

Ref. No.: GIC-HO/BOARD/SE-2-AGM/127/2023-24

Date: August 31, 2023

To,  
The Manager  
Listing Department  
The National Stock Exchange of India Ltd.  
Exchange Plaza, 5<sup>th</sup> Floor, Plot C/1,  
G Block, Bandra Kurla Complex  
Mumbai - 400051

The Manager  
Listing Department  
BSE Limited  
Phiroze Jeejeebhoy Tower  
Dalal Street  
Mumbai - 400001

**Scrip Code: (BSE - 540755/ NSE - GICRE)**

**Sub SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015  
(SEBI Listing Regulations)**

**Regulation 34: Annual Report of the Corporation for Financial Year 2022-23**

Dear Sir/Madam,

Pursuant to regulation 34(1) of the SEBI Listing Regulations, please find enclosed herewith copy of **Annual Report of the Corporation for the Financial Year 2022-23** which inter alia includes Notice of 51<sup>st</sup> Annual General Meeting of the Corporation scheduled to be held on Tuesday, 26<sup>th</sup> September 2023 at 3 :00 p.m. (IST) through Video Conference/ Other Audio Visual Means. The said Annual Report (including Business Responsibility & Sustainability Report) is being circulated to the Members of the Corporation through electronic mode on 31<sup>st</sup> August, 2023.

The Annual Report is hosted on the website of the Corporation at [www.gicre.in](http://www.gicre.in) and on the website of the e-voting Agency, M/s. National Securities and Depository Limited at [www.evoting.nsdl.com](http://www.evoting.nsdl.com)

You are requested to take note of the above and arrange to bring this to the notice of all concerned.

Thanking You

Yours sincerely

**For General Insurance Corporation of India**

**(Satheesh Kumar)**  
**CS & Compliance Officer**

**भारतीय साधारण बीमा निगम**

(भारत सरकार की कंपनी)

**General Insurance Corporation of India  
(Government of India Company)**  
**CIN: L67200MH1972GOI016133 IRDA REG NO.: 112**

'सुरक्षा', १७०, जे. टाटारोड, चर्चगेट, मुंबई ४०००२०

"SURAKSHA", 170, J. Tata Road, Churchgate,

Mumbai 400020. INDIA Tel: 91-22-22867000

FAX Server: 91-22-229899600, www.gicofindia.com

E-mail: info@gicofindia.com



# 51<sup>ST</sup> ANNUAL REPORT 2022-23



**Strength. Stability. Sustainability**

The Indian Reinsurer with a Global Footprint





# 51<sup>ST</sup> ANNUAL REPORT 2022-23



**Strength. Stability. Sustainability**

The Indian Reinsurer with a Global Footprint



आपत्काले रक्षिष्यामि  
GIC Re





## — VISION

To be a Leading global reinsurance and risk solution provider

## — MISSION

To achieve our vision by:

- Building long-term mutually beneficial relationship with business partners
- Practicing fair business ethics and values
- Applying “state-of-art” technology, processes including enterprise risk management and innovative solutions
- Developing and retaining highly motivated professional team of employees
- Enhancing profitability and financial strength befitting the global position

## — Core Values

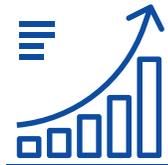
- Trust and mutual respect
- Professional excellence
- Integrity and transparency
- Commitment
- Responsive Service

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### Dear Shareholders,

It gives me great pleasure in welcoming you to another eventful year for GIC Re.

As we reflect on the past year's journey, I am filled with a sense of gratitude for the collective efforts that have brought us to this point.

The year behind us was marked by both challenges and triumphs. The global landscape posed uncertainties which tested our resilience and adaptability to rise to the occasion. Despite these challenges, I am glad to announce that our company has not only weathered the storm but has also emerged stronger, more cohesive, and poised for continued success in the long run.

At the core of our achievements are our dedicated team members, who have exemplified unwavering commitment and determination for the Corporation. Their dedication has been the driving force behind our accomplishments, and I extend my deepest appreciation to each and every one of them. It is their passion, and collaborative spirit that make our company a centre of excellence.

In every field – be it the economy, science and technology or agriculture we have been steadily climbing the world rankings and have shown our mettle. I deem it my privilege to congratulate especially, our great scientists of ISRO who have once again raised our heads high by launching Chandrayan (Lunar Mission).

As we know in this changing world, geopolitical tensions continue to rise as the Russia-Ukraine conflict and Euro zone crisis have disrupted the global economic order. Food insecurity, inflation and climate concerns escalate. The global financial markets including (re)insurance are thus challenged - stability and growth are seemingly elusive as of now.

The 51st Anniversary of your Company is being observed with all joy and happiness that such a glorious event deserves, we are all indeed privileged to be a part of this incredible journey. While we celebrate the vision, entrepreneurial spirit and commitment of our Founders and Leaders, we take this opportunity to pay our humble homage to them.

We truly hope we have carried their charter forward and that we have been able to build on their noteworthy accomplishments to keep this great financial institution at the forefront of the nation's economic development index.

### FINANCIAL PERFORMANCE

The gross direct premium underwritten by non-life insurance companies in India increased by 16.4% to ₹ 2.56 Lakh Crore in FY 2022-23 compared to ₹ 2.20 Lakh Crore in FY 2021-22.

Your company has booked Gross premium during Financial Year 2022-23 of ₹ 36,591.59 Crore. The underwriting loss is reduced for the Financial Year to ₹ 2,341.37 Crore as against ₹ 4,266.11 Crore in the previous year.

Profit before Tax for the Financial Year was ₹ 7,749.43 Crore as against Profit before Tax of ₹ 3,560.14 Crore during the previous year. Your company reported a Profit after Tax of ₹ 6,312.49 Crore for the Financial Year as against Profit after Tax of ₹ 2,005.74 Crore during the previous year.

I am pleased to inform that the investment performance of your company during Financial Year 2022-23 has been very encouraging. Your Company has a strong book value of Investments which grew by 11.41% to ₹ 86,175.41 Crore and the Fair Value increased by 9.81% to ₹ 117,568.94 Crore over the previous year. Income from investment (including Profit on Sale of investments) during the year stood at ₹ 10,593.99 Crore registering a growth of 10.8% over the previous year.

Your company has taken the opportunity of every correction in the Indices by purchasing top tier fundamentally strong scrips across sectors and booked profits with every rise in Indices. The yield on average level of investments stood at 12.2% as against 12.8% of the previous year, the decline due to lower realisations on sale of securities.

We are also upgrading our risk assessment processes towards the goal of underwriting profitability. GIC Re continued to maintain its leadership in the domestic market which contributed 69% of the premium income for Financial Year 2022-23.

Your company has a Net worth (including fair value of investments) of ₹61,700 Crore and total assets ₹1,57,124 Crore, while the Solvency ratio increased to 2.61 as at 31.03.2023 from 1.96 as at 31.03.2022.

GIC has maintained its "stable" outlook for the global reinsurance on the back of positive pricing momentum along with market discipline. However, there remains risks associated with property catastrophe events, uncertainty around coronavirus-related losses and shrinking reserve release. The market hardening is likely to continue in the foreseeable future and take care of the lower investment income on the back of falling reinvestment rates.

## MACROECONOMIC AND INDUSTRY OVERVIEW

Considering the evolving geo-political situation, India has a great opportunity to reap the benefit from the diversification of global supply chains. However, the last few years have exposed multinational firms to unprecedented risks due to global trade tensions, pandemic-induced supply chain disruptions, and the conflict in European territories.

India's GDP growth is expected to remain robust in FY24. GDP forecast for FY24 to be in the range of 6-6.8%. Economic growth will be boosted from the expansion of public digital platforms and measures to boost manufacturing output.

The life insurance premium registered YoY growth of 10.2 per cent in FY22, with new businesses contributing 45.5 per cent of the total premiums received by the life insurers.

During FY22, the gross direct premium of non-Life insurers (within and outside India) registered YoY growth of 10.8 per cent, primarily driven by health and motor segments.

The digitalisation reforms and the resulting efficiency gains in terms of greater formalisation, higher financial inclusion, and more economic opportunities will be the second most important driver of India's economic growth in the medium term.

Structural reforms such as the introduction of the Goods and Services Tax and the Insolvency and Bankruptcy Code enhanced the efficiency and transparency of the economy and ensured financial discipline and better compliance.

## FUTURE OUTLOOK

The Indian insurance industry is forecast to grow well during FY 23-24 owing to the pandemic and geopolitical crisis and its impact on global business.

With enabling policy frameworks, India presents itself as a credible destination for capital diversifying out of other countries. Thus, India's growth outlook seems better than in the pre-pandemic years, and the Indian economy is prepared to grow at its potential in the medium term.

Indian economy has also started benefiting from the efficiency gains resulting from greater formalisation, higher financial inclusion, and economic opportunities created by digital technology-based economic reforms.

Over the long term, we expect the insurance market in India to continue to expand and the insurance penetration and insurance density to continue to rise in tune with the continued growth of the Indian economy.

The overall scenario of the nation points to a robust growth and GIC Re will be endeavouring to consolidate its domestic presence, expand its share of business in the international market and will continue to position itself to cash in on the demand for enhanced reinsurance requirement arising especially in the developed markets.

I assure you that your company is fully prepared and energised to support the Indian and World insurance industry and will continue to focus on achieving underwriting surpluses in future. Profitable diversified growth will be our focus in the coming years.

I would like to take this opportunity to thank our customers, intermediaries, employees, and my fellow Board Members for their invaluable support in guiding the Company through turbulent times.

My special thanks to all our shareholders for the trust you have reposed in us. You remain an invaluable pillar of strength and I look forward to your continued support in our journey towards achieving higher levels of excellence.

**Devesh Srivastava**  
Chairman and Managing Director

<b>DIRECTORS</b>	Shri Devesh Srivastava	Chairman and Managing Director	
	Shri Amit Agrawal	Upto 05.01.2023	
	Dr. M. P. Tangirala	W.e.f. 05.01.2023	
	Shri Atanu Kumar Das	Upto 19.01.2023	
	Ms. A. Manimekhalai	W.e.f. 05.09.2022	
	Shri T. Sivakumar		
	Shri Priya Bhushan Sharma		
	Ms. Vinita Kumari	W.e.f. 24.03.2023	
	Ms. Madhulika Bhaskar	W.e.f. 31.10.2022 and Upto 30.06.2023	
Shri Inderjeet Singh	W.e.f. 31.10.2022 and Upto 02.05.2023		
<b>MANAGEMENT</b>			
<b>Chairman and Managing Director</b>	Shri Devesh Srivastava		
<b>Director &amp; General Manager</b>	Ms. Madhulika Bhaskar	W.e.f. 31.10.2022 and Upto 30.06.2023	
	Shri Inderjeet Singh	W.e.f. 31.10.2022 and Upto 02.05.2023	
<b>General Managers</b>	Shri Deepak Godbole	Upto 31.07.2022	
	Shri Ramaswamy Narayanan	Taken charge as General Manager w.e.f. 30.09.2022	
	Smt. Girija Subramanian	Upto 16.09.2022	
	Smt. Madhulika Bhaskar	Appointed as General Manager w.e.f. 16.09.2022 and Upto 30.06.2023	
	Shri Inderjeet Singh	W.e.f. 31.10.2022 and Upto 02.05.2023	
	Smt. Jayashree Ranade		
	Shri Hitesh Joshi		
	Shri Paul Lobo	Appointed as General Manager w.e.f. 31.10.2022 and Upto 01.11.2022 (Deputation to GICHFL)	
	Shri S. K. Rath	W.e.f. 28.04.2023	
	Smt. Jayashri B.	W.e.f. 28.04.2023	
	Shri V. Balkrishna	W.e.f. 28.04.2023	
	<b>Chief Vigilance Officer</b>	Shri B. Padhi	Upto 31.07.2022
	Shri S. Alagarsamy	W.e.f. 28.12.2022	
<b>Chief Information Security Officer</b>	Shri Gaurav Midha	W.e.f. 01.02.2022 and upto 28.02.2023	
	Shri Sachindra Salvi	W.e.f. 28.03.2023	
<b>Appointed Actuary (Non-Life)</b>	Shri Sateesh Bhat		
<b>Appointed Actuary (Life)</b>	Shri Vikash Kumar Sharma		
<b>Deputy General Managers</b>	Shri Rajesh Pawar		
	Shri Rajesh Khadatore		
	Shri Balaji Thiagrajan		
	Smt. Sarita Kunder		
	Shri Savio Fernandes	Upto 31.03.2023	
	Shri Nago Bhima Sonawane		
	Smt. Chandra Iyer		
	Shri Sandip Karmarkar	Deputation to South Africa W.e.f. 11.02.2022	
	Shri Sachindra Salvi		
	Smt. Modha Poojary		
	Shri Mukesh Dharamwala	W.e.f. 05.12.2022	
	Shri Sanjay Mokashi	W.e.f. 05.12.2022	
	Shri Mukesh Waghela	W.e.f. 01.02.2023	
	Smt. Manali Patke	W.e.f. 26.06.2023	
	Shri V. B. Salve	W.e.f. 26.06.2023	
	Shri Satheesh Kumar	W.e.f. 03.07.2023	
	Smt. Radhika Ravishekar	W.e.f. 26.06.2023	
	Smt. Babita Amin	W.e.f. 26.06.2023	
	<b>Company Secretary</b>	Shri Satheesh Kumar	

<b>Statutory Auditors</b>	M/s. D. R Mohnot & Co. Chartered Accountants Head Office: C-35A, Nakshtra Pride, Lajpat Marg, C-Scheme, Jaipur Branch Office: 606, Janki Centre, Shah Industrial Estate, Off Veera Desai Road, Andheri (W), Mumbai 400 053	M/s. P K F Sridhar & Santhanam LLP Chartered Accountants 201, 2nd Floor, Centre Point Building, Dr. Ambedkar Road, Opp. Bharat Mata Cinema, Parel, Mumbai – 400 012
<b>Secretarial Auditor</b>	M/s. Ragini Chokshi and Co. Company Secretaries 34, Kamer Building, 5th Floor, 38, Cawasji Patel Street, Fort, Mumbai- 400001	
<b>Registrar &amp; Transfer Agent</b>	KFin Technologies Ltd. 'Karvy Selenium', Tower B, Plot No 31 & 32, Financial District, Nanakramguda, Gachibowli, Hyderabad - 500 032 Tel. No.: (040) 6716 2222/3321 1000 E-mail: einward.ris@kfintech.com Website: www.kfintech.com	
<b>Stock Exchanges</b>	BSE Ltd. P. J. Towers, Dalal Street Mumbai - 400 001	National Stock Exchange of India Ltd. Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051
<b>Banker</b>	Bank of India Churchgate Branch, Baldota Bhavan, Gr. Floor, 117, Maharshi Karve Marg, Churchgate, Mumbai-400020	
<b>Registered Office</b>	"Suraksha", 170, J. T. Road, Churchgate, Mumbai - 400 020 (India) Tel.: +91 22 2286 7000 Email : investors.gic@gicre.in Website: www.gicre.in	
<b>CIN</b>	L67200MH1972GOI016133	
<b>IRDAI Registration No.</b>	112	

Sr. No.	Date and Year	Event
1	22 <sup>nd</sup> November 1972	General Insurance Corporation of India was formed in the pursuance of section 9(1) of GIBNA Act and also under the Companies Act, 1956 as Private Company limited by Shares.
2	1 <sup>st</sup> January 1973	The general insurance business in India was nationalized, 107 general insurance companies was merged and GIC of India was formed as the holding Company with four subsidiaries viz., The New India Assurance Co. Ltd., National Insurance Co. Ltd., Oriental Insurance Co. Ltd. and United India Insurance Co. Ltd.
3	1 <sup>st</sup> January 1978	Loss Prevention Association of India was formed by GIC of India and its 4 subsidiaries.
4	6 <sup>th</sup> December 1978	Kenindia Assurance Company Ltd. was incorporated by merging branch operations of subsidiaries of GIC and LIC operating in Kenya.
5	1 <sup>st</sup> January 1988	India International Insurance Pte. Ltd. was set up as a locally incorporated wholly owned subsidiary Company of GIC and four Public Sector Insurance Companies in Singapore.
6	12 <sup>th</sup> December 1989	GIC Housing Finance Co. Ltd was set up by GIC of India and the four Public Sector Insurance Companies.
7	25 <sup>th</sup> May 1993	GIC Asset Management Co. Ltd was set up by GIC of India and the four Public Sector Insurance Companies.
8	19 <sup>th</sup> April 2000	Insurance Regulatory & Development Authority (IRDA) was formed.
9	3 <sup>rd</sup> November 2000	GIC notified as "Indian Reinsurer".
10	June 2001	London representative office set up.
11	April 2002	Moscow representative office set up.
12	20 <sup>th</sup> December 2002	Agricultural Insurance Company of India was set up by GIC Re, the 4 PSU Companies and NABARD.
13	April 2003	Life Reinsurance started its Underwriting activities.
14	1 <sup>st</sup> April 2002	GIC Re appointed as managers to the Terrorism Insurance Pool.
15	7 <sup>th</sup> August 2002	GIBNA Act Amended.
16	21 <sup>st</sup> March 2003	GIC Re ceased to be holding Company.
17	April 2005	Dubai representative office set up.
18	February 2006	SAP went live.
19	27 <sup>th</sup> April 2006	Loss Prevention Association of India was amalgamated with GIC Re.
20	1 <sup>st</sup> January 2007	Dubai representative office was upgraded to a Branch office.
21	1 <sup>st</sup> April 2007	GIC Re was appointed as managers to Motor Third Party Pool.
22	1 <sup>st</sup> January 2008	London representative office was upgraded to branch office and commenced its operations.
23	19 <sup>th</sup> June 2008	Signing of Co-operation Agreement with Hannover Re for Life Re Business.

Sr. No.	Date and Year	Event
24	10 <sup>th</sup> October 2008	Retakaful reinsurance.
25	16 <sup>th</sup> October 2008	GIC Re mandated to form Nat Cat Pool for Afro Asian Region.
26	16 <sup>th</sup> January 2009	GIC Re registered as Eventual Reinsurer in Brazil.
27	11 <sup>th</sup> November 2010	GIC Re Malaysia Branch start functioning
28	20 <sup>th</sup> September 2011	Launch of e-Thru platform by Mr. J. Harinarayan, Chairman, IRDA
29	19 <sup>th</sup> October 2011	GIC Re won the Marine Insurance Award at Seatrade Middle East and Indian Subcontinent Awards 2011
30	5 <sup>th</sup> July 2012	GIC Re entered into a joint venture agreement for setting up the 1st Reinsurance Company in Bhutan
31	26 <sup>th</sup> November 2012	GIC Re won the Marine Insurance Award second time in a row, at Seatrade Middle East and Indian Subcontinent Awards 2012.
32	5 <sup>th</sup> September 2013	The joint venture Reinsurance Company in Bhutan-GIC Bhutan Re Ltd. became operational.
33	19 <sup>th</sup> September 2013	GIC Re appointed as Managers of FAIR NATCAT Reinsurance Pool at Beijing, China.
34	11 <sup>th</sup> August 2014	GIC Re South Africa Ltd., the Wholly owned subsidiary of GIC Re in South Africa established.
35	12 <sup>th</sup> June 2015	India Nuclear Insurance Pool launched.
36	29 <sup>th</sup> January 2016	GIC Re, India, Corporate Member Limited, the Wholly owned subsidiary of GIC Re in UK established.
37	4 <sup>th</sup> February 2016	GIC Re converted into 'Public Limited Company'.
38	21 <sup>st</sup> April 2017	GIC Re opened IFSC Insurance office in GIFT City.
39	25 <sup>th</sup> October 2017	GIC Re got listed on BSE Limited and National Stock Exchange of India Limited.
40	1 <sup>st</sup> April 2018	GIC Syndicate 1947.
41	30 <sup>th</sup> January 2020	GIC Perestrakhovanie LLC (GIC Re's 100% subsidiary) received its reinsurance operations license from Central Bank of Russia.



### SHRI DEVESH SRIVASTAVA

**Chairman & Managing Director, General Insurance Corporation of India - GIC Re (DIN: 08646006)**

Shri Devesh Srivastava has been involved in the insurance sector since 1987 following his joining the industry as a direct recruit officer. He has experience in both direct insurance and reinsurance. He gained international exposure through his posting to the Corporation's London branch where he was overseeing operations in the territories of UK, Europe, Caribbean, Brazil, Argentina, and Mexico. He was the key player in setting-up of GIC Re's Lloyds Syndicate 1947 in London. He is presently employed on a full-time basis by the Corporation in the capacity of Chairman and Managing Director.

He holds a B Sc with Honours in Physics from St Stephen's College Delhi and a Master of Science degree from Delhi University. He later obtained a post-graduate degree in Management, majoring in Marketing with a Gold Medal from the Management Development Institute (MDI) Gurgaon.

He is Chairman of the Board of GIC Re, and GIC Housing Finance Ltd (both listed companies) and on the Boards of GIC Re South Africa Ltd.- Johannesburg, GIC Perestrakhovanie LLC - Moscow, Export & Credit Guarantee Corporation of India, Indian Register of Shipping, Kenindia Assurance Co. Ltd., Nairobi, East African Re, Nairobi, Agriculture Insurance Corporation of India, Health Insurance TPA Ltd., Asian Reinsurance Corporation, Bangkok, and GIC Re Corporate Member, London and on the Executive Board of the Federation of Afro-Asian Insurers and Reinsurers, Cairo.

He is also a member of the Governing Board of GIPSA (General Insurance Public Sector Association) and on the Executive Committee of the General Insurance Council.

He is the President of the Insurance Institute of India and the Chairman of the Governing Board of the National Insurance Academy.



### DR. M. P. TANGIRALA

**Additional Secretary, Department of Financial Services, Ministry of Finance (DIN: 03609968)**

Dr. Maruthi Prasad Tangirala is a 1990 batch officer of the Indian P&T Accounts and Finance Service. He joined service after obtaining a BE in civil engineering from College of Engineering, Guindy, and a PGDM from IIM Calcutta. He also holds an LLB (Osmania University, Hyderabad) and an MPhil (Panjab University, Chandigarh). His PhD is from the Centre for the Study of Law and Governance, JNU, New Delhi. He has published articles in scholarly journals and is the author of Telecom Sector Regulation in India: An Institutional Perspective, published by Routledge in 2019. He has earlier worked in the Department of Telecommunications, Telecom Regulatory Authority of India, Insurance Regulatory and Development Authority of India, and Union Public Service Commission.



### MS. A. MANIMEKHALAI

**MD & CEO, Union Bank of India (DIN: 08411575)**

Ms. A. Manimekhalai is Managing Director & CEO of Union Bank of India since 3<sup>rd</sup> June 2022.

A seasoned banker with experience of more than 3 decades, Ms. A. Manimekhalai started her career in erstwhile Vijaya Bank as an Officer in 1988 and rose successively as Branch Head, Regional Head, and functional head of various Departments at Corporate Office. She was instrumental in devising & implementation of strategic policies covering core areas like strategic planning, setting organizational goals, growth strategies, action plans, compliance, internal control, etc.

Prior to joining Union Bank of India, Ms. A. Manimekhalai was Executive Director at Canara Bank. She played a pivotal role in effecting successful amalgamation of Canara Bank and Syndicate Bank. She has extensive experience as Director on the Board of five other companies namely Canbank Factors Ltd, Canbank Computer Services Ltd, Canara HSBC Oriental Bank of Commerce Life Insurance Co. Ltd., General Insurance Corporation of India, India Infrastructure Finance Company Ltd., and Trustee, Canara Robeco Asset Management Co.

Presently, Ms. A. Manimekhalai is Chairperson on the Board of Union Bank of India (U.K.) Ltd and also Director on the Board of Union Asset Management Company.

As a member of various committees and working groups constituted by Government of India, she has actively contributed towards policymaking, including drawing the future road map of RRBs, Financial Inclusion, Agriculture Value-chain Finance, Banking Correspondent issues, and creating synergies for seamless credit flow to Health Care and Education.

Ms. Manimekhalai holds Master of Business Administration (Marketing) from Bangalore University, and a Diploma in Human Resource Management from Narsee Monjee Institute of Management Studies (NMIMS), Mumbai. A beneficiary of various executive development programs at leading institutes of country, she is also a Certified Associate of Indian Institute of Bankers (CAIIB).



### **SHRI T. SIVAKUMAR**

**Independent Director (DIN: 09450908)**

Shri T. Sivakumar is a M. Tech in Civil Engineering (Gold Medalist). His hometown is Puducherry. He has 32 years of experience as Civil Engineer cum Government Licensed contractor. He has completed construction works taken from various Govt. Agencies and completed different of type of buildings and infrastructures. He is a partner in Sivakumar Constructions. He is interested to serve upliftment of poor people and disabled persons.



### **SHRI PRIYA BHUSHAN SHARMA**

**Independent Director (DIN: 01081362)**

Shri Priya Bhushan Sharma is a Chartered Accountant having more than thirty years of experience and a qualified and registered insolvency professional. He is a certified Information System Auditor (DISA), a certified Concurrent Auditor from ICAI and also certified in Forensic Accounting & Fraud Detection. His areas of expertise include Audit, Taxation, Corporate Law, Dispute Resolution through Arbitration etc. He is a director in 3B Wellness and Resorts Pvt. Ltd. and 3B Infrastructure Private Limited and was a director of Chandigarh Club Ltd. He is also actively involved with number of NGOs.



### **MS. VINITA KUMARI**

**Independent Director (DIN: 10093690)**

Ms. Vinita Kumari holds degree of Master of Arts (Hindi) from Nalanda Open University and Master of Education from Lalit Narayan Mithila University, Darbhanga. She is having 11 years of experience in teaching and knowledge in Education. Presently, she is working as an Assistant Professor at Giridih College, Giridih.



### **MS. MADHULIKA BHASKAR**

**General Manager & Director (DIN: 09277012)**

Ms. Madhulika Bhaskar superannuated from GIC Re on 30<sup>th</sup> June 2023 after 35 long years of service. At the time of retirement, she was holding the post of General Manager & Director at GIC Re. During her last year of service, she officiated as Chairman cum Managing Director of New India Assurance Co. Ltd., the largest non-life Insurer in India, for a period of 6 months. Ms. Bhaskar also held the position of Non-Executive Director on the Board of GIC Re South Africa Limited; GIC Perestrakhovanie LLC (Russia); and Stock Holding Corporation of India Ltd.

She commenced her insurance career in 1988 with GIC Re as a direct recruit officer. During her 35 year tenure, she handled various departments like Reinsurance operations, Pools, Technical Underwriting, Foreign Operations, Investment, Audit, Estate & Establishment, ERM, CSR and IT amongst others. She has shouldered key managerial positions of Chief Risk Officer, Financial Advisor, Chief of Audit and CISO.

Ms. Bhaskar is an M.Sc. in Microbiology from Mumbai University, and a Fellow of the Insurance Institute of India. She also holds a Diploma in Computer Management from Mumbai University. She takes great interest in sharing her rich experience and keeps close association with academics through her assignments as visiting faculty with National Insurance Academy, Pune; Insurance Institute of India, Mumbai; IRDAI; other management institutes of repute and many overseas assignments on teaching. She has also been a speaker at various international conferences on Insurance, Reinsurance, and Risk Management. Her deep knowledge of reinsurance and her wide experience has been enriched by her extensive travel. She has to her credit multiple articles, which were published in insurance journals and periodicals.



### **SHRI INDERJEET SINGH**

**General Manager & Director (DIN: 09778191)**

Shri Inderjeet Singh has joined the New India Assurance Company Ltd in 1986 as a direct recruit officer and has an experience of more than 36 years in the insurance industry. During this period, he has worked in various capacities including that of In-Charge of various operational offices at Branches, Divisional Offices and Regional Offices and as General Manager in Head Office at Mumbai.

Mr. Inderjeet Singh was the Managing Director of Kenindia Assurance Company Ltd., Nairobi for two and half years.

Mr. Inderjeet Singh is a Science graduate and holds Master's degree in Business Administration from Lucknow University and is also a Fellow of the Insurance Institute of India.





**Standing (L to R):**

- Shri Hitesh Joshi
- Smt. Jayashri B.
- Shri Ramaswamy Narayanan
- Shri Devesh Srivastava
- Smt. Jayashree Ranade
- Shri S.K. Rath
- Shri V. Balkrishna



**Shri Devesh Srivastava**  
Chairman and Managing Director



**Shri Ramaswamy Narayanan**  
General Manager



**Smt. Jayashree Ranade**  
General Manager



**Shri Hitesh Joshi**  
General Manager



**Shri Paul Lobo**  
General Manager



**Shri S. K. Rath**  
General Manager



**Smt. Jayashri B.**  
General Manager



**Shri V. Balkrishna**  
General Manager



**Shri S. Alagarsamy**  
Chief Vigilance Officer



**Shri Sateesh Bhat**  
Appointed Actuary (Non-Life)



**Shri Vikash Kumar Sharma**  
Appointed Actuary (Life)

**To the Members,**

The Directors have pleasure in presenting the Fifty-first Annual Report on the working and affairs of the Corporation along with the audited statements of account for the year ended 31<sup>st</sup> March 2023.

**FINANCIAL RESULTS:**

The highlights of the financial results for the year under review are as under:

(₹ in Crore)

Particulars	2022-23	2021-22
1. Gross premium	36,591.59	43,208.46
2. Net Premium	33,644.43	38,799.03
3. Net Earned Premium	35,808.01	39,293.40
4. Net Incurred Claims % to Earned Premium	32,739.38 91.4 %	36,625.85 93.21%
5. Net Commission % to Earned Premium	5,610.51 15.7 %	6,950.82 17.69%
6. Operating Expenses and Other Outgo less Other Income	(191.97)	(30.13)
7. Investment Income Apportioned to Revenue less expenses	7,520.37	7362.75
8. Premium Deficiency	(8.54)	12.98
9. Total Profit/(Loss) (3+7-4-5-6-8)	5,179.00	3,096.64
10. Transfer to Catastrophe Reserve	512.55	0.00
11. Interest, Dividends & Rents (net) and Profit on sale of Investments	3,073.62	2,199.53
12. Other Income less Other Outgo	419.60	90.41
13. Reserve for Doubtful Debts and Investment including Amortization of Investments Written off and diminution in the value of investments written off	410.23	1,826.45
14. Profit before Tax (9+11+12-10-13)	7,749.44	3,560.14
15. Provision for tax including deferred taxes	1,436.94	1,554.40
16. Profit after Tax (14-15)	6,312.50	2,005.74

*(Net Earned Premium is arrived after adjustments for Reserve for Unexpired Risks)*

*(Percentages relate to the net earned premium of the corresponding year)*

*(Obligatory sessions from Domestic Insurance Companies reduced from 10% to 5% w.e.f. 01.04.13 vide IRDA/NL/RI/41/2012-13 dated 3<sup>rd</sup> March 2013 and is further reduced from 5% to 4% w.e.f 01.04.2022 vide IRDAI/RI/1/180/2022 dated 10.01.2022)*

**DIVIDEND & DIVIDEND DISTRIBUTION POLICY**

The Board of Directors at its meeting held on 25<sup>th</sup> May 2023, recommended the payment of dividend of ₹ 7.20 per share of Face Value of ₹ 5/- each (i.e. 144 % of paid-up equity share capital) for the FY 2022-23 as against dividend of ₹ 2.25 per share for FY 2021-22.

In accordance with the Regulation 43A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations), the Corporation has formulated a dividend distribution policy and the same is available on the website of the Corporation at [https://www.gicre.in/images/pdf/Dividend\\_Distribution\\_policy-2022\\_Ver\\_20.pdf](https://www.gicre.in/images/pdf/Dividend_Distribution_policy-2022_Ver_20.pdf)

### CAPITAL AND FUNDS

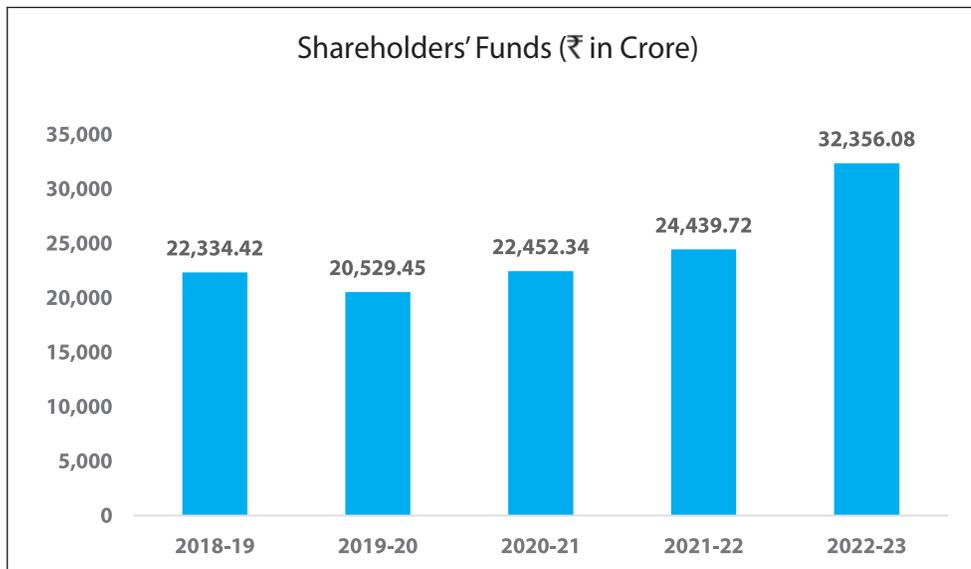
Capital and Funds of the Corporation stood at ₹ 111,523.23 Crore as on 31<sup>st</sup> March 2023 as against ₹ 106,249.72 Crore in the previous year as per details given below:

(₹ in Crore)

Particulars	As on 31.03.2023	As on 31.03.2022
Shareholders' Funds	32,356.08	24,439.72
Policyholders' Funds	79,167.15	81,810.00
<b>Total Funds</b>	<b>111,523.23</b>	<b>106,249.72</b>

Note: As per the Regulatory norms, Shareholders' funds as on 31.03.2023 also include Foreign currency translation reserve.

### SHAREHOLDERS' FUNDS FOR THE LAST 5 YEARS



### ASSETS

Total assets of the Corporation were ₹ 1,57,124.60 Crore as on 31<sup>st</sup> March 2023 as compared to ₹ 1,44,887.37 Crore as on 31<sup>st</sup> March 2022.

### CONSOLIDATED FINANCIAL STATEMENT

As per the provision of Section 129 (2) of the Companies Act, 2013, at every Annual General Meeting of a company, the Board of Directors of the company shall lay before such meeting financial statements for the financial year. Section 129 (3) of the Companies Act, 2013 provides that where a company has one or more subsidiaries, it shall, in addition to financial statements provided under sub-section (2) of Section 129, prepare a consolidated financial statements of the company and of all the subsidiaries in the same form and manner as that of its own which shall also be laid before the Annual General Meeting of the company along with the laying of its financial statements under sub-section (2) of Section 129.

#### Explanation:

The Corporation is preparing Consolidated Financial Statements as it has three subsidiaries namely GIC Re South Africa Limited, GIC Re, India, Corporate Member Limited, UK and GIC Perestrakhovanie LLC, Moscow apart from three Associate Companies namely, Agriculture Insurance Company of India Ltd. (AICIL), India International Insurance Pte. Ltd., Singapore and GIC Bhutan Re Ltd.

## FINANCIAL RATING AND RANKING

AM Best has revised the Long-Term Issuer Credit Rating (Long-Term ICR) outlook to negative from stable and affirmed the Financial Strength Rating (FSR) of B++ (Good) and the Long-Term ICR of "bbb+" (Good) of General Insurance Corporation of India (GIC Re). The outlook of the FSR is stable.

The Credit Ratings (ratings) reflect GIC Re's balance sheet strength, which AM Best assesses as strong, as well as its adequate operating performance, favourable business profile and appropriate enterprise risk management (ERM). In addition, the ratings factor in a neutral impact from the company's ultimate majority ownership by the Government of India.

The revision of the Long-Term ICR outlook to negative from stable reflects AM Best's view of increasing pressure on GIC's Re's ERM assessment. In fiscal year 2022, the company's financial accounts have been subject to a qualified audit opinion in respect of the reconciliation of receivables and payables, indicating deficiencies in internal financial controls. In addition, whilst management has taken action to strengthen the company's ERM framework over recent years, the company's risk culture and governance are viewed to be evolving at this stage.

CARE Ratings Ltd. has reaffirmed 'AAA (Is)' Issuer Rating for the Corporation in January 2023 with a stable outlook. The rating reflects GIC Re's strategic importance as the dominant Indian reinsurer. The rating also factors in its experienced management, diversified business profile and comfortable liquidity and solvency position.

## SOLVENCY RATIO

The Solvency Margin of the Corporation as on 31<sup>st</sup> March 2023 stood at 2.61 as against 1.96 in the previous year.

## INVESTMENTS

The book value of the investment of the Corporation in India (representing investment, loans & deposits) amount to ₹ 86,175.41 Crore as against ₹ 77,348.78 Crore in the previous year. The Investment income of ₹ 9,968.33 Crore were apportioned to Policyholders & Shareholders as under:

(₹ in Crore)

Particulars	2022-23	2021-22
Apportioned to Policyholders (PH)	7,076.52	6,992.61
Apportioned to Shareholders (SH)	2,891.81	2,370.82

\* Ratio of PH/SH – 70.99/29.01

The mean yield on funds with profit on sale of investments stood at 12.19% (Previous year 12.81%). The percentage of net NPA (Non-performing Assets) to Gross loan assets (including Government Securities) was 0.02% (Previous year – NIL).

## INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY OF INDIA (IRDAI)

The Corporation being a Reinsurance Company, its working and functions, are governed by the Insurance Regulatory and Development Authority of India (IRDAI). The Corporation's existing paid-up equity capital of ₹ 877.20 Crore conforms to the specifications of the IRDAI. The Accounts of the Corporation are drawn up according to the stipulations prescribed in the IRDAI (Preparation of Financial Statements and Auditor's Report) Regulations, 2002.

IRDAI has identified the Corporation as a Domestic Systemically Important Insurer (D-SII) for 2022-23 as per the framework put in place for identification & monitoring of the operations of Domestic Systemically Important Insurers.

## PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The provisions of Section 186(4) of the Companies Act, 2013 requiring disclosure in the financial statements of the full particulars of the loans given, investment made or guarantee given or security provided and the purpose for which the loan or guarantee or security are proposed to be utilised by the recipient of the loan or guarantee or security are not applicable to the Corporation.

### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY AND ITS FUTURE OPERATIONS**

There are no significant and/or material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of future operations of the Corporation.

### **ENTERPRISE RISK MANAGEMENT (ERM)**

The Corporation has in place a robust ERM policy. The policy defines a Governance structure as well as the roles and responsibilities at each level. The ERM department is headed by the Chief Risk Officer (CRO) who reports to the Board Risk Management Committee through the Chairman cum Managing Director (CMD) and Management-level ERM committee.

ERM department conducts risk assessment with the assistance of the Risk and Mitigation Plan Owners (RMOs), primarily Scale V level officers, where new risks are brought for discussion and thereafter the entire risk universe is re-calibrated with the objective of prioritization for mitigation. During the exercise, RMOs also propose controls/ mitigation plans, which post deliberations are implemented. The ERM department conducts periodic review of the risk universe and checks the control effectiveness. ERM Department informs these developments and deviations to the Management and Board Risk Management Committee.

As part of its allied activities, the ERM department reviews the Business Continuity Plan (BCP) and Business Impact assessment (BIA) which aims at providing continuity of services at a defined minimum acceptable level of critical functions and to safeguard the financial, competitive and reputational position in the short and medium term.

During the year under review, a neutral Third-Party Consultant was appointed for carrying out the Stress test exercise of the Corporation. The annual Stress test exercise was carried out for the financial Year 2022-23 based on financial data as on 31<sup>st</sup> March 2022. The Stress Test Exercise evaluated scenarios of significant adverse threats to the future financial condition and found it to be adequately resilient. The Stress Test Report was presented to the Board and subsequently shared with IRDAI.

The Standard Operating Procedures (SOP) is already in place for two key functions of the Corporation viz: Reinsurance and Investment and their related accounting activities and the same are modified on need basis, as per user department requests with the approval of the Corporation's Enterprise Risk Management Committee.

An Anti-Fraud Policy framed by GIC which covers prevention, identification, investigation and reporting of frauds is reviewed every year. Corporation has declared 'Zero Tolerance' to any non-compliance to the terms and conditions of the Anti-Fraud policy. ERM department, as part of compliance, files the Fraud Monitoring Returns with the Regulator.

The Corporation has put in place a Board approved Risk Appetite Statement which provides a comprehensive summary of Risk Appetite parameters guiding the operations of the Corporation. To ensure an appropriate level of capital at all times, the Board approved Capital Management Plan has been put in place.

During the year under review, as part of BCP, a Drill was conducted at an Alternate Site (GIC Gift City, Gandhinagar, Gujarat), so as to create awareness, ensure preparedness among the Critical Resource Team and other Business Continuity Teams in times of emergency. The BCP is shared with all employees for awareness on the procedures involved in the recovery of operations.

### **CORPORATE SOCIAL RESPONSIBILITY (CSR) REPORTING**

The Corporation is having a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Corporation, which has been approved by the Board.

The CSR Policy may be accessed on the Corporation's website at the link: [https://www.gicre.in/images/pdf/CSR\\_policy\\_version\\_7\\_new.pdf](https://www.gicre.in/images/pdf/CSR_policy_version_7_new.pdf)

The CSR Reporting as per Section 135 of the Companies Act, 2013 given in **Annexure I**.

## PERFORMANCE AND FINANCIAL POSITION OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a separate statement containing salient features of the Financial Statements of Subsidiary, Associate and Joint Venture Companies in Form AOC-1 forms part of the Directors' Report for the financial year 2022-23 as **Annexure II** and the details on their performance & financial position are given in Management Discussion & Analysis Report.

Further, in terms of proviso to Section 136(1) of the Companies Act, 2013 and Regulation 46 of the Listing Regulations, 2015, the Corporation will place separate audited Financial Statements in respect of each of its Subsidiary Company on its website and also provide a copy to any Shareholder of the Corporation who seeks the same. The Financial Statements of the Subsidiary Companies will also be kept open for inspection at the registered offices of the Corporation/ the respective Subsidiary Companies.

## AUDITORS AND AUDIT REPORT

### STATUTORY AUDITORS

M/s D. R. Mohnot & Co., Chartered Accountants and M/s. P K F Sridhar & Santhanam LLP, Chartered Accountants were appointed as Joint Statutory Auditors to audit the accounts of the Corporation for the financial year 2022-23 by the Comptroller & Auditor General of India under Section 139 and Section 143 of the Companies Act, 2013.

The Joint Statutory Auditors have issued Auditor's Report.

### SECRETARIAL AUDIT

The Board has reappointed M/s. Ragini Chokshi & Co., Company Secretaries to conduct Secretarial Audit for the financial year 2022-23. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark except that Pursuant to Regulation 17(1) (a) of SEBI (LODR), 2015, the Corporation could not comply with the requirement of having at least one Woman Director on the Board w.e.f. 3<sup>rd</sup> June 2022 to 4<sup>th</sup> September 2022 and Pursuant to Regulation 17(1)(c) of SEBI (LODR), 2015, the Corporation could not comply with the requirements of having not less than six directors on the Board w.e.f. 3<sup>rd</sup> June 2022 to 4<sup>th</sup> September 2022

Pursuant to Section 204 of the Companies Act, 2013, the Secretarial Audit Report of the Corporation is given in **Annexure III**.

### ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013, a copy of the Annual Return for the year ended 31<sup>st</sup> March 2023, with the information available up to the date of this report, is placed on the website of the Corporation at <https://www.gicre.in/en/investors-public-disclosures/investors-en/financial-performance/annual-return> and shall be further updated as soon as possible but no later than sixty days from the date of the Annual General Meeting.

### COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

The Corporation has annexed to this report **Annexure IV**, a certificate obtained from the Practicing Company Secretary regarding compliance of conditions of Corporate Governance as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### MANAGEMENT DISCUSSION & ANALYSIS REPORT

The operations and future prospects of the Corporation are dealt in the Management Discussion and Analysis Report which forms part of the Directors' Report.

### FOREIGN EXCHANGE EARNINGS & OUTGO AND OTHER INFORMATION

The particulars of Foreign Exchange earnings/outgo as required by the Companies (Accounts) Rules, 2014 is given below:

- i) Earnings ₹ 3,037.37 Crore
- ii) Outgo ₹ 4,867.14 Crore

The earnings included all receipts denominated in foreign currencies in respect of premium, recovery of claims, outward commission, and investment earnings but excluding interbank transfers.

The outgo comprised all payments in foreign currency in respect of outward premium, claims on reinsurance accepted, commission and expenses of management (bank charges) but excluding interbank transfers.

Expenses on (a) Entertainment (b) Foreign Tours and (c) Publicity and Advertisement amounted to ₹ 1,707,576.29, ₹ 1,41,10,683.73 and ₹ 6,04,09,143.34 respectively for the year under review.

### CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

The Corporation is not engaged in any manufacturing activity and as such there are no particulars to disclose under the Companies (Accounts) Rules, 2014 as regards Conservation of Energy or Technology Absorption.

### PERSONNEL AND INDUSTRIAL RELATIONS

#### I. Staff position as on 31<sup>st</sup> March 2023

Class I	-	Officers	406
Class III	-	Clerical Staff	43
<b>TOTAL</b>	-		<b>449</b>

#### II. Composition of Scheduled Castes and Scheduled Tribes in Employee Strength

Cadre	Total Employees	Composition					
		SC	%	ST	%	OBC	%
Officers	406	70	17.24	28	6.89	80	19.70
Clerical Staff	43	8	18.60	5	11.63	9	20.93
Sub-Staff	0	0	0.00	0	0.00	0	0.00
<b>Total</b>	<b>449</b>	<b>78</b>	<b>17.37</b>	<b>33</b>	<b>7.34</b>	<b>89</b>	<b>19.82</b>

#### III. Welfare of SC/ST/OBC:

The Corporation framed rules as per the National Policy on Reservations for SC/ST & OBC, which allows reservations, concessions/ relaxations to SC/ST & OBC, in recruitment and promotions wherever applicable. Special in-house training classes are conducted for employees who are in promotion zone, in order to enable them to acquire knowledge and perform better in the pre-promotional written examination. The Corporation also organizes On-line training for SC/ST candidates who apply for the Recruitment Examination on All India Basis.

### DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Corporation has been employing women employees in various cadres in all offices within India and abroad. The Corporation has in place a policy against Sexual Harassment, in line with the requirement of The Sexual Harassment of Women At Work Place (Prevention, Prohibition and Redressal) Act, 2013. All employees are covered under the policy. There has been no complaint from any employee during the financial year 2022-23 and hence no complaint is outstanding for redressal as at 31.03.2023.

## IMPLEMENTATION OF OFFICIAL LANGUAGE POLICY OF THE CENTRAL GOVERNMENT

The Corporation improved its performance in the implementation of the Official Language Policy of the Government of India and complied with all the guidelines issued by the Ministry from time to time.

As mandated by the Official Language Policy of the Government, inspections of Departments situated in Head office, Mumbai and online inspections of liaison offices at Delhi were carried out by the officials of Official Language Department.

Four In-house workshops and one online workshop for Delhi Liaison office were organized. Four meetings of Official Language Implementation Committee were conducted during the year 2022-23. The Annual Hindi Review meeting was organized in the month of February 2023.

Apart from the regular translation work, translation of Financial Standing Order (FSO), and translation regarding updation of GIC portal were also carried out during the year.

The in-house quarterly journal KSHITIJ was published during the year. It was also made available on the Corporation's website. During the month of September various competitions were organized to mark "Hindi Day" celebrations in order to promote the usage of Hindi language in day-to-day work. The "Hindi Day" Annual Programme was celebrated in the month of October 2022.

Almost all Officers and Employees are having working knowledge of Official Language. Hindi typing facility through UNICODE is available in computers to enable the Officers and Employees to do their day-to-day work in Hindi.

Officials of GIC have attended all Town Official Language Implementation Committee (TOLIC) meetings and GIC Re has participated in various programmes organized under the aegis of the Town Official Language Implementation Committee (TOLIC).

This year Official Language Department of GIC was awarded 2 prizes by TOLIC; one for Hindi In-house magazine "KSHITIJ" and the other for Best Implementation in Official Language.

## PROCUREMENT OF GOODS & SERVICES FROM MICRO AND SMALL ENTERPRISES (MSEs)

The Procurement of goods and services are through the GeM portal as per the Government of India mandate and ensures compliance of all the Government of India guidelines.

The Government of India has notified a Public Procurement Policy for Micro and Small Enterprises (MSEs) order 2012 and its amendments thereof. The objective of these order is to achieve an overall procurement of minimum 25% from MSEs. GIC Re has procured 27% from MSEs for the year 2022-23 for its IT and Office Services procurement.

## VIGILANCE

The Vigilance Department of the Corporation is headed by Chief Vigilance Officer (CVO) in the rank of Deputy General Manager, appointed by DFS, MOF, GOI. Vigilance administration is an integral function of the Organization like any other function of management, which includes detecting irregularities, analysing, and finding out reasons for such irregularities and making effective systemic improvements to curb them besides identifying the officials responsible for misconduct and taking appropriate punitive actions.

Mainly focusing on preventive vigilance measures besides various systemic improvements in all areas of the organization, in tune with CVC (Central Vigilance Commission) guidelines. Vigilance Department is conducting surprise inspection, regular inspection, scrutiny of audit reports viz Internal audit, Concurrent Audit, CAG, Special Audits etc., and CTE type of inspection (Procurement in Goods, Works and Services) regularly on monthly /quarterly basis and those findings /lapses are studied on Vigilance angle. Based on the analysis of reports, suggestions are recommended to Depts for improvement of systems and procedures and for revisiting existing SOP to strengthen further against such lapses. Also, the issues have been discussed in Structured meeting with CMD on quarterly basis. Under Punitive side, existing cases are being followed up with Depts and with advice of CVC wherever applicable, ensuring that punitive actions are taken in accordance with the General Insurance (Conduct, Discipline and Appeal) Rules, 2014. Periodical discussions are held with various Departments and Training is also imparted to all the levels of employees in the areas of Preventive vigilance, Discipline, and Conduct rules of the Organization by Vigilance Department. CVC and DFS directives have been implemented strictly in the Organization. Vigilance Department believes that effective vigilance set up will certainly ensure the functioning of the other segments of the Organization in an efficient way.

### INTERNAL AUDIT DEPARTMENT

The main objective of the Internal Audit is to keep strict control over all the activities of any organization with a view to facilitate management assurance of the authenticity of the financial records, efficiency of operations of the firm and to strengthen the overall governance mechanism.

The Corporation has its systems and controls in place covering all major areas of operations such as, Underwriting, Investment, Finance and IT system.

To accomplish its objectives in a systematic and disciplined manner, Internal Audit Department has utilized the services of professional audit firms. During the Financial Year 2022-23, M/s Kirtane & Pandit, Chartered Accountants, were re-appointed as Internal Auditors for Reinsurance Operations and Business Accounts and M/s S.K. Patodia & Associates, Chartered Accountants, were appointed as Internal Auditors for Investment Operations and other departments.

The Internal Audit Department also appoints Internal Auditors for foreign branches of GIC Re in London, Dubai and Malaysia and International Financial Service Centre Insurance Offices (IIO) at GIFT City.

Besides, the following special audits were also arranged by the Internal Audit Department:

1. Secretarial Audit
2. Audit of Indian Nuclear Insurance Pool
3. Audit of Indian Market Terrorism Risk Insurance Pool
4. Investment Risk Management System and Process Audit

Internal Audit Department also liaisons with Comptroller & Auditor General of India (CAG) and other departments for matters relating to CAG audit. The status of Draft Paras (DPs) and Inspection Reports (IRs), issued by Comptroller & Auditor General of India (CAG), is placed before the Board and the Audit Committee of the Board from time to time.

The Internal Audit Department functions independently under the supervision of the Audit Committee of the Board. The Audit Reports of GIC Re, Head Office and Foreign branches are placed before the Audit Committee of the Board for their consideration and directions. Four (4) meetings of the Audit Committee of the Board were held during the year 2022-23. Action Taken Reports were presented to the Audit Committee to report the status of progress on the implementation of the directions of the Committee.

During the year, the guidelines and scope of audit for Appointment of Internal Auditors of GIC Re, along with foreign branches for Reinsurance and Investment & Non-Reinsurance functions were reviewed keeping in view the evolving role of auditors in a scenario where Corporate Governance, regulatory compliance, management reporting systems, transparency and prevention of fraud has gained increasing importance. Like every year emphasis was laid on core business activities and audit of Reinsurance underwriting operations, settlement of outstanding accounts & reconciliations of broker balances, Treaty acceptances, Cash Call settlements and Settlement of Accounts were audited on concurrent basis. Other departments like Investments, Human Resources, IT, Communication, General Accounts, Office Services etc. were also covered during the year.

Besides the major expenditure incurred, both Revenue and Capital, having financial implications, were also subjected to audit. Audit of Investment Operations was conducted on concurrent basis. This covered the primary and secondary market transactions. In line with RBI directions, Subsidiary Government Ledger (SGL) for Central and State Government Securities were subjected to concurrent audit and confirmation of correctness of balances and its reconciliation at the end of each month were sent to RBI. The same was also placed before the Audit Committee at its meetings.

The Audit function in the Corporation has brought about improvement in data quality, acceleration in claim processing, streamlining of process of accounts receivable management in the Reinsurance Operations. By critically appraising the Management of the Corporation of the various systems and processes, the Internal Audit Department facilitated to strengthen the overall governance mechanism.

The Annual Budget of the Corporation/Mid-Year budget review exercise based on Budget Estimates of individual Departments were placed before the Board and approved.

## RTI ACT, 2005

The Corporation has in place the stipulated structure to implement the RTI Act 2005, in the Organization. The Setup is headed by a General Manager designated as the Transparency & Nodal Officer. A General Manager functions as the Appellate Authority, an Assistant General Manager is the Central Public Information Officer, a Senior Manager discharges the duties of Assistant Public Information Officer under the provisions of the Act. An Assistant Manager has been nominated as Nodal Officer, MIS.

The Corporate website <https://www.gicre.in/en/> also hosts information as relevant to the Corporation, under the Act. It has separate Right to Information link developed and continuously updated by the RTI Cell (GIC | Home Page (gicre.in)) containing information and complying with the provisions under the RTI Act, 2005 and other Ministerial and CIC circulars.

GIC Re in the FY 2022-23 complied with the guidelines issued by Ministry of Personnel regarding Implementation of suomotu disclosure u/s 4 of the RTI Act, 2005 and its Audit thereof.

During the period under review, the Corporation received One hundred and fifty-five (155) Applications and Eight (8) First Appeals under the RTI Act, 2005. All the Applications were duly replied, and appeals were disposed of well within the stipulated time. One (1) Second Appeal was filed against the Corporation before Central Information Commission and the same was disposed of by the CIC, during the period under review.

## INFORMATION TECHNOLOGY MANAGEMENT GROUP (ITMG)

The year 2022-23 has been one of major transformations both in terms of technology and cyber-security enhancements to protect that technology.

During the year, GIC Re Migrated from a traditional hybrid cloud setup to a fully virtualized Government Community Cloud (under GOI's Meghraj Initiative) with a MEITY Certified CSP (Cloud Service Provider). This Organization wide transformation was successfully achieved without any downtime to business. A huge milestone achieved during this project was the plethora of Security Components that GIC Re implemented to protect its data, making it a pioneer in the Indian BFSI Sector.

The second major transformation was the database upgrade of SAP ECC to SAP S/4 HANA database which was completed successfully without any business impact. GIC Re is now fully Live and reaping the benefits of SAP's HANA Database for its core businesses. Phase 2 of the S/4 Transformation journey has begun, and a knowledge partner will be onboarded in the FY 23-24 to take this journey forward.

On the network front, GIC Re has migrated from a traditional MPLS setup to a completely Software Defined Network (SD-WAN) streamlining traffic flow throughput, boosting performance Organization wide and removing all network bottlenecks.

GIC Re has also successfully coordinated with CERT-In in implementing Phase 2 of the National Cyber Coordination Centre (NCCC) Project. The Organization's traffic flow is now completely monitored by CERT-In, and regular recommendations are implemented.

The Corporation has also successfully integrated Email Services and endpoint management and is working towards Organization wide Workflow implementation to make paperless office a reality. The Corporation has also started the process of identifying a partner for implementing Enterprise Governance, Risk & Compliance (EGRC) platform.

## TRAINING/HRD

Training policy of GIC Re has been outlined to aid it in its journey of building in-house capability to achieve effective performance at workplace. GIC Re is committed to ensuring that all its employees have access to learning and development opportunities which enable them to acquire knowledge and skills that are necessary to carry out their role within Corporation, and to develop talent pool in ways that fit with the Corporation's global standing and nature of business from futuristic outlook.

At GIC Re, we ensure that employees skills, individual goals and the performance of employees are aligned with the Organization's goals. The training programmes are implemented for our employees that will raise awareness and competency of the employees and enlist their support in improving GIC Re's performance.

In the year 2022-2023, training was imparted to all levels of employees. Training programmes were conducted through various institutes. Both technical and behavioural training programmes were conducted throughout the year. Summary of Training Programmes organised by Training Department is given below.

### Training for the period 2022-23

Organisation	No. of programmes	No. of employees
National Insurance Academy	32	135
Insurance Institute of India	6	40
Indian Institute of Management	2	7
Other Reputed Institutes	6	148
In House	45	160

1. A high-end training programme on "Data to Decision" was conducted through IIM, Bangalore for the officials of Claims Vertical Department and on "Contract Management and Arbitration" was conducted through IIM, Kolkata for officials of Officers Service Department.
2. The Training department also conducted the pre-promotional training programme for all eligible employees to equip them for the promotional examination. The topics like Reinsurance, RI Claims, Accounts, Information Technology, HR etc. were covered. The faculties for this training were in-house.
3. This year on the occasion of International Women's Day customized training programme was organised for women employees, covering welfare of the women. The specialised "Ayurveda for Women" training programme was conducted by an experienced Ayurvedic doctor which was appreciated by women employees. An approximate of 60 women could avail the benefit of the said programme. The programme was appreciated by the officials.
4. An Online Programme on GST with Recent Amendments & Budget Updates 2023 was organised to familiarise the employees working in Finance Department regarding the changes in Budget and GST.
5. 44 Employees have enrolled themselves for the Online Diploma in Reinsurance by NIA which is a 2-month programme scheduled on Saturdays.
6. The Art of Pricing General Insurance Products- a webinar series- 08 officials from the Actuarial Team participated in the 13 sessions webinar which was spread over 3 months.
7. Training on Preventive Vigilance- for female officials in Scale IV and V was organised. The faculty for this training was the Chief Vigilance Officer of the Organisation. There were about 34 officials who gained benefit from this training program.
8. Officials dealing with Reservations in services were imparted training on Roster and Reservation in Service.
9. An in-house training on Pricing Tools was organised for officials of Agriculture RI, Misc., Health, Liability and Property RI Deptt. 26 officials attend the training.
10. Training Department arranged a 3-day offline training program at National Insurance Academy, Pune on IND-AS/ IFRS Implementation- wherein 20 officials from Scale I to Scale VI were benefitted. The program was very well received by the participants.
11. The In-house refresher training program was arranged for Business Accounts Section (BAS) employees i.r.o SAP overview and reports, BWP, Checks & Controls to ensure completeness in Trial Balance. Approx 33 BAS employees attended the said training.
12. "Deep Dive IFRS Training Program for Insurance Industry Professionals" training was undertaken for 28 officials which was jointly organized by Institute of Chartered Accountants and Institute of Actuaries of India.

Training Department has tried to ensure that each employee could avail at least one training during the year 2022-23.

## OVERSEAS EXPANSION

Overseas expansion of operations, through branch offices, subsidiaries and joint ventures is an integral part of the business growth strategy so as to expand the reach of the operations into multiple countries throughout the world. The Corporation targets expansion into new markets by efficiently using the potential and creating additional sustainable income opportunities, both in developed countries, where there is larger demand and in developing countries where there is increasing demand.

Expansion plans are drawn based on study of market opportunities, supported by understanding of the business, working environment and regulations in prospective markets. The Corporation has also been striking strategic partnership with reinsurers abroad to take advantage of the expertise and experience of both parties and leverage on economies of scale.

## INVESTMENT IN INSURANCE COMPANIES

### DOMESTIC OPERATIONS

- **AGRICULTURE INSURANCE COMPANY OF INDIA LTD. (AICIL)**

The Corporation holds 35% equity of AICIL and NABARD holds 30% while the balance is held equally to the extent of 8.75% by the four public sector non-life insurance companies.

### OVERSEAS OPERATIONS

The Corporation has 3 overseas offices viz. Branch Offices in London, Dubai and Malaysia.

Apart from this, the Corporation has three wholly owned subsidiaries viz. GIC Re South Africa Ltd., Johannesburg; GIC Re, India, Corporate Member Limited, London and GIC Perestrakhovanie LLC, Moscow. The Corporation also has invested in the share capitals of Kenindia Assurance Company Ltd., Kenya, India International Insurance Pte Ltd., Singapore, Asian Reinsurance Corporation, Bangkok, East Africa Reinsurance Company Ltd., Kenya, and GIC Bhutan Re Ltd., Bhutan.

- **LONDON BRANCH (UK)**

During the current financial year 2022-23, the Gross Written Premium by the Branch is GBP 124.74 million compared to GBP 117.96 million last year and earned a profit of GBP 19.71 million as against a profit of GBP 1.47 million last year.

- **DUBAI BRANCH (UAE)**

During the current financial year 2022-23, the Gross Premium of the Branch is AED 91.95 million compared to AED 198.32 million last year and the Branch earned a profit of AED 103.8 million compared to AED 0.26 million last year.

- **MALAYSIA BRANCH**

During the current financial year 2022-23, the Gross Premium written by the Branch was RM 585.97 million compared to RM 644.55 million and incurred a loss (before tax) of RM 13.5 million as compared to a loss (before tax) of RM 127.43 million.

- **KENINDIA ASSURANCE CO. LTD., KENYA**

The Corporation holds 9.19% shares in Kenindia which has a paid-up share capital of Kshs 1000 million. The total shares held by the Corporation is 9,18,752 shares of Kshs 100 each as on 31<sup>st</sup> December 2022. The Company reported a net profit after tax of Kshs 620.33 million as against net profit after tax of Kshs 836.43 million last year. The Board of the Company recommended a dividend of Kshs 5.00 per share for the year ended 31<sup>st</sup> December 2022.

- **INDIA INTERNATIONAL INSURANCE PTE. LTD., SINGAPORE**

The Corporation holds 20% shares in India International Insurance Pte. Ltd., which has a share capital of S\$ 50 million. The total shareholding of the Corporation in the Company is 10 mn shares each of S\$ 1.

The Company has made a loss of S\$ 8.61 million as against a profit of S\$ 21.23 million last year.

The Directors have recommended a first and final dividend of 10% on the paid-up capital of S\$50.00 million for the year 2022.

- **ASIAN REINSURANCE CORPORATION, BANGKOK**

The Corporation is holding 6.16% of the share capital as Associate Member of Asian Re in addition to holding 0.97% of the share capital as its Regular Member on behalf of the Government of India. Asian Re has made a profit of USD 1.83 million in 2022 as against a profit of USD 1.57 million in 2021. The Company has not declared any dividend for the year ended 31<sup>st</sup> December 2022.

- **EAST AFRICA REINSURANCE COMPANY LTD., KENYA**

The Corporation has 14.7521% stake in the share capital of East Africa Reinsurance Company Ltd., an existing profit-making reinsurance company in Kenya. The total shareholding of the Corporation is 2,21,281 shares of Kshs. 1000, as on 31<sup>st</sup> December 2022.

The Company has made a profit of Kshs. 783.13 million as against a profit of Kshs. 137.39 million last year.

Board has recommended a total dividend of Kshs. 200 million (Kshs 133.33 per share) equivalent to 25.54% of PAT for the year 2022.

- **GIC BHUTAN RE LTD.**

The reinsurance company of Bhutan is a Joint Venture between the Corporation and local Bhutanese promoters. The venture began its operations in the name 'GIC Bhutan Re Ltd.' in December 2013.

The Corporation has a 26% stake in the Joint Venture and held 28,600,000 shares of value Nu 10 each as of 31<sup>st</sup> December 2022. The rest of the shareholding are held by Local Bhutanese promoters (29%) and 45% shares are held by the public.

The Company has made a profit of Nu 153.11 million (PAT) in 2022 as against a profit of Nu 128.67 million (PAT) in 2021.

The Company has declared 6.95% dividend for the year ended 31<sup>st</sup> December 2022, as per RMA regulations.

- **GIC RE SOUTH AFRICA LTD.**

GIC Re South Africa Ltd. is the Corporation's first 100% owned subsidiary (Wholly owned subsidiary) which started its commercial operations from 1<sup>st</sup> January 2015. The company when acquired was in the run-off for both Life as well as Non-life business.

The Corporation holds 571,030,862 no par value ordinary shares with a value of ZAR 1,142,061,724 constituting 100% of GIC Re South Africa Ltd.'s equity as of 31<sup>st</sup> March 2023.

- **GIC RE, INDIA, CORPORATE MEMBER LIMITED**

With the objective of becoming a reputed global reinsurer, the Corporation expanded into Lloyd's of London by offering reinsurance capacity to Lloyd's syndicates through quota share capital gearing treaties since 2011. As a capacity provider, the Corporation was required to have its own Corporate Member at Lloyd's, the Corporation acquired I-CAT CCM TEN Ltd., an existing corporate Member company, in November 2013 and renamed it as GIC Re, India, Corporate Member Ltd., which is registered as a private limited company in the UK. The Company commenced reinsurance operations in 2014.

The business underwritten by the Company is fully reinsured with the Corporation.

The company has not declared payment of any dividend for the year.

- **GIC PERESTRAKHOVANIE LLC**

"GIC Perestrahovanie LLC" (GIC Re Russia) commenced its operations during August 2020. During the year 2022, due to the geopolitical crisis involving Russia and Ukraine, GIC Re Russia restricted its business activity to the Russian Federation only. It has been witnessing a drastic drop in the topline owing to the changed dynamics in the local reinsurance market and therefore, it continues to observe the unfolding situation closely so as to realign its strategies in the near future.

The subsidiary could close its financial year ended on 31<sup>st</sup> December 2022 with a written premium of 82.45 million Rubles. The net incurred claim to earned premium ratio was 111.34%.

## LISTING OF EQUITY SHARES

The shares of the Corporation are listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE).

## PUBLIC DEPOSITS

The Corporation has not accepted any deposits under Section 73 of the Companies Act, 2013.

## DIRECTORS AND OTHER KEY MANAGERIAL PERSONNEL

The Board of Directors of the Corporation as on 31<sup>st</sup> March 2023 consisted of eight (8) Directors, comprising of four (4) Independent Directors, one (1) Government Nominee Director and three (3) Executive Directors including Chairman and Managing Director.

None of the Directors are related to any other Director or employee of the Corporation.

The details pertaining to composition and change in Board, committees and details of meetings is provided under Corporate Governance Report.

## DECLARATION BY INDEPENDENT DIRECTORS

All the Independent directors have given a declaration that they meet the criteria of independence as laid down under Section 149(6) & (7) of the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 as amended from time to time and the SEBI (LODR) Regulations.

The Corporation, being a Government Company, is under the administrative control of Ministry of Finance (MoF), the power to appoint Directors (including Independent Directors) vests with the Government of India. The appointment of Directors is done by MoF after due processes involving screening, review and compliances. In the opinion of the Board, the Independent Directors possess integrity and the requisite expertise and experience.

## POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

The Corporation being a Government Company, is exempted to furnish information under Section 134(3)(e) of the Companies Act, 2013 vide MCA Notification dated 5<sup>th</sup> June 2015.

## POLICY FOR REMUNERATION OF KEY MANAGERIAL PERSON AND OTHER EMPLOYEES

The Corporation, being a Government Company, the remuneration payable to Key Managerial Persons and other employees are as per the Government of India norms.

## CODE OF CONDUCT UNDER SECURITIES AND EXCHANGE BOARD OF INDIA (PROHIBITION OF INSIDER TRADING) REGULATIONS, 2015

The Corporation has in place a Code of Conduct to regulate, monitor and report trades in securities by Directors, Employees & Connected Persons which is in conformity with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The Code is applicable to the Employees of the Corporation, Designated Persons, and their Immediate Relatives and Connected Persons, to the extent applicable. The objective of the Code is to prohibit insider trading in any manner by the Designated Persons and to maintain confidentiality of unpublished price sensitive information and access to information on a 'need to know' basis.

## VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The Corporation, being a Government Company is subjected to the CVC Guidelines and the Corporation has a separate Vigilance Department administering the Vigilance matters.

The Corporation has a Vigil Mechanism/Whistle Blower Policy approved by the Board and the same is placed on the website of the Corporation.

### CORPORATE GOVERNANCE

The Corporation continues to adopt the best practices of Corporate Governance to ensure transparency, integrity and accountability in its functioning. The Corporate Governance Report has been incorporated as a separate section, forming part of this Annual Report.

### BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORTING

Business Responsibility and Sustainability Report as stipulated under Regulation 34 of the SEBI (LODR) Regulations forms part of the Annual Report and has been hosted on the website of the Corporation and can be viewed at [www.gicre.in](http://www.gicre.in).

### CEO/CFO CERTIFICATION

In terms of the SEBI (LODR) Regulations, the certification by the Managing Director & CEO and Chief Financial Officer of the Corporation on the financial statements and internal controls relating to financial reporting has been obtained.

### DETAILS OF UNCLAIMED SUSPENSE ACCOUNT

Details of Unclaimed Suspense Account as provided by our Registrar and Transfer Agent i.e. KFin Technologies Limited pursuant to Regulation 39 read with Part F of Schedule V of the SEBI (LODR) Regulations is as under:

Sr. No.	Description	No. of Shareholders	No. of Shares
1	Aggregate number of shareholders and the outstanding shares lying unclaimed as on 01.04.2022	01	32
2	Number of shareholders who approached Listed entity for transfer of shares from suspense account during the year	0	0
3	Number of shareholders to whom shares were transferred from suspense account during the year	0	0
4	Aggregate Number of shareholders and the outstanding shares lying unclaimed as on 31.03.2023	01	32

### DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134 of the Companies Act, 2013, the Directors confirm that:

1. In the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures;
2. The Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Corporation at the end of the financial year and the profit and loss of the Corporation for that period;
3. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Corporation and for preventing and detecting fraud and other irregularities;
4. The Directors have prepared the annual accounts on a going concern basis;
5. The Directors have laid down internal financial control to be followed by the Corporation and that such Internal Financial Controls are adequate and are operating effectively; and
6. The Directors have devised proper systems to ensure compliance with applicable laws and that such systems were adequate and operating effectively.

## MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE CORPORATION

There has been no material change and commitment affecting the financial position of the Corporation which occurred between the end of the financial year of the Corporation to which the financial statements relate and the date of this report.

## BOARD MEETINGS

The Corporation held eight (8) Board meetings during financial year 2022-23 as detailed below:

19<sup>th</sup> May 2022

27<sup>th</sup> May 2022

10<sup>th</sup> August 2022

19<sup>th</sup> October 2022

9<sup>th</sup> November 2022

21<sup>st</sup> December 2022

30<sup>th</sup> January 2023

9<sup>th</sup> February 2023

## SECRETARIAL STANDARDS

During FY 2022-23, the Corporation was in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India with respect to Board and General Meetings.

## SUBMISSION OF ACCOUNTS BEFORE PARLIAMENT

As confirmed by the Ministry of Finance, Insurance Division, the Annual Report of the Corporation for the year 2021-22 along with Directors Report were placed before both the Houses of Parliament under Section 394 of the Companies Act, 2013 as per details given below:

LOK SABHA 12<sup>th</sup> December 2022

RAJYA SABHA 13<sup>th</sup> December 2022

## ACKNOWLEDGEMENT

The Directors wish to place on record the co-operation received from Shri Amit Agrawal, Government Nominee Director and Shri Atanu Kumar Das, Independent Director, during their tenure as Directors on the Board of the Corporation.

The Corporation is grateful to the Insurance Regulatory and Development Authority of India, Government of India, Reserve Bank of India and Securities and Exchange Board of India for their continued cooperation, support and guidance. The Corporation wishes to thank its investors, rating agencies, depositories, Registrar & Share Transfer Agent & Stock Exchanges for their support.

The Corporation would like to express its gratitude for the continued support and guidance received from Principal Director of Commercial Audit and Ex-Officio Member, Audit Board - I, Mumbai.

The Directors express their appreciation to all employees for their outstanding contributions, support and commitments towards the growth and success of the Organisation. Finally, the Directors wish to express their gratitude to the Members for their trust and support.

**For and on behalf of the Board of Directors**

**Sd/-**

**(Devesh Srivastava)**

**Chairman and Managing Director**

**Date : 25<sup>th</sup> May 2023**

**Place : Mumbai**

### ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT FOR FINANCIAL YEAR COMMENCING ON OR AFTER 1ST DAY OF APRIL 2022

#### 1. Brief outline on CSR Policy of the Company

In line with GIC vision, the Corporation's CSR policy and programs strives to transform India into a risk-aware society from being a risk-averse society by integrating social, environmental and health concerns of the Indian society. The Policy focusses on capacity building, empowerment of communities, inclusive socio-economic growth, environment protection, promotion of green and energy efficient technologies, development of backward regions, and upliftment of the marginalized and under-privileged sections of the society.

#### 2. Composition of CSR Committee

As on 31<sup>st</sup> March 2023, the CSR committee comprised of 6 Members (including 3 Independent Director) and the details of their attendance in the meetings held during the year (FY 2022-23) is as follows:

Sr. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Shri Devesh Srivastava	Chairman and Managing Director (Chairperson)	2	2
2	Ms. A Manimekhalai	Independent Director	2	0
3	Shri Inderjeet Singh	Whole-Time Director	2	0
4	Ms. Madhulika Bhaskar	Whole-Time Director	2	0
5	Shri T. Sivakumar	Independent Director	2	2
6	Shri Priya Bhushan Sharma	Independent Director	2	1

#### 3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

Composition of CSR Committee – [https://www.gicre.in/images/pdf/Committees of the Corporation as on 30th January 2023.pdf](https://www.gicre.in/images/pdf/Committees%20of%20the%20Corporation%20as%20on%2030th%20January%202023.pdf)

CSR Policy and CSR projects approved – [https://www.gicre.in/images/pdf/CSR\\_policy\\_version\\_70.pdf](https://www.gicre.in/images/pdf/CSR_policy_version_70.pdf) and  
[https://www.gicre.in/images/CSR\\_Activities\\_FY\\_2022-23.pdf](https://www.gicre.in/images/CSR_Activities_FY_2022-23.pdf)

#### 4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).

The Corporation has conducted impact assessment study of one CSR Project namely 'The Leprosy Mission Trust of India – TLMTI' Project in the financial year 2022-23 through an independent agency. The TLMTI project proposed to cover Ulcer Care Treatment for People affected by leprosy. This treatment was conducted at their 14 hospitals in 8 states. There are very few specialized hospitals in the country providing holistic ulcer care treatment to those affected by leprosy. Along with comprehensive healthcare, training on essential self-care to prevent recurrence of ulcers is also provided. The impact assessment study was conducted through M/s. TransRural Agri Consulting Services Pvt. Ltd.

TLMTI hospitals have been working with people affected by leprosy for over 100 years and are referred by government Primary Healthcare Centers (PHCs) and auxiliary healthcare workers like ASHA and Anganwadi workers to people diagnosed with leprosy. The hospitals have strong networks with district level and state level government representatives and receive regular referrals. The project enabled 1600 people who were affected by leprosy-related ulcers to receive completely free treatment from the funds provided by GIC Re. These patients belonged to extremely marginalized socio-economic backgrounds. Report pertaining to Impact Assessment carried out for 'The Leprosy Mission Trust of India ' Project is available on the website at <https://www.gicre.in/en/investors-public-disclosures/public-disclosures>

5. (a) Average net profit of the company as per section 135(5): ₹ 14,98,22,05,337.00 (for the last 3 years)  
 (b) Two percent of average net profit of the company as per section 135(5): ₹ 29,96,00,000.00  
 (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil  
 (d) Amount required to be set off for the financial year, if any: ₹ 21,64,00,000.00  
 (e) Total CSR obligation for the financial year [(b)+(c)-(d)]: ₹ 8,32,00,000.00
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 2,11,46,673.68  
 (b) Amount spent in Administrative Overheads: Nil  
 (c) Amount spent on Impact Assessment, if applicable.: Nil  
 (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹ 2,11,46,673.68  
 (e) **CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
2,11,46,673.68	6,20,53,326.32	13.04.2023	-	-	NA

- (f) **Excess amount for set off, if any –**

S. No.	Particulars	Amount (in ₹)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per section 135(5)	8,32,00,000.00 (after set-off)
(ii)	Total amount spent for the Financial Year	2,11,46,673.68
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.00
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.00
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.00

**7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:**

Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under section 135(6) (in ₹)	Balance Amount in Unspent CSR Account under sub section 6 of section 135 (in ₹)	Amount spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to Section 135(5), if any		Amount remaining to be spent in succeeding financial years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
	FY-1 (2020-21)	13,58,89,889.00	13,58,89,889.00	1,15,85,137.12	Nil	Nil	12,19,86,354.18	Nil
	FY-2 (2021-22)	19,24,75,725.00	19,24,75,725.00	14,75,58,974.00	Nil	Nil	4,49,16,751.00	Nil

**8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:**

Yes  No

**If yes, enter the number of Capital Assets created/acquired.**

**Furnish the details relating to such assets(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:**

Sl. No.	Short particulars of the property or asset(s) including complete address and location of the property	Pin code of the property or asset(s)	Date of Creation	Amount of CSR amount spent	Details of entity/authority/beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration number, if applicable	Name	Registered address
	NA	NA	NA	NA		NA	

**9. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per section 135(5).**

During the year 2022-23 the Company has spent ₹ 2,11,46,673.68 on various projects. An unspent amount of ₹ 6,20,53,326.32 pertaining to ongoing projects is transferred to Unspent CSR Account-Ongoing Projects FY 2022-23 in accordance with the provisions of Section 135(6) of the Act.

**Shri Devesh Srivastava**

**(Chairman and Managing Director)  
(Chairman-CSR Committee)**

**FORM AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures****Part "A": Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in ₹)

Sl. No.	Particulars	Details		
		GIC Re South Africa Ltd.	GIC Re, India, Corporate Member, UK.	GIC Perestrakhovanie LLC
1.	Name of the subsidiary			
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NO	01.01.2022 to 31.12.2022	01.01.2022 to 31.12.2022
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Rand (R) ROE -- 1 Rand = ₹ 4.61	British Pound ROE --1 GBP = ₹ 97.0059 (avg)	Rubles ROE-- 1RUR= ₹ 0.8487
4.	Share capital	5,264.90 Mln.	98	1,097.23 Mln.
5.	Reserves & surplus	2,828.40 Mln.	1,109.92 Mln.	(100.51) Mln.
6.	Total Assets	26,042.79 Mln.	76,258.86 Mln.	2,531.29 Mln.
7.	Total Liabilities	17,949.47 Mln.	76,258.86 Mln.	2,531.29 Mln.
8.	Investments	12,068.99 Mln.	10,677.39 Mln.	1,414.60 Mln.
9.	Turnover (Gross)	5,882.34 Mln.	18,326.70 Mln.	69.98 Mln.
10.	Profit before taxation	1,209.67 Mln.	1,094.57 Mln.	(79.66) Mln.
11.	Provision for taxation	(298.76) Mln.	(199.58) Mln.	15.27 Mln.
12.	Profit after taxation	910.90 Mln.	894.99 Mln.	(64.39) Mln.
13.	Proposed Dividend	NIL	NIL	NIL
14.	% of shareholding	100%	100%	100%

**Notes:** The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations- NIL
- Names of subsidiaries which have been liquidated or sold during the year.-NIL

**Devesh Srivastava**  
Chairman and Managing Director  
(DIN: 08646006)

**Madhulika Bhaskar**  
Director  
(DIN: 09277012)

**Jayashree Ranade**  
CFO

**Satheesh Kumar**  
Company Secretary  
Membership Number A64846

## FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures**

### Part "B": Associates and Joint Ventures

**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

Sr. No.	Name of associates/Joint Ventures	India International Insurance Pte. Ltd.	Agriculture Insurance Company of India Ltd.	GIC Bhutan Re Ltd.
1	Latest audited Balance Sheet Date	31.12.2022	31.03.2023	31.12.2022
2	Shares of Associate/Joint Ventures held by the company on the year end			
	No.	10,000,000	70,000,000	28,600,000
	Amount of Investment in Associates/Joint Venture	₹ 29,478,835	₹ 700,000,000	₹ 286,000,000
	Extent of Holding %	20%	35%	26%
3	Description of how there is significant influence			
4	Reason why the associate/joint venture is not consolidated	It is a Strategic investment only.		
5	Net worth attributable to shareholding as per latest audited Balance Sheet	S\$. 90.58 Mln.	₹ 21,342.60 Mln	Nu 385.06 Mln
6	Profit/Loss for the year	S\$. (8.60) Mln.	₹ 7,655.89 Mln	Nu 153.11 Mln
	(i) Considered in Consolidation (GIC Re share)*	S\$. (1.72) Mln.	₹ 2,679.56 Mln	Nu 39.80 Mln
	(ii) Not Considered in Consolidation	-	-	-

\*Subject to adjustments for differences in accounting policy and regulatory provisions.

- Names of associates or joint ventures which are yet to commence operations. - NIL
- Names of associates or joint ventures which have been liquidated or sold during the year. - NIL

**Devesh Srivastava**

Chairman and Managing Director  
(DIN: 08646006)

**Madhulika Bhaskar**

Director  
(DIN: 09277012)

**Jayashree Ranade**

CFO

**Satheesh Kumar**

Company Secretary  
Membership Number A64846

## FORM NO. MR – 3

### SECRETARIAL AUDIT REPORT

[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]  
**(FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2023)**

To,

**The Members,**

**GENERAL INSURANCE CORPORATION OF INDIA**

Suraksha 170, J Tata Road

Churchgate Mumbai MH 400020

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **GENERAL INSURANCE CORPORATION OF INDIA (CIN: L67200MH1972GOI016133)** (hereinafter called the “Corporation”) for the financial year ended March 31, 2023. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon;

Based on our Verification of books, papers, minute books, forms and returns filed and other records maintained by the Corporation and also the information provided by the Corporation, its officers agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Corporation has, during the audit period covering April 01, 2022 to March 31, 2023 complied with the statutory provisions listed hereunder and also that the Corporation has proper Board processes and Compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter;

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Corporation for the audit period **April 01, 2022 to March 31, 2023** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’): -
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(No such event during Audit Period)**
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(No such event during Audit Period)**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(No such event during Audit Period)**
  - (f) Securities and Exchange Board of India (Issue and Listing of Non—Convertible Securities) Regulations, 2021; **(No such event during Audit Period)**
  - (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(No such event during Audit Period)**

- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(No such event during Audit Period)**
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. **(No such event during Audit Period)**
- (vi) The following Acts and Rules made thereunder as identified and confirmed by the Management as being specifically applicable to the Corporation: -
  - a. The Insurance Act, 1938 including amendments made thereafter;
  - b. Insurance Regulatory and Development Authority of India Act, 1999 and Regulations;
  - c. Corporate Governance Guidelines, 2016 issued by Insurance Regulatory and Development Authority of India;

We have also examined compliance with the applicable provisions and clauses of the following:

- Secretarial Standards issued by The Institute of Company Secretaries of India.
- Securities and Exchange Board of India (Listing Obligation & Disclosure Requirement) Regulation, 2015 "SEBI (LODR)".

During the period under review the Corporation has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. except mentioned below:

- Pursuant to Regulation 17(1)(a) of SEBI (LODR), 2015, the Corporation could not comply with the requirement of having at least one Woman Director on the Board w.e.f. June 03, 2022 to September 04, 2022
- Pursuant to Regulation 17(1)(c) of SEBI (LODR), 2015, the Corporation could not comply with the requirements of having not less than six directors on the Board w.e.f. June 03, 2022 to September 04, 2022

### **We further report that**

- The Board of Directors of the Corporation is duly constituted and the changes in the composition of the Board of Directors that took place during the period under review were carried out in the compliance with the provision of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- As per the minutes of the Board duly recorded and signed by Chairman, the decisions of the Board were with requisite majority.
- The agenda items are deliberated before passing the same and the views/observations made by the Directors are recorded in the minutes.

**We further report that** based on review of compliance mechanism established by the Corporation, there are adequate systems and processes in the Corporation commensurate with the size and operations of the Corporation to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period, following events/actions have taken place in pursuance of the laws, rules, regulations, guidelines, standards, etc.

- a. The Board has approved declaration of interim dividend @ ₹ 2.25 per equity share on the Face Value of ₹ 5 each, for the financial year 2021-22 in the Board Meeting held on May 27, 2022.
- b. During the Audit period, the Corporation has conducted following Postal Ballots:
  - i. Postal Ballot dated June 15, 2022:
    - Shri T. Sivakumar was appointed as Director;
    - Mrs. Priya Bhushan Sharma was appointed as Director.
  - ii. Postal Ballot dated August 13, 2022:
    - Approval of Material Related party Transactions entered into with Agriculture Insurance Company India Ltd;
    - Approval of Material Related Party Transactions entered into with India International Pvt. Ltd.
  - iii. Postal Ballot dated January 15, 2023:
    - Shri Inderjeet Singh was appointed as General Manager & Director;
    - Ms. Madhulika Bhaskar was appointed as General Manager & Director.

**For Ragini Chokshi & Co.**  
**(Company Secretaries)**

**Makarand Patwardhan**  
**(Partner)**

**Date : 25/05/2023**  
**Place: Mumbai**

**C. P. No. 9031**  
**ACS No. 11872**  
**PR No: 659/2020**  
**UDIN: A011872E000372265**

**This report is to be read with our letter of even date which is annexed as Annexure 'A' and forms integral part of this report.**

**ANNEXURE A**

To,  
The Members,  
**GENERAL INSURANCE CORPORATION OF INDIA**  
Suraksha 170 J Tata Road  
Churchgate Mumbai MH 400020

Our Secretarial Audit Report for the Financial Year ended on March 31, 2023 of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the Management of the Corporation. Our responsibility is to express an opinion on these Secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we follow provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Corporation.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Corporation nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Corporation.

**For Ragini Chokshi & Co.**  
**(Company Secretaries)**

**Makarand Patwardhan**  
**(Partner)**

**Date : 25/05/2023**  
**Place : Mumbai**

**C. P. No. 9031**  
**ACS No. 11872**  
**PR No: 659/2020**  
**UDIN: A011872E000372265**

## ANNEXURE A

To,  
The Members of,  
**GENERAL INSURANCE CORPORATION OF INDIA**  
**Suraksha 170 J Tata Road**  
**Churchgate Mumbai MH 400020 IN**

We have examined the compliance of conditions of Corporate Governance by General Insurance Corporation of India (“the Company”) for the financial year ended on March 31, 2023, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46 (2) and paragraphs C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“SEBI LODR”).

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination, as carried out in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Company Secretaries of India (the “ICSI”), was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Based on our examination of the relevant records and in our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Paragraphs C and D of Schedule V to the SEBI LODR for the financial year ended March 31, 2023 subject to the following:

- Pursuant to Regulation 17 (1) (a) of SEBI LODR, 2015, the Listed Entity could not comply with the requirement of having at least one-Woman Director on the Board wef June 03, 2022 to September 04, 2022;
- Pursuant to Regulation 17 (1) (c) of SEBI LODR, 2015, The Listed Entity could not comply with the requirements of having not less than six directors on the Board wef June 03, 2022 to September 04, 2022;

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For Ragini Chokshi & Co.**

**Makarand Patwardhan**  
(Partner)

**Date : 25/05/2023**  
**Place : Mumbai**

**ACS 11872**  
**CP No.:9031**  
**PR No: 659/2020**  
**UDIN: A011872E000372243**

Corporate governance refers to the system of structures, rights, duties and obligations by which Corporations are directed and controlled. Governance provides the structure through which Corporations set and pursue their objectives, while reflecting the context of the social, regulatory and market environment. GIC Re strongly believes in good corporate governance and aims at being a good corporate citizen. It recognizes the significance of effective corporate governance in achieving the trust and confidence of cedants, intermediaries, regulator and other stake holders.

The Corporation follows governance and disclosure requirements of Companies Act, 2013, SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015 (the SEBI (LODR) Regulations) and Corporate Governance Guidelines issued by IRDAI.

## BOARD OF DIRECTORS

The Board of the Corporation is formed with an optimum combination of Executive and Non- Executive Directors. The Corporation is governed by a Board of Directors under the chairmanship of Chairman and Managing Director. As on date, the Board of the Corporation has six (6) Directors which includes five (5) Non-Executive Directors (includes four (4) Independent Directors) and one (1) Executive Director. None of the Directors are related to each other and all the Directors have executed a deed of covenant with the Corporation.

- The Board provides overall direction to the business, including policies, strategies, risk management across all the functions, projections on the capital requirements, revenue streams, expenses and profitability;
- It ensures full compliance with the Insurance Act and the regulations framed thereunder and other statutory requirements applicable to it;
- It addresses conflicts of interest situations;
- It ensures fair treatment of ceding companies and employees;
- It ensures information sharing with and disclosures to stakeholders, including investors, ceding companies, employees, the regulators, consumers, financial analysts and rating agencies;
- It establishes an effective channel for encouraging and facilitating employees raising concerns or reporting a possible breach of law or regulations, with appropriate measures to protect a whistle blower; and
- It provides conducive environment for developing a corporate culture that recognizes and rewards adherence to ethical standards.

### Composition of Board of Directors

The composition of Board of Directors as on 31<sup>st</sup> March 2023 was as follows:

DIN No.	Name of the Directors	Category	Designation
08646006	Shri Devesh Srivastava	Executive Director	Chairman and Managing Director
03609968	Dr. M. P. Tangirala	Non-Executive Director	Government Nominee Director
08411575	Ms. A. Manimekhalai	Non-Executive Director	Independent Director
09450908	Shri T. Sivakumar	Non-Executive Director	Independent Director
01081362	Shri Priya Bhushan Sharma	Non-Executive Director	Independent Director
10093690	Ms. Vinita Kumari	Non-Executive Director	Independent Director
09277012	Ms. Madhulika Bhaskar	Executive Director	General Manager & Director
09778191	Shri Inderjeet Singh	Executive Director	General Manager & Director

### Changes in the Composition of the Board during the year:

Ms. A. Manimekhalai, Independent Director ceased to be Director of the Corporation w.e.f. 03.06.2022 and was appointed as Independent Director of the Corporation w.e.f. 05.09.2022.

Ms. Madhulika Bhaskar, General Manager and Shri Inderjeet Singh, General Manager appointed as Director of the Corporation w.e.f. 31.10.2022.

Dr. M. P. Tangirala was appointed as Government Nominee Director of the Corporation w.e.f. 05.01.2023.

Shri Amit Agrawal, Government Nominee Director ceased to be Director of the Corporation w.e.f. 05.01.2023.

Shri A. K. Das, Independent Director ceased to be Director of the Corporation w.e.f. 19.01.2023.

Ms. Vinita Kumari was appointed as Independent Director of the Corporation w.e.f. 24.03.2023.

Shri Inderjeet Singh, General Manager & Director of the Corporation ceased to be Director of the Corporation w.e.f. 02.05.2023.

Ms. Madhulika Bhaskar, General Manager & Director of the Corporation ceased to be Director of the Corporation w.e.f. 30.06.2023.

### Board Meetings

Eight (08) Board Meetings were held during the Financial Year 2022-23. Details of attendance of Directors at the Board Meetings and Annual General Meeting are as per the statement below:

### STATEMENT SHOWING NUMBER OF BOARD MEETINGS AND ANNUAL GENERAL MEETING ATTENDED BY THE DIRECTORS DURING THE PERIOD APRIL 2022 TO MARCH 2023

Name of Directors	Date of Meetings								Last AGM held on 26.09.2022
	19.05.2022	27.05.2022	10.08.2022	19.10.2022	09.11.2022	21.12.2022	30.01.2023	09.02.2023	
Shri Devesh Srivastava	Present	Present	Present	Present	Present	Present	Present	Present	Present
Shri Amit Agrawal*	Present	Present	Present	Present	Absent	Present	--	--	Absent
Dr. M. P. Tangirala**	--	--	--	--	--	--	Present	Present	--
Shri A. K. Das***	Absent	Absent	Present	Present	Absent	Absent	--	--	Present
Ms. A. Manimekhalai#	Present	Present	--	Absent	Absent	Absent	Absent	Present	Absent
Shri T. Sivakumar	Present	Present	Present	Present	Present	Present	Present	Present	Present
Shri Priya Bhushan Sharma	Present	Present	Absent	Present	Present	Present	Present	Present	Absent
Shri Inderjeet Singh##	--	--	--	--	Present	Present	Present	Present	--
Ms. Madhulika Bhaskar##	--	--	--	--	Present	Present	Present	Present	--
Ms. Vinita Kumari###	--	--	--	--	--	--	--	--	--

\* Ceased to be Director w.e.f. 05.01.2023

# Ceased to be Director w.e.f. 03.06.2022 and Appointed as Director w.e.f. 05.09.2022

\*\* Appointed as Director on 05.01.2023

## Appointed as Director w.e.f. 31.10.2022

\*\*\* Ceased to be Director w.e.f. 19.01.2023

### Appointed as Director w.e.f. 24.03.2023

### Directorship of Directors in other Companies

None of the Director of the Corporation is a director in more than ten public limited companies (as specified in Section 165 of the Act) and director in more than seven listed entities (as specified in Regulation 17A of the SEBI (LODR) Regulations).

None of the Director of the Corporation acts as an independent director (including any alternate directorships) in more than seven listed companies or three equity listed companies in case he/she serves as a whole-time director/managing director in any listed company (as specified in Regulation 17A of the SEBI (LODR) Regulations).

Further, none of the Directors on the Board of the Corporation is a member of more than ten committees or chairperson of more than five committees (as specified in Regulation 26 of the SEBI (LODR) Regulations), across all the Indian public limited companies in which he/she is a director.

Details of directorship, category and committee positions held by the Directors in the companies as on 31<sup>st</sup> March 2023 are as detailed below:

Name of Directors	Number of Directorships in Public Companies	Number of Committee positions held in Public Companies*		Directorship in other listed entity (Category of Directorship)
		Chairman	Member	
Shri Devesh Srivastava	6	1	2	GIC Housing Finance Limited (Non-Executive Director, Chairman)
Dr M P Tangirala	2	0	0	Indian Bank (Non-Executive Director, Nominee Director)
Ms. A. Manimekhalai	2	2	3	Union Bank of India (Managing Director & CEO)
Shri T. Sivakumar	1	0	1	-
Shri Priya Bhushan Sharma	1	0	2	-
Ms. Vinita Kumari	1	0	0	-
Ms. Madhulika Bhaskar	2	0	1	-
Shri Inderjeet Singh	1	0	1	-

\* Memberships/Chairpersonships in Audit Committee and Stakeholders Relationship Committee of Indian public limited companies; number of Memberships includes Chairpersonships

**SHAREHOLDING OF NON-EXECUTIVE DIRECTORS IN THE CORPORATION: NIL**

### FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

Independent Directors have been familiarised with their roles, rights and responsibilities in the Corporation as well as with the nature of industry and business model of the Corporation through induction programs at the time of their appointment as Directors and also through presentations on economy & industry overview, business overview, digitisation initiatives, key regulatory developments, governance, strategy, investments, human resource and performance which are made to the Directors from time to time. The details of the familiarization programmes have been hosted on the website of the Corporation and can be accessed on the link: [https://www.gicre.in/images/Familiarisation\\_Programme\\_for\\_Independent\\_Directors\\_-\\_FY\\_2022-23.pdf](https://www.gicre.in/images/Familiarisation_Programme_for_Independent_Directors_-_FY_2022-23.pdf)

### SKILLS / EXPERTISE / COMPETENCIES OF THE BOARD OF DIRECTORS

The Corporation being a Government Company, all the Directors on its Board are selected and appointed by the Government as per the well laid down selection process for appointment of Directors. The list of core skills, expertise and competence required for the Board to function effectively, in context of the Corporation's business, forms an integral part of the Government's process for selection of the Directors. In view thereof, the Board of the Corporation has not identified separately any such core skills or expertise or competence required by a Director as required under the SEBI (LODR) Regulations.

### DECLARATION BY INDEPENDENT DIRECTORS

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI (LODR) Regulations read with Section 149(6) of the Companies Act, 2013 along with rules framed thereunder. In terms of Regulation 25(8) of the SEBI (LODR) Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI (LODR) Regulations and that they are independent of the management.

### COMMITTEES OF THE BOARD

The Corporation has eight Board level Committees, viz. Audit Committee, Investment Committee, Corporate Social Responsibility Committee, Risk Management Committee, Nomination & Remuneration Committee, Stakeholders' Relationship Committee, Human Resource Committee and Ethics Committee.

### Audit Committee

In compliance with Section 177 of the Companies Act, 2013, the Corporation has an Audit Committee which is headed by an Independent Director.

- The Audit Committee oversees the financial reporting and disclosure processes both on an annual and quarterly basis. It sets up procedures and processes to address all concerns relating to adequacy of checks and control mechanisms.
- The Committee oversees the efficient functioning of the internal audit department and reviews its reports and monitors the progress made in rectification of irregularities and changes in processes wherever deficiencies have come to notice.
- The Committee is responsible for the recommendation of the appointment, remuneration, performance and oversight of the work of the auditors (internal/statutory/concurrent).
- Approval or any subsequent modification of transactions with related parties.

The composition of Audit Committee as on 31<sup>st</sup> March 2023 was as follows:

Sl. No.	Name	Category	Designation
1	Ms. A. Manimekhalai	Chairperson	Independent Director
2	Shri T. Sivakumar	Member	Independent Director
3	Shri Priya Bhushan Sharma	Member	Independent Director

### STATEMENT SHOWING NUMBER OF AUDIT COMMITTEE MEETINGS ATTENDED BY THE MEMBERS DURING THE PERIOD APRIL 2022 TO MARCH 2023

Name of Members	Date of Meetings			
	27.05.2022	10.08.2022	09.11.2022	09.02.2023
Shri Amit Agrawal*	--	--	--	--
Shri A. K. Das**	Absent	Present	Absent	--
Ms. A. Manimekhalai <sup>#</sup>	Present	--	Present	Present
Shri T. Sivakumar	Present	Present	Present	Present
Shri Priya Bhushan Sharma <sup>##</sup>	Present	Absent	Present	Absent

\*Ceased to be member of the Committee w.e.f. 10.05.2022

\*\*Ceased to be member of the Committee w.e.f. 19.01.2023

#Ceased to be member of the Committee w.e.f. 03.06.2022 and Appointed as member of the Committee w.e.f. 30.09.2022

## Appointed as member of the Committee w.e.f. 10.05.2022

### Investment Committee

In compliance with the IRDAI Corporate Governance Guidelines, the Corporation has an Investment Committee consisting of the CMD, 2 Non-Executive Directors, 2 Executive Directors, Chief Investment Officer, Chief Financial Officer, Chief Risk Officer and Appointed Actuary (Life and Non-Life).

- The Committee lays down annual investment policy and provides oversight to investment operations of the Corporation.
- The policy focuses on a prudential Asset Liability Management (ALM) supported by robust internal control systems. The investment policy and operational framework inter alia, encompass aspects concerning liquidity for smooth operations, compliance with prudential regulatory norms on investments, risk management/mitigation strategies to ensure commensurate yield on investments and above all protection of policyholders' funds.
- The Committee is responsible for a periodic review of the Investment policy based on the performance of investments and the evaluation of dynamic market conditions.

The composition of Investment Committee as on 31<sup>st</sup> March 2023 was as follows:

Sl. No.	Name	Category	Designation
1	Shri Devesh Srivastava	Chairman	Chairman and Managing Director
2	Ms. A. Manimekhalai	Member	Independent Director
3	Shri Priya Bhushan Sharma	Member	Independent Director
4	Ms. Madhulika Bhaskar	Member	General Manager & Director
5	Shri Inderjeet Singh	Member	General Manager & Director
6	Smt. Jayashree Ranade	Member	Chief Financial Officer
7	Smt. Jayashri Balkrishna	Member	Chief Risk Officer
8	Smt. Radhika Ravishekar	Member	Chief Investment Officer
9	Shri Sateesh Bhat	Member	Appointed Actuary (Non-Life)
10	Shri Vikash Kumar Sharma	Member	Appointed Actuary (Life)

### STATEMENT SHOWING NUMBER OF INVESTMENT COMMITTEE MEETINGS ATTENDED BY THE MEMBERS DURING THE PERIOD APRIL 2022 TO MARCH 2023

Name of Members	Date of Meetings			
	19.05.2022	10.08.2022	19.10.2022	30.01.2023
Shri Devesh Srivastava	Present	Present	Present	Present
Shri A. K. Das*	Present	Present	Present	--
Ms. A. Manimekhalai**	Present	--	Absent	Absent
Shri Priya Bhushan Sharma#	Present	Absent	Present	Present
Shri Inderjeet Singh##	--	--	--	Present
Ms. Madhulika Bhaskar##	--	--	--	Present
Smt. Jayashree Ranade, CFO	Present	Present	Absent	Present
Smt. Radhika Ravishekar, CIO	Present	Present	Present	Present
Smt. Jayashri Balkrishna (CRO)	Present	Present	Present	Present
Shri Sateesh N. Bhat, Appointed Actuary (Non-life)	Present	Present	Absent	Present
Shri Vikash Kumar Sharma, Appointed Actuary (Life)	Present	Present	Present	Present

\* Ceased to be member of the Committee w.e.f. 19.01.2023

# Appointed as member of the Committee w.e.f. 10.05.2022

\*\* Ceased to be member of the Committee w.e.f. 03.06.2022

## Appointed as member of the Committee w.e.f. 09.11.2022

and Appointed as member of the Committee w.e.f. 30.09.2022

### **Nomination & Remuneration Committee**

The Corporation has formed a Nomination & Remuneration Committee and the terms of reference of the Committee is as prescribed under Section 178 of the Companies Act, 2013 and Schedule II Part D of the SEBI (LODR) Regulations, except to the extent of exemptions granted to Government Companies.

- The Nomination and Remuneration Committee shall comprise of minimum three directors, all of whom shall be non-executive directors, and at least fifty percent of the directors shall be independent directors;
- The Chairperson of the Corporation (whether executive or non-executive) may be appointed as a member of the Nomination and Remuneration Committee, but shall not chair such Committee;

- To evaluate the performance of Chairman and Managing Director of the Corporation for the entitlement of Performance Linked Incentives, subject to achievement of broad quantitative parameters fixed for performance evaluation matrix based on the Statement of Intent (SOI) on Goals and qualitative parameters and benchmarks based on various compliance reports during the last financial year;
- To take on record the appointment and removal of directors, including independent directors, by the Central Government acting through the respective ministries;
- To take on record various policies issued by the Government of India including policy on diversity of Board of Directors and criteria of evaluation of performance of directors.
- To review and take note of the Key Managerial Personnel appointed through the annual promotion exercises conducted as per the existing rules and regulations as well as appointments made by the Chairperson.
- To take note of the requisite declarations submitted by Key Management Persons and Directors.

The composition of Nomination and Remuneration Committee as on 31<sup>st</sup> March 2023 was as follows:

Sl. No.	Name	Category	Designation
1	Ms. A. Manimekhalai	Chairperson	Independent Director
2	Dr. M. P. Tangirala	Member	Non-Executive Government Nominee Director
3	Shri T. Sivakumar	Member	Independent Director

### STATEMENT SHOWING NUMBER OF NOMINATION & REMUNERATION COMMITTEE MEETINGS ATTENDED BY THE MEMBERS DURING THE PERIOD APRIL 2022 TO MARCH 2023:

Name of Members	Date of Meetings
	21.12.2022
Shri A. K. Das*	Absent
Shri Amit Agrawal**	Present
Ms. A. Manimekhalai***	Absent
Shri T. Sivakumar	Present
Dr. M. P. Tangirala****	--

\* Ceased to be member of the Committee w.e.f. 19.01.2023

\*\*Ceased to be member of the Committee w.e.f. 05.01.2023

\*\*\*Ceased to be member of the Committee w.e.f. 03.06.2022 and Appointed as member of the Committee w.e.f. 30.09.2022

\*\*\*\*Appointed as member of the Committee w.e.f. 30.01.2023

### Risk Management Committee

The Corporation has a Risk Management Committee of the Board of Directors and a Risk Management Committee (RMC) of the Management consisting of four General Managers and Chief Risk Officer (CRO).

- The Committee is supervising implementation of Enterprise Risk Management (ERM) framework which is expected to put in place a robust ERM system for effectively and efficiently managing the various risk exposures;
- The Committee assists the Board in effective operation of the risk management system by performing specialized analysis and quality reviews, maintaining a group-wide and aggregated view on the risk profile of the insurer in addition to the solo and individual risk profile;
- Report to the Board details on the risk exposures and the actions taken to manage the exposures;
- Advise the Board with regard to risk management; decisions in relation to strategic and operational matters such as corporate strategy, mergers and acquisitions and related matters.

The composition of Risk Management Committee of the Board as on 31<sup>st</sup> March 2023 was as follows:

Sl. No.	Name	Category	Designation
1	Shri Devesh Srivastava	Chairman	Chairman and Managing Director
2	Ms. A. Manimekhalai	Member	Independent Director
3	Shri Priya Bhushan Sharma	Member	Independent Director
4	Shri T. Sivakumar	Member	Independent Director
5	Ms. Madhulika Bhaskar	Member	Executive Director
6	Shri Inderjeet Singh	Member	Executive Director

The members of the Risk Management Committee (Management) are:

- Ms. Madhulika Bhaskar, GM & Director
- Smt. Jayashri Balkrishna, GM & Chief Risk Officer
- Smt. Jayashree Ranade, GM-Investment
- Shri Hitesh Joshi, GM-Reinsurance

### STATEMENT SHOWING NUMBER OF RISK MANAGEMENT COMMITTEE MEETINGS ATTENDED BY THE MEMBERS DURING THE PERIOD APRIL 2022 TO MARCH 2023

Name of Members	Date of Meetings			
	19.05.2022	10.08.2022	19.10.2022	30.01.2023
Shri Devesh Srivastava	Present	Present	Present	Present
Shri A. K. Das*	Present	Present	Present	--
Ms. A. Manimekhalai**	Present	--	Absent	Absent
Shri T. Sivakumar***	--	--	Present	Present
Shri Priya Bhushan Sharma#	Present	Absent	Present	Present
Shri Inderjeet Singh##	--	--	--	Present
Ms. Madhulika Bhaskar##	--	--	--	Present

\* Ceased to be member of the Committee w.e.f. 19.01.2023

# Appointed as member of the Committee w.e.f. 10.05.2022

\*\* Ceased to be member of the Committee w.e.f. 03.06.2022  
and Appointed as member of the Committee w.e.f. 30.09.2022

## Appointed as member of the Committee w.e.f. 09.11.2022

\*\*\* Appointed as member of the Committee w.e.f. 30.09.2022

### Ethics Committee

The Corporation has put in place a 2-level Ethics Committee of which one is at the Management level while the other is at the Board level. The set-up provides a robust support to the whistle-blowing mechanism where maintenance of confidentiality is of prime importance to provide adequate comfort level to the employees of the Corporation.

The composition of Ethics Committee as on 31<sup>st</sup> March 2023 was as follows:

Sl. No.	Name	Category	Designation
1	Shri Devesh Srivastava	Chairman	Chairman and Managing Director
2	Dr. M. P. Tangirala	Member	Non-Executive Government Nominee Director
3	Ms. A. Manimekhalai	Member	Independent Director

The members of the Ethics Committee (Management) are:

- Shri N. Ramaswamy
- Smt. Jayashree Ranade
- Shri Hitesh Joshi

### Corporate Social Responsibility (CSR) Committee

As per Section 135 of the Companies Act, 2013, companies fulfilling the criteria about Net Worth, Net Profit and Turnover have to contribute 2 percent of three years average net profit for Corporate Social Responsibility.

The Corporation has formed Board level Committee for Corporate Social Responsibility. This committee plays important role to plan, analyze, formulate and execute the CSR policies. The Corporation executes the CSR policies through NGO/Organization which are selected through transparent evaluation process.

The composition of Corporate Social Responsibility Committee as on 31<sup>st</sup> March 2023 was as follows:

Sl. No.	Name	Category	Designation
1	Shri Devesh Srivastava	Chairman	Chairman and Managing Director
2	Ms. A. Manimekhalai	Member	Independent Director
3	Shri T. Sivakumar	Member	Independent Director
4	Shri Priya Bhushan Sharma	Member	Independent Director
5	Ms. Madhulika Bhaskar	Member	Executive Director
6	Shri Inderjeet Singh	Member	Executive Director

### STATEMENT SHOWING NUMBER OF CORPORATE SOCIAL RESPONSIBILITY COMMITTEE MEETINGS ATTENDED BY THE MEMBERS DURING THE PERIOD APRIL 2022 TO MARCH 2023

Name of Members	Date of Meetings	
	10.08.2022	19.10.2022
Shri Devesh Srivastava	Present	Present
Shri A. K. Das*	Present	Present
Ms. A. Manimekhalai**	--	Absent
Shri T. Sivakumar***	Present	Present
Shri Priya Bhushan Sharma#	--	Present
Shri Inderjeet Singh##	--	--
Ms. Madhulika Bhaskar##	--	--

\* Ceased to be member of the Committee w.e.f. 19.01.2023

# Appointed as member of the Committee w.e.f. 30.09.2022

\*\* Ceased to be member of the Committee w.e.f. 03.06.2022

## Appointed as member of the Committee w.e.f. 09.11.2022

and Appointed as member of the Committee w.e.f. 30.09.2022

\*\*\* Appointed as member of the Committee w.e.f. 10.05.2022

### Stakeholders' Relationship Committee

In accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (LODR) Regulations, the Corporation has formed its Stakeholders' Relationship Committee comprising of Independent and Executive Directors to specifically look into the redressal of grievances of shareholders, debenture holders and other security holders. Ms. A. Manimekhalai, Independent Director is the Chairperson of the Committee. Shri Satheesh Kumar, Company Secretary, has been designated as Compliance Officer of the Corporation.

The composition of Stakeholders' Relationship Committee as on 31<sup>st</sup> March 2023 was as follows:

Sl. No.	Name	Category	Designation
1	Ms. A. Manimekhalai	Chairperson	Independent Director
2	Shri Devesh Srivastava	Member	Chairman and Managing Director
3	Shri Priya Bhushan Sharma	Member	Independent Director
4	Ms. Madhulika Bhaskar	Member	Executive Director
5	Shri Inderjeet Singh	Member	Executive Director

### STATEMENT SHOWING NUMBER OF STAKEHOLDERS' RELATIONSHIP COMMITTEE MEETINGS ATTENDED BY THE MEMBERS DURING THE PERIOD APRIL 2022 TO MARCH 2023

Name of Members	Date of Meeting
	21.12.2022
Shri A. K. Das*	Absent
Ms. A. Manimekhalai**	Absent
Shri Devesh Srivastava	Present
Shri Priya Bhushan Sharma#	Present
Shri Inderjeet Singh##	Present
Ms. Madhulika Bhaskar##	Present

\*Ceased to be member of the Committee w.e.f. 19.01.2023

#Appointed as member of the Committee w.e.f. 03.06.2022

\*\*Ceased to be member of the Committee w.e.f. 03.06.2022

##Appointed as member of the Committee w.e.f. 09.11.2022

and Appointed as member of the Committee w.e.f. 30.09.2022

**Details of Investor Complaints received and attended during the Financial Year 2022-23 and reported under Regulation 13(3) of the SEBI (LODR) Regulations are as given below:**

Particulars	No. of Complaints
No. of Complaints pending as on 1 <sup>st</sup> April 2022	0
No. of Complaints received during the year	117
No. of Complaints resolved during the year	117
No. of Complaints pending as on 31 <sup>st</sup> March 2023	0

### PERFORMANCE EVALUATION

A formal annual evaluation of the performance of the Board, its committees and individual directors has been carried out by the Board of Directors of the Corporation, while performance evaluation of the Independent Directors has been done by Non-Independent Directors. In the evaluation of Directors, the Director being evaluated had not participated.

## GENERAL BODY MEETINGS

The details of the Annual General Meetings of the Members held during the last three years are as follows:

Particulars	2019-20	2020-21	2021-22
<b>Date</b>	23 <sup>rd</sup> December 2020	21 <sup>st</sup> December 2021	26 <sup>th</sup> September 2022
<b>Time</b>	3:00 P.M.	3:00 P.M	3:00 P.M
<b>Venue</b>	Meeting held through Video Conference (VC)/Other Audio-Visual Means (OAVM). Deemed Venue : Registered Office of the Corporation.	Meeting held through Video Conference (VC)/Other Audio-Visual Means (OAVM). Deemed Venue : Registered Office of the Corporation.	Meeting held through Video Conference (VC)/Other Audio-Visual Means (OAVM). Deemed Venue : Registered Office of the Corporation.
<b>No. of Special Resolutions passed</b>	NIL	NIL	1
<b>Purpose/Details of Special Resolution</b>	N.A.	N.A.	Appointment of Ms. A. Manimekhalai (DIN: 08411575) as Director of the Corporation

There were no Extraordinary General Meeting of the Members held during the last three years.

## POSTAL BALLOT

During the year, the Corporation had sought approval of the shareholders by way of Postal Ballot for the following Resolutions:

S. No.	Particulars	Type of Resolution
1	Appointment of Shri T. Sivakumar (DIN 09450908) as Director of the Corporation	Special resolution
2	Appointment of Shri Priya Bhushan Sharma (DIN 01081362) as Director of the Corporation	Special resolution
3	Approval of Material Related Party Transaction(s) to be entered into with Agriculture Insurance Company of India Ltd. for the Financial Year 2022-23	Ordinary resolution
4	Approval of Material Related Party Transaction(s) to be entered into with India International Pte. Ltd. for the Financial Year 2022-23	Ordinary resolution
5	Appointment of Shri Inderjeet Singh (DIN 09778191) as General Manager & Director of the Corporation	Ordinary resolution
6	Appointment of Ms. Madhulika Bhaskar (DIN 09277012) as General Manager & Director of the Corporation	Ordinary resolution
7	Appointment of Dr. M. P. Tangirala (DIN 03609968) as Government Nominee Director of the Corporation	Ordinary resolution
8	Approval of Material Related Party Transaction(s) to be entered into with Agriculture Insurance Company of India Ltd. for the Financial Year 2023-24	Ordinary resolution
9	Approval of Material Related Party Transaction(s) to be entered into with India International Pte. Ltd. for the Financial Year 2023-24	Ordinary resolution

### Procedure for Postal Ballot:

Procedure as prescribed under Sec. 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014, has been adhered to.

### REMUNERATION OF DIRECTORS

- The Corporation being a Government Company, the remuneration payable to its Whole-time Directors/Executive Directors is approved by the Government and advice received through the Administrative Ministry viz. Ministry of Finance.
- The Non-official Directors are paid Sitting Fees for Board Meetings and Sub Committee Meetings of the Board attended by them pursuant to Government of India letter dated 14<sup>th</sup> October 2015, available on the website of the Corporation: [https://www.gicre.in/images/phocadownload/Ministry\\_Order\\_Payment\\_of\\_Sitting\\_Fees\\_12-4-2018\\_new.pdf](https://www.gicre.in/images/phocadownload/Ministry_Order_Payment_of_Sitting_Fees_12-4-2018_new.pdf)
- The Corporation does not have a policy of paying commission on profits to any of the Directors of the Corporation.
- The remuneration payable to officers below Board level is also approved by the Government of India.

