

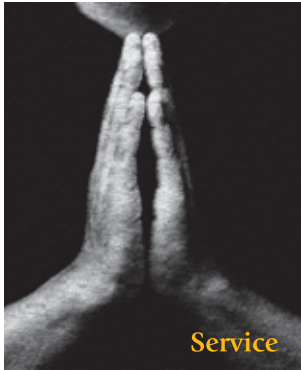


Royal Sundaram
General Insurance

23RD
ANNUAL
REPORT
2022 – 2023

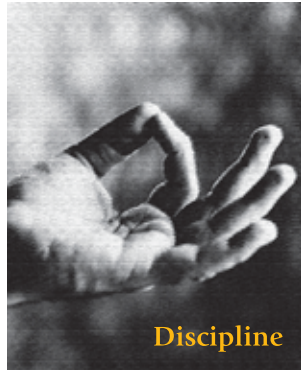
Growth | Quality | Profitability

Royal Sundaram General Insurance Co. Limited



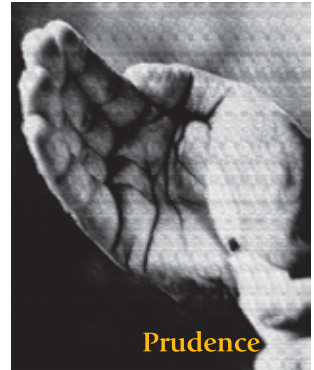
Service

To be of service even when time is against you



Discipline

To know that discipline is your ally in all situations



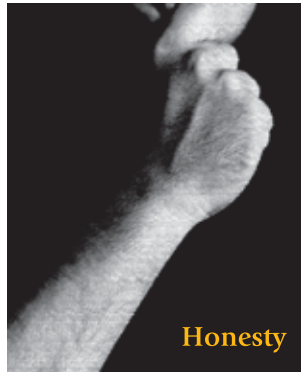
Prudence

To be the voice of prudence in the midst of chaos



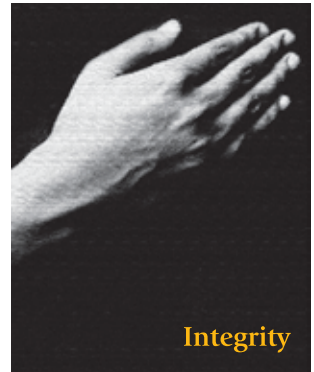
Fair play

To stand for fair play when the odds are stacked against you



Honesty

To believe that honesty is the only policy



Integrity

To put integrity above all else



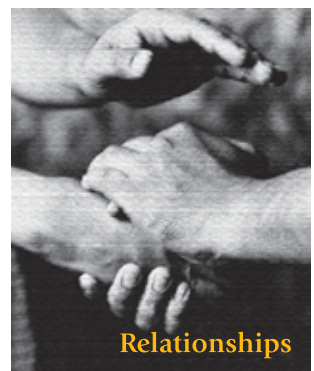
Humility

To realise that humility is the greatest virtue



Openness

To be open to scrutiny, anywhere, anytime



Relationships

To know that we are not merely the holders of people's money; but more importantly the custodians of their trust

THE

SUNDARAM

WAY

Board of Directors	S Viji	Chairman
	T T Srinivasaraghavan	Director
	Harsha Viji	Director
	Gary Lee Crist	Director
	Filip A L Coremans	Director
	S Prasad	Director
	M S Sundara Rajan	Director
	Radha Unni	Director
	A V Girijakumar	Director
	M S Sreedhar	Managing Director
Audit Committee	S Prasad	Chairman
	T T Srinivasaraghavan	Member
	Gary Lee Crist	Member
	M S Sundara Rajan	Member
	A V Girijakumar	Member
Company Secretary & Chief Compliance Officer	S R Balachandher	
Chief Financial Officer	Vaibhav Kabra	
Corporate Identification Number (CIN)	U67200TN2000PLC045611	
IRDAI Registration Number	102	
Registered Office	21, Patullos Road, Chennai 600 002	
Corporate Office	Vishranthi Melaram Towers, 2/319, Rajiv Gandhi Salai Karapakkam (OMR) Chennai 600 097 Tel: 044 7117 7117	
Regional Offices	Chennai, Gurgaon, Kolkata & Mumbai	
Joint Statutory Auditors	M/s. N C Rajagopal & Co., Chartered Accountants 22, V.Krishnaswamy Avenue, Luz Church Road Mylapore, Chennai 600 004	
	M/s. Brahmayya & Co., Chartered Accountants 48, Masilamani Road, Balaji Nagar Royapettah, Chennai 600 014	
Concurrent Auditors (Investments)	M/s. T Selvaraj & Co., Chartered Accountants No.32, Dewan Rama Road, Purasawalkam, Chennai 600084	
Information Security Assurance Services	M/s. C V Ramaswamy & Co., Chartered Accountants No.1, Vidwan Sundaram Street Nungambakkam, Chennai 600034	
Secretarial Auditors	M/s. M Damodaran & Associates LLP New No.6, Old No.12, Appavoo Gramni 1 st Street Mandaveli, Chennai 600 028	
Registrar And Share Transfer Agents (RTA)	Cameo Corporate Services Limited No. 1, Club House Road, Chennai 600 002 Tel: 044 2846 0390	
Debenture Trustee	IDBI Trusteeship Services Limited 17, R. Kamani Marg, Ballard Estate Mumbai 400 001, Tel: 022 4080 7000	

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BOARD'S REPORT TO THE SHAREHOLDERS

The Board of Directors of your company are pleased to present the twenty third (23rd) Annual Report along with the audited financial statements for the financial year ended 31st March 2023. This report includes the management discussion and analysis.

Economy and Industry overview

The General Insurance Industry registered a robust growth of 16.4% for FY23, with Gross Direct Premium income (GDPI) increasing to ₹ 2,56,912 cr., in FY 23 from ₹ 2,20,700 cr., in FY 22. Private sector insurance companies continued with their strong growth trajectory, thus increasing their market share.

The overall outlook for the Indian economy remains positive. It is expected that the ongoing investments in capacity building and infrastructure will provide the much needed thrust to the economy for a sustainable growth. India is expected to grow at 6.0%–6.5% during FY 24, this despite the global economy continuing with its struggle for growth.

The world has finally emerged from the shadows of the pandemic and has, in fact, learned to live with it. However, geopolitical crises, global inflation, and tight monetary policy conditions could dampen the outlook. Growth is therefore expected to be restrained by slower consumption and challenging external conditions.

The Insurance Regulatory and Development Authority of India (IRDAI) has carried out several initiatives aimed at improving insurance penetration in the Country. They have liberalised many key regulations governing the insurance business to promote ease of doing business. Insurance companies are exploring various opportunities to promote and offer innovative products at an affordable premium. The rapid digitalisation of the insurance sector is expected to facilitate ease of distribution and reach, which would eventually bring more people under the ambit of insurance. The introduction of mandatory “know your customer” requirements for the general insurance business, is a welcome move and is expected to help insurance companies to own their customers, offer upgrades, new products and provide opportunities in terms of policy issuance, more efficient and quicker claims servicing.

Snapshot of the financial results

The highlights of the financial results of your company for the year 2022-23, are as follows:

Particulars	(₹in cr.)	
	2022-23	2021-22
Gross Direct Premium	3,380	2,867
Net Written Premium	2,702	2,192
Net Earned Premium	2,440	2,171
Net Incurred Claims	1,879	1,828
Net Commission Outgo/(Income)	161	156
Expenses of Management	768	557
Underwriting Profit/(Loss)	(368)	(370)
Investment Income – Policyholders	440	434
General Insurance Results Profit/(Loss)	71	64
Investment Income – Shareholders	106	105
Other Income/(Outgo)	(15)	6
Profit Before Tax	162	175
Provision for taxation	41	44
Profit/(Loss) After Tax	121	131

Analysis of performance and financial results for 2022-23

Your company achieved a Gross Direct Premium (GDP) of ₹ 3,380 cr., during 2022-23 (₹ 2,867 cr., in 2021-22) reflecting a healthy growth rate of 17.9% and higher than the market growth of 16.4%. The market share of your company was around 1.3% during the year.

The company continues its journey of growing profitably through robust and prudent underwriting practices - while at the same time exploring and leveraging opportunities for growth and innovation – developing a well-diversified portfolio of products, generation of sufficient cash flows through strong retention of premium and careful investments of the proceeds. In addition, we continue to focus on high quality and efficient customer service.

Commercial Insurance

During 2022-23, your company's commercial insurance business recorded a GWP of ₹ 767 cr., (₹ 635 cr., in 2021-22), registering a strong growth of 21%. In the commercial motor segment, your company underwrote a premium of ₹ 1036 cr., as against ₹ 625 cr., reflecting a growth rate of 66%.

Your company's continued focus on prudence in underwriting and effective risk selection and management has helped it to grow the commercial business and commercial motor segment profitably. We expect that with greater emphasis being given to developing the infrastructure and capacity building, the commercial business will continue its growth trajectory in the coming years as well.

Personal Insurance

Under personal insurance, your company underwrote a GWP of ₹ 1689 cr., for 2022-23.

Increased awareness amongst the masses about the need for health insurance continued to drive the health insurance business in India. Your company introduced new health insurance products like Multiplier Health Insurance, Advance Top-up and Family Plus to cater to the growing demands and needs of the market. The liberalised product filing guidelines introduced by the Regulator will help the company to come out with more innovative products in future. All these developments augur well for a strong growth in the health segment.

Investments

The size of the Investment portfolio of your company as of 31st March 2023, stood at ₹ 7649.47 cr., (₹ 7104.58 cr., on 31.3.2022) with an accretion of ₹ 544.89 cr. The net investment income for financial year 2022-23 amounted to ₹ 535.80 cr., (₹ 531.69 cr., in 2021-22).

The portfolio yield based on net investment income was at 7.2% (7.7% for 2021-22). Your company had complied with the mandatory investment requirements and limits prescribed by the IRDAI and the Investment Policy of the company, in respect of its investments as of 31st March 2023. The investments in Gilt and AAA rated and AAA equivalent instruments constituted 83% of the total investment portfolio. As at 31st March 2023, the company does not have any non-performing investments.

Rural and Social Sector obligations

Your company continued to achieve and surpass its obligations in both the Rural and Social sectors. During the year, it achieved a premium of ₹ 336.27 cr., under rural sector as against the regulatory requirement of ₹ 236.58 cr., (7% of the Gross Direct Premium). Further, in the social sector, it covered 9,29,857 lives as against the regulatory requirement of 1,64,274 lives.

Network

As at 31st March 2023, your company had 164 offices. There is a good distribution of branches across all regions with branches in South contributing 42%, West 26% and East and North representing the remaining 32%.

Peer Review of Actuarial Valuation

The company, as required under the regulations, had engaged the services of a qualified consulting actuary for conducting the peer review of the Actuarial Statutory Valuation as at 31st March 2023. The scope included check on data credibility, review of methodology and assumptions and reasonableness of the results. The peer reviewer has confirmed the sufficiency and adequacy of the IBNR/IBNER held by the company as per the certification of the Appointed Actuary of the company.

Information Technology

By adopting emerging technologies and leveraging data as part of its core strategy, your company continues as an agile and customer centric insurer, delivering a superior and enhanced customer experience. We strongly believe that the evolving tech practices around digital innovation, data science, cloud and web technologies combined with our deep technical expertise and domain knowledge will accelerate innovation and give us a distinct and significant competitive edge over the upcoming years.

We continue to operate on our “Fit to Purpose” philosophy thereby optimizing the investments in the areas of technology. Our intermediaries and employees continue to be our focus areas for process improvements and application enhancements. Your company has supported them through various technological solutions to conduct their activities securely from any location. The company is working continuously on cloud adoption, implementation of newer technology solutions including AI based smart bots, solutions for enhancing process efficiency and servicing capability including empowerment of customers and intermediaries for self fulfilment across various channels.

Cyber Security

The company assigns significant importance to information and cyber security risks. Insurance business is highly information driven where information is recognized as a critical business asset. Due to emerging information and cyber security threats in the insurance industry, it is imperative that business information is protected adequately through appropriate controls and proactive measures. The company has implemented necessary policies and procedures to detect, mitigate and prevent cyber threats.

To manage the existing and emerging information and cyber security risks, following are in place:

- (i) Board approved Information and Cyber Security Policy in line with IRDAI guidelines and Risk Mitigation Management Plan.
- (ii) Information Security Committee (ISC) to oversee governance, implementation of the security controls and adherence to the Information and Cyber Security policy.
- (iii) Enterprise-wide information security architecture and defence mechanism to address security concerns at various levels.
- (iv) Awareness program for employees such as awareness mailers, simulation exercises, classroom trainings, etc., and
- (v) Vulnerability Assessment and Penetration Testing exercise on a periodic basis.

The company carried out an independent assessment for information & cyber security processes to benchmark its practices.

Risk Management Framework

The company recognizes that risk is an integral element of insurance business and realizes the criticality of institutionalized risk management practices to meet its objectives. The company has therefore established an effective and robust enterprise-wide Risk Management Framework (RMF), which addresses all relevant risks including strategic risks, insurance risks, financial risk and operational risks, credit risks, market risks and liquidity risks and information & cyber security risks.

The objective of the risk management framework of the company is to ensure that various risks are (a) identified, measured and mitigated, (b) policies, procedures and standards are established to address these risks for systemic response and (c) adherence, aligned with our overarching objective of creating long-term value for all our stakeholders. Our framework supports the achievement of the company's strategy by upholding an efficient and effective risk-based control environment thereby helping protection of capital, liquidity and earnings.

Your company monitors the key risks on a regular basis, and this ensures that the various risks, which in the opinion of the Management and the Risk Management Committee of the Board need constant monitoring, are identified, measured in terms of their severity and necessary steps, as required, are taken to mitigate the same.

As part of the enterprise risk management framework, critical risks along with the detailed mitigation plan are presented to the Risk Management Committee on a quarterly basis. The risk mitigation plans are monitored regularly to ensure their timely and appropriate execution. The company measures each of the risk items against a set of predefined tolerance levels. The risks are monitored on a quarterly basis by using a heat map based on likelihood and impact. The company has a risk appetite framework with thresholds defined for solvency, earnings and liquidity dimensions. The company also has defined risk indicators and alert levels for various risk types which are monitored, and exceptions are reported to the Risk Management Committee on a quarterly basis.

Your company has in place a risk retention reinsurance philosophy, which defines the product-wise retention limits on a per-risk basis as well as a retention limit on a per event basis. The underwriting policy also defines product wise approval limits for various underwriters while our Investment Policy lays down the asset allocation strategy to ensure financial liquidity, security and diversification. The company has a well-balanced reinsurance program with proportional/surplus and risk excess of loss insurance contracts. The company has adequate catastrophic reinsurance based on the risk retention policy and uses modelling techniques to periodically assess the exposure and aims to keep exposure well diversified across geographies and product lines.

The company has a well-defined Underwriting Policy and guidelines which define the approach towards product offering and selection/evaluation of risks, pricing, underwriting limits, risk appetite and the delegation of underwriting authority.

Your company periodically updates its business continuity management/planning (BCP) framework for mitigating risks arising from any potential disruption to business.

To manage the reserving risk, the company uses proprietary and commercially available actuarial models, as well as historical loss development patterns, to assist in the establishment of appropriate claim reserves. In addition, the adequacy of reserves is reviewed on a periodical basis.

Your company's investments approach is in accordance with prudential norms prescribed by the IRDAI. The company invests a high proportion of its fixed income portfolio in sovereign or AAA PSU and corporate bonds within the defined limits for Equity and AIFs. The company allocates a certain portion of investment assets to money market instruments to meet sudden obligations and additionally, the reinsurance contracts provide us with an option to draw on "cash calls" from reinsurers in the event of a large claim, thereby mitigating liquidity risk.

In addition to monitoring of the credit ratings of its fixed income exposures, the company has formalized fixed income portfolio (credit/default) risk review parameters (early warning indicator) for periodic reporting to the Investment Committee.

The company has established a dedicated function for prevention, detection, correction of internal and external frauds, that supports the claims team with loss minimisation efforts.

The Actuarial Department conducts stress testing of the portfolios on a periodic basis based on projections made in respect of the premium written, claims, investment returns and expenses, to identify and quantify the overall impact of different stress scenarios on your company's financial position.

The Risk Management Committee and the Board regularly review the various risks and the management actions taken to address these risks. The Chief Risk Officer is responsible for the identification, reporting and monitoring of these risks and reports to the Risk Management Committee on a quarterly basis.

Registration

Your company had paid to the IRDAI the annual fees for the year 2023-24 as required by the IRDAI (Registration of Indian Insurance Companies) Regulations 2000.

Section 3A of the Insurance Act, 1938 has been amended by the Insurance Laws (Amendment) Act, 2015 effective from 26th December 2014, under which the process of annual renewal of certificate of registration, has been dispensed with. Accordingly, the Certificate of Registration renewed in 2014 shall continue to be in force from 1st April 2015 onwards subject to the provisions of the Insurance Act, 1938.

Human Resources

Your company is conscious that employees remain key and critical to its success and growth. As on 31st March 2023, your company had an employee strength of 2430. Your company continues to attach a lot of importance to employee engagement, employee wellbeing, overall learning, professional development and employee satisfaction.

Continued employee engagement activities, training and development programmes for employees at all levels, mental health initiatives and free advisory calls with accredited doctors are periodically conducted to keep up the morale and spirits of employees high.

Capital and Solvency Position

Your company's authorised capital is ₹ 500 cr., and its paid-up capital is ₹ 449 cr. During the year, the company has not issued any equity shares. The net worth of the company as at 31st March 2023 was ₹ 1,554 cr.

The company's solvency ratio as at 31st March 2023 was 2.27 times as against the mandated threshold of 1.50 times.

Debentures

As at 31st March 2023, the total outstanding debt by way of NCDs is ₹ 126 cr. The said NCDs are listed on National Stock Exchange of India Limited (NSE).

The company continues to service its interest obligations to its debenture holders on due dates. Both the credit rating agencies, viz., ICRA and CARE, have reaffirmed their credit rating of AA+ with a stable outlook for our sub-debt programme.

Dividend

Your directors have pleasure in declaring a dividend of ₹ 0.70/- per equity share of face value of ₹ 10/- each, for the financial year ended 31st March 2023 which is payable on obtaining the Shareholders' approval at the 23rd Annual General Meeting. In terms of the Companies (Accounting Standard) Rules, 2006, as amended, the proposed dividend is not recorded as a liability as on 31st March 2023. The liability, will be recognised after the dividend is approved by the Members in the ensuing Annual General Meeting and duly reflected in the accounts for the year 2023-24.

Public Deposits

Your company has not accepted any deposits from public under the relevant provisions of the Companies Act, 2013.

Transfer of Unclaimed Dividend to Investor Education and Protection Fund

There was no unpaid/unclaimed dividend lying with your company and hence the provisions of Section 125 of the Companies Act, 2013 do not apply.

