IGI PRUDENTIAL INSURANCE LIMITED

सुरक्षाको पूर्वाधार, भविष्यको आधार

च.नं. ३००९(१)/२०८२/०८३

मितिः २०८२/१०/२९

श्री नेपाल स्टक एक्सचेञ्ज लिमिटेड
सिहंदरबार, काठमाण्डौ ।

बिषय : दोस्रे त्रैमासिकको वित्तीय विवरण प्रकाशित गरिएको जानकारी सम्बन्धमा ।

महाशय,

उपरोक्त सम्बन्धमा यस कम्पनीको आ.ब.२०८२/०८३ को दोस्रो त्रैमासिकको अपरिष्कृत आर्थिक वित्तीय विवरण मिति २०८२/१०/२९ गतेको कारोबार राष्ट्रिय दैनिकमा प्रकाशित गरिएको व्यहोरा जानकारी गराउदछौ । साथै सो प्रकाशित त्रैमासिक प्रतिवेदनको एक प्रति छायाँ कपि यसै साथ संलग्न गरिएको व्यहोरा अनुरोध गर्दछौ ।

भवदीय

आइजीआई प्रुडेन्सियल इन्स्योरेन्स लि. काठमाडौं

प्रबल ढकाल
प्रमुख- वित्त

IGI PRUDENTIAL INSURANCE LIMITED
सुरक्षाको पूर्वाधार, भविष्यको आधार

प्रधान कार्यालय, नारायणचौर, नक्साल, काठमाडौं
फोन नम्बरः ४५११५१०, ४५११५२०
Email: info@igiprudential.com
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Quarterly Financial Results for 2nd Quarter, F.Y. 2082/83 B.S.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Fig in NPR.

Particulars	Unaudited As at the end of this Quarter	Audited At the end of Immediate Previous Year
Assets:		
Goodwill & Intangible Assets	1,570,112	1,916,458
Property and Equipment	947,667,362	949,714,239
Investment Properties	-	-
Deferred Tax Assets	54,185,462	36,954,955
Investment in Subsidiaries	-	-
Investment in Associates	-	-
Investments	4,596,903,724	5,041,014,734
Loans	-	-
Reinsurance Assets	5,952,204,736	2,964,976,715
Current Tax Assets	216,510,888	99,458,607
Insurance Receivables	495,994,311	459,243,409
Other Assets	1,996,630,154	955,324,594
Other Financial Assets	45,106,034	66,717,481
Cash and Cash Equivalent	309,868,230	273,849,567
Total Assets	**14,616,641,011**	**10,849,170,759**
Equity:		
Share Capital	3,029,334,639	3,029,334,639
Share Application Money Pending Allotment	-	-
Share Premium	-	-
Special Reserves	1,851,595,196	1,848,353,346
Catastrophe Reserves	96,130,918	95,806,733
Retained Earnings	(175,341,158)	154,405,651
Other Equity	537,471,751	577,611,415
Total Equity	**5,339,191,347**	**5,705,511,784**
Liabilities:		
Provisions	70,551,815	74,317,777
Gross Insurance Contract Liabilities	7,799,047,024	4,259,704,664
Deferred Tax Liabilities		-
Insurance Payable	664,271,858	129,701,987
Current Tax Liabilities	-	-
Borrowings	60,936,019	-
Other Liabilities	607,288,260	584,475,729
Other Financial Liabilities	75,354,689	95,458,819
Total Liabilities	**9,277,449,664**	**5,143,658,975**
Total Equity and Liabilities	**14,616,641,011**	**10,849,170,759**

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Fig in NPR.