The details of remuneration paid to all the Directors are disclosed in the Form MGT-7, Annual Return for FY 2022-23. The same is available on the website of the Corporation: <https://www.gicre.in/en/investors-public-disclosures/investors-en/financial-performance/annual-return>

### INDEPENDENT DIRECTORS' MEETING

As provided under Schedule IV of the Companies Act, 2013 and also as per Regulation 25(3) of the SEBI (LODR) Regulations, a separate meeting of Independent Directors was held on 9<sup>th</sup> February 2023 for performance evaluation of Directors, Board and the Committees. Being a Government company, the appointment of all Directors including Independent Directors is done by the Government of India.

### KEY MANAGERIAL PERSONNEL

As per Section 2(51) and Section 203(1) of the Companies Act, 2013, following are the Key Managerial Personnel of the Corporation as on 31<sup>st</sup> March 2023:

Sl. No.	Name	Designation
1	Shri Devesh Srivastava	Chairman and Managing Director
2	Smt. Jayashree Ranade	Chief Financial Officer
3	Shri Satheesh Kumar	Company Secretary

### As per IRDA Act, 1999, following are the Key Managerial Personnel of the Corporation as on 31<sup>st</sup> March 2023:

Sr. No.	Designation	Name
1	Chief Executive Officer	Shri Devesh Srivastava
2	General Manager, Chief Financial Officer and Chief of Internal Audit & Financial Advisor	Smt. Jayashree Ranade
3	Chief Marketing Officer	Shri Rajesh Khadare
4	Chief Underwriting Officer	Shri V. Balkrishna
5	Chief Investment Officer	Smt. Radhika Ravishekar
6	Chief Risk Officer	Smt. Jayashri Balkrishna
7	Chief Compliance Officer & Company Secretary	Shri Satheesh Kumar
8	Appointed Actuary (Non-Life)	Shri Sateesh N. Bhat
9	Appointed Actuary (Life)	Shri Vikash Kumar Sharma
10	General Managers	Ms. Madhulika Bhaskar Shri Hitesh Joshi Shri N Ramaswamy Shri Inderjeet Singh

### **Changes in KMP (as per IRDA Act, 1999) during the year:**

- Smt. Jayashree Ranade was appointed as Chief of Internal Audit & Financial Advisor w.e.f 06.04.2022.
- Shri Rajesh Khadatare was appointed as Chief Marketing Officer w.e.f. 06.04.2022.
- Ms. Madhulika Bhaskar was appointed as General Manager w.e.f 16.09.2022
- Ms. Girija Subramanian ceased to be General Manager w.e.f. 16.09.2022
- Shri N. Ramaswamy took charge as General Manager w.e.f. 30.09.2022
- Ms. Madhulika Bhaskar was appointed as General Manager & Director w.e.f. 31.10.2022 and ceased to be General Manager & Director w.e.f. 30.06.2023
- Mr. Inderjeet Singh was appointed as General Manager & Director w.e.f. 31.10.2022 and ceased to be General Manager & Director w.e.f. 02.05.2023

### **MEANS OF COMMUNICATION**

Timely disclosure of consistent, relevant and reliable information on corporate financial performance is at the core of good governance. Towards this end, major steps taken are as under:

#### **a. Quarterly/Half-yearly/Annual Financial Results**

The quarterly and half-yearly unaudited financial results/annual audited financial results of the Corporation are announced within the time limits prescribed by the SEBI (LODR) Regulations. The results are published in leading business/regional newspapers.

#### **b. Website**

The Corporation's website [www.gicre.in](http://www.gicre.in) provides separate section for investors "Investors" where relevant information for shareholders is available.

#### **c. News Release**

Official News Releases are hosted on the Corporation's website: [www.gicre.in](http://www.gicre.in).

#### **d. Annual Report**

Annual Report is circulated to the shareholders and others entitled thereto. The Management Discussion & Analysis Report is part of the Annual Report.

### **GENERAL SHAREHOLDER INFORMATION**

#### **a. 51<sup>st</sup> Annual General Meeting**

**Date & Time:** Tuesday, 26<sup>th</sup> September 2023 at 3:00 p.m.

**Venue/Mode:** The AGM is proposed to be convened through Video Conference (VC)/Other Audio-Visual Means (OAVM) in compliance with General Circular No. 14/2020, 17/2020, 20/2020, 02/2021 and 10/2022 issued by Ministry of Corporate Affairs (MCA Circulars) and other applicable provisions of the Companies Act, 2013 and circulars issued by the Securities and Exchange Board of India (SEBI), without the physical presence of the Members at a common venue. The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Corporation which shall be the deemed venue of the AGM.

#### **b. Financial Year: 1<sup>st</sup> April to 31<sup>st</sup> March**

The financial calendar (tentative) to approve quarterly/annual financial results of the Corporation for the financial year 2023-24 is given below:

Quarter ending 30 <sup>th</sup> June 2023	: On or before 10.08.2023
Quarter ending 30 <sup>th</sup> September 2023	: On or before 09.11.2023
Quarter ending 31 <sup>st</sup> December 2023	: On or before 14.02.2024
Quarter & year ending 31 <sup>st</sup> March 2024	: On or before 30.05.2024

### c. Record date & Date of dividend Payment :

- **Record date:** Friday, 8<sup>th</sup> September 2023
- **Date of Dividend Payment:** A dividend of ₹ 7.20 per share (144% of Paid up equity share capital), subject to deduction of TDS, as recommended by the Board of Directors, if approved at the AGM, shall be paid to the eligible shareholders within the stipulated 30 days period after the AGM as provided under the Companies Act.

### d. Listing on Stock Exchanges as of 31<sup>st</sup> March 2023:

#### The BSE Limited

Phiroze Jeejeeboy Towers, Dalal Street,  
Mumbai - 400 001

#### The National Stock Exchange of India Limited

Exchange Plaza, 5<sup>th</sup> Floor, Plot No. C/1, G Block,  
Bandra Kurla Complex, Bandra(East), Mumbai- 400 051

e. **Listing Fees:** The listing fees for Financial Year 2023-24 has been paid to the Stock Exchanges within stipulated time period.

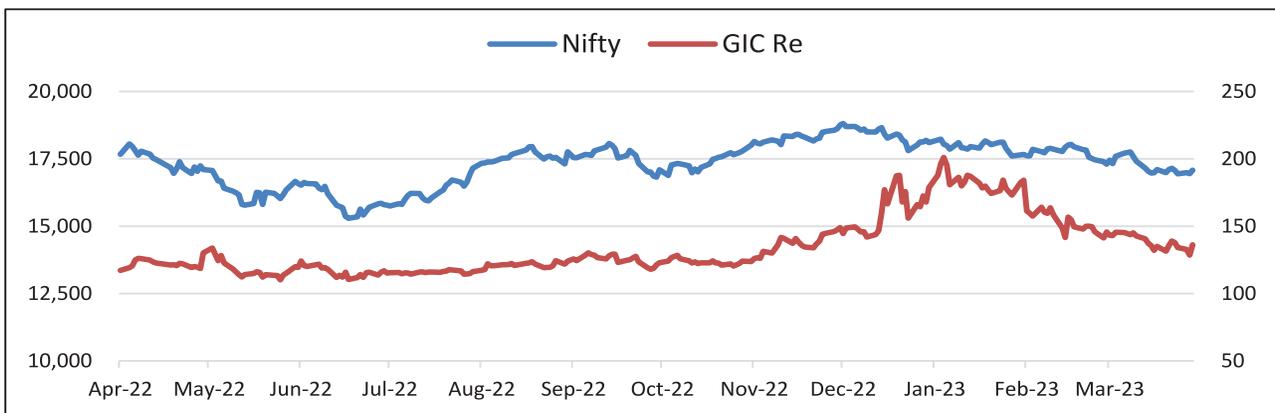
### f. Stock Code:

BSE : 540755  
NSE : GICRE  
ISIN : INE481Y01014

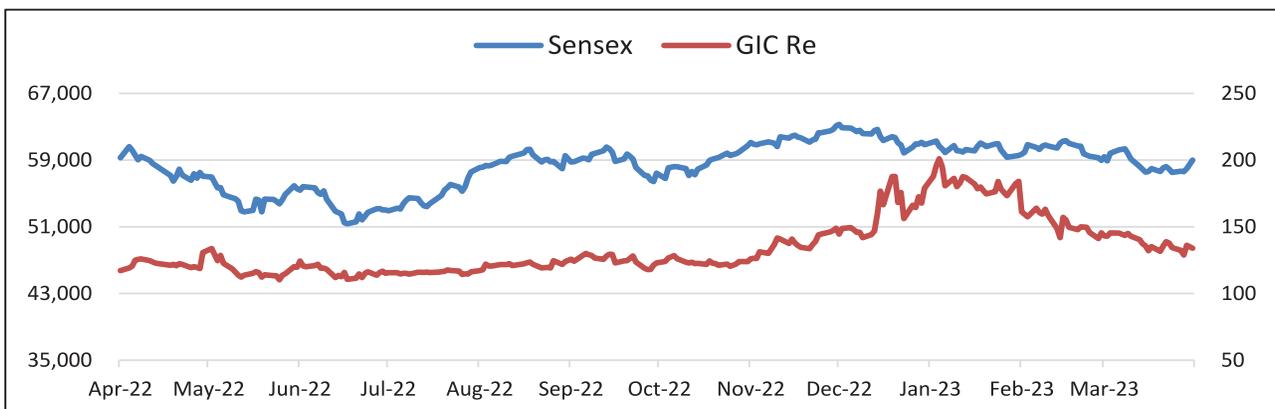
### g. Stock Market Data

Performance in Comparison to Broad Based Indices

**GICRE vs NSE Nifty**



**GICRE vs BSE Sensex**



**GICRE Share Price Monthly data**

Months	BSE				NSE			
	High (₹)	Low (₹)	Close (₹)	Volume (Qty)	High (₹)	Low (₹)	Close (₹)	Volume (Qty)
April-2022	139.80	113.60	130.07	14,77,802	140.70	113.80	130.15	2,12,87,839
May-2022	135.00	110.05	119.65	13,55,647	135.00	109.80	119.50	2,60,45,382
June-2022	129.05	107.60	115.20	10,45,473	129.00	105.00	115.20	1,61,10,838
July-2022	120.00	112.75	116.30	2,66,737	120.00	112.40	116.30	26,00,518
August-2022	127.40	116.35	123.95	5,15,834	127.65	116.00	124.10	70,62,530
September-2022	133.15	116.05	122.95	4,97,125	133.10	117.40	122.95	66,87,767
October-2022	128.75	119.50	123.90	2,03,874	128.80	119.40	123.75	24,50,636
November-2022	153.00	123.20	149.00	18,59,269	153.45	123.25	148.95	2,32,14,047
December-2022	200.60	141.10	178.90	92,76,475	200.75	141.20	178.75	16,05,68,226
January-2023	204.00	170.35	184.05	61,28,371	204.00	170.35	184.15	9,39,69,840
February-2023	185.75	140.65	145.50	31,52,888	185.85	140.50	145.70	4,86,88,637
March-2023	148.15	127.80	133.95	10,62,342	148.30	127.80	133.65	1,69,79,289

**h. Registrar and Transfer Agents****M/s. KFin Technologies Ltd.**

Karvy Selenium, Tower B,  
Plot number 31 & 32,  
Financial District, Gachibowli  
Hyderabad - 500 032.  
Contact No.: (040) 67162222  
Fax No.: (040) 23001153  
E-mail: einward.ris@kfintech.com

**i. Share Transfer System**

Activities relating to share transfers are carried out by M/s. KFin Technologies Ltd., who are the Registrar and Transfer Agents of the Corporation and who have arrangements with the Depositories viz. National Securities Depository Limited and Central Depository Services (India) Limited.

In view of SEBI Circular dated March 16, 2023, physical shareholders are requested to submit their PAN, full KYC details (Postal address with PIN, mobile number, email address, bank details, signature) and other relevant details in Form ISR-1 to KFin Technologies Limited, Registrar and Transfer Agent of the Corporation ("RTA"). The said Form is also available on the website of the Corporation <https://www.gicre.in/phocadownload/notice-communication-to-shareholders/Communication%20to%20Shareholders%20-%20Form%20ISR-1%20to%20ISR-3%20and%20SH-13%20and%2014.pdf> and also on the website of RTA. Non-availability of any of the above documents/details with the Corporation/RTA on or after October 01, 2023 will result in freezing of the physical shareholders' folios pursuant to the said SEBI Circular. Physical shareholders are also requested to dematerialize their shareholding at the earliest, as pursuant to SEBI Circular, any investor service requests including transfer requests shall be processed in dematerialised mode only.

**j. Distribution of shareholding as on 31<sup>st</sup> March 2023:**

SI. NO	NOMINAL VALUE OF EQUITY SHARES(₹)	NO. OF SHAREHOLDERS	% OF SHAREHOLDERS	NO. OF SHARES	% OF AMOUNT
1	1 – 5000	247434	99.73	3,01,05,561	1.72
2	5001 – 10000	331	0.13	24,15,356	0.14
3	10001 – 20000	148	0.06	21,44,928	0.12
4	20001 – 30000	69	0.03	17,18,266	0.10
5	30001 – 40000	25	0.01	8,76,578	0.05
6	40001 – 50000	24	0.01	10,88,301	0.06
7	50001 – 100000	22	0.01	15,19,514	0.09
8	100001 & Above	47	0.02	1,71,45,31,496	97.73
<b>Total</b>		<b>2,48,100</b>	<b>100.00</b>	<b>1,75,44,00,000</b>	<b>100.00</b>

**k. Information on Shareholding as on 31<sup>st</sup> March 2023:**

SL. NO	CATEGORY	NO. OF HOLDERS	SHARES HELD	% OF TOTAL ISSUED SHARES
1	President of India	1	1,50,50,00,000	85.78
2	Banks	7	1,99,07,034	1.13
3	Insurance Companies	10	17,13,19,504	9.77
4	Foreign Portfolio Investors	97	1,17,12,423	0.67
5	Mutual Funds	10	20,95,789	0.12
6	Individuals (Includes Resident Individuals & HUF)	2,45,218	3,61,75,702	2.06
7	Non-Resident Indians (Repatriable & Non-Repatriable)	2,338	11,79,058	0.07
8	Others	419	70,10,490	0.40
<b>Total</b>		<b>2,48,100</b>	<b>1,75,44,00,000</b>	<b>100.00</b>

**l. Dematerialization of shares and liquidity**

The total number of shares dematerialized as on 31<sup>st</sup> March 2023 is 1,75,43,99,100 representing 99.99% of Issued and Subscribed share capital including shares held by the President of India. Pursuant to SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018, w.e.f. 1<sup>st</sup> April 2019, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository. Further, with effect from 24<sup>th</sup> January 2022, SEBI has made it mandatory for listed companies to issue securities in demat mode only while processing any investor service requests viz. issue of duplicate share certificates, exchange/sub-division/splitting/consolidation of securities, transmission/transposition of securities. Vide its Circular dated 25<sup>th</sup> January 2022, SEBI has clarified that listed entities/RTAs shall now issue a Letter of Confirmation in lieu of the share certificate while processing any of the aforesaid investor service request.

**Simplified Norms for processing Investor Service Request**

SEBI, vide its Circular dated 16<sup>th</sup> March 2023, has made it mandatory for holders of physical securities to furnish PAN, KYC and Nomination/Opt-out of Nomination details to avail any investor service. Folios wherein any one of the above-mentioned details are not registered by 1<sup>st</sup> October 2023 shall be frozen. The concerned Members are therefore urged to furnish PAN, KYC and Nomination/Opt out of Nomination by submitting the prescribed forms duly filled by email from their registered email id to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) or through In Person Verification by RTA or by sending a physical copy of the prescribed forms duly filled and signed by the registered holders to M/s. KFin Technologies Limited at Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad-500 032.

**m. Investor correspondence:**

- i. Shri Satheesh Kumar  
 Company Secretary & Compliance Officer  
 E-mail id: investors.gic@gicre.in  
 'Suraksha', 170, J.T. Road,  
 Churchgate, Mumbai- 400 020  
 Telephone (Board): +91 22 2286 7000
- ii. Smt. Jayashri Balkrishna  
 Investor Relations Manager  
 Email id: investorrelationsteam@gicre.in  
 'Suraksha', 170, J.T. Road,  
 Churchgate, Mumbai – 400 020

**n. Credit Ratings:**

During the Financial year ended 31<sup>st</sup> March 2023, A.M. Best and CARE has reaffirmed the ratings assigned to the Corporation. Further, the Outlook of Long-Term Issuer Credit Rating was revised from Stable to Negative by A.M. Best.

The following table provides the ratings obtained during the year.

Rating Agency	Credit Rating Scales	Rating	Outlook
A.M. Best	Financial Strength Rating	B++ (Good)	Stable
	Long-Term Issuer Credit Rating	bbb+ (Good)	Negative
CARE	Issuer Rating	AAA	Stable

**o. Certification from Company Secretary in practice:**

Ms. Ragini Chokshi from M/s. Ragini Chokshi & Co., Company Secretaries, has issued a certificate as required under the SEBI (LODR) Regulations, confirming that none of the Directors on the Board of the Corporation has been debarred or disqualified from being appointed or continuing as Director of companies by the SEBI or Ministry of Corporate Affairs or any such statutory authority. The Certificate is enclosed with this report as 'Annexure – A'.

**p. Details of total fees paid to statutory auditors:**

The details of total fees for all services payable by the Corporation and its subsidiaries, on a consolidated basis to the statutory auditors and all entities in the network firm/network entity of which the statutory auditors are a part, are as follows:

(Amount in ₹)

Payment to Statutory Auditors	2022-23
Audit Fees	72,00,000
Tax Audit Fees	5,00,000
Other Services	15,10,000
<b>Total</b>	<b>92,10,000</b>

**q. Disclosures pertaining to Sexual Harassment at workplace (Prevention, Prohibition and Redressal) Act, 2013 have been made in the Directors' Report.****r. Discretionary Requirements:**

The status of adoption of the non-mandatory requirements as specified in sub-regulation 1 of Regulation 27 of the SEBI (LODR)

Regulations, are as follows:

- a. The Board: The Chairperson of the Corporation is an Executive Chairperson.
- b. Shareholder Rights: Quarterly, Half-yearly and Annual financial statements are published in newspapers and uploaded on the Corporation's website [www.gicre.in](http://www.gicre.in).
- c. Modified opinion(s) in audit report: Statutory Auditors have raised no qualification on the financial statements.
- d. Reporting of Internal Auditor: The Internal Auditors of the Corporation report directly to the Audit Committee of the Board.

### s. Other Disclosures

- a. During the year 2022-23, there were no material transactions with Directors or their relatives having potential conflict with the interests of the Corporation at large. Being a Government Company, all the Directors of the Corporation are appointed by the Government of India. There is no relationship inter se between these Directors.
- b. As required under the SEBI (LODR) Regulations, the Corporation has formulated a Related Party Transaction Policy. All the related party transactions entered during the year were at arm's length price.

- c. (i) FY 2022-23: The Corporation has received letters from National Stock Exchange of India Limited and BSE Limited dt. 21.11.2022 informing imposition of fine for non-compliance of provisions of Regulation 17(1) of the SEBI (LODR) Regulations pertaining to composition of Board for the quarter ended 30.09.2022. In this regard, the Corporation had applied to both the Stock Exchanges vide its letters dated 25.11.2022 for waiver of fine and grant exemption for the period of non-compliance with the aforesaid regulation, since the Corporation had taken all possible measures for ensuring compliance to Regulation 17(1) of SEBI (LODR) Regulations.

- (ii) FY 2021-22: The Corporation has received letters from National Stock Exchange of India Limited and BSE Limited dt. 20.08.2021, 22.11.2021, 21.02.2022 and 24.05.2022 informing imposition of fine for non-compliance of provisions of Regulation 17(1) of the SEBI (LODR) Regulations pertaining to composition of Board for the quarter ended 30.06.2021, 30.09.2021, 31.12.2021 and 31.03.2022. In this regard, the Corporation had communicated both the exchanges of the efforts taken towards ensuring compliance regarding composition of Board of Directors and had requested for waiver of fines.

Subsequently, Govt of India appointed directors on the Board and accordingly the composition of the Board was in compliance with Regulation 17 (1) of the SEBI (LODR) Regulations w.e.f. 22.03.2022. Accordingly, the Corporation applied for waiver of penalty.

- (iii) FY 2020-21: The Corporation had received letters from National Stock Exchange of India Limited (dt. 15.02.2021 and 17.05.2021) and BSE Limited (dt. 17.05.2021) informing imposition of fine for non-compliance of provisions of Regulation 17 (1) of the SEBI (LODR) Regulations pertaining to composition of Board till the quarter ended 31<sup>st</sup> March 2021. In this regard, the Corporation had requested the Stock Exchanges for waiver of fines levied, as GIC Re being a Government Company, the power to appoint Directors (including Independent Directors), terms and conditions of appointments etc. vests with the Government of India and such non-compliance is not due to any negligence/default by the Corporation.

Subsequently, NSE vide letter dated 01.03.2023 informed that the matter was placed before the relevant authority of the Exchange and Corporation's request for waiver of fine for quarter ended 31.12.2020, 31.03.2021, 30.06.2021, 30.09.2021, 31.12.2021, 31.03.2022 & 30.09.2022 was considered favorably. Hence, the fine was waived. It was also requested to ensure compliance to SEBI (LODR) Regulations and/or any other applicable Regulations in future.

- d. The Corporation has a Whistle-Blower Policy in place and no personnel have been denied access to the Audit Committee. This policy is hosted on the website of the Corporation and can be accessed at:  
[https://www.gicre.in/images/pdf/Vigil\\_Mechanism\\_or\\_Whistle\\_Blower\\_policy-2022\\_Ver\\_20.pdf](https://www.gicre.in/images/pdf/Vigil_Mechanism_or_Whistle_Blower_policy-2022_Ver_20.pdf)

- e. The Corporation is complying with the various mandatory and non-mandatory Corporate Governance requirements envisaged under the SEBI (LODR) Regulations.
- f. The Corporation has a policy for determining material subsidiaries which has been hosted on the website of the Corporation and can be accessed at: [https://www.gicre.in/images/pdf/Policy\\_for\\_determining\\_material\\_subsidaries-2022\\_Ver\\_30.pdf](https://www.gicre.in/images/pdf/Policy_for_determining_material_subsidaries-2022_Ver_30.pdf)
- g. The policy on dealing with related party transactions has been hosted on the website of the Corporation and can be accessed at: [https://www.gicre.in/images/pdf/Related\\_Party\\_Transaction\\_Policy\\_2022\\_Ver\\_40.pdf](https://www.gicre.in/images/pdf/Related_Party_Transaction_Policy_2022_Ver_40.pdf)
- h. The Corporation has framed a “Code of Conduct for Prohibition of Insider Trading-2022” and the same has been hosted on the website of the Corporation and can be accessed at: [https://www.gicre.in/images/Code\\_of\\_Conduct\\_for\\_Prohibition\\_of\\_Insider\\_Trading\\_-\\_2022.pdf](https://www.gicre.in/images/Code_of_Conduct_for_Prohibition_of_Insider_Trading_-_2022.pdf)
- i. The Corporation has complied with the applicable conditions of Corporate Governance requirements as specified in Regulation 17 to 27 to the extent applicable and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (LODR) Regulations, except with regard to the composition of Board of Directors as required under Regulation 17(1) of the SEBI (LODR) Regulations and the same has been taken up with the Administrative Ministry (Ministry of Finance). Further, the link for accessing the details as prescribed under Regulation 46 of the SEBI (LODR) Regulations is <https://www.gicre.in/en/investors-public-disclosures/investors-en>.

## CERTIFICATE OF COMPLIANCE OF THE CORPORATE GOVERNANCE GUIDELINES

I, Satheesh Kumar, hereby certify that the Corporation has complied with the Corporate Governance guidelines for Insurance Companies as amended from time to time and nothing has been concealed or suppressed.

**Sd/-**  
**(Satheesh Kumar)**  
**Assistant General Manager,**  
**CS & Compliance Officer**

## COMPLIANCE WITH CODE OF CONDUCT FOR BOARD OF DIRECTORS AND SENIOR MANAGEMENT

This is to certify that the Corporation has laid down Code of Conduct for all Board Members and Senior Management of the Corporation and the same are uploaded on the website of the Corporation and the link for accessing this Code is:

[https://www.gicre.in/images/Code\\_of\\_Conduct\\_for\\_Directors\\_and\\_Senior\\_Management\\_2022\\_-\\_Ver\\_30.pdf](https://www.gicre.in/images/Code_of_Conduct_for_Directors_and_Senior_Management_2022_-_Ver_30.pdf)

Further certified that the Members of the Board of Directors and Senior Management Personnel have affirmed and having complied with the Code as applicable to them during the year ended 31<sup>st</sup> March 2023.

**Sd/-**  
**(Devesh Srivastava)**  
**Chairman and Managing Director**

### CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,  
The Members,  
**General Insurance Corporation of India**  
Suraksha, 170 J Tata Road  
Churchgate Mumbai  
MH 400020 IN

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **GENERAL INSURANCE CORPORATION OF INDIA** having **CIN: L67200MH1972GOI016133** and having registered office at Suraksha, 170 J Tata Road Churchgate Mumbai MH 400020 IN (hereinafter referred to as 'the Corporation'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal ([www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment
1	PRIYA BHUSHAN SHARMA	01081362	22/03/2022
2.	ARUMUGAM MANIMEKHALAI	08411575	05/09/2022
3.	DEVESH SRIVASTAVA	08646006	21/12/2019*
4	MADHULIKA BHASKAR	09277012	31/10/2022
5.	THANIKACHALAM SIVAKUMAR	09450908	29/12/2021**
6.	INDER JEET SINGH	09778191	31/10/2022
7	MARUTHI PRASAD TANGIRALA	03609968	05/01/2023
8	VINATA KUMARI	10093690	29/03/2023***

Note:

\*Appointment of Mr. Devesh Srivastava by Government notification dated 17<sup>th</sup> December 2019.

\*\*Appointment of Mr. Thanikachalam Sivakumar by Government notification dated 21<sup>st</sup> December 2021.

\*\*\*Appointment of Ms. Vinita Kumari by Government notification dated 24<sup>th</sup> March 2023.

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company

**For Ragini Chokshi & Co.**  
(Company Secretaries)

Place : Mumbai  
Date : 25/05/2023

**Makarand Patwardhan**  
(Partner)  
ACS No.: 11872  
CP No.: 9031  
PR No: 659/2020  
UDIN: A011872E000372276

## CORPORATE SOCIAL RESPONSIBILITY REPORT

Our Corporate Social Responsibility (CSR) policy strives to transform India into a risk-aware society from being a risk-averse society. We aim to integrate social, environmental and our CSR activities have focused on capacity building, empowerment of communities, inclusive socio-economic growth, environment protection, education of under-privileged, promotion of green and energy efficient technologies, development of backward regions, and uplifting the marginalized and under-privileged sections of the society.

Corporate social responsibility is the continuing commitment by the corporates to behave ethically and contribute to the economic development of the country while improving the quality of life of the workforce and their families and local community and society at large.

In the changing business environment, doing well (profit) and doing good (caring) are not mutually exclusive but mutually reinforcing. There has been a paradigm shift from the way business was done earlier to how it should be done today. It's no longer a question if companies should engage in CSR, it's now a question of to what extent will they do so, and how they will create and communicate real and meaningful impact.



## REPORT ON CSR ACTIVITIES IN FY 2022-23

- Bhartiya Bahuuddeshiya Khadi va Gramodyog Shiksha Sanstha:** BBKGSS came into legal existence in the year 1995. The organization aims to strengthen, coordinate and facilitate the grass-roots level institutions with government support for integrated rural development of the rural masses. The BBKGSS have taken up the construction of Mahila Vikas Kendra (Community Centre) at village Teurwadi, Tal. Chandgad, Dist. Kolhapur, and Wanjulshet Dist. Ahmednagar Maharashtra. The Centre will be used to conduct the health camps, study centre, handicraft work, sewing work, traditional income skills & vocational trainings and workshops. The centre will play a major role in the economic and social development of the women and young girls in and around the village. Cost of this project is ₹ 93,45,068.46.
- Kendriya Sainik Board:** It is the apex body of the Central Govt which looks after the welfare of War-Widows, Armed Forces Veterans (AFVs) and their dependents across the country. GIC Re has contributed for one of their projects.
  - Education -** Aim of this scheme is to provide scholarship to up to a maximum of two dependent children of ESM or their widows, up to the ranks of Havildar in the Army and equivalent in the Navy and Air Force, and to widows for post-graduation degree course. The main objective is empowerment of the children and to make them self-reliant. The project cost is ₹ 98,04,000.00 and the number of beneficiaries against the project is 817.
- National Tiger Conservation Authority Fund:** We have contributed ₹ 8,09,95,359.00 to NTCA for monitoring of tigers, co-predators and their prey in tiger reserves of India & Implementation of M-STripes in select tiger reserves for monitoring overall protection status. Tiger is a conservation dependent species. For conservation and management of any endangered species such as tiger; its status, distribution, and trends in populations needs to be monitored at regular interval so that the information derived from monitoring process may be used for designing, implementation and evaluation of success of conservation program. Use of best available science, technology and analytical tools in keeping up with "Digital India" has been the norm for different cycles of AITE. Such exercise will not only arrive at tiger numbers for the country, but also would provide status of other co-predators, megaherbivores, prey, habitat and human disturbances for the tiger bearing areas in the country thereby reiterating the umbrella role of tigers in biodiversity conservation.
- Shraddha Rehabilitation Foundation:** It focuses only on the wandering mentally ill destitute roaming on the streets of India since 1988. The mentally ill destitute picked up from the Mumbai-Pune belt off the streets, and other organisations. The beneficiaries are rehabilitated with various psychosocial interventions depending on their condition. We have committed financially to support Shraddha to reunite about 160 destitute. The project cost is ₹ 59,14,720.00.

5. **Akhand Jyoti Eye Hospital:** The Yugrishi Shriram Sharma Acharya Charitable Trust (YSSACT), a secular, professionally managed non-profit organisation, was formed in 2004 and started the Akhand Jyoti Eye Hospital (Akhand Jyoti). Akhand Jyoti is a non-profit unit of the YSSACT. Akhand Jyoti is now one of the top five eye hospitals in India. GIC Re has granted funds for catering to 827 free cataract surgeries & purchase of one 32-seater bus for free patient transport which will be beneficial to low-income beneficiaries to facilitate their eye surgeries at Akhand Jyoti Eye Hospital which is located at various places in Bihar State. Cost of the project was ₹ 58,07,287.
6. **Ashray Social Welfare Foundation:** Ashray Social Welfare Foundation is a Non-Government Organization rooted on philanthropic values for the empowerment of the people in the underserved rural areas. The role is to act as a catalyst to channelize and fine tune the local skills and potential available in the rural sectors, redefine them to make them self-reliant and self-sufficient for a bright and healthy future. Ashray is a non-profit organisation committed to bringing holistic rural development. Ashray Social Welfare Foundation were granted funds of ₹ 30,00,000.00 towards construction of 60 Holiya structures as part of a project of watershed development/agricultural productivity in the villages of Santalpur Taluka, Patan district, Gujarat. The Holiya shall enable the marginal farmers to transition from mono-cropping and grow a variety of crops in their farmlands and ensure the continuity of agricultural practice during droughts as well as floods. This project relates to Environmental, Social, and Governance matters. This is as per GIC Re's commitment to sustainable business practices.
7. **VJTI Alumni Association:** Started in September 2008, Society of Robotics and Automation, (better known as SRA) is VJTI's prominent student body that deals with Robotics, Machine Vision, Automation, and allied fields. SRA aims to create awareness, promote robotics, knowledge and technical concepts among students at VJTI and other leading colleges in Mumbai. CSR Fund of ₹ 60,07,950.00 was sanctioned for the renovation and development of Mechanical Heat Transfer Lab, VJTI (SRA, VJTI). Some benefits from this infra development are - The facility will be open to all students of VJTI, regardless of their academic discipline, as robotics and technology requires imaginative minds from a variety of fields to find and solve societal problems. It will support the Make in India initiative by generating and using indigenous technologies and solutions that will contribute to the growth of the larger society.
8. **The National Federation of the Blind Maharashtra:** The National Federation of the Blind Maharashtra, (NFBM) is a state-level organization that works for education, training and employment of the visually challenged students. NFBM is a unique service-oriented organization established in the year 1977 with the vision of improving the quality of life of visually impaired persons. They run several projects which are located at Mumbai, Pune, Nashik, Aurangabad, Nagpur, Amravati, Nanded, Jalna, Jalgaon and Kolhapur. ₹ 58,19,100.00 has been sanctioned for the furnishing and upgradation of Hostel Dormitories at NFBM Jagriti School for Blind, Alandi, Pune dist. Maharashtra India. The construction of the hostel building has been completed and needs support for internal requirements of dormitory. The NFBM Jagriti School for blind girls provides free education, lodging & boarding facilities to its deserving students. Regular academic coaching is given to children here along with provision for learning extracurricular skills like training information technology vocational training craft sports' training cultural skills and communication home science and music classes at specialties is of the school.
9. **Indian Institute of Technology, Madras:** IIT Madras is one among the foremost institutes of national importance in higher technological education, basic and applied research. known both nationally and internationally for excellence in technical education, basic and applied research, innovation, entrepreneurship and industrial consultancy. The Institute falls under list of activities that come under Schedule VII of the Companies Act 2013(CSR). The Biosensors Laboratory at IIT Madras has developed a novel plasmonic fiber optic absorbance biosensor (P-FAB) technology and established a laboratory-level proof-of-concept for the detection of a well-reported tuberculosis biomarker in urine, known as Lipoarabinomannan (LAM). The next step towards bringing the urinary marker-based TB diagnosis is the systematic clinical validation study of the P-FAB diagnostic technology with TB patient samples. This research project envisages taking up this critical task and bringing it closer to the deployment of this technology in primary healthcare centres (PHCs). GIC Re funded this research at a cost of ₹ 75,82,974.00.

10. **Indian Institute of Technology, Roorkee:** IIT, Roorkee is among the foremost of institutes of national importance in higher technological education and in engineering, basic and applied research. Established in 1847, its mission is to enable a creative and dynamic learning environment, build industry-academic collaboration, and develop sustainable research solutions for the benefit of the nation. The Institute falls under list of activities that come under Schedule VII of the Companies Act 2013(CSR). Through their research project, the aim is to develop novel transparent perovskite materials based solar panel for building integration and development of futuristic technologies utilizing industry scale raw materials synthesis and scalable fabrication process from a long-term perspective. It will enable to develop next generation semi-transparent solar panel-based net zero energy efficient building and carbon free economy. This will have a large societal impact. GIC Re funded this research at a cost of ₹ 80,00,000.00.
11. **Broadcast Engineering Consultants India Limited (BECIL):** Broadcast Engineering Consultants India Limited (BECIL), an ISO 9001:2015, ISO 27001:2013, ISO/IEC 20000:2012 certified, Mini Ratna, Public Sector Enterprise of Government of India under Ministry of Information & Broadcasting established on 24<sup>th</sup> March 1995. BECIL is also registered under Department of Electronics and Information Technology (DietY) and Ministry of Electronics and Information Technology (MietY). Preserving and restoring the old buildings is important because these old monuments are the reflection of our history. GIC Re funded the project of Architectural Monument Lighting of Sahaji Raje Gadi Aurangabad, Maharashtra at a cost of ₹ 3,69,11,875.00. The idea was to regenerate and reinstate the character of a model depicting the validated history of the place through this Dynamic Light Simulations storyboard.
12. **National Sports Development Fund (NSDF):** National Sports Development Fund (NSDF) was established in 1998 under the Charitable Endowments Act 1890; It was notified by Government of India in November 1998. The Fund helps sportspersons excel by providing them opportunities to train under coaches of international repute with technical, scientific, and psychological support and giving them exposure to international competitions. GIC Re has contributed an amount of ₹ 3,85,32,900.00 towards supporting Indian Weightlifting Federation (IWLF) through the procurement of weightlifting equipment for the development of the Sports from the grassroots level.



Corporate social responsibility (CSR) is a company's commitment to manage the social, environmental and economic effects of its operations responsibly and in line with public expectations. The benefits of CSR are many. Companies establish good reputations, attract positive attention, minimize environmental impacts and inspire innovation. With growing public awareness and demand for socially responsible businesses, companies are considering corporate social responsibility when planning future business operations which are socially responsible as well.

The purpose of corporate social responsibility is to give back to the community, take part in philanthropic causes, and provide positive social value. Businesses are increasingly turning to CSR to make a difference and build a positive brand around their company.

We have always ensured that our CSR projects have impacted the society, resulting in ethical behaviour and transparency which contributes to sustainable development, including the health and well-being of society.

## ECONOMIC OVERVIEW

### Global Economy

According to IMF, the global economic growth is estimated to have slowed to 3.4% in 2022 as it witnessed several headwinds that hampered its growth and stability. The ongoing conflict between Russia and Ukraine disrupted global supply chain and led to a sharp increase in inflation. To combat this, central banks around the world tightened monetary policy, which slowed down demand and further dampened economic growth. The US Federal Reserve's aggressive monetary tightening weighed on investment and economic activity, leading to a drop in business and consumer confidence. China faced several hurdles due to COVID-related restrictions and mounting pressure on its real estate market. These factors contributed to sluggish global trade and decline in investment activity leading to subdued global economic growth.

The global economy continues to witness several roadblocks to growth led by inflationary pressures, tighter monetary policy, and geopolitical tension. Amid these uncertainties, the global economic growth is expected to decline to 2.9% in 2023 as rising borrowing costs and worsening liquidity conditions is likely to slow the process of economic recovery. The global economy's trajectory is dependent on the resolution of the Russia-Ukraine conflict, the rate of monetary tightening, and the reduction of pandemic-related supply chain disruptions. The road ahead is riddled with uncertainty, and policymakers will need to take proactive measures to manage these issues and ensure its stability and resilience. Tailwinds to growth will primarily come from fading pandemic-related shocks, high inflation, and monetary policy tightening.

### Indian Economy

The Indian economy demonstrated resilience and continued to be one of the fastest-growing major economies amidst a slowing global economy and rising interest rates and grew by 7.2% in FY23. While ongoing policy tightening to curb high inflation caused by supply chain disruptions resulting from the Russia-Ukraine conflict dampened the growth momentum, increase in government's infrastructure spending, robust private demand and increased credit to the private sector supported economic activity. The Indian economy remained remarkably resilient in the face of these challenges, thanks to ongoing policy reforms and prudent regulatory measures that ensured strong macroeconomic fundamentals. The services sector emerged as the main driver of growth, while the manufacturing sector struggled with elevated input prices and uneven demand recovery. Despite the headwinds, the Indian economy's resilience in the face of global and domestic challenges bodes well for the country's long-term growth potential.

India's economic growth is expected to moderate to 5.9% in FY24 according to IMF estimates on the back of challenging external conditions, monetary policy tightening, and decline in consumption growth. Exports could face headwinds and rising borrowing costs could impact personal consumption thus curtailing economic growth. However, government's increased focus on infrastructure spending is likely to have a large multiplier impact and support investment and manufacturing activities and improve overall growth outlook. Moreover, slowing consumption growth, decline in global commodity prices along with lag impact of monetary policy tightening is likely to tame inflation. As such, the Indian economy is anticipated to show resilience in the face of challenging global economic environment and emerge as one of the fastest-growing economies in the world.

## INDIAN INSURANCE SECTOR DEVELOPMENTS

### General Insurance Industry

The gross direct premium underwritten by non-life insurance companies increased by 16.4% to ₹ 2.57 Lakh Crore compared to ₹ 2.21 Lakh Crore in FY22 led by growth in the health and motor insurance. Gross direct premium underwritten by the general insurers witnessed a growth of 16.3% to ₹ 2.15 Lakh Crore as compared to ₹ 1.85 Lakh Crore in FY22 while gross direct premium underwritten by standalone private health insurers increased by 25.8% to ₹ 26,242.29 Crore as compared to ₹ 20,867.24 Crore in FY22. Health insurance premiums have been the primary growth lever of the non-life insurance industry having grown by 23.2% YoY on the back of Ayushman Bharat scheme and other medical options made available due to pandemic-induced awareness. Motor insurance registered a growth of 15.4% YoY on the back of last year's low base, the increase in Motor TP rates and higher vehicle sales.

According to CARE Ratings, the Indian non-life insurance market is expected to grow by approximately 13-15% over the medium term. The health insurance segment is expected to grow at around 15-18% and cross the ₹1 Lakh Crore mark while motor insurance premiums is expected to grow at 11.5%-13.5% crossing ₹ 85,000 Crore in FY24. The growth would be driven by the popularity of health and motor insurance products on the back of rise in per capita disposable income levels.

### Life Insurance Industry

The domestic life insurance industry registered a growth of 17.9% for new business premium in 2022-23, generating a revenue of ₹ 3.71 Lakh Crore compared to ₹ 3.14 Lakh Crore in the previous year primarily due to growth in single premiums especially by LIC and individual non-single premiums, more specifically by private companies. The total premium of Life Insurance Corporation of India (LIC) in FY23 grew 16.7% to ₹2.32 Lakh Crore from ₹ 1.99 Lakh Crore whereas Private insurers registered a growth of 20.0% YoY. LIC share of new business premium (NBP) fell slightly to 62.6% in FY23, one of the lowest levels in recent times due to the introduction of the new tax regime, which eliminates exemptions previously used as a significant selling point by LIC agents and other life insurance businesses. Private insurance companies continue to extend their lead in the individual non-single premium segment and pushed non-par policies to high-net-worth individuals aggressively prior to the beginning of new taxation regime in April 2023.

The life insurance industry is expected to grow in double digits on the back of increased awareness about the importance of protection and retirement planning among the Indian population. Given the protection gap and insurance requirements, the long-term growth of the life insurance segment remains intact. The industry is likely to witness innovation in products and processes and continue to have significant digital intervention. The growth would also be driven by a supportive regulatory landscape, a push to increase insurance coverage, especially in the rural populace, and product innovations. With the continued focus on digitalisation and innovation, the industry is expected to witness further growth in the coming years.

Source: GI Council & LI Council

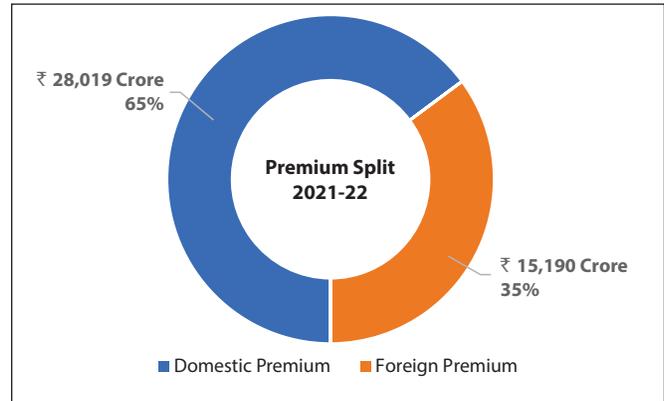
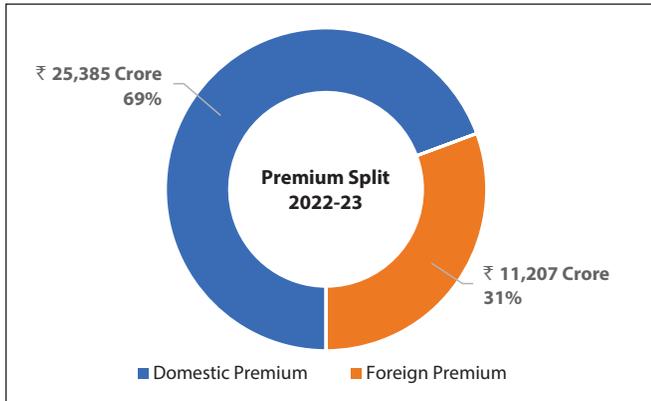
### GLOBAL REINSURANCE OUTLOOK 2023

The reinsurance market is undergoing a fundamental shift in pricing and risk appetite. The January 2023 reinsurance contract renewals witnessed momentum in the pace of price increases for property reinsurance as well as in specialty and casualty reinsurance lines. Shocks to macroeconomy in the form of increasing interest rates to curb inflationary environment, heightened geopolitical risks, frequent natural disasters, and capacity limitations has led to sharp increase in premium rates and tightening of terms and conditions, rarely seen in this market before. The Russia-Ukraine war led to price increases in affected specialty lines such as political risk and aerospace while persistent and elevated catastrophe losses led to price increases in property markets. Reinsurers looked to enhance coverage certainty by adding exclusions to all-risks cover or moving to named perils as they had suffered severe surprise losses in recent years.

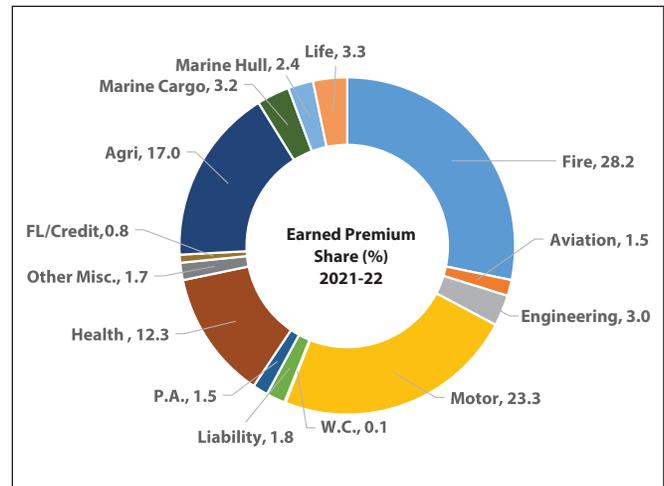
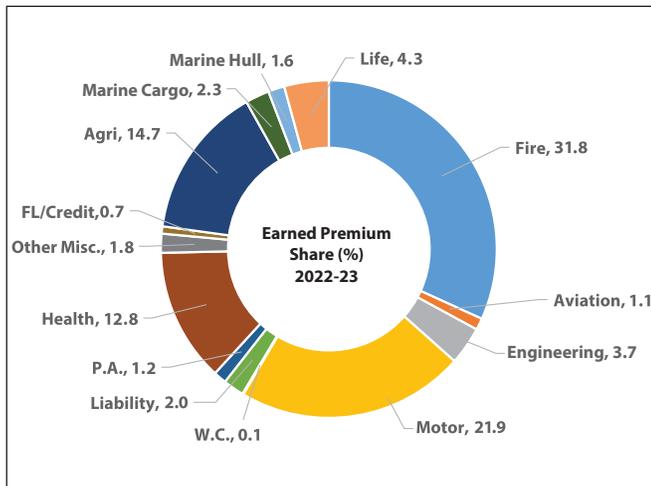
In recent years, there has been a significant increase in losses caused by secondary perils like floods, convective storms, winter storms, and wildfires. These secondary perils have contributed to more than 60% of the total insured catastrophic losses over the past five years. Consequently, there has been a re-evaluation of the risks associated with catastrophes, prompting some reinsurers to reduce their exposure or withdraw from providing catastrophe coverage altogether. So far, there has been minimal infusion of new capital from traditional reinsurers, and even alternative capital providers such as pension funds, who invest in insurance linked securities (ILS) like catastrophe bonds, have limited their contributions and remain cautious.

AM Best and Moody's have maintained their market segment outlook for the global reinsurance segment at stable on the back of positive pricing momentum and enhanced market discipline. However, Moody's has sounded caution on the sector's high exposure to natural catastrophe events which along with both economic and social inflation trends could pose threat to earnings going forwards. Nevertheless, the rating agency expects further improvement in the sector's underwriting performance due to hardening of rates driven by significant cat losses in previous years. Moreover, reinsurers are expected to maintain very strong capital adequacy supported by prudent risk management and past earnings retention.

## INTERNATIONAL AND DOMESTIC BUSINESS COMPOSITION



## EARNED PREMIUM BREAK UP



## GIC'S BUSINESS PERFORMANCE

The Corporation's gross premium income during the year 2022-23 was ₹ 36,591.59 Crore and the income from investments was ₹ 10,594.00 Crore. Underwriting results show an overall loss of ₹ 2,341.37 Crore in 2022-23 compared to an underwriting loss of ₹ 4,266.11 Crore in the previous year. The ratio of total business expenses to the earned premium i.e. Combined Ratio stood at 109.31%. The Solvency Margin of the Corporation as on 31<sup>st</sup> March 2023 was 2.61.

## CLASS WISE PERFORMANCE

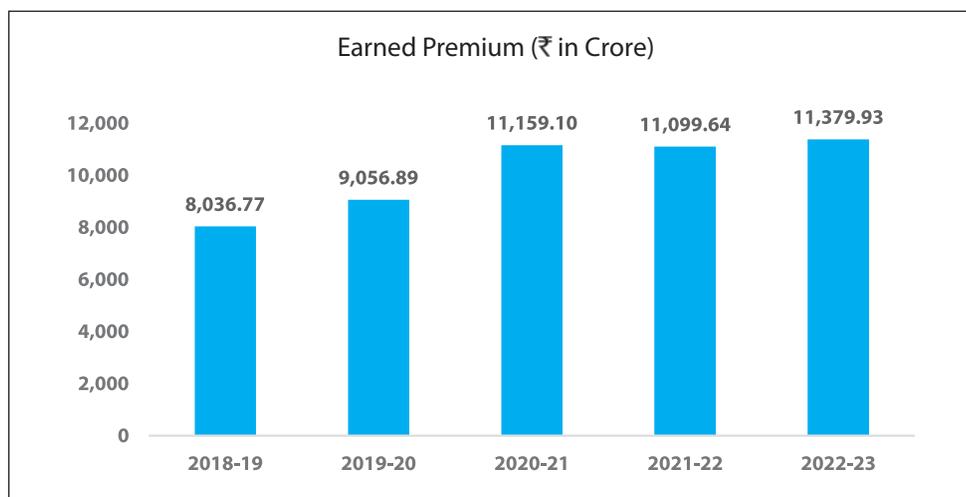
### FIRE

GIC Re's Earned premium for Fire Business for the year 2022-23 is ₹ 11,379.93 Crore as compared to ₹ 11,099.64 Crore in the previous year.

The Domestic Earned premium has increased by 2.41% to ₹ 5,148.89 Crore from ₹ 5,027.92 Crore in the previous year. The Foreign Earned premium increased by 2.62% to ₹ 6,231.04 Crore from ₹ 6,071.72 Crore in the previous year.

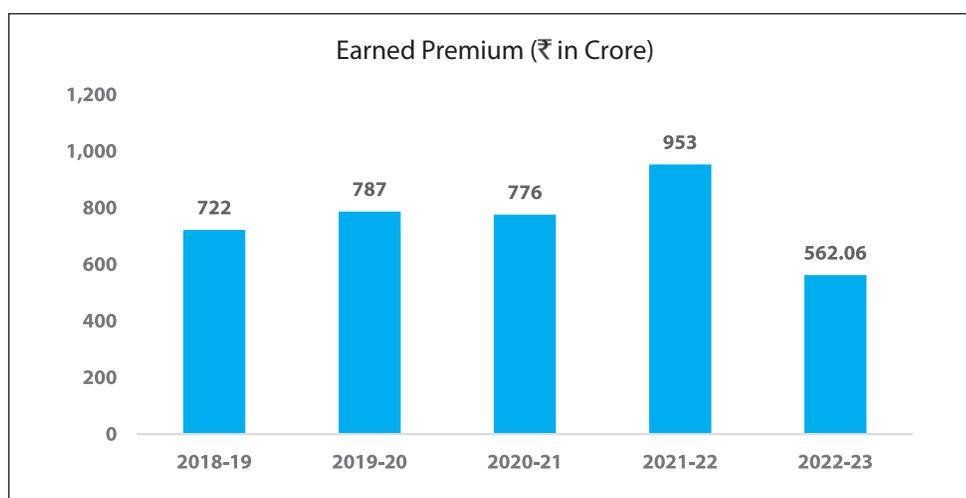
The overall incurred claims ratio stood at 91.70% compared to 91.50% last year.

The fire portfolio made a 13% underwriting loss as compared to the loss of 8.8% in the previous year. The combined ratio for fire stood at 114.27% as against 109.70% for last year.



### MARINE HULL & OFFSHORE ENERGY

The gross premium income for the financial year 2022-23 is at ₹ 560.27 Crore as compared to ₹ 656.84 Crore in the previous year reflecting a degrowth of 14.7%. The degrowth in volume is mainly due to underwriting measures taken by GIC by weeding out of treaties with adverse loss experience.

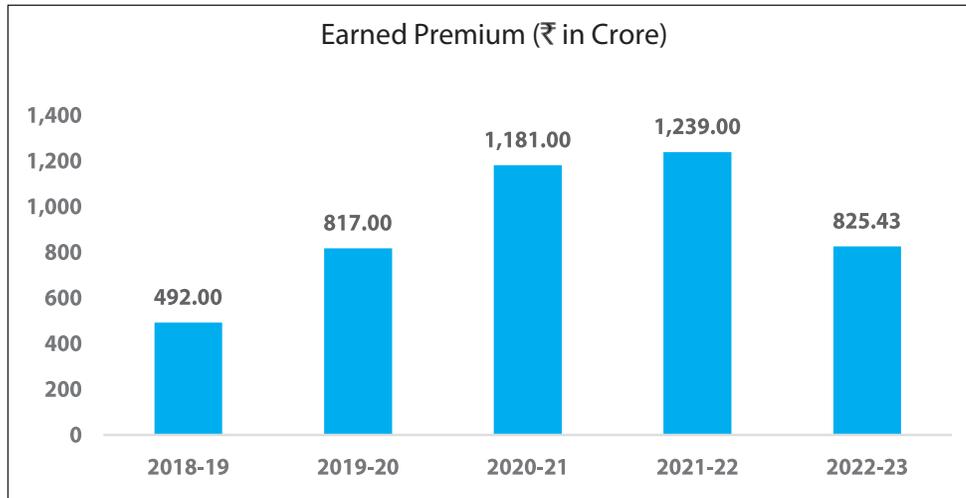


The Financial Year ended with an underwriting loss of ₹ 293.89 Crore which is 52.29% of earned premium. On the foreign business front, there have been high value energy losses i.e. CNOOC Tianjin (Peng Lai), Typhoon Muifa, Sakarya Gas Field which have impacted the foreign business performance. Necessary underwriting corrections have been initiated in the business writings.

Whilst growth is projected to remain stable, the underwriting performance is expected to improve following the measures initiated.

### MARINE CARGO

Cargo gross premium income for the Financial Year 2022-23 is ₹ 611.39 Crore vis a vis ₹ 1,244.02 Crore previous year reflecting a degrowth of 50.85%. In the domestic market, GIC Re continues to be the leader across most of the Indian reinsurance treaties. Domestic premium volumes have increased due to pricing correction.



The year ended with underwriting profit of ₹ 340.33 Crore which is 41.23% of earned premium. There are no such significant market losses last year.

GIC Re continues to lay emphasis on underwriting discipline in terms of minimum rates and deductibles besides appropriate clauses, conditions and warranties in the business acceptances. Treaties are being reviewed at renewal for necessary improvements based on underwriting results.

For the next financial year, we anticipate flat to hard market conditions to continue on the back of pricing correction and recent geo-political developments. Increase in global commodity prices have resulted an increased turn-over/sum insureds of cargo policies which in turn translates into higher premium income.

### AVIATION

GIC Re's gross premium income has reduced by 15.57% for the Financial Year (FY) i.e. from ₹ 986.95 Crore in the previous year to ₹833.29 Crore. The incurred claim for FY 2022-23 is at ₹ 470.92 Crore vis-à-vis ₹ 670.01 Crore for FY 2021-22. The incurred claims have reduced by 29.71% as against 15.57% reduction in written premium. GIC's Aviation portfolio is being streamlined with emphasis placed on improving the bottom line, risk selection and reducing acquisition costs.

(₹ in Crore)

Particulars	FY2022-23	FY2021-22	Growth (%)
Gross Written Premium	833.29	986.95	(15.57)
Earned Premium	398.82	600.30	(33.56)
Incurred claims	470.92	670.01	(29.71)

The aviation insurance market rate increase which started in 2019 is now tapering off and the soft cycle appears to be setting in. The market is in a consolidation phase with market players holding on to their market shares.

We continue to be prudent in our risk selection, conscious of the price offer and deploying our capacity judiciously. We are realigning our lines on different segments based on their pricing and risk factors. As the domestic portfolio has shown positive performance, we strive to rate increase, risk selection and pricing, and policy terms and conditions.

### LIABILITY

Liability insurance is a crucial form of coverage that provides financial protection to individuals and businesses against potential lawsuits or third-party claims. This type of insurance serves as a safeguard against the monetary repercussions of incidents such as personal injury, property damage, or other liabilities that may arise.

Liability Insurance Market Size in 2021 stood at USD 251,700 million and is set to reach USD 418,800 million by 2030, growing at a CAGR of 5.9%. It is experiencing substantial growth as an increasing number of individuals and businesses understand the importance of safeguarding their assets and livelihoods. Obligatory cessions have been capped at 4% since 01.04.2022.

(₹ in Crore)

Particulars	2022-23	2021-22	Growth (%)
Gross Written Premium	833.12	784.13	6.25
Earned Premium	716.63	718.17	(0.21)
Incurred claims	534.17	442.83	20.63

### AGRICULTURE REINSURANCE

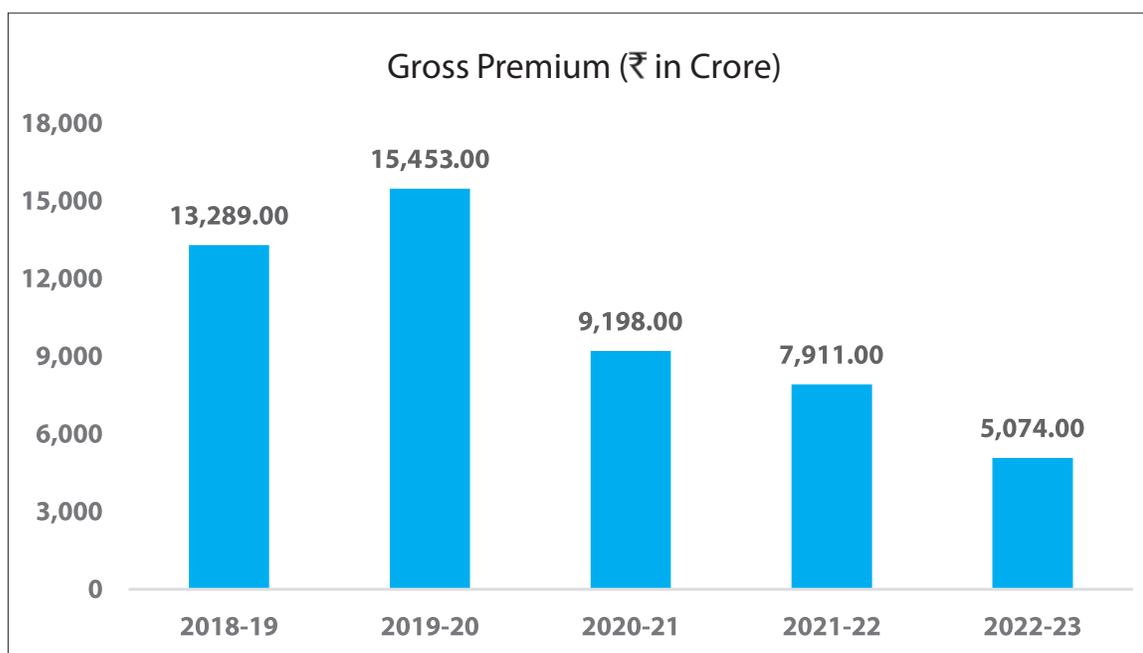
GIC Re continues to support the Indian Crop Insurance Industry in the major scheme, i.e. Revamped Pradhan Mantri Fasal Bima Yojana scheme (Revamped PMFBY, w.e.f., Kharif 2020 season) & Revised Weather Based Crop Insurance Scheme (RWBCIS) since 2016.

Integration of land records with the PMFBY’s National Crop Insurance Portal (NCIP), increasing use of technology in crop monitoring and loss assessment, improved timelines of subsidy settlement are some of the key features of the scheme which is currently in its 7th year of implementation.

In the underwriting year 2022-23, GIC Re has not changed the terms extended in previous year except wherever deemed necessary. New schemes like Surplus Sharing Models (SSM) (60:130, 80:110) are also being introduced in the domestic market with the idea of a cup and cap on losses. A few States are experimenting with the SSM business and GIC Re is ensuring adequate capacity within its desired limits.

GIC Re has taken a cautious approach in underwriting this business to improve the bottom line of the portfolio with a focus on clients with strong claims management and underwriting discipline. The gross premium under Agriculture portfolio has reduced to ₹ 5,074 Crore in 2022-23 from ₹ 7,911 Crore in 2021-22. The split of GIC Re’s Agriculture portfolio between domestic and foreign business is 99% and 1% respectively.

The yearly development of Gross Reinsurance Premium of the Agriculture portfolio is shown below:

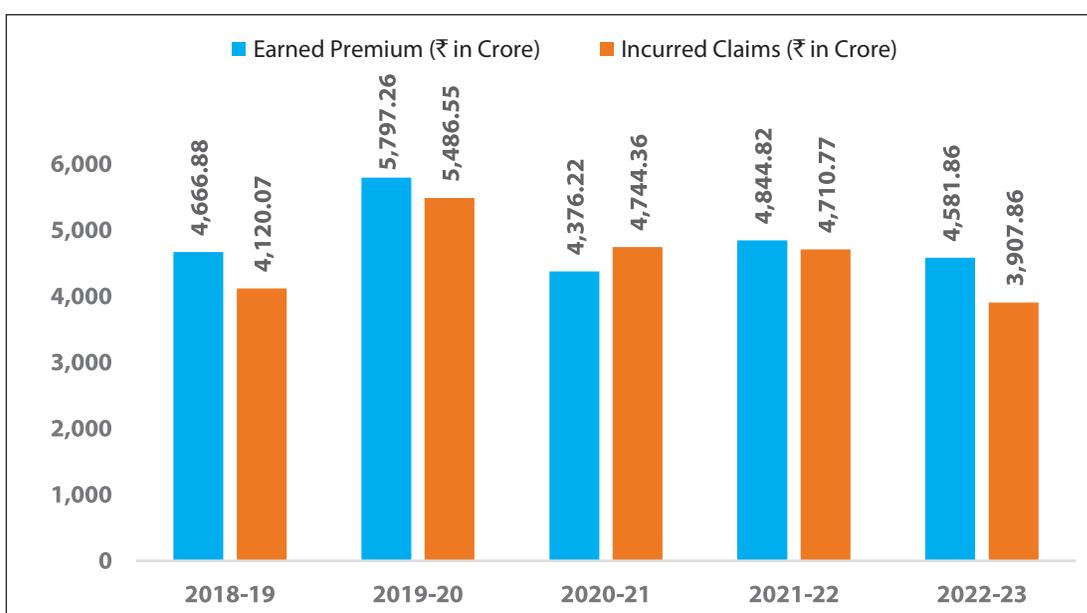


### HEALTH

GIC Re Health portfolio comprises mostly of Obligatory cessions and Domestic proportional & Non-proportional treaties, Facultative and Government Mass Health Schemes, besides business written by the foreign branches.

(₹ in Crore)

Particulars	2022-2023	2021-2022	Growth (%)
Gross Written Premium	4,887.62	4,517.81	8.19
Earned Premium	4,581.86	4,844.82	(5.43)
Incurred claims	3,907.86	4,710.77	(17.04)



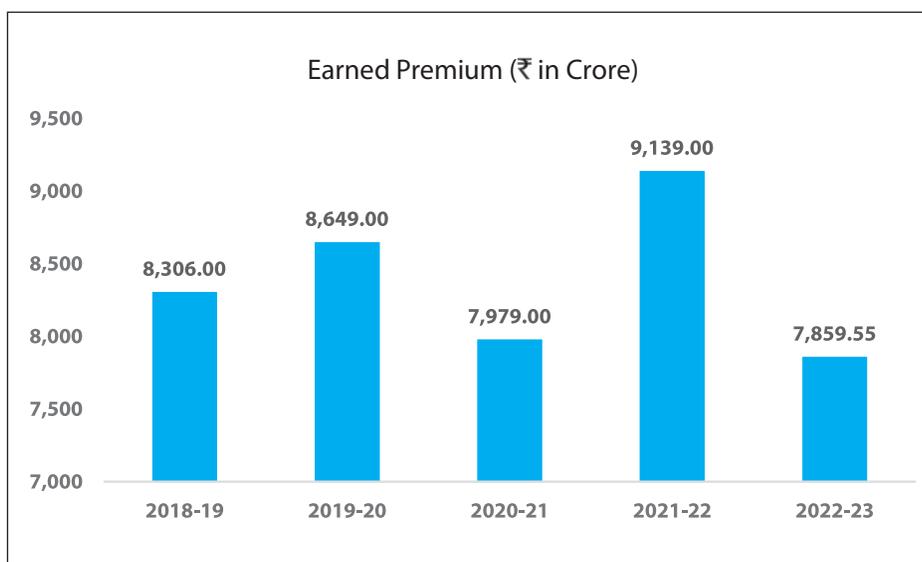
### MOTOR

The Gross Motor premium during the fiscal year 2022-23 is ₹ 5,995.43 Crore as against ₹ 9,742.28 Crore in the corresponding previous year. The decrease in premium by about 38.5% is mainly due to the reduction in obligatory cessions and degrowth in the overseas business. Incurred claims as a percentage to Earned Premium is 100.70% as compared to 77.80% in previous fiscal year. The figures are illustrated below:

(₹ in Crore)

Particulars	2022-23	2021-22	Growth %
Gross Written Premium	5,995.43	9,742.28	(38.46)
Earned Premium	7,859.55	9,139.32	(14.00)
Incurred Claims	7,910.83	7,110.30	11.26

Year on Year Earned Premium development is shown below:



The split of GIC Re’s Motor portfolio between domestic and foreign business is 64.50% and 35.50% respectively. Domestic business composition increased from 47.40% to 64.50%. Foreign business composition of the portfolio has decreased to 35.50% from 52.60% in the previous year mainly due to restructuring of foreign Motor treaties especially in Israel and USA. Whilst GIC Re maintains its dominant position in the domestic market, opportunities to further diversify the foreign portfolio will be explored.

Performance of the Motor portfolio is expected to further improve in FY 2023-24 with underwriting improvement as the department is mainly focused on price correction in view of expected market hardening in OD & TP segment and focused on overall cautious underwriting approach.

### OTHER MISCELLANEOUS & PA

There has been marginal shortfall of overall premium in these classes in comparison to the expiring year. There is marked reduction in the Incurred claims for both Other Miscellaneous and Personal Accident by around 45% and 27% respectively, mainly due to prudent selection of risks and improvement in pricing of risks by the department. The Combined ratio for Other Miscellaneous and Personal Accident is below 100%.

The department has been constantly endeavouring to provide sufficient capacity to cedants through treaty and facultative arrangements and also supporting new types of approved insurance covers.

#### Other Miscellaneous

(In ₹ Crore)

Particulars	2022-23	2021-22	Growth (%)
Gross Written Premium	764.13	791.64	(3.47)
Earned Premium	652.47	651.91	0.08
Incurred claims	254.51	466.50	(45.44)
Combined Ratio	59.04	79.71	

### Personal Accident

(In ₹ Crore)

Particulars	2022-23	2021-22	Growth (%)
Gross Written Premium	463.76	449.22	3.23
Earned Premium	446.06	579.79	(23.06)
Incurred claims	336.47	462.62	(27.26)
Combined Ratio	97.63	104.27	

### LIFE REINSURANCE

India is ranked 9<sup>th</sup> among 88 countries in Life Insurance Business. At present, there are 24 Life Insurance Companies operating in India. (Source: IRDAI Annual Report 2021-22)

In life insurance business, India's share in global life insurance market was 3.23% during 2021. Life insurance premium in India increased by 14.16 percent in 2021 whereas global life insurance premium increased by 9.91 per cent (Source: IRDAI Annual Report 2021-22). GIC Re recorded a growth of around 5% in life reinsurance business in 2022-23, with gross premium increasing from ₹ 1450.76 Crore to ₹ 1,529.52 Crore. Earned premium for 2022-23 also grew significantly by 19%, increasing from ₹ 1,290.15 Crore to ₹ 1,533.43 Crore.

GIC Re currently provides support to 22 Indian life insurance companies through both Treaty & Facultative reinsurance program. GIC Re's market share in life reinsurance business in India is around 23% during the FY 2021-22.

GIC Re continues to support Life Insurance Companies on Financial Inclusion schemes such as Microfinance. Also, GIC Re provides support to IRDAI mandated Saral Jeevan Bima product which is a standard term life insurance plan offering basic protection to people who are self-employed or belonging to a lower income category.

### THE INDIAN MARKET TERRORISM RISK INSURANCE POOL

The Indian Market Terrorism Risk Insurance Pool was formed in April 2002 to create domestic capacity within India to underwrite terrorism risk. The Pool has now completed 21 years of successful operations. All Indian non-life insurance companies (other than monoline insurers) and GIC Re are members of the Pool. The Pool is applicable to insurance of terrorism risk covered under property insurance policies. There was no change in the capacity offered by the Pool from previous year which is ₹ 2,000 Crore per location. Premium rates also remained unchanged from previous year. The Pool's premium income for 2022-23 was ₹ 1,809.02 Crore and Claims paid by the Pool during 2022-23 were ₹ 2.11 Crore. No major losses were reported to the Pool during 2022-23. GIC Re continues to successfully administer the Pool. Apart from its role as Pool Manager, GIC Re also contributes capacity to the Pool as a member of the Pool and participates as a reinsurer on the Pool's excess of loss reinsurance protection.

### INDIAN NUCLEAR INSURANCE POOL (INIP)

INIP was formed as an initiative by GIC Re along with 11 domestic non-life Insurance companies to provide insurance cover to nuclear operators against their statutory liability under the Civil Liability for Nuclear Damage Act, 2010, resulting from a nuclear incident, as also liabilities of Suppliers to the Operator arising out of invocation of right to recourse under the Act. The Pool is managed by GIC Re. The Pool provides indemnity limit of ₹ 1500 Crore on any one accident and in the aggregate. No claims have been reported under INIP since its inception.

### MARINE CARGO FOR EXCLUDED TERRITORIES POOL (MCET POOL)

Due to the withdrawal of Marine Cargo insurance capacity to cover imports/exports to/from Russia, Ukraine and Belarus, the need to create a domestic Marine Cargo Pool for covering shipments pertaining to the Excluded Territories (MCET Pool) came into place. Consequently, MCET pool was formed, and it started its operations from 1<sup>st</sup> June 2022. Currently, the MCET Pool provides insurance for Indian insureds for Marine Cargo shipments of commodities from the excluded territories of Russia, Ukraine, and Belarus to India. The pool inceptioned its operations with a total of 21 members, contributing a capacity of ₹ 484.80 Crore per shipment (excluding Obligatory Cession). GIC Re is the Manager of the Pool and has the maximum capacity share of 51.56% (₹ 250 Crore out of ₹ 484.8 Crore). Some of the commodities covered by the Pool are fertilizers, pet coke and coal, crude oil and its derivatives, project cargo, steel items and all forms of steel etc.

## SEGMENTWISE CLAIMS EXPERIENCE

(₹ in Crore)

Particulars	Financial Year	INDIAN			FOREIGN		
		Earned Premium	Incurred Claims	Incurred Claims Ratio	Earned Premium	Incurred Claims	Incurred Claims Ratio
Fire	2022-23	5,148.89	3,390.90	65.9%	6,231.04	7,046.04	113.1%
Fire	2021-22	5,027.92	3,470.20	69.0%	6,071.72	6,681.62	110.0%
Engineering	2022-23	866.35	583.30	67.3%	444.50	413.04	92.9%
Engineering	2021-22	647.34	565.18	87.3%	521.89	456.56	87.5%
Marine	2022-23	603.04	312.97	51.9%	784.45	799.39	101.9%
Marine	2021-22	546.72	508.58	93.0%	1,645.58	1,619.06	98.4%
Aviation	2022-23	87.37	39.46	45.2%	311.45	431.46	138.5%
Aviation	2021-22	125.08	138.79	111.0%	475.22	531.22	111.8%
Agriculture	2022-23	5,110.99	4,931.41	96.5%	144.40	122.13	84.6%
Agriculture	2021-22	6,170.74	6,097.59	98.8%	493.02	371.81	75.4%
Motor	2022-23	4,235.05	3,469.71	81.9%	3,624.50	4,441.12	122.5%
Motor	2021-22	4,924.88	3,557.10	72.2%	4,214.44	3,553.20	84.3%
Misc. Other	2022-23	6,103.36	4,716.60	77.3%	579.18	448.83	77.5%
Misc. Other	2021-22	6,218.48	5,640.30	90.7%	920.24	697.52	75.8%
Life	2022-23	1,357.44	1,409.32	103.8%	175.98	183.67	104.40
Life	2021-22	1,165.20	2,602.76	223.4%	124.94	134.33	107.5%
<b>Total</b>	<b>2022-23</b>	<b>23,512.49</b>	<b>18,853.67</b>	<b>80.2%</b>	<b>12,295.50</b>	<b>13,885.68</b>	<b>112.9%</b>
<b>Total</b>	<b>2021-22</b>	<b>24,826.36</b>	<b>22,580.52</b>	<b>91.0%</b>	<b>14,467.05</b>	<b>14,045.32</b>	<b>97.1%</b>

## INVESTMENT

## INDIAN ECONOMY 2022-23

FY 2022-23 marked the 75<sup>th</sup> year of India's Independence and to add to the specialty, India overtook UK to become the world's fifth largest economy. In real terms, the Indian economy is expected to grow at 7% for the year ending March 2023. This follows an 8.7% growth in the previous financial year.

Global growth is projected to fall from an estimated 3.4% in 2022 to 2.9% in 2023, then rise to 3.1% in 2024. The forecast for 2023 is 0.2% point higher than predicted in the October 2022 World Economic Outlook (WEO) but below the historical (2000-19) average of 3.8 percent. As per International Monetary Fund (IMF), Global inflation is expected to fall from 8.7% in 2022 to 7% in 2023 and 4.9% in 2024, which is still above pre-pandemic (2017-19) levels of about 3.5%. The rise in central bank rates to fight inflation and Russia's war in Ukraine continue to weigh on economic activity. In context of India, rising international commodity prices contributed to the rising retail inflation accompanied with the local weather conditions like excessive heat and unseasonal rains, which kept food prices high. India's retail inflation rate peaked at 7.8% in April 2022, though for FY 2023-24, it is projected at 5.2%. The government cut excise and customs duties and restricted exports to restrain inflation. The Reserve Bank of India (RBI) began the monetary tightening cycle in April 2022 & coming to the end of the year, had raised the repo rate by an unprecedented 225 basis points in a single financial year, which evidently shows the highly influential impact of incessant Russia Ukraine war on the global economy.

With monetary tightening, the US dollar has appreciated against several currencies, including the rupee. However, the rupee has been one of the better-performing currencies worldwide, but the modest depreciation it underwent may have added to the domestic inflationary pressures besides widening the Current Account Deficit (CAD). The Reserve Bank of India used its forex arsenal to stabilize the depreciating rupee to cushion the valuation losses and capital outflows.

Production Linked Incentive (PLI) schemes have shown fruitful results in terms of prospering covered industries. The Schemes were introduced across 14 categories, with an estimated capex of ₹ 4 Lakh Crore over the next five years, to plug India into global supply chains

As per Economic Survey 2022-23, India's growth rate is expected at 6.0 % - 6.8% in 2023-24. IMF projection at 5.9% makes it among the lowest growth forecasts for India in comparison with other multilateral development banks, with the World Bank projecting a 6.3 per cent growth rate and the manila-based Asian Development Bank forecasting 6.4 per cent GDP growth for FY24. Yet India will continue to be the fastest-growing economy in the world.

With most sectors now open for 100% Foreign Direct Investment (FDI) under the automatic route, there has been a visible structural shift in the gross FDI flows to India. India's gross FDI has increased from an average of 2.2 per cent of GDP during FY05-FY14 to 2.6% in FY15-FY22. The highest-ever annual gross FDI inflow of USD 84.8 billion was recorded in FY22. These trends are an endorsement of India's status as a preferred investment destination amongst global investors.

In the financial year 2022-23, the Indian stock markets have given negative returns. The Nifty 50 index declined by 1.76% and S&P BSE Sensex declined by 0.48%. The performance of the indices remained muted in 22-23 due to the geo-political tensions, interest rate hikes by the central banks, and the slowdown in the economy. Major events including the collapse of the Silicon Valley Bank (SVB), Credit Suisse's buyout by rival UBS, global inflation and continuing geopolitical tensions kept the stock markets on edge. Domestic markets in India have been performing in line with the global correction. Weak economic prospects in developed markets and relatively higher growth in emerging markets would increase foreign portfolio investments allocation to select emerging markets. Given its structural growth potential, India will likely stand strong relative to other economies despite issues such as high inflation and a weakening currency.

Based on IRDAI guidelines, 45% of the assets need to be invested in Directed Sector comprising Central/ State Government Securities, Government Guaranteed Bonds, Housing and Infrastructure Sector. Balance 55% to be invested in Market Sector and these investments are subject to prudential and exposure norms.

The Corporation has diligently followed the IRDA guidelines. As on 31<sup>st</sup> March 2023, the Directed sector investments stood at 69.60% of the total investment assets of the Corporation.

The book value of investment of the Corporation stood at ₹86,175.41 Crore from ₹ 77,348.78 Crore showing an increase of ₹ 8,826.63 Crore representing a growth of 11.45% over the previous year. The realizable value of investments is at ₹ 1,17,568.89 Crore as on 31.03.2023 showing an appreciation of 36.43% over book value. Income from investments stood at ₹ 9,968.33 Crore with a mean yield on funds at 12.19%. The net non-performing assets percentage was at 0.02%.

### **GIC RE'S RETROCESSION PROGRAM**

The Corporation has arranged Risk and/or Catastrophe Excess of Loss Reinsurance for various classes of business based on its internal evaluation of retrocession requirements. The programme protects Corporation's net retained portfolios of domestic and foreign business. On large sized risks, wherever necessary, the Corporation arranges for facultative retrocession. Placements have been made with securities in line with relevant regulations.

### **FUTURE OUTLOOK**

The demand for reinsurance capacity continues to grow as primary insurance carriers seek out stable results and capital efficiency in an uncertain market environment. Additionally, healthy capital adequacy, positive pricing momentum, enhanced market discipline, including tighter terms and conditions, rising reinvestment yields and strong demand for reinsurance protection is likely to contribute to positive outlook for the sector.

In accordance with Part IV of Schedule B of the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002, the management of the Corporation hereby:

- Confirms that the Registration No. 112 granted by the Authority continues to be valid.
- Certifies that all the dues payable to the statutory authorities have been duly paid.
- Confirms that the shareholding pattern as well as transfer of shares during the year is in accordance with the statutory or regulatory requirements.
- Declares that the funds of the holders of policies in India are not directly or indirectly invested outside India.
- Confirms that the required solvency margins have been maintained.
- Confirms that the Corporation's risk exposure consists of (a) Obligatory and Additional Quota Share Cessions (b) Facultative acceptances (c) The Corporation's share in Indian Insurance Companies through Surplus Treaties and Excess of Loss programme (d) The Corporation's share in Market Surplus Treaties and (e) Foreign Inward business Treaty and Fac. Except pure retro business, the exposures are adequately protected by the Corporation's Reinsurance Programme for 2022-23.

- (a) The Corporation's overall top ten country exposures, are as follows:

United States of America, United Kingdom, Israel, China, Sweden, Hong Kong, Malaysia, United Arab Emirates, Germany and France.

Based on experience, internal evaluation of changes in portfolio exposures and analysis of catastrophe modelling software output, the Corporation constantly reviews and refines its retrocession programme for various classes of business.

The Corporation has a Board approved Reinsurance Protection Programme in place.

- (b) Certifies that the Corporation does not operate directly in any country. Its branch in GIFT City (Special Economic Zone, Gujarat) in addition to Reinsurance business within SEZ and from outside country, can also transact direct insurance business within the SEZ including IFSC, except those which are specifically excluded. The Corporation has foreign branch offices at Kuala Lumpur, Dubai (Branch put into run-off) and London.

- The portion of the claims recoverable under the reinsurance obligation of the Corporation are settled with the reinsured as per agreed arrangements, i.e. through cash calls and periodical account statements. Additionally, claims in respect of run-off aviation policies issued prior to being designated as an Indian reinsurer are settled to the insured. The position of Ageing of outstanding facultative claims under the categories of Indian, Foreign Inward and Aviation Business as on 31<sup>st</sup> March 2023 is as under:

(₹ in Thousand)

Ageing of Facultative Claims as on 31.03.2023

Sl. No.	Outstanding Period	FIRE		MARINE		ENGINEERING		AVIATION		LIABILITY		MISCELLANEOUS		TOTAL	
		No. of Claims	Amount	No. of Claims	Amount	No. of Claims	Amount	No. of Claims	Amount						
1	30 days	3	34,100	4	4,073	1	1,70,000	8	31,315	-	-	-	-	16	2,39,488
2	>30 days upto six(6) months	45	6,54,732	21	16,47,265	5	3,51,864	61	3,26,599	2	50	2	33	136	29,80,543
3	>6 months upto 1 year	68	16,69,666	24	8,06,245	14	1,68,782	92	2,61,491	5	350	4	6,575	207	29,13,109
4	1 year upto 5 years	634	37,32,446	208	19,58,440	170	12,40,853	791	37,57,103	75	1,55,978	45	36,608	1,923	1,08,81,429
5	>5 years	454	28,52,788	163	8,34,681	309	10,99,757	1,537	18,35,405	33	2,55,274	79	82,654	2,575	69,60,560
	<b>TOTAL</b>	<b>1,204</b>	<b>89,43,732</b>	<b>420</b>	<b>52,50,704</b>	<b>499</b>	<b>30,31,256</b>	<b>2,489</b>	<b>62,11,913</b>	<b>115</b>	<b>4,11,653</b>	<b>130</b>	<b>1,25,871</b>	<b>4,857</b>	<b>2,39,75,129</b>

- This is to certify that the values as shown in the balance sheet of the investments and stocks and shares have been arrived at as stated in Significant Accounting Policies No. 9.

10. Declares that the review of asset quality and performance is as mentioned below for Loans and Investments:

### INVESTMENTS

The book value of the investment as on 31<sup>st</sup> March 2023 has increased to ₹ 86,175.41 crore from ₹ 77,348.78 Crore. The realizable value of investments is at ₹ 1,17,568.94 Crore as on 31<sup>st</sup> March 2023 showing an appreciation of 36.43% over book cost. Income from investment including Profit on Sale amounted to ₹ 9,968.33 Crore as against ₹ 9,363.43 Crore in the previous year. Out of the total investment of ₹ 86,175.41 Crore, ₹ 46,297.34 Crore are invested in Government Securities and State guaranteed Bonds. Book Value of equity shares is at ₹ 15,144.73 Crore and market value stood at ₹ 46,533.12 Crore showing net fair value appreciation of ₹ 31,388.39 Crore.

Out of the Investment, loan as on 31<sup>st</sup> March 2023 stood at ₹ 165.84 Crore compared to ₹ 185.75 Crore in the previous year. Out of the total loan amount of ₹ 165.84 Crore, ₹ 159.00 Crore are either secured or guaranteed by the Government bodies representing 95.87% of total loans and the balance ₹ 6.84 Crore are unsecured. Interest income from loans amounted to ₹ 11.97 Crore.

Standard performing assets account for ₹ 114.90 Crore and an amount ₹ 50.94 Crore has been provided for the non-performing assets.

Gross NPA as on 31<sup>st</sup> March 2023 amounted to ₹ 1,548.86 Crore and Net NPA ₹ 10.11 Crore. Gross Loan Assets amounted to ₹ 62,528.95 Crore and Net Loan Assets ₹ 60,990.19 Crore. Percentage of Gross NPA to Gross Loan Assets was 2.46% and percentage of Net NPA to Gross Loan Assets was 0.02% and percentage of Net NPA to Net Loan Assets was 0.02%.

The Corporation has complied with the regulation of investments prescribed by IRDAI for investment limits in housing and infrastructure and social sector. The compliance has been made on aggregate basis.

11. Confirms that:

- i. In the preparation of financial statements, the applicable accounting standards, principles and policies have been followed along with proper explanations relating to material departures.
- ii. The management has adopted accounting policies and applied them consistently (including those specifically required by various IRDAI regulations) and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Corporation at the end of the financial year and of the operating profit and net profit of the Corporation for the year.
- iii. The management has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the applicable provisions of the Insurance Act, 1938, Insurance Law (Amendment) Act, 2015 (to the extent notified), Companies Act, 2013, for safeguarding the assets of the Corporation and for preventing and detecting fraud and other irregularities.
- iv. The financial statements are prepared on a going concern basis.
- v. The management has ensured that an internal audit system commensurate with the size and nature of the business exists and is operating effectively.

12. Certifies that no payment has been made to individuals, firms, companies and organisations in which the Directors of the Corporation are interested.

**For and on behalf of the Board of Directors**

**Sd/-**

**(Devesh Srivastava)**

**Chairman and Managing Director**

**Date: 25.05.2023**

## GENERAL INSURANCE CORPORATION OF INDIA

General Insurance Corporation of India - GIC was formed under General Insurance Business (Nationalization) Act (GIBNA) of 1972 for the purpose of superintending, controlling, and carrying on the business of General Insurance in India. The GIBNA was amended in 2002, and w.e.f. 21.3.2003, the words “superintending, controlling and carrying on the business of General Insurance” were substituted by “carrying on reinsurance Business”. During the period, GIC was rebranded as GIC Re, reemphasising reinsurance business conducted by the corporation.

As the Indian reinsurer, GIC Re provides reinsurance support to the 54 direct general and life insurance companies, both public and private, in the Indian market. GIC Re has also emerged as an effective reinsurance solutions provider for international markets and has now become a leading global reinsurance company and very aptly called ‘The Indian Reinsurer with a Global Footprint’.

GIC Re is the largest reinsurer in the domestic reinsurance market in India. It leads many of the domestic companies’ treaty programmes and facultative placements (Treaty reinsurance programmes provide support for the risk portfolio and facultative reinsurance arrangement provide support for an individual large risk). Internationally, GIC Re is an effective reinsurance partner for the Afro-Asian region, leading the reinsurance programmes of several insurance companies in Middle East and North Africa, and Asia including SAARC countries.

### VISION:

**“To be a Leading global reinsurance and risk solution provider”.**

### MISSION:

- Building long-term mutually beneficial relationship with business partners
- Practicing fair business ethics and values
- Applying “state-of-art” technology, processes including enterprise risk management and innovative solutions
- Developing and retaining highly motivated professional team of employees
- Enhancing profitability and financial strength befitting the global position

### CORE VALUES:

- Trust and mutual respect
- Professional excellence
- Integrity and transparency
- Commitment
- Responsive Service

## OUR FOCUS AREAS

### 1. GOVERNANCE

Our governance framework encompasses regulatory and legal requirements to ensure transparency and maintain high level of corporate governance practices to maximise stakeholders’ value on a sustainable basis and protect their interests. We are fully committed to follow sound corporate governance practices and upholding the highest business standards in conducting business. We build trust with stakeholders based on good corporate governance, integrity, equity, transparency, fairness, sound disclosure practices, accountability, and commitment to values. Our corporate governance architecture is fortified through various policies, frameworks, and codes.

Appropriate policies have been implemented which are monitored and reviewed annually or half-yearly or as and when required as per regulatory requirement. The Code further provides guidance on the Prohibition of Insider Trading, Prevention of Bribery and Corruption, Preventing Fraud, Whistle-Blower Policy, and Prevention of Sexual Harassment.

- **42.9%** Women representation on Board and **40%** Women representation in Key Managerial Personnel
- **75%** Independent Directors in Board Nomination and Remuneration Committee & Audit Committee
- **3** out of **7** Board Committees are headed by Independent Directors
- Codified policy on Board Diversity
- Robust framework for governance, risk management, data protection and sustainability
- Zero tolerance culture for non-ethical and fraudulent practices

## 2. SOCIETY

Our Corporate Social Responsibility (CSR) policy strives to transform India into a risk-aware society from being a risk-averse society. Our CSR activities have focused on capacity building, empowerment of communities, inclusive socio-economic growth, environment protection, promotion of green and energy efficient technologies, development of backward regions, and uplifting the marginalized and under-privileged sections of the society. We firmly believe that in today's business environment, doing well (profit) and doing good (caring) are not mutually exclusive but mutually reinforcing.

We have always ensured that our CSR projects have impacted the society, resulting in ethical behaviour and transparency which contributes to sustainable development, including the health and well-being of society.

- **₹ 9.88 CRORE** CSR spends covering 10 projects in FY 2022-23
- **Building Communities:**
  - Funding the project of Architectural Monument Lighting of Sahaji Raje Gadi, Aurangabad, Maharashtra to increase tourism and generate employment
  - Building Women's Development Centre in Teruwadi and Wanjursheth, Maharashtra to benefit **1380 YOUNG GIRLS AND WOMEN**
  - Water-conservation project in Santalpur, Gujarat benefitting **2000+ PEOPLE**
  - Upgrading hostel/dormitory building at NFBM Jagriti School for Blind, Alandi, Pune, Maharashtra benefitting **300+ BLIND GIRLS**
- **Education:**
  - Providing scholarship to armed forces veterans, war widows and their dependents for school, under-graduate and graduate studies - **800+ BENEFICIARIES**
  - Grant to Society of Robotics & Automation at VJTI (Veer mata Jijabai Technological Institute) to support Make in India initiative
- **Health:**
  - Funding rehabilitation and care of **160 MENTALLY ILL DESTITUTE** through our association with the Shraddha Rehabilitation Foundation in Karjat, Maharashtra
  - Funding free cataract surgeries for **800+ PEOPLE** at Akhand Jyoti Eye Hospital in Mastichak, Bihar
- **Planet:**
  - Research Grant to IIT Madras for clinical validation of a **NEW DIAGNOSTIC TECHNIQUE FOR TUBERCULOSIS SCREENING** and achieve Government of India's mission to End TB by 2025
  - Research Grant to IIT Roorkee for development of cost-effective photovoltaics panel which can be integrated into the building fabric for a **NET ZERO ENERGY EFFICIENT BUILDINGS AND CARBON FREE ECONOMY**

### 3. HUMAN CAPITAL MANAGEMENT

The rapid shift in working models and the growing adoption of artificial intelligence (AI) in near future will radically transform global labour markets. Recognising this- we at GIC Re are in the midst of changing our business models and HR practices accordingly to accommodate flexible practices tailored to employee needs. Our Human Resources Transformation project titled Project Parivartan outlines a comprehensive strategy to address the key challenges that we face in today's competitive landscape. It has looked at all aspects of employee retention, employee engagement, employee training, and employee health & wellness to ensure sustainable growth and success of GIC Re. Our HR department has designated HR Business Partners earmarking Centres of Excellence (CoE's) such as Total Rewards; HR Service Delivery & Experience Relations Analytics; Talent Acquisition and Mobility; Learning and Development with a dedicated team and HRMS tool to implement and achieve the above said objectives. The key policies under Project Parivartan are at a draft stage to be approved by the Board of the Corporation.

- **490 EMPLOYEES UNDERWENT 7659 HOURS OF TRAINING** to upskill/multiskill themselves in FY 2022-23
- **₹ 0.72 CRORE** investment in employee training
- Encouraging young talent employment as over **54% OF EMPLOYEES ARE BELOW 40 YEARS OF AGE**
- **OFFERED EQUAL GROWTH OPPORTUNITIES** through auto promotions / internal job rotation mechanism
- **PROJECT PARIVARTAN** - a comprehensive HR Transformation Strategy
- **35.4% WOMEN EMPLOYEES AND 40% WOMEN REPRESENTATION** in Key Managerial Personnel

### 4. STAKEHOLDER ENGAGEMENT

GIC Re believes stakeholder engagement is critical towards enhancing the sustainability of our operations. We have earned the trust of all our stakeholders by maintain a high standard of business information disclosures. The Company communicates with shareholders, clients, value-chain partners, employees, and investors in various ways including quarterly presentations, press releases, participation in investor conferences, client marketing visits, roadshows, employee engagement surveys and employee townhalls. We continually monitor our legal and regulatory compliances and engage with Government agencies and regulators to assist them with data, engage them on policy and promote new industry standards or regulatory developments in the Indian Insurance industry. We ensure continual and close collaboration with all our stakeholders to address challenges & opportunities on an ongoing basis and nurture long-lasting relationships.

- Policies, procedures and practices to drive **CUSTOMER CENTRICITY**
- **USE OF TECHNOLOGY** to enhance client experience
- **PART OF LEADING INSURANCE AND RISK MANAGEMENT ASSOCIATIONS** to champion the cause of the industry and promote Insurance awareness and adoption
- **MANAGER OF 3 GENERAL INSURANCE POOLS IN INDIAN MARKET** - Terrorism Risk Insurance Pool, Indian Nuclear Insurance Pool and Marine Cargo (Declined Risk) Pool
- Leading role in reinsurance support to **NATIONAL AND STATE GOVERNMENT INSURANCE SCHEMES** in Property, Agriculture and Health.

### 5. INFORMATION AND CYBER SECURITY

GIC Re has defined and implemented policies/frameworks/practices on cyber security and risks related to data privacy. Cyber security policies and practices have been institutionalized to protect information infrastructure on the internet, preventing and responding to cyber threats, reducing vulnerability, and minimizing damage from cyber incidents. Our Information Security Policy has been drawn up based on the industry best practices and follows ISO 27001 guidelines on Information System security in banking and financial sector, as applicable to GIC Re. The organization has a Security Steering Committee (SSC) headed by a senior level executive with a reporting line to the Board to take overall responsibility for the information security governance framework. Members of SSC include functional heads from Operations, Information Technology, Legal, Compliance, Finance, Human Resources and Risk.

- The focus of the IT framework is on **PRIVACY OF CLIENT INFORMATION AND DATA SECURITY**
- The Company is compliant with **ISO 27001:2013 INFORMATION SECURITY MANAGEMENT SYSTEM**
- The Company complies with the applicable regulatory framework and guidelines (viz. IRDAI's Guidelines on Information and Cyber Security for Insurers)
- GIC Re conducts **INFORMATION SECURITY AUDIT ACTIVITY** as per IRDA Guidelines- we conduct System Audit VAPT (Vulnerability Assessment and Penetration Testing) 4 times in a year and Process Audit ISA (Information Security Audit) yearly
- GIC Re's CISO team conducted 14 sessions on **IS AWARENESS/CYBERSECURITY FOR 90%+ OF GIC EMPLOYEES INCLUDING ALL EXECUTIVES**

## SECTION A - GENERAL DISCLOSURES

### I. DETAILS OF THE LISTED ENTITY

1. **Corporate Identity number:** L67200MH1972GOI016133
2. **Name of the Listed Entity:** General Insurance Corporation of India
3. **Year of incorporation:** 1972
4. **Registered office address:** 'Suraksha', 170, J. T. Road, Churchgate, Mumbai – 400020
5. **Corporate address:** 'Suraksha', 170, J. T. Road, Churchgate, Mumbai – 400020
6. **E-mail:** [info@gicre.in](mailto:info@gicre.in)
7. **Telephone:** +91 22 2286 7000
8. **Website:** [www.gicre.in](http://www.gicre.in)
9. **Financial year for which reporting is being done:** 2022-2023
10. **Name of the Stock Exchange(s) where shares are listed:** BSE Limited and National Stock Exchange of India Limited
11. **Paid-up Capital:** ₹ 877.2 Crore
12. **Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report:** Mr. Satheesh Kumar, Assistant General Manager & Company Secretary; Email: [cs.gic@gicre.in](mailto:cs.gic@gicre.in); Telephone No : 022-22867000
13. **Reporting boundary:** Report is done on a standalone basis.

### II. PRODUCTS/SERVICES

14. **Details of business activities (accounting for 90% of the turnover):**

Sr. No.	Description of Main Activity	Description of Business Activity
1.	Financial and Reinsurance Services	Life & Non-life Reinsurance

15. **Products/Services sold by the entity (accounting for 90% of the entity's Turnover):**

Sr. No.	Product/Service	NIC Code
1.	Reinsurance	6520

### III. OPERATIONS

#### 16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	NIL	3	3
International	NIL	3	3

#### 17. Markets served by the entity:

##### a. Number of locations

Locations	Number
National (No. of States)	28
International (No. of Countries)	140

##### b. What is the contribution of exports as a percentage of the total turnover of the entity?

Business activities of GIC Re correspond to the financial services space as a reinsurance and risk solutions provider and gross premium from foreign business constituted 32% of our total premium during the financial year 2022-23 amounting to ₹ 9102 Crore.

##### c. A brief on types of customers

As a reinsurance and risk solutions provider, GIC Re primarily works with insurance and reinsurance companies and brokers in India and worldwide. Other value-chain partners which we interact with include MGAs (Managing General Agents), Claim/Loss Adjusters, Catastrophe/Exposure/Capital Modelling Vendors, Actuarial firms, Legal firms, and Audit firms.

### IV. EMPLOYEES

#### 18. Details as at the end of Financial Year:

##### a. Employees and workers (including differently abled):

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>EMPLOYEES</b>						
1.	Permanent (D)	443	288	65.0%	155	35.0%
2.	Other than Permanent (E)	6	2	33.3%	4	66.7%
3.	Total employees (D + E)	449	290	64.6%	159	35.4%
<b>WORKERS</b>						
4.	Permanent (F)					
5.	Other than Permanent (G)		NOT APPLICABLE			
6.	Total workers (F + G)		NOT APPLICABLE			

### b. Differently abled Employees and workers:

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1.	Permanent (D)	13	12	92.0%	1	8.0%
2.	Other than Permanent (E)	2	1	50.0%	1	50.0%
3.	Total differently abled employees (D + E)	15	13	86.7%	2	13.3%
<b>DIFFERENTLY ABLED WORKERS</b>						
4.	Permanent (F)					
5.	Other than permanent (G)					
6.	Total differently abled workers (F + G)					

### 19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	7	3	42.9%
Key Management Personnel	10	4	40.0%

### 20. Turnover rate for permanent employees

	FY 2022-23			FY 2021-22		
	Male	Female	Total	Male	Female	Total
Permanent Employees	11%	3%	11%	10%	10%	10%
Permanent Workers						

## V. HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

### 21. (a) Names of holding / subsidiary / associate companies / joint ventures

Sr. No.	Name of the holding/ subsidiary/associate companies/ joint ventures (A)	Indicate whether holding/Subsidiary/ Associate/Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	GIC Re Corporate Member, UK	Subsidiary	100%	No
2.	GIC Re Perestrakhovanie, Russia	Subsidiary	100%	No
3.	GIC Re South Africa, SA	Subsidiary	100%	No
4.	Agriculture Insurance Company of India Ltd, India	Associate	35%	No
5.	GIC Bhutan Re Ltd.	Associate	26%	No
6.	India International Insurance Pte. Ltd, Singapore	Associate	20%	No

## VI. CSR DETAILS

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover (in ₹ Crore): ₹ 36,591.59 crore as on 31<sup>st</sup> March 2023

(iii) Net worth (in ₹ Crore): ₹ 30,306.58 crore as on 31<sup>st</sup> March 2023

## VI. TRANSPARENCY AND DISCLOSURES COMPLIANCES

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes <a href="https://www.gicre.in/images/phocadownload/complaint_handling_policy.pdf">https://www.gicre.in/images/phocadownload/complaint_handling_policy.pdf</a>	None	None	None	None	None	None
Investors (other than shareholders)	Yes <a href="https://www.gicre.in/en/investors-public-disclosures/investors-en">https://www.gicre.in/en/investors-public-disclosures/investors-en</a>	None	None	None	None	None	None
Shareholders	Yes <a href="https://www.gicre.in/en/investors-public-disclosures/investors-en">https://www.gicre.in/en/investors-public-disclosures/investors-en</a>	117	0	None	82	0	None
Employees and workers	Yes <a href="https://www.gicre.in/images/phocadownload/complaint_handling_policy.pdf">https://www.gicre.in/images/phocadownload/complaint_handling_policy.pdf</a>	None	None	None	None	None	None
Customers	Yes <a href="https://www.gicre.in/images/phocadownload/complaint_handling_policy.pdf">https://www.gicre.in/images/phocadownload/complaint_handling_policy.pdf</a>	None	None	None	None	None	None

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	FY 2022-23			FY 2021-22		
Value Chain Partners	Yes <a href="https://www.gicre.in/images/phocadownload/complaint_handling_policy.pdf">https://www.gicre.in/images/phocadownload/complaint_handling_policy.pdf</a>	None	None	None	None	None	None
Other (please specify)	None	None	None	None	None	None	None

**24. Overview of the entity's material responsible business conduct issues: Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format.**

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Risk Management	Opportunity	Risk Management is a process, effected by the Corporation's Board of Directors, Management and other personnel to identify potential events and developments that may affect the Corporation and manage risk to be within its risk appetite, as applicable. This is fundamental to our existence as a company and our decision-making.	We have a Board Approved Risk Management Framework and risk management process in place to identify risks and guide us in taking corrective measures to mitigate them.	Positive
2	Economic Performance	Opportunity	Creation and distribution of economic value.	As an integral part of the Indian Insurance industry and being classified as a D-SII by IRDAI- GIC Re plays a vital role in the reach, density and profitability of the Indian insurance value-chain.	Positive

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3	Community Development	Opportunity	Economic development of the underprivileged and broadening economic activity	The Corporation has implemented various CSR projects/ activities/ initiatives for development of backward regions, empowerment of communities, upliftment of marginalized and under privileged sections of the society and providing healthcare services to the poor and vulnerable sections of the society.	Positive
4	Talent Attraction and Retention	Opportunity	Successful talent attraction and retention enables to maintain competitive advantage	GIC Re is implementing Project Parivartan i.e., to ensure sustainable growth and success of GIC Re through - employee retention, employee engagement, employee training, and employee health & wellness.  Based on the Corporation's strategic road map we recruit, train, engage and retain employees.	Positive

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5	Skill development and knowledge transfer	Opportunity	Functional requirement of business users is concentrated with very few personnel.	Employee training is a crucial aspect of HR transformation that can help organizations stay ahead of the competition. By investing in employee training, businesses can develop the skills, knowledge, and expertise of their workforce. GIC Re conducts frequent training sessions for skill development leading to human capital formation.	Positive
6	Data Privacy and Security	Risk	Data Privacy and Security is the process of implementing measures and systems designed to securely protect and safeguard information utilizing various forms of technology.	GIC undertakes review of the existing mechanisms to secure financial data at enterprise level in a worst case scenario, assess preparedness and take proactive steps for prevention of such risks.	Positive

### SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Disclosure Questions	P	P	P	P	P	P	P	P	P	
	1	2	3	4	5	6	7	8	9	
<b>Policy and management processes</b>										
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes, the Corporation has all the policies mandated by Companies Act, 2013, IRDAI and SEBI Regulations.									
b. Has the policy been approved by the Board? (Yes/No)	Yes. The Policies are approved by Board/ Competent Authorities.									
c. Web Link of the Policies, if available	<a href="https://www.gicre.in/en/people-resources/policies-and-guidelines">https://www.gicre.in/en/people-resources/policies-and-guidelines</a>									
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes									

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
3. Do the enlisted policies extend to your value chain partners? (Yes/No)									No
4. Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Yes, the policies relating to all the principles conform to National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business released by Ministry of Corporate Affairs, Government of India in the year 2011.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.									No
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.									Not Applicable
<b>Governance, leadership, and oversight</b>									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	<p>GIC Re as the national reinsurer is committed to ensuring holistic development for a better tomorrow. It promotes financial inclusion, digital transformation, and inclusive diversity. With well-defined corporate governance guidelines and a sound Enterprise Risk Management framework in place, we have established strong work ethics that prove to be an anchor for all our operations and decision making. The welfare of our clients, employees and business partners is at the forefront of all our decisions. Our business practices incorporate sustainability concepts, influencing our aim to create a long-lasting organization that meets clients' protection and long-term demands.</p> <p>Our classification as a D-SII (Domestic Systematically Important Insurer) - Too Big to Fail by IRDAI underscores our vital role in the Indian insurance industry. We seek to address the many challenges affecting our communities and the world at large. We play an active part across Central and State government insurance schemes in Property, Agriculture &amp; Health. Our support to the renewable sector measured by facultative premium YoY went up by 64.5% and measured by risks supported went up by 22.22%. We manage various pools like Indian market Terrorism Risk Insurance Pool, Indian Nuclear Insurance Pool &amp; Marine Cargo (Declined Risk) Pool wherein we have played a pivotal role in solving the problems of industries and national interest.</p> <p>To properly address the continuously changing scenario, the Company has implemented a business continuity plan. To safeguard the Company's wellbeing and long-term viability, response strategies have been created and closely followed. In order to reduce its environmental impact, the Company promotes on decreasing energy, water, and waste as part of resource optimization.</p> <p>Our organisation has an uncompromising zero-tolerance approach towards any form of fraud and corruption with policies such as Prohibition of Insider Trading and Anti-Fraud Policy in full effect. Through our robust Information Security Policy surrounding cyber security and data privacy, we ensure the protection of all sensitive organisational and client information.</p>								
8. <b>Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).</b>	Mr. Devesh Srivastava, Chairman and Managing Director, GIC Re								
9. <b>Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.</b>	Yes, the Board's Corporate Social Responsibility Committee meets at least twice a year to review the Company's sustainability initiatives and performance under CSR. Further, the Board reviews the Company's Sustainability performance through CSR activities on an annual basis. The CSR Committee is headed by the CMD of the organization emphasizing the importance placed to sustainability and social responsibility.								

### 10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9
<b>Performance against above policies and follow up action</b>	<p>The policies are formulated within the ambit of the statutory guidelines and business requirement, which are amended from time to time as per business/ environmental/ Government requirements.</p> <p>Policies have been approved by the Board/Committee of the Board/Senior Management of the Corporation and are reviewed from time to time.</p>																	
<b>Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances</b>	<p>The Corporation complies with all the regulations as applicable.</p>																	
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9

The policies are formulated within the ambit of the statutory guidelines and business requirement, which are amended from time to time as per business/ environmental/ Government requirements. The policies are reviewed by internal committee and wherever required they are reviewed /evaluated by external agencies.

## SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

### PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE

#### 1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

**Board of Directors/Key Managerial Personnel: 100% Coverage**

**The Board of Directors and the KMP's are familiarized on the following:**

- Business Performance updates
- Business and Sustainability strategy
- Risk Management Plan
- Governance, Compliance and Regulatory Updates

Additionally, the Independent Directors are familiarised with the Corporation's business model, nature of industry, governance philosophy, practices, procedures, systems, their roles, rights, and responsibilities. The details of the Familiarisation programme imparted to Independent Directors is hosted on the Corporation's Website.

## Employees & Workers other than Board of Directors or KMPs: 100% Coverage

Employees were provided trainings at various institutes on both technical and behavioural aspects. The learning content addresses topics like code of conduct, ethics and compliance, cyber security, helping employees to enhance their technical skills and awareness of compliance requirements in the Company. Our training coverage ratio (no of employees trained/ total employees) is a healthy 2.64 which substantiates our emphasis on employee overall development and well-being.

2. **Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):**

**Not Applicable. No fines or other kinds of penalties were levied during the reporting period.**

3. **Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

**Not Applicable**

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Yes, the Code of conduct for Directors and Senior Management Personnel is applicable to the Directors and Senior Management Personnel of the Corporation. The General Insurance (Conduct, Discipline and Appeal) Rules, 2014. The Complaint Handling Policy, Whistle Blower Policy and Anti-Fraud Policy are in place and applicable to all employees of the Corporation.

Every year, the Corporation celebrates Vigilance Awareness Week and all the employees of the Corporation take Integrity Pledge to be vigilant and always commit to highest standards of honesty and integrity and support the fight against corruption. We have a complaint handling policy which outlines how any complaint can be lodged and allows for anonymity of the complainant and appropriate resolution.

The policies are readily available and can be accessed through the following link:

<https://www.gicre.in/en/people-resources/policies-and-guidelines>

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

No such disciplinary actions taken against the Directors/KMPs/employees during the reporting period.

6. **Details of complaints with regard to conflict of interest:**

No complaints received during the reporting period.

7. **Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

During the reporting period, there have been no cases taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest.

## PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE

### Essential Indicators

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

Not Applicable

2. **Does the entity have procedures in place for sustainable sourcing? (Yes/No) If yes, what percentage of inputs were sourced sustainably?**

No but we are in the process of developing a framework for sustainable sourcing.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

GIC Re is committed to waste reduction and minimization at all levels. All E-waste and plastic are disposed in an environmentally friendly manner and we comply with all local/state/national laws. We strive to recycle all our plastic and e-waste.

A total of 1.62 tonnes of electronic waste was released under the buy-back programme during the financial year.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Not Applicable

### PRINCIPLE 3: BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS

#### Essential Indicators

1. **a. Details of measures for the well-being of employees:**

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
<b>Permanent employees</b>											
Male	288	286	99%	288	100%	NA	NA	288	100%	NIL	
Female	155	148	95%	155	100%	155	100%	NA	NA		
Total	443	434	98%	443	100%	155	100%	288	100%		
<b>Other than Permanent employees</b>											
Male	2	1	50%								
Female	4	3	75%	NIL		NIL		NIL		NIL	
Total	6	4	67%								

**b. Details of measures for the well-being of workers:** Not Applicable

2. **Details of retirement benefits**

Benefits	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF/NPS	100%	NA	Yes	100%	NA	Yes
Gratuity	100%	NA	Yes	100%	NA	Yes
ESI	NA	NA	NA	NA	NA	NA
Others	NA	NA	NA	NA	NA	NA

3. **Accessibility of workplaces: Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.**

Yes, in locations where our differently abled employees work, the workplaces are equipped with the necessary accessibility provisions.

4. **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

As an organisation, we are committed to providing equal opportunities to all employees and candidates for employment. We firmly believe in the principles of diversity and inclusion and do not discriminate against individuals based on factors such as race, caste, religion, color, ancestry, marital status, gender, sexual orientation, age, nationality, ethnic origin, disability, or any other category protected by applicable law. The importance of treating everyone with fairness, respect, and dignity and to act in a way that is consistent with our sense of fairness and equal opportunity is codified in both the Code of conduct for Directors and Senior Management Personnel and The General Insurance (Conduct, Discipline and Appeal) Rules applicable to all employees. Currently, the equal opportunity policy is at a draft stage to be approved by the Board of the Corporation.

5. **Return to work and Retention rates of permanent employees that took parental leave.**

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	-	-
Female	100%	100%	-	-
<b>Total</b>	<b>100%</b>	<b>100%</b>	-	-

6. **Is there a mechanism available to receive and redress grievances for the following categories of employees? If yes, give details of the mechanism in brief.**

GIC Re is committed to providing a safe and positive work environment. We are committed to ensuring that all grievances are addressed promptly and effectively to maintain productive and engaged workforce. The employees can raise their concerns to their respective line manager, department head or HR department (Complaints Handling Officer) as per our Complaints Handling policy. Once a grievance is raised, we work closely with the employee to understand the issue and identify potential solutions. A thorough inquiry procedure assures fairness for all parties concerned, including the ability to submit facts and any relevant evidence. Any disciplinary action and recourse available are codified in The General Insurance (Conduct, Discipline and Appeal) Rules. Our grievance redressal mechanism includes a process for employees to raise their concerns or grievances through their Employee Representatives. We also hold joint meetings with the Employee Representatives to address any grievances raised and ensure that we provide timely feedback on the status of the grievance.

7. **Membership of employees in association(s) or Unions recognised by the listed entity:**

GIC Re does not have any recognised employee union.

### 8. Details of training given to employees

Organisation	No. of training program	No. of employees
National Insurance Academy	32	135
Insurance Institute of India	6	40
Indian Institute of Management	2	7
In house- Management Training	6	148
In house- IT Systems Training	6	289
In house- Cyber Security (CISO Team)	14	390
Other Reputed Institutes	45	160
<b>Total</b>	<b>111</b>	<b>1169</b>

Our training coverage ratio of 2.64 trainings per employee emphasizes our commitment to employee development. Employee capability is a critical pillar of our development architecture. The Company continued to actively drive Ethics & Compliance via mandatory training programs and by organizing pledge on Integrity every year, stressing the importance of always doing the right thing and zero tolerance to non-compliance. We continued to invest in our cyber security systems/policies and generate cyber awareness across all teams and locations. The Company continued to enable leadership development through managerial development programmes at Institutes of prominence.

#### Training Data for FY 2022-23

	No of Employees	No of Hrs
External	375	7294
In-House	794	890
<b>Total</b>	<b>1169</b>	<b>8184</b>
<b>Total Training Cost (₹)</b>		<b>72,14,368</b>

#### Training Data for FY 2021-22

	No of Employees	No of Hrs
External	365	4851
In-House	540	612
<b>Total</b>	<b>905</b>	<b>5463</b>
<b>Total Training Cost (₹)</b>		<b>1,24,13,839</b>

### 9. Details of performance and career development reviews of employees:

Building people's functional capability is one of the key elements of our investment in people. There is an emphasis on employee engagement and building manager and employee capability via trainings covering a range of technical and behavioural processes. 100% of employees captured their development needs in a structured format following KPI/ACR conversations with their managers.

**10. Health and safety management system:**

**a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**

Yes, the Company has deployed health and safety management system across all its offices. All Floor wardens and Security personnel are trained on Safety protocols, available control measures and Evacuation protocols.

**b. What are the processes used to identify work-related hazards and assess risks on a routine and nonroutine basis by the entity?**

All potential work-related hazards are thoroughly evaluated and identified as part of our Risk Register to ensure ongoing safety. Control measures are established and implemented to mitigate identified risks.

**c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)**

Yes, to foster a culture of safety and to proactively identify and address potential hazards, employees/workers are encouraged to report any near hazards, unsafe acts, or unsafe conditions to either our HR or OSD department.

**d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes / No)**

Yes. GIC Re prioritises employee health and wellbeing by providing comprehensive medical coverage. All Employees are covered by medical insurance for themselves and their families.

**11. Details of safety related incidents, in the following format:**

Safety Incident/Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	NIL	NIL
	Workers	NA	NA
Total recordable work-related injuries	Employees	NIL	NIL
	Workers	NA	NA
No. of fatalities	Employees	NIL	NIL
	Workers	NA	NA
High consequence work-related injury or ill-health (excluding fatalities)	Employees	NIL	NIL
	Workers	NA	NA

**12. Describe the measures taken by the entity to ensure a safe and healthy workplace.**

GIC Re believes in providing a safe, supportive, and friendly workplace environment – a positive workplace environment and a great employee experience are integral parts of our culture. The Company aims to provide an ergonomically safe and comfortable work environment at all offices. The Company regularly provides annual preventive health checks for its employees over 40 years of age.

A core component of the Company’s diversity and inclusion ambition is agile working which encompasses a wide range of working options enabling employees to work flexibly at their full potential. Part-time working, Work from Home and flexible hours are some options granted under this initiative.

**13. Number of Complaints on the following made by employees:**

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	NIL	NIL	NA	NIL	NIL	NA
Health & Safety	NIL	NIL	NA	NIL	NIL	NA

### 14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	NIL
Working Conditions	NIL

### 15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

No Action required as we did not have any Loss Time Injuries (LTI) during the reporting period.

## PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS

### ESSENTIAL INDICATORS

#### 1. Describe the processes for identifying key stakeholder groups of the entity.

Key Stakeholders are identified based on the influence they have on the company or on how they are influenced by the Company's corporate decisions and the consequences of those decisions. GIC Re prioritizes the stakeholder groups on the level of their interest and impact to determine which ones are most important to the company. Once the key stakeholder groups have been identified and prioritized, we engage with them to understand their needs and concerns and develop strategies to manage and mitigate any potential risks or negative impacts.