Loans, Guarantees and Investments

The company has not given any loan or guarantee to any person or body corporate.

The investments of the company are in line with the norms, guidelines and circulars issued by IRDAI from time to time and the Investment Policy of the company. The particulars of investment are provided in the Management Discussion and Analysis Report section.

Material changes and commitments affecting the financial position

There were no material changes and commitments affecting the financial position of your company which have occurred between the end of the financial year of your company to the date of this report.

Transfer to Reserves

Your company does not propose to carry any amount to its reserves during the year under review.

Adoption of Indian Accounting Standards (Ind AS)

IRDAI is yet to issue directions for the implementation of the Indian Accounting Standards (Ind AS) for insurance companies. However, your company has been gearing up to implement these Standards as and when mandated by the Regulatory Authority.

Maintenance of Cost Records

Pursuant to Section 148 of the Companies Act, 2013 and the Rules made thereunder, the company is not required to maintain cost records.

Significant and Material Orders Passed by the Regulators/Courts

There are no significant material orders passed by the Regulators/Courts which would impact the going concern status of your company and its future operations.

Corporate Governance

Your company has always focused on ensuring high standards for prudence, ethics and transparency in Corporate Governance. The company has complied with the Guidelines on Corporate Governance for Insurance Companies issued in May 2016 by the Insurance Regulatory and Development Authority of India (IRDAI). A detailed report on our compliance for the year ended 31st March 2023 is attached as part of this Report.

Board of Directors

The details regarding the composition of the Board, composition of various Committees and number of Meetings held during the financial year are furnished in the Corporate Governance Report.

Retirement by rotation

As per the requirements of Section 152, the Independent Directors of your company have been excluded from the total number of Directors for determining the number of Directors whose period of office will be liable to retirement by rotation.

Based on the above, at the ensuing Annual General Meeting, Mr. Harsha Viji and Mr. S Viji, Directors, retire by rotation and are eligible for re-appointment. Necessary resolutions are being placed at the ensuing AGM for the approval of the Shareholders.

Independent Directors

Your company currently has four (4) Independent Directors, viz., Mr. M.S Sundara Rajan, Mr. S. Prasad, Mrs. Radha Unni and Mr. A V Girijakumar who are not liable to retire by rotation.

The Board is of the opinion that the Independent Directors of the company possess requisite qualifications, experience and expertise in insurance, banking, finance, accountancy, economics, law, human resources, etc. and they hold highest standards of integrity. Further the Independent Directors fulfil the conditions specified in the Companies Act, 2013 and Rules made thereunder and are independent of the Management.

Declaration by Independent Directors

All our Independent Directors have given necessary declarations that they meet the criteria of independence as laid down under Section 149(6) and 149 (7) of the Companies Act, 2013.

Declaration by Directors

The company has received declarations from all Directors confirming that they are not disqualified from being appointed as Directors under the provisions of Section 164 of the Companies Act, 2013. Further, all the Directors have confirmed that they comply with the “fit and proper” criteria prescribed under the Corporate Governance Guidelines issued by IRDAI vide circular dated 18th May 2016 (‘Guidelines’).

Key Managerial Personnel (KMP)

In terms of the Companies Act, 2013, Mr. M S Sreedhar, Managing Director, Mr. Vaibhav Kabra, Chief Financial Officer and Mr. S R Balachandher, Company Secretary are the Key Managerial Personnel of your company as at 31st March 2023.

Appointed Actuary

Mr A V Ramanan is the Appointed Actuary of your company.

Board Evaluation

As per the provisions of Section 134, Schedule IV and the rules made thereunder of the Companies Act, 2013, the Board has carried out an annual evaluation of its own performance, the Directors’ individual performance comprising both self and peer evaluation and the evaluation of various Committees. The same has been explained as part of the Corporate Governance Report.

Corporate Social Responsibility (CSR) Committee and Policy

The Corporate Social Responsibility Committee comprises of Mr. Harsha Viji (Chairman), Mrs. Radha Unni, Mr. Gary Lee Crist and Mr. M S Sreedhar, Directors.

In terms of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended (“CSR Rules”) and in accordance with our CSR Policy, during the year 2023, your company has spent the required two percent of the average net profits of your company during the three immediately preceding financial years.

Your company has always responded in a responsible manner to the growing needs of the society. Several enriching and enabling activities that contribute to the community in the areas of health, education, environment and road safety have been taken up, for our participation as part of our CSR projects during the year under review.

The Annual Report on company’s CSR activities in the prescribed format is attached vide “Annexure A” and forms part of this report.

Details of Meetings of the Board/Committees held during the financial year

During the year the Board met six (6) times. The mandatory Committees as per the Corporate Governance Guidelines issued by IRDAI viz., Audit Committee, Investment Committee, Risk Management Committee and Policyholders’ Protection Committee met at least four (4) times during the year, as detailed hereunder:

Particulars	Meeting dates	No.of Meetings
Board	6.5.2022, 28.7.2022, 28.10.2022, 25.1.2023, 8.2.2023, 24.3.2023	6
Audit Committee	5.5.2022, 28.7.2022, 27.10.2022, 24.1.2023, 30.3.2023	5
Investment Committee	5.5.2022, 28.7.2022, 27.10.2022, 25.1.2023, 24.3.2023	5
Risk Management Committee	5.5.2022, 28.7.2022, 27.10.2022, 24.1.2023	4
Policyholders’ Protection Committee	6.5.2022, 28.7.2022, 28.10.2022, 25.1.2023	4
Nomination & Remuneration Committee	2.5.2022, 8.2.2023	2
Corporate Social Responsibility Committee	24.3.2023	1

Auditors

Internal Auditors

Your company's internal audit team effectively carries out and evaluates the adequacy of control and risk management measures, highlight areas that require attention and report their key findings and recommendations to the Audit Committee. The internal audit team is staffed by qualified and experienced employees and reports to the Audit Committee. The Audit Committee regularly reviews the audit findings and management actions thereon, as well as the adequacy and effectiveness of the internal systems and controls.

Statutory Auditors

M/s N C Rajagopal & Co., Chartered Accountants, Chennai (Registration Number 003398S) and M/s Brahmayya & Co., Chartered Accountants, Chennai (Registration Number 000511S) are the Joint Statutory Auditors of your company.

Both the auditors were respectively re-appointed for another term of 5 years, subject to the ratification by Shareholders at every Annual General Meeting. Necessary resolutions for ratifications of appointment of Auditors will be placed before the Shareholders' at the ensuing Annual General Meeting.

Concurrent Auditors for Investment

M/s T Selvaraj & Co., Chartered Accountants, Chennai, appointed as concurrent auditors carried out the concurrent audit of the investment transactions, investment management systems, processes and transactions of your company for the year 2022-23.

Information Security Assurance Services Auditors

Your company's operations are highly automated, in line with the ever-evolving advancements in modern information technology. M/s C V Ramaswamy and Co., Chartered Accountant, Chennai, provided the required information security assurance services to your company. The company has been building several additional safeguards in operational and IT security related areas.

Secretarial Auditors' Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your company had appointed M/s. M Damodaran & Associates LLP, practising Company Secretaries, to undertake the Secretarial Audit of your company. The Report confirms that your company has complied with all the applicable provisions of various laws as mentioned in the Audit Report.

The Report of the Secretarial Auditors is annexed herewith as "Annexure B".

Secretarial Standards

The company is following the applicable Secretarial Standards issued by the Institute of Company Secretaries of India with respect to Board and General Meetings. The same has also been confirmed by the Secretarial Auditor of the company. The company has also devised necessary systems to ensure compliance with the provisions of all applicable Secretarial Standards.

There were no qualifications, reservations or adverse remarks made by either the Auditors or the Practising Company Secretary in their respective reports.

Related Party Transactions

All transactions entered by your company with Related Parties were in the ordinary course of business and on an arm's length pricing basis. Form AOC - 2, as required under Section 134 (3)(h) of the Companies Act, 2013 read with Rule 8 (2) of the Companies (Accounts) Rules, 2014, is attached as part of this report vide "Annexure C".

During the year under review, the company did not enter into any transaction or arrangement with related parties, which were material or not at arm's length. There were no materially significant transactions with the KMPs or their relatives that

have a potential conflict with the interest of the company at large. As per Accounting Standard (AS) 18 on 'Related Party Disclosures', the details of related party transactions entered by the company are included in the Notes to Accounts. The Audit Committee and the Board monitors and approves the said transactions on a periodical basis.

Establishment of vigil mechanism

Financial fraud poses a serious risk to all segments of the financial sector. The company adopts a zero-tolerance approach to fraud and does not accept any dishonest or fraudulent act committed by internal or external stakeholders. Your company has an Anti-Fraud Policy and a Whistle Blower Policy for reporting and mitigation of frauds.

The Whistle Blower Policy provides employees' and other stakeholders' a platform to communicate instances of frauds/misconducts that they have come across. In terms of the Policy, any person including employees, customers and vendors may report malpractice, actual or suspected fraud, violations of the company's code of conduct or any other act with an intention of unethical personal gain that may cause damage to the company or its employees. A Committee has been constituted to investigate complaints of any suspected or confirmed incident of fraud/misconduct reported. The Audit Committee reviews the cases referred under the Whistle Blower Policy at its quarterly meetings.

There have been no instances of offences involving fraud against the company by officers or employees that are required to be reported by the Auditors under section 143(12) and 134(3)(ca) of the Companies Act, 2013 and Rule 13 of the Companies (Audit and Auditors Rules), 2014 and amendments thereunder.

Internal control over financial reporting

The internal 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 applicable accounting principles and includes those policies and procedures that,

- (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and disposition of the assets of the company.
- (ii) 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 company are being made only in accordance with authorizations of Management and Directors of the company; and
- (iii) provide reasonable assurance regarding prevention and timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

Your company has established adequate internal control procedures, commensurate with the nature of its business and size of its operations and the same are periodically monitored and reviewed by the Management for its adequacy and appropriateness. Standard Operating Procedures are in place largely for all areas of operations and the same are reviewed periodically. The Management has assessed the effectiveness of the company's internal control over financial reporting as of 31st March 2023. As a result of the evaluation, the Management has concluded that the company's internal control over financial reporting was effective as of 31st March 2023, with no significant deficiency.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Your company values the dignity and respect of each individual working for the organisation. It has put in place an anti-sexual harassment policy in line with the requirements of the Sexual Harassment of Women at the Workplace (prevention, prohibition & redressal) Act, 2013.

Necessary Committee has been set up to consider and redress complaints as and when received from the employees covered under this policy. During the year under review, the company received two (2) complaints, which were duly addressed after necessary investigation.

Management Report

In accordance with Part IV, Schedule B of the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations 2002, the Management Report forms part of the financial statements.

Particulars of employees

Particulars of employees pursuant to provisions of Rule 5(2) of the Companies (Appointment and Remuneration) of Managerial Personnel Rules, 2014 under the provisions of the Companies Act, 2013, the particulars of employees are set out in the annexure to the Directors' Report. The Board's Report is being sent to all the Shareholders of your company excluding the said information. The annexure is available for inspection by any Shareholder during business hours on working days up to the date of ensuing Annual General Meeting. Any Shareholder interested in obtaining a copy of the same, may write to the Company Secretary of the company.

Information relating to particulars regarding Conservation of Energy, Technology Absorption, Foreign exchange earnings and outgo

Since your company does not carry out any manufacturing activity, the provisions with respect to disclosure of particulars regarding conservation of energy and technology absorption are not applicable to the company.

Your company had foreign exchange earnings equivalent to ₹ 0.16 cr., and the outgo amounted to ₹ 96.69 cr., for the year ended 31st March 2023.

Company's policy relating to Directors' appointment, payment of remuneration and discharge of their duties

The remuneration policy for Directors, Key Managerial Personnel and other employees of the company is in line with the requirements of the Companies Act, 2013, read with relevant IRDAI guidelines. The policy is annexed vide "Annexure D".

The Nomination and Remuneration Committee screens and carries out the required due diligence including "fit and proper" criteria of the Directors and Key Managerial Personnel prior to their Appointment and recommends the proposal for the consideration of the Board of Directors.

The Managing Director is the only Executive Director on the Board. His terms of remuneration are approved by the Board based on the recommendations of the Nomination and Remuneration Committee and are subject to approval by the shareholders of the company and Insurance Regulatory and Development Authority of India.

All the Non-Executive Independent Directors of your company are paid sitting fees for attending the meeting of the Board and Committees.

During the year, the Board had recommended payment of commission to the Independent Directors. The commission will be paid in accordance with the provisions of the Companies Act, 2013, read with relevant IRDAI guidelines.

Extract of the Annual Return

As required under Section 92 (3) of the Companies Act, 2013 and Rule 12 (1) of the Companies (Management and Administration) Rules, 2014, the annual return in E-form MGT-7 is available on the website of the company at <https://www.royalsundaram.in>.

Subsidiaries, Joint Ventures and Associate Companies

Your company does not have any Subsidiary or Joint Venture Companies.

As per Section 2(6) of the Companies Act, 2013, your company is considered as an "Associate" company (Joint Venture) of Sundaram Finance Limited, by virtue of 50% of your company's total paid up equity capital being held by them.

Shares

a. Buy Back of Securities

Your company has not bought back any of its securities during the year under review.

b. Sweat Equity

Your company has not issued any Sweat Equity Shares during the year under review.

c. Bonus Shares

No Bonus Shares were issued during the year under review.

d. Employees Stock Option Plan

Your company currently has no Stock Option Scheme for its employees.

Corporate Identity Number (CIN)

The Corporate Identity Number (CIN), allotted by Ministry of Corporate Affairs, Government of India is U67200TN2000PLC045611.

Means of Communication

Your company's website www.royalsundaram.in serves as a key awareness and interactive platform for all its stakeholders, allowing them to access information at their convenience. It provides comprehensive information on business segment and financial performance of the company. Your company periodically publishes its financial performance in print media and hosts the same on its website under Public Disclosure. In addition, the web portal helps the Customers to purchase/renew their retail Insurance Policies online through the website.

In accordance with IRDAI circular no. IRDA/F&I/CIR/F&A/012/01/2010 dated January 28, 2010, half-yearly financial results of the company were published in print media. The published half-yearly financial statements included the information required pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, in addition to the IRDAI requirements. The quarterly, half-yearly and annual financial information are available on the website of your company, in addition to the Annual Reports.

Registrar and Transfer Agents

Your company has appointed M/s. Cameo Corporate Services Limited as the Registrar and Transfer Agent for Equity Shares and Debentures.

All the paid-up equity shares and the Non-Convertible Debentures of your company are held in dematerialised form. Any Investor services related queries/requests/complaints be addressed to the Registrar and Transfer Agent by the Investors at the following address:

Cameo Corporate Services Limited,
"Subramanian Building"

No. 1, Club House Road, Chennai 600 002.

Ph : 044 2846 0390,

E-mail: cameo@cameoindia.com

Directors' Responsibility Statement

In accordance with the requirements of Section 134(5) of the Companies Act, 2013 and in accordance with the Insurance Act, 1938, with respect to Directors' Responsibility statement, it is hereby confirmed:

- a) that in the preparation of the annual accounts for the financial year ended 31st March 2023, the applicable accounting standards, principles and policies have been followed, along with a proper explanation relating to material departures if any.
- b) that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the operating profit and the net profit of the company for the year ended 31st March 2023.
- c) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the applicable provisions of the Insurance Act, 1938 (4 of 1938)/Companies Act, 2013, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- d) that the Directors have prepared the annual accounts on a going concern basis.
- e) that the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- f) that an Internal Audit system, commensurate with the size and nature of the business, exists and is operating effectively.

Acknowledgement

The Board wishes to express its sincere gratitude for the guidance and support extended by various authorities including the Insurance Regulatory and Development Authority of India, General Insurance Council, Ministry of Corporate Affairs and other Ministries of the Government of India, Depositories, Debenture Trustee and the Stock Exchange.

The Board acknowledges the continued patronage of its policyholders' and is thankful to the other stakeholders' such as the channel partners, intermediaries and reinsurers for their continued support, trust and cooperation. The Board takes this opportunity to thank the Promoters for providing their continued guidance, co-operation and support.

We extend our sincere appreciation to the Management and employees of your company for their continued commitment, teamwork and contribution, in steering the company in the right direction and delivering the results in a challenging business environment.

For and on behalf of the Board

Place : Chennai
Date : May 5, 2023

S Viji
Chairman
(DIN: 00139043)

REPORT ON CORPORATE GOVERNANCE

The organization conducts business in a fair, transparent and ethical manner which is the bedrock of good Corporate Governance. Corporate Governance is about commitment to values and ethical business conduct. Key elements in Corporate Governance are transparency, internal controls, risk management and internal/external communications. Further it is all about how a company is managed and involves balancing the interests and expectations of the various stakeholders viz., its Shareholders, Management, Customers, Suppliers, Regulatory Authorities and the entire community.

Company's philosophy on Corporate Governance

Your company believes that for an effective and transparent operations, a strong Corporate Governance practice is essential. Your company is committed to follow Corporate Governance practices and has imbibed the core values of its Promoters viz; service, discipline, prudence, fair play, honesty, integrity, humility and transparency in all dealings. All these combined with a commitment to conduct our operations with highest business standards and ethics. These values have stood your company in good stead so far and has enabled us to earn and retain the trust and goodwill of all the stakeholders.

The company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large. The governance framework encompasses not only regulatory and legal requirements but also several voluntary practices aimed at maximizing the stakeholders value ethically and on a sustainable basis. The company's Corporate Governance architecture has been strengthened through various policies, frameworks and codes adopted by the company. Your company continues to focus on the above core values to run its business based on the principles of good corporate governance.

The company is not only committed to follow the Corporate Governance practices embodied in various regulatory provisions but is constantly striving to adopt and adhere to the emerging best practices and benchmarking itself against such practices.

The corporate governance Guidelines dated 18th May 2016 for the Insurance Companies were issued by the Insurance Regulatory and Development Authority of India (IRDAI) and it clearly outlines the framework of corporate governance policies and practices to be followed in the company. Your company has complied with the prescribed corporate governance guidelines for the Financial Year 2022-23 and a Report is furnished hereunder: -

I. Governance Structure

The company's Governance structure broadly comprises of the Board of Directors and the Committees of the Board at the apex level and the Management structure at the operational level. This layered structure brings about a harmonious blend in governance as the Board sets the overall corporate objectives and gives strategic guidance and direction to the Management to achieve these corporate objectives within a given framework, thereby bringing about an enabling environment for value creation through sustainable profitable growth. The company's day to day affairs are managed by the Managing Director and his team under the overall supervision of the Board.

Board of Directors

The Board of Directors of the company are responsible for ensuring fairness, transparency and accountability of the company's business operations and they provide appropriate directions, with regard to leadership, vision, strategies, policies, monitoring, supervision, accountability to shareholders and to achieve greater levels of performance on a sustained basis as well as adherence to the best practices of Corporate Governance. The Board plays a pivotal role in creation of stakeholder value and ensures that the company adopts sound and ethical business practices and that the resources of the company are optimally used. The Board periodically reviews and approves the strategy and oversees the decisions of the Management.

