सानिमा जिआईसी इन्स्योरेन्स लि.
Sanima GIC Insurance Ltd.
टंगाल-५, काठमाण्डौ
फोन नं. ०१-४५२७१७०/७१/७२, ०१-४५२७१०१
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Unaudited Quarterly Financial Results for Second Quarter, F.Y. 2081-82 B.S

CONDENSED STATEMENT OF FINANCIAL POSITION

Fig In NPR.

Particulars	At the end of this Quarter	At the end of Immediate Previous Year
Assets:		
Goodwill & Intangible Assets	41,412,325	41,807,915
Property and Equipment	133,973,732	142,348,682
Investment Properties	-	-
Deferred Tax Assets	142,756,641	127,830,579
Investment in Subsidiaries	-	-
Investment in Associates	-	-
Investments	3,415,184,231	3,337,036,401
Loans	18,280,496	14,027,586
Reinsurance Assets	4,341,980,752	2,502,826,678
Current Tax Assets	70,107,678	34,025,595
Insurance Receivables	402,935,955	315,786,647
Other Assets	560,379,759	167,892,732
Other Financial Assets	73,995,753	82,510,745
Cash and Cash Equivalent	253,627,425	407,278,197
Total Assets	**9,454,634,747**	**7,173,371,757**
Equity:		
Share Capital	2,000,000,000	2,000,000,000
Share Application Money Pending Allotment	-	-
Share Premium	-	-
Catastrophe Reserves	40,736,648	37,694,194
Special Reserve	645,471,187	584,622,107
Retained Earnings	237,666,740	181,603,722
Other Equity	131,541,383	165,151,879
Total Equity	**3,055,415,958**	**2,969,071,902**
Liabilities:		
Provisions	106,013,376	86,962,308
Gross Insurance Contract Liabilities	5,236,673,868	3,307,353,044
Deferred Tax Liabilities	-	-
Insurance Payable	669,302,740	424,235,942
Current Tax Liabilities	-	-
Borrowings	-	-
Other Liabilities	348,383,867	341,668,767
Other Financial Liabilities	38,844,938	44,079,794
Total Liabilities	**6,399,218,789**	**4,204,299,855**
Total Equity and Liabilities	**9,454,634,747**	**7,173,371,757**

CONDENSED STATEMENT OF PROFIT OR LOSS

Fig In NPR.

Particulars	Current Year		Corresponding Previous Year	
	This Quarter	Upto This Quarter (YTD)	This Quarter	Upto This Quarter (YTD)
Income:				
Gross Earned Premiums	547,448,605	941,615,058	493,134,878	863,576,671
Premiums Ceded	(372,609,294)	(658,446,052)	(307,054,632)	(570,150,179)
Net Earned Premiums	**174,839,311**	**283,169,006**	**186,080,246**	**293,426,492**
Commission Income	86,541,324	150,146,177	70,818,557	123,989,435
Other Direct Income	4,845,987	7,859,667	9,095,591	10,226,848
Income from Investments and Loans	44,107,398	97,055,823	71,906,181	131,892,266
Net Gain/(Loss) on Fair Value Changes	-		-	
Net Realised Gains/(Losses)	25,615,462	73,626,863	(1,234,061)	(1,234,061)
Other Income	818,277	1,405,249	1,520,698	1,520,698
Total Income	**336,767,759**	**613,262,785**	**338,187,212**	**559,821,678**
Expenses:				
Gross Claims Paid	241,310,334	391,606,456	121,755,692	319,862,195
Claims Ceded	(161,625,185)	(232,550,135)	(59,977,571)	(176,077,680)
Gross Change in Contract Liabilities	930,645,100	1,677,758,463	194,786,776	838,055,806
Change in Contract Liabities Ceded to Reinsurers	(905,220,542)	(1,670,302,074)	(186,599,563)	(844,715,820)
Net Claims Incurred	**105,109,707**	**166,512,710**	**69,965,334**	**137,124,501**
Commission Expenses	8,074,592	14,137,319	7,644,856	13,427,290
Service Fees	972,901	2,045,752	643,706	2,028,697
Other Direct expenses	5,693,576	8,360,704	9,819,916	11,543,250
Employee Benefits Expenses	77,525,584	177,465,890	84,043,554	171,645,509
Depreciation and Amortization Expenses	11,101,825	17,865,230	1,825,111	13,509,088
Impairment Losses	-		-	
Other Operating Expenses	26,281,596	51,340,351	42,281,379	59,697,990
Finance Cost	825,614	1,680,315	(1,670,994)	
Total Expenses	**235,585,395**	**439,408,271**	**214,552,862**	**408,976,325**
Net Profit/(Loss) Before Share of Net Profits of Associates Accounted for Using Equity Method and Tax	101,182,364	173,854,514	123,634,350	150,845,353
Share of Net Profit of Associates accounted using Equity Method				
Profit Before Tax	**101,182,364**	**173,854,514**	**123,634,350**	**150,845,353**
Income Tax Expenses	30,354,709	52,156,354	51,822,053	45,253,606
Net Profit/(Loss)	**70,827,655**	**121,698,160**	**71,812,297**	**105,591,747**
Earning Per Share				
Basic EPS		12.17		10.56
Diluted EPS		12.17		10.56

Statement of Comprehensive Income

Fig In NPR.

