239,242,977	201,337,874	1,954,735		(26,258,093)	(12,946,648)	214,939,618	188,391,227
Motor	465,990,628	428,405,553	202,199,260	214,591,647	(17,746,446)	(41,423,379)	650,443,442	601,573,822
Marine	24,707,830	24,460,958	-		(123,437)	26,262,130	24,584,394	50,723,087
Engineering	211,024,671	371,204,058	1,005,191		79,556,110	(140,662,847)	291,585,971	230,541,212
Micro	1,716,008	2,359,042	-		321,517	(47,290)	2,037,525	2,311,752
Aviation	382,291,923	29,813,762	-	18,519,546	(166,979,308)	116,287,593	215,312,615	164,620,900
Cattle and Crop	90,107,326	101,663,339	-		5,778,006	(34,081,490)	95,885,333	67,581,849
Miscellaneous	157,706,986	266,421,616	-		54,116,022	(3,986,642)	211,823,008	262,434,974
Total	1,572,788,349	1,425,666,202	205,159,185	233,111,193	(71,335,628)	(90,598,573)	1,706,611,906	1,568,178,822

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	128,586,104	88,397,979	109,939,954	112,252,326	716,918	687,570	239,242,977	201,337,874
Motor	278,452,999	320,257,546	187,537,629	108,148,007		-	465,990,628	428,405,553
Marine	24,334,510	24,460,958		-	373,320	-	24,707,830	24,460,958
Engineering	174,257,336	338,325,966	36,432,608	27,897,602	334,727	4,980,490	211,024,671	371,204,058
Micro	336,364	690,257	1,379,644	1,668,785			1,716,008	2,359,042
Aviation	30,098,051	29,813,762	352,193,872	-			382,291,923	29,813,762
Cattle and Crop	89,476,671	101,202,936	630,655	460,403			90,107,326	101,663,339
Miscellaneous	129,564,176	238,797,797	28,142,810	27,623,819			157,706,986	266,421,616
Total	855,106,211	1,141,947,200	716,257,173	278,050,941	1,424,965	5,668,060	1,572,788,349	1,425,666,202

26 Premiums Ceded

Particulars	Premium 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	176,802,953	130,773,840	(29,342,731)	(3,304,758)	147,460,222	127,469,082
Motor	363,166,303	343,776,181	(14,845,163)	(48,409,405)	348,321,141	295,366,777
Marine	15,502,372	20,327,936	26,370,809	(2,296,622)	41,873,181	18,031,315
Engineering	133,330,381	336,400,893	101,504,269	- 130,619,485	234,834,650	205,781,409
Micro	120,924	356,908	117,992	47,992	238,916	404,900
Aviation	379,214,085	41,012,600	(169,100,743)	114,476,037	210,113,342	155,488,638
Cattle and Crop	62,548,568	50,144,424	(6,202,072)	(11,672,068)	56,346,496	38,472,356
Miscellaneous	58,586,286	130,259,717	35,595,422	26,198,119	94,181,708	156,457,836
Total	1,189,271,872	1,053,052,499	(55,902,218)	(55,580,189)	1,133,369,654	997,472,310

26.1 Portfolio-wise detail of Net Earned Premiums

Particulars	Gross Earned Premiums		Premium Ceded		Net Earned Premium	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Property	214,939,618.30	188,391,226.85	147,460,222.00	127,469,082.00	67,479,396.30	60,922,144.85
Motor	650,443,442.20	601,573,821.61	348,321,140.50	295,366,776.50	302,122,301.70	306,207,045.11
Marine	24,584,393.58	50,723,087.22	41,873,180.50	18,031,314.50	(17,288,786.92)	32,691,772.72
Engineering	291,585,971.43	230,541,211.76	234,834,649.50	205,781,408.50	56,751,321.93	24,759,803.26
Micro	2,037,525.12	2,311,751.57	238,915.98	404,899.98	1,798,609.14	1,906,851.59
Aviation	215,312,615.08	164,620,900.06	210,113,342.09	155,488,637.74	5,199,272.99	9,132,262.32
Cattle and Crop	95,885,332.71	67,581,848.98	56,346,495.88	38,472,355.52	39,538,836.83	29,109,493.46
Miscellaneous	211,823,007.91	262,434,973.75	94,181,707.50	156,457,835.50	117,641,300.41	105,977,138.25
Total	1,706,611,906.31	1,568,178,821.80	1,133,369,653.95	997,472,310.24	573,242,252.37	570,706,511.56

Prabhu Insurance Limited

Notes to the Financial Statements

27 Commission Income

Fig.in NPR

Particulars	Reinsurance Commission Income		Profit Commission		Commission Income	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Property	36,721,812	35,510,052			36,721,812	35,510,052
Motor	53,237,780	80,862,290	-		53,237,780	80,862,290
Marine	5,700,757	7,436,179			5,700,757	7,436,179
Engineering	37,251,055	50,910,479			37,251,055	50,910,479
Micro	46,629	63,802			46,629	63,802
Aviation	1,517,755	3,348,582			1,517,755	3,348,582
Cattle and Crop	21,739,389	12,082,084			21,739,389	12,082,084
Miscellaneous	23,828,721	24,279,394			23,828,721	24,279,394
Total	180,043,900	214,492,861	-	-	180,043,900	214,492,861

28 Other Direct Income

Particulars	Other Direct Income		Other(to be Specified)		Total Other Direct Income	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Property					-	-
Motor	10,774,215	5,657,736			10,774,215	5,657,736
Marine					-	-
Engineering					-	-
Micro					-	-
Aviation					-	-
Cattle and Crop					-	-
Miscellaneous					-	-
Total	10,774,215	5,657,736	-	-	10,774,215	5,657,736

29 Income from Investments & Loans

Particulars	Current Year	Previous Year
Interest Income from Financial Assets Designated at Amortised Costs		
i) Fixed Deposit with "A" Class Financial Institutions	50,397,115	53,392,436
ii) Fixed Deposit with Infrastructure Bank		
iii) Fixed Deposit with "B" Class Financial Institutions	12,796,130	13,745,495
iv) Fixed Deposit with "C" Class Financial Institutions	1,261,924	1,313,355
v) Debentures	5,455,000	6,087,101
vi) Bonds (Nepal Government/ NRB/ Guaranteed by Nepal Government)	546,500	545,750
vii) Bank Deposits other than Fixed Deposit	18,964,474	7,484,523
xiii) Employee Loans		
ix) Other Interest Income (CIT Fund)	1,251,357	126,342
x) Other Interest Income (Gratuity Fund)	5,963,620	5,072,476
Financial Assets Measured at FVTOCI		
i) Interest Income on Debentures		
ii) Dividend Income	3,123,806	3,342,965
iii) Other Interest Income (to be specified)		
Financial Assets Measured at FVTPL		
i) Interest Income on Debentures		
ii)Dividend Income		
iii) Other Interest Income (to be specified)		
Rental Income	8,958,645	13,505,639
Others(to be Specified)		
Total	**108,718,571**	**104,616,081**

Prabhu Insurance Limited

Notes to the Financial Statements

30 Net Gain/ (Loss) on Fair Value Changes

Fig.in NPR

Particulars	Current Year	Previous Year
Changes in Fair Value of Financial Assets Measured at FVTPL		
i) Equity Instruments	538,471	(413,748)
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 Hedges		
Transaction cost	-	
Total	538,471	(413,748)

31 Net Realised Gains/ (Losses)

Particulars	Current Year	Previous Year
Realised Gain/(Losses) on Derecognition of Financial Assets Measured at FVTPL		
i) Equity Instruments	699,193.57	
ii) Mutual Fund		
iii) Others (to be specified)		
Realised Gain/(Losses) on Derecognition of Financial Assets at Amortised Costs		
i) Debentures		
ii) Bonds		
iii) Others (to be specified)		
Total	699,193.57	-

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	2,518,033	1,591,096
Interest Income from Finance Lease		
Amortization of Deferred Income		
Profit from disposal of Property and Equipment	354,064	71,797
Amortization of Deferred Income		
Stamp Income		
Others (to be specified)		
Direct Business Income	846,507	1,365,072
Loss on disposal of lease liability Opening	(5,144,330)	
Gain on derecognition of lease	7,153,205	
Total	5,727,479	3,027,965

Prabhu Insurance Limited

Notes to the Financial Statements

33 Gross Claims Paid and Claims Ceded

Fig.in NPR

Particulars	Gross Claims Paid		Claims Ceded		Net Claims Paid	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Property	27,712,512.81	116,248,738.52	12,066,682.16	104,938,764.44	15,645,830.65	11,309,974.07
Motor	242,007,350.00	288,104,694.40	126,041,094.21	176,568,521.90	115,966,255.79	111,536,172.50
Marine	2,510,566.00	5,971,348.00	1,491,473.00	4,836,151.00	1,019,093.00	1,135,197.00
Engineering	15,378,786.54	22,155,227.00	11,710,089.96	19,266,367.50	3,668,696.58	2,888,859.50
Micro	12,091.00	798,043.00	2,418.00	159,609.00	9,673.00	638,434.00
Aviation	-	-	-	-	-	-
Cattle and Crop	1,308,835.00	762,151.00	1,047,068.00	609,721.00	261,767.00	152,430.00
Miscellaneous	132,445,197.77	197,750,433.77	79,355,331.76	134,525,649.30	53,089,866.01	63,224,784.47
Total	**421,375,339.12**	**631,790,635.69**	**231,714,157.09**	**440,904,784.14**	**189,661,182.03**	**190,885,851.55**

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	24,622,689.81	110,440,325.16	3,089,823.00	5,808,413.36	27,712,512.81	116,248,738.52
Motor	231,476,973.00	274,447,693.00	10,530,377.00	13,657,001.40	242,007,350.00	288,104,694.40
Marine	1,501,992.00	4,972,435.00	1,008,574.00	998,913.00	2,510,566.00	5,971,348.00
Engineering	12,471,634.54	18,643,018.00	2,907,152.00	3,512,209.00	15,378,786.54	22,155,227.00
Micro	-	798,043.00	12,091.00		12,091.00	798,043.00
Aviation	-	-	-		-	-
Cattle and Crop	1,112,860.00	743,691.00	195,975.00	18,460.00	1,308,835.00	762,151.00
Miscellaneous	132,153,994.77	197,361,507.77	291,203.00	388,926.00	132,445,197.77	197,750,433.77
Total	**403,340,144.12**	**607,406,712.93**	**18,035,195.00**	**24,383,922.76**	**421,375,339.12**	**631,790,635.69**

34 Change in Insurance Contract Liabilities

Particulars	Gross Change in Insurance Contract Liabilities		Change in Reinsurance Assets		Net Change in Insurance Contract Liabilities	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Property	89,207,615.74	(162,907,313.74)	84,519,173.55	(161,646,223.60)	4,688,442.19	(1,261,090.14)
Motor	67,897,040.00	844,701.17	51,453,822.06	(4,758,813.50)	16,443,217.94	5,603,514.67
Marine	11,148,694.47	180,752.47	8,413,704.46	(517,722.32)	2,734,990.01	698,474.79
Engineering	77,794,729.96	8,910,923.31	72,349,396.52	7,167,466.32	5,445,333.44	1,743,456.99
Micro	971,602.00	310,885.78	553,825.72	(90,000.15)	417,776.28	400,885.93
Aviation	92,662,879.00	(57,768,999.80)	93,262,013.40	(56,747,654.00)	(599,134.39)	(1,021,345.80)
Cattle and Crop	3,087,779.50	955,492.28	2,817,877.84	417,308.05	269,901.66	538,184.23
Miscellaneous	10,286,472.00	(1,252,277.04)	11,486,956.44	(1,117,291.86)	(1,200,484.44)	(134,985.18)
Total	**353,056,812.67**	**(210,725,835.57)**	**324,856,769.98**	**(217,292,931.07)**	**28,200,042.69**	**6,567,095.50**

Prabhu Insurance Limited

Notes to the Financial Statements

35 Commission Expenses

Fig.in NPR

Particulars	Commission Expenses on Direct		Commission Expenses on Premium on		Deferred Commission Expenses		Total Commission Expenses	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Property	1,105,728	913,553	73,872		1,735,706	1,537,493	2,915,306	2,451,046
Motor	1,790,374	1,888,800	7,602,718	8,372,889	24,263,893	4,467,193	33,656,985	14,728,881
Marine	291,689	170,865	388		324,635	333,470	616,712	504,335
Engineering	750,977	3,727,492	32,116		7,082,052	1,388,971	7,865,145	5,116,463
Micro	52,952	55,868	-		106,146	92,744	159,098	148,611
Aviation	1,948,363	664,497	-		1,262,511	1,393,003	3,210,873	2,057,500
Cattle and Crop	4,580,627	3,470,711	-		6,594,180	1,877,126	11,174,806	5,347,837
Miscellaneous	2,210,146	647,351			1,229,934	2,481,091	3,440,080	3,128,441
Total	12,730,855	11,539,136	7,709,094	8,372,889	42,599,057	13,571,090	63,039,005	33,483,115

36 Service Fees

Particulars	Service Fees		Reinsurer's Share of Service Fees		Net Service Fees	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Property	1,808,983	1,669,769	1,326,022	980,804	482,961	688,965
Motor	5,011,424	5,256,856	2,723,747	2,578,321	2,287,677	2,678,535
Marine	185,309	202,380	116,268	152,460	69,041	49,920
Engineering	1,590,224	2,864,215	999,978	2,523,007	590,246	341,208
Micro	12,870	20,285	907	2,677	11,963	17,608
Aviation	2,867,189	452,404	2,844,106	307,595	23,084	144,809
Cattle and Crop	675,805	768,125	469,114	376,083	206,691	392,042
Miscellaneous	1,182,802	2,341,557	439,397	976,948	743,405	1,364,609
Total	13,334,607	13,575,591	8,919,539	7,897,894	4,415,067	5,677,697

Note: Service fee shall be calculted on the basis of gross written premium.