#### 2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of Communication	Frequency of Engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	Employee Townhall	On a need basis	Business & performance updates
		Senior Leadership Engagements	On a need basis	
		Training Programmes	Regularly	
		Internal Communication	Regularly	
Shareholders & Investors	No	Financial statements shared on Stock Exchanges, website of the company and newspaper publication	Quarterly	Financial & Operational performance
		Annual Report	Annually	
		Earnings Call	Annually	
		AGM	Quarterly	
		Investor/Analyst Meet	On a need basis	
		Press conferences and media releases	On a need basis	
		Company Website		
Dedicated email for Investor grievances				

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of Communication	Frequency of Engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
(Re)insurance companies and Brokers	No	Dedicated email specific to line of business/geography Face to face engagements Brokers Meet	On a need basis Annual	Business procurement, conversion and servicing
Government & Regulatory Bodies	No	Following as applicable under the prevailing laws: <ul style="list-style-type: none"> <li>• Submission of reports and returns</li> <li>• Directives and circulars</li> <li>• Written communication</li> <li>• Stock Exchange filings</li> <li>• Industry associations</li> </ul>	On a need basis	Regulatory Compliance
Communities and NGOs	Yes	Meetings and discussions Employee Volunteering Programme Community Programmes	Ongoing	CSR initiatives and stakeholder meetings

**PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS**

**ESSENTIAL INDICATORS**

**1. Employees who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees/workers covered (B)	% (B/A)	Total (C)	No. of employees/workers covered (D)	% (D / C)
Employees						
Permanent	NIL	NIL	NIL	NIL	NIL	NIL
Other than permanent	NA	NA	NA	NA	NA	NA
Total Employees	NIL	NIL	NIL	NIL	NIL	NIL
Workers						
Permanent						
Other than permanent				Not Applicable		
Total Workers						

**2. Details of minimum wages paid to employees, in the following format:**

All employees (permanent and other than permanent) have been paid more than the minimum wage in accordance with the laws of the land.

### 3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	4	49,19,202.00	3	37,64,237.07
Key Managerial Personnel	6	44,21,520.11	4	36,12,098.70
Employees other than BoD and KMP	284	17,55,361.86	155	20,77,023.02
Workers	NA	-	NA	-

### 4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

The Company has a robust Complaints Handling policy along with the Vigil Mechanism/Whistle Blower Policy and employees are encouraged to raise any of their concerns anonymously. Complaints can be lodged in GIC by writing directly to the Chairman cum Managing Director (CMD), Chairman (Ethics Committee of the Board), Chairman (Audit Committee of the Board), the Head of the Department concerned or the Chief Vigilance Officer (CVO) at their office address. Complaints under Public Interest Disclosure and Protection of Informer (PIDPI) can be made only by post, directly to the Central Vigilance Commission (CVC). GIC Re has constituted the Internal Complaints Committee (ICC) under the Prevention of Sexual Harassment of Women at Workplace-Policy to address sexual harassment cases.

### 5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The General Insurance (Conduct, Discipline and Appeal) Rules, 2014 and Vigil Mechanism/Whistle Blower Policy are applicable to all employees of the Corporation and outline ethical business practices and responsible conduct. All stakeholders, including employees and partners, are encouraged to report any suspected or actual breaches of the Code, company policies, or the law. We have a Complaints Handling Policy to address issues on conditions of work or employment that affect employees personally. There is a structured investigation process with laid down roles and responsibilities, accountabilities and appeal process.

### 6. Number of Complaints on the following made by employees:

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	NIL	NIL	NIL	NIL	NIL	NIL
Discrimination at workplace	NIL	NIL	NIL	NIL	NIL	NIL
Child Labour	NIL	NIL	NIL	NIL	NIL	NIL
Forced Labour/ Involuntary Labour	NIL	NIL	NIL	NIL	NIL	NIL
Wages (Outsourced Employees)	NIL	NIL	NIL	NIL	NIL	NIL
Other human rights related issues	NIL	NIL	NIL	NIL	NIL	NIL

**7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

We place great emphasis on ensuring that members of our ICC (Internal Complaints Committee under Prevention of Sexual Harassment policy) and Ethics Committees are well-informed and educated on the importance of confidentiality. We have a zero-tolerance policy towards any form of retaliation against individuals who report legitimate concerns, and anyone found to be targeting such individuals will be subject to disciplinary action. Our POSH and Ethics Committee members receive training and sensitization to prevent retaliation and reassure complainants that they can report concerns without fear. We also offer complainants the option to change teams, locations or even take extended leave upon request.

**8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes. All our vendors are expected to have ethical and human right policies in place and appropriate procedures for handling breaches of these policies. The Company does not engage in or tolerate any form of child labour/ forced labour/ involuntary labour and does not adopt any discriminatory employment practices. The Company is in compliance with the laws as applicable.

**9. Assessments for the year:**

	<b>% of your plants and offices that were assessed (by entity or statutory authorities or third parties)</b>
Child labour	NIL
Forced/involuntary labour	NIL
Sexual harassment	NIL
Discrimination at workplace	NIL
Wages	NIL
Others – please specify	NIL

**10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.**

There were no significant risks / concerns arising from the above assessments.

**PRINCIPLE 6: BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT**

**ESSENTIAL INDICATORS**

**1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

<b>Parameter</b>	<b>FY 2022-23</b>	<b>FY 2021-22</b>
Total electricity consumption (A)	3227.04 GJ	2963.52 GJ
Total fuel consumption (B)	175.47 GJ	154.43 GJ
Energy consumption through other sources (C)	NA	NA
Total energy consumption (A+B+C)	3402.51 GJ	3117.95 GJ
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	0.0929 GJ / Crore (Gross turnover/premium = ₹ 36591.59 Crore)	0.0722 GJ / Crore (Gross turnover/premium = ₹ 43208.46 Crore)
Energy intensity (optional) – the relevant metric may be selected by the entity	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. **No**

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

Not Applicable

3. **Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres): NA		
(i) Surface water	NA	NA
(ii) Groundwater	NA	NA
(iii) Third party water	5979 KI	6341 KI
(iv) Seawater / desalinated water	NA	NA
(v) Others	NA	NA
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	5979	6341
Total volume of water consumption (in kilolitres)	5979	6341
Water intensity per rupee of turnover (Water consumed / turnover)	0.163 KI / Crore (Gross turnover/premium = ₹ 36591.59 Crore)	0.147 KI / Crore (Gross turnover/premium = ₹ 43208.46 Crore)
Water intensity (optional) – the relevant metric may be selected by the entity	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. **No**

4. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

As the Corporation only 3 offices in India, wastewater discharge is very minimal. All wastewater produced is discharged into municipal sewers which is treated by the Municipal authorities.

5. **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Not Available

6. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Not Available

7. **Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.**

Not Available

8. **Provide details related to waste management by the entity, in the following format:**

Not Available. A total of 1.62 tonnes of electronic waste was released under the buy-back programme during the financial year.

9. **Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

No hazardous or toxic chemicals are used by the Corporation in any way.

We implement the 3Rs approach - reduce, reuse, and recycle - for effective waste management at all our offices.

10. **If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

Not Applicable

11. **Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Not Applicable

12. **Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

Yes, Company is compliant with all the applicable laws.

**PRINCIPLE 7: BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT**

**ESSENTIAL INDICATORS**

1. a. **Number of affiliations with trade and industry chambers / associations:**  
 b. **List the top 10 trade and industry chambers / associations (determined based on the total members of such body) the entity is a member of / affiliated to.**

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Association of Insurers & Reinsurers of Developing Countries INC.	International
2	Singapore Reinsurers Association	International
3	International Underwriting Association	
4	General Insurance Council	National
5	Risk & Insurance Management Society	International
6	Indian Register of Shipping	National
7	Federation of Afro-Asian Insurers & Reinsurers (FAIR)	International
8	The Associated Chambers of Commerce Industry of India (ASSOCHAM)	National
9	Indian Merchants Chamber	National
10	Federation of Indian Chamber of Commerce & Industry (FICCI)	National

2. **Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.**

NIL

### PRINCIPLE 8: BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

#### ESSENTIAL INDICATORS

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
The Leprosy Mission Trust India (TLMTI)	-	27/02/2023	Yes	Yes	PO uploaded via GeM portal
Smile Foundation	-	15/02/2022	Yes	Yes	<a href="https://www.gicre.in/images/Impact_Assessment_Report-Smile_Foundation_2021-22.pdf">https://www.gicre.in/images/Impact_Assessment_Report-Smile_Foundation_2021-22.pdf</a>

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

Sr. No.	Name of the Project for which R&R is going	State	District	No. of Project Affected Families (PAFs)	%of PAFs covered by R&R	Amounts paid to PAFs in the FY (₹)
1	Shraddha rehabilitation Foundation	Maharashtra	Karjat	160	100%	59,14,720

3. **Describe the mechanisms to receive and redress grievances of the community.**

We have a grievance redressal mechanism which covers all our stakeholders. Active engagement with the community and stakeholders requires an effective grievance redressal system that includes feedback loops and conflict resolution mechanisms. Our Complaints Handling policy and RTI mechanism allows beneficiaries and affected community members to seek prompt redressal. We have an actionable internal structure in place to ensure time-bound resolution of issues, complaints, and grievances. Additionally, the machinery to redress grievances is also required to be handled by the concerned Implementing Partners.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/ small producers	Not Applicable	Not Applicable
Sourced directly from within the district and neighbouring districts	Not Applicable	Not Applicable

#### LEADERSHIP INDICATORS

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Details of negative social impact identified	Corrective action taken
None so far	Not Applicable

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

Sr. No.	State	Aspirational District	Amount Spent ₹
1	Maharashtra	Washim	7679960.00
2	Maharashtra	Osmanabad	4995561.00
3	Maharashtra	Gadchiroli	3997639.00
4	Assam	Udalgiri	4250401.00

3. a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups?

(Yes/No)

b) From which marginalized /vulnerable groups do you procure?

c) What percentage of total procurement (by value) does it constitute?

The Corporation follows the Procurement Guidelines as mandated by the Department of Expenditure, Ministry of Finance. There is additional support to MSMEs under the guidelines.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Not Applicable

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Not Applicable

6. Details of beneficiaries of CSR Projects:

Sr. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Shraddha Rehabilitation Foundation	160	100%
2	Samarthanam Trust for the Disabled	400	100%
3	ALIMCO Artificial Limbs Manufacturing Co.Ltd	5000	100%
4	Leprosy Mission Trust of India	1600	100%

**PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER**

**ESSENTIAL INDICATORS**

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback

Under the Complaints Handling policy- all complaints can be lodged in GIC by writing directly to the Chairman cum Managing Director (CMD), Chairman (Ethics Committee of the Board), Chairman (Audit Committee of the Board), the Head of the Department concerned or the Chief Vigilance Officer (CVO) at their office address. Complaints under Public Interest Disclosure and Protection of Informer (PIDPI) can be made only by post, directly to the Central Vigilance Commission (CVC).

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

Not Applicable

3. **Number of consumer complaints in respect of the following:**

NIL

4. **Details of instances of product recalls on account of safety issues:**

Not Applicable

5. **Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

Yes, our company has an Information Security Policy which is accessible to all employees through the intranet. This policy covers security concerns in both business processes and organisational aspects. It is designed to establish basic guidelines and regulations for accessing, using, classifying, and disposing of information assets belonging to GIC Re. The policy is managed by the Office of the CISO (Chief Information Security Officer) of the Company and applies to all authorized users who have access to any information assets belonging to GIC Re, regardless of the geographic location of the user or the Company's operation.

The organization has a Security Steering Committee (SSC) headed by a senior level executive with a reporting line to the Board to take overall responsibility for the information security governance framework. Members of SSC include functional heads from Operations, Information Technology, Legal, Compliance, Finance, HR, Risk etc.

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

There was no penalty or action taken by regulatory authorities.

To,  
 The Members of,  
 General Insurance Corporation of India

## Report on the Audit of Standalone Financial Statements

### 1. Opinion

We have audited the accompanying Standalone Financial Statements of General Insurance Corporation of India ("the Corporation"), which comprise the Balance Sheet as at March 31<sup>st</sup>, 2023, the Revenue Accounts of Fire, Miscellaneous, Marine and Life Insurance (Collectively known as 'Revenue Accounts'), Profit and Loss Account, the Cash Flow statement for the year then ended, and notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information, in which are incorporated financial information of three foreign branches out of which two branches have been audited by local auditors appointed by the Corporation and one unaudited foreign branch and one domestic branch whose auditors are appointed by Comptroller and Auditor General of India, New Delhi.

In our opinion and to the best of our information and according to the explanations given to us, we report that the aforesaid Standalone Financial Statements give the information required in accordance with the requirements of the Insurance Act 1938 as amended by the Insurance Laws (Amendment) Act, 2015 ('the Insurance Act'), the Insurance Regulatory and Development Authority Act, 1999 ('the IRDAI Act'), the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 ('the IRDAI Financial Statements Regulations'), the Companies Act, 2013 ('the Act') including the Accounting Standard specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 ('the Accounting Standards') to the extent applicable and in manner so required and give a true and fair view, in conformity with the accounting principles generally accepted in India as applicable to the Insurance Companies, of state of affairs of the Corporation as on March 31<sup>st</sup>, 2023, surplus of revenue accounts of Fire, Miscellaneous, Marine and Life business, in case of profit and loss account of the profit for the year ended on that date and its cash flows for the year ended on that date.

### 2. Basis For Opinion

We conducted our Audit in accordance with the Standards on Auditing ('SA's') specified under section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ("ICAI"). Our responsibilities under those standards are further described in the Auditors Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Corporation in accordance with the Code of Ethics issued by the ICAI together with the ethical requirements that are relevant to our Audit of the financial statements under the provisions of the Companies act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidences we have obtained is sufficient and appropriate to provide a basis for our opinion.

### 3. Emphasis of Matter

- a) We draw attention to Note No. 26 (b) of the Standalone Financial Statements, some of the balances due to/from entities carrying on Insurance business including reinsurance businesses are subject to confirmations and/or reconciliation, and as stated in the note the consequential impact (If any) will be accounted after complete confirmations and/or reconciliation.
- b) We draw attention to Note No. 27 of the Standalone Financial Statements wherein Corporation has mentioned about creation of Catastrophe Reserve during the current financial year.

Our opinion is not modified on the above matters.

### 4. Key Audit Matters

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide

a separate opinion on these matters. We have determined the matters below to be the key audit matters to be communicated in our report.

S. No.	Key Audit Matters	Auditor's response
1.	<p><b>Revenue Recognition:</b></p> <p>The Corporation recognizes reinsurance premium income based on the statement of accounts or closing statements received from the ceding companies. At the year end, estimates are made for the accounts not received based on the Estimated Premium Income (EPI) agreed upon by both the Corporation and the Ceding Companies at the time of inception of the treaty or policy slip. Premium estimation is the differential of EPI and the booked premium for the year by the Corporation. Estimation of Income can be right only if the factors involved are incorporated in the system and extracted correctly from the system.</p>	<p>Our audit procedures on revenue recognized included:</p> <p>Tested the design, implementation and operating effectiveness of key controls over Revenue Recognition.</p> <p>Verified Premium Estimation with the guidelines of the Corporation and have performed test of controls, test of details and analytical review procedures on estimation of income.</p> <p>Verified EPI from the treaty or policy slip as the case may be and verified Actual Premium booked from Statement of Accounts or Closing statements received from the Cedants of the sample cases.</p>
2.	<p><b>Claim Provisioning:</b></p> <p>Insurance Claim is the major area of expense for the insurance company. Total claims incurred include paid claims, Outstanding Loss Reserve (OSLR) and Claims Incurred But Not (Enough) Reported (IBN(E)R).</p> <p>The Provision and payment of claims was considered to be one of the areas which required significant auditor attention and was one of the matter of most significance in the Standalone Financial Statements as the quantum involved is significant.</p>	<p>Verified operational guidelines of the Corporation relating to claim processing, have performed test of controls, test of details and analytical review procedures on the outstanding claims. Verified the claim paid and provision on sample basis with payment proof and Preliminary Loss advice received from the Cedant Company and the same is further verified from the surveyor's report.</p> <p>For the claim cases which has been incurred but not reported and cases in which claim has been reported but not enough reported these cases has been captured by the actuary appointed by the Corporation. The actuarial valuation of liability in respect of Claims Incurred but Not Reported (IBNR) and those Incurred but Not Enough Reported (IBNER) as at March 31<sup>st</sup>, 2023, is as certified by the Corporation's Appointed Actuary and we had verified the amounts and the related liability, based on such report.</p>
3.	<p><b>Investments:</b></p> <p>The Corporation's investments represents substantial portion of the assets as at March 31<sup>st</sup>, 2023 which are to be valued in accordance with accounting policy framed as per the extent of the regulatory guidelines.</p> <p>The valuation of all investments should be as per the investment policy framed by the Company which in turn should be in line with IRDAI Investment Regulations and Preparation of Financial Statement Regulations. The valuation methodology specified in the regulation is to be used for each class of investment.</p>	<p>Our audit procedures on Investment included the following:</p> <ul style="list-style-type: none"> <li>• Understood Management's process and controls to ensure proper classification and valuation of Investment.</li> <li>• Verified and obtained appropriate external confirmation for availability and ownership rights related to these investments.</li> <li>• Tested the design, implementation, management oversight and operating effectiveness of key controls over the classification and valuation process of investments.</li> <li>• Test-checked valuation of different class of investments to assess appropriateness of the valuation methodologies with reference to IRDAI Investment Regulations along with Company's own investment policy.</li> </ul>

S. No.	Key Audit Matters	Auditor's response
	<p>The Company has a policy framework for Valuation and impairment of Investments. The Company performs an impairment review of its investments periodically and recognizes impairment charge when the investments meet the trigger/s for impairment provision as per the criteria set out in the investment policy of the Company. Further, the assessment of impairment involves significant management judgment.</p> <p>The classification and valuation of these investments was considered one of the matters of material significance in the audit of Standalone Financial Statements due to the materiality of the total value of investments to the Standalone Financial Statements.</p>	<ul style="list-style-type: none"> <li>Reviewed the Company's impairment policy and assessed the adequacy of its impairment charge on investments outstanding at the year end.</li> </ul> <p>Based on procedures above, we found the company's impairment, valuation and classification of investments in its Standalone Financial Statements in all material respects to be fair.</p>

## 5. Information Other than the Financial Statements and Auditor's Report Thereon

The Corporation's Board of Directors is responsible for preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis, Business Responsibility Report and Report on Corporate Governance, but does not include the Standalone Financial Statements and our auditor's report thereon. These other information are expected to be made available to us after the date of this auditor's report.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the other information, If we conclude that there is a material misstatement therein, we are required to communicate the matters to those charged with governance and determine the actions under the applicable laws and regulations.

## 6. Responsibilities of the management and those charged with governance for the financial statements

The Corporation's Board of Directors is responsible for matters as stated in section 134(5) of the companies act, 2013 ("the act") with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance and Cash flows of the Corporation in accordance with the Insurance Act 1938 as amended by the Insurance Laws (Amendment) Act, 2015 ('the Insurance Act'), the Insurance Regulatory and Development Authority Act, 1999 ('the IRDAI Act'), the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 ('the IRDAI Financial Statements Regulations'), the Companies Act, 2013 ('the Act') including the Accounting Standard specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the act for safeguarding of the assets of the Corporation and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation & presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

In preparing the Standalone Financial Statements, management is responsible for assessing the ability of the Corporation's to continue as Going Concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Corporation or to cease operations, as has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Corporation's financial reporting process.

## 7. Auditor's Responsibilities for the Audit of the Financial Statements

Our Objective are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SA's will always detect a material misstatements when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatements of the Standalone Financial Statements, whether due to fraud and error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal controls.
- Obtain and understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Corporation has in place and adequate internal financial control systems over financial reporting and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the management use of going concern basis of accounting and, based on audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. Our conclusions are based on the audit evidence obtained up to the date of our auditors report. However, future events or condition may cause the Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of Standalone Financial Statements of the current period and are therefore the Key Audit Matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## 8. Other Matters:

- a) We did not audit the financial information of three foreign branches and one Indian branch included in the Standalone Financial Statements, whose audited financial information reflect Premiums earned (Net) (before eliminations) of ₹ 2,35,35,300 thousands and total profit after tax (before eliminations) of ₹ 27,32,985 thousands for the year ended March 31<sup>st</sup>, 2023, as considered in the audited Standalone Financial Statements. These financial information other than Malaysian Branch have been audited by another auditor whose report has been furnished to us except Malaysian Branch. The Corporation's management has converted the financial information of such branches located outside India to accounting principles generally accepted in India and certain conversion adjustments were accounted. We have audited these conversion adjustments made by the Corporation's management.

Our opinion on the Standalone Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these three foreign branches and one Indian branch is based solely on the report of another auditor except for unaudited Malaysian Branch where we have relied on Management certified financial information.

- b) The Standalone Financial Statements include the financial information of Dubai branch which has intimated the Run-off branch status as per the audited financial information received for the year ended March 31<sup>st</sup>, 2023. The auditors of the branch have also stated that the Branch is not looked upon as a Going Concern in the future as a Portfolio Transfer Agreement has been entered on September 14<sup>th</sup>, 2022 between GIC Gift City Branch and Dubai Branch.
- c) The actuarial valuation of liability in respect of Claims Incurred but not Reported (IBNR) and those Incurred but not Enough Reported (IBNER) as at March 31<sup>st</sup>, 2023 is as certified by the Corporation's Appointed Actuaries and our opinion in so far as it relates to the amounts and disclosures related to such liability, is based solely on such report.
- d) The Standalone Financial Statements of the Corporation for the year ended March 31<sup>st</sup>, 2022, were audited by D.R. Mohnot & Co, one of the joint auditors of the Corporation and other previous joint auditor whose report dated May 27<sup>th</sup>, 2022 expressed a modified opinion on the Standalone Financial Statements.

Our Report is not modified in respect of the above matters.

## 9. Report on Other Legal and Regulatory Requirements

1. As required by the IRDAI Financial Statements Regulations, we have issued a separate certificate dated May 25<sup>th</sup>, 2023 certifying the matters specified in paragraphs 3 and 4 of Schedule C to the IRDAI Financial Statement Regulations.
2. As required by Section 143 (3) of the Companies Act, 2013 and Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 and orders or direction issued by the Insurance Regulatory and Development Authority, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and have found them to be satisfactory.
  - b) In our opinion and to the best of our information and according to the explanations given to us, proper books of account as required by law have been kept by the Corporation so far as it appears from our examination of those books and proper returns (audited/certified) have been received from the four branches, not visited by us.
  - c) The reports of the three foreign branches and one domestic branch on the accounts of the branch offices of the Corporation audited/certified by the branch auditors under section 143(8) of the Act, have been sent to us and have been properly dealt with by us in preparing this report.
  - d) The Balance Sheet, Revenue Accounts, Profit and Loss Account and Cash Flow Statement dealt by this Report are in agreement with the books of accounts and with the returns received from the branches/representative offices not visited by us.
  - e) The Actuarial valuation of liabilities as on March 31<sup>st</sup>, 2023 is duly certified by the appointed actuary including to the effect that the assumptions for such valuation are in accordance with the guidelines issued by the Institute of Actuaries of India to its members and has been forwarded to IRDAI.
  - f) The Balance Sheet, Revenue Accounts, Profit and Loss Account have been drawn in accordance with the Insurance Act 1938, IRDAI Act, 1999 and the Act except for the Cash Flow Statement, (Refer Note 55) which is prepared under indirect method, whereas IRDAI regulations require Cash Flow Statements to be prepared under Direct Method.
  - g) Investments have been valued in accordance with the provisions of the Insurance Act, the regulations and orders/directions issued by IRDAI in this regard except investment which have been considered as fully impaired are not fair valued as required by para 6(c) of the IRDAI Financial Statements Regulations.
  - h) The Accounting policies selected by the Corporation are appropriate and are in accordance with the applicable accounting standards and with the accounting principles, as prescribed in the IRDAI (Auditor's Report) Regulations, 2002 or any order or direction issued by IRDAI in this behalf.



- v. The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 relating to maintenance of audit trail in software systems involved in financial reporting is applicable with effect from April 1<sup>st</sup>, 2023 to the Company, accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31<sup>st</sup>, 2023.

**For PKF SRIDHAR & SANTHANAM LLP**  
**Chartered Accountants**

ICAI Firm Registration  
No:0039905/S200018

**Partner: S Narasimhan**  
Membership No. 206047  
UDIN: 23206047BGUMVE2414

Place: Mumbai  
Date: May 25<sup>th</sup>, 2023

**For D.R. MOHNOT & CO**  
**Chartered Accountants**

ICAI Firm Registration  
No:001388C

**Partner: D.R. Mohnot**  
Membership No. 070579  
UDIN: 23070579BGUINC8823

Place: Mumbai  
Date: May 25<sup>th</sup>, 2023

### **Annexure A to the Independent Auditors' Report of even date on the Financial Statements of General Insurance Corporation of India**

(Referred to in paragraph 9(2)(m) of section "Report on other legal and regulatory Requirements" forming part of the Independent Auditor's report dated May 25<sup>th</sup>, 2023)

#### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of General Insurance Corporation of India ("the Corporation") as of March 31<sup>st</sup>, 2023 in conjunction with our audit of the Standalone Financial Statements of the Corporation for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Corporation's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Corporation considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Corporation's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013, the Insurance Act, the IRDAI Act, the Regulations and orders/directions prescribed by the Insurance Regulatory and Development Authority of India ('IRDAI') in this behalf and current practices prevailing within the insurance industry in India.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Corporation's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India.

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error. Commensurate to the size and nature of the business, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Corporation's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A Corporation's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A Corporation's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Corporation; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles and that receipts and expenditures of the Corporation are being made only in accordance with authorizations of management and directors of the Corporation; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Corporation's assets that could have a material effect on the Standalone Financial Statements.

## Annexure A to the Independent Auditors' Report

### Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, commensurate with the size & nature of business, the Corporation has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31<sup>st</sup>, 2023, based on the internal control over financial reporting criteria established by the Corporation considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### Other Matter

The actuarial valuation of liability in respect of Claims Incurred but not Reported (IBNR) and those Incurred but not Enough Reported (IBNER) as at March 31<sup>st</sup>, 2023 is as certified by the Corporation's Appointed Actuaries and has been relied upon by us as mentioned in paragraph 8 of our audit report on the Standalone Financial Statements for the year ended March 31<sup>st</sup>, 2023. Accordingly, our opinion on the internal financial controls over financial reporting does not include reporting on the operating effectiveness of the management's internal controls over the valuation and accuracy of aforesaid actuarial valuation.

#### For PKF SRIDHAR & SANTHANAM LLP

##### Chartered Accountants

ICAI Firm Registration

No: 0039905/S200018

##### Partner: S Narasimhan

Membership No. 206047

UDIN: 23206047BGUMVE2414

Place: Mumbai

Date: May 25<sup>th</sup>, 2023

#### For D.R. MOHNOT & CO

##### Chartered Accountants

ICAI Firm Registration

No: 001388C

##### Partner: D.R. Mohnot

Membership No. 070579

UDIN: 23070579BGUINC8823

Place: Mumbai

Date: May 25<sup>th</sup>, 2023

**(Referred to in paragraph '9(2)(n)' of "Report on Other Legal and Regulatory Requirements" section of the Independent Auditors' Report of even date to the members of General Insurance Corporation of India on the Standalone Financial Statements for the year ended March 31<sup>st</sup>, 2023)**

With regards to the Directions issued by the Comptroller and Auditor General of India under section 143(5) of the Companies Act, 2013, based on our audit, we report hereunder on the action taken and the financial impact on the accounts of the Standalone Financial Statements of the Corporation except for Dubai branch whose auditors have not commented on directions and sub directions of C&AG.

Sr. No.	Direction under Section 143 (5) of the Companies Act 2013	Action taken and financials impact
1.	Whether the Corporation has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	The Corporation has system in place to process all the accounting transactions through IT systems except for – <ol style="list-style-type: none"> <li>Unexpired Risk Reserve (URR): The provision of URR is calculated manually based on the data extracted from the system and then the same is entered in the IT system after verification, therefore there is no financial impact</li> <li>Retro Recovery Claims: It is understood that claims recovery is processed manually and the data is maintained offline. After verification it is entered in the IT system, therefore there is no financial impact.</li> </ol>
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the Corporation due to the Corporation's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (in case lender is a government company, then its direction is also applicable for statutory auditor of the lender company).	Not Applicable, as the Corporation does not have any outstanding borrowed money.
3.	Whether funds (grants/subsidy etc.) received/receivable for specific schemes from central/state government or its agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation.	Not Applicable. The Corporation is a re-insurance Company and it does not receive any funds directly from State/Central Agencies for specific schemes.

With respect to the additional directions issued by Comptroller and Auditor General of India under section 143 (5) of the Companies Act, 2013, based on our audit, we report hereunder on the action taken and the financial impact on the accounts of the Standalone Financial Statements of the Corporation:

Sr. No.	Additional Direction under Section 143 (5) of the Companies Act 2013	Action taken and financials impact
1.	Number of titles of ownership in respect of CGS/SGS/Bonds/Debentures etc. available in physical/demat form and out of these, number of cases which are not in agreement with the respective amounts shown in the Company's books of accounts may be verified and discrepancy found may be suitably reported.	The Central Government Securities and State Government securities balances are tallied as per the record of custodian vis a vis books of accounts of the Corporation.

## Annexure B to the Independent Auditors' Report

Sr. No.	Additional Direction under Section 143 (5) of the Companies Act 2013	Action taken and financials impact
		<p>Further in case of bonds/debentures/equities/preference shares, no confirmations or other documentary evidence was available regarding actual custody of the following:</p> <ul style="list-style-type: none"> <li>• 16 Scrip of investments in debenture of ₹ 6,589 thousand as per books of accounts (The Corporation has fully provided for these amounts in earlier years, hence no financial impact)</li> <li>• 5 Scrip of investments in Preference Shares of ₹ 0.004 thousand as per books of accounts (Four Scrip Written down to ₹1/- and One Scrip Written Down to Zero in earlier years, hence no financial impact)</li> </ul> <p>Since all the above have either been fully provided or written down, the same has no financial impact.</p> <p>Following Investments held by the Custodian of the Corporation is in excess of number vis a vis held as per the books of the Corporation.</p> <ul style="list-style-type: none"> <li>• 1 Scrip of Bonds having book value of ₹ 1300 thousand (Fully provided by management) and one scrip of bond having book value of Nil.</li> <li>• 1 Scrip of Preference Shares having book value of ₹ 0.001 thousand (Written down to ₹ 1/-)</li> </ul>
2.	Whether Investment Policy exists and includes mechanism to review investment portfolios and whether stop loss limits are prescribed? If yes, whether it was adhered to? If not in existence or not adhered to, details may be given.	The Annual Investment Policy exists which includes mechanism to review investment portfolios and stop loss limits are prescribed in the policy which have been adhered to.

**For PKF SRIDHAR & SANTHANAM LLP**  
**Chartered Accountants**  
 ICAI Firm Registration  
 No: 0039905/S200018

**Partner: S Narasimhan**  
 Membership No. 206047  
 UDIN: 23206047BGUMVE2414

Place: Mumbai  
 Date: May 25<sup>th</sup>, 2023

**For D.R. MOHNOT & CO**  
**Chartered Accountants**  
 ICAI Firm Registration  
 No: 001388C

**Partner: D.R. Mohnot**  
 Membership No. 070579  
 UDIN: 23070579BGUINC8823

Place: Mumbai  
 Date: May 25<sup>th</sup>, 2023

**To,**

**Board of Directors,  
General Insurance Corporation of India  
"Suraksha", 170 J Tata Road,  
Church Gate, Mumbai**

**Dear Sirs,**

(Referred to in paragraph 1 in Other Legal and Regulatory Requirements Section forming part of the Independent Auditors' Report dated May 25<sup>th</sup>, 2023)

This certificate is issued for compliance with the provisions of paragraphs 3 and 4 of Schedule C of the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations 2002, (the "Regulations") read with regulation 3 of the Regulations.

### **MANAGEMENT'S RESPONSIBILITY**

The Corporation's Board of Directors is responsible for complying with the provisions of The Insurance Act, 1938 (amended by the Insurance Laws (Amendment) Act 2015) (the "Insurance Act"), the Insurance Regulatory and Development Authority Act, 1999 (the "IRDA Act"), the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 (the "IRDA Financial Statements Regulations"), orders/directions issued by the Insurance Regulatory and Development Authority of India (the "IRDAI") which includes the preparation of the Management Report. This includes collecting, collating and validating data and designing, implementing and monitoring of internal controls suitable for ensuring compliance as aforesaid.

### **AUDITORS' RESPONSIBILITY**

Pursuant to the requirements, it is our responsibility to obtain reasonable assurance and form an opinion based on our audit and examination of books and records as to whether the Corporation has complied with the matters contained in paragraphs 3 and 4 of Schedule C of the Regulations read with regulation 3 of Regulations.

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI').

The Guidance Note requires that we comply with the independence and other ethical requirements of the Code of ethics issued by the ICAI. We have complied with the relevant applicable requirements of the Standard on Quality Control ('SQC') 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services engagements.

### **OPINION**

In accordance with information and explanations given to us and to the best of our knowledge and belief and based on our examination of the books of account and other records maintained by the Corporation for the year ended March 31<sup>st</sup>, 2023, we certify that:

1. We have reviewed the Management Report attached to the Standalone Financial Statements for year ended March 31<sup>st</sup>, 2023, and on the basis of our review, there is no apparent mistake or material inconsistencies with the Standalone Financial Statements;
2. Based on management representations and compliance certificates submitted to the Board of Directors by the officers of the Corporation charged with compliance and the same being noted by the Board, nothing has come to our attention that causes us to believe that the Corporation has not complied with the terms and conditions of registration as stipulated by the IRDAI;

3. We have verified the cash balances to the extent considered necessary and the securities relating to the Corporation loans and investments as of March 31<sup>st</sup>, 2023, have been verified on the basis of confirmations received from the Custodian and/or Depository Participants appointed by the Corporation, as the case may be, subject to paragraph mentioned below:
  - No confirmation were available from Custodian in respect of Investment in Debentures & Preference Shares of ₹ 6,589 thousand (16 Scrips), ₹ 0.004 thousands (Four Scrip Written down to ₹ 1/- and One Scrip Written Down to Zero in earlier years) respectively
  - Bonds & Preference Shares of ₹ 1300 thousand and ₹ 0.001 thousand (1 scrip written down to ₹ 1/-) respectively, actually held by the Custodian of the Corporation is in excess vis a vis books of the Corporation.
  - Further the Loans as reported under Schedule 9 of the Standalone Financial Statements are subject to confirmations/reconciliation.
4. The Corporation is not a trustee of any trust, however the Corporation is acting as manager of Terrorism and Nuclear Pool.
5. No part of the assets of the Policyholders' Funds has been directly or indirectly applied in contravention to the provisions of the Insurance Act relating to the application and investments of the Policyholders' Funds.

#### Restriction to use

This certificate is addressed to and provided to the Board of Directors of the Corporation, solely for inclusion in the Annual accounts of the Corporation as per the Regulations and should not be used by any other person or for any other purpose. We have no responsibility to update this certificate for events and circumstances occurring after the date of this certificate. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

#### For PKF SRIDHAR & SANTHANAM LLP

##### Chartered Accountants

ICAI Firm Registration

No: 0039905/S200018

#### Partner: S Narasimhan

Membership No. 206047

UDIN: 23206047BGUMVE2414

Place: Mumbai

Date: May 25<sup>th</sup>, 2023

#### For D.R. MOHNOT & CO

##### Chartered Accountants

ICAI Firm Registration

No: 001388C

#### Partner: D.R. Mohnot

Membership No. 070579

UDIN: 23070579BGUINC8823

Place: Mumbai

Date: May 25<sup>th</sup>, 2023

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF GENERAL INSURANCE CORPORATION OF INDIA FOR THE YEAR ENDED 31 MARCH 2023**

The preparation of financial statements of GENERAL INSURANCE CORPORATION OF INDIA for the year ended 31 March 2023 in accordance with the financial reporting framework prescribed under the Insurance Act, 1938 read with Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of the Insurance Companies) Regulations, 2002 and the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139(5) of the Act are responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 25 May 2023.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of GENERAL INSURANCE CORPORATION OF INDIA for the year ended 31 March 2023 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

For and on behalf of the  
Comptroller & Auditor General of India

(Guljari Lal)  
Director General of Audit (Shipping), Mumbai

Place: Mumbai

Date: 04.08.2023

## FINANCIAL INFORMATION



Registration No. 112  
Date of Registration with IRDAI: 2<sup>nd</sup> April 2001  
**AUDITED STANDALONE REVENUE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2023**  
**IN RESPECT OF FIRE INSURANCE BUSINESS**

Particulars	Schedule	Current Year	Previous Year
		(₹ '000)	(₹ '000)
1. Premiums earned (Net)	1	113799 313	110996 408
2. Profit on sale of Investments (Net)		11436 771	11357 218
3. Forex Gain/(Loss)		2001 851	1300 366
4. Interest, Dividend & Rent - Gross		15782 657	12577 194
<b>Total (A)</b>		<b>143020 592</b>	<b>136231 186</b>
1. Claims Incurred (Net)	2	104369 417	101518 235
2. Commission (Net)	3	24743 919	19396 249
3. Operating Expenses related to Insurance Business	4	1470 270	1149 791
4. Premium Deficiency		0	0
<b>Total (B)</b>		<b>130583 606</b>	<b>122064 275</b>
<b>Operating Profit/(Loss) from Fire Business C = (A-B)</b>		<b>12436 986</b>	<b>14166 911</b>
<b>APPROPRIATIONS</b>			
Transfer to Shareholders' Account		11193 287	14166 911
Transfer to Catastrophe Reserve		1243 699	0
Transfer to Other Reserves (to be specified)		0	0
<b>Total (C)</b>		<b>12436 986</b>	<b>14166 911</b>

The schedules referred to above form integral part of the Revenue Account  
As per our report of even date

**For D R MOHNOT & CO**  
Chartered Accountants  
Firm Regn No. 001388C

**For PKF SRIDHAR & SANTHANAM LLP**  
Chartered Accountants  
Firm Regn No. 0039905/S200018

**Devesh Srivastava**  
Chairman and Managing Director  
(DIN: 08646006)

**D R MOHNOT**  
Partner  
Membership No.: 070579

**S NARASIMHAN**  
Partner  
Membership No.: 206047

**Madhulika Bhaskar**  
Director (DIN: 09277012)

**Jayashree Ranade**  
CFO

Mumbai  
Dated: 25.05.2023

**Satheesh Kumar**  
Company Secretary  
Membership Number A64846

Registration No. 112  
 Date of Registration with IRDAI: 2<sup>nd</sup> April 2001  
**AUDITED STANDALONE REVENUE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2023**  
**IN RESPECT OF MISCELLANEOUS INSURANCE BUSINESS**

Particulars	Schedule	Current Year	Previous Year
		(₹ '000)	(₹ '000)
1. Premiums earned (Net)	1	215071 557	247113 240
2. Profit on sale of Investments (Net)		18020 515	21044 431
3. Forex Gain/(Loss)		3584 390	2413 552
4. Interest, Dividend & Rent - Gross		24868 173	23304 995
<b>Total (A)</b>		<b>261544 635</b>	<b>293876 218</b>
1. Claims Incurred (Net)	2	195970 708	216092 791
2. Commission (Net)	3	28694 193	45950 295
3. Operating Expenses related to Insurance Business	4	2302 107	2314 847
4. Premium Deficiency		0	0
<b>Total (B)</b>		<b>226967 008</b>	<b>264357 933</b>
<b>Operating Profit/(Loss) from Miscellaneous Business C = (A-B)</b>		<b>34577 627</b>	<b>29518 285</b>
<b>APPROPRIATIONS</b>			
Transfer to Shareholders' Account		31119 864	29518 285
Transfer to Catastrophe Reserve		3457 763	0
Transfer to Other Reserves (to be specified)		0	0
<b>Total (C)</b>		<b>34577 627</b>	<b>29518 285</b>

The schedules referred to above form integral part of the Revenue Account  
 As per our report of even date

**For D R MOHNOT & CO**  
 Chartered Accountants  
 Firm Regn No. 001388C

**For PKF SRIDHAR & SANTHANAM LLP**  
 Chartered Accountants  
 Firm Regn No. 0039905/S200018

**Devesh Srivastava**  
 Chairman and Managing Director  
 (DIN: 08646006)

**D R MOHNOT**  
 Partner  
 Membership No.: 070579

**S NARASIMHAN**  
 Partner  
 Membership No.: 206047

**Madhulika Bhaskar**  
 Director (DIN: 09277012)

**Jayashree Ranade**  
 CFO

Mumbai  
 Dated: 25.05.2023

**Satheesh Kumar**  
 Company Secretary  
 Membership Number A64846

Registration No. 112  
Date of Registration with IRDAI: 2<sup>nd</sup> April 2001  
**AUDITED STANDALONE REVENUE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2023**  
**IN RESPECT OF MARINE INSURANCE BUSINESS**

Particulars	Schedule	Current Year	Previous Year
		(₹ '000)	(₹ '000)
1. Premiums earned (Net)	1	13874 942	21922 911
2. Profit on sale of Investments (Net)		1586 511	1896 247
3. Forex Gain/(Loss)		300 972	219 144
4. Interest, Dividend & Rent - Gross		2189 373	2099 940
<b>Total (A)</b>		<b>17951 798</b>	26138 242
1. Claims Incurred (Net)	2	11123 673	21276 466
2. Commission (Net)	3	2484 479	4024 616
3. Operating Expenses related to Insurance Business	4	103 317	128 029
4. Premium Deficiency		0	0
<b>Total (B)</b>		<b>13711 469</b>	25429 111
<b>Operating Profit/(Loss) from Marine Business C = (A-B)</b>		<b>4240 329</b>	709 131
<b>APPROPRIATIONS</b>			
Transfer to Shareholders' Account		3816 296	709 131
Transfer to Catastrophe Reserve		424 033	0
Transfer to Other Reserves (to be specified)		0	0
<b>Total (C)</b>		<b>4240 329</b>	709 131

The schedules referred to above form integral part of the Revenue Account  
As per our report of even date

**For D R MOHNOT & CO**  
Chartered Accountants  
Firm Regn No. 001388C

**For PKF SRIDHAR & SANTHANAM LLP**  
Chartered Accountants  
Firm Regn No. 0039905/S200018

**Devesh Srivastava**  
Chairman and Managing Director  
(DIN: 08646006)

**D R MOHNOT**  
Partner  
Membership No.: 070579

**S NARASIMHAN**  
Partner  
Membership No.: 206047

**Madhulika Bhaskar**  
Director (DIN: 09277012)

**Jayashree Ranade**  
CFO

Mumbai  
Dated: 25.05.2023

**Satheesh Kumar**  
Company Secretary  
Membership Number A64846

Registration No. 112  
Date of Registration with IRDAI: 2<sup>nd</sup> April 2001  
**AUDITED STANDALONE REVENUE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2023**  
**IN RESPECT OF LIFE INSURANCE BUSINESS**

Particulars	Schedule	Current Year	Previous Year
		(₹ '000)	(₹ '000)
1. Premiums earned (Net)	1	15334 264	12901 475
2. Profit on sale of Investments (Net)		554 517	639 419
3. Forex Gain/(Loss)		76 833	81 058
4. Interest, Dividend & Rent - Gross		765 229	708 105
<b>Total (A)</b>		<b>16730 843</b>	<b>14330 057</b>
1. Claims Incurred (Net)	2	15929 978	27370 968
2. Commission (Net)	3	182 515	137 022
3. Operating Expenses related to Insurance Business	4	168 706	120 114
4. Premium Deficiency		(85 413)	129 800
<b>Total (B)</b>		<b>16195 786</b>	<b>27757 904</b>
<b>Operating Profit/(Loss) from Life Business C = (A-B)</b>		<b>535 057</b>	<b>(13427 847)</b>
<b>APPROPRIATIONS</b>			
Transfer to Shareholders' Account		535 057	(13427 847)
Transfer to Catastrophe Reserve		0	0
Transfer to Other Reserves (to be specified)		0	0
<b>Total (C)</b>		<b>535 057</b>	<b>(13427 847)</b>

The schedules referred to above form integral part of the Revenue Account  
As per our report of even date

**For D R MOHNOT & CO**  
Chartered Accountants  
Firm Regn No. 001388C

**For PKF SRIDHAR & SANTHANAM LLP**  
Chartered Accountants  
Firm Regn No. 0039905/S200018

**Devesh Srivastava**  
Chairman and Managing Director  
(DIN: 08646006)

**D R MOHNOT**  
Partner  
Membership No.: 070579

**S NARASIMHAN**  
Partner  
Membership No.: 206047

**Madhulika Bhaskar**  
Director (DIN: 09277012)

**Jayashree Ranade**  
CFO

Mumbai  
Dated: 25.05.2023

**Satheesh Kumar**  
Company Secretary  
Membership Number A64846



Particulars	Schedule	Current Period	Previous Period
		(₹ '000)	(₹ '000)
Profit Before Tax		77494 372	35601 419
Provision for Taxation:			
Current Tax		20979 359	17963 042
Deferred Tax		(5635 874)	(222 168)
Provision for Tax in respect of earlier years		(974 086)	(2196 843)
<b>Profit After Tax</b>		<b>63124 973</b>	20057 388
<b>Appropriations</b>			
(a) Balance brought forward from last year		61697 677	41640 289
(b) Interim dividend		3947 400	0
(c) Final dividend		0	0
(d) Dividend distribution tax		0	0
(e) Transfer to General Reserve		0	0
Balance carried forward to Balance Sheet		120875 250	61697 677
Basic and Diluted EPS		35.98	11.43

Significant Accounting Policies & Notes to Accounts form integral part of the Balance Sheet-Note no 16

The schedules referred to above form integral part of the Revenue Account  
As per our report of even date

**For D R MOHNOT & CO**  
Chartered Accountants  
Firm Regn No. 001388C

**For PKF SRIDHAR & SANTHANAM LLP**  
Chartered Accountants  
Firm Regn No. 0039905/S200018

**Devesh Srivastava**  
Chairman and Managing Director  
(DIN: 08646006)

**D R MOHNOT**  
Partner  
Membership No.: 070579

**S NARASIMHAN**  
Partner  
Membership No.: 206047

**Madhulika Bhaskar**  
Director (DIN: 09277012)

**Jayashree Ranade**  
CFO

**Satheesh Kumar**  
Company Secretary  
Membership Number A64846

Mumbai  
Dated: 25.05.2023

Registration No. 112

Date of Registration with IRDAI: 2<sup>nd</sup> April 2001**AUDITED STANDALONE BALANCE SHEET AS AT 31 MARCH 2023**

Particulars	Schedule		Current Period	Previous Period
			(₹ '000)	(₹ '000)
<b>SOURCES OF FUNDS</b>				
Share Capital	5		8772 000	8772 000
Reserves and Surplus	6		319914 275	252552 564
Borrowings	7		0	0
Deferred Tax Liability			0	0
Fair Value Change Account				
Shareholders Fund			91081 612	71808 140
Policyholders Fund			222853 702	240371 949
<b>Total</b>			<b>642621 589</b>	<b>573504 653</b>
<b>APPLICATION OF FUNDS</b>				
Investments - Shareholders	8		315157 781	239501 875
Investments - Policyholders	8a		791671 519	771553 241
Loans	9		1697 445	1893 778
Fixed Assets	10		2942 685	1703 650
Deferred Tax Asset			6001 389	366 921
Current Assets:				
Cash and Bank Balances	11	232842 891		210831 227
Advances and Other Assets	12	220932 338		223023 027
<b>Sub-Total (A)</b>		<b>453775 229</b>		<b>433854 254</b>
Current Liabilities	13	735784 586		675307 068
Provisions	14	192839 873		200061 999
<b>Sub-Total (B)</b>		<b>928624 459</b>		<b>875369 067</b>
<b>Net Current Assets (C)=(A-B)</b>			<b>(474849 230)</b>	<b>(441514 814)</b>
Miscellaneous Expenditure	15		0	0
<b>Total</b>			<b>642621 589</b>	<b>573504 653</b>

**Notes to Accounts form integral part of the Balance Sheet-Schedule 16**

The schedules referred to above form integral part of the Revenue Account  
As per our report of even date

**For D R MOHNOT & CO**  
Chartered Accountants  
Firm Regn No. 001388C

**For PKF SRIDHAR & SANTHANAM LLP**  
Chartered Accountants  
Firm Regn No. 0039905/S200018

**Devesh Srivastava**  
Chairman and Managing Director  
(DIN: 08646006)

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Director (DIN: 09277012)

**Jayashree Ranade**  
CFO

**Satheesh Kumar**  
Company Secretary  
Membership Number A64846

Mumbai  
Dated: 25.05.2023

### SCHEDULE 1

#### Premium Earned (Net)

	Particulars	Current Year	Previous Year
		(₹ '000)	(₹ '000)
<b>A</b>	<b>FIRE INSURANCE</b>		
	Premium from Direct Business written	0	0
	Add: Premium on Reinsurance accepted	131696 321	129491 056
	Less: Premium on Reinsurance ceded	15459 148	16871 123
	Net Premium	116237 173	112619 933
	Adjustment for change in reserve for unexpired risks	(2437 860)	(1623 525)
	<b>Total Premium Earned (Net)</b>	<b>113799 313</b>	<b>110996 408</b>
<b>B</b>	<b>MISCELLANEOUS INSURANCE</b>		
<b>(1)</b>	<b>MOTOR</b>		
	Premium from Direct Business written	0	0
	Add: Premium on Reinsurance accepted	59954 286	97422 761
	Less: Premium on Reinsurance ceded	0	0
	Net Premium	59954 286	97422 761
	Adjustment for change in reserve for unexpired risks	18641 185	(6029 540)
	<b>Total Premium Earned (Net)</b>	<b>78595 471</b>	<b>91393 221</b>
<b>(2)</b>	<b>AVIATION</b>		
	Premium from Direct Business written	0	0
	Add: Premium on Reinsurance accepted	8332 907	9869 534
	Less: Premium on Reinsurance ceded	4795 324	5430 486
	Net Premium	3537 583	4439 048
	Adjustment for change in reserve for unexpired risks	450 608	1563 922
	<b>Total Premium Earned (Net)</b>	<b>3988 191</b>	<b>6002 970</b>
<b>(3)</b>	<b>ENGINEERING</b>		
	Premium from Direct Business written	0	0
	Add: Premium on Reinsurance accepted	16132 246	14078 905
	Less: Premium on Reinsurance ceded	2255 280	1798 054
	Net Premium	13876 966	12280 851
	Adjustment for change in reserve for unexpired risks	(768 444)	(588 593)
	<b>Total Premium Earned (Net)</b>	<b>13108 522</b>	<b>11692 258</b>
<b>(4)</b>	<b>WORKMENS' COMPENSATION</b>		
	Premium from Direct Business written	0	0
	Add: Premium on Reinsurance accepted	383 985	347 092
	Less: Premium on Reinsurance ceded	0	23
	Net Premium	383 985	347 069
	Adjustment for change in reserve for unexpired risks	(18 458)	76 243
	<b>Total Premium Earned (Net)</b>	<b>365 527</b>	<b>423 312</b>

**SCHEDULE 1**  
**Premium Earned (Net)**

Particulars	Current Year	Previous Year
	(₹ '000)	(₹ '000)
<b>(5) LIABILITY</b>		
Premium from Direct Business written	0	0
Add: Premium on Reinsurance accepted	8331 164	7841 254
Less: Premium on Reinsurance ceded	1000 507	843 917
Net Premium	7330 657	6997 337
Adjustment for change in reserve for unexpired risks	(164 396)	184 370
<b>Total Premium Earned (Net)</b>	<b>7166 261</b>	<b>7181 707</b>
<b>(6) PERSONAL ACCIDENT</b>		
Premium from Direct Business written	0	0
Add: Premium on Reinsurance accepted	4637 610	4492 188
Less: Premium on Reinsurance ceded	73 177	139 589
Net Premium	4564 433	4352 599
Adjustment for change in reserve for unexpired risks	(103 840)	1445 328
<b>Total Premium Earned (Net)</b>	<b>4460 593</b>	<b>5797 927</b>
<b>(7) HEALTH</b>		
Premium from Direct Business written	0	0
Add: Premium on Reinsurance accepted	48876 234	45178 073
Less: Premium on Reinsurance ceded	995 752	1108 338
Net Premium	47880 482	44069 735
Adjustment for change in reserve for unexpired risks	(2061 834)	4378 503
<b>Total Premium Earned (Net)</b>	<b>45818 648</b>	<b>48448 238</b>
<b>(8) AGRI</b>		
Premium from Direct Business written	0	0
Add: Premium on Reinsurance accepted	50740 317	79114 736
Less: Premium on Reinsurance ceded	1457 415	14150 739
Net Premium	49282 902	64963 997
Adjustment for change in reserve for unexpired risks	3271 041	1673 592
<b>Total Premium Earned (Net)</b>	<b>52553 943</b>	<b>66637 589</b>
<b>(9) OTHER MISCELLANEOUS</b>		
Premium from Direct Business written	0	0
Add: Premium on Reinsurance accepted	7641 288	7916 352
Less: Premium on Reinsurance ceded	1259 698	1201 012
Net Premium	6381 590	6715 340
Adjustment for change in reserve for unexpired risks	143 102	(196 253)
<b>Total Premium Earned (Net)</b>	<b>6524 692</b>	<b>6519 087</b>

**SCHEDULE 1**  
**Premium Earned (Net)**

Particulars	Current Year	Previous Year
	(₹ '000)	(₹ '000)
<b>(10) FINANCIAL LIABILITY/CREDIT</b>		
Premium from Direct Business written	0	0
Add: Premium on Reinsurance accepted	2177 793	2816 347
Less: Premium on Reinsurance ceded	23 309	(8 588)
Net Premium	2154 484	2824 935
Adjustment for change in reserve for unexpired risks	335 225	191 996
<b>Total Premium Earned (Net)</b>	<b>2489 709</b>	<b>3016 931</b>
<b>TOTAL MISCELLANEOUS</b>		
Premium from Direct Business written	0	0
Add: Premium on Reinsurance accepted	207207 830	269077 241
Less: Premium on Reinsurance ceded	11860 462	24663 571
Net Premium	195347 368	244413 670
Adjustment for change in reserve for unexpired risks	19724 189	2699 569
<b>Total Premium Earned (Net)</b>	<b>215071 557</b>	<b>247113 239</b>
<b>C MARINE INSURANCE</b>		
<b>(1) MARINE CARGO</b>		
Premium from Direct Business Written	0	0
Add: Premium on Reinsurance accepted	6113 865	12440 241
Less: Premium on Reinsurance ceded	1031 427	1032 338
Net Premium	5082 438	11407 903
Adjustment for change in reserve for unexpired risks	3171 870	983 930
<b>Total Premium Earned (Net)</b>	<b>8254 308</b>	<b>12391 833</b>
<b>(2) MARINE HULL</b>		
Premium from Direct Business Written	0	0
Add: Premium on Reinsurance accepted	5602 687	6568 390
Less: Premium on Reinsurance ceded	732 588	947 755
Net Premium	4870 099	5620 635
Adjustment for change in reserve for unexpired risks	750 535	3910 444
<b>Total Premium Earned (Net)</b>	<b>5620 634</b>	<b>9531 079</b>
<b>TOTAL MARINE</b>		
Premium from Direct Business Written	0	0
Add: Premium on Reinsurance accepted	11716 552	19008 631
Less: Premium on Reinsurance ceded	1764 015	1980 093
Net Premium	9952 537	17028 538
Adjustment for change in reserve for unexpired risks	3922 405	4894 374
<b>Total Premium Earned (Net)</b>	<b>13874 942</b>	<b>21922 912</b>

### SCHEDULE 1

#### Premium Earned (Net)

Particulars	Current Year	Previous Year
	(₹ '000)	(₹ '000)
<b>D LIFE INSURANCE</b>		
Premium from Direct Business written	0	0
Add: Premium on Reinsurance accepted	15295 189	14507 645
Less: Premium on Reinsurance ceded	387 991	579 495
Net Premium	14907 198	13928 150
Adjustment for change in reserve for unexpired risks	427 066	(1026 675)
<b>Total Premium Earned (Net)</b>	<b>15334 264</b>	<b>12901 475</b>
<b>E TOTAL ALL CLASSES</b>		
Premium from Direct Business Written	0	0
Add: Premium on Reinsurance accepted	365915 892	432084 571
Less: Premium on Reinsurance ceded	29471 616	44094 281
Net Premium	336444 276	387990 290
Adjustment for change in reserve for unexpired risks	21635 800	4943 744
<b>Total Premium Earned (Net)</b>	<b>358080 076</b>	<b>392934 034</b>

## SCHEDULE 2

### Claims Incurred (Net)

	Particulars	Current Year	Previous Year
		(₹ '000)	(₹ '000)
<b>A</b>	<b>FIRE INSURANCE</b>		
	<b>Claims Paid</b>		
	Direct	0	0
	Add: Reinsurance accepted	66312 281	69135 687
	Less: Reinsurance ceded	5177 632	4886 764
	Net Claims Paid	61134 649	64248 923
	Add: Claims Outstanding at the end of the year	251848 204	208613 436
	Less: Claims Outstanding at the beginning of the year	208613 436	171344 124
	<b>Total Claims Incurred</b>	<b>104369 417</b>	<b>101518 235</b>
<b>B</b>	<b>MISCELLANEOUS INSURANCE</b>		
<b>(1)</b>	<b>MOTOR</b>		
	<b>Claims Paid</b>		
	Direct	0	0
	Add: Reinsurance accepted	63672 147	54613 304
	Less: Reinsurance ceded	0	0
	Net Claims Paid	63672 147	54613 304
	Add: Claims Outstanding at the end of the year	190328 286	174892 093
	Less: Claims Outstanding at the beginning of the year	174892 094	158402 351
	<b>Total Claims Incurred</b>	<b>79108 339</b>	<b>71103 046</b>
<b>(2)</b>	<b>AVIATION</b>		
	<b>Claims Paid</b>		
	Direct	4 442	1 549
	Add: Reinsurance accepted	6466 132	7162 756
	Less: Reinsurance ceded	2493 191	2474 569
	Net Claims Paid	3977 383	4689 736
	Add: Claims Outstanding at the end of the year	18029 536	17297 685
	Less: Claims Outstanding at the beginning of the year	17297 685	15287 319
	<b>Total Claims Incurred</b>	<b>4709 234</b>	<b>6700 102</b>
<b>(3)</b>	<b>ENGINEERING</b>		
	<b>Claims Paid</b>		
	Direct	0	0
	Add: Reinsurance accepted	5180 172	6359 180
	Less: Reinsurance ceded	57 665	16 691
	Net Claims Paid	5122 507	6342 489
	Add: Claims Outstanding at the end of the year	33885 860	29044 897
	Less: Claims Outstanding at the beginning of the year	29044 897	25169 938
	<b>Total Claims Incurred</b>	<b>9963 470</b>	<b>10217 448</b>

**SCHEDULE 2**  
**Claims Incurred (Net)**

Particulars	Current Year	Previous Year
	(₹ '000)	(₹ '000)
<b>(4) WORKMENS' COMPENSATION</b>		
<b>Claims Paid</b>		
Direct	0	0
Add: Reinsurance accepted	135 702	115 527
Less: Reinsurance ceded	0	0
Net Claims Paid	135 702	115 527
Add: Claims Outstanding at the end of the year	1413 839	1119 069
Less: Claims Outstanding at the beginning of the year	1119 069	988 937
<b>Total Claims Incurred</b>	<b>430 472</b>	<b>245 659</b>
<b>(5) LIABILITY</b>		
<b>Claims Paid</b>		
Direct	0	0
Add: Reinsurance accepted	2524 114	2340 257
Less: Reinsurance ceded	51 815	29 067
Net Claims Paid	2472 299	2311 190
Add: Claims Outstanding at the end of the year	15619 719	12750 277
Less: Claims Outstanding at the beginning of the year	12750 277	10633 170
<b>Total Claims Incurred</b>	<b>5341 741</b>	<b>4428 297</b>
<b>(6) PERSONAL ACCIDENT</b>		
<b>Claims Paid</b>		
Direct	0	0
Add: Reinsurance accepted	3511 482	4057 537
Less: Reinsurance ceded	15 384	13 867
Net Claims Paid	3496 098	4043 670
Add: Claims Outstanding at the end of the year	8688 341	8819 756
Less: Claims Outstanding at the beginning of the year	8819 756	8237 182
<b>Total Claims Incurred</b>	<b>3364 683</b>	<b>4626 244</b>
<b>(7) HEALTH</b>		
<b>Claims Paid</b>		
Direct	0	0
Add: Reinsurance accepted	38722 252	49657 659
Less: Reinsurance ceded	839 965	1132 025
Net Claims Paid	37882 287	48525 634
Add: Claims Outstanding at the end of the year	42079 751	40883 465
Less: Claims Outstanding at the beginning of the year	40883 465	42301 395
<b>Total Claims Incurred</b>	<b>39078 573</b>	<b>47107 704</b>

**SCHEDULE 2**  
**Claims Incurred (Net)**

	Particulars	Current Year	Previous Year
		(₹ '000)	(₹ '000)
<b>(8) AGRI</b>			
	<b>Claims Paid</b>		
	Direct	0	0
	Add: Reinsurance accepted	58896 724	80209 874
	Less: Reinsurance ceded	560 810	1310 853
	Net Claims Paid	58335 914	78899 021
	Add: Claims Outstanding at the end of the year	75797 476	83597 947
	Less: Claims Outstanding at the beginning of the year	83597 947	97802 950
	<b>Total Claims Incurred</b>	<b>50535 443</b>	<b>64694 018</b>
<b>(9) OTHER MISCELLANEOUS</b>			
	<b>Claims Paid</b>		
	Direct	0	0
	Add: Reinsurance accepted	3417 484	2604 568
	Less: Reinsurance ceded	46 089	57 756
	Net Claims Paid	3371 395	2546 812
	Add: Claims Outstanding at the end of the year	12303 378	13129 681
	Less: Claims Outstanding at the beginning of the year	13129 681	11011 491
	<b>Total Claims Incurred</b>	<b>2545 092</b>	<b>4665 002</b>
<b>(10) FINANCIAL LIABILITY/CREDIT</b>			
	<b>Claims Paid</b>		
	Direct	0	0
	Add: Reinsurance accepted	1196 288	1441 882
	Less: Reinsurance ceded	0	0
	Net Claims Paid	1196 288	1441 882
	Add: Claims Outstanding at the end of the year	10151 336	10453 965
	Less: Claims Outstanding at the beginning of the year	10453 965	9590 577
	<b>Total Claims Incurred</b>	<b>893 659</b>	<b>2305 270</b>
	<b>TOTAL MISCELLANEOUS</b>		
	<b>Claims Paid</b>		
	Direct	4 442	1 549
	Add: Reinsurance accepted	183722 497	208562 545
	Less: Reinsurance ceded	4064 919	5034 830
	Net Claims Paid	179662 020	203529 264
	Add: Claims Outstanding at the end of the year	408297 523	391988 835
	Less: Claims Outstanding at the beginning of the year	391988 835	379425 310
	<b>Total Claims Incurred</b>	<b>195970 708</b>	<b>216092 789</b>

**SCHEDULE 2**  
**Claims Incurred (Net)**

Particulars	Current Year	Previous Year
	(₹ '000)	(₹ '000)
<b>C MARINE INSURANCE</b>		
<b>(1) MARINE CARGO</b>		
<b>Claims Paid</b>		
Direct	0	0
Add: Reinsurance accepted	4013 747	10213 258
Less: Reinsurance ceded	505 220	118 483
Net Claims Paid	3508 527	10094 775
Add: Claims Outstanding at the end of the year	12198 674	12621 345
Less: Claims Outstanding at the beginning of the year	12621 345	11106 210
<b>Total Claims Incurred</b>	<b>3085 856</b>	<b>11609 910</b>
<b>(2) MARINE HULL</b>		
<b>Claims Paid</b>		
Direct	0	0
Add: Reinsurance accepted	5687 935	7709 855
Less: Reinsurance ceded	544 938	831 954
Net Claims Paid	5142 997	6877 901
Add: Claims Outstanding at the end of the year	23342 701	20447 880
Less: Claims Outstanding at the beginning of the year	20447 880	17659 227
<b>Total Claims Incurred</b>	<b>8037 818</b>	<b>9666 554</b>
<b>TOTAL MARINE</b>		
<b>Claims Paid</b>		
Direct	0	0
Add: Reinsurance accepted	9701 682	17923 113
Less: Reinsurance ceded	1050 158	950 438
Net Claims Paid	8651 524	16972 675
Add: Claims Outstanding at the end of the year	35541 375	33069 226
Less: Claims Outstanding at the beginning of the year	33069 226	28765 437
<b>Total Claims Incurred</b>	<b>11123 673</b>	<b>21276 464</b>
<b>D LIFE INSURANCE</b>		
<b>Claims Paid</b>		
Direct	0	0
Add: Reinsurance accepted	16391 754	26086 381
Less: Reinsurance ceded	1176 160	113 902
Net Claims Paid	15215 594	25972 479
Add: Claims Outstanding at the end of the year	11308 004	10593 620
Less: Claims Outstanding at the beginning of the year	10593 620	9195 131
<b>Total Claims Incurred</b>	<b>15929 978</b>	<b>27370 968</b>

**SCHEDULE 2**  
**Claims Incurred (Net)**

	Particulars	Current Year	Previous Year
		(₹ '000)	(₹ '000)
<b>E</b>	<b>TOTAL ALL CLASSES</b>		
	<b>Claims Paid</b>		
	Direct	4 442	1549
	Add: Reinsurance accepted	276128 214	321707 725
	Less: Reinsurance ceded	11468 869	10985 933
	Net Claims Paid	264663 787	310723 341
	Add: Claims Outstanding at the end of the year	706995 106	644265 117
	Less: Claims Outstanding at the beginning of the year	644265 117	588730 002
	<b>Total Claims Incurred</b>	<b>327393 776</b>	<b>366258 456</b>

### SCHEDULE 3

#### Commission

	Particulars	Current Year	Previous Year
		(₹ '000)	(₹ '000)
<b>A</b>	<b>FIRE INSURANCE</b>		
	<b>Commission Paid</b>		
	Direct	0	0
	Add: Reinsurance Accepted	25547 307	28432 021
	Less: Commission on Reinsurance Ceded	803 388	9035 772
	Net Commission	24743 919	19396 249
	Break-up of Commission		
	Brokerage	2180 011	2413 631
	Commission Paid	22563 908	16982 618
	<b>Total Commission</b>	<b>24743 919</b>	<b>19396 249</b>
<b>B</b>	<b>MISCELLANEOUS INSURANCE</b>		
<b>(1)</b>	<b>MOTOR</b>		
	<b>Commission Paid</b>		
	Direct	0	0
	Add: Reinsurance Accepted	11612 681	28243 843
	Less: Commission on Reinsurance Ceded	0	0
	Net Commission	11612 681	28243 843
	Break-up of Commission		
	Brokerage	574 901	1155 846
	Commission Paid	11037 780	27087 997
	<b>Total Commission</b>	<b>11612 681</b>	<b>28243 843</b>
<b>(2)</b>	<b>AVIATION</b>		
	<b>Commission Paid</b>		
	Direct	0	0
	Add: Reinsurance Accepted	1805 003	2168 309
	Less: Commission on Reinsurance Ceded	827 488	1103 780
	Net Commission	977 515	1064 529
	Break-up of Commission		
	Brokerage	266 785	647 763
	Commission Paid	710 730	416 766
	<b>Total Commission</b>	<b>977 515</b>	<b>1064 529</b>

### SCHEDULE 3

#### Commission

	Particulars	Current Year	Previous Year
		(₹ '000)	(₹ '000)
<b>(3)</b>	<b>ENGINEERING</b>		
	<b>Commission Paid</b>		
	Direct	0	0
	Add: Reinsurance Accepted	3032 393	2926 274
	Less: Commission on Reinsurance Ceded	75 254	858 856
	Net Commission	2957 139	2067 418
	Break-up of Commission		
	Brokerage	173 194	175 210
	Commission Paid	2783 945	1892 208
	<b>Total Commission</b>	<b>2957 139</b>	<b>2067 418</b>
<b>(4)</b>	<b>WORKMENS' COMPENSATION</b>		
	<b>Commission Paid</b>		
	Direct	0	0
	Add: Reinsurance Accepted	66 525	58 192
	Less: Commission on Reinsurance Ceded	0	0
	Net Commission	66 525	58 192
	Break-up of Commission		
	Brokerage	945	2 698
	Commission Paid	65 580	55 494
	<b>Total Commission</b>	<b>66 525</b>	<b>58 192</b>
<b>(5)</b>	<b>LIABILITY</b>		
	<b>Commission Paid</b>		
	Direct	0	0
	Add: Reinsurance Accepted	1582 036	1419 114
	Less: Commission on Reinsurance Ceded	185 586	238 036
	Net Commission	1396 450	1181 078
	Break-up of Commission		
	Brokerage	163 158	122 396
	Commission Paid	1233 292	1058 682
	<b>Total Commission</b>	<b>1396 450</b>	<b>1181 078</b>

### SCHEDULE 3

#### Commission

Particulars	Current Year	Previous Year
	(₹ '000)	(₹ '000)
<b>(6) PERSONAL ACCIDENT</b>		
<b>Commission Paid</b>		
Direct	0	0
Add: Reinsurance Accepted	970 886	1043 827
Less: Commission on Reinsurance Ceded	8 641	15 588
Net Commission	962 245	1028 239
Break-up of Commission		
Brokerage	39 722	(20 596)
Commission Paid	922 523	1048 835
<b>Total Commission</b>	<b>962 245</b>	<b>1028 239</b>
<b>(7) HEALTH</b>		
<b>Commission Paid</b>		
Direct	0	0
Add: Reinsurance Accepted	6195 793	8063 181
Less: Commission on Reinsurance Ceded	115 767	120 471
Net Commission	6080 026	7942 710
Break-up of Commission		
Brokerage	18 535	27 329
Commission Paid	6061 491	7915 381
<b>Total Commission</b>	<b>6080 026</b>	<b>7942 710</b>
<b>(8) AGRI</b>		
<b>Commission Paid</b>		
Direct	0	0
Add: Reinsurance Accepted	3053 231	4498 411
Less: Commission on Reinsurance Ceded	137 657	874 101
Net Commission	2915 574	3624 310
Break-up of Commission		
Brokerage	44 559	66 796
Commission Paid	2871 015	3557 514
<b>Total Commission</b>	<b>2915 574</b>	<b>3624 310</b>

**SCHEDULE 3****Commission**

	Particulars	Current Year	Previous Year
		(₹ '000)	(₹ '000)
<b>(9)</b>	<b>OTHER MISCELLANEOUS</b>		
	<b>Commission Paid</b>		
	Direct	0	0
	Add: Reinsurance Accepted	1269 989	1651 471
	Less: Commission on Reinsurance Ceded	76 181	1164 771
	Net Commission	1193 808	486 700
	Break-up of Commission		
	Brokerage	76 605	78 369
	Commission Paid	1117 203	408 331
	<b>Total Commission</b>	<b>1193 808</b>	<b>486 700</b>
<b>(10)</b>	<b>FINANCIAL LIABILITY/CREDIT</b>		
	<b>Commission Paid</b>		
	Direct	0	0
	Add: Reinsurance Accepted	542 832	825 004
	Less: Commission on Reinsurance Ceded	10 601	571 727
	Net Commission	532 231	253 277
	Break-up of Commission		
	Brokerage	24 876	43 493
	Commission Paid	507 355	209 784
	<b>Total Commission</b>	<b>532 231</b>	<b>253 277</b>
	<b>TOTAL MISCELLANEOUS</b>		
	<b>Commission Paid</b>		
	Direct	0	0
	Add: Reinsurance Accepted	30131 369	50897 626
	Less: Commission on Reinsurance Ceded	1437 176	4947 330
	Net Commission	28694 193	45950 296
	Break-up of Commission		
	Brokerage	1383 279	2299 304
	Commission Paid	27310 914	43650 992
	<b>Total Commission</b>	<b>28694 193</b>	<b>45950 296</b>

### SCHEDULE 3

#### Commission

Particulars	Current Year	Previous Year
	(₹ '000)	(₹ '000)
<b>C MARINE INSURANCE</b>		
<b>(1) MARINE CARGO</b>		
Commission Paid		
Direct	0	0
Add: Reinsurance Accepted	1900 564	3132 720
Less: Commission on Reinsurance Ceded	85 120	169 099
Net Commission	1815 444	2963 621
Break-up of Commission		
Brokerage	95 815	243 617
Commission Paid	1719 629	2720 004
<b>Total Commission</b>	<b>1815 444</b>	<b>2963 621</b>
<b>(2) MARINE HULL</b>		
<b>Commission Paid</b>		
Direct	0	0
Add: Reinsurance Accepted	725 137	1540 394
Less: Commission on Reinsurance Ceded	56 102	479 399
Net Commission	669 035	1060 995
Break-up of Commission		
Brokerage	210 108	322 560
Commission Paid	458 927	738 435
<b>Total Commission</b>	<b>669 035</b>	<b>1060 995</b>
<b>TOTAL MARINE</b>		
<b>Commission Paid</b>		
Direct	0	0
Add: Reinsurance Accepted	2625 701	4673 114
Less: Commission on Reinsurance Ceded	141 222	648 498
Net Commission	2484 479	4024 616
Break-up of Commission		
Brokerage	305 923	566 177
Commission Paid	2178 556	3458 439
<b>Total Commission</b>	<b>2484 479</b>	<b>4024 616</b>

### SCHEDULE 3

#### Commission

	Particulars	Current Year	Previous Year
		(₹ '000)	(₹ '000)
<b>D</b>	<b>LIFE INSURANCE</b>		
	<b>Commission Paid</b>		
	Direct	0	0
	Add: Reinsurance Accepted	182 515	137 022
	Less: Commission on Reinsurance Ceded	0	0
	Net Commission	182 515	137 022
	Break-up of Commission		
	Brokerage	96 617	58 705
	Commision Paid	85 898	78 317
	Total Commission	182 515	137 022
<b>E</b>	<b>TOTAL ALL CLASSES</b>		
	<b>Commission Paid</b>		
	Direct	0	0
	Add: Reinsurance Accepted	58486 892	84139 780
	Less: Commission on Reinsurance Ceded	2381 786	14631 598
	Net Commission	56105 106	69508 182
	Break-up of Commission		
	Brokerage	3965 830	5337 818
	Commision Paid	52139 276	64170 364
	Total Commission	56105 106	69508 182

### SCHEDULE 4

#### Operating Expenses Related to Insurance Business

	Particulars	Current Year	Previous Year
		(₹ '000)	(₹ '000)
1	Employees' remuneration & welfare benefits	2185 878	2097 640
2	Travel, conveyance and vehicle running expenses	30 108	9 737
3	Training expenses	8 113	13 004
4	Rents, rates and taxes	49 089	56 810
5	Repairs	148 092	176 683
6	Printing & stationery	2 552	1 481
7	Communication	11 238	13 487
8	Legal & professional charges	159 561	101 008
9	Auditors' fees, expenses etc.		
	(a) as auditor	19 815	19 869
	(b) as advisor or in any other capacity, in respect of		
	(i) Taxation matters	500	500
	(ii) Insurance matters	725	1 650
	(iii) Management Services and	0	0
	(c) In any Other Capacity	0	0
10	Advertisement and publicity	60 437	44 372
11	Interest & Bank Charges	769 859	577 239
12	IT Expenses	381 461	259 097
13	Depreciation	77 429	118 389
14	GST Expenses A/c	31 359	37,909
15	Others	108 184	183 905
	<b>Total</b>	<b>4044 400</b>	<b>3712 780</b>

**SCHEDULE 5****Share Capital**

	Particulars	Current Year	Previous Year
		(₹ '000)	(₹ '000)
1	<b>Authorised Capital</b>		
	200,00,00,000 Equity Shares of ₹ 5/- Each	10000 000	10000 000
2	<b>Issued &amp; Subscribed Capital</b>		
	175,44,00,000 (PY 175,44,00,000) Equity Shares of ₹ 5/- Each	8772 000	8772 000
3	<b>Called-up Capital</b>		
	175,44,00,000 (PY 175,44,00,000) Equity Shares of ₹ 5/- Each	8772 000	8772 000
	(Includes 168,92,00,000 shares of ₹ 5/- issued by capitalisation of		
	Capital Redemption Reserve and General Reserve,		
	1,00,00,000 partly paid shares (₹ 2.50 per share paid) made		
	fully paid-up shares by capitalisation of General Reserve		
	<b>Total</b>	<b>8772 000</b>	<b>8772 000</b>

**SCHEDULE 5A****SHARE CAPITAL PATTERN OF SHAREHOLDING**  
[As certified by the Management]

Shareholders	Current Year		Previous Year	
	Number of Shares	% of Holding	Number of Shares	% of Holding
<b>Promoters</b>				
Indian	150,50,00,000	85.78%	150,50,00,000	85.78%
Foreign	-	-	-	-
Others	24,94,00,000	14.22%	24,94,00,000	14.22%
<b>Total</b>	<b>175,44,00,000</b>	<b>100%</b>	<b>175,44,00,000</b>	<b>100%</b>

During the year F.Y 2018-19 ,the Corporation issued bonus equity shares in the ratio of 1:1 i.e 1(one) equity share of ₹ 5/-each (fully paid up) for every 1 (one) existing equity share of ₹ 5/- each (fully paid up)to the shareholders of the Corporation, in the month of July 2018.

**SCHEDULE 6**  
Reserves And Surplus

Particulars	Current Year	Previous Year
	(₹ '000)	(₹ '000)
1 General Reserve		
Opening Balance	158853 800	158853 800
Less: Utilised for issuance of Bonus Shares	0	0
Add: Transfer from Profit & Loss A/c	0	0
	158853 800	158853 800
2 Share Premium Account	15440 664	15440 664
3 Catastrophe Reserve	5125 494	0
4 Foreign Currency Translation Reserve	19619 066	16560 423
5 Balance of Profit in Profit & Loss Account	120875 251	61697 677
<b>Total</b>	<b>319914 275</b>	<b>252552 564</b>

**SCHEDULE 7**  
Borrowings

NIL

**SCHEDULE 8**  
Investments - Shareholders' Fund

Particulars	Current Year	Previous Year
	(₹ '000)	(₹ '000)
<b>Long Term Investments</b>		
1 Government securities and Government guaranteed bonds including Treasury Bills	125307 838	90898 400
2 Other Approved Securities	70 134	217 946
3 Other Investments		
(a) Shares		
(aa) Equity - Indian	116667 435	85895 432
Equity - Foreign	569 499	569 499
(bb) Preference	0	0
(b) Mutual Funds	0	0
(c) Derivative Instruments	0	0
(d) Debentures/Bonds Indian	1825 833	1747 527
Debentures/Bonds Foreign	0	0
(e) Other Securities		
Guaranteed Equity	139	115

## SCHEDULE 8

### Investments - Shareholders' Fund

	Particulars	Current Year	Previous Year
		(₹ '000)	(₹ '000)
	(f) Subsidiaries	7424 932	7424 932
	(g) Associates - Indian	0	0
	Associates - Foreign	315 479	315 479
4	Investments in Infrastructure and Social Sector		
	(a) Equity	3292 780	3199 822
	(b) Debentures/Bonds	30613 486	23299 379
5	Other than Approved Investments		
	(a) Equity/Preference/Debentures/Venture Funds	9610 911	11561 176
	(b) Preference	0	0
	(c) Debentures/Bond	1385 906	1629 693
	(d) Venture Funds	308 331	281 249
	(e) Associate Indian	700 000	700 000
	Short Term Investments		
1	Government securities and Government guaranteed bonds including Treasury Bills	3457 209	3282 347
2	Other Approved Securities	273 789	65 994
3	Other Investments		
	(a) Shares		
	(aa) Equity	0	0
	(bb) Preference	0	0
	(b) Mutual Funds	2356 849	1135 119
	(c) Derivative Instruments	0	0
	(d) Debentures/Bond Indian	571 461	1642 966
	Debentures/Bond Foreign	0	0
	(e) Other Securities	0	0
	Commercial Paper	0	0
	(f) Subsidiaries	0	0
	(g) Associates - Indian	0	0
	Associates - Foreign	0	0
4	Investments in Infrastructure and Social Sector		0
	(a) Debentures/Bond	6864 953	2793 716
5	Other than Approved Investments		
	(a) Preference Shares	0	0
	(b) Debentures/Bond	3540 817	2841 084
	(c) Mutual Funds	0	0
	<b>Total</b>	<b>315157 781</b>	<b>239501 875</b>

**SCHEDULE 8A**  
**INVESTMENTS - POLICYHOLDERS' FUND**

	Particulars	Current Year	Previous Year
		(₹ '000)	(₹ '000)
	<b>Long Term Investments</b>		
1	Government securities and Government guaranteed bonds including Treasury Bills	324035 069	304275 055
2	Other Approved Securities	181 361	729 558
3	Other Investments		
	(a) Shares		
	(i) Equity	301691 743	287528 023
	(ii) Preference	0	0
	(b) Mutual Funds	0	0
	(c) Debentures/Bonds	4721 445	5849 707
	(d) Investment Property-Real Estate	0	0
	(e) Other Securities		
	(i) Guaranteed Equity	361	385
	(ii) Subsidiaries	0	0
	(iii) Other than Approved Investments - Equity/Preference/Debentures/Venture Funds	24852 972	38700 102
	(iv) Other than Approved Investments - Preference	0	0
	(v) Other than Approved Investments - Debentures/Bond	3583 831	5455 265
	(vi) Other than Approved Investments - Venture Funds	797 317	941 457
4	Investments in Infrastructure and Housing	87678 627	88703 938
	<b>Short Term Investments</b>		
1	Government securities and Government guaranteed bonds including Treasury Bills	8940 040	10987 391
2	Other Approved Securities	707 994	220 908
3	Other Investments		
	(a) Shares		
	(i) Equity	0	0
	(ii) Preference	0	0
	(b) Mutual Funds	6094 605	3799 718
	(c) Debentures/Bonds	1477 747	5499 695
	(d) Other Securities	0	0
	(i) Other than Approved Investments - Preference	0	0
	(ii) Other than Approved Investments - Debentures/Bond	9156 242	9510 300
	(iii) Other than Approved Investments - Mutual Funds	0	0
4	Investments in Infrastructure and Housing	17752 165	9351 739
	<b>Total</b>	<b>791671 519</b>	<b>771553 241</b>

**SCHEDULE 9****LOANS**

Particulars	Current Year	Previous Year
	(₹ '000)	(₹ '000)
<b>1 Security-wise Classification</b>		
Secured		
(a) On mortgage of property		
(aa) In India	386 053	390 879
(bb) Outside India	0	0
(b) On Shares, Bonds, Government Securities	0	0
(c) Investments In State Govt. Loans for Housing and Fire fighting	1243 004	1434 512
Unsecured	68 388	68 387
<b>Total</b>	<b>1697 445</b>	<b>1893 778</b>
<b>2 Borrower-Wise Classification</b>		
(a) Central and State Governments	1243 004	1434 512
(b) Banks and Financial Institutions	0	0
(c) Subsidiaries	0	0
(d) Industrial Undertakings	415 347	423 020
(e) Others	39 094	36 246
<b>Total</b>	<b>1697 445</b>	<b>1893 778</b>
<b>3 Performance-Wise Classification</b>		
(a) Loans classified as standard		
(aa) In India	1188 082	1374 025
(bb) Outside India	0	0
(b) Non-performing loans less provisions		
(aa) In India	11 057	1 577
(bb) Outside India	0	0
Provisions *	498 306	518 176
<b>Total</b>	<b>1697 445</b>	<b>1893 778</b>
<b>4 Maturity-Wise Classification</b>		
(a) Short - Term	212 454	211 584
(b) Long - Term	1484 991	1682 194
<b>Total</b>	<b>1697 445</b>	<b>1893 778</b>

\* Includes Provision for Bad and Doubtful Loans

### SCHEDULE 10

#### Fixed Assets

(₹ '000)

Particulars	Cost/Gross Block				Depreciation				Net Block	
	As at 01.04.2022	Additions	Deductions	As at 31.03.2023	Upto 31.03.2022	Twelve months ended 31.03.2023	On Sales/ Adjustment	Upto 31.03.2023	As at 31.03.2023	As at 31.03.2022
Leasehold Land	247 253	-	-	247 253	109 890	3 434	-	113 324	133 928	137 363
Freehold Land	560 132	-	-	560 132	-	-	-	-	560 132	560 132
Buildings	1174 695	1244 470		2419 165	343 476	19 149	-	362 625	2056 540	831 219
Furniture & Fittings	39 414	40	449	39 005	30 844	1 984	476	32 352	6 653	8 570
I.T. Equipments	356 360	48 848	80 531	324 677	351 340	16 079	80 357	287 062	37 615	5 020
I.T. Software	594 569	1 327	2 595	593 301	481 296	26 126	2,595.00	504 827	88 474	113 273
Vehicles	70 002	25 244	5 241	90 005	32 788	8 428	1 032	40 184	49 821	37 214
Office Equipments	20 794	707	448	21 053	16 463	1 503	452	17 514	3 539	4 331
AC & Water Coolers	16 989	156		17 145	12 965	375		13 340	3 805	4 024
Elevators	2 073	-	-	2 073	2 073		-	2 073	-	0
Canteen Appliances	524	25	-	549	485	8	1	492	57	39
Electrical Installation	13 575		-	13 575	11 110	343	-	11 453	2 121	2 465
Fire Alarm Systems	3 408	-	-	3 408	3 408		-	3 408	-	0
<b>Total</b>	<b>3099 788</b>	<b>1320 817</b>	<b>89 264</b>	<b>4331 341</b>	<b>1396 138</b>	<b>77 429</b>	<b>84 913</b>	<b>1388 654</b>	<b>2942 685</b>	<b>1703 650</b>
Previous years	2982 142	135 167	17 522	3099 787	1289 358	118 389	11 610	1396 137	1703 650	

The figures are inclusive of Appreciation/Depreciation due to foreign currency fluctuation

**SCHEDULE 11**  
**CASH AND BANK BALANCES**

	Particulars	Current Year	Previous Year
		(₹ '000)	(₹ '000)
1	Cash & stamps	48	56
2	Bank Balances		
	(a) Deposit Accounts - Short term (due within 12 months)	198219 408	201111 579
	(b) Current Accounts	26547 629	6006 550
	(c) Others	0	0
3	Money at Call and Short Notice		
	(a) With Bank	917 782	837 678
	(b) With other Institutions	7158 024	2875 372
	<b>Total</b>	<b>232842 891</b>	<b>210831 227</b>
	<b>CASH AND BANK BALANCES</b>		
1	In India	69292 044	58779 530
2	Outside India	163550 847	152051 697
	<b>Total</b>	<b>232842 891</b>	<b>210831 227</b>

Balances with non-scheduled banks included in 2 and 3 above

0

0

**SCHEDULE 12**  
**ADVANCES AND OTHER ASSETS**

Particulars	Current Year	Previous Year
	(₹ '000)	(₹ '000)
<b>Advances</b>		
1 Reserve Deposits with Ceding Companies	76821 925	79564 718
Less: Provision for Doubtful Debts	4383 859	4602 142
	72438 066	74962 576
2 Application Money for Investments	0	0
3 Prepayments	395 551	389 712
4 Advances to Directors/Officers	2 861	2 596
Less: Provisions	231	231
	2 630	2 365
5 Advance Tax Paid and TDS	61132 650	52786 996
Less: Provision for Taxation	53889 122	44192 724
	7243 528	8594 272
6 Others	254 044	218 932
<b>Total (A)</b>	<b>80333 819</b>	<b>84167 857</b>
<b>Other Assets</b>		
1 Income accrued on investments	15681 111	12820 046
2 Outstanding Premiums	0	0
3 Agents' Balances	0	0
4 Foreign Agencies Balances	0	0
5 Due from other entities carrying on insurance business (including reinsurers)	102702 339	105897 887
Less: Provision for Doubtful Debts	6922 883	3392 061
	95779 456	102505 826
6 Deposit U/S-7 of Insurance Act	0	0
7 Others		
(a) Sundry Debtors	232 223	270 424
Less: Provision for Doubtful Debts	12 834	4 694
	219 389	265 730
(b) Sundry Deposits	28750 454	22669 387
(c) GST Asset	168 109	594 182
<b>Total (B)</b>	<b>140598 519</b>	<b>138855 171</b>
<b>Total (A+B)</b>	<b>220932 338</b>	<b>223023 028</b>

**SCHEDULE 13**  
**CURRENT LIABILITIES**

	Particulars	Current Year	Previous Year
		(₹ '000)	(₹ '000)
1	Balances Due to other insurance companies	23216 754	27676 808
2	Deposits held on re-insurance ceded	348 229	392 331
3	Sundry Creditors	935 378	850 589
4	Claims Outstanding	706995 107	644265 119
5	Others		
	(a) GST Liability	4286 990	2109 512
	(b) VAT Liability Dubai	2 128	12 708
	<b>Total</b>	<b>735784 586</b>	<b>675307 067</b>

**SCHEDULE 14**  
**PROVISIONS**

	Particulars	Current Year	Previous Year
		(₹ '000)	(₹ '000)
1	Reserve for Unexpired Risk	151469 172	173104 973
2	Reserve for Premium Deficiency	644 447	729 861
3	For Doubtful Loans And Investments	32794 129	19300 316
4	For Leave Encashment	421 940	379 945
5	Provision for Pension	827 102	152 002
6	Provision for Gratuity	373 413	11 613
7	Provision for Settlement	19 750	19 318
8	Provision for Provident fund	16 299	15 064
9	For Salary Arrears	0	758 757
10	For PLLI Arrears	0	0
11	Provision for Taxation	20411 567	10232 845
	Less: Advance Tax Paid and TDS	14137 946	4642 695
		6273 621	5590 150
	<b>Total</b>	<b>192839 873</b>	<b>200061 999</b>

**SCHEDULE 15**  
**MISCELLANEOUS EXPENDITURE**

NIL

## SCHEDULE -16

## SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS

I. **SIGNIFICANT ACCOUNTING POLICIES**1. **ACCOUNTING CONVENTION**

The Balance Sheet, the Profit and Loss Account and the Revenue Accounts are drawn up in accordance with the provisions of Section 11(1) of the Insurance Act, 1938 and to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013. The Financial Statements also conform to the stipulation specified under the Insurance Regulatory and Development Authority of India (Preparation of Financial Statements and Auditors Report of Insurance Companies) Regulations, 2002. The said statements are prepared on historical cost convention and on accrual basis except as otherwise stated and conform to the statutory provisions and practices prevailing in the General Insurance Industry in India.

2. **REINSURANCE BUSINESS**2.1 **Use of Estimates**

The preparation of financial statements in conformity with the generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities as of the Balance Sheet date, revenue and expenses for the year ended and disclosure of contingent liabilities as of the Balance Sheet date. The estimates and assumptions used in accompanying financial statements are based upon Management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statements. Any revision to accounting estimates is recognized prospectively in current and future periods.

2.2 **Reinsurance Revenues**

Premium is accounted based on accounts rendered by ceding companies upon receipt of accounts. At the period end, estimates are made for accounts not yet received, based on available information and current trends. In respect of Insurance pool business, where GIC Re is one of the members of the Pool, only the Corporation's share of revenue is recorded in the books of accounts.

2.3 **Outstanding Claims**

2.3.1 Estimated liability for outstanding claims in respect of Reinsurance business carried out in India is based on advice received as of different dates up to the date of finalization of claim figures in the books for submission of the data to the "Appointed Actuary" and wherever such advices are not received, on estimates based on available information, current trends, past underwriting experience of the management and actuarial estimation bases.

2.3.2 Provision for claims incurred but not reported (IBNR) is made as certified by the Appointed Actuary based on accepted actuarial methods.

2.4 **Receivables**

Provisions for Doubtful Debts for receivables are provided as under:

- (i) Companies in liquidation
- (ii) Companies having non-moving balances over a period of 3 years
- (iii) Companies having moving balances, apart from various parameters, has primarily outstanding dues more than 3 years:

The Provision for doubtful debts does not include Domestic Pools and Structured Quota share treaties.

3. **FOREIGN CURRENCY TRANSACTIONS**

Revenue transactions in foreign currencies are converted at the daily rate of exchange on the day accounts are received and transactions are booked. The rates have been taken from Thomson Reuters India Pvt. Ltd.

- 3.1 Non-Monetary items including fixed assets and investments abroad are reported using the exchange rate applicable on the date of acquisition.
- 3.2 Monetary items such as receivables, payables and balances in bank accounts held in foreign currencies are converted using the closing rates of exchange at the balance sheet date.
- 3.3 The exchange gain/loss relating to revenue transaction, due to conversion of foreign currencies, is accounted for as revenue in respective revenue accounts. The common exchange gain/loss due to conversion are apportioned between Revenue Account and Profit and Loss Account in same proportion as stated in Significant Accounting Policy No. 5.
- 3.4 Foreign branch operations are considered as “non-integral business” as prescribed in AS-11 “The effects of changes in foreign exchange rates” (revised 2003) and translated accordingly.

#### **4. RESERVE FOR UNEXPIRED RISKS (URR)**

The URR provisions are made as under:

##### **4.1 Non-Life Business**

###### **(i) For HO**

Reserve for Unexpired Risk in respect of Marine Insurance (Hull) and Terrorism Risk Business (included in Fire and Engineering) is made at 100% of Net Premium, while for all other classes of insurance is made at 50% of Net Premium of trailing 12 months.

###### **(ii) London, Dubai, and Malaysia Branch**

Reserve for Unexpired Risk is provided as per local practice. Adjustment for excess or short provision in URR, as per IRDAI requirement, is accounted at Head Office.

##### **4.2 Life Business**

Reserve for Unexpired Risk is provided as determined by Appointed Actuary based on accepted Actuarial methods.

#### **5. APPORTIONMENT OF INTEREST, DIVIDEND AND RENT**

The income from interest, dividends and rent is apportioned between Profit and Loss Account and Revenue Accounts in the ratio of Shareholders’ Fund and Policyholders’ Fund respectively at the end of the period. The same is further apportioned amongst the Revenue accounts on the basis of the respective Policyholder’s fund at the end of the period.

Calculations of Shareholders’ fund and Policyholders’ fund is based on IRDAI circular IRDA/F&A/CIR/CPM/010/01/2017. Shareholder’s fund consists of share capital plus all Reserves and Surplus (except Revaluation Reserve and fair value change account).

Policy holders fund for this purpose consists of estimated liability for outstanding claims including IBNR and IBNER, unexpired risk reserve (URR), Premium deficiency (if any), catastrophe reserve (if any) and Other Liabilities net of Other Assets (relating to policy holders) as per the guidelines of IRDAI.

#### **6. FIXED ASSETS AND INTANGIBLES**

##### **Fixed Assets**

Fixed assets are stated at cost less depreciation. Cost of shares in Co-operative Societies/Companies for property rights acquired is included under the head ‘Buildings’ under Fixed Assets.

Tangible Fixed Assets are stated at cost (including incidental expenses relating to acquisition and installation) less accumulated depreciation.

##### **Intangible Assets**

Intangible Fixed Assets representing software are recorded at its acquisition price and are amortized over their estimated useful life on a straight-line basis, commencing from the date the assets are available for use. The management has estimated the useful life for such software as five years. The useful life of the asset is reviewed by the management at each Balance Sheet date.

### 6.1 Depreciation on Fixed Assets

Depreciation is provided on straight line method based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 and residual value of the assets shall be ₹ 1/-.

Depreciation is provided on pro-rata basis on additions to fixed assets and on assets sold/discarded/demolished/destroyed during the year.

All assets individually costing up to ₹ 10,000 are fully depreciated in the period in which they are acquired.

### 6.2 Impairment of Assets

Fixed assets are reviewed for impairment at the end of the year whenever events or changes in circumstances warrant that the carrying amount of an asset may not be recoverable. Recoverability of an asset to be held and used is measured by a comparison of the carrying amount of an asset to future net discounted cash flows expected to be generated by the asset. If such an asset is considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the asset exceeds the recoverable amount of the asset.

## 7. EMPLOYEE BENEFITS

### Short term employee benefits

Employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and are recognised in the period in which the employee renders the related service. All short-term employee benefits are accounted on undiscounted basis.

### Long term employee benefits

These include Provident Fund, Gratuity, Leave Salary, Settlement and Pension. These are provided on the basis of actuarial valuation including actuarial gains/losses at balance sheet date and is recognised in the revenue account(s) and profit and loss account.

## 8. APPORTIONMENT OF EXPENSES

### (i) Head office business

Operating expenses relating to insurance business are apportioned to the Revenue Accounts on the basis of Reinsurance Premium accepted during the period for which accounts are prepared, giving weightage of 75% for Marine business & 100 % for Fire, Miscellaneous & Life Reinsurance business.

### (ii) Foreign business

Operating expenses relating to insurance business are also apportioned to the revenue accounts of branches on the same basis as mentioned in 8 (i) above.

### (iii) Investment Expenses

Expenses relating to investment are apportioned between Revenue and Profit & Loss Account in the same proportion as stated in Significant Accounting Policy No.5. Interest, Dividend and Rent income is net of Investment expenses. Refer Note No 14.

## 9. INVESTMENTS

9.1 Prudential norms prescribed by Reserve Bank of India and the IRDAI are followed in regard to:

- (i) Revenue recognition
- (ii) Classification of assets into performing and non-performing and
- (iii) Provisioning against performing and non-performing assets.

- 9.2 Purchases and Sales of shares are accounted for on the date of contracts whereas bonds, debentures and Government securities are accounted for on the date of settlement.
- 9.3 The cost of investments includes premium on acquisition, Securities Transaction Tax, Goods & Service tax and their related expenses.
- 9.4 Short term money market instruments such as Triparty Repo (TREPS), Commercial Paper and Treasury bill, which are discounted at the time of contract at the agreed rate are accounted at their discounted value.
- 9.5 Investment portfolio in respect of equity shares are segregated into actively traded and thinly traded as prescribed by the IRDAI (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002.
- 9.6 All investments are reviewed for impairment at the end of the Period whenever events or changes in circumstances warrant that the carrying amount of an investment may not be recoverable. Basis the same, Impairment loss (i.e., other than temporary diminution in value) is recognized over and above specific assessment-based impairment as required separately as per the Significant Accounting Policies.
- (a) Investment in actively traded equity shares are required to be valued as per the guidelines of IRDA issued vide circular ref. no. IRDA/F&I/INV/CIR/213/10/2013 dated 30<sup>th</sup> October 2013. The Corporation has chosen NSE as primary stock exchange and BSE as secondary exchange. Accordingly, the valuation of equity shares is made at Fair Value being the closing price of NSE. If such security is not listed/not traded on NSE on closing day, the closing price of BSE is considered.
- (i) Provisioning for diminution in the value of equity shares/Preference shares
- Impairment loss (i.e., other than temporary diminution in value) is recognized in respect of an equity/preference share which is actively traded in the stock exchange, and which has been held by the Corporation for a period of more than three years, provided, the current average book value is more than the Fair value as on the Balance Sheet date as well as persistently on previous three years from the Balance Sheet date.
- Provision to the extent of difference between the re-measured fair value of the security/investment and its acquisition cost as reduced by any previous impairment loss will be recognized as expense in the Profit and Loss Account.
- (b) Investment in units of mutual funds are valued at Fair value as per IRDAI guidelines 2003-04. Fair value for this purpose is the last quoted NAV as at the balance sheet date.
- (c) In case of Equity Exchange Traded Funds (ETF) the investment is valued on the same basis as traded equity shares, in compliance with Para 3.1 of the IRDAI (Investment) Regulations, 2016 of August 2016.
- Whereas Passive ETFs shall be valued at NAV as on the reporting date (IRDAI, Investment Regulations, 2016, Version – 02, 3.1)
- 9.7 a) Unrealized gains/losses (excluding impairment loss of other than temporary diminution in value) arising due to changes in the fair value of listed equity shares and mutual fund units are taken under the head "Fair Value Change Account" and on realization reported in Profit and Loss Account.
- b) Pending realization, the credit balance in the "Fair Value Change Account" is not available for distribution.
- c) Provision is made for diminution in value of investments relating to thinly traded and unlisted shares equivalent to the amount of difference in average book cost and breakup value of the shares except in companies where demerger has taken place during the Financial Year and latest audited accounts are not available.
- Breakup value is computed from the annual reports of companies not beyond 21 months irrespective of date of closure of annual accounts of the companies.
- d) Provision is made for diminution in value of investment relating to units of venture capital funds equivalent to the amount of difference in book cost and the latest Net Asset Value (NAV).
- 9.8 Investments in Equity and Preference shares of companies whose latest available audited accounts are beyond 21 months irrespective of date of closure of annual accounts of the companies as on the date of balance sheet or whose net worth has been fully impaired (negative net worth) are valued as under:

a) Where shares are Actively Traded, and Book Value is less than Market Value	:	Fair Value Change Account at Market Value
Diminution in value of such investments is recognized in the Balance Sheet at period end by writing down in the following cases:		
b) Where shares are Actively Traded, and Book Value is greater than Market Value	:	Written down to Market Value
c) Thinly traded Equity Shares	:	Written down to nominal value of ₹ 1/- per company
d) Preference Shares	:	At a value proportionate to the face value of the equity shares that bears to its market value and carrying cost is reduced by the diminution value.

- 9.9 Investments in Subsidiary and Associate Companies are valued at cost as these are strategic investments. Provision for diminution in the value of these investments is made only if the decline is other than temporary.
- 9.10 Final Dividend is accounted for as income in the year of declaration and Interim dividend is accounted as income when the amount is received or credited.
- 9.11 Dividends/Interest on shares/debentures under objection/pending deliveries is accounted for on realization/payment.
- 9.12 Profit or Loss on sale of investments is apportioned between Profit and Loss Account and Revenue Accounts in same proportion as stated in Significant Accounting Policy No. 5.  
Profit/Loss on sale of investments is computed at average book value of investments on the date of sale.
- 9.13 Expenses relating to safe custody, straight through processing and bank charges etc. on investments are charged to Profit and Loss Account and Revenue Accounts as stated in Significant Accounting Policy No.8.
- 9.14 Debt securities including Government securities and Redeemable Preference shares have been considered as 'held to maturity' securities and have been measured at historical cost subject to amortization of premium paid over residual period. The call date has been considered as maturity date for amortization of Perpetual Bonds.
- 9.15 In case of repos transaction, difference between the selling and buying value is treated as interest income.
- 9.16 Investments are apportioned between Shareholders' Fund & Policyholders' Fund basis ratio calculated as per IRDAI circular IRDA/F&A/CIR/CPM/010/01/2017.

#### **10. AMORTIZATION OF PREMIUM AND PROVISION FOR DOUBTFUL LOANS, INVESTMENTS & DEBTS**

Amortization of premium, provision for doubtful loans, doubtful debts and diminution in the value of investments written off, are recognized in the Profit & Loss account. Securities purchased at a discount are booked at the discounted price.

#### **11. COMPLIANCE WITH ACCOUNTING STANDARDS**

The Corporation has complied with relevant accounting standards prescribed by ICAI to the extent applicable and IRDAI guidelines in preparation of its financial statements.

#### **12. PREMIUM DEFICIENCY RESERVE (PDR)**

Non-Life Business: Where Applicable, Premium deficiency is worked out separately for each segmental revenue level basis viz. fire, marine and miscellaneous. As per IRDAI circular no. IRDAI/Reg/7/119/2016 dated 7<sup>th</sup> April 2016, PDR is calculated by Non-Life Appointed Actuary.

Life Re business: As per IRDAI circular no. IRDAI/Reg/9/121/2016 dated 13<sup>th</sup> April 2016, PDR is calculated by Life Re Appointed Actuary.

#### **13. DEFERRED COMMISSION**

London BO has accounted for deferred commission as per the local laws. The same is accounted as Commission at Head Office, in compliance to IRDAI requirements.

## 14. TAXATION

### **Current tax**

The Company provides for income tax on the basis of taxable income for the current accounting period in accordance with the provisions of the Income Tax Act, 1961.

Current income tax expense comprises taxes on income from operations in India and in foreign jurisdiction. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act 1961. Tax expense relating to foreign operations is determined in accordance with tax laws applicable in countries where such operations are domiciled.

Interest on Refund of income tax is accounted on realization basis.

### **Deferred tax**

Deferred tax assets and liabilities are recognised on timing differences between the accounting income and the taxable income for the year and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future, however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each balance sheet date and appropriately adjusted to reflect the amount that is reasonably/virtually certain to be realised.

## 15. PROVISIONS AND CONTINGENCIES

A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent Losses arising from claims other than insurance claims under policies, litigation, assessment, fines, penalties, etc. are recorded as a disclosure made when there is a possible obligation, but probably will not require an outflow of resources.

When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote or cannot be ascertained, no provision or disclosure is made.

Contingent asset is neither recognised nor disclosed in the financial statements.

## 16. CATASTROPHE RESERVE

Catastrophe Reserve is created by appropriation of 10 % of Operating profits of Revenue Accounts in respect of Fire, Marine and Miscellaneous business. This reserve forms part of Policyholders' Funds and is reflected in Schedule 6-Reserves & Surplus, of the balance sheet as per IRDAI format.

## II. NOTES FORMING PART OF THE ACCOUNTS

The Insurance Regulatory and Development Authority of India (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations, 2002 have been adopted for presentation of the accounts.

### ➤ Investments

1. (a) Out of Investment held in Shares, Debentures & Venture Capital Fund of the value of ₹ 636,914,712 thousands (Previous year ₹ 596,677,085 thousands) no confirmations or other documentary evidence was available regarding actual custody for;
    - (i) Investments in debenture of 16 Scrip of the value as per Books amounting ₹ 6,589 thousands (Previous year ₹6,589 thousands), (The Corporation has fully provided for these amounts in earlier years).
    - (ii) Investments in Preference shares of five Scrip of the value as per Books amounting ₹ 0.004 thousands (Previous year ₹ 0.004 thousands) (Four Scrip Written down to ₹ 1/- and One Script Written Down to Zero in earlier years)
  - (b) The Investments actually held by the Custodian of the Corporation is in excess of the number held as per the books of the Corporation.
    - (i) A Bonds having value as per Books of Accounts amounting to ₹1,300 thousands (Previous year ₹ 1,300 thousands)
    - (ii) One Preference Shares having value as per Books of Accounts of ₹ 0.001 thousands (Previous year ₹ 0.001 thousands) (One Scrip Written down to ₹ 1 in the Previous year)
  - (c) During the year there were receipts of Excess Dividends of ₹ 1,436 thousands (Previous year ₹ 1,413 thousands), Excess Profits ₹ NIL (Previous year ₹ 45 thousands) and Excess Interests ₹ NIL (₹ 15 thousands). The excess dividend balance as on 31.3.2023 amounts to ₹ NIL (Previous year ₹1277 thousands). The interest received on the excess Bonds/Debentures and profit on excess equity/debentures as on 31<sup>st</sup> March 2023 amounts to ₹ NIL (Previous year ₹ NIL) & ₹ NIL (Previous year ₹ NIL). This excess dividend is shown as Liability.
2. (a) Provision includes provision for standard assets @ 0.40% as per IRDAI-Prudential norms for Income recognition, Asset Classification and provisioning and other related methods in respect of debt portfolio amounting to ₹ 592,243 thousands (Previous year ₹ 538,671 thousands).
    - (b) During the year, the Corporation has not undertaken under CDR (Corporate Debt Restructuring) System, any case of restructuring of corporate debt/loan. (Previous year NIL)
    - (c) The Corporation has considered latest available NAV for the provisioning of units of venture capital. The details of latest available NAV considered are as follows:

NAV as on	No. of Venture Capital Funds
31 <sup>st</sup> December 2022	2
30 <sup>th</sup> September 2022	1
31 <sup>st</sup> March 2022	9
31 <sup>st</sup> March 2023	2
Nil NAV	7
At Par	1
<b>Total</b>	<b>22</b>

3. For valuation of actively traded equity shares, 31<sup>st</sup> March 2023, has been considered as closing day.

4. During the year, the Corporation has waived/written off debts, loans, and interest as follows:

Waiver during the year 2022-23 & 2021-22

(₹ in thousand)

Particulars	Financial Year 2022-23			Financial Year 2021-22		
	No. of cases	Write off	Waiver	No. of cases	Write off	Waiver
Compound Interest/Late Dues	3	0	1.53	6	925,938.75	8.91
Simple Interest/Interest on Delayed payment of Principal	1	0	5.18	3	490,380.43	0
<b>Total</b>	<b>4</b>	<b>0</b>	<b>6.71</b>	<b>9</b>	<b>1,416,319.18</b>	<b>5.08</b>

Debts/Equity written off during year 2022-23 & 2021-22

(₹ in thousand)

Financial Year 2022-23		Financial Year 2021-22	
No of Companies	Amount written down/written off	No of Companies	Amount written down/written off
2	0.002	3	1,319,006

Diminution in the value of Investments written off during the year 2022-23 & 2021-22

(₹ in thousand)

Financial Year 2022-23		Financial Year 2021-22	
No of Companies	Amount written down/written off	No of Companies	Amount written down/written off
3	279,390	4	15,741

5. There is no difference between title of ownership in respect of CGS/SGS/bonds/debentures etc. available in physical/demat format vis-à-vis shown in books of accounts except for the differences pointed out in Point No 1.
6. As at 31<sup>st</sup> March 2023, all the assets of the Corporation in and outside India are free from encumbrances except for:
- (a) The Government of India Stock, 8.24% 2027 for ₹171,000 thousands, 8.60% 2028 for ₹ 2,000 thousands, 6.19 % 2034 for ₹ 50,000 thousands, 6.64 % 2035 for ₹ 100,000 thousands, 7.54 % 2036 for ₹ 200,000 thousands, 8.33% 2026 for ₹20,000 thousands, 8.28% 2027 for ₹17,500 thousands, 7.95% 2032 for ₹40,000 thousands, 6.67% 2035 for ₹ 30,000 thousands total amounting to ₹ 630,500 thousands (Previous year total amounting to ₹ 480,500 thousands) and cash deposit of ₹ 8,600 thousands (Previous year ₹ 8,600 thousands) with Clearing Corporation of India Limited as deposit towards Settlement Guarantee Fund.
- Out of the Cash Deposit, ₹ 1,500 thousands is maintained as Cash collateral Deposit towards Triparty Repo Default fund (Previous year total amounting to ₹ 1,500 thousands) and ₹ 800 thousands towards Securities Default fund (Previous year total amounting to ₹ 800 thousands).
- (b) (i) In view of margin requirements as recommended by SEBI vide Circular dated 19/03/2008, Corporation has assigned a Government of India security 6.30% 2023 amounting to ₹ 300,000 thousands (Previous year Fixed Deposits amounting to ₹ 300,000 thousands) and 7.10% 2029 amounting to ₹ 400,000 thousands (Previous year NIL) total amounting to ₹ 700,000 thousands as Pledge towards Margins in cash segments. This Pledge covers margin obligations arising out of trades done in NSE & BSE.
- (b) (ii) Margin FDR of ₹ 500 thousands (Previous year ₹525 thousands) against Bank Guarantee to Municipal Corporation of Greater Mumbai (MCGM) to undertake development activities at plot bearing CTS.NO.1606OF Fort Division measuring 1,844.40 sq. meter.
- (c) As per SUSEP Resolution CNSP No. 330 of 2015, Article 13, foreign reinsurers shall have account in foreign currency in BRAZIL with SUSEP in bank authorized to operate with exchange in the country with minimum balance in cash for guarantee of its operations in the country in the amount of US\$ 5,000 thousands or comparable in another foreign currency of free translation for reinsurers acting in the field of damages and lives.

Further as per SUSEP Circular No. 527 of February 2016, Article 4 (I) the registration of the admitted reinsurer may be granted after the submission and analysis of evidence of foreign currency account, linked to SUSEP, in a bank authorized to deal in a foreign exchange within the country with a minimum balance of US\$ 5,000 thousands or equivalent in another free convertible foreign currency for reinsurers operating in all lines.

Accordingly, GIC Re has opened a bank account in BNP Paribas Brazil and deposited an amount of US\$ 5,000 thousands (Previous year US\$ 5,000 thousands)

(d) Margin FDR held by Bank for issue as LC/BG of ₹ 94,547,286 thousands (Previous year ₹ 77,542,036 thousands).

7. The Commitments made and outstanding for Loans, Investments and Fixed Assets (if any) as at 31<sup>st</sup> March 2023 are ₹ 113,675 thousands (Previous year ₹ 248,432 thousands).

**8. Value of contracts in relation to investments, for**

a) Purchases, where deliveries are due and pending NIL (Previous year NIL).

b) Sales, where payments are overdue NIL (Previous year NIL).

9. The Book Value of Investments valued on Fair Value basis is Equity ₹ 124,368,329 thousands (Previous year ₹ 113,598,241 thousands) & Mutual Funds ₹ 7,680,200 thousands (Previous year ₹ 4,199,999 thousands). For some Actively traded shares falling under "Fair value Depreciation" category, an amount of ₹ 17,261,537 thousands (Previous year ₹ 15,079,948 thousands) is considered under "Provision for Diminution of Listed equity shares" category.

10. The basis of amortization of debt securities is as stated in Significant Accounting Policy No. 9.4.

11. The Corporation does not hold any properties for investment purposes.

12. Provisions regarding unrealized gains/losses have been stated in the Significant Accounting Policy No. 9.7.

13. ₹ 1,088 thousands (Previous year ₹ 1,088 thousands) is placed in a Liquidation fund for GIC AMC. This is to be retained till 31.12.2023.

14. Interest, Dividend and Rent income is net of Investment expenses of ₹ 59,732 thousands (Previous year ₹ 62,537 thousands).

15. A Provision has been made for ₹ 15,387,536 thousands (Previous year ₹ 16,036,240 thousands towards Non-Performing Assets (Other than Standard Assets). Therefore, there is reversal of provision accounted during the year is ₹ 648,704 thousands (Previous year incremental provision ₹ 1,773,018 thousands).

16. During the Previous year the Corporation has made changes in significant accounting policies with respect to impairment loss (i.e., other than temporary diminution in value) in accordance with the applicable provisioning of diminution in value of equity as per clause 2.8 of IRDAI Master Circular on Preparation of Financial Statements General Insurance Business, October 2012 resulting into valuation of equity shares at market price on balance sheet date.

Consequently, a sum of ₹ 357,465 thousands (Previous year ₹ 15,079,949 thousands) has been recognized as expense in the profit and loss account resulting in reduction of profit to the extent of ₹ 357,465 thousands (Previous year ₹ 15,079,949 thousands).

Apportionment of ₹ 357,465 thousands (Previous year ₹ 15,079,949 thousands) between profit & loss and revenue account has not been done in absence of the required field under Revenue Account as per format advised by IRDAI. Out of ₹ 357,465 thousands (Previous year ₹ 15,079,949 thousands), an amount of ₹ 253,764 thousands (Previous year ₹ 11,611,236 thousands) pertain to Revenue account (policyholder's fund) and ₹ 103,701 thousands (Previous year ₹ 3,468,713 thousands) pertains to Profit & loss account (Shareholder's fund).

