सानिमा जिआईसी इन्स्योरेन्स लि.
Sanima GIC Insurance Ltd.
टंगाल-५, काठमाण्डौं
फोन नं. ०१-४५२७१७०/७१/७२, ०१-४५२७१०१
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Quarterly Financial Results for Second Quarter, F.Y. 2082-83 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	42,258,970	42,437,389
Property and Equipment	118,040,432	119,778,955
Investment Properties	-	-
Deferred Tax Assets	159,996,213	142,236,012
Investment in Subsidiaries	-	-
Investment in Associates	-	-
Investments	3,282,371,014	3,404,271,021
Loans	20,356,401	21,035,658
Reinsurance Assets	4,146,019,879	3,258,286,114
Current Tax Assets	63,433,363	35,133,952
Insurance Receivables	784,314,462	382,006,198
Other Assets	506,629,413	475,347,220
Other Financial Assets	76,025,109	65,170,135
Cash and Cash Equivalent	608,468,026	301,494,002
Total Assets	**9,807,913,282**	**8,247,196,656**
Equity:		
Share Capital	2,150,000,000	2,150,000,000
Share Application Money Pending Allotment	-	-
Share Premium	-	-
Catastrophe Reserves	46,453,911	46,453,911
Special Reserve	759,816,457	759,816,457
Retained Earnings	84,813,119	183,288,730
Other Equity	89,587,046	131,027,516
Total Equity	**3,130,670,533**	**3,270,586,614**
Liabilities:		
Provisions	95,429,451	95,719,190
Gross Insurance Contract Liabilities	5,204,300,775	4,044,617,039
Deferred Tax Liabilities	-	-
Insurance Payable	939,435,394	433,835,924
Current Tax Liabilities	-	-
Borrowings	-	-
Other Liabilities	373,776,470	355,342,740
Other Financial Liabilities	64,300,659	47,095,149
Total Liabilities	**6,677,242,749**	**4,976,610,042**
Total Equity and Liabilities	**9,807,913,282**	**8,247,196,656**

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	632,858,811	1,079,096,677	547,448,605	941,615,058
Premiums Ceded	(467,637,285)	(801,877,997)	(372,609,294)	(658,446,052)
Net Earned Premiums	**165,221,526**	**277,218,680**	**174,839,311**	**283,169,006**
Commission Income	94,099,796	163,728,670	86,541,324	150,146,177
Other Direct Income	4,849,379	7,583,606	4,845,987	7,859,667
Income from Investments and Loans	26,430,752	55,511,436	44,107,398	97,055,823
Net Gain/(Loss) on Fair Value Changes	-		-	
Net Realised Gains/(Losses)	(13,490,286)	(10,028,767)	25,615,462	73,626,863
Other Income	731,215	1,210,084	818,277	1,405,249
Total Income	**277,842,382**	**495,223,709**	**336,767,759**	**613,262,785**
Expenses:				
Gross Claims Paid	429,865,633	767,514,457	241,310,334	391,606,456
Claims Ceded	(319,907,136)	(564,852,761)	(161,625,185)	(232,550,135)
Gross Change in Contract Liabilities	(231,170,616)	810,443,477	930,645,100	1,677,758,463
Change in Contract Liabities Ceded to Reinsurers	178,529,701	(678,340,761)	(905,220,542)	(1,670,302,074)
Net Claims Incurred	**57,317,582**	**334,764,412**	**105,109,707**	**166,512,710**
Commission Expenses	15,090,027	25,235,424	8,074,592	14,137,319
Service Fees	1,164,898	2,453,264	972,901	2,045,752
Other Direct expenses	4,678,782	7,322,195	5,693,576	8,360,704
Employee Benefits Expenses	64,120,624	153,907,918	77,525,584	177,465,890
Depreciation and Amortization Expenses	-	8,282,082	11,101,825	17,865,230
Impairment Losses	-		-	
Other Operating Expenses	31,172,158	58,406,610	26,281,596	51,340,351
Finance Cost	-	757,118	825,614	1,680,315
Total Expenses	**173,544,071**	**591,129,023**	**235,585,395**	**439,408,271**
Net Profit/(Loss) Before Share of Net Profits of Associates Accounted for Using Equity Method and Tax	**104,298,311**	(95,905,314)	**101,182,364**	**173,854,514**
Share of Net Profit of Associates accounted using Equity Method				
Profit Before Tax	**104,298,311**	**(95,905,314)**	**101,182,364**	**173,854,514**
Income Tax Expenses	-	-	30,354,709	52,156,354
Net Profit/(Loss)	**104,298,311**	**(95,905,314)**	**70,827,655**	**121,698,160**
Earning Per Share				
Basic EPS		(8.92)		12.17
Diluted EPS		(8.92)		12.17

CONDENSED STATEMENT OF OTHER 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)	104,298,311	(95,905,314)	70,827,655	121,698,160
Other Comprehensive Income	4,892,580	(41,440,470)	(29,626,165)	(34,827,479)
Total Comprehensive Income	**109,190,891**	**(137,345,784)**	**41,201,490**	**86,870,681**

Other Details

Particulars	Current Year	Previous Year
	Upto This Quarter (YTD)	Upto This Quarter (YTD)
1. Total Issued Policy Count	68,790	73,227
2. Total Renewed Policy Count	31,023	28,892
3. Total Claims Paid Count	2,713	3,532
4. Outstanding Claims Count	5,959	5,870
5. Gross Outstanding Claims Including IBNR & IBNER	3,388,611,125	3,678,625,672
6. Net Outstanding Claims Including IBNR & IBNER	550,125,763	408,761,016
7. Margin Over Best Estimate (MOBE)	12,809,603	13,743,837
8. Unearned Premium Reserve (Amount)	1,793,265,146	1,538,203,767
9. Unexpired Risk Reserve (Amount)	21,017	21,018
10. Earthquake Premium Reserve (Amount)	9,593,884	6,079,574
11. Long Term Investments (Amount)	356,131,866	365,184,231
12. Short Term Investments (Amount)	2,926,239,148	3,050,000,000
13. Direct Premium (Amount)	1,428,207,708	1,192,916,986
14. Investment in Cost (Amount)	3,397,420,856	3,474,029,686
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 2082-83 are published with this report.

b) Major Financial Highlights:

Earning Per Share	Rs. (8.92)
Price to Earning Ratio (PE Ratio)	(54.92)
Total Assets Value Per Share	Rs. 456.18
Net Worth Per Share	Rs. 145.61

2. Management Analysis:
a) Due to the recent Gen-Z movement, non-life insurance industry was greatly affected and profitability has been negative up to current reporting period.
b) Slowdown of overall economic sector has directly impacted in overall premium growth of non-life insurance 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	502
Minimum Price	439
Closing Price	490
No. of Traded Shares	819,064
No. of Transaction	7,309
Traded days	55

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.