37 Other Direct Expenes

Particulars	Other Direct Expenses		Other(to be Specified)		Total Other Direct Expenses	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Property					-	-
Motor					-	-
Marine					-	-
Engineering					-	-
Micro					-	-
Aviation					-	-
Cattle and Crop					-	-
Miscellaneous					-	-
Total	-	-	-	-	-	-

Prabhu Insurance Limited

Notes to the Financial Statements

38 Employee Benefits Expenses Fig.in NPR

Particulars	Current Year	Previous Year
Salaries	95,600,782	82,760,328
Allowances		
Festival Allowances	7,632,122	6,752,039
Other Allowance	27,028,980	23,361,233
Defined Benefit Plans		
i) Gratuity	22,032,475	15,048,950
ii) Others (to be Specified)		
Defined Contribution Plans		
i) Provident Fund/ Social Security Fund	7,925,714	6,959,899
ii) Others (to be specified)		
Leave Encashments	11,700,071	15,979,844
Termination Benefits		
Training Expenses	2,042,474	956,872
Uniform Expenses	2,180,985	2,089,955
Staff Medical Expenses	6,040,505	4,641,598
Staff Insurance Expenses	545,249	403,938
Staff Welfare	1,108,346	728,321
Others(to be Specified)		
Overtime Expenses	629,543	634,012
Wages Expense	212,620	249,036
Sub Total	**184,679,865**	**160,566,025**
Employees Bonus	26,402,476	31,453,353
Total	211,082,341	192,019,378

39 Depreciation and Amortization Expenses

Particulars	Current Year	Previous Year
Amortization of goodwill & Intangible Assets (Refer Note. 4)	80,900	80,900
Depreciation on Property and Equipment(Refer Note.5)	30,150,949	32,450,072
Depreciation on Investment Properties (Refer Note. 6)	490,276	490,276
Total	30,722,124	33,021,247

40 Impairment Losses

Particulars	Current Year	Previous Year
Impairment Losses on Property and Equiment, Investment Properties and Goodwill & Intangible Assets		
i) Property and Equipment		
ii) Investment properties		
iii) Goodwill & Intangible Asssets		
Impairment Losses on Financial Assets		
i) Investments		
ii) Loans		
iii) Other Financial Assets		
iv)Cash and Cash Equivalents		
v)Others (to be Specified)		
Impairment Losses on Other Assets		
i) Reinsurance Assets		
ii) Insurance Receivables	45,548,300	60,893,693
iii) Lease Receivables		
iv)Others (to be Specified)		
Total	45,548,300	60,893,693

Prabhu Insurance Limited

Notes to the Financial Statements

41 Other Operating Expenses — **Fig.in NPR**

Particulars	Current Year	Previous Year
Rent Expenses		-
Electricity and Water	2,623,538	2,296,072
Repair & Maintenance	-	
i) Building	832,449	780,546
ii) Vehicle	660,922	499,632
iii) Office Equipments	2,448,830	850,670
iv) Others(to be Specified)		
Repair & Maintenance - Furniture		
Repair & Maintenance - Soft Ware		
Telephone & Communication	5,939,761	6,402,024
Printing & Stationary	7,651,299	6,518,768
Office Consumable Expenses	311,651	705,469
Conveyance Expenses	1,550,229	1,274,832
Travelling Expenses		
i) Domestic	1,308,268	1,691,883
ii) Foreign	417,596	998,133
Transpotation & Fuel Expenses		
Agent Training	150,000	87,500
Other Agent Expenses		
Insurance Premium	1,295,656	1,280,568
Security & Outsourcing Expenes	751,425	590,057
Legal and Consulting Expenses	2,060,353	1,245,439
Newspapers, Books and Periodicals	478,005	565,898
Advertisement & Promotion Expenses	4,677,351	2,152,811
Business Promotion	2,496,987	3,298,974
Corporate Social Responsibility	-	-
Guest Entertainment	2,754,170	2,128,708
Gift and Donations		
Board Meeting Fees and Expenses		
i) Meeting Allowances	1,132,500	1,433,500
ii) Other Allowances	272,766	175,325
Other Committee/ Sub-committee Expenses		
i) Meeting Allowances	438,676	399,500
ii) Other Allowances	141,896	187,902
General Meeting Expenses	657,326	389,478
Actuarial Service Fee	-	230,000
Other Actuarial Expenses	-	-
Audit Related Expenses	-	-
i) Statutory Audit	143,750	143,750
ii) Tax Audit	143,750	143,750
iii) Long Form Audit Report	42,500	42,500
iv) Other Fees		
v) Internal Audit	400,000	400,000
vi) Audit Expenses	222,359	396,975
Bank Charges	335,795	317,313
Fee and Charges	7,111,332	4,599,026
Postage Charges		
Foreign Exchange Losses	592,232	
Fines and Penalties	2,349,854	
Others (to be Specified)		
Stamp Expesnes	285,456	360,484
Annual Maintenance Charge-Software	500,000	392,000
Membership Fee & Renewals		
Cleaning Expenses	1,441,031	743,861
Anniversary Expenses	182,985	293,299
Fuel Expenses	8,693,016	7,512,147
Miscellaneous Expenses	2,204,884.29	1,789,321
Loss on Sale of Investment		990,427
Total	**65,700,596**	**54,308,542**

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 - Leases	3,753,136	6,697,257
Interest Expenses - Overdraft Loans		
Others (to be Specified)		
Total	3,753,136.20	6,697,257

Prabhu Insurance Limited

Notes to the Financial Statements

43 Income Tax Expense

Fig.in NPR

(a) Income Tax Expense

Particulars	Current Year	Previous Year
Current Tax		
i) Income Tax Expenses for the Year	73,243,779	106,869,298
ii) Income Tax Relating to Prior Periods		
Deferred Tax For The Year		
i) Originating and reversal of temporary differences	12,155,374	(17,382,303)
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	85,399,153	89,486,995

(b) Reconciliation of Taxable Profit & the Accounting Profit

Particulars	Current Year	Previous Year
Accounting Profit Before Tax	237,622,286	314,533,530
Applicable Tax Rate	30%	30%
Tax at the applicable rate on Accounting Profit	71,286,686	94,360,059
Add: Tax effect of expenses that are not deductible for tax purpose	21,677,672	22,300,234
Less: Tax effect on exempt income and additional deduction	(19,720,579)	(13,798,721)
Less: Adjustments to Current Tax for Prior Periods		
Add/ (Less): Others(to be Specified)		
Income Tax Expense	73,243,779	102,861,572
Effective Tax Rate	30.82%	32.70%

OR

Particulars	Current Year	Previous Year
Accounting Profit Before Tax		
Income Tax Expense	85,399,152.66	89,486,995.15
Average Effective Tax Rate		
Less: Tax effect of expenses that are not deductible for tax purpose		
Add: Tax effect on exempt income and additional deduction		
Add: Adjustments to Current Tax for Prior Periods		
Add/ (Less): Others(to be Specified)		
Applicable Tax Rate	-	-

Notes to Financial Statements (Continued...)

44 Employee Retirement Benefits

a) Post Employment Benefit - Defined Contribution Plans

For the year ended Ashadh 31, 2081 (July 15, 2024) the company has recognised an amount of NPR. 79,25,714,as an expenses under the defined contribution plans in the Statement of Profit or Loss.

b) Post Employment Benefit - Defined Benefit Plans

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

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	12,930,547	13,269,602		
Past service cost				
Net interest cost (a-b)	13,973,117	10,414,706		
a. Interest expense on defined benefit obligation (DBO)	13,973,117	10,414,706		
b. Interest (income) on plan assets		-		
Defined benefit cost included in Statement of Profit or Loss	26,903,664	23,684,308	-	-

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
. Actuarial (gain)/ loss due to financial assumption changes in DBO				
b. Actuarial (gain)/ loss due to experience on DBO	(1,032,561)	32,845,399		
c. Return on plan assets (greater)/ less than discount rate	-	-		
Total actuarial (gain)/ loss included in OCI	(1,032,561)	32,845,399	-	-

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	26,903,664	23,684,308		
Remeasurements effects recognised in OCI	(1,032,561)	32,845,399		
Total cost recognised in Comprehensive Income	25,871,103	56,529,707	-	-

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	168,051,399	116587299		
Service cost	12930547	13269602		
Interest cost	13973117	10414706		
Benefit payments from plan assets	(20,693,356)	(715,857)		
Actuarial (gain)/ loss - financial assumptions	(6,206,101)	28,495,649		
Actuarial (gain)/ Loss - experience				
Defined Benefit Obligation as at Year End	168,055,606	168,051,399	-	-

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	60,865,173	56284522		
Interest Income				
Expected return on plan assets	1807156	1863935		
Employer contributions	35523206	4580651		
Participant contributions	3366384	3201672		
Benefit payments from plan assets	(20,693,356)	(715,857)		
Transfer in/ transfer out				
Actuarial gain/ (loss) on plan assets	(5,173,540)	(4,349,750)		
Fair value of Plan Assets as at Year End	75,695,023	60,865,173	-	-

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	168,055,606	168,051,399	-	-
Fair Value of Plan Assets	(75,695,023)	(60,865,173)	-	-
Liability/ (Asset) Recognised in Statement of Financial Position	**92,360,583**	**107,186,226**	**-**	**-**

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	31,824,921	62,726,769		

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	92,360,583	107,186,226		
Defined benefit cost included in Statement of Profit or Loss	(13,793,082)	14,038,050		
Total remeasurements included in OCI	(3,234,547)	23,683,539		
Acquisition/ divestment				
Employer contributions				
Net defined benefit liability/(asset)	**75,332,954**	**144,907,815**	**-**	**-**

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	50,282,182	73,965,721		
Total remeasurements included in OCI	9,124,172	(23,683,539)		
Cumulative OCI - (Income)/Loss	**59,406,354**	**50,282,182**	**-**	**-**

l) Current/Non - Current Liability

Particulars	Employee Benefit Plan		Any Other Funded Liability	
	Current Year	Previous Year	Current Year	Previous Year
Current Liability	168,055,606.00	168,051,399.00		
Non - Current Liability- Net of Plan Assets	75,695,023.00	60,865,173.00		
Total	243,750,629.00	228,916,572.00	-	-

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	81.96%	56.78%		
Cash and bank balances				
Others (to be Specified)				
Total	81.96%	56.78%	-	-

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				

p) Assumptions

Particulars	Employee Benefit Plan	Any Other Funded Liability
Discount Rate	8.5%	
Escalation Rate (Rate of Increase in Compensation Levels)	8%	
Attrition Rate (Employee Turnover)	8.5%	
Mortality Rate During Employment	NALM 2009	

q) Risk Exposure and Asset Liability Matching

Provision of a defined benefit scheme poses certain risks, some of which are detailed hereunder, as companies take on uncertain long term obligations to make future benefit payments.

Notes to Financial Statements (Continued...)

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.

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	15,616,638	357,193,877		11,743,385	437,106,027	
Investment in Equity (Unquoted)	3		7,360,439			4,780,000	
ii) Investment in Mutual Funds	1		24,620,000		-	22,269,077	
iii) Investment in Preference Shares of Bank and Financial Institutions							
iv) Investment in Debentures	3			60,000,000			60,000,000
v) Investment in Bonds (Nepal Government/ NRB/ Guaranteed by Nepal Government)	3			5,000,000			5,000,000
vi) Fixed Deposits	3			773,100,000			725,600,000
vii) Others (to be specified)							
Call deposit	3			-			
PMS cash Balance	3			3,491,087			
Investment in Private Equity Fund	3			20,000,000			
Loans	3			-			-
Other Financial Assets	3			172,461,567			142,731,692
Cash and Cash Equivalents	3	1,398,625,811		-	703,420,326		-
Total Financial Assets		1,414,242,449	389,174,316	1,034,052,653	715,163,711	464,155,104	933,331,692
Borrowings		-		-			-
Other Financial Liabilities	3			15,965,721			18,821,142
Total Financial Liabilities		-	-	15,965,721	-	-	18,821,142

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.

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

(ii) Valuation Technique Used to Determine Fair Value

a) Use of quoted market prices or dealer quotes for similar instruments

b) 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:

a) Discount rate is arrived at considering the internal and external factors.

b) 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	60,000,000	60,000,000	60,000,000	60,000,000
iii) Investment in Bonds (Nepal Government/ NRB/ Guaranteed by Nepal	5,000,000	5,000,000	5,000,000	5,000,000
iv) Fixed Deposit	773,100,000	773,100,000	725,600,000	725,600,000
v) Others (to be Specified)- call Deposit	-	-		-
Citizen Investment Planning Fund	12,000,000	12,000,000	12,000,000	12,000,000
Loans				-
i) Loan to Employees	-		-	-
ii) Others (to be Specified)				
Other Financial Assets	172,461,567	172,461,567	142,731,692	142,731,692
Total Financial Assets at Amortised Cost	**1,022,561,567**	**1,022,561,567**	**945,331,692**	**945,331,692**
Borrowings				
i) Bonds	-		-	
ii) Debentures	-		-	
iii) Term Loans - Bank and Financial Institution	-		-	
iv) Bank Overdrafts	-		-	
v) Others (to be Specified)	-		-	
Other Financial Liabilities	15,965,721		-	18,821,142
Total Financial Liabilities at Amortised Cost	**15,965,721**	**-**	**-**	**18,821,142**

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) Claims Handling

e) Reinsurance

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 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.

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) Claims handling:

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

i) Mortality Risk – risk of loss arising due to policyholder death experience being different than expected
ii) Longevity Risk – risk of loss arising due to the annuitant living longer than expected
iii) Investment Return Risk – risk of loss arising from actual returns being different than expected
iv) Expense Risk – risk of loss arising from expense experience being different than expected
v) Policyholder Decision Risk – risk of loss arising due to policyholder experiences (lapses and surrenders) being different than expected

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,
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.

e) 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.

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.

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%	77,443,215	21,786,122	21,786,122	6,535,837	42,106,480	19,745,295	19,745,295	5,923,588
Average Number of Claims	+ 10%	77,443,215	21,786,122	21,786,122	6,535,837	42,106,480	19,745,295	19,745,295	5,923,588
Average Claim Cost	- 10%	(77,443,215)	(21,786,122)	(21,786,122)	(6,535,837)	(42,106,480)	(19,745,295)	(19,745,295)	(5,923,588)
Average Number of Claims	- 10%	(77,443,215)	(21,786,122)	(21,786,122)	(6,535,837)	(42,106,480)	(19,745,295)	(19,745,295)	(5,923,588)

Claim development table

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

Gross outstanding claim provision

Year of incident	> PY 4	PY 4	PY 3	PY 2	PY 1	Current Year	Total
At end of incident year						1,152,982,881.57	1,152,982,881.57
One year later							-
Two year later							-
Three year later							-
Four year later							-
More than Four years							-
Current estimate of cumulative claims	-	-	-	-	-	1,152,982,881.57	1,152,982,881.57
At end of incident year						421,375,339.12	421,375,339.12
One year later							-
Two year later							-
Three year later							-
Four year later							-
More than Four years							-
Cumulative payments to date	-	-	-	-	-	421,375,339.12	421,375,339.12
Gross outstanding claim provision	-	-	-	-	-	731,607,542.45	731,607,542.45

Net outstanding claim provision

Year of incident	> PY 4	PY 4	PY 3	PY 2	PY 1	Current Year	Total
At end of incident year						278,791,862.43	278,791,862.43
One year later							-
Two year later							-
Three year later							-
Four year later							-
More than Four years							-
Current estimate of cumulative claims	-	-	-	-	-	278,791,862.43	278,791,862.43
At end of incident year						189,661,182.03	189,661,182.03
One year later							-
Two year later							-
Three year later							-
Four year later							-
More than Four years							-
Cumulative payments to date	-	-	-	-	-	189,661,182.03	189,661,182.03
Net outstanding claim provision	-	-	-	-	-	89,130,680.39	89,130,680.39

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	133,117,034	(99,466,761)	232,583,795	105,206,096	(74,425,456)	179,631,552
Motor	1,162,482,120	(868,621,603)	2,031,103,723	918,741,966	(649,941,331)	1,568,683,297
Marine	12,059,502	(9,011,015)	21,070,517	9,530,960	(6,742,442)	16,273,402
Engineering	73,871,989	(55,198,101)	129,070,091	58,383,089	(41,301,675)	99,684,764
Micro	58,079	(43,397)	101,477	45,902	(32,472)	78,373
Aviation	-	-	-	-	-	-
Cattle and Crop	6,286,988	(4,697,718)	10,984,706	4,968,781	(3,515,042)	8,483,823
Miscellaneous	636,200,406	(475,377,132)	1,111,577,538	502,806,883	(355,698,321)	858,505,205
Total	2,024,076,117	(1,512,415,729)	3,536,491,846	1,599,683,676	(1,131,656,741)	2,731,340,417

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:

a) 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.

b) 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.

c) 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, 2081

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	Loss allowance measured at life-time expected credit losses					
Credit Risk has significantly						

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						

Reconciliation of Loss Allowance Provision

Particulars	Measured at 12 months expected credit losses	Measured at life-time expected credit losses	
		Credit Risk has	Credit Risk has significantly
Loss Allowance on Ashadh 32, 2079			
Changes in loss allowances			
Write-offs			
Recoveries			
Loss Allowance on Ashadh 32, 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

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	15,965,721			18,821,142		
Total Financial Liabilities	15,965,721	-	-	18,821,142	-	-

iii) Market Risk

a1) Foreign Currency Risk Exposure

Foreign exchange risk is the potential for the Company to experience volatility in the value of its assets, liabilities and solvency and to suffer actual financial losses as a result of changes in value

Alternative note for Foreign Currency Risk Exposure (where there is Foreign Currency Risk)

Operation of the Company has

The Company's exposure to foreign currency risk at the end of the reporting period expressed

Particulars	-		Previous Year	
	USD	Indian Rs.	USD	Indian Rs.
Investments				
Loans				
Insurance Receivables	7,164,481	590,039,763	7,101,630	780,628,325
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)	7,164,481	590,039,763	7,101,630	780,628,325
Insurance Payables	3,066,064	256,150,454	1,611,450	128,422,492
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)	3,066,064	256,150,454	1,611,450	128,422,492

a2) Foreign Currency Risk -

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
NPR/ USD - Increases by 10% *	(7,164,481)	(7,101,630)	(7,164,481)	(7,101,630)
NPR/ USD - Decreases by 10% *	7,164,481	7,101,630	7,164,481	7,101,630
INR sensitivity				
NPR/ Currency A - Increases by 10% *	25,615,045	161,145		
NPR/ Currency A - Decreases by 10% *	(25,615,045)	(161,145)		

*** 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.

Particulars	Current Year	Previous Year
Interest Rate - Increase By 1%*	1,522,231	2,250,465
Interest Rate - Decrease By 1%*	(1,522,231)	(2,250,465)

* 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%*		
Interest Rate - Decrease By 1%*		

* 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. Operational 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 change is a source of financial risk,having an impact on the Revenues, Expenditure, Assets .It refers to the potential financial and operational impacts that arise from climate change and related environmental factors. For businesses, understanding and managing climate risk is crucial due to its potential to affect financial stability, operational efficiency, and regulatory compliance.Thus, while measuring the business implications of climate change, the manner in which climate-related risks and opportunities are likely to affect current and future financial performance . The organisation will integrate climate change climate change considrations into its overall business strategy via accessing,addressing and minimizing the risks associated with the climate change. The Board Oversees climate change related risk policy through the Risk Management committee. The risk related due to climate change is monitor by the underwriting department.

