IGI PRUDENTIAL INSURANCE LIMITED

सुरक्षाको पूर्वाधार, भविष्यको आधार

च.नं. १७२०/२०८२/०८३

मितिः २०८२/०७/३०

श्री नेपाल स्टक एक्सचेञ्ज लिमिटेड
सिहंदरबार, काठमाण्डौ ।

बिषय : पहिलो त्रैमासिकको वित्तीय बिवरण प्रकाशित गरिएको जानकारी सम्बन्धमा ।

महाशय,

उपरोक्त सम्बन्धमा यस कम्पनीको आ.ब.२०८२/०८३ को पहिलो त्रैमासिकको अपरिष्कृत आर्थिक वित्तीय बिवरण मिति २०८२/०७/३० गतेको कारोबार राष्ट्रिय दैनिकमा प्रकाशित गरिएको ब्यहोरा जानकारी गराउदछौ । साथै सो प्रकाशित त्रैमासिक प्रतिवेदनको एक प्रति छायाँ कपि यसै साथ संलग्न गरिएको ब्यहोरा अनुरोध गर्दछौ ।

भवदीय

प्रबल ढकाल
प्रमुख- वित्त

IGI PRUDENTIAL INSURANCE LIMITED
सुरक्षाको पूर्वाधार, भविष्यको आधार
प्रधान कार्यालय, नारायणचौर, नक्साल, काठमाडौं
फोन नम्बर: ४५११५१०, ४५११५२०
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Quarterly Financial Results for 1st Quarter, F.Y. 2082/83 B.S

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Fig in NPR.

Particulars	As at the end of this Quarter (Unaudited)	At the end of Immediate Previous Year (Unaudited)
Assets:		
Goodwill & Intangible Assets	1,849,488	1,916,458
Property and Equipment	949,039,162	949,714,239
Investment Properties	-	-
Deferred Tax Assets	67,364,607	36,954,955
Investment in Subsidiaries	-	-
Investment in Associates	-	-
Investments	4,940,478,954	5,041,014,734
Loans	-	-
Reinsurance Assets	5,782,254,235	2,964,976,717
Current Tax Assets	123,717,388	100,613,552
Insurance Receivables	484,698,649	459,243,409
Other Assets	1,348,166,776	955,324,594
Other Financial Assets	51,971,612	66,717,481
Cash and Cash Equivalent	636,750,301	273,849,567
Total Assets	**14,386,291,173**	**10,850,325,706**
Equity:		
Share Capital	3,029,334,639	3,029,334,639
Share Application Money Pending Allotment	-	-
Share Premium	-	-
Special Reserves	1,850,247,759	1,847,005,910
Catastrophe Reserves	95,996,174	95,671,989
Retained Earnings	(49,012,246)	155,736,443
Other Equity	508,454,499	579,345,506
Total Equity	**5,435,020,826**	**5,707,094,487**
Liabilities:		
Provisions	71,502,484	74,317,777
Gross Insurance Contract Liabilities	7,704,011,061	4,259,704,664
Deferred Tax Liabilities	-	-
Insurance Payable	484,859,581	129,701,987
Current Tax Liabilities	-	-
Borrowings	-	-
Other Liabilities	579,437,374	584,475,729
Other Financial Liabilities	111,459,847	95,031,062
Total Liabilities	**8,951,270,347**	**5,143,231,219**
Total Equity and Liabilities	**14,386,291,173**	**10,850,325,706**

