IGI PRUDENTIAL INSURANCE LIMITED

सुरक्षाको पूर्वाधार, भविष्यको आधार

च.नं. ३५६/२०८२/०८३

मितिः २०८३/०४/२९

श्री नेपाल धितोपत्र बोर्ड
खुमलटार, ललितपुर ।

बिषय : चौथो त्रैमासिकको वित्तीय बिवरण प्रकाशित गरिएको जानकारी सम्बन्धमा ।

महाशय,

उपरोक्त सम्बन्धमा यस कम्पनीको आ.ब.२०८२/०८३ को चौथो त्रैमासिकको अपरिष्कृत आर्थिक वित्तीय बिवरण मिति २०८३/०४/२९ 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

प्रबल ढकाल
प्रमुख- बित्त

IGI PRUDENTIAL INSURANCE LIMITED
सुरक्षाको पूर्वाधार, भविष्यको आधार
प्रधान कार्यालय: आइजीआई कम्प्लेक्स, पानीपोखरी, काठमाडौं
फोन नम्बर: ०१-५९७१५१६, ५९७१५१७
Email: info@igiprudential.com
Web: www.igiprudential.com

Quarterly Financial Results for 4th Quarter, F.Y. 2082/83 B.S.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Fig in NPR.

Particulars	Unaudited	Audited
	As at the end of this Quarter	At the end of Immediate Previous Year
Assets:		
Goodwill & Intangible Assets	2,993,798	1,916,458
Property and Equipment	1,265,683,245	949,714,239
Investment Properties	194,766,122	-
Deferred Tax Assets	92,293,150	36,954,955
Investment in Subsidiaries	-	-
Investment in Associates	-	-
Investments	4,449,817,216	5,041,014,734
Loans	-	-
Reinsurance Assets	6,235,913,153	2,964,976,715
Current Tax Assets	181,686,661	99,458,607
Insurance Receivables	213,130,696	459,243,409
Other Assets	967,996,250	955,324,594
Other Financial Assets	207,287,671	66,717,481
Cash and Cash Equivalent	608,613,466	273,849,567
Total Assets	14,420,181,429	10,849,170,759
Equity:		
Share Capital	3,029,334,639	3,029,334,639
Share Application Money Pending Allotment	-	-
Share Premium	-	-
Special Reserves	1,868,165,121	1,848,353,346
Catastrophe Reserves	97,787,911	95,806,733
Retained Earnings	18,440,538	154,405,651
Other Equity	424,881,688	577,611,415
Total Equity	5,438,609,896	5,705,511,784
Liabilities:		
Provisions	81,290,759	74,317,777
Gross Insurance Contract Liabilities	7,802,202,236	4,259,704,664
Deferred Tax Liabilities	-	-
Insurance Payable	387,402,937	129,701,987
Current Tax Liabilities	-	-
Borrowings	-	-
Other Liabilities	636,967,690	584,475,729
Other Financial Liabilities	73,707,911	95,458,819
Total Liabilities	8,981,571,533	5,143,658,975
Total Equity and Liabilities	14,420,181,429	10,849,170,759

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Fig in NPR.