50. Capital Management

The Company's objectives when managing Capital are to:

a) 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

b) 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 of Nepal Insurnce Authority to attain a stipulated minimum paid up capital of NPR. 2,50,00,00,000 by 31 Ashadh 2080. As on the reporting date, the company's paid up capital is NPR 1,44,14,88,067.

Dividend

Particulars	Current Year	Previous Year
(i) Dividends recognised		
Final dividend for the year ended Ashadh 31, 2080 of NPR 653658.07/- (Ashadh 31, 2080 - NPR 5.00 per ful ly paid share)	65,365,807	0,958,606
	65,365,807	**0,958,606**
(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 100/- per fully paid equity share (Ashadh 31, 2081 - NPR 259,467,852/-). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting	259,467,852	65,365,807
	259,467,852	**5,365,807**

51 Earnings Per Share

Particulars	Current Year	Previous Year
Profit For the Year used for Calculating Basic Earning per Share	152,223,133	225,046,535
Add: Interest saving on Convertible		
Profit For the Year used for Calculating Diluted Earning per Share	**152,223,133**	**225,046,535**
Weighted Average Number of Equity Shares Outstanding During the Year For Basic Earning per Share	14,414,881	13,761,223
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	14,414,881	13,761,223
Nominal Value of Equity Shares	14,414,881	13,761,223
Basic Earning Per Share	**10.56**	**16.35**
Diluted Earning Per Share	**10.56**	**16.35**
Proposed Bonus Share	259,467,852	65,365,807
Restated Basic Earning Per Share		
Restated Diluted Earning Per Share		

52 Segmental Information

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

a) Segmental Information for the year ended Ashadh 31, 2081 (July 15, 2024)

Particulars	Property	Motor	Marine	Engineering	Micro	Aviation	Cattle and Crop	Miscellaneous	Inter Segment	Total
Income:										
Gross Earned Premiums	214,939,618	650,443,442	24,584,394	291,585,971	2,037,525	215,312,615	95,885,333	211,823,008	-	1,706,611,906
Premiums Ceded	(147,460,222)	(348,321,141)	(41,873,181)	(234,834,650)	(238,916)	(210,113,342)	(56,346,496)	(94,181,708)	-	(1,133,369,654)
Inter-Segment Revenue	-	-	-	-	-	-	-	-	-	-
Net Earned Premiums	67,479,396	302,122,302	(17,288,787)	56,751,322	1,798,609	5,199,273	39,538,837	117,641,300	-	573,242,252
Commission Income	36,721,812	53,237,780	5,700,757	37,251,055	46,629	1,517,755	21,739,389	23,828,721	-	180,043,900
Other Direct Income	-	10,774,215	-	-	-	-	-	-	-	10,774,215
Income from Investments and Loans	-	-	-	-	-	-	-	-	-	-
Net Gain/ (Loss) on Fair Value Changes	-	-	-	-	-	-	-	-	-	-
Net Realised Gains/ (Losses)	-	-	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-	-	-
Total Segmental Income	104,201,209	366,134,296	(11,588,029)	94,002,377	1,845,238	6,717,028	61,278,226	141,470,021	-	764,060,367
Expenses:										
Gross Claims Paid	27,712,513	242,007,350	2,510,566	15,378,787	12,091	-	1,308,835	132,445,198	-	421,375,339
Claims Ceded	(12,066,682)	(126,041,094)	(1,491,473)	(11,710,090)	(2,418)	-	(1,047,068)	(79,355,332)	-	(231,714,157)
Gross Change in Contract Liabilities	89,207,616	67,897,040	11,148,694	77,794,730	971,602	92,662,879	3,087,780	10,286,472	-	353,056,813
Change in Contract Liabities Ceded to Reinsurers	(84,519,174)	(51,453,822)	(8,413,704)	(72,349,397)	(553,826)	(93,262,013)	(2,817,878)	(11,486,956)	-	(324,856,770)
Net Claims incurred	20,334,273	132,409,474	3,754,083	9,114,030	427,449	(599,134)	531,669	51,889,382	-	217,861,225
Commission Expenses	2,915,306	33,656,985	616,712	7,865,145	159,098	3,210,873	11,174,806	3,440,080	-	63,039,005
Service Fees	482,961	2,287,677	69,041	590,246	11,963	23,084	206,691	743,405	-	4,415,067
Employee Benefits Expenses	-	-	-	-	-	-	-	-	-	-
Depreciation and Amortization Expenses	-	-	-	-	-	-	-	-	-	-
Impairment Losses	-	-	-	-	-	-	-	-	-	-
Other Operating Expenses	-	-	-	-	-	-	-	-	-	-
Finance Cost	-	-	-	-	-	-	-	-	-	-
Total Segmental Expenses	23,732,540	168,354,136	4,439,836	17,569,421	598,510	2,634,823	11,913,166	56,072,867	-	265,315,298
Total Segmental Results	80,468,669	197,780,160	(16,027,866)	76,432,956	1,246,728	4,082,206	49,365,061	85,397,155	-	478,745,069
Segment Assets	202,444,475	381,038,754	19,194,134	164,599,602	614,288	660,344,295	35,457,568	48,722,613		1,512,415,729
Segment Liabilities	254,024,469	692,808,166	29,029,676	215,617,231	2,580,997	663,262,459	50,728,882	116,024,237		2,024,076,118

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

Particulars	Property	Motor	Marine	Engineering	Micro	Aviation	Cattle and Crop	Miscellaneous	Inter Segment Elimination	Total
Income:										
Gross Earned Premiums	188,391,227	601,573,822	50,723,087	230,541,212	2,311,732	164,620,900	67,581,849	262,434,974		1,568,178,821.80
Premiums Ceded	(127,469,082)	(295,366,777)	(18,031,315)	(205,781,409)	(404,900)	(155,488,638)	(38,472,356)	(156,457,836)		(997,472,310.24)
Inter-Segment Revenue										-
Net Earned Premiums	60,922,145	306,207,045	32,691,773	24,759,803	1,906,832	9,132,262	29,109,493	105,977,138	-	570,706,512
Commission Income	35,510,052	80,862,290	7,436,179	50,910,479	63,802	3,348,582	12,082,084	24,279,394		214,492,861
Other Direct Income		5,657,736								5,657,736
Income from Investments and Loans										-
Net Gain/ (Loss) on Fair Value Changes										-
Net Realised Gains/ (Losses)										-
Other Income										-
Total Segmental Income	96,432,197	392,727,070	40,127,952	75,670,282	1,970,634	12,480,844	41,191,577	130,256,532	-	790,857,109
Expenses:										
Gross Claims Paid	116,248,739	288,104,694	5,971,348	22,155,227	798,043	-	762,151	197,750,434		631,790,636
Claims Ceded	(104,938,764)	(176,568,522)	(4,836,151)	(19,266,367)	(159,609)	-	(609,721)	(134,525,649)		(440,904,784)
Gross Change in Contract Liabilities	(162,907,314)	844,701	180,752	8,910,923	310,886	(57,760,000)	955,492	(1,252,277)		(210,725,836)
Change in Contract Liabities Ceded to Reinsurers	(161,646,224)	(4,758,814)	(517,722)	7,167,466	(90,000)	(56,747,654)	417,308	(1,117,292)		(217,292,931)
Net Claims incurred	10,048,884	117,139,697	1,833,672	4,632,316	1,039,320	(1,021,346)	690,614	63,089,799	-	197,452,947
Commission Expenses	2,451,046	14,728,881	504,335	5,116,463	148,611	2,057,500	5,347,837	3,128,441		33,483,114.53
Service Fees	688,965	2,678,535	49,920	341,208	17,608	144,809	392,042	1,364,609		5,677,697.26
Employee Benefits Expenses	-	-	-	-	-	-	-	-	-	-
Depreciation and Amortization Expenses	-	-	-	-	-	-	-	-	-	-
Impairment Losses	-	-	-	-	-	-	-	-	-	-
Other Operating Expenses	-	-	-	-	-	-	-	-	-	-
Finance Cost	-	-	-	-	-	-	-	-	-	-
Total Segmental Expenses	13,188,894.91	134,547,103.18	2,387,927.19	10,089,987.78	1,205,539.60	1,180,963.78	6,430,492.57	67,582,849.83	-	236,613,738.83
Total Segmental Results	83,243,302.17	258,179,967.30	37,740,024.79	65,580,294.34	765,114.00	11,299,880.63	34,761,084.53	62,673,682.11	-	554,243,349.88
Segment Assets	88,582,370.00	314,739,769.50	37,151,238.03	193,754,473.92	178,453.98	397,981,539.09	26,437,617.88	72,831,078.29		1,131,656,740.68
Segment Liabilities	138,556,760.26	607,164,680.50	17,757,545.03	217,378,611.04	1,930,912.23	403,620,271.40	53,419,109.00	159,853,796.00		1,599,683,676.48

Notes to Financial Statements (Continued...)

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

Particulars	Current Year	Previous Year
Segment Profit	478,745,069	554,243,350
Less: Employee Benefits Expenes	(211,082,341)	(192,019,378)
Less: Depreciation and Amortization	(30,722,124)	(33,021,247)
Less: Non-cash expenses other than Depreciation and Amortization		
Less: Unallocable Corporate Expenditures	(65,700,596)	(54,308,542)
Less: Other Operating Expenses		
Less: Impairment Losses	(45,548,300)	(60,893,693)
Less: Finance Cost	(3,753,136)	(6,697,257)
Add: Unallocable Other Income	115,683,715	107,230,297
Profit Before Tax	237,622,286	314,533,530

d) Reconciliation of Assets

Particulars	Current Year	Previous Year
Segment Assets	1,512,415,729	1,131,656,741
Goodwill & Intangible Assets	198,859	279,759
Property, Plant and Equipment	111,269,343	115,719,196
Investment Properties	22,059,715	22,549,990
Deferred Tax Assets	-	32,201,061
Investment in Subsidiaries		
Investment in Associates		
Investments	1,266,382,041	1,266,498,489
Loans		
Current Tax Assets (Net)		
Other Assets	1,448,418,871	1,481,598,060
Other Financial Assets	172,461,567	142,731,692
Cash and Cash Equivalents	1,398,625,811	703,420,326
Total Assets	5,931,831,934	4,896,655,314

e) Reconciliation of Liabilities

Particulars	Current Year	Previous Year
Segment Liabilities	2,024,076,118	1,599,683,676
Provisions	118,763,059	152,076,309
Deferred Tax Liabilities	4,813,856	-
Current Tax Liabilities (Net)	-	62,678,919
Other Financial Liabilities	643,486,193	405,934,077
Other Liabilities	15,965,721	18,821,142
Total Liabilities	2,807,104,948	2,239,194,125

Notes to Financial Statements (Continued...)

53 Related Party Disclosure

(a) Identify Related Parties

Holding Company:	N/A
Subsidiaries:	N/A
Associates:	N/A
Fellow Subsidiaries:	N/A

Board of Director and Key Management Personnel:

Rajendra Malla	- Chairman
Mijas Bhattachan	- Director
Rahul Thokar Lama	- Director
Shanta Gautam	- Director
Rameshwor Sapkota	- Director
Sangay Lama	- Director
Sushma Sharma (Wasti)	- Independent Director
Sanchit Bajracharya	- Chief Executive Officer

(b) Key Management Personnel Compensation:

Particulars	Current Year	Previous Year
Short-term employee benefits	33,977,569.00	32,218,023.00
Post-employment benefits		
Other long-term benefits		
Termination benefits		
Total	33,977,569.00	32,218,023.00

Payment to Chief Executive Officer (CEO)

Particulars	Current Year	Previous Year
Annual salary and allowances	8,805,000	6,699,000
Performance based allowances		
i) Employee Bonus	1,637,060	1,436,795
ii) Benefits as per prevailing provisions		
iii) Incentives		
Insurance related benefits		
i) Life Insurance		
ii) Accident Insurance		
iii) Health Insurance (including family members)	12,626	7,500
Total	10,454,686	8,143,295

(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 & Equipment						-
Current Year						-
Previous Year						-
						-
Purchase of Property & 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					1506177	1,506,177
Previous Year					1604175	1,604,175
						-
Allowances to Directors						-
Current Year					564706	564,706
Previous Year					420000	420,000
Others (to be specified)						-
Current Year						-
Previous Year						-

(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						

Notes to Financial Statements (Continued...)

54 Leases

(a) Leases as Lessee

(i) Operating Leases:

The Company has not entered into any lease agreement i.e. rental agreements to be classified as operating leases. Non-cancellable periods range from .... months to .... months. The leases are renewable by mutual consent and contain escalation clause. Rental expenses for operating leases recognised in the Statement of Profit and Loss for the year is NPR .... (Ashadh ..., 20X1/ July ..., 20X1: NPR)

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	18,342,247.01	28,461,476.92
ii) Later than 1 year and not later than 5 years	30,977,743.03	45,952,486.38
iii) Later than 5 years		
Total Future Minimum Lease Payments	49,319,990.04	74,413,963.30
Less: Effect of Discounting	10,606,527.57	21,364,177.73
Finance lease liability recognised	38,713,462.47	53,049,785.57

(b) Leases as Lessor

(i) Operating Lease:

The Company has leased out certain office spaces that are renewable on a periodic basis. Rental income received during the year in respect of operating lease is NPR .... (Ashadh ... 20X1/ July .... 20X1: NPR ....). Details of assets given on operating lease as at year end are as below.

