



हिमालयन लाइफ इन्स्योरेन्स लिमिटेड

HIMALAYAN LIFE INSURANCE LIMITED

मन्कामना मार्ग, हत्तिसार, काठमाडौं
 फोन: ०१-४४४९४९४, ०१-५९७००५७ | पो.ब.नं. २५९७९
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SECOND QUARTER OF FINANCIAL YEAR 2081/82

Quarterly Financial Results for 2nd Quarter, F.Y. 2081/82 B.S

CONDENSED STATEMENT OF FINANCIAL POSITION

As on Poush 29, 2081

Particulars	Fig in NPR.			
	Group		Insurance	
	Unaudited At the end of this Quarter	Unaudited At the end of Immediate Previous Year	Unaudited At the end of this Quarter	Unaudited At the end of Immediate Previous Year
Assets:				
Goodwill & Intangible Assets	14,261,971		13,845,256	16,751,089
Property and Equipment	705,462,003		697,788,081	808,629,477
Investment Properties	-		-	-
Deferred Tax Assets	-		-	61,274,548
Investment in Subsidiaries	-		150,000,000	-
Investment in Associates	-		-	-
Investments	71,217,165,810		71,067,165,810	65,380,659,923
Loans	7,485,537,942		7,485,537,942	7,003,759,644
Reinsurance Assets	5,850,000		5,850,000	-
Current Tax Assets	854,448,272		852,013,835	1,800,340,968
Insurance Receivables	390,919		390,919	524,313,255
Other Assets	41,314,705		41,294,355	52,011,191
Other Financial Assets	2,868,039,255		2,851,447,201	1,305,082,842
Cash and Cash Equivalent	1,454,865,199		1,423,444,106	544,831,964
Total Assets	84,647,336,078		84,588,777,505	77,497,654,899
Equity:				
Share Capital	8,020,383,602		8,020,383,602	8,020,383,602
Share Application Money Pending Allotment	-		-	-
Share Premium	-		-	-
Catastrophe Reserves	460,912,324		460,912,324	434,831,938
Retained Earnings	2,126,505,644		2,133,287,086	1,421,325,392
Other Equity	(120,895,137)		(170,895,137)	252,501,500
Total Equity	10,486,906,432		10,443,687,874	10,129,042,431
Liabilities:				
Provisions	203,271,084		203,103,537	236,531,275
Gross Insurance Contract Liabilities	70,709,365,101		70,709,365,101	64,546,261,074
Deferred Tax Liabilities	60,787,854		64,120,384	-
Insurance Payable	289,196,284		289,196,284	561,571,100
Current Tax Liabilities	-		-	-
Borrowings	-		-	-
Other Liabilities	542,401,193		542,401,193	690,444,475
Other Financial Liabilities	2,355,408,131		2,336,903,132	1,333,804,542
Total Liabilities	74,160,429,646		74,145,089,631	67,368,612,467
Total Equity and Liabilities	84,647,336,078		84,588,777,505	77,497,654,899