CONDENSED CONSOLIDATED 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	587,820,779	587,820,779	564,153,148	564,153,148
Premiums Ceded	(346,601,763)	(346,601,763)	(339,371,424)	(339,371,424)
Net Earned Premiums	**241,219,016**	**241,219,016**	**224,781,724**	**224,781,724**
Commission Income	127,228,614	127,228,614	126,067,278	126,067,278
Other Direct Income	-	-		-
Income from Investments and Loans	76,230,221	76,230,221	86,874,576	86,874,576
Net Gain/(Loss) on Fair Value Changes	-	-		
Net Realised Gains/(Losses)	15,893,923	15,893,923	21,628,534	21,628,534
Other Income	72,436	72,436	44,658	44,658
Total Income	**460,644,210**	**460,644,210**	**459,396,770**	**459,396,770**
Expenses:		-		
Gross Claims Paid	483,051,529	483,051,529	672,740,031	672,740,031
Claims Ceded	(279,370,291)	(279,370,291)	(483,728,419)	(483,728,419)
Gross Change in Contract Liabilities	3,041,448,671	3,041,448,671	208,900,359	208,900,359
Change in Contract Liabities Ceded to Reinsurers	(2,754,968,009)	(2,754,968,009)	(207,343,571)	(207,343,571)
Net Claims Incurred	**490,161,900**	**490,161,900**	**190,568,400**	**190,568,400**
Commission Expenses	16,775,418	16,775,418	14,952,385	14,952,385
Service Fees	4,363,254	4,363,254	2,612,725	2,612,725
Other Direct expenses	-	-	-	-
Employee Benefits Expenses	111,670,608	111,670,608	112,546,203	112,546,203
Depreciation and Amortization Expenses	2,722,372	2,722,372	2,757,628	2,757,628
Impairment Losses	-	-	-	-
Other Operating Expenses	42,552,171	42,552,171	48,723,485	48,723,485
Finance Cost				
Total Expenses	**668,245,722**	**668,245,722**	**372,160,826**	**372,160,826**
Net Profit/(Loss) For The Year Before Share of Net Profits of Associates Accounted for Using Equity Method and Tax	**(207,601,512)**	**(207,601,512)**	**87,235,943**	**87,235,943**
Share of Net Profit of Associates accounted using Equity Method	-	-	-	-
Profit Before Tax	**(207,601,512)**	**(207,601,512)**	**87,235,943**	**87,235,943**
Income Tax Expenses	-		26,170,783	26,170,783
Net Profit/(Loss) For The Year	**(207,601,512)**	**(207,601,512)**	**61,065,160**	**61,065,160**
Earning Per Share				
Basic EPS		(27.41)		8.06
Diluted EPS		(27.41)		8.06

CONDENSED CONSOLIDATED 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) For The Year	(207,601,512)	(207,601,512)	61,065,160	61,065,160
Other Comprehensive Income	(66,417,258)	(66,417,258)	54,396,305	54,396,305
Total Comprehensive Income	**(274,018,771)**	**(274,018,771)**	**115,461,465**	**115,461,465**

OTHER DETAILS

Fig. in NPR

Particulars	Current Year	Previous Year
	Upto this Quarter (YTD)	Upto this Quarter (YTD)
1. Total Issued Policy Count	50,817	50,238
2. Total Renewed Policy Count	17,729	15,725
3. Total Claims Paid Count	3,330	4,600
4. Outstanding Claims Count	9,598	10,589
5. Gross Outstanding Claim including IBNR and IBNER (Amount)	5,335,430,872	2,706,795,596
6. Net Outstanding Claim including IBNR and IBNER (Amount)	817,516,502	525,468,233
7. Margin Over Best Estimate	65,229,588	12,989,705
8. Unearned Premium Reserve	2,258,801,589	2,105,432,190
9. Unexpired Risk Reserve	34,255,061	-
10. Earthquake Premium Reserve	10,293,949	9,589,157
11. Long Term Investments (Amount)	1,566,878,954	1,427,060,501
12. Short Term Investments (Amount)	3,373,600,000	4,327,851,737
13. Direct Premium (Amount)	981,647,666	871,184,766
14. Investment in Cost (Amount)	4,804,644,453	5,239,258,937
15. Solvency Margin Ratio	5.04	3.42

Notes:
1. Interim Financial report has been published in the company's website www.igiprudential.com
2. Figures presented above are unaudited figures and may vary after acturial report/statutory audit
3. Above financial statements are prepared as per Nepal Financial Reporting Standard(NFRS)
4. The above figures are regrouped and rearranged wherever necessary.