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

Future Minimum Lease Income	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 given assets under finance leases. At the year end receivables under finance lease agreements fall due as follows:

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 in capital accounts and not provided for

Particulars	Current Year	Previous Year
Property and Equipment		
Investment Properties		
Goodwill & Intangible Assets		
Total	-	-

56 Contingent Liabilities

Estimated amount of contracts remaining to be executed in capital accounts and not provided for (net of advances)

Particulars	Current Year	Previous Year
Claims against Company not acknowledged as debts		
a) Income Tax	31,799,799	7,755,320
b) Indirect Taxes		
c) Others (to be Specified)		
Total	31,799,799	7,755,320

57 Events occuring 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 and equipment		
Others (to be Specified)		
Total	-	-

59 Corporate Social Responsibility

Company has to allocate 1% its profit on Corporate Social Responsibility fund(CSR) as per the provision of Financial directives issued by Nepal Insurance Authority.

Company has appropriated 1% of its net profit NPR 16,43,785 for Corporate Social Responsibility Reserves and the company utilized amount Rs. 14,12,288 corporate social responsibility reserve during this financial year.

60 Miscellaneous

(i) All amounts are in Nepalese Rupees unless otherwise stated.

(ii) All figures are in the Nearest Rupee & Rounded off.

iii) Previous year's figures have been regrouped or rearranged wheneve necessary.

Prabhu Insurance Limited
Major Financial Indicators

S.N	Particular	Indicators	Fiscal Year				
			2080-81	2079/80	2078/79	2077/78	2076/77
A	Equity:						
1	Net worth	NPR	3,141,339,627.64	2,657,461,190.08	2,380,722,359.00	2,200,394,452.00	1,975,358,553.00
2	Net Profit	NPR	152,223,133.49	225,046,535.07	186,125,748.00	223,514,216.00	258,442,350.00
3	Number of Shares	No.s	14,414,880.67	13,761,222.60	12,897,116.00	11,619,023.28	10,562,748.44
4	Earning per Shares (EPS)	NPR	10.56	16.35	14.00	19.00	24.00
5	Book value per shares	NPR	217.92	193.11	185.00	189.00	184.00
6	Dividend per Shares (DPS)	NPR	18.00	5.00	7.05	11.58	10.53
7	Market Price per Shares (MPPS)	NPR	826.00	747.00	428.00	960.00	493.00
8	Price Earning Ratio (PE Ratio)	Ratio	78.22	45.68	30.00	50.00	20.00
9	Change in Equity	%	18.21	11.62	8.20	11.39	6.81
10	Return on Equity	%	4.85	2.77	3.97	6.70	6.18
11	Affiliate Ratio	%	N/A	N/A	N/A	N/A	N/A
12	Capital to Total Net Assets Ratio	%	45.89	28.91	29.71	27.58	30.69
13	Capital to Technical Reserve Ratio	%	281.73	294.00	302.00	272.00	284.00
14	Market Share	%	4.32	4.09	3.96	4.86	5.64
15	Solvency Margin	%	373.80	194.00	173.00	227.00	155.00
B	Income:						
16	Net Earnings Ratio	%	26.55	39.43	36.03	43.90	53.33
17	Gross Earned Premium Growth rate		9	11	(5)	16	(18)
18	Direct Premium Growth Rate						
	Property	%	19	15.00	17.00	14.00	2.00
	Motor	%	9	15.00	19.00	36.00	21.00
	Marine	%	1	14.00	4.00	37.00	21.00
	Engineering	%	(43)	4.00	72.00	43.00	1.34
	Micro	%	(27)	4.00	95.00	63.00	54.00
	Aviation	%	1,182	83.00	31.00	50.00	2.16
	Cattle and Crop	%	(11)	2.03	49.00	14.00	8.00
	Miscellaneous	%	(41)	3.09	11.77	74.69	27.86
19	Retention ratio	%	33.59	36.39	36.51	34.36	37.82
20	Net Reinsurance inflow/(Outflow)	Amount in Cr.	(77.75)	(39.76)	(40.34)	(40.61)	(61.50)
21	Reinsurance Commission Income/ Premium Ceded	%	15.14	20.37	14.23	17.29	20.61
22	Gross Earned premium to Equity	%	54.33	59.01	59.42	67.35	64.87
23	Net earned premium to equity	%	18.25	21.48	21.70	23.14	24.53
24	Gross Earned Insurance Premium to Total Assets	%	20.32	21.99	21.36	24.42	25.59
25	Gross Premium to equity	%	56.60	62.42	60.02	63.90	78.71
26	Net Profit to Gross Premium	%	8.56	13.57	13.03	15.90	16.62

S.N	Particular	Indicators	Fiscal Year				
			2080-81	2079/80	2078/79	2077/78	2076/77
27	Yield on Investments and Loan	%	5.72	5.33	4.24	4.28	4.88
C	Expenses:						
28	Reinsurance Ratio	%	66.41	63.61	63.49	65.64	62.18
29	Management expenses Ratio	%	20.91	22.12	16.46	13.19	15.49
30	Regulatory Expenses Ratio		1.69	1.25	1.06	1.10	0.99
31	Employee Expenses per Employee	NPR	555,479.85	518,971.29	403,441.05	454,062.63	504,570.77
32	Commission Ratio	%	3.69	2.14	2.04	2.36	2.40
33		%	59.16	55.35	59.26	70.17	67.12
34	Expense Ratio	%	11.46	6.47	6.88	7.27	7.69
35	Loss Ratio	%	37.01	32.60	51.10	37.99	46.58
36	Combined Ratio	%	48.47	39.06	57.98	45.26	54.27
D	Assets:						
37	Increment in Investment	%	(0.01)	(11.52)	9.21	7.88	(4.87)
38	Increment in Loan	%	-	-	-	-	-
39	Liquidity Ratio		55.97	37.79	11.97	24.78	22.47
40	Return on Assets	%	1.81	3.16	2.81	3.68	5.16
41	Long term Investments to Total Investments	%	67.11	65.81	30.95	30.78	40.53
42	Short term Investments to Total Investments	%	32.89	34.19	69.05	69.22	59.47
43		%	62.57	79.17	83.23	74.39	108.61
44	Reinsurer Receivable to Total Assets	%	25.43	23.11	17.71	11.03	15.11
45	Investment in Shares to Total Assets	%	6.40	9.27	6.97	7.34	8.55
46	Investment in Unlisted Shares to Total Assets	%	0.12	0.10	1.06	1.10	2.66
E	Liabilities:						
47	Increment in Gross Insurance Contract Liabilities	%	26.53	- 6.98	- 2.39	57.51	40.50
48	Gross Technical Provisions to Gross earned Premium	%	118.60	102.01	121.57	118.89	87.29
49	Gross Technical Provisions to equity Total Equity	%	54.33	59.01	59.42	67.35	64.87
50	Outstanding Claim Number/ Number of paid claim	%	12.16	11.38	12.02	7.18	15.93
51	No. of Outstanding Claim/ No. of Intimated Claim	%	10.85	10.22	10.73	6.69	13.74
52	Total Number of Inforce Policies	No.s	123,815.00	118,630.00	120,455.00	96,267.00	72,100.00
53		%	26.25	27.04	30.42	30.48	21.95
F	Others:						
54	Number of Offices	No.s	57	55.00	55.00	54.00	51.00
55	Number of Agents	No.s	192	172.00	158.00	123.00	64.00
56	Number of Employees	No.s	254	252.00	236.00	212.00	180.00
57	Number of Surveyor	No.s	266	288.00	220.00	187.00	156.00
58	Employee Expenses to Number of Employee	NPR	555,479.85	518,971.29	403,441.05	454,062.63	504,570.77

Prabhu Insurance Limited
Annexure IV
Statement of Sum Assured

S.N.	Insurance Types	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	16,315	16,600	134,517,744,538	128,269,229,231	83,231,350,776	75,664,864,342	51,286,393,762	52,604,364,889
2	Motor	92,096	86,202	46,346,639,190	20,825,707,625	5,102,298,368	4,165,141,525	41,244,340,822	16,660,566,100
3	Marine	2,727	3,133	15,822,023,263	17,054,573,929	11,866,517,447	14,468,658,900	3,955,505,816	2,585,915,029
4	Engineering	1,612	1,426	49,110,548,287	57,854,701,630	37,112,837,577	30,296,193,940	11,997,710,711	27,558,507,690
5	Micro	774	1,000	877,750,424	1,193,686,547	292,453,204	238,737,309	585,297,220	954,949,238
6	Aviation	32	33	172,900,000	2,587,000,000	170,306,500	2,580,532,500	2,593,500	6,467,500
7	Cattle and Crop	2,891	2,610	1,882,213,110	2,173,012,773	1,411,659,833	1,738,262,219	470,553,278	434,750,554
8	Miscellaneous	7,368	7,626	93,385,084,140	92,043,150,610	72,373,440,209	70,012,937,390	21,011,643,932	22,030,213,220
	Total	**123,815**	**118,630**	**342,114,902,952**	**322,001,062,345**	**211,560,863,913**	**199,165,328,125**	**130,554,039,039**	**122,835,734,220**

Prabhu Insurance Limited

Report of Board of Directors
As per Section 5(1) KA of Financial Directives, 2080

A Information related to Prabhu Insurance Limited

1 Date of establishment: 2052/03/18

2 Insurer licence date: 2053/04/01

3 Insurance business type, nature: Non -life insurance Business

4 Date of commencement of business : 2053/04/17

5 Other matters : There are Sixty branches all over the Nepal.

B Insurer's Board of Directors shall approve following matters

1 Tax, service charges, fine and penalties to be paid under laws & regulation whether paid or not The Company had paid all taxes, service charges,fine and penalties under laws and regulation whether paid or not.

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

The Share Structure of the company is as below:

Promotor Share Holding: 51%

Public Share Holding: 49%

There has been no any change in the shareholding structure of the company in the financial year 2080-81

3 Whether solvency ratio as prescribed by Nepal Insurance Authority is maintained or not The company has been maintained the Solvency ratio as precribed by Nepal Insurance Authority .

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

a) The Financial amount of assets contained on SOFP are stated as per it's faie value so it is not Overstated.

b) The assets recognized in financial statements is based upon expert's advice.

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

Investment made by the company in line with prevailing laws except government bonds.Incase government bonds, it is less than prescribed limit due to non availabiity of government bonds in the market.

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

Total number of claim settled during the year is 10,812 and outstanding claim is 1956.

7 Declaration on compliance with the provision of Insurance Act 2079, Insurance Regulation 2063, 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, NFRS and Other prevailing laws and regutation that needs to be adhered.

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

The company has consistently apllied the appropirate accounting policy for thepreparation 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.

Company has presented true and fair Financial Position and Financial Performance accordance with the prescribed accounting standards.

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 of company is commensurate with the size, nature,and volume of the insurer's business.

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 transaction contrary to Insurance Act, 2079, company Act,2063, related regulations and the directions with any person, firm, company and 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 levied by Nepal Insurance Authority pertaining to current fiscal year.

15 Other disclosure which is deemed appropriate by management

Management has no other deemed appropriate disclosure.

नेपाल बीमा प्राधिकरण
NEPAL INSURANCE AUTHORITY

मिति: २०८२।०३।११

वि. वि. शा. : ३०३ (२०८१/०८२) च.नं.६७६८

श्री प्रभु ईन्स्योरेन्स लिमिटेड,
तिनकुने, काठमाडौं।

विषय: **आ.व. २०८०।८१ को वित्तीय विवरणको स-शर्त स्वीकृति बारे।**

तहाँको मिति २०८२/०३/०९ (च.नं.१२०/०८१/०८२) को पत्र साथ प्राधिकरणमा पेश भएको आ.व. २०८०।८१ को वित्तीय विवरण सम्बन्धमा लेखिदैछ।

उपरोक्त सम्बन्धमा बीमक श्री प्रभु ईन्स्योरेन्स लिमिटेडबाट पेश भएको आ.व. २०८०।८१ 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.२०८०।८१ 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 शर्तहरु सहित स्वीकृति प्रदान गरिएको व्यहोरा निर्णयानुसार जानकारी गराउदछौं।

शर्तहरु:

१. बीमकले *NFRS-17 Insurance Contracts* लागु गर्न आवश्यक तयारी गर्ने।
२. बीमकले बीमकको संस्थागत सुशासन सम्बन्धी निर्देशिका, २०८० को दफा ४४ तथा दफा ४५ पूर्ण रुपमा पालना गर्ने।
३. बीमकले *Internal Audit Directive for Insurers,2079* को निर्देशन ५ पूर्ण रुपमा पालना गर्ने।
४. बीमकको जोखिमाङ्कन तथा दाबी भुक्तानी प्रक्रियालाई थप प्रभावकारी गराउने।
५. बीमकको पूनर्बीमकसँगको लेना देना हिसाब राफसाफ गर्ने।
६. बीमकले जोखिम व्यवस्थापनलाई प्रभावकारी बनाउन प्राधिकरणबाट जारी भएको जोखिम व्यवस्थापन सम्बन्धी मार्गदर्शनमा भएका व्यवस्थाहरु पूर्ण रुपमा पालना गर्ने।
७. बीमकको आर्थिक वर्षको चौथो त्रैमासिक अवधिको त्रैमासिक वित्तीय विवरण र वार्षिक वित्तीय विवरणको *Statement of Financial Position, Statement of Profit or loss* तथा *Statement of Other Comprehensive Income* विवरणको विभिन्न शिर्षकहरुमा दश प्रतिशत भन्दा बढी रकमले फरक भएको देखिएकोले आगामी दिनमा सो कैफियतलाई सुधार गर्ने।
८. बीमकले वार्षिक प्रतिवेदन तयार गर्दा मिति २०८१/०७/१३ गते प्राधिकरणबाट जारी परिपत्र (ने.बी.प्रा. १५ (२०८१/०८२) च.नं. २०४०- वि.वि.शा. १) बमोजिमका बुँदाहरु समावेश गर्ने।
९. बीमकले आ.व २०८१/८२ को वित्तीय विवरण बीमा ऐन २०७९ को दफा ८७(१) तथा ८७(५) ले तोकेको समय भित्र तयार गरी पेश गर्ने गरी आवश्यक तयारी गर्ने।
१०. बीमकको लेखापरीक्षकहरुले औंल्याएका कैफियतहरु सुधार गर्न तथा त्यस्ता कैफियतहरु पुन: दोहोरिन नदिन आवश्यक व्यवस्था गर्ने।
११. बीमकले प्राधिकरणबाट वित्तीय विवरण स्वीकृत भएको मितिले ६०(साठी) दिन भित्र साधारण सभा गर्ने।

(सन्तोष कार्की)
चार्टर्ड एकाउन्टेन्ट

कम्पनीको आर्थिक वर्ष २०८०/०८१ को वित्तीय बिवरण २९ औं वार्षिक साधारण सभा प्रयोजनको लागि प्रकाशन गर्न श्री नेपाल बीमा प्राधिकरणबाट स्वीकृती प्रदान गर्दा जारी गरेको शर्तहरुको सम्वन्धमा सञ्चालक समितिको जवाफ देहाय बमोजिम रहेको छ।

१. **बीमकले NFRS-17 Insurance Contracts लागू गर्नको लागि आवश्यक तयारी गर्ने।**

प्रत्युत्तर : कम्पनीले **NFRS-17 Insurance Contracts** लागू गर्न आवश्यक तयारी शुरु गरि सकिएको व्यहोरा अनुरोध गर्दछौ।

२. **बीमकले बीमकको संस्थागत सुशासन सम्वन्धी निर्देशिका, २०८० को दफा ४४ तथा दफा ४५ पूर्ण रुपमा पालना गर्ने।**

प्रत्युत्तर : यस कम्पनीले प्राधिकरणबाट जारी भएको बीमकको संस्थागत सुशासन सम्बन्धी निर्देशिका, २०८० को अक्षरस पालना गर्दै आएको व्यहोरा अनुरोध गर्दै निर्देशिकाको दफा ४४ तथा दफा ४५ को व्यवस्था पूर्ण रुपमा पालना गरि सकिएको व्यहोरा अनुरोध गर्दछौ।