**17. Provisioning for IIFCL Mutual Fund (IDF) Series II**

The Corporation has total exposure by way of investments in IIFCL Mutual Fund (IDF) Series II amounting to ₹ 179,017 thousands as on 31<sup>st</sup> March 2023. GIC Re's Book value is ₹ 179,017 thousands as against Nominal value of ₹ 200,000 thousands in IIFCL. The NAV of Series II has been on a declining trend since March 2019 and stood at ₹ 8,95,084.44 per unit as on 31.03.2023. IIFCL Board of Trustees have decided to prematurely wind-up existing schemes (Scheme I & II) to avoid being non-compliant with SEBI regulations. As per recent communication from IIFCL on 17.5.2023, the NAV as on 30.4.2023 stood at ₹ 9,00,954.24 per unit as on 30.4.2023. The Corporation has made a provision of ₹ 19,800 thousands in IIFCL Mutual Fund (IDF) Series II based on NAV as on 30.4.2023. The above provision, in the opinion of the management is considered appropriate and is made as per the Prudential Norms for Income, Recognition, Asset Classification and Provisioning issued by RBI and IRDAI.

### Reinsurance

18. Underwriting of Direct business stopped from 1<sup>st</sup> April 2001. Figures included in Revenue Accounts Pertaining to direct business (if any) are on account of run-off business. Run-off liabilities are sufficiently provided for based on advice received.

### 19 Structured solution cover

The Structured Solutions Reinsurance Contract covering risk from various class of business was in place for the years from June 2014 to May 2020 as per agreed terms and conditions. After notice of cancellation by IRDAI as at 31.5.2021, the contract has been cancelled during the period 2021-22. Consequently, complying the condition of the contract and after having obtained due confirmation from Reinsurer, the Corporation had booked profit commission of ₹ 12,409,926 thousands (including prior period profit commission of ₹ 729,910 thousands) in the previous financial year 2021-22 and released the reinsurers of remaining Outstanding Claims liabilities to the extent of ₹ 5,294,389 thousands. For the period 2022-23 there are NIL entries.

20. Premiums, less reinsurance, written from business during the financial year 2022-23 in India are: ₹ 232,947,051 thousands (Previous year ₹ 246,453,546 thousands) and outside India are ₹ 103,497,226 thousands (Previous year ₹ 141,536,746 thousands).

21. Incremental Provision in URR, for 31.3.2023, in respect of long-term Facultative Policies. –

Whilst on above, for long-term Facultative policies, where the Premium income is spread over a period covering more than 2 accounting years, URR has been provided using 1/365 days basis.

Arising out of the above development additional URR provided for is as under:

Department	No of policies	(₹ in thousand)
Domestic	39	3,66,497
Foreign including aviation	9	13,060
<b>Total</b>	<b>48</b>	<b>3,79,557</b>

Previous figure as on 31.03.2022

Department	No of policies	(₹ in thousand)
Domestic	37	356,616
Foreign including aviation	27	55,260
<b>Total</b>	<b>64</b>	<b>411,876</b>

22. Claims less reinsurance during the financial year 2022-23 paid in India are:

₹ 175,863,074 thousands (Previous year ₹ 210,503,658 thousands) and outside India are ₹ 88,800,715 thousands (Previous year ₹ 100,219,684 thousands).

23. Segment Reporting as per Accounting Standard -17 "Segment Reporting" of ICAI, has been complied with as required by IRDAI (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002.

Line of Business wise Segment Revenue Reporting for the year ended 31.03.2023

## INDIAN BUSINESS

(₹ in 000)

Class of Business	Earned Premium		Incurred Claims		Net Commission		Expenses of Management	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Fire	51,488,913	50,279,163	33,909,026	34,702,044	11,154,171	3,876,534	730,121	530,408
Motor	42,350,504	49,248,840	34,697,094	35,571,045	6,473,906	10,787,977	426,471	382,692
Aviation	873,675	1,250,780	394,626	1,387,899	162,368	154,052	9,504	9,503
Engineering	8,663,524	6,473,358	5,833,031	5,651,836	1,604,928	688,585	130,543	78,922
W.C.	323,197	269,272	219,312	129,914	61,039	50,674	3,847	2,464
Liability	3,669,594	3,413,021	2,546,273	1,728,100	558,265	439,160	50,768	37,652
PA	4,061,920	4,067,815	2,583,756	2,849,069	873,046	942,869	46,629	33,959
Health	45,598,603	47,269,647	39,191,835	46,648,827	6,051,779	7,855,117	537,596	371,534
Agriculture	51,109,913	61,707,375	49,314,141	60,975,937	2,817,182	3,176,123	552,617	636,797
Other Misc.	5,936,729	5,717,367	2,514,654	3,729,547	977,030	292,620	76,915	60,909
FL/Credit	1,443,586	1,447,664	110,135	1,317,528	243,826	(254,447)	15,183	12,507
Marine Cargo	3,788,073	3,350,950	2,349,723	3,262,542	369,093	330,999	36,716	26,321
Marine Hull	2,242,333	2,116,162	780,012	1,823,346	169,849	28,001	17,380	13,959
Life	13,574,419	11,652,039	14,093,238	26,027,636	1,037	5,299	147,594	108,714
<b>TOTAL</b>	<b>235,124,985</b>	<b>248,263,452</b>	<b>188,536,857</b>	<b>225,805,271</b>	<b>31,517,518</b>	<b>28,373,563</b>	<b>2,781,885</b>	<b>2,306,342</b>

(₹ in 000)

Class of Business	Profit/-Loss on Exchange		Premium Deficiency		Underwriting Profit/Loss(-)		Investment Income (Net)		Revenue Profit/Loss	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Fire	-	-	-	-	5,695,595	11,170,176	11,820,524	11,562,418	17,516,119	22,732,594
Motor	-	-	-	-	753,034	2,507,127	12,199,120	13,757,903	12,952,154	16,265,029
Aviation	7,837	-	-	-	315,013	(300,675)	202,598	268,132	517,611	(32,543)
Engineering	-	-	-	-	1,095,021	54,015	2,442,409	2,233,870	3,537,430	2,287,885
W.C.	-	-	-	-	38,998	86,220	59,833	52,351	98,831	138,571
Liability	-	-	-	-	514,289	1,208,110	715,403	649,777	1,229,692	1,857,887
PA	-	-	-	-	558,489	241,917	758,093	791,840	1,316,582	1,033,757
Health	-	-	-	-	(182,608)	(7,605,832)	5,770,430	5,640,404	5,587,822	(1,965,428)
Agriculture	-	-	-	-	(1,574,027)	(3,081,482)	7,125,797	8,253,351	5,551,770	5,171,868
Other Misc.	-	-	-	-	2,368,131	1,634,290	1,070,631	1,224,391	3,438,762	2,858,682
FL/Credit	-	-	-	-	1,074,443	372,076	643,197	766,261	1,717,640	1,138,337
Marine Cargo	-	-	-	-	1,032,541	(268,911)	541,336	651,426	1,573,877	382,514
Marine Hull	-	-	-	-	1,275,092	250,855	399,950	652,160	1,675,042	903,015
Life	-	-	(116,255)	96,512	(551,195)	(14,586,122)	1,114,300	1,192,781	563,105	(13,393,342)
<b>TOTAL</b>	<b>7,837</b>	<b>-</b>	<b>(116,255)</b>	<b>96,512</b>	<b>12,412,816</b>	<b>(8,318,236)</b>	<b>44,863,620</b>	<b>47,697,063</b>	<b>57,276,437</b>	<b>39,378,827</b>

## FOREIGN BUSINESS

(₹ in 000)

Class of Business	Earned Premium		Incurred Claims		Net Commission		Expenses of Management	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Fire	62,310,400	60,717,246	70,460,392	66,816,191	13,589,749	15,519,715	740,149	619,383
Motor	36,244,967	42,144,381	44,411,246	35,532,002	5,138,776	17,455,866	226,845	455,816
Aviation	3,114,516	4,752,190	4,314,608	5,312,204	815,147	910,477	93,265	106,202
Engineering	4,444,998	5,218,900	4,130,439	4,565,611	1,352,212	1,378,833	60,803	52,046
W.C.	42,329	154,040	211,159	115,745	5,485	7,518	298	423
Liability	3,496,667	3,768,685	2,795,468	2,700,197	838,184	741,919	41,338	27,919
PA	398,673	1,730,112	780,928	1,777,174	89,199	85,370	4,314	3,430
Health	220,045	1,178,592	(113,262)	458,877	28,247	87,593	660	3,363
Agriculture	1,444,030	4,930,214	1,221,302	3,718,081	98,391	448,187	7,833	21,311
Other Misc.	587,962	801,720	30,437	935,456	216,778	194,079	7,774	(155)
FL/Credit	1,046,123	1,569,268	783,524	987,742	288,406	507,724	8,906	17,552
Marine Cargo	4,466,234	9,040,882	736,132	8,347,368	1,446,351	2,632,622	16,421	55,653
Marine Hull	3,378,302	7,414,917	7,257,806	7,843,209	499,187	1,032,994	32,800	32,095
Life	1,759,845	1,249,436	1,836,740	1,343,333	181,478	131,723	21,112	11,400
<b>TOTAL</b>	<b>122,955,092</b>	<b>144,670,582</b>	<b>138,856,920</b>	<b>140,453,189</b>	<b>24,587,589</b>	<b>41,134,619</b>	<b>1,262,515</b>	<b>1,406,439</b>

(₹ in 000)

Class of Business	Profit/-Loss on Exchange		Premium Deficiency		Underwriting Profit/Loss(-)		Investment Income (Net)		Revenue Profit/Loss	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Fire	2,001,851	1,300,366	-	-	(20,478,038)	(20,937,678)	15,398,905	12,371,994	(5,079,133)	(8,565,683)
Motor	1,541,814	1,102,011	-	-	(11,990,086)	(10,197,292)	7,101,721	6,350,414	(4,888,366)	(3,846,878)
Aviation	293,587	84,585	-	-	(1,814,916)	(1,492,107)	1,532,560	1,488,377	(282,356)	(3,730)
Engineering	288,290	171,808	-	-	(810,166)	(605,782)	1,175,655	976,653	365,489	370,871
W.C.	11,215	6,375	-	-	(163,398)	36,730	80,904	63,981	(82,494)	100,711
Liability	134,685	79,911	-	-	(43,639)	378,562	974,771	812,808	931,133	1,191,370
PA	76,631	54,203	-	-	(399,137)	(81,660)	203,437	198,029	(195,700)	116,369
Health	461,065	309,552	-	-	765,466	938,311	15,534	7,929	780,999	946,239
Agriculture	582,471	465,252	-	-	698,975	1,207,887	186,297	251,794	885,272	1,459,681
Other Misc.	108,377	81,326	-	-	441,350	(246,334)	289,407	259,465	730,757	13,131
FL/Credit	78,419	58,529	-	-	43,706	114,778	340,892	301,697	384,598	416,476
Marine Cargo	103,430	90,582	-	-	2,370,761	(1,904,179)	754,418	998,641	3,125,179	(905,538)
Marine Hull	197,541	128,562	-	-	(4,213,950)	(1,364,820)	2,080,180	1,693,961	(2,133,769)	329,141
Life	76,833	81,058	30,842	33,288	(233,494)	(189,248)	205,445	154,743	(28,048)	(34,505)
<b>TOTAL</b>	<b>5,956,209</b>	<b>4,014,120</b>	<b>30,842</b>	<b>33,288</b>	<b>(35,826,564)</b>	<b>(34,342,833)</b>	<b>30,340,126</b>	<b>25,930,486</b>	<b>(5,486,439)</b>	<b>(8,412,346)</b>

## TOTAL BUSINESS (INDIAN + FOREIGN)

(₹ in 000)

Class of Business	Earned Premium		Incurred Claims		Net Commission		Expenses of Management	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Fire	113,799,313	110,996,409	104,369,417	101,518,235	24,743,919	19,396,249	1,470,270	1,149,791
Motor	78,595,471	91,393,221	79,108,340	71,103,047	11,612,681	28,243,843	653,316	838,507
Aviation	3,988,191	6,002,969	4,709,234	6,700,103	977,514	1,064,529	102,769	115,705
Engineering	13,108,522	11,692,259	9,963,470	10,217,448	2,957,140	2,067,418	191,346	130,969
W.C.	365,527	423,312	430,472	245,659	66,525	58,192	4,145	2,887
Liability	7,166,261	7,181,706	5,341,741	4,428,296	1,396,449	1,181,079	92,105	65,571
PA	4,460,593	5,797,927	3,364,684	4,626,244	962,245	1,028,239	50,942	37,390
Health	45,818,648	48,448,238	39,078,574	47,107,704	6,080,026	7,942,710	538,256	374,898
Agriculture	52,553,943	66,637,589	50,535,443	64,694,018	2,915,574	3,624,310	560,450	658,108
Other Misc.	6,524,692	6,519,087	2,545,091	4,665,003	1,193,808	486,700	84,689	60,754
FL/Credit	2,489,709	3,016,931	893,659	2,305,269	532,232	253,277	24,088	30,059
Marine Cargo	8,254,308	12,391,832	3,085,856	11,609,910	1,815,444	2,963,621	53,137	81,973
Marine Hull	5,620,635	9,531,079	8,037,818	9,666,556	669,036	1,060,995	50,180	46,055
Life	15,334,264	12,901,475	15,929,978	27,370,968	182,515	137,022	168,706	120,114
<b>TOTAL</b>	<b>358,080,077</b>	<b>392,934,034</b>	<b>327,393,776</b>	<b>366,258,460</b>	<b>56,105,107</b>	<b>69,508,182</b>	<b>4,044,400</b>	<b>3,712,781</b>

(₹ in 000)

Class of Business	Profit/-Loss on Exchange		Premium Deficiency		Underwriting Profit/Loss(-)		Investment Income (Net)		Revenue Profit/Loss	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Fire	2,001,851	1,300,366	-	-	(14,782,443)	(9,767,501)	27,219,429	23,934,412	12,436,986	14,166,911
Motor	1,541,814	1,102,011	-	-	(11,237,052)	(7,690,165)	19,300,841	20,108,317	8,063,788	12,418,151
Aviation	301,424	84,585	-	-	(1,499,903)	(1,792,782)	1,735,159	1,756,509	235,256	(36,273)
Engineering	288,290	171,808	-	-	284,856	(551,767)	3,618,063	3,210,522	3,902,919	2,658,755
W.C.	11,215	6,375	-	-	(124,400)	122,950	140,737	116,332	16,337	239,282
Liability	134,685	79,911	-	-	470,650	1,586,672	1,690,174	1,462,586	2,160,824	3,049,257
PA	76,631	54,203	-	-	159,353	160,258	961,530	989,868	1,120,882	1,150,126
Health	461,065	309,552	-	-	582,858	(6,667,521)	5,785,963	5,648,332	6,368,821	(1,019,189)
Agriculture	582,471	465,252	-	-	(875,052)	(1,873,596)	7,312,094	8,505,145	6,437,042	6,631,549
Other Misc.	108,377	81,326	-	-	2,809,481	1,387,956	1,360,038	1,483,856	4,169,519	2,871,812
FL/Credit	78,419	58,529	-	-	1,118,149	486,854	984,088	1,067,958	2,102,238	1,554,812
Marine Cargo	103,430	90,582	-	-	3,403,301	(2,173,090)	1,295,754	1,650,067	4,699,056	(523,024)
Marine Hull	197,541	128,562	-	-	(2,938,858)	(1,113,964)	2,480,130	2,346,120	(458,727)	1,232,156
Life	76,833	81,058	(85,413)	129,800	(784,689)	(14,775,371)	1,319,746	1,347,524	535,057	(13,427,847)
<b>TOTAL</b>	<b>5,964,046</b>	<b>4,014,120</b>	<b>(85,413)</b>	<b>129,800</b>	<b>(23,413,748)</b>	<b>(42,661,068)</b>	<b>75,203,746</b>	<b>73,627,549</b>	<b>51,789,998</b>	<b>30,966,481</b>

**24. Ageing of claims – Distinguishing between claims outstanding for different periods:**

The Corporation being a reinsurance company does not settle claims directly with the insured. The companies after settling the claims with their insured would recover the claims from the Corporation as per the reinsurance obligations. Such recoveries are settled with the companies through periodical account statements.

Nevertheless, the outstanding losses as intimated by the companies in respect of facultative business are classified according to the outstanding period as per the details given below:

**Details as on 31.03.2023**

(₹ in 000)

SI No.	Outstanding Period	FIRE		MARINE		ENGINEERING		AVIATION		LIABILITY		MISCELLANEOUS		TOTAL	
		No. of claims	Amount	No. of claims	Amount	No. of claims	Amount	No. of claims	Amount						
1	30 days	3	34,100	4	4,073	1	1,70,000	8	31,315	-	-	-	-	16	2,39,488
2	>30 days upto six(6) months	45	6,54,732	21	16,47,265	5	3,51,864	61	3,26,599	2	50	2	33	136	29,80,543
3	>6 months upto 1 year	68	16,69,666	24	8,06,245	14	1,68,782	92	2,61,491	5	350	4	6,575	207	29,13,109
4	1 year upto 5 years	634	37,32,446	208	19,58,440	170	12,40,853	791	37,57,103	75	1,55,978	45	36,608	1,923	1,08,81,429
5	>5 years	454	28,52,788	163	8,34,681	309	10,99,757	1,537	18,35,405	33	2,55,274	79	82,654	2,575	69,60,560
	<b>TOTAL</b>	<b>1,204</b>	<b>89,43,732</b>	<b>420</b>	<b>52,50,704</b>	<b>499</b>	<b>30,31,256</b>	<b>2,489</b>	<b>62,11,913</b>	<b>115</b>	<b>4,11,653</b>	<b>130</b>	<b>1,25,871</b>	<b>4,857</b>	<b>2,39,75,129</b>

**Details as on 31.03.2022**

(₹ in 000)

SI No.	Outstanding Period	FIRE		MARINE		ENGINEERING		AVIATION		LIABILITY		MISCELLANEOUS		TOTAL	
		No. of claims	Amount	No. of claims	Amount	No. of claims	Amount	No. of claims	Amount						
1	30 days	20	34,192	3	57,260	1	405	18	91,978	-	-	-	-	42	1,83,836
2	>30 days upto six(6) months	78	14,55,821	15	4,14,593	9	33,355	79	3,20,694	4	338	1	262	186	22,25,064
3	>6 months upto 1 year	80	8,12,459	45	2,67,503	27	83,634	125	3,36,366	4	1,711	5	6,835	286	15,08,508
4	1 year upto 5 years	719	39,47,421	205	26,99,423	170	11,14,778	786	37,35,368	68	2,47,170	55	78,675	2,003	1,18,22,834
5	>5 years	451	17,00,104	182	8,25,251	281	9,57,652	1,549	23,66,617	23	4,54,813	71	34,911	2,557	63,39,347
	<b>TOTAL</b>	<b>1,348</b>	<b>79,49,996</b>	<b>450</b>	<b>42,64,030</b>	<b>488</b>	<b>21,89,824</b>	<b>2,557</b>	<b>68,51,023</b>	<b>99</b>	<b>7,04,032</b>	<b>132</b>	<b>1,20,683</b>	<b>5,074</b>	<b>2,20,79,589</b>

**25.** The Corporation being a reinsurance company does not settle claims directly with the insured. The companies after settling the claims with their insured would recover the claims from the Corporation as per the reinsurance obligations. Such recoveries are settled with the companies through periodical account statements. Claims settled and remaining unpaid for a period of more than six months as on 31.03.2023 ₹ NIL (Previous year NIL).

26. (a) Corporation has put in place system of continuous reconciliation and monitoring of balances and reserve deposits on an ongoing basis with persons/bodies carrying on insurance/reinsurance business. The Corporation has provided a cumulative provision of ₹ 11,306,742 thousands (Previous year ₹ 7,994,203 thousands) for doubtful receivables.
- (b) The balances of amount due to/from and the deposits kept with other persons/bodies carrying on insurance business are subject to confirmation/reconciliation. The Company has initiated a detailed process to match confirmations with the books and balance confirmations are marked for majority of the balances. Adjustments, if any for unconfirmed balances will be accounted for on receipt/confirmation/reconciliation of the same after due examination.
- (c) The Corporation has also provided a provision on doubtful debts on sundry debtors outstanding for more than 1 year as on 31.03.2023 amounting to ₹ 13,066 thousands (Previous year ₹ 6,740 thousands.).
27. Creation of a CAT reserve is an accepted method to handle future volatility in claims, and to introduce a factor of stability in the financial results. The reserve can make a significant contribution to reducing financial vulnerability in future. This reserve is broadly intended to be utilised towards meeting large catastrophe losses against the insurance policies in force.

The Corporation decided to create the same from this financial year 2022-23 onwards, by appropriation of 10% of Operating Profit in respect of Revenue Accounts with an overall reserve cap of ₹ 50,000,000 thousands.

Operating Profit of Revenue Account	Operating Profit (₹ in 000)	Catastrophe Reserve (₹ in 000)
Fire	12,436,986	1,243,699
Miscellaneous	34,577,627	3,457,763
Marine	4,240,329	424,033
<b>Total</b>	<b>51,254,942</b>	<b>5,125,495</b>

This has resulted in reduction of profit after tax by ₹ 3,835,510 thousands for F Y 2022-23.

28. The details of URR adjustment in respect of Dubai, London & Malaysia BO are as under:

Year	Dubai BO	London BO	Malaysia BO
2022-23	₹ 321,594 thousands (excess provision by BO, reduced at HO)	₹ 554,941 thousands (Less provision by BO, increased at HO)	₹ 172,911 thousands (excess provision by BO, reduced at HO)
2021-22	₹ 1,740,471 thousands (excess provision by BO, reduced at HO)	₹ 1,131,223 thousands (Less provision by BO, increased at HO)	₹ 410,389 thousands (Less provision by BO, increased at HO)

### 29. Life Reinsurance Business

During the year, the Corporation has made a provision of ₹ 3,252,240 thousands (Previous year made provision of ₹ 3,678,726 thousands) towards gross unexpired premium reserve for life business as determined by Life Appointed Actuary, as per IRDAI guidelines.

30. The estimate of claims Incurred but Not Reported [IBNR] claims have been certified by the Company's Appointed Actuary. The Appointed Actuary has certified to the Company that the assumptions used for such are appropriate and are in accordance with the requirements of the Insurance Regulatory and Development Authority of India [IRDAI] and Institute of Actuaries of India in concurrence with IRDAI.

The IBNR provision for Life Re business is certified by the Appointed Actuary – Life Re. The IBNR has been calculated using triangulation method for domestic business (except for non-proportional business) and for Overseas Group Credit Business.

For all other overseas business (proportional and non-proportional) and domestic non-proportional business, delay days method has been used.

31. (a) The details on account of revaluation included in the net Outstanding Loss Reserves (OSLR) at the end of the year are as under:

(₹ in thousand)

Class of Business	31.03.2023	31.03.2022
Fire	1,466,026	1,233,624
Life	10,775	7,494
Marine	506,317	472,874
Miscellaneous	1,306,263	(2,631)
<b>Total</b>	<b>3,289,381</b>	<b>1,711,361</b>

- (b) Reference/Benchmark Exchange Rates:

(Amount in ₹)

	Average ₹ Rate April'22 to March'23	Average ₹ Rate April'21 to March'22	Closing ₹ Rate 31.03.2023	Closing ₹ Rate 31.03.2022
AED	21.87038	20.27644	22.35051	20.63963
GBP	96.73624	101.73979	101.63966	99.53442
MYR	18.07681	17.84206	18.57014	18.03500
USD	80.32258	74.46943	82.08000	75.80110
EURO	83.63494	86.54433	89.47541	84.56371

32. Foreign Exchange Reserve Account is increased by ₹ 3,058,643 thousands (Previous year ₹ 7,804 thousands) consisting of the following:

Sr No.	Particulars	Current Year		Previous Year	
		Debit	Credit	Debit	Credit
1	Net Investment in non-integral foreign operation of Holding Company	--	₹ 3,058,643 thousands	---	₹ 7,804 thousands
2	Others				
	<b>Total</b>	---	<b>₹ 3,058,643 thousands</b>	---	<b>₹ 7,804 thousands</b>

#### ➤ Human Resources

33. Provision for Productivity Linked Lump-sum Incentive to the employees for the year ended 31<sup>st</sup> March 2023 is NIL (Previous year ₹ NIL thousands).

#### 34. Employee Benefits

The Corporation has classified the various benefits provided to employees as under:

- (i) Pension Superannuation Scheme
- (ii) Defined Benefit Plan
  - (a) Leave Encashment
  - (b) Gratuity
  - (c) Provident Fund
- (iii) Settlement Benefit

During the year Corporation has recognized the following amounts in the Profit and Loss Account based upon the actuary reports:

(₹ in thousand)

Particulars	Year ending 31 <sup>st</sup> March 2023	Year ending 31 <sup>st</sup> March 2022
Pension Superannuation Scheme (Employees' Pension Fund)	916,770	177,506
Leave Encashment (Earned leave and Sick Leave)	41,995	(15,568)
Gratuity (Employees Gratuity Fund)	(345,779)	(45,984)
Provident Fund (Employees Provident Fund)*	16,299	15,064
Settlement Benefit	432	(1,440)

\*The Corporation pays fixed contribution to provident fund at predetermined rates to a separate trust, which invests the funds in permitted securities. The obligation of the Company is to make such fixed contribution and to ensure a minimum rate of return to the members as specified by Government of India (GoI). As per report of the consulting actuary, overall interest earnings and cumulative surplus is short than the statutory interest payment requirement. Hence, the Corporation provision has created a liability of ₹ 16,299 thousands as on 31<sup>st</sup> March 2023 (Previous year: ₹ 15,064 thousands).

#### A) Change in the Present Value of Obligation

(₹ in thousand)

Particulars	Pension		Gratuity		Leave Salary *		Settlement	
	31/03/2023	31/03/2022	31/03/2023	31/03/2022	31/03/2023	31/03/2022	31/03/2023	31/03/2022
Present Value of Obligation as at 1 <sup>st</sup> April	26,55,022	26,72,186	543,367	556,027	379,945	395,513	19,318	20,758
Interest Cost	134,025	174,297	37,356	37,496	28,344	28,437	1,441	1,493
Past Service Cost	0	0	362,111	0	0	0		0
Current Service Cost	44,223	37,285	38,392	27,146	18,227	16,317	356	348
Curtailement Cost/(Credit)	0	0	0	0	0	0	0	0
Settlement Cost/(Credit)	0	0	0	0	0	0	0	0
Benefit Paid	(551,068)	(441,512)	(85,242)	(69,054)	0	0	0	0
Actuarial Gain/(Loss) on Obligation	10,20,015	212,766	(80,658)	(8,247)	(4,576)	(60,323)	(1,365)	(3,280)
Present Value of Obligation at 31 <sup>st</sup> March	33,02,217	26,55,022	815,326	543,367	421,940	379,945	19,750	19,318

\* EL + SL

**B) Change in the Fair value of Plan Assets**

(₹ in thousand)

Particulars	Pension		Gratuity		Leave Salary		Settlement	
	31/03/2023	31/03/2022	31/03/2023	31/03/2022	31/03/2023	31/03/2022	31/03/2023	31/03/2022
Fair Value of Plan Assets as at 1 <sup>st</sup> April	25,03,020	25,07,691	531,754	585,056	0	0	0	0
Expected return on Plan Assets	211,387	214,405	35,892	39,775	0	0	0	0
Actuarial Gain/(Loss) on Obligation	70,105	32,436	(24,470)	(29,365)	0	0	0	0
Contribution	241,671	189,999	11,614	5,342	0	0	0	0
Benefit Paid	(551,068)	(441,512)	(85,242)	(69,054)	0	0	0	0
Fair Value of Plan Assets at 31 <sup>st</sup> March	24,75,115	25,03,020	441,913	531,754	0	0	0	0
Unpaid Amount	0	0	0	0	0	0	0	0
Fair Value of Plan (Net) Assets at 31 <sup>st</sup> March	24,75,115	25,03,020	441,913	531,754	0	0	0	0
Actual return	281,493	246,841	11,421	10,410	0	0	0	0

**C) Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Assets**

(₹ in thousand)

Particulars	Pension		Gratuity		Leave Salary*		Settlement	
	31/03/2023	31/03/2022	31/03/2023	31/03/2022	31/03/2023	31/03/2022	31/03/2023	31/03/2022
Present Value of Obligation	33,02,217	26,55,022	815,326	543,367	421,940	379,945	19,750	19,318
Fair Value of Plan Assets	24,75,115	25,03,020	441,913	531,754	0	0	0	0
Unfunded Net Asset/(Liability) Recognized in Balance Sheet	(827,102)	(152,002)	(373,413)	(11,614)	(421,940)	(379,945)	(19,750)	(19,318)

\* EL + SL

**D) Expenses recognized in the Profit and Loss Account**

(₹ in thousand)

For year ending 31 <sup>st</sup> March 2023	Pension	Gratuity	Leave Salary*	Settlement
Current Service Cost	44,223	38,392	18,227	356
Interest Cost	134,025	37,356	28,344	1,441
Curtailement Cost/(Credit)	0	0	0	0
Settlement Cost/(Credit)	0	0	0	0
Expected Return on Plan Assets	(211,387)	(35,892)	0	0
Net actuarial (gains)/losses recognized in the period	949,910	(56,187)	(4,576)	(1,365)
Total Expenses recognized in the Profit & Loss A/c	916,770	345,779	41,995	432

\* EL + SL

(₹ in thousand)

For year ending 31 <sup>st</sup> March 2022	Pension	Gratuity	Leave Salary*	Settlement
Current Service Cost	37,285	27,146	16,317	348
Interest Cost	174,297	37,496	28,437	1,493
Curtailment Cost/(Credit)	0	0	0	0
Settlement Cost/(Credit)	0	0	0	0
Expected Return on Plan Assets	(214,405)	(39,775)	0	0
Net actuarial (gains)/losses recognized in the period	180,329	21,117	(60,323)	(3,280)
Total Expenses recognized in the Profit & Loss A/c	177,506	45,984	(15,568)	(1,440)

\* EL + SL

**E) Plan Assets**

(In %)

Particulars	Pension		Gratuity		Leave Salary*		Settlement	
	31/03/2023	31/03/2022	31/03/2023	31/03/2022	31/03/2023	31/03/2022	31/03/2023	31/03/2022
Government Securities {Central & State}	50	56	0	0	0	0	0	0
High quality Corporate Bonds	32	0	0	0	0	0	0	0
Others	18	44	100	100	0	0	0	0

\* EL + SL

**F) Actuarial Assumption**

(In %)

Particulars	Pension		Gratuity		Leave Salary *		Settlement	
	31/03/2023	31/03/2022	31/03/2023	31/03/2022	31/03/2023	31/03/2022	31/03/2023	31/03/2022
Discount Rate	7.52	7.51	7.49	7.46	7.49	7.46	7.49	7.46
Expected return on assets	9.00	9.00	7.46	7.19	0.00	0.00	0.00	0.00
Salary Escalation*	6.00	6.00	10.00	10.00	10.00	10.00	10.00	10.00
Attrition/withdrawal Rate	1.00	1.00	3.00	3.00	3.00	3.00	3.00	3.00
Indian Assured Lives Mortality	2012-14	2012-14	2012-14	2012-14	2012-14	2012-14	2012-14	2012-14

\* EL + SL

**G) Other Disclosures****Pension**

(₹ in thousand)

Particulars	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18
<b>Experience Adjustment</b>						
On obligation	1,020,015	212,766	136,477	858,940	71,638	117,366
On plan assets	(70,105)	(32,436)	457,143	4,338	3,926	(21,986)
Present Value of obligation	33,02,217	26,55,022	26,72,186	26,74,879	1,979,342	1,830,225
Fair Value of plan assets	24,75,115	25,03,020	25,07,691	21,07,879	1,959,115	1,730,841
Excess of obligation over plan assets	(827,102)	(152,002)	(164,495)	(567,000)	(20,228)	(99,384)

**Gratuity**

(₹ in thousand)

Particulars	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18
<b>Experience Adjustment</b>						
On obligation	(83,067)	(15,033)	(1,346)	(1,805)	14,115	43,166
On plan assets	24,470	29,365	(12,090)	32,628	74,079	(54,996)
Present Value of obligation	815,326	543,367	556,027	604,572	579,718	516,180
Fair Value of plan assets	441,913	531,754	585,056	548,387	552,235	505,998
Excess of obligation over plan assets	(373,413)	(11,614)	29,029	(56,185)	(27,483)	(10,181)

**Leave Salary**

(₹ in thousand)

Particulars	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18
<b>Experience Adjustment</b>						
On obligation	0	0	0	0	(43,982)	(18,137)
On plan assets	0	0	0	0	0	0
Present Value of obligation	421,939	379,945	395,513	400,957	361,112	356,839
Fair Value of plan assets	0	0	0	0	0	0
Excess of obligation over plan assets	421,939	379,945	395,513	400,957	361,112	356,839

**Settlement**

(₹ in thousand)

Particulars	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18
<b>Experience Adjustment</b>						
On obligation	(1,365)	(3,280)	(3,061)	2,260	(394)	(618)
On plan assets	0	0	0	0	0	0
Present Value of obligation	19,750	19,318	20,758	21,946	18,007	16,422
Fair Value of plan assets	0	0	0	0	0	0
Excess of obligation over plan assets	19,750	19,318	20,758	21,946	18,007	16,422

➤ **Secretarial**

35. During the financial year 2018-19, the Corporation issued bonus equity shares in the ratio of 1:1 i.e.1 (one) equity share of ₹ 5/- each (fully paid up) for every 1 (one) existing equity share of ₹ 5/- each (fully paid up) to the Shareholders of the Corporation, in the month of July 2018.

During the financial year 2022-23, the Corporation has not issued any such bonus shares. As on 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022, the Issued, Subscribed, Called-up and Paid-up Capital of the Corporation is ₹ 8,772,000 thousands comprising of 1,754,400 thousands Equity shares of ₹ 5/- each.

Accordingly Earning Per Share, Book Value per share and Dividend per share is worked out for the previous years based on the increased number of shares.

36. Investment in Subsidiary & Associate Companies (As on 31<sup>st</sup> March 2023)

(₹ in thousand)

Sl. No.	Name of the company	Currency	No. of Shares	Face value	% Holding	Acquisition Cost
<b>Subsidiary Company</b>						
1.	GIC Re South Africa Ltd.	ZAR	571,030,862	2 ZAR	100%	6,042,192
2.	GIC Re, India, Corporate Member Ltd.	GBP	1	1 GBP	100%	2
3.	GIC Perestrakhovanie LLC, Moscow	RUB	1	1272,759,000 RUB	100%	1,382,737
<b>Total Subsidiary Investment</b>						<b>7,424,931</b>
<b>Associate Company</b>						
1.	Agriculture Ins. Co. of India Ltd	INR	70,000,000	10 INR	35%	700,000
2.	GIC Bhutan Re Ltd	Nu	28,600,000	10 Nu	26%	286,000
3.	India International Ins. Pte Ltd.	SGD	10,000,000	1 SGD	20%	29,479
<b>Total Associate Investments</b>						<b>1,015,479</b>

Investment in Subsidiary & Associate Companies (As on 31<sup>st</sup> March 2022)

Sl.No.	Name of the company	Currency	No. of Shares	Face value	% Holding	Acquisition Cost
<b>Subsidiary Company</b>						
1.	GIC Re South Africa Ltd.	ZAR	571,030,862	2 ZAR	100%	6,042,192
2.	GIC Re, India, Corporate Member Ltd.	GBP	1	1 GBP	100%	2
3.	GIC Perestrakhovanie LLC, Moscow	RUB	1	1272,759,000 RUB	100%	1,382,737
<b>Total Subsidiary Investment</b>						<b>7,424,931</b>
<b>Associate Company</b>						
1.	Agriculture Ins. Co. of India Ltd	INR	70,000,000	10 INR	35%	700,000
2.	GIC Bhutan Re Ltd	Nu	28,600,000	10 Nu	26%	2,86,000
3.	India International Ins. Pte Ltd.	SGD	10,000,000	1 SGD	20%	29,479
<b>Total Associate Investments</b>						<b>1,015,479</b>

## 37. (i) Related party Disclosures as per Accounting Standard - 18 "Related Party Transaction" issued by ICAI:

## a) Subsidiary Company:

- GIC Re South Africa Ltd., Johannesburg, S.A.
- GIC Re India Corporate Member Limited, London, U.K.
- GIC Perestrakhovanie" LLC.

## b) Associate Company:

- India International Insurance Pte. Limited, Singapore
- Agriculture Insurance Company of India Limited, New Delhi, India
- GIC Bhutan Re Ltd, Bhutan

Nature and volume of transactions: With (a&amp;b) above

## (ii) Statement showing Related party disclosures as per AS-18 of ICAI

a. Subsidiaries

(₹ in thousand)

Period	GIC Re South Africa Ltd. Johannesburg, S.A.		GIC Re India Corporate Member, Ltd., London, U.K		GIC Perestrakhovanie LLC	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
Premium Accepted	94,482	16,754	15,927,378	13,033,863	640,310	336,206
Premium Ceded	-	-	-	-	-	-
Net Premium	94,482	16,754	15,927,378	13,033,863	640,310	336,206
Commission Paid	38,081	15,256	3,907,599	4,495,015	35,515	15,215
Commission Recovered	-	-	-	-	-	-
Net Commission	38,081	15,256	3,907,599	4,495,015	35,515	15,215
Claims Paid	174,824	118,360	10,197,247	11,442,790	17	1,802
Claims Recovered	-	-	-	-	-	-
Net Claims	174,824	118,360	10,197,247	11,442,790	17	1,802
Balance as on 31 <sup>st</sup> March (-) indicates amount payable by GIC						

b. Associates

(₹ in thousand)

Period	Agriculture Ins. Co. Ltd		India International Pte Ltd.		GIC-BHUTAN RE	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
Premium Accepted	8,627,436	31,340,663	728,948	2,088,410	60,609	68,768
Premium Ceded	(57)	(76)	35,812	-	-	-
Net Premium	8,627,492	31,340,739	693,135	2,088,410	60,609	68,768
Commission Paid	522,221	1,577,368	103,512	366,518	12	149
Commission Recovered	214	(19)	7,582	-	-	-
Net Commission	522,007	1,577,387	95,930	366,518	12	149
Claims Paid	27,225,400	25,555,542	238,713	425,768	6,744	-
Claims Recovered	1,867	1,770	25	-	-	-
Net Claims	27,223,532	25,553,772	238,688	425,768	6,744	-
Balance as on 31 <sup>st</sup> March (-) indicates amount payable by GIC						

38.

i) **Key Management Personnel: F.Y 2022-23**

Sr. No.	Designation	Name
1	Chief Executive officer	Shri Devesh Srivastava
2	General Manager & Chief Finance Officer	Smt. Jayashree Ranade
3	Chief of Internal Audit & Financial Advisor	Smt. Jayashree Ranade (w.e.f. 06.04.2022)
4	Deputy General Manager & Chief Underwriting Officer	Shri V. Balkrishna
5	Deputy General Manager & Chief Marketing Officer	Shri Rajesh Khadatare (w.e.f. 06.04.2022)
6	Assistant General Manager & Chief Investment Officer	Smt. Radhika Ravishekar
7	Deputy General Manager & Chief Risk Officer	Smt. Jayashri Balkrishna
8	Assistant General Manager & Chief Compliance Officer	Shri Satheesh Kumar
9	General Manager	Smt. Madhulika Bhaskar (w.e.f. 16.09.2022)
10	General Manager & Director	Smt. Madhulika Bhaskar (w.e.f. 31.10.2022)
11	General Manager & Director	Shri Inderjeet Singh (w.e.f. 31.10.2022)
12	General Manager & Appointed Actuary (Non-Life)	Shri Sateesh N. Bhat
13	General Manager & Appointed Actuary (Life)	Shri Vikash Kumar Sharma
14	General Manager	Smt. Girija Subramanian (upto 16.09.2022)
15	General Manager	Shri Hitesh Joshi
16	General Manager	Shri N. Ramaswamy (w.e.f. 30.09.2022)

ii. **Details of Key Managerial Personnel Remuneration for the year ended 31.03.2023 is as follows:**

Sl. No	Name	Designation	(₹ in thousand)						
			Gross Salary	Corp.'s P.F.	House Perquisite	Loan Perquisite	Vehicle Perquisite	LTS perquisite	Other Perquisite
1	Shri Devesh Srivastava	Chief Executive officer	4,406.59	278.67	394.40	-	21.60	-	194.55
2	Smt. Jayashree Ranade	General Manager & Chief Finance Officer	4,712.02	563.13	352.58	-	21.60	26.84	99.31
3	Shri V. Balkrishna	Deputy General Manager & Chief Underwriting Officer	4,241.25	485.72	-	-	21.60	-	116.35
4	Shri Rajesh Khadatare (w.e.f. 06.04.2022)	Deputy General Manager & Chief Marketing Officer	4,205.34	369.86	304.82	174.32	21.60	-	106.33
5	Smt. Radhika Ravishekar	Assistant General Manager & Chief Investment Officer	3,893.95	319.44	-	-	21.60	-	88.25
6	Smt. Jayashri Balkrishna	Deputy General Manager & Chief Risk Officer	3,922.72	343.57	285.01	-	21.60	-	182.58
7	Shri Satheesh Kumar	Assistant General Manager & Chief Compliance Officer	3,223.26	387.66	230.16	-	21.60	74.32	227.41
8	Smt. Madhulika Bhaskar (w.e.f. 16.09.2022)	General Manager	3,530.99	317.20	-	-	-	-	81.52
9	Shri Inderjeet Singh (w.e.f. 31.10.2022)	General Manager & Director	1,609.18	97.86	165.63	-	16.20	-	199.06
10	Shri Sateesh N. Bhat	General Manager & Appointed Actuary (Non-Life)	8,373.77	-	-	-	-	-	-
11	Shri Vikash Kumar Sharma	General Manager & Appointed Actuary (Life)	6,516.77	-	-	-	-	-	-
12	Smt. Girija Subramanian (upto 16.09.2022)	General Manager	3,256.69	438.71	149.60	-	21.60	-	427.05
13	Shri Hitesh Joshi	General Manager	4,142.88	498.01	301.91	108.55	21.60	-	100.12
14	Shri N. Ramaswamy (w.e.f. 30.09.2022)	General Manager	1,920.59	433.47	-	-	-	74.32	47.38



Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value. Dilutive potential equity shares are determined independently for each period presented.

The face value of equity share is consolidated from ₹ 1 to ₹ 5 per share. Accordingly, the Earning Per Share, Book Value per share and Dividend per share are based on the face value of ₹ 5 per share. During the Year ended 31.03.2019, the Corporation has issued bonus shares in the ratio of 1:1. Accordingly the Earning Per Share, Book Value per share and Dividend per share is based on the increased number of shares.

43. The Corporation's office premises are obtained on operating lease and are renewable/cancellable at mutual consent. There are no restrictions imposed by lease agreements. Lease terms are based on individual agreements. Significant leasing agreements are in respect of operating lease for premises. Aggregate lease rentals amounting to ₹ 25,748.63 thousands (Previous year ₹ 23,919 thousands) are expected to be paid under operating lease in less 12 months from 31<sup>st</sup> March 2023.

As per AS-19 related to Lease, GIC Re is not required to make any disclosure under AS-19.

#### 44. Taxation

##### Disclosures as per Accounting Standard – 22 “Accounting for Taxes on Income”:

- (a) Deferred Tax assets are recognized if there is a reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date..

The breakup of Net Deferred Tax Assets is as under:

(₹ in thousand)

Particulars	As on 31.03.2023 Deferred Tax		As on 31.03.2022 Deferred Tax	
	Assets	Liability	Assets	Liability
Timing difference on account of difference in WDV as per books & WDV as per Income Tax Act, 1961		85,801		91,331
Provision for Employees Benefits	190,321		404,659	
Carry Forward Losses				
Disallowance u/s. 40 a (ia)	8,589		4,326	
Foreign Branches		445	49,267	
Provision for doubtful investments	4,598,741			
CAT Reserve	1,289,984			
Total	6,087,635	86,246	458,252	91,331
Net Deferred Tax		6,001,389		366,921

During the year the Corporation has recognised Deferred Tax asset of ₹ 4,598,741 thousands against Provision for doubtful investments of ₹ 18,272,176 thousands where the Corporation expects certainty of loss realisation and tax benefits to flow. Further, Deferred Tax asset of ₹ 1,289,984 thousands is also accounted against CAT Reserve of ₹ 5,125,494 thousands.

- (b) The Taxation Laws (Amendment) Act, 2019 provides domestic companies with an option of lower tax rate, provided they do not claim certain deductions and not compute tax as per Minimum Alternate Tax (MAT). Accordingly, the Corporation has considered the reduced rate for the purpose of computing provision for tax and deferred tax in these standalone financial results for the quarter and twelve months ended 31<sup>st</sup> March 2023.
45. During the year, the Corporation has reviewed its fixed assets for impairment. In the opinion of the management of the respective companies no provision for impairment loss is considered necessary.
46. The basis of apportionment of operating expenses to the Revenue Accounts has been stated in the Significant Accounting Policy No. 8.

**47. Contingent Liabilities:**

- (a) Partly Paid-up investments ₹ NIL (Previous year NIL)
- (b) Underwriting commitments outstanding ₹ NIL (Previous year NIL)
- (c) Claims, other than those under policies not acknowledged as debts ₹ 6,186 thousands (Previous year ₹ 6,186 thousands)
- (d) Guarantees/LC given by or on behalf of the Corporation ₹ 93,800,807 thousands (Previous year ₹ 75,960,027 thousands).
- (e) Statutory demand/liabilities in dispute - Income-tax demands disputed, not provided for ₹ 86,918,929 thousands (Previous year ₹ 108,136,264 thousands).

During the current year, the Corporation has not considered following as Contingent liabilities (Previous year amounts are prior to giving effect of following items):

- (i) Show cause notices where order is not received.
- (ii) Demands where Corporation has received favourable orders in appellate tribunal and department has challenged in High Court.

**Year-wise break up as follows:**

**31.03.2023** (₹ in thousand)

Sl No.	Assessment Year	Amount
1	2006-07	15,414
2	2011-12	1,031,986
3	2013-14	48,994
4	2014-15	71,432
5	2015-16	5,853,428
6	2016-17	10,035,850
7	2017-18	36,048,388
8	2018-19	33,422,160
9	2021-22	391,277
	<b>Total</b>	<b>86,918,929</b>

**31.03.2022** (₹ in thousand)

Sl No.	Assessment Year	Amount
1	2002-03	694,362
2	2003-04	757,312
3	2004-05	1,879,038
4	2005-06	1,849,956
5	2006-07	2,684,818
6	2007-08	3,126,779
7	2008-09	3,149,757
8	2009-10	1,809,812
9	2010-11	2,903,967
10	2011-12	2,929,873
11	2013-14	48,994
12	2014-15	71,432
13	2015-16	5,853,428
14	2016-17	10,035,850
15	2017-18	36,048,388
16	2018-19	33,422,160
17	2020-21	870,338
	<b>Total</b>	<b>108,136,264</b>

- (f) The Corporation has received various show cause notices issued by GST/Service tax department during the current year amounting to ₹ 22,904,814 thousands (Previous year ₹ 51,284,270 thousands) and the Corporation is contesting the same with the authority.

During the current year, the Corporation has not considered following as Contingent liabilities (Previous year amounts are prior to giving effect of following items):

- Interest accruals on the statutory demands from the date of demand to current date.
- Show cause notices where order is not received.
- Demands where Corporation has received favourable orders in appellate tribunal and department has challenged in High Court.

**Year-wise break up as follows:**

**31.03.2023**

Financial Year	Total Liability (₹ in thousands)
2011-12 to 2015-16	3,879,554
2014-15 to 2016-17	99,151
2014-15 to 2016-17	45,126
2014-15 to Q1 2017-18	240,612
2014-15 to Q1 2017-18	35,891
2014-15 to Q1 2017-18	1,504,189
October 2016 to Q1 2017-18	17,045,354
2017-18	54,938
<b>Grand Total</b>	<b>22,904,814</b>

**31.03.2022**

(₹ in thousand)

Financial Year	Service Tax/Interest demanded in SCN	Interest up to March 2022 on estimated basis	Total Liability + Estimated Interest
2011-12 to 2015-16	3,879,554	5,374,699	9,254,252
October 2016 to Q1 2017-18	17,045,354	13,404,163	30,449,517
2014-15 to 2016-17	99,151	-	99,151
2014-15 to 2016-17	141,325	170,426	311,751
2014-15 to Q1 2017-18	240,612	301,821	542,433
2014-15 to Q1 2017-18	1,475	1,276	2,751
2015-16 to Q1 2017-18	35,891	32,518	68,408
2015-16 to Q1 2017-18	1,504,189	1,473,577	2,977,766
2017-18	4,331,903	3,246,338	7,578,240
<b>Grand Total</b>	<b>27,279,453</b>	<b>24,004,818</b>	<b>51,284,270</b>

- (g) Reinsurance obligations to the extent not provided for in the accounts NIL (Previous year NIL) in view of Significant Accounting Policy No. 2.2.
- (h) GIC has 172 legal matters pending before various courts and tribunals other than above matters among which GIC is having contingent liability in 6 legal matters and the contingent liability amount is estimated up to ₹ 1,871,829 thousands (Previous year ₹ 8,725,234 thousands) and rest of the matters are of negligible financial impact.

**48. Performance of Overseas Branches:****Current Year: 2022-23**

(₹ in thousand)

	Dubai	Malaysia	London
Gross Premium	2,010,884	10,592,507	12,067,161
Net Premium	2,010,614	10,411,456	8,147,553
Earned Premium	4,339,271	10,301,652	7,258,870
Incurred Claims	3,387,554	9,888,908	5,830,851
Net Commission	772,060	2,418,396	1,686,682
Expenses of Management	107,207	61,845	165,387
Profit/(Loss) on Exchange	(173,343)	74,992	1,650,396
Underwriting Profit/(Loss)	(1,00,893)	(19,92,506)	12,26,346
Net Inv. Income in Rev. A/c	2,89,629	9,16,369	7,10,098
Revenue Profit/(Loss)	1,88,736	(10,76,136)	19,36,443

**Previous year: 2021-22**

(₹ in thousand)

	Dubai	Malaysia	London
Gross Premium	4,021,308	11,500,123	12,001,417
Net Premium	3,877,091	11,298,269	7,388,944
Earned Premium	6,138,743	11,741,960	7,429,683
Incurred Claims	5,942,423	11,417,367	6,537,782
Net Commission	1,013,763	3,368,146	1,695,407
Expenses of Management	164,539	63,416	176,189
Profit/(Loss) on Exchange	(87,194)	(159,974)	1,281,399
Underwriting Profit/(Loss)	(1,069,177)	(3,266,943)	301,703
Net Inv. Income in Rev. A/c	124,784	382,837	149,595
Revenue Profit/(Loss)	(944,393)	(2,884,106)	451,298

**➤ GENERAL**

**49.** The Corporation generally makes payments to its creditors within a period of 45 days as stipulated in Micro, Small and Medium Enterprises Act 2006. The Corporation has identified Micro, Small and Medium Enterprises as defined in above referred act. The Corporation has neither received any claims for interest nor provided any interest payable to Micro, Small and Medium Enterprises as required by aforesaid act.

**50. Corporate Social Responsibility (CSR):**

As per Section 135 of the Companies Act, 2013, General Insurance Corporation of India was required to spend an amount of ₹ 83,200(in thousands) for the financial year 2022-23 towards Corporate Social Responsibility. During the financial year 2022-23, an amount of ₹ 21,146 (in thousands) has been spent. The projects are in different stages of implementation. The total unspent amount as on 31.03.2023 is ₹ 62,053 (in thousands) pertaining to on-going projects. This unspent amount has been transferred to a separate bank account to be utilized in the next three financial years.

Below are details of CSR projects taken up in FY 22-23:

- (a) Gross amount required to be spent by the company in FY 2022-23 – ₹ 83,200 thousands  
 (b) Amount approved by the Board to be spent in FY 2022-23 – ₹ 83,200 thousands  
 (c) Amount spent in FY 2022-23 as on 31.03.2023:

The CSR funds have been allocated and disbursed in respect of projects related to infrastructure, healthcare, education, livelihood of underprivileged and environment sustainability

S.No.	Name of NGO	Amount (in ₹ thousand)
(i)	Construction/acquisition of any asset	0.00
(ii)	On purposes other than (i) above	21,146
1.	Bhartiya Bahuuddeshiya Khadi va Gramodyog Shiksha Sanstha	3,737
2.	Kendriya Sainik Board	9,804
3.	Shraddha Rehabilitation Foundation	1,737
4.	Akhand Jyoti Eye Hospital	3,413
5.	Ashray Social Welfare Foundation	2,455
	<b>Total</b>	<b>21,146</b>

- (d) Details of related party transactions, e.g., contribution to a trust/society/section 8 company controlled by the company in relation to CSR expenditure as per Accounting Standard (AS) 18, Related Party Disclosures.

Same as c (ii) above

- (e) Applicability of Section 135(5) and 135(6) of the Companies Act, 2013:

In case of Section 135(6) Unspent Amount pertaining to Ongoing Project						
Opening Balance (₹ in thousands)		Amount required to be spent in FY 22-23 (₹ in thousands)	Amount spent in FY 22-23 (₹ in thousands)		Closing Balance (₹ in thousands)	
With Company	In Separate CSR Unspent A/c FY 20-21 (₹ in thousands)		From Company's bank A/c	From Separate CSR Unspent A/c	With Company	In Separate CSR Unspent A/c
0.00	135,890	121,986	-	2,458	-	119,528

In case of Section 135(6) Unspent Amount pertaining to Ongoing Project						
Opening Balance (₹ in thousands)		Amount required to be spent in FY 22-23 (₹ in thousands)	Amount spent in FY 22-23 (₹ in thousands)		Closing Balance (₹ in thousands)	
With Company	In Separate CSR Unspent A/c FY 21-22 (₹ in thousands)		From Company's bank A/c	From Separate CSR Unspent A/c	With Company	In Separate CSR Unspent A/c
0.00	192,475	192,475	-	147,559	-	44,916

- (f) Details of Unspent Amount pertaining to Ongoing Projects of FY 20-21 to be utilised within a period of three financial years from the date of such transfer:

S.No	Name of NGO	Unspent CSR Amount (₹ in thousands) as on 31.03.2023
1	Indian Railways	118,225
2	Mathur Ugam & Associates	754
3	Madat Charitable Trust	206
4	Shraddha Rehabilitation Foundation	137
5	Shree Pragnachakshu Mahila Seva Kunj	206

Details of Unspent Amount pertaining to Ongoing Projects of FY 22-23 to be utilised within a period of three financial years from the date of such transfer:

(in ₹ thousand)

S.No.	Name of NGO	Unspent CSR Amount (in ₹ in thousands) As on 31.03.2023
1.	Broadcast Engineering Consultants India Limited (BECIL)	36,912
2.	Bhartiya Bahuuddeshiya Khadi va Gramodyog Shiksha Sanstha	5,608
3.	Kendriya Sainik Board	0
4.	Shraddha Rehabilitation Foundation	4,177
5.	Akhand Jyoti Eye Hospital	1,600
6.	Akhand Jyoti Eye Hospital (Extended)	794
7.	Ashray Social Welfare Foundation	545
8.	VJTI Alumni Association	6,008
9.	The National Federation of the Blind Maharashtra	5,819
10	Impact Study	590
<b>Total</b>		<b>62,053</b>

51. Regarding the collection of shortfall premium, the recovery from the concerned broker stands at USD 391,131 (₹ 32,104 thousands at current rate of exchange). Outstanding premium recovery as on 31.03.2023 is USD 121,835.15 (₹ 1,00,00 thousands at current rate of exchange).  
(ROE 1 USD = 82.08 INR)
52. There are no Material Changes and Commitments Affecting the Financial Position Of The Company occurring after the Balance sheet date (Previous year Nil).
53. During the previous year ended 31<sup>st</sup> March 2022, GIC Re decided to place its Dubai branch into run off because of non-renewal of license by Dubai authority, non-compliance in solvency requirement etc. Decision to place the Dubai Branch into run off, was informed to IRDAI vide letter dated 6<sup>th</sup> July 2021. Board of GIC Re also accorded its approval and to carry out suitable statutory requirements if any on 7<sup>th</sup> July 2021 by circular resolution. GIC Re India will continue the activity/operations relating to Dubai branch from GIFT City, India. Accordingly, a Portfolio Transfer Agreement has also been entered on 14<sup>th</sup> September 2022 between GIC Gift City Branch and Dubai Branch.

54. During the financial year 2020-21, M/s "AM Best" has downgraded the Financial Strength Rating (FSR) of A- (Excellent) to B++ (Good) and the Long-Term Issuer Credit Rating (ICR) of "a-" to "bbb+". During the current financial year 2022-23, the outlook of the Long-Term ICR was revised to 'Stable' from 'Negative' whilst the FSR outlook is Stable. The previous year downgrade did not materially impact the financial position of the Corporation, due to special position of the Corporation in the Indian market and various steps taken by management.
55. The Corporation has prepared Cash flow statement adopting the indirect method.
56. Tax liabilities in respect of foreign operation, if any, is accounted on actual basis.
57. During the current year, prior period profit commission of NIL (Previous year ₹ 729,910 (in thousands)) is accounted in respect of Structured Solutions Reinsurance Contract. (As stated in Note no 19).  
Other than this Prior period items have not been separately disclosed, as the amount is not material.
58. Premium in respect of Reinsurance Contracts is accounted as per Statement of Accounts (SOAs) received from the cedants & intermediaries and accrued Premium where SOAs are due but not received for the reporting period. Accrued premium is worked out proportionately on the basis of our share in Estimated Premium Income (EPI) for the full contract period as per contract terms. The proportionate working of such EPI also considers past trend of premiums ceded in quarterly SOAs. The Corporation has Board Approved Methodology to work out Premiums on Accrual Basis for various types of Contracts over the contract period. Such working of accrued premium is accounted as provision for Premium Income at each reporting period consistently.
59. The summary of the financial statements of the Corporation for the last five years is as per Annexure I.
60. The Accounting Ratios of the Corporation are stated in Annexure II.
61. Figures relating to the previous year have been regrouped/rearranged, wherever necessary.

As per our report of even date

**For D R MOHNOT & CO**  
Chartered Accountants  
Firm Regn No. 001388C

**For PKF SRIDHAR & SANTHANAM LLP**  
Chartered Accountants  
Firm Regn No. 0039905/S200018

**Devesh Srivastava**  
Chairman and Managing Director  
(DIN: 08646006)

**D R MOHNOT**  
Partner  
Membership No.: 070579

**S NARASIMHAN**  
Partner  
Membership No.: 206047

**Madhulika Bhaskar**  
Director (DIN: 09277012)

**Jayashree Ranade**  
CFO

Mumbai  
Dated: 25.05.2023

**Satheesh Kumar**  
Company Secretary  
Membership Number A64846

**SUMMARY OF FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

Annexure - I

(₹ in Lakh)

	Particulars	2022-23	2021-22	2020-21	2019-20	2018-19
	<b>OPERATING RESULTS</b>					
1	Gross Premium	36 59 159	43 20 846	47 01 438	51 03 013	44 23 800
2	Net Premium Income	33 64 443	38 79 903	42 19 750	46 65 541	38 99 597
3	Income from investments (net)	7 52 037	7 36 275	6 82 420	5 55 861	4 63 267
4	Profit on Exchange Fluctuation	59 640	40 141	(20 218)	42 403	21 618
5	<b>Total Income</b>	<b>41 76 120</b>	<b>46 56 319</b>	<b>48 81 952</b>	<b>52 63 805</b>	<b>43 84 482</b>
6	Commissions (Net) (Including Brokerage)	5 61 051	6 95 082	7 98 439	7 50 835	6 10 543
7	Operating Expenses	40 444	37 128	27 874	37 301	25 606
8	Net Incurred Claims	32 73 938	36 62 585	36 85 375	43 03 586	33 73 995
9	Change in Unexpired Risk Reserve	(2 16 358)	(49 437)	2 33 161	2 50 998	1 31 689
9a	Premium Deficiency	(854)	1 298	3 530	1 942	529
10	<b>Operating Profit/loss**</b>	<b>5 17 899</b>	<b>3 09 663</b>	<b>133,573</b>	<b>(80 857)</b>	<b>2 42 120</b>
	<b>NON-OPERATING RESULT</b>					
11	Total Income under Shareholders account (Net)	2 57 045	46 351	1 82 765	36 260	1 01 262
12	Profit/(loss) before tax	7 74 944	3 56 014	316,338	(44 597)	3 43 382
13	Provision for tax	1 43 694	1 55 440	124,294	(8 688)	1 20 952
14	Profit/(loss) after tax	6 31 250	2 00 574	192,044	(35 909)	2 22 430
	<b>MISCELLANEOUS</b>					
15	<i>Policy holders Account :</i>					
	Total funds	79 16 715	81 81 000	76 73 788	72 82 968	58 50 031
	Total Investments	79 16 715	77 15 532	69 80 027	52 82 204	57 07 520
	Yield on Investments (%)	12.19	12.95	13.24	12.16	12.18
16	<i>Shareholders Account :</i>					
	Total funds	32 35 608	24 43 972	22 45 234	20 52 945	22 33 442
	Total Investments	31 51 578	23 95 019	21 29 532	15 70 378	22 53 774
	Yield on Investments (%)	12.19	12.95	13.24	12.16	12.18

### SUMMARY OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (contd.)

Annexure - I

₹ in Lakh)

Particulars	2022-23	2021-22	2020-21	2019-20	2018-19
17 Paid up equity Capital	87 720	87 720	87 720	87 720	87 720
18 Net worth	32 35 608	24 43 972	22 45 234	20 52 945	22 33 442
19 Total assets	1 57 12 460	1 44 88 737	1 34 66 122	1 16 19 620	1 18 88 357
20 Yield on total investments (%)	12.19	12.95	13.24	12.16	12.18
21 Earnings per share	35.98	11.43	10.95	(2.05)	12.68
22 Book Value per share ₹ *	184.43	139.31	127.98	117.02	127.31
23 Total Dividend	39 474	0.00	0	1 18 422	1 18 422
24 Dividend per share ₹ *	2.25	0.00	-	6.75	6.75

\*The face value of equity share is consolidated from ₹ 1 to ₹ 5 per share. Accordingly the Earning Per Share, Book Value per share and Dividend per share is based on the face value of ₹ 5 per share. During the Year ended 31.03.2019, the Corporation has issued bonus shares in the ratio of 1:1. Accordingly the Earning Per Share, Book Value per share and Dividend per share is based on the increased number of shares.

\*\*Operating Profit/loss is before transfer to Catastrophe Reserve.

As per our report of even date

**For D R MOHNOT & CO**  
Chartered Accountants  
Firm Regn No. 001388C

**For PKF SRIDHAR & SANTHANAM LLP**  
Chartered Accountants  
Firm Regn No. 0039905/S200018

**Devesh Srivastava**  
Chairman and Managing Director  
(DIN: 08646006)

**D R MOHNOT**  
Partner  
Membership No.: 070579

**S NARASIMHAN**  
Partner  
Membership No.: 206047

**Madhulika Bhaskar**  
Director (DIN: 09277012)

**Jayashree Ranade**  
CFO

Mumbai  
Dated: 25.05.2023

**Satheesh Kumar**  
Company Secretary  
Membership Number A64846

## RATIOS FOR NON - LIFE COMPANIES

Annexure - II

Performance Ratio	Ratio/Percentage				
	Current Period Ending		Previous Period Ending		
	31.03.2023		31.03.2022		
	Domestic	Foreign	Domestic	Foreign	
	Total		Total		
1	Gross Premium Growth Rate (segment wise) (Gross premium for the current year divided by the gross premium for the previous year)				
	Fire Insurance	3.32	0.12	(1.46)	(14.16)
	Motor Insurance	(16.35)	(58.42)	(14.16)	47.89
	Aviation Insurance	(24.93)	(14.34)	(28.30)	(23.30)
	Engineering insurance	24.16	(5.49)	24.55	(25.76)
	W.C.	17.20	(28.91)	23.48	(80.88)
	Liability	1.21	13.20	24.53	(22.57)
	PA	3.07	5.04	(10.54)	(87.30)
	Health	8.61	(54.85)	(16.87)	(85.43)
	Agriculture	(34.86)	(70.96)	(8.74)	(71.46)
	Other Miscellaneous Insurance	(5.21)	19.39	3.58	(60.54)
	FL/Credit	(8.88)	(38.63)	9.10	(28.45)
	Marine Cargo	4.71	(79.57)	23.76	(26.45)
	Marine Hull	(6.54)	(18.95)	4.92	(49.69)
	Life	1.91	39.01	17.31	2.08
2	Gross Premium to Net worth ratio: (Gross premium for the current year divided by paid up capital and free reserves)				
		120.74		176.80	
3	Growth rate of Net Worth (Net worth as at the current balancesheet date divided by Net worth as at the previous balance sheet date)				
		24.01		8.85	
4	Net retention ratio (segment wise) (Net premium divided by gross premium)				
	Fire Insurance	80.91	95.69	79.16	94.62
	Motor Insurance	100.00	100.00	100.00	100.00
	Aviation Insurance	79.73	38.15	92.38	38.74
	Engineering insurance	80.91	100.08	81.21	99.85
	W.C.	100.00	100.00	99.99	100.00
	Liability	78.66	99.51	81.67	99.69
	PA	98.31	99.56	96.63	99.61

Performance Ratio	Ratio/Percentage			
	Current Period Ending		Previous Period Ending	
	31.03.2023		31.03.2022	
	Domestic	Foreign	Domestic	Foreign
	Total		Total	
Health	97.96	100.00	97.53	100.00
Agriculture	97.09	100.01	81.60	100.00
Other Miscellaneous Insurance	81.98	99.48	83.68	99.87
FL/Credit	100.00	97.09	100.00	100.66
Marine Cargo	85.73	76.23	88.53	93.34
Marine Hull	97.81	80.39	99.74	78.20
Life	97.10	100.00	95.59	100.00
5 Net commission ratio (segment wise) (Commission paid net of reinsurance commission divided by net written premium for that segment)				
Fire Insurance	20.83	21.68	7.64	25.07
Motor Insurance	16.74	24.14	23.34	34.09
Aviation Insurance	23.63	28.60	14.53	26.95
Engineering insurance	16.76	31.44	8.89	30.37
W.C.	17.50	15.59	17.03	15.19
Liability	15.42	22.59	11.82	22.60
PA	21.01	21.84	23.79	21.95
Health	12.68	20.63	17.95	28.89
Agriculture	5.79	15.39	5.06	20.37
Other Miscellaneous Insurance	17.09	32.62	4.75	34.73
FL/Credit	17.71	37.07	(16.84)	38.63
Marine Cargo	9.70	113.24	8.82	34.39
Marine Hull	8.27	17.73	1.25	30.58
Life	0.01	9.48	0.04	9.57
6 Expenses of management to gross premium ratio (Expenses of management divided by Gross premium)	1.11		0.86	
7 Expenses of management to Net written premium ratio (Expenses of management divided by Net written premium)	1.20		0.96	
8 Net Incurred Claims to Net Earned Premium	91.43		93.21	
9 Combined ratio: (Net Incurred Claims divided by Net Earned Premium plus expenses of management (including net commission) divided by Net written premium)	109.31		112.08	

Performance Ratio	Ratio/Percentage			
	Current Period Ending		Previous Period Ending	
	31.03.2023		31.03.2022	
	Domestic	Foreign	Domestic	Foreign
	Total		Total	
10	Technical reserves to net premium ratio: (Reserve for unexpired risks plus premium deficiency reserve plus reserve for outstanding claims (including IBNR and IBNER divided by net premium)(All on net basis)		255.35	210.86
11	Underwriting balance ratio:		(6.96)	(11.04)
12	Operating profit ratio: (Underwriting profit/ loss plus investment income divided by net premium)		13.87	7.98
13	Liquid assets to liabilities ratio: (Liquid assets (Short Term Investments (Schedule 8) plus Short Term Loans (Schedule 9) plus Cash & Bank Balances (Schedule 11)) of the insurer divided by policyholders liabilities (to be discharged within 12 months) (claims outstanding (Schedule 13) plus reserve for unexpired risk and Premium Deficiency (Schedule 14))		34.25	32.05
14	Net earnings ratio: (Profit after tax divided by net premium)		18.76	5.17
15	Return on net worth (Annualised) (Profit after tax divided by net worth)		20.83	8.21
16	Available Solvency Margin (ASM) to Required Solvency Margin (RSM) ratio (Ratio of Available Solvency Margin (ASM) at the end of the Quarter to the Required Solvency Margin (RSM) required to be maintained as per regulations.		2.61	1.96
17	NPA ratio(Net)		0.02	0.00

As per our report of even date

**For D R MOHNOT & CO**  
Chartered Accountants  
Firm Regn No. 001388C

**For PKF SRIDHAR & SANTHANAM LLP**  
Chartered Accountants  
Firm Regn No. 0039905/S200018

**Devesh Srivastava**  
Chairman and Managing Director  
(DIN: 08646006)

**D R MOHNOT**  
Partner  
Membership No.: 070579

**S NARASIMHAN**  
Partner  
Membership No.: 206047

**Madhulika Bhaskar**  
Director (DIN: 09277012)

**Jayashree Ranade**  
CFO

**Satheesh Kumar**  
Company Secretary  
Membership Number A64846

Mumbai  
Dated: 25.05.2023

### AUDITED STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2023

As per Indirect Method

(₹ in thousand)

Particulars	31 MARCH 2023		31 MARCH 2022	
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>				
<i>Net Profit before taxation as per Profit &amp; Loss A/c</i>		<b>77494 374</b>		35601 418
<b>Adjustments for:</b>				
Exchange -Loss/Gain charged	<b>(8413 318)</b>		(5219 556)	
Foreign Currency Translation Reserve	<b>3058 643</b>		780 415	
Catastrophe Reserve	<b>5125 494</b>		0	
Provision for diminution in value of investment	<b>279 391</b>		1334 748	
Provision for doubtful loans, investments & Debts	<b>16808 166</b>		1262 189	
Amortisation of Premium on Investment	<b>528 087</b>		465 217	
Depreciation	<b>77 429</b>		118 389	
-Profit /Loss on sale of Assets	<b>(1 090)</b>		2,069	
Sundry Balances Written off/ -back	<b>0</b>	<b>17462 802</b>	60	(1256 469)
<b>Operating Profit before working capital changes</b>		<b>94957 176</b>		34344 949
Changes in Unexpired Risk Reserves	<b>(21635 800)</b>		(4943 742)	
Changes in Premium Deficiency Reserve	<b>(85 413)</b>		129 800	
Changes in Provisions for Outstanding Claims	<b>62729 988</b>		55535 118	
Changes in Income accrued on Investments	<b>(2861 065)</b>		(1200 966)	
Changes in Balances with Insurance Companies	<b>1434 184</b>		11585 026	
Changes in Advance and Deposits	<b>(5651 684)</b>		2994 812	
Changes in other Current Liabilities & Provisions	<b>2573 490</b>	<b>36503 700</b>	368 723	64468 771
<b>Cash generated from operations</b>		<b>131460 876</b>		98813 720
Income Tax Paid (Net)		<b>(17969 651)</b>		(14614 830)
<b>Net Cash from Operating Activities</b>		<b>113491 225</b>		84198 890

(₹ in thousand)

Particulars	31 MARCH 2023	31 MARCH 2022
<b>B) CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(1320 816)	(135 168)
Proceeds from sale of Fixed Assets	5 442	3 784
Changes in net Investments	(94630 104)	(61396 763)
<b>Net Cash used in Investing Activities</b>	<b>(95945 478)</b>	<b>(61528 147)</b>
<b>C) CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividend Paid	(3947 400)	0
<b>Net Cash from Financing Activities</b>	<b>(3947 400)</b>	<b>0</b>
<b>D) Effect of Foreign Exchange on Cash &amp; Cash equivalents(Net)</b>	<b>8413 318</b>	<b>5219 556</b>
<b>Net increase in Cash and Cash equivalents (A+B+C+D)</b>	<b>22011 665</b>	<b>27890 298</b>
<b>Cash and Cash equivalents at beginning of period</b>	<b>210831 227</b>	<b>182940 927</b>
<b>Cash and Cash equivalents at the end of period</b>	<b>232842 891</b>	<b>210831 227</b>

As per our report of even date

**For D R MOHNOT & CO**  
Chartered Accountants  
Firm Regn No. 001388C

**For PKF SRIDHAR & SANTHANAM LLP**  
Chartered Accountants  
Firm Regn No. 0039905/S200018

**Devesh Srivastava**  
Chairman and Managing Director  
(DIN: 08646006)

**D R MOHNOT**  
Partner  
Membership No.: 070579

**S NARASIMHAN**  
Partner  
Membership No.: 206047

**Madhulika Bhaskar**  
Director (DIN: 09277012)

**Jayashree Ranade**  
CFO

Mumbai  
Dated: 25.05.2023

**Satheesh Kumar**  
Company Secretary  
Membership Number A64846

2022-23

**I. Registration Details**

Registration No.	16133	State Code	11
Balance Sheet Date	31/3/2023		

**II. Capital Raised During the year (Amount in ₹ thousand)**

Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Placement	NIL

**III. Position of Mobilisation and Deployment of Funds (Amount in ₹ thousand)**

Total Liabilities	642621 589	Total Assets	642621 589
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**Sources of Funds**

Paid-up Capital	8772 000	Reserve & Surplus	319914 275
Secured Loans	NIL	Unsecured Loans	NIL
Deferred Taxation Liability	0	Fair Value Change Account	313935 314

**Application of Funds**

Net Fixed Assets	2942 685	Investment	1108526 745
Net Current Assets	(441514 812)	Misc. Expenditure	NIL
Accumulated Losses	NIL	Deffered Tax Asset	6001 389

**IV. Performance of Company (Amount in ₹ thousand)**

Turnover	474328 746	Total Expenditure	391708 878
Profit/Loss Before Tax	77494 372	Profit/Loss After Tax	63124 973
Earning per Share in (₹)	35.98	Proposed Dividend @ %	NIL

**V. Generic Name of The Principal Products/Services of Company (as per Monetary terms)**

Item Code No.	NOT APPLICABLE
Product Discription	REINSURANCE SERVICE

(₹ &amp; \$ in '000)

Particulars	As on 31.03.2023		As on 31.03.2022	
	₹	\$	₹	\$
Gross Premium	365 915 892	4 458 040	432 084 571	5 700 241
Net Premium	336 444 276	4 098 980	387 990 290	5 118 531
Net Earned Premium	358 080 077	4 362 574	392 934 034	5 183 751
Net Claims	327 393 776	3 988 716	366 258 460	4 831 836
% to Earned Premium	91.4%	91.4%	93.2%	93.2%
Net Commission	56 105 107	683 542	69 508 182	916 981
% to Earned Premium	15.7%	15.7%	17.7%	17.7%
Operating Expenses and Other Outgo less Other Income	(1 919 646)	(23 388)	(301 339)	(3 975)
Premium Deficiency	(85 413)	(1 041)	129 800	1 712
Transfer to Catastrophe Reserve	5 125 495	62 445	0	0
Investment Income Less Expenses apportioned to Revenue a/c	75 203 746	916 225	73 627 549	971 326
Revenue Profit/Loss(-)	46 664 504	568 525	30 966 480	408 523
Investment Income Less Expenses apportioned to P/L a/c	30 736 211	374 467	21 995 317	290 171
Other Income less Other Outgo	4 195 918	51 120	904 084	11 927
Res. for Doubtful Debts, Investment W/off & Amortisation of Prem.on Inv.	4 102 259	49 979	18 264 463	240 952
<b>PROFIT BEFORE TAX</b>	<b>77 494 374</b>	<b>944 132</b>	<b>35 601 418</b>	<b>469 669</b>
Provision for tax including deferred tax	14 369 400	175 066	15 544 031	205 063
<b>PROFIT AFTER TAX</b>	<b>63 124 974</b>	<b>769 066</b>	<b>20 057 388</b>	<b>264 605</b>
<b>ASSETS:</b>				
Investments	1 106 829 299	13 484 762	1 011 055 116	13 338 264
Loans	1 697 445	20 680	1 893 778	24 984
Fixed Assets	2 942 685	35 851	1 703 650	22 475
Deferred Tax Asset	6 001 389	73 116	366 921	4 841
Cash and Bank Balances	232 842 891	2 836 780	210 831 227	2 781 374
Advances and Other Assets	220 932 339	2 691 671	223 023 027	2 942 214
<b>TOTAL ASSETS</b>	<b>1571 246 048</b>	<b>19 142 861</b>	<b>1448 873 720</b>	<b>19 114 152</b>
<b>LIABILITIES:</b>				
Share Capital	8 772 000	106 871	8 772 000	115 724
Reserve and Surplus	319 914 275	3 897 591	252 552 564	3 331 780
Deferred Tax Liabilities	0	0	0	0
Fair Value Change Account	313 935 314	3 824 748	312 180 089	4 118 411
Current Liabilities & Provisions	928 624 459	11 313 651	875 369 067	11 548 237
<b>TOTAL LIABILITIES</b>	<b>1571 246 048</b>	<b>19 142 861</b>	<b>1448 873 720</b>	<b>19 114 152</b>

1 US\$ = 82.08 as on 31.03.2023

(Percentage relate to the net earned premium of the corresponding period)

Solely for the convenience of readers, performance highlights have been converted into United States Dollar

**USD Exchange Rate****82.080****75.801**



**CONSOLIDATED FINANCIAL STATEMENTS**  
**(CFS)**  
**YEAR 2022-23**

**A: SUBSIDIARIES:**

- (i) GIC Re South Africa Ltd.
- (ii) GIC Re, India, Corporate Member Ltd.
- (iii) GIC Perestrakhovanie LLC

**B: ASSOCIATES:**

- (i) Agriculture Insurance Company of India Ltd.
- (ii) GIC Bhutan Re Ltd.
- (iii) India International Insurance Pte. Ltd.

## INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED MARCH 31, 2023 OF GENERAL INSURANCE CORPORATION OF INDIA

To,  
The Members of,  
General Insurance Corporation of India

### 1. Opinion

We have audited the accompanying Consolidated Financial Statements of General Insurance Corporation of India ("the Holding Company") and its subsidiaries ("the Group") and its Associates which comprise the Consolidated Balance Sheet as at 31<sup>st</sup> March 2023, the Consolidated Revenue Accounts, Consolidated Statement of Profit and Loss Account and the Consolidated Cash Flow Statement for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (Herein after referred to as "Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us the aforesaid Consolidated Financial Statements give the information required in accordance with the requirements of the Insurance Act 1938 as amended by the Insurance Laws (Amendment) Act, 2015 ('the Insurance Act'), the Insurance Regulatory and Development Authority Act, 1999 ('the IRDAI Act'), the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 ('the IRDAI Financial Statements Regulations'), the Companies Act, 2013 ('the Act') including the Accounting Standard specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 ('the Accounting Standards') to the extent applicable and in manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the Consolidated state of affairs of the Group and its associates as at 31<sup>st</sup> March 2023 and their Consolidated Revenue accounts, Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year ended on that date.

### 2. Basis of Opinion

We conducted our Audit in accordance with the Standards on Auditing ('SA's') specified under section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ("ICAI"). Our responsibilities under those standards are further described in the Auditors Responsibilities for the Audit of Consolidated Financial Statements section of our report. We are independent of the Holding Company in accordance with the Code of Ethics issued by the ICAI together with the ethical requirements that are relevant to our Audit of the Consolidated Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### 3. Emphasis of Matter

- a) We draw attention to Note No.12 (b) to the Consolidated Financial Statements, some of the balances due to/from entities carrying on Insurance business including reinsurance businesses are subject to confirmations and/or reconciliation and as stated in the said note the consequential impact (If any) will be accounted after confirmation and/or reconciliation.
- b) We draw attention to Note No. 25 of Consolidated Financial Statements that the financial Statement of subsidiaries are prepared in accordance with IFRS/UK GAAP and are drawn up on a reporting date different from that of the corporation. The business retained by the subsidiaries is not significant.
- c) We draw attention to Note No. 24 of the Consolidated Financial Statements wherein Company has mentioned about creation of Catastrophe Reserve during the current financial year.

Our opinion is not modified on the above matters.

#### 4. Key Audit Matters

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters included those which had the greatest effect on the overall audit strategy, the allocation of resources in the audit and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matters	Auditor's response
1.	<p><b>Revenue Recognition:</b></p> <p>The Holding Company recognizes reinsurance premium income based on the statement of accounts or closing statements received from the ceding companies. At the year end, estimates are made for the accounts not received based on the Estimated Premium Income (EPI) agreed upon by both the Holding Company and the Ceding Companies at the time of inception of the treaty or policy slip. Premium estimation is the differential of EPI and the booked premium for the year by the Holding Company. Estimation of Income can be right only if the factors involved are incorporated in the system and extracted correctly from the system.</p>	<p>Our audit procedures on revenue recognized included:</p> <p>Tested the design, implementation and operating effectiveness of key controls over Revenue Recognition.</p> <p>Verified Premium Estimation with the guidelines of the Holding Company and have performed test of controls, test of details and analytical review procedures on estimation of income.</p> <p>Verified EPI from the treaty or policy slip as the case may be and verified Actual Premium booked from Statement of Accounts or Closing statements received from the Cedants of the sample cases.</p>
2.	<p><b>Claim Provisioning:</b></p> <p>Insurance Claim is the major area of expense for the insurance company. Total claims incurred include paid claims, Outstanding Loss Reserve (OSLR) and Claims Incurred But Not (Enough) Reported (IBNER).</p> <p>The provision and payment of claims was considered to be one of the areas which required significant auditor attention and was one of the matter of most significance in the Consolidated Financial Statements as the quantum involved is significant.</p>	<p>Verified operational guidelines of the Holding Company relating to claim processing, have performed test of controls, test of details and analytical review procedures on the outstanding claims. Verified the claim paid and provision on sample basis with payment proof and Preliminary Loss advice received from the Cedant Company and the same is further verified from the surveyor's report.</p> <p>For the claim cases which has been incurred but not reported and cases in which claim has been reported but not enough reported these cases has been captured by the actuary appointed by the Holding Company. The actuarial valuation of liability in respect of Claims Incurred but Not Reported (IBNR) and those Incurred but Not Enough Reported (IBNER) as at 31<sup>st</sup> March 2023, is as certified by the Holding Company's Appointed Actuary and we had verified the amounts and the related liability based on such report.</p>

Sr. No.	Key Audit Matters	Auditor's response
3.	<p><b>Investments:</b></p> <p>The Corporations investments represents substantial portion of the assets as at 31<sup>st</sup> March 2023 which are to be valued in accordance with accounting policy framed as per the extent of the regulatory guidelines.</p> <p>The valuation of all investments should be as per the investment policy framed by the Company which in turn should be in line with IRDAI Investment Regulations and Preparation of Financial Statement Regulations. The valuation methodology specified in the regulation is to be used for each class of investment.</p> <p>The Company has a policy framework for Valuation and impairment of Investments. The Company performs an impairment review of its investments periodically and recognizes impairment charge when the investments meet the trigger/s for impairment provision as per the criteria set out in the investment policy of the Company. Further, the assessment of impairment involves significant management judgment.</p> <p>The classification and valuation of these investments was considered one of the matters of material significance in the audit of standalone financial statements due to the materiality of the total value of investments to the standalone financial statements.</p>	<p>Our audit procedures on Investment included the following:</p> <ul style="list-style-type: none"> <li>• Understood Management's process and controls to ensure proper classification and valuation of Investment.</li> <li>• Verified and obtained appropriate external confirmation for availability and ownership rights related to these investments.</li> <li>• Tested the design, implementation, management oversight and operating effectiveness of key controls over the classification and valuation process of investments.</li> <li>• Test-checked valuation of different class of investments to assess appropriateness of the valuation methodologies with reference to IRDAI Investment Regulations along with Company's own investment policy.</li> <li>• Reviewed the Company's impairment policy and assessed the adequacy of its impairment charge on investments outstanding at the year end.</li> </ul> <p>Based on procedures above, we found the company's impairment, valuation and classification of investments in its standalone financial statements in all material respects to be fair.</p>

## 5. Information Other than the Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis, Business Responsibility Report and Report on Corporate Governance, but does not include the Consolidated Financial Statements and our auditor's report thereon. These other information are expected to be made available to us after the date of this auditor's report.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matters to those charged with governance and determine the actions under the applicable laws and regulations.

## 6. Responsibilities of the management and those charged with governance for the financial statements

The Holding Company's Board of Directors is responsible for matters as stated in section 134(5) of the Companies Act, 2013 ("the act") with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the Insurance Act 1938 as amended by the Insurance Laws (Amendment) Act, 2015 ('the Insurance Act'), the Insurance Regulatory and Development Authority Act, 1999 ('the IRDAI Act'), the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 ('the IRDAI Financial Statements Regulations'), the Companies Act, 2013 ('the Act') including the Accounting Standard specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

This respective board of Directors also includes maintenance of adequate accounting records in accordance with the provisions of the act for safeguarding of the assets of the Corporation and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent, and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation & presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

In preparing the Consolidated Financial Statements, management is responsible for assessing the ability of the Group's and Associate's ability to continue as going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Corporation or to cease operations, as has no realistic alternative but to do so.

The Board of Directors of the Holding Company is also responsible for overseeing the Group and its Associate's financial reporting process.

## 7. Auditor's Responsibilities for the Audit of the Financial Statements

Our objective are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SA's will always detect a material misstatements when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

As part of an audit in accordance with SA's, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatements of the Consolidated Financial Statements, whether due to fraud and error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatements resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal controls.
- Obtain and understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Corporation has in place and adequate internal financial control systems over financial reporting and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the management use of going concern basis of accounting and, based on audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and its Associate's ability continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's report to the related disclosure in the financial statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors report. However, future events or condition may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Statements.

We communicate with those charged with governance regarding, among other matters the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of Consolidated Financial Statements of the current period and are therefore the Key Audit Matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## 8. Other Matters:

- a) Incorporated in these Consolidated Financial Statements are unaudited accounts of subsidiary GIC Re South Africa Ltd. whose financial statements reflect total assets (net) of ₹ 82,80,427 thousand as on 31<sup>st</sup> March 2023 and total revenues of ₹ 10,65,895 thousand for the year ended 31<sup>st</sup> March 2023. The consolidated financials also include the Corporation's share of net profit of ₹ 25,07,645 thousand for the year ended 31<sup>st</sup> March 2023 of the Associate Company, Agriculture Insurance Company of India Ltd. which is based on the unaudited financials of the Associate company for the period 1<sup>st</sup> January 2022 to 31<sup>st</sup> December 2022. We have relied on the unaudited financial statements of the above Subsidiary and Associate Company which have been consolidated on the basis of Management certified financial statements.
- b) We did not audit the financial statements of two subsidiaries, GIC Re India Corporate Member, London and GIC Perestrakhovanie LLC, Moscow whose financial statements reflect total assets (net) ₹ 24,58,489 thousand as at 31<sup>st</sup> March 2023 and total revenues is ₹ 66,305 thousand for the year ended on that date, as considered in the Consolidated Financial Statements which is based on the financial statements of the subsidiaries for the period 1<sup>st</sup> January 2022 to 31<sup>st</sup> December 2022. The Consolidated Financial Statements also include the Group's share of net profit/(loss) of ₹ 7,97,743 thousand for the year ended 31<sup>st</sup> March 2023, as considered in the Consolidated Financial Statements, in respect of two associates which is based on the financial statements of the associates for the period 1<sup>st</sup> January 2022 to 31<sup>st</sup> December 2022 not audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and are considered for the purpose of consolidation.
- c) Our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub-section (3) and (11) of section 143 of the Act, in so far as it relates the aforesaid subsidiaries and associates, based solely on the reports of the Management and other auditors.
- d) The actuarial valuation of liability in respect of Claims Incurred but not Reported (IBNR) and those Incurred but not Enough Reported (IBNER) as at 31<sup>st</sup> March 2023 of the Holding Company is as certified by the Holding Company's Appointed Actuary and our opinion in so far as it relates to the amounts and disclosures related to such liability, is based solely on such report.
- e) The Consolidated Financial Statements of the Corporation for the year ended 31<sup>st</sup> March 2022, were audited by D.R. Mohnot & Co, one of the joint auditors of the Corporation and other previous joint auditor whose report dated 27<sup>th</sup> May 2022 expressed an modified opinion on the standalone financial statements.

Our Report is not modified in respect of the above matters.

## 9. Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Companies Act, 2013 and Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 and orders or direction issued by the Insurance Regulatory and Development Authority to the extent applicable, based on our audit, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid Consolidated Financial Statements.
  - b) In our opinion, proper books of account as required by law have been kept by the Group and its Associates and proper returns of both audited and unaudited subsidiaries and associates so far as it appears from our examination have been received, which were not visited by us.

- c) The reports of the three foreign branches and one domestic branch on the account of the branch offices of the Holding Company audited/certified by the branch auditors under section 143(8) of the Act have been sent to us and have been properly dealt with by us in preparing this report of Holding Company in the manner considered necessary by us.
- d) The Consolidated Balance Sheet, Consolidated Revenue Accounts, Consolidated Profit and Loss Account and Consolidated Cash Flow Statement dealt by this Report are in agreement with the books of accounts and with the returns received from the subsidiaries/associates not visited by us.
- e) The Actuarial valuation of liabilities of the Holding Company as on 31<sup>st</sup> March 2023 is duly certified by the appointed actuary of the Holding Company including to the effect that the assumptions for such valuation are in accordance with the guidelines issued by the Institute of Actuaries of India to its members and has been forwarded to IRDAI.
- f) The Consolidated Financial Statements have been drawn in accordance with the Insurance Act 1938, IRDAI Act, 1999 and the Act to the extent applicable except for the Cash Flow Statement, (Refer Note 21) which is prepared under indirect method, whereas IRDAI regulations require Cash Flow Statements to be prepared under Direct Method.
- g) Investments of the Holding company have been valued in accordance with the provisions of the Insurance Act, the regulations and orders/directions issued by IRDAI in this regard except investment which have been considered as fully impaired are not fair valued as required by para 6(c) of the IRDAI Financial Statements Regulations.
- h) The Accounting policies selected by the Holding Company are appropriate and are in accordance with the applicable accounting standards and with the accounting principles, as prescribed in the IRDAI (Auditor's Report) Regulations, 2002 or any order or direction issued by IRDAI in this behalf.
- i) On the basis of written representations received from the directors of the Holding Company as on 31<sup>st</sup> March 2023 taken on record by the board of directors of the Holding Company, none of the directors of the Holding Company are disqualified as on 31<sup>st</sup> March 2023 from being appointed as a director in terms of section 164(2) of the Act. As stated in other matter paragraph we have not received Audit report of the Associate registered in India, hence we are unable to comment on the same.
- j) In our opinion the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules 2016, and also in conformity with the accounting principles prescribed in the IRDAI regulations, to the extent applicable to the Group.
- k) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, we report that the provisions of section 197 of the act are not applicable to the Holding Company vide notification No. GSSR 463(E) dated 5<sup>th</sup> June 2015. Hence reporting u/s 197(16) of the Act is not required.
- l) The Corporation being an Insurance Company, the Companies (Auditor's Report) Order, 2020 ("the order") as amended, issued by the Central Government of India in terms of sub section (11) of Section 143 of the Act is not applicable.
- m) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A".
- n) As required under section 143(5) of the Companies Act, 2013 based on our audit as aforesaid, we enclose herewith, as per "Annexure B", the directions including the additional directions issued by Comptroller and Auditor General of India, action taken thereon and the financial impact on the accounts and the Consolidated Financial Statements of the Holding Company.
- o) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit & Auditors) Rules 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Group has disclosed the impact of pending Litigations on its financial position in Note 16 to the Consolidated Financial Statements;
  - ii. Provisions has been made as on 31<sup>st</sup> March 2023 in the Consolidated Financial Statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts. There were no derivative contracts as on 31<sup>st</sup> March 2023.

- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.
- iv. (a) The Management has represented that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The Management has represented, that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 relating to maintenance of audit trail in software systems involved in Financial reporting is applicable with effect from April 1, 2023 to the Company, accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31<sup>st</sup> March 2023.

**For PKF SRIDHAR & SANTHANAM LLP**

Chartered Accountants  
 ICAI Firm Registration  
 No:0039905/S200018

**Partner: S Narasimhan**

Membership No. 206047  
 UDIN: 23206047BGUMVF3070

Place: Mumbai

Date: 25<sup>th</sup> May 2023

**For D.R. MOHNOT & CO**

Chartered Accountants  
 ICAI Firm Registration  
 No:001388C

**Partner: D.R. Mohnot**

Membership No. 070579  
 UDIN: 23070579BGUIND6547

Place: Mumbai

Date: 25<sup>th</sup> May 2023

## ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph '9(1)(m)' of "Report on Other Legal and Regulatory Requirements" section of the Independent Auditors' Report of even date to the members of General Insurance Corporation of India on the Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023)

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our Audit of the Consolidated Financial Statements of the Corporation as of and for the year ended 31<sup>st</sup> March 2023 we have audited the internal financial controls over financial reporting of General Insurance Corporation of India ("the Holding Company") and its Associate Incorporated in India, as of that date.

### Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company and its Associate to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls over financial reporting is applicable, which are companies incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Corporation considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Corporation's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditors' Responsibility

Our responsibility is to express an opinion on the Corporation's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India.

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. Commensurate to the size and nature of the business, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Corporation's internal financial controls system over financial reporting.

### Meaning of Internal Financial Controls over Financial Reporting

A Corporation's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Corporation's internal financial control over financial reporting includes those policies and procedures that: (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Corporation; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the Corporation are being made only in accordance with authorizations of management and directors of the Corporation; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Corporation's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, commensurate with the size & nature of business, Holding Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2023. Based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### Other Matters

1. As per the information and explanations provided by the management, the financial statements of the Associate Company incorporated in India have not been audited till the date of our Audit on the Consolidated Financial Statement of the Group, hence we are unable to comment on the adequacy of internal financial controls system over financial reporting of the Associate. However, the Associate is not a material component of the Groups; hence we have not qualified our opinion on this matter.
2. The actuarial valuation of policy liabilities has been duly certified by the Appointed Actuary as per the regulations, and has been relied upon by us, as mentioned in Para 8 and 9 of our audit report on the Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023. Accordingly, our opinion on the internal financial controls over financial reporting does not include reporting on the operating effectiveness of the management's internal controls over the valuation and accuracy of the aforesaid actuarial valuation.

#### For PKF SRIDHAR & SANTHANAM LLP

Chartered Accountants  
 ICAI Firm Registration  
 No: 0039905/S200018

#### Partner: S Narasimhan

Membership No. 206047  
 UDIN: 23206047BGUMVF3070

Place: Mumbai

Date: 25<sup>th</sup> May 2023

#### For D.R. MOHNOT & CO

Chartered Accountants  
 ICAI Firm Registration  
 No: 001388C

#### Partner: D.R. Mohnot

Membership No. 070579  
 UDIN: 23070579BGUIND6547

Place: Mumbai

Date: 25<sup>th</sup> May 2023

## ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph '9(1)(n)' of "Report on Other Legal and Regulatory Requirements" section of the Independent Auditors' Report of even date to the members of General Insurance Corporation of India on the Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023)

With regards to the Directions issued by the Comptroller and Auditor General of India under section 143(5) of the Companies Act, 2013, based on our audit, we report hereunder on the action taken and the financial impact on the accounts of the financial statements of the Corporation:

Sr. No.	Direction under Section 143 (5) of the Companies Act 2013	Action taken and financials impact
1.	Whether the Corporation has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	The Holding Company has system in place to process all the accounting transactions through IT systems except for – <ol style="list-style-type: none"> <li>1. Unexpired Risk Reserve (URR): The provision of URR is calculated manually based on the data extracted from the system and then the same is entered in the IT system after verification, therefore there is no financial impact</li> <li>2. Retro Recovery Claims: It is understood that claims recovery is processed manually and the data is maintained offline. After verification it is entered in the IT system, therefore there is no financial impact.</li> </ol>
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the Corporation due to the Corporation's inability to repay the loan? If yes, the financial impact may be stated.	Not Applicable, as the Holding Company does not have any outstanding borrowed money.
3.	Whether funds received/receivable for specific schemes from Central/State Agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	Not Applicable. The Holding Company is a re-insurance Company and it does not receive any funds directly from State/Central Agencies for specific schemes.

With respect to the additional directions issued by Comptroller and Auditor General of India under section 143 (5) of the Companies Act, 2013, based on our audit, we report hereunder on the action taken and the financial impact on the accounts of the Consolidated Financial Statements of the Corporation:

Sr. No.	Additional Direction under Section 143 (5) of the Companies Act 2013	Action taken and financials impact
1.	Number of titles of ownership in respect of CGS/SGS/Bonds/ Debentures etc. available in physical/demat form and out of these, number of cases which are not in agreement with the respective amounts shown in the Company's books of accounts may be verified and discrepancy found may be suitably reported.	The Central Government Securities and State Government securities balances are tallied as per the record of custodian vis a vis books of accounts of the Holding Company. Further in case of bonds/debentures/equities/preference shares, no confirmations or other documentary evidence was available regarding actual custody of the following: <ul style="list-style-type: none"> <li>• 16 Scrip of investments in debenture of ₹ 6,589 thousand as per books of accounts (The Corporation has fully provided for these amounts in earlier years, hence no financial impact)</li> <li>• 5 Scrip of investments in Preference Shares of ₹ 0.004 thousand as per books of accounts (Four Scrip Written down to ₹ 1/- and One Scrip Written Down to Zero in earlier years, hence no financial impact)</li> </ul>

Since all the above have either been fully provided or written down, the same has no financial impact.

Following Investments held by the Custodian of the Holding Company is in excess of number vis a vis held as per the books of the Corporation.

- 1 Scrip of Bonds having book value of ₹ 1,300 thousand (Fully provided by management) and one scrip of bond having book value of Nil.
- 1 Scrip of Preference Shares having book value of ₹ 0.001 thousand (Written down to ₹ 1)

- |   |   |
|---|---|
| <p><b>2.</b> Whether Investment Policy exists and includes mechanism to review investment portfolios and whether stop loss limits are prescribed? If yes, whether it was adhered to? If not in existence or not adhered to, details may be given.</p> | <p>The Annual Investment Policy exists which includes mechanism to review investment portfolios and stop loss limits are prescribed in the policy which have been adhered to.</p> |
|---|---|

**For PKF SRIDHAR & SANTHANAM LLP**

Chartered Accountants  
ICAI Firm Registration  
No:0039905/S200018

**Partner: S Narasimhan**

Membership No. 206047  
UDIN: 23206047BGUMVF3070

Place: Mumbai

Date: 25<sup>th</sup> May 2023

**For D.R. MOHNOT & CO**

Chartered Accountants  
ICAI Firm Registration  
No:001388C

**Partner: D.R. Mohnot**

Membership No. 070579  
UDIN: 23070579BGUIND6547

Place: Mumbai

Date: 25<sup>th</sup> May 2023

## COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF GENERAL INSURANCE CORPORATION OF INDIA FOR THE YEAR ENDED 31 MARCH 2023

The preparation of consolidated financial statements of GENERAL INSURANCE CORPORATION OF INDIA for the year ended 31 March, 2023 in accordance with the financial reporting framework prescribed under the Insurance Act, 1938 read with the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of the Insurance Companies) Regulations, 2002 and Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139(5) read with section 129(4) of the Act are responsible for expressing opinion on the financial statements under section 143 read with section 129(4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 25 May 2023.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of GENERAL INSURANCE CORPORATION OF INDIA for the year ended 31 March 2023 under section 143(6)(a) read with section 129(4) of the Act. We conducted a supplementary audit of the financial statements of GENERAL INSURANCE CORPORATION OF INDIA and Agriculture Insurance Company of India Limited (in progress), but did not conduct supplementary audit of the financial statements of GIC Re South Africa Ltd., GIC Re India Corporate Member Limited, GIC Perestrakhovanie, LLC, India International Insurance Pte. Limited and GIC Bhutan Re Ltd., for the year ended on that date. Further, section 139(5) and 143(6)(a) of the Act are not applicable to GIC Re South Africa Ltd., GIC Re India Corporate Member Ltd., GIC Perestrakhovanie, LLC, India International Insurance Pte. Ltd. and GIC Bhutan Re Ltd., being entities incorporated in Foreign countries under the respective laws, for appointment of their Statutory Auditor and for conduct of supplementary audit. Accordingly, Comptroller and Auditor General of India has neither appointed the Statutory Auditors nor conducted the supplementary audit of these companies. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

For and on behalf of the  
Comptroller & Auditor General of India

(Guljari Lal)  
Director General of Audit (Shipping), Mumbai

Place: Mumbai

Date : 04.08.2023

## FINANCIAL INFORMATION



Registration No. 112  
Date of Registration with IRDAI: 2<sup>nd</sup> April 2001  
**AUDITED CONSOLIDATED REVENUE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2023**  
**IN RESPECT OF FIRE INSURANCE BUSINESS**

Particulars	Schedule	Current Year	Previous Year
		(₹ '000)	(₹ '000)
1. Premiums earned (Net)	1	114663 443	112780 225
2. Profit on sale of Investments (Net)		11436 290	11398 076
3. Forex Gain/(Loss)		2035 709	1294 603
4. Interest, Dividend & Rent - Gross		15813 854	12633 345
<b>Total (A)</b>		<b>143949 296</b>	138106 249
1. Claims Incurred (Net)	2	103536 575	101463 557
2. Commission (Net)	3	24994 109	19983 960
3. Operating Expenses related to Insurance Business	4	1763 542	1368 547
4. Premium Deficiency		0	0
<b>Total (B)</b>		<b>130294 226</b>	122816 064
<b>Operating Profit/- Loss from Fire Business C = (A-B)</b>		<b>13655 070</b>	15290 185
<b>APPROPRIATIONS</b>			
Transfer to Shareholders' Account		12411 371	15290 185
Transfer to Catastrophe Reserve		1243 699	0
Transfer to Other Reserves (to be specified)		0	0
<b>Total (C)</b>		<b>13655 070</b>	15290 185

The schedules referred to above form integral part of the Revenue Account  
As per our report of even date

**For D R MOHNOT & CO**  
Chartered Accountants  
Firm Regn No. 001388C

**For PKF SRIDHAR & SANTHANAM LLP**  
Chartered Accountants  
Firm Regn No. 0039905/S200018

**Devesh Srivastava**  
Chairman and Managing Director  
(DIN: 08646006)

**D R MOHNOT**  
Partner  
Membership No.:070579

**S NARASIMHAN**  
Partner  
Membership No.: 206047

**Madhulika Bhaskar**  
Director (DIN: 09277012)

**Jayashree Ranade**  
CFO

Mumbai  
Dated: 25.05.2023

**Satheesh Kumar**  
Company Secretary  
Membership Number A64846

Registration No. 112  
 Date of Registration with IRDAI: 2<sup>nd</sup> April 2001  
**AUDITED CONSOLIDATED REVENUE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2023**  
**IN RESPECT OF MISCELLANEOUS INSURANCE BUSINESS**

Particulars	Schedule	Current Year	Previous Year
		(₹ '000)	(₹ '000)
1. Premiums earned (Net)	1	215763 550	247856 385
2. Profit on sale of Investments (Net)		18019 599	21072 254
3. Forex Gain/(Loss)		3648 707	2409 628
4. Interest, Dividend & Rent - Gross		24915 531	23341 685
<b>Total (A)</b>		<b>262347 387</b>	<b>294679 952</b>
1. Claims Incurred (Net)	2	196239 141	216805 638
2. Commission (Net)	3	28826 632	46080 051
3. Operating Expenses related to Insurance Business	4	2358 387	2407 119
4. Premium Deficiency		0	0
<b>Total (B)</b>		<b>227424 160</b>	<b>265292 808</b>
<b>Operating Profit/-Loss from Miscellaneous Business C = (A-B)</b>		<b>34923 227</b>	<b>29387 144</b>
<b>APPROPRIATIONS</b>			
Transfer to Shareholders' Account		31465 464	29387 144
Transfer to Catastrophe Reserve		3457 763	0
Transfer to Other Reserves (to be specified)		0	0
<b>Total (C)</b>		<b>31465 464</b>	<b>29387 144</b>

The schedules referred to above form integral part of the Revenue Account  
 As per our report of even date

**For D R MOHNOT & CO**  
 Chartered Accountants  
 Firm Regn No. 001388C

**For PKF SRIDHAR & SANTHANAM LLP**  
 Chartered Accountants  
 Firm Regn No. 0039905/S200018

**Devesh Srivastava**  
 Chairman and Managing Director  
 (DIN: 08646006)

**D R MOHNOT**  
 Partner  
 Membership No.:070579

**S NARASIMHAN**  
 Partner  
 Membership No.: 206047

**Madhulika Bhaskar**  
 Director (DIN: 09277012)

**Jayashree Ranade**  
 CFO

**Satheesh Kumar**  
 Company Secretary  
 Membership Number A64846

Mumbai  
 Dated: 25.05.2023

Registration No. 112  
Date of Registration with IRDAI: 2<sup>nd</sup> April 2001  
**AUDITED CONSOLIDATED REVENUE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2023**  
**IN RESPECT OF MARINE INSURANCE BUSINESS**

Particulars	Schedule	Current Year	Previous Year
		(₹ '000)	(₹ '000)
1. Premiums earned (Net)	1	13974 074	22030 170
2. Profit on sale of Investments (Net)		1586 297	1900 464
3. Forex Gain/(Loss)		316 020	218 550
4. Interest, Dividend & Rent - Gross		2200 454	2105 501
<b>Total (A)</b>		<b>18076 845</b>	26254 685
1. Claims Incurred (Net)	2	11210 347	21394 352
2. Commission (Net)	3	2503 450	4060 033
3. Operating Expenses related to Insurance Business	4	109 533	137 978
5. Premium Deficiency		0	0
<b>Total (B)</b>		<b>13823 330</b>	25592 363
<b>Operating Profit/-Loss from Marine Business C = (A-B)</b>		<b>4253 515</b>	662 322
<b>APPROPRIATIONS</b>			
Transfer to Shareholders' Account		3829 482	662 322
Transfer to Catastrophe Reserve		424 033	0
Transfer to Other Reserves (to be specified)		0	0
<b>Total (C)</b>		<b>4253 515</b>	662 322

The schedules referred to above form integral part of the Revenue Account  
As per our report of even date

**For D R MOHNOT & CO**  
Chartered Accountants  
Firm Regn No. 001388C

**For PKF SRIDHAR & SANTHANAM LLP**  
Chartered Accountants  
Firm Regn No. 0039905/S200018

**Devesh Srivastava**  
Chairman and Managing Director  
(DIN: 08646006)

**D R MOHNOT**  
Partner  
Membership No.:070579

**S NARASIMHAN**  
Partner  
Membership No.: 206047

**Madhulika Bhaskar**  
Director (DIN: 09277012)

**Jayashree Ranade**  
CFO

Mumbai  
Dated: 25.05.2023

**Satheesh Kumar**  
Company Secretary  
Membership Number A64846

Registration No. 112  
 Date of Registration with IRDAI: 2<sup>nd</sup> April 2001  
**AUDITED CONSOLIDATED REVENUE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2023**  
**IN RESPECT OF LIFE INSURANCE BUSINESS**

Particulars	Schedule	Current Year	Previous Year
		(₹ '000)	(₹ '000)
1. Premiums earned (Net)	1	15334 264	12901 475
2. Profit on sale of Investments (Net)		554 517	639 419
3. Forex Gain/(Loss)		76 833	81 058
4. Interest, Dividend & Rent - Gross		765 229	708 105
<b>Total (A)</b>		<b>16730 843</b>	<b>14330 057</b>
1. Claims Incurred (Net)	2	15929 978	27370 968
2. Commission (Net)	3	182 515	137 022
3. Operating Expenses related to Insurance Business	4	168 706	120 114
4. Premium Deficiency		(85 413)	129 800
<b>Total (B)</b>		<b>16195 786</b>	<b>27757 904</b>
<b>Operating Profit/-Loss from Life Business C = (A-B)</b>		<b>535 057</b>	<b>(13427 847)</b>
<b>APPROPRIATIONS</b>			
Transfer to Shareholders' Account		535 057	(13427 847)
Transfer to Catastrophe Reserve		0	0
Transfer to Other Reserves (to be specified)		0	0
<b>Total (C)</b>		<b>535 057</b>	<b>(13427 847)</b>

The schedules referred to above form integral part of the Revenue Account  
 As per our report of even date

**For D R MOHNOT & CO**  
 Chartered Accountants  
 Firm Regn No. 001388C

**For PKF SRIDHAR & SANTHANAM LLP**  
 Chartered Accountants  
 Firm Regn No. 0039905/S200018

**Devesh Srivastava**  
 Chairman and Managing Director  
 (DIN: 08646006)

**D R MOHNOT**  
 Partner  
 Membership No.:070579

**S NARASIMHAN**  
 Partner  
 Membership No.: 206047

**Madhulika Bhaskar**  
 Director (DIN: 09277012)

**Jayashree Ranade**  
 CFO

Mumbai  
 Dated: 25.05.2023

**Satheesh Kumar**  
 Company Secretary  
 Membership Number A64846



Particulars	Schedule	Current Period	Previous Period
		(₹ '000)	(₹ '000)
Profit Before Tax		80311 773	37546 492
Provision for Taxation:			
Current Tax		21150 182	17987 995
Wealth Tax		0	0
MAT Credit		0	0
Deferred Tax		(5635874)	(232 278)
Fringe Benefit Tax		0	0
Provision for Tax in respect of earlier years		(974 086)	(2196 843)
MAT Credit of earlier year		0	0
<b>Profit After Tax</b>		<b>65771 551</b>	<b>21987 618</b>
<b>Share of Profit in Associates Companies</b>		<b>3301 514</b>	<b>1875 167</b>
<b>Profit for the year</b>		<b>69073 065</b>	<b>23862 785</b>
<b>Appropriations</b>			
(a) Balance brought forward from last year		90011 939	66149 155
(b) Interim dividend		3947 400	0
(b) Final dividend		0	0
(c) Dividend distribution tax		0	0
(d) Transfer to General Reserve		0	0
Balance carried forward to Balance Sheet		155137 607	90011 939
Basic and Diluted EPS		39.37	13.60

Significant Accounting Policies & Notes to Accounts form integral part of the Balance Sheet-Note no 16

The schedules referred to above form integral part of the Revenue Account  
As per our report of even date

**For D R MOHNOT & CO**  
Chartered Accountants  
Firm Regn No. 001388C

**For PKF SRIDHAR & SANTHANAM LLP**  
Chartered Accountants  
Firm Regn No. 0039905/S200018

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Chairman and Managing Director  
(DIN: 08646006)

**D R MOHNOT**  
Partner  
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Partner  
Membership No.: 206047

**Madhulika Bhaskar**  
Director (DIN: 09277012)

**Jayashree Ranade**  
CFO

**Satheesh Kumar**  
Company Secretary  
Membership Number A64846

Mumbai  
Dated: 25.05.2023

Registration No. 112

Date of Registration with IRDAI: 2<sup>nd</sup> April 2001**AUDITED CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2023**

Particulars	Schedule	Current Period	Previous Period
		(₹ '000)	(₹ '000)
<b>SOURCES OF FUNDS</b>			
Share Capital	5	8772 000	8772 000
Reserves and Surplus	6	351187 971	279498 212
Borrowings	7	0	0
Deferred Tax Liability		0	0
Fair Value Change Account			
Shareholders Fund		91887 406	71808 154
Policyholders Fund		222853 702	240371 949
<b>Total</b>		<b>674701 079</b>	<b>600450 315</b>
<b>APPLICATION OF FUNDS</b>			
Investments - Shareholders	8	343286 711	265014 130
Investments - Policyholders	8A	804093 670	781759 189
Loans	9	1700 465	1896 200
Fixed Assets	10	2966 332	1728 089
Goodwill on consolidation		273 832	273 832
Deferred Tax Asset		6049 476	390 742
Current Assets:			
Cash and Bank Balances	11	237024 424	214513 395
Advances and Other Assets	12	231912 491	252829 879
<b>Sub-Total (A)</b>		<b>468936 915</b>	<b>467343 274</b>
Current Liabilities	13	758942 173	716515 011
Provisions	14	193664 148	201440 131
<b>Sub-Total (B)</b>		<b>952606 321</b>	<b>917955 142</b>
<b>Net Current Assets (C)=(A-B)</b>		<b>(483669 407)</b>	<b>(450611 867)</b>
Miscellaneous Expenditure	15	0	0
<b>Total</b>		<b>674701 079</b>	<b>600450 315</b>

Significant Accounting Policies &amp; Notes to Accounts form integral part of the Balance Sheet-Schedule 16.