Particulars	Unaudited		Audited	
	Current Year		Corresponding Previous Year	
	This Quarter	Upto this Quarter (YTD)	This Quarter	Upto this Quarter (YTD)
Income:				
Gross Earned Premiums	1,734,228,030	4,387,448,677	1,410,154,572	3,944,517,304
Premiums Ceded	(1,323,051,856)	(2,934,359,195)	(977,200,900)	(2,582,412,618)
Net Earned Premiums	411,176,174	1,453,089,481	432,953,672	1,362,104,687
Commission Income	225,773,555	592,864,105	114,178,596	478,436,618
Other Direct Income	-	-	-	-
Income from Investments and Loans	36,479,259	184,474,458	45,134,688	254,966,284
Net Gain/(Loss) on Fair Value Changes	-	-	-	-
Net Realised Gains/(Losses)	(9,219,268)	6,674,655	44,922,987	68,872,681
Other Income	13,600,026	14,054,427	6,898,005	7,537,571
Total Income	677,809,746	2,251,157,126	644,087,947	2,171,917,840
Expenses:				
Gross Claims Paid	658,109,958	2,242,953,553	597,251,127	2,463,257,361
Claims Ceded	(330,944,695)	(1,123,472,008)	(344,010,345)	(1,597,838,886)
Gross Change in Contract Liabilities	604,438,320	3,378,831,585	(118,640,434)	(227,191,298)
Change in Contract Liabities Ceded to Reinsurers	(511,003,473)	(3,033,362,939)	120,361,716	229,792,741
Net Claims Incurred	420,600,110	1,464,950,191	254,962,063	868,019,917
Commission Expenses	24,594,402	101,731,249	33,853,672	76,220,020
Service Fees	2,654,569	12,475,031	2,492,780	10,867,447
Other Direct expenses	903,609	903,609	1,038,727	1,038,727
Employee Benefits Expenses	144,197,436	447,937,766	148,006,567	476,111,505
Depreciation and Amortization Expenses	44,431,281	53,220,356	45,733,646	54,985,801
Impairment Losses	529,380	529,380	5,000,000	5,000,000
Other Operating Expenses	19,470,835	147,836,984	(1,259,953)	146,697,166
Finance Cost	9,820,874	10,339,499	5,859,309	5,859,309
Total Expenses	667,202,497	2,239,924,064	495,686,811	1,644,799,893
Net Profit/(Loss) For The Year Before Share of Net Profits of Associates Accounted for Using Equity Method and Tax	10,607,249	11,233,062	148,401,136	527,117,947
Share of Net Profit of Associates accounted using Equity Method	-	-	-	
Profit Before Tax	10,607,249	11,233,062	148,401,136	527,117,947
Income Tax Expenses	7,006,824	7,194,568	48,528,835	162,143,878
Net Profit/(Loss) For The Year	3,600,425	4,038,494	99,872,302	364,974,069
Earning Per Share				
Basic EPS		0.13		12.05
Diluted EPS		0.13		12.05

CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

Fig in NPR.

Particulars	Unaudited		Audited	
	Current Year		Corresponding Previous Year	
	This Quarter	Upto this Quarter (YTD)	This Quarter	Upto this Quarter (YTD)
Net Profit/(Loss) For The Year	3,600,425	4,038,494	99,872,302	364,974,069
Other Comprehensive Income	15,134,240	(126,036,426)	23,932,741	38,966,654
Total Comprehensive Income	18,734,665	(121,997,932)	123,805,043	403,940,723

OTHER DETAILS

Fig. in NPR

Particulars	Current Year	Previous Year
	Upto this Quarter (YTD)	Upto this Quarter (YTD)
1. Total Issued Policy Count	237,708	222,162
2. Total Renewed Policy Count	66,128	62,820
3. Total Claims Paid Count	14,464	18,498
4. Outstanding Claims Count	7,897	7,661
5. Gross Outstanding Claim including IBNR and IBNER (Amount)	5,627,813,786	2,270,101,939
6. Net Outstanding Claim including IBNR and IBNER (Amount)	831,504,486	525,910,888
7. Margin Over Best Estimate	90,229,588	35,820,881
8. Unearned Premium Reserve	2,019,609,852	1,932,942,572
9. Unexpired Risk Reserve	24,176,124	-
10. Earthquake Premium Reserve	20,293,949	10,191,157
11. Long Term Investments (Amount)	1,448,817,216	1,506,914,734
12. Short Term Investments (Amount)	3,001,000,000	3,534,100,000
13. Direct Premium (Amount)	4,266,959,195	3,779,987,832
14. Investment in Cost (Amount)	4,285,827,499	4,803,927,500
15. Solvency Margin Ratio	506.20	506.20

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 (As per Audited Financial Statement of FY 2081.82)
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 Insurance 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) Fourth 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 :	0.13	Net Worth per Share :	179.53
Price Earnings ratio (P/E) :	3454	Total Assets per Share :	476.02

2. **Management Analysis**
The reporting period has been significantly been affected by the Gen-Z protest and political turmoil imposing significant claims upon the company. Slower economic activities, Low government expenditures & political instability has hindered the growth of the insurance business as well. 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 reduction of profitability of the company in the reporting period. But with the newly formed government and new reforms, things are expected to improve in upcoming days with political stability and revitalizing economic activities.
The company has earned gross premium of 455.11 crores which is 17.73% 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 224.30 crores and has total investments of 444.98 crores till the end of fourth 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	64	Lowest Price	417.20	Total Trades	4,416
Highest Price	478.90	Last Price	449.00	Total Traded Shares	847,256

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 scenarions 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 digitization ,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, 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.