Particulars	Unaudited Current Year This Quarter	Unaudited Current Year Upto this Quarter (YTD)	Unaudited Corresponding Previous Year This Quarter	Unaudited Corresponding Previous Year Upto this Quarter (YTD)
Income:				
Gross Earned Premiums	877,175,364	1,464,996,143	875,967,922	1,440,121,070
Premiums Ceded	(541,789,791)	(888,391,554)	(599,864,613)	(939,236,037)
Net Earned Premiums	**335,385,573**	**576,604,589**	**276,103,309**	**500,885,034**
Commission Income	93,076,409	220,305,023	93,814,197	219,881,474
Other Direct Income	-	-	-	-
Income from Investments and Loans	40,907,337	117,137,558	68,454,858	155,329,434
Net Gain/(Loss) on Fair Value Changes	-	-	-	-
Net Realised Gains/(Losses)	-	15,893,923	-	21,628,534
Other Income	254,922	327,359	62,320	106,978
Total Income	**469,624,242**	**930,268,452**	**438,434,684**	**897,831,454**
Expenses:				
Gross Claims Paid	655,880,951	1,138,932,480	573,426,393	1,246,166,423
Claims Ceded	(282,547,994)	(561,918,285)	(489,057,938)	(972,786,357)
Gross Change in Contract Liabilities	(105,207,012)	2,936,241,659	(138,224,013)	70,676,346
Change in Contract Liabities Ceded to Reinsurers	69,011,820	(2,685,956,189)	208,584,951	1,241,379
Net Claims Incurred	**337,137,765**	**827,299,665**	**154,729,392**	**345,297,791**
Commission Expenses	32,891,808	49,667,226	9,375,569	24,327,954
Service Fees	3,244,265	7,607,520	2,205,473	4,818,198
Other Direct expenses	-	-	-	-
Employee Benefits Expenses	96,980,158	208,650,765	103,165,201	215,711,404
Depreciation and Amortization Expenses	3,116,455	5,838,827	3,025,110	5,782,738
Impairment Losses	-	-	-	-
Other Operating Expenses	46,928,331	89,480,502	48,745,269	97,468,753
Finance Cost		485,235		
Total Expenses	**520,298,782**	**1,189,029,740**	**321,246,013**	**693,406,839**
Net Profit/(Loss) For The Year Before Share of Net Profits of Associates Accounted for Using Equity Method and Tax	**(50,674,540)**	**(258,761,288)**	**117,188,671**	**204,424,615**
Share of Net Profit of Associates accounted using Equity Method	-	-	-	
Profit Before Tax	**(50,674,540)**	**(258,761,288)**	**117,188,671**	**204,424,615**
Income Tax Expenses	(15,347,933)	(77,628,386)	35,156,601	61,327,384
Net Profit/(Loss) For The Year	**(35,326,608)**	**(181,132,902)**	**82,032,070**	**143,097,230**
Earning Per Share				
Basic EPS		(11.96)		9.45
Diluted EPS		(11.96)		9.45

CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

Fig in NPR.

Particulars	Unaudited Current Year This Quarter	Unaudited Current Year Upto this Quarter (YTD)	Unaudited Corresponding Previous Year This Quarter	Unaudited Corresponding Previous Year Upto this Quarter (YTD)
Net Profit/(Loss) For The Year	(35,326,608)	(181,132,902)	82,032,070	143,097,230
Other Comprehensive Income	30,751,343	(35,665,915)	12,710,938	12,710,938
Total Comprehensive Income	**(4,575,264)**	**(216,798,817)**	**94,743,008**	**155,808,168**

OTHER DETAILS

Fig. in NPR

Particulars	Current Year Upto this Quarter (YTD)	Previous Year Upto this Quarter (YTD)
1. Total Issued Policy Count	109,718	118,741
2. Total Renewed Policy Count	34,167	31,741
3. Total Claims Paid Count	7,313	9,454
4. Outstanding Claims Count	10,189	9,161
5. Gross Outstanding Claim including IBNR and IBNER (Amount)	5,230,223,860	2,568,571,583
6. Net Outstanding Claim including IBNR and IBNER (Amount)	781,321,310	595,829,170
7. Margin Over Best Estimate	65,229,588	35,820,881
8. Unearned Premium Reserve	2,499,044,565	2,308,788,478
9. Unexpired Risk Reserve	34,255,061	-
10. Earthquake Premium Reserve	10,293,949	9,589,157
11. Long Term Investments (Amount)	1,600,803,724	1,398,439,627
12. Short Term Investments (Amount)	2,996,100,000	4,014,600,000
13. Direct Premium (Amount)	1,932,194,368	1,684,484,874
14. Investment in Cost (Amount)	4,417,144,453	5,210,774,577
15. Solvency Margin Ratio	506.20	342.70

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 506.20.
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) Second 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 : -11.96	Price Earnings ratio (P/E) : -35.20
Net Worth per Share : 176.25	Total Assets per Share : 482.50

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 & political instability has hindered the growth of the insurance business in expected manner. Also the recent protests and catastrophic 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. But with the general elections ahead, things are expected to improve in upcoming days after the election with political stability and revitalizing economic activities. The company has earned gross premium of 206.81 crores which is 19.04% higher than the gross premium earned in comparison to corresponding period of previous 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 paid total claims of 113.89 crores and has total investments of 459.69 crores till the end of second 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	55	Lowest Price	392.00	Total Trades	4,709
Highest Price	450.00	Last Price	420.90	Total Traded Shares	711,560

5. **Problems and Challenges**
   Reduced Economic activities, high inflation 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 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.

मिति २०८२/१०/२५ गतेको कारोबार राष्ट्रिय दैनिकमा प्रकाशित