CONDENSED STATEMENT OF PROFIT OR LOSS

For the Quarter Ended Poush 29, 2081

Particulars	Fig in NPR.							
	Group				Insurance			
	Current Year		Corresponding Previous Year		Current Year		Corresponding Previous Year	
This Quarter	Upto this Quarter (YTD)	This Quarter	Upto this Quarter (YTD)	This Quarter	Upto this Quarter (YTD)	This Quarter	Upto this Quarter (YTD)	
Income:								
Gross Earned Premiums	3,989,036,395	8,267,737,405			3,989,036,395	8,267,737,405	3,713,032,276	8,094,881,713
Premiums Ceded	(98,238,880)	(206,746,560)			(98,238,880)	(206,746,560)	(47,785,004)	(202,372,043)
Net Earned Premiums	3,890,797,515	8,060,990,845			3,890,797,515	8,060,990,845	3,665,247,272	7,892,509,670
Commission Income	39,255,162	39,255,162			39,255,162	39,255,162	-	-
Other Direct Income	18,287,986	38,158,698			18,287,986	38,158,698	15,456,939	43,439,969
Interest Income on Loan to Policyholders	232,424,395	446,837,100			232,424,395	446,837,100	128,193,344	333,027,520
Income from Investments and Loans	1,411,722,620	2,897,898,010			1,411,722,620	2,897,898,010	1,335,796,154	2,710,486,399
Net Gain/(Loss) on Fair Value Changes	(1,107,749)	(5,202,536)			-	-	-	-
Net Realised Gains/(Losses)	57,462,606	721,003,646			57,462,606	721,003,646	-	-
Other Income	10,306,881	10,499,706			10,306,881	10,499,706	8,527	8,527
Total Income	5,659,149,415	12,209,440,631			5,660,257,164	12,214,643,167	5,144,702,236	10,979,472,085
Expenses:								
Gross Benefits and Claims Paid	1,511,347,934	3,049,214,914			1,511,347,934	3,049,214,914	1,438,798,012	3,094,511,097
Claims Ceded	(42,060,086)	(66,048,058)			(42,060,086)	(66,048,058)	(60,489,271)	(88,120,124)
Gross Change in Contract Liabilities	3,277,201,551	6,909,335,675			3,277,201,551	6,909,335,675	2,913,721,404	6,197,459,861
Change in Contract Liabilities Ceded to Reinsurers	715,500	715,500			715,500	715,500	-	-
Net Benefits and Claims Paid	4,747,204,898	9,893,218,031			4,747,204,898	9,893,218,031	4,292,030,145	9,203,850,833
Commission Expenses	315,698,249	658,921,266			315,698,249	658,921,266	296,164,622	656,334,943
Service Fees	29,181,122	60,457,431			29,181,122	60,457,431	27,489,355	59,193,823
Other Direct expenses	-	-			-	-	-	-
Employee Benefits Expenses	212,889,892	472,464,759			212,889,892	472,464,759	227,533,748	429,589,608
Depreciation and Amortization Expenses	10,376,690	20,543,707			10,376,690	20,543,707	13,230,427	25,949,599
Impairment Losses	-	-			-	-	74,219,300	74,219,300
Other Operating Expenses	135,693,263	227,372,129			135,693,263	227,372,129	109,369,148	184,271,159
Finance Cost	-	-			-	-	-	-
Total Expenses	5,451,044,114	11,332,977,322			5,451,044,114	11,332,977,322	5,040,036,744	10,633,409,265
Net Profit/(Loss) For The Year Before Share of Net Profits of Associates Accounted for Using Equity Method and Tax	208,105,301	876,463,309			209,213,050	881,665,845	104,665,492	346,062,820
Share of Net Profit of Associates accounted using Equity Method	-	-			-	-	-	-
Profit Before Tax	208,105,301	876,463,309			209,213,050	881,665,845	104,665,492	346,062,820
Income Tax Expenses	86,269,003	504,935,887			86,685,990	505,383,725	-	-
Net Profit/(Loss) For The Year	121,836,298	371,527,422			122,527,060	376,282,120	104,665,492	346,062,820
Earning Per Share								
Basic EPS		9.26				9.38		8.63
Diluted EPS		9.26				9.38		8.63

CONDENSED STATEMENT OF OTHER COMPREHENSIVE INCOME

For the Quarter Ended Poush 29, 2081

Particulars	Fig in NPR.							
	Group				Insurance			
	Current Year		Corresponding Previous Year		Current Year		Corresponding Previous Year	
This Quarter	Upto this Quarter (YTD)	This Quarter	Upto this Quarter (YTD)	This Quarter	Upto this Quarter (YTD)	This Quarter	Upto this Quarter (YTD)	
Net Profit/(Loss) For The Year	121,836,298	371,527,422			122,527,060	376,282,120	104,665,492	346,062,820
Other Comprehensive Income	(931,384,343)	(300,125,854)			(930,967,356)	(314,166,825)	163,528,682	(96,316,300)
Total Comprehensive Income	(809,548,045)	71,401,568			(808,440,296)	62,115,295	268,194,174	249,746,521

OTHER DETAILS

Particulars	Current Year Upto this Quarter (YTD)	Previous Year Upto this Quarter (YTD)
1. Total inforce Policy count	404,413	384,897
2. Total No. of Policy Issued during the year	20,664	19,721
3. First Year Premium (Including Single)	1,202,882,840	1,062,560,706
4. Single Premium	132,727,332	110,399,533
5. Renewal Premium	7,064,854,565	7,032,321,008
6. Total Benefits and Claims Paid in Count	7,954	1,372
7. Outstanding Benefits and Claims in Count	184	121
8. Gross Claim Outstanding (Amount)	179,275,794	116,494,874
9. Declared Bonus rate (2079/80)	27-86	19-90
10. Interim bonus rate	27-86	19-90
11. Long Term Investments (Amount)	48,984,265,810	51,620,618,690
12. Short Term Investments (Amount)	22,082,900,000	7,182,596,000
13. Policyholders Loan	7,389,130,825	6,251,012,725
14. Investment in Cost Value	71,036,226,188	58,689,022,674
15. Life Insurance Fund (Amount)	70,402,133,281	58,296,239,859
16. Unearned Premium Reserve for Term Policies (Amount)	80,599,957	166,246,000
17. Solvency Margin Ratio (2079/80)	3.74	3.95

1. Financial Statements

- The Statement of Financial Position, Statement of Profit and Loss, Statement of Other Comprehensive Income, and other details of second quarter of F.Y. 2081/82 have been published in this national daily newspaper.
- Major Financial Indicators:

Earnings per Share: Rs.9.38	Net Worth Per Share: 130.21
P/E Ratio: 48.17	Total Assets per Share: 1,054.67

2. Management Analysis:

- Company's revenue, earnings and liquidity situation in the quarter: Satisfactory
- Analytical Details regarding the business plan of the management for the next period:

The company has planned to increase its market share by increasing its penetration in new geographical markets. The company has planned to develop innovation insurance plans to meet the requirement of the society. The company has also planned to increase its agency network to increase its market share and also promote insurance business through various training and awareness programs. The company has also planned for technology advancement to increase efficiency and customer service.