The schedules referred to above form integral part of the Revenue Account  
As per our report of even date

**For D R MOHNOT & CO**  
Chartered Accountants  
Firm Regn No. 001388C

**For PKF SRIDHAR & SANTHANAM LLP**  
Chartered Accountants  
Firm Regn No. 0039905/S200018

**Devesh Srivastava**  
Chairman and Managing Director  
(DIN: 08646006)

**D R MOHNOT**  
Partner  
Membership No.:070579

**S NARASIMHAN**  
Partner  
Membership No.: 206047

**Madhulika Bhaskar**  
Director (DIN: 09277012)

**Jayashree Ranade**  
CFO

**Satheesh Kumar**  
Company Secretary  
Membership Number A64846

Mumbai  
Dated: 25.05.2023

# Schedules Forming Part of Audited Consolidated Financial Statements

FOR THE YEAR ENDED 31 MARCH 2023

## SCHEDULE 1 Premium Earned (Net)

	Particulars	Current Year	Previous Year
		(₹ '000)	(₹ '000)
<b>A</b>	<b>FIRE INSURANCE</b>		
	Premium from Direct Business written	0	0
	Add: Premium on Reinsurance accepted	135248 324	134416 970
	Less: Premium on Reinsurance ceded	18454 578	19575 688
	Net Premium	116793 746	114841 282
	Adjustment for change in reserve for unexpired risks	(2130 303)	(2061 057)
	<b>Total Premium Earned (Net)</b>	<b>114663 443</b>	<b>112780 225</b>
<b>B</b>	<b>MISCELLANEOUS INSURANCE</b>		
<b>(1)</b>	<b>MOTOR</b>		
	Premium from Direct Business written	0	0
	Add: Premium on Reinsurance accepted	60249 614	98491 613
	Less: Premium on Reinsurance ceded	206 760	768 978
	Net Premium	60042 854	97722 635
	Adjustment for change in reserve for unexpired risks	18754 571	(6036 700)
	<b>Total Premium Earned (Net)</b>	<b>78797 425</b>	<b>91685 935</b>
<b>(2)</b>	<b>AVIATION</b>		
	Premium from Direct Business written	0	0
	Add: Premium on Reinsurance accepted	8332 907	9869 534
	Less: Premium on Reinsurance ceded	4795 324	5430 486
	Net Premium	3537 583	4439 048
	Adjustment for change in reserve for unexpired risks	450 608	1563 922
	<b>Total Premium Earned (Net)</b>	<b>3988 191</b>	<b>6002 970</b>
<b>(3)</b>	<b>ENGINEERING</b>		
	Premium from Direct Business written	0	0
	Add: Premium on Reinsurance accepted	16652 854	14459 756
	Less: Premium on Reinsurance ceded	2620 382	2065 559
	Net Premium	14032 472	12394 197
	Adjustment for change in reserve for unexpired risks	(784 946)	(591 358)
	<b>Total Premium Earned (Net)</b>	<b>13247 526</b>	<b>11802 839</b>
<b>(4)</b>	<b>WORKMENS' COMPENSATION</b>		
	Premium from Direct Business written	0	0
	Add: Premium on Reinsurance accepted	383 985	347 092
	Less: Premium on Reinsurance ceded	0	23
	Net Premium	383 985	347 069
	Adjustment for change in reserve for unexpired risks	(18 458)	76 243
	<b>Total Premium Earned (Net)</b>	<b>365 527</b>	<b>423 312</b>

**SCHEDULE 1**  
**Premium Earned (Net)**

Particulars	Current Year	Previous Year
	(₹ '000)	(₹ '000)
<b>(5) LIABILITY</b>		
Premium from Direct Business written	0	0
Add: Premium on Reinsurance accepted	8252 073	8608 930
Less: Premium on Reinsurance ceded	945 150	1381 291
Net Premium	7306 923	7227 639
Adjustment for change in reserve for unexpired risks	(32 683)	103 982
<b>Total Premium Earned (Net)</b>	<b>7274 240</b>	<b>7331 621</b>
<b>(6) PERSONAL ACCIDENT</b>		
Premium from Direct Business written	0	0
Add: Premium on Reinsurance accepted	4637 610	4492 188
Less: Premium on Reinsurance ceded	73 177	139 589
Net Premium	4564 433	4352 599
Adjustment for change in reserve for unexpired risks	(103 840)	1445 328
<b>Total Premium Earned (Net)</b>	<b>4460 593</b>	<b>5797 927</b>
<b>(7) HEALTH</b>		
Premium from Direct Business written	0	0
Add: Premium on Reinsurance accepted	48938 069	45219 232
Less: Premium on Reinsurance ceded	1039 056	1137 150
Net Premium	47899 013	44082 082
Adjustment for change in reserve for unexpired risks	(2064 406)	4376 739
<b>Total Premium Earned (Net)</b>	<b>45834 607</b>	<b>48458 821</b>
<b>(8) AGRI</b>		
Premium from Direct Business written	0	0
Add: Premium on Reinsurance accepted	50740 317	79114 736
Less: Premium on Reinsurance ceded	1457 415	14150 739
Net Premium	49282 902	64963 997
Adjustment for change in reserve for unexpired risks	3271 041	1673 592
<b>Total Premium Earned (Net)</b>	<b>52553 943</b>	<b>66637 589</b>
<b>(9) OTHER MISCELLANEOUS</b>		
Premium from Direct Business written	0	0
Add: Premium on Reinsurance accepted	8270 848	8443 635
Less: Premium on Reinsurance ceded	1700 472	1567 878
Net Premium	6570 376	6875 757
Adjustment for change in reserve for unexpired risks	134 972	(209 443)
<b>Total Premium Earned (Net)</b>	<b>6705 348</b>	<b>6666 314</b>

**Schedules Forming Part of Audited Consolidated Financial Statements**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**SCHEDULE 1**  
**Premium Earned (Net)**

Particulars	Current Year	Previous Year
	(₹ '000)	(₹ '000)
<b>(10) FINANCIAL LIABILITY/CREDIT</b>		
Premium from Direct Business written	0	0
Add: Premium on Reinsurance accepted	2332 487	2961 428
Less: Premium on Reinsurance ceded	131 794	92 971
Net Premium	2200 693	2868 457
Adjustment for change in reserve for unexpired risks	335 457	180 600
<b>Total Premium Earned (Net)</b>	<b>2536 150</b>	<b>3049 057</b>
<b>TOTAL MISCELLANEOUS</b>		
Premium from Direct Business written	0	0
Add: Premium on Reinsurance accepted	208790 764	272008 144
Less: Premium on Reinsurance ceded	12969 530	26734 664
Net Premium	195821 234	245273 480
Adjustment for change in reserve for unexpired risks	19942 316	2582 905
<b>Total Premium Earned (Net)</b>	<b>215763 550</b>	<b>247856 385</b>
<b>C MARINE INSURANCE</b>		
<b>(1) MARINE CARGO</b>		
Premium from Direct Business Written	0	0
Add: Premium on Reinsurance accepted	6350 501	12842 547
Less: Premium on Reinsurance ceded	1197 123	1314 482
Net Premium	5153 378	11528 065
Adjustment for change in reserve for unexpired risks	3200 061	971 027
<b>Total Premium Earned (Net)</b>	<b>8353 439</b>	<b>12499 092</b>
<b>(2) MARINE HULL</b>		
Premium from Direct Business Written	0	0
Add: Premium on Reinsurance accepted	5602 687	6568 390
Less: Premium on Reinsurance ceded	732 588	947 755
Net Premium	4870 099	5620 635
Adjustment for change in reserve for unexpired risks	750 536	3910 444
<b>Total Premium Earned (Net)</b>	<b>5620 635</b>	<b>9531 079</b>
<b>TOTAL MARINE</b>		
Premium from Direct Business Written	0	0
Add: Premium on Reinsurance accepted	11953 188	19410 937
Less: Premium on Reinsurance ceded	1929 711	2262 237
Net Premium	10023 477	17148 700
Adjustment for change in reserve for unexpired risks	3950 597	4881 471
<b>Total Premium Earned (Net)</b>	<b>13974 074</b>	<b>22030 171</b>

**SCHEDULE 1**  
**Premium Earned (Net)**

Particulars	Current Year	Previous Year
	(₹ '000)	(₹ '000)
<b>D LIFE INSURANCE</b>		
Premium from Direct Business written	0	0
Add: Premium on Reinsurance accepted	<b>15295 189</b>	14507 645
Less: Premium on Reinsurance ceded	<b>387 991</b>	579 495
Net Premium	<b>14907 198</b>	13928 150
Adjustment for change in reserve for unexpired risks	<b>427 066</b>	(1026 675)
<b>Total Premium Earned (Net)</b>	<b>15334 264</b>	12901 475
<b>E TOTAL ALL CLASSES</b>		
Premium from Direct Business Written	0	0
Add: Premium on Reinsurance accepted	<b>371287 465</b>	440343 696
Less: Premium on Reinsurance ceded	<b>33741 809</b>	49152 083
Net Premium	<b>337545 656</b>	391191 613
Adjustment for change in reserve for unexpired risks	<b>22189 676</b>	4376 644
<b>Total Premium Earned (Net)</b>	<b>359735 332</b>	395568 257

**SCHEDULE 2**  
**Claims Incurred (Net)**

	Particulars	Current Year	Previous Year
		(₹ '000)	(₹ '000)
<b>A</b>	<b>FIRE INSURANCE</b>		
	<b>Claims Paid</b>		
	Direct	0	0
	Add: Reinsurance accepted	70083 068	71597 696
	Less: Reinsurance ceded	7839 043	6465 261
	Net Claims Paid	62244 025	65132 435
	Add: Claims Outstanding at the end of the year	248262 564	206970 014
	Less: Claims Outstanding at the beginning of the year	206970 014	170638 892
	<b>Total Claims Incurred</b>	<b>103536 575</b>	<b>101463 557</b>
<b>B</b>	<b>MISCELLANEOUS INSURANCE</b>		
<b>(1)</b>	<b>MOTOR</b>		
	<b>Claims Paid</b>		
	Direct	0	0
	Add: Reinsurance accepted	64050 790	55478 884
	Less: Reinsurance ceded	265 310	627 060
	Net Claims Paid	63785 480	54851 824
	Add: Claims Outstanding at the end of the year	190540 655	175187 687
	Less: Claims Outstanding at the beginning of the year	175187 687	158568 838
	<b>Total Claims Incurred</b>	<b>79138 448</b>	<b>71470 673</b>
<b>(2)</b>	<b>AVIATION</b>		
	<b>Claims Paid</b>		
	Direct	4 442	1 550
	Add: Reinsurance accepted	6466 132	7162 756
	Less: Reinsurance ceded	2493 191	2474 569
	Net Claims Paid	3977 383	4689 737
	Add: Claims Outstanding at the end of the year	18029 536	17297 685
	Less: Claims Outstanding at the beginning of the year	17297 685	15287 319
	<b>Total Claims Incurred</b>	<b>4709 234</b>	<b>6700 103</b>
<b>(3)</b>	<b>ENGINEERING</b>		
	<b>Claims Paid</b>		
	Direct	0	0
	Add: Reinsurance accepted	5264 585	6438 178
	Less: Reinsurance ceded	117 158	72 923
	Net Claims Paid	5147 427	6365 255
	Add: Claims Outstanding at the end of the year	33954 986	29112 797
	Less: Claims Outstanding at the beginning of the year	29112 797	25209 388
	<b>Total Claims Incurred</b>	<b>9989 616</b>	<b>10268 664</b>

**SCHEDULE 2**  
**Claims Incurred (Net)**

Particulars	Current Year	Previous Year
	(₹ '000)	(₹ '000)
<b>(4) WORKMENS' COMPENSATION</b>		
<b>Claims Paid</b>		
Direct	0	0
Add: Reinsurance accepted	135 702	115 527
Less: Reinsurance ceded	0	0
Net Claims Paid	135 702	115 527
Add: Claims Outstanding at the end of the year	1413 839	1119 069
Less: Claims Outstanding at the beginning of the year	1119 069	988 937
<b>Total Claims Incurred</b>	<b>430 472</b>	<b>245 659</b>
<b>(5) LIABILITY</b>		
<b>Claims Paid</b>		
Direct	0	0
Add: Reinsurance accepted	2566 173	2421 329
Less: Reinsurance ceded	81 256	86 084
Net Claims Paid	2484 917	2335 245
Add: Claims Outstanding at the end of the year	15693 452	12785 192
Less: Claims Outstanding at the beginning of the year	12785 192	10654 128
<b>Total Claims Incurred</b>	<b>5393 177</b>	<b>4466 309</b>
<b>(6) PERSONAL ACCIDENT</b>		
<b>Claims Paid</b>		
Direct	0	0
Add: Reinsurance accepted	3511 482	4057 537
Less: Reinsurance ceded	15 384	13 867
Net Claims Paid	3496 098	4043 670
Add: Claims Outstanding at the end of the year	8688 341	8819 756
Less: Claims Outstanding at the beginning of the year	8819 756	8237 182
<b>Total Claims Incurred</b>	<b>3364 683</b>	<b>4626 244</b>
<b>(7) HEALTH</b>		
<b>Claims Paid</b>		
Direct	0	0
Add: Reinsurance accepted	38747 087	49687 111
Less: Reinsurance ceded	857 428	1152 664
Net Claims Paid	37889 659	48534 447
Add: Claims Outstanding at the end of the year	42121 379	40918 776
Less: Claims Outstanding at the beginning of the year	40918 776	42328 740
<b>Total Claims Incurred</b>	<b>39092 262</b>	<b>47124 483</b>

**Schedules Forming Part of Audited Consolidated Financial Statements**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**SCHEDULE 2**  
**Claims Incurred (Net)**

	Particulars	Current Year	Previous Year
		(₹ '000)	(₹ '000)
<b>(8) AGRI</b>			
	<b>Claims Paid</b>		
	Direct	0	0
	Add: Reinsurance accepted	58896 724	80209 874
	Less: Reinsurance ceded	560 810	1310 853
	Net Claims Paid	58335 914	78899 021
	Add: Claims Outstanding at the end of the year	75797 476	83597 947
	Less: Claims Outstanding at the beginning of the year	83597 947	97802 950
	<b>Total Claims Incurred</b>	<b>50535 443</b>	<b>64694 018</b>
<b>(9) OTHER MISCELLANEOUS</b>			
	<b>Claims Paid</b>		
	Direct	0	0
	Add: Reinsurance accepted	3807 450	2924 676
	Less: Reinsurance ceded	319 101	284 291
	Net Claims Paid	3488 349	2640 385
	Add: Claims Outstanding at the end of the year	12399 948	13208 731
	Less: Claims Outstanding at the beginning of the year	13208 731	11113 820
	<b>Total Claims Incurred</b>	<b>2679 566</b>	<b>4735 296</b>
<b>(10) Claims Paid</b>			
	<b>Direct</b>	<b>0</b>	<b>0</b>
	Add: Reinsurance accepted	1257 850	1898 850
	Less: Reinsurance ceded	43 201	319 877
	Net Claims Paid	1214 649	1578 973
	Add: Claims Outstanding at the end of the year	10204 788	10513 197
	Less: Claims Outstanding at the beginning of the year	10513 197	9617 979
	Total Claims Incurred	906 240	2474 191
	<b>TOTAL MISCELLANEOUS</b>		
	<b>Claims Paid</b>		
	Direct	4 442	1 550
	Add: Reinsurance accepted	184703 975	210394 722
	Less: Reinsurance ceded	4752 839	6342 188
	Net Claims Paid	179955 578	204054 084
	Add: Claims Outstanding at the end of the year	408844 400	392560 837
	Less: Claims Outstanding at the beginning of the year	392560 837	379809 281
	<b>Total Claims Incurred</b>	<b>196239 141</b>	<b>216805 640</b>

**SCHEDULE 2**  
**Claims Incurred (Net)**

Particulars	Current Year	Previous Year
	(₹ '000)	(₹ '000)
<b>C MARINE INSURANCE</b>		
<b>(1) MARINE CARGO</b>		
<b>Claims Paid</b>		
Direct	0	0
Add: Reinsurance accepted	4122 123	10407 980
Less: Reinsurance ceded	582 314	256 439
Net Claims Paid	3539 809	10151 541
Add: Claims Outstanding at the end of the year	12346 058	12713 338
Less: Claims Outstanding at the beginning of the year	12713 338	11137 081
<b>Total Claims Incurred</b>	<b>3172 529</b>	<b>11727 798</b>
<b>(2) MARINE HULL</b>		
<b>Claims Paid</b>		
Direct	0	0
Add: Reinsurance accepted	5687 936	7709 855
Less: Reinsurance ceded	544 938	831 954
Net Claims Paid	5142 998	6877 901
Add: Claims Outstanding at the end of the year	23342 701	20447 881
Less: Claims Outstanding at the beginning of the year	20447 881	17659 227
<b>Total Claims Incurred</b>	<b>8037 818</b>	<b>9666 555</b>
<b>TOTAL MARINE</b>		
<b>Claims Paid</b>		
Direct	0	0
Add: Reinsurance accepted	9810 059	18117 835
Less: Reinsurance ceded	1127 252	1088 393
Net Claims Paid	8682 807	17029 442
Add: Claims Outstanding at the end of the year	35688 759	33161 219
Less: Claims Outstanding at the beginning of the year	33161 219	28796 308
<b>Total Claims Incurred</b>	<b>11210 347</b>	<b>21394 353</b>
<b>D LIFE INSURANCE</b>		
<b>Claims Paid</b>		
Direct	0	0
Add: Reinsurance accepted	16391 754	26086 381
Less: Reinsurance ceded	1176 161	113 902
Net Claims Paid	15215 593	25972 479
Add: Claims Outstanding at the end of the year	11308 005	10593 620
Less: Claims Outstanding at the beginning of the year	10593 620	9195 131
<b>Total Claims Incurred</b>	<b>15929 978</b>	<b>27370 968</b>

**SCHEDULE 2**  
**Claims Incurred (Net)**

	Particulars	Current Year	Previous Year
		(₹ '000)	(₹ '000)
<b>E</b>	<b>TOTAL ALL CLASSES</b>		
	<b>Claims Paid</b>		
	Direct	4 442	1 550
	Add: Reinsurance accepted	280988 854	326196 632
	Less: Reinsurance ceded	14895 295	14009 744
	Net Claims Paid	266098 001	312188 438
	Add: Claims Outstanding at the end of the year	704103 727	643285 689
	Less: Claims Outstanding at the beginning of the year	643285 689	588439 612
	<b>Total Claims Incurred</b>	<b>326916 039</b>	<b>367034 515</b>

### SCHEDULE 3

#### Commission

	Particulars	Current Year	Previous Year
		(₹ '000)	(₹ '000)
<b>A</b>	<b>FIRE INSURANCE</b>		
	<b>Commission Paid</b>		
	Direct	2791 386	1401 885
	Add: Reinsurance Accepted	26288 062	29953 463
	Less: Commission on Reinsurance Ceded	4085 339	11371 388
	Net Commission	24994 109	19983 960
	Break-up of Commission		
	Brokerage	2180 011	2413 631
	Commission Paid	22814 098	17570 329
	<b>Total Commission</b>	<b>24994 109</b>	<b>19983 960</b>
<b>B</b>	<b>MISCELLANEOUS INSURANCE</b>		
<b>(1)</b>	<b>MOTOR</b>		
	<b>Commission Paid</b>		
	Direct	0	348 469
	Add: Reinsurance Accepted	11697 353	28562 748
	Less: Commission on Reinsurance Ceded	65 070	585 199
	Net Commission	11632 283	28326 018
	Break-up of Commission		
	Brokerage	574 901	1155 846
	Commission Paid	11057 382	27170 172
	<b>Total Commission</b>	<b>11632 283</b>	<b>28326 018</b>
<b>(2)</b>	<b>AVIATION</b>		
	<b>Commission Paid</b>		
	Direct	0	0
	Add: Reinsurance Accepted	1805 003	2168 309
	Less: Commission on Reinsurance Ceded	827 488	1103 780
	Net Commission	977 515	1064 529
	Break-up of Commission		
	Brokerage	266 785	647 763
	Commission Paid	710 730	416 766
	<b>Total Commission</b>	<b>977 515</b>	<b>1064 529</b>

**Schedules Forming Part of Audited Consolidated Financial Statements**  
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**SCHEDULE 3**

**Commission**

	Particulars	Current Year	Previous Year
		(₹ '000)	(₹ '000)
<b>(3)</b>	<b>ENGINEERING</b>		
	<b>Commission Paid</b>		
	Direct	0	0
	Add: Reinsurance Accepted	3200 875	3009 902
	Less: Commission on Reinsurance Ceded	201 570	912 173
	Net Commission	2999 305	2097 729
	Break-up of Commission		
	Brokerage	173 195	175 210
	Commission Paid	2826 110	1922 519
	<b>Total Commission</b>	<b>2999 305</b>	<b>2097 729</b>
<b>(4)</b>	<b>WORKMENS' COMPENSATION</b>		
	<b>Commission Paid</b>		
	Direct	0	0
	Add: Reinsurance Accepted	66 525	58 192
	Less: Commission on Reinsurance Ceded	0	0
	Net Commission	66 525	58 192
	Break-up of Commission		
	Brokerage	945	2 699
	Commission Paid	65 580	55 493
	<b>Total Commission</b>	<b>66 525</b>	<b>58 192</b>
<b>(5)</b>	<b>LIABILITY</b>		
	<b>Commission Paid</b>		
	Direct	0	0
	Add: Reinsurance Accepted	1596 645	1635 278
	Less: Commission on Reinsurance Ceded	195 571	388 258
	Net Commission	1401 074	1247 020
	Break-up of Commission		
	Brokerage	163 158	122 396
	Commission Paid	1237 916	1124 624
	<b>Total Commission</b>	<b>1401 074</b>	<b>1247 020</b>

### SCHEDULE 3

#### Commission

Particulars	Current Year	Previous Year
	(₹ '000)	(₹ '000)
<b>(6) PERSONAL ACCIDENT</b>		
<b>Commission Paid</b>		
Direct	0	0
Add: Reinsurance Accepted	970 886	1043 827
Less: Commission on Reinsurance Ceded	8 641	15 588
Net Commission	962 245	1028 239
Break-up of Commission		
Brokerage	39 722	(20 596)
Commission Paid	922 523	1048 835
<b>Total Commission</b>	<b>962 245</b>	<b>1028 239</b>
<b>(7) HEALTH</b>		
<b>Commission Paid</b>		
Direct	0	0
Add: Reinsurance Accepted	6215 679	8080 476
Less: Commission on Reinsurance Ceded	130 383	131 352
Net Commission	6085 296	7949 124
Break-up of Commission		
Brokerage	18 535	27 329
Commission Paid	6066 761	7921 795
<b>Total Commission</b>	<b>6085 296</b>	<b>7949 124</b>
<b>(8) AGRI</b>		
<b>Commission Paid</b>		
Direct	0	0
Add: Reinsurance Accepted	3053 230	4498 411
Less: Commission on Reinsurance Ceded	137 657	874 101
Net Commission	2915 573	3624 310
Break-up of Commission		
Brokerage	44 558	66 796
Commission Paid	2871 015	3557 514
<b>Total Commission</b>	<b>2915 573</b>	<b>3624 310</b>

**Schedules Forming Part of Audited Consolidated Financial Statements**  
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**SCHEDULE 3**

**Commission**

	Particulars	Current Year	Previous Year
		(₹ '000)	(₹ '000)
<b>(9) OTHER MISCELLANEOUS</b>			
	<b>Commission Paid</b>		
	Direct	396 002	878 237
	Add: Reinsurance Accepted	1397 186	1990 963
	Less: Commission on Reinsurance Ceded	555 087	2328 308
	Net Commission	1238 101	540 892
	Break-up of Commission		
	Brokerage	76 604	78 369
	Commission Paid	1161 497	462 523
	<b>Total Commission</b>	<b>1238 101</b>	<b>540 892</b>
<b>(10) FINANCIAL LIABILITY/CREDIT</b>			
	<b>Commission Paid</b>		
	Direct	0	0
	Add: Reinsurance Accepted	605 267	448 984
	Less: Commission on Reinsurance Ceded	56 551	304 986
	Net Commission	548 716	143 998
	Break-up of Commission		
	Brokerage	24 876	43 493
	Commission Paid	523 840	100 505
	<b>Total Commission</b>	<b>548 716</b>	<b>143 998</b>
<b>TOTAL MISCELLANEOUS</b>			
	<b>Commission Paid</b>		
	Direct	396 002	1226 706
	Add: Reinsurance Accepted	30608 649	51497 089
	Less: Commission on Reinsurance Ceded	2178 019	6643 745
	Net Commission	28826 632	46080 051
	Break-up of Commission		
	Brokerage	1383 279	2299 304
	Commission Paid	27443 353	43780 746
	<b>Total Commission</b>	<b>28826 632</b>	<b>46080 051</b>

### SCHEDULE 3

#### Commission

Particulars	Current Year	Previous Year
	(₹ '000)	(₹ '000)
<b>C MARINE INSURANCE</b>		
<b>(1) MARINE CARGO</b>		
Commission Paid		
Direct	0	0
Add: Reinsurance Accepted	1973 068	3231 306
Less: Commission on Reinsurance Ceded	138 786	233 669
Net Commission	1834 282	2997 637
Break-up of Commission		
Brokerage	95 815	243 617
Commission Paid	1738 467	2754 020
<b>Total Commission</b>	<b>1834 282</b>	<b>2997 637</b>
<b>(2) MARINE HULL</b>		
<b>Commission Paid</b>		
Direct	52 172	239 084
Add: Reinsurance Accepted	719 242	1593 554
Less: Commission on Reinsurance Ceded	102 246	770 243
Net Commission	669 168	1062 395
Break-up of Commission		
Brokerage	210 108	322 560
Commission Paid	459 060	739 835
<b>Total Commission</b>	<b>669 168</b>	<b>1062 395</b>
<b>TOTAL MARINE</b>		
<b>Commission Paid</b>		
Direct	52 172	239 084
Add: Reinsurance Accepted	2692 310	4824 860
Less: Commission on Reinsurance Ceded	241 032	1003 912
Net Commission	2503 450	4060 032
Break-up of Commission		
Brokerage	305 923	566 177
Commission Paid	2197 527	3493 855
<b>Total Commission</b>	<b>2503 450</b>	<b>4060 032</b>

**Schedules Forming Part of Audited Consolidated Financial Statements**  
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**SCHEDULE 3**

**Commission**

	Particulars	Current Year	Previous Year
		(₹ '000)	(₹ '000)
<b>D</b>	<b>LIFE INSURANCE</b>		
	<b>Commission Paid</b>		
	Direct	0	0
	Add: Reinsurance Accepted	182 515	137 022
	Less: Commission on Reinsurance Ceded	0	0
	Net Commission	182 515	137 022
	Break-up of Commission		
	Brokerage	96 617	58 705
	Commission Paid	85 898	78 317
	<b>Total Commission</b>	<b>182 515</b>	<b>137 022</b>
<b>E</b>	<b>TOTAL ALL CLASSES</b>		
	<b>Commission Paid</b>		
	Direct	3239 560	2867 675
	Add: Reinsurance Accepted	59771 536	86412 434
	Less: Commission on Reinsurance Ceded	6504 390	19019 045
	Net Commission	56506 706	70261 064
	Break-up of Commission		
	Brokerage	3965 830	5337 817
	Commission Paid	52540 876	64923 247
	<b>Total Commission</b>	<b>56506 706</b>	<b>70261 064</b>



**SCHEDULE 5****Share Capital**

	Particulars	Current Year	Previous Year
		(₹ '000)	(₹ '000)
1	<b>Authorised Capital</b>		
	200,00,00,000 Equity Shares of ₹ 5/- Each	<b>10000 000</b>	10000 000
2	<b>Issued &amp; Subscribed Capital</b>		
	175,44,00,000 (PY 175,44,00,000) Equity Shares of ₹ 5/- Each	<b>8772 000</b>	8772 000
3	<b>Called-up &amp; Paid up Capital</b>		
	175,44,00,000 (PY 175,44,00,000) Equity Shares of ₹ 5/- Each	<b>8772 000</b>	8772 000
	(Includes 168,92,00,000 shares of ₹ 5/- issued by capitalisation of Capital Redemption Reserve and General Reserve, 1,00,00,000 partly paid shares (₹ 2.50 per share paid) made fully paid-up shares by capitalisation of General Reserve)		
	<b>Total</b>	<b>8772 000</b>	8772 000

**SCHEDULE 5A****SHARE CAPITAL PATTERN OF SHAREHOLDING**  
[As certified by the Management]

Shareholders	Current Year		Previous Year	
	Number of Shares	% of Holding	Number of Shares	% of Holding
<b>Promoters</b>				
Indian	<b>150 50 00 000</b>	<b>85.78 %</b>	150 50 00 000	85.78 %
Foreign	-	-	-	-
Others	<b>24 94 00 000</b>	<b>14.22 %</b>	24 94 00 000	14.22 %
	<b>175 44 00 000</b>	<b>100%</b>	175,44,00,000	100%

During the F.Y. 2018-19, the Corporation issued bonus equity shares in the ratio of 1:1 i.e. 1 (one) equity share of ₹ 5/- each (fully paid up) for every 1 (one) existing equity share of ₹ 5/- each (fully paid up) to the Shareholders of the Corporation, in the month of July 2018.

**SCHEDULE 6**  
Reserves And Surplus

Particulars	Current Year	Previous Year
	(₹ '000)	(₹ '000)
1 General Reserve		
Opening Balance	158911 838	158911 838
Less: Utilised for issuance of Bonus Shares	0	0
Add: Transfer from Profit & Loss A/c	0	0
	158911 838	158911 838
2 Share premium Account	15440 663	15440 663
3 Catastrophe Reserve & Other Reserve	4874 937	(211 820)
4 Foreign Currency Translation Reserve	16822 926	15345 592
5 Balance of Profit in Profit & Loss Account	155137 607	90011 939
<b>Total</b>	<b>351187 971</b>	<b>279498 212</b>

**SCHEDULE 7**  
Borrowings

NIL

**SCHEDULE 8**  
Investments - Shareholders' Fund

Particulars	Current Year	Previous Year
	(₹ '000)	(₹ '000)
<b>Long Term Investments</b>		
1 Government securities and Government guaranteed bonds including Treasury Bills	133017 363	100137 476
2 Other Approved Securities	70 134	217 946
3 Other Investments		
(a) Shares		
(aa) Equity - Indian	116667 435	85895 432
Equity - Foreign	1765 451	1673 595
(bb) Preference	0	0
(b) Mutual Funds	0	0
(c) Derivative Instruments	0	0
(d) Debentures/Bonds Indian	1825 833	1747 527
Debentures/Bonds Foreign	1691 121	1286 295
(e) Other Securities		
Guaranteed Equity	139	115

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**SCHEDULE 8**

**Investments - Shareholders' Fund**

	Particulars	Current Year	Previous Year
		(₹ '000)	(₹ '000)
	(f) Subsidiaries	0	0
	(g) Associates - Indian	0	0
	Associates - Foreign	5465 612	4183 714
4	Investments in Infrastructure and Social Sector		
	(a) Equity	3292 780	3199 822
	(b) Debentures/Bonds	30613 486	23299 379
5	Other than Approved Investments		
	(a) Equity/Preference/Debentures/Venture Funds	9610 911	11561 176
	(b) Preference	0	0
	(c) Debentures/Bond	1385 906	1629 693
	(d) Venture Funds	308 331	281 249
	(e) Associate Indian	20507 130	18139 485
	<b>Short Term Investments</b>		
1	Government securities and Government guaranteed bonds including Treasury Bills	3457 209	3282 347
2	Other Approved Securities	273 789	65 994
3	Other Investments		
	(a) Shares		
	(aa) Equity	0	0
	(bb) Preference	0	0
	(b) Mutual Funds	2356 850	1135 119
	(c) Derivative Instruments	0	0
	(d) Debentures/Bond Indian	571 461	1642 966
	Debentures/Bond Foreign	0	0
	(e) Other Securities	0	0
	Commercial Paper	0	0
	(f) Subsidiaries	0	0
	(g) Associates - Indian	0	0
	Associates - Foreign	0	0
4	Investments in Infrastructure and Social Sector		
	(a) Debentures/Bond	6864 953	2793 716
5	Other than Approved Investments		
	(a) Preference Shares	0	0
	(b) Debentures/Bond	3540 817	2841 084
	(c) Mutual Funds	0	0
	<b>Total</b>	<b>343286 711</b>	<b>265014 130</b>

**SCHEDULE 8A**  
**INVESTMENTS - POLICYHOLDERS' FUND**

Particulars	Current Year	Previous Year
	(₹ '000)	(₹ '000)
<b>Long Term Investments</b>		
1 Government securities and Government guaranteed bonds including Treasury Bills	<b>325304 460</b>	307453 274
2 Other Approved Securities	<b>181 361</b>	729 558
3 Other Investments		
(a) Shares		
(i) Equity - Indian	<b>301691 743</b>	287528 023
(ii) Equity - Foreign	<b>196 916</b>	379 806
(iii) Preference	<b>0</b>	0
(b) Mutual Funds	<b>0</b>	0
(c) Debentures/Bonds	<b>0</b>	0
(i) Debentures/Bonds - Indian	<b>4721 445</b>	5849 707
(ii) Debentures/Bonds - Foreign	<b>278 447</b>	442 482
(d) Investment Property-Real Estate		
(e) Other Securities		
(i) Guaranteed Equity	<b>361</b>	385
(ii) Other than Approved Investments - Equity/Preference/Debentures/Venture Funds	<b>35530 370</b>	44905 542
(iii) Other than Approved Investments - Preference	<b>0</b>	0
(iv) Other than Approved Investments - Debentures/Bond	<b>3583 831</b>	5455 265
(v) Other than Approved Investments - Venture Funds	<b>797 317</b>	941 458
4 Investments in Infrastructure and Housing	<b>87678 627</b>	88703 938

**SCHEDULE 8A**  
**INVESTMENTS - POLICYHOLDERS' FUND**

	Particulars	Current Year	Previous Year
		(₹ '000)	(₹ '000)
	<b>Short Term Investments</b>		
1	Government securities and Government guaranteed bonds including Treasury Bills	<b>8940 040</b>	10987 391
2	Other Approved Securities	<b>707 994</b>	220 908
3	Other Investments		
	(a) Shares		
	(i) Equity	<b>0</b>	0
	(ii) Preference	<b>0</b>	0
	(b) Mutual Funds	<b>6094 605</b>	3799 718
	(c) Debentures/Bonds	<b>1477 747</b>	5499 695
	(d) Other Securities		
	(i) Other Investments - Preference Shares	<b>0</b>	0
	(ii) Other Investments - Debentures/Bond	<b>9156 241</b>	9510 300
	(iii) Other Investments - Mutual Funds	<b>0</b>	0
4	Investments in Infrastructure and Housing	<b>17752 165</b>	9351 739
	<b>Total</b>	<b>804093 670</b>	781759 189

**SCHEDULE 9**  
**LOANS**

Particulars	Current Year	Previous Year
	(₹ '000)	(₹ '000)
<b>1 Security-wise Classification</b>		
Secured		
(a) On mortgage of property		
(aa) In India	386 053	390 879
(bb) Outside India	3 021	2 422
(b) On Shares, Bonds, Government Securities	0	0
(c) Investments In State Govt. Loans for Housing and Fire fighting	1243 004	1434 512
Unsecured	68 387	68 387
<b>Total</b>	<b>1700 465</b>	<b>1896 200</b>
<b>2 Borrower-Wise Classification</b>		
(a) Central and State Governments	1243 004	1434 512
(b) Banks and Financial Institutions	0	0
(c) Subsidiaries	0	0
(d) Industrial Undertakings	415 347	423 020
(e) Others	42 114	38 668
<b>Total</b>	<b>1700 465</b>	<b>1896 200</b>
<b>3 Performance-Wise Classification</b>		
(a) Loans classified as standard		
(aa) In India	1188 082	1374 025
(bb) Outside India	3 021	2 422
(b) Non-performing loans less provisions		
(aa) In India	11 056	1 577
(bb) Outside India	0	0
Provisions *	498 306	518 176
<b>Total</b>	<b>1700 465</b>	<b>1896 200</b>
<b>4 Maturity-Wise Classification</b>		
(a) Short - Term	212 454	211 584
(b) Long - Term	1488 011	1684 616
<b>Total</b>	<b>1700 465</b>	<b>1896 200</b>

\* Includes Provision for Bad and Doubtful Loans

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**SCHEDULE 10**

**Fixed Assets**

(₹ '000)

Particulars	Cost/Gross Block			Depreciation					Net Block	
	As at 01.04.2022	Additions	Deductions	As at 31.03.2023	Upto 31.03.2022	Twelve months ended 31.03.2023	On Sales/ Adjustment	Upto 31.03.2023	As at 31.03.2023	As at 31.03.2022
Leasehold Land "Suraksha"	247 253	-	-	247 253	109 890	3 434	-	113 324	133 929	137 363
Freehold Land	560 132	-	-	560 132	-	-	-	-	560 132	560 132
Buildings	1213 370	1263 020	23 891	2452 499	373 446	33 566	23 280	383 732	2068 767	839 924
Furniture & Fittings	43 339	40	449	42 930	34 201	2 277	415	36 063	6 868	9 138
I.T. Equipments	364 039	49 102	80 531	332 610	358 063	16 672	80 264	294 471	38 139	5 976
I.T. Software	605 220	2 230	2 595	604 855	484 170	28 288	2 595	509 863	94 992	121 050
Vehicles	87 573	25 244	5 241	107 576	45 041	10 287	720	54 608	52 967	42 532
Office Equipments	24 704	845	448	25 101	19 256	1 662	374	20 544	4 557	5 448
AC & Water Coolers	16 989	156	-	17 145	12 964	375	-	13 339	3 805	4 024
Elevators	2 073	-	-	2 073	2 073	-	-	2 073	-	-
Canteen Appliances	523	25	-	548	486	8	1	493	54	37
Electrical Installation	13 575	-	-	13 575	11 110	343	-	11 453	2 122	2 465
Fire Alarm Systems	3 408	-	-	3 408	3 408	-	-	3 408	-	-
<b>Total</b>	<b>3182 193</b>	<b>1340 662</b>	<b>113 155</b>	<b>4409 705</b>	<b>1454 108</b>	<b>96 912</b>	<b>107 649</b>	<b>1443 377</b>	<b>2966 332</b>	<b>1728 089</b>
<b>Previous year's Total</b>	<b>3045 189</b>	<b>154 532</b>	<b>17 522</b>	<b>3182 199</b>	<b>1322 584</b>	<b>137 481</b>	<b>5 953</b>	<b>1454 109</b>	<b>1728 089</b>	

The figures are inclusive of Appreciation/Depreciation due to foreign currency fluctuation

**SCHEDULE 11**

**CASH AND BANK BALANCES**

Particulars	Current Year	Previous Year
	(₹ '000)	(₹ '000)
1 Cash & stamps	54	61
2 Bank Balances		
(a) Deposit Accounts - Short term (due within 12 months)	198416 225	201389 565
(b) Current Accounts	30532 338	9410 719
(c) Others	0	0
3 Money at Call and Short Notice		
(a) With Bank	917 782	837 678
(b) With other Institutions	7158 025	2875 372
<b>Total</b>	<b>237024 424</b>	<b>214513 395</b>
<b>CASH AND BANK BALANCES</b>		
1 In India	69292 044	58779 530
2 Outside India	167732 380	155733 865
<b>Total</b>	<b>237024 424</b>	<b>214513 395</b>
Balances with non-scheduled banks	0	0

**SCHEDULE 12**  
**ADVANCES AND OTHER ASSETS**

Particulars	Current Year	Previous Year
	(₹ '000)	(₹ '000)
<b>Advances</b>		
1 Reserve Deposits with Ceding Companies	76044 429	79564 717
Less: Provision for Doubtful Debts	4383 858	4602 141
	71660 571	74962 576
2 Application Money for Investments	0	0
3 Prepayments	428 656	421 892
4 Advances to Directors/Officers	2 861	2 596
	231	231
	2 629	2 365
5 Advance Tax Paid and TDS	61132 650	52786 996
Less: Provision for Taxation	53889 122	44192 724
	7243 528	8594 272
6 Others	303 204	414 355
<b>Total (A)</b>	<b>79638 588</b>	<b>84395 691</b>
<b>Other Assets</b>		
1 Income accrued on investments	15686 386	12822 988
2 Outstanding Premiums	0	0
3 Agents' Balances	0	0
4 Foreign Agencies Balances	0	0
5 Due from other entities carrying on insurance business (including reinsurers)	112460 827	114457 886
Less: Provision for Doubtful Debts	6922 883	3397 006
	105537 944	111060 880
6 Deposit U/S-7 of Insurance Act	0	0
7 Others		
(a) Sundry Debtors	246 388	21614 602
Less: Provision for Doubtful Debts	12 834	6 741
	233 554	21607 862
(b) Sundry Deposits	30647 910	22341 536
(c) GST Asset	168 109	594 182
<b>Total (B)</b>	<b>152273 903</b>	<b>168434 188</b>
<b>Total (A+B)</b>	<b>231912 491</b>	<b>252829 879</b>

**Schedules Forming Part of Audited Consolidated Financial Statements**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**SCHEDULE 13**  
**CURRENT LIABILITIES**

	Particulars	Current Year	Previous Year
		(₹ '000)	(₹ '000)
1	Balances Due to other insurance companies	43774 858	40528 685
2	Deposits held on re-insurance ceded	3371 452	8207 464
3	Sundry Creditors	3404 969	22370 950
4	Claims Outstanding	704103 729	643285 692
5	Others		
	(a) GST Liability	4286 990	2109 512
	(b) Tax Liability Branches & Subsidiaries	175	12 708
	<b>Total</b>	<b>758942 173</b>	<b>716515 011</b>

**SCHEDULE 14**  
**PROVISIONS**

	Particulars	Current Year	Previous Year
		(₹ '000)	(₹ '000)
1	Reserve for Unexpired Risk	152293 447	174483 123
2	Reserve for Premium Deficiency	644 447	729 861
3	For Doubtful Loans And Investments	32794 129	19300 297
4	For Leave Encashment	421 939	379 945
5	Provision for Pension	827 102	152 002
6	Provision for Gratuity	373 413	11 614
7	Provision for Settlement	19 750	19 318
8	Provision for Provident fund	16 299	15 064
9	For Salary Arrears	0	758 757
10	For PLLI Arrears	0	0
11	Provision for Taxation	20411 568	10232 845
	Less: Advance Tax Paid and TDS	14137 946	4642 695
	<b>Total</b>	<b>193664 148</b>	<b>201440 131</b>

**SCHEDULE 15**  
**MISCELLANEOUS EXPENDITURE**

NIL

## SCHEDULE -16

## SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (CFS) AS ON 31ST MARCH 2023.

## I. SIGNIFICANT ACCOUNTING POLICIES

## 1. PRINCIPLES OF CONSOLIDATION

The Consolidated Financial Statements relate to General Insurance Corporation of India (“the Corporation”), its subsidiary companies and the Corporation’s share of profit/loss in its associate companies (together referred as “the Group”). The list of subsidiary companies and associates which are included in the Consolidated Financial Statements are as under:

Group Structure (General Insurance Corporation of India)			
Sr. No.	Name of the company	Ownership %	Country of incorporation
<b>Subsidiaries</b>			
1.	GIC Re South Africa Ltd.	100	Johannesburg, SA
2.	GIC Re India Corporate Member Ltd.	100	London, U.K.
3.	GIC Perestrakhovanie LLC, Moscow	100	Moscow, Russia
<b>Associates</b>			
1.	Agriculture Insurance Company of India Ltd.	35	India
2.	India International Insurance Pte. Ltd.	20	Singapore
3.	GIC Bhutan Re Ltd.	26	Bhutan

The Consolidated Financial Statements have been prepared on the following basis:

- 1.1 The financial statements of the Corporation and its subsidiary companies have been combined on a line-by-line basis by adding together the value of like items of assets, liabilities, income and expenses after eliminating intra-group balances and intra-group transactions and resulting profits or losses (unless cost cannot be recovered) in accordance with Accounting Standard (AS) 21 - “Consolidated Financial Statements”.
- 1.2 The difference between the costs of investment in the subsidiaries over the net assets at the time of acquisition of shares in the subsidiaries is recognised in the financial statements as Goodwill or Capital Reserve on Consolidation as the case may be. The ‘Goodwill’/‘Capital Reserve’ is determined separately for each subsidiary company.
- 1.3 Investments in Associate Companies are accounted for using equity method in accordance with Accounting Standard (AS) 23 - “Accounting for Investments in Associates in Consolidated Financial Statements”. Accordingly, the share of profit/loss of each of the associate companies (the loss being restricted to the cost of investment) has been added to/deducted from the cost of investments. The carrying value is reduced for the distributions received from the associates.
- 1.4 The difference between the cost of investment in the associate and the share of net assets at the time of acquisition of shares in the associate is described as Goodwill or Capital Reserve as the case may be. Goodwill or Capital Reserve is included in the carrying amount of investment in associate.
- 1.5 The Corporation accounts for its share in the change in the net assets of the associate, post-acquisition, after eliminating unrealised profits and losses resulting from the transaction between the Corporation and its associate to the extent of its share, through its statement of profit and loss to the extent such change is attributable to the associates’ Statement of Profit and Loss.
- 1.6 Financial Statements of Foreign Subsidiaries, being non-integral operations, have been converted in Indian Rupees at following exchange rates –
  - (i) Revenue and Expenses: At the average of the year
  - (ii) Assets and Liabilities: At the end of the year. The resultant translation exchange difference is transferred to “Foreign Currency Translation Reserve”.

- 1.7** South Africa, applicable for GIC South Africa, and Russia, applicable for GIC Perestrakhovanie. No provision for IBNR is required by GIC Re India Corporate Member Ltd. since the subsidiary reinsures all of its underwriting business to GIC Re. The difference in accounting policy has been assessed as not material.
- 1.8** Provision for taxation including deferred tax is accounted as per local tax laws and in accordance with the provisions of local GAAP.
- 1.9** Statutory Reserves are created in accordance with the requirements of local laws.

## **2. ACCOUNTING CONVENTION**

The Balance Sheet, the Profit and Loss Account and the Revenue Accounts are drawn up in accordance with the provisions of Section 11(1) of the Insurance Act, 1938 and to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013. The Financial Statements also conform to the stipulation specified under the Insurance Regulatory and Development Authority of India (Preparation of Financial Statements and Auditors Report of Insurance Companies) Regulations, 2002. The said statements are prepared on historical cost convention and on accrual basis except as otherwise stated and conform to the statutory provisions and practices prevailing in the General Insurance Industry in India.

## **3. REINSURANCE BUSINESS**

### **3.1 Use of Estimates**

The preparation of financial statements in conformity with the generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities as of the Balance Sheet date, revenue and expenses for the year ended and disclosure of contingent liabilities as of the Balance Sheet date. The estimates and assumptions used in accompanying financial statements are based upon Management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statements. Any revision to accounting estimates is recognized prospectively in current and future periods.

### **3.2 Reinsurance Revenues**

Premium is accounted based on accounts rendered by ceding companies upon receipt of accounts. At the period end, estimates are made for accounts not yet received, based on available information and current trends. In respect of Insurance pool business, where GIC Re is one of the members of the Pool, only the Corporation's share of revenue is recorded in the books of accounts.

## **4. OUTSTANDING CLAIMS**

- 4.1** Estimated liability for outstanding claims in respect of Reinsurance business carried out in India is based on advice received as of different dates up to the date of finalization of claim figures in the books for submission of the data to the "Appointed Actuary" and wherever such advices are not received, on estimates based on available information, current trends, past underwriting experience of the management and actuarial estimation bases.
- 4.2** Provision for claims incurred but not reported (IBNR) is made as certified by the Appointed Actuary based on accepted actuarial methods.

## **5. RECEIVABLES**

Provisions for Doubtful Debts for receivables are provided as under:

- (i) Companies in liquidation
- (ii) Companies having non-moving balances over a period of 3 years
- (iii) Companies having moving balances, apart from various parameters, has primarily outstanding dues more than 3 years:

The Provision for doubtful debts does not include Domestic Pools and Structured Quota share treaties.

## 6. FOREIGN CURRENCY TRANSACTIONS

Revenue transactions in foreign currencies are converted at the daily rate of exchange on the day accounts are received and transactions are booked. The rates have been taken from Thomson Reuters India Pvt. Ltd.

- 6.1 Non-Monetary items including fixed assets and investments abroad are reported using the exchange rate applicable on the date of acquisition.
- 6.2 Monetary items such as receivables, payables and balances in bank accounts held in foreign currencies are converted using the closing rates of exchange at the balance sheet date.
- 6.3 The exchange gain/loss relating to revenue transaction, due to conversion of foreign currencies, is accounted for as revenue in respective revenue accounts. The common exchange gain/loss due to conversion is apportioned between Revenue Account and Profit and Loss Account in same proportion as stated in Significant Accounting Policy No.8.
- 6.4 Foreign branch operations are considered as “non-integral business” as prescribed in AS-11 “The effects of changes in foreign exchange rates” (revised 2003) and translated accordingly.

## 7. RESERVE FOR UNEXPIRED RISK (URR)

The URR provisions are made as under:

### 7.1 Non-Life Business:

- (i) For HO:

Reserve for Unexpired Risk in respect of Marine Insurance (Hull) and Terrorism Risk Business (included in Fire and Engineering) is made at 100% of Net Premium, while for all other classes of insurance is made at 50% of Net Premium of trailing 12 months.

- (ii) London, Dubai & Malaysia Branch:

Reserve for Unexpired Risk is provided as per local practice. Adjustment for excess or short provision in URR, as per IRDAI requirement, is accounted at Head Office.

### 7.2 Life Business:

Reserve for Unexpired Risk is provided as determined by Appointed Actuary based on accepted Actuarial methods.

## 8. APPORTIONMENT OF INTEREST, DIVIDEND AND RENT

The income from interest, dividends and rent is apportioned between Profit and Loss Account and Revenue Accounts in the ratio of Shareholders' Fund and Policyholders' Fund respectively at the end of the period. The same is further apportioned amongst the Revenue accounts on the basis of the respective Policyholder's fund at the end of the period.

Calculations of Shareholders' fund and Policyholders' fund is based on IRDAI circular IRDA/F&A/CIR/CPM/010/01/2017. Shareholder's fund consists of share capital plus all Reserves and Surplus (except Revaluation Reserve and fair value change account).

Policy holders fund for this purpose consists of estimated liability for outstanding claims including IBNR and IBNER, unexpired risk reserve (URR), Premium deficiency (if any), catastrophe reserve (if any) and Other Liabilities net of Other Assets (relating to policy holders) as per the guidelines of IRDAI.

## 9. FIXED ASSETS AND INTANGIBLES

Fixed assets are stated at cost less depreciation. Cost of shares in Co-operative Societies/Companies for property rights acquired is included under the head 'Buildings' under Fixed Assets.

Tangible Fixed Assets are stated at cost (including incidental expenses relating to acquisition and installation) less accumulated depreciation.

### Intangible Assets:

Intangible Fixed Assets representing software are recorded at its acquisition price and are amortized over their estimated useful life on a straight-line basis, commencing from the date the assets are available for use. The management has estimated the useful life for such software as five years. The useful life of the asset is reviewed by the management at each Balance Sheet date.

### 9.1 Depreciation on Fixed Assets

Depreciation is provided on straight line method based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 and residual value of the assets shall be ₹ 1/-.

Depreciation is provided on pro-rata basis on additions to fixed assets and on assets sold/discarded/demolished/destroyed during the year.

All assets individually costing up to ₹ 10,000 are fully depreciated in the period in which they are acquired.

### 9.2 Impairment of Assets

Fixed assets are reviewed for impairment at the end of the year whenever events or changes in circumstances warrant that the carrying amount of an asset may not be recoverable. Recoverability of an asset to be held and used is measured by a comparison of the carrying amount of an asset to future net discounted cash flows expected to be generated by the asset. If such an asset is considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the asset exceeds the recoverable amount of the asset.

## 10. EMPLOYEE BENEFITS

### Short term employee benefits

Employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and are recognised in the period in which the employee renders the related service. All short-term employee benefits are accounted on undiscounted basis.

### Long term employee benefits

These include Provident Fund, Gratuity, Leave Salary, Settlement and Pension. These are provided on the basis of actuarial valuation including actuarial gains/losses at balance sheet date and is recognised in the revenue account(s) and profit and loss account.

## 11. APPORTIONMENT OF EXPENSES

### (i) Head office business:

Operating expenses relating to insurance business are apportioned to the Revenue Accounts on the basis of Reinsurance Premium accepted during the period for which accounts are prepared, giving weightage of 75% for Marine business & 100% for Fire, Miscellaneous & Life Reinsurance business.

### (ii) Foreign business:

Operating expenses relating to insurance business are also apportioned to the revenue accounts of branches on the same basis as mentioned in 11(i) above.

### (iii) Investment Expenses:

Expenses relating to investment are apportioned between Revenue and Profit & Loss Account in the same proportion as stated in Significant Accounting Policy No.8. Interest, Dividend and Rent income is net of Investment expenses. Refer Note No 52.

## 12. INVESTMENTS

12.1 Prudential norms prescribed by Reserve Bank of India and the IRDAI are followed in regard to:

- (i) Revenue recognition
- (ii) Classification of assets into performing and non-performing and
- (iii) Provisioning against performing and non-performing assets.

12.2 Purchases and Sales of shares are accounted for on the date of contracts whereas bonds, debentures and Government securities are accounted for on the date of settlement.

12.3 The cost of investments includes premium on acquisition, Securities Transaction Tax, Goods & Service tax and their related expenses.

- 12.4** Short term money market instruments such as Triparty Repo (TREPS), Commercial Paper and Treasury bill, which are discounted at the time of contract at the agreed rate are accounted at their discounted value.
- 12.5** Investment portfolio in respect of equity shares are segregated into actively traded and thinly traded as prescribed by the IRDAI (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002.
- 12.6** All investments are reviewed for impairment at the end of the Period whenever events or changes in circumstances warrant that the carrying amount of an investment may not be recoverable. Basis the same, Impairment loss (i.e., other than temporary diminution in value) is recognized over and above specific assessment-based impairment as required separately as per the Significant Accounting Policies.
- (a) Investment in actively traded equity shares are required to be valued as per the guidelines of IRDA issued vide circular ref. no. IRDA/F&I/INV/CIR/213/10/2013 dated 30<sup>th</sup> October 2013. The Corporation has chosen NSE as primary stock exchange and BSE as secondary exchange. Accordingly, the valuation of equity shares is made at Fair Value being the closing price of NSE. If such security is not listed/not traded on NSE on closing day, the closing price of BSE is considered.
- (i) Provisioning for diminution in the value of equity shares/Preference shares  
Impairment loss (i.e., other than temporary diminution in value) is recognized in respect of an equity/preference share which is actively traded in the stock exchange, and which has been held by the Corporation for a period of more than three years, provided, the current average book value is more than the Fair value as on the Balance Sheet date as well as persistently on previous three years from the Balance Sheet date.  
Provision to the extent of difference between the re-measured fair value of the security/investment and its acquisition cost as reduced by any previous impairment loss will be recognized as expense in the Profit and Loss Account.
- (b) Investment in units of mutual funds are valued at Fair value as per IRDAI guidelines 2003-04. Fair value for this purpose is the last quoted NAV as at the balance sheet date.
- (c) In case of Equity Exchange Traded Funds (ETF) the investment is valued on the same basis as traded equity shares, in compliance with Para 3.1 of the IRDAI (Investment) Regulations, 2016 of August 2016. Whereas Passive ETFs shall be valued at NAV as on the reporting date (IRDAI, Investment Regulations, 2016, Version – 02, 3.1)
- 12.7** a) Unrealized gains/losses (excluding impairment loss of other than temporary diminution in value) arising due to changes in the fair value of listed equity shares and mutual fund units are taken under the head "Fair Value Change Account" and on realization reported in Profit and Loss Account.
- b) Pending realization, the credit balance in the "Fair Value Change Account" is not available for distribution.
- c) Provision is made for diminution in value of investments relating to thinly traded and unlisted shares equivalent to the amount of difference in average book cost and breakup value of the shares except in companies where demerger has taken place during the Financial Year and latest audited accounts are not available.  
Breakup value is computed from the annual reports of companies not beyond 21 months irrespective of date of closure of annual accounts of the companies.
- d) Provision is made for diminution in value of investment relating to units of venture capital funds equivalent to the amount of difference in book cost and the latest Net Asset Value (NAV).
- 12.8** Investments in Equity and Preference shares of companies whose latest available audited accounts are beyond 21 months irrespective of date of closure of annual accounts of the companies as on the date of balance sheet or whose net worth has been fully impaired (negative net worth) are valued as under:
- a) Where shares are Actively Traded, and Book Value is less than Market Value : Fair Value Change Account at Market Value
- Diminution in value of such investments is recognized in the Balance Sheet at period end by writing down in the following cases:
- b) Where shares are Actively Traded, and Book Value is greater than Market Value : Written down to Market Value
- c) Thinly traded Equity Shares : Written down to nominal value of ₹ 1/- per company

- d) Preference Shares: At a value proportionate to the face value of the equity shares that bears to its market value and carrying cost is reduced by the diminution value.
- 12.9** Investments in Subsidiary and Associate Companies are valued at cost as these are strategic investments. Provision for diminution in the value of these investments is made only if the decline is other than temporary.
- 12.10** Final Dividend is accounted for as income in the year of declaration and Interim dividend is accounted as income when the amount is received or credited.
- 12.11** Dividends/Interest on shares/debentures under objection/pending deliveries is accounted for on realization/payment.
- 12.12** Profit or Loss on sale of investments is apportioned between Profit and Loss Account and Revenue Accounts in same proportion as stated in Significant Accounting Policy No. 8.  
Profit/Loss on sale of investments is computed at average book value of investments on the date of sale.
- 12.13** Expenses relating to safe custody, straight through processing and bank charges etc. on investments are charged to Profit and Loss Account and Revenue Accounts as stated in Significant Accounting Policy No. 11.
- 12.14** Debt securities including Government securities and Redeemable Preference shares have been considered as 'held to maturity' securities and have been measured at historical cost subject to amortization of premium paid over residual period. The call date has been considered as maturity date for amortization of Perpetual Bonds.
- 12.15** In case of repos transaction, difference between the selling and buying value is treated as interest income.
- 12.16** Investments are apportioned between Shareholders' Fund & Policyholders' Fund basis ratio calculated as per IRDAI circular IRDA/F&A/CIR/CPM/010/01/2017.

### **13. AMORTIZATION OF PREMIUM AND PROVISION FOR DOUBTFUL LOANS, INVESTMENTS AND DEBTS**

Amortization of premium, provision for doubtful loans, doubtful debts and diminution in the value of investments written off, are recognized in the profit & loss account. Securities purchased at a discount are booked at the discounted price.

### **14. COMPLIANCE WITH ACCOUNTING STANDARDS**

The Corporation has complied with relevant accounting standards prescribed by ICAI to the extent applicable and IRDAI guidelines in preparation of its financial statements.

### **15. PREMIUM DEFICIENCY RESERVE (PDR)**

Non-Life Business: Wherever applicable, Premium deficiency is worked out separately for each segmental revenue level basis viz. fire, marine and miscellaneous. As per IRDAI circular no. IRDAI Reg/7/119/2016 dated 7<sup>th</sup> April 2016, PDR is calculated by Non-Life Appointed Actuary.

Life Re business: As per IRDAI circular no. IRDAI/Reg/9/121/2016 dated 13<sup>th</sup> April 2016, PDR is calculated by Life Re Appointed Actuary/panel Actuary.

### **16. DEFERRED COMMISSION**

London BO has accounted for deferred commission as per the local laws. The same is accounted as Commission at Head Office, in compliance to IRDAI requirements.

### **17. TAXATION**

#### **Current tax**

The Company provides for income tax on the basis of taxable income for the current accounting period in accordance with the provisions of the Income Tax Act, 1961.

Current income tax expense comprises taxes on income from operations in India and in foreign jurisdiction. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act 1961. Tax expense relating to foreign operations is determined in accordance with tax laws applicable in countries where such operations are domiciled.

Interest on Refund of income tax is accounted on realization basis

### Deferred tax

Deferred tax assets and liabilities are recognised on timing differences between the accounting income and the taxable income for the year and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future, however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each balance sheet date and appropriately adjusted to reflect the amount that is reasonably/virtually certain to be realised.

## 18. PROVISIONS AND CONTINGENCIES

A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent Losses arising from claims other than insurance claims under policies, litigation, assessment, fines, penalties, etc. are recorded as a disclosure made when there is a possible obligation, but probably will not require an outflow of resources.

When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote or cannot be ascertained, no provision or disclosure is made.

Contingent asset are neither recognised nor disclosed in the financial statements.

## 19. CATASTROPHE RESERVE

Catastrophe Reserve is created by appropriation of 10% of Operating profits of Revenue Accounts in respect of Fire, Marine and Miscellaneous business. This reserve forms part of Policyholders' Funds and is reflected in Schedule 6-Reserves & Surplus, of the balance sheet as per IRDAI format.

## II. NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS AS ON 31<sup>st</sup> MARCH 2023

### 1. Financial Information pursuant to schedule III of Companies Act, 2013

Name of the Entities	Net Worth		Share in Profit/(Loss)	
	Percentage of Net Assets	Amount in '000	Percentage of Profit/(Loss)	Amount in '000
<b>Parent Company</b>				
General Insurance Corporation of India (GIC Re)	91.19%	32,35,60,781	91.39%	6,31,24,974
<b>Subsidiaries Companies (Foreign)</b>				
a. GIC Re South Africa Ltd., Johannesburg	2.34%	83,11,512	2.99%	20,65,579
b. GIC Re India Corporate Member Ltd., London, UK	0.08%	2,73,042	0.08%	58,109
c. GIC Perestrakhovanie" LLC	0.38%	13,48,568	(0.08)%	(57,438)
<b>Associates Foreign (investment as per Equity method)</b>				
a. India International Pte. Ltd., Singapore	1.46%	51,83,041	1.28%	8,83,533
b. GIC Re Bhutan Ltd., Bhutan	(0.01)%	(32,907)	(0.21)%	(1,46,445)
<b>Associates Indian (investment as per Equity method)</b>				
a. Agriculture Insurance Company of India Ltd. New Delhi	5.58%	1,98,07,130	3.43%	23,67,645
<b>Total</b>	<b>101.02%</b>	<b>35,84,51,166</b>	<b>98.88%</b>	<b>6,82,95,959</b>
Adjustments arising out of consolidation	(1.02)%	(36,16,689)	1.12%	7,77,109
Share of Minority in Subsidiaries				
Consolidated Net Worth*/Net Profit	100%	35,48,34,477	100%	6,90,73,068

\*Net Worth= Share Capital + Reserves and Surplus - Catastrophe Reserve

### 2. Books maintained on Calendar year

The accounts of the subsidiary company, GIC Re India Corporate Member Ltd., London, UK, and GIC Perestrakhovanie, Moscow and Associates, India International Pvt. Ltd., Singapore and GIC Re Bhutan Ltd., Bhutan, which are combined in the Consolidated Financial Statements, are prepared on calendar year basis in accordance with the local requirements and these have been consolidated as such. There is no material change during the quarter January 2023 to March 2023 requiring adjustments to the figures reported in the audited/unaudited accounts as received

### 3. Investments

- 3.1. Provision of Holding Company ₹ 592,243 thousand (Previous year ₹ 538,671 thousand) for assets has been made as per Prudential norms for Income recognition, Asset Classification and provisioning and other related methods as prescribed by appropriate regulatory authorities.
- 3.2. The Book Value of Investments valued on Fair Value basis is Equity ₹ 124,368,329 thousand (Previous year ₹ 113,598,241 thousand) & Mutual Funds ₹ 7,680,200 thousand (Previous year ₹ 4,199,999 thousand). For some Actively traded shares falling under "Fair value Depreciation" category, an amount of ₹ 17,261,537 thousand (Previous year 15,079,948 thousand) is considered under "Provision for Diminution of Listed equity shares" category.
- 3.3. A Provision of Holding Company has been made for ₹ 15,387,536 thousand (Previous year ₹ 16,036,240 thousand) towards Non-Performing Assets (Other than Standard Assets). Therefore, the incremental provision accounted during the year is ₹ 648,704 thousand. (Previous year ₹ 1,773,018 thousand).
- 3.4. During the previous year the Group has made changes is significant accounting policies with respect to impairment loss (i.e., other than temporary diminution in value) in accordance with the applicable provisioning of diminution in value of equity as per clause 2.8 of IRDAI Master Circular on Preparation of Financial Statements General Insurance Business, October 2012 resulting into valuation of equity shares at market price on balance sheet date.

Consequently, a sum of ₹ 357,465 thousand (Previous year ₹ 15,079,949 thousand) has been recognized as expense in the profit and loss account resulting in reduction of profit to the extent of ₹ 357,465 thousand (Previous year ₹ 15,079,949 thousand).

Apportionment of ₹ 357,465 thousand (Previous year ₹ 15,079,949 thousand) between profit & loss and revenue account has not been done in absence of the required field under Revenue Account as per format advised by IRDAI. Out of ₹ 357,465 thousand (Previous year ₹ 15,079,949 thousand), an amount of ₹ 253,764 thousand (Previous year ₹ 11,611,236 thousand) pertain to Revenue account (policyholder's fund) and ₹ 103,701 thousand (Previous year ₹ 3,468,713 thousand) pertains to Profit & loss account (Shareholder's fund).

### 3.5. Provisioning for IIFCL Mutual Fund (IDF) Series II:

The Group has total exposure by way of investments in IIFCL Mutual Fund (IDF) Series II amounting to ₹ 179,017 thousand as on 31<sup>st</sup> March 2023. GIC Re's Book value is ₹ 179,017 thousand as against Nominal value of ₹ 200,000 thousand in IIFCL. The NAV of Series II has been on a declining trend since March 2019 and stood at ₹ 8,95,084.44 per unit as on 31.03.2023. IIFCL Board of Trustees have decided to prematurely wind-up existing schemes (Scheme I & II) to avoid being non-compliant with SEBI regulations. As per recent communication from IIFCL on 17.05.2023, the NAV as on 30.04.2023 stood at ₹ 9,00,954.24 per unit as on 30.04.2023. The Group has made a provision of ₹ 19,800 thousand in IIFCL Mutual Fund (IDF) Series II based on NAV as on 30.04.2023. The above provision, in the opinion of the management is considered appropriate and is made as per the Prudential Norms for Income, Recognition, Asset Classification and Provisioning issued by RBI and IRDAI.

### 4. Life Reinsurance Business - URR

During the year, the Group has made a provision of ₹ 3,252,240 thousand (Previous year made provision of ₹ 3,678,726 thousand) towards gross unexpired premium reserve for life business as determined by Life Appointed Actuary, as per IRDAI guidelines.

### 5. Employee Benefits

The Group has classified the various benefits provided to employees as under:

- (i) Pension Superannuation Scheme
- (ii) Defined Benefit Plan
  - (a) Leave Encashment
  - (b) Gratuity
  - (c) Provident Fund
- (iii) Settlement Benefit

During the year Group has recognized the following amounts in the Profit and Loss Account based upon the actuary reports:

(₹ in thousand)

Particulars	Year ending 31 <sup>st</sup> March 2023	Year ending 31 <sup>st</sup> March 2022
Pension Superannuation Scheme (Employees' Pension Fund)	916,770	177,506
Leave Encashment (Earned leave and Sick Leave)	41,995	(15,568)
Gratuity (Employees Gratuity Fund)	(345,779)	(45,984)
Provident Fund (Employees Provident Fund)*	162,99	15,064
Settlement Benefit	432	(1,440)

\*The Group pays fixed contribution to provident fund at predetermined rates to a separate trust, which invests the funds in permitted securities. The obligation of the Company is to make such fixed contribution and to ensure a minimum rate of return to the members as specified by Government of India (GoI). As per report of the consulting actuary, overall interest earnings and cumulative surplus is short than the statutory interest payment requirement. Hence, the Corporation provision has created a liability of ₹ 16,299 thousands as on 31<sup>st</sup> March 2023 (Previous year: ₹ 15,064 thousand).



**D) Expenses recognized in the Profit and Loss Account**

(₹ in thousand)

For year ending 31 <sup>st</sup> March 2023	Pension	Gratuity	Leave Salary*	Settlement
Current Service Cost	44,223	38,392	18,227	356
Interest Cost	134,025	37,356	28,344	1,441
Curtailement Cost/(Credit)	0	0	0	0
Settlement Cost/(Credit)	0	0	0	0
Expected Return on Plan Assets	(211,387)	(35,892)	0	0
Net actuarial (gains)/losses recognized in the period	949,910	(56,187)	(4,576)	(1,365)
Total Expenses recognized in the Profit & Loss A/c	916,770	345,779	41,995	432

\* EL + SL

(₹ in thousand)

For year ending 31 <sup>st</sup> March 2022	Pension	Gratuity	Leave Salary*	Settlement
Current Service Cost	37,285	27,146	16,317	348
Interest Cost	1,74,297	37,496	28,437	1,493
Curtailement Cost/(Credit)	0	0	0	0
Settlement Cost/(Credit)	0	0	0	0
Expected Return on Plan Assets	(2,14,405)	(39,775)	0	0
Net actuarial (gains)/losses recognized in the period	1,80,329	21,117	(60,323)	(3,280)
Total Expenses recognized in the Profit & Loss A/c	1,77,506	45,984	(15,568)	(1,440)

\* EL + SL

**E) Plan Assets**

(In %)

Particulars	Pension		Gratuity		Leave Salary *		Settlement	
	31/03/2023	31/03/2022	31/03/2023	31/03/2022	31/03/2023	31/03/2022	31/03/2023	31/03/2022
Government Securities {Central & State}	50	56	0.00	0.00	0.00	0.00	0.00	0.00
High quality Corporate Bonds	32	0	0.00	0.00	0.00	0.00	0.00	0.00
Others	18	44	100.00	100.00	0.00	0.00	0.00	0.00

\* EL + SL

**F) Actuarial Assumption**

(In %)

Particulars	Pension		Gratuity		Leave Salary *		Settlement	
	31/03/2023	31/03/2022	31/03/2023	31/03/2022	31/03/2023	31/03/2022	31/03/2023	31/03/2022
Discount Rate	7.52	7.51	7.49	7.46	7.49	7.46	7.49	7.46
Expected return on assets	9.00	9.00	7.46	7.19	0	0	0	0
Salary Escalation*	6.00	6.00	10.00	10.00	10.00	10.00	10.00	10.00
Attrition/withdrawal Rate	1.00	1.00	3.00	3.00	3.00	3.00	3.00	3.00
Indian Assured Lives Mortality	2012-14	2012-14	2012-14	2012-14	2012-14	2012-14	2012-14	2012-14

\* EL + SL

**G) Other Disclosures****Pension**

(₹ in thousand)

Particulars	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18
<b>Experience Adjustment</b>						
On obligation	10,20,015	2,12,766	1,36,477	8,58,940	71,638	1,17,366
On plan assets	(70,105)	(32,436)	4,57,143	4,338	3,926	(21,986)
Present Value of obligation	33,02,217	26,55,022	26,72,186	26,74,879	19,79,342	18,30,225
Fair Value of plan assets	24,75,115	25,03,020	25,07,691	21,07,879	19,59,115	17,30,841
Excess of obligation over plan assets	(8,27,102)	(1,52,002)	(1,64,495)	(5,67,000)	(20,228)	(99,384)

**Gratuity**

(₹ in thousand)

Particulars	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18
<b>Experience Adjustment</b>						
On obligation	(83,067)	(15,033)	(1,346)	(1,805)	14,115	43,166
On plan assets	24,470	29,365	(12,090)	32,628	74,079	(54,996)
Present Value of obligation	8,15,326	5,43,367	5,56,027	6,04,572	5,79,718	5,16,180
Fair Value of plan assets	4,41,913	5,31,754	5,85,056	5,48,387	5,52,235	5,05,998
Excess of obligation over plan assets	(3,73,413)	(11,614)	29,029	(56,185)	(27,483)	(10,181)

**Leave Salary**

(₹ in thousand)

Particulars	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18
<b>Experience Adjustment</b>						
On obligation	0	0	0	0	(43,982)	(18,137)
On plan assets	0	0	0	0	0	0
Present Value of obligation	4,21,939	3,79,945	3,95,513	4,00,957	3,61,112	3,56,839
Fair Value of plan assets	0	0	0	0	0	0
excess of obligation over plan assets	4,21,939	3,79,945	3,95,513	4,00,957	3,61,112	3,56,839

**Settlement**

(₹ in thousand)

Particulars	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18
<b>Experience Adjustment</b>						
On obligation	(1,365)	(3,280)	(3,061)	2,260	(394)	(618)
On plan assets	0	0	0	0	0	0
Present Value of obligation	19,750	19,318	20,758	21,946	18,007	16,422
Fair Value of plan assets	0	0	0	0	0	0
Excess of obligation over plan assets	19,750	19,318	20,758	21,946	18,007	16,422

## 6. Related party Disclosures as per Accounting Standard - 18 "Related Party Transaction" issued by ICAI

### a) Associate Company

- India International Pte. Limited, Singapore
- Agriculture Insurance Company of India Limited, New Delhi, India
- GIC Bhutan Re Ltd, Bhutan

Nature and volume of transactions: With (a) above

### b) Associates

(₹ in thousand)

Period	Agriculture Ins. Co. Ltd		India International Pte Ltd.		GIC-BHUTAN RE	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
Premium Accepted	86,27,436	3,13,40,663	7,28,948	20,88,410	60,609	68,768
Premium Ceded	(57)	(76)	35,812	-	-	-
Net Premium	86,27,492	3,13,40,739	6,93,135	20,88,410	60,609	68,768
Commission Paid	5,22,221	15,77,368	1,03,512	3,66,518	12	149
Commission Recovered	214	(19)	7,582	-	-	-
Net Commission	5,22,007	15,77,387	95,930	3,66,518	12	149
Claims Paid	2,72,25,400	2,55,55,542	2,38,713	4,25,768	6,744	-
Claims Recovered	1,867	1,770	25	-	-	-
Net Claims	2,72,23,532	2,55,53,772	2,38,688	4,25,768	6,744	-

**Balance as on 31<sup>st</sup> March (-) indicates amount payable by GIC**

### 7(i) Key Management Personnel: F Y 2022-23

Sr. No.	Designation	Name
1	Chief Executive officer	Shri Devesh Srivastava
2	General Manager & Chief Finance Officer	Smt. Jayashree Ranade
3	Chief of Internal Audit & Financial Advisor	Smt. Jayashree Ranade (w.e.f. 06.04.2022)
4	Deputy General Manager & Chief Underwriting Officer	Shri V. Balkrishna
5	Deputy General Manager & Chief Marketing Officer	Shri Rajesh Khadatore (w.e.f. 06.04.2022)
6	Assistant General Manager & Chief Investment Officer	Smt. Radhika Ravishekar
7	Deputy General Manager & Chief Risk Officer	Smt. Jayashri Balkrishna
8	Assistant General Manager & Chief Compliance Officer	Shri Satheesh Kumar
9	General Manager	Smt. Madhulika Bhaskar (w.e.f. 16.09.2022)
10	General Manager & Director	Smt. Madhulika Bhaskar (w.e.f. 31.10.2022)
11	General Manager & Director	Shri Inderjeet Singh (w.e.f. 31.10.2022)
12	General Manager & Appointed Actuary (Non-Life)	Shri Sateesh N. Bhat
13	General Manager & Appointed Actuary (Life)	Shri Vikash Kumar Sharma
14	General Manager	Smt. Girija Subramanian (upto 16.09.2022)
15	General Manager	Shri Hitesh Joshi
16	General Manager	Shri N. Ramaswamy (w.e.f. 30.09.2022)

**7(ii) Details of Key Managerial Personnel Remuneration for the year ended 31.03.2023 is as follows:**

(₹ in thousand)

Sl. No	Name	Designation	Gross Salary	Corp's P.F.	House Perquisite	Loan Perquisite	Vehicle Perquisite	LTS perquisite	Other Perquisite
1	Shri Devesh Srivastava	Chief Executive officer	4,406.59	278.67	394.40	-	21.60	-	194.55
2	Smt. Jayashree Ranade	General Manager & Chief Finance Officer	4,712.02	563.13	352.58	-	21.60	26.84	99.31
3	Shri V. Balkrishna	Deputy General Manager & Chief Underwriting Officer	4,241.25	485.72	-	-	21.60	-	116.35
4	Shri Rajesh Khadatare (w.e.f. 06.04.2022)	Deputy General Manager & Chief Marketing Officer	4,205.34	369.86	304.82	174.32	21.60	-	106.33
5	Smt. Radhika Ravishekar	Assistant General Manager & Chief Investment Officer	3,893.95	319.44	-	-	21.60	-	88.25
6	Smt. Jayashri Balkrishna	Deputy General Manager & Chief Risk Officer	3,922.72	343.57	285.01	-	21.60	-	182.58
7	Shri Satheesh Kumar	Assistant General Manager & Chief Compliance Officer	3,223.26	387.66	230.16	-	21.60	74.32	227.41
8	Smt. Madhulika Bhaskar (w.e.f. 16.09.2022)	General Manager	3,530.99	317.20	-	-	-	-	81.52
9	Shri Inderjeet Singh (w.e.f. 31.10.2022)	General Manager & Director	1,609.18	97.86	165.63	-	16.20	-	199.06
10	Shri Sateesh N. Bhat	General Manager & Appointed Actuary (Non-Life)	8,373.77	-	-	-	-	-	-
11	Shri Vikash Kumar Sharma	General Manager & Appointed Actuary (Life)	6,516.77	-	-	-	-	-	-
12	Smt. Girija Subramanian (upto 16.09.2022)	General Manager	3,256.69	438.71	149.60	-	21.60	-	427.05
13	Shri Hitesh Joshi	General Manager	4,142.88	498.01	301.91	108.55	21.60	-	100.12
14	Shri N. Ramaswamy (w.e.f. 30.09.2022)	General Manager	1,920.59	433.47	-	-	-	74.32	47.38

**7(iii) Details of Key Managerial Personnel Remuneration for the year ended 31.03.2022 is as follows:**

(₹ in thousand)

Sl. No	Name	Designation	Gross Salary	Corp's P.F.	House Perquisite	Loan Perquisite	Vehicle Perquisite	LTS perquisite	Other Perquisite
1	Shri Devesh Srivastava	Chief Executive officer	3,459.72	259.59	382.79	-	21.60	-	243.82
2	Smt. Jayashree Ranade* (w.e.f. 03.08.2021)	General Manager & Chief Finance Officer	1,766.41	92.25	135.56	-	14.28	-	140.98
	Smt. Suchita Gupta (Upto 02.08.2021)	General Manager & Chief Finance Officer	916.57	49.72	72.37	-	4.50	-	-
3	Shri G. Radhakrishna (w.e.f. 03.08.2021 and upto 30.11.2021)	Deputy General Manager & Chief Marketing Officer	801.25	41.41	63.25	-	7.08	-	287.15
	Shri Deepak Prasad (Upto 31.07.2021)	Director, General Manager & Chief Marketing Officer	928.78	50.42	73.43	-	32.40	-	225.82
4	Shri V. Balkrishna (w.e.f. 03.08.2021)	Deputy General Manager & Chief Underwriting Officer	1,662.16	80.84	-	-	14.28	-	343.46
	Shri Deepak Prasad (Upto 31.07.2021)	Director, General Manager & Chief Underwriting Officer	928.78	50.42	73.43	-	32.40	-	225.82
5	Smt. Radhika Ravishekar (w.e.f. 03.08.2021)	Assistant General Manager & Chief Investment Officer	1,440.99	73.28	-	-	12.50	-	87.87
	Smt. Jayashree Ranade* (Upto 02.08.2021)	General Manager & Chief Investment Officer	841.80	46.11	66.20	-	7.32	40.60	-
6	Smt. Jayashri Balkrishna	Deputy General Manager & Chief Risk Officer	2,361.85	118.73	190.23	-	21.60	-	344.87
7	Shri Sateesh Kumar (w.e.f. 01.07.2021)	Assistant General Manager & Chief Compliance Officer	1,421.42	72.80	110.26	-	12.15	-	90.17
	Smt. Suchita Gupta (Upto 01.07.2021)	General Manager & Chief Compliance Officer	686.70	37.23	54.18	-	2.27	-	-
8	Smt. Madhulika Bhaskar** (Upto 22.03.2022)	Director, General Manager, Chief of Internal Audit & Financial Advisor	2,864.27	143.92	226.74	-	32.40	-	120.99
9	Shri Sateesh N. Bhat	Appointed Actuary (Non-Life Insurance)	7,975.01	-	-	-	-	-	-
	Shri Vikash Kumar Sharma	Appointed Actuary (Life Insurance)	6,206.45	-	-	-	-	-	-
10	Smt. Girija Subramanian	General Manager	2,680.54	140.02	207.38	12.88	21.60	-	123.39
	Shri Hitesh Joshi (w.e.f. 28.06.2021)	General Manager	2,109.85	104.01	169.41	62.29	17.88	148.64	229.18

**8. Earnings per Share (EPS) as per Accounting Standards 20 issued by ICAI**

	2022-23	2021-22
Profit after Tax	69,073,065 thousands	23,862,785 thousands
Number of equity shares (weighted avg.)	1,754,400 thousands	1,754,400 thousands
Nominal value of share (₹)	₹ 5/-	₹ 5/-
Basic and Diluted EPS (in ₹)	₹ 39.37	₹ 13.60

Basic earnings per share are calculated by dividing the profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the profit or loss after tax for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value. Dilutive potential equity shares are determined independently for each period presented.

The face value of equity share is consolidated from ₹ 1 to ₹ 5 per share. Accordingly, the Earning Per Share, Book Value per share and Dividend per share is based on the face value of ₹ 5 per share. During the Year ended 31.03.2019, the Corporation has issued bonus shares in the ratio of 1:1. Accordingly the Earning Per Share, Book Value per share and Dividend per share is based on the increased number of shares.

**9. Taxation**
**(a) Disclosures as per Accounting Standard – 22 “Accounting for Taxes on Income”**

Deferred Tax assets are recognized if there is a reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

(₹ in thousand)

Particulars	As on 31.03.2023 Deferred Tax		As on 31.03.2022 Deferred Tax	
	Assets	Liability	Assets	Liability
Timing difference on account of difference in WDV as per books & WDV as per Income Tax Act, 1961		85,801		91,331
Provision for Employees Benefits	190,321		404,659	
Carry Forward Losses				
Disallowance u/s. 40 a (ia)	8,588		4,327	
Foreign Branches		445	49,267	
Provision for doubtful investments	4,598,741			
CAT Reserve	1,289,984			
Others	48,087		23,820	
<b>Total</b>	<b>6,135,722</b>	<b>86,246</b>	<b>482,073</b>	<b>91,331</b>
<b>Net Deferred Tax</b>		<b>6,049,476</b>		<b>390,742</b>

During the year the Corporation has recognised Deferred Tax asset of ₹ 4,598,741 thousand against Provision for doubtful investments of ₹ 18,272,176 thousand where the Corporation expects certainty of loss realisation and tax benefits to flow. Further, Deferred Tax asset of ₹ 1,289,984 thousand is also accounted against CAT Reserve of ₹ 5,125,494 thousand.

(b) The Taxation Laws (Amendment) Act, 2019 provides domestic companies with an option of lower tax rate, provided they do not claim certain deductions and not compute tax as per Minimum Alternate Tax (MAT). Accordingly, the corporation has considered the reduced rate for the purpose of computing provision for tax and deferred tax in these standalone financial results for the quarter and twelve months ended 31<sup>st</sup> March 2023.

10. During the year, the Group has reviewed its fixed assets for impairment. In the opinion of the management of the respective companies no provision for impairment loss is considered necessary (Previous year Nil).

11. Foreign Exchange Reserve Account is increased by ₹ 1,477,334 thousand, (Previous year ₹ 558,883 thousand) consisting of the following:

(₹ in thousand)

S No.	Particulars	Current Year		Previous year	
		Debit	Credit	Debit	Credit
1	Net Investment in non-integral foreign operation of Holding company	1,477,334			558,883
2	Others				
	<b>Total</b>	<b>1,477,334</b>			<b>558,883</b>

12. The Holding Company's office premises are obtained on operating lease and are renewable/cancellable at mutual consent. There are no restrictions imposed by lease agreements. Lease terms are based on individual agreements. Significant leasing agreements are in respect of operating lease for premises. Aggregate lease rentals amounting to ₹ 25,748.63 thousand (Previous year ₹ 23,919 thousand) are expected to be paid under operating lease in less than 12 months from 31<sup>st</sup> March 2022.

As per AS-19 related to Lease, GIC Re is not required to make any disclosure under AS-19.

13. (a) Group has put in place system of continuous reconciliation and monitoring of balances and reserve deposits on an ongoing basis with persons/bodies carrying on insurance/reinsurance business. The Corporation has provided a cumulative provision of ₹ 11,306,741 thousand (Previous year ₹ 7,994,203 thousand) for doubtful receivables.

(b) The balances of amount due to/from and the deposits kept with other persons/bodies carrying on insurance business are subject to confirmation/reconciliation. The Company has initiated a detailed process to match confirmations with the books and balance confirmations are marked for majority of the balances. Adjustments, if any for unconfirmed balances will be accounted for on receipt/confirmation/reconciliation of the same after due examination.

(c) The Group has also provided a provision on doubtful debts on sundry debtors outstanding for more than 1 year as on 31.03.2023 amounting to ₹ 13,066 thousand (Previous year ₹ 6,740 thousand).

14. The Group generally makes payments to its creditors within a period of 45 days as stipulated in Micro, Small and Medium Enterprises Act, 2006. The Group has identified Micro, Small and Medium Enterprises as defined in above referred act. The Group has neither received any claims for interest nor provided any interest payable to Micro, Small and Medium Enterprises as required by aforesaid act.

#### 15. Proposed Dividend for the year 2022-23

The Board of Directors of the Corporation have recommended final dividend at the rate of ₹ 7.20 per equity share (on face value of ₹ 5/- each) for the Financial Year 2022-23. Earlier during the current financial year, the Corporation had paid interim dividend of ₹ 2.25 per equity share (on face value of ₹ 5/- each) for the Financial Year 2021-22.

## 16. Corporate Social Responsibility (CSR)

Corporate Social Responsibility (CSR): As per Section 135 of the Companies Act, 2013, General Insurance Corporation of India was required to spend an amount of ₹ 83,200 (in thousands) for the financial year 2022-23 towards Corporate Social Responsibility. During the financial year 2022-23, an amount of ₹ 21,146 (in thousands) has been spent. The projects are in different stages of implementation. The total unspent amount as on 31.03.2023 is ₹ 62,053 (in thousands) pertaining to on-going projects. This unspent amount has been transferred to a separate bank account to be utilized in the next three financial years.

Below are details of CSR projects taken up in FY 22-23:

- Gross amount required to be spent by the company in FY 2022-23 – ₹ 83,200 thousands
- Amount approved by the Board to be spent in FY 2022-23 – ₹ 83,200 thousands
- Amount spent in FY 2022-23 as on 31.03.2023:

The CSR funds have been allocated and disbursed in respect of projects related to infrastructure, healthcare, education, livelihood of underprivileged and environment sustainability

S. No.	Name of NGO	Amount (in ₹ thousand)
(i)	Construction/acquisition of any asset	0.00
(ii)	On purposes other than (i) above	21,146
1.	Bhartiya Bahuuddeshiya Khadi va Gramodyog Shiksha Sanstha	3,737
2.	Kendriya Sainik Board	9,804
3.	Shraddha Rehabilitation Foundation	1,737
4.	Akhand Jyoti Eye Hospital	3,413
5.	Ashray Social Welfare Foundation	2,455
<b>Total</b>		<b>21,146</b>

- Details of related party transactions, e.g., contribution to a trust/society/section 8 company controlled by the company in relation to CSR expenditure as per Accounting Standard (AS) 18, Related Party Disclosures.

Same as c (ii) above

- Applicability of Section 135(5) and 135(6) of the Companies Act, 2013:

In case of Section 135(6) Unspent Amount pertaining to Ongoing Project						
Opening Balance (₹ in thousands)		Amount required to be spent in FY 22-23 (₹ in thousands)	Amount spent in FY 22-23 (₹ in thousands)		Amount spent in FY 22-23 (₹ in thousands)	
With Company	In Separate CSR Unspent A/c FY 20-21 (INR in thousands)		From Company's bank A/c	From Separate CSR Unspent A/c	With Company	In Separate CSR Unspent A/c
0.00	135,890	121,986	-	2,458	-	119,528

In case of Section 135(6) Unspent Amount pertaining to Ongoing Project						
Opening Balance (₹ in thousands)		Amount required to be spent in FY 22-23 (₹ in thousands)	Amount spent in FY 22-23 (₹ in thousands)		Amount spent in FY 22-23 (₹ in thousands)	
With Company	In Separate CSR Unspent A/c FY 21-22		From Company's bank A/c	From Separate CSR Unspent A/c	With Company	In Separate CSR Unspent A/c
0.00	192,475	192,475	-	147,559	-	44,916

- (f) Details of Unspent Amount pertaining to Ongoing Projects of FY 20-21 to be utilised within a period of three financial years from the date of such transfer:

S.No	Name of NGO	Unspent CSR Amount (₹ in thousands) as on 31.03.2023
1	Indian Railways	118,225
2	Mathur Ugam & Associates	754
3	Madat Charitable Trust	206
4	Shraddha Rehabilitation Foundation	137
5	Shree Pragnachakshu Mahila Seva Kunj	206
<b>Total</b>		<b>119,528</b>

Details of Unspent Amount pertaining to Ongoing Projects of FY 21-22 to be utilised within a period of three financial years from the date of such transfer:

S.No	Name of NGO	Unspent CSR Amount (₹ in thousands) as on 31.03.2023
1	Artificial Limbs manufacturing Corporation of India (ALIMCO)	33,750
2	Ramakrishna Mission Ashrama -Sohra	2,456
3	Ramakrishna Mission Sevashrama-Vrindavan	1,485
4	Sri Chaitanya Seva Trust	14
5	Swami Vivekananda Youth Movement	47
6	Seva Mandir	233
7	Samarthanam Trust for the Disabled	3,851
8	Smile Foundation	2,925
<b>Total</b>		<b>44,761</b>

Details of Unspent Amount pertaining to Ongoing Projects of FY 22-23 to be utilised within a period of three financial years from the date of such transfer:

S.No	Name of NGO	Unspent CSR Amount (₹ in thousands) as on 31.03.2023
1.	Broadcast Engineering Consultants India Limited (BECIL)	36,912
2.	Bhartiya Bahuuddeshiya Khadi va Gramodyog Shiksha Sanstha	5,608
3.	Kendriya Sainik Board	0
4.	Shraddha Rehabilitation Foundation	4,177
5.	Akhand Jyoti Eye Hospital	1,600
6.	Akhand Jyoti Eye Hospital (Extended)	794
7.	Ashray Social Welfare Foundation	545
8.	VJTI Alumni Association	6,008
9.	The National Federation of the Blind Maharashtra	5,819
10	Impact Study	590
<b>Total</b>		<b>62,053</b>

#### 17. Contingent Liabilities:

- Partly Paid-up investments ₹ NIL (Previous year NIL)
- Underwriting commitments outstanding ₹ NIL (Previous year NIL)
- Claims, other than those under policies not acknowledged as debts ₹ 6,186 thousands (Previous year ₹ 6,186 thousands)
- Guarantees/LC given by or on behalf of the Corporation ₹ 93,800,807 thousands (Previous year ₹ 75,960,027 thousands).
- Statutory demand/liabilities in dispute - Income-tax demands disputed, not provided for ₹ 86,918,929 thousands (Previous year ₹ 108,136,264 thousands).

During the current year, the Corporation has not considered following as Contingent liabilities (Previous year amounts are prior to giving effect of following items):

- Show cause notices where order is not received.
- Demands where Corporation has received favourable orders in appellate tribunal and department has challenged in High Court.

Year-wise break up as follows:

31<sup>st</sup> March 2023

SI No.	Assessment Year	Amount (₹ in thousand)
1	2006-07	15,414
2	2011-12	1,031,986
3	2013-14	48,994
4	2014-15	71,432
5	2015-16	5,853,428
6	2016-17	10,035,850
7	2017-18	36,048,388
8	2018-19	33,422,160
9	2021-22	391,277
<b>Total</b>		<b>86,918,929</b>

31<sup>st</sup> March 2022

Assessment Year	Amount (₹ in thousand)
2002-03	694,362
2003-04	757,312
2004-05	1,879,038
2005-06	1,849,956
2006-07	2,684,818
2007-08	3,126,779
2008-09	3,149,757
2009-10	1,809,812
2010-11	2,903,967
2011-12	2,929,873
2013-14	48,994
2014-15	71,432
2015-16	5,853,428
2016-17	10,035,850
2017-18	36,048,388
2018-19	33,422,160
2020-21	870,338
<b>Total</b>	<b>108,136,264</b>

- (f) The Group has received various show cause notices issued by GST/Service tax department during the current year amounting to ₹ 22,904,814 thousands (previous year ₹ 51,284,270 thousands) and the Corporation is contesting the same with the authority. During the current year, the Corporation has not considered following as Contingent liabilities (Previous year amounts are prior to giving effect of following items):
- Interest accruals on the statutory demands from the date of demand to current date.
  - Show cause notices where order is not received.
  - Demands where Corporation has received favourable orders in appellate tribunal and department has challenged in High Court.

31<sup>st</sup> March 2023

Financial Year	Total Liability (₹ in thousands)
2011-12 to 2015-16	3,879,554
2014-15 to 2016-17	99,151
2014-15 to 2016-17	45,126
2014-15 to Q1 2017-18	240,612
2014-15 to Q1 2017-18	35,891
2014-15 to Q1 2017-18	1,504,189
October 2016 to Q1 2017-18	17,045,354
2017-18	54,938
<b>Grand Total</b>	<b>22,904,814</b>

31<sup>st</sup> March 2022

(₹ in thousand)

Financial Year	Service Tax/Interest demanded in SCN	Interest up to March 2022 on estimated basis	Total Liability + Estimated Interest
2011-12 to 2015-16	3,879,554	5,374,699	9,254,252
October 2016 to Q1 2017-18	17,045,354	13,404,163	30,449,517
2014-15 to 2016-17	99,151	-	99,151
2014-15 to 2016-17	141,325	170,426	311,751
2014-15 to Q1 2017-18	240,612	301,821	542,433
2014-15 to Q1 2017-18	1,475	1,276	2,751
2015-16 to Q1 2017-18	35,891	32,518	68,408
2015-16 to Q1 2017-18	1,504,189	1,473,577	2,977,766
2017-18	4,331,903	3,246,338	7,578,240
<b>Grand Total</b>	<b>27,279,453</b>	<b>24,004,818</b>	<b>51,284,270</b>

- (g) Reinsurance obligations to the extent not provided for in the accounts NIL (Previous year NIL) in view of Significant Accounting Policy No. 3.2.
- (h) GIC has 172 legal matters pending before various courts and tribunals other than above matters among which GIC is having contingent liability in 6 legal matters and the contingent liability amount is estimated up to ₹ 1,871,829 thousands (previous year ₹ 8,725,234 thousands) and rest of the matters are of “negligible financial impact.”

### 18. Segment Reporting:

Segment Reporting as per Accounting Standard -17 “Segment Reporting” of ICAI, has been complied with as required by IRDAI (Preparation of Financial Statements and Auditor’s Report of Insurance Companies) Regulations, 2002.

### TOTAL BUSINESS (INDIAN + FOREIGN)

(₹ in 000)

Class of Business	Earned Premium		Incurred Claims		Net Commission		Expenses of Management	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Fire	114,663,443	112,780,225	103,536,575	101,463,557	24,994,109	19,983,960	1,763,542	1,368,547
Motor	78,797,425	91,685,935	79,138,448	71,470,673	11,632,284	28,326,018	668,496	872,077
Aviation	3,988,191	6,002,969	4,709,234	6,700,103	977,514	1,064,529	102,769	115,705
Engineering	13,247,527	11,802,840	9,989,616	10,268,664	2,999,304	2,097,729	208,670	140,748
W.C.	365,527	423,312	430,472	245,659	66,525	58,192	4,145	2,887
Liability	7,274,240	7,331,621	5,393,177	4,466,309	1,401,073	1,247,020	89,473	85,282
PA	4,460,593	5,797,927	3,364,684	4,626,244	962,245	1,028,239	50,942	37,390
Health	45,834,606	48,458,820	39,092,262	47,124,483	6,085,296	7,949,124	540,314	375,954
Agriculture	52,553,943	66,637,589	50,535,443	64,694,018	2,915,574	3,624,310	560,450	658,108
Other Misc.	6,705,349	6,666,314	2,679,566	4,735,296	1,238,101	540,892	103,892	85,182
FL/Credit	2,536,150	3,049,057	906,239	2,474,190	548,716	143,998	29,236	33,785
Marine Cargo	8,353,439	12,499,092	3,172,529	11,727,797	1,834,282	2,997,637	59,043	89,721
Marine Hull	5,620,635	9,531,079	8,037,818	9,666,556	669,169	1,062,395	50,490	48,257
Life	15,334,264	12,901,475	15,929,978	27,370,968	182,515	137,022	168,706	120,114
<b>TOTAL</b>	<b>359,735,332</b>	<b>395,568,255</b>	<b>326,916,040</b>	<b>367,034,515</b>	<b>56,506,707</b>	<b>70,261,065</b>	<b>4,400,167</b>	<b>4,033,758</b>

(₹ in 000)

Class of Business	Profit/-Loss on Exchange		Premium Deficiency		Underwriting Profit/Loss(-)		Investment Income (Net)		Revenue Profit/Loss	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Fire	2,035,709	1,294,603	-	-	(13,595,073)	(8,741,236)	27,250,144	24,031,421	13,655,071	15,290,185
Motor	1,562,949	1,100,273	-	-	(11,078,853)	(7,882,560)	19,316,102	20,136,891	8,237,249	12,254,331
Aviation	301,424	84,585	-	-	(1,499,903)	(1,792,782)	1,735,159	1,756,509	235,256	(36,273)
Engineering	300,267	171,320	-	-	350,204	(532,982)	3,626,712	3,218,553	3,976,916	2,685,571
W.C.	11,215	6,375	-	-	(124,400)	122,950	140,737	116,332	16,337	239,282
Liability	139,830	79,315	-	-	530,346	1,612,324	1,693,889	1,472,388	2,224,235	3,084,713
PA	76,631	54,203	-	-	159,353	160,258	961,530	989,868	1,120,882	1,150,126
Health	465,255	309,392	-	-	581,990	(6,681,349)	5,788,989	5,650,972	6,370,978	(1,030,378)
Agriculture	582,471	465,252	-	-	(875,052)	(1,873,596)	7,312,094	8,505,145	6,437,042	6,631,549
Other Misc.	123,965	80,700	-	-	2,807,755	1,385,644	1,371,294	1,494,144	4,179,048	2,879,788
FL/Credit	84,701	58,214	-	-	1,136,660	455,297	988,625	1,073,137	2,125,284	1,528,435
Marine Cargo	103,430	90,582	-	-	3,391,016	(2,225,481)	1,295,754	1,650,067	4,686,770	(575,415)
Marine Hull	212,590	127,967	-	-	(2,924,251)	(1,118,162)	2,490,997	2,355,898	(433,254)	1,237,736
Life	76,833	81,058	(85,413)	129,800	(784,689)	(14,775,371)	1,319,746	1,347,524	535,057	(13,427,847)
<b>TOTAL</b>	<b>6,077,269</b>	<b>4,003,839</b>	<b>(85,413)</b>	<b>129,800</b>	<b>(21,924,900)</b>	<b>(41,887,045)</b>	<b>75,291,771</b>	<b>73,798,849</b>	<b>53,366,871</b>	<b>31,911,804</b>

**19. Incremental Provision in URR, for 31.03.2023, in respect of long-term Facultative Policies –**

Whilst on above, for long-term Facultative policies, where the Premium income is spread over a period covering more than 2 accounting years, URR has been provided using 1/365 days basis. Arising out of the above development additional URR provided for is as under:

**Current year 31.03.2023**

Department	No of policies	(₹ in thousand)
Domestic	39	3,66,497
Foreign including aviation	9	13,060
<b>Total</b>	<b>48</b>	<b>3,79,557</b>

**Previous year 31.03.2022**

Department	No of policies	(₹ in thousand)
Domestic	37	356,616
Foreign including aviation	27	55,260
<b>Total</b>	<b>64</b>	<b>411,876</b>

**20. Reference/Benchmark Exchange Rates:**

(Amount in ₹)

Particulars	Average ₹ Rate April'22 to March' 23)	Average ₹ Rate (April' 21 to March'22)	Closing ₹ Rate (31.03.2023)	Closing ₹ Rate (31.03.2022)
AED	21.87038	20.27644	22.35051	20.63963
GBP	96.73624	101.73979	101.63966	99.53442
MYR	18.07681	17.84206	18.57014	18.03500
USD	80.32258	74.46943	82.08000	75.80110
EURO	83.63494	86.54433	89.47541	84.56371
ZAR	4.73566	5.02389	4.60717	5.24274
RUB	1.26111	0.98337	1.06224	0.99738

21. There are no material changes and commitments affecting the financial position of the Company occurring after the Balance Sheet date.
22. The Group has prepared Cash flow statement adopting the indirect method.
23. During the current year, prior period profit commission of NIL (previous year ₹ 729,910 thousand) is accounted in respect of Structured Solutions Reinsurance Contract (As stated in Note no 32). Other than this prior period items have not been separately disclosed, as the amount is not material.
24. Premium in respect of Reinsurance Contracts is accounted as per Statement of Accounts (SOAs) received from the cedants & intermediaries and accrued Premium where SOAs are due but not received for the reporting period. Accrued premium is worked out proportionately on the basis of our share in Estimated Premium Income (EPI) for the full contract period as per contract terms. The proportionate working of such EPI also considers past trend of premiums ceded in quarterly SOAs. The Group has Board approved methodology to work out premiums on accrual basis for various types of contracts over the contract period. Such working of accrued premium is accounted as provision for Premium Income at each reporting period consistently.
25. Creation of a CAT reserve is an accepted method to handle future volatility in claims, and to introduce a factor of stability in the financial results. The reserve can make a significant contribution to reducing financial vulnerability in future. This reserve is broadly intended to be utilised towards meeting large catastrophe losses against the insurance policies in force.

The Group decided to create the same from this financial year 2022-23 onwards, by appropriation of 10% of Operating Profit of Holding Company in respect of Revenue Accounts with an overall reserve cap of ₹ 50,000,000 thousand:

Operating Profit of Revenue Account	Operating Profit of Holding Company (₹ in 000)	Catastrophe Reserve (₹ in 000)
Fire	12,436,986	1,243,699
Miscellaneous	34,577,627	3,457,763
Marine	4,240,329	424,033
<b>Total</b>	<b>51,254,942</b>	<b>51,25,495</b>

This has resulted in reduction of profit after tax by ₹ 3,835,510 thousand for FY 2022-23.

26. The financial statements of the Subsidiaries and Associates used in the consolidation are drawn up to the same reporting date as that of the Corporation i.e. 31<sup>st</sup> March 2023 or up to 31<sup>st</sup> December 2022 in case where the subsidiaries or associates close their financial year on that date. The subsidiaries of GIC Re have prepared the accounts in accordance with International Financial Reporting Standards (IFRS)/UK Generally Accepted Accounting Principles (GAAP) as per the required local laws of the respective country, resulting in some variations as compared to Indian GAAP followed by the Holding Company. GIC Re, India, Corporate Member Ltd., retrocedes entire business to GIC Re while GIC Re South Africa Ltd. and GIC Perestrakhovanie LLC, Moscow retrocedes a portion of the business to GIC Re excluding Life Business.

27. For the purpose of preparing the CFS, accounting adjustments have been made to align the accounts of the subsidiaries to confirm with the accounting policies followed by the Corporation where the difference in accounting policy has been assessed as material.
28. Following are the accounting aspects where the material differences with the accounting policies followed by the Corporation are assessed as material and the impact on the Consolidated Profit After Tax:

**Figures as on 31.03.2023**

(₹ in thousand)

Sl. No.	Particulars	GIC South Africa	GIC Corporate Member	GIC Perestrakhovanie
1	Unearned Premium Reserve	(3,32,530)	-	761
2	Depreciation	-	-	(5,992)
3	Deferred Commission	(80,272)	-	4,045
4	Changes in Fair Value through P&L/Other Comprehensive Income	-	(8,36,880)	-
	<b>Total</b>	<b>(4,12,802)</b>	<b>(8,36,880)</b>	<b>(1,186)</b>

(₹ in thousand)

Sl. No.	Particulars	GIC Bhutan Re.	India International, Singapore
1	Unearned Premium Reserve	(99,867)	(1,53,066)
2	Depreciation	-	(44,896)
3	Deferred Commission	(479)	(28,202)
4	Changes in Fair Value through P&L/Other Comprehensive Income	-	3,30,120
	<b>Total</b>	<b>(1,00,346)</b>	<b>103,956</b>

**Figures as on 31.03.2022**

(₹ in thousand)

Sl. No.	Particulars	GIC South Africa	GIC Corporate Member	GIC Perestrakhovanie
1	Unearned Premium Reserve	(679,058)		(49,531)
2	Depreciation			(2,312)
3	Deferred Commission	(65,183)		(31,839)
4	Changes in Fair Value through P&L/Other Comprehensive Income		102,722	
	<b>Total</b>	<b>(744,241)</b>	<b>102,722</b>	<b>(83,682)</b>

(₹ in thousand)

Sl. No.	Particulars	GIC Bhutan Re.	India International, Singapore
1	Unearned Premium Reserve	85,887	(601,062)
2	Depreciation	(1,018)	(10,206)
3	Deferred Commission		(35,270)
4	Changes in Fair Value through P&L/Other Comprehensive Income		(97,369)
	<b>Total</b>	<b>(84,869)</b>	<b>(743,907)</b>

29. IBNR provisions are recognised as per the terms provided by the local regulatory bodies.
30. Provision for taxation including deferred tax is accounted as per local tax laws and in accordance with the provisions of local GAAP. The difference in accounting policy has been assessed as not material.
31. Statutory Reserves are created in accordance with the requirements of local laws. The difference in accounting policy has been assessed as not material
32. The amounts lying under Fixed Deposits and Negotiable Certificates of Deposits with a validity of less than one year relating to GIC Re South Africa Ltd. have been classified as investments by the Statutory Auditors of the Subsidiary. The same classification has been adopted while preparing the Consolidated Financial Statements. The impact of difference in accounting policy will not be material on the Consolidated Financial Statements.

**33. Structured solution cover:**

The Structured Solutions Reinsurance Contract covering risk from various class of business was in place for the years from June 2014 to May 2020 as per agreed terms and conditions. After notice of cancellation by IRDAI as at 31.05.2021, the contract has been cancelled during the period 2021-22. Consequently, complying the condition of the contract and after having obtained due confirmation from Reinsurer, the Corporation had booked profit commission of ₹ 12,409,926 thousand (including prior period profit commission of ₹ 729,910 thousand) in the previous financial year 2021-22 and released the reinsurers of remaining Outstanding Claims liabilities to the extent of ₹ 5,294,389 thousand. For the period 2022-23 there are NIL entries.

34. The Corporation being a reinsurance company does not settle claims directly with the insured. The companies after settling the claims with their insured would recover the claims from the Corporation as per the reinsurance obligations. Such recoveries are settled with the companies through periodical account statements. Claims settled and remaining unpaid for a period of more than six months as on 31.03.2023 ₹ NIL (Previous year NIL).
35. The estimate of claims Incurred but Not Reported [IBNR] claims have been certified by the Company's Appointed Actuary. The Appointed Actuary has certified to the Company that the assumptions used for such are appropriate and are in accordance with the requirements of the Insurance Regulatory and Development Authority of India [IRDAI] and Institute of Actuaries of India in concurrence with IRDAI.

The IBNR provision for Life Re business is certified by the Appointed Actuary – Life Re. The IBNR has been calculated using triangulation method for domestic business (except for non-proportional business) and for Overseas Group Credit Business.

For all other overseas business (proportional and non-proportional) and domestic non-proportional business, delay days method has been used.

36. During the financial year 2018-19, the Corporation issued bonus equity shares in the ratio of 1:1 i.e.1 (one) equity share of ₹5/- each (fully paid up) for every 1 (one) existing equity share of ₹5/- each (fully paid up) to the Shareholders of the Corporation, in the month of July 2018.

During the financial year 2022-23, the Corporation has not issued any such bonus shares. As on 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022, the Issued, Subscribed, Called-up and Paid-up Capital of the Corporation is ₹ 8,772,000 thousand comprising of 1,754,400 thousand Equity shares of ₹5/- each.

Accordingly Earning Per Share, Book Value per share and Dividend per share is worked out for the previous years based on the increased number of shares.

37. There is no penalties paid/payable by the Corporation during the year 2022-23 (Previous year NIL).
38. There are no Material Changes and Commitments Affecting the Financial Position Of The Company occurring after the Balance Sheet date (Previous year Nil).
39. During the previous year ended 31<sup>st</sup> March 2022, GIC Re decided to place its Dubai branch into run off because of non-renewal of license by Dubai authority, non-compliance in solvency requirement etc. Decision to place the Dubai Branch into run off, was informed to IRDAI vide letter dated 6<sup>th</sup> July 2021. Board of GIC Re also accorded its approval and to carry out suitable statutory requirements if any on 7<sup>th</sup> July 2021 by circular resolution. GIC Re India will continue the activity/operations relating to Dubai branch from GIFT City, India. Accordingly, a Portfolio Transfer Agreement has also been entered on 14<sup>th</sup> September 2022 between GIC Gift City Branch and Dubai Branch.

40. During the financial year 2020-21, M/s "AM Best" has downgraded the Financial Strength Rating (FSR) of A- (Excellent) to B++ (Good) and the Long-Term Issuer Credit Rating (ICR) of "a-" to "bbb+". During the current financial year 2022-23, the outlook of the Long-Term ICR was revised to 'Stable' from 'Negative' whilst the FSR outlook is Stable. The previous year downgrade did not materially impact the financial position of the corporation, due to special position of the corporation in the Indian market and various steps taken by management.

**41. Investment:**

- (a) Out of Investment held in Shares, Debentures & Venture Capital Fund of the value of ₹ 636,914,712 thousand (Previous year ₹ 596,677,085 thousand) no confirmations or other documentary evidence was available regarding actual custody for
- (i) Investments in debenture of 16 Scrip of the value as per Books amounting ₹ 6,589 thousand (Previous year ₹ 6,589 thousand), (The Corporation has fully provided for these amounts in earlier years)
- (ii) Investments in Preference shares of five Scrip of the value as per Books amounting ₹ 0.004 thousand (Previous year ₹ 0.004 thousand) (Four Scrip Written down to ₹ 1/- and One Script Written Down to Zero in earlier years)
- (b) The Investments actually held by the Custodian of the Corporation is in excess of the number held as per the books of the Corporation.
- (i) A Bonds having value as per Books of Accounts amounting to ₹1,300 thousand (previous year ₹ 1,300 thousand)
- (ii) One Preference Shares having value as per Books of Accounts of ₹ 0.001 thousand (previous year ₹ 0.001 thousand) (One Scrip Written down to ₹ 1 in the Previous year)
- (c) During the year there were receipts of Excess Dividends of ₹ 1,436 thousand (Previous year ₹ 1,413 thousand), Excess Profits ₹ NIL (Previous year ₹ 45 thousand) and Excess Interests ₹ NIL (Previous year ₹ 15 thousand). The excess dividend balance as on 31<sup>st</sup> March 2023 amounts to ₹ NIL (Previous year ₹1277 thousand). The interest received on the excess Bonds/Debentures and profit on excess equity/debentures as on 31<sup>st</sup> March 2023 amounts to ₹ NIL (Previous year ₹ NIL) & ₹ NIL (Previous year ₹ NIL). This excess dividend is shown as Liability.

42. (a) Provision includes provision for standard assets @ 0.40% as per IRDAI-Prudential norms for Income recognition, Asset Classification and provisioning and other related methods in respect of debt portfolio amounting to ₹ 592,243 thousand (Previous year ₹ 538,671 thousand).
- (b) During the year, the Corporation has not undertaken under CDR (Corporate Debt Restructuring) System, any case of restructuring of corporate debt/loan. (Previous year NIL)
- (c) The Corporation has considered latest available NAV for the provisioning of units of venture capital. The details of latest available NAV considered are as follows:

NAV as on	No. of Venture Capital Funds
31 <sup>st</sup> December 2022	2
30 <sup>th</sup> September 2022	1
31 <sup>st</sup> March 2022	9
31 <sup>st</sup> March 2023	2
Nil NAV	7
At Par	1
<b>Total</b>	<b>22</b>

43. For valuation of actively traded equity shares, 31<sup>st</sup> March 2023, has been considered as closing day.

44. During the year, the corporation has waived/written off debts, loans, and interest as follows:

**Waiver during the year 2022-23 & 2021-22**

(₹ in thousand)

Particulars	Financial Year 2022-23			Financial Year 2021-22		
	No. of cases	Write off	Waiver	No. of cases	Write off	Waiver
Compound Interest/Late Dues	3	0	1.53	6	925,938.75	5.08
Simple Interest/Interest on Delayed payment of Principal	1	0	5.18	3	490,380.43	0
<b>Total</b>	<b>4</b>	<b>0</b>	<b>6.71</b>	<b>9</b>	<b>1,416,319.18</b>	<b>5.08</b>

**Debts/Equity written off during year 2022-23 & 2021-22**

(₹ in thousand)

Financial Year 2022-23		Financial Year 2021-22	
No of Companies	Amount written down/written off	No of Companies	Amount written down/written off
2	0.002	3	1,319,006

**Diminution in the value of Investments written off during the year 2022-23 & 2021-22**

(₹ in thousand)

Financial Year 2022-23		Financial Year 2021-22	
No of Companies	Amount written down/written off	No of Companies	Amount written down/written off
3	279,390	4	15,741

45. There is no difference between title of ownership in respect of CGS/SGS/bonds/debentures etc. available in physical/demat format vis-à-vis shown in books of accounts except for the differences pointed out in Point No 1.

46. As at 31<sup>st</sup> March 2023, all the assets of the Corporation in and outside India are free from encumbrances except for:

- (a) The Government of India Stock, 8.24% 2027 for ₹171,000 thousand, 8.60% 2028 for ₹ 2,000 thousand, 6.19% 2034 for ₹ 50,000 thousand, 6.64% 2035 for ₹ 100,000 thousand, 7.54% 2036 for ₹ 200,000 thousand, 8.33% 2026 for ₹20,000 thousand, 8.28% 2027 for ₹17,500 thousand, 7.95% 2032 for ₹40,000 thousand, 6.67% 2035 for ₹30,000 thousand total amounting to ₹ 630,500 thousand (Previous year total amounting to ₹ 480,500 thousand) and cash deposit of ₹ 8,600 thousand (Previous year ₹ 8,600 thousand) with Clearing Corporation of India Limited as deposit towards Settlement Guarantee Fund.

Out of the Cash Deposit, ₹ 1,500 thousand is maintained as Cash collateral Deposit towards Triparty Repo Default fund (Previous year total amounting to ₹ 1,500 thousand) and ₹ 800 thousand towards Securities Default fund (Previous year total amounting to ₹ 800 thousand).

- (b) (i) In view of margin requirements as recommended by SEBI vide Circular dated 19/03/2008, Corporation has assigned a Government of India security 6.30% 2023 amounting to ₹ 300,000 thousand (Previous year Fixed Deposits amounting to ₹ 300,000 thousand) and 7.10% 2029 amounting to ₹ 400,000 thousand (Previous year NIL) total amounting to ₹ 700,000 thousand as Pledge towards Margins in cash segments. This Pledge covers margin obligations arising out of trades done in NSE & BSE.
- (b) (ii) Margin FDR of ₹ 500 thousand (Previous year ₹ 525 thousand) against Bank Guarantee to Municipal Corporation of Greater Mumbai (MCGM) to undertake development activities at plot bearing CTS.NO.1606OF Fort Division measuring 1844.40 sq. meter.

(c) As per SUSEP Resolution CNSP No. 330 of 2015, Article 13, foreign reinsurers shall have account in foreign currency in BRAZIL with SUSEP in bank authorized to operate with exchange in the country with minimum balance in cash for guarantee of its operations in the country in the amount of US\$ 5,000 thousand or comparable in another foreign currency of free translation for reinsurers acting in the field of damages and lives.

Further as per SUSEP Circular No. 527 of February 2016, Article 4 (I) the registration of the admitted reinsurer may be granted after the submission and analysis of evidence of foreign currency account, linked to SUSEP, in a bank authorized to deal in a foreign exchange within the country with a minimum balance of US\$ 5,000 thousand or equivalent in another free convertible foreign currency for reinsurers operating in all lines.

Accordingly, GIC Re has opened a bank account in BNP Paribas Brazil and deposited an amount of US\$ 5,000 thousand (Previous year US\$ 5,000 thousand)

(d) Margin FDR held by Bank for issue as LC/BG of ₹ 94,547,286 thousand (Previous year ₹ 77,542,036 thousand).

47. The Commitments made and outstanding for Loans, Investments and Fixed Assets (if any) as at 31<sup>st</sup> March 2023 are ₹ 113,675 thousand (Previous year ₹ 248,432 thousand).

**48. Value of contracts in relation to investments, for**

a) Purchases, where deliveries are due and pending ₹ NIL (Previous year ₹ NIL).

b) Sales, where payments are overdue ₹ NIL (Previous year ₹ NIL).

The basis of amortization of debt securities is as stated in Significant Accounting Policy No. 12.4.

49. The Corporation does not hold any properties for investment purposes.

50. Provisions regarding unrealized gains/losses have been stated in the Significant Accounting Policy No. 12.7.

51. ₹ 1,088 thousand (Previous year ₹ 1,088 thousand) is placed in a Liquidation fund for GIC AMC. This is to be retained till 31.12.2023.

52. Interest, Dividend and Rent income is net of Investment expenses of ₹ 59,732 thousand (previous year ₹ 62,537 thousand).