Composition

The Board has been constituted in an appropriate manner comprising of Executive/Non-Executive and Independent Directors to ensure proper governance and management. All the Members of the Board are eminent persons with considerable expertise and varied experience in insurance, finance, transport, automobile, engineering and banking sectors. The company stands to immensely benefit by the range of experience and skills that the Directors bring to the Board.

As at March 31 2023, the Board consists of ten (10) members, of which nine (9) are Non-Executive Directors. A brief profile of the directors is provided elsewhere in the annual report for the information of the shareholders. The Managing Director is the only Executive Director. The Board is chaired by Mr. S Viji, a Non-Executive Director with more than five decades of experience in the Banking, Finance, Insurance & Automotive Component Manufacturing Industry.

Mr. S Prasad, Mr. M S Sundara Rajan, Mrs. Radha Unni and Mr. A V Girijakumar are the four (4) Independent Directors and the composition of the Board is in conformity with the IRDAI guidelines on Corporate Governance. All the Independent Directors have confirmed that they satisfy the criteria laid down for an Independent Director. As required under Section 149(3) of the Companies Act, 2013, Mrs. Radha Unni, complies with the requirements of a Woman Director on our Board.

The company has put in a process to familiarise the Independent Directors about their roles, rights and responsibilities in the Insurance industry. Further at every Board and Committee Meetings, the developments and changes on the Regulatory/statutory fronts are provided to the Directors to ensure that they are periodically updated about the industry as well as market. All the Board Members including the Independent Directors interact with the Management team periodically.

All Directors have executed the Deed of Covenant and necessary Annual declarations as required by the Corporate Governance guidelines issued by IRDAI are obtained. All the Directors of the company fulfill the 'fit and proper criteria' as mentioned in the Corporate Governance Guidelines issued by IRDAI.

Composition of the Board of Directors as at March 31, 2023

Name of the Director	Category	Qualification	Specialisation
S Viji (DIN: 00139043)	Chairman Non-Executive Director	B.Com, ACA, M.B.A	Banking, Finance, Insurance & Automotive Component Manufacturing Industry
T T Srinivasaraghavan (DIN: 00018247)	Non-Executive Director	B.Com, M.B.A	Banking and Financial Services
Harsha Viji (DIN: 00602484)	Non-Executive Director	B.Com, ACA, M.B.A	Finance and Strategy, JV negotiations and new business development
Gary Lee Crist (DIN: 00942109)	Non-Executive Director	B.A. MIM	General Insurance
Filip A L Coremans (DIN: 03178684)	Non-Executive Director	M.B.A, Actuarial	General Insurance
S Prasad (DIN: 00063667)	Non-Executive Independent Director	FCA	Finance and Audit
M S Sundara Rajan (DIN: 00169775)	Non-Executive Independent Director	ACS, M.A, CAIIB	Banking, Finance, Insurance and Capital Market
Radha Unni (DIN: 03242769)	Non-Executive Independent Woman Director	M.A, B.Ed., CAIIB	Banking
A V Girijakumar (DIN: 02921377)	Non-Executive Independent Director	B.Com, M.B.A	General Insurance
M S Sreedhar (DIN: 07153983)	Managing Director	B.Com, ACS, FIII	General Insurance

II. Board Meetings

The Board of Directors are actively involved in formulating the broad business and operational policies and deciding on the strategic issues concerning the company. The Board reviews the performance of the company on a regular and periodic basis. As and when required members of Senior Management team are invited to attend the Board meetings so as to provide additional inputs on the items being discussed.

During the year under review, six (6) meetings of the Board of Directors were held on 6.5.2022, 28.7.2022, 28.10.2022, 25.1.2023, 8.2.2023 and 24.3.2023. The time gap between any two meetings did not exceed 120 days.

The details of attendance at Board Meetings held during the year and details of other Directorships, Committee Chairmanships/memberships held by the Directors are as follows:

Name of Director	Board Meetings attended	Directorships in other Public Companies		Committees in which Chairman/Member of other Companies [#]	
		Chairman	Director	Chairman	Member
S Viji	5/6	1	1	1	1
T T Srinivasaraghavan	6/6	2	3	-	-
Harsha Viji	6/6	3	2	1	2
Gary Lee Crist	6/6	-	1	-	-
Filip A L Coremans	6/6	1	-	-	-
S Prasad	5/6	-	6	4	3
M S Sundara Rajan	6/6	-	3	-	2
Radha Unni	6/6	-	6	-	6
A V Girijakumar	6/6	-	-	-	-
M S Sreedhar	6/6	-	-	-	-

(# Foreign companies, private companies and companies under Section 8 of the Companies Act, 2013 are excluded for the above said purpose. Audit Committee and Stakeholders' Relationship Committee considered.)

Mr. A V Ramanan, Appointed Actuary is a permanent invitee to the Board and other Committee Meetings, as required.

Committee of Directors

To enable better and more focused attention on the affairs of the company and as per regulatory requirements, the Board has constituted the following Committees:

- Audit Committee,
- Investment Committee,
- Risk Management Committee,
- Policyholders' Protection Committee,
- Nomination and Remuneration Committee and
- Corporate Social Responsibility Committee.

The terms of reference of the Committees are approved by the Board, which inter alia includes all the statutory and regulatory stipulations. Meetings of all Committees, except Nomination and Remuneration Committee (NRC) and Corporate Social Responsibility Committee (CSR) are held as per regulatory requirements. The various recommendations of the Committees are submitted to the Board for its consideration and approval, as required. The Minutes of the Meetings of all the Committees are also placed periodically before the Board for its information and noting the key deliberations. In addition, Members of the senior management team are invited to participate in the Committee meetings as and when necessary to provide their views on business and also on the developments in the marketplace.

The role and composition of each of these Committees, including the number of meetings held during the year and attendance of the Committee Members at the said meetings, are given below:

III. Committee Meetings:

a. Audit Committee

Audit Committee was constituted as per the requirements of Companies Act, 2013 and IRDAI Guidelines.

Terms of Reference:

The role of the Audit Committee includes overseeing the company's financial reporting process including details of contracts outsourced, disclosure of its quarterly/half-yearly/yearly financial information to ensure that the financial statements as well as the solvency margin position statements are correct and reflect a true and fair view of the affairs of the company.

Periodical review of the internal audit reports and internal controls are also carried out by the Committee. It ensures that audit findings and recommendations are resolved by the company in an effective and timely manner. The Committee also reviews and recommends the appointment/re-appointment of auditor(s), and fixing their remuneration. Further the Committee reviews the financial and risk management policies including reports on frauds. It approves transactions with related parties as per the requirements of the Companies Act, 2013.

Composition:

The Audit Committee comprises of five (5) members. During the year under review, the Composition of the Audit Committee was reconstituted. The composition of the Audit Committee is in conformity with the provisions of Section 177 of the Companies Act, 2013 and the Corporate Governance guidelines issued by IRDAI. Mr. S Prasad, an independent Director, continues to be the Chairman of the Audit Committee.

All the Committee Members possess adequate qualifications to fulfill their duties as stipulated under the Act and the Guidelines. The Head - Internal Audit, Statutory Auditors and their representatives, Managing Director and other senior officers of the company are invitees to the Audit Committee, based on subjects discussed. The Chairman of the Committee briefs the Board of Directors about significant discussions and decisions taken at its meeting.

The Committee met five (5) times during the FY 2022-23. The composition of the Committee and the attendance of each member at the Audit Committee meetings held during the year are given below:

Name of the Members		No. of meetings attended	Meeting dates
S Prasad, Independent Director	Chairman	5 / 5	5.5.2022, 28.7.2022, 27.10.2022, 24.1.2023, 30.3.2023 (5 meetings)
M S Sundara Rajan, Independent Director	Member	5 / 5	
Radha Unni, Independent Director*	Member	1 / 2	
A V Girija kumar, Independent Director	Member	5 / 5	
T T Srinivasaraghavan	Member	4 / 5	
Harsha Viji*	Member	2 / 2	
Gary Lee Crist	Member	5 / 5	

* Ceased to be a member eff. 21st October 2022.

b. Investment Committee

The company's Investment Committee is constituted in accordance with the IRDAI (Investment) Regulations and IRDAI (Corporate Governance) Guidelines.

Terms of Reference:

The functions of the Committee include overseeing the implementation of the investment policy as approved by the Board from time to time. Necessary modifications are made to the Investment policy to bring it in line with the regulatory requirements. The Committee also periodically reviews the investment operations and performance of the company and updates the Board, as required.

The Committee inter-alia reviews the report of the concurrent auditors on audit of investment transactions and related systems, the investments made by the company and the investment strategy for the period ahead and provides advise and suggestions. All the Committee Members are fully conversant with various responsibilities cast on them by the IRDAI (Investment) Regulations, 2016, as amended from time to time. The Committee regularly apprises the Board on the performance and analysis of the company's investment portfolio and strategy.

Composition:

The Investment Committee comprises of seven (7) members – two Non-Executive Directors, the Managing Director, the Appointed Actuary, the Chief Investment Officer, Chief Financial Officer and the Chief Risk Officer. The composition of the Committee is in conformity with the provisions of the IRDAI (Investment) Regulations, 2016, as amended from time to time.

The Committee is currently chaired by Mr. Harsha Viji. The Composition of the Investment Committee was reconstituted during the year. The Committee met five (5) times during the FY 2022-23. The Composition of the Committee and attendance of the members at the Investment Committee Meetings held during the year are as follows:

Name of the Members		No. of meetings attended	Meeting dates
T T Srinivasaraghavan *	Chairman	2 / 2	5.5.2022, 28.7.2022, 27.10.2022, 25.1.2023, 24.3.2023 (5 meetings)
Harsha Viji **	Member	5 / 5	
M S Sundara Rajan *	Member	2 / 2	
Filip Coremans	Member	5 / 5	
M S Sreedhar	Managing Director	5 / 5	
A V Ramanan	Appointed Actuary	5 / 5	
Vaibhav Kabra	Chief Financial Officer	5 / 5	
Ramu Govindan	Chief Investment Officer	5 / 5	
Jignesh Sangoi	Chief Risk Officer	5 / 5	

* Ceased to be a member eff. 21st October 2022. ** Appointed as Chairman eff. 21st October 2022.

c. Risk Management Committee

The Risk Management Committee is constituted in accordance with the Corporate Governance Guidelines issued by IRDAI for Insurance Companies.

Terms of Reference:

The Committee reviews the quarterly risk profile statement that provides details of all types of risks faced by the company. The functions of the Committee include assisting the Board in effective operation of the risk management programme by performing analysis and quality reviews. Ensure that the material risks facing the company are identified and that appropriate arrangements are in place to manage and mitigate these effectively.

The Committee ensures that the Risk Management functions have an appropriate and achievable mandate to replicate the company's risk management structure and to ensure compliance with the agreed policies and standards. The Committee also reviews and monitors the business continuity plan, solvency position, enterprise risk management, risk appetite and tolerance limits, status of implementation of the Information Security and asset liability management.

A detailed Report on Committee's views/decisions are submitted to the Board, with such recommendations as the Committee may deem appropriate.

Composition:

The Committee comprises of four (4) members and is chaired by Mr. M S Sundara Rajan. The Chief Risk Officer is a permanent invitee to the meetings of the Committee. Along with the other members of the Committee, the Chief Risk Officer, the Appointed Actuary and the Chief Compliance Officer take part in the Committee Meetings.

The Composition of the Risk Management Committee was reconstituted during the year. The Committee met four (4) times during the FY 2022-23. The attendance of the members at the Committee Meetings held during the year are as follows:

Name of the Members		No. of meetings attended	Meeting dates
M S Sundara Rajan	Chairman	4 / 4	5.5.2022, 28.7.2022, 27.10.2022, 24.1.2023, (4 meetings)
T T Srinivasaraghavan	Member	3 / 4	
Harsha Viji*	Member	2 / 2	
Filip Coremans	Member	4 / 4	
M S Sreedhar	Member	4 / 4	
Jignesh Sangoi (Invitee)	Chief Risk Officer	4 / 4	

* Ceased to be a member eff. 21st October 2022.

d. Policyholders' Protection Committee

The Policyholders' Protection Committee has been constituted in accordance with the Corporate Governance Guidelines issued by IRDAI for Insurance Companies.

Terms of Reference:

The broad functions of the Committee include laying down proper procedures and mechanism to monitor and resolve complaints and grievances of policyholders'. The Committee also reviews the status of complaints and awards relating to Ombudsman and Consumer Forum at quarterly intervals. The Committee further reviews initiatives taken by the company to improve the quality of Customer service.

Composition:

The Committee comprises of four (4) members and is chaired by Mr. S Viji. The Composition of the Investment Committee was reconstituted during the year. The Committee met four times during the FY 2022-23. The composition of the Committee is given below along with the attendance of the members:

Name of the Members		No. of meetings attended	Meeting dates
S Viji	Chairman	4 / 4	6.5.2022, 28.7.2022, 28.10.2022, 25.1.2023, (4 meetings)
Harsha Viji*	Member	2 / 2	
Gary Lee Crist	Member	4 / 4	
Radha Unni	Member	3 / 4	
M S Sreedhar	Member	4 / 4	

* Ceased to be a member eff. 21st October 2022.

The Grievance Redressal Officer, Mr. T M Shyam Sunder participates as an Invitee, in the Committee Meetings. As required under the Corporate Governance guidelines, one person representing the policyholders, attends the Meetings of the Committee and assists in the formulation of policies required and assess compliance thereof.

e. Nomination and Remuneration Committee

The Companies Act, 2013 and the Insurance Regulatory and Development Authority of India vide its Corporate Governance Guidelines mandates the constitution of Nomination and Remuneration Committee and prescribes broadly the functions of the Committee. Accordingly, the company had constituted the Nomination & Remuneration Committee.

Terms of Reference:

The Committee reviews the remuneration policy including any performance related pay schemes of employees and the ongoing appropriateness of the same in line with the changing market trends and other business requirements. The Committee reviews the performance and evaluation of Directors and the appointment/reappointments and the remuneration payable to the Managing Director and recommends the same for approval of the Board. The Committee assists in the identification of persons for appointment as Directors and as Key Managerial Personnel by carrying out a due diligence process to ensure that the applicant meets the “fit and proper” criteria. The Committee also broadly reviews the increment and performance pay payable to the other employees including the Key Managerial Personnel in the company in addition to approving any policy changes.

The Nomination and Remuneration Committee ensures that:

- the level and composition of the remuneration paid is reasonable and sufficient to attract, retain and motivate talent to effectively run the day-to-day management of the company,
- relationship of “pay for performance” is clear and meets appropriate performance benchmarks; and
- the remuneration of Managing Director, Key Managerial Personnel and senior Management involves a balance between fixed and performance based incentive pay, reflecting the short and long-term performance objectives appropriate to the working of the company and its goals.
- the remuneration process considers the current and future risk factors in terms of setting the targets and evaluation criteria as well. Performance criteria, aligned with the annual operating plan, are set covering quantitative measures as well as relevant qualitative and risk factors based on priorities set by the Board each year.

Composition:

The Nomination and Remuneration Committee comprises of four (4) members post the reconstitution during 2022. The Committee is Chaired by Mr. M S Sundara Rajan, Independent Director. The Committee met two (2) times during the FY 2022-23. The composition of the Committee and the attendance of the members are given below:

Name of the Members		No. of meetings attended	Meeting dates
M S Sundara Rajan, Independent Director	Chairman	2 / 2	2.5.2022 and 8.2.2023 (2 meetings)
T T Srinivasaraghavan *	Member	1 / 1	
S Prasad, Independent Director*	Member	1 / 1	
Harsha Viji	Member	2 / 2	
Gary Lee Crist	Member	2 / 2	
Radha Unni, Independent Director	Member	2 / 2	

* Ceased to be a member eff. 21st October 2022.

f. Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee has been constituted in accordance with the Section 135 of the Companies Act, 2013.

Terms of Reference:

The terms of reference of the Corporate Social Responsibility (CSR) Committee is to formulate the CSR policy. It also recommends to the Board, the activities to be undertaken by the company and the amount of the expenditure to be incurred on such activities. The Committee also monitors projects and CSR initiatives undertaken by the company. It also provides annual report to the Board on the CSR activities.

Composition:

The CSR Committee comprises of four (4) members post the reconstitution during 2022. The Committee is Chaired by Mr. Harsha Viji, Director. The Committee met once during the year. The composition of the Committee and the attendance of the members are given below:

Name of the Members		No. of meetings attended	Meeting dates
Harsha Viji	Chairman	1 / 1	24.3.2023 (1 Meeting)
T T Srinivasaraghavan*	Member	-	
Gary Lee Crist	Member	1 / 1	
Radha Unni	Member	1 / 1	
M S Sreedhar	Member	1 / 1	

* Ceased to be a member eff. 21st October 2022.

IV. Independent Directors' Meeting

The Independent Directors separately hold a meeting once a year (without the presence of the Management) to evaluate the performance of the Board as a whole, Non-Independent Directors, Chairman of the Board, Committees of the Board and to assess the quality, quantity and timeliness of the flow of information between the company's Management and the Board.

During the year under review a separate meeting of the Independent Directors was held on March 30, 2023. All the Independent Directors participated in the meeting. The details of their discussions were later presented to the Board.

Company Secretary:

Mr S R Balachandher, Company Secretary acts as Secretary for the Board and all the above Committees. He has, during the year, attended all the meetings.

V. Annual General Meetings (AGM)

The following table shows the details of the last three Annual General Meetings:

Financial Year	Date of Meeting	Time	Venue
2021-22	29.7.2022	12.30 p.m	Through Virtual Mode
2020-21	27.7.2021	01.30 p.m	
2019-20	27.8.2020	03.00 p.m	

Broadly the subjects considered at the Annual General Meeting include the adoption of the Annual Accounts and appointment/reappointment of Directors and Statutory Auditors and declaration of dividend.

VI. Extraordinary General Meeting (EGM)

During the year, the company had conducted one Extraordinary General Meeting. The details of which are as follows:

Sl No.	Date of the Meeting	Purpose of the Meeting
1	19.10.2022	Amendment to the Articles of Association of the company by inserting/substituting new Articles

VII. Evaluation Mechanism:

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the valuation of the working of its Audit, Nomination and Remuneration and the various Committees. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, assessing the quality, quantity and timeliness of flow of information between the company management, safeguarding the interest of the company and its minority shareholders' etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors were carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

VIII. Remuneration of Directors

The Managing Director is the only Whole-time Executive Director and his appointment is based on the recommendations of the Nomination and Remuneration Committee and are subject to approvals by the Shareholders and IRDAI.