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

1. **Solvency Ratio** : The solvency ratio of the company is 504.10 as on Ashad End 2082 as per the new Risk Based and Solvency Directive 2025 which is above the required regulatory limit.
2. **Reinsurance related Disclosure** : The company has various reinsurance arrangements with national and international reinsurance companies in order to mitigate its risk exposure as per the need of the company.
3. **Details regarding legal proceedings** : There are no legal proceedings against the company arising from activities other than normal business operations.
4. **Regulatory limit on expense ratio** : The expense ratio of the company is within the prescribed limit by Nepal Insurance Authority.
5. **Corporate Governance** : The company has complied with the corporate governance directive isuued by Nepal Insurance Authority. Company has a separate corporate governance unit and has established various mechanism and procedures to comply with Insurane Acts & Regulation, Directives & Circulars issued by Nepal Insurance Authority and all the relavant laws and regulation. The Board and management of the company is committed in upholding the best governance within the company.

Additional Disclosures as per Securities Registration and Issuance Regulation-2073 (Sub Rule(1) of Rule 26, Annex (14) First Quarter of FY 2082/83

1. **Financial Statement**
   a. The statement of financial position and statement of Profit and Loss (Unaudited) has been published along with this report as per the Nepal Financial Reporting Standards(NFRS).
   b. Key Financial Indicators and ratios :

Earning per Share : -27.41 (Annualized)	Price Earnings ratio (P/E) : -14.41
Net Worth per Share : 179.41	Total Assets per Share : 474.90

2. **Management Analysis**
   The recent political turmoil and the Gen-Z protest has further affected the already slow economic activities and the low government expenditures and political instability has affected the growth of the business of the company. Also the recent protests and catastrpohic events has imposed significant claims upon the company. On the other hand, significant reduction in the interest rates offered by the banks and fianancial institution has adversely affected the investment return of the company. All these reasons have contributed to the negative profitability of the company in the reporting period. The company has earned gross premium of 99.07 crores which is 9.96% higher than the gross premium earned in comparison to corresponding first quarter of current fiscal year. The company is aiming for higher business growth in upcoming period and formulating strategies to achieve so in a sustainable and organic manner.The Company has paid total claims of 48.31 crores and has total investments of 494.05 crores till the end of first quarter of current fiscal year.
3. **Details to Legal Action**
   There are no legal proceedings by or against the company, board of directors and management of the company apart from those arising from activities other than normal business operations.
4. **Analysis of share transaction and progress of the company**
   a. Mangement View on share transaction of the insurance at securities market : The management of the company has neutral view on the share price and transaction as it is determined at Nepal Stock Exchange through open share market operations.
   b. Maximum, Minimum, Closing price, Total Traded days and Total Share transactions during the period

Total Traded Days	51	Lowest Price	395.00	Total Trades	9,210
Highest Price	600.00	Last Price	395.00	Total Traded Shares	1,337,134

5. **Problems and Challenges**
   Reduced economic activities, low government capital expenditures, high inflation rates and lack of awareness among people about the need and importance of insurance are some of the major problems of insurance industry today. Also the recruitment and retention of quality human resources, unhealthy competition in the market, changing regulatory frameworks, political instability , challenging global economic scenariors are other problems and challenges faced by the companies. In order to tackle the above challenges, the company has formulated strategies for good governance, investment diversifications, better assets and liability management and enhancing its capabilites through various channels like digitisation ,strengthening employee capabilites to provide quality service to customers and offer value to all its stakeholders.
6. **Corporate Governance**
   The board of directors of the company and management is committed to follow good governance and ensure full compliance with all the applicable laws and regulations and directives & guidelines issued by Nepal Insurance Authority. The company has formed committees and various departments as per the corporate governance directive of NIA and all put their efforts collectively to ensure adequate compliance and risk management. The company holds its external and internal audit timely and both the the internal and external audit is carried out by the independent audit firms of Chartered Accountants.
7. **Declaration by CEO**
   I, CEO of the company, take responsibility for 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 investors to take informed decisions.

मिति २०८२/०७/३० गतेको कारोबार राष्ट्रिय दैनिकमा प्रकाशित