53. Figures relating to the previous year have been regrouped/rearranged, wherever necessary.

As per our report of even date

**For D R MOHNOT & CO**  
Chartered Accountants  
Firm Regn No. 001388C

**For PKF SRIDHAR & SANTHANAM LLP**  
Chartered Accountants  
Firm Regn No. 0039905/S200018

**Devesh Srivastava**  
Chairman and Managing Director  
(DIN: 08646006)

**D R MOHNOT**  
Partner  
Membership No.:070579

**S NARASIMHAN**  
Partner  
Membership No.: 206047

**Madhulika Bhaskar**  
Director (DIN: 09277012)

**Jayashree Ranade**  
CFO

Mumbai  
Dated: 25.05.2023

**Satheesh Kumar**  
Company Secretary  
Membership Number A64846

## AUDITED CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2023

As per Indirect Method

(₹ in thousand)

Particulars	31 MARCH 2023		31 MARCH 2022	
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>				
<i>Net Profit before taxation as per Profit &amp; Loss A/c</i>		<b>80311 777</b>		37546 491
<i>Adjustments for:</i>				
Exchange -Loss/Gain charged	<b>(9227 881)</b>		(5346 123)	
Foreign Currency Translation Reserve	<b>1477 334</b>		1878 719	
Catastrophe Reserve & Other Reserve	<b>5086 757</b>			
Provision for diminution in value of investment	<b>279 391</b>		1334 748	
Provision for doubtful loans, investments & Debts	<b>16808 166</b>		1262 189	
Amortisation of Premium on Investment	<b>528 087</b>		465 217	
Depreciation	<b>96 913</b>		137 481	
Profit/(Loss) on sale of Assets	<b>(1 090)</b>		2 069	
Shares of Profits in associates company	<b>3301 514</b>		1875 167	
Provision for Leave Encashment & Salary Arrears	<b>0</b>		0	
Sundry Balances Written off/-back	<b>0</b>	<b>18349 191</b>	60	1609 527
<i>Operating Profit before working capital changes</i>		<b>98660 968</b>		39156 018
Changes in Unexpired Risk Reserves	<b>(22189 675)</b>		(4376 644)	
Changes in Premium Deficiency Reserve	<b>(85 413)</b>		129 800	
Changes in Provisions for Outstanding Claims	<b>60818 038</b>		54846 079	
Changes in Income accrued on Investments	<b>(2863 398)</b>		(1203 585)	
Changes in Balances with Insurance Companies	<b>3927 508</b>		15178 915	
Changes in Advance and Deposits	<b>13598 362</b>		(897 624)	
Changes in other Current Liabilities & Provisions	<b>(16479 234)</b>	<b>36726 188</b>	2314 802	65991 743
<i>Cash generated from operations</i>		<b>135387 156</b>		105147 761
Income Tax Paid (Net)		<b>(18164 740)</b>		(14639 955)
<i>Net Cash from Operating Activities</i>		<b>117222 416</b>		90507 806

(₹ in thousand)

Particulars	31 MARCH 2023	31 MARCH 2022
<b>B) CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(1340 661)	(154 533)
Proceeds from sale of Fixed Assets	6 596	9 500
Foreign Currency Translation Reserve	0	403 841
Changes in net Investments	(98657 801)	(68526 630)
<b>Net Cash used in Investing Activities</b>	<b>(99991 866)</b>	<b>(68267 822)</b>
<b>C) CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividend Paid	(3947 400)	0
<b>Net Cash from Financing Activities</b>	<b>(3947 400)</b>	<b>0</b>
<b>D) Effect of Foreign Exchange on Cash &amp; Cash equivalents (Net)</b>	<b>9227 881</b>	<b>5346 123</b>
<b>Net increase in Cash and Cash equivalents (A+B+C+D)</b>	<b>22511 031</b>	<b>27182 266</b>
<b>Cash and Cash equivalents at beginning of period</b>	<b>214513 395</b>	<b>185888 052</b>
<b>Cash and Cash equivalents at the end of period</b>	<b>237024 424</b>	<b>214513 395</b>

As per our report of even date

**For D R MOHNOT & CO**  
Chartered Accountants  
Firm Regn No. 001388C

**For PKF SRIDHAR & SANTHANAM LLP**  
Chartered Accountants  
Firm Regn No. 0039905/S200018

**Devesh Srivastava**  
Chairman and Managing Director  
(DIN: 08646006)

**D R MOHNOT**  
Partner  
Membership No.:070579

**S NARASIMHAN**  
Partner  
Membership No.: 206047

**Madhulika Bhaskar**  
Director (DIN: 09277012)

**Jayashree Ranade**  
CFO

Mumbai  
Dated: 25.05.2023

**Satheesh Kumar**  
Company Secretary  
Membership Number A64846



आपत्काले रक्षिष्यामि  
GIC Re SA Ltd.

# GIC RE SOUTH AFRICA LTD

## ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

The financial statements have been audited in compliance with Section 30 of the South African Companies Act 71 of 2008.

Prepared under the supervision of:  
Sandip Karmarkar  
Managing Director & Chief Executive Officer



आपत्काले रक्षिष्यामि  
GIC Re SA Ltd.



आपत्काले रक्षिष्यामि  
GIC Re SA Ltd.

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The directors are responsible for the preparation and fair presentation of the annual financial statements of GIC Re South Africa Ltd (the company), comprising the statement of financial position as at 31 March 2023, and the statement of comprehensive income, changes in equity and cash flows for the period then ended, and the notes to the financial statements which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa. In addition, the directors are responsible for preparing the Directors' report.

The directors are also responsible for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and for maintaining adequate accounting records and an effective system of risk management.

The directors have made an assessment of the ability of the company to continue as a going concern and have no reason to believe the business will not be a going concern in the year ahead.

The auditor is responsible for reporting on whether the financial statements are fairly presented in accordance with the applicable financial reporting framework.

### **Approval of the annual financial statements**

The annual financial statements of GIC Re South Africa Ltd, as identified in the first paragraph, were approved by the board of directors on 27<sup>th</sup> July 2023 and are signed on their behalf by

---

Sandip Karmarkar  
Managing Director & CEO

---

Jonathan Bagg  
Chairman

### **Declaration of the Company Secretary**

In terms of S88 (2)(e) of the Companies Act 71 of 2008, I certify that in respect of the financial period ended 31 March 2023, the company has lodged with the Registrar of Companies all such returns that are required by the Companies Act, and that all such returns are to the best of my knowledge and belief, true, correct and up to date.

---

W Mwase  
Company Secretary

In addition to having specific statutory responsibilities, the audit committee is a sub-committee of the board of directors (board). It assists the board through advising and making recommendations on financial reporting, oversight of financial risk management and internal financial controls, external audit functions and statutory and regulatory compliance of the company. General risk management remains the responsibility of the board.

### **Terms of reference**

The audit committee has adopted the formal terms of reference that have been approved by the board of directors and has executed its duties during the past financial year in accordance with these terms of reference.

### **The composition of the audit committee**

Name	Appointed	Qualifications	Position	Independent
S Bhikha	24-Apr-14	B Compt Hons CA(SA)	Chairman	Yes
J Bagg	24-Apr-14	B.Sc. FASSA, FIA	Member	Yes
N Sallie	1-Jun-22	Exec Dev Programme Post Grad Dip Financial Planning, MBA, MBL	Member	Yes
F Roji	1-Mar-23	B.Comm Accounting, B.Comm Honours, CA(SA, Post Grad Diploma Financial Planning, Certified Director	Member	Yes

The executive directors and managing executives attend the committee meetings by invitation only. The external and internal auditors have unrestricted access to the audit committee.

### **Meetings**

The audit committee held six meetings during the year. Attendance at the meetings is shown below:

Members	12-Jul-22	29-Jul-22	27-Sep-22	2-Dec-22	10-Feb-22	6-Mar-23
S Bhikha	Yes	Yes	Yes	Yes	Yes	Yes
J Bagg	Yes	Yes	Yes	Yes	Yes	Yes
N Sallie	Yes	Yes	Yes	Yes	Yes	Yes
F Roji						Yes

### **Statutory duties**

In the execution of its statutory duties, as required in terms of the Companies Act of South Africa (the Act) during the past financial year, the audit committee has:

- Ensured the reappointment of an external registered auditor, who in the opinion of the audit committee is qualified and independent of the company.
- Determined the fees to be paid to the external auditor and such auditor's terms of engagement.
- Ensured that the appointment of the external auditor complies with this Act and any other legislation relating to the appointment of such auditor.
- Considered the independence of the external auditor and has concluded that the external auditor has been independent of the company since being appointed during the year taking into account all other non-audit services performed and circumstances known to the audit committee.
- Confirmed that there were no complaints relating to the accounting practices of the company, the content or auditing of its financial statements, the internal financial controls of the company, or to any related matter.
- Based on reports from the external auditor, internal auditor and appropriate inquiries, made submissions to the board on any matter concerning the company's accounting policies, financial control, records and reporting, including input to the board's statement regarding control effectiveness.

### **Legal requirements**

The audit committee has complied with all applicable legal, regulatory and other responsibilities for the year under review.

### **Annual financial statements**

Following our review of the annual financial statements of GIC Re South Africa Ltd for the year ended 31 March 2023, we are of the opinion that, in all material respects, they comply with the relevant provisions of the Companies Act and International Financial Reporting Standards, and the committee verifies that the financial information provided by management to the users of such information is adequate, reliable and accurate.

### **S Bhikha**

Chairman of the Audit Committee

### GIC RE SOUTH AFRICA LTD

#### DIRECTORS' REPORT

#### FOR THE YEAR ENDED 31 MARCH 2023

The directors have pleasure in presenting their report for the year ended 31 March 2023.

#### **Business:**

GIC Re South Africa Ltd is a 100% owned subsidiary of General Insurance Corporation of India (GIC Re) which is controlled by the Government of India by virtue of its 85.78% equity shareholding.

GIC Re made its first African acquisition in April 2014, when it acquired the South African composite reinsurer Saxum Re and renamed it as GIC Re South Africa Ltd.

GIC Re South Africa Ltd's vision is to become a truly African Reinsurer. The core business philosophy includes reinsurance capacity development in Africa, application of state of art technology, mutually beneficial relationships, benchmarking reinsurance and service delivery mechanism and a professional attitude.

The company is rated BB+ (Global) with stable outlook and zaAAA (National) by S&P.

GIC Re South Africa Ltd commenced the underwriting business on 1 January 2015. The company underwrites business from the entire African continent following the expansion of its territorial scope to include Egypt and Libya from 1st January 2022.

#### **Global Economic Outlook:**

According to the World Economic Outlook published by the International Monetary Fund in April 2023, the world economies are showing steady growth. The IMF project the global economy to grow at 3.0 percent in 2023 which is lower than earlier projections of 3.4 percent. Post the Covid pandemic and the outbreak of Russia Ukraine war, many global economies are still under pressure. However, certain larger economies like China are showing recovery post COVID 19 pandemics.

The global headline inflation is set to fall from 8.7 percent in 2022 to 7.0 percent in 2023 on the back of lower commodity prices, but the underlying core inflation is likely to decline more slowly. To control core inflation central banks across the globe are continued to tighten monetary policy. Once the inflation targets are achieved, interest rates will likely reduce to their pre pandemic levels. The rising interest rates are also creating pressure on some banking systems evidenced by the collapse of two specialized regional banks in United States.

Following the April 2022 KZN it was seen that many reinsurers applied stricter underwriting and pricing principles while also de-risking their portfolio of poor performing business. Hardening of rate which was observed in January 2023 renewal season is expected to continue off the back of KZN floods. The global reinsurance market was tough and following this insurers have made various changes to their policy wordings to ensure absolute clarity and bring about underwriting discipline. The primary rates have improved which is favourable for reinsurance market.

#### **South Africa Economic Outlook:**

The International Monetary Fund, in its World Economic Outlook publication April 2023 indicates that growth is expected at 0.1 percent in 2023 significantly lower 2022 which recorded a 2% growth rate. This is largely due to electricity shortages in the country. The inflation rate is projected to be between 5 to 7 percent. The unemployment rate is hovering around 36% and job creation remains a key Government priority.

**Share capital:**

The company has in issue, 571,030,862 ordinary shares of no-par value equating to R 1,142,061,725.

There were no new shares issued in 2023.

**Overview for the year:**

The results for the year and the financial position of the company are fully disclosed in the attached financial statements.

**Holding company:**

The company is a wholly owned subsidiary of General Insurance Corporation of India (GIC Re).

**Dividends:**

No dividends were paid or declared during the year (2022: Nil).

**Directors:**

The directors in office at the date of this report are:	Age	Date Appointed	Period of service	Date Resigned
J Bagg (Chairman, Independent, non- executive)	70	24-Apr-14	9	
D Srivastava (Non-executive)	59	18-Jun-18	5	
S Bhikha (Independent, non-executive)	58	24-Apr-14	9	
M Bhaskar (Non-executive)	60	6-Mar-20	3	
S. Karmarkar (Executive)	56	10-Dec-21	1.5	
N. Sallie (Independent, non-executive)	53	1-Jun-22	1	
F Roji	47	1-Mar-23	0.5	

**Directors' interest:**

No directors have a conflicting interest in the company.

**Secretary and registered office:**

W Mwase is the company secretary. The registered office and office of the secretary are:

First Floor, Block C  
Riviera Road Office Park  
No. 6-9 Riviera Road  
Houghton - 2193

**Auditor:**

SizweNtsalubaGobodo Grant Thornton Inc.

**Company registration number:**

1956/003037/06

**Number of employees:**

The number of people employed by the company on 31 March 2023 is 28 (2022: 29).

## To the shareholder of GIC Re South Africa Ltd

### Report on the audit of the financial statements

#### **Opinion**

We have audited the financial statements of GIC Re South Africa Ltd (the company), as set out on pages 276 to 317, which comprise the statement of financial position as at 31 March 2023, the statement comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of GIC Re South Africa Ltd as at 31 March 2023, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the Companies Act of South Africa.

#### **Basis of Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We are independent of the company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards).

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Other Information**

The board of directors (directors) are responsible for the other information. The other information comprises the information included in the document titled "GIC Re South Africa Ltd annual financial statements for the year ended 31 March 2023", which includes the Directors' Report, the Audit Committee Report and the Company Secretary's Certificate ('Declaration of the Company Secretary') as required by the Companies Act of South Africa and the Directors' responsibility statement. The other information does not include the financial statements and our auditor's report thereon.

Our opinion of the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement in this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Responsibilities of the Directors for the Financial Statements**

The directors are responsible for the preparation of the financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine as necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### Other reports

We draw attention to the following engagements conducted by various parties that had, or could have, an impact on the matters reported in the financial statements, reported performance information, compliance with applicable legislation and other related matters. These reports did not form part of our opinion on the financial statements or our findings on the reported performance information or compliance with legislation.

We were engaged to perform the following audit-related services:

- Quantitative Reporting Template in compliance with the Insurance Act, 2017 (the Act) for the year ended 31 March 2023.

### Auditors tenure

In terms of the IRBA rule published in Government Gazette Number 39475 dated 4 December 2015, I report that SizweNtsalubaGobodo Grant Thornton Incorporated has been the auditor of GIC Re South Africa Ltd for four years.

SizweNtsalubaGobodo Grant Thornton Inc.

Director: Nhlanhla Sigasa  
 Chartered Accountant (SA)  
 Registered Auditor

20 Morris Street East,  
 Woodmead, 2191

28 July 2023

## GIC RE SOUTH AFRICA LTD

STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2023

	Note	Year ended 31 MARCH 2023 R	Year ended 31 MARCH 2022 R
<b>ASSETS</b>			
Cash and cash equivalents	24.2	142,466,606	170,857,206
Other accounts receivable		3,339,422	2,899,126
Investments	9	2,618,003,542	2,937,009,268
Technical assets under insurance contracts		2,140,300,615	1,797,790,379
Retroceded outstanding claims	6	1,869,373,312	1,603,424,927
Retroceded unearned premium reserve	7	213,799,090	153,789,132
Gross deferred acquisition costs	8	57,128,213	40,576,320
Amounts due under reinsurance contracts	26.1	683,060,426	725,527,920
Amounts due from Retrocessionnaire contracts	26.2	37,632,633	37,063,338
Property, plant and equipment	5	530,177	2,146,921
Current tax receivable	24.3	-	14,818,050
Deferred taxation	10	23,862,092	
<b>Total assets</b>		<b>5,649,195,513</b>	5,688,112,208
<b>LIABILITIES</b>			
Technical liabilities under insurance contracts		2,354,032,162	2,172,209,236
Gross outstanding claims	6	2,008,080,746	1,918,306,505
Gross unearned premium reserve	7	306,246,544	225,766,794
Retroceded deferred acquisition cost	8	39,704,873	28,135,937
Deposits withheld from Retrocessionnaire	13	828,487,806	1,490,658,029
Amounts payable to Retrocessionnaire contracts	26.3	428,625,730	212,150,974
Amounts payable under reinsurance contracts	26.4	139,771,609	136,576,913
Other accounts payable	11	101,282,537	114,717,678
Current tax payable	24.3	41,396,420	-
Lease liability	20	-	1,377,106
Deferred taxation	10	-	2,415,762
<b>Total liabilities</b>		<b>3,893,596,264</b>	4,130,105,698
<b>SHAREHOLDER'S EQUITY</b>			
Share capital	12	1,142,061,725	1,142,061,725
Retained earnings		613,537,525	415,944,785
<b>Total shareholder's equity</b>		<b>1,755,599,250</b>	1,558,006,510
<b>Total liabilities and shareholder's equity</b>		<b>5,649,195,513</b>	5,688,112,208

# Statement of Comprehensive Income



## GIC RE SOUTH AFRICA LTD

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2023

	Note	Year ended 31 MARCH 2023 R	Year ended 31 MARCH 2022 R
Gross premiums written	23	1,275,996,906	1,429,757,922
Retroceded premiums	23	(946,344,046)	(1,026,814,462)
<b>Net premiums written</b>		<b>329,652,860</b>	402,943,460
Change in provision for unearned premiums		(20,469,792)	54,437,147
Gross	7	(80,479,750)	164,873,512
Retroceded	7	60,009,958	(110,436,365)
<b>Net premium earned</b>		<b>309,183,068</b>	457,380,607
Commission income	16	251,715,194	237,126,909
Net investment income	14	173,085,295	199,323,887
<b>Net income</b>		<b>733,983,557</b>	893,831,403
Claims incurred, net of reinsurance	15	(131,886,501)	(251,262,769)
Commission expense	16	(324,402,813)	(336,005,235)
Interest expenses	24.4	(57,706,892)	(41,298,879)
Investment management expenses		(6,324,918)	(6,051,006)
Management expenses	17	(42,453,687)	(36,084,860)
(Increase)/decrease in provision for doubtful debts		(26,684,601)	(11,765,620)
Foreign exchange gain/(loss)		117,877,601	(7,995,788)
Profit before taxation		262,401,746	203,367,246
Taxation	18	(64,809,007)	(27,602,368)
Profit for the year		197,592,739	175,764,878
Other comprehensive income		-	-
<b>Total comprehensive income</b>		<b>197,592,739</b>	175,764,878

**GIC RE SOUTH AFRICA LTD**  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2023

	Share capital R	Retained earnings R	Total R
<b>31 MARCH 2023</b>			
Balance as at 1 April 2022	1,142,061,725	415,944,785	1,558,006,510
Total comprehensive income	-	197,592,739	197,592,739
Balance as at 31 March 2023	1,142,061,725	613,537,524	1,755,599,249
<b>31 MARCH 2022</b>			
Balance as at 1 April 2021	1,142,061,725	240,179,907	1,382,241,632
	-	175,764,878	175,764,878
	1,142,061,725	415,944,785	1,558,006,510
Total comprehensive income	-	175,764,878	175,764,878
Non-life	-	30,955,685	30,955,685
Life	-	(716,100)	(716,100)
Balance as at 31 March 2022	1,142,061,725	415,944,785	1,558,006,510

**GIC RE SOUTH AFRICA LTD**  
 STATEMENT OF CASH FLOWS  
 FOR THE YEAR ENDED 31 MARCH 2023

	Note	Year ended 31 MARCH 2023 R	Year ended 31 MARCH 2022 R
<b>Cash flows from operating activities</b>			
Cash (utilised)/ generated by operations	24.1	(426,440,043)	288,799,186
Interest received	14	163,741,044	110,877,742
Interest paid	24.4	(57,706,892)	(41,298,879)
Dividends received- listed	14	18,497,933	12,158,673
Tax paid	24.3	(34,872,391)	(20,004,655)
Net cash (outflow)/inflow from operating activities		(336,780,349)	350,532,067
<b>Cash flows from investing activities</b>			
Net acquisition and disposal of investments		309,852,045	(338,684,417)
Additions to property, plant and equipment	5	(85,188)	(143,054)
Net cash inflow/(outflow) from investing activities		309,766,857	(338,827,471)
<b>Cash flows from financing activities</b>			
Lease payments	20	(1,377,106)	(1,182,257)
Net cash inflow/(outflow) from financing activities		(1,377,106)	(1,182,257)
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(28,390,598)</b>	10,522,339
At the beginning of year		170,857,206	160,334,867
At the end of year	24.2	142,466,608	170,857,206

## GIC RE SOUTH AFRICA LTD

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

GIC Re South Africa Ltd (“company”) is a company domiciled in South Africa. The company is wholly owned by General Insurance Corporation of India (GIC Re) and authorised to write short-term reinsurance business as per Insurance Act 2017.

### 1 ACCOUNTING POLICIES

#### 1.1 Statement of compliance

The financial statements of the company are prepared on the going concern basis and in accordance with International Financial Reporting Standards (IFRS) and the requirements of the Companies Act of South Africa. The accounting policies set out below have been applied consistently to all years presented in the financial statements.

#### 1.2 Basis of preparation

The company is domiciled in South Africa and its reporting currency is Rand. The presentation of the statement of financial position is based on the descending order of liquidity.

##### *Basis of measurement*

The financial statements are prepared on the historical cost basis except for investments which are carried at fair value. All figures are rounded off to nearest one Rand.

#### 1.3 Significant judgements and source of estimation uncertainty

The preparation of financial statements in conformity with International Financial Reporting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The most significant judgements, estimates and assumptions relate to technical provisions and liabilities under insurance contracts detailed in note 4.

##### **Assumptions**

As a reinsurer, it is necessary to estimate proportional premiums earned, but not yet reported by cedants (pipeline premiums estimates). The pipeline premium is calculated separately for Facultative, Proportional Treaty and Non-proportional treaty business. For each, triangulation is done on an annual basis, separately for foreign and local business. The chain ladder method is then applied to determine the pipeline premium. Assumptions based on actual claims experience to date have been used in determining the claim provisions.

Profit commissions are payable to cedants based on the performance of the contracts underwritten and are estimated with reference to premiums and claims recorded in the financial statements.

#### 1.4 Insurance contracts

Contracts under which the company accepts significant insurance risk from another party (the policyholder) through reinsurance inwards by agreeing to compensate the policyholder or other beneficiary if a specific uncertain future event (the insured event) adversely affects the policyholder or other beneficiary are classified as insurance contracts. IFRS 4 includes in its scope reinsurance contracts held, since contracts in which the entity is a policyholder are excluded from “insurance contracts” as per IFRS 4. Insurance risk is a risk other than financial risk transferred from the holder of a contract to the issuer. Financial risk is the risk of a possible future change in one or more of a specific interest rate, security price, commodity price, foreign exchange rate, index of prices or rates, a credit rating or credit index or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract.

Contracts that do not meet the above definition of insurance risk are classified as investment contracts.

#### 1.4.1 Commission expense

Acquisition costs comprise commission and other variable costs directly connected with the acquisition or renewal of insurance policies. Commission expenses are charged to profit or loss as incurred and include commission, brokerage, taxes, and profit commission which is paid to cedants based on the performance of the contracts underwritten. Commissions that vary with and are related to securing new contracts and renewing existing contracts are deferred over the period in which the related premiums are earned and recognised as an asset. All other costs are recognised as expenses when incurred.

#### 1.4.2 Retrocession

The company retrocedes insurance risk in the normal course of business for the purpose of limiting its net loss potential through the diversification of its risk. Retrocession arrangements do not relieve the company from its direct obligation to cedants. Amounts recoverable under retrocession contracts are recognised in the same year as the related claim. Amounts recoverable under retrocession agreements are assessed for impairment at each reporting date. Such assets are deemed impaired if there is objective evidence, as a result of an event that occurred after its initial recognition that the company may not recover all amounts due. Premiums retroceded, claims reimbursed and commission income are presented in the statement of comprehensive income and statement of financial position separately from the gross amounts. Deferred retrocession income is recognised on a basis consistent with the provision for earned premiums.

#### 1.4.3 Retroceded outstanding claims

Outstanding claims represent the company's estimate of the cost of settlement of claims that have occurred and were reported by the reporting date, but that have not yet been finally settled. The provision for outstanding claims is initially estimated at a gross level and thereafter the retrocession recoveries are separately recognised based on the relevant retrocessionaire contract.

#### 1.4.4 Retroceded unearned premium reserve

Unearned premiums represent the proportion of premiums written in the current year, which relate to risks that have not expired by the end of the financial year. The provision for unearned premiums is first determined on a gross level and thereafter the retroceded portion is separately recognised based on the relevant retrocessionaire contract.

#### 1.4.5 Amounts due under reinsurance contracts

Trade and other receivables which includes amounts due from reinsurance contracts at amortised cost using the effective interest method.

#### 1.4.6 Amounts due from retrocessionaire contracts

Amounts recoverable from retrocessionaires are measured consistently with the amounts associated with the reinsured insurance contracts and in accordance with the terms of each retrocessionaire contract.

#### 1.4.7 Amounts payable to retrocessionaire contracts

Amounts that the company is required to pay under retrocessionaire contracts held are recognised as retrocessionaire liabilities and are measured at amortised cost.

### 1.5 Deposits

Deposits retained on retrocession placed are stated at amortised cost.

#### 1.5.1 Deposits withheld from retrocessionaires

Deposits retained on ceded business are collateral for technical provisions covering business ceded to retrocessionaires. Premium reserve deposits are retained at 40% of premium received and released on an annual basis. Outstanding Losses Reserves are retained at 100% of outstanding losses and released on a quarterly basis. Actual interest earned per annum on premium reserve deposits and actual interest earned per quarter on loss reserve deposit is paid to the retrocessionaire.

However, this provision is withdrawn treaty from 01.04.2021

### 1.6 Premiums

#### 1.6.1 Gross premiums written

Premium income on insurance contracts is brought to account at the earlier of the date of coverage inception or the date of receipt. At year end, an estimate is raised for premiums where notification has not been timeously received. All premiums are shown before deduction of commission payable to intermediaries.

#### 1.6.2 Retroceded premiums

The retroceded premiums relating to earned premiums are recognised as expense in accordance with the retrocessionaire contract and services received. Retroceded premiums are written during the period in which the risks incept and are expensed over the contract period in proportion to the period of risk covered.

#### 1.6.3 Unearned premium reserve (UPR)

The provision for unearned premium comprises the portion of premiums written which are estimated to be earned in future periods. The unearned premium provision is calculated at the reporting date using the 365th method for Facultative business and using 8th method for Proportional treaty and Non-proportional treaty business.

For Facultative business, both the start date and end date of cover were included, and it was assumed that risk emergence was not materially non-uniform over the coverage period, so the 365th method was appropriate.

For both Proportional and Non-Proportional Treaty business, the 8th method was applied on the assumption that a contract which starts within a quarter starts on average half-way through that quarter.

#### 1.6.4 Change in provision for unearned premiums

The portion of gross written premium on short term insurance contracts, which is estimated to be earned in the following or subsequent years, is accounted for as unearned premium provision and recognised in the statement of financial position as technical liabilities under insurance contracts. The change in the provision is recognised through profit or loss as an adjustment to gross written premiums to determine the net premium earned.

### 1.7 Property, plant & equipment

The cost of item of property, plant and equipment is recognised as an asset when:

It is probable that future economic benefits associated with the item will flow to the company; and the cost of the item can be measured reliably.

Equipment, furniture and motor vehicles are stated at cost less accumulated depreciation and any accumulated impairment which is calculated to write off the cost of the assets to its residual value over their useful lives in a pattern that reflects their economic benefits. Cost includes all expenditure that is directly attributable to the acquisition of an asset to bring it to its intended use. Maintenance and repairs which neither adds to the value of the property and equipment is recognised directly in the statement of profit or loss.

The current estimated useful lives are as follows:

#### Equipment

Office equipment	6 years
Computer equipment	3 years
Furniture	6 years
Motor vehicles	5 years

Equipment, furniture, and motor vehicles are depreciated on a straight-line basis. The useful lives and methods are reassessed annually. The residual values (if not insignificant) are also reassessed annually. Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. Equipment, furniture, and motor vehicles is subsequently measured using the cost model.

Assets are removed from the statement of financial position on disposal or when it is withdrawn from use and no further economic benefits are expected from its disposal. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the assets and are included in profit or loss. Depreciation for the financial year is disclosed in the statement of profit or loss as management expenses.

### 1.8 Outstanding and unexpired claims

Provisions are made for claims incurred up to the reporting date. The provisions exclude Value Added Tax (VAT) but include an estimate for claims handling costs.

### 1.9 Share capital

GIC Re South Africa Ltd is 100% owned by GIC of India. Shares are classified as equity shares and there is no obligation to transfer cash or other assets.

### 1.10 Gross deferred acquisition costs

Commissions that vary with and are related to securing new contracts and renewing existing contracts are deferred over the period in which the related premiums are earned, and recognised as an asset. All other costs are recognised as expenses when incurred.

Deferred acquisition cost are calculated using the 365th method for the Facultative business and using the 8ths method for the Proportional and Non-Proportional Treaty business.

For Facultative business, both the start date and the end date of cover were included, and it was assumed that the risk emergence was not materially non-uniform over the coverage period, so the 365th method was appropriate.

For both Proportional and Non-Proportional Treaty business, the 8th method was applied on the assumption that a contract which starts within the quarter starts on average half-way through that quarter.

### 1.11 Gain or loss on realisation of investments

Gains or losses on realisation of investments are recognised in profit and loss.

### 1.12 Income taxes

Income tax on profit and loss for the year comprises current and deferred tax. Income tax is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity, or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable or receivable in respect of previous years. The current corporate tax rate is 28%. However, any increase or decrease in tax rate will impact profit after tax and on equity.

Deferred tax is provided using the liability method, providing for temporary differences between the carrying amounts of the assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised if the temporary difference arises from goodwill or from the initial recognition of an asset or liability in a transaction (other than a business combination) that at the time of the transaction affects neither accounting nor taxable profit or loss.

The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

### 1.13 Impairment of non-financial assets

The carrying amounts of the company's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If there is any indication that an asset is impaired, its recoverable amount is estimated. The recoverable amount is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised in profit or loss whenever the carrying amount of an asset exceeds its recoverable amount. In assessing the value in use, the expected future cash flows from the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

A previously recognised impairment loss is reversed if the recoverable amount increases as a result of a change in the estimates used to determine the recoverable amount, but not to an amount higher than the carrying amount that would have been determined (net of amortisation or depreciation) had an impairment loss not been recognised in prior years.

### 1.14 Financial instruments

#### 1.14.1 Financial assets

Financial assets are recognised when the company becomes a party to the contractual terms that provisions of the instruments. On initial recognition, these instruments are recognised at fair value or for financial instruments not carried at fair value, the cost thereof, including transaction costs. Subsequent to initial recognition, these instruments are measured as set out below:

##### 1.14.1.1 Investment through Profit and Loss

Investments are classified at fair value through profit or loss. The investments are managed and their performance evaluated and reported internally on a fair value basis in terms of a documented investment strategy in line with the changes in insurance liabilities that are recognised in profit and loss. The fair value of listed investments is measured with reference to their quoted bid prices at the reporting date.

##### 1.14.1.2 Investment through amortised cost

Investments are classified as subsequently measured at amortised cost and are accounted for using the effective interest rate method. The interest is calculated by applying the effective interest rate on the gross carrying amount of the investment. Gains and losses are recognised in the profit and loss.

##### 1.14.1.3 Trade and other receivables

Trade and other receivables (which includes amounts due from reinsurance contract retrocessionaire) are stated at amortised cost using the effective interest rate method. Amounts recoverable under insurance contracts are assessed annually. Such assets are deemed impaired if there is objective evidence, as a result of an event that occurred after impairment losses at each reporting date. The carrying amounts of the assets are reduced by the impairment losses. Impairment losses are recognised in the profit or loss account for the period.

##### 1.14.1.4 Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with original maturities of three months or less. Cash and cash equivalents are stated at amortised cost.

### 1.15 Financial liabilities

Financial liabilities are initially measured at cost, net of transaction costs. These liabilities are subsequently measured at amortised cost using the effective interest method, with the interest expense being recognised on an effective yield basis. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating the corresponding interest expense over the relevant period.

The effective interest rate is the rate that exactly discounts future cash payments through the expected life of the financial liability or, where appropriate, a shorter period

Non-derivative financial liabilities are carried at amortised cost, comprising of the original debt, principal payments and amortisation.

#### 1.15.1 Trade and other payables

Trade and other payables (which includes amounts due to reinsurance contract retrocessionaire) are stated at amortised cost using effective interest rate method.

#### 1.16 Derecognition

The company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount at the date of derecognition and the consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

The entity generally derecognises a financial liability when its contractual obligations expire or are discharged or cancelled. The entity also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

#### 1.17 Impairments of assets

Financial assets other than those carried at fair value through profit or loss are impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that have occurred after the initial recognition of the asset (a "loss event") and that loss event has an impact on the estimated future cash flows of the financial asset that can be reliably estimated

If there is objective evidence that an impairment loss has been incurred on loans and receivables carried at amortised cost, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised.

##### Change in provision for doubtful debts

The provision for doubtful debts is recognised through profit or loss. Premium debtors older than 365 days are classified as doubtful debts and are not assessed as part of premium debtors.

#### 1.18 Offset

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position when the company has a legally enforceable right to set off the recognised amounts, and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

#### 1.19 Foreign currencies

Foreign currency monetary items are translated to South African Rand at rates of exchange ruling at the reporting date.

Foreign currency transactions during the year are recorded at rates of exchange ruling at the transaction date. Realised and unrealised gains or losses on exchange are accounted for in profit and loss during the period that they arise. The foreign gains and losses are mainly come through business transactions and fixed deposits.

### 1.20 Employee benefits

Leave pay: Employee entitlements to annual leave are recognised when they accrue to employees. Provision is made for the estimated liability of this leave as a result of services rendered by employees up to the statement of financial position date.

Bonus: Employees are entitled to Christmas bonus as per the company's human resource policy.

Medical Aid: Employees are covered under Medical Aid Plan.

Short term employee benefits are those benefits which are expected to be settled before twelve months after the end of annual reporting period during which employee services are rendered, but do not include termination benefits.

The undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in an accounting period is recognised in that period. The expected cost of short-term compensated absences is recognised as the employees render service that increases their entitlement or, in the case of non-accumulating absences, when the absences occur, and includes any additional amounts an entity expects to pay as a result of unused entitlements at the end of the period. Short term employee benefits are recognised as an expense in profit or loss when incurred.

### 1.21 Leases

At inception of a contract, GIC assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The company has not elected to apply the practical expedient to account for each lease component and any non-lease components as a single lease component.

The company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The assets are depreciated to the earlier of the end of the useful life of the right-of-use asset or the lease term using the straight-line method as this most closely reflects the expected pattern of consumption of the future economic benefits. The right of use of the asset is included in the property, plant and equipment.

Subsequent to initial measurement, the liability will be reduced by lease payments that are allocated between repayments of principal and finance costs. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company estimate of the amount expected to be payable under a residual value guarantee, or if the company changes its assessment of whether it will exercise a purchase, extension or termination option.

Subsequent to initial measurement, the liability will be reduced by lease payments that are allocated between repayments of principal and finance costs.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The company has elected to apply the practical expedient not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term. The threshold of these assets is R75 000.

## 2 Reinsurance risk management

### 2.1 Non-life reinsurance contracts

#### 2.1.1 Risk management objectives and policies for mitigating reinsurance risk

The company reactivated its underwriting non-life reinsurance business as of 1 January 2015 after having been in run off since 2002. The cover periods for all historical reinsurance contracts, which were annual in nature, had expired by the end of 2005. The company's exposure is therefore limited to the uncertainty surrounding the timing of payment and severity of claims already incurred under historical reinsurance contracts. This is commonly referred to as claims development risk.

Sound underwriting principles are applied when the reinsurance contracts are underwritten. In order to ensure that each contract was comprehensively evaluated for underwriting and rating purposes, strict underwriting guidelines, agreed to with the parent company, are followed. The underwriting guidelines stipulate the type of risks that could be underwritten, as well as the exposure per risk that was acceptable.

The reinsurance contracts underwritten by the company comprise:

- Property reinsurance: contracts that indemnify against physical loss or damage and the financial consequences from a loss or damage to land and buildings.
- Transport reinsurance: contracts that indemnify against losses from the possession, use or ownership of a vessel, aircraft or other craft for the conveyance of persons or goods.
- Accident reinsurance: contracts that indemnify against losses from a variety of risks. These include:
  - Motor
  - Personal accident and health
  - Guarantee
  - Liability
  - Engineering
  - Miscellaneous

The claims liabilities recognised for each of these classes at year end are disclosed in note 6.

The largest claims development uncertainty is concentrated in those classes that are classified as long tail, such as liability and engineering. Long tail business is defined as reinsurance contracts under which claims are typically not settled within one year of the occurrence of the events giving rise to the claims. In long tail classes, there is still significant scope for future development, positive or negative, both in number of claims, as well as the value of the claims.

- The company commenced its operations from 01 January 2015 and is underwriting non-life reinsurance business emanating from Sub-Saharan Africa. In the month of October 2017, the company's territorial scope was widened to underwrite business from 5 North African Countries namely Algeria, Tunisia, Morocco, Sudan and South Sudan. As a result, the company has been underwriting business from the entire Africa continent.
- The company has regarded its concentration in South Africa as a primary concern from the point of view of hailstorm and earthquake exposures. To mitigate the underwriting risk, it has in place a 70% Whole Account Quota Share Treaty from Sirius, Sweden. Further based on its internal assessment and a catastrophe model sourced from a third party, has calculated realistic disaster scenario in any one catastrophe and as a matter of abundant precaution procured an excess of loss protection from Sirius International for US\$ 49 million excess US\$ 1 million for the year 2022-23. The cover is currently in place.

These arrangements will protect the capital of the company in any catastrophe event.

- The company had launched two new products in 2018 namely (1) Stand-alone Political Violence and Terrorism (PVT) and (2) Retakaful business.
- For PVT business, the company has obtained a Quota Share Protection for 12 months beginning 01 October, 2021 from the Lloyd's Market.
- The Retakaful business has been protected under the existing Whole Account Quota Share Treaty and Whole Account Excess of Loss Cover.

### 2.1.2 Concentrations of reinsurance risk

Concentrations of risk may arise with a particular event or series of events for example in one geographical location.

### 2.1.3 Claims development information

Consistent with practice in the reinsurance industry, quarterly statements received from insurers under proportional reinsurance contracts, do not detail the date of loss of reinsurance claims. Proportional reinsurance contracts make up the largest part of the company's business. The majority of the business underwritten is classified as "short-tail" meaning that claims are settled within a year after the loss date. In terms of IFRS 4, an insurer need only disclose claims run-off information where uncertainty exists about the amount and timing of claim payments not resolved within one year.

Claims development is monitored in aggregate for all loss years. Note 6 provides details of the overall changes in estimates of claims liabilities created in earlier years.

### 2.3.4 Claims incurred, net of reinsurance

Claims incurred in respect of short-term insurance contracts consist of claims and claims handling expenses paid during the financial year as well as movements in provision for outstanding claims and claims incurred but not reported (IBNR).

### 3 Financial risk

Transactions in financial instruments result in the company assuming financial risks. These include market risk, liquidity risk and credit risk. Each of these risks is described below, together with ways in which the company manages these risks.

#### 3.1 Market risk

Market risk can be described as the risk of a change in the fair value of a financial instrument brought about by changes in interest rates, equity prices, or foreign exchange rates.

- Equity price risk**

The portfolio of listed equities, which are stated at fair value at reporting date, has exposure to price risk, being the potential loss in market value resulting from adverse changes in prices. The company's objective is to earn competitive relative returns by investing in a diverse portfolio of securities. Portfolio characteristics are analysed on a regular basis. The portfolio is invested in various industries as detailed in note 9, and the largest investment in any one company comprises 4.58% (2022: 1.70%) of the total assets.

In 31 March 2023, the company's ordinary listed equities were recorded at their fair value of R 292.86 million (2022: R 273.24 million). A hypothetical 25% decline or increase in each share's price would have decreased or increased profit before tax (PBT) respectively by R 73.21 million (2022: R 68.31 million). The impact on equity would be R 54.90 million (2022: R 49.18 million)

- Interest rate risk**

Fluctuations in interest rates impact on the value of government securities and corporate bonds, inhouse fixed deposits from the investment portfolio. The maturity profile of these instruments is set out in note 9. Management is trying to find other instruments which gives good return to manage interest rate risk. The method for deriving sensitive information has not been changed.

Increase/decrease in interest rate	ZAR (million)	ZAR (million)	ZAR (million)	ZAR (million)
	Effect on PBT March 2023	Effect on PBT March 2022	Effect on shareholder's equity on March 2023	Effect on shareholder's equity on March 2022
+1%	15	17	11	13
-1%	(15)	(17)	(11)	(13)

- Foreign currency risk**

The company is exposed to foreign currency risk for transactions that are denominated in a currency other than Rand.

The company is writing business from whole of Africa. The company's focus is to build foreign currency reserves and match ZAR, USD and EUR Liabilities with ZAR(South African Rand), USD (US Dollar) and EUR (EURO) assets.

Impact of a change in the rand exchange rate against the euro is not material to the company for the current year.

The method for deriving sensitive information has not been changed. Below is the impact of the US Dollar foreign currency exchange sensitivity analysis:

Increase/decrease in Foreign currency (USD)	ZAR (million)	ZAR (million)	ZAR (million)	ZAR (million)
	Effect on PBT March 2023	Effect on PBT March 2022	Effect on shareholder's equity on March 2023	Effect on shareholder's equity on March 2022
10%	44	37	31	26
-10%	(44)	(37)	(31)	(26)

### 3.2 Liquidity risk

The company ensures that the solvency of the company meets the regulatory requirements at all times by maintaining a high level of liquidity.

The company follows the regulatory provisions, in conjunction with prudential norms laid out by the Board of directors, with regard to the investment of its funds. The general investment strategy is to use cash as the default asset class.

Equity exposure is maintained at lower levels. The company maintains liquid assets which can be used for immediate cash flow needs (refer note 24.2).

#### Expected cash flows of liabilities:

##### 2023

	Carrying amount	1 year	2 years	More than 2 years
Deposits withheld from Retrocessionnaire	828,572,854	828,572,854	-	-
Amounts payable to Retrocessionnaire contracts	428,625,730	428,625,730	-	-
Amounts payable under reinsurance contracts	139,771,609	139,771,609	-	-
Other accounts payable	101,242,459	101,242,459	-	-

##### 2022

	Carrying amount	1 year	2 years	More than 2 years
Deposits withheld from retrocessionnaires	1,490,658,029	1,490,658,029	-	-
Amounts payable to retrocessionnaire contracts	207,933,056	207,933,056	-	-
Amounts payable under reinsurance contracts	136,576,913	136,576,913	-	-
Other accounts payable	29,154,111	29,154,111	-	-

Maturity of technical liabilities under insurance contracts and lease liabilities have been included in Note 6 and note 20 respectively. The company performs a currency-wise asset and liability management exercise every quarter and any decision on conversion of currencies is taken in ALCO (Asset Liability Committee).

For Rand funds, the fund managers are instructed to keep funds invested in such a way as to offer maximum flexibility and high liquidity.

Over and above these liquidity measures, a letter of comfort given by the parent company provides support to the company in order to maintain adequate capital, to meet solvency and policy holder liability requirements and financial obligations.

### 3.3 Credit risk

The company has several exposures to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Key areas where the company is exposed to credit risk are:

- amounts due under reinsurance contracts
- amounts due from Retrocessionnaire contracts
- investments excluding equities; and
- retroceded technical liabilities.

Exposure to individual policyholders and groups of policyholders are monitored as part of the credit control process. Reputable financial institutions are used for investing and cash handling purposes.

Under the terms of the retrocession agreements, Retrocessionnaire agree to reimburse the ceded amount in the event that a gross claim is paid. However, the company remains liable to its cedants regardless of whether the Retrocessionnaire meets the obligations it has assumed. Consequently, the company is exposed to credit risk.

The company reinsures with Sirius International Insurance Corporation which has been rated A (Excellent) by A.M. Best and A- (Strong) by S&P Ratings.

Sirius International Insurance Corporation arranged a 70% whole account quota share treaty whereby 70% of the claims are recovered from Sirius International Insurance Corporation.

Except from amounts due from company's reinsurance contracts none of the company's financial assets exposed to credit risk are past 365 days due and not impaired. The company does not hold any collateral as security held for receivables.

Age analysis of amounts due from companies on reinsurance contracts.

### 2023

	Total	Current	More than 30 days	More than 60 days	More than 90 but less than 365 days	More than 365 days *
Amounts due under reinsurance contracts	<b>773,656,310</b>	619,290,678	7,627,502	11,274,481	44,854,305	90,609,344

### 2022

	Total	Current	More than 30 days	More than 60 days	More than 90 but less than 365 days	More than 365 days *
Amounts due under reinsurance contracts	<b>785,479,080</b>	671,436,610	5,225,285	11,853,452	37,012,573	59,951,161

\*Amount Receivable is net of provision for doubtful debts of R 90.60 million (2022: R 59.95 million)

\* The amount mentioned under more than 365 days are impaired.

### Analysis of the credit quality of the company's assets

#### 2023

	AAA R	AA R	A R	BBB and lower R	Not Rated R	Total R
Technical assets under insurance contracts	-	-	2,083,172,402	-	57,128,213	2,140,300,615
Investments						
Government securities	-	-	-	427,602,824	-	427,602,824
Negotiable Certificate of Deposit	-	-	-	279,889,151	-	279,889,151
Fixed Deposits	-	-	-	1,480,963,515	-	1,480,963,515
Treasury bills	-	-	-	-	-	-
Ordinary shares - listed	-	-	292,862,962	-	-	292,862,962
Collective investment schemes	-	-	133,450,446	-	-	133,450,446
Preference shares - listed	-	-	9,463,249	-	-	9,463,249
Accounts receivable (Net)	38,695,903	571,034,504	5,782,325	47,695,016	19,852,678	683,060,426
Other accounts receivable	-	-	-	-	3,339,422	3,339,422
Cash and cash equivalents	-	-	55,099,501	87,367,103	-	142,466,604
	<b>38,695,903</b>	<b>571,034,504</b>	<b>2,579,830,885</b>	<b>2,323,517,608</b>	<b>80,320,314</b>	<b>5,593,399,214</b>

**2022**

	AAA R	AA R	A R	BBB and lower R	Not Rated R	Total R
Technical assets under insurance contracts	-	-	1,757,214,059	-	40,576,320	1,797,790,379
Investments						
Government securities	-	-	-	329,746,940	-	329,746,940
Negotiable Certificate of Deposit	-	-	-	290,827,219	-	290,827,219
Fixed Deposits	-	-	-	1,746,872,063	-	1,746,872,063
Treasury bills	-	-	211,830,897	-	-	211,830,897
Ordinary shares - listed	-	-	273,244,094	-	-	273,244,094
Collective investment schemes	-	-	74,692,791	-	-	74,692,791
Preference shares - listed	-	-	9,795,264	-	-	9,795,264
Accounts receivable (Net)	32,512,622	556,723,961	6,183,281	20,810,030	109,298,025	725,527,919
Other accounts receivable	-	-	-	-	2,899,126	2,899,126
Cash and cash equivalents		42,277,227	25,042,283	75,320,092	28,217,604	170,857,206
	32,512,622	599,001,188	2,358,002,669	2,463,576,344	180,991,075	5,634,083,899

The company's maximum exposure to credit risk is analysed in the tables above.

The assets as above are based on external credit ratings obtained from various reputable rating agencies like Fitch and Standard and Poor's. The assets under investment are designated at fair value through profit and loss.

The international rating scales are based on long-term investment horizons under the following broad investment grade definitions:

**AAA** The financial instrument is judged to be of the highest quality, with minimal credit risk and indicates the best quality issuers that are reliable and stable.

**AA** The financial instrument is judged to be of high quality and is subject to very low credit risk and indicates quality issuers.

**A** The financial instrument is considered upper-medium grade and is subject to very low credit risk although certain economic situations can more readily affect the issuers' financial soundness adversely than those rated AAA or AA.

**BBB** The financial instrument is subject to moderate credit risk and indicate medium class issuers, which are currently satisfactory.

**Fair value hierarchy**

The table below analyses assets carried at fair value. The different levels have been defined as follows:

**Level 1**

Quoted market price in an active market for an identical instrument.

**Level 2**

Valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly observable from market data.

### Level 3

Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

### 2023

	Level 1	Level 2	Level 3	Total
Financial assets designated at fair value through profit or loss*	<b>427,602,824</b>	-	-	427,602,824
Financial assets mandatory at fair value through profit or loss**	<b>302,326,210</b>	133,450,446	-	435,776,656
	<b>729,929,034</b>	133,450,446	-	863,379,480

### 2022

	Level 1	Level 2	Level 3	Total
Financial assets designated at fair value through profit or loss*	<b>329,746,940</b>	-	-	329,746,940
Financial assets mandatory at fair value through profit or loss**	<b>283,039,358</b>	74,692,791	-	357,732,149
	<b>612,786,298</b>	74,692,791	-	687,479,088

\* Government bonds - listed

\*\* Ordinary shares (listed), collective investment schemes (listed) and preference shares (listed)

For all listed prices - Quoted from the Johannesburg Stock Exchange as at 31 March 2023

The carrying amount of cash and cash equivalents, amounts due under reinsurance contracts, treasury bills, negotiable certificates of deposits, fixed deposits, amounts due from Retrocessionnaire contracts and other accounts receivable reflect the approximate fair value because of their short-term nature.

Collective Investment schemes are valued based on its unit price or the net asset value (NAV), depending on the market value of the underlying investments in which the pool of money is invested. Its yield is calculated by taking the interest and income receivable of all the instruments in the fund divided by the net asset value, expressed as a nominal annual rate.

### Capital management

The company recognises equity and reserves as capital and management closely monitors the company's capital position relative to the economic and regulatory requirements. The company submits quarterly and annual returns to the Prudential Authority (PA) in terms of the Insurance Act, 2017. The company is required to at all times to maintain a minimum capital adequacy requirement as defined in the Insurance Act, 2017.

The company with the assistance of its consulting actuary, has addressed the capital needs under the Solvency Assessment and Management (SAM) regime (from July 2018) and have complied with the transitional reporting requirements as communicated by the Regulator.

	2023 R'000	2022 R'000
Total SAM Assets	<b>5,223,607</b>	5,348,391
Total SAM Liabilities	<b>3,559,000</b>	3,894,117
Total SAM Equity / Own Funds	<b>1,665,000</b>	1,454,274
Solvency Capital Requirement	<b>724,000</b>	573,279
SCR Ratio	<b>2.30</b>	2.54

\*The SAM assets, liabilities and own funds differ with the IFRS assets, liabilities and own funds as they are determined as per the provisions of the SAM. SCR Ratio is required to be at least 1.00. Therefore, GIC Re SA limited is compliant to the SAM requirements.

#### 4 Technical provisions and liabilities under insurance contracts

Insurance risks are unpredictable, and the company recognises that it is impossible to forecast with absolute precision claims payable under insurance contracts. Over time, the company has developed a methodology that is aimed at establishing insurance provisions and liabilities that have a reasonable likelihood of being adequate to settle all its insurance obligations.

The earned premium, Unearned Premium Reserve (UPR) and Deferred Acquisition Cost (DAC) are calculated using the 365<sup>th</sup> method for Facultative business and using the 8th method for Proportional and Non-Proportional Treaty business.

In respect of claims incurred but not yet reported (IBNR), for most classes of business, the loss ratio method was used. It was assumed there was no IBNR beyond the point at which historically almost all development based on the Chain Ladder pattern had occurred.

There was no major impact of COVID 19 on the assumptions and no material effect on the financial statements.

##### 4.1 Non-life reinsurance contracts

###### 4.1.1 Claim provisions

The outstanding claims provisions include notified claims as well as incurred but not yet reported claims, (IBNR) Outstanding claims provisions are not discounted.

###### Notified claims

Claims notified by cedants are assessed with due regard to the specific circumstances, information available from the cedant and/or loss adjuster and past experience with similar claims. The company employs staff experienced in claims handling and rigorously applies standardised policies and procedures around claims assessment.

The ultimate cost of the reported claims may vary as a result of future developments or better information becoming available about current circumstances. Estimates are therefore reviewed regularly and followed up with the cedant to ensure that it is still current.

###### 4.1.2 Premium provisions and deferred commission

Unearned premium provisions and deferred commission assets have been recognised. For Facultative, 365<sup>th</sup> method is used, and for proportional and non proportional treaty business the 8th method is adopted.

###### 4.1.3 Recoverability of insurance receivables

Amounts due from cedants have been assessed for an indication of impairment due to significant financial difficulty, a breach of contract or other observable data indicating a measurable decrease in the future cash recoverable. This may include adverse changes in the payment status of cedants or economic conditions that may lead to default of amounts due.

The carrying amount of insurance receivables has been reduced by a provision for doubtful debts and the amount of the loss has been recognised in the statement of comprehensive income. If in future the amount becomes recoverable the previously recognised provisions for doubtful debts will be reversed through the statement of profit or loss.

#### 5 Property, Plant and Equipment

	31 MARCH 2023 R	31 MARCH 2022 R
<b>At cost</b>		
Equipment	2,423,413	2,338,226
Furniture	882,097	882,097
Motor vehicles	3,058,260	3,058,260
Right-of-use asset	3,568,623	3,568,623
	<b>9,932,393</b>	9,847,206

	31 MARCH 2023 R	31 MARCH 2022 R
<b>Accumulated depreciation and accumulated impairment</b>		
Equipment	(2,184,395)	(2,041,140)
Furniture	(836,112)	(774,076)
Motor vehicles	(2,813,086)	(2,505,498)
Right-of-use asset	(3,568,623)	(2,379,571)
	(9,402,216)	(7,700,285)
<b>Net book value</b>		
Equipment	239,019	297,086
Furniture	45,984	108,021
Motor vehicles	245,174	552,762
Right-of-use asset	-	1,189,052
	530,177	2,146,921
<b>Equipment</b>		
Net book value at beginning of year	297,086	344,168
Additions	85,188	143,054
Disposals		(35,028)
Depreciation	(143,255)	(155,108)
Net book value at end of year	239,019	297,086
<b>Furniture</b>		
Net book value at beginning of year	108,021	169,266
Additions	-	-
Depreciation	(62,037)	(61,245)
Net book value at end of year	45,984	108,021
<b>Motor vehicles</b>		
Net book value at beginning of year	552,762	1,024,665
Additions	-	-
Depreciation	(307,588)	(471,903)
Net book value at end of year	245,174	552,762
<b>Right-of-use asset</b>		
Net book value at beginning of year	1,189,052	2,379,081
Additions	-	-
Disposals	-	-
Depreciation	(1,189,052)	(1,190,029)
Net book value at end of year	-	1,189,052

	31 MARCH 2023 R	31 MARCH 2022 R
<b>Total</b>		
Net book value at beginning of year	2,146,921	3,917,180
Additions	85,188	143,054
Disposals	-	(35,028)
Depreciation	(1,701,932)	(1,878,285)
Net book value at end of year	530,177	2,146,921

## 6 Provision for outstanding claims

	31 MARCH 2023 R	31 MARCH 2022 R
Balance at beginning of the period	314,881,578	327,535,614
Gross	1,918,306,505	2,100,701,469
Retroceded	(1,603,424,927)	(1,773,165,855)
Amounts transferred (to)/from profit or loss	(176,174,144)	(12,654,036)
Gross	89,774,241	(182,394,964)
Retroceded	(265,948,385)	169,740,928
Net retroceded portfolio transfers		
Balance at end of the period	138,707,434	314,881,578
Gross	2,008,080,746	1,918,306,505
Retroceded	(1,869,373,312)	(1,603,424,927)
Transportation	31,990,152	17,546,580
Property	(13,250,253)	188,182,063
Engineering	15,003,986	12,970,716
Guarantee	11,601,871	11,297,964
Liability	16,004,125	6,659,795
Motor	46,095,184	56,411,298
Miscellaneous	22,226,984	15,077,943
Accident/Health	9,035,384	6,735,219
	138,707,433	314,881,578

### Payment Development

Gross Reporting year actual claims cost	Total	2022	2021	2020	2019	2018	2017	2016	2015
		R	R	R	R	R	R	R	R
2023	1,031,209,919	67,861,496	570,705,393	135,707,878	169,776,617	67,719,368	12,929,225	4,560,210	1,949,731
2022	906,740,906	-	74,411,889	255,583,148	262,141,061	183,126,431	83,403,327	46,612,662	1,462,389
2021	796,731,690	-	345,707	74,613,397	174,484,409	286,468,457	215,769,629	43,259,690	1,790,401
2020	1,211,208,388	-	-	4,635	53,314,628	514,317,035	485,436,650	140,628,469	17,506,971
2019	1,172,817,193	-	-	-	1,579,173	245,794,827	505,662,878	388,452,192	31,328,123
2018	740,056,477	-	-	-	-	449,607	139,662,359	567,680,748	32,263,763
2017	205,810,787	-	-	-	-	-	(16,091,252)	108,251,394	113,650,645
2016	53,733,177	-	-	-	-	-	-	(14,889,510)	68,622,687
Cumulative payments to date	<b>6,118,308,537</b>	<b>67,861,496</b>	<b>645,462,989</b>	<b>465,909,058</b>	<b>661,295,888</b>	<b>1,297,875,725</b>	<b>1,426,772,816</b>	<b>1,284,555,855</b>	<b>268,574,710</b>
Retro Reporting year actual claims cost	Total	R	R	R	R	R	R	R	R
2023	723,149,268	47,503,047	399,493,775	95,183,145	118,853,917	47,403,558	9,078,449	3,878,619	1,754,758
2022	642,824,102	-	52,088,322	179,339,212	183,530,412	128,547,040	58,382,329	39,620,693	1,316,094
2021	564,189,347	-	25,502	52,229,378	122,139,086	200,527,920	151,038,741	36,617,357	1,611,363
2020	873,653,373	-	-	-	37,320,237	359,809,007	339,806,205	120,895,734	15,822,190
2019	884,301,490	-	-	-	-	172,056,370	353,964,015	330,176,761	28,104,344
2018	609,433,039	-	-	-	-	-	97,458,063	483,000,196	28,974,780
2017	180,257,253	-	-	-	-	-	(14,042,012)	92,013,685	102,285,580
2016	49,104,335	-	-	-	-	-	-	(12,656,084)	61,760,419
Cumulative payments to date	<b>4,526,912,207</b>	<b>47,503,047</b>	<b>451,607,599</b>	<b>326,751,735</b>	<b>461,843,652</b>	<b>908,343,895</b>	<b>995,685,790</b>	<b>1,093,546,961</b>	<b>241,629,528</b>
Net Reporting year actual claims cost	Total	R	R	R	R	R	R	R	R
2023	308,060,650	20,358,449	171,211,618	40,524,733	50,922,699	20,315,810	3,850,776	681,591	194,973
2022	263,916,805	-	22,323,567	76,243,936	78,610,649	54,579,392	25,020,998	6,991,968	146,295
2021	232,542,344	-	320,206	22,384,019	52,345,323	85,940,537	64,730,889	6,642,332	179,038
2020	337,555,016	-	-	4,635	15,994,391	154,508,028	145,630,445	19,732,736	1,684,781
2019	288,515,703	-	-	-	1,579,173	73,738,457	151,698,864	58,275,431	3,223,779
2018	130,623,438	-	-	-	-	449,607	42,204,296	84,680,552	3,288,983
2017	25,553,534	-	-	-	-	-	(2,049,240)	16,237,709	11,365,065
2016	4,628,842	-	-	-	-	-	-	(2,233,427)	6,862,269
Cumulative payments to date	<b>1,591,396,332</b>	<b>20,358,449</b>	<b>193,855,391</b>	<b>139,157,323</b>	<b>199,452,236</b>	<b>389,531,831</b>	<b>431,087,028</b>	<b>191,008,892</b>	<b>26,945,183</b>

**7 Unearned premium reserve**

	31 MARCH 2023 R	31 MARCH 2022 R
Balance at beginning of year	71,977,662	126,414,809
Gross	225,766,794	390,640,306
Retroceded	(153,789,132)	(264,225,497)
Amounts transferred through profit and loss	20,469,792	(54,437,147)
Gross	80,479,750	(164,873,512)
Retroceded	(60,009,958)	110,436,365
Balance at end of year	92,447,454	71,977,662
Gross	306,246,544	225,766,794
Retroceded	(213,799,090)	(153,789,132)

**8 Deferred acquisition costs**

	31 MARCH 2023 R	31 MARCH 2022 R
Balance at beginning of year	12,440,383	21,554,291
Gross	40,576,320	71,369,882
Retroceded	(28,135,937)	(49,815,591)
Amounts transferred through profit and loss	4,982,957	(9,113,907)
Gross	16,551,893	(30,793,561)
Retroceded	(11,568,936)	21,679,654
Balance at end of year	17,423,340	12,440,383
Gross	57,128,213	40,576,320
Retroceded	(39,704,873)	(28,135,937)

**9 Investments**

	31 MARCH 2023		31 MARCH 2022	
	R	R	R	R
	Cost	Fair Value or amortised cost	Cost	Fair Value or amortised cost
Negotiable certificates of deposits- unlisted*	271,999,683	279,889,151	288,000,000	290,827,219
Treasury bills - unlisted*	-	-	211,830,897	211,830,897
Fixed deposits - unlisted*	1,400,000,000	1,474,734,910	1,713,510,000	1,746,872,063
Ordinary shares - listed**	244,579,688	292,862,962	210,599,172	273,244,094
Collective investment schemes - listed**	135,560,704	133,450,446	74,260,704	74,692,791
Preference shares - listed**	11,090,864	9,463,249	11,530,706	9,795,264
Corporate bonds - listed				
Government bonds - listed**	418,401,061	427,602,824	325,426,985	329,746,940
Unit Trust - listed				
Total investments	2,481,632,000	2,618,003,542	2,835,158,464	2,937,009,268

\* Held at amortized cost \*\* Held at fair value

**Listed ordinary shares portfolio analysis**

	% 2023	% 2022
Basic materials	11	15
Consumer services	43	31
Financials	29	32
Industrials	17	22
	<b>100</b>	<b>100</b>

**Maturity profile of fixed interest securities**

	Less than one year	One to five years	More than five years	Total
	R	R	R	R
<b>2023</b>				
Negotiable certificates of deposits- unlisted	279,889,151	-	-	279,889,151
Fixed deposits - unlisted	1,474,734,910	-	-	1,474,734,910
Treasury bills - unlisted	-	-	-	-
Government bonds- listed	-	-	427,563,833	427,563,833
<b>2022</b>				
Negotiable certificates of deposits - unlisted	290,827,219	-	-	290,827,219
Fixed Deposits - unlisted	1,746,869,263	-	-	1,746,869,263
Treasury bills - unlisted	211,830,897	-	-	211,830,897
Government bonds- listed	-	302,820,325	26,926,615	329,746,940

**Presented below are the effective interest rates of the company's interest- bearing investments:**

	31 MARCH 2023	31 MARCH 2022
Negotiable certificates of deposits - unlisted	2.90%	4.97%
Fixed deposits - unlisted	5.07%	3.95%
Government bonds listed	7.83%	5.14%
Treasury bills (Aylett) - unlisted	0.00%	1.00%

**10 Deferred taxation**

	31 MARCH 2023	31 MARCH 2022
<b>Deferred tax asset/(liability)</b>		
<b>Provisions</b>		
ECL allowances - stage 1	18,348,392	-
Impairment allowance	-	9,712,088
Leave pay provision	1,079,514	977,823
Leases	132	50,775
Pro. Profit commission gross	14,511,676	-

	31 MARCH 2023	31 MARCH 2022
Asset held on capital account		
Equities	(10,429,187)	(13,531,303)
Preference shares	351,565	374,855
Tax loss	-	-
<b>Total deferred tax asset/(liability)</b>	<b>23,862,092</b>	<b>(2,415,762)</b>
The deferred tax asset has been raised and is considered recoverable based on future profitability and the unwinding of the temporary differences created		
Deferred tax liability	(10,429,187)	(13,531,303)
Deferred tax asset	34,291,279	11,115,541
<b>Total net deferred tax asset</b>	<b>23,862,092</b>	<b>(2,415,762)</b>
<b>Reconciliation of deferred tax asset/(liability)</b>		
At beginning of year	(2,415,762)	-
Deferred tax previously unrecognised	-	21,769,510
Change in tax rate	-	(777,483)
Movement in impairment allowance	8,636,304	2,549,016
Movement in leave provision	101,691	364,122
Movement in leases	(50,643)	2,099
Movement in Pro. Profit commision gross	14,511,676	
Movement in equity	3,102,116	(5,203,867)
Movement in preference shares	(23,290)	(1,057,328)
Movement in donations	-	(50,381)
Movement in tax loss	-	(20,011,450)
	<b>23,862,092</b>	<b>(2,415,762)</b>

**11 Other accounts payable**

	31 MARCH 2023 R	31 MARCH 2022 R
PAYE, UIF & SDL	153,558	375,625
Expenses accrual	174,304	269,131
VAT payable	12,834,469	5,824,191
Unallocated premium received	80,847,863	104,627,165
Withholding tax on interest	4,048,468	-
Provision for leave liability	3,223,875	3,621,566
	<b>101,282,537</b>	<b>114,717,678</b>

### 12 Share capital

	31 MARCH 2023 R	31 MARCH 2022 R
<b>Authorized</b>		
1 500 000 000 ordinary shares of no-par value		
<b>Issued</b>		
<u>At beginning of the year</u>		
571,030,862 ordinary shares of no-par value	1,142,061,725	1,142,061,725
<u>Issued during the year</u>		
ordinary shares of no-par value	-	-
<u>At end of the year</u>		
571,030,862 ordinary shares of no-par value	<b>1,142,061,725</b>	1,142,061,725

The unissued shares are under the control of the directors.

### 13 Deposits withheld from retrocessionaires

	31 MARCH 2023 R	31 MARCH 2022 R
Retro Loss Reserve Deposits	792,850,743	1,020,455,368
Retro IBNR Reserve Deposits	6,801,161	70,031,096
Retro UPR Reserve Deposits	28,835,902	400,171,565
	<b>828,487,806</b>	1,490,658,029

### 14 Net investment income

31 MARCH 2023	Total R
Dividends received - listed	18,497,933
Interest income	163,741,044
Realised profit/(loss) on disposal of investments	(2,406,634)
Net movement in unrealised gains on revaluation of investments	(6,747,048)
	<b>173,085,295</b>
31 MARCH 2022	Total R
Dividends received - listed	12,158,673
Interest received	110,877,742
Realised profit/(loss) on disposal of investments	56,691,687
Net movement in unrealised gains on revaluation of investments	19,595,785
	<b>199,323,887</b>

**15 Claims incurred**

<b>31 MARCH 2023</b>	<b>Total R</b>
Claims paid	(308,060,645)
Gross	(1,031,209,913)
Retroceded	723,149,268
Change in provision for outstanding claims	176,174,144
Gross	(89,774,241)
Retroceded	265,948,385
Claims incurred	(131,886,501)
<b>31 MARCH 2022</b>	<b>Total R</b>
Claims paid	(263,916,805)
Gross	(906,740,906)
Retroceded	642,824,101
Change in provision for outstanding claims	12,654,036
Gross	182,394,964
Retroceded	(169,740,928)
Claims incurred	(251,262,769)

**16 Commission**

	<b>31 MARCH 2023 R</b>	<b>31 MARCH 2022 R</b>
<b>Commission expense</b>		
Gross commission and brokerage paid	<b>(340,954,706)</b>	(305,211,674)
Gross deferred acquisition cost	<b>16,551,893</b>	(30,793,561)
	<b>(324,402,813)</b>	(336,005,235)
<b>Commission income</b>		
Retrocession commission and brokerage received	<b>263,284,130</b>	215,447,255
Retroceded deferred commission revenue	<b>(11,568,936)</b>	21,679,654
	<b>251,715,194</b>	237,126,909
<b>Net Commission</b>	<b>(72,687,619)</b>	(98,878,326)

### 17 Management expenses

	31 MARCH 2023 R	31 MARCH 2022 R
Depreciation	1,702,421	1,878,285
Loss on disposal of equipment	-	35,028
External auditors' remuneration	1,407,723	1,340,689
Internal auditors' remuneration	841,530	688,700
Software expenses	1,607,409	1,788,312
Directors' fees	2,352,596	1,075,053
Utilities	619,708	665,557
Tariffs	1,335,681	1,353,244
Consulting fees	4,082,041	3,205,218
Employee costs - salaries and bonuses	19,296,411	19,785,014
Staff amenities	687,333	771,444
Membership fees	1,368,275	557,564
Insurance costs	927,145	766,701
Other expenses	6,225,414	2,174,051
	42,453,687	36,084,860

### 18 Taxation

31 MARCH 2023	Total R
<b>South African normal tax</b>	
Current taxation	
– current year income tax charge	92,793,420
Prior year under or over provision	(1,706,559)
	<b>91,086,861</b>
Deferred taxation	
– current year	(26,277,854)
Under/(over) provisions prior years	
Change in rate	
	<b>(26,277,854)</b>
	<b>64,809,007</b>
<b>Tax rate reconciliation:</b>	%
<b>Standard tax rate</b>	<b>24.70</b>
Income tax charge to income statement	
Non-taxable income- dividend received	(2.50)
Non-deductible expenditure	(0.10)
Accounting loss/ (profit) on disposal of investments	-

31 MARCH 2023	Total R
Other - Expenditure incurred in the production of exempt income	-
Miscellaneous expenses - Not incurred in the production of income	-
Unrealised loss/(profit) on equity and preference shares	-
Effect of temporary differences raised at CGT rate	0.30
Under/overprovision in prior years	-
Deferred tax previously unrecognised	-
Unutilised calculated assessed loss and deductible temporary differences	-
Change in standard tax rate	-
Difference between income tax and Deferred tax rate	-
<b>Effective tax rate</b>	<b>27.00</b>
31 MARCH 2022	Total R
<b>South African normal tax</b>	
Current taxation	-
– current year income tax charge	27,181,950
Prior year under or over provision	(1,995,345)
	25,186,605
Deferred taxation	-
– current year	23,407,790
Under/(over) provisions prior years	(21,769,510)
Change in rate	777,483
	2,415,763
	27,602,368
<b>Tax rate reconciliation:</b>	%
<b>Standard tax rate</b>	<b>28.00</b>
Non-taxable income- dividend received	(1.68)
Non-deductible expenditure	0
Accounting loss/ (profit) on disposal of investments	(7.23)
Other - Expenditure incurred in the production of exempt income	0.05
Miscellaneous expenses - Not incurred in the production of income	-
Unrealised loss/(profit) on equity and preference shares	6.28
Effect of temporary differences raised at CGT rate	(0.17)
Under/overprovision in prior years	(0.99)
Deferred tax previously unrecognised	(10.76)
Unutilised calculated assessed loss and deductible temporary differences	-
Change in standard tax rate	(0.38)
Difference between income tax and Deferred tax rate	0.52
<b>Effective tax rate</b>	<b>13.64</b>

### 19 Related party transactions

#### 19.1 Identity of related parties

The current holding company is General Insurance Corporation of India (GIC Re India) which is controlled by Government of India (holding 85.78% equity share), it acquired 100% of the company's shares on 24 April 2014.

#### 19.2 Transactions with Directors & Key Management Personnel

The remuneration of the Non-Executive Directors, of the company, is set out below.

##### 2023

Name	Designation	Basic Remuneration	Medical Benefits	Cash Incentive	Other allowances	Total
S Bhikha	Non-Executive Director	820,980	-	-	-	820,980
J Bagg	Non-Executive Director	756,376	-	-	-	756,376
N Sallie*	Non-Executive Director	624,499	-	-	-	624,499
F Roji**	Non-Executive Director	150,741	-	-	-	150,741
<b>Total</b>						<b>2,352,596</b>

##### 2022

Name	Designation	Basic Remuneration	Medical Benefits	Cash Incentive	Other allowances	Total
S Bhikha	Non-Executive Director	380,609	-	-	-	380,609
CI Moosa	Non-Executive Director	380,609	-	-	-	380,609
J Bagg	Non-Executive Director	313,835	-	-	-	313,835
<b>Total</b>						<b>1,075,053</b>

The remuneration of executive directors of the company is set out below:

##### 2023

Name	Designation	Basic Remuneration*	Medical Benefits	Cash Incentive	Other allowances	Total
Sandip Karmarkar	MD & CEO	996,410	145,704	-	382,914	1,525,028

##### 2022

N Saravanabhavan	MD & CEO	508,414	51,662	-	55,877	615,953
Sandip Karmarkar***	MD & CEO	-	-	-	-	-

\* Appointed on 22nd June 2022

\*\* Appointed on 1st March 2023

\*\*\* Appointed on 10th December 2021. Remuneration was approved and paid in July 2022.

The remuneration of Key Management Personnel of the company, is set out below :

### 2023

Name	Designation	Basic Remuneration*	Medical Benefits	Cash Incentive	Other allowances	Total
W Mwase	Public Officer, Company Secretary, Manager - Admin	468,500	26,754		121,367	616,621
S Shankar	Chief Operating Officer	567,598	216,660		884,031	1,668,289
C Verma	Chief Underwriting Officer	567,407	216,660		964,549	1,748,616
A Tamhane	Chief Risk Officer	550,270	181,926		877,056	1,609,252
V Bhardwa j#	Chief Operating Officer	144,909	36,364		116,204	297,477
R Ugile	Chief Technology Officer	538,985	199,293		748,049	1,486,327
N Kasture	Chief Finance Officer & Manager HR	539,005	199,293		734,346	1,472,644
N Suthar ##	Chief Risk Officer	159,756	36,986		126,421	323,163
A Chinyamunzore	Chief Technical Accounts Officer	402,837	20,854		106,559	530,250

### 2022

Name	Designation	Basic Remuneration*	Medical Benefits	Cash Incentive	Other allowances	Total
W Mwase	Public Officer, Company Secretary, Manager - Admin	468,500	26,754	-	115,437	610,691
S Shankar	Chief Operating Officer	573,835	216,660	-	860,263	1,650,758
C Verma	Chief Underwriting Officer	567,407	216,660	-	939,277	1,723,344
A Tamhane	Chief Risk Officer	550,270	181,926	-	854,990	1,587,186
R Ugile	Chief Technology Officer	538,985	199,293	-	725,786	1,464,064
N Kasture	Chief Finance Officer & Manager HR	539,005	199,293	-	712,671	1,450,969
A Chinyamunzore	Chief Technical Accounts Officer	376,500	4,935	-	-	381,435

# Joined on 29th December 2022

## Joined on 19th December 2022

### 19.3 Other related party transactions

The following transactions were entered with the current holding company:

	2023 R	2022 R
<b>Statement of comprehensive income effects:</b>		
Retroceded premiums	45,037,933	20,063,036
Retroceded claims	6,616,973	40,936,551
Retroceded commission	(1,983,212)	9,357,512
Interest paid on reserve deposits	2,686,083	1,971,187

	2022 R	2021 R
<b>Statement of financial position effects:</b>		
Retroceded outstanding claims	600,076,783	379,710,636
Retroceded unearned premium provision	894,090	-
Retroceded deferred acquisition cost	102,634	-
Retroceded reserve deposit	156,695,493	140,339,473

### 20 Lease

Lease payments represent rentals payable by the company for office premises. The lease has been negotiated for a term of three years from March 2020 and escalates at 8% per annum.

	2022 R	2021 R
Minimum Lease payments due		
- within one year	52,772	1,429,878
- in one year to two years	-	-
Total undiscounted lease liability	52,772	1,429,878
less: future finance charges	(52,772)	(52,772)
Present value of minimum lease payments	(0)	1,377,106
Reconciliation of lease liability		
Opening balance	1,377,106	2,559,363
Lease liability recognised during the period		
Lease payment excluding interest paid	(1,377,106)	(1,182,257)
Finance charges	52,772	141,703
Lease payments	(1,429,878)	(1,323,960)
Present value of minimum lease payments	0	1,377,106

### 21 Other company information

#### Dividends

No dividends were paid during the year (2022: Nil).

#### Going concern

GIC Re South Africa Ltd is regulated by Prudential Authority (PA) and is complying with all rules and regulations issued by PA. The company is being rated by S&P from its inception and continues to be rated by them. As GIC Re South Africa Ltd is a wholly owned subsidiary of GIC of India, it has been given unconditional parental guarantee. There are no borrowings by the company including from its parent company and has adequate Liquidity policy. It is liquid enough to meet its liabilities. COVID 19 has not adversely affected the company in 2022 & 2023 and is in position to pay claims/debit balances on time. The company has improved the Solvency Capital Requirement ratio (SCR) from March 2022 (2.54) to March 2023 (3.19). Considering the facts, the directors believe that the company will be a going concern in future.

#### COVID 19 impact

The Concern of Covid 19 are over and almost all losses have been booked. Even during COVID 19, the company's SCR was well above regulatory requirement.

### **Events after reporting date**

#### **Flood event in KwaZulu-Natal**

KZN floods is one of the worst Flood in the History of South Africa. The Current Loss Reserve of KZN Flood stands at R 495 million, however the company's solvency hasn't been impacted much by these losses. Western Cape has been affected by Torrential Rain with heavy storm resulting Flooding at Cape Town city on 18th June 2023. We have received preliminary information that the Flooding is not as severe as KZN Flood, but few losses are expected.

#### **Retro agreement**

GIC Re SA has renewed its 70% Whole Account Quota Share Treaty for the year 2023-24 effective 1st April 2023. Similarly, the Whole Account Excess of Loss Protection has also been renewed. The Risk Cum Catastrophe Excess of Loss cover viz. USD 44 Mln. Xs. USD 1 Mln. Xs USD 1 Mln. (Annual Aggregate Deductible) has been purchased in five layers.

#### **Appointment of New Chief Financial Officer**

The Prudential Authority approved the appointment of a new Chief Financial Officer on the 13th of July 2023. The appointment of Mr Kakkadath Palat Shyjulal as Senior manager (Chief Financial Officer), for GIC Reinsurance South Africa Limited (GIC Re), effective 01 July 2023. The previous Chief Financial Officer, Nilesh Kasture, has completed his four (4) year term and has therefore resigned. His last day in office was the 13th of July 2023.

#### **Standards and Interpretations Issued Not Yet Effective**

GIC Re did not early adopt any of the IFRS standards. Of the standards that are not yet effective, management expects IFRS 17 to have a significant impact on the company.

##### *Implementation project progress*

Management is currently in the process of finalising the implementation of the new standard. The implementation project team comprises of senior management from finance, risk and operations who are closely monitoring all technical developments and updates from the IASB, regulatory bodies and the industry to ensure alignment and compliance with the standard.

The IFRS 17 implementation project team will focus on the following key areas during the 2024 reporting period:

- Refine the accounting policy papers and actuarial methodologies that will be applied to the company.
- Finalise the FY 2022 transition balances.
- Enhance the internal financial controls to ensure accuracy of reporting.
- Complete the IFRS 17 compliant annual financial statements layout and disclosures.
- Finalise the management reporting format and key performance measures.
- Engage external auditors for the sign-off of the comparative results for 2023.
- Finalise and implement future financial and data governance processes and accountabilities.

##### *Transition approach*

The company will apply IFRS 17 as of 1 April 2023 for all of its insurance contracts. All portfolios are measured using the Premium Allocation Approach (PAA) with the exception of the engineering portfolio, which is measured under the General Measurement Method (GMM). Where practical, the fully retrospective approach will be applied and where deemed impractical, the fair value approach will be applied. Comparative figures for 2023 will be restated as required by the transitional provisions of IFRS 17 and any changes to the carrying amounts of insurance and reinsurance assets and liabilities at the date of transition (being 1 April 2022), will be adjusted in the opening balance of retained earnings.

##### *Estimated impact of adopting IFRS 17*

The impact that the initial application of IFRS 17 will have on the financial statements as at 1 April 2022 (the transitional impact) is in the process of being finalised.

Since the transition assessment has not yet been completed, the expected transitional impact is currently in the tentative stage with the estimated transitional impact expected to decrease retained earnings by less than R50 million after tax. The new accounting policies, assumptions, judgements, and estimation techniques used are subject to change until the finalisation of the 31 March 2024 annual financial statements. The new systems and associated internal controls have not been fully operational for a full reporting cycle and may still need more fine-tuning. These factors could cause the actual impact of adopting IFRS 17 to change.

**IFRS 17 Insurance contracts: accounting policy overview relating to insurance and reinsurance liabilities and assets**

This section includes the draft key accounting policies to be applied to contracts within the scope of IFRS 17. These draft accounting policies are subject to change until the publication of the annual financial results for the year ended 31 March 2024.

### *Classification and measurement*

The company applies IFRS 17 Insurance contracts to insurance contracts issued and reinsurance contracts held.

All references to insurance contracts in financial statements apply to reinsurance contracts issued, unless specifically stated otherwise.

Once a contract has been classified as an insurance contract, the classification remains unchanged for the remainder of its lifetime, even if the insurance risk reduces significantly during the coverage period, unless the terms of the contract are modified.

A contract is classified as an insurance contract where the company provides reinsurance coverage by accepting significant insurance risk from another party (the policyholder) through inward reinsurance by agreeing to compensate the policyholder or other beneficiary if a specified uncertain future event (the insured event) adversely affects the policyholder or other beneficiary. A contract is classified as a reinsurance contract where the company cedes insurance risk to another party through outward reinsurance. Insurance risk is a risk other than financial risk transferred from the holder of a contract to the issuer.

The accounting model applied to these insurance contracts issued and reinsurance contracts held, for liability measurement purposes is the Premium Allocation Approach (PAA) unless the General Measurement Model (GMM) is specified.

The PAA is a modification of the GMM that allows the use of a simplified approach for measuring the insurance contract liabilities for certain eligible types of contracts.

Based on the analysis of insurance policies issued, the company applies PAA to all lines of business and reinsurance types with the exception of the engineering portfolio.

Based on assessments performed to date, the company does not expect to have contracts which meet the definition of insurance or investment contracts with discretionary participation features. Therefore, the company does not anticipate that the variable fee approach (VFA) measurement model will be applied to insurance contracts in the company. Insurance revenue and insurance service expenses are recognised in the statement of comprehensive income based on the concept of services provided during the period. The standard also recognises losses earlier on contracts that are expected to be onerous.

### *Critical accounting estimates and judgements*

The main changes in the critical estimates and judgements to be made to the company's accounting policies in terms of IFRS 17 – Insurance contracts are summarised below.

### **Contract boundaries**

The company used the concept of contract boundary to determine what cash flows should be considered in the measurement of groups of insurance and reinsurance contracts. The assessment is reviewed at each reporting date.

### **Insurance contracts**

Cash flows are within the boundary of an insurance contract if they arise from substantive rights and obligations that exist during the reporting period in which the company can compel the policyholder to pay premiums; or the company has a substantive obligation to provide the policyholder with insurance contract services. A substantive obligation ends when:

- a. the company has the practical ability to reprice the risks of the policyholder or change the level of benefits so that the price fully reflects those risks; or
- b. both of the following criteria are satisfied:
  - i. the company has the practical ability to reprice the contract or a portfolio of contracts so that the price fully reflects the reassessed risk of that portfolio; and
  - ii. the pricing of premiums up to the date when risks are reassessed does not reflect the risks related to periods beyond the reassessment date."

In assessing the practical ability to reprice, risks transferred from the policyholder to the company, such as insurance risk and financial risk, are considered. Other risks, such as lapse, surrender and expense risk, are not included. The company considers the legal rights and the commercial substance of the contracts in this assessment. Cash flows outside of the boundary of the insurance contract relate to future insurance contracts and are recognised when those contracts meet the recognition criteria.

For the majority of the insurance contracts issued, the company has the practical ability to reassess the risks of a policyholder and set an appropriate premium to reflect those risks on short notice. Consequently, for these insurance contracts, the contract boundary will be shorter than a year. The practical ability to reprice is not removed when management makes a commercial decision to price, or not price, at a certain level.

**Reinsurance contracts:**

Cash flows are within the contract boundary if they arise from substantive rights and obligations that exist during the reporting period in which the company is compelled to pay amounts to the reinsurer or has a substantive right to receive services from the reinsurer. A substantive right to receive services from the reinsurer ends when the reinsurer:

- a. has the practical ability to reassess the risks transferred to it and can set a price or level of benefits that fully reflects those reassessed risks; or
- b. has a substantive right to terminate the coverage.

Most reinsurance contract boundaries will align with the contract boundary of the underlying direct insurance contracts. Certain risk-attaching treaty reinsurance contracts, however, cover underlying direct business that begins during a one-year coverage period of the reinsurance contract (risk-attaching reinsurance contracts). Because of this feature, the contract boundary of these reinsurance contracts can be more than one year. Such contracts will be subjected to the PAA eligibility test, described below. The contract boundary of stop-loss treaty reinsurance contracts, is equal to the coverage period of the reinsurance contract. That is, losses must occur within the treaty's cover period.

*Premium allocation approach (PAA) eligibility assessment*

The company will apply the PAA to measure a group of insurance contracts issued or reinsurance contracts held if, at the inception of the group: the coverage period of each contract in the group of (re)insurance contracts is one year or less, or the company reasonably expects that the PAA would produce a measurement of the liability or asset for remaining coverage for a group of insurance contracts that would not differ materially from the measurement that would be achieved by applying the requirements of the GMM.

With the exception of the engineering portfolio, the average length of all the contracts of the company is not longer than a year and the size of the risk is uniform over the coverage period, resulting in the PAA approach being selected.

Where the cover period is greater than one year, the company will assess the appropriateness of the PAA measurement model by comparing the results produced for calculating the projected LRC under GMM with PAA to determine if the difference approaches yield large differences.

*Unit of account*

The company manages insurance contracts issued by product lines within an operating segment, where each product line includes contracts that are subject to similar risks. All insurance contracts within a product line represent a portfolio of contracts. Each portfolio is further disaggregated into groups of contracts that are issued within a calendar year (annual cohorts) and are:

- i) contracts that are onerous at initial recognition;
- ii) contracts that at initial recognition have no significant possibility of becoming onerous subsequently; or
- iii) a group of remaining contracts

These groups represent the level of aggregation at which insurance contracts are initially recognised and measured. Such groups are not subsequently reconsidered.

For each portfolio of contracts, the company determines the appropriate level at which reasonable and supportable information is available to assess whether these contracts are onerous at initial recognition and whether non-onerous contracts have a significant possibility of becoming onerous. This level of granularity determines sets of contracts. The company uses significant judgement to determine at what level of granularity the company has reasonable and supportable information that is sufficient to conclude that all contracts within a set are sufficiently homogeneous and will be allocated to the same group without performing an individual contract assessment.

### *Liability for incurred claims*

The best estimate provision for LIC relates to claim events that have occurred before or at the reporting date – whether the claims arising from these events have been reported or not (incurred but not reported – IBNR).

All future claim payouts and claim administration costs related to these occurrences are included in the cash flow estimates. Allocated loss adjustment expenditures, which have previously been incurred for historical claims, are implicitly projected into the future with the claims payments. The best estimate liability also includes directly attributable claims management expenditures to account for the cost of managing the final run-off of the claims provisions. The total of the discounted claims and expenditure provisions is the best-estimate liability.

### *Risk adjustment for non-financial risk*

The risk adjustment for non-financial risk is the compensation that the group requires for bearing the uncertainty about the amount and timing of the cash flows of groups of insurance contracts. The risk adjustment reflects an amount that an insurer would require to remove the uncertainty that future cash flows will exceed the expected value amount. The risk adjustment was determined by applying the stochastic Cape Cod method to the company's reserving triangles at least 75% percentile. A 75% confidence level is in line with the industry. When applying a risk adjustment of 25%, equity is expected to decrease by 40 to 50 million.

### *Expense allocation methodology*

Directly attributable acquisition cashflows for issuing and underwriting costs have been determined and all attributable and non-attributable expenses have been identified and allocated to insurance portfolios. The most appropriate allocation method identified for expense attribution is based on the amount of premium written.

### *Discount rates*

The discount rate used for cash flows will be based on the most current risk-free rates published by the Prudential Authority. A liquidity adjustment will be made to account for the liquidity risk.

## 22 New standards, amendments and interpretations issued

### **(a) New applied standards, amendments and interpretations issued and effective for the current financial year.**

#### *(i) Interest Rate Benchmark Reform: The amendments to IFRS 9, IAS 39 and IFRS 7.*

Amend requirements for hedge accounting to support the provision of useful financial information during the period of uncertainty caused by the phasing out of interest-rate benchmarks such as interbank offered rates (IBORs) on hedge accounting.

- The amendments modify some specific hedge accounting requirements to provide relief from potential effects of the uncertainty caused by the IBOR reform.
- In addition, the amendments require companies to provide additional information to investors about their hedging relationships which are directly affected by these uncertainties.

The amendments are not applicable as the company does not apply hedge accounting.

#### *(ii) IAS 1, Presentation of Financial Statements. Amendment to the Definition of Material.*

The amendments clarify and align the definition of 'material' and provide guidance to help improve consistency in the application of that concept whenever it is used in IFRS Standards.

The impact is immaterial. The company's financial statements are prepared taking into consideration materiality of the information to be presented to the primary users of the entity's annual financial statements.

#### *(iii) IAS 8, Accounting policies, Changes in Accounting Estimates and Errors. Amendment to the Definition of Material.*

The amendments clarify and align the definition of 'material' and provide guidance to help improve consistency in the application of that concept whenever it is used in IFRS Standards.

The impact is immaterial. The company financial statements are prepared taking into consideration materiality of the information to be presented to the primary users of the entity's annual financial statements.

**(b) New standards, amendments and interpretations issued but not effective for the financial year and not early adopted.**

(i) *IAS 1, Presentation of Financial Statements. The following amendments were made.*

- Classification of Liabilities as current or non-current.

Narrow scope amendments to the accounting standard to clarify how debts and other liabilities are classified based on the contractual arrangements in place at the reporting date.

The amendments were originally effective for annual reporting periods beginning on or after 1 January 2022, however, their effective date has been delayed to 1 January 2023.

(ii) *IAS 1, Presentation of Financial Statements. The following amendments were made (continued)*

- Disclosure of Accounting Policies

The amendments require companies to disclose their material accounting policy information rather than their significant accounting policies, with additional guidance added to the Standard to explain how an entity can identify material accounting policy information with examples of when accounting policy information is likely to be material.

The amendments are effective for annual periods beginning on or after 1 January 2023.

The company will apply the amendments from the effective date and the amendments are not expected to significantly impact the company.

(iii) *IAS 8, Accounting policies, Changes in Accounting Estimates and Errors. Amendment to the Definition of Accounting Estimates*

The amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates, by replacing the definition of a change in accounting estimates with a new definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. The requirements for recognising the effect of change in accounting prospectively remain unchanged.

The amendments are effective for annual periods beginning on or after 1 January 2023, the company will apply the amendments from the effective date and the amendments are not expected to significantly impact the company.

(iv) *IAS 16, Property, plant, and equipment- Proceeds before Intended use*

The amendments prohibit an entity from deducting from cost of an item of property, plant and equipment any proceeds from selling items produced while bringing an asset into the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the cost of producing those items, in the profit or loss.

The amendments are effective for annual reporting periods beginning on or after 1 January 2022, the company will apply the amendments from the effective date and the amendments are not expected to significantly impact the company.

(v) *IAS 37, Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts- Cost of Fulfilling a Contract*

The amendments specify which costs should be included in an entity’s assessment and whether a contract will be loss Making. The amendments are effective for annual reporting periods beginning on or after 1 January 2022, GIC will apply the amendments from the effective date and the amendments are not expected to significantly impact the company.

(vi) *IFRS 9, Financial Instruments. Annual Improvements to IFRS Standards 2018–2020*

The amendment clarifies which fees an entity includes when it applies the ‘10 per cent’ test in assessing whether to derecognise a financial liability. The amendments are effective for annual reporting periods beginning on or after 1 January 2023 The company will apply the amendments from the effective date and the amendments are not expected to significantly impact the company.

### c) New standards, amendments and interpretations issues and effective for the current financial year but not implemented by the company.

#### (i) IFRS 9, Financial instruments

It is expected that IFRS 9 will change the classification of financial assets to either amortised cost, fair value through profit or loss or fair value through other comprehensive income. In addition, IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' model, which means that a loss event will no longer need to occur before an impairment allowance is recognised.

The company has elected to defer the implementation of IFRS 9 to 01 April 2023 when IFRS 17 is expected to be effective. A detailed assessment of the impact has not been made by the company, therefore the impact is not yet known.

IFRS 9 provides a temporary exemption that permits the company to apply IAS 39 rather than IFRS 9 when accounting for financial instruments for annual periods beginning before 01 April 2023.

The entity is eligible to apply the temporary exemption from IFRS 9 due to the following criteria:

- it has not previously applied any version of IFRS 9; and
- its activities are predominantly connected with insurance

As at 31st March 2023 and (31st March 2022), the carrying amount of the liabilities arising from contracts within the scope of this IFRS 4 were greater than 90% of the total carrying amount of all liabilities. There has been no change in the entity's activities.

The entity's financial assets with contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are all measured at fair value as they are managed and performance is evaluated on a fair value basis.

## 23 Revenue account

	31 MARCH 2023 R	31 MARCH 2022 R
<b>Gross premiums written</b>	1,275,996,906	1,429,757,922
<b>Retroceded premiums</b>	(946,344,046)	(1,026,814,462)
	329,652,860	402,943,460

Business class	2023		
	Gross	Retro	Net
Transportation	49,968,988	34,976,848	14,992,140
Property	883,913,732	673,608,980	210,304,752
Engineering	109,933,597	77,080,896	32,852,701
Guarantee	32,665,946	22,908,217	9,757,729
Liability*	(16,701,192)	(11,690,834)	(5,010,358)
Motor	62,362,733	43,656,282	18,706,451
Miscellaneous	(1,342,746)	(2,833,679)	1,490,933
Agriculture	142,138,536	99,497,218	42,641,318
Accident/health	13,057,311	9,140,118	3,917,193
<b>Total written premium revenue portfolio</b>	<b>1,275,996,905</b>	<b>946,344,046</b>	<b>329,652,859</b>

Business class	2022		
	Gross	Retro	Net
Transportation	80,086,994	56,160,468	23,926,526
Property	766,277,450	558,404,436	207,873,014
Engineering	75,808,221	53,246,739	22,561,482
Guarantee	28,878,175	20,215,202	8,662,973
Liability	152,805,347	106,963,741	45,841,606
Motor	212,753,951	153,064,384	59,689,567
Miscellaneous	65,042,881	45,085,730	19,957,151
Agriculture	39,912,334	27,938,634	11,973,700
Accident/health	8,192,569	5,735,128	2,457,441
<b>Total written premium revenue portfolio</b>	<b>1,429,757,922</b>	<b>1,026,814,462</b>	<b>402,943,460</b>

\*Due to net negative pipeline movements

## 24 Notes to the statement of cash flows

### 24.1 Cash utilised by operations

	31 MARCH 2023 R	31 MARCH 2022 R
<b>Profit before taxation</b>	262,401,746	203,367,246
<b>Adjustments for:</b>		
– depreciation of property, plant and equipment	1,701,932	1,878,285
– profit on disposal of equipment		
– realised profit/(loss) on disposal of investments	2,406,634	(56,691,687)
– interest income	(163,741,044)	(110,877,742)
– dividends received	(18,497,933)	(12,158,673)
– interest expense	57,706,892	41,298,879
– Increase/(decrease) in net provision for unearned premium	20,469,792	(54,437,147)
– (Increase)/decrease in net deferred acquisition costs	(4,982,957)	9,113,907
– (decrease)/Increase in net provision for outstanding claims	(176,174,144)	(12,654,036)
– unrealised loss on revaluation of investment in subsidiaries		
– unrealised gain on revaluation of investments	6,747,048	(19,595,785)
– loss on disposal of equipment	-	35,028
Cash utilised by operations before working capital changes	(11,962,035)	(10,721,725)
decrease/(Increase) in amounts due under reinsurance contract	42,467,494	(124,048,102)
(Increase)/decrease in other accounts receivable	(440,296)	(2,441,702)
Increase/(decrease) in amounts payable to retrocessionaire	216,474,756	68,476,703
(Increase)/decrease in amounts due from retrocessionaire contracts	(569,295)	(30,016,232)
Increase/(decrease) in amounts payable under reinsurance contracts	3,194,696	126,509,619
(Decrease)/increase in other accounts payable	(13,435,140)	82,259,303
(Decrease)/increase in deposits withheld from retrocessionaires	(662,170,224)	178,781,322
	(426,440,043)	288,799,186

### 24.2 Cash and cash equivalents

	31 MARCH 2023 R	31 MARCH 2022 R
Cash and cash equivalents included in the statement of cash flows comprise the following statement of financial position amounts:		
Cash on call and on deposit	55,099,501	95,534,602
Cash at bank	87,367,069	75,320,138
Cash on hand	36	2,466
	<b>142,466,606</b>	170,857,206

### 24.3 Taxation Paid

	31 MARCH 2023 R	31 MARCH 2022 R
Opening current tax receivable	14,818,050	20,000,000
Tax charge	(91,086,861)	(25,186,605)
Balance at the end of the year	41,396,420	(14,818,050)
Tax (paid)/received	<b>(34,872,391)</b>	(20,004,655)

### 24.4 Interest Paid

	31 MARCH 2023 R	31 MARCH 2022 R
Interest on retro deposits	57,654,120	41,157,176
Interest paid on lease liability	52,772	141,703
	<b>57,706,892</b>	41,298,879

### 25. Categorisation of assets and liabilities

	Note	Total R	Financial assets at fair value through profit and loss R	Financial assets and liabilities		Other non - financial assets and liabilities R	Current / non - current distinction	
				Financial Assets at amortised cost R	Financial liabilities at amortised cost R		Current assets and liabilities R	Non - current assets and liabilities R
<b>ASSETS</b>								
Cash and cash equivalents	24.2	142,466,606	-	142,466,606	-	-	142,466,606	-
Other accounts receivable		3,339,422	-	3,339,422	-	-	3,339,422	-
Investments		2,618,003,542	863,379,481	1,754,624,061	-	-	2,190,400,717	427,602,824
Government securities*1	9	427,602,824	427,602,824	-	-	-	-	427,602,824
Fixed deposits	9	1,474,734,910	-	1,474,734,910	-	-	1,474,734,910	-
Negotiable certificates of deposits	9	279,889,151	-	279,889,151	-	-	279,889,151	-
Listed ordinary shares*2	9	292,862,962	292,862,962	-	-	-	292,862,962	-
Listed preference shares*2	9	9,463,249	9,463,249	-	-	-	9,463,249	-
Treasury bills	9	-	-	-	-	-	-	-
Listed collective investment schemes*2	9	133,450,446	133,450,446	-	-	-	133,450,446	-

	Note	Total	Financial assets at fair value through profit and loss	Financial assets and liabilities		Other non - financial assets and liabilities	Current / non - current distinction	
				Financial Assets at amortised cost	Financial liabilities at amortised cost		Current assets and liabilities	Non - current assets and liabilities
2023		R	R	R	R	R	R	R
Technical assets under insurance contracts		2,140,300,615	-	-	-	2,140,300,616	2,140,300,616	-
Retroceded outstanding claims	6	1,869,373,312	-	-	-	1,869,373,312	1,869,373,312	-
Retroceded unearned premium reserve	7	213,799,090	-	-	-	213,799,090	213,799,090	-
Gross deferred acquisition costs	8	57,128,213	-	-	-	57,128,213	57,128,213	-
Amounts due under reinsurance contracts	26.1	683,060,426	-	683,060,426	-	-	683,060,426	-
Amounts due from retrocession contracts	26.2	37,632,633	-	37,632,633	-	-	37,632,633	-
Property, plant and equipment	5	530,177	-	-	-	530,177	-	530,177
Current tax receivable	24.3	-	-	-	-	-	-	-
Deferred tax	10	23,862,092	-	-	-	23,862,092	-	23,862,092
<b>Total assets</b>		5,649,195,513	863,379,481	2,621,123,148	-	2,140,830,793	5,197,200,420	428,133,001
<b>LIABILITIES</b>								
Technical liabilities under insurance contracts		2,354,032,162	-	-	-	2,354,032,162	2,354,032,162	-
Gross outstanding claims	6	2,008,080,746	-	-	-	2,008,080,746	2,008,080,746	-
Gross unearned premium reserve	7	306,246,544	-	-	-	306,246,544	306,246,544	-
Retroceded deferred acquisition cost	8	39,704,873	-	-	-	39,704,873	39,704,873	-
Deposits withheld from retrocessionaires	13	828,487,806	-	-	828,487,806	-	1,490,658,029	-
Amounts payable to retrocessionaire contracts	26.3	428,625,730	-	-	212,150,974	-	212,150,974	-
Amounts payable under reinsurance contracts	26.4	139,771,609	-	-	136,576,913	-	136,576,913	-
Other accounts payable	11	101,282,537	-	-	153,558	106,316,821	101,282,537	-
Lease liability	20	-	-	-	-	-	-	-
Deferred tax	10	-	-	-	-	-	-	-
Current tax receivable	24.3	41,396,420	-	-	-	41,396,420	-	41,396,420
<b>Total liabilities</b>		3,893,596,265	-	-	1,177,369,251	2,501,745,403	4,294,700,616	41,396,420

\*1 Designated at Fair Value

\*2 Mandatory Fair Value

Fair value of financial assets and financial liabilities amortised cost are approximated at their carrying amount as these financial instruments will be receivable or payable within 12 months.

### 25. Categorisation of assets and liabilities

	Note			Financial assets and liabilities		Other non - financial assets and liabilities	Current / non - current distinction	
		Total	Financial assets at fair value through profit and loss	Financial Assets at amortised cost	Financial liabilities at amortised cost		Current assets and liabilities	Non - current assets and liabilities
2022		R	R	R	R	R	R	R
<b>ASSETS</b>								
Cash and cash equivalents	24.2	170,857,206	-	170,857,206	-	-	170,857,206	-
Other accounts receivable		2,899,126	-	2,899,126	-	-	2,899,126	-
Investments		2,937,009,268	687,479,089	2,249,530,179	-	-	2,607,262,328	329,746,940
Government securities*1	9	329,746,940	329,746,940	-	-	-	-	329,746,940
Fixed deposits	9	1,746,872,063	-	1,746,872,063	-	-	1,746,872,063	-
Negotiable certificates of deposits	9	290,827,219	-	290,827,219	-	-	290,827,219	-
Listed ordinary shares*2	9	273,244,094	273,244,094	-	-	-	273,244,094	-
Listed preference shares*2	9	9,795,264	9,795,264	-	-	-	9,795,264	-
Treasury bills	9	211,830,897	-	211,830,897	-	-	211,830,897	-
Listed collective investment schemes*2	9	74,692,791	74,692,791	-	-	-	74,692,791	-
Technical assets under insurance contracts		1,797,790,379	-	-	-	1,797,790,379	1,319,035,598	-
Retroceded outstanding claims	6	1,603,424,927	-	-	-	1,603,424,927	1,603,424,927	-
Retroceded unearned premium reserve	7	153,789,132	-	-	-	153,789,132	153,789,132	-
Gross deferred acquisition costs	8	40,576,320	-	-	-	40,576,320	40,576,320	-
Amounts due under reinsurance contracts	26.1	725,527,920	-	725,527,920	-	-	725,527,920	-
Amounts due from retrocession contracts	26.2	37,063,338	-	37,063,338	-	-	37,063,338	-
Property, plant and equipment	5	2,146,921	-	-	-	2,146,921	-	2,146,921
Current tax receivable	24.3	14,818,050	-	-	-	14,818,050	14,818,050	-
<b>Total assets</b>		<b>5,688,112,208</b>	<b>687,479,089</b>	<b>3,185,877,769</b>	<b>-</b>	<b>1,814,755,350</b>	<b>5,356,218,347</b>	<b>331,893,861</b>
<b>LIABILITIES</b>								
Technical liabilities under insurance contracts		2,172,209,236	-	-	-	2,172,209,236	1,654,266,480	517,942,756
Gross outstanding claims	6	1,918,306,505	-	-	-	1,918,306,505	1,400,363,749	517,942,756
Gross unearned premium reserve	7	225,766,794	-	-	-	225,766,794	225,766,794	-
Retroceded deferred acquisition cost	8	28,135,937	-	-	-	28,135,937	28,135,937	-
Deposits withheld from retrocessionaires	13	1,490,658,029	-	-	1,490,658,029	-	1,490,658,029	-
Amounts payable to retrocessionaire contracts	26.3	212,150,974	-	-	212,150,974	-	212,150,974	-

		Total	Financial assets and liabilities		Other non - financial assets and liabilities	Current / non - current distinction		
			Financial assets at fair value through profit and loss	Financial Assets at amortised cost		Financial liabilities at amortised cost	Current assets and liabilities	Non - current assets and liabilities
2022	Note	R	R	R	R	R	R	
Amounts payable under reinsurance contracts	26.4	136,576,913	-	-	136,576,913	-	136,576,913	-
Other accounts payable	11	114,717,678	-	-	375,625	114,342,053	114,717,678	-
Lease liability	20	1,377,106	-	-	1,377,106	-	1,377,106	-
Deferred tax	10	2,415,762	-	-	-	2,415,762	-	2,415,762
<b>Total liabilities</b>		<b>4,130,105,698</b>	<b>-</b>	<b>-</b>	<b>1,841,138,647</b>	<b>2,288,967,051</b>	<b>3,609,747,179.38</b>	<b>520,358,518</b>

\*1 Designated at Fair Value

\*2 Mandatory Fair Value

Fair value of financial assets and financial liabilities amortised cost are approximated at their carrying amount as these financial instruments will be receivable or payable within 12 months.

#### 26.1 Amounts due under reinsurance contracts

	31 MARCH 2023 R	31 MARCH 2022 R
Amounts due under reinsurance contracts	773,669,770	785,479,641
Provision for Doubtful Debts	90,609,344	59,951,721
	<b>683,060,426</b>	<b>725,527,920</b>

#### 26.2 Amounts due from Retrocessionnaire Contracts

	31 MARCH 2023 R	31 MARCH 2022 R
Provisional profit commission receivable	37,632,633	37,063,338
	<b>37,632,633</b>	<b>37,063,338</b>

#### 26.3 Amounts payable to Retrocessionnaire

	31 MARCH 2023 R	31 MARCH 2022 R
Amounts payable to retrocessionnaires	428,625,730	212,150,974
	<b>428,625,730</b>	<b>212,150,974</b>

#### 26.4 Amounts payable under reinsurance contracts

	31 MARCH 2023 R	31 MARCH 2022 R
Amounts payable under reinsurance contracts	86,024,663	83,930,325
Provisional profit commission payable	53,746,946	52,646,588
	<b>139,771,609</b>	<b>136,576,913</b>



# GIC RE, INDIA, CORPORATE MEMBER LIMITED

ANNUAL REPORT AND ACCOUNTS  
31 DECEMBER 2022

Registered number: 07792458

# GIC RE, INDIA, CORPORATE MEMBER LIMITED

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## GIC RE, INDIA, CORPORATE MEMBER LIMITED

### Directors and Administration

#### Directors

Devesh Srivastava  
Ramaswamy Narayanan  
Dyanaraj B Gawade

#### Secretary

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36 Old Jewry  
London  
EC2R 8DD

#### Registered Office

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#### Registered Number

07792458

#### Auditors

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#### Tax Advisors

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#### Banker

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EC3A 4AX

Bank of India  
London Branch  
63, Queen Victoria Street,  
London, EC4N 4UA

The Directors submit their Strategic Report for GIC Re, India, Corporate Member Limited (the Company) for the year ended 31 December 2022.

## PRINCIPAL ACTIVITIES

The Company is incorporated in the United Kingdom ('U.K.') and is a corporate member of the Society of Lloyd's (Lloyd's). The Company underwrites with various Lloyd's Syndicates based on Limited Liability Quota Share Reinsurance Agreement (LLQSRA) with its parent company General Insurance Corporation of India.

During the year, the Company has underwritten (on a limited liability basis) on Lloyd's Syndicate 1955, Syndicate 5183, Syndicate 1947, and Syndicate 2019 ('the Syndicates'). The table below summarises the Company's insurance capacity on the Syndicates by underwriting year.

	Syndicate 1955 £000			Syndicate 6133 £000
Year of Account	2020	2021	2022	2022
Company insurance capacity	5,884	6,323	9,125	1,940
Total Syndicate insurance capacity	232,201	294,333	500,000	9,700
Percent of total	2.5%	2.1%	1.8%	20%

	Syndicate 1947 £000			Syndicate 2019 £000
Year of Account	2020	2021	2022	2021
Company insurance capacity	82,000	125,000	147,500	17,853
Total Syndicate insurance capacity	82,000	125,000	147,500	500,354
Percent of total	100%	100%	100%	3.6%

Syndicate 1955 was established in 2007. The principal activity of the Syndicate is the transaction of general insurance and reinsurance business in the Marine, Property, Financial Lines and Accident & Health and Casualty classes.

Syndicate 5183 was established in the 2022 year of account by Micro Insurance Company, under the Lloyd's 'Syndicate In A Box' initiative. MIC's business model is focussed on embedded insurance – short tail, low limit, little or no cat products with very low loss adjustment expenses.

MIC's business model is focussed on embedded insurance – short tail, low limit, little or no cat products with very low loss adjustment expenses.

Syndicate 1947 was established in the 2018 year of account and underwrites on the property, agriculture and engineering lines of business. The Syndicate is backed solely by General Insurance Corporation of India and includes risks ceded from that company.

Syndicate 2019 was established in the 2019 year of account and underwrites proportional quota share reinsurance contract covering high net worth personal lines insurance business underwritten by AIG.

General Insurance Corporation of India ('the Parent Reinsurer') proportionately reinsures 100% of all the Company's underwriting business from the Syndicates.

## BUSINESS REVIEW

### Key Financial Performance Indicators

In the opinion of the Directors, the key financial performance indicators below best represent the performance and position of the Company before reinsurance of all its underwriting business from the Syndicate to the Parent reinsurer.

	2022 Syndicate Results £000	2022 Quota Share £000	2022 Technical Account £000
Gross written premiums	188,923	(188,923)	-
Outward reinsurance premiums	(33,049)	33,049	-
Profit for the financial year	7,766	(7,851)	(85)
Profit on capacity	3.73%		

### Non-financial Key Performance Indicators

Due to the nature of the Company's operations as a Lloyd's corporate member, the Syndicates carry out the majority of the Company's activities. The Company is not directly involved in the management of each Syndicate's activities, including the employment of staff. The Syndicate Managing Agents are responsible for the management of their Syndicates. The Managing Agents also have responsibility for the environmental activities of the Syndicates, though by their nature, insurers generally do not produce significant environmental emissions. Therefore, the Directors do not consider it appropriate to monitor and report any performance indicators for staff or environmental matters.

### Member Outward Reinsurance Arrangement

The Company proportionally reinsures all its underwriting business from each Syndicate to the Parent Reinsurer. Outward reinsurance premiums equal the Company's share of Syndicate gross premiums, less Syndicate outward reinsurance premiums; reinsured liabilities equal the Company's share of Syndicate losses and expenses, less investment income. The reinsurance contract limits the Company's net reinsurance recoveries to the reinsurer's related funds at Lloyd's. The Parent Reinsurer reimburses the Company for member administrative expenses (including audit and accounting fees and other expenses) up to a limit of £600,000.

## RISK REVIEW

### Insurance risks

As a corporate member of Lloyd's, most of the significant insurance risks and uncertainties facing the Company arise from its participation on the Syndicates. The Company's role in managing these risks is limited to monitoring Syndicate performance. This starts in advance of committing support to each Syndicate for the following underwriting year, with a review of each Syndicate business plan as prepared by the Syndicate's Managing Agent. During the year, the Directors monitor and, if necessary, enquire into Syndicate quarterly reports and annual accounts together with any other information made available by the Managing Agents. If the Directors deem a particular risk in a Syndicate to be excessive, they will seek confirmation from the relevant Managing Agent that adequate management of the risk is in place and, if considered appropriate, may withdraw the Company's support from the next underwriting year if they are not satisfied with the Managing Agent's response.

The Annual Reports of the Directors of the Managing Agents on the audited annual accounts for each Syndicate detail the significant risks and uncertainties facing the Syndicates. The Managing Agents manage these risks together with the Syndicate service providers. Since the Company proportionately reinsures all its underwriting business from the Syndicates to the Parent Reinsurer, the risks it faces from its participation on the Syndicates are significantly reduced. The Company, however, faces the risk that the Parent Reinsurer will not meet its reinsurance obligations, though the Directors consider this risk remote, since the Parent Reinsurer provided a £24.2 million letter of credit to Lloyd's (Funds at Lloyd's) to collateralise its reinsurance obligations to the Company and deposited an additional £53.0 million during the year (2021: £44.2 million).

**Operational Risk**

Since the Company only undertakes a few transactions of its own, it has limited systems and staffing requirements. Therefore, the Directors do not consider the Company's operational risks to be significant. Close involvement of the Directors in the Company's key decision making and the fact that the Syndicates conduct a majority of the Company's operations provides control over any remaining operational risk.

**Foreign Exchange**

The Company is exposed to foreign exchange risk through the Syndicates' liabilities under policies of insurance denominated in currencies other than Sterling. The most significant currencies to which the syndicate is exposed are US Dollar, Canadian Dollar and the Euro. Where possible, the Syndicates seek to mitigate the risk by matching the estimated foreign currency denominated liabilities with assets denominated in the same currency. There is a natural matching to currency risk as claims are normally paid in the currency of the original policy. The Company did not undertake any transactions of its own during the year except for administrative expenses and a payment to a broker made directly by the Corporate Member.

**Market, Credit, and Liquidity Risk**

Other significant risks faced by the Company include its investment of available funds within its own custody. The elements of these risks are interest rate, investment price, and liquidity risk. Liquidity risk would arise if the Syndicates have inadequate liquid resources for a large claim and sought funds from the Company to pay the claim. In order to minimise interest rate, investment price, and liquidity risk, the Company is supported by the letter of credit and the funds provided by the Parent Reinsurer at Fund's at Lloyd's.

Since the Company did not undertake many transactions of its own, the Directors do not consider currency or credit risk to be significant.

**Regulatory and Compliance Risk**

The Company is subject to continuing approval by Lloyd's to be a corporate member of the Syndicates. The Company reduces the risk of this approval being revoked by monitoring and fully complying with all its Lloyd's membership requirements.

The capital requirements to support the proposed amount of Syndicate insurance capacity for future years are set by Lloyd's. Lloyd's takes a variety of factors into account when setting these requirements including market conditions and Syndicate performance. Though Lloyd's intends for the process to be fair and reasonable, the requirements can fluctuate from one year to the next, which may constrain the amount of Syndicate insurance capacity that the Company can support going forward.

**Section 172(1) Companies Act 2006 Reporting**

The Directors have acted in a way that they considered, in good faith, would be most likely to promote the success of Company for the benefits of its members as a whole, and in doing so had regard (amongst other matters) to the matters listed in section 172(1)(a) to (f) when performing their duties and comment as follows:

- (a) the Directors are satisfied that its investment in Lloyd's Syndicates it participates on are in the long term interest of the Company and its Shareholder;
- (b) the Company has no employees;
- (c) the Directors have adequately fostered the business relationship with the Syndicates, and Lloyd's;
- (d) the Directors are satisfied the Syndicates gave properly responded to the needs of the community and concerns regarding the environment;
- (e) the Company's business is to invest in Lloyd's Syndicates and the Directors are satisfied that the Company and the Syndicates have maintained a reputation for high standards of business conduct, including its dealing with its customers, employees and the regulators, and
- (f) the Company has adequately and fairly kept its one shareholder fully informed and provided quarterly financial statements and progress of the Company's business.

## Future Developments

The Company will be participating on the following Syndicates for the 2023 Year of Account:

- Syndicate 1947 - managed by Hamilton Managing Agency Ltd
- Syndicate 1955 – managed by Arch Managing Agency Ltd
- Syndicate 5183 – managed by Asta Managing Agency Ltd
- Syndicate 1609 – managed by Asta Managing Agency Ltd

Approved by the Board on 19th May 2023

And signed on its behalf by

Dyanaraj B. Gawade  
Director  
40 Lime Street  
3rd Floor  
London  
EC3M 7AW

Registered Number: 07792458

**Directors' Report  
31 December 2022**

The Directors present their report below, together with the audited accounts for GIC Re, India, Corporate Member Limited, for the year ended 31 December 2022 on pages 331 to 352.