३. **बीमकले Internal Audit Directive for Insurers, 2079 को निर्देशन ५ पूर्ण पालना गर्ने।**

प्रत्युत्तर : कम्पनीले प्राधिकरणबाट जारी भएको **Internal Audit Directive for Insurers, 2079** को निर्देशन ५ को पूर्ण रुपमा पालना गरि सकिएको व्यहोरा अनुरोध गर्दछौ।

४. **बीमकको जोखिमाङ्कन तथा दावी भुक्तानी प्रकृयालाई थप प्रभावकारी बनाउने।**

प्रत्युत्तर : कम्पनीको जोखिमाङ्कन तथा दावी भुक्तानी प्रक्रिया प्रभावकारी बनाउँदै लगिएको र आगामी दिनमा अझ बढी प्रभावकारी बनाउँदै लगिने व्यहोरा अनुरोध गर्दछौ।

५. **बीमकको पुनर्बीमकसँगको लेना देना हिसाब राफसाफ गर्ने।**

प्रत्युत्तर : कम्पनीले पुनर्बीमकसंगको लेना/देना हिसाबलाई राफसाफ गर्दै आएको व्यहोरा अनुरोध गर्दै आगामी दिनमा बाँकी हिसाबलाई राफसाफ गर्दै लगिने व्यहोरा अनुरोध गर्दछौ।

६. **बीमकले जोखिम व्यवस्थापनलाई प्रभावकारी बनाउन प्राधिकरणबाट जारी भएको जोखिम व्यवस्थापन सम्वन्धी मार्गदर्शनमा भएका व्यवस्थाहरु पूर्ण रुपमा पालना गर्ने।**

प्रत्युत्तर : कम्पनीले जोखिम व्यवस्थापनलाई प्रभावकारी बनाउँदै लगिएको व्यहोरा अनुरोध गर्दै प्राधिकरणबाट जारी भएको जोखिम व्यवस्थापन सम्बन्धी मार्गदर्शनमा भएका व्यवस्थाहरुको पूर्ण रुपमा पालना गरिने व्यहोरा अनुरोध गर्दछौं।

७ **बीमकको आर्थिक वर्षको चौथो त्रैमासिक अवधिको त्रैमासिक वित्तीय विवरण र वार्षिक वित्तीय विवरणको Statement of Financial Position, Statement of Profit or Loss तथा Statement of Other Comprehensive Income विवरणको विभिन्न शिर्षकहरुमा दश प्रतिशत भन्दा बढी रकमले फरक भएको देखिएकोले आगामी दिनमा सो कैफियतलाई सुधार गर्ने।**

प्रत्युत्तर : माथी उल्लेखित विवरणहरुलाई सुधार गरिने व्यहोरा जानकारीको लागि अनुरोध गर्दछौं।

८. **बीमकले वार्षिक प्रतिवेदन तयार गर्दा मिति २०८१/०७/१३ गते प्राधिकरणबाट जारी परिपत्र (नै.बी.प्रा. ९५ (२०८१/०८२) च.नं.२०४०-वि.वि.शा.१) बमोजिमका बुदाहरु समावेश गर्ने।**

प्रत्युत्तर : कम्पनीले आर्थिक वर्ष २०८०/०८१ को वार्षिक प्रतिवेदनमा प्राधिकरणबाट जारी परिपत्र (ने.बी.प्रा. ९५ (२०८१/०८२) च.नं.२०४०-वि.वि.शा.१) बमोजिमका बुदाहरु समावेश गरिएको व्यहोरा अनुरोध गर्दछौ।

९. **बीमकले आ.व.२०८१/८२ को वित्तीय विवरण बीमा ऐन, २०७९ को दफा ८७(१) तथा ९७(५) ले तोकेको समय भित्र तयार गरी पेश गर्ने गरी आवश्यक तयारी गर्ने।**

प्रत्युत्तर : कम्पनीको कम्पनीले आ.व.२०८१/८२ को वित्तीय विवरण बीमा ऐन, २०७९ को दफा ८७(१) तथा ९७(५) ले निर्धारण गरेको समय भित्रै तयार गरी प्राधिकरण समक्ष पेश गर्ने गरी आवश्यक तयारी गरि सकिएको व्यहोरा अनुरोध गर्दछौ।

१०. **बीमकको लेखापरीक्षकहरुले औंल्याएका कैफियतहरु सुधार गर्न तथा त्यस्ता कैफियतहरु पुनः दोहोरिन नदिन आवश्यक व्यवस्था गर्ने।**

प्रत्युत्तर : कम्पनीले लेखापरीक्षकहरुले औंल्याएका कैफियतहरु सुधार गर्दै लगिएको तथा उक्त कैफियतहरु पुनः दोहोरिन नदिन आवश्यक व्यवस्था मिलाईने व्यहोरा अनुरोध गर्दछौ।

११. **बीमकले समितिबाट वित्तीय बिवरण स्वीकृत भएको मितिले ६० (साठी) दिन भित्र साधारण सभा गर्ने।**

प्रत्युत्तर : सोहि अनुसार मिति २०८२ श्रावण २३ गते शुक्रबार कम्पनीको २९ औं वार्षिक साधारण सभा आव्हान गरिएको व्यहोरा अनुरोध गर्दछौ।

Prabhu Insurance Limited

Comparative Financial Position for 5 years
(NFRS Based Financial Statement)

Figure in NPR

Particulars	2076/77	2077/78	2078/79	2079/80	2080/81
Assets					
Goodwill & Intangible Assets	92,250	382,579	360,659	279,759	198,859
Property and Equipment	91,303,245	88,905,752	114,709,847	115,719,196	111,269,343
Investment Properties	-	-	-	22,549,990	22,059,715
Deferred Tax Assets	-	-	15,582,612	32,201,061	-
Investment in Subsidiaries	-	-	-	-	-
Investment in Associates	-	-	-	-	-
Investments	1,214,905,594	1,310,684,812	1,431,355,124	1,266,498,489	1,266,382,041
Loans	-	-		-	-
Reinsurance Assets	746,533,926	1,334,974,511	1,293,369,482	1,131,656,741	1,512,415,729
Current Tax Assets	-	-	-	-	16,612,641
Insurance Receivables	533,878,963	474,627,910	791,759,844	905,528,856	944,063,621
Other Assets	596,085,963	571,933,699	564,505,325	576,069,204	504,355,250
Other Financial Assets	244,438,787	344,042,383	169,775,321	142,731,692	172,461,567
Cash and Cash Equivalent	105,602,133	176,956,737	89,576,779	703,420,326	1,398,625,811
Total Assets	**3,532,840,861**	**4,302,508,383**	**4,470,994,993**	**4,89,655,314**	**5,948444,575**
Equity & Liabilities					
Equity					
Share Capital	1,056,274,844	1,161,902,328	1,289,711,584	1,376,122,260	1,441,488,067
Share Application Money Pending Allotment	-	-	-	-	-
Share Premium	-	-	-	-	-
Special Reserves	709,741,609	826,370,051	915,371,881	1,050,403,865	1,132,593,119
Catastrophe Reserves	89,932,850	64,033,234	73,049,913	83,877,271	92,096,196
Retained Earnings	118,216,723	139,815,289	91,032,736	69,796,826	351,281,081
Other Equity	1,192,527	8,273,550	11,556,246	77,260,968	123,881,165
Total Equity	**1,975,358,553**	**2,200,394,452**	**2,380,722,360**	**2,657461,190**	**3,141,339,628**
Liabilities					
Provisions	81,301,528	100,841,692	82,904,855	152,076,309	118,763,059
Gross Insurance Contract Liabilities	1,118,588,579	1,761,918,058	1,719,810,939	1,599,683,676	2,024,076,117
Deferred Tax Liabilities	3,875,771	203,274	-	-	4,813,856
Insurance Payable	89,683,209	61,479,760	48,873,307	205,475,987	409,840,726
Current Tax Liabilities	57,501,437	19,650,900	30,793,991	62,678,919	-
Borrowings	-	-	-	-	-
Other Liabilities	157,834,969	127,063,550	157,821,695	200,458,091	233,645,467
Other Financial Liabilities	48,706,815	30,956,699	50,067,847	18,821,142	15,965,721
Total Liabilities	**1,557,492,308**	**2,102,113,933**	**2,090,272,634**	**2,239,194,124**	**2,807,104,947**
Total Equity and Liabilities	**3,532,850,861**	**4,302,508,385**	**4,470,994,994**	**4,896,655,314**	**5,948,444,575**

Prabhu Insurance Limited

Comparative Income Statement for 5 years
(NFRS Based Financial Statement)

Figure in NPR

Particulars	2076/77	2077/78	2078/79	2079/80	2080/81
Income:	-	-	-	-	-
Gross Earned Premiums	1,554,756,745	1,481,931,638	1,414,701,388	1,568,178,822	1,706,611,906
Premiums Ceded	(1,093,963,795)	(972,767,129)	(898,156,158)	(997,472,310)	(1,133,369,654)
Net Earned Premiums	460,792,950	509,164,509	516,545,230	570,706,512	573,242,252
Commission Income	225,506,195	146,869,117	135,234,152	214,492,861	180,043,900
Other Direct Income	-	-	5,539,642	5,657,736	10,774,215
Income from Investments & Loans	79,156,152	69,074,868	83,388,063	104,616,081	108,718,571
Net Gain/ (Loss) on Fair Value Changes	-	-	(2,924,673)	(413,748)	538,471
Net Realised Gains/ (Losses)	-	-	-	-	699,194
Other Income	14,740,102	17,606,171	4,510,470	3,027,965	5,727,479
Total Income	**780,195,399**	**742,714,665**	**742,292,884**	**898,087,406**	**879,744,082**
Expenses:					
Gross Claims Paid	434,781,955	500,399,276	624,077,709	631,790,636	421,375,339
Claims Ceded	(253,368,018)	(296,463,171)	(411,480,893)	(440,904,784)	(231,714,157)
Gross Change in Contract Liabilities	322,439,086	719,277,967	(56,388,115)	(210,725,836)	353,056,813
Change in Contract Liabities Ceded to Reinsurers	(313,016,625)	(711,773,240)	93,600,391	217,292,931	(324,856,770)
Net Claims Incurred	190,836,398	211,440,832	249,809,092	197,452,947	217,861,225
Commission Expenses	30,810,077	34,905,334	28,831,330	33,483,115	63,039,005
Service Fees	4,607,929	5,565,487	4,788,309	5,677,697	4,415,067
Other Direct Expenes	-	-	-	-	-
Employee Benefits Expenses	133,206,684	137,126,915	137,976,840	192,019,378	211,082,341
Depreciation and Amortization Expenses	3,844,559	3,577,863	25,858,248	33,021,247	30,722,124
Impairment Losses	-	-	5,039,573	60,893,693	45,548,300
Other Operating Expenses	61,405,600	54,715,334	60,055,609	54,308,542	65,700,596
Finance Cost	-	-	3,913,106	6,697,257	3,753,136
Total Expenses	**424,711,247**	**447,331,765**	**516,272,107**	**583,553,876**	**642,121,796**
Net Profit/(Loss) For The Year Before Share of Net Profits of Associates Accounted for Using Equity Method and Tax	**355,484,152**	**295,382,900**	**226,020,777**	**314,533,530**	**237,622,286**
Share of Net Profit of Associates accounted using Equity Method	-	-	-	-	-
Profit Before Tax	**355,484,152**	**295,382,900**	**226,020,777**	**314,533,530**	**237,622,286**
Income Tax Expense	(97,041,803)	(71,868,684)	(39,895,031)	(89,486,995)	(85,399,153)
Net Profit/(Loss) For The Year	**258,442,349**	**223,514,216**	**186,125,746**	**225,046,535**	**152,223,133**
Earning Per Share				-	-
Basic EPS	24.47	19.24	14.43	16.35	10.56
Diluted EPS	24.47	19.24	14.43	16.35	10.56

Prabhu Insurance Limited

Variance Report

Annual Financial Position 2080-81 Vs 4th Qtr Financial Position 2080-81

Particulars	Final 2080/81	4th Qtr 2080/81	Difference	Variance %	Reason for Variance
Assets					
Goodwill & Intangible Assets	198,858.61	198,859	-	0%	
Property and Equipment	111,269,342.65	111,969,489	(700,147)	-1%	
Investment Properties	22,059,714.69	22,059,715	-	0%	
Deferred Tax Assets	-	10,363,073	(10,363,073)	-100%	Variance due to changes in Profitability and Final tax Calculation.
Investment in Subsidiaries	-	-	-		
Investment in Associates	-	-	-		
Investments	1,266,382,040.86	2,590,856,737	(1,324,474,697)	-51%	Variance due to changes in Group of Investment of Call Deposit(Short term Investment).
Loans	-	-	-		
Reinsurance Assets	1,512,415,728.71	1,184,593,178	327,822,550	28%	Variance due to Reclassification of Assets
Current Tax Assets	16,612,641.13	-	16,612,641		
Insurance Receivables	944,063,621.16	727,901,591	216,162,030	30%	Variance due to Reclassification of Assets/Liabilities.
Other Assets	504,355,249.59	747,125,445	(242,770,196)	-32%	Variance due to Reclassification of Assets/Liabilities.
Other Financial Assets	172,461,566.74	242,524,155	(70,062,588)	-29%	Variance due to Reclassification of Assets/Liabilities.
Cash and Cash Equivalent	1,398,625,810.61	72,399,521	1,326,226,290	1832%	Variance due to changes in Group of Investment of Call Deposit(Short term Investment).
Total Assets	**5,948,444,575**	**5,709,991,763**	**238,452,811**	**17**	
Equity & Liabilities					
Equity					
Share Capital	1,441,488,067.00	1,441,488,067	-	0%	
Share Application Money Pending Allotment	-	-	-		
Share Premium	-	-	-		
Special Reserves	1,132,593,118.99	1,295,853,083	(163,259,964)	-13%	Due to changes in the profit and rooted the Disposal of OCI Investment.
Catastrophe Reserves	92,096,196.08	108,422,192	(16,325,996)	-15%	Due to changes in the profit and rooted the Disposal of OCI Investment.
Retained Earnings	351,281,080.64	256,528,011	94,753,070	37%	Variance due to Additional Provision.
Other Equity	123,881,164.93	100,617,189	23,263,976	23%	Variance due to changes in Profitability and Final tax Calculation.
Total Equity	**3,141,339,628**	**3,202,908,542**	**(61,568,915)**	**0**	
Liabilities					
Provisions	118,763,058.64	153,413,330	(34,650,271)	-23%	Due to changes in Employee liabilities as per acturial valuation report.
Gross Insurance Contract Liabilities	2,024,076,117.28	1,789,900,883	234,175,235	13%	Variance due to Reclassification of Assets on Gross basis
Deferred Tax Liabilities	4,813,856.34	-	4,813,856		
Insurance Payable	409,840,726.18	255,252,718	154,588,008	61%	Variance due to reclassification.
Current Tax Liabilities	-	113,370,507	(113,370,507)	-100%	Variance due to reclassification.
Borrowings	-	-	-		
Other Liabilities	233,645,467.20	156,217,555	77,427,912	50%	Variance due to changes in classification.
Other Financial Liabilities	15,965,721.25	38,928,230	(22,962,509)	-59%	Variance due to changes in classification.
Total Liabilities	2,807,104,947	2,507,083,222	300,021,725	12%	
Total Equity and Liabilities	**5,948,444,575**	**5,709,991,764**	**238,452,810**	**4%**	