Condensed Statement of Financial Position

NFRS 17 based Quarterly Financial Statement for the quarter ended 32nd Ashadh 2083

Fig in NPR.

Particulars	Current Year	Corresponding Previous year
Property, Plant And Equipment	1,265,683,248	949,714,239
Goodwill and Intangible Assets	2,993,797	1,916,458
Investment Properties	194,766,122	-
Deferred Tax Asset	92,293,153	36,954,955
Investment in Subsidiaries	-	-
Investment in Associates	-	-
Investments	4,449,817,216	5,041,014,734
Reinsurance Contract Assets (NFRS 17)	6,011,647,053	2,758,141,319
Insurance Contract Assets (NFRS 17)	-	-
Current Tax Assets	181,686,661	99,458,607
Reinsurance Assets	-	-
Insurance Receivables	-	-
Other Assets	916,022,330	917,083,067
Other Financial Assets	207,287,671	66,717,481
Cash And Cash Equivalents	608,613,465	273,849,567
Total Assets	13,930,810,716	10,144,850,427
Equity And Liabilities		
Share Capital	3,029,334,639	3,029,334,639
Retained Earnings	18,440,540	154,405,651
Catastrophe Reserves	97,787,911	95,806,733
Revaluation Reserves	-	-
Special Reserves	1,868,165,121	1,848,353,346
Other Equity	424,881,688	577,611,415
Total Equity	5,438,609,899	5,705,511,784
Liabilities		
Interest Bearing Borrowings	-	-
Reinsurance Contract Liabilities (NFRS 17)	-	-
Insurance Contract Liabilities (NFRS 17)	7,924,500,557	3,891,921,714
Provisions	81,290,759	74,317,777
Deferred Tax Liabilities	-	-
Current Tax Liabilities	-	-
Other Liabilities	412,701,590	377,640,333
Other Financial Liabilities	73,707,911	95,458,819
Total Liabilities	8,492,200,817	4,439,338,643
Total Equity and Liabilities	13,930,810,716	10,144,850,427

Condensed Statement of Profit or Loss Account

NFRS 17 based Quarterly Financial Statement for the quarter ended 32nd Ashadh 2083

Fig in NPR.

Particulars	Current Year		Corresponding Previous Year	
	This Quarter	Upto this Quarter (YTD)	This Quarter	Upto this Quarter (YTD)
Insurance revenue	1,734,228,030	4,387,448,677	1,410,154,572	3,944,517,304
Impairments-Insurance	-	-	-	
Insurance service expenses	(1,509,150,667)	(6,396,759,013)	(719,335,440)	(3,012,846,038)
Net expenses from reinsurance contracts held	(255,330,133)	1,815,339,856	(639,373,674)	(735,929,855)
Insurance Sevice Result	(30,252,770)	(193,970,480)	51,445,457	195,741,412
Net investment income	27,259,991	191,149,113	90,057,675	323,838,965
Finance expenses from insurance contracts issued		-	-	
Finance income from reinsurance contracts held		-	-	
Net investment result	27,259,991	191,149,113	90,057,675	323,838,965
Other Income	13,600,026	14,054,427	6,898,005	7,537,571
Other expenses		-	-	
Profit before taxation	10,607,247	11,233,060	148,401,136	527,117,947
Income tax expense	(7,006,824)	(7,194,568)	(48,528,835)	(162,143,878)
Profit for the year	3,600,423	4,038,493	99,872,302	364,974,069
Earning Per Share				
1. Basic		0.13		12.05
1. Diluted		0.13		12.05

Note:

1. Above financial statements are prepared as per Nepal Financial Reporting Standard (NFRS) 17.
2. Actuarial Liability has been estimated with the use of internal resource for the purpose of above published financial.
3. Figures presented above are unaudited figures and may vary after acturial report/ statutory audit.

आई.जी.आई. प्रुडेन्सियल इन्स्योरेन्स लि.