**Results**

The Company underwrites on the Syndicates as outlined on page 322 of the Strategic report. Profit for the year ended 31 December 2022 was £9,226,000 (2021: £1,782,000).

**Dividend**

The Directors do not recommend the payment of a dividend (2021: Nil).

**Going Concern**

On the basis of their assessment of the Company's financial position and after making appropriate enquiries, the Directors reasonably expect the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason the annual accounts are prepared on a going concern basis.

**Directors**

Below are the names of the people who were Directors of the Company during the period and to the date of this report.

Devesh Srivastava

Ramaswamy Narayanan

Dyanaraj B Gawade

**Directors and Officers Liability Insurance**

The Directors are covered against liabilities arising in relation to the Company through the global Directors and Officers policy in place by the Parent Reinsurer. This is limited to 1,100,000,000 Indian Rupees (£11,339,510).

**Donations**

The Company made no political or charitable donations during the period.

**Corporate Governance**

The strategic report set out on pages 322 provides a comprehensive review of the Company's operations for the year ended 31 December 2022 and the potential future developments of those operations. The strategic report also includes details of the Company's business risks and uncertainties during the year. Information relating to Directors' duties to act in good faith and to promote the success of the company are included in the strategic report.

**Disclosure of Information to Auditors**

The Directors who held office at the approval date of this report confirm to the best of their knowledge, that there is no relevant audit information of which the Company's auditors are unaware, and they took all actions necessary as a Directors to become aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

On behalf of the Board

Dyanaraj B. Gawade

Director

19<sup>th</sup> May 2023

40 Lime Street

3rd Floor

London

EC3M 7AW

## GIC RE, INDIA, CORPORATE MEMBER LIMITED

Registered Number: 07792458

### Statement of Directors' Responsibilities in respect of the Strategic Report, the Directors' Report and the Financial Statements 31 December 2022

The Directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland and with the Companies Act 2006.

Under Company law the directors must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable him to ensure that the financial statements comply with the Companies Act 2006. The Directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The directors confirm that so far as they are aware, there is no relevant audit information (as defined by section 418(3) of the Companies Act 2006) of which the company's auditors are unaware. They have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

## OPINION

We have audited the Financial Statements of GIC Re, India, Corporate Member Limited (the "Company") for the year ended 31 December 2022 which comprise the Profit and Loss Account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard as applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the Financial Statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of its result for the year then ended.
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **GIC RE, INDIA, CORPORATE MEMBER LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF GIC RE, INDIA, CORPORATE MEMBER LIMITED**

#### **BASIS FOR OPINION**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the Financial Statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **CONCLUSIONS RELATING TO GOING CONCERN**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the entity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

#### **OTHER INFORMATION**

The other information comprises the information included in the Annual Report, other than the Financial Statements and our auditor's report thereon. The Directors are responsible for the other information. Our opinion on the Financial Statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the Financial Statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **KEY AUDIT MATTERS**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### **OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

## MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In light of the knowledge and understanding of the Company and its environment obtained in the course of audit, we have not identified any material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the Financial Statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## RESPONSIBILITIES OF DIRECTORS

As explained more fully in the Directors' Responsibilities Statement, the Directors are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

A further description of our responsibilities for the audit of the Financial Statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

## EXPLANATION AS TO WHAT EXTENT THE AUDIT WAS CONSIDERED CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with those charged with governance of the Company. Our approach was as follows:

- We obtained a general understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are direct laws and regulations, related to continuing approval by Lloyd's to be a corporate member of the syndicate meeting the capital requirements as set out by the Lloyds, company's legislation and the financial reporting framework (UK GAAP). We obtained a general understanding of how the Company is complying with those frameworks by making enquiries of management and those responsible for legal and compliance matters of the Company.
- For both direct and other laws and regulations, our procedures involved: making enquiry of the directors of the Company for their awareness of any non-compliance of laws or regulations, inquiring about the policies that have been established to prevent non-compliance with laws and regulations by officers and employees.

- The Company operates in the insurance industry which is a highly regulated environment. As such the Senior Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities, which included the use of specialists where appropriate.

### **OUR AUDIT PROCEDURES INCLUDED:**

- Agreement of the financial statement disclosures to the underlying supporting documentation;
- Enquiries of management and review of minutes of Board and management meetings throughout the period;
- Understanding Companies policies and procedures in monitoring compliance with laws and regulations;
- Reviewing syndicates accounts, syndicates auditor questionnaires for evidence of financial statements of syndicates.
- Reviewing the audited financial statements relating to the syndicate, the Company has participated in.

### **USE OF OUR REPORT**

This report is made solely to the Company's Members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's Members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone, other than the Company and the Company's Members as a body, for our audit work, for this report, or for the opinions we have formed.

Devender Arora (Senior Statutory Auditor)

For an on behalf of The Corporate Practice Limited, Statutory Auditor

65 Delamere Road Hayes, Middlesex, UB4 0NN

Date: 19<sup>th</sup> May 2023

**GIC RE, INDIA, CORPORATE MEMBER LIMITED**  
**PROFIT AND LOSS ACCOUNT – TECHNICAL ACCOUNT**  
**YEAR ENDED 31 DECEMBER 2022**

	Note	2022 £000	2021 £000
<b>Technical Account – General business:</b>			
<b>Earned premiums, net of reinsurance:</b>			
Gross premiums written	6	188,923	149,477
Outward reinsurance premiums		(188,923)	(149,477)
Net premiums written		-	-
Change in the gross provision for unearned premiums	14	8,223	(27,750)
Change in the provision for unearned premiums reinsurers' share	14	(8,223)	27,750
Net change in provision for unearned premiums		-	-
<b>Earned premiums, net of reinsurance</b>		-	-
<b>Investment return</b>	7	-	-
<b>Claims incurred, net of reinsurance:</b>			
Claims paid:	6		
Gross amount		(64,751)	(54,983)
Reinsurers' share		64,751	54,983
Claims paid, net of reinsurance		-	-
Change in the provision for claims:	14		
Gross amount		(57,755)	(33,780)
Reinsurers' share		57,755	33,780
Change in provision for claims, net of reinsurance		-	-
<b>Claims incurred, net of reinsurance</b>		-	-
<b>Net operating expenses</b>	8, 11	(85)	(166)
Balance on Technical Account - General business		(85)	(166)

All operations relate to continuing activities.

The notes on pages 337 to 352 form part of these annual accounts.

## GIC RE, INDIA, CORPORATE MEMBER LIMITED

PROFIT AND LOSS ACCOUNT AND COMPREHENSIVE INCOME – NON-TECHNICAL ACCOUNT  
YEAR ENDED 31 DECEMBER 2022

	Note	2022 £000	2021 £000
<b>Balance on the Technical Account – General business</b>		(85)	(166)
Investment income		2,452	9
Unrealised gain/(loss) on investments		8,627	(1,018)
Foreign exchange gain		141	1,653
Other income		600	1,958
Other charges		(452)	(463)
(Loss)/profit on ordinary activities before tax	9	11,283	1,973
Tax on profit on ordinary activities	10	(2,057)	(191)
(Loss)/profit on ordinary activities after tax		9,226	1,782
<b>Profit/(loss) for the financial year</b>		9,226	1,782

All operations relate to continuing activities.

The notes on pages 337 to 352 form part of these annual accounts.

**GIC RE, INDIA, CORPORATE MEMBER LIMITED**  
**BALANCE SHEET - ASSETS**  
**AT 31 DECEMBER 2022**

	Note	2022 £000	2021 £000
<b>Assets:</b>			
<b>Investments:</b>			
Other financial investments	12	109,025	64,580
<b>Reinsurers' share of technical provisions:</b>	14		
Provision for unearned premiums		50,859	50,182
Claims outstanding		206,425	153,663
		257,284	203,845
<b>Debtors:</b>			
Debtors arising out of direct insurance operations		15,946	14,592
Debtors arising out of reinsurance operations		87,296	60,248
Other debtors		369	1,921
Funds at Lloyd's	19	267,902	209,462
		371,513	286,223
<b>Other assets:</b>		16,686	15,712
<b>Prepayments and accrued income:</b>			
Accrued interest		53	29
Deferred acquisition costs	14	9,663	12,202
Other prepayments and accrued income		332	321
		10,048	12,552
<b>Total assets</b>		764,556	582,912

The above assets comprise of the assets of the Syndicates participated upon and the Company's own assets.

Note 16 provide an analysis of the Company's own assets.

Prior period figures have been regrouped/reclassified wherever necessary for comparative purposes.

The notes on pages 337 to 352 form part of these annual accounts.

## GIC RE, INDIA, CORPORATE MEMBER LIMITED

## BALANCE SHEET - LIABILITIES

AT 31 DECEMBER 2022

	Note	2022 £000	2021 £000
<b>Liabilities:</b>			
<b>Capital and reserves:</b>	13		
Called up share capital		-	-
Profit and loss account		11,444	2,218
		11,444	2,218
<b>Technical provisions:</b>	14		
Provision for unearned premiums:			
Gross amount		60,522	62,384
Claims outstanding:			
Gross amount		206,425	153,663
		266,947	216,047
<b>Creditors:</b>			
Creditors arising out of direct insurance operations		75	555
Creditors arising out of reinsurance operations		219,747	106,588
Other creditors including taxation	15	266,052	179,580
		485,874	364,358
<b>Accruals and deferred income</b>		291	289
<b>Total liabilities</b>		764,556	582,912

The above liabilities comprise of the liabilities of the Syndicates participated upon and the Company's own liabilities. Note 16 provide an analysis of the Company's own liabilities.

The financial statements on pages 13 to 40 were approved by the Board of GIC Re, India, Corporate Member Limited on 19<sup>th</sup> May 2023 and signed on its behalf by:

Dyanaraj B. Gawade  
Director

Registered Number: 07792458

The notes on pages 337 to 352 form part of these annual accounts.

**GIC RE, INDIA, CORPORATE MEMBER LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**AT 31 DECEMBER 2022**

	Called up Share Capital £000	Profit and loss account £000	Total equity £000
<b>At 1 January 2021</b>	-	436	436
Profit for the year	-	1,782	1,782
Total comprehensive income for the period	-	2,218	2,218
<b>As at 31 December 2021</b>	-	2,218	2,218
Profit for the year	-	9,226	9,226
Total comprehensive income for the period	-	11,444	11,444
<b>As at 31 December 2022</b>	-	11,444	11,444

The notes on pages 337 to 352 form part of these annual accounts.

## GIC RE, INDIA, CORPORATE MEMBER LIMITED

STATEMENT OF CASH FLOWS  
YEAR ENDED 31 DECEMBER 2022

	Note	2022 £000	2021 £000
<b>Cash flow from operating activities</b>			
Profit/(loss) before taxation		11,283	1,973
Movement in creditors		361,155	124,679
Movement in debtors		(136,225)	(99,576)
Tax paid		(190,795)	-
<b>Net cash generated from operating activities</b>		<b>45,418</b>	<b>27,076</b>
<b>Cash flow from investing activities</b>			
Net (outflow)/inflow from purchases and sales of investments	18	(44,444)	(22,795)
<b>Net cash outflow from investing activities</b>		<b>(44,444)</b>	<b>(22,795)</b>
Net increase/(decrease) in cash and cash equivalents		974	4,281
Cash and cash equivalents at the beginning of the year		15,712	11,431
<b>Cash and cash equivalents at the end of the year</b>		<b>16,686</b>	<b>15,712</b>

The notes on pages 337 to 352 form part of these annual accounts.

**(1) General Information**

GIC Re, India, Corporate Member Limited (“the Company”) is a limited company incorporated in the United Kingdom. The address of its registered office is 40 Lime Street, 3rd Floor, London, EC3M 7AW. The nature of the Company’s operations and its principal activities are set out in the Strategic report on page 2.

These financial statements have been presented in GBP as this is the Company’s functional currency, being the primary economic environment in which the Company operates.

**(2) Basis of Preparation**

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – ‘The Financial Reporting Standard applicable in the UK and Republic of Ireland’ (‘FRS 102’), Financial Reporting Standard 103 – ‘Insurance Contracts’ (‘FRS 103’) and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis except for financial assets that are measured at fair value.

The Company’s functional currency is GBP.

The Directors, based on their assessment of the Company’s financial position and after making appropriate enquiries, reasonably expect that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, these annual accounts are prepared on a going concern basis.

**(3) Basis of Accounting for Underwriting Activities**

The Company underwrites insurance business on an underwriting year basis through its participation on Lloyd’s Syndicate 1955, Syndicate 5183, Syndicate 2019 and Syndicate 1947 (the Syndicates) under agency agreements with the Syndicates; each underwriting year is a separate annual venture. Agency agreements grant underwriting control to the Managing Agent of the Syndicates, and the Company has no access to funds controlled by the Syndicates. The Syndicates release funds to the Company from the Syndicate Premium Trust Funds when underwriting years close (normally after three calendar years). The Managing Agent assesses the result and net assets for each underwriting year based on the insurance policies incepting in that year for the membership of that year. The Syndicates may also release funds early on open underwriting years if the Managing Agent can determine the ultimate profitability of the year with enough accuracy (generally at the end of two calendar years).

The Company reports its share of Syndicate underwriting transactions, investment return, and operating expenses in its profit and loss account, and its share of the Syndicate assets and liabilities

on its balance sheet. The Directors calculate these shares based on the Company’s participation in the Syndicates as a percentage of each Syndicate’s total insurance capacity.

The Syndicates hold assets subject to trust deeds for the benefit of the Company’s insurance creditors.

**(4) Accounting Policies**

The Directors consistently applied the material accounting policies below in preparing these annual accounts.

**(a) Gross Premiums Written**

Gross premiums written consist of the Company’s share of premiums on insurance contracts that each Syndicate bound during the year, together with any adjustments arising in the year to such premiums receivable in respect of business written in prior years. The Company shows premiums gross of commissions payable to intermediaries and excludes taxes and fees levied on them.

**(b) Outward Reinsurance Premiums**

Outward reinsurance premiums consist of (a) the Company’s share of Syndicate reinsurance premiums on the outward reinsurance contract bound during the period and (b) the Company’s reinsurance premiums on the outward reinsurance contracts that it has with its Parent reinsurer to proportionally reinsure all of its underwriting business from the Syndicates. Reinsurance transactions do not relieve the Company of its primary obligations to its policyholders.

The Company offsets actual or estimated assets and liabilities under the outward reinsurance contract with its Parent reinsurer that proportionately reinsures all its underwriting business from the Syndicates into single net balances, because they do not represent separate assets and liabilities.

**(c) Provision for Unearned Premiums**

Unearned premiums represent the proportion of premiums written in the year that relate to the unexpired terms of policies in force at the Balance Sheet date, calculated on the basis of established earnings patterns or time apportionment as appropriate.

**(d) Provision for Unexpired Risks**

At the balance sheet date, the Company makes a provision for unexpired risks where the value of claims and administrative expenses expected to arise after the balance sheet date from the insurance contracts entered into before the balance sheet date exceeds the provision for unearned premiums, the amount of premiums receivable under those contracts, after the deduction of any deferred acquisition costs.

No provision for unexpired risks was recorded in 2021 and 2022.

**(e) Closed Years of Account**

At the end of the third calendar year that an underwriting year is open, the year normally closes by way of reinsurance into the following open underwriting year. The Managing Agents determine the amount of the reinsurance to close premium payable, generally by estimating the cost of claims notified but not settled at 31 December together with the estimated cost of claims incurred but not reported at that date, and an estimate of future claims handling expenses. The open underwriting year into which the closed underwriting year is reinsured bears the risk of any subsequent variation in the ultimate liabilities of the closed year.

The payment of a reinsurance to close premium does not relieve the closed year from its primary obligations for outstanding claims. If the reinsuring syndicate is unable to meet its obligations and the other elements of Lloyd's chain of security failed, then the closed underwriting year would have to settle the outstanding claims. The Directors consider the likelihood of such a reinsurance to close failure to be remote and therefore deem reinsurance to close as settlement of the liabilities outstanding at the closure of an underwriting year. The Company includes its share of the reinsurance to close premiums payable in its technical provisions at the balance sheet date, and the Company makes no further provision for any potential risk of variation in the ultimate liability of closed years.

**(f) Run - Off Years of Account**

If an underwriting year is not closed at the end of the third calendar year that it is open (a "run-off" year), the Company makes a provision for the estimated cost of all known and unknown outstanding liabilities of that year. The Managing Agent first determines the provision on a similar basis to the reinsurance to close. The Company, however, determines any subsequent variation in the ultimate liabilities for that year. Therefore, the Company will continue to report movements in its results from any run-off year after the third calendar year until it secures reinsurance to close.

The Company had no run-off years at 31 December 2022.

**(g) Claims Incurred, Net of Reinsurance**

Gross claims incurred consist of the estimated cost of settling all claims occurring during the period, whether reported or not, including related claims handling expenses. The Company anticipates subrogation recoveries when it sets provisions for reported claims. The Company accounts for reinsurance recoveries when it incurs the related losses.

The provision for claims outstanding includes the estimated cost of claims incurred but not reported ('IBNR') at the balance sheet date. A variety of estimation techniques are used generally based upon statistical analyses of historical experience and includes adjustments for catastrophes and other significant events, changes in historical trends, economic and social conditions, judicial decisions, and legislation, as necessary. In evaluating the provision, the Directors use the findings of the Syndicate actuaries, which include an associated third-party claims administrator's loss estimates for large catastrophes.

Large claims impacting each relevant business class are generally assessed separately, being measured on a case-by-case basis or projected separately in order to allow for the possible distorting effect of the development and incidence of these large claims.

Due to the Syndicates' limited history and small population of insured and reinsured claims, the provision for claims outstanding is subject to significant variability. While the Directors believe that the recorded provision for gross claims and reinsurance recoveries is adequate, establishing this liability is a judgmental and inherently uncertain process. Therefore, it is possible that actual losses may not conform to the assumptions that have been used in determining the amount of this provision. Accordingly, the ultimate provision may be significantly greater or less than the outstanding amount held at the balance sheet date. The Company recognises adjustments to the provision for claims outstanding in the profit and loss account when known. Due to its inherent nature Claims IBNR may not be apparent to the insurer until many years after the event giving rise to the claim has happened. Classes of business where the IBNR proportion of the total reserve is high will typically display greater variations between initial estimates and final outcomes because of the greater degree of difficulty of estimating these reserves. Classes of business where claims are typically reported relatively quickly after the claim event tend to display lower levels of volatility.

The Directors base the reinsurers' share of the provision for claims outstanding on the provisions for reported claims and IBNR, net of estimated irrecoverable amounts from potential reinsurer insolvencies based on the type of balance and security ratings of the involved reinsurers.

**(h) Acquisition Costs, Net of Reinsurance**

Acquisition costs consist of the Company's share of Syndicate related cover holder and ceding commissions (on inward reinsurance acceptances) primarily related to the production of new and renewal business. The Company defers acquisition costs to the extent that they are attributable to unearned premiums at the balance sheet date and expenses them as it earns the underlying insurance contract premiums. The Company includes acquisition costs in net operating expenses. The Company defers recoveries of acquisition costs (ceding commissions) from outward reinsurers and includes them in accruals and deferred revenue. The Company earns ceding commissions as it expenses underlying reinsurance contract premiums and includes them in net operating expenses under reinsurance commissions and profit participation.

**(i) Investments**

Investments consist of the Company's share of the Syndicates' shares and other variable yield securities and debt securities and other fixed-income securities. The Company carries investments at current or market value.

**(j) Investment Return**

Investment return primarily consists of income from the Company's share of the Syndicates' investments, gains and losses on the realisation of investments, and movements in unrealised gains and losses on investments, net of investment management expenses. Income from investments consists of interest, which the Company recognises when earned. The Company bases realised gains and losses on investments on the difference between the sale proceeds and the cost of the investment. Movements in unrealised gains and losses on investments represent the difference between the carrying value of investments at the balance sheet date and the purchase price of investments in earlier accounting periods, after considering investment disposals. Investment management expenses consist of investment custodian and management fees.

The Company first records its investment return in the non-technical account. The Company then transfers this return to the general business technical account to reflect the investment return on funds supporting the Syndicates' underwriting business; no funds outside of those in the Syndicate support the Company's underwriting business.

**(k) Net Operating Expenses**

The Company recognises operating expenses when incurred. Operating expenses include acquisition costs and the change in deferred acquisition costs, administrative expenses, and reinsurance commissions and profit participation. Administrative expenses consist of:

- i. the Company's share of Syndicate operating costs,
- ii. Managing Agent fees and profit commissions,
- iii. Lloyd's membership costs, and
- iv. the reimbursement of administrative expenses from the Parent reinsurer that proportionately reinsures all the Company's underwriting business from the Syndicate.

The Company also includes its share of the Syndicates' brokerage sharing from reinsurance brokers that place reinsurance coverage for the Syndicate in administrative expenses. The Company recognises brokerage sharing as revenue when brokers place the reinsurance coverage.

Reinsurance commissions and profit participation consist of (a) the Company's share of the Syndicates' ceding and contingent profit commissions from outward reinsurers and (b) the recovery of acquisition costs from the Parent reinsurer that proportionately reinsures all of the Company's underwriting business from the Syndicate.

**(l) Current Taxation**

The Company makes a provision for current U.K. taxes based on its taxable result for the period after considering permanent and timing differences between the treatment of certain items for book and tax. The Company also makes a provision for current U.S. federal tax where due based on U.S. taxable income for the period.

**(m) Deferred Taxation**

The Company makes a full provision for deferred taxation on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when these items reverse based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the annual accounts. The Company recognises deferred tax assets to the extent that it is probable that they will be recovered. The Company does not discount deferred tax assets and liabilities.

**(n) Foreign Currency Translation**

The Company's functional and reporting currency is GBP. The Company measures foreign currency monetary assets and liabilities at the closing exchange rate in effect at the balance sheet date. Non-monetary assets and liabilities at the balance sheet date are maintained at the rate of exchange ruling when the contract was entered into except for non-monetary assets and liabilities arising out of insurance contracts which are treated as monetary items in accordance with FRS 103 Insurance Contracts ("FRS 103"). Foreign currency revenues and expenses are measured at the historical exchange rates in effect at the time of the related transactions.

**(o) Critical accounting judgements and key sources of estimation uncertainty**

In applying the Company's accounting policies, the Directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The Directors' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ. The estimates and underlying assumptions are reviewed on an on-going basis.

Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

The management and control of each Syndicate the Company participates on is carried out by the managing agent of that Syndicate, and the Company looks to the managing agent to implement appropriate policies, procedures and internal controls to manage each Syndicate. The critical accounting judgements and key sources of estimation uncertainty set out below therefore relate to those made by the Directors in respect of the Company only, and do not include estimates and judgements made in respect of the Syndicates.

The critical judgements that the Directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the statutory financial statements are discussed below.

**Assessing indicators of impairment**

In assessing whether there have been any indicators of impairment assets, the Syndicates have considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability. There have been no indicators of impairments identified during the current financial year.

### Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

#### Recoverability of receivables

The Company establishes a provision for receivables that are estimated not to be recoverable. When assessing recoverability, the Directors consider factors such as the aging of the receivables, past experience of recoverability, and the credit profile of individual or groups of customers. No provisions have been recognised at the year end.

### (5) Management of Financial Risk

The Company is exposed to the following financial risks in the course of its operating and financing activities:

- Credit risk
- Liquidity risk; and
- Foreign exchange risk

The management and control of each Syndicate is carried out by the managing agent of that Syndicate, and the Company looks to the managing agent to implement appropriate policies, procedures and internal controls to manage each Syndicate, including those in respect of financial risk management. The following qualitative risk management disclosures made by the Directors relate to the Corporate activity only. The quantitative disclosures are made in respect of both the Corporate and the Syndicates.

#### Credit risks

Credit risk is the risk that a counterparty to the Company's financial instruments will cause a loss to the Company through failure to perform its obligations. The key areas of exposure to credit risk for the Company result through its reinsurance programme, investments and bank deposits.

The risk of default by the Parent Reinsurer is mitigated by a £24.2m letter of credit and funds of £267.9m provided by the Parent to Lloyd's (Funds at Lloyd's) to collateralise its reinsurance obligations to the Company.

The Company manages credit risk at the Corporate level by ensuring that investments and cash and cash equivalent deposits are placed only with highly rated credit institutions. The carrying amount of the Company's financial assets represents the Company's maximum exposure to credit risk.

The tables below show the credit quality of financial assets that are neither past due nor impaired.

	2022 Syndicate participation £000						
	AAA	AA	A	BBB	BBB or lower	Not rated	Total
Shares and other variable yield securities and unit trusts	25,453	49	205	-	-	1,291	26,998
Debt securities	5,619	32,236	28,628	2,921	-	83	69,487
Deposits with credit institutions	-	-	4,302	-	-	-	4,302
Overseas deposits as investments	1,392	306	234	259	4	400	2,595
Other investments	-	-	5,646	-	-	-	5,646
Reinsurers share of claims outstanding	-	434	201,529	8	-	4,455	206,426
Reinsurance debtors	-	104	82,265	-	-	4,927	87,296
Cash at bank and in hand	-	-	16,680	-	-	-	16,680
<b>Total</b>	<b>32,464</b>	<b>33,129</b>	<b>339,489</b>	<b>3,188</b>	<b>4</b>	<b>11,156</b>	<b>419,430</b>

	2021 Syndicate participation £000						
	AAA	AA	A	BBB	BBB or lower	Not rated	Total
Shares and other variable yield securities and unit trusts	8,649	44	3,129	1,018	-	-	12,841
Debt securities	4,188	20,233	15,235	1,841	-	117	41,613
Participation in investment pools	-	-	-	175	-	-	-
Deposits with credit institutions	-	-	2,659	-	-	-	2,659
Overseas deposits as investments	1,614	311	140	271	76	357	2,769
Other investments	-	-	4,161	-	-	-	4,161
Reinsurers share of claims outstanding	-	1,705	146,081	3	4	5,874	153,663
Reinsurance debtors	-	120	57,407	-	-	2,721	60,248
Cash at bank and in hand	-	-	15,712	-	-	-	15,712
<b>Total</b>	<b>14,451</b>	<b>22,413</b>	<b>244,525</b>	<b>3,129</b>	<b>78</b>	<b>9,096</b>	<b>293,666</b>

The tables below show the ageing and impairment of financial assets by class on instruments.

	2022 Syndicate participation £000						
	Neither Due nor impaired	Up to three months	Three to six months	Six Month to one year	Greater than one year	Financial assets that have been impaired	Total
Shares and other variable yield securities and unit trusts	26,998	-	-	-	-	-	26,998
Debt securities	69,487	-	-	-	-	-	69,487
Participation in investment pools	-	-	-	-	-	-	-
Deposits with credit institutions	4,302	-	-	-	-	-	4,302
Overseas deposits as investments	2,594	-	-	-	-	-	2,594
Other investments	5,646	-	-	-	-	-	5,646
Reinsurer share of claims outstanding	206,426	-	-	-	-	-	206,426
Reinsurance debtors	86,532	388	191	185	-	-	87,296
Cash at bank and in hand	16,680	-	-	-	-	-	16,680
Insurance debtors	14,185	892	429	322	118	-	15,946
Other debtors	338	15	7	6	2	-	368
<b>Total</b>	<b>433,188</b>	<b>1,295</b>	<b>627</b>	<b>513</b>	<b>120</b>	<b>-</b>	<b>435,743</b>

	2021 Syndicate participation £000						Total
	Neither due nor impaired	Up to three months	Three to six months	Six Months to one year	Greater than one year	Financial assets that have been impaired	
Shares and other variable yield securities and unit trusts	12,841	-	-	-	-	-	12,841
Debt securities	41,613	-	-	-	-	-	41,613
Participation in investment pools	-	-	-	-	-	-	-
Deposits with credit institutions	2,659	-	-	-	-	-	2,659
Overseas deposits as investments	2,769	-	-	-	-	-	2,769
Other investments	4,161	-	-	-	-	-	4,161
Reinsurer share of claims outstanding	153,663	-	-	-	-	-	153,663
Reinsurance debtors	59,629	113	256	193	60	-	60,248
Cash at bank and in hand	15,712	-	-	-	-	-	15,712
Insurance debtors	10,014	3,757	280	469	72	-	14,592
Other debtors	1,788	64	34	35	21	-	1,921
<b>Total</b>	<b>304,847</b>	<b>3,934</b>	<b>570</b>	<b>697</b>	<b>131</b>	<b>-</b>	<b>310,180</b>

At the Corporate level the Company is not exposed to significant credit risk. Consequently a sensitivity analysis for credit risk has not been presented for the Corporate.

### Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial instruments. At the Corporate level the Company manages liquidity by continuously monitoring forecast and actual cash flows.

The following tables detail the Company's remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date of which the Company can be required to pay.

	2022 Syndicate participation £000					Total
	No stated maturity	Less than 1 year	1 to 3 years	3 to 5 years	Greater than 5 years	
Derivatives	-	-	-	-	-	-
Deposits received from reinsurers	-	-	-	-	-	-
Claims outstanding	-	39,358	48,799	32,089	86,179	206,425
Creditors	-	266,052	-	-	-	266,052
Other	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>305,410</b>	<b>48,799</b>	<b>32,089</b>	<b>86,179</b>	<b>472,477</b>

	2021 Syndicate participation £000					Total
	No stated maturity	Less than 1 year	1 to 3 years	3 to 5 years	Greater than 5 years	
Derivatives	-	-	-	-	-	-
Deposits received from reinsurers	-	-	-	-	-	-
Claims outstanding	-	40,018	40,880	23,768	48,997	153,663
Creditors	-	212,438	-	-	-	212,438
Other	-	-	-	-	-	-
<b>Total</b>	-	<b>252,456</b>	<b>40,880</b>	<b>23,768</b>	<b>48,997</b>	<b>366,100</b>

At the Corporate level the Company is not exposed to significant liquidity risk. Consequently, a maturity profile has not been presented for the Corporate.

#### Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of changes in market interest rates.

The Company is exposed to the risk of interest rate fluctuations in respect of cash and cash equivalents.

The table below shows the impact of changes in interest rates on the profit or loss for the period and on the equity of the Company.

	2022 £000	2021 £000
Impact of 50 basis points increase/(decrease) on result	-	-
Impact of 50 basis points increase/(decrease) on net assets	-	-

The impact of interest rates on the Company's share of the Syndicate results is nil as the Parent Reinsurer' proportionately reinsures 100% of all the Company's underwriting business from the Syndicates.

At the Company level the Company is not exposed to significant cash flow interest, consequently a sensitivity analysis for interest rate risk has not been presented for the Corporate.

#### Currency risk

The Company holds both assets and liabilities denominated in currencies other than Sterling, its functional currency. It is therefore exposed to currency risk as the value of the foreign currency assets and liabilities will fluctuate in line with changes in foreign exchange rates.

At the Corporate level the Company manages currency risk by ensuring that exchange rate exposures are managed within the approved policy parameters.

The Company has delegated sole management and control of its underwriting through each Syndicate to the managing agent of the Syndicate and it has further undertaken not to interfere with the exercise of such management and control. The managing agents of the Syndicates are therefore responsible for determining the insurance transactions to be recognised. As such, disclosures in respect of the assumptions and judgements made, and the objectives, policies and processes for managing currency risk arising from assets and liabilities are only presented for the Corporate in these financial statements.

(6) Segment Reporting

The tables below detail the Company's underwriting results before investment return by class of business.

	2022 £000					
	Gross premiums written	Gross premiums earned	Gross claims incurred	Net operating expenses	Reinsurance Balance	Total
Accident and health	211	201	(358)	-	237	80
Motor – third party liability	-	-	-	-	-	-
Motor - other classes	-	-	-	-	-	-
Marine, aviation and transport	372	345	(201)	-	(35)	109
Fire and other damage to property	29,567	33,336	(22,062)	(12)	(13,822)	(2,560)
Third party liability	2,979	2,742	(1,483)	(2)	(293)	964
Credit and suretyship	110	66	(40)	-	(4)	22
Miscellaneous	3	3	-	-	(1)	2
Reinsurance	155,682	160,453	(98,362)	(71)	(60,722)	1,298
<b>Total</b>	<b>188,924</b>	<b>197,146</b>	<b>(122,506)</b>	<b>(85)</b>	<b>(74,640)</b>	<b>(85)</b>

	2021 £000					
	Gross premiums written	Gross premiums earned	Gross claims incurred	Net operating expenses	Reinsurance Balance	Total
Accident and health	402	750	(454)	(1)	(101)	193
Motor – third party liability	-	-	-	-	-	-
Motor - other classes	6,173	4,603	(3,649)	(7)	(1,619)	(672)
Marine, aviation and transport	4,235	2,207	(87)	(5)	(1,622)	493
Fire and other damage to property	22,851	20,693	(28,583)	(27)	(2,929)	(10,846)
Third party liability	3,221	2,316	(1,277)	(15)	(19)	1,004
Credit and suretyship	317	507	(92)	(1)	(347)	68
Legal expenses	2	7	(1)	-	(3)	4
Miscellaneous	-	-	-	-	-	-
Reinsurance	112,277	90,664	(54,621)	(111)	(26,323)	9,589
<b>Total</b>	<b>149,477</b>	<b>121,728</b>	<b>(88,763)</b>	<b>(166)</b>	<b>(32,964)</b>	<b>(166)</b>

Included in the reinsurance balance are reinsurance commissions and profit participation of £4,291k (2021: income of £3,712k). All insurance business is underwritten in the UK in the Lloyd's insurance market, which has been treated as one geographical segment for the purpose of Segmental Reporting.

**(7) Investment Return**

	<b>2022 £000</b>	<b>2021 £000</b>
Income from investments	1,122	573
Realised gains on investments	35	280
Unrealised (losses)/gains on investments	(2,675)	(748)
Investment expenses and charges	(651)	(200)
Reinsurer share of investment return	2,169	295
	-	-

**(8) Net Operating Expenses**

	<b>2022 £000</b>	<b>2021 £000</b>
Acquisition costs	(33,245)	(28,271)
Change in deferred acquisition costs	(3,771)	6,567
Administrative expenses	(2,065)	(4,252)
Personal expenses	(2,473)	(2,398)
Reinsurance commissions and profit participations	41,469	28,187
	<b>(85)</b>	<b>(166)</b>

Net operating expenses represent the Company's share of expenses incurred directly by the Syndicates, less the recovery of these expenses from the Parent Reinsurer that proportionately reinsures all the Company's underwriting business from the Syndicates. During the year the Company paid brokerage fee of £85k (2021: £166k) which is paid from the over-rider provided by the Parent Reinsurer.

**(9) Profit on Ordinary Activities Before Tax**

This table details the charges (credits) to profit on ordinary activities before taxation in the non-technical account under other income and charges.

	<b>2022 £000</b>	<b>2021 £000</b>
Professional fees	(149)	(160)
Foreign exchange gain	141	1,653
Investment income	2,452	9
Unrealised gains on investments	8,627	(1,018)
Other expenses	(85)	(166)
Reinsurer reimbursements of member expenses	600	1,800
LOC commission	(303)	(303)
Repayment of tax	-	158
	11,283	1,973

Agreed fees for the audit of these annual accounts are £11,160 (2021: £7,056). The total balance payable (including fees accrued but not yet due) to the Company's auditor at 31 December 2021 was £11,160 (2021: £7,056).

**(10) Tax on Profit on Ordinary Activities**

**(a) Analysis of Tax Charge During the Period**

This table summarises the tax charge/ (credit) on the Company's profit on ordinary activities during the period.

	2022 £000	2021 £000
Current tax:		
UK corporation tax	2,144	375
Double taxation relief	(87)	(184)
Total current tax	2,057	191
Deferred tax: (Note 17)	-	-
Tax on profit on ordinary activities	-	-

**(b) Factors Affecting the Tax for the Period**

This table summarises why the current tax charge/ (credit) for the period is different than the tax from applying the main U.K. corporation tax rate to the Company's profit on ordinary activities.

	2022 £000	2021 £000
Profit / (loss) on ordinary activities before tax	11,283	1,973
Effects of:		
Corporation tax in the UK of 19% (2021: 19%)	(2,144)	(375)
Double taxation relief	87	184
Total charge for the year	2,057	191

**(c) Factors Affecting Tax Charges in Future Years**

The UK corporation tax rate for the year ended 31 December 2022 was 19% (2021: 19%). During 2021, the UK Government passed legislation such that the substantively enacted rate from 1 April 2023 will be 25%.

**(11) Directors' Compensation and Staffing**

The Directors did not receive any compensation for their services during 2022 (2021: £Nil).

The Company has no employees.

**(12) Other Financial Investments**

	2022 £000		2021 £000	
	Market value	Cost	Market value	Cost
Shares and other variable yield securities	26,998	26,998	12,843	12,843
Debt securities and other fixed income securities	73,734	76,471	44,417	44,888
Other loans	1,399	1,412	1,474	1,474
Deposits with credit institutions	4,300	4,300	2,659	2,659
Overseas deposits as investment	621	621	419	419
Other	1,973	1,973	2,769	2,769
<b>Total</b>	<b>109,025</b>	<b>111,775</b>	<b>64,581</b>	<b>64,581</b>

All shares and other variable yield securities are listed.

The investments held at 31 December 2022 and 31 December 2021 are carried at fair value through profit and loss and have been categorised between the three levels of the fair value hierarchy that reflects the observability and significance of inputs used when establishing the fair value.

### Level 1

Inputs to Level 1 fair values are quoted prices in active markets for identical assets. An active market is one in which transactions for the asset occurs with sufficient frequency and volume to provide pricing information on an on-going basis. Examples are listed debt securities in active markets or listed equities in active markets or listed deposits held with credit institutions in active markets.

### Level 2

Inputs to Level 2 fair values are inputs other than quoted prices included within Level 1 that are observable for the asset, either directly (i.e. as prices) or indirectly (i.e. derived from prices) and fair value is determined through the use of models or other valuation methodologies. Level 2 inputs include quoted prices for similar (i.e. not identical) assets in active markets, quoted prices for identical or similar assets in markets that are not active or in which little information is released publicly, unlisted deposits held with credit institutions in active markets, low volatility hedge funds where tradable net asset values are published.

### Level 3

Inputs to Level 3 fair values are inputs that are unobservable for the asset. Unobservable inputs have been used to measure fair value where observable inputs are not available, allowing for situations where there is little or no market activity. Unobservable inputs reflect assumptions that the Society considers that market participants would use in pricing the asset and have been based on a combination of independent third party evidence and internally developed models.

The table below sets out the Company's financial investments held at fair value through profit and loss by level of hierarchy.

2022 Fair value hierarchy	Level 1 2022 £000	Level 2 2022 £000	Level 3 2022 £000	Held at Amortised Cost 2022 £000	Total 2022 £000
Shares and other variable yield securities	26,928	-	1,469	-	28,397
Debt securities and other fixed income securities	7,590	66,144	-	-	73,734
Deposits with credit institutions	4,300	-	-	-	4,300
Overseas deposits	272	2,322	-	-	2,594
	<b>39,090</b>	<b>68,466</b>	<b>1,469</b>	-	<b>109,025</b>

2021 Fair value hierarchy	Level 1 2021 £000	Level 2 2021 £000	Level 3 2021 £000	Held at Amortised Cost 2021 £000	Total 2021 £000
Shares and other variable yield securities	8,116	4,727	-	-	12,843
Debt securities and other fixed income securities	5,596	38,821	-	-	44,417
Deposits with credit institutions	2,659	-	-	-	3,188
Overseas deposits	296	2,892	-	-	
Other	-	-	1,474	-	1,474
	<b>16,667</b>	<b>46,440</b>	<b>1,474</b>	-	<b>64,581</b>

### (13) Capital and Reserves

The Company had one authorised, issued, and fully paid up ordinary share with a nominal value of £1 at the balance sheet date. At 31 December 2022 this share was issued and paid.

This table reconciles the movement in the profit and loss account during the period.

	2022 £000	2021 £000
Profit and loss account at beginning of year	2,218	436
Profit for the financial year	9,226	1,782
Profit and loss account at end of year	11,444	2,218

### (14) Technical Provisions and Reinsurers' Share of Deferred Acquisition Costs

	2022 £000	
	Provision for unearned premiums	Claims outstanding
<b>Gross technical provisions:</b>		
At 1 January 2022	62,384	153,663
Foreign exchange differences	6,361	(4,993)
Movement in provision	(8,223)	57,755
At 31 December 2022	60,522	206,425
<b>Reinsurers' share of technical provisions:</b>		
At 1 January 2022	50,182	153,663
Foreign exchange differences	8,900	(4,993)
Movement in provision	(8,223)	57,755
At 31 December 2022 (i)	50,859	206,425
<b>Deferred acquisition costs:</b>		
At 1 January 2022	(12,202)	-
Foreign exchange differences	2,539	-
At 31 December 2022	(9,663)	-
<b>Total</b>	-	-

- (i) The reinsurance share of the deferred acquisition costs is included within the reinsurance share of technical provisions of unearned premium.

This table summarises the gross and reinsurers' share of claims outstanding by category.

	2022 £000		
	Gross	Reinsurers' share	Net
Claims notified	80,435	80,435	-
Claims IBNR	125,990	125,990	-
<b>Total</b>	<b>206,425</b>	<b>206,425</b>	-

**(15) Other Creditors**

	2022 £000	2021 £000
Amounts owed to associated and group companies	258,671	212,834
Amounts owed to others	7,348	191
<b>Total</b>	<b>266,019</b>	<b>213,025</b>

The amount of £258,671k (2021: £211,205k) is due to the Company's Parent Company which has been used to provide Funds at Lloyd's ("FAL") (Note 19). These funds are not readily accessible and repayment of this liability will not be possible until the FAL is released. Therefore, this liability is not readily repayable within a year. Additionally, £909k (2021: £606k) is due to the Parent company in relation to commission which has been charged on the letter of credit provided at Lloyd's.

**(16) Corporate assets and liabilities**

The majority of the assets and liabilities shown in the balance sheet arise from the Company's share of the assets and liabilities of the Syndicates on which it participates.

The following table shows the assets and liabilities that relate to the Company itself:

	2022 £'000	2021 £'000
<b>Assets</b>		
Reinsurers' share of technical provisions:		
Provision for unearned premiums	48,303	47,569
Claims outstanding	185,151	127,943
Debtors arising out of reinsurance operations	45	45
Deposits	4,302	2,659
Cash at bank and in hand	518	2,031
Deferred tax asset	-	-
Other debtors	202	202
Total assets	238,521	180,449
<b>Liabilities</b>		
Creditors arising out of reinsurance operations	209,010	142,119
Amounts owed to associated and group companies	256,826	209,349
Corporation tax	2,057	191
Other creditors	-	1
Accruals and deferred income	32	28
Total liabilities	467,925	351,688

**(17) Deferred tax asset**

The asset recognised for deferred tax in the financial statements is as follows:

	2022 £'000	2021 £'000
<b>Asset recognised in the balance sheet</b>		
Opening balance at the start of the year	-	-
(Charge) / credit for the year	-	-
Total deferred tax asset	-	-

The deferred tax asset is recognised in respect of tax losses carried forward as the directors are of the opinion, based on all available evidence, that it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of underlying timing differences can be deducted.

**(18) Net Portfolio Investment**

2022 Movement in net portfolio investment	At 1 January 2022 £000	Change in Market Value £000	Cash Flow £000	At 31 December 2022 £000
Shares and other variable yield securities	12,843	-	14,155	26,998
Debt securities and other fixed income securities	44,417	-	29,317	73,734
Overseas deposits	3,188	-	(594)	2,594
Other	4,133	-	1,566	5,699
	64,581	-	44,444	109,025

2021 Movement in net portfolio investment	At 1 January 2021 £000	Change in Market Value £000	Cash Flow £000	At 31 December 2021 £000
Shares and other variable yield securities	5,378	-	7,105	12,843
Debt securities and other fixed income securities	27,003	-	17,414	44,417
Overseas deposits	2,875	-	313	3,188
Participation in investment pools	1,587	-	(1,587)	-
Other	4,583	-	(450)	4,133
	41,786	-	22,795	64,581

**(19) Funds at Lloyd's**

The Company's Parent company proportionately reinsures all the Company's underwriting results from the Syndicate and provided a £24.2 million (2021: £24.2 million) letter of credit to Lloyd's to collateralise its reinsurance obligations to the Company. During the year the Parent company contributed £53.0 million (2021: £44.2 million) towards the Funds at Lloyd's, in the form of cash, included under creditors on the Company balance sheet.

**(20) Immediate and Ultimate Parent**

The Company's immediate and also its ultimate parent is the General Insurance Corporation of India, a company registered in India. The ultimate controlling party is the Government of India. Copies of the group's consolidated financial statements can be obtained at [www.gicofindia.com](http://www.gicofindia.com).

**(21) Related Parties**

The Parent Company, General Insurance Corporation of India (wholly owned by the Government of India), proportionally reinsures all the Company's Underwriting results arising from the Syndicates. The company is not required to disclose related party transactions as they are with companies that are wholly owned within the group.

**(22) Contingent Liabilities**

**Legal Proceedings**

The Syndicates and wider group are regularly involved in various legal proceedings in the ordinary course of their insurance business. The Directors believe the outcome of these proceedings will not have a material adverse effect on the Company's financial position or future profitability.

**(23) Comparatives**

Prior period figures have been regrouped/reclassified wherever necessary for comparative purposes.

**Independent auditor's report  
on the annual financial statements  
of the insurance company Limited Liability Company  
"GIC Perestrakhovanie" for 2022**

Translation of the original Russian version

**Independent auditor's report  
on the annual financial statements of the insurance company Limited Liability Company  
"GIC Perestrakhovanie"**

**TRANSLATION OF THE ORIGINAL RUSSIAN VERSION**

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To the Sole Participant and Board of Directors of Limited Liability Company  
**“GIC Perestrakhovanie”**

## Report on the audit of the annual financial statements

### Opinion

We have audited the annual financial statements of the insurance company Limited Liability Company “GIC Perestrakhovanie” (hereinafter, the “Insurance Company”), which comprise the statement of financial position of the insurance company as at 31 December 2022, statement of profit or loss and other comprehensive income of the insurance company for 2022 and appendices thereto.

In our opinion, the accompanying annual financial statements present fairly, in all material respects, the financial position of the Insurance Company as at 31 December 2022 and its financial performance and its cash flows for 2022 in accordance with the rules on the preparation of financial statements established in the Russian Federation and International Financial Reporting Standards (IFRS).

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the annual financial statements section of our report. We are independent of the Insurance Company in accordance with the International Ethics Standards Board for Accountants’ (IESBA) International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the annual financial statements in the Russian Federation, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual financial statements of the current period. These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor’s responsibilities for the audit of the annual financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the annual financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying annual financial statements.

Key audit matter	How our audit addressed the key audit matter
<b><i>Estimation of non-life insurance reserves and reinsurers' share in such reserves</i></b>	
<p>Estimation of non-life insurance reserves and reinsurers' share in such reserves is one of the most significant matters for our audit given the materiality of these reserves for the annual financial statements, complexity and subjectivity of estimates based on management's assumptions and judgments, and significant fluctuations of the estimation result depending on the assumptions used.</p> <p>Loss reserves largely depend on the assumptions used. Loss reserves are calculated using actuarial techniques based on historical data on losses and their characteristics, and the ultimate total loss is defined based on assumptions.</p> <p>Non-life insurance reserves and reinsurers' share in such reserves are disclosed in Note 15 to the annual financial statements.</p>	<p>Our audit procedures included assessment of the assumptions and the methodology used by management for estimating non-life insurance reserves, performed with the involvement of our actuaries.</p> <p>We have verified the completeness, integrity and sources of data used to calculate non-life insurance reserves and reinsurers' share in such reserves. For these purposes, we used the results of audit procedures in respect of processes and accounting areas related to the recognition of insurance and reinsurance premiums, acquisition costs, claims handling costs and other related accounts.</p> <p>We reviewed a sample of documents with regard to certain insurance losses in the outstanding claims reserve (OCR) reserve and reinsurers' share in such reserve.</p>

Key audit matter	How our audit addressed the key audit matter
	<p>We checked the mathematical accuracy of the formulas used and whether they are in line with accepted methodology used to estimate non-life insurance reserves.</p> <p>We analyzed the methodology and assumptions used by the Insurance Company in the course of the liability adequacy testing, and reviewed liability adequacy calculations.</p> <p>We analyzed the recoverability of a reinsurers' share in insurance reserves. We analyzed the reinsurance contract entered into by the Insurance Company and the methodology used, and tested a sample of positions of the calculation. We also tested the reinsurer's credit risk and reviewed whether the procedure to reinsure the risks complies with the established procedures.</p> <p>We reviewed the Insurance Company's disclosures on estimating non-life insurance reserves and reinsurers' share in such reserves.</p>

### Responsibilities of management and the Board of Directors for the annual financial statements

Management is responsible for the preparation and fair presentation of the annual financial statements in accordance with the rules on preparation of financial statements established in the Russian Federation and IFRS, and for such internal control as management determines is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, management is responsible for assessing the ability of the Insurance Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Insurance Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Insurance Company's annual financial reporting process.

### Auditor's responsibilities for the audit of the annual financial statements

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements.

As part of an audit in accordance with ISA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

### As part of an audit in accordance with ISA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Insurance Company's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- ▶ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Insurance Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Insurance Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of annual financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report in accordance with the requirements of Article 29 of Federal Law of the Russian Federation No. 4015-1 On the Organization of Insurance Business in the Russian Federation of 27 November 1992**

Management of Limited Liability Company "GIC Perestrakhovanie" is responsible for the compliance by the Insurance Company with the financial sustainability and solvency requirements established by Federal Law of the Russian Federation No. 4015-1 On the Organization of Insurance Business in the Russian Federation of 27 November 1992 (hereinafter, the "Federal Law") and the regulations of the insurance supervisory authority, as well as for the organization of the internal control system of the Insurance Company in accordance with the requirements of the Federal Law.

In accordance with the requirements of Article 29 of the Federal Law, we performed procedures to verify:

- ▶ The Insurance Company's compliance with the financial sustainability and solvency requirements established by the Federal Law and the regulations of the insurance supervisory authority.
- ▶ The effectiveness of the organization of the internal control system of the Insurance Company in accordance with the requirements of the Federal Law.

The procedures were selected based on our judgment and were limited to inquiries, analysis, reading the Insurance Company's internal organizational, administrative and other documents, comparison of the internal requirements, procedures and methodologies with the requirements set forth by the Federal Law and regulations of the insurance supervisory authority, and the recalculation, comparison and reconciliation of numerical values and other information. These procedures were not conducted in accordance with International Standards on Auditing. The results of our procedures are provided below.

In terms of the Insurance Company's compliance with the financial sustainability and solvency requirements established by the Federal Law and the regulations of the insurance supervisory authority as at 31 December 2022:

- ▶ We found that, as at 31 December 2022, the amount of the Insurance Company's fully paid-up capital is not less than the minimum amount established by the Federal Law.
- ▶ We found that the composition and structure of the Insurance Company's assets as at 31 December 2022 conform to the requirements set forth by the insurance supervisory authority with regard to the procedure for investing equity (capital) and insurance reserves.
- ▶ We found that, as at 31 December 2022, the statutory ratio of equity (capital) and assumed liabilities is in line with the requirements and the calculation procedure set forth by the insurance supervisory authority.
- ▶ We found that, as at 31 December 2022, the insurance reserves calculation procedure applied at the Insurance Company complies with the procedure approved by the regulations of the insurance supervisory authority, and the insurance reserves as at 31 December 2022 were calculated in the manner prescribed in the Insurance Company's regulation on calculation of insurance reserves.

- ▶ We found that in 2022 the Insurance Company complied, in all material respects, with the procedure to reinsure the risks established by the Insurance Company's internal documents.

We have not performed any procedures in respect of accounting data of the Insurance Company, except for the procedures we considered necessary to express our opinion on the fair presentation of the Insurance Company's annual financial statements.

In terms of the effectiveness of the organization of the internal control system of the Insurance Company:

- ▶ We found that the charter documents and internal organizational and administrative documents of the Insurance Company effective as at 31 December 2022 determine the authorities of those exercising internal control in accordance with the Federal Law.
- ▶ We found that, as at 31 December 2022, the Insurance Company appointed an internal auditor.
- ▶ We found that the internal auditor of the Insurance Company is subordinated and accountable to the Board of Directors of Limited Liability Company "GIC Perestrakhovanie".
- ▶ We found that the Insurance Company's regulation on internal audit, effective as at 31 December 2022, contains the elements required by the Federal Law and was approved pursuant to the Federal Law.
- ▶ We found that internal auditor's reports on the results of audits for the year 2022 were prepared as frequently as required by the Federal Law, and contained the internal auditor's observations relating to the detected violations and deficiencies in the Insurance Company's activities and their consequences, recommendations on how to eliminate them, and information on the elimination of previously detected violations and deficiencies in the Insurance Company's activities.
- ▶ We found that during the year ended 31 December 2022 the Board of Directors and executive management bodies of the Insurance Company reviewed the reports prepared by the internal auditor.

The procedures pertaining to the effectiveness of the organization of the internal control in Limited Liability Company "GIC Perestrakhovanie" were conducted by us solely for the purpose of complying with the requirements set forth in the Federal Law.

O.I. Vostrokova,  
acting on behalf of TSATR - Audit Services Limited Liability Company  
on the basis of power of attorney dated 3 October 2022,  
partner in charge of the audit resulting in this independent auditor's report  
(main registration number 22006014715)

14 March 2023

#### Details of the auditor

Name: TSATR - Audit Services Limited Liability Company  
Record made in the State Register of Legal Entities on 5 December 2022, State Registration Number 1027739707203.

Address: Russia 115035, Moscow, Sadovnicheskaya naberezhnaya, 77, building 1.

TSATR - Audit Services Limited Liability Company is a member of Self-regulatory organization of auditors Association "Sodruzhestvo". TSATR - Audit Services Limited Liability Company is included in the control copy of the register of auditors and audit organizations, main registration number 12006020327.

#### Details of the audited entity

Name: Limited Liability Company "GIC Perestrakhovanie"  
Record made in the State Register of Legal Entities on 14 November 2018, State Registration Number 1187746936783.

Address: Russia 123056, Moscow, Gasheka street, 7, building 1.

## STATEMENT OF FINANCIAL POSITION OF THE INSURANCE COMPANY

as at December 31, 2022

## Statement of financial position of the insurance company

(Amounts in RUR'000)

The name of the indicator	Line No.	Note to the lines	31.12.2022	31.12.2021
Section I. Assets	53		x	x
Cash and cash equivalents	1	5	9 875	849 428
Deposits and other funds placed in credit organizations and non-resident banks	2	6	1 656 742	583 970
Receivables arising from insurance, co- insurance and reinsurance operations	6	10	181 164	262 345
Loans, other funds placed and other receivables	8	12	2 628	2 424
Reinsurer's share in non-life insurance reserves	11	15	1 047 120	864 496
Intangible assets	17	21	9 912	9 953
Fixed assets	18	22	13 486	5 560
Deferred acquisition costs	19	23	54	46 079
Deferred tax assets	21	58	41 836	23 847
Current income tax requirements	20	58	1 700	-
Other assets	22	24	17 731	7 622
<b>Total assets</b>	23		<b>2 982 248</b>	2 655 724
Section II. Liabilities	54		x	x
Loans and other funds raised	25	27	12 599	4 234
Payables arising from insurance, co- insurance and reinsurance operations	28	30	651 027	552 255
Non-life insurance reserves	33	15	1 133 738	952 479
Deferred acquisition incomes	35	23	3 573	14 206
Other liabilities	39	35	7 021	5 156
Total liabilities	40		1 807 958	1 528 330
Section III. EQUITY	55		x	x
Share capital	41	36	600 000	600 000
Additional paid-in capital	42	36	692 710	569 951
Retained earnings (retained loss)	50		(118 420)	(42 557)
<b>Total equity</b>	51		<b>1 174 290</b>	1 127 394
<b>Total equity and liabilities</b>	52		<b>2 982 248</b>	2 655 724

The official who signed  
the reportingCEO  
(duty)

(signature)

Mokashi Sanjay Vasant  
(signature transcript)

2023-03-01

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME OF THE INSURANCE COMPANY**

for 2022

**Statement of profit or loss and other comprehensive income of the insurance company**

The name of the indicator	Line No.	Note to the lines	01.01.2022-31.12.2022	01.01.2021-31.12.2022
Title I. Insurance activities	55		x	x
Subsection 1. Life insurance	56		x	x
Subsection 2. Non-life insurance	57		x	x
Insurance premiums earned, net of reinsurance, including:	8	44	51 700	166 632
insurance premiums for insurance, co- insurance and reinsurance transactions	8.1		82 447	1 072 598
premiums ceded	8.2	44	(81 018)	(871 326)
change in unearned premium reserve	8.3	44	218 310	(180 812)
change in reinsurer's share in unearned premium reserve	8.4		(168 039)	146 172
Claims incurred, net of reinsurance, including:	9	45	(57 564)	(40 764)
claims paid under insurance, co-insurance, and reinsurance contracts	9.1	45	(120 455)	(9 127)
claims handling expenses	9.2	45	(5 648)	(6 273)
reinsurer's share in claims paid	9.3		117 444	9 046
change in losses reserves	9.4	45	(399 568)	(664 747)
change in reinsurer's share in losses reserves	9.5	45	350 663	630 337
Policy administration expenses, net of reinsurance, including:	10	46	(42 144)	(122 808)
Acquisition costs	10.1	46	(10 975)	(191 459)
reinsurance commission on reinsurance contracts	10.2		4 224	48 066
change in deferred acquisition costs and incomes	10.3	46	(35 393)	20 585
Other income from non-life insurance operations	12	48	18	3 904
Other costs from non-life insurance operations	13	48	(29 642)	-
Result from non-life insurance operations	14		(77 632)	6 964
Total gains net of losses (losses net of gains) from insurance activities	15		(77 632)	6 964
Section II. Investment activities	58		x	x
Interest income	16	49	116 177	47 420
Gains net of losses (losses net of gains) arising from foreign exchange transactions	20		(43 018)	(16 813)
Total gains net of losses (losses net of gains) arising from investment activity	22		73 159	30 607
Section III. Other operating income and expenses	59		x	x
General and administrative expenses	23	54	(88 624)	(89 595)
Interest expense	24	55	(754)	(654)
Total income (expense) from other operating activities	29		(89 378)	(90 249)
Profit (loss) before tax	30		(93 851)	(52 678)
Income tax benefit (expense), including:	31	58	17 989	10 121
deferred income tax benefit (expense)	31.2	58	17 989	10 121
Profit (loss) after tax	33		(75 862)	(42 557)
Section IV. Other comprehensive income	60		x	x
Total comprehensive income (expense) for the reporting period	54		(75 862)	(42 558)

The official who signed  
the reporting

CEO

(duty)

2023-03-01

(signature)

Mokashi Sanjay Vasant

(signature transcript)

## STATEMENT OF CHANGES IN EQUITY OF THE INSURANCE COMPANY for 2022

### Statement of changes in equity of the insurance company

The name of the indicator	Line No.	Note to the lines	Share capital	Additional paid-in capital	Treasury shares	Reserve capital	Reserve revaluation at fair value of financial assets available for sale	Reserve revaluation of fixed assets and intangible assets	Reserve for revaluation of remuneration obligations for employees at the end of employment, unlimited fixed payments	Cash flow hedging reserve	Other reserves	Retained earnings (retained loss)	Total
			1	2	3	4	5	6	7	8	9	10	11
Balance at the beginning of the previous reporting period	1		600 000	477 163	-	-	-	-				(57 212)	1 019 951
Balance at the beginning of the previous reporting period, revised	4		600 000	477 163	-	-	-	-				(57 212)	1 019 951
Profit (loss) after tax	5		-	-	-	-	-	-				(42 557)	(42 557)
Other shareholders' (participants) contributions and distribution to shareholders (participants)	12		92 788	-	-	-	-	-				57 212	150 000

The name of the indicator	Line No.	Note to the lines	Share capital	Additional paid-in capital	Treasury shares	Reserve capital	Reserve revaluation at fair value of financial assets available for sale	Reserve revaluation of fixed assets and intangible assets	Reserve for revaluation of remuneration obligations for employees at the end of employment, unlimited fixed payments	Cash flow hedging reserve	Other reserves	Retained earnings (retained loss)	Total
			1	2	3	4	5	6	7	8	9	10	11
Balance at the end of the previous reporting period	14		600 000	569 951	-	-	-	-				(42 557)	1 127 394
Balance at the beginning of the reporting period	15		600 000	569 951	-	-	-	-				(42 557)	1 127 394
Balance at the beginning of the reporting period, revised	18		600 000	569 951	-	-	-	-				(42 557)	1 127 394
Profit (loss) after tax	19		-	-	-	-	-	-				(75 862)	(75 862)
Other shareholders' (participants) and distribution to shareholders (participants)	26		-	122 759	-	-	-	-				-	122 759
Profit (loss) after tax	Just 28		600 000	692 710	-	-	-	-				(118 420)	1 174 290

The official who signed the reporting  
2023-03-01

CEO  
(duty)

(signature)

Mokashi Sanjay Vasant  
(signature transcript)

**STATEMENT OF CASH FLOWS OF THE INSURANCE COMPANY**

for 2022

**Statement of cash flows of the insurance company**

The name of the indicator	Line No.	Note to the lines	01.01.2021-31.12.2022	01.01.2020-31.12.2021
Section I. Cash flows from operating activities	35		x	x
Non-life insurance and reinsurance premiums received	3		189 365	721 031
Ceded premiums paid	4			(336 842)
Claims paid under non-life insurance contracts and non-life reinsurance contracts	7		(5 167)	(9 127)
Reinsurers share in insurance and reinsurance payments, received	10			7 146
Acquisition costs paid	11		(11 017)	(11 617)
Claims handling expenses paid	12		(5 370)	(5 803)
Interest received	21		107 456	39 842
Salary and other remuneration payments to the employees	23		(39 693)	(24 740)
Administrative and other operating expenses paid	24		(49 189)	(93 582)
Income tax paid	25		(1 700)	
Other cash flows from operating activities	26			12 550
Net cash flows from operating activities	27		184 685	298 858
Section II. Cash flows from investment activities	37		x	x
Proceeds minus payments (payments minus proceeds) from placement and withdrawal of deposits and other funds placed in credit organizations and non-resident banks	41		(1 060 500)	(418 000)
Net cash flows from investment activities	45		(1 060 500)	(418 000)
Section III. Cash flows from financial activities	38		x	x
Proceeds from issue of shares, increase in shares and contributions by owners (participants)	48		122 759	150 000
Repayment of lease liability	53.1		(13 074)	(7 273)
Net cash flows from financial activities	56		109 685	142 727
Net cash flows for the reporting period	57		(766 130)	23 585
Effect of changes in the exchange rate of foreign currency against the ruble	58		(73 423)	
Balance of cash and cash equivalents at the beginning of the reporting period	59		849 428	825 843
Balance of cash and cash equivalents at the end of the reporting period	60		9 875	849 428

The official who signed  
the reporting

CEO  
(duty)

(signature)

Mokashi Sanjay Vasant  
(signature transcript)

2023-03-01



## NOTE 2 ECONOMIC ENVIRONMENT IN WHICH THE INSURER OPERATES

Disclosure requirement	Line number	IFRS standard	Description
			1
The main factors and influences that determine the financial results. Changes in the external environment in which the insurer operates, reaction to these changes	1	IFRS (IAS) 1	Since February 2022, escalating geopolitical tensions and the conflict over Ukraine negatively affect the economy of the Russian Federation. The European Union, the United States and certain other countries have imposed new sanctions on certain Russian state and commercial entities, including banks, individuals and certain industries, as well as restrictions on certain types of transactions, including blocking funds in foreign bank accounts and blocking payments on Russian Eurobonds and Russian companies. Some international companies have announced the suspension of operations in Russia or the cessation of deliveries of products to Russia. This resulted in increased volatility on stock and currency markets. Temporary restrictive economic measures were introduced in the Russian Federation, including a ban on loans in foreign currency made by residents to non-residents and on the transfer of foreign currency by residents to their accounts in foreign banks, restrictions on payments on securities to foreign investors, and restrictions on transactions with persons from a number of foreign countries. The President of the Russian Federation signed a law prohibiting Russian insurers from concluding transactions with insurers, reinsurers and insurance brokers from a number of foreign countries. In response to increased volatility in financial markets and rising inflation risks, the Bank of Russia raised its key rate to 20% at an extraordinary meeting in February 2022; subsequently, the key rate was gradually reduced to 7.5%. The Company continues to assess the impact of these developments and changes in micro and macroeconomic conditions on its operations, financial position and results of operations. Management believes that the Company has all the necessary resources to ensure sustainability of its operations and is taking all necessary measures to adapt its business to changes in the operating environment.

## NOTE 3 BASIS OF REPORTING

Disclosure requirements	Line number	IFRS standard	Description
			1
The insurer must clearly and unambiguously indicate the basis for the preparation of accounting (financial) statements	1	IFRS (IAS) 1	These annual financial statements have been prepared in accordance with rules on preparation of annual financial statements established in the Russian Federation (hereinafter referred to as RAS), as well as in accordance with International Financial Reporting Standards (hereinafter referred to as IFRS).

Disclosure requirements	Line number	IFRS standard	Description
The base (or bases) of the assessment used (used) in the preparation of the accounting (financial) statements	2	IFRS (IAS) 1	The financial statements have been prepared in accordance with the historical cost convention except as disclosed in the accounting policies below.
Reasons for reclassification of comparative amounts	3	IFRS (IAS) 1	Not applicable.
Nature of the comparative reclassifications (including information at the beginning of the prior period)	4	IFRS (IAS) 1	Not applicable.
The amount of each item (class of items) that is subject to reclassification	5	IFRS (IAS) 1	Not applicable.
Significant effect of retrospective application (retrospective restatement or reclassification) on information at the beginning of the previous reporting period	6	IFRS (IAS) 1	Not applicable.

#### NOTE 4 SUMMARY OF ACCOUNTING POLICIES, SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS IN APPLYING ACCOUNTING POLICIES

Disclosure requirements	Line number	IFRS standard	Description
			1
Summary of Significant Accounting Policies, Critical Accounting Estimates and Judgments in Applying Accounting Policies	1		x
Section I. Effect of estimates and assumptions	2		x
Judgments (other than those related to estimates) that have been made by management in the process of applying accounting policies and that have the greatest effect on the amounts recognized in the accounting (financial) statements	1	IFRS (IAS) 1	The Company makes estimates and assumptions that affect both the amounts reflected in the financial statements and the book value of assets and liabilities in the next reporting period. Estimates and assumptions are reviewed on an ongoing basis based on management's experience and other factors, including expectations about future events, which, in the opinion of management, are reasonable in the light of current circumstances.
Effect of estimates and assumptions on recognized assets and liabilities (identifies the items in the statements on the amounts of which professional estimates and assumptions have the most significant effect, and provides comments on how professional judgment affects the measurement of these items)	2	IFRS (IAS) 1	Judgments that have the most significant effect on the recognized amounts and estimates that can cause a significant adjustment to the carrying amount of assets and liabilities within the next financial period include the following: <ul style="list-style-type: none"> <li>- Measurement of insurance contract liabilities. All contracts are reviewed for adequacy of liabilities, which reflects management's best current estimate of future cash flows.</li> </ul>

Disclosure requirements	Line number	IFRS standard	Description
			<ul style="list-style-type: none"> <li>- Change in reserves for losses. The financial statements reflect insurance reserves, the assessment of which was carried out in accordance with the principles of the best assessment.</li> <li>- Tax law. Russian tax legislation is subject to varying interpretations. Determining the amount of income tax liabilities is to some extent a matter of subjective judgment, due to the complexity of the legal framework. Certain judgments made by the management of the Company in determining the amount of tax may be considered differently by the tax authorities. The Company recognizes tax liabilities that may arise as a result of tax audits based on an assessment of potential additional tax liabilities. As at 31 December 2022, management believes that its interpretation of the current legislation is adequate and that the tax position of the Company will be confirmed.</li> </ul>
Key actuarial assumptions used in measuring life insurance liabilities	3	IFRS (IFRS)4	Not applicable.
Key actuarial assumptions used in measuring liabilities under insurance contracts other than life insurance	4	IFRS (IFRS)4	<p>The Company forms insurance reserves in accordance with the principles of the best assessment. When determining the amount of insurance reserves in accordance with the principles of best assessment, the Company proceeds from the following:</p> <ul style="list-style-type: none"> <li>- future expenses arising from all concluded reinsurance contracts should include payments in the event of insured events, expenses for maintaining a business, expenses for claims settlement, expenses related to termination contracts, and other expenses;</li> <li>- future income arising from all concluded contracts must include insurance premiums and other income;</li> <li>- the best estimate of insurance reserves is reflected without taking into account the impact of reinsurance operations and other operations related to insurance activities that compensate the insurer's expenses, such as the receipt of income from subrogation and recourse claims, as well as income from receipt of insured property and (or) its suitable balances. In accounting, the Company reflects insurance reserves in the amount not lower than the best estimate. The main actuarial assumptions used in measuring the obligations under insurance contracts other than life insurance are: <ul style="list-style-type: none"> <li>- Calculation of unearned premium reserve under inward reinsurance contracts for all reserve groups is performed based on the assumption that an insured event can occur at any time during the reinsurance contract/risk bearing period;</li> </ul> </li> <li>- Since the amount of each inward reinsurance contract loss payable at the reporting date is determined by the Company's employees on the basis of the loss information available at the reporting date, it is not necessary to apply any assumptions or assumptions;</li> </ul>

Disclosure requirements	Line number	IFRS standard	Description
			<ul style="list-style-type: none"> <li>- For the reserve of incurred but undeclared losses, it is a reasonable assumption that estimates of loss development ratios and lagging ratios as well as loss ratios based on Parent's statistics will be applicable in estimating the Company's liabilities. This is a fundamental assumption, which, as the Company's own data accumulates, is subject to regular review, and the approach to calculations based on this assumption is adjusted. The second important assumption is that the development of paid losses in the analyzed portfolio is relatively stable, so that the actuarial methods used have predictive power. This assumption is the weakest because loss development exhibits significant volatility, so it should be borne in mind that the risk of under- or over-estimation of reserves is quite significant. The latter assumption is supplemented by the assumption that changes in external conditions (economic as well as political) and consequential changes in internal business processes (almost complete refusal to reinsure aviation risks, renewal of reinsurance contracts in rubles instead of foreign currencies, tightening underwriting procedures) have led to changes in estimates of parameters (mainly losses), with the weight of recent periods for the purposes of reserves calculation significantly increased compared to estimates on p The basic assumption of the simple loss ratio method is comparability of the current and past portfolios of insurance contracts in terms of normalized volume of expected losses per earned premium without regard to their actual development;</li> <li>- Reserve for loss adjustment expenses (RLAR) is calculated on the assumption that the structure and volume of these expenses will not significantly differ from the current values under conditions of continuing reinsurance activities under the current license. The estimation was performed based on the actual data on the Company's expenses related to the consideration of claimed losses, their settlement and determination of the amount of payments under the contracts for the previous year preceding the reporting date. To calculate the RRUU for direct and indirect expenses, the assumption was applied that for losses unsettled at the reporting date, the cost of settlement per unit of loss would be equal on average to the ratio of settlement expenses incurred to payments for the reporting periods preceding the reporting date;</li> <li>- Unexpired risk reserve (URR) is created if unearned premiums are insufficient to cover the Company's liabilities related to payments on future losses, expenses on settlement of these losses and future expenses on servicing of existing insurance contracts.</li> </ul> <p>In general, the analysis of the necessity of establishing the unexpired risk reserve was performed on the assumption that the Company will not cease its activities during the next reporting period.</p>

Disclosure requirements	Line number	IFRS standard	Description
			<p>The estimate of the amount of unexpired risk provision is made on the basis of the experience of previous years and assumptions about the loss ratios (including loss adjustment expenses) and the level of expenses for managing the current portfolio.</p> <p>The amount of reserve is determined by reviewing the adequacy of RNP estimation for the Company as a whole.</p>
Key approaches to the valuation of financial instruments	5	IFRS (IAS) 1, IFRS 13, IFRS (IAS) 39	Financial instruments are measured at fair value, which is the price that would be received to sell an instrument that is an asset or that would be payable to transfer an instrument that is a liability in an orderly transaction between market participants at the measurement date. Fair value measurements are carried out in the manner specified in IFRS 13 «Fair Value Measurements».
Revaluation of assets and liabilities denominated in foreign currencies	6	IFRS (IAS) 21	The functional currency of the Company is the national currency of the Russian Federation, the Russian ruble. Upon initial recognition, income and expenses, as well as assets and liabilities arising from transactions in foreign currencies, are translated into the ruble equivalent of the corresponding foreign currency at the official exchange rate at the date of recognition. Monetary items denominated in foreign currencies are subsequently translated into the ruble equivalent of the corresponding foreign currency at the official exchange rate at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not restated after initial recognition. Non-monetary items that are measured at fair value in a foreign currency are translated to the ruble equivalent of the corresponding foreign currency at the official exchange rate at the date the fair value was measured.
Business continuity	7	IFRS (IAS) 1	<p>The financial statements are prepared on the assumption that the Company is and will operate in the foreseeable future (at least within 12 months from the date of preparation of the financial statements). Thus, the Company has no intention or need to liquidate or significantly reduce the scope of its activities.</p> <p>The going concern principle assumes that the Company will continue its operations for the foreseeable future, and it has no intentions and no need to liquidate or significantly reduce its activities.</p>
Information regarding the restatement of prior periods taking into account changes in the total purchasing power of the ruble	7.1	IFRS (IAS) 29	Not applicable.
Section II. Changes in accounting policies	11		x
A description of the changes in accounting policies, their reasons and nature (discloses the name of IFRS in accordance with which the changes are made, the reasons why the application of new IFRSs provides a more reliable and appropriate adjustment, and a description of the impact of changes in accounting policies on adjustments in the current and previous period)	8	IFRS (IAS) 8	Not applicable.

Disclosure requirements	Line number	IFRS standard	Description
A description of the changes in accounting policies, their reasons and nature (discloses the name of IFRS in accordance with which the changes are made, the reasons why the application of new IFRSs provides a more reliable and appropriate adjustment, and a description of the impact of changes in accounting policies on adjustments in the current and previous period)	8	IFRS (IAS) 8	Not applicable.
The names of IFRSs issued but not effective, indicating the dates from which these IFRSs are expected to be applied, the dates from which these IFRSs are required to be applied, the nature of upcoming changes in accounting policies, discussion of the expected impact on financial statements, or an indication of what such impact is cannot be reasonably estimated	9	IFRS (IAS) 8	<p>The following new IFRS standards, amendments and interpretations have been issued but are not yet effective at the date of publication of the Company's financial statements. The Company plans to adopt these new standards, amendments and interpretations, if applicable, when they become effective.</p> <p>IFRS 17 «Insurance Contracts»</p> <p>In May 2017, the IASB issued IFRS 17 «Insurance Contracts», a new financial reporting standard for insurance contracts that addresses recognition and measurement, presentation and disclosure. When IFRS 17 enters into force, it will replace IFRS 4 «Insurance Contracts». Unlike the requirements of IFRS 4, which are mainly based on previous local accounting policies, IFRS 17 introduces uniform principles of accounting and assessment of insurance contracts. The most significant differences between IFRS 17 and IFRS 4 relate to the following aspects:</p> <ul style="list-style-type: none"> <li>- The measurement of insurance contract liabilities will be based on current market data using the effect of discounting;</li> <li>- A risk adjustment for non-financial risk will be explicitly included in the measurement of insurance liabilities;</li> <li>- On initial recognition of a group of insurance contracts, unearned profit will be recognized as a liability, which entities will recognize as insurance contract services are provided in the future;</li> <li>- Insurance proceeds determined in accordance with established measurement principles will be presented in profit or loss. No information about premiums on concluded insurance contracts will be reflected in profit or loss.</li> <li>- Insurance proceeds and expenses presented in profit or loss will not include an investment component.</li> </ul> <p>The application of IFRS 17 is expected to have a significant impact on the Company's financial statements. Management of the Company has commenced a project to implement IFRS 17 and has performed a number of significant development and implementation preparatory activities. The Company is currently performing quantitative impact analysis, documenting accounting policies, developing target operating system models, and developing actuarial methodology.</p>

Disclosure requirements	Line number	IFRS standard	Description
			<p>Amendments to IAS 1 – “Classification of Liabilities as Current and Non-Current”</p> <p>In January 2020, the IASB issued amendments to paragraphs 69-76 of IAS 1 that clarify the requirements for classifying obligations as current or non-current. In June 2022, the IASB decided to finalize the proposed amendments to IAS 1 published in the preliminary draft, “Non-current Commitments with Covenants” with certain modifications (“2022 amendments”). The amendments clarify the following:</p> <ul style="list-style-type: none"> <li>- what is meant by the right to defer settlement of liabilities; - the right to defer settlement of liabilities must exist at the end of the reporting period;</li> <li>- the classification of liabilities is not affected by the likelihood that the entity will exercise its right to defer settlement of the liability;</li> <li>- the terms of the liability will not affect its classification only if the derivative embedded in the convertible liability is itself an equity instrument;</li> <li>- additional disclosures are required for a company that classifies obligations arising from credit agreements as long-term when it has the right to defer settlement of those obligations that are subject to the entity’s future covenants for a period of twelve months.</li> </ul> <p>The amendments are effective for annual periods beginning on or after January 1, 2024. Early application is possible. The Company is currently assessing the potential impact of the amendments on the current classification of liabilities, whether any renegotiations of existing loan agreements will be required, and whether early adoption is practicable.</p> <p>Amendments to IAS 12 – «Income Taxes»</p> <p>In May 2021, the IASB issued amendments that narrow the scope of the initial recognition exemption under IAS 12 «Income Taxes» so that it no longer applies to transactions that result in equal taxable and deductible temporary differences. The exception applies only if the recognition of a lease asset and a lease liability (or a decommissioning liability and a component of a decommissioning asset) results in taxable and deductible temporary differences that are not equal. An entity must apply the adjustments to transactions occurring on or after the beginning of the earliest comparative period presented. At the beginning of the earliest comparative period presented, an entity must also recognize a deferred tax asset (provided there is sufficient future taxable income) and a deferred tax liability for all deductible and taxable temporary differences related to leases and decommissioning obligations. The amendments are effective for annual periods beginning January 1, 2023. The Company is currently analyzing the potential impact of these amendments on the calculation of deferred taxes.</p>

Disclosure requirements	Line number	IFRS standard	Description
			<p>Amendments to IFRS 16 – «Leases»</p> <p>On 22 September 2022, the IASB issued amendments to IFRS 16 «Leases», adding guidance on the subsequent measurement of assets and liabilities in sale and leaseback transactions that meet the criteria for transfer of control of an asset in IFRS 15 «Revenue» from Contracts with Customers. The amendments require the seller-lessee to measure the lease liability arising from the leaseback so that it does not result in the recognition of any gain or loss that relates to the right-of-use retained by the seller-lessee. Entities should use IAS 8 «Accounting Policies», changes in Accounting Estimates and Errors to develop accounting policies for determining how to measure lease payments for such transactions. The amendments are to be applied retrospectively in accordance with IAS 8 to sale and leaseback transactions occurring after the date of initial application of the amendments. A seller-lessee must apply those amendments for annual periods beginning on or after 1 January 2024, with early application permitted.</p> <p>Amendments to IAS 8 - “Determining Accounting Estimates”.</p> <p>In February 2021, the IASB issued amendments to IAS 8 that introduce a definition of “accounting estimates.” The amendments clarify the difference between changes in accounting estimates and changes in accounting policies and corrections of errors. In addition, the document clarifies how entities use measurement methods and inputs to develop accounting estimates. The amendments are effective for annual reporting periods beginning on or after January 1, 2023, and apply to changes in accounting policies and changes in accounting estimates that occur on or after the beginning date of that period. Early application is permitted, subject to disclosure of that fact. The amendments are not expected to have any material effect on the Company.</p> <p>Amendments to IAS 1 and Practice Statement No. 2 on the Application of IFRS – «Disclosure of Accounting Policies In February 2021, the IASB issued amendments to IAS 1 and Practice Statement No. 2 on the Application of IFRSs, Making Judgments about Materiality, which provide guidance and examples to assist entities in applying materiality judgments to accounting policy disclosures. The amendments should help entities make more useful disclosures about accounting policies by replacing the requirement for entities to disclose ‘significant accounting policies’ with ‘significant disclosures’ about accounting policies, and by adding guidance about how entities should apply the concept of materiality when making decisions about accounting policy disclosures. The amendments to IAS 1 apply for annual periods beginning on or after 1 January 2023, with early application permitted. Since the amendments to IFRS 2 provide non-binding guidance on the application of the definition of materiality to accounting policy information, there is no mandatory effective date for the amendments. The Company is currently assessing the impact the amendments may have on the Company’s accounting policy disclosures.</p>

Disclosure requirements	Line number	IFRS standard	Description
Section III. Accounting policies that appear to be relevant to an understanding of the accounting (financial) statements. Recognition Criteria and Measurement Basis for Financial Instruments	14		X
Recognition Criteria and Basis for Measurement of Cash and Cash Equivalents	10	IFRS (IAS) 1, IFRS 7	Cash and cash equivalents are items that are readily convertible to a specified amount of cash and are subject to insignificant changes in value. Cash and cash equivalents include: <ul style="list-style-type: none"> <li>- cash on hand;</li> <li>- cash balances on current accounts;</li> <li>- non-deductible balances on current accounts with an original maturity of less than three months. Funds in respect of which there are restrictions on use for a period of more than three months are excluded from the composition of cash and cash equivalents and are reflected in the Company's statements as deposits and other funds placed with credit institutions. Cash and cash equivalents are carried at amortized cost.</li> </ul>
Recognition criteria and assessment base for Deposits and other funds placed in credit institutions and non-resident banks	11	IFRS (IAS) 1, IFRS 7	Cash disbursed (placed) under a loan agreement or under a bank deposit agreement is carried at amortized cost in accordance with International Financial Reporting Standard (IAS) 39 "Financial Instruments, Recognition and Measurement".
Recognition and Subsequent Accounting for Financial Assets Measured at Fair Value through Profit or Loss	12	IFRS 7, IFRS (IAS) 39, IFRS 15	As of December 31, 2022 and December 31, 2021, the Company did not have financial assets measured at fair value, changes in which are recognized in profit or loss.
Recognition and Subsequent Accounting for Available-for-Sale Financial Assets	13	IFRS (IAS) 39, IFRS 15, IFRS (IAS) 21	As of December 31, 2022 and December 31, 2021, the Company did not have financial assets classified as available for sale.
Recognition and Subsequent Accounting for Held-to-Maturity Financial Assets	14	IFRS (IAS) 39, IFRS 7	As of December 31, 2022 and December 31, 2021, the Company did not have financial assets classified as held-to-maturity.
The procedure for recognition and accounting for other placed funds and receivables	15	IFRS (IAS) 39	Assets included in the Other placed funds and receivables category are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. On initial recognition, these assets are measured at fair value plus acquisition costs. Subsequent to initial measurement, deposited funds and receivables are carried at amortized cost using the effective interest method less allowance for impairment losses. Income and expenses are recognized in profit or loss when assets and receivables are deducted from the balance sheet or impaired, as well as when discounts or premiums are amortized. Impairment testing of other placed funds and receivables is carried out in accordance with the procedure for impairment of assets carried at amortized cost.

Disclosure requirements	Line number	IFRS standard	Description
Recognition and Subsequent Accounting for Investments in Subsidiaries, Jointly Controlled Entities and Associates	16	IFRS (IAS) 1, IFRS (IAS) 27, IFRS (IAS) 28, IFRS 11, IFRS 12	As of December 31, 2022 and December 31, 2021, the Company has no investments in subsidiaries, jointly controlled entities and associates.
Procedure for subsequent recognition and accounting of other assets	17	IFRS (IAS) 1	<p>Other assets include inventories, means of labor and items of labor received under agreements of compensation, pledge, the purpose of which is not determined, property and (or) its available residues received in connection with the refusal of the policyholder (beneficiary) from the right of ownership of the insured</p> <p>property. Inventories are initially recognized at the cost of acquiring them. Inventories are subsequently measured at the lower of cost or net realizable value. When objects are recognized as means of labor received under agreements of compensation, pledge, the purpose of which has not been determined, the Company evaluates them at fair value less costs to sell. When objects are recognized as objects of labor received under agreements of compensation, pledge, the purpose of which has not been determined, the Company evaluates them at the estimated price at which the objects can be sold, minus the costs necessary for their sale (net value of possible sale). Means of labor received under agreements of compensation, pledge, the purpose of which is not determined, are to be measured at the lowest cost: at historical cost at the date of recognition, or fair value less costs to be incurred to sell. Items of labor received under agreements of compensation, pledge, the purpose of which is not determined, are subject to assessment at the lowest cost: at the initial cost at the date of recognition, or at the estimated price at which the items can be sold, less the costs required to sell them (at</p> <p>net realizable value) at the end of each reporting year. Upon initial recognition of property items and (or) its usable balances received in connection with the refusal of the policyholder (beneficiary) from ownership of the insured property (hereinafter referred to as property and (or) its usable balances), they are assessed at the estimated price at which the items can be sold, less the costs required to sell them (net realizable value). The items of property and (or) its available balances are subject to valuation at the lower of the book value and net real value. sales at the end of the reporting year.</p>
Recognition and Subsequent Accounting for Financial Liabilities Measured at Fair Value through Profit or Loss	18	IFRS (IAS) 39, IFRS 7	A company recognizes a financial liability in its statement of financial position only when it becomes a party to contractual provisions. Upon initial recognition of a financial liability measured at fair value, the Company measures it at fair value and subsequently accounts for it at fair value, gains or losses are recognized through profit or loss.

Disclosure requirements	Line number	IFRS standard	Description
			The Company excludes a financial liability (or part of a financial liability) from the statement of financial position only when it is extinguished, that is, when the obligation specified in the agreement is fulfilled or canceled, or its validity period has expired.
Procedure for subsequent recognition and accounting of loans and other borrowed funds	19	IFRS 7, IFRS (IAS) 39	Financial liabilities are reflected in accounting on the basis of primary accounting documents drawn up in accordance with the requirements of the legislation of the Russian Federation. Received credits and loans are initially recognized at fair value. Subsequently they are accounted for at amortized cost using the effective interest method.
Recognition and Subsequent Accounting for Issued Debt Securities	20	IFRS 7, IFRS (IAS) 32	As of December 31, 2022 and December 31, 2021, the Company had no debt securities in issue.
Procedure for subsequent recognition and accounting of other financial liabilities	21	IFRS (IAS) 1	Other financial liabilities of the Company are reflected at amortized cost.
The procedure for offsetting financial assets and financial liabilities	22	IFRS (IAS) 32	When preparing accounting (financial) statements, the Company is guided by the provisions of IAS 32 when offsetting financial assets and liabilities. For the purpose of presentation of balance sheet items, offsetting is carried out if, and only if, the Company: currently has a legally enforceable right to offset the recognized amounts; and intends to settle on a net basis or realize the asset and settle the liability simultaneously. When accounting for the transfer of a financial asset that does not meet the criteria for derecognition, the Company does not offset the transferred asset and the corresponding liability.
Section IV. Procedure for subsequent recognition and hedge accounting	28		x
Cash flow hedges (description of the type of hedge, nature of the risks hedged, description of the financial instruments recognized as hedging instruments)	23	IFRS 7	The company does not carry out hedging operations.
Fair value hedges (description of the type of hedge, nature of the risks hedged, description of the financial instruments designated as hedging instruments)	24	IFRS 7	The company does not carry out hedging operations.
Hedges of net investments in foreign operations (description of the type of hedge, the nature of the risks hedged, a description of the financial instruments designated as hedging instruments)	25	IFRS 7	The company does not carry out hedging operations.
Section V. Criteria for recognition and basis of measurement of assets and liabilities, income and expenses associated with the implementation of insurance activities	32		x
Section IV. Procedure for subsequent recognition and hedge accounting	28		x

Disclosure requirements	Line number	IFRS standard	Description
Cash flow hedges (description of the type of hedge, nature of the risks hedged, description of the financial instruments recognized as hedging instruments)	23	IFRS 7	The company does not carry out hedging operations.
Fair value hedges (description of the type of hedge, nature of the risks hedged, description of the financial instruments designated as hedging instruments)	24	IFRS 7	The company does not carry out hedging operations.
Hedges of net investments in foreign operations (description of the type of hedge, the nature of the risks hedged, a description of the financial instruments designated as hedging instruments)	25	IFRS 7	The company does not carry out hedging operations.
Section V. Criteria for recognition and basis of measurement of assets and liabilities, income and expenses associated with the implementation of insurance activities	32		x
Insurance activity. Recognition procedure, classification of insurance contracts	26	IFRS 4	Reinsurance contracts include contracts according to which the Company assumes a significant insurance risk from the reinsurer, agreeing to provide compensation in the event that a certain future event, in the occurrence of which there is no certainty (insured event), will have adverse consequences for the reinsurer. For accounting purposes, a reinsurance contract is classified as short-term if its validity period or risk is less than 12 months, or there is a possibility, fixed in the contract, of changing the insurance premium rate or liability limit upon the occurrence of certain circumstances. The rest of the contracts are classified as non-current. The company provides optional and obligatory reinsurance. The date of recognition of income under a reinsurance contract is determined on the basis of each specific reinsurance contract. The procedure for recognizing insurance premiums under contracts accepted for reinsurance depends on the form in which reinsurance is carried out - optional or obligatory, as well as on the form in which reinsurance is carried out - proportional or disproportionate, whether the contract is short-term or long-term. Under the optional contracts accepted for reinsurance, recognition occurs at the moment when the liability under the reinsurance contract begins (the beginning of the reinsurance period). If the start date of liability is open and is indicated in a reinsurance slip or other document, then on the date of acceptance of such a document. If the start date of the reinsurer's liability under the contract is earlier than the date of acceptance, then on the date of acceptance. Under obligatory agreements, the recognition date, respectively, is: the date of commencement of liability under the agreement, if it is determined; or the date of acceptance of the account (bordero) of the reinsurer.

Disclosure requirements	Line number	IFRS standard	Description
			<p>The Company transfers to reinsurance ( retrocession ) contracts, the liability for which exceeds the maximum amounts (limits) of own retention established by the internal policy on reinsurance, approved by the Order of the General Director, taking into account the requirements of the provisions of the Law of the Russian Federation dated November 27, 1992 No. 4015-1 (revised. From 02.12.2019) "On the organization of insurance business in the Russian Federation." The Company takes into account the contracts transferred to reinsurance, depending on whether they transfer significant insurance risk. A reinsurance contract transfers significant insurance risk if the reinsurer is likely to incur a significant loss under such contracts.</p>
<p>Procedure for recognition, derecognition, amortization of deferred acquisition income and expenses. Procedure for considering deferred acquisition costs when checking the adequacy of obligations liabilities under life insurance contracts classified as insurance</p>	27	IFRS 4	<p>Direct acquisition costs under reinsurance contracts are recognized when there are contractual relationships with intermediaries or other circumstances give rise to obligations to pay the interest, and also if the amount of the interest can be measured reliably. The date of recognition of direct acquisition costs under reinsurance contracts corresponds to the date of recognition of the insurance premium under the respective reinsurance contracts. The Company recognizes income in the form of a reinsurance commission to be received from the reinsurer as acquisition income under contracts transferred to reinsurance. Income in the form of a reinsurance commission under contracts transferred to reinsurance is recognized by the Company as of the date of recognition of the insurance premium under the contract transferred to reinsurance. The Company is capitalizing direct acquisition costs (income) in terms of remuneration to insurance brokers and other intermediaries. Deferred acquisition costs are determined using «the pro rata temporis» method. Deferred acquisition income under outbound reinsurance contracts is defined in a similar way. If the terms and conditions of agreements under which acquisition costs were previously capitalized are changed, the amount of deferred acquisition costs is also revised. Indirect acquisition costs and gains are not capitalized. The procedure for checking the adequacy of the obligations of the reinsurer is approved by the Company in the Regulation on the formation of insurance reserves. reporting date. The procedure for identifying indicators of impairment and assessing the amount of impairment of reinsurance assets is similar to the procedure for identifying indicators of impairment and assessing the amount of impairment of insurance receivables. Impairment of reinsurance assets in the form of the reinsurer's share in insurance reserves is taken into account directly when calculating the reinsurer's share in insurance reserves.</p>

Disclosure requirements	Line number	IFRS standard	Description
The procedure for recognition and accounting of insurance premiums under insurance, subsequent reinsurance contracts	33	IFRS 4	<p>Premiums for optional reinsurance contracts are recognized at the inception of liability under insurance contracts and are earned prorata over the term of the insurance contracts. If the date of commencement of liability under the reinsurance agreement is earlier than the date of acceptance of the agreement, then the date of acceptance of the reinsurance agreement is considered the date of income recognition. The recognition of premiums under obligatory contracts is carried out in the following order: under proportional contracts accepted for reinsurance on an obligatory basis, the premium is recognized on the date of acceptance of the bordero (account) of premiums in the amount specified in the bordero (account) of premiums received from the</p> <p>reinsurer. Premiums under facultative reinsurance contracts are recognized at the commencement date of liability under the insurance contracts and are earned in proportion to the contracts of disproportionate reinsurance insurance premiums are recognized as income and accrued as follows: the minimum deposit premium is recognized as income at the commencement date of the reinsurance contract in the amount specified in the reinsurance contract. If the reinsurance contract provides for a reinstatement premium, the Company recognizes the income in the form of a reinstatement premium at the moment when the amount of the premium can be reliably determined, and the Company has the right, in accordance with the terms of the reinsurance contract, to receive a reinstatement premium from the reinsurer. These incomes are recognized in the amount stipulated by the reinsurance contract. On the date of payment of compensation, the reinsurer has the right to receive a reinstatement premium on the date of payment of compensation. As of the reporting date, the Company evaluates the premium to additional accrual under reinsurance contracts, for which there is no final information as of the reporting date due to the later receipt of documents from the reinsurer. The assessment of the premium to additional accrual is based on the expected amount of the reinsurance premium calculated in accordance with the terms of the reinsurance contracts.</p>
The procedure for recognition and accounting of insurance payments under insurance, reinsurance contracts, as well as the share of reinsurers in payments	34	IFRS 4	Insurance claims under reinsurance contracts are recognized on the date that claims under the insurance contract are recognized, under non-mandatory non-proportional contracts on the date of acceptance by the reinsurer of the bordero losses.
Composition and classification of acquisition costs. Procedure for the recognition of acquisition costs and income	35	IFRS 4	Acquisition costs represent the costs associated with the conclusion and renewal of reinsurance contracts. Acquisition costs are divided into direct and indirect. Direct costs are variable costs incurred by the reinsurer when entering into or renewing specific reinsurance contracts.

Disclosure requirements	Line number	IFRS standard	Description
			The Company refers to indirect costs as variable costs that are aimed at concluding insurance contracts, while it is difficult to attribute them to specific reinsurance contracts, but they are related to the promotion or stimulation of sales, and the relationship between such costs and the growth of the insurance premium can be established. Insurance brokers 'and reinsurance commissions' expenses under reinsurance contracts are recognized on the date the insurance premium is recognized for the accepted reinsurance contract. Other direct acquisition costs are recognized when the related services are rendered based on supporting documents.
The procedure for recognition and accounting of insurance payments under insurance, reinsurance contracts, as well as the share of reinsurers in payments	34	IFRS 4	Insurance claims under reinsurance contracts are recognized on the date that claims under the insurance contract are recognized, under non-mandatory non-proportional contracts on the date of acceptance by the reinsurer of the border losses.
Composition and classification of acquisition costs. Procedure for the recognition of acquisition costs and income	35	IFRS 4	Acquisition costs represent the costs associated with the conclusion and renewal of reinsurance contracts. Acquisition costs are divided into direct and indirect. Direct costs are variable costs incurred by the reinsurer when entering into or renewing specific reinsurance contracts. The Company refers to indirect costs as variable costs that are aimed at concluding insurance contracts, while it is difficult to attribute them to specific reinsurance contracts, but they are related to the promotion or stimulation of sales, and the relationship between such costs and the growth of the insurance premium can be established. Insurance brokers 'and reinsurance commissions' expenses under reinsurance contracts are recognized on the date the insurance premium is recognized for the accepted reinsurance contract. Other direct acquisition costs are recognized when the related services are rendered based on supporting documents.
Procedure for recognizing income from subrogations and regressions	36	IFRS 15	Income from subrogation and recourse claims represents the amount of compensation to be received by the Company from the persons guilty of insured events, as well as from the insurers who insured the liability of such persons, in the share attributable to the Company in accordance with the terms of the reinsurance agreement.
The procedure for recognizing income from the sale of suitable balances (abandon)	37	IFRS 15	The Company does not carry out transactions for the sale of suitable balances.
Composition and procedure for recognizing income and expenses from compulsory health insurance operations	38	IFRS 15	The company does not carry out compulsory health insurance operations.
Accounting for changes in liabilities under contracts classified as insurance and contracts classified as investment contracts with non-guaranteed potential for additional benefits	39	IFRS 4	The company does not enter into life insurance contracts.

Disclosure requirements	Line number	IFRS standard	Description
Procedure for recognizing income from subrogations and regressions	36	IFRS 15	Income from subrogation and recourse claims represents the amount of compensation to be received by the Company from the persons guilty of insured events, as well as from the insurers who insured the liability of such persons, in the share attributable to the Company in accordance with the terms of the reinsurance agreement.
The procedure for recognizing income from the sale of suitable balances (abandon)	37	IFRS 15	The Company does not carry out transactions for the sale of suitable balances.
Composition and procedure for recognizing income and expenses from compulsory health insurance operations	38	IFRS 15	The company does not carry out compulsory health insurance operations.
Accounting for changes in liabilities under contracts classified as insurance and contracts classified as investment contracts with non- guaranteed potential for additional benefits	39	IFRS 4	The company does not enter into life insurance contracts.
Section VI. Recognition Criteria and Basis for Valuation of Investment Property	48		x
Applicable investment property accounting model	41	IFRS (IAS) 40	As of December 31, 2022 and December 31, 2021, the Company has no investment property.
Procedure for recognizing income from subrogations and regressions	36	IFRS 15	Income from subrogation and recourse claims represents the amount of compensation to be received by the Company from the persons guilty of insured events, as well as from the insurers who insured the liability of such persons, in the share attributable to the Company in accordance with the terms of the reinsurance agreement.
The procedure for recognizing income from the sale of suitable balances (abandon)	37	IFRS 15	The Company does not carry out transactions for the sale of suitable balances.
Composition and procedure for recognizing income and expenses from compulsory health insurance operations	38	IFRS 15	The company does not carry out compulsory health insurance operations.
Accounting for changes in liabilities under contracts classified as insurance and contracts classified as investment contracts with non- guaranteed potential for additional benefits	39	IFRS 4	The company does not enter into life insurance contracts.
Section VI. Recognition Criteria and Basis for Valuation of Investment Property	48		x
Applicable investment property accounting model	41	IFRS (IAS) 40	As of December 31, 2022 and December 31, 2021, the Company has no investment property.
Criteria used by an entity to distinguish between investment property and owner-occupied property and property held for sale in the ordinary course of business	42	IFRS (IAS) 40	As of December 31, 2022 and December 31, 2021, the Company has no investment property.

Disclosure requirements	Line number	IFRS standard	Description
The extent to which the fair value of investment property (measured or disclosed in the accounting (financial) statements) is based on an appraisal by an independent appraiser with an appropriate recognized professional qualification and recent experience in appraising investments in real estate in the same category and in the same location, as the evaluated object	43	IFRS (IAS) 40	As of December 31, 2022 and December 31, 2021, the Company has no investment property.
Section VII. Recognition criteria, basis for the valuation of property, plant and equipment	52		x
Section VIII. Recognition criteria, measurement basis for intangible assets	56		x
Section VIII. Recognition criteria, measurement basis for intangible assets	56		x
Definition and composition of intangible assets	47	IFRS (IAS) 38	The Company recognizes an object as an intangible asset that at the same time meets the following conditions: the object is capable of bringing economic benefits to the Company in the future, in particular, the object is intended for use when performing work, rendering services or for management needs; The company has the right to receive economic benefits from the use of the facility in the future. The right of the Company to obtain economic benefits from the use of the object in the future is confirmed by the presence of duly executed documents confirming the existence of the asset itself and the right of the Company to the results of intellectual activity or equivalent means of individualization (hereinafter - "means of individualization"); there are restrictions on the access of other persons to the economic benefits from the use of the facility (the Company has control over the facility); the object can be identified (the possibility of separation or separation from other assets); the object is intended to be used for more than 12 months; The company does not intend to sell the object within 12 months; the object has no material and material form; the initial cost of the object can be measured reliably. Intangible assets are not expenses related to the formation of the Company (organizational expenses); intellectual and business qualities of the company's personnel, their qualifications and ability to work. The Company classifies objects of intangible assets into the following groups: computer software; licenses; trademark; business reputation.

Disclosure requirements	Line number	IFRS standard	Description
Measurement base for each asset class (acquisition cost less depreciation or revaluation cost less depreciation)	48	IFRS (IAS) 1	An intangible asset is accepted for accounting at its initial cost determined as of the date of its recognition. The initial cost of an intangible asset is an amount calculated in monetary terms, equal to the amount of payment in cash or any other form or the amount of accounts payable paid or accrued by the Company upon acquisition, creation of an intangible asset and providing conditions for the use of an intangible asset in accordance with the intentions of the Company's management. Subsequent accounting is carried out at revalued amounts.
Disclosure for each class of assets with indefinite useful lives of the fact of annual impairment testing, information about the presence of possible indicators of impairment	49	IFRS (IAS) 38	As of December 31, 2022 and December 31, 2021, the Company has no intangible assets with an unlimited useful life.
Applied amortization periods and methods for finite-life intangible assets	50	IFRS (IAS) 38	The cost of intangible assets with definite useful lives is recovered through depreciation and amortization over their useful lives. The Company's intangible assets with definite useful lives are amortized on a straight-line basis over their expected useful lives. Intangible assets are depreciated from the date that the intangible asset becomes available for use and ceases on the earlier of two dates: the date the intangible asset is transferred to non-current assets held for sale, or the date it is derecognised. During the useful life of intangible assets, depreciation is not suspended. The useful life of an intangible asset cannot exceed the period of the Company's activity (licenses 1-5 years; software 3-5 years; website - 1-10 years; other - 5 years).
The procedure for accounting for the costs of creating intangible assets on their own	51	IFRS (IAS) 1	The Company divides the process of creating intangible assets into two stages: research stage; development stage. Research includes original planned research undertaken by the Company in order to obtain new scientific or technical knowledge. The costs incurred by the Company at the research stage when creating intangible assets are recognized as expenses at the time they are incurred. The Company refers to development as the application of research results and other knowledge in the planning or design of the production of new or substantially improved devices, products, processes, systems or services prior to their use. The costs incurred by the Company at the development stage of an intangible asset are subject to recognition as part of the initial cost of an intangible asset if the following conditions are met: - The Company intends to complete the creation of an intangible asset and use it in its activities; - the intangible asset will generate future economic benefits; - The Company has resources (technical, financial, other) to complete the development and use of the intangible asset; - The company can demonstrate the technical feasibility of completing the creation of an intangible asset; - The company is able to reliably estimate the costs related to the intangible asset in the process of its development.

Disclosure requirements	Line number	IFRS standard	Description
			If the Company cannot separate the research stage from the development stage when carrying out work aimed at creating an intangible asset, then the costs incurred are taken into account by it as costs at the research stage. Costs initially recognized by the Company as expenses are not subsequently recognized in the historical cost of an intangible asset.
Section IX. Procedure for subsequent recognition and accounting of employee benefits and related deductions	62		x
The procedure for accounting for the costs of creating intangible assets on their own	51	IFRS (IAS) 1	The Company divides the process of creating intangible assets into two stages: research stage; development stage. Research includes original planned research undertaken by the Company in order to obtain new scientific or technical knowledge. The costs incurred by the Company at the research stage when creating intangible assets are recognized as expenses at the time they are incurred. The Company refers to development as the application of research results and other knowledge in the planning or design of the production of new or substantially improved devices, products, processes, systems or services prior to their use. The costs incurred by the Company at the development stage of an intangible asset are subject to recognition as part of the initial cost of an intangible asset if the following conditions are met: - The Company intends to complete the creation of an intangible asset and use it in its activities; - the intangible asset will generate future economic benefits; - The Company has resources (technical, financial, other) to complete the development and use of the intangible asset; - The company can demonstrate the technical feasibility of completing the creation of an intangible asset; - The company is able to reliably estimate the costs related to the intangible asset in the process of its development. If the Company cannot separate the research stage from the development stage when carrying out work aimed at creating an intangible asset, then the costs incurred are taken into account by it as costs at the research stage. Costs initially recognized by the Company as expenses are not subsequently recognized in the historical cost of an intangible asset.
Section IX. Procedure for subsequent recognition and accounting of employee benefits and related deductions	62		x
The procedure for recognizing expenses related to the calculation of wages, including compensation and incentive payments, vacation payments, benefits for temporary disability and childcare, benefits at the end of the year, severance payments.	52	IFRS (IAS) 1, IFRS (IAS) 19	Wages, salaries, contributions to the state pension fund and social insurance fund, paid annual leave and temporary disability benefits and other payments are accrued as the work is performed (the corresponding services are rendered) by the employees of the Company. Amounts of wages paid in advance are recognized in accounting as of the dates specified in the employment contract with the employee. Monthly wages are recognized as of the last date of the reporting month. The vacation, part of which falls on the next month, after the month of calculation, is included in the accrual in the month in which the obligation to pay it arises.

Disclosure requirements	Line number	IFRS standard	Description
			Accumulated vacation is defined as the amount of expected costs that are expected to be paid to the employee for the unused paid vacation at the end of the annual reporting period. All adjustments (changes) to previously recognized obligations to pay remuneration and deductions to extra-budgetary funds are recognized on the last day of the reporting month. Thus, all adjustments related to the advance payment are adjusted by the lastday of the settlement month. All adjustments related to the accrual at the end of the month are adjusted in the next billingmonth. Obligations to pay bonuses, including those based on the results of work for the reporting year, are recognized by the Company if: - the Company has an obligation to pay bonuses, based on the requirements of local regulations and other internal documents, terms of labor and (or) collective agreements; - the amount of liabilities for payment of bonuses, including based on the results of work for the year, can be reliably determined. The procedure for determining the amount of obligations to pay bonuses is determined by local regulations and other internal documents of the Company, terms of labor and (or) collective agreements.
Using the present value method to determine the amount of the retirement benefit obligation and the associated value of employee contributions in relation to the current period	54	IFRS (IAS) 19	The Company has no pension plans.
The procedure for recognizing the value of the contribution of the previous service of employees, other provisions related to the reflection in the reporting of employee benefits at the end of employment, not limited to fixed payments	55	IFRS (IAS) 19	The Company has no pension plans.
Section X. Recognition Criteria, Measurement Basis and Treatment of Other Assets and Liabilities	67		x
Recognition and Subsequent Accounting for Non-current Assets Held for Sale	56	IFRS 5, IFRS (IAS) 1	As of December 31, 2022 and December 31, 2021, the Company had no long-term assets held for sale.
Procedure for the recognition and accounting of reserves - estimated liabilities subsequent	57	FRS 37, IFRS (IAS) 1	Provisions - provisions recognized as liabilities represent existing liabilities arising from past events for which it is probable that an outflow of resources embodying economic benefits will be settled (assuming a reliable estimate can be made). In the accounting of the Company, a reserve - an estimated liability is recognized if the following conditions are simultaneously met: - the Company has an obligation (arising from an agreement, the requirements of the legislation of the Russian Federation or other applicable law, another action of legal norms, or due to the actions of the Company (including the published policy, statements and other similar actions), demonstrating the acceptance of obligations and creating reasonable expectations among other parties that she will fulfill them), arising as a result of a past event (one or more);

Disclosure requirements	Line number	IFRS standard	Description
			<p>- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; - it is possible to provide a reliable estimate of the amount of the obligation. If these conditions are not met, then the provision is not recognized. When determining the amount of the reserve - the estimated liability, which is the best estimated cost estimate required to settle the existing liability (the amount that the Company would have to pay to repay the obligation or to transfer it to a third party at the end of the reporting period), the Company takes into account the following features: - independently determines the methods for assessing the expected costs depending on the circumstances and, if necessary, approves them in the standards of the economic entity;- the formation of hypotheses of the development of uncertainty and the estimated estimate of the expected costs are made on the basis of professional judgment, prepared taking into account the requirements of IAS 37; - if a large number of hypotheses are involved in estimating a provision - a provision, the liability is estimated by weighting the results of all possible hypotheses in terms of probability. If there is a continuous interval of possible results and all points within this interval are equally probable, the average value of the specified interval is taken; - in cases where the influence of the time factor on the value of money is significant, reserves - estimated liabilities are discounted, the amount of the reserve - estimated liability should be equal to the present value of the expected costs of settling the liability. The Company independently determines the criteria for the materiality of the influence of the time factor on the value of money and, if necessary, approves them in the standards of an economic entity; - future events that may affect the amount required to settle the liability should be taken into account when determining the amount of the provision - a provision, if there is sufficient objective evidence that they will occur; - other factors affecting the value of the best estimate in accordance with IAS 37. In cases where the influence of the time factor on the value of money is significant, provisions - estimated liabilities are discounted, the amount of the provision - estimated liability should be equal to the present value of the expected costs for settlement of the obligation. The reserves are reviewed by the Company on a quarterly basis no later than the last day of the corresponding quarter.</p> <p>The right-of-use asset and the lease liability are recognized by the Company - the lessee (hereinafter referred to as the lessee) at the commencement date of the lease. At the inception of the lease asset in the form of the right to use the tenant is estimated at cost, as determined in accordance with paragraph 24 of IFRS (IFRS).</p>

Disclosure requirements	Line number	IFRS standard	Description
Procedure for subsequent recognition, accounting, derecognition of lease liabilities			<p>16. N and inception of the lease obligation under the lease contract is estimated by the Company-lessee in the present value of lease payments. Lease payments are discounted over the term of the lease using the interest rate specified in the lease. If the lease agreement does not provide for a discount rate and the Company does not raise borrowed funds, the Company sets the discount rate for calculating the present value of lease payments equal to the interest rate on Bank of Russia loans secured by assets or guarantees published in the Statistical Bulletin of the Bank of Russia. At the commencement date of the lease, the lease payments that are included in the measurement of the lease liability consist of payments for the right to use the underlying asset, determined in accordance with paragraphs 27 and 28 of IFRS 16 as follows: At the commencement date, the lease payments that are included in measuring the lease liability, consists of the following payments for the right to use the underlying asset during the lease term that have not yet been settled at the commencement date:</p> <ul style="list-style-type: none"> <li>(a) fixed payments less any incentive payments receivable for the lease;</li> <li>(b) variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date of the lease depending on changes in market rental rates (refinancing rate);</li> <li>(c) the amounts expected to be paid by the lessee for residual value guarantees;</li> <li>(d) the exercise price of the call option, if it is reasonably certain that the lessee will exercise the option; and</li> <li>(e) payment of termination penalties if the lease term reflects the lessee's potential exercise of the option to terminate the lease.</li> </ul> <p>The amount initially measured for the lease liability is included in the cost of the right-of-use asset. Lease payments paid in advance prior to the commencement date of the lease are included in the cost of the right-of-use asset. Initial direct costs incurred by the lessee to enter into the lease are included in the cost of the right-of-use asset. Right-of-use assets related to property, plant and equipment are measured after initial recognition by the lessee using the accounting model at historical cost less accumulated depreciation and accumulated impairment losses. Subsequent accounting for the lease liability is measured by the lessee in accordance with paragraph 36 of IFRS (IFRS) 16. Not later than the last day of the month and on the lease payment dates specified in the lease, interest expense is charged for the previous month or for the period from the date of the previous lease payment.</p>

Disclosure requirements	Line number	IFRS standard	Description
			<p>From the commencement date of the lease, the lease liability is remeasured to reflect changes in lease payments in the event of a change in the lease term or a change in the valuation of the option to enter into a sale and purchase of the underlying asset. The amount of the revaluation of the liability under the lease agreement is recognized by the Tenant Company as an adjustment to the right-of-use asset (increase in the carrying amount of the liability under the lease agreement; decrease in the carrying amount of the liability under the lease agreement). The lease liability is remeasured by the lessee by discounting the revised lease payments using the revised discount rate in any of the following cases: - when the lease term changes (the revised lease payments are determined based on the revised lease term); - upon a change in the valuation of the option to enter into a sale and purchase agreement for the underlying asset (the revised lease payments are determined to reflect the change in the amounts payable under the option to enter into a sale and purchase agreement for the underlying asset). The revised discount rate is defined as the interest rate stipulated in the lease over the remaining lease term, if that rate can be determined, or as the interest rate on the lessee's borrowings at the date of the revaluation, if the interest rate stipulated in the lease cannot be defined. If the lease agreement does not provide for a discount rate and the Company does not raise borrowed funds, the Company sets the discount rate for calculating the present value of lease payments equal to the interest rate on Bank of Russia loans secured by assets or guarantees published in the Statistical Bulletin of the Bank of Russia. The lease liability is reassessed by the lessee by discounting the revised lease payments in any of the following cases: - when there is a change in the amounts to be paid under the residual value guarantee under the lease (the revised lease payments are determined to reflect the change in the amounts to be paid in the framework of the residual value guarantee); - when future lease payments change as a result of changes in the index or rate used to determine those payments (the lease liability is revalued only if cash flows change). The tenant company uses a constant discount rate, except for cases when the change in lease payments is due to a change in floating interest rates.</p>
Using the exemption for short-term leases and the exemption for low-value leases	58.1	IFRS 16	Not applicable.
The procedure for recognition, accounting, derecognition of subsequent accounts payable	59	IFRS (IAS) 39	Accounts payable are carried on an accrual basis and carried at amortized cost. Simultaneously with the impairment of reinsurance receivables, a write-off of the associated reinsurance liability (payables) may be recognized. Liabilities can only be written off on an individual basis for each liability, while the amount written off cannot exceed the amount of the impairment of the associated asset (receivables) for each individual pair.

Disclosure requirements	Line number	IFRS standard	Description
			In the event of an impairment of insurance premium receivables under a reinsurance agreement, a proportional write-off of the part of the receivables related to these receivables to the insurance intermediary under this reinsurance agreement is possible. However, the same percentage of impairment may be applied to write off accounts payable as is applied to the impaired associated accounts receivable.
The procedure for the recognition and assessment of the authorized capital, share premium	60	IFRS (IAS) 1	The authorized capital represents the maximum amount of capital, within which the only participant is responsible for repayment of the company's obligations to its creditors. The size of the authorized capital of the Company corresponds to the par value of the share of the sole member of the Company, approved in the Charter of the Company.
The procedure for recognizing and evaluating own repurchased shares(stakes)	61	IFRS (IAS)32, IFRS 7	Not applicable, the Company has no repurchased shares.
The procedure for recognition and assessment of reserve capital	62	IFRS (IAS)32, IFRS 7	The Company has no reserve capital.
Procedure for recognition, measurement, accounting, derecognition of subsequent deferred tax asset and a deferred tax liability	63	IFRS (IAS) 12	<p>Deferred tax assets and liabilities are recognized as amounts that can have an effect on the decrease or, accordingly, an increase in the amount of income tax payable to the budget in future reporting periods. Deferred tax liability refers to the amount of income tax payable to the budget in future reporting periods in respect of taxable temporary differences. A deferred tax asset is the amount of income tax recoverable in future reporting periods in respect of:</p> <ul style="list-style-type: none"> <li>• deductible temporary differences;</li> <li>• tax losses carried forward not used to reduce income tax.</li> </ul> <p>Deferred tax liabilities are recognized for all taxable differences in the amount equal to the product of the amount of such differences by the tax rate for income tax established by the legislation of the Russian Federation on taxes and fees and in effect at the end of the reporting period. Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be used. The deferred tax asset is calculated as the product of the amount of deductible temporary differences or tax losses carried forward by the tax rate for income tax established by the legislation of the Russian Federation on taxes and fees and in effect at the end of the reporting period... If the Company does not expect to receive sufficient taxable profit to use part or all of the deferred tax asset, such part or all of the calculated deferred tax asset shall not be recognized. Unrecognized and unrecorded deferred tax assets are reviewed at each reporting date and are recognized to the extent that it is probable that future taxable profit will be available to enable the deferred tax asset to be utilized. Deferred tax liabilities and deferred tax assets are not discounted.</p>

Disclosure requirements	Line number	IFRS standard	Description
Procedure for the reflection of dividends	64	IFRS (IAS)10, IFRS(IAS) 32	The Company's ability to declare and pay dividends is subject to the regulation of the current legislation of the Russian Federation. Dividends are recognized as dividend income when the Company's right to receive the respective payments is established and provided it is probable that dividends will be received.
Procedure for the reflection of dividends	64	IFRS (IAS)10, IFRS(IAS) 32	The Company's ability to declare and pay dividends is subject to the regulation of the current legislation of the Russian Federation. Dividends are recognized as dividend income when the Company's right to receive the respective payments is established and provided it is probable that dividends will be received.