Prabhu Insurance Limited

Variance Report

Annual Financial Performance 2080-81 Vs 4th Qtr Financial Position 2080-81

Particulars	Final 2080/81	4th Qtr 2080/81	Difference	Variance %	Reason for Variance
Income:	-	-	-	-	-
Gross Earned Premiums	1,706,611,906	1,718,362,464	(11,750,558)	-1%	
Premiums Ceded	(1,133,369,654)	(1,066,090,731)	(67,278,923)	6%	
Net Earned Premiums	573,242,252	652,271,734	(79,029,481)	-12%	Due to Acturial reserving.
Commission Income	180,043,900	220,250,746	(40,206,846)	-18%	Variance due to changes in Deferred Commission Income.
Other Direct Income	10,774,215	3,940,678	6,833,537	173%	Revision in the figure after reconciliation.
Income from Investments & Loans	108,718,571	131,071,000	(22,352,429)	-17%	Due to impact of Accrued Interest Income.
Net Gain/ (Loss) on Fair Value Changes	538,471	479,702	58,769	12%	Due to Changes in fair Value.
Net Realised Gains/ (Losses)	699,194	398,458,415	(397,759,221)	-100%	Reclassification of disposal of Invesment gain of OCI
Other Income	5,727,479	5,277,026	450,453	9%	
Total Income	**879,744,082**	**1,411,749,300**	**(532,005,218)**	**-38%**	-
			-		
Expenses:	-	-	-		-
Gross Claims Paid	421,375,339	432,414,642	(11,039,302)	-3%	
Claims Ceded	(231,714,157)	(230,794,871)	(919,286)	0%	
Gross Change in Contract Liabilities	353,056,813	130,632,136	222,424,677	170%	Due to Acturial reserving.
Change in Contract Liabities Ceded to Reinsurers	(324,856,770)	(87,814,257)	(237,042,513)	270%	Due to Acturial reserving.
Net Claims Incurred	217,861,225	244,437,650	(26,576,425)	-11%	-
Commission Expenses	63,039,005	55,661,625	7,377,380	13%	Variance is due to change in Deferred Commission Expenses.
Service Fees	4,415,067	5,600,510	(1,185,442)	-21%	Transfer to other direct Expenses.
Other Direct Expenes	-	-	-		
Employee Benefits Expenses	211,082,341	235,796,453	(24,714,112)	-10%	
Depreciation and Amortization Expenses	30,722,124	33,321,192	(2,599,068)	-8%	
Impairment Losses	45,548,300	64,000,000	(18,451,700)	-29%	Variance is due to actual evaluation of impairment after preparation of 4th Quarter Report.
Other Operating Expenses	65,700,596	67,287,883	(1,587,287)	-2%	
Finance Cost	3,753,136	4,360,509	(607,373)	-14%	Variance is due to calculation of Lease Liability.
Total Expenses	**642,121,796**	**710,465,821**	**(68,344,026)**	**-10%**	-
Net Profit/(Loss) For The Year Before Share of Net Profits of Associates Accounted for Using Equity Method and Tax	**237,622,286**	**701,283,478**	**(463,661,192)**	**-66%**	-
Share of Net Profit of Associates accounted using Equity Method	-	-	-		
Profit Before Tax	**237,622,286**	**701,283,478**	**(463,661,192)**	**-66%**	-
Income Tax Expense	(85,399,153)	(210,385,044)	124,985,891	-59%	
Net Profit/(Loss) For The Year	**152,223,133**	**490,898,434**	**(338,675,301)**	**-69%**	**Reclassification of disposal of Invesment gain of OCI**

Comparative Statement of Solvency Balance sheet and NFRS Based Balance Sheet

Assets	Financial Statement	Solvency Balance sheet
Goodwill	-	-
Deferred acquisition costs	-	-
Intangible assets	198,859	-
Deferred tax assets	-	-
Pension benefit surplus	-	-
Property, plant & equipment held for own use	111,269,342	388,623,578
Investments (other than replicating unit portion index/unit-linked contracts)	1,288,441,756	1,324,532,585
Investments in properties (other than for own use)	22,059,715	57,869,000
Investment in subsidiaries	-	-
Investment in associates	-	-
Equities	400,170,954	400,170,954
Equities - listed in stock exchange licensed by SEBON	373,310,515	373,310,515
Equities - listed in stock exchange other than licensed by SEBON	-	-
Equities - unlisted	26,860,439	26,860,439
Bonds	65,000,000	70,140,909
Government Bonds	5,000,000	5,608,722
Corporate Bonds	60,000,000	64,532,187
Fixed-income bonds with no option	60,000,000	64,532,187
Floating rate notes	-	-
Other bonds with embedded interest rate derivatives	-	-
Structured notes	-	-
Collateralised securities	-	-
Collective Investments Undertakings	12,620,000	12,620,000
Derivatives	-	-
Deposits other than cash equivalents	773,100,000	768,240,636
Other investments	15,491,087	15,491,087
Loans and mortgages	-	-
Loans on policies	-	-
Other loans with collateral or guarantees	-	-
Other loans without collateral or guarantees	-	-
Assets replicating the unit portion of index/unit-linked contracts	-	-
Reinsurance recoverables from:	2,160,907,817	2,154,307,252
Non-life technical reserves (after risk correction)	1,248,863,356	1,242,262,791
Life excluding index-linked and unit-linked technical reserves (after risk correction)	-	-
Life index-linked and unit-linked technical reserves (after risk correction)	-	-

Deposits to cedants (related to accepted reinsurance)	-	-
Reinsurance receivables	912,044,461	912,044,461
Current tax assets (net)	-	-
Insurance, coinsurance and intermediaries receivables	32,019,160	32,019,160
Receivables from insurers other than coinsurance	32,019,160	32,019,160
Receivables from coinsurance/pools	-	-
Receivables from intermediaries	-	-
Own shares (held directly)	-	-
Amounts due in respect own equity items called up but not yet paid in	-	-
Cash and cash equivalents	1,398,625,810	1,387,886,759
Any other assets, not elsewhere shown	676,816,816	641,742,438
Total assets	5,668,279,560	5,929,111,772

Liabilities	Financial Statement	Solvency Balance sheet
Technical provisions - non-life	1,760,523,743	1,752,736,471
Best Estimate Direct Insurance (excluding Earthquake reserves)	1,624,405,014	1,643,861,315
Best estimate Direct Insurance Earthquake reserves	9,523,934	9,523,934
Margin over best estimate Direct insurance	10,953,010	10,953,010
Best estimate Accepted reinsurance (excluding Earthquake reserves)	114,252,885	87,009,312
Best estimate Accepted Earthquake reserves	1,072,227	1,072,227
Margin over best estimate Accepted reinsurance	316,673	316,673
Technical provisions - life (excluding index-linked and unit-linked)	-	-
Best Estimate Direct insurance participating life insurance	-	-
Best Estimate Direct insurance non-participating life insurance	-	-
Margin over best estimate Direct insurance	-	-
Best estimate Accepted reinsurance	-	-
Margin over best estimate Accepted reinsurance	-	-
Technical provisions - index-linked and unit-linked life insurance contracts	-	-
Technical provisions calculated as a whole (unit reserves)	-	-
Best Estimate (non unit reserves)	-	-
Margin over best estimate	-	-
Other technical provisions	-	-
Reinsurance deposits and payables	408,695,740	408,695,740
Deposits from reinsurers	-	-
Reinsurance payables	408,695,740	408,695,740
Insurance, coinsurance and intermediaries payables	1,144,986	1,144,986
Payables to insurers other than coinsurance	1,144,986	1,144,986
Payables to coinsurance/pools	-	-
Payables to intermediaries	-	-
Other payables (not related to insurance or reinsurance)	-	-

Debts owed to credit institutions	-	-
Other financing debts	-	-
Qualified as Tier 1 Available Capital Resources	-	-
Qualified as Tier 2 Available Capital Resources	-	-
Not qualified as Available Capital Resources	-	-
Derivatives	-	-
Current tax liabilities	102,814,730	102,814,730
Provisions other than technical provisions	26,402,476	26,402,476
Contingent liabilities	-	-
Pension benefit obligations	92,360,582	92,360,582
Deferred tax liabilities	4,813,856	32,662,308
Any other liabilities, not elsewhere shown	130,183,817	130,183,817
Total liabilities	2,526,939,930	2,547,001,110

Excess of Assets Over Liabilities		3,382,110,662

Equity		Financial Statement
Share capital		1,441,488,067
Share application money pending allotment		-
Share premium		-
Special reserves		1,265,847,365
Catastrophe reserves		105,421,621
Retained earnings		202,574,796
Other equity		126,007,777
Revaluation reserves		-
Capital reserves		-
Corporate Social Responsibility Reserves (CSR)		5,937,451
Insurance Fund		-
Fair Value Reserves		184,962,547
Actuarial reserves	-	106,431,187
Deferred Tax Reserves		41,538,966
Other reserves		-
Total Equity		3,141,339,626

Statement of Available Capital Resources

TIER 1 CAPITAL. List of items (capital resources that absorb losses on a going-concern basis and in winding-up basis)	
Excess of assets over liability as per Solvency Balance Sheet	3,382,110,662
Add: Paid-in (paid-up) subordinated debts qualified as tier 1 Available Capital Resources	-
Less: Revaluation reserve	-
Less: CSR Reserve	(5,937,451)
Less: Fair value reserve	(184,962,547)
Less: Actuarial reserve	-
Less: Excess of deferred tax reserve shown in equity of 02.01 BS over deferred tax assets as per Financial Statement	(41,538,966)
Less: Assets pledged by the insurer when the facility guaranteed is not in the liability side of the solvency balance sheet	-
Less: Credit Facilities granted by the insurer and secured by its own shares when the facility is not in the liability side	-
Less: Direct and indirect investments, reciprocal cross holdings, arranged either directly or indirectly between financial institutions	-
Less: Assets not valued at nil whose valuation in the solvency balance sheet should not increase the Available Capital Resources	(202,574,796)
Less: Deduction as per para 66(6) of Risk-Based Capital and Solvency Directive if not valued at nil in solvency balance sheet	-
Less: Deduction as per para 66(7) of Risk-Based Capital and Solvency Directive if not valued at nil in solvency balance sheet	-
Less: Embedded profit if already included in surplus i.e. excess of assets over liability as per 02.01 BS	-
TIER 1 - TOTAL BEFORE LIMITS	2,947,096,902
TIER 2 CAPITAL. List of items	
(capital resources that absorb losses only in winding-up basis)	
Cumulative irredeemable preference shares quallified as tier 2 Available Capital Resources	-
Irredeemable subordinated debts quallified as tier 2 Available Capital Resources	-
Other capital resources qualified as Tier 2, including unpaid preference shares, unpaid subordinated debt, letters of credit, guarantees and mutual member calls	-
Future profits embedded in the valuation of technical provisions (reserves)	-
TIER 2 - TOTAL BEFORE LIMITS	-

Solvency Situation

	Calculations without transitional	Calculations without transitional
Risk-Based Capital Requirement	**632,034,828**	**632,034,828**
Reduction of life technical reserves due to transitional (only where approved by the NIA)		-
Reduction of non-life technical reserves due to transitional (only where approved by the NIA)		-
	Calculations without transitional	Calculations with transitionals
Tier 1 items before limits	2,947,096,902	2,947,096,902
Tier 1 Paid-in subordinated debt before limit	-	-
Reduction to limit up to 30% Tier 1	-	-
Tier 1 Paid-in subordinated debt after deduction of the limit	-	-
Exceptional increase para (65)(6) Annexure V of RBC Directive - only previous NIA approval	-	-
Tier 1 items after limits	**2,947,096,902**	**2,947,096,902**
Tier 2 before limits	-	-
Before limits - Future profits embedded in technical reserves	-	-
After limits - Future profits embedded in technical reserves	-	-
Recalculated Tier 2 after limits to Future profits embedded in technical reserves	-	-
Tier 2 after limit 40% RBC	**-**	**-**
Total Solvency Available Capital Resources	**2,947,096,902**	**2,947,096,902**
Solvency surplus/deficit	**2,315,062,074**	**2,315,062,074**
Solvency ratio	**466.3%**	**466.3%**
Supervisory Target Capital Level (paragraph (85) Annexure VI of RBC Directive (%)		**130%**
	Calculations without transitional	Calculations with transitionals
MINIMUM CAPITAL REQUIREMENT	**210,678,276**	**210,678,276**
Tier 1 covering MCR	**2,947,096,902**	**2,947,096,902**
Tier 2 covering MCR	**-**	**-**
MCR surplus/deficit	**2,736,418,626**	**2,736,418,626**
MCR ratio	**1398.9%**	**1398.9%**

Other Disclosures

Communication Mechanism for Interaction and Information Flow to Stakeholders

Prabhu Insurance is committed to maintaining open, transparent, and responsive communication with all its stakeholders. We believe that effective information flow not only builds trust but also enhances collaboration and accountability across all levels of operation.

Our communication efforts are shaped by the following principles:

- Transparency: Sharing accurate, timely, and relevant information to ensure openness in operations.
- Inclusiveness: Reaching all stakeholder groups through appropriate and accessible channels.
- Responsiveness: Ensuring stakeholder concerns, feedback, and queries are addressed promptly and respectfully.
- Continuity: Maintaining consistent communication practices that align with regulatory and corporate standards.

Stakeholders Categories and Communication Practices

1) **Internal Stakeholders (Employees, Management, Board)**
   - Regular departmental briefings, leadership meetings, and policy updates.
   - Internal memos, emails, and digital notice boards for general announcements.
   - Use of collaborative tools for real-time discussions and coordination.
   - Training sessions and engagement forums to strengthen internal alignment.

2) **Policyholders and Clients**
   - Service-related updates and notifications sent via SMS, email, and customer support hotlines.
   - FAQs, product brochures, and claims procedures available on the company website.
   - Feedback forms, complaint submission portals, and call center assistance for queries and grievances.

3) **Regulatory Bodies and Government Agencies**
   - Timely submission of compliance reports.
   - Participation in regulatory consultations and review meetings.
   - Prompt responses to queries from the Nepal Insurance Authority and other supervisory bodies.

4) **Shareholders and Investors**
   - Publication of audited financial statements, Quarterly Reports.
   - Notices and agendas for annual general meetings shared in advance through official channels.
   - Investor briefings and updates via the corporate website and official announcements.

This communication structure enables Prabhu Insurance to uphold its commitment to transparency, stakeholder inclusion, and regulatory compliance.