3. Details of Legal Proceedings:

There are no cases filed by or against the company.

4. Analysis of Share Transaction of the company:

- Opinion of the management regarding the share transactions of the company in the securities market: Satisfactory
- Details of the Maximum, Minimum, Last price, Total transaction days and Transaction volume of the company in the quarter:

Maximum Price: 517.90	Minimum Price: 438.10
Close Price: 452.00	Transaction Volume: 20,124
Transaction Days: 55	

5. Problems and Challenges:

The strategy of the management for solving the company's internal and external problems and challenges: At present the lack of adequate human resources, lack of long-term investment opportunities, increasing competition in the market have been the main challenges for the company. The company has prepared proper business plans and strategies to grow the company's business.

6. Corporate Good Governance:

Details of the actions taken by the management for enhancing the Corporate Good Governance: The company has fully complied with the corporate good governance directive 2080 issued by Nepal Insurance Authority. The company is continuously monitoring the compliance with the corporate good governance directive with the help of its comprehensive manuals and regulations. The Board of Directors, Audit Committee, Senior Management and Compliance Officer are committed to upholding Corporate good governance practices in the company.

7. Self-Declaration of Chief Executive Officer about the truthfulness of financials/information:

I, CEO of the company, take responsibility on the truthfulness of the information and particulars disclosed in this report to the best of my knowledge. Further, I declare that the particulars mentioned in the report, to the best of my knowledge, are true, fair and complete except as mentioned in the notes at the time of publication of this report and have not knowingly concealed any material particulars information for the investor to take informed decisions.

Notes:

- Himalayan Life Insurance Limited has been formed by the merger of erstwhile Prime Life Insurance Company Limited, Union Life Insurance Company Limited, and Gurans Life Insurance Company Limited.
- The presented financial statements have been prepared as per Financial Directive 2080 issued by the regulator which requires preparation of financial statements based on NFRS. This has caused regrouping, rearrangement different presentation and have impact on the reported figures of already published financial statements.
- Figures have been regrouped and rearranged wherever required.
- Above figures are unaudited and subject to change after finalization of audit.
- Total enforce policies count and issued policies include individual life, micro and group insurance policies.
- Completed information from FE Pool for 2nd Quarter of fiscal year 2081/82 has not been received by the company, hence not incorporated in financial statement, and will be updated in final Audited Financial Statements.

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

- Solvency Ratio: The Company has maintained solvency ratio of 3.74 without cost of bonus and 2.38 for the Fiscal Year 2079/080 as approved by the Nepal Insurance Authority.
- Reinsurance: The Company has made adequate reinsurance arrangement including catastrophic reinsurance arrangement with Himalayan Re and Nepal Re to cover the risk from the class of its business.
- Details regarding legal proceedings: There are no cases filed by or against the company.
- Corporate Governance: Company has complied Corporate Governance Directive issued by Nepal Insurance Authority.
- Regulatory Limit on Expenses Ratio: The Current Management expense ratio is 8.46% with respect to Total Premium Collection, Similarly, for the previous year corresponding quarter ending the expenses ratio is 8.50% of TPI.
- Note: Detailed interim financial statement is published in company's website: www.himalayanlife.com.np.

Notes to the Interim Financial Statements for the quarter ended Poush 29, 2081 (January 13, 2025)

General Information

Himalayan Life Insurance Limited is incorporated under the laws of Nepal. Himalayan Life Insurance Limited has been formed by the merger of erstwhile Prime Life Insurance Company Limited, Union Life Insurance Company Limited and Gurans Life Insurance Company Limited.

Basis of Preparation

Condensed financial statement for the period is prepared in accordance with Insurer's Financial Statement related Directive 2080, Quarterly Financial Statement related circular 2080 issued by Nepal Insurance Authority, Nepal Financial Reporting Standards (NFRS) published by Accounting Standards Board, Nepal (ASB Nepal) and pronounced by The Institute of Chartered Accountants of Nepal (ICAN).

Statement of Compliance

Condensed 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, Statement of Distributable Profit or Loss 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 and circular issued by Nepal Insurance Authority. 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.

Reporting Period

The Company reporting period is as below - Condensed Statement of Financial Position, Statement of Cash Flows, Statement of Changes in Equity - As at the end of Quarter (29 Poush, 2081) with comparative period as preceding year (Aasadh end, 2081). Condensed Statement of Profit or Loss, Statement of other comprehensive income, Statement of Distributable Profit or Loss - From Shrawan 1, 2081 to Poush 29, 2081 with corresponding previous quarter.

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.