## NOTE 5. CASH AND CASH EQUIVALENTS TABLE 5.1 CASH AND CASH EQUIVALENTS

Indicator name	Line number	31.12.2022	31.12.2021
		1	2
Cash on current accounts	3	9 875	849 428
<b>Total</b>	<b>7</b>	<b>9 875</b>	<b>849 428</b>

### Text disclosure. Cash and cash equivalents.

Line number	Content
	1
1	x
2	Row 3 of Table 5.1 reflects account balances with the following credit institutions: VTB BANK (PUBLIC JOINT STOCK COMPANY) in the amount of 322 thousand rubles, which is 3,26% of the total cash balance; PUBLIC JOINT STOCK COMPANY "SBERBANK OF RUSSIA" in the amount of 895 thousand rubles, which is 9,06% of the total cash balance; JOINT STOCK COMPANY "ALFA- BANK" in the amount of 33 thousand rubles, which is 0.33% of the total cash balance; PUBLIC JOINT STOCK COMPANY ROSBANK in the amount of 656 thousand rubles, which is 6.64% of the total cash balance; JOINT STOCK COMPANY UNICREDIT BANK in the amount of 7 970 thousand rubles, which is 80,70% of the total cash balance.

**Table 5.2 Reconciliation of the amounts in the statement of cash flows with similar items in the balance sheet**

Indicator name	Line number	31.12.2022	31.12.2021
Cash and cash equivalents presented in the balance sheet	1	9 875	849 428
Cash and cash equivalents presented in the statement of cash flows	3	9 875	849 428

**NOTE 6. DEPOSITS AND OTHER FUNDS PLACED IN CREDIT ORGANIZATIONS AND NON-RESIDENT BANKS TABLE****6.1 Deposits and other funds placed in credit organizations and non-resident banks****31.12.2022**

Indicator name	Line number	Non- impaired	Impaired	Total	Provision for impairment	Book value
		1	2	3	4	5
Other allocated funds	5	1 656 742	-	1 656 742	-	1 656 742
<b>Total</b>	<b>6</b>	<b>1 656 742</b>	<b>-</b>	<b>1 656 742</b>	<b>-</b>	<b>1 656 742</b>

**31.12.2021**

Indicator name	Line number	Non- impaired	Impaired	Total	Provision for impairment	Book value
		1	2	3	4	5
Other allocated funds	a.5	583 970	-	583 970	-	583 970
<b>Total</b>	<b>a.6</b>	<b>583 970</b>	<b>-</b>	<b>583 970</b>	<b>-</b>	<b>583 970</b>

**Text disclosure. Deposits and other funds placed in credit organizations and non-resident banks.**

Line number	Content
1	<p>Row 3 of Table 5.1 reflects deposits with the following credit institutions:</p> <p>PUBLIC JOINT STOCK COMPANY "SBERBANK OF RUSSIA" in the amount of 400 000 thousand rubles (interest rate 7 % maturity date 06.04.2023), in the amount of 256 000 thousand rubles (interest rate 5,5% maturity date 17.01.2023);</p> <p>JOINT STOCK COMPANY "ALFA-BANK" in the amount of 241 000 thousand rubles (interest rate 7,7% maturity date 04.04.2023), as well as accrued interest on the specified deposits.</p> <p>VTB BANK (PUBLIC JOINT STOCK COMPANY) in the amount of 290 000 thousand rubles (interest rate 7,2 % maturity date 03.04.2023); in the amount of 144 500 thousand rubles (interest rate 7,0 % maturity date 25.01.2023);</p> <p>PUBLIC JOINT STOCK COMPANY ROSBANK in the amount of 307 000 thousand rubles (interest rate 5,82 % maturity date 03.01.2023)</p>

**Table 6.2 Information about nominal interest rates and expected maturity dates for deposits and other funds placed in credit organizations and non-resident banks**

Indicator name	Line number	31.12.2022		31.12.2021	
		Contractual interest rates	Maturity	Contractual interest rates	Maturity
		1	2	3	4
Deposits	2	5.82-7.70	03.01.2023 - 06.04.2023	7,5-8,2	31.01.2022

**Note 10. Receivables arising from insurance, co-insurance and reinsurance operations Table 10.1 Receivables arising from insurance, co-insurance and reinsurance operations**

Indicator name	Line number	31.12.2022	31.12.2021
		3	4
Non-life insurance receivables	2	181 164	262 345
<b>Total</b>	<b>3</b>	<b>181 164</b>	<b>262 345</b>

**Table 10.3 Non-life insurance receivables**

Indicator name	Line number	31.12.2022	31.12.2021
		3	4
Receivables arising from assumed reinsurance contracts	4	170 973	262 345
Receivables arising from ceded reinsurance contracts	5	10 191	-
<b>Total</b>	<b>13</b>	<b>181 164</b>	<b>262 345</b>

**Text disclosure. Non-life insurance receivables**

Line code	Content
1	<p>Receivables above 100 000 thousand rubles: At 31 December 2022 there were 14 debtors (31 December 2021: 22 debtors) with an amount receivable above 100 thousand rubles (at 31 December 2022: more than 100 thousand rubles) per debtor. Total receivables from these debtors amount to 180 966 thousand rubles (31 December 2022: 262 345 thousand rubles) or 99.88 % of total receivables from reinsurance operations (31 December 2022: 100 %). The estimated fair value of life insurance, coinsurance and reinsurance receivables and its comparison with the carrying amount is disclosed in note 66 of this annex in accordance with IFRS 7. Receivables above 1 million rubles. At 31 December 2022 there were 14 debtors (31 December 2021: 22 debtors) with an outstanding amount above 1 million rubles (at 31 December 2022: 1 million rubles) per debtor. Total receivables from these debtors amount to 178 797 thousand rubles (31 December 2022: 260 248 thousand rubles) or 98.68 % of total receivables from reinsurance operations (31 December 2022: 99.21 %). The estimated fair value of receivables from insurance, coinsurance and reinsurance operations under life insurance contracts and its comparison with the carrying amount is disclosed in note 66 of this annex in accordance with IFRS 7.</p> <p>The Company's assets include receivables from reinsurance contracts, the reinsurance premium on which is to be transferred by reinsurance companies from non-native countries in the amount of 44 809 thousand rubles, and receivables from reinsurance contracts, the reinsurance premium on which is to be transferred by a reinsurance company from a neutral country in the amount of 40 134 thousand rubles, while this reinsurance company has opened accounts only in a bank that is in the jurisdiction of a nonnative country. The term "unfriendly country" is used in the context of the Federal Law of 14.03.2022 №55. The specified reinsurance companies have international ratings not lower than A. The specified receivables, in the opinion of the Company's management, can be fully settled under the current political situation within the current legislation. As of December 31, 2022, the Company performed an analysis of the recoverability of these receivables, which resulted in a revision of the expected cash flows for reinsurance premium receivables in accordance with paragraph AG 8 of IAS 39 to reflect changes in estimates of future payments and receipts. As a result of revision of expected cash flows under reinsurance contracts, changes in reinsurance premiums receivable in the amount of 29 642 thousand rubles are reflected in other expenses for insurance other than life insurance.</p>

## NOTE 12. LOANS, OTHER FUNDS PLACED AND OTHER RECEIVABLES TABLE

### 12.1 Loans, other funds placed and other receivables

31.12.2022

Indicator name	Line number	Non-impaired	Impaired	Total	Provision for impairment	Book value
		1	2	3	4	5
Finance lease receivables	6	2 628	-	2 628	-	2 628
<b>Total</b>	<b>12</b>	<b>2 628</b>	<b>-</b>	<b>2 628</b>	<b>-</b>	<b>2 628</b>

31.12.2021

Indicator name	Line number	Non-impaired	Impaired	Total	Provision for impairment	Book value
		1	2	3	4	5
Finance lease receivables	a.6	2 424	-	2 424	-	2 424
<b>Total</b>	<b>a.12</b>	<b>2 424</b>	<b>-</b>	<b>2 424</b>	<b>-</b>	<b>2 424</b>

## NOTE 15. RESERVES AND REINSURER'S SHARE IN NON-LIFE INSURANCE RESERVES

Table 15.1 Reserves and reinsurer's share in non-life insurance reserves

Table 15.1 Reserves and reinsurer's share in non-life insurance reserves

Indicator name	Line number	31.12.2021			31.12.2020		
		Reserves	Reinsurer's share in reserves	Net reserves	Reserves	Reinsurer's share in reserves	Net reserves
		1	2	3	4	5	6
Unearned premium reserve	1	54 346	52 935	1 411	272 656	220 973	51 683
Loss reserves	2	1 019 677	994 185	25 492	660 023	643 523	16 500
Claims expense reserve	3	49 328	-	49 328	19 800	-	19 800
Reserve of unexpired risk	6	10 387	-	10 387	-	-	-
<b>Total</b>	<b>7</b>	<b>1 133 738</b>	<b>1 047 120</b>	<b>86 618</b>	<b>952 479</b>	<b>864 496</b>	<b>87 983</b>

Text disclosure. Reserves and reinsurer's share in non-life insurance reserves.

Line number	Content
1	As at 31 December 2022, an assessment was made of the adequacy of provisions for insurance contracts other than life insurance. The result of checking the adequacy of the premium reserve (UPR) was the conclusion that the reserve is adequate, there is no need to form an (additional) reserve of unexpired risk. Allowance for losses, the recognition of the Company, is the best actuarial estimate, which confirms its adequacy.

**Table 15.2 Movements in unearned premium reserve and reinsurer's share in unearned premium reserve**

Indicator name	Line number	Reserves	Reinsurer's share in reserves	Net reserves
		1	2	3
At the beginning of reporting period	1	272 656	220 973	51 683
Insurance premiums accrued during the reporting period	2	82 447	81 018	1 429
Insurance premiums earned during the reporting period	3	(300 757)	(249 057)	(51 700)
At the end of the reporting period	5	54 346	52 935	1 411

**Movements in unearned premium reserve and reinsurer's share in unearned premium reserve. Comparative data**

Indicator name	Line number	Reserves	Reinsurer's share in reserves	Net reserves
		1	2	3
At the beginning of comparative period	1	91 844	74 801	17 043
Insurance premiums accrued during the comparative period	2	1 072 598	871 326	201 272
Insurance premiums earned during the comparative period	3	(891 786)	(725 154)	(166 632)
At the end of the comparative period	5	272 656	220 973	51 683

**Text disclosure. Movements in unearned premium reserve and reinsurer's share in unearned premium reserve.**

Line number	Content
1	In order to meet insurance liabilities on insured events that have not yet occurred, but may occur in the future, the Company forms unearned premium reserve at the expense of accrued insurance premiums. Therefore, the Unearned Premium Reserve is a monetary estimate of the Company's liabilities that may arise in the future after the reporting date until the end of the insurance contract. The basis for Unearned Premium Reserve calculation was insurance premiums, denominated in the contract currency, for inward reinsurance contracts, taking into account decrease or increase of insurance premiums due to changes in the terms of contracts (gross premiums written). Calculation of the Unearned Premium Reserve was performed in the contract currency. If the contract currency was different from rubles, the ruble equivalent of the Unearned Premium Reserve was obtained by multiplying the generated Unearned Premium Reserve in the contract currency by the exchange rate of the respective currency as at the reporting date. Calculation of unearned premium reserve under insurance contracts as at 31.12.2022 was performed using the pro rata temporis method. The unearned premium by the method "pro rata temporis" is determined for each contract as the product of the accrued insurance premium under the contract by the ratio of the unexpired term of reinsurance under the contract (in days) to the entire term of reinsurance (in days). Reinsurers' share in RBNS and deferred acquisition costs (DAC). As of the reporting date, the Company had a single quota share obligatory retrocession contract covering the entire spectrum of incoming reinsurance business underwritten by the Company. The share of the reinsurer was calculated as the value of the Unearned Premium Reserve for each contract of incoming reinsurance multiplied by the share of the reinsurer in accordance with the terms of this contract (97.5%). By analogy, for each inward reinsurance contract, deferred acquisition income was calculated by the pro rata temporis method from original commissions, frontage commissions, tantiems, breakeven discounts, brokerage commissions, taxes and any other deductions provided for in the retrocession contract (6.75% of gross retrocessional premium).

**Table 15.3 Movements in loss reserves and reinsurer's share in the loss reserves**

Indicator name	Line number	Reserves	Reinsurer's share in reserves	Net reserves
		1	2	3
At the beginning of reporting period	1	660 023	643 522	16 501
Losses incurred in the current reporting period	2	480 109	468 107	12 002
Claims paid during the reporting period	4	(120 455)	(117 444)	(3 011)
At the end of the reporting period	6	1 019 677	994 185	25 492

**Movements in loss reserves and the share of reinsurers in loss reserves. Comparative data**

Indicator name	Line number	Reserves	Reinsurer's share in reserves	Net reserves
		1	2	3
At the beginning of comparative period	1	13 523	13 185	338
Losses incurred in the current comparative period	2	655 627	639 383	16 244
Claims paid during the comparative period	4	(9 127)	(9 046)	(81)
At the end of the reporting period	6	660 023	643 522	16 501

**Text disclosure. Movements in loss reserves and the share of reinsurers in loss reserves.**

Line number	Content
1	<p>Retrocessional protection of the Company's portfolio is provided by a unified proportional quota contract of obligatory reinsurance covering the entire range of incoming reinsurance business signed by the Company. The quota share of participation (own retention) of the Company is 2.5% for each risk, the share of the retrocessionary is 97.5%. The only reinsurer (retrocessionary) - GIC Re (Mumbai)</p> <p>– the Sole participant of the Company.</p> <p>JSC RNPk refused from the 10% share offered as part of the mandatory cession.</p> <p>The share of reinsurers in reserve for the reported losses is formed in accordance with the terms of the quota retrocession agreement, i.e. as 97.5% of the Company's share in the original loss.</p> <p>The share of reinsurers in the reserve of losses that have occurred but have not been reported is formed in accordance with the terms of the quota retrocession agreement, i.e. as 97,5% of the reserve of losses that have occurred but have not been reported on the reserve group.</p> <p>The share of reinsurers in the reserve for loss adjustment expenses was not formed. The share of reinsurers in RBNS by reserve groups is not calculated, because the direct reserve is calculated on the basis of net reinsurance indicators.</p> <p>The share of reinsurers in the unexpired risk reserve by reserve groups is not calculated, because the direct reserve is calculated on the basis of net reinsurance.</p>

**Table 15.4 Movements in claims expense reserve and the reinsurer's share in claims expense reserve**

Indicator name	Line number	Reserves	Reinsurer's share in reserves	Net reserves
		1	2	3
At the beginning of reporting period	1	19 801	-	19 801
Claims handling expenses incurred in the current reporting period	2	29 541	-	29 541
Claims handling expense paid during the reporting period	4	(14)	-	(14)
At the end of the reporting period	5	49 328	-	49 328

**Movements in claims expense reserve and the reinsurer's share in claims expense reserve. Comparative data**

Indicator name	Line number	Reserves	Reinsurer's share in reserves	Net reserves
		1	2	3
At the beginning of comparative period	1	1 554	-	1 554
Claims handling expenses incurred in the current comparative period	2	18 246	-	18 246
At the end of the comparative period	5	19 800	-	19 800

**Table 15.6 Movement of unexpired risk reserve and reinsurers' share in unexpired risk reserve**

Indicator name	Line number	Reserves	Reinsurer's share in reserves	Net reserves
		1	2	3
At the beginning of reporting period	1	-	-	-
Accrual of unexpired risk reserve	2	10 387	-	10 387
Write-off of unexpired risk reserve	3	-	-	-
At the end of the reporting period	4	10 387	-	10 387

**NOTE 21. INTANGIBLE ASSETS TABLE 21.1 INTANGIBLE ASSETS**

Indicator name	Line number	Software	Licenses and franchises	Customer base	Other	Total
		1	2	3	4	5
Cost (or estimate) at the beginning of the previous reporting period	1	10 418	-	-	-	10 418
Carrying value at the beginning of the previous reporting period	3	10 418	-	-	-	10 418
Creation costs	5	224	-	-	-	224
Depreciation deductions	8	(689)	-	-	-	(689)
Carrying value at at the end of the previous reporting period	13	9 953	-	-	-	9 953
Cost (or estimate) at the end of the previous reporting period	14	10 909	-	-	-	10 909
Accumulated depreciation at the end of the previous reporting period	15	(956)	-	-	-	(956)
Cost (or estimate) at the beginning of the reporting period	15.1	10 909	-	-	-	10 909
Accumulated depreciation at the beginning of the reporting period	15.2	(956)	-	-	-	(956)
Carrying value at the beginning of the reporting period	16	9 953	-	-	-	9 953
Creation costs	18	786	-	-	-	786
Depreciation deductions	21	(827)	-	-	-	(827)
Carrying amount at the end of the reporting period	26	9 912	-	-	-	9 912
Cost (or estimate) at the end of the reporting period	27	11 695	-	-	-	11 695
Accumulated depreciation at the end of the reporting period	28	(1 783)	-	-	-	(1 783)
Carrying amount at the end of the reporting period	29	9 912	-	-	-	9 912

**Text disclosure. Intangible assets.**

Line number	Content
	1
1	Intangible assets include the cost of using the operational and financial accounting program of Diasoft Systems LLC .

**NOTE 22. FIXED ASSETS**

Indicator name	Line number	Fixed assets in ownership				Right-of-use assets related to fixed assets				Capital investments in fixed assets	Total	
		Land, buildings and structures	Office and computer equipment	Vehicles	Other	Land, buildings and structures	Office and computer equipment	Vehicles	Other			
		3	4	5	6	7	8	9	10	1	2	
Carrying value at the beginning of the previous reporting period, including:	Total	1	-	235	2 676	-	10 195	-	-	-	-	13 106
	initial (revalued) cost	2	-	445	3 211	-	20 689	-	-	-	-	24 345
	accumulated depreciation	3	-	(210)	(535)	-	(10 494)	-	-	-	-	(11 239)
Retirement		9	-	(166)	-	-	-	-	-	-	-	(166)
Depreciation		10	-	(89)	(642)	-	(6 815)	-	-	-	-	(7 546)
Other		18	-	166	-	-	-	-	-	-	-	166
Carrying value at the end of the previous reporting period, including:	Total	19	-	146	2 034	-	3 380	-	-	-	-	5 560
	initial (revalued) cost	20	-	280	3 211	-	20 689	-	-	-	-	24 180
	accumulated depreciation	21	-	(134)	(1 177)	-	(17 309)	-	-	-	-	(18 620)
Carrying value at the beginning of the reporting period, including:	Total	23	-	146	2 034	-	3 380	-	-	-	-	5 560
	initial (revalued) cost	24	-	280	3 211	-	20 689	-	-	-	-	24 180
	accumulated depreciation	25	-	(134)	(1 177)	-	(17 309)	-	-	-	-	(18 620)
Receipt		27	-	-	-	-	16 042	-	-	-	-	16 042
Retirement		31	-	-	-	-	(20 689)	-	-	-	-	(20 689)
Depreciation		34	-	(55)	(643)	-	(7 514)	-	-	-	-	(8 212)
Other		44	-	-	-	-	20 785	-	-	-	-	20 785
Carrying value at the end of the reporting period, including:	Total	45	-	91	1 391	-	12 004	-	-	-	-	13 486
	initial (revalued) cost	46	-	280	3 211	-	16 042	-	-	-	-	19 533
	accumulated depreciation	47	-	(189)	(1 820)	-	(4 038)	-	-	-	-	(6 047)

## NOTE 23. DEFERRED ACQUISITION COSTS AND INCOMETABLE

### 23.1 Deferred acquisition costs

Indicator name	Line number	31.12.2022	31.12.2021
		1	2
Deferred acquisition costs related to non-life insurance, co-insurance, reinsurance operations	3	54	46 079
<b>Total</b>	<b>4</b>	<b>54</b>	<b>46 079</b>

#### Text disclosure. Deferred acquisition costs

Line number	Content
	1
1	The main types of expenses that were capitalized in the reporting period and the previous reporting period: fees to insurance brokers at the conclusion of inward reinsurance contracts and commission on contracts accepted in reinsurance (reinsurance commission).

**Table 23.4 Deferred acquisition costs related to non-life insurance, coinsurance, reinsurance operations**

Indicator name	Line number	Content
		1
Deferred acquisition costs related to non-life insurance, coinsurance, reinsurance operations at the beginning of the reporting period	1	46 079
Change in deferred acquisition costs, including:	2	(46 025)
Deferred acquisition costs for the period	3	(645)
Amortization of deferred acquisition costs	4	(45 380)
Deferred acquisition costs related to non-life insurance, co-insurance, reinsurance operations	7	54

#### Deferred acquisition costs related to non-life insurance, coinsurance, reinsurance operations. Comparative data

Indicator name	Line number	Content
		1
Deferred acquisition costs related to non-life insurance, coinsurance, reinsurance operations at the beginning of the reporting period	1	15 125
Change in deferred acquisition costs, including:	2	30 954
Deferred acquisition costs for the period	3	178 908
Amortization of deferred acquisition costs	4	(147 954)
Deferred acquisition costs related to non-life insurance, co-insurance, reinsurance operations	7	46 079

**Table 23.5 Deferred acquisition income**

Indicator name	Line number	31.12.2022	31.12.2021
		1	2
Deferred acquisition income related to non-life insurance, co-insurance, reinsurance operations	4	3 573	14 206
<b>Total</b>	<b>4</b>	<b>3 573</b>	<b>14 206</b>

**Text disclosure. Deferred acquisition income.**

Line number	Content
	1
1	The main types of income that were capitalized in the reporting period and the previous reporting period: commission income from ceded reinsurance.

**Table 23.8 Deferred acquisition income related to non-life insurance, coinsurance, reinsurance operations**

Indicator name	Line number	Content
		1
Deferred acquisition income related to non-life insurance, coinsurance, reinsurance operations at the beginning of the reporting period	1	14 206
Change in deferred acquisition income, including:	2	(10 633)
Deferred acquisition income for the period	3	4 224
Amortization of deferred acquisition income	4	(14 857)
Deferred acquisition income related to non-life insurance, co-insurance, reinsurance operations at the end of the reporting period	6	3 573

**Deferred acquisition income related to non-life insurance, coinsurance, reinsurance operations. Comparative data.**

Indicator name	Line number	Content
		1
Deferred acquisition income related to non-life insurance, coinsurance, reinsurance operations at the beginning of the reporting period	1	3 836
Change in deferred acquisition income, including:	2	10 370
Deferred acquisition income for the period	3	48 066
Amortization of deferred acquisition income	4	(37 696)
Deferred acquisition income related to non-life insurance, co-insurance, reinsurance operations at the end of the reporting period	6	14 206

## NOTE 24. OTHER ASSETS TABLE

### 24.1 Other assets

Indicator name	Line number	31.12.2022			31.12.2021		
		Full carrying value	Provision for impairment	Carrying value	Full carrying value	Provision for impairment	Carrying value
		3	4	5	6	7	8
Calculations of taxes and duties, except for income tax	2	309	-	309	309	-	309
Payments to personnel	3	17	-	17	34	-	34
Settlements with suppliers and contractors	6	17 405	-	17 405	7 279	-	7 279
Other	9	-	-	-	-	-	-
<b>Total</b>	<b>10</b>	<b>17 731</b>	<b>-</b>	<b>17 731</b>	<b>7 622</b>	<b>-</b>	<b>7 622</b>

## NOTE 27. LOANS AND OTHER FUNDS RAISED TABLE

### 27.1 Loans and other funds raised

Indicator name	Line number	31.12.2022	31.12.2021
		1	2
Lease liabilities	6	12 599	4 234
<b>Total</b>	<b>8</b>	<b>12 599</b>	<b>4 234</b>

## NOTE 30. PAYABLES ARISING FROM INSURANCE, CO-INSURANCE AND REINSURANCE OPERATIONS

Table 30.1 Payables arising from insurance, co-insurance and reinsurance operations

Indicator name	Line number	31.12.2022	31.12.2021
		1	2
Payables arising from non-life insurance, co- insurance and reinsurance operations	4	651 027	552 255
<b>Total</b>	<b>9</b>	<b>651 027</b>	<b>552 255</b>

Table 30.3 Payables arising from non-life insurance, co-insurance and reinsurance operations

Indicator name	Line number	31.12.2022	31.12.2021
		1	2
Payables under contracts accepted for reinsurance	3	10 203	-
Payables under ceded reinsurance contracts	4	640 824	552 255
<b>Total</b>	<b>9</b>	<b>651 027</b>	<b>552 255</b>

**Text disclosure. Payables arising from non-life insurance, co-insurance and reinsurance operations**

Line number	Content
	1
1	The analysis of reinsurance payables by remaining maturities (based on contractual undiscounted cash flows) is disclosed in note 62.16. The estimated fair values of payables for insurance, coinsurance and reinsurance transactions other than life insurance and their comparison with the carrying amounts are disclosed in note 66 of this annex. There are no balances payable to counterparties in respect of reinsurance operations, the maturity of which has expired as stipulated in the contract.

**NOTE 35. OTHER LIABILITIES TABLE**

**35.1 Other liabilities**

Indicator name	Line number	31.12.2022	31.12.2021
		1	2
Payments to personnel	9	3 598	2 767
Settlements with suppliers and contractors	11	3 403	1 998
Calculations of taxes and duties, except for income tax	12	20	18
Social insurance settlements	15	-	373
<b>Total</b>	<b>18</b>	<b>7 021</b>	<b>5 156</b>

**NOTE 37. CAPITAL MANAGEMENT**

**Table 37.1 Comparison of the regulatory solvency margin with the actual solvency margin calculated by the insurer in accordance with the requirements of the legislation of the Russian Federation**

Indicator name	Line number	Content
		1
A Description of the policy and management processes adopted by the insurance organization to comply with the requirements to the amount of own funds (capital) established by the Bank of Russia	1	The insurer's objectives when managing capital are: to comply with capital requirements set by Russian law; to safeguard the insurer's ability to continue as a going concern.
Information about the insurance company's compliance in the reporting period with the requirements of regulatory acts of the Bank of Russia for investment of own funds (capital) and insurance reserves	2	During 2022 the insurer complied with all capital requirements set by the Bank of Russia. The requirements to the minimum level of the insurer's fully paid share capital as at 31 December 2022 are 560 000 thousand rubles. The fully paid-in share capital of the insurer as at 31 December 2022 was 600 000 thousand rubles (31 December 2021: 600 000 thousand rubles).

## NOTE 44 NON-LIFE INSURANCE, CO-INSURANCE AND REINSURANCE PREMIUM – NET OF REINSURANCE TABLE

### 44.1 Insurance, co-insurance and reinsurance premiums

Indicator name	Line number	01.01.2022-31.12.2022	01.01.2021-31.12.2021
		1	2
Insurance premiums under assumed reinsurance contracts	2	953 939	1 073 540
Refund of premiums	3	(871 492)	(942)
<b>Total</b>	<b>4</b>	<b>82 447</b>	<b>1 072 598</b>

### Table 44.2 Insurance premiums ceded to reinsurance

Indicator name	Line number	01.01.2022-31.12.2022	01.01.2021-31.12.2021
		1	2
Premiums ceded	1	1 047 881	872 037
Refund of premiums transferred to reinsurance	2	(966 863)	(711)
<b>Total</b>	<b>3</b>	<b>81 018</b>	<b>871 326</b>

## NOTE 45. CLAIMS INCURRED FOR NON-LIFE INSURANCE - NET OF REINSURANCE

### Table 45.1 Claims paid under insurance, co-insurance, and reinsurance contracts

Indicator name	Line number	01.01.2022-31.12.2022	01.01.2021-31.12.2021
		1	2
Claims paid under assumed reinsurance contracts	2	120 455	9 127
<b>Total</b>	<b>4</b>	<b>120 455</b>	<b>9 127</b>

### Table 45.2 Claims handling expenses

Indicator name	Line number	01.01.2022-31.12.2022	01.01.2021-31.12.2021
		1	2
Direct expenses, including:	1	14	-
total			
the expenses for conducting the necessary examinations, negotiations	2	14	-
Indirect expenses, including:	6	5 634	6 273
total			
Salary expenses for employees directly involved in the settlement of losses	7	4 145	6 273
other expenses	8	1 489	-
Total claims handling expenses - gross reinsurance	9	5 648	6 273
Total claims handling expenses - net reinsurance	11	5 648	6 273

**Table 45.3 Change in loss reserve**

Indicator name	Line number	01.01.2022-31.12.2022	01.01.2021-31.12.2021
		1	2
Change in loss reserves	1	359 653	646 500
Change in claims expense reserve	2	29 528	18 247
Change in unexpired risk reserve	3	10 387	-
<b>Total</b>	<b>4</b>	<b>399 568</b>	<b>664 747</b>

**Table 45.4 Change in reinsurer's share in loss reserves**

Indicator name	Line number	01.01.2022-31.12.2022	01.01.2021-31.12.2021
		1	2
Change in reinsurer's share in loss reserves	1	350 663	630 337
<b>Total</b>	<b>4</b>	<b>350 663</b>	<b>630 337</b>

## **NOTE 46. NON-LIFE INSURANCE, CO-INSURANCE AND REINSURANCE OPERATING EXPENSES – NET OF REINSURANCE TABLE**

### **46.1 Acquisition costs**

Indicator name	Line number	01.01.2022-31.12.2022	01.01.2021-31.12.2021
		1	2
Brokerage commissions	2	10 848	39 229
Staff costs and social security expenses	7	8 433	9 607
Cedent commissions	8	(11 494)	139 678
Other acquisition costs	9	3 188	2 945
<b>Total</b>	<b>10</b>	<b>10 975</b>	<b>191 459</b>

**Table 46.2 Change in deferred acquisition costs and income**

Indicator name	Line number	01.01.2022-31.12.2022	01.01.2021-31.12.2021
		1	2
Change in deferred acquisition costs	1	46 026	(30 955)
Change in deferred acquisition income	2	(10 633)	10 370
<b>Total</b>	<b>3</b>	<b>35 393</b>	<b>(20 585)</b>

## NOTE 48. OTHER INCOME AND EXPENSES FROM NON-LIFE INSURANCE OPERATIONS

**Table 48.1 Other income from non-life insurance operations**

Indicator name	Line number	01.01.2022-31.12.2022	01.01.2021-31.12.2021
		1	2
Other income	7	18	3 904
<b>Total</b>	<b>8</b>	<b>18</b>	<b>3 904</b>

**Table 48.2 Other expenses from non-life insurance operations**

Indicator name	Line number	01.01.2022-31.12.2022	01.01.2021-31.12.2021
		1	2
Other expenses	6	29 642	-
<b>Total</b>	<b>7</b>	<b>29 642</b>	<b>-</b>

## NOTE 49. INTEREST INCOME TABLE 49.1 INTEREST INCOME

Indicator name	Line number	01.01.2022-31.12.2022	01.01.2021-31.12.2021
		1	2
Interest income			
Arising from non-impaired financial assets, including:	1	116 178	47 421
Total			
arising from deposits and other funds placed in credit institutions and non-resident banks	5	116 178	47 421
Arising from impaired financial assets, including:		-	-
<b>Total</b>	<b>21</b>	<b>116 178</b>	<b>47 421</b>

## NOTE 54. GENERAL AND ADMINISTRATIVE EXPENSES

**Table 54.1 General and administrative expenses**

Indicator name	Line number	01.01.2022-31.12.2022	01.01.2021-31.12.2021
		1	2
Staff costs	1	41 491	38 573
Fixed assets depreciation	2	9 917	9 163
Amortization of software and other intangible assets	3	1 574	689
Professional services costs (security, telecommunication and others)	6	22 467	22 103
Insurance expenses	7	3 801	3 700
Advertising and marketing costs	8	450	318
Legal and consulting costs	9	5 213	6 765

Indicator name	Line number	01.01.2022-31.12.2022	01.01.2021-31.12.2021
Hospitality expenses	11	172	249
Transportation costs	12	760	3
Fines, penalties	14	7	9
Banking costs	15	1 841	2 050
Tax payments, except for income tax	16	35	21
Other administrative expenses	17	896	5 952
<b>Total</b>	<b>18</b>	<b>88 624</b>	<b>89 595</b>

**Text disclosure. General and administrative expenses.**

Line number	Content
	1
1	Staff costs for 2022 include, among other things, expenses related to the payment of employee benefits for the year in the amount of 33 095 thousand rubles (2021: 30 836 thousand rubles), housing rental expenses for employees in the amount of 2 304 thousand rubles (for 2021: 2 224 thousand rubles), as well as insurance contributions established by the legislation of the Russian Federation to state extra-budgetary funds in the amount of 6 032 thousand rubles (for 2021: 5 488 thousand rubles), as well as the costs of training and retraining of personnel in the amount of 60 thousand rubles (for 2021: 24 thousand rubles ).

**NOTE 55. INTEREST EXPENSE TABLE 55.1 INTEREST EXPENSE**

Indicator name	Line number	01.01.2022-31.12.2022	01.01.2021-31.12.2021
		1	2
Lease liabilities	2	754	654
<b>Total</b>	<b>9</b>	<b>754</b>	<b>654</b>

**NOTE 57.1 TABLE**

**57.1.1 Information on lease agreements under which the insurer is a lessee**

Indicator name	Line number	Description
		Description
The nature of the tenant's rental activity	1	office space rental
Future cash flows to which the lessee is potentially exposed, not reflected in the measurement of the lease liability	2	0
Restrictions or special conditions related to lease agreements	3	not
Sale and leaseback transactions	4	not
The amount of contractual commitments under short-term leases if the short-term lease portfolio for which the lessee has contractual commitments at the end of the reporting period differs from the short-term lease portfolio to which the short-term lease expense relates	5	

**Table 57.1.3 Cash flows from leases under which the insurer is the lessee**

Indicator name	Line number	01.01.2022-31.12.2022	01.01.2021-31.12.2021
		1	2
Cash flows from operating activities, including:			
Cash flows from financing activities, including:	5	9 220	7 273
Total			
repayment of lease liability	6	9 220	7 273
Total cash outflow	7	9 220	7 273

**NOTE 58. INCOME TAX****Table 58.1 Income tax expense (income) recorded in profit (loss) by component**

Indicator name	Line number	01.01.2022-31.12.2022	01.01.2021-31.12.2021
		1	2
Income tax expense (income) recorded in profit (loss) by component			
Current expenses (income) for income tax	1	1 700	-
Change in deferred tax liability (asset)	3	16 289	10 121
Total, including:			
Total	4	17 989	10 121
income tax expense (income)	6	17 989	10 121

**Text disclosure. Income tax expense (income) recorded in profit (loss) by component (income tax rate)**

Indicator name	Line number	31.12.2022	31.12.2021
		1	2
Text disclosure. Income tax rate	1	20.00	20.00

**Table 58.2 Reconciliation between theoretical and actual taxation charge**

Indicator name	Line number	01.01.2022-31.12.2022	01.01.2021-31.12.2021
		1	2
Profit (loss) before tax	1	(93 851)	(52 678)
Theoretical income tax expense (income) at the relevant base rate (20 : %; 20 : %)	2	18 770	10 536
Adjustments for income or expenses that are not taxable under the national tax system, including:	3	(781)	415
non-deductible expenses	5	(781)	415
Income tax expense (income)	14	17 989	10 121

**Text disclosure. Reconciliation between theoretical and actual taxation charge (base rate of tax deductions(as a percentage))**

Indicator name	Line code	31.12.2022	31.12.2021
		1	2
Income tax rate	1	20.00	20.00

**Table 58.4 Tax effect of temporary differences and deferred tax loss - Continuing activities**

Indicator name	Indicator name	Name of the type of temporary differences	At the end of the period	Recognized through profit or loss	Recognized through other comprehensive income	At the beginning of the period
		x1	1	2	3	4
Section I. Tax effect of deductible temporary differences and deferred tax loss	Adjustments that reduce the tax base, significant	Finance lease	119	(52)	-	171
	Adjustments that reduce the tax base, significant	Provision for unused vacations	720	92	-	628
	Other	Insurance reserves	5 628	4 668	-	960
	Total deferred tax asset		6 466	4 707	-	1 759
	Deferred tax asset for tax loss carried forward		35 370	13 281	-	22 088
	Deferred tax asset before offset with deferred tax liabilities		41 836	17 989	-	23 847
Section II. Tax effect of taxable temporary differences	Net deferred tax asset (liability)		41 836	17 989	-	23 847
	Recognized deferred tax asset (liability)		41 836	17 989	-	23 847

**Tax effect of temporary differences and deferred tax loss. Comparative data - Continuing activities**

Indicator name	Indicator name	Name of the type of temporary differences	At the end of the period	Recognized through profit or loss	Recognized through other comprehensive income	At the beginning of the period
			1	2	3	4
Section I. Tax effect of deductible temporary differences and deferred tax loss	Adjustments that reduce the tax base, significant	Finance lease	171	(122)	-	293
	Adjustments that reduce the tax base, significant	Provision for unused vacations	628	438	-	190
	Adjustments that reduce the tax base, significant	Insurance reserves	-	(364)	-	364
	Other		960	960	-	-
	Total deferred tax asset		1 759	912	-	847
	Deferred tax asset for tax loss carried forward		22 088	9 209	-	12 879
Deferred tax asset before offset with deferred tax liabilities		23 847	10 121	-	13 726	
Section II. Tax effect of taxable temporary differences	Net deferred tax asset (liability)		23 847	10 121	-	13 726
	Recognized deferred tax asset (liability)		23 847	10 121	-	13 726

## NOTE 62. RISK MANAGEMENT

**Table 62.6 Information on the concentration of liabilities under non-life insurance contracts by line of business**

**31.12.2022**

	Loss reserve - net of reinsurance	Unearned premium reserve - net of reinsurance	Loss claims reserve - net of reinsurance	Estimation of future receipts from subrogations and recourses - net of reinsurance	Estimation of future proceeds from the sale of usable balances - net of reinsurance	Unexpired risk reserve - net of reinsurance	Total reserves - net of reinsurance
x1	1	2	3	4	5	6	7
18 marine, aviation and transport insurance (Marine, aviation and transport insurance)	303	6	1 371	-	-	-	1 680
19-Insurance of property against fire and other damage (Fire and other damage to property insurance)	3 030	281	3 776	-	-	-	7 087
20 Overall responsibility (General liability insurance)	28	1	13	-	-	-	42
24 Other financial damage (Miscellaneous financial loss insurance)	7 049	12	17 035	-	-	-	24 096
26-Property insurance: disproportionate reinsurance liabilities related to insurance liabilities included in the following articles: other auto insurance, fire and other property damage, credit and surety, litigation	11 801	1 051	20 540	-	-	10 387	43 779
27-Accident Insurance: Disproportionate reinsurance liabilities related to insurance liabilities included in the following clauses: motor vehicle liability and general liability (Casualty: non-proportional)	2 323	60	4 872	-	-	-	7 255
28- Marine, aviation and transport: non- proportional reinsurance	958	-	1 721	-	-	-	2 679
<b>Total</b>	<b>25 492</b>	<b>1 411</b>	<b>49 328</b>	<b>-</b>	<b>-</b>	<b>10 387</b>	<b>86 618</b>

**31.12.2021**

	Loss reserve - net of reinsurance	Unearned premium reserve - net of reinsurance	Loss claims reserve - net of reinsurance	Estimation of future receipts from subrogations and recourses - net of reinsurance	Estimation of future proceeds from the sale of usable balances - net of reinsurance	Unexpired risk reserve - net of reinsurance	Total reserves - net of reinsurance
x1	1	2	3	4	5	6	7
18 marine, aviation and transport insurance (Marine, aviation and transport insurance)	1 047	9 961	1 257	-	-	-	12 265
19-Insurance of property against fire and other damage (Fire and other damage to property insurance)	1 885	17 669	2 262	-	-	-	21 816
20 Overall responsibility (General liability insurance)	29	663	35	-	-	-	728
24 Other financial damage (Miscellaneous financial loss insurance)	2 422	6 543	2 907	-	-	-	11 872
26-Property insurance: disproportionate reinsurance liabilities related to insurance liabilities included in the following articles: other auto insurance, fire and other property damage, credit and surety, litigation	10 128	12 963	12 154	-	-	-	35 246
27-Accident Insurance: Disproportionate reinsurance liabilities related to insurance liabilities included in the following clauses: motor vehicle liability and general liability (Casualty: non-proportional)	178	1 194	213	-	-	-	1 585
28- Marine, aviation and transport: non- proportional reinsurance	811	2 689	973	-	-	-	4 472
<b>Total</b>	<b>16 501</b>	<b>51 682</b>	<b>19 801</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>87 984</b>

**Text disclosure. Information on the concentration of liabilities under non-life insurance contracts by line of business.**

Line code	Content
1	1
1	<p>The reinsurer concludes mainly the following insurance contracts of other life insurance: property (fire risks), risks of interruptions in production and financial risks associated with a break in production. Risks under reinsurance contracts other than life insurance generally cover a period of 12 months.</p> <p>The most significant risks under reinsurance contracts are caused by climate change, natural disasters and terrorist acts. In the case of long-term insurance claims liabilities that are settled over several years, there is also a risk of inflation.</p> <p>There are no significant differences in risks by geographic regions in which the reinsurer insures risks, types of risks insured, or industries.</p> <p>The issue of the variable nature of risks is resolved through careful selection and implementation of the reinsurer's underwriting strategy, which provides for the diversification of risks in terms of types of risks and the level of insurance payments.</p> <p>In addition, in order to mitigate risks, the reinsurer uses a strict policy regarding the analysis of all new and current claims, regular thorough analysis of the procedure for satisfying claims, as well as periodic investigations of possible fraudulent claims. The reinsurer adheres to a policy of active management and timely satisfaction of claims in order to reduce the risk of developing unpredictable future losses that may have negative consequences for him.</p> <p>Inflation risk is mitigated by taking inflation into account as part of the assessment of liabilities under reinsurance contracts. The reinsurer also limits his risks through the use of the maximum amount of requirements for certain agreements, as well as concluding reinsurance contracts in order to limit the risks. Such an underwriting strategy and reinsurance strategy are aimed at restricting the risk based on the risks that are established by the management acceptable for the insurer. The reinsurer's management may decide to increase or decrease the maximum allowable values based on market conditions and other factors.</p> <p>To assess the risk, the reinsurer uses the experience of the Parent Company for risk management. However, there is always a risk that the assumptions and techniques used in the models are unreliable or that the losses caused by an unmodeled event will exceed the losses caused by the simulated event.</p> <p>The main assumption used in assessing liabilities is that the development of reinsurer losses in the future will occur similarly to the development of losses in the past.</p>

**Table 62.7 Information on the concentration of liabilities under non-life insurance contracts in the context of geographical regions**

31.12.2022

Indicator name	Line number	Total reserves	Reinsurer's share in reserves	Net reserves
		1	2	3
Russia	1	365 723	336 020	29 703
Other countries	3	768 015	711 100	56 915
<b>Total</b>	4	<b>1 133 738</b>	<b>1 047 120</b>	<b>86 618</b>

31.12.2021

Indicator name	Line number	Total reserves	Reinsurer's share in reserves	Net reserves
		1	2	3
Russia	a.1	294 548	264 734	29 814
Countries of the Organization for Economic Cooperation and Development	a.2	8 263	6 714	1 549
Other countries	a.3	649 668	593 047	56 621
<b>Total</b>	<b>a.4</b>	<b>952 479</b>	<b>864 495</b>	<b>87 984</b>

Table 62.8 Sensitivity analysis

31.12.2022

Indicator name	Line number	Impact on non-life insurance liabilities	Impact on reinsurer's share in non-life insurance liabilities	Impact on profit before tax	Impact on equity
		1	2	3	4
Insurance contracts other than life insurance Average cost of paying insurance claims -10%	11	1 647	1 647	-	-
Average cost of paying insurance claims + 10%	1.2	1 647	1 647	-	-

Table 62.9 Information on the credit quality of undue and unimpaired financial assets

31.12.2022

Indicator name	Line number	Credit rating			
		ruAAA(AAA(RU)-ruA-(A-RU)	no rating or does not meet criteria	S&P Global Ratings	A.M. Best Co
		1.1	1.2	1.3	1.4
Cash and cash equivalents, including: Total	1	9 875	-	-	-
cash on current accounts	3				
Deposits and other funds placed in credit institutions and non-resident banks, including: Total	5	9 875	-	-	-
deposits with credit institutions and non-resident banks	6	1 656 742	-	-	-
Debt financial assets, including: debt financial assets measured at fair value through profit or loss, total, including: debt financial assets available for sale, total, including: debt financial assets held to maturity, total, including: Receivables arising from insurance, co-insurance and reinsurance operations, including: Total	32	94 749	1 172	85 242	-

Indicator name	Line number	Credit rating			
		ruAAA(AAA(RU) -ruA-(A-RU)	A.M. Best Co	S&P Global Ratings	no rating or does not meet criteria
Receivables arising from non- life insurance, co-insurance and reinsurance operations	34	94 749	1 172	85 242	-
Loans, other funds placed and other receivables, including: Total	36	22 059	-	-	-
finance lease	41	2 628	-	-	-
other	46	19 431	-	-	-
Reinsurer's share in non-life insurance reserves	48	-	-	-	1 047 120

31.12.2021

Indicator name	Line number	Credit rating			
		ruAAA(AAA(RU) -ruA-(A-RU)	no rating or does not meet criteria	S&P Global Ratings	A.M. Best Co
		1.1	1.2	1.3	1.4
Cash and cash equivalents, including: Total	a.1	849 428	-	-	-
cash on current accounts	a.3	849 428	-	-	-
Deposits and other funds placed in credit institutions and non-resident banks, including: Total	a.5	583 970	-	-	-
deposits with credit institutions and non-resident banks	a.6	583 970	-	-	-
Debt financial assets, including: debt financial assets measured at fair value through profit or loss, total, including: debt financial assets available for sale, total, including: debt financial assets held to maturity, total, including: Receivables arising from insurance, co-insurance and reinsurance operations, including: Total	a.32	112 582	17 562	113 694	18 506
Receivables arising from non-life insurance, co-insurance and reinsurance operations	a.34	112 582	17 562	113 694	18 506
Loans, other funds placed and other receivables, including: Total	a.36	--	10 046	-	-
finance lease	a.41	-	2 424	-	-
other	a.46	-	7 622	-	-
Reinsurer's share in non-life insurance reserves	a.48	-	-	-	864 496

**Text disclosure. Information on the credit quality of undue and unimpaired financial assets**

Line number	Content
	<p style="text-align: center;">1</p> <p>Risk management is fundamental to the reinsurer's business and is an essential element of the reinsurer's operations. The reinsurer's management views risk management and control as an important aspect of the management and operations process, continuously integrating these functions into the corporate structure.</p> <p>The main task of risk management is to determine the risk limits with further ensuring compliance with established limits and other internal control measures. Risk management should ensure proper compliance with internal regulations and procedures in order to minimize them. The activities of the reinsurer are at the risk of losses as a result of inconsistency with the nature and scale of the reinsurer and (or) the requirements of the legislation of the Russian Federation, the internal orders and procedures of commercial operations and other transactions, their violation by the employees of the reinsurer and (or) other persons (due to incompletely, unintentional or unintentional or oriented intentional actions or inaction), disproportion (insufficiency) of the functional capabilities (characteristics) of the information, technological and other systems used by the reinsurer and (or) their failures (functioning disorders), as well as as a result of the impact of external events (hereinafter - the operational risk). When the internal control system ceases to function, operational risk can harm the reputation, have legal consequences or lead to financial losses. The reinsurer cannot put forward the assumption that the operational risk is eliminated, but using the control system and by tracking and the corresponding reaction to potential risks, the reinsurer can manage operational risk. The control system provides for the effective separation of duties, access rights, approval procedures and submarines, staff training, as well as evaluation procedures, including an internal audit. The risks associated with the implementation of activities - a change in the environment, technology and changes in the industry - are controlled by the reinsurer in the framework of the strategic planning process. The activities of the reinsurer are at the risk of losses due to non-compliance with the requirements of regulatory legal acts and concluded agreements, legal errors in the implementation of activities, the imperfection of the legal system (the inconsistency of the legislation of the Russian Federation, the lack of legal norms for the regulation of individual issues arising during the activities of the reinsurer), violations of regulatory regulators of normative regulatory legal acts, as well as the terms of the concluded agreements (further - legal risk). Financial risks include market risk (consisting of currency risk, interest rate risk and other price risk), credit risk and liquidity risk. Risk management procedures are regulated by internal documents, as well as regulatory acts of the Bank of Russia, and are controlled by various management bodies of the reinsurer. A responsible employee, according to local acts approved by the General Director, carries out risk monitoring. The management approves both the general risk management policy of the reinsurer and the policy of managing each of the essential types of risk. The reinsurer sets the limits on risk operations, in accordance with the principles, defined politicians to manage the risks of the reinsurer and the investment strategy of the reinsurer.</p> <p>The proposals for the establishment of limits for consideration by the specified committee are prepared by the relevant departments that control risks. Management risks operate regardless of departments carrying out risk operations. Stress testing associated with all significant types of risks is carried out by the reinsurer at least once a year. Stress testing results are considered and discussed by the leadership of the reinsurer. The financial risk management strategy for the reinsurer is based on compliance with the principles of safety, profitability, diversification and liquidity of invested funds. To manage various types of financial risks, as well as to minimize them, the reinsurer uses the following procedures and tools. The study of risk, its dynamics in time and analysis of the causes of change (hereinafter - monitoring). Monitoring precedes the use of other procedures that include scenario analysis, holding meetings with management companies, making proposals to change the structure of the portfolio in order to reduce risks, the formation of proposals for a change in investment declarations. Monitoring is carried out on a regular basis. Responsibility for monitoring is assigned to a responsible employee, in accordance with the local director of local acts. The process of distribution of investment funds in order to reduce the risk of concentration due to the distribution by types of assets, income on which are not interconnected (hereinafter referred to as diversification). Diversification allows you to reduce the risk of concentration without changing the profitability of the assets as a whole.</p>

- 1 A reduction in the risk of concentration is achieved due to the inclusion in the portfolio of a wide range of financial instruments diversified by industries and counterparties that are not closely related, which avoids the synchronism of cyclic vibrations of their business activity. At the same time, the preservation of profitability in the whole portfolio is achieved due to the fact that possible low income for one financial instruments is compensated by higher income in others. The distribution of investments occurs both between the individual types of assets and inside them. For the deposits placed, we are talking about diversification by counterparties, for corporate securities - on issuers, for state short-term securities - in various series. Responsibility for the control of the diversification of the investment portfolio of the reinsurer is assigned to the responsible employee, in accordance with the local director of local acts. Analysis of scenarios or modeling is used in predicting possible ways to develop the current situation. In the process of analyzing scenarios, methods of reaction of the reinsurer to a change in external conditions are developed. Responsibility for analysis of scenarios and the choice of the optimal scenario is assigned to the responsible employee, according to local acts approved by the General Director. . The risk that one party to a financial instrument will incur financial losses due to the fact that the second party has not fulfilled its obligations (hereinafter - credit risk). Information is disclosed in accordance with IFRS 7. To reduce credit risk, the reinsurer uses a policy of credit risk, according to which credit risks of the reinsurer are evaluated and determined. Compliance with the policy is monitored, and information about all risks and violations is reported by the reinsurer's committee by risks. Politics is regularly reviewed for the relevance, as well as taking into account changes in risks. The reinsurer establishes the limiting values of pure risk to each counterparty or group of counterparties, geographical and industry segments (that is, the limit values are set for investments and monetary deposits, risks in connection with currency trading instruments, while the minimum credit rating for investments may also be determined, which may Place the reinsurer). To restrict credit risk, the reinsurer also uses general agreements on the intercession in relation to counterparties with whom he has a significant amount of transactions. The credit risk associated with such amounts is reduced in case of failure to fulfill obligations when such amounts are repaid on a net one. On December 31, 2022, the reinsurer does not have such agreements. The reinsurer uses strict maximum values in relation to the sums and conditions for clean open derivative positions. The amounts subject to credit risk are limited to the fair value of financial assets "in money", against which the reinsurer receives security by counterparties or requires the provision of warranty deposits. The reinsurer has the right to sell or reload the security that is subject to compensation in case of termination of the contract or reduce its fair value. Reinsurance contracts are concluded with counterparties with a good credit rating, and in order to avoid risk concentrations, instructions are used regarding the maximum values for counterparties that are annually established by the board of directors and are regularly revised. At each reporting date, the management analyzes the solvency of reinsurers and makes changes to the strategy of concluding reinsurance contracts, determining the amount of reserves for impairment. The reinsurer sets the maximum amounts and maximum values for counterparties on the basis of their long-term credit ratings. Credit risk in relation to receivables due to non-payment of bonuses or contributions will be maintained during the period of deferred payment specified in the policy or document for the management of property by proxy, before making payments by the policy or its termination. Commission rewards paid to intermediaries are read out against their receivables in order to reduce the risk of dubious debt. The maximum amount of credit risk of the reinsurer for components of the balance sheet on December 31, 2022 and December 31, 2021 is presented with a balance value of the relevant assets.

**Table 62.15 Geographic analysis of financial assets and liabilities of the insurer****31.12.2022**

Indicator name	Line number	Russia	Countries of the Organization for Economic Cooperation and Development	Other countries	Total
		1	2	3	4
<b>Section I. Assets</b>					
Cash and cash equivalents	1	9 875	-	-	9 875
Deposits and other funds placed in credit institutions and non- resident banks	2	1 656 742	-	-	1 656 742
Financial assets measured at fair value through profit or loss, including:					
Available-for-sale financial assets, including:					
Held-to-maturity financial assets, including:					
Receivables arising from insurance, co-insurance and reinsurance operations	9	94 749	74	86 341	181 164
Loans, other funds placed and other receivables	11	22 059	-	-	22 059
Reinsurer's share in non-life insurance reserves	14	-	-	1 047 120	1 047 120
Total assets	20	1 783 425	74	1 133 461	2 916 960
<b>Section II. Liabilities</b>					
Payables arising from insurance, co-insurance and reinsurance operations	25	-	-	651 027	651 027
Non-life insurance reserves	30	365 722	-	768 016	1 133 738
Other liabilities	31	7 021	-	-	7 021
Total liabilities	32	372 743	-	1 419 043	1 791 786
Net balance sheet position	33	1 410 682	74	(285 582)	1 125 174

31.12.2021

Indicator name	Line number	Russia	Countries of the Organization for Economic Cooperation and Development	Other countries	Total
		1	2	3	4
<b>Section I. Assets</b>					
Cash and cash equivalents	a.1	849 428	-	-	849 428
Deposits and other funds placed in credit institutions and non-resident banks	a.2	583 970	-	-	583 970
Financial assets measured at fair value through profit or loss, including:					
Available-for-sale financial assets, including:					
Held-to-maturity financial assets, including:					
Receivables arising from insurance, co-insurance and reinsurance operations	a.9	126 631	7 368	128 346	262 345
Loans, other funds placed and other receivables	a.11	10 046	-	-	10 046
Reinsurer's share in non-life insurance reserves	a.14	-	864 496	-	864 496
Total assets	a.20	1 570 075	871 864	128 346	2 570 285
<b>Section II. Liabilities</b>					
Loans and other borrowed funds	a.22	4 234	-	-	4 234
Payables arising from insurance, co-insurance and reinsurance operations	a.25	-	552 255	-	552 255
Non-life insurance reserves	a.30	294 548	8 263	649 668	952 479
Other liabilities	a.31	5 156	-	-	5 156
Total liabilities	a.32	303 938	560 518	649 668	1 514 124
Net balance sheet position	a.33	1 266 137	311 346	(521 322)	1 056 160

Table 62.16 Analysis of liabilities by their remaining maturity (based on contractual undiscounted cash flows)

31.12.2022

Indicator name	Line number	Up to 3 months	3 months to 1 year	1 to 3 years old	3-5 years old	5 to 15 years old	More than 15 years	No maturity	Overdue	Total
		1	2	3	4	5	6	7	8	9
Loans and other borrowed funds, including:										
Lease liabilities	2	-	-	12 599	-	-	-	-	-	12 599
Payables arising from insurance, co-insurance and reinsurance operations	2.1	-	-	12 599	-	-	-	-	-	12 599
Other liabilities	5	-	651 027	-	-	-	-	-	-	651 027
Total liabilities	7	7 021	-	-	-	-	-	-	-	7 021
Total liabilities	8	7 021	651 027	12 599	-	-	-	-	-	670 647

## 31.12.2021

Indicator name	Line number	Up to 3 months	3 months to 1 year	1 to 3 years old	3-5 years old	5 to 15 years old	More than 15 years	No maturity	Overdue	Total
		1	2	3	4	5	6	7	8	9
Loans and other borrowed funds, including:	a.2	-	4 234	-	-	-	-	-	-	4 234
Lease liabilities	a.2.1	-	4 234	-	-	-	-	-	-	4 234
Payables arising from insurance, co-insurance and reinsurance operations	a.5	-	552 255	-	-	-	-	-	-	552 255
Other liabilities	a.7	5 156	-	-	-	-	-	-	-	5 156
Total liabilities	a.8	5 156	556 489	-	-	-	-	-	-	561 645

Table 62.17 Analysis of financial assets and financial liabilities by their remaining expected maturity

## 31.12.2022

Indicator name	Line number	Up to 3 months	3 months to one year	Over one year	Total
		1	2	3	4
<b>Section I. Assets</b>					
Cash and cash equivalents	1	9 875	-	-	9 875
Deposits and other funds placed in credit institutions and non-resident banks	2	-	1 656 742	-	1 656 742
Financial assets measured at fair value through profit or loss, including:					
Available-for-sale financial assets, including:					
Held-to-maturity financial assets, including:					
Receivables arising from insurance, co-insurance and reinsurance operations	9	123 541	57 622	-	181 164
Loans, other funds placed and other receivables	11	2 628	-	-	2 628
Reinsurer's share in non-life insurance reserves	14	908 764	138 356	-	1 047 120
Other assets	16	19 431	-	-	19 431
Total assets	17	1 064 239	1 852 721	-	2 916 960
<b>Section II. Liabilities</b>					
Payables arising from insurance, co-insurance and reinsurance operations	22	-	651 027	-	651 027
Non-life insurance reserves	27	987 020	146 718	-	1 133 738
Total liabilities	29	987 020	797 745	-	1 784 764
Total liquidity gap	30	77 220	1 054 976	-	1 132 196

31.12.2021

Indicator name	Line number	Up to 3 months	3 months to one year	Over one year	Total
		1	2	3	4
<b>Section I. Assets</b>					
Cash and cash equivalents	a.1	849 428	-	-	849 428
Deposits and other funds placed in credit institutions and non-resident banks	a.2	583 970	-	-	583 970
Financial assets measured at fair value through profit or loss, including:					
Available-for-sale financial assets, including:					
Held-to-maturity financial assets, including:					
Receivables arising from insurance, co-insurance and reinsurance operations	a.9	24 306	238 039	-	262 345
Loans, other funds placed and other receivables	a.11	10 046	-	-	10 046
Reinsurer's share in non-life insurance reserves	a.14	558 913	303 126	2 457	864 496
Total assets	a.17	2 026 663	541 165	2 457	2 570 285
<b>Section II. Liabilities</b>					
Loans and other borrowed funds	a.19	4 234	-	-	4 234
Payables arising from insurance, co-insurance and reinsurance operations	a.22	272	549 687	2 297	552 255
Non-life insurance reserves	a.27	593 069	356 446	2 964	952 479
Other liabilities	a.28	5 156	-	-	5 156
Total liabilities	a.29	602 731	906 133	5 261	1 514 124
Total liquidity gap	a.30	1 423 932	(364 968)	(2 804)	1 056 160

**Table 62.18 Brief overview of the insurer's financial assets and liabilities by major currencies****31.12.2022**

Indicator name	Line number	Rubles	US dollars	Euro	Other currencies	Total
		1	2	3	4	5
<b>Section I. Assets</b>	1	6 395	3 480	-	-	9 875
Cash and cash equivalents						
Deposits and other funds placed in credit institutions and non-resident banks	2	1 656 742	-	-	-	1 656 742
Financial assets measured at fair value through profit or loss, including:						
Available-for-sale financial assets, including:						
Held-to-maturity financial assets, including:						
Receivables arising from insurance, co-insurance and reinsurance operations	9	108 483	49 893	22 788	-	181 164
Loans, other funds placed and other receivables	11	2 628	-	-	-	2 628
Reinsurer's share in non-life insurance reserves	14	743 682	244 241	57 375	1 822	1 047 120
Other assets	19	19 431	-	-	-	19 431
Total assets	20	2 537 361	297 614	80 163	1 822	2 916 960
<b>Section II. Liabilities</b>						
Accounts payable on insurance, co-insurance and reinsurance operations	25	368 246	139 111	141 898	1 772	651 027
Non-life insurance reserves	30	794 101	261 786	75 797	2 053	1 133 738
Other liabilities	31	19 620	-	-	-	19 620
Total liabilities	32	1 181 968	400 897	217 695	3 825	1 804 385
Net balance sheet position	33	1 355 394	(103 283)	(137 532)	(2 003)	1 112 576

31.12.2021

Indicator name	Line number	Rubles	US dollars	Euro	Other currencies	Total
		1	2	3	4	5
<b>Section I. Assets</b>						
Cash and cash equivalents	a.1	607 228	41 756	200 444	-	849 428
Deposits and other funds placed in credit institutions and non- resident banks	a.2	583 970	-	-	-	583 970
Financial assets measured at fair value through profit or loss, including:						
Available-for-sale financial assets, including:						
Held-to-maturity financial assets, including:						
Receivables arising from insurance, co-insurance and reinsurance operations	a.9	117 398	137 840	5 886	1 221	262 345
Loans, other funds placed and other receivables	a.11	10 046	-	-	-	10 046
Reinsurer's share in non-life insurance reserves	a.14	206 066	296 361	360 337	1 732	864 496
Total assets	a.20	1 524 708	475 957	566 667	2 953	2 570 285
<b>Section II. Liabilities</b>						
Loans and other borrowed funds	a.22	4 234	-	-	-	4 234
Accounts payable on operations in the field of compulsory medical insurance	a.24	238 888	168 059	144 199	1 109	552 255
Non-life insurance reserves	a.30	232 481	335 906	382 034	2 058	952 479
Other liabilities	a.31	5 156	-	-	-	5 156
Total liabilities	a.32	480 759	503 965	526 233	3 167	1 514 124
Net balance sheet position	a.33	1 043 949	(28 008)	40 434	(214)	1 056 161

**Table 66.6 Fair value analysis by level of the fair value hierarchy and carrying amounts of financial assets and liabilities not measured at fair value 31.12.2022**

Indicator name	Line number	Fair value by level of inputs			Total fair value	Book value
		Market quotes (level 1)	Valuation model using observable market data (level 2)	A valuation model that uses a significant amount of unobservable data (level 3)		
		3	4	5	1	2
Financial assets not measured at fair value, including:	1	-	1 666 617	1 250 343	2 916 960	2 916 960
Total						
Cash and cash equivalents less provision, including:	2	-	9 875	-	9 875	9 875
Total						

Indicator name	Line number	Fair value by level of inputs			Total fair value	Book value
		Market quotes (level 1)	Valuation model using observable market data (level 2)	A valuation model that uses a significant amount of unobservable data (level 3)		
cash on current accounts	5	-	9 875	-	9 875	9 875
deposits with credit institutions and non-resident banks, including:	8	-	1 656 742	-	1 656 742	1 656 742
total						
Deposits in credit institutions and non-resident banks	10	-	1 656 742	-	1 656 742	1 656 742
held-to-maturity financial assets less a provision, including:						
loans, other funds placed and other receivables, net of provisions, including:	20	-	-	2 628	2 628	2 628
Total						
Finance lease	25	-	-	2 628	2 628	2 628
receivables arising from insurance, co-insurance and reinsurance operations, less a provision, including:	27	-	-	181 164	181 164	181 164
Total						
life insurance receivables, including: non-life insurance receivables, including:	41	-	-	181 164	181 164	181 164
Total						
receivables arising from assumed reinsurance contracts	46	-	-	170 973	170 973	170 973
receivables under contracts ceded for reinsurance	47	-	-	10 191	10 191	10 191
accounts receivable on operations in the field of compulsory health insurance, including:						
reinsurer's share in non-life insurance reserves	59	-	-	1 047 120	1 047 120	1 047 120
other assets	63					
Financial liabilities not measured at fair value, including:	64					
Total						
loans and other borrowed funds, including: payables arising from insurance, co-insurance and reinsurance operations, including:	74	-	-	651 027	651 027	651 027
Total						

Indicator name	Line number	Fair value by level of inputs			Total fair value	Book value
		Market quotes (level 1)	Valuation model using observable market data (level 2)	A valuation model that uses a significant amount of unobservable data (level 3)		
Insurance, coinsurance and life reinsurance payables	86	-	-	651 027	651 027	651 027
payables arising from non-life insurance, co-insurance and reinsurance operations, including:						
Total						
Payable under contracts accepted for reinsurance	89	-	-	10 203	10 203	10 203
Payables under ceded reinsurance contracts	90	-	-	640 824	640 824	640 824
accounts payable on operations in the field of compulsory health insurance, including:						
Non-life insurance reserves	98	-	-	1 133 738	1 133 738	1 133 738
other liabilities	102	-	-	7 021	7 021	7 021

31.12.2021

Indicator name	Line number	Fair value by level of inputs			Total fair value	Book value
		Market quotes (level 1)	Valuation model using observable market data (level 2)	A valuation model that uses a significant amount of unobservable data (level 3)		
		3	4	5	1	2
Financial assets not measured at fair value, including:	a.1	-	1 433 398	1 136 887	2 570 285	2 570 285
Total						
Cash and cash equivalents less provision, including:	a.2	-	849 428	-	849 428	849 428
Total						
cash on current accounts	a.5	-	849 428	-	849 428	849 428
Deposits in credit institutions and non-resident banks, including: Total	a.8	-	583 970	-	583 970	583 970
Other placed funds	a.12	-	583 970	-	583 970	583 970
held-to-maturity financial assets less a provision, including:						
loans, other funds placed and other receivables, net of provisions, including:						
Total						

Indicator name	Line number	Fair value by level of inputs			Total fair value	B o o k value
		Market quotes (level 1)	Valuation model using observable market data (level 2)	A valuation model that uses a significant amount of unobservable data (level 3)		
Finance lease	a.25	-	-	2 424	2 424	2 424
receivables arising from insurance, co-insurance and reinsurance operations, less a provision, including:	a.27	-	-	262 345	262 345	262 345
Total						
life insurance receivables, including:						
non-life insurance receivables, including:	a.41	-	-	262 345	262 345	262 345
Total						
receivables arising from assumed reinsurance contracts	a.46	-	-	262 345	262 345	262 345
accounts receivable on operations in the field of compulsory health insurance, including:						
reinsurer's share in non-life insurance reserves	a.59	-	-	864 496	864 496	864 496
other assets	a.63	-	-	7 622	7 622	7 622

Indicator name	Line number	Fair value by level of inputs			Total fair value	Book value
		Market quotes (level 1)	Valuation model using observable market data (level 2)	A valuation model that uses a significant amount of unobservable data (level 3)		
		3	4	5	1	2
Financial liabilities not measured at fair value, including:	a.64	-	-	1 514 124	1 514 124	1 514 124
Total						
loans and other borrowed funds, including:	a.65	-	-	4 234	4 234	4 234
Total						
lease liabilities	a.71	-	-	4 234	4 234	4 234
payables arising from insurance, co-insurance and reinsurance operations, including:	a.74	-	-	552 255	552 255	552 255
Total						
Insurance, coinsurance and life reinsurance payables						
payables arising from non-life insurance, co-insurance and reinsurance operations, including:	a.86	-	-	552 255	552 255	552 255
Total						

Indicator name	Line number	Fair value by level of inputs			Total fair value	Book value
		Market quotes (level 1)	Valuation model using observable market data (level 2)	A valuation model that uses a significant amount of unobservable data (level 3)		
Accounts payable under contracts accepted for reinsurance	a.89	-	-	272	272	272
Payables under ceded reinsurance contracts	a.90	-	-	551 983	551 983	551 983
accounts payable on operations in the field of compulsory health insurance, including:						
Non-life insurance reserves	a.98	-	-	952 479	952 479	952 479
other liabilities	a.102	-	-	5 156	5 156	5 156

**Note 68. Transactions with related parties Table 68.1 Balances on transactions with related parties**

31.12.2022

Indicator name	Line number	Parent company	Subsidiaries	Jointly controlled entities	Associated enterprises	Key management personnel	Companies under common control	Other related parties	Total
		1	2	3	4	5	6	7	8
Financial assets measured at fair value through profit or loss, including:									
Available-for-sale financial assets, including:									
Held-to-maturity financial assets, including:									
Reinsurer's share in non-life insurance reserves	9	1 047 120	-	-	-	-	-	-	1 047 120
Non-life insurance reserves	15	640 824	-	-	-	-	-	-	640 824

31.12.2021

Indicator name	Line number	Parent company	Subsidiaries	Jointly controlled entities	Associated enterprises	Key management personnel	Companies under common control	Other related parties	Total
		1	2	3	4	5	6	7	8
Financial assets measured at fair value through profit or loss, including:									
Available-for-sale financial assets, including:									
Held-to-maturity financial assets, including:									
Reinsurer's share in non-life insurance reserves	a.9	864 496	-	-	-	-	-	-	864 496
Non-life insurance reserves	a.15	551 983	-	-	-	-	-	-	551 983

**Text disclosure. Balances on transactions with related parties**

Line number	Content
1	In the normal course of business, the reinsurer conducts transactions with the Sole participant, key management personnel. During 2022, transactions with the Sole participant included transactions under a quota proportional obligatory reinsurance agreement (Sole reinsurer (retrocessionary) – GIC Re (Mumbai) – the Sole participant of the Company), covering the entire range of incoming reinsurance business signed by the Company. Operations with key management personnel are limited by the concluded labor contracts. In 2022, the additional capital of the Company was increased by 122 759 thousand rubles at the expense of funds contributed by the Sole participant.

**Table 68.2 Income and expenses from transactions with related parties**

**01.01.2022-31.12.2022**

Indicator name	Line number	Parent company	Subsidiaries	Jointly controlled entities	Associated enterprises	Key management personnel	Companies under common control	Other related parties	Total
		1	2	3	4	5	6	7	8
Life insurance, including:									
Non-life insurance, including:	8	(233 907)	-	-	-	-	-	-	(233 907)
Total									
insurance premiums earned, net of reinsurance	9	249 057	-	-	-	-	-	-	249 057
claims incurred, net of reinsurance	10	(468 107)	-	-	-	-	-	-	(468 107)
policy administration expenses, net of reinsurance	11	(14 857)	-	-	-	-	-	-	(14 857)
General and administrative expenses	20	-	-	-	-	(17 835)	-	-	(17 835)

**01.01.2021-31.12.2021**

Indicator name	Line number	Parent company	Subsidiaries	Jointly controlled entities	Associated enterprises	Key management personnel	Companies under common control	Other related parties	Total
		1	2	3	4	5	6	7	8
Life insurance, including:									
Non-life insurance, including:	a.8	48 074	-	-	-	-	-	-	48 074
Total									
insurance premiums earned, net of reinsurance	a.9	(725 153)	-	-	-	-	-	-	(725 153)
claims incurred, net of reinsurance	a.10	639 383	-	-	-	-	-	-	639 383
policy administration expenses, net of reinsurance	a.11	37 696	-	-	-	-	-	-	37 696
General and administrative expenses	a.20	-	-	-	-	(17 932)	-	-	(17 932)

**Table 68.3 Information on the amount of remuneration to key management personnel**

Indicator name	Line number	01.01.2022-31.12.2022	01.01.2021-31.12.2021
		1	2
Short-term rewards	1	17 835	17 932

**Text disclosure. Information on the amount of remuneration for key management personnel.**

Line number	Content
1	
1	Information on the amount of remuneration to key management personnel for 2022 includes, among other things, expenses related to the payment of employee benefits for the year in the amount of 12 942 thousand rubles (for 2021: 13 458 thousand rubles), housing rental expenses for employees in the amount of 2 304 thousand rubles (for 2021: 2 220 thousand rubles), insurance costs in the amount of 1 374 thousand rubles (for 2021: 1 029 thousand rubles), as well as insurance contributions established by the legislation of the Russian Federation in state extra budgetary funds in the amount of 1 215 thousand rubles (for 2021 year: 1 224 thousand rubles).

**NOTE 69. EVENTS AFTER THE REPORTING PERIOD****Textual disclosure.**

Line number	Content
	1
1	There were no events that occurred after the reporting period that could have a significant impact on the financial statements.



## GENERAL INSURANCE CORPORATION OF INDIA

(A Government of India Company)

**Regd. Office:** 'Suraksha', 170, J. Tata Road, Churchgate, Mumbai

**Tel:** +91-22-2286 7000 **Fax:** +91-22-2288 4010

**Website:** www.gicre.in

**CIN:** L67200MH1972GOI016133 **IRDAI REG. NO.:** 112

### NOTICE

**NOTICE** is hereby given that the **51<sup>st</sup> ANNUAL GENERAL MEETING (AGM)** of the members of **GENERAL INSURANCE CORPORATION OF INDIA** (the Corporation) will be held on Tuesday, the 26<sup>th</sup> September 2023 at 3:00 p.m., through Video Conferencing (VC)/Other Audio-Visual Means (OAVM) to transact the following business:

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Financial Statements (Standalone & Consolidated) of the Corporation for the financial year ended 31<sup>st</sup> March 2023 and the reports of the Board of Directors and the Auditors thereon.
2. To declare dividend of ₹ 7.20 per equity share for the financial year 2022-23, as recommended by the Board of Directors.
3. To authorize the Board of Directors to fix the remuneration of the Joint Statutory Auditors appointed by the Comptroller and Auditor General of India (C&AG) for the financial year 2023-24.

### **SPECIAL BUSINESS**

#### **4. Appointment of Ms. Vinita Kumari (DIN 10093690) as Director of the Corporation**

To consider and if thought fit, to pass with or without modification(s), the following resolution as Special Resolution:

**"RESOLVED THAT** pursuant to Section 149, 150 & 152, read with Schedule IV and relevant rules and other applicable provisions, if any, of the Companies Act, 2013, relevant applicable regulation(s) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Corporate Governance Guidelines for Insurers in India, 2016 issued by IRDAI and provisions of Article 75 of Articles of Association, Ms. Vinita Kumari (DIN: 10093690) be and is hereby appointed as part-time non-official director (Independent Director) on the Board of the Corporation w.e.f. 24<sup>th</sup> March 2023 for a period of three years or until further orders, whichever is earlier."

**"RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

**Place :** Mumbai

**Date :** Wednesday, 30<sup>th</sup> August 2023

#### **Registered Office:**

"Suraksha", 170, J. Tata Road,  
Churchgate, Mumbai – 400 020  
CIN: L67200MH1972GOI016133  
Tel: +91 22 2286 7000  
Email: [investors.gic@gicre.in](mailto:investors.gic@gicre.in)  
Website: [www.gicre.in](http://www.gicre.in)

**By the Order of the Board of Directors  
For General Insurance Corporation of India**

**Sd/-  
(Satheesh Kumar)  
Company Secretary**

### NOTES:

1. The Ministry of Corporate Affairs (“MCA”) has vide its General Circular numbers 20/2020, 02/2021, 19/2021, 21/2021, 02/2022 and 10/2022 and Securities and Exchange Board of India (“SEBI”) vide its Circular number SEBI/HO/CFD/PoD-2/P/CIR /2023/4 (collectively referred to as “Circulars”) permitted holding of the Annual General Meeting of companies through Video Conferencing or Other Audio Visual Means (“VC / OAVM”), without physical presence of the Members at a common venue.
2. In compliance with applicable provisions of the Companies Act, 2013 (“the Act”) read with the Circulars and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), the 51<sup>st</sup> Annual General Meeting of the Corporation is being conducted through VC/OAVM (hereinafter referred to as “AGM”). In accordance with the Secretarial Standard -2 (“SS-2”) on General Meeting issued by the Institute of Company Secretaries of India (ICSI) read with Guidance/Clarification dated 15<sup>th</sup> April 2020 issued by Institute of Company Secretaries of India (“ICSI”), the proceedings of the AGM shall be deemed to be conducted at the registered office of the Corporation which shall be the deemed venue of the AGM.
3. Pursuant to Section 143(5) of the Act, the Auditors of a Government Company are to be appointed or re-appointed by the Comptroller and Auditor General of India (C&AG) and in terms of sub-section (1) of Section 142 of the Act, their remuneration has to be fixed by the Corporation in the Annual General Meeting or in such manner as the Corporation in General Meeting may determine. Accordingly, the members are requested to authorize the Board of Directors of the Corporation to fix the remuneration of the Joint Statutory Auditors appointed by the Comptroller and Auditor General of India for the financial year 2023-24.
4. As per the provisions of Clause 3.A.II. of the General Circular No. 20/2020 dated 5<sup>th</sup> May 2020, the matter of Special Business as appearing at item no. 4 of the accompanying Notice, is considered to be unavoidable by the Board and hence forming part of this Notice.
5. Additional Information as required under Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of Item No. 4 is furnished as annexure to the Notice.
6. A statement pursuant to Section 102(1) of the Act, relating to the Special Business to be transacted at the meeting, in respect of item no. 4 is annexed hereto and forms part of the Notice.
7. A Member entitled to attend and vote at the meeting is entitled to appoint proxy/proxies to attend and vote instead of himself/herself and such proxy/proxies need not be a Member of the Corporation. **Since this AGM is being held in accordance with the Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Further, in accordance with the circulars, the facility for appointment of proxy/proxies by the Members will not be available for the AGM. Hence, the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.**
8. The Corporation has engaged the services of National Securities Depository Limited (‘NSDL’) for facilitating participation by the Members at the AGM through VC/OAVM including e-voting during the AGM.
9. Institutional/Corporate Members (i.e. other than individuals, HUF, NRI etc.) intending to authorize representatives to attend AGM on its behalf, are requested to send a duly certified scanned copy (PDF/JPG Format) of its Board/governing body resolution/authority letter etc. with attested specimen signature of the duly authorized signatory(ies) electronically through their registered email address to the Scrutinizer at [mail@csraginichokshi.com](mailto:mail@csraginichokshi.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on “**Upload Board Resolution / Authority Letter**” displayed under “**e-Voting**” tab in their login.
10. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
11. In compliance with the aforesaid circulars, Notice of the AGM along with the Annual Report for the financial year ended on 31<sup>st</sup> March 2023 is being sent only through electronic mode to those Members whose email addresses are registered with the RTA/ Depositories. Physical copy of Notice and/or Annual Report will be provided on specific request of the Member(s) concerned. The Notice calling the AGM and the Annual Report has been uploaded on the website of the Corporation at [www.gicre.in](http://www.gicre.in). The Notice can also be accessed from the websites of the Stock Exchanges i.e., BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

12. **Green Initiative:**

In support of the “Green Initiative”, Members who have not yet registered their email addresses are requested to register the same with their Depository Participant (DP) in case the shares are held by them in electronic form and with M/s. KFin Technologies Ltd. (“RTA”) in case the shares are held by them in physical form.

13. The Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of Companies Act, 2013 and Register of Contracts or arrangements in which Directors are interested maintained under section 189 of the Companies Act, 2013 and relevant documents referred to in this Notice and explanatory statements, will also be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to [cs.gic@gicre.in](mailto:cs.gic@gicre.in) stating their DP-ID & Client ID or Folio No.

14. The Board of Directors at its meeting held on 25<sup>th</sup> May 2023, has recommended payment of final dividend of ₹ 7.20 per share of Face Value of ₹ 5/- each for the financial year 2022-23.

15. Record date for Dividend:

The Corporation has announced **Record date of Friday, 8<sup>th</sup> September 2023** and accordingly Dividend on Equity Shares as recommended by the Board of Directors for the Financial Year 2022-23, if approved at the AGM, will be paid within the stipulated period of 30 days of declaration, to those eligible members whose name appeared:

- i. As Beneficial Owners, as on Friday, 8<sup>th</sup> September 2023 as per the list furnished by National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) in respect of shares held in Dematerialized form, and
- ii. As Members in the Register of Members of the Corporation as on Friday, 8<sup>th</sup> September 2023 in respect of shares held in Physical Form.

16. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. 1<sup>st</sup> April 2020 and the Corporation is required to deduct tax at source (“TDS”) from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the Members are requested to refer to the Finance Act, 2020 and amendments thereof. A separate communication is being sent to shareholders with details of applicable tax rates to different categories of shareholders and documents/details required to be submitted. Members are requested to submit the relevant documents on or before Thursday, 12<sup>th</sup> September 2023. The detailed communication regarding TDS on dividend is provided on the link: [https://www.gicre.in/images/GICRE Communication to Shareholders - Intimation of Tax Deduction at Source on Dividend for FY 2022-23.pdf](https://www.gicre.in/images/GICRE%20Communication%20to%20Shareholders%20-%20Intimation%20of%20Tax%20Deduction%20at%20Source%20on%20Dividend%20for%20FY%202022-23.pdf)

**Kindly note that no documents in respect of TDS would be accepted from members after Thursday, 12<sup>th</sup> September 2023.**

17. **Transfer of Unclaimed/Unpaid amounts to the Investor Education and Protection Fund (IEPF):**

Members are hereby informed that Dividends which are not encashed or remain unclaimed for a consecutive period of seven years from the date of transfer to Unpaid Dividend Account, are liable to be transferred to Investor Education & Protection Fund (IEPF) constituted by the Central Government under Section 125 of the Companies Act, 2013. The shares in respect of such unclaimed dividends are also liable to be transferred to the Demat account of the IEPF Authority.

In view of this, Members/ Claimants are requested to kindly ensure updation of their bank details and also claim their dividends from the Corporation, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority, in Form No. IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in)

The details of Dividends paid by the Corporation and their respective due dates of transfer to the IEPF are as below:

Date of Declaration of Dividend	Dividend for the Financial Year	Proposed Month and Year of Transfer to the Fund
05.09.2018	2017-18	October 2025
27.08.2019	2018-19	October 2026
27.05.2022	2021-22 (Interim)	June 2029

18. **Payment of Dividend through electronic means:**

Reserve Bank of India has initiated NECS (National Electronic Clearing System) facility for credit of dividend directly to the bank account of the members. Hence, members are requested to opt for **Electronic Credit** of dividend payment and ensure registration/ updation of their Bank Account details (Core Banking Solutions enabled account number, 9 digit MICR code & 11 digit IFSC code), in respect of shares held in dematerialized form with their respective DP and in respect of shares held in physical form with the RTA at the address given in Sr. No. **22 (ii)** below.

19. **Dematerialization of Shares:**

As per Regulation 39 and 40 of the SEBI (LODR) Regulations, as amended, listed companies can effect shareholders' requests such as issuance of duplicate securities certificate, renewal / exchange, endorsement, sub-division/split, consolidation of securities certificate, transfer, transmission and transposition only in Dematerialised form with effect from 24<sup>th</sup> January 2022.

In view of SEBI Circular dated March 16, 2023, physical shareholders are requested to submit their PAN, full KYC details (Postal address with PIN, mobile number, email address, bank details, signature), nomination by September 30, 2023 and other relevant details in Form ISR-1, ISR-2, ISR-3 or SH-13 to KFin Technologies Limited, Registrar and Transfer Agent of the Corporation ("RTA"). The said Forms are also available on the website of the Corporation <https://www.gicre.in/phocadownload/notice-communication-to-shareholders/Communication%20to%20Shareholders%20-%20Form%20ISR-1%20to%20ISR-3%20and%20SH-13%20and%2014.pdf> and also on the website of RTA.

In case a holder of physical securities fails to furnish these details before the due date, the RTA/Corporation is obligated to freeze such folios. The securities in the frozen folios shall be eligible to receive payments (including dividend) and lodge grievances only after furnishing the complete documents. If the securities continue to remain frozen as on December 31, 2025, the RTA/ Corporation shall refer such securities to the administering authority under the Benami Transactions (Prohibitions) Act, 1988, and / or the Prevention of Money Laundering Act, 2002. Frozen folios shall be reverted to normal status upon receipt of all KYC details/documents.

20. **Nomination:**

Pursuant to Section 72 of the Companies Act, 2013 read with Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, Members are entitled to make nomination in respect of Shares held by them in Form No. SH-13. Shareholders holding shares in single name and physical form are advised to make nomination in respect of their holding in the Corporation by submitting duly completed Form No SH-13 with the RTA and to their respective Depository Participant in case of shares held in electronic form. Joint Holders can also use nomination facility for shares held by them. The said Form is also available on the website of the Corporation.

21. **Members' holding shares in Multiple Folios:**

Members holding shares in physical form in multiple folios, in identical names or joint holding in the same order of names, are requested to send the share certificates to RTA for consolidation into a single folio.

22. **Updation of Details:**

Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, PAN, registering of nomination, power of attorney registration, bank mandate details etc.:

- i. For shares held in dematerialised form - to their respective DP.
- ii. For shares held in physical form - to the RTA, M/s. KFin Technologies Limited, Karvy Selenium, Tower-B, Plot number 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500 032.Tel. Nos.: (040) 6716 1562; Fax No.: (040) 2300 1153; E-mail Address: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) or at the registered office of the Corporation.

Further, Members may note that SEBI has mandated the submission of PAN by every participant in securities market.

23. **Non-Resident Members:**

Non-Resident Indian Members are requested to inform RTA/their respective Depository Participants immediately of:

- a. Change in their local address in India for correspondence and e-mail ID for sending all e-communications.
- b. Change in their residential status on return to India for permanent settlement.

- c. Particulars of their bank account maintained in India with complete name, branch, account type, account number, IFSC Code, MICR No. and address of the bank, if not furnished earlier, to enable Corporation to remit dividend to the said Bank Account directly.

**24. Remote E-voting:**

Process and Manner of e-voting is as under:

- a. In terms of Section 108 of the Companies, Act, 2013 read with the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (LODR) Regulations and the aforesaid circulars, the Corporation is providing the facility of remote e-voting to its members in respect of the business to be transacted at the AGM. For this purpose, Members are provided with the facility to cast their votes electronically through the remote e-voting platform provided by NSDL on all resolutions set-forth in this notice.
- b. Members of the Corporation holding shares either in physical form or in electronic form as on the cut-off date of **Tuesday, 19<sup>th</sup> September 2023** may cast their vote by remote e-voting. The voting rights of the members (for voting through remote e-voting before the AGM and e-voting during the AGM) shall be in proportion to the shares held by them in the paid-up equity share capital of the Corporation, as on the cut-off date.
- c. The remote e-voting facility would commence on **Thursday, 21<sup>st</sup> September 2023 at 09:00 a.m. (IST)** and end on **Monday, 25<sup>th</sup> September 2023 at 05:00 p.m. (IST)**. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution stated in this notice is cast by member through remote e-voting, the member shall not be allowed to change it subsequently and such e-vote shall be treated as final.
- d. Members will be provided with the facility for voting through the electronic voting system during the video conferencing proceedings at the AGM. The Members who have cast their vote by remote e-voting before the AGM may also attend the AGM, however such Member shall not be allowed to vote again.
- e. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only, shall be entitled to avail the facility of remote e-voting before the AGM as well as e-voting during the AGM. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is sent through e-mail and holding shares as of the cut-off date i.e. **Tuesday, 19<sup>th</sup> September 2023**, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or to Corporation/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote.

**25. Instructions for attending the AGM through VC/OAVM and remote e-voting (before and during the AGM) are given below:**

**A. Instructions for Members attending the AGM through VC/OAVM:**

- i. The Members can join the AGM 15 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The Members will be able to view the proceedings on NSDL's e-voting website at [www.evoting.nsdl.com](http://www.evoting.nsdl.com). The facility of participation at the AGM will be made available to at least 1,000 Members on a first come first served basis as per the aforesaid Circulars. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- ii. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned below for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join Meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
- iii. Members are encouraged to join the Meeting through Laptops/Desktops for better experience. Further, Members will be required to use Internet with a good speed to avoid any disturbance during the Meeting. Members will be required to allow

Camera and use Internet with a good speed to avoid any disturbance during the meeting Please note that participants connecting from Mobile Devices or Tablets or through Laptops connecting via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any glitches.

- iv. Process to express views/seek clarifications:** Members are encouraged to submit in advance their questions on the items of business to be transacted at this AGM, from their registered e-mail address, mentioning their name, DP ID and Client ID number / Folio number, PAN and mobile number, to reach the Corporation's e-mail address at [gicagm.speakers@gicre.in](mailto:gicagm.speakers@gicre.in) before **05:00 p.m.** on **Thursday, 21<sup>st</sup> September 2023**. Queries that remain unanswered at the AGM will be appropriately responded by the Corporation at the earliest, post the conclusion of the AGM.
- v. Registration as Speakers:** Members who would like to express their views/ask questions as a speaker at the Meeting may pre-register themselves by sending a request from their registered e-mail address mentioning their names, DP ID and Client ID/Folio number, PAN and mobile number at [gicagm.speakers@gicre.in](mailto:gicagm.speakers@gicre.in) between **Tuesday, 19<sup>th</sup> September 2023 (09:00 a.m. IST) and Thursday, 21<sup>st</sup> September 2023 (05:00 p.m. IST)**. Only those Members who have pre-registered themselves as a speaker will be allowed to express their views/ask questions during the AGM. The Corporation reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

**B. Instructions for Remote E-Voting before the AGM:**

The way to vote electronically on NSDL e-voting system consists of 'Two Steps' which are mentioned below:

**Step 1: Access to NSDL e-Voting system**

**A) Login method for e-Voting and joining virtual meeting for Individual members holding securities in demat mode**

In terms of SEBI circular dated 9th December 2020 on e-Voting facility provided by Listed Companies, Individual members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual members holding securities in demat mode is given below:

Type of members	Login Method
Individual Members holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>If user is already registered for <b>NSDL IDeAS facility</b>, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com/">https://eservices.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "<b>Beneficial Owner</b>" icon under "<b>Login</b>" which is available under "<b>IDeAS</b>" section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider - NSDL</b> and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; e-voting during the meeting.</li> <li>If the user is not registered for <b>IDeAS e-Services</b>, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "<b>Register Online for IDeAS</b>" Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a>. <b>Upon successful registration, kindly follow the steps given in Point (1) above.</b></li> <li>Visit the <b>e-Voting website</b> of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider - NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; e-voting during the meeting.</li> </ol>

Type of members	Login Method
Individual <u>Members</u> holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li> <li>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual <u>Members</u> (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or <b>e-Voting service provider-NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & e-voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above-mentioned website.

**Helpdesk for Individual Members holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual <u>Members</u> holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at 022 - 4886 7000 and 022 - 2499 7000
Individual <u>Members</u> holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33

**B) Login method for e-Voting and joining virtual meeting for members other than Individual members holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/ Member’ section.

3. A new screen will open. You will have to enter your User ID, Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL e-services i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID. For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Corporation For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for Members other than Individual Members are given below :

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - How to retrieve your 'initial password'?
    - If your email ID is registered in your demat account or with the Corporation, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit Client ID for NSDL account, last 8 digits of Client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - If your email ID is not registered, please follow steps mentioned below in "process for those Members whose email ids are not registered."
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
- Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - 'Physical User Reset Password?' (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

### Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

- After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select “EVEN” of the Company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### C. **Instructions for e-Voting during the AGM:**

1. The procedure for e-voting during the AGM is same as the instructions mentioned above for remote e-voting before the AGM.
2. Only those Members/Shareholders, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-voting before the AGM and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM.
3. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

### 26. **Process for those members whose email ids are not registered with the depositories for procuring user id and password and registration of e-mail ids for e-voting for the resolutions set out in this notice:**

- a. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [investors.gic@gicre.in](mailto:investors.gic@gicre.in).
- b. In case shares are held in Demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to [investors.gic@gicre.in](mailto:investors.gic@gicre.in). If you are an Individual member holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.
- c. Alternatively, shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
- d. In terms of SEBI circular dated 9<sup>th</sup> December 2020 on e-Voting facility provided by Listed Companies, Individual members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

### 27. **Guidelines for e-voting**

1. It is strongly recommended that you do not share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details /Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
2. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available in the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on the toll-free number: 022 - 4886 7000 and 022 - 2499 7000, or contact Mr. Amit Vishal, Assistant Vice President, or Ms. Pallavi Mhatre, Manager, NSDL, at the designated email IDs: [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

28. The Corporation has appointed **Ms. Ragini Chokshi (FCS: 2390)**, and in her absence **Mr. Umashankar Hegde (ACS 22133)**, from M/s Ragini Chokshi & Co., Company Secretaries as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
29. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting, by use of remote e-Voting system for all those Members who are present during the AGM through VC/ OAVM but have not cast their votes by availing the remote e-Voting facility. The remote e-Voting module during the AGM shall be disabled by NSDL for voting, **15 minutes** after the conclusion of the Meeting.
30. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the AGM, thereafter unblock the votes cast through remote e-voting and make a consolidated scrutiniser's report and submit the same to the Chairman of the Corporation or such other officer authorized by the Chairman.
31. The results on resolutions shall be declared within the prescribed period and the resolutions will be deemed to be passed at the Registered Office of the Corporation on the AGM date subject to receipt of the requisite number of votes in favour of the Resolutions.
32. The results of voting along with the Scrutinizer's Report(s) thereon would be available on the website of the Corporation [www.gicre.in](http://www.gicre.in) and on NSDL's website [www.evoting.nsdl.com](http://www.evoting.nsdl.com) immediately after the declaration of the results and would also be communicated simultaneously to the BSE Limited and the National Stock Exchange of India Limited within the prescribed period.

### **ADDITIONAL INFORMATION OF DIRECTOR APPOINTED IN PURSUANCE OF PROVISIONS OF THE COMPANIES ACT, 2013 & REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

#### **FOR ITEM NO. 4**

**Ms. Vinita Kumari (DIN: 10093690)**

**Date of Birth:** 01-03-1981

**Age:** 42 years

**Date of Appointment:** 24-03-2023

**Nationality:** Indian

**Brief Profile:** Ms. Vinita Kumari holds degree of Master of Arts (Hindi) from Nalanda Open University and Master of Education from Lalit Narayan Mithila University, Darbhanga. She is having 11 years of experience in teaching and knowledge in Education. Presently, she is working as an Assistant Professor at Giridih College, Giridih.

**Nature of her expertise in specific functional areas:** Academics and Administration

**Disclosure of relationships between Directors and Key Managerial Personnel inter-se:** None

**Names of other listed entities in which the person holds directorship and also membership in Committees of the board:** NIL

**Shareholding in the Corporation:** NIL

Note: No meetings were held after appointment of Ms. Vinita Kumari w.e.f. 24<sup>th</sup> March 2023 and before 31<sup>st</sup> March 2023.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

**Item No. 4: Appointment of Ms. Vinita Kumari (DIN: 10093690) as Director of the Corporation**

The Board of Directors of the Corporation, based on recommendation of Nomination and Remuneration Committee have taken on record the appointment of Ms. Vinita Kumari (DIN: 10093690) as part-time non-official director (Independent Director) on the Board of the Corporation w.e.f. 24<sup>th</sup> March 2023 for a period of three years, or until further orders, whichever is earlier.

In terms of the Regulation 17(1C) of SEBI (LODR) Regulations, 2015, a listed entity shall ensure that approval of shareholders for appointment or re-appointment of a person on the Board of Directors or as a manager is taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier. However, the proviso inserted by the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2023, w.e.f. 17.1.2023 provided that a public sector company can seek the approval of the shareholders for appointment or re-appointment of a person on the Board of Directors or as a Manager at the next general meeting.

Accordingly, Shareholders' approval is sought for appointment of Ms. Vinita Kumari as part-time non-official director (Independent Director) Director on the Board of the Corporation u/s 149 read with Schedule IV and 152 of the Companies Act, 2013.

The Corporation has received from her all statutory disclosures /declarations including (i) Consent in writing to act as a Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 (ii) Intimation in Form DIR-8 in terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under Section 164(2) of the Companies Act, 2013 and (iii) Declaration of Independence confirming that she meets all the criteria of independence as prescribed both under Section 149(6) of the Act, read with rule 6(3) of Companies (Appointment and Qualification of Directors) Rules, 2014 and SEBI (LODR) Regulations, 2015.

Save and except Ms. Vinita Kumari, none of the other Directors, Key Managerial Personnel of the Corporation or their relatives are, in any way, concerned or interested in the resolution set out at item no. 4 of the Notice. The Board recommends the passing of the proposed Special Resolution as set out at item no. 4 for noting of the Members.

**Place:** Mumbai

**Date :** Wednesday, 30<sup>th</sup> August 2023

**Registered Office:**

"Suraksha", 170, J. Tata Road,  
Churchgate, Mumbai – 400 020  
CIN: L67200MH1972GOI016133  
Tel: +91 22 2286 7000  
Email: [investors.gic@gicre.in](mailto:investors.gic@gicre.in)  
Website: [www.gicre.in](http://www.gicre.in)

**By the Order of the Board of Directors  
For General Insurance Corporation of India  
Sd/-  
(Satheesh Kumar)  
Company Secretary**

1	Acquisition Costs	That portion of an insurance premium which represents the cost of obtaining the insurance business: it includes the agency commission, the company's marketing expense and other related expenses.
2	Assume	To accept an obligation to indemnify all or part of a risk or exposure subject to the contract terms and conditions.
3	Asset-liability management (ALM)	Management of an insurance business in a way that coordinates investment-related decisions on assets and liabilities.
4	Aviation insurance	Insurance of accident, liability risks, as well as hull damage, connected with the operation of aircraft.
5	Bordereaux	A report provided periodically by the ceding company detailing the reinsurance premiums and/or reinsurance losses and other pertinent information with respect to specific risks ceded under the reinsurance agreement. This report typically includes the insured's name, premium basis, policy term, type of coverage, premium and the policy limit.
6	Broker	An intermediary who negotiates reinsurance contracts between the ceding company and the reinsurer(s). The broker generally represents the ceding company and receives compensation in the form of commission, brokerage and/or other fees, for placing the business and performing other necessary services.
7	Burning Cost (also known as Pure Loss Cost)	The ratio of the reinsurance losses incurred to the ceding company's subject premium based upon historical experience for a proposed reinsurance agreement.
8	Business interruption	Insurance covering the loss of earnings resulting from, and occurring after, destruction of property; also known as "loss of profits" or "business income protection insurance".
9	Capacity	The largest amount of insurance or reinsurance available from a company or the market in general, based on financial strength or regulatory limitations.
10	Catastrophe Reinsurance	A form of excess of loss reinsurance which, subject to a specific limit, indemnifies the ceding company in excess of a specified retention with respect to an accumulation of losses to multiple insureds and/or policies resulting from an occurrence or series of occurrences arising from one or more disasters.
11	Cede	This action is described as transferring the risk or a part of the risk from the insurer to the reinsurer.
12	Cedent (also known as Ceding Company, Reassured, Reinsured)	The issuer of an insurance contract that contractually obtains an indemnification for all or a designated portion of the risk from one or more reinsurers.
13	Ceding Commission	An amount deducted from the reinsurance premium to compensate a ceding company for its acquisition, other overhead costs, including premium taxes, and occasionally a margin of profit.
14	Cession	The passing of the insurer's risks to the reinsurer against payment of a premium.
15	Claim	Demand by an insured for indemnity under an insurance contract.
16	Claims handling	Activities in connection with the investigation, settlement and payment of claims from the time of their occurrence until settlement.
17	Claims incurred	All claims payments (including claim adjustment expenses) plus the outstanding claims provision of a business year.
18	Claims ratio	Sum of claims paid and change in the provisions for unpaid claims and claim adjustment expenses in relation to premiums earned.
19	Coinsurance	Arrangement by which a number of insurers share a risk.
20	Combined Ratio	The combined ratio is calculated by taking a percentage of claims incurred (net) divided by premiums earned (net) plus percentage of expenses of management and net commission and then dividing the quotient by net premium.
21	Commission	Remuneration paid by the insurer to its agents, brokers or intermediaries, or by the reinsurer to the insurer, for costs in connection with the acquisition and administration of insurance business.
22	Commutation Agreement	An agreement between the ceding insurer and the reinsurer that provides for the valuation, payment and complete discharge of some or all current and future obligations between the parties under particular reinsurance contract(s).
23	Cover Note	A written statement issued by an intermediary, broker or direct writer indicating that the coverage has been effected and summarizing the terms.

24	Credit insurance	Insurance against financial losses sustained through the failure, for commercial reasons, of policyholders' clients to pay for goods or services supplied to them.
25	Cut-Through Endorsement	An endorsement to an insurance policy or reinsurance contract which provides that, in the event of the insolvency of the insurance company, the amount of any loss which would have been recovered from the reinsurer by the insurance company (or its statutory receiver) will be paid instead directly to the policyholder, claimant, or other payee, as specified in the endorsement, by the reinsurer.
26	Deposit Premium	The amount of premium (usually for an excess of loss reinsurance contract), that the ceding company pays to the reinsurer on a periodic basis (usually quarterly) during the term of the contract. This amount is generally determined as a percentage of the estimated amount of premium that the contract is expected to produce.
27	Directors' and Officers' liability insurance (D&O)	Liability insurance for Directors and Officers of an entity, providing cover for their personal legal liability towards shareholders, creditors, employees and others arising from wrongful acts such as errors and omissions.
28	Earned Reinsurance Premium	A reinsurance term that refers to either 1) that part of the reinsurance premium applicable to the expired portion of the policies reinsured, or 2) that portion of the reinsurance premium which is deemed earned under the reinsurance contract.
29	Excess of Loss Reinsurance (also known as Non-Proportional Reinsurance)	A form of reinsurance, which, subject to a specified limit, indemnifies the ceding company for the amount of loss in excess of a specified retention. It includes various types of reinsurance, such as catastrophe reinsurance, per risk reinsurance, per occurrence reinsurance and aggregate excess of loss reinsurance.
30	Ex-Gratia Payment	A voluntary payment made by an insurer or reinsurer in response to a loss for which it is not technically obligated under the terms of its contract.
31	Expense ratio	Sum of acquisition costs and other operating costs and expenses, in relation to premiums earned.
32	Facultative Reinsurance	Reinsurance of individual risks by offer and acceptance wherein the reinsurer retains the ability to accept or reject and individually price each risk offered by the ceding company.
33	Fair value change account	Unrealised gains/ losses arising due to changes in the fair value of listed equity shares and mutual funds.
34	Follow the Fortunes	Follow the fortunes generally provides that a reinsurer must follow the underwriting fortunes of its reinsured and therefore, is bound by the decisions of its reinsured in the absence of fraud, collusion or bad faith.
35	Gross Line	The total limit of liability accepted by an insurer on an individual risk (net line plus all reinsurance ceded)
36	Gross Net Earned Premium Income (GNEPI)	GNEPI represents the earned premiums of the primary company for the lines of business covered (Net, meaning after cancellation, refunds and premiums paid for any reinsurance protecting the cover being rated, but Gross, meaning before deducting the premium for the cover being rated)
37	Gross Net Written Premium Income (GNWPI)	It is the amount of an insurance company's premiums that are used to determine what portion of premiums is owed to a reinsurer. Generally GNWPI are gross written premium less returned premiums, less premiums paid for reinsurance that inure to the benefit of the cover in question.
38	Ground Up Loss	The total amount of loss sustained by the ceding company before taking into account the credit(s) due from reinsurance recoverable(s).
39	Health insurance	Generic term applying to all types of insurance indemnifying or reimbursing for losses caused by bodily injury or sickness or for expenses of medical treatment necessitated by sickness or accidental bodily injury.
40	Hull insurance	Insurance protecting the owners against loss caused by damage or destruction of waterborne craft or aircraft.
41	Incurred But Not Reported (IBNR)	An actuarial estimate of amounts required to pay ultimate net losses that refers to losses that have occurred but have not yet been fully and finally settled/paid.
42	Incurred But Not Enough Reported (IBNER)	IBNER is a provision in claims and losses already reported but which have not yet been paid in full for potential increases in the value of these claims when they are ultimately paid.
43	Incurred Loss (also known as Loss Incurred)	For a specific reinsurance period (typically annual) incurred loss is calculated as paid losses during the period, plus outstanding loss at the end of the period, minus outstanding losses at the beginning of the period irrespective of when the loss actually occurred or when the original policy attached.

44	Layer	Section of cover in a non-proportional reinsurance programme in which total coverage is divided into a number of consecutive layers starting at the retention or attachment point of the ceding company up to the maximum limit of indemnity.
45	Liability Insurance	Insurance for damages that a policyholder is obliged to pay because of bodily injury or property damage caused to another person or entity based on negligence, strict liability or contractual liability.
46	Life Insurance	Insurance that provides for the payment of a sum of money upon the death of the insured, or upon the insured surviving a given number of years, depending on the terms of the policy.
47	Line of Business	The general classification of business in the insurance industry to identify the major segments of policies that are sold to the general public, i.e., fire, marine, motor, health, liability, agriculture etc.
48	Loss Development	The process of change in the value of claims over time until the claims are fully settled and paid.
49	Losses Occurring During	The provision in a reinsurance contract that designates that the losses to which the reinsurance applies are those losses that actually happen during the term of the reinsurance even if the original policies that cover the losses are issued prior to the inception of the reinsurance contract.
50	Marine Insurance	Line of insurance which includes coverage for property in transit (cargo), means of transportation (except aircraft and motor vehicles), offshore installations and valuables, as well as liabilities associated with marine risks and professions.
51	Maximum Foreseeable Loss/ Probable Maximum Loss (PML)	The worst loss that is foreseeable or probable to occur because of a single event. This term is typically used in property reinsurance.
52	Minimum Premium	An amount of premium which will be charged (usually for an excess of loss reinsurance contract), notwithstanding that the actual premium developed by applying the rate to the subject premium could produce a lower figure.
53	Motor insurance	Line of insurance which offers coverage for property, accident and liability losses involving motor vehicles.
54	Net Retained Liability	The amount of insurance that a ceding company keeps for its own account and does not reinsure in any way. It is the amount of loss that a cedent retains after all available reinsurance recoveries.
55	Net Loss	The amount of loss sustained by an insurer after making deductions for all recoveries, salvage and all claims upon reinsurers.
56	Non-life insurance	All classes of insurance business excluding life insurance.
57	Non-proportional reinsurance	Form of reinsurance in which coverage is not in direct proportion to the original insurer's loss; instead the reinsurer is liable for a specified amount which exceeds the insurer's retention; also known as "excess of loss reinsurance".
58	Obligatory Treaty	A reinsurance contract under which the subject business must be ceded by the insurer in accordance with contract terms and must be accepted by the reinsurer.
59	Occurrence	A frequently used term in reinsurance referring to an incident, happening or event which triggers coverage under an occurrence-based reinsurance agreement.
60	Occurrence Limit	A provision in most property per risk reinsurance contracts that limits the reinsurer's liability for all risks involved in one occurrence.
61	Operating margin ratio	The operating margin is calculated as operating result divided by total operating revenues. The operating result is before interest expenses, taxes and net realised gains/losses.
62	Operating revenues	Premiums earned plus net investment income plus other revenues.
63	Operational risk	Risk arising from failure of operational processes, internal procedures and controls leading to financial loss.
64	Outstanding Loss Reserve (OSLR)	For an individual claim, an estimate of the amount the insurer expects to pay for the reported claim, prior to the final settlement of the claim. May include amounts for loss adjustment expenses.
65	Overriding Commission	In reinsurance or retrocession business (typically proportional treaties) an allowance paid to the ceding company over and above the actual acquisition and related cost to produce and underwrite the original business.
66	Placement Slip	A temporary agreement outlining reinsurance terms and conditions for which coverage has been effected, pending replacement by a formal reinsurance contract. Also known as a binder, confirmation, slip and in some circumstances, cover note.

67	Portfolio	Portfolio reinsurance is a type of contract in which an insurer has a large block of insurance policies reinsured. It may involve shifting risk from the insurer to the reinsurer for a particular type of policy (such as property, life, marine, etc.), or all policies within a geographic area, or for a book of business.
68	Premium	The payment, or one of the periodical payments, a policyholder agrees to make for an insurance policy.
69	Premiums earned	Premiums an insurance company has recorded as revenues during a specific accounting period.
70	Premiums written	Premiums for all policies sold during a specific accounting period.
71	Premium Deficiency Reserve	When the anticipated losses, loss adjustment expenses, commissions and other acquisition costs, and maintenance costs exceed the recorded "unearned premium reserve", a premium deficiency reserve is recognized by recording an additional liability for the deficiency, with a corresponding charge to operations.
72	Priority	The retention of the primary company in a reinsurance agreement.
73	Product liability insurance	Insurance covering the liability of the manufacturer or supplier of goods for damage caused by their products.
74	Professional indemnity insurance	Liability insurance cover which protects professional specialists such as physicians, architects, engineers, lawyers, accountants and others against third-party claims arising from activities in their professional field.
75	Profit Commission (P.C.)	A commission feature whereby the cedent is allowed a commission based on the profitability of the reinsurance contract after an allowance for the reinsurer's expense and profit margin.
76	Property insurance	Collective term for fire and business interruption insurance as well as burglary, fidelity guarantee and allied lines.
77	Pro Rata Reinsurance (also known as Proportional Reinsurance)	A generic term describing all forms of quota share and surplus reinsurance in which the reinsurer shares a pro rata portion of the losses and premiums of the ceding company.
78	Quota Share Reinsurance	A form of pro rata reinsurance (or proportional reinsurance) indemnifying the ceding company for an established percentage of loss on each risk covered in the contract in consideration of the same percentage of the premium paid to the ceding company.
79	Rate	The percent or factor applied to the ceding company's subject premium that results in the reinsurance premium for excess of loss reinsurance.
80	Rate On Line (ROL)	A percentage derived by dividing reinsurance premium by reinsurance limit; the inverse is known as the payback or amortization period.
81	Rating/Pricing	There are two basic approaches for pricing of reinsurance contracts: exposure rating and experience rating. Both methods can be used as separate rating approaches or may be weighted together to calculate the expected loss for a contract that is then used as the basis for pricing the reinsurance.
82	Reinstatement Clause	A provision in a reinsurance contract stating that, when the amount of reinsurance coverage provided under a contract is reduced by the payment of loss as the result of one occurrence, the reinsurance coverage amount is automatically reinstated for the next occurrence, sometimes subject to the payment of a specified reinstatement premium.
83	Reinstatement Premium	An additional reinsurance premium that may be charged for reinstating the amount of reinsurance coverage reduced as the result of a reinsurance loss payment under a reinsurance contract.
84	Reinsurance	The transaction whereby the assuming insurer ("reinsurer"), in consideration of premium paid, agrees to indemnify another insurer ("ceding company") against all or part of the loss which the latter may sustain under a specific policy or group of policies which it has issued.
85	Reinsurance ceded/accepted	An insurance risk that is transferred by the ceding company to reinsurer for sharing premiums and claims as per agreed terms and conditions is considered as reinsurance accepted by the reinsurer and reinsurance ceded by the ceding company.
86	Reinsured	See Cedent.
87	Reinsurer	The insurer that assumes all or a part of the insurance or reinsurance risk written by another insurer.
88	Reserves	Amount required to be carried as a liability in the financial statements of an insurer or reinsurer to provide for future commitments under outstanding policies and contracts.
89	Retention	The amount of risk the ceding company keeps for its own account or the account of others.

90	Retrocede	The action of a reinsurer of reinsuring another reinsurer for its liability assumed under one or more reinsurance contracts with primary insurance companies or with other reinsurers.
91	Retrocedent	A reinsurer who reinsures all or part of its assumed reinsurance with another reinsurer.
92	Retrocession	A reinsurance transaction whereby a reinsurer, known as a retrocedent, cedes all or part of the reinsurance risk it has assumed to another reinsurer, known as a retrocessionaire.
93	Retrocessionaire	A reinsurer who assumes reinsurance from another reinsurer.
94	Return on equity (ROE)	Net income as a percentage of time-weighted shareholders' equity.
95	Risk	Condition in which there is a possibility of injury or loss; also used by insurance practitioners to indicate the property insured or the peril insured against.
96	Risk management	Management tool for the comprehensive identification and assessment of risks based on knowledge and experience in the respective fields.
97	Run-Off	A termination provision of a reinsurance contract that stipulates that the reinsurer remains liable for loss as a result of occurrences taking place after the date of termination for reinsured policies in force at the date of termination until their expiration or for a specified time period.
98	Sliding Scale Commission	A commission adjustment on earned premiums whereby the actual commission varies inversely with the loss ratio, subject to a maximum and minimum.
99	Solvency Ratio	This is a regulatory measure of capital adequacy, calculated by dividing available solvency margin by required solvency margin, each as calculated in accordance with the guidelines of the IRDAI on a standalone restated basis. The IRDAI has set a minimum solvency ratio of 1.50.
100	Stop-loss reinsurance	Form of reinsurance that protects the ceding insurer against an aggregate amount of claims over a period, in excess of either a stated amount or a specified percentage of estimated benefit costs.
101	Subrogation	The assignment of a contractual right of an insured or reinsured by terms of the policy or a contract or by law, after payment of a loss, of the rights of the insured to recover the amount of the loss from one legally liable for it.
102	Surplus Reinsurance (also known as Surplus Share Reinsurance or Variable Quota Share Reinsurance)	A form of pro rata reinsurance under which the ceding company cedes that portion of its liability on a given risk which is greater than the portion of risk the cedent retains (i.e., net line), and the premiums and losses are shared in the same proportion as the ceded amount bears to the total limit insured on each risk.
103	Syndicate	Lloyd's Syndicate refers to an entity composed of corporate and/or individual members formed for the purpose of underwriting insurance and/or reinsurance at Lloyd's, London.
104	Treaty	A reinsurance contract under which the reinsured company agrees to cede and the reinsurer agrees to assume a portfolio of risks of a particular class or classes of business.
105	Ultimate Net Loss (UNL)	The loss amount, including covered Loss Adjustment Expenses (LAE), against which the retention and the reinsurance limits apply.
106	Unearned Premium Reserve (UPR)	Unearned premiums are the sum of all the premiums representing the unexpired portions of the policies or reinsurance agreements which the insurer or reinsurer has on its books as of a certain date.
107	Underwriting Capacity	The maximum amount of money an insurer or reinsurer is willing to risk in a single loss event on a single risk or in the aggregate on all risks in a given period.
108	Working Cover	A contract covering an amount of excess reinsurance in which frequency of loss is anticipated, usually attaching over a relatively low retention and usually providing a relative low limit of reinsurance coverage per loss or risk.





आपत्काले रक्षिष्यामि

GIC Re

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**भारतीय साधारण बीमा निगम**

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