The Independent Directors are paid sitting fees for attending meetings of the Board and Committees as detailed hereunder:

Sl No.	Name of the Independent Directors	Fee for attending Board/Committee Meetings
1	S Prasad	₹ 2.85 Lakhs
2	M S Sundara Rajan	₹ 4.85 Lakhs
3	Radha Unni	₹ 3.20 Lakhs
4	A V Girijakumar	₹ 2.85 Lakhs
Total		₹ 13.75 Lakhs

Apart from the sitting fees paid to the Independent Directors for Financial Year 2022-23, the Board had recommended payment of commission to them out of the profits of the company. This is subject to approval of the Shareholders at the ensuing Annual General Meeting. The amount of Commission payable to each of the Independent Director is recommended taking into consideration the extent of responsibilities taken up by each directors and the overall performance of the company.

IX. Internal Control

The company has adopted the following Framework in accordance with the requirements laid down under Corporate Governance guidelines:

Internal Financial Controls

There is a well-established internal financial control and risk management framework, with appropriate policies and procedures, to ensure the highest standards of integrity and transparency in its operations and a strong corporate governance structure, while maintaining excellence in services to all its stakeholders. Appropriate controls are in place to ensure: (a) the orderly and efficient conduct of business, including adherence to policies, (b) safeguarding of assets, (c) prevention and detection of frauds/errors, (d) accuracy and completeness of the accounting records and (e) timely preparation of reliable financial information.

Internal Audit Framework

The company has established an internal audit framework. The internal audit covers auditing of processes as well as transactions. The company has designed its internal control framework to provide reasonable assurance to ensure compliance with internal policies and procedures, regulatory matters and to safeguard reliability of the financial reporting and its disclosures. An annual audit plan is drawn up at the beginning of the year on the basis of risk profiling of the businesses/ departments of the company which is approved by the Audit Committee.

Internal Audit Department's key audit findings, recommendations and compliance status of the previous key audit findings are reported to the Audit Committee. The Audit Committee actively monitors the implementation of its recommendations. The Chairman of the Audit Committee briefs the Board on deliberations taken place at the Audit Committee Meeting in relation to the key audit findings.

Risk Management structure

The company is subject to the impact of changes in the business environment from time to time which necessitates continuous evaluation and management of significant risks faced by it. The company has established appropriate risk assessment and minimisation procedures.

A complete framework has been provided in the Directors' Report pertaining to Risk Management.

Code of Conduct

The company's Code of Conduct is applicable to all employees and Directors of the company. All the members of the Board and Senior Management Personnel have confirmed adherence to the provisions of the said Code of Conduct.

Details of Claims

As required under the IRDAI Corporate Governance Guidelines, 2016, the details of claims paid and outstanding at the end of the year have been disclosed under Schedule 16 -Notes to Accounts forming part of Financial Statements.

X. Compliance Officer

Mr S R Balachandher, Company Secretary is the Chief Compliance Officer as per the requirements of IRDAI.

The company is in compliance with the Corporate Governance Guidelines issued by IRDAI vide its circular dated 18th May 2016 and a certificate to this effect as provided to the Authority on an annual basis, is provided below.

For and on behalf of the Board

Place : Chennai
Date : May 5, 2023

S Viji
Chairman
(DIN: 00139043)

Certification of compliance of the Corporate Governance Guidelines for 2022-23

I, S R Balachandher, Company Secretary and Chief Compliance Officer of Royal Sundaram General Insurance Co. Limited, hereby certify that the company has complied with the Corporate Governance Guidelines as stated above, for insurance companies for 2022-23, as amended from time to time, and nothing has been concealed or suppressed.

Place : Chennai
Date : May 5, 2023

S R Balachandher
Company Secretary & Chief Compliance Officer

Annexure A
ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY
1. A brief outline of the Company's CSR policy:

Your Company is committed towards improving the quality of the lives and safety of the people living in the community under its Corporate Social Responsibility (CSR) initiative. It aims to achieve this by working together with Organisations, NGO's and other agencies involved in social activities and who strive to improve the quality of life in the fields of road safety, improving awareness in education, environmental protection, health & safety and community living. Your Company stands committed to the causes of education, environment, rural health, road safety and development. The Company also encourages and supports its employees to take part and contribute their time, skills and resources towards the social causes they feel passionate about. The Company's objective is to pro-actively support meaningful socio-economic development.

In line with its objectives, the areas that have been shortlisted for the CSR roadmap are health care, road safety, education, skill development and sustainable livelihoods, support employee volunteering in CSR activities and other areas such as disaster relief.

2. Composition of the CSR Committee:

Mr. Harsha Viji, is the current Chairman of the Committee. The Composition of the Committee and attendance of the members at the Committee Meetings held during the year are as follows:

Name of the Members/ Nature of Directorship	Designation	No. of meeting attended	Meeting dates
Harsha Viji (Non- executive Director)	Chairman	1 / 1	24.03.2023 (1 Meetings)
T T Srinivasaraghavan (Non- executive Director)	Member	-	
Gary Lee Crist (Non- executive Director)	Member	1 / 1	
Radha Unni (Independent Director)	Member	1 / 1	
M S Sreedhar (Managing Director)	Member	1 / 1	

* Ceased to be a member eff. 21st October 2022 consequent to reconstitution.

- The web-link of composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company: <https://www.royalsundaram.in>.
- 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: Not Applicable
- Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, and amount required for set off for the financial year, if any: Not Applicable
- Average net profit of the company as per Section 135 (5): ₹ 142 Cr.

7. (a) Two percent of average net profit of the Company as per section 135(5):	₹ 285 Lakhs
(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years:	-
(c) Amount required to be set off for the financial year	-
(d) Total CSR obligation for the financial year (7a+7b-7c):	₹ 285 Lakhs

8. (a) CSR amount spent or unspent for the financial year:

Total amount spent for the Financial Year (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
2,91,34,835/-	Not applicable		Not applicable		

(b) Details of CSR amount spent against ongoing projects for the financial year:

Sl. No	Name of the CSR project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Specify the State and district where projects was undertaken	Project Duration	Amount spent on the projects (₹ In Lakhs)	Amount spent in the current financial year (₹ In Lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation Direct (Yes/No)	Mode of Implementation – Through Implementing Agency	
										Name	CSR registration number
Nil											

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

Sl. No	Name of the CSR project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Specify the State and district where projects was undertaken	Amount spent on the projects (₹ In Lakhs)	Mode of Implementation Direct (Yes/No)	Mode of Implementation – Through Implementing Agency	
							Name	CSR registration number
1	Health care activity contribution	Health	Yes	Tamilnadu-Chennai	100.00	No	Sundaram Medical Foundation	CSR00018426
2			Yes	Tamilnadu-Chennai	5.00	No	Tanker Foundation	CSR00001422
3	Promoting education including special education & employment enhancing vocational skills by providing financial assistance to deserving & meritorious students/ educational institutions	Education	Yes	Tamilnadu-Chennai	75.00	No	Laxmi Charities	CSR00005940
4			Yes	Tamilnadu-Madurai	25.00	No	Lakshmi Vidya Sangam	CSR00023619
5			Yes	Tamilnadu-Madurai	35.00	No	Arogya Welfare Trust	CSR00001641
6			Yes	Tamilnadu-Madurai	35.00	No	Velammal Education Trust	CSR00040925
7		Special Education	Yes	Tamilnadu-Chennai	10.00	No	ALERT	CSR00003321
Total					285.00			

- (d) Amount spent in Administrative Overheads: ₹ 6.34 Lakh
- (e) Amount spent on Impact Assessment: Nil
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 291.34 Lakhs
- (g) Excess amount for set off: Nil
9. (a) Details of unspent CSR amount for the preceding three financial years: Nil
- (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Nil
10. Creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: Not applicable
11. Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per section 135 (5):
Not applicable

Place : Chennai
Date : May 5, 2023

M S Sreedhar
Managing Director
(DIN: 07153983)

Harsha Viji
CSR Committee Chairman
(DIN: 00602484)

Annexure B

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2023

[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]

To,

The Members,
ROYAL SUNDARAM GENERAL INSURANCE CO. LIMITED
No. 21, Patullos Road,
Chennai - 600 002.

I, M. Damodaran, Managing Partner of M Damodaran & Associates LLP, Practicing Company Secretaries have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. **ROYAL SUNDARAM GENERAL INSURANCE CO. LIMITED** (CIN: U67200TN2000PLC045611) (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the Financial Year ended on March 31, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, and as applicable to Company in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made there under;
- (ii) The Insurance Act, 1938, together with Amendments as notified, and Insurance Regulatory and Development Authority of India Act, 1999 and the Rules framed there under including the various circulars, guidelines, directions and Regulations issued from time to time, as may applicable to the company.
- (iii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (v) The Company has not dealt with the matters relating to Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings under FEMA during the year under review and hence, the question of complying with the provisions of Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder does not arise;
- (vi) The Company has listed its debt securities in the National Stock Exchange of India Limited and the following provisions are applicable:
 - a) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR); to the extent applicable
 - b) 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;

- c) the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- d) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

I have also examined compliance with the applicable clauses of the following Secretarial Standards;

Secretarial Standards (SS-1) – Board Meeting and Secretarial Standards (SS-2) – General Meeting issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the applicable provisions of the Acts, Rules, Regulations, Circulars, Guidelines, Standards, etc. mentioned above including the compliance of Corporate Governance Guidelines issued by the Insurance Regulatory and Development Authority of India and there were no observations to be reported by me.

I further report that

- (i) The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors and Independent Directors. There was no change in the composition of the Board of Directors during the period under review.
- (ii) 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. Based on the verification of the records and minutes, the decisions were carried out with the consent of majority of the Board of Directors/ Committee Members and there were no dissenting Directors/Members views recorded in the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that the Board of Directors of the Company at its meeting held on 8th February, 2023 has approved the extension of the current term of the Managing Director Mr. M S Sreedhar (DIN-07153983) beyond 31st March 2023, by another 2 (two) months, viz up to 31st May 2023, on the same remuneration, terms and conditions as earlier approved by the Board / IRDAI.

I further report that during the audit period the Company has passed a Special Resolution under section 14 and all other applicable provisions of the Companies Act, 2013 at the Extra-ordinary General Meeting held on 19th October, 2022 for alteration to the Articles of Association of the Company.

For M DAMODARAN & ASSOCIATES LLP

M. DAMODARAN
Managing Partner
Membership No.: 5837
COP. No.: 5081
FRN: L2019TN006000
PR 1374/2021
ICSI UDIN: F005837E000260718

Place : Chennai
Date : May 5, 2023

(This report is to be read with my letter of even date which is annexed and forms an integral part of this report.)

Disclaimer Certificate

To,

The Members,
ROYAL SUNDARAM GENERAL INSURANCE CO. LIMITED
No. 21, Patullos Road,
Chennai - 600 002.

My Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of the secretarial records is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I 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. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, I 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. My 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 company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For M DAMODARAN & ASSOCIATES LLP

M. DAMODARAN
Managing Partner
Membership No.: 5837
COP. No.: 5081
FRN: L2019TN006000
PR 1374/2021
ICSI UDIN: F005837E000260718

Place : Chennai
Date : May 5, 2023

Annexure C

Form No. AOC-2

[Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8 (2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis:

NIL – All transactions entered into by the company during the year with related parties were on arm's length basis.

2. Details of material contracts or arrangement or transactions at arm's length basis:

NIL – The transactions entered into by the company during the year the related parties on an arm's length basis were not material in nature.

Place : Chennai

Date : May 5, 2023

S Viji
Chairman
(DIN: 00139043)

Annexure D

REMUNERATION POLICY

Objective

The objective of this policy is to put in place a framework for the remuneration payable to the employees of the Company including the key management personnel (KMPs), Company Executive and Non-Executive Directors, including Independent Directors.

Philosophy

The underlying principle of any pay for performance philosophy is “Procedural Justice” and “Distributive Justice”.

Royal Sundaram's philosophy is to provide pay & benefit programs that support our objective of becoming a leading insurance company in India that attracts high performing people. This philosophy supports the principle that employees are our source of strength and that pay and benefits program should reward employee contribution to customer satisfaction, quality, efficiency, growth and teamwork.

Royal Sundaram has a Compensation Programme which provides employees with pay and benefits that, in total, are Competitive with other leading Companies.

Direct pay is the most visible compensation employees receive for the work they perform at Royal Sundaram. The Company's variable pay program is a “pay-for-performance” system. It is designed to recognize differences in job levels and to reward job performance.

How Is Competitive Pay Determined

Each year a Salary & Benefit Survey is done to view the Compensation Levels and pay practices of other relevant companies. This data helps in designing and administering compensation programs that are competitive with other leading companies for similar positions.

Royal Sundaram participates in Salary Surveys commissioned by other companies through a reputed consulting firm each year. Royal Sundaram further gathers information independently throughout the year.

The Salary Administration Programme

To help ensure fairness and consistency, Royal Sundaram's salary administration program is intended to reflect the value of the job and recognize employee's job performance. It provides:

- Incentives for employees to achieve salary increases through job performance – job performance directly influences salary.
- The ability to employ people with high level qualifications needed to meet the Company's objectives.

How Value Is Measured

The employee's reward for contributions to the Company's continued success is based on two measures of value:

- The value of employee's job
- The value of employee's individual performance

The review is based on characteristics like job complexity and how much independent judgement, skills and education are needed to perform the job.

The competitive data is used to develop a salary range for each salary grade. The ranges are comparable to those for similar jobs at the companies participating in the compensation surveys reviewed.

Salary can progress in the salary grade range through merit increases, which are linked to performance.

Salary Ranges

Royal Sundaram periodically reviews salary grade ranges and may adjust them to ensure that the 2nd and 3rd quartile of comparable companies fits into our salary range. This ensures that our employees with good performance levels can get salaries equivalent to the target quartile of comparable companies. The review is done effective April each year.

Salary Grades

The salary grades have been spread within a four-level structure. The job levels are four but salary grades are 14 to factor in the progression needs of the employees. All employees within a level will have comparable profiles.

The four job levels are as follows:

- a. Officer: The positions in this level perform "analyst" roles, where the major task is analysis of information/data and implementation of policies and procedures.
- b. Manager: These positions perform "specialist" role where the major task is designing systems and monitoring performance of systems. They may also be expected to guide and supervise teams.
- c. General Manager: These positions perform "Expert" role. These positions require considerable depth of knowledge and knowhow in their domain of expertise. They may be expected to lead larger teams.
- d. Vice President: These positions head a function or profit Centre or region and are expected to be involved in Business Strategy and Strategic Planning. They are expected to lead their functions.

The Salary grades have been spread within the four levels as shown below:

- a. Officer – SG01-SG04
- b. Manager – SG05-SG07
- c. General Manager – SG08-SG11
- d. Vice President – SG12-SG14

Remuneration policy for NEDs

The key elements of remuneration for the Non-Executive Directors (NED's) will be sitting fees payable for attending the meetings of the Board and Committees. The quantum shall be determined by the Board taking into consideration the provisions of the Companies Act, 2013 and IRDAI remuneration guidelines issued from time to time and subject to approval of the Shareholders, where required. The NEDs may also be entitled to receive commission as and when the same is approved by the Board based on the performance of the Company. In addition, the Directors are entitled to seek reimbursement of the expenses incurred by them for participating in the Board and other Meetings, in accordance with the provisions of the Companies Act, 2013.

The amount of sitting fees and commission, if any, payable to the NEDs shall be approved by the Board from time to time.

Remuneration to MD/CEO/WTD

IRDAI has vide its circular dated August 5, 2016 has issued fresh guidelines on remuneration of Non-Executive Directors and Executive Directors like Managing Director/Chief Executive Officer/Whole-Time Directors. The Managing Director (MD)/Chief Executive Officer (CEO)/Whole Time Directors (WTD's) are appointed for a fixed tenure as approved by the Board, Shareholders and the Insurance Regulatory and Development Authority of India (IRDAI). Re-appointment for further tenure is also subject to necessary approvals as may be required.

The Remuneration or variation in remuneration payable to the MD/CEO/WTD shall be governed by the Insurance Act, 1938 (under Section 34A of the Act) and the Rules made thereunder or any other guidelines that are issued by IRDAI from time to time. The remuneration is subject to approvals by the Nomination and Remuneration Committee (NRC), Board, Shareholders and IRDAI.

The remuneration to MD/CEO/WTD shall mainly comprise of fixed pay and variable pay. Remuneration may include basic salary, house rent allowance, other allowances, perquisites, variable pay in the form of performance bonus, stock options, other benefits and allowances as may be approved by the NRC/Board from time to time.

Severance pay will be in accordance with the provisions of the Companies Act, 2013 and shall be constituted by accrued benefits such as gratuity, provident fund, superannuation etc.

The remuneration structure for MD/CEO/WTD is subject to revision from time to time, depending on individual contribution, the company's performance and provisions of Companies Act, 2013 and rules framed thereunder and the IRDAI guidelines/directions in this regard.

The annual increments to the MD/CEO/WTD shall be aligned to the overall performance of Company and market dynamics and as approved by the NRC/Board/Shareholders/IRDAI.

Variable Pay Composition

Total remuneration or total salary is defined to include in addition to the fixed pay, the variable pay and other perquisites payable to MD/CEO/WTD for a Financial Year. While designing the remuneration arrangements, it is ensured that there is a balance between fixed and variable pay. At higher levels of responsibility, the proportion of variable pay to fixed pay may be higher.

In terms of IRDAI's Remuneration guidelines issued on August 5, 2016, the Company may define what is 'substantial' in its remuneration policy. Where the variable pay constitutes a substantial portion of the total pay, then an appropriate portion of such variable pay to be deferred over a period of not less than 3 years.

'Substantial' portion of Total Pay for the purpose of this policy means where the variable pay or performance bonus constitutes 50% or more of the total remuneration (including such variable pay or performance bonus) as approved by the NRC/Board. In such an event, 40% of the total variable pay will be deferred and paid over the subsequent 3 years or where the term or tenure of the MD is less than 3 years consequent to his superannuation, then at such terms as may be approved by IRDAI.

Annual Increments

The annual increment including fixed and variable pay would be considered at the end of the relevant financial years based on the performance parameters set by the NRC, which will include the following:

- Topline and bottom-line targets of the Company achieved.
- Deliverables on key strategies and operational efficiencies.
- Overall financial position of the company; adherence to solvency margin ratios and expenses of management limits being adhered to.
- Satisfactory claim settlement and repudiation performance.
- Putting in place an effective grievance redressal mechanism and monitoring the same periodically.
- Overall compliance with applicable laws, Regulations and Guidelines issued by IRDAI and other Statutory provisions as applicable to Insurance Companies.

Claw-back

Where variable pay is deferred, the unpaid portion may be subject to claw back provisions in case the performance of the Company is not in line with the parameters defined by the NRC/Board. However, the decision of NRC/Board shall be after due consideration of the actual/realized performance of the Company considering any unforeseen or special circumstances.