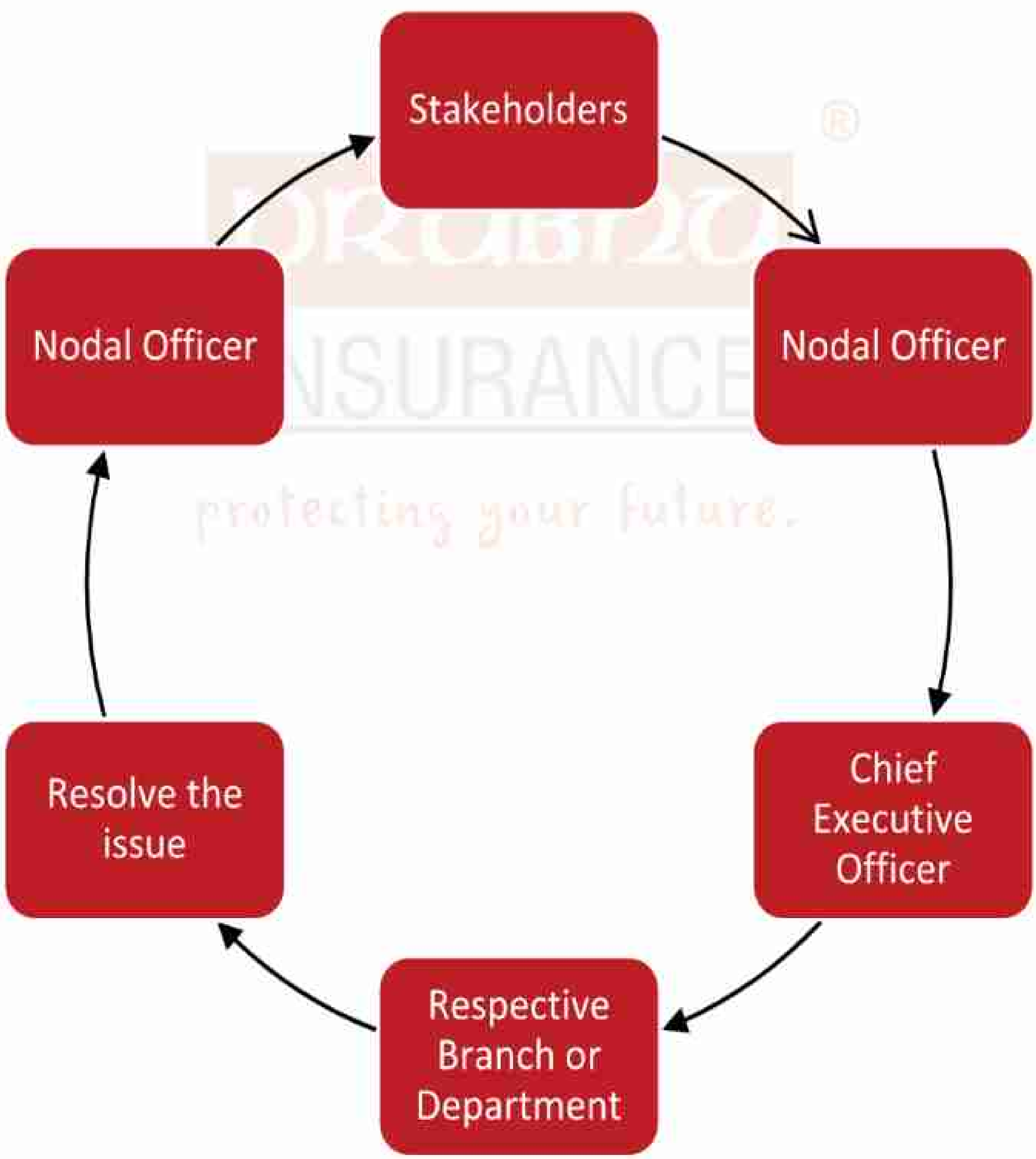
Grievance Handling Mechanism

Prabhu Insurance is committed to delivering customer-centric services and ensuring that all stakeholders, especially policyholders, are treated fairly, respectfully, and promptly. The Grievance Handling Mechanism is designed to provide a transparent, efficient, and accessible system for addressing complaints and resolving issues.

Channels for Grievance Submission

Email: info@prabhuinsurance.com, batsal.dhakal@prabhuinsurance.com
Phone: Customer care helpline (01-5199220)
Website: Online grievance at www.prabhuinsurance.com
Branches: Grievance box or verbal reporting to branch managers

Grievance Handling Mechanism



Reinsurance Partners

Best Meridian Insurance Company

Kenya Reinsurance Corporation Limited

Nepal Reinsurance Company Limited

Himalayan Reinsurance Limited

CICA Re

Asian Reinsurance Corporation

GIC-Bhutan Reinsurance Company Limited

Sirius International Insurance Group, Ltd.

ION Insurance Group S.A.

Global Re Overseas Ltd.

Corporate Governance Compliance Report

(As per the Corporate Governance Guidelines for Listed Institution, 2074)

Name of Listed Organized Institution	Prabhu Insurance Limited
Address	Tinkune, Kathmandu
Email	info@prabhuinsurance.com
Website	WWW.prabhuinsurance.com
Phone Number	5199220,5199226
Fiscal year of annual report reported	2080/81

1) Board of Directors' Profile

a) Chairman of the Board:

Name: Mr. Rajendra Malla

Appointment date: 2081/01/20

b) Ownership Structure of the Company:

Promoters: 51%

General Public: 49%

c) Details of Board of Directors:

S.N	Name	Designation	Representing Group	Shares Hold	Appointment Date	Oath date
1	Mr. Rajendra Malla	Chairman	Public Shareholder	5,39,200	2081/01/20	2081/02/01
2	Mr. Mijas Bhattachan	Director	Promoter Shareholder	27,689	2081/01/20	2081/02/02
3	Mr. Rahul Thokar Lama	Director	Promoter Shareholder	716	2081/01/20	2081/02/02
4	Mr. Shanta Gautam	Director	Promoter Shareholder	31,15,609.85	2080/02/21	2080/02/21
5	Mr. Rameshwor Sapkota	Director	Public Shareholder	100	2081/01/20	2081/02/02
6	Mr. Sangay Lama	Director	Public Shareholder	472	2081/01/20	2081/02/02
7	Mrs. Sushma Sharma (Wasti)	Director	Independent	-	2081/03/06	2081/03/16

d) Board Meetings:

Meeting date of current financial year	No. of Directors Present	Number of Directors opposing Board's Decision	Meeting date of Last financial year
2080/04/14	7	None	2079/04/01
2080/05/05	7	None	2079/05/17
2080/07/01	7	None	2079/07/04
2080/07/17	7	None	2079/08/11
2080/08/15	7	None	2079/09/07
2080/09/22	7	None	2079/09/24
2080/11/20	7	None	2079/09/26
2080/12/28	7	None	2079/10/27
2081/01/18	7	None	2079/11/19

Meeting date of current financial year	No. of Directors Present	Number of Directors opposing Board's Decision	Meeting date of Last financial year
2081/01/30	6	None	2079/11/23
2081/02/02	6	None	2079/12/17
2081/03/06	6	None	2079/12/21
2081/03/16	7	None	2079/12/24
			2080/01/08
			2080/02/21
			2080/03/17
			2080/03/22
			2080/03/27

e) Other Information about Board meeting

Whether the director or alternate director attended the meeting of the board of directors (in case of absence, state the reason along with the date of the meeting):	**Not Attended**
A separate record of the directors present at the meeting of the board of directors, the matters discussed and the details of the decisions made in that regard (minutes) is/not kept:	**Kept**
Maximum gap (in days) between two consecutive meetings of the Board of Directors	**56**
Date of the meeting held regarding the meeting allowance of the Board of Directors:	**2078/02/06**
Allowance per meeting of Board of Directors:	**Chairman: Rs. 12,000** **Director: Rs. 11,000**
Total Board Meeting Expenses for the Fiscal Year	**Rs. 14,05,266**

2) Code of Conduct and Other Details Related to Directors:

Code of Conduct:

Existence of a code of conduct for Board of Directors of the concerned organization: **Available**

Details if more than one director from the same household: **None**

Each director has/has not informed the following in writing within fifteen days of his appointment or nomination to the post of director and details of the same if not: **Informed**

If the director or any member of their family has entered into or is about to enter into any kind of agreement with the organization, the details thereof: **None**

Details of the shares or debentures held by them or any member of their immediate family in the organization or the main or subsidiary company of the organization: **None**

If they are a substantial shareholder or director of any other organization, details thereof: **None**

If any family member of director is working as an employee in the organization, the details of the same: **None**

If the director has worked as a Director, Executive Officer, Executive Head or Employee of a listed organization with similar nature of purpose, details of the same: **None**

If any action has been taken against the Directors by regulatory bodies and other bodies, details of the same: **None**

3) Risk Management and Internal Control System

a) If any committee related to risk management has/has not been formed, the details thereof: **Formed**

b) Information related to risk management committee:

i. Risk Management Committee Structure

Mr. Rahul Thokar Lama: Coordinator

Mr. Sanchit Bajracharya, Chief Executive Officer

ii. Committee Meeting details: 2 times in FY 2080/81

iii. Short Descriptions of Committee Responsibility

The committee is responsible for identifying, assessing, and monitoring key risks facing the company. It ensures the implementation of appropriate risk management policies and frameworks to address these risks effectively. Additionally, the committee oversees the company's financial stability, including its solvency position and capital adequacy, while regularly reviewing the effectiveness of the overall risk management policy.

c) Internal Control System framework: **Exist**

d) Any committee has / has not been formed for internal control system: **Formed**

e) Details of Internal Control System committee:

To ensure the effectiveness of the company's internal control system, different committee of the director and senior management has been formed. Additionally, various other committees have been established for operational management purposes.

I. Committee Structure (Name and position of coordinator and members):

Audit Committee

1. Mrs. Sushma Sharma (Wasti): Coordinator
2. Mr. Rameshwor Sapkota: Director
3. Mr. Rahul Thokar Lama: Director

Claim Settlement and Reinsurance Committee

1. Mr. Sangay Lama: Coordinator
2. Mr. Sanchit Bajracharya: Chief Executive Officer

Investment Committee

1. Mr. Mijas Bhattachan: Coordinator
2. Mr. Sanchit Bajracharya: Chief Executive Officer
3. Mr. Arbind Kumar Karn: Finance Head

Risk Management & Solvency management Committee

1. Mr. Rahul Thokar Lama: Coordinator
2. Mr. Sanchit Bajracharya: Chief Executive Officer

Human Resource Committee

1. Mr. Rajendra Malla: Coordinator
2. Mr. Sanchit Bajracharya: Chief Executive Officer

Anti-Money laundering Committee

1. Mr. Shanta Gautam: Coordinator
2. Mr. Sanchit Bajracharya: Chief Executive Officer

II. Details of Committee Meetings

Audit Committee: 8 times
Claim Committee: 21 times
Investment Committee: 1 time
Risk Management, Financial & Solvency management Committee: 2 times
Human Resource Committee: 3 times
Anti-Money laundering Committee: 7 times

III. Short Description of Committee's Responsibility

Audit Committee

The Audit Committee oversees the financial reporting process, internal control systems, and compliance with laws and regulations. It ensures transparency, accuracy, and accountability in the company's financial statements and operations. The committee also liaises with internal and external auditors to review audit findings and recommend improvements

Claim Settlement and Reinsurance Committee

The Claim Settlement and Reinsurance Committee is responsible for evaluating and approving insurance claims submitted by policyholders. It ensures that claims are handled fairly, promptly, and in accordance with company policies and regulatory standards. The committee also works to prevent and detect fraudulent claims and protects the interests of both the company and its customers.

Investment Committee

The Investment Committee is responsible for developing and monitoring the company's investment strategies. It ensures that all investment decisions align with the company's risk appetite, regulatory limits, and long-term financial goals. The committee also prioritizes the safety and profitability of policyholders' funds through prudent asset management.

Risk Management, Financial & Solvency management Committee

The Risk Management & Solvency Management Committee is responsible for identifying, assessing, and mitigating various risks that could impact the company. It ensures effective implementation of risk management frameworks and monitors the company's solvency position and capital adequacy to meet financial obligations.

Human Resource Committee

The Human Resource Committee focuses on formulating and overseeing HR policies, including recruitment, training, performance evaluation, and staff welfare. It ensures that the company attracts, develops, and retains a skilled and motivated workforce to support its strategic objectives.

Anti-Money laundering Committee

The Anti-Money Laundering (AML) Committee is responsible for implementing and monitoring policies and procedures to prevent money laundering and terrorist financing. It ensures compliance with relevant AML regulations and works to detect and report suspicious transactions, safeguarding the company's operations from illicit activities.

f) Financial Administration Regulation: **in place and Available**

4) Information and Communication Management

a) Details of Notice and Announcement made by the Organization:

Topic	Medium	Date of announcement
Annual General Meeting	Rajdhani Daily Newspaper	2082/03/25
Special General Meeting	-	
Annual Report	Rajdhani Daily Newspaper and Company's Website	2082/03/25 (First Publication), 2082/04/12 (Second Publication)
Quarterly Report	Rajdhani Daily Newspaper and Company's Website	2080/07/30,2080/10/29, 2081/01/28 & 2081/04/30
SEBON	Nepal Stock Exchange, Newspaper and Electronic Media	2082/03/09
Others	Daily Newspaper	

b) Information related to non-publicity of the information or action taken by the Securities Board and other agencies due to other reasons: **None**

c) Date of Last Annual General Meeting: **2081/01/20**

5) Institutional Structure and Personnel Details

a) Whether there is an employee service condition regulation/system containing the structure, appointment, professional development, training, salary, allowances and other facilities, attendance and leave, code of conduct etc.: **Available**

b) Attached organizational structure: **Attached**

c) Name, Education and Experience of Senior Management Team

Name	Designation	Education	Experience
Mr. Sanchit Bajracharya	Chief Executive Officer	Masters	17 years in insurance and 30 years including other financial Sector
Mr. Samir Tamang	Dy. Chief Executive Officer	Bachelor	25 years in insurance sector
Mr. Arbind Kumar Karn	Offg. Chief Manager	Masters	17 years in insurance sector
Mr. Batsal Dhakal	Offg. Senior Manager	Masters	22 years in insurance sector
Mrs. Binita Shrestha	Offg. Senior Manager	Bachelor	22 years in insurance sector
Mrs. Rachana Bajracharya	Offg. Manager	Masters	18 years in insurance sector
Ms. Sajani Tamang	Deputy Manager	Masters	11 years in insurance sector
Mrs. Brinda Shahi	Act. Dy. Manager	Masters	17 years in insurance sector
Ms. Durga Poudel	Offg. Deputy Manager	Masters	14 years in insurance Sector

d) Other details related to employees

Whether or not to appoint employees according to the regulations	Appointed according to regulations
Procedure adopted for the appointment of new employees	Advertisement and Interview
Number of management level employees	9
Total number of employees	254
Whether or not there is a succession plan for employees	Exist
The number of trainings given to employees and the number of employees involved	Number of training: 16 Number of employees involved: 90
Staff training and development expenses	NRs. 2,042,474.34
Percentage of Staff expenses in total expenses	59.16%
Percentage of training expenses in personnel expenses	0.97%

6) Financial management and audit details

a) Details related to account

Preparation of Financial Statements following NFRS or not with reasons for the Last Fiscal Year	Prepared as per NFRS
Date of Approval of the Financial Statement by the Board of Directors	2082/03/08
Publication of Quarterly Financial Statements	Within 30 days after the end of each quarter 2080/07/30, 2080/10/29, 2081/01/28 & 2081/04/30
Date of Completion of Final Audit	2082/03/08
Date of Approval of Financial Statements by the General Meeting	2082/04/23
Details of Internal Audit of the Organization:	
1) Internal Audit Conducted /External Audit Expert Appointed	1) Gyanendra Bhari
2) Details if External Experts Were Appointed:	2) Rajesh Kumar Sah (Statutory Auditor)
3) Frequency of Internal Audit:	3) Quarterly

b) Details related to Audit Committee

Names, Designations and Qualifications of Coordinator and Members:	1) Mrs. Sushma Sharma (Wasti), Coordinator
	2) Mr. Rameshwor Sapkota, Director
	3) Mr. Rahul Thokar Lama, Director
Meeting Dates and Number of Members Present:	2080/04/30: 2 members
	2080/05/21: 3 members (including auditor)
	2080/06/25: 2 members
	2080/07/24: 2 members
	2080/08/28: 3 members (including auditor)
	2080/09/19: 3 members (including auditor)
	2080/10/02: 2 members
	2080/12/01: 3 members (including auditor)
Per Meeting Allowance	Coordinator: NRs. 8500 Member: NRs. 8000

Date of Submission of Audit Committee's Report to the Board of Directors : 2081/03/08

7) Other Disclosures

Loan or Financial Transactions with Directors or Close Family Members	None
Usage of the Organization's Assets by Individuals or Entities with Financial Interests	None
Compliance with Conditions Set by Regulatory Authorities During Licensing	Complied
Compliance with Directives Issued During Regulation, Inspection, or Supervision	Complied
Details of Legal Cases Against the Organization or Its Directors	None

Compliance Officer's Name: Ms. Durga Poudel

Designation: Offg. Dy. Manager
Date: 2082/03/24
Organization's Seal:
Date of Approval of Report by the Board of Directors: 2082/03/24

Information as required by Securities Registration and Issuance Regulation 2073

(Related to Sub rule (2) of rule 26)

1) Board of Director's Report

Board of Director's Report is included in this annual report

2) External Auditor's Report

External Auditor's Report is included in this annual report.

