सानिमा जिआईसी इन्स्योरेन्स लि.
Sanima GIC Insurance Ltd.
टंगाल-५, काठमाण्डौ
फोन नं. ०१-४५२७१७०/७१/७२, ०१-४५२७१०१
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Quarterly Financial Results for First Quarter, F.Y. 2083-84 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	41,520,117	41,667,011
Property and Equipment	94,363,420	98,423,083
Investment Properties	-	-
Deferred Tax Assets	160,355,896	166,427,204
Investment in Subsidiaries	-	-
Investment in Associates	-	-
Investments	3,483,654,760	3,654,503,815
Loans	19,295,112	19,744,864
Reinsurance Assets	7,451,092,051	3,395,928,178
Current Tax Assets	59,412,133	40,513,973
Insurance Receivables	751,613,684	476,620,574
Other Assets	405,080,719	277,378,981
Other Financial Assets	86,235,672	72,125,138
Cash and Cash Equivalent	693,698,670	557,843,962
Total Assets	**13,246,322,234**	**8,801,176,783**
Equity:		
Share Capital	2,257,500,000	2,257,500,000
Share Application Money Pending Allotment	-	-
Share Premium	-	-
Catastrophe Reserves	52,443,790	52,443,790
Special Reserve	814,594,087	814,594,087
Retained Earnings	(197,860,889)	98,755,617
Other Equity	116,895,971	102,729,586
Total Equity	**3,043,572,959**	**3,326,023,080**
Liabilities:		
Provisions	72,461,553	72,349,005
Gross Insurance Contract Liabilities	8,821,414,206	4,361,932,093
Deferred Tax Liabilities	-	-
Insurance Payable	859,397,267	592,116,059
Current Tax Liabilities	-	-
Borrowings	-	-
Other Liabilities	402,481,033	400,339,451
Other Financial Liabilities	46,995,216	48,417,095
Total Liabilities	**10,202,749,275**	**5,475,153,703**
Total Equity and Liabilities	**13,246,322,234**	**8,801,176,783**

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	575,097,128	575,097,128	446,237,866	446,237,866
Premiums Ceded	(443,826,305)	(443,826,305)	(334,240,712)	(334,240,712)
Net Earned Premiums	**131,270,823**	**131,270,823**	**111,997,154**	**111,997,154**
Commission Income	75,454,241	75,454,241	69,628,874	69,628,874
Other Direct Income	3,917,735	3,917,735	2,734,227	2,734,227
Income from Investments and Loans	34,761,448	34,761,448	29,080,684	29,080,684
Net Gain/(Loss) on Fair Value Changes	-		-	
Net Realised Gains/(Losses)	379,653	379,653	3,461,519	3,461,519
Other Income	603,584	603,584	478,869	478,869
Total Income	**246,387,484**	**246,387,484**	**217,381,327**	**217,381,327**
Expenses:				
Gross Claims Paid	203,069,634	203,069,634	337,648,824	337,648,824
Claims Ceded	(94,138,276)	(94,138,276)	(244,945,625)	(244,945,625)
Gross Change in Contract Liabilities	4,316,191,440	4,316,191,440	1,041,614,093	1,041,614,093
Change in Contract Liabities Ceded to Reinsurers	(4,033,492,827)	(4,033,492,827)	(856,870,462)	(856,870,462)
Net Claims Incurred	**391,629,971**	**391,629,971**	**277,446,830**	**277,446,830**
Commission Expenses	13,548,064	13,548,064	10,145,397	10,145,397
Service Fees	1,547,608	1,547,608	1,288,366	1,288,366
Other Direct expenses	4,208,555	4,208,555	2,643,413	2,643,413
Employee Benefits Expenses	91,266,819	91,266,819	89,787,294	89,787,294
Depreciation and Amortization Expenses	6,899,632	6,899,632	8,282,082	8,282,082
Impairment Losses	-		-	
Other Operating Expenses	30,406,307	30,406,307	27,234,452	27,234,452
Finance Cost	656,601	656,601	757,118	757,118
Total Expenses	**540,163,557**	**540,163,557**	**417,584,952**	**417,584,952**
Net Profit/(Loss) Before Share of Net Profits of Associates Accounted for Using Equity Method and Tax	**(293,776,073)**	**(293,776,073)**	**(200,203,625)**	**(200,203,625)**
Share of Net Profit of Associates accounted using Equity Method				
Profit Before Tax	**(293,776,073)**	**(293,776,073)**	**(200,203,625)**	**(200,203,625)**
Income Tax Expenses	-	-	-	-
Net Profit/(Loss)	**(293,776,073)**	**(293,776,073)**	**(200,203,625)**	**(200,203,625)**
Earning Per Share				
Basic EPS		(52.05)		(40.04)
Diluted EPS		(52.05)		(40.04)

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)	(293,776,073)	(293,776,073)	(200,203,625)	(200,203,625)
Other Comprehensive Income	14,166,385	14,166,385	(5,201,314)	(5,201,314)
Total Comprehensive Income	**(279,609,688)**	**(279,609,688)**	**(205,404,939)**	**(205,404,939)**

Other Details

Particulars	Current Year	Previous Year
	Upto This Quarter (YTD)	Upto This Quarter (YTD)
1. Total Issued Policy Count	41,477	31,457
2. Total Renewed Policy Count	16,456	14,458
3. Total Claims Paid Count	1,486	1,406
4. Outstanding Claims Count	5,698	5,582
5. Gross Outstanding Claims Including IBNR & IBNER	6,713,638,329	3,619,133,372
6. Net Outstanding Claims Including IBNR & IBNER	826,794,890	602,118,309
7. Margin Over Best Estimate (MOBE)	10,341,771	13,457,971
8. Unearned Premium Reserve (Amount)	2,084,485,286	1,679,640,176
9. Unexpired Risk Reserve (Amount)	21,018	21,018
10. Earthquake Premium Reserve (Amount)	12,927,802	9,593,884
11. Long Term Investments (Amount)	68,650,945	19,194,993
12. Short Term Investments (Amount)	3,415,003,815	3,243,771,021
13. Direct Premium (Amount)	718,387,801	681,756,852
14. Investment in Cost (Amount)	3,578,233,628	3,386,266,109
15. Solvency Margin Ratio*	5.85	5.85

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 2081-82 end is 5.85 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 first quarter report of FY 2083-84 are published with this report..

b) Major Financial Highlights:

Earning Per Share (Annualized)	Rs. (52.05)
Price to Earning Ratio (PE Ratio)	(-7.45)
Total Assets Value Per Share	Rs. 586.77
Net worth Per Share	Rs. 134.82

2. Management Analysis:

a) *Due to the recent Rasuwa Bhotekoshi flood, non-life insurance industry was greatly affected and profitability has been negative in the current reporting period.*

b) *The economy is stagnant at present, there is no any demand for loans from the private sector such as manufacturing and construction industries, which have consequently impacted the growth of non-life insurance sector. Due to recent changes seen in the political environment, we are hopeful that there will be sustainable growth in the overall economy.*

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	487
Minimum Price	367
Closing Price	387.60
No. of Traded Shares	651,717
No. of Transaction	6,388
Traded days	63

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.