ESOP

ESOPs granted of the Insurance Company or that of the Promoter/Group/Associate Companies, if any, shall be in line with the guidelines issued by the Authority, from time to time. ESOP as per the guidelines, is kept outside the computation of the total remuneration. The details of ESOP granted should also be disclosed in terms of the disclosure requirements stipulated for the financial statements of the Company.

Disclosures

Necessary disclosures as are required under the Companies Act, 2013 and the Rules made thereunder and the IRDAI Remuneration guidelines, shall be made in the Annual Report of the Company.

Review

This policy is subject to review at such time intervals as may be deemed necessary by the Management to incorporate any statutory changes or otherwise.

N. C. Rajagopal & Co.
Chartered Accountants
22, Krishnaswamy Avenue
Luz Church Road, Mylapore
Chennai – 600004.

Brahmayya & Co.
Chartered Accountants
48, Masilamani Road
Balaji Nagar, Royapettah
Chennai - 600014.

INDEPENDENT AUDITORS' REPORT

To the members of Royal Sundaram General Insurance Co. Limited

Report on the Audit of Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of ROYAL SUNDARAM GENERAL INSURANCE CO. LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2023, Revenue Accounts, the Profit & Loss Account and Receipts & Payments Account of the Company for the year ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.
2. In accordance with the provisions of Section 11 of the Insurance Act, 1938 ("the Insurance Act") read with the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 ("the Regulations") and the provision of section 129 of the Companies Act, 2013 ("the Act"), the Balance Sheet, the Revenue Accounts and the Profit & Loss Account are not required to be, and are not, drawn up in accordance with Schedule III of the Act. The Balance Sheet, the Revenue Accounts, the Profit & Loss Account and Receipts & Payments Account are, therefore, drawn up in conformity with the Regulations.
3. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements are prepared in accordance with the requirements of the Insurance Act, 1938, the Insurance Regulatory and Development Act, 1999 and the Companies Act, 2013 to the extent applicable and give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2023;
 - b) in the case of Revenue Accounts, of the operating profit for the year ended on that date;
 - c) in the case of Profit and Loss Account, of the profit for the year ended on that date;
 - d) in the case of Receipts and Payments Statement, of the receipts and payments for the year ended on that date.
 - e) The Accounting policies selected by the insurer are appropriate and are in compliance with the applicable Accounting Standards and with the Accounting Principles, as prescribed in the regulations or any order or direction issued by the Authority in this behalf.

Basis for Opinion

4. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. 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 Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. 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 standalone financial statements of the current period. 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 described below to be the key audit matters to be communicated in our report.

Sl. No.	Key Audit Matter	Our audit procedures related to Key Audit Matter
1.	<p>Contingent Liabilities</p> <p>The Company has material uncertain tax positions including matters under dispute which involves significant judgement to determine the possible outcome of these disputes. Hence, we consider this as a Key Audit Matter.</p> <p>Total tax contingent liabilities as at March 31, 2023 is ₹ 1,74,456 thousand.</p> <p>Refer Note No. 2(a) of Schedule 17 of the standalone financial statements.</p>	<ul style="list-style-type: none"> • Obtained from the management of the Company a list of litigation cases and the changes therein as compared to previous year; also undertaken a detailed understanding of the disputes as well as reviewed the conclusions arrived by the management along with assumptions required under AS 29. • We reviewed the details of pending tax demands as at March 31, 2023. • We involved our internal experts to consider legal precedence and other ruling in evaluating the Company's position on these uncertain tax positions. • We also reviewed Company's correspondences with tax authorities, legal counsels, grounds of appeal filed with various appellate authorities and industry position on various tax disputes. • Reviewed the minutes of board meetings, including the sub-committees. <p>Based on the legal opinion and other audit evidences obtained, while noting the inherent uncertainty with such legal, regulatory and tax litigations, we have verified the tax provisions and disclosures made in respect of contingent liabilities as at March 31, 2023.</p>

Sl. No.	Key Audit Matter	Our audit procedures related to Key Audit Matter
2.	<p>Valuation of investment</p> <p>We have considered investment and its valuation as a Key Audit Matter since the carrying value of investments as at March 31, 2023, was ₹ 7,64,94,653 thousand which is approximately 87.18% of the assets of the Company. The management's assessment of the value of investment as on the reporting date involves management judgement which can materially impact the impairment loss, if any and the carrying value of investment.</p> <p>Please refer Note No.8 to Schedule 16, Accounting policy for investments and Schedule 8 and 8A on investments. Also refer to Note No. 5 of Schedule 17 on write off/provision for diminution in value of investments.</p>	<p>With regard to investments and its valuation, we have:</p> <ul style="list-style-type: none"> Reviewed the accounting policies used by the Company for accounting and disclosing investments together with the process followed for valuation of investments for compliance with the accounting framework/IRDAI regulation. Assessed the adequacy of internal controls and tested the operating effectiveness of such controls for initial recognition, measurement, subsequent valuation and disclosure of investments as on the reporting date as per applicable regulations. Verified the investment position at the year-end using direct third-party confirmation, bank statements and other substantive procedure and also independently re-performed the valuation check on a sample basis to confirm their appropriateness. Investments identified for impairment/write off by the management are verified on a 100% basis by independently assessing the risk of impairment loss and probability of realization of investment value by considering publicly available information about the investee, directions issued by Regulator and Government. We also checked the compliance with IRDAI prudential norms for the assessment of impairment provision/write off. <p>Based on the outcome of the audit procedures carried out by us as stated above, investments and its valuation as at the year-end is ensured.</p>
3.	<p>Valuation of outstanding claims ("OC") including claims incurred but not reported (IBNR) and claims incurred but not enough reported (IBNER)</p> <p>We considered this as a key audit matter because the valuation of OC including IBNR and IBNER are significant in magnitude and requires use of judgements and estimates. OC including IBNR/IBNER are estimates for settlement of claims in future which are impacted by number of factors which includes the trends in nature of historical claims, severity of historical claims, frequency of historical claims, any change in the assumptions and IRDAI regulations.</p> <p>Please refer Point No. 19 of Schedule 17 of standalone financial statements.</p>	<p>In relation to this, our audit response included the following:</p> <ul style="list-style-type: none"> We have reviewed and tested the operating effectiveness of key controls relating to the claims handling and reserving process of the claim estimates recorded; Substantive tests were performed on the amounts recorded for a sample of OC, to ensure whether claims are appropriately estimated and recorded; We have reviewed the certificate given by the Appointed Actuary and we had detailed discussions with the Actuary about the assumptions used for their valuations and accordingly relied on the certificate given by the Actuary. <p>We reviewed the adequacy of Company's related disclosures by reference to relevant accounting standards and IRDAI Regulations.</p>

Other Information

5. The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Board's report, including Annexure to Board's Report, report on Corporate Governance and Management Report, but does not include the standalone financial statements and our auditor's report thereon. 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 in the course of our audit or otherwise appears to be materially misstated.

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.

Responsibility of Management and those charged with Governance for the Standalone Financial Statements

6. The Company's Board of Directors is responsible for the matters 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 Receipts and Payments Account of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act, provisions of Sub section (1) of Section 129 of the Act, provisions of Section 11 of the Insurance Act read with the IRDAI Regulations/Guidelines/Circulars/Orders. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company 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 and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing the standalone financial statements, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the standalone 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 SAs 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 standalone financial statements.
9. 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 misstatement of the 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. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place 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 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 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 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 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.

Materiality is the magnitude of misstatements in the standalone 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 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 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 the 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.

Report on Other Legal and Regulatory Requirements

10. As required by the IRDAI Financial Statements Regulations, we have issued a separate certificate dated May 5, 2023, certifying the matters specified in paragraphs 3 and 4 of Schedule C to the IRDAI Financial Statements Regulations. As required under provisions of Section 143(3) of the Companies Act, 2013 and IRDAI regulations, 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;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet, the Revenue Accounts, Profit & Loss Account, and Receipts & Payments Account dealt with by this Report are in agreement with the books of account.

- d) The financial accounting system of the Company is centralized and therefore accounting returns are not required to be submitted by branches.
- e) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Accounting standards) Amendment Rules, 2016 to the extent applicable and read together with IRDAI Regulations/Circulars/Orders.
- f) The estimate of claims Incurred But Not Reported [IBNR] and claims Incurred But Not Enough Reported [IBNER] has been certified by the Company's Appointed Actuary. The Appointed Actuary has certified to the Company that the assumptions used for such valuation are appropriate and are in accordance with the requirements of the Insurance Regulatory and Development Authority of India [IRDAI] and the Institute of Actuaries of India in concurrence with IRDAI. We have relied on the Appointed Actuary's certificate in this regard.
- g) Investments of the Company have been valued in accordance with the Provisions of the Insurance Act and the Regulations.
- h) On the basis of written representations received from the Directors as on March 31, 2023, and taken on record by the Board of Directors, none of the Directors are disqualified as on March 31, 2023, from being appointed as a Director in terms of sub-section (2) of Section 164 of the Act.
- i) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure (A).
- j) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/payable by the Company to its Managing Director during the year is in accordance with Section 34A of the Insurance Act. As the Company is an insurance Company, the provisions contained in Section 197 of the Companies Act, 2013 are not applicable.
- k) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company has disclosed the impact of pending litigations on its financial position in Note No. 2 (a) of Schedule 17 to the standalone financial statements.
 - ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts. The Company did not have any outstanding long term derivative contracts.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv) Since the information required under Additional Regulatory Information in Y(xiv) of Division I of Schedule III to the Act, is not applicable to the Company, being Insurance Company, the Company has not disclosed the same.
 - a) However, the Management has represented to us that to the best of its knowledge and belief, no funds have been advanced or loaned or invested by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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) Further, the Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other person(s) or entity(ies) 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 adopted by us, nothing has come to our notice that has caused us to believe that the representations made by the management under sub-clause (a) and (b) above, contain any material misstatement.
- v) a) As stated in Note 31 to standalone financial statements, the final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, to the extent applicable.
- b) As stated in Note 31 of Schedule 17 to the financial statements, the Board of Directors of the Company has 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, to the extent applicable.
- vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For N.C. Rajagopal & Co.
Chartered Accountants
Registration No. 003398S

For Brahmayya & Co.
Chartered Accountants
Registration No. 000511S

V Chandrasekaran
Partner
Membership No. 024844
UDIN: 23024844BGRMVM5766

P Babu
Partner
Membership No. 203358
UDIN: 23203358BGWEQF9774

Place : Chennai
Date : May 05, 2023

ANNEXURE (A) referred to in paragraph (10)(i) under 'Report on other Legal and Regulatory requirements' of our report of even date

To the members of Royal Sundaram General Insurance Co. Limited

We have audited the Internal Financial Controls over financial reporting of ROYAL SUNDARAM GENERAL INSURANCE CO. LIMITED as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the 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". 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 Company'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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company'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 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company'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 Company'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 Company;
 - (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 Company are being made only in accordance with authorizations of Management and Directors of the Company;
- and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company'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, the 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 March 31, 2023, based on, the internal control over financial reporting criteria established by the 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.

For N.C. Rajagopal & Co.
Chartered Accountants
Registration No. 003398S

For Brahmayya & Co.
Chartered Accountants
Registration No. 000511S

V Chandrasekaran
Partner
Membership No. 024844
UDIN: 23024844BGRMVM5766

P Babu
Partner
Membership No. 203358
UDIN: 23203358BGWEQF9774

Place : Chennai
Date : May 5, 2023

N. C. Rajagopal & Co.
Chartered Accountants
22, Krishnaswamy Avenue
Luz Church Road, Mylapore
Chennai- 600004.

Brahmayya & Co.
Chartered Accountants
48, Masilamani Road
Balaji Nagar, Royapettah
Chennai- 600014.

INDEPENDENT AUDITORS' CERTIFICATE

To the members of Royal Sundaram General Insurance Co. Limited

(Referred to in our Report on Other Legal and Regulatory Requirements forming part of the Independent Auditors' Report dated May 5, 2023)

1. Management's Responsibility for the statement

The Company's Board of Directors is responsible for complying with the provisions of the Insurance Act, 1938 (the "Insurance Act") as amended by the Insurance Laws (Amendment) Act, 2015, the Insurance Regulatory and Development Authority Act, 1999 (the "IRDAI Act"), the IRDAI 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, validating data, designing, implementing and monitoring of internal controls suitable for ensuring compliance as aforesaid.

2. Auditor's Responsibility

Our responsibility, for the purpose of this certificate, is limited to certifying matters contained in paragraphs 3 and 4 of Schedule C of the IRDAI Financial Statements Regulations. We have conducted our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes issued by the Institute of Chartered Accountants of India (the 'ICAI') which include the concepts of test checks and materiality.

3. Opinion

In accordance with the 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 ROYAL SUNDARAM GENERAL INSURANCE CO. LIMITED (the 'Company') for the year ended March 31, 2023, we certify that:

- We have reviewed the Management Report attached to the financial statements for the financial year ended March 31, 2023 and there is no apparent mistake or material inconsistency therein with the financial statements.
- The Company has complied with the terms and conditions of registration stipulated by IRDAI vide their letter dated October 23, 2000.
- We have physically verified the cash balances at the corporate office of the Company as at March 31, 2023 and verified the cash/cheque deposit slips submitted to the banks by all the offices of the Company. Further, we have also relied upon the Management's certificate for cash/cheque balances at various offices of the Company as at March 31, 2023. In respect of the investments held by the Company as at March 31, 2023, we have verified confirmations received from the custodian and/or depository participants appointed by the Company, as the case may be.
- The Company is not a trustee of any trust.
- No part of the assets of the policyholders' funds have been directly or indirectly applied in contravention of the provisions of the Insurance Act relating to application and investment of policyholders' funds.
- All expenses of management in respect of Fire, Marine and Miscellaneous Insurance Business have been fully debited to the respective Revenue Accounts.

For N.C. Rajagopal & Co.
Chartered Accountants
Registration No. 003398S

V Chandrasekaran
Partner
Membership No. 024844
UDIN: 23024844BGRMVM5766

For Brahmayya & Co.
Chartered Accountants
Registration No. 000511S

P Babu
Partner
Membership No. 203358
UDIN: 23203358BGWEQF9774

Place : Chennai
Date : May 5, 2023

Form B - RA

REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2023 (FIRE BUSINESS)

Registration No. and Date of Registration with the IRDAI: 102/23.10.2000

		(₹ '000)	
Particulars	Schedule	March 31, 2023	March 31, 2022
1 Premiums earned (net)	1A	6,93,433	6,12,336
2 Profit/(Loss) on sale/redemption of investments		13,486	24,258
3 Others			
- Coinsurance admin income		8,615	9,380
- Investment income - Terrorism pool		57,788	43,032
4 Interest, Dividend and Rent [Net of amortisation] [Gross Interest and Dividend ₹ 92,937 thousand (Previous Year: ₹ 96,264 thousand)] (Refer note 17 of Schedule 17)		86,778	88,870
Total (A)		8,60,100	7,77,876
1 Claims incurred (net)	2A	2,37,101	1,86,729
2 Commission	3A	(3,09,868)	(1,21,282)
3 Operating expenses related to insurance business	4	3,95,062	2,02,602
4 Premium deficiency		-	-
Total (B)		3,22,295	2,68,049
Operating Profit/(Loss) C = (A-B)		5,37,805	5,09,827
Appropriations			
Transfer to Shareholders' Account		5,37,805	5,09,827
Transfer to Catastrophe Reserve		-	-
Transfer to Other Reserves		-	-
Total (C)		5,37,805	5,09,827
Significant accounting policies	16		
Notes to financial statements	17		

As required by Section 40C(2) of the Insurance Act, 1938, we hereby certify that all expenses of management in respect of Fire Business have been fully debited in the Fire Business Revenue Account as expenses.

As per our report of even date attached

For N.C. Rajagopal & Co.
Chartered Accountants
Registration No. 003398S

For Brahmayya & Co.
Chartered Accountants
Registration No. 000511S

V Chandrasekaran
Partner
Membership No. 024844

P Babu
Partner
Membership No. 203358

Place : Chennai
Date : May 5, 2023

For and on behalf of the Board of Directors

S Viji
Chairman
(DIN:00139043)

M S Sreedhar
Managing Director
(DIN:07153983)

Gary Lee Crist
Director
(DIN: 00942109)

S Prasad
Director
(DIN:00063667)

Vaibhav Kabra
Chief Financial Officer

S R Balachandher
Company Secretary

Form B - RA

REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2023 (MARINE BUSINESS)

Registration No. and Date of Registration with the IRDAI: 102/23.10.2000

			(₹ '000)	
Particulars	Schedule	March 31, 2023	March 31, 2022	
1 Premiums earned (net)	1B & 1C	2,54,231	2,19,812	
2 Profit/(Loss) on sale/redemption of investments		3,008	4,802	
3 Others				
- Coinsurance admin income		260	261	
4 Interest, Dividend and Rent [Net of amortisation] [Gross Interest and Dividend ₹ 20,728 thousand (Previous Year: ₹ 19,055 thousand)] (Refer note 17 of Schedule 17)		19,354	17,591	
Total (A)		2,76,853	2,42,466	
1 Claims incurred (net)	2B & 2C	1,59,994	1,77,990	
2 Commission	3B & 3C	40,533	33,221	
3 Operating expenses related to insurance business	4	59,379	54,069	
4 Premium deficiency		-	-	
Total (B)		2,59,906	2,65,280	
Operating Profit/(Loss) C = (A-B)		16,947	(22,814)	
Appropriations				
Transfer to Shareholders' Account		16,947	(22,814)	
Transfer to Catastrophe Reserve		-	-	
Transfer to Other Reserves		-	-	
Total (C)		16,947	(22,814)	
Significant accounting policies	16			
Notes to financial statements	17			

As required by Section 40C(2) of the Insurance Act, 1938, we hereby certify that all expenses of management in respect of Marine Business have been fully debited in the Marine Business Revenue Account as expenses.