3) Audited Financial Statement

Audited Financial statement is included in this annual report.

4) Details Regarding Legal Action

- Case filed by or to company during the period: There are no other legal cases filed by or to company.
- Case by or against the promoter or director of company regarding disobedience of prevailing law commission of criminal offence: None to our knowledge
- Case by or against the promoter or director of company regarding commission of financial crime: None to our knowledge.

5) Analysis of share transaction and progress of organized institution

Maximum, minimum and last share price of the organized institution including total transaction and transaction days during the year:

Quarter	MaximumPrice	Minimum Price	Closing Price	No. of Traded Shares	Tradeddays
First	798	635	652	642,821	62
Second	897	618	865	1,465,525	49
Third	882	730	795	889,750	58
Fourth	834	763	826	857,035	61

6) Problems and Challenges:

During the period, the national economy slowed down due to falling market interest rates and periodic liquidity shortages. The global economic recession and rising fuel prices also affected key sectors like hotels, tourism, and transportation. Political instability and low public awareness of insurance further limited business growth. These factors had a direct impact on the insurance industry. In addition, the company's operating costs increased due to various regulatory and operational requirements during the year.

7) Corporate Governance:

The company remains committed to maintaining high standards of corporate governance. It operates according to the laws, rules, and guidelines issued by the Nepal Insurance Authority and other regulators. The company also follows internal policies and various procedures to ensure transparency and responsibility in its daily work. The company is committed to timely dissemination of necessary information to its shareholders, customers, regulatory bodies, and the general public through various financial and non-financial disclosures. Corporate governance has been top priority, and the company is focused on further improving the quality of its services in the days to come.

Infomerics Credit Rating Nepal Limited

Infomerics Rating Nepal

July 9, 2024

Mr. Sanchit Bajracharya
Chief Executive Officer
Prabhu Insurance Limited
Tinkune, Kathmandu, Nepal

CONFIDENTIAL

Dear Sir,

Issuer Rating Letter

Please refer to the Mandate contract dated **June 04, 2024** on the captioned subject and your letter/e-mail dated **July 8, 2024** accepting our rating & use thereof.

1. The following ratings has been assigned by Infomerics Credit Rating Nepal Limited's (Infomerics Nepal) Rating Committee:

S. N.	Facility/ Instrument	Amount (NPR Million)	Rating	Rating Action
1.	Issuer Rating	NA	IRN BBB+ (Is) [Triple B Plus (Issuer)]	Assigned

2. The rationale for this rating will be communicated to you separately.
3. The explanatory notes regarding the rating symbols of Infomerics Nepal for Issuer Rating are given in **Annexure I**.
4. The aforementioned rating will be valid up to one year from the date of our initial communication and due for surveillance any time before July 02, 2025.
5. The ratings assigned by Infomerics Nepal are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics Nepal reserves the right to change, reaffirm, suspend or withdraw the credit ratings at any point in time, as a result of periodic review/surveillance, based on any event or information which in the opinion of Infomerics Nepal warrants such action. In the event of failure on the part of the entity to furnish such information, material or clarifications as may be required by Infomerics Nepal so as to enable it to carry out continuous monitoring of the rating of the bank facilities; Infomerics Nepal shall carry out the review on the basis of best available information throughout the life time of such facilities. Infomerics Nepal shall also be

Infomerics Credit Rating Nepal Limited Kathmandu entitled to publicize/disseminate all the afore-mentioned rating actions in any manner considered appropriate by it, without reference to you.

6. Users of this rating may kindly refer our website www.infomericsnepal.com for latest update on the outstanding rating.

If in case of any additional clarification required, please feel free to approach us. We are indeed, grateful to you for entrusting Infomerics Nepal.

Thanking You

Yours faithfully,

Credit Rating Nepal Limited Infomerics Kathmandu

Mr. Raunak Mulmi
Associate Analyst

Mr. Atish Ratna Shakya
Junior Analyst

Encl: As above

Disclaimer: Ratings assigned by Infomerics Nepal are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics Nepal reserves the right to change, suspend or withdraw the credit ratings at any point in time. Ratings assigned by Infomerics Nepal are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information, which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics Nepal is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

प्रभु इन्स्योरेन्स लिमिटेड
प्रवन्ध-पत्रको प्रस्तावित संशोधनको तीनमहले बिवरण

सि.नं.	हालको व्यवस्था	प्रस्तावित संशोधन	संशोधनको कारण
१.	**दफा ६ (क)** कम्पनीको अधिकृत पुँजी रु.३,००,००,००,०००।- (तीन अरब) हुनेछ । जसलाई प्रति शेयर रु.१००।- (एक सय) का दरले ३,००,००,०००।- (तीन करोड) साधारण शेयरमा विभाजित गरिएको छ । यस कम्पनीको जारी तथा चुक्ता पूँजी रु.२,५०,००,४५,५००।- (रु.दुई अरब पचास करोड पैतालीस हजार पाँच सय) हुनेछ । जसलाई प्रति शेयर रु.१००।- (रु.एक सय) का दरले २,५०,००,४५५ (दुई करोड पचास लाख चार सय पचपन्न) साधारण शेयरमा विभाजित गरिएको छ ।	**दफा ६ (क)** कम्पनीको अधिकृत पूँजी रु.३,००,००,००,०००।- (तीन अरब) हुनेछ । जसलाई प्रति शेयर रु.१००।- (एक सय) का दरले ३,००,००,०००।- (तीन करोड) साधारण शेयरमा बिभाजित गरिएको छ । यस कम्पनीको जारी तथा चुक्ता पूँजी रु.२,५०,०४,०५,३००।- (रु.दुई अरब पचास करोड चार लाख पाँच हजार तीन सय) हुनेछ । जसलाई प्रति शेयर रु.१००।- (रु.एक सय) का दरले २,५०,०४,०५३ (दुई करोड पचास लाख चार हजार त्रीपन्न) साधारण शेयरमा बिभाजित गरिएको छ ।	प्रस्तावित बोनश शेयर तथा हकप्रद शेयर जारी गरेपश्चात कम्पनीको पूँजी बृद्धि हुने भएकोले ।

प्रभु इन्स्योरेन्स लिमिटेड
नियमावलीको प्रस्तावित संशोधनको तीनमहले विवरण

सि.नं.	हालको व्यवस्था	प्रस्तावित संशोधन	संशोधनको कारण
१.	**नियम २.१ (क)** कम्पनीको अधिकृत पुँजी रु.३,००,००,००,०००।- (तीन अरब) हुनेछ । जसलाई प्रति शेयर रु.१००।- (एक सय) का दरले ३,००,००,०००।- (तीन करोड) साधारण शेयरमा बिभाजित गरिएको छ । यस कम्पनीको जारी तथा चुक्ता पूँजी रु.२,५०,००,४५,५००।- (रु.दुई अरब पचास करोड पैतालीस हजार पाँच सय) हुनेछ । जसलाई प्रति शेयर रु.१००।- (रु.एक सय) का दरले २,५०,००,४५५ (दुई करोड पचास लाख चार सय पचपन्न) साधारण शेयरमा बिभाजित गरिएको छ ।	**नियम २.१ (क)** कम्पनीको अधिकृत पूँजी रु.३,००,००,००,०००।- (तीन अरब) हुनेछ । जसलाई प्रति शेयर रु.१००।- (एक सय) का दरले ३,००,००,०००।- (तीन करोड) साधारण शेयरमा बिभाजित गरिएको छ । यस कम्पनीको जारी तथा चुक्ता पूँजी रु.२,५०,०४,०५,३००।- (रु.दुई अरब पचास करोड चार लाख पाँच हजार तीन सय) हुनेछ । जसलाई प्रति शेयर रु.१००।- (रु.एक सय) का दरले २,५०,०४,०५३ (दुई करोड पचास लाख चार हजार त्रीपन्न) साधारण शेयरमा बिभाजित गरिएको छ ।	प्रस्तावित बोनश शेयर तथा हकप्रद शेयर जारी गरेपश्चात कम्पनीको पूँजी बृद्धि हुने भएको ले ।

OUR NETWORKS

KOSHI PROVINCE

Dharan Branch
Putaliline, Dharan-10, Sunsari
025-536260
dharan@prabhuinsurance.com

Itahari Branch
Paschim line , Itahari
025-587031
itahari@prabhuinsurance.com

Katari Sub - Branch
Katari Bazar, Katari, Udayapur
035-450179
katari@prabhuinsurance.com

Birtamod Branch
Bhadrapur Road, Birtamod, Jhapa
023-536661
birtamod@prabhuinsurance.com

Biratnagar Branch
Jaljala Hall Line, Biratnagar
021-570519/20
biratnagar@prabhuinsurance.com

Gaighat Sub-Branch
Triyuga Municipality-11, Gaighat
035-590600
gaighat@prabhuinsurance.com

Damak Sub- Branch
Damak, Jhapa
023-571210
damak@prabhuinsurance.com

Kakarvitta Sub Branch
Mechinagar-6, Jhapa
023-567077
kakarvitta@prabhuinsurance.com

MADHESH PROVINCE

Birgunj Branch
Link Road, Birgunj
051-527699
birgunj@prabhuinsurance.com

Janakpur Sub-Branch
Bajrang Chowk-08, Janakpur
041-528649
janakpur@prabhuinsurance.com

Lahan Sub-Branch
Lahan, Siraha
033-565152
lahan@prabhuinsurance.com

Malangwa Sub-Branch
Nagarpalika Chowk, Malangwa
046-520225
malangwa@prabhuinsurance.com

Rajbiraj Sub-Branch
Rajbiraj, Saptari
031-590246
rajbiraj@prabhuinsurance.com

Bardib s Sub-Branch
Bardibas, Mahottari
044-550327
bardibas@prabhuinsurance.com

Chandranigahapur Branch
Chandranighapur-04, Rautahat
055-590013
chapur@prabhui surance.com

BAGMATI PROVINCE

New Road Branch
Khichapokhari, Newroad, Kathmandu
015353166/015230625
newroad@prabhuinsurance.com

Patan Branch
Kumaripati, Lalitpur
01-5427080/5426046
patan@prabhuinsurance.com

Chabahil Branch
Sifal, Kathmandu
01-4592516
chabahil@prabhuinsurance.com

Bhaktapur Branch
Suryabinayak, Bhaktapur
01-6619122
bhaktapur@prabhuinsurance com

Jorpati Sub-Branch
Jorpati, Kathmandu
01-4913116
jorpati@prabhuinsurance.com

Gongabu Branch
Samakhushi, Gongabu, Kathmandu
01-4964836
gongabu@prabhuinsurance.com

Hattigauda Sub-Branch
Budhanilkantha-07, Kathmandu
01 4374651
hattigauda@prabhuinsurance.com

Kirtipur Sub-Branch
Kirtipur, Kathmandu
01-4336168
kirtipur@prabhuinsurance.com

Hetauda Branch
Main Road-10, Hetauda
057-525880
hetauda@prabhuinsurance.com

Banepa Branch
Chardobato, Banepa
011-663533
banepa@prabhuinsurance.com

Dolakha Branch
Charikot, Dolakha
049-421131
dolakha@prabhuinsurance.com

Nuwakot Branch
Battar, Nuwakot
010-561965
nuwakot@prabhuinsurance.com

Sindhuli Sub- Branch
Sindhuli Bazar, Sindhuli
047-521346
sindhuli@prabhuinsurance.com

Dhading Sub-Branch
Dhading Beshi, Dhading
010-521445
dhading@prabhuinsurance.com

Narayangadh Branch
Pulchwok, Narayangadh
056-595867
ngt@prabhuinsurance.com

Kalanki Branch
Kalanki, Kathmandu
01-5224195
Kalanki@prabhuinsurance.com

Manthali Branch
Manthali-1, Ramechhap
048-590067
manthali@prabhuinsurance.com

Khurkot Sub-Branch
Khurkot, Sindhuli, 047-521346
khurkot@prabhuinsurance.com

GANDAKI PROVINCE

Pokhara Branch
Sabhagriha Chwok, Newroad, Pokhara
061-544224/ 061-578789
pokhara@prabhuinsurance.com

Mustang Branch
Puthan Airport, Jomsom, Mustang
069-440387
mustang@prabhuinsurance.com

Myagdi Branch
Newroad, Beni, Myagdi
069-521183
myagdi@prabhuinsurance.com

Gorkha Sub- Branch
Gorkha Bazar, Gorkha
064-421088
gorkha@prabhuinsurance.com

Parbat Sub-Branch
Kushma, Parbat
067-420102
parbat@prabhuinsurance.com

Baglung Branch
Aawa Road, Baglung
068-522729
baglung@prabhuinsurance com

Damauli Branch
Damauli, Tanahun
065-563643
damauli@prabhuinsurance.com

Kawasoti Sub- Branch
Kawasoti, Nawalpur
078-540785
kawasoti@prabhuinurance.com

Syangja Branch
Waling, Syangja
063-441711
syangja@prabhuinsurance.com

Lamjung Sub-Branch
Beshishahar, Lamjung
066-521410
lamjung@prabhuinsurance.com

Amarsingh Chowk Branch
Amarsingh Chowk, Pokhara
061-590319
amarsingh@prabhuinsurance.com

LUMBINI PROVINCE

Nepalgunj Branch
Karkado, Nepalgunj, Banke
081-551519/551524
nepalgunj@prabhuinsurance.com

Butwal Branch
Palpa Road, Butwal
071-533933
butwal@prabhuinsurance.com

Gulmi Branch
Tamghas, Gulmi
079-520918
gulmi@prabhuinsurance.com

Bhairahawa Branch
Narayanpath, Bhairahawa, Rupandehi
071-574011
bhairahawa@prabhuinsurance.com

Dang Branch
Tulsipur, Dang
082-522682
dang@prabhuinsurance.com

Ghorahi Branch
Ghorahi, Dang
082-564466
ghorahi@prabhuinsurance.com

KARNALI PROVINCE

Surkhet Branch
Jumla Road, Surkhet
083-523271
surkhet@prabhuinsurance.com

SUDURPASHCHIM PROVINCE

Dhangadhi Branch
Chatakpur-04, Dhangadhi
091-417478
dhangadhi@prabhuinsurance.com

Mahendranagar Branch
Mahendranagar, Kanchanpur
099-590411
mahendranagar@prabhuinsurance.com

THIRD PARTY COUNTER

Bhairahawa Yatayat Office
Yatayat Office Bhairahawa
9851334343
bhairahawa.yatayat@prabhuinsurance.com

Sano Bharyang Yatayat Office
Yatayat Office, Sano Bharyang
9851334314
swoyambhu@prabhuinsurance.com

Bharatpur Yatayat Office
Yatayat Office Bharatpur
9851334321
bharatpur.yatayat@prabhuinsurance.com

टिपोट

कम्पनीको २८ औं वार्षिक साधारण सभामा आफ्नो मन्तव्य राख्नुहुँदै
शेयरधनी महानुभावहरु

कम्पनीको २८ औं वार्षिक साधारण सभामा आफ्नो मन्तव्य राख्नुहुँदै
शेयरधनी महानुभावहरु

कम्पनीद्वारा सञ्चालित जोखिमाङ्कन सम्बन्धी तालिम तथा शाखाप्रमुखहरुको भेला

कम्पनीको २८ औं वार्षिक साधारण सभा

कम्पनीको २९ औं वार्षिकोत्सव समारोह