Particulars	Current Year		Corresponding	Previous Year
	This Quarter	Upto This Quarter (YTD)	This Quarter	Upto This Quarter (YTD)
Net Profit/(Loss)	70,827,655	121,698,160	71,812,297	105,591,747
Other Comprehensive Income	(29,626,165)	(34,827,479)	2,048,311	2,048,311
Total Comprehensive Income	41,201,490	86,870,681	73,860,608	107,640,058

Other Details

Particulars	Current Year	Previous Year
	Upto This Quarter (YTD)	Upto This Quarter (YTD)
1. Total Issued Policy Count	73,227	77,944
2. Total Renewed Policy Count	28,892	16,778
3. Total Claims Paid Count	3,532	3,101
4. Outstanding Claims Count	5,870	5,996
5. Gross Outstanding Claims Including IBNR & IBNER	3,678,625,672	2,688,914,472
6. Net Outstanding Claims Including IBNR & IBNER	408,761,016	362,204,812
7. Margin Over Best Estimate (MOBE)	13,743,837	3,923,603
8. Unearned Premium Reserve (Amount)	1,538,203,767	1,438,704,380
9. Unexpired Risk Reserve (Amount)	21,018	18,888,775
10. Earthquake Premium Reserve (Amount)	6,079,574	2,161,209
11. Long Term Investments (Amount)	365,184,231	155,112,038
12. Short Term Investments (Amount)	3,050,000,000	3,018,800,000
13. Direct Premium (Amount)	1,192,916,986	1,149,937,452
14. Investment in Cost (Amount)	3,474,029,686	3,185,004,763
15. Solvency Margin Ratio*	2.62	2.62

Notes:
1. The above figures are subject to change as per the direction of regulator and statutory auditor.
2. Reserving for the Quarter end is not done from actuary and has been carried out as per the guideline issued by regulator.
3. Solvency Margin is of Last Audited Financial.
4. Detailed interim report can be viewed at company's website (www.sgic.com.np)

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

1. Solvency Ratio related disclosure:
Solvency Ratio of Company for FY 2080-81 end is 2.62 times.

2. Reinsurance related disclosure:
Company has done reinsurance with the Local as well as foreign reinsurer as per the directive issued by regulatory authority.

3. Details regarding legal proceeding:
Nepal Reinsurance company declined to pay claim recovery of Khilung Kalika Agro Rs. 1,80,74,855, against that the company moved to Nepal Beema Pradhikaran and On 05 Shrawan 2079, Nepal Beema Pradhikaran has decided case in favour of company. Nepal Reinsurance Company not being satisfied with the decision of Nepal Beema Pradhikaran filed the case in Patan High Court and the Patan High Court has returned the case to Nepal Beema Pradhikaran for further decision making.

4. Corporate Governance:
Company is highly committed to maintain the high standards of corporate governance by complying to legal & regulatory requirements.

5. Regulatory limit on expenses ratio:
All the expesnes are within the limit.

6. Any other disclosure as deemed relevant

Information as required by Securities Registration and Issuance Regulation 2073 (Related to Sub rule (1) of rule 26)

1. Information Regarding Financial Statement

a) Quarterly Financials
Provisional unaudited second quarter report of FY 2081-82 are published with this report.

b) Major Financial Highlights:

Earning Per Share (Annualized)	Rs. 12.17
Price to Earning Ratio (PE Ratio)	55.88
Total Assets Value Per Share	Rs. 472.73
Net worth Per Share	Rs. 152.77

2. Management Analysis:
a) There has been increment 15.24% in Net Profit up to 2nd quarter for FY 2081-82 as compared to corresponding quarter of previous year.
b) Slowdown of overall economic sector has directly impacted in overall premium growth of whole sector.

3. Details Regarding Legal Action
a) Case filed by or to company during the quarter:
There are some normal business-related legal issues which do not have significant impact in company's overall business.
b) Case by or against the promoter or director of company regarding disobedience of prevailing law commission of criminal offence:
None to our knowledge.
c) Case by or against the promoter or director of company regarding commission of financial crime:
None to our knowledge.

4. Analysis of share transaction and progress of organized institution:
a) Management's view of share transactions of organized institution of securities market:
The price of share is determined by the open market, so the management has neutral view regarding share transaction and its movement.
b) Maximum, minimum and last share price of the organized institution including total transaction and transaction days during the quarter:

Maximum Price	817
Minimum Price	632
Closing Price	680.00
No. of Traded Shares	4,293,244
No. of Transaction	26,373
Traded days	54

5. Problems and Challenges:
Internal
- Increment of Operating cost

External
- Slowdown in economy
- Decreasing market interest rate

Strategies to overcome challenges
- Maintaining appropriate portfolio mix
- Moving towards digitization
- Diversifying the investment

6. Corporate Governance:
Company is committed to maintain the high standards of corporate governance by complying to legal & regulatory requirements. Required policies and structures are in place and are reviewed regularly and monitored regularly. Audit Committee ensures the establishment of effective internal controls and provides recommendation to management regarding internal control and compliance issues.

7. Declaration by CEO:
I, CEO of the company, take responsibility for the truthfulness of the information and details disclosed in this report. I also hereby declare that to the best of my knowledge and belief, the information disclosed in this report are true, fair and complete and have not concealed any matters that can adversely affect the investment decision of the investors.