As per our report of even date attached

For N.C. Rajagopal & Co.
Chartered Accountants
Registration No. 003398S

For Brahmayya & Co.
Chartered Accountants
Registration No. 000511S

For and on behalf of the Board of Directors

S Viji
Chairman
(DIN:00139043)

M S Sreedhar
Managing Director
(DIN:07153983)

V Chandrasekaran
Partner
Membership No. 024844

P Babu
Partner
Membership No. 203358

Gary Lee Crist
Director
(DIN: 00942109)

S Prasad
Director
(DIN:00063667)

Place : Chennai
Date : May 5, 2023

Vaibhav Kabra
Chief Financial Officer

S R Balachandher
Company Secretary

Form B - RA
REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2023 (MISCELLANEOUS BUSINESS)

Registration No. and Date of Registration with the IRDAI: 102/23.10.2000

(₹ '000)

Particulars	Schedule	March 31, 2023	March 31, 2022
1 Premiums earned (net)	1D	2,34,51,846	2,08,80,054
2 Profit/(Loss) on sale/redemption of investments		5,64,986	8,90,065
3 Others			
- Transfer fee and duplicate fee/Coinsurance admin income		5,802	4,229
- Investment income - Terrorism pool		14,447	10,758
- Contribution from Shareholders' Funds towards excess Expenses of Management (EoM)		3,23,550	-
4 Interest, Dividend and Rent [Net of amortisation] [Gross Interest and Dividend ₹ 38,93,673 thousand (Previous Year: ₹ 35,32,069 thousand)] (Refer note 17 of Schedule 17)		36,35,625	32,60,767
Total (A)		2,79,96,256	2,50,45,873
1 Claims incurred (net)	2D	1,83,89,128	1,79,19,227
2 Commission	3D	18,81,529	16,49,715
3 Operating expenses related to insurance business	4	72,28,722	53,11,296
4 Premium deficiency		-	-
Total (B)		2,74,99,379	2,48,80,238
Operating Profit/(Loss) C = (A-B)		4,96,877	1,65,635
Appropriations		4,96,877	1,65,635
Transfer to Shareholders' Account		-	-
Transfer to Catastrophe Reserve		-	-
Transfer to Other Reserves		-	-
Total (C)		4,96,877	1,65,635
Significant accounting policies	16		
Notes to financial statements	17		

As required by Section 40C(2) of the Insurance Act, 1938, we hereby certify that all expenses of management in respect of Miscellaneous Business have been fully debited in the Miscellaneous Business Revenue Account as expenses.

As per our report of even date attached

For N.C. Rajagopal & Co.
 Chartered Accountants
 Registration No. 003398S

For Brahmayya & Co.
 Chartered Accountants
 Registration No. 000511S

V Chandrasekaran
 Partner
 Membership No. 024844

P Babu
 Partner
 Membership No. 203358

 Place : Chennai
 Date : May 5, 2023

For and on behalf of the Board of Directors

S Viji
 Chairman
 (DIN:00139043)

M S Sreedhar
 Managing Director
 (DIN:07153983)

Gary Lee Crist
 Director
 (DIN: 00942109)

S Prasad
 Director
 (DIN:00063667)

Vaibhav Kabra
 Chief Financial Officer

S R Balachandher
 Company Secretary

Form B - PL

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2023

Registration No. and Date of Registration with the IRDAI : 102/23.10.2000

(₹ '000)

Particulars	Schedule	March 31, 2023	March 31, 2022
1 OPERATING PROFIT/(LOSS)			
a) Fire Insurance		5,37,805	5,09,827
b) Marine Insurance		16,947	(22,814)
c) Miscellaneous Insurance		4,96,877	1,65,635
2 INCOME FROM INVESTMENTS			
a) Interest, Dividend and Rent [Net of amortisation] [Gross Interest and Dividend ₹ 9,87,329 thousand (Previous Year: ₹ 8,96,030 thousand)] (Refer note 17 of Schedule 17)		9,21,895	8,27,205
b) Profit on sale of investments		1,66,555	2,66,096
Less: Loss on sale of investments		(23,290)	(40,301)
3 OTHER INCOME			
a) Profit/(Loss) on sale of assets		831	76
b) Other income		459	245
Total (A)		21,18,079	17,05,969
4 PROVISIONS (Other than taxation)			
a) For diminution in the value of investments		-	-
b) For doubtful debts (Refer note 12 of Schedule 17)		(6,869)	(79,023)
c) Others - Provision for doubtful investments (Refer note 5 of Schedule 17)		-	(4,00,000)
5 OTHER EXPENSES			
Expenses other than those related to insurance business			
a) Employee's remuneration and welfare benefits (Refer note 13 of Schedule 17)		28,314	19,588
b) Bad debts written off - Investments (Refer note 5 of Schedule 17)		-	1,45,909
c) Expenses of investment		6,001	4,438
d) CSR contribution & donations (Refer note 30 of Schedule 17)		29,135	31,500
e) Expenses related to Borrowings		711	6,944
f) Bad debts written off - Others (Refer note 12 of Schedule 17)		11,955	1,11,754
g) Interest on Income Tax		530	590
h) Interest on borrowings (Refer note 28 of Schedule 17)		99,910	1,11,119
i) Contribution to Policyholders' Funds towards excess EOM		3,23,550	-
Total (B)		4,93,237	(47,181)
Profit/(Loss) before tax (A - B)		16,24,842	17,53,150
Provision for taxation			
a) Current tax		4,26,582	2,88,316
b) Deferred tax		(14,811)	1,53,995
Profit/(Loss) after tax		12,13,071	13,10,839
Appropriations			
a) Interim dividends paid during the year		-	-
b) Final dividend paid		2,69,400	-
c) Dividend distribution tax		-	-
d) Transfer to Debenture Redemption Reserve		-	2,26,000
Balance of Profit/(Loss) brought forward from last year		73,30,384	62,45,545
Balance carried forward to Balance Sheet		82,74,055	73,30,384
Significant accounting policies	16		
Notes to financial statements	17		
Earning per share (Basic and Diluted)		2.70	2.92

As per our report of even date attached

For N.C. Rajagopal & Co.
Chartered Accountants
Registration No. 003398S

For Brahmayya & Co.
Chartered Accountants
Registration No. 000511S

V Chandrasekaran
Partner
Membership No. 024844

P Babu
Partner
Membership No. 203358

Place : Chennai
Date : May 5, 2023

For and on behalf of the Board of Directors

S Viji
Chairman
(DIN:00139043)

Gary Lee Crist
Director
(DIN: 00942109)

Vaibhav Kabra
Chief Financial Officer

M S Sreedhar
Managing Director
(DIN:07153983)

S Prasad
Director
(DIN:00063667)

S R Balachandher
Company Secretary

Form B - BS

BALANCE SHEET AS AT MARCH 31, 2023

Registration No. and Date of Registration with the IRDAI : 102/23.10.2000

(₹ '000)			
Particulars	Schedule	March 31, 2023	March 31, 2022
SOURCES OF FUNDS			
Share capital	5	44,90,000	44,90,000
Reserves and surplus	6	1,10,50,055	1,01,06,384
Fair value change account			
- Shareholder funds		21,395	2,02,459
- Policyholder funds		1,19,421	9,86,533
Borrowings	7	12,60,000	12,60,000
Total		1,69,40,871	1,70,45,376
APPLICATION OF FUNDS			
Investments - Shareholders	8	1,16,22,206	1,20,97,534
Investments - Policyholders	8A	6,48,72,447	5,89,48,305
Loans	9	-	-
Fixed assets	10	3,53,061	2,80,261
Deferred tax asset - Net (Refer note 7 of Schedule 17)		4,39,679	4,24,867
Current assets			
- Cash and bank balances	11	10,24,166	5,19,853
- Advances and other assets	12	94,30,431	93,75,960
Sub-Total (A)		1,04,54,597	98,95,813
Current liabilities	13	5,55,74,415	5,19,97,593
Provisions	14	1,52,26,704	1,26,03,811
Sub-Total (B)		7,08,01,119	6,46,01,404
Net current assets (C)=(A-B)		(6,03,46,522)	(5,47,05,591)
Miscellaneous expenditure (to the extent not written off or adjusted)	15	-	-
Debit balance in profit and loss account		-	-
Total		1,69,40,871	1,70,45,376
Significant accounting policies	16		
Notes to financial statements	17		

As per our report of even date attached

For N.C. Rajagopal & Co.
Chartered Accountants
Registration No. 003398S

For Brahmayya & Co.
Chartered Accountants
Registration No. 000511S

V Chandrasekaran
Partner
Membership No. 024844

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Partner
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Place : Chennai
Date : May 5, 2023

For and on behalf of the Board of Directors

S Viji
Chairman
(DIN:00139043)

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Director
(DIN: 00942109)

S Prasad
Director
(DIN:00063667)

Vaibhav Kabra
Chief Financial Officer

S R Balachandher
Company Secretary

SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ '000)

Particulars	March 31, 2023	March 31, 2022
SCHEDULE 1A		
PREMIUM EARNED (NET) - FIRE BUSINESS		
Premium from direct business written	29,49,084	29,04,581
Add: Premium on reinsurance accepted	11,08,207	7,63,864
Less: Premium on reinsurance ceded	(32,83,193)	(30,46,177)
Net Premium	7,74,098	6,22,268
Adjustment for change in reserve for unexpired risks	(80,665)	(9,932)
Total Premium Earned (Net)	6,93,433	6,12,336
SCHEDULE 1B		
PREMIUM EARNED (NET) - MARINE CARGO BUSINESS		
Premium from direct business written	5,16,398	4,59,652
Add: Premium on reinsurance accepted	1,186	(1,317)
Less: Premium on reinsurance ceded	(2,59,779)	(2,08,017)
Net Premium	2,57,805	2,50,318
Adjustment for change in reserve for unexpired risks	(3,574)	(30,506)
Total Premium Earned (Net)	2,54,231	2,19,812
SCHEDULE 1C		
PREMIUM EARNED (NET) - MARINE HULL BUSINESS		
Premium from direct business written	211	-
Add: Premium on reinsurance accepted	-	-
Less: Premium on reinsurance ceded	(198)	-
Net Premium	13	-
Adjustment for change in reserve for unexpired risks	(13)	-
Total Premium Earned (Net)	-	-
SCHEDULE 1D		
PREMIUM EARNED (NET) - MISCELLANEOUS BUSINESS		
Premium from direct business written	3,03,31,832	2,53,01,641
Add: Premium on reinsurance accepted	2,65,505	2,35,196
Less: Premium on reinsurance ceded	(46,06,283)	(44,88,761)
Net Premium	2,59,91,054	2,10,48,076
Adjustment for change in reserve for unexpired risks	(25,39,208)	(1,68,022)
Total Premium Earned (Net)	2,34,51,846	2,08,80,054

All premium written, less reinsurance, is from business in India.

SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ '000)

Particulars	March 31, 2023	March 31, 2022
SCHEDULE 2A		
CLAIMS INCURRED (NET) - FIRE BUSINESS		
Claims paid		
Direct	6,46,034	9,79,222
Add: Reinsurance accepted	1,37,280	1,16,546
Less: Reinsurance ceded	(6,21,253)	(7,54,027)
Net Claims paid	1,62,061	3,41,741
Add: Claims outstanding at the end of the year	3,72,988	2,97,948
Less: Claims outstanding at the beginning of the year	(2,97,948)	(4,52,960)
Total Claims Incurred	2,37,101	1,86,729
SCHEDULE 2B		
CLAIMS INCURRED (NET) - MARINE CARGO BUSINESS		
Claims paid		
Direct	3,32,714	2,92,240
Add: Reinsurance accepted	29	109
Less: Reinsurance ceded	(1,59,356)	(1,28,513)
Net Claims paid	1,73,387	1,63,836
Add: Claims outstanding at the end of the year	1,49,489	1,62,882
Less: Claims outstanding at the beginning of the year	(1,62,882)	(1,48,522)
Total Claims Incurred	1,59,994	1,78,196
SCHEDULE 2C		
CLAIMS INCURRED (NET) - MARINE HULL BUSINESS		
Claims paid		
Direct	-	-
Add: Reinsurance accepted	-	-
Less: Reinsurance ceded	-	-
Net Claims paid	-	-
Add: Claims outstanding at the end of the year	-	-
Less: Claims outstanding at the beginning of the year	-	(206)
Total Claims Incurred	-	(206)
SCHEDULE 2D		
CLAIMS INCURRED (NET) - MISCELLANEOUS BUSINESS		
Claims paid		
Direct	1,91,83,628	1,66,93,730
Add: Reinsurance accepted	1,70,214	80,958
Less: Reinsurance ceded	(34,35,713)	(33,59,526)
Net Claims paid	1,59,18,129	1,34,15,162
Add: Claims outstanding at the end of the year	4,63,49,525	4,38,78,526
Less: Claims outstanding at the beginning of the year	(4,38,78,526)	(3,93,74,461)
Total Claims Incurred	1,83,89,128	1,79,19,227

All claims paid, less reinsurance, are to claimants in India.

SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ '000)

Particulars	March 31, 2023	March 31, 2022
SCHEDULE 3A		
COMMISSION - FIRE BUSINESS		
Commission paid		
Direct	3,56,464	3,37,936
Total	3,56,464	3,37,936
Add: Commission on reinsurance accepted	1,38,205	90,159
Less: Commission on reinsurance ceded	(8,04,537)	(5,49,377)
Net Commission	(3,09,868)	(1,21,282)
Break-up of the expenses (Gross) incurred to procure business:		
Agents	34,437	38,826
Brokers	3,15,667	2,99,064
Corporate Agency	6,269	(141)
Referral	-	-
Others	91	187
Total	3,56,464	3,37,936
SCHEDULE 3B		
COMMISSION - MARINE CARGO BUSINESS		
Commission paid		
Direct	81,814	70,552
Total	81,814	70,552
Add: Commission on reinsurance accepted	53	(10)
Less: Commission on reinsurance ceded	(41,357)	(37,281)
Net Commission	40,510	33,261
Break-up of the expenses (Gross) incurred to procure business:		
Agents	27,460	27,401
Brokers	54,295	43,101
Corporate Agency	59	50
Referral	-	-
Others	-	-
Total	81,814	70,552

SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	(₹ '000)	
	March 31, 2023	March 31, 2022
SCHEDULE 3C		
COMMISSION - MARINE HULL BUSINESS		
Commission paid		
Direct	26	-
Total	26	-
Add: Commission on reinsurance accepted	-	-
Less: Commission on reinsurance ceded	(3)	(40)
Net Commission	23	(40)
Break-up of the expenses (Gross) incurred to procure business:		
Agents	-	-
Brokers	26	-
Corporate Agency	-	-
Referral	-	-
Others	-	-
Total	26	-
SCHEDULE 3D		
COMMISSION - MISCELLANEOUS BUSINESS		
Commission paid		
Direct	28,61,927	25,52,397
Total	28,61,927	25,52,397
Add: Commission on reinsurance accepted	28,877	13,492
Less: Commission on reinsurance ceded	(10,09,275)	(9,16,174)
Net Commission	18,81,529	16,49,715
Break-up of the expenses (Gross) incurred to procure business:		
Agents	4,21,791	4,06,654
Brokers	16,93,935	14,15,521
Corporate Agency	2,82,693	3,05,435
Referral	-	-
Others	4,63,508	4,24,787
Total	28,61,927	25,52,397

(₹ '000)

	Fire Revenue Account						Marine Revenue Account						Miscellaneous Revenue Account						Grand Total							
	Fire		Marine Cargo		Marine Hull		Total Marine		Motor		Workmen's Compensation/ Employers' Liability		Public/Product Liability		Engineering		Personal Accident		Health Insurance		Others		Miscellaneous Total			
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022		
Premium Earned (Net)	29,49,084	29,04,581	5,16,398	4,59,652	211	-	5,16,609	4,59,652	2,47,09,377	2,02,59,609	63,184	57,205	8,421	9,167	5,95,060	5,49,691	4,55,580	4,59,203	43,04,209	37,98,020	1,23,001	86,046	3,63,318,832	2,53,016,641	3,37,97,225	2,86,65,874
Add: Premium on reinsurance accepted	11,08,207	7,68,864	1,186	(1,317)	-	-	1,186	(1,317)	-	-	-	-	68	10	1,11,053	73,492	1,54,147	1,39,453	-	-	237	2,241	2,65,505	2,35,196	13,74,898	9,97,743
Less: Premium on reinsurance ceded	(32,831,193)	(30,46,177)	(259,779)	(208,017)	(198)	-	(2,59,377)	(2,08,017)	(31,50,360)	(30,78,012)	(6,368)	(6,256)	(54,171)	(61,306)	(59,884,2)	(5,17,251)	(2,10,301)	(1,95,138)	(4,87,356)	(5,79,648)	(98,305)	(51,150)	(46,06,283)	(44,488,781)	(81,49,453)	(77,42,955)
Net Premium	7,74,098	6,22,268	2,57,805	2,30,318	13	-	2,57,818	2,30,318	2,15,59,017	1,71,81,597	56,816	51,649	27,318	29,871	1,05,932	3,99,426	4,23,518	32,18,372	38,16,873	32,18,372	24,333	37,137	2,59,91,054	2,10,48,076	2,70,22,970	2,19,20,662
Adjustment for change in reserve for unexpired risks	(80,665)	(9,932)	(3,574)	(30,506)	(13)	-	(33,867)	(30,506)	(23,32,948)	(69,156)	(709)	2,570	548	(1,705)	(8,079)	(3,571)	(28,650)	1,34,720	(1,74,036)	(1,08,807)	4,706	(643)	(25,39,208)	(1,68,022)	(26,23,460)	(2,08,460)
Total Premium Earned (Net)	6,93,433	6,12,336	2,54,231	2,19,812	-	-	2,54,231	2,19,812	1,92,26,069	1,71,12,441	56,107	54,219	27,866	28,166	99,192	1,02,360	3,70,776	4,36,988	36,42,797	31,09,385	29,039	36,494	2,34,51,846	2,08,80,054	2,43,99,300	2,17,12,202
Claims Incurred (Net)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Claims paid	6,46,034	9,79,222	3,32,714	2,92,240	-	-	3,32,714	2,92,240	1,49,03,730	1,22,83,364	13,221	12,634	2,51,481	72,325	2,52,785	2,16,624	2,43,007	2,52,008	34,91,259	35,82,997	28,145	3,38,778	1,90,83,628	1,66,89,730	2,00,62,376	1,79,05,192
Add: Reinsurance accepted	1,37,280	1,16,546	29	109	-	-	29	109	-	-	-	-	-	-	22,942	23,611	1,47,272	52,079	-	-	-	5,268	1,70,214	80,958	3,07,233	1,97,613
Less: Reinsurance ceded	(6,21,253)	(7,54,027)	(1,59,356)	(1,28,513)	-	-	(1,59,356)	(1,28,513)	(23,93,776)	(22,73,577)	(6,401)	(6,321)	(2,37,309)	(2,400)	(1,96,219)	(1,51,102)	(9,26,233)	(5,58,894)	(3,87,660)	(5,58,894)	(18,609)	(2,36,231)	(34,35,713)	(33,59,536)	(42,16,322)	(42,42,066)
Net Claims paid	1,62,061	3,41,741	1,73,387	1,63,836	-	-	1,73,387	1,63,836	1,25,09,954	1,00,10,837	12,881	12,002	14,172	4,925	29,120	44,016	2,31,177	2,11,464	31,03,339	30,24,403	9,326	1,07,815	1,59,18,129	1,34,15,162	1,62,53,577	1,39,20,739
Add: Claims remaining unpaid at the end of the year	3,72,988	2,97,948	1,49,489	1,62,882	-	-	1,49,489	1,62,882	4,51,48,831	4,24,14,363	47,423	37,460	8,684	6,028	1,13,520	85,542	2,39,291	2,53,443	7,13,544	7,14,551	78,212	3,85,239	4,63,49,525	4,38,78,526	4,68,72,002	4,43,39,356
Less: Claims remaining unpaid at the beginning of the year	(2,97,948)	(4,52,960)	(1,62,882)	(1,48,522)	(206)	-	(1,62,882)	(1,48,522)	(4,24,14,363)	(3,77,49,435)	(37,460)	(40,941)	(6,028)	(11,941)	(85,542)	(92,156)	(2,35,343)	(2,46,430)	(7,14,551)	(7,14,551)	(3,85,239)	(4,94,327)	(4,38,78,526)	(3,93,74,461)	(4,43,59,356)	(3,93,76,149)
Total Claims Incurred	2,37,101	1,86,729	1,59,994	1,78,196	(206)	-	1,59,994	1,77,990	1,32,44,442	1,46,25,765	22,544	8,548	16,828	(388)	57,098	37,302	2,43,125	2,00,357	31,02,392	29,99,116	(2,97,301)	(1,473)	1,83,89,128	1,79,19,227	1,87,86,223	1,82,83,946
Commissions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commission paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commission paid - Direct	3,56,464	3,37,936	81,814	70,552	26	-	81,840	70,552	22,90,452	19,75,113	8,345	8,123	6,081	8,222	76,342	77,991	48,738	51,798	4,12,898	4,19,173	19,151	11,977	28,61,927	25,52,397	33,00,231	29,60,885
Total	3,56,464	3,37,936	81,814	70,552	26	-	81,840	70,552	22,90,452	19,75,113	8,345	8,123	6,081	8,222	76,342	77,991	48,738	51,798	4,12,898	4,19,173	19,151	11,977	28,61,927	25,52,397	33,00,231	29,60,885
Add: Commission on reinsurance accepted	1,38,205	901,59	53	(10)	-	-	53	(10)	-	-	-	-	7	-	11,962	7,500	16,905	5,712	-	-	3	270	28,877	13,492	1,67,135	1,03,641
Less: Commission on reinsurance ceded	(8,04,537)	(5,49,377)	(41,357)	(37,281)	(3)	(40)	(41,360)	(37,321)	(6,10,900)	(5,74,229)	(1,492)	(1,732)	(8,573)	(8,149)	(1,73,433)	(1,54,912)	(46,326)	(41,875)	(42,865)	(1,03,878)	(1,25,386)	(31,114)	(10,09,275)	(9,16,174)	(18,55,172)	(15,02,872)
Net commission	(3,09,868)	(1,21,282)	40,300	33,261	23	(40)	40,338	33,221	16,79,552	14,00,884	6,753	6,391	(2,985)	(212)	(85,129)	(69,411)	19,337	15,635	3,70,033	3,15,295	(1,06,232)	(18,867)	18,81,529	16,49,715	16,12,094	15,06,654
Operating Expenses	3,95,062	2,02,602	59,377	54,069	2	-	59,379	54,069	58,83,411	44,94,055	9,711	9,371	4,055	4,849	67,630	28,765	1,09,059	96,000	11,50,159	6,71,291	4,357	6,405	72,28,722	53,11,296	76,683,163	55,67,967

SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS

	(₹ '000)	
Particulars	March 31, 2023	March 31, 2022
SCHEDULE 4		
OPERATING EXPENSES RELATED TO INSURANCE BUSINESS		
1 Employees' remuneration and welfare benefits	21,86,809	19,90,106
2 Travel, conveyance and vehicle running expenses	77,785	46,062
3 Training expenses	10,745	3,679
4 Rents, rates and taxes	2,60,049	2,00,583
5 Repairs and maintenance	76,257	64,725
6 Printing and stationery	43,817	31,345
7 Communication	70,519	64,308
8 Legal and professional charges	19,809	17,678
9 Auditor's fees and expenses:		
(a) as auditors	3,600	3,600
(b) as adviser or in any other capacity, in respect of:		
(i) Taxation matters	360	360
(ii) Insurance matters	-	-
(iii) Management services	-	-
(c) in any other capacity - certification	1,655	1,440
(d) out of pocket expenses	255	234
10 Advertisement and publicity	20,52,751	10,62,323
11 Bank charges	1,03,379	79,406
12 Others:		
(a) Data processing and outsourcing expenses	4,26,516	5,42,153
(b) Marketing and related expenses	16,91,052	9,14,481
(c) Software and hardware maintenance charges	4,07,563	3,40,300
(d) Policy stamp expenses	3,063	2,858
(e) Directors sitting fees and commission	3,675	3,285
(f) Miscellaneous expenses	1,05,262	69,875
13 Depreciation	1,36,315	1,26,283
14 Goods and services tax on premium (Net)	1,927	2,883
Total	76,83,163	55,67,967
Allocation of expenses		
Revenue account - Fire business	3,95,062	2,02,602
Revenue account - Marine business	59,379	54,069
Revenue account - Miscellaneous business	72,28,722	53,11,296
Total	76,83,163	55,67,967

SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ '000)

Particulars	March 31, 2023	March 31, 2022
SCHEDULE 5		
SHARE CAPITAL		
1 Authorised Capital 50,00,00,000 (March 31, 2022- 50,00,00,000) Equity shares of ₹ 10/- each	50,00,000	50,00,000
2 Issued Capital 44,90,00,000 (March 31, 2022- 44,90,00,000) Equity shares of ₹ 10/- each, fully paid up	44,90,000	44,90,000
3 Subscribed Capital 44,90,00,000 (March 31, 2022- 44,90,00,000) Equity shares of ₹ 10/- each, fully paid up	44,90,000	44,90,000
4 Called-up Capital 44,90,00,000 (March 31, 2022- 44,90,00,000) Equity shares of ₹ 10/- each, fully paid up Less: Calls unpaid Add: Equity Shares forfeited (Amount originally paid-up) Less: Par value of equity shares bought back Less: Preliminary expenses (to the extent not written off)	44,90,000 - - - -	44,90,000 - - - -
Total	44,90,000	44,90,000

SCHEDULE 5A

SHARE CAPITAL

PATTERN OF SHAREHOLDING

[As certified by the Management]

Particulars	March 31, 2023		March 31, 2022	
	Number of Shares	% of holding	Number of Shares	% of holding
Shareholder				
Promoters				
Indian	26,94,00,000	60%	26,94,00,000	60%
Foreign	17,96,00,000	40%	17,96,00,000	40%
	44,90,00,000	100%	44,90,00,000	100%
Others	-	-	-	-
Total	44,90,00,000	100%	44,90,00,000	100%

SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS

	(₹ '000)	
Particulars	March 31, 2023	March 31, 2022
SCHEDULE 6		
RESERVES AND SURPLUS		
1 Capital reserve	-	-
2 Capital redemption reserve	-	-
3 Share premium	25,50,000	25,50,000
4 General reserves		
Opening Balance	1,00,000	-
Less: Debit balance in Profit and Loss Account	-	-
Less: Amount utilized for Buy-back	-	-
Add: Transfer from Debenture redemption reserve	-	1,00,000
Closing Balance	1,00,000	1,00,000
5 Catastrophe reserve	-	-
6 Debenture Redemption Reserve		
Opening Balance	1,26,000	-
Add: Appropriation from Profit & Loss Account	-	2,26,000
Less: Transfer to General reserve	-	(1,00,000)
Closing Balance	1,26,000	1,26,000
7 Balance of profit in Profit & Loss Account	82,74,055	73,30,384
Total	1,10,50,055	1,01,06,384
SCHEDULE 7		
BORROWINGS		
1 Debentures/Bonds (Refer note 28 of Schedule 17)	12,60,000	12,60,000
2 Banks	-	-
3 Financial institutions	-	-
4 Others	-	-
Total	12,60,000	12,60,000

SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ '000)

Particulars	March 31, 2023	March 31, 2022
SCHEDULE 8		
INVESTMENTS - SHAREHOLDERS		
LONG TERM INVESTMENTS		
1 Government securities and Government guaranteed bonds including treasury bills	47,21,114	45,06,719
2 Other approved securities	-	-
3 Other approved investments		
(a) Shares		
(aa) Equity	-	-
(bb) Preference	-	-
(b) Mutual funds	-	-
(c) Derivative instruments	-	-
(d) Debentures/Bonds	27,01,488	19,46,349
(e) Other securities - InvITs	-	14,346
(f) Subsidiaries	-	-
(g) Investment in properties - Real estate	-	-
(h) Fixed deposits with banks	-	-
4 Investments in infrastructure and social sector	17,68,785	24,32,095
5 Other investments - Alternative investment funds/Corporate debentures	3,21,059	2,77,074
SHORT TERM INVESTMENTS		
1 Government securities and Government guaranteed bonds including treasury bills	1,41,007	1,71,168
2 Other approved securities	-	-
3 Other approved investments		
(a) Shares		
(aa) Equity	6,51,386	7,79,350
(bb) Preference	-	-
(b) Mutual funds	-	2,13,548
(c) Derivative instruments	-	-
(d) Debentures/Bonds	4,85,915	10,58,966
(e) Other securities - TREP/CP	1,55,705	1,29,375
(f) Subsidiaries	-	-
(g) Investment in properties - Real estate	-	-
(h) Fixed deposits with banks	-	-
4 Investments in infrastructure and social sector	4,29,426	3,41,555
5 Other investments - Corporate debentures/Equity/Alternative Investment Funds	2,46,321	2,26,989
Total	1,16,22,206	1,20,97,534
Aggregate market value of quoted investments other than equity shares, mutual funds, InvITs and AIFs	1,00,67,259	1,04,86,550
Aggregate book value of quoted investments other than equity shares, mutual funds, InvITs and AIFs	1,03,08,477	1,04,82,395
Historical cost of equity shares valued on fair value basis	8,71,172	7,84,066
Historical cost of AIFs, InvITs and mutual funds valued on fair value basis	2,65,458	4,99,240
Aggregate book value of unquoted investments	1,55,705	1,29,375

SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ '000)

Particulars	March 31, 2023	March 31, 2022
SCHEDULE 8A		
INVESTMENTS - POLICYHOLDERS		
LONG TERM INVESTMENTS		
1 Government securities and Government guaranteed bonds including treasury bills	2,63,52,155	2,19,60,130
2 Other approved securities	-	-
3 Other approved investments		
(a) Shares		
(aa) Equity	-	-
(bb) Preference	-	-
(b) Mutual funds	-	-
(c) Derivative instruments	-	-
(d) Debentures/Bonds	1,50,79,075	94,84,078
(e) Other securities - InvITs	-	69,904
(f) Subsidiaries	-	-
(g) Investment in properties - Real estate	-	-
(h) Fixed deposits with banks	-	-
4 Investments in infrastructure and social sector	98,72,947	1,18,51,000
5 Other investments - Alternative investment funds/Corporate debentures	17,92,076	13,50,114
SHORT TERM INVESTMENTS		
1 Government securities and Government guaranteed bonds including treasury bills	7,87,067	8,34,060
2 Other approved securities	-	-
3 Other approved investments		
(a) Shares		
(aa) Equity	36,35,887	37,97,582
(bb) Preference	-	-
(b) Mutual funds	-	10,40,565
(c) Derivative instruments	-	-
(d) Debentures/Bonds	27,12,271	51,60,084
(e) Other securities - TREP/CP	8,69,111	6,30,411
(f) Subsidiaries	-	-
(g) Investment in properties - Real estate	-	-
(h) Fixed deposits with banks	-	-
4 Investments in infrastructure and social sector	23,96,953	16,64,311
5 Other investments - Corporate debentures/Equity/Alternative Investment Funds	13,74,905	11,06,066
Total	6,48,72,447	5,89,48,305
Aggregate market value of quoted investments other than equity shares, mutual funds, InvITs and AIFs	5,61,93,091	5,10,98,376
Aggregate book value of quoted investments other than equity shares, mutual funds, InvITs and AIFs	5,75,39,510	5,10,78,126
Historical cost of equity shares valued on fair value basis	48,62,678	38,20,563
Historical cost of AIFs, InvITs and mutual funds valued on fair value basis	14,81,727	24,32,672
Aggregate book value of unquoted investments	8,69,111	6,30,411

SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ '000)

Particulars	March 31, 2023	March 31, 2022
SCHEDULE 9		
LOANS		
1 Security-wise classification		
Secured		
(a) On mortgage of property	-	-
(aa) In India	-	-
(bb)Outside India	-	-
(b) On Shares, Bonds, Government securities	-	-
(c) Others	-	-
Unsecured	-	-
Total	-	-
2 Borrower-wise classification		
(a) Central and State Governments	-	-
(b) Banks and financial institutions	-	-
(c) Subsidiaries	-	-
(d) Industrial undertakings	-	-
(e) Others	-	-
Total	-	-
3 Performance-wise classification		
(a) Loans classified as standard	-	-
(aa) In India	-	-
(bb)Outside India	-	-
(b) Non-performing loans less provisions	-	-
(aa) In India	-	-
(bb)Outside India	-	-
Total	-	-
4 Maturity-wise classification		
(a) Short-term	-	-
(b) Long-term	-	-
Total	-	-

SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS

SCHEDULE 10

FIXED ASSETS

(₹ '000)

Particulars	Cost/Gross Block			Depreciation			Net Block			
	Opening as at April 1, 2022	Additions	Deductions	Closing as at March 31, 2023	Upto March 31, 2022	For the year	On sales	Upto March 31, 2023	As at March 31, 2023	As at March 31, 2022
Goodwill	-	-	-	-	-	-	-	-	-	-
Intangibles- Information technology software	5,25,174	1,16,391	81,476	5,60,089	3,93,590	71,919	81,476	3,84,033	1,76,056	1,31,584
Furniture and fittings	28,081	445	1,316	27,210	20,450	2,069	1,074	21,445	5,765	7,631
Improvements to leased premises	2,69,778	31,557	25,130	2,76,205	2,50,662	15,252	25,228	2,40,686	35,519	19,116
Information technology equipment- Server	1,43,258	23,205	-	1,66,463	75,438	21,796	-	97,234	69,229	67,820
Information technology equipment- Others	1,31,891	22,760	10,353	1,44,298	99,002	18,797	10,327	1,07,472	36,826	32,889
Vehicles	8,920	3,108	5,754	6,274	7,673	824	5,178	3,319	2,955	1,247
Office equipment	70,351	5,145	8,775	66,721	59,014	5,658	8,688	55,984	10,737	11,337
Total	11,77,453	2,02,611	1,32,804	12,47,260	9,05,829	1,36,315	1,31,971	9,10,173	3,37,087	2,71,624
Work in progress	8,637	57,444	50,107	15,974	-	-	-	-	15,974	8,637
Grand Total	11,86,090	2,60,055	1,82,911	12,63,234	9,05,829	1,36,315	1,31,971	9,10,173	3,53,061	2,80,261
As at March 31, 2022	10,51,976	1,45,534	11,420	11,86,090	7,83,979	1,26,283	4,433	9,05,829	2,80,261	



SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	(₹ '000)	
	March 31, 2023	March 31, 2022
SCHEDULE 11		
CASH AND BANK BALANCES		
1 Cash (including cheques, drafts and stamps)	57,044	65,000
2 Bank balances		
(a) Deposit accounts		
(aa) Short-term (due within 12 months)	-	-
(bb) Others (Refer note 1 of Schedule 17)	2,500	2,500
(b) Current accounts	9,64,622	4,52,353
(c) Others	-	-
3 Money at call and short notice		
(a) With banks	-	-
(b) With other institutions	-	-
4 Others	-	-
Total	10,24,166	5,19,853

SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS

	(₹ '000)	
Particulars	March 31, 2023	March 31, 2022
SCHEDULE 12		
ADVANCES AND OTHER ASSETS		
ADVANCES		
1 Reserve deposits with ceding companies	-	-
2 Application money for investments	-	-
3 Prepayments	1,53,616	1,03,368
4 Advances to Directors/Officers	-	-
5 Advance tax paid and taxes deducted at source [Net of provision for tax amounting to ₹ 39,50,377 thousand (Previous Year: ₹ 35,23,581 thousand)]	22,49,166	22,20,868
6 Others		
- Deposits for premises	99,887	94,079
- Goods & service tax unutilised credit/Advance payments	9,10,896	10,64,433
- Other advances	20,761	18,132
Total (A)	34,34,326	35,00,880
OTHER ASSETS		
1 Income accrued on investments	18,22,962	17,53,871
2 Outstanding premiums	21,79,212	24,84,286
3 Agents' balances	-	-
4 Foreign agencies balances	-	-
5 Due from other entities carrying on insurance business (including reinsurers)	3,41,591	2,57,566
6 Due from Subsidiaries/Holding company	-	-
7 Deposit with Reserve Bank of India [Pursuant to Section 7 of the Insurance Act, 1938]	-	-
8 Others		
- Balance with terrorism pool	15,74,595	12,93,811
- Unclaimed amount of policyholders - Assets	60,978	70,913
- Investment Income accruing on unclaimed amount of policyholders	16,767	14,616
- Investment related receivables	-	17
Total (B)	59,96,105	58,75,080
Total (A+B)	94,30,431	93,75,960

SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS

	(₹ '000)	
Particulars	March 31, 2023	March 31, 2022
SCHEDULE 13		
CURRENT LIABILITIES		
1 Agents' balances	4,02,220	3,17,494
2 Balances due to other insurance companies (including reinsurers)	31,25,960	35,00,720
3 Deposits held on re-insurance ceded	-	-
4 Premiums received in advance	22,01,596	13,09,794
5 Unallocated premium	88,012	86,381
6 Sundry creditors	23,16,169	18,57,935
7 Unclaimed amount of policyholders	61,125	71,149
8 Investment income accruing on unclaimed amount	16,767	14,616
9 Due to Subsidiaries/Holding company	-	-
10 Claims outstanding	4,68,72,002	4,43,39,356
11 Due to Officers/Directors	-	-
12 Others		
- Goods & service tax payable	1,12,009	1,23,399
- Claims approved under settlement	3,78,555	3,76,749
Total	5,55,74,415	5,19,97,593
SCHEDULE 14		
PROVISIONS		
1 Reserve for unexpired risk	1,52,16,067	1,25,92,606
2 For taxation (less advance tax paid and taxes deducted at source)	-	-
3 For proposed dividends	-	-
4 For dividend distribution tax	-	-
5 Others		
- Employee benefits - Gratuity	-	-
- Leave compensated absence	10,637	11,205
Total	1,52,26,704	1,26,03,811
SCHEDULE 15		
MISCELLANEOUS EXPENDITURE		
(To the extent not written off or adjusted)		
1 Discount allowed in issue of shares/debentures	-	-
2 Others	-	-
Total	-	-

SCHEDULE 16

SIGNIFICANT ACCOUNTING POLICIES

1. Background

Royal Sundaram General Insurance Co. Limited ('the Company') was incorporated on August 22, 2000 as a Company under the Companies Act, 1956. The Company is registered with Insurance Regulatory and Development Authority of India ('IRDAI') and is in the business of underwriting general insurance policies relating to Fire, Marine and Miscellaneous segments (including Motor, Engineering, Health, etc.) and holds a valid certificate of registration.

2. Basis of preparation of financial statements

- a) The financial statements are prepared under the historical cost convention, in accordance with the generally accepted accounting practices and accounting requirements prescribed by the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 ('the Accounting Regulations') and amendments if any, the Insurance Act, 1938, the Insurance Regulatory and Development Authority Act, 1999, Orders/Circulars/Notifications issued by IRDAI from time to time, the Accounting Standards issued by the Institute of Chartered Accountants of India under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014 and the other requirements of the said Act, to the extent applicable.
- b) The preparation of the financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amounts of revenues and expenses during the year and disclosure of contingent liabilities as at that date. The estimates and assumptions used in these financial statements are based upon the management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from those estimates, and any changes arising there from are accounted for prospectively.
- c) The Company follows the mercantile system of accounting and recognizes items of income and expenditure on accrual basis.

3. Revenue recognition for insurance business

- a) Premium (net of goods and service tax) including reinstatement premium on direct business and reinsurance accepted is recognized as income over the contract period or period of risk, as appropriate and for installment cases, it is recognized on installment due dates after adjusting for unearned premium (unexpired risk) and premium deficiency, if any. Subsequent revisions to or cancellations of premium are accounted for in the year in which they occur. Premium received in advance represents premium received prior to commencement of the risk.
- b) Premium deficiency is recognized whenever expected claims cost, related expenses and maintenance cost exceed related reserve for unexpired risk in Fire, Marine and Miscellaneous Revenue accounts.
- c) The reserve for unexpired risks represents the proportion of premium written relating to periods of insurance subsequent to the Balance Sheet date, calculated principally on a daily pro-rata basis as stipulated in the IRDAI circular no. IRDA/F&A/CIR/CPM/056/03/2016. However, in respect of Marine Cargo and Marine Hull business a fixed percentage of 50 and 100 respectively on net written premium of the year, is considered.

4. Claims

- a) Claims paid include claims settlement costs, comprising survey, legal and other directly attributable expenses.
- b) Estimated liability for outstanding claims is provided on the basis of claims reported till the end of the year.
- c) Estimated liability for claims incurred but not reported ('IBNR') and claims incurred but not enough reported ('IBNER') is based on available statistical data and is as certified by the Appointed Actuary.
- d) Premium deficiency, if any, is calculated based on actuarial valuation duly certified by the Appointed Actuary.
- e) Salvage is accounted for, on realisable basis.

SIGNIFICANT ACCOUNTING POLICIES

5. Acquisition cost

Acquisition costs, defined as costs that vary with, and are primarily related to, the acquisition of new and renewal of insurance contracts viz., commission and rewards, which are charged to profit or loss for the year in which they are incurred. In case of new long term motor insurance policies, commission is charged off on the basis of premium allocated for each year.

6. Reinsurance

- a) Reinsurance premium ceded is accounted for in the year in which the risk commences and over the period of risk in accordance with the treaty arrangements with the reinsurers. Unearned premium on reinsurance ceded is carried forward to the year of risk and set off against related unearned premium.
- b) Premium on excess of loss reinsurance cover is accounted as per the reinsurance arrangements.
- c) Claims recoverable from reinsurers are accounted for in the same year as claims.
- d) Commission on reinsurance ceded is recognized as income during the year in which the reinsurance premium is ceded. Profit commission is accounted as income when due.

7. Indian Market Terrorism Risk Insurance Pool

- a) The Company has subscribed to a pool created by Indian non life insurers for insurance of terrorism risk ('the Pool') from April 1, 2002, managed by General Insurance Corporation of India ('the Pool Manager'). In terms of the Pool agreement, the Company reinsures the entire terrorism risk underwritten by it with the Pool and the Pool Manager is required to protect the portfolio for common account and retrocede it back to all Pool members including the Pool Manager, in proportion to their accepted share.
- b) Accordingly, based on statements received from the Pool Manager up to the date of financial statements, the Company combines its proportionate retrocession share of the Pool's income and expenses with similar items in its financial statements, on a line-by-line basis.
- c) A reserve for unexpired risks is recorded at 100 per cent of the net premium retroceded to the Company from the Pool during the year.

8. Marine cargo pool for excluded territories

- a) The Company has participated to a pool created by Indian non-life insurers for insurance of Marine cargo risk insured in the excluded territories and War/SRCC risk (excluding war zone as per GIC notification to market). In terms of the marine pool agreement, the Company shall retain its share on insurances underwritten by it and reinsures the balance amount with all the members and GIC Re.
- b) Accordingly, based on statements received from the marine pool manager up to the date of financial statements, the Company combines its proportionate retrocession share of the marine pool's income and expenses with similar items in its financial statements, on a line-by-line basis.
- c) A reserve for unexpired risks is recorded at 50 per cent of the net premium retroceded to the Company from the marine pool manager during the year.

9. Investments

- a) Investments are made in accordance with the Insurance Act, 1938 and the Insurance Regulatory & Development Authority of India (Investment) Regulations, 2016.
- b) Investments maturing within or intended to be held for a period of less than twelve months from the Balance Sheet date are classified as 'Short term investments' while those maturing beyond or intended to be held for a period of twelve months or above are classified as 'Long term investments'.
- c) Investments are recorded at cost including acquisition charges (such as brokerage, transfer stamps, etc.), if any, and exclude interest paid on purchase.

SIGNIFICANT ACCOUNTING POLICIES

- d) Investments are not separately earmarked, but notionally allocated between the Policyholders' funds and Shareholders' funds at the end of the year as prescribed by IRDAI.
- e) Debt securities & Preference shares:
- i. Debt securities, which include government securities are considered as 'held-to-maturity' and are measured at historical cost. The premium/discount, if any, on purchase of debt securities is amortised over the period to maturity based on their intrinsic yield.
 - ii. The net realised gains or losses on debt securities are the differences between the net sale consideration and the amortized cost, which is computed on a weighted average basis.
 - iii. The difference between the acquisition price and the maturity value of money market instruments are recognized as income in the Revenue accounts or the Profit and Loss account, as the case may be, over the remaining term of these instruments on a yield to maturity basis.
 - iv. At each Balance Sheet date, the Company assesses, whether any impairment by way of diminution, other than temporary in value of its investments has occurred and recognizes the resultant impairment as an expenses in the Profit and Loss account respectively.
- f) Equity securities that are traded in active markets:
- i. Measured at each Balance Sheet date at the fair value, being the last quoted closing prices available on the National Stock Exchange.
 - ii. Any unrealised gains or losses arising due to changes in the fair value at each Balance Sheet date are accounted in "Fair value change account – Shareholders' funds" and "Fair value change account - Policyholders' funds" as the case may be and carried to the Balance Sheet.
 - iii. Profit/loss on actual sale of a particular security shall include the accumulated fair value change thereof and is recycled to the Revenue accounts and Profit & Loss account as the case may be.
 - iv. At each Balance Sheet date, the Company assesses impairment if any in the value, by examining if the investee Company has been making losses continuously for the last three years and also its net worth is eroded and recognizes the resultant impairment as an expense in the Profit and Loss account.
- g) Mutual funds – Liquid Funds/Gilts/Debt Funds:
- i. Measured at each Balance Sheet date at the fair value, being the realisable Net Asset Value.
 - ii. Any unrealised gains or losses arising due to changes in the fair value at each Balance Sheet date are accounted in "Fair value change account – Shareholders' funds" and "Fair value change account - Policyholders' funds" as the case may be and carried to the Balance Sheet.
 - iii. Profit/Loss on actual sale of units of a particular mutual fund shall include the accumulated fair value change thereof and is recycled to the Revenue accounts and Profit and Loss account as the case may be.
 - iv. At each Balance Sheet date, the Company assesses impairment if any in the value, by examining if the realisable net asset value of each mutual fund is lower than the weighted average cost thereof, and recognizes such impairment as an expense in the Profit and Loss account.
- h) Alternative Investment Funds:
- i. Investments in Alternative Investment Funds (AIFs) are valued at latest available Net Asset Value.
 - ii. Unrealised gains or losses arising due to change in the fair value of AIFs are recognized in the Balance Sheet under "Fair value change account – Shareholders' funds" and "Fair value change account - Policyholders' funds" as the case may be.

SIGNIFICANT ACCOUNTING POLICIES

10. Investment income

- a) Investment income other than that from pool accounts (including profit/loss on sale of investments) is allocated to the respective Revenue accounts and the Profit and Loss account based on the ratio of average "Policyholders' funds" and "Shareholders' funds" respectively (average of funds at the beginning and end of the year).
- b) "Policyholders' funds" are the aggregate of outstanding claims, estimates for IBNR (including IBNER), reserve for unexpired risk, premium deficiency, catastrophe reserve and other liabilities net of other assets excluding the technical funds relating to pool accounts. "Shareholders' Funds" are the aggregate of funds available to the Company's shareholders, i.e., Share Capital plus Reserve & Surplus.
- c) Investment income arising from pool accounts is allocated directly to respective Revenue accounts.
- d) Dividend is accounted for as income as and when the right to receive is established.

11. Borrowing cost

Borrowing costs represents interest and other charges which are charged to Profit and Loss Account in the year in which they are incurred.

12. Fixed assets and depreciation

- a) Depreciation on tangible assets is provided on straight line method over the useful lives of assets estimated by the management. The management estimates the useful lives of assets as under.
- b) Useful Life and Depreciation:

Asset	Method of Depreciation	Useful Life* (in years)	Rate per annum
Furniture and Fittings	Straight Line Method	10	10%
Improvements to leased premises	Straight Line Method	Equally over the maximum period of the lease initially agreed upon and in case of Improvement to existing leased premises, over the balance lease period.	
Information Technology Software	Straight Line Method	3	33.33%
Information Technology Equipment- Servers	Straight Line Method	6	16.67%
Information Technology Equipment- Other Hardware	Straight Line Method	3	33.33%
Vehicles	Straight Line Method	4	25% on 90% of the cost
Office Equipment	Straight Line Method	5	20.00%

*For these class of assets, based on internal assessment, the management believes that the useful lives as given above best represent the period over which the Company expects to use these assets. Hence the useful lives of these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

- c) Capital work in progress:

Capital work in progress includes assets not ready for the intended use and are carried at cost, comprising direct cost and related incidental expenses.
- d) Assets costing up to ₹ 5000 (per unit), are not capitalized and charged as expenses in books of accounts in the same year.

13. Impairment of assets other than investments

The carrying amounts of assets are reviewed at each Balance Sheet date to ascertain impairment based on internal/external factors. An impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is higher of the net selling price of the assets and their value in use.

SIGNIFICANT ACCOUNTING POLICIES

14. Operating expenses

- a) Operating expenses in the nature of acquisition costs, are expensed as incurred.
- b) Operating expenses relating to insurance business are allocated/apportioned to respective business segments as follows:
 - i. Expenses directly identifiable to the business segments are allocated on an actual basis.
 - ii. Other expenses, which are not directly identifiable, are apportioned on the basis of the Net Written Premium - Direct in each business segment during the year.

15. Operating leases

Leases of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Payments made towards assets/premises taken on operating lease are recognised as an expense in the Revenue account(s) over the lease term on straight-line basis. Initial direct costs incurred specifically for an operating lease are charged to the Revenue account(s).

16. Employee benefits

- a) Defined Contribution Plans - superannuation, employee state insurance and provident fund contributions are charged to as expenses on accrual.
- b) Defined Benefit Plans- Retirement gratuity liability is funded with an insurance company through contributions to an approved gratuity trust. Liability therefore at each Balance Sheet date is arrived at by external actuarial valuation by the fund manager using the projected unit credit method. Differential liability is recognized in the accounts each year.
- c) Costs of the Company's accumulating compensated absence plans are valued and accounted for based on actuarial assumptions at each Balance Sheet date.
- d) Actuarial gains/losses are recognized in the Revenue account(s).

17. Income-tax

- a) Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. Deferred income-tax reflects the impact of current year timing difference between taxable income and accounting income for the year and reversal of timing differences of earlier years.
- b) Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets are recognized on carried forward unabsorbed depreciation and tax losses only if there is a virtual certainty that such deferred tax assets can be realised against future taxable profits. Other deferred tax assets of earlier years are reassessed and recognized to the extent that it has become reasonably certain that future taxable income will be available against which, such deferred tax assets can be realised.

18. Goods and Service Tax

Goods and Service Tax ("GST") collected (net of refunds) is considered as a liability against which GST paid for eligible input services, to the extent claimable, is adjusted and the net liability is remitted to the appropriate authority. Balance of GST paid for eligible input services (GST Input), if any, are carried forward under "Other Assets" and disclosed in Schedule 12 for adjustment in subsequent periods. At the end of every reporting period, the Company assesses whether the GST Input credits are eligible for carrying forward as per the related legal provisions. Any ineligible GST Input credit is expensed on such determination. GST liability to be remitted to the appropriate authority is disclosed under "Others - GST Liability" in Schedule 13.

19. Transactions in foreign exchange

- a) Transactions in foreign currency are recorded at the rate of exchange on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the closing rate of exchange at the year-end.
- b) Exchange differences arising on foreign currency transactions are recognized as income or expense in the year in which they arise.

20. Provision for contingencies

In accordance with Accounting Standard 29 – ‘Provisions, Contingent Liabilities and Contingent Assets’, to the extent applicable to the Company, provisions are created in respect of obligations as a result of past events and it is probable that an outflow of resources will be required to settle the obligations, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on management estimate required to settle the obligation at the Balance Sheet date. These will be reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

21. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

SCHEDULE 17

NOTES TO FINANCIAL STATEMENTS

1. The assets of the Company are free from encumbrances except for the term deposit of ₹ 2,500 thousand (previous year ₹ 2,500 thousand) for obtaining bank guarantee to avail Aadhar Authentication services from Unique Identification Authority of India (UIDAI).

2. a) **Contingent liabilities:**

Particulars	March 31, 2023	March 31, 2022
Partly paid investments*	Nil	11,813
Underwriting commitments relating to investment activities	Nil	Nil
Claims, other than those under policies, not acknowledged as debts	Nil	Nil
Guarantees given by or issued on behalf of the Company (Refer Schedule 17 Note -1)	2,500	2,500
Statutory demands/liabilities in dispute, not provided for:		
- Disputed Income Tax Liability**	1,66,857	8,58,589
- Disputed Service Tax Liability***	7,599	7,599
Reinsurance obligations, to the extent not provided for in the accounts	Nil	Nil
Others****	6,853	6,853

* Uncalled portion of partly paid shares invested in by the Company on rights basis.

** The contested Income Tax demands have been ascertained on the basis of the relief allowed by the Commissioner of Income Tax (Appeals) and the principles adopted vide orders of CIT (Appeals) on similar disputed issues in the earlier assessment years.

Based on the Directorate General of Central Excise Intelligence (DGCEI) Order, in respect of certain payments, the Income Tax Department made certain additions for earlier years. This has resulted in the additional tax demand of ₹ 44,56,590 thousand (previous year: ₹ 44,56,590 thousand), which has not been considered as a contingent liability on the basis of expert legal advice that the demands are not sustainable and the likelihood of outflow of resources on this account is remote.

The Company has paid ₹ 19,96,700 thousand based on the directions of Income Tax Appellate Tribunal (ITAT) and the Income tax department for the purpose of obtaining a stay for various demands.

*** Based on the Show Cause Notice issued by Directorate General of Central Excise Intelligence (DGCEI), the Commissioner – Service Tax LTU, Chennai has disallowed certain input credits availed by the Company for earlier years and raised demand of service tax inclusive of penalty and interest amounting to ₹ 16,96,964 thousand. During the year, the Company has received an order from Deputy Commissioner, Tamil Nadu Commercial Tax Department, demanding ₹ 9,00,000 thousand against various discrepancies found in the GST Returns filed for FY 19-20 without considering the written submissions made by the Company during assessment. The Company has not considered the demands as contingent liability since in its opinion, the demands are not sustainable and the likelihood of outflow of resources is remote and similar decisions of jurisdictional courts are in favour of the assessee. The Company's views have also been supported by expert legal advice.

**** The Company is of the view that retrospective payment of bonus is not appropriate and accordingly for bonus computation such retrospective amendment has not been taken into consideration. The additional liability on account of retrospective amendment is ₹ 6,853 thousand. The retrospective amendment is being challenged by various parties in the High Court and based on the final outcome on determination of court cases would be accounted for on that date.

NOTES TO FINANCIAL STATEMENTS

b) Commitments made for Investments and Fixed Assets: (₹ '000)

Particulars	March 31, 2023	March 31, 2022
Commitments made and outstanding for Loans and Investments	9,35,883	12,06,534
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	57,388	53,965

c) Service tax advance payments under "Advances & Other Assets" (Sch.12) includes ₹ 24,200 thousand (previous year ₹ 24,200 thousand) of cenvat credit reversed & held under protest with service tax authorities. Pending finality on this matter, the said amount is considered good & recoverable based on the legal opinion obtained by the Company.

d) During the year, the Company has paid a sum of ₹ 70,000 thousand in addition to ₹ 1,00,000 thousand in the previous year under protest pursuant to a DGGI Delhi GST investigation on account of input tax credit availed on motor claims during the period from July'2017 to March'2022. The Company has filed its reply to 'intimation of tax ascertained payable' raised by the department. The Company has also paid ₹ 2,40,000 thousand under protest pursuant to a DGGI Maharashtra GST enquiry in respect of input tax credit on certain expenses. The matter is still under investigation and no notice has been received by the Company in this regard. In respect of these, the Company is of the opinion that its eligibility to claim input credit is eligible and legally valid and not liable to reverse the same. Hence, the payments made under protest have been included in "Advances and Other Assets" as at March 31, 2023.

3. The disclosures in respect of operating leases are as follows: (₹ '000)

Particulars	March 31, 2023	March 31, 2022
Lease payments debited to the Profit and Loss account	2,17,980	1,81,416
Future minimum lease payments		
- Not later than one year	1,82,221	1,39,348
- Later than 1 year but not later than 5 years	4,66,765	3,26,920
- Later than 5 years	1,11,179	51,843

4. Ageing of gross outstanding claims: (₹ '000)

Particulars	March 31, 2023		March 31, 2022	
	Nos.	Amount	Nos.	Amount
Claims outstanding for a period exceeding six months	21,178	1,56,63,443	23,210	1,46,21,816
Other Claims (less than 6 months)	14,150	40,20,679	15,028	34,25,008
Grand Total	35,328	1,96,84,122	38,238	1,80,46,824

The claims were outstanding predominantly due to non-submission of essential documents by the insured and in respect of motor third party claims, these are due to legal process not concluded. As at the year end March 31, 2023, there are Nil claims (Previous Year – Nil claims) outstanding for a period exceeding six months from the date when settlement has been agreed.

5. Investments: (₹ '000)

Particulars	March 31, 2023	March 31, 2022
Contracts for sales where payments are overdue	Nil	Nil
Contracts for purchases due for delivery	Nil	Nil
Non-Performing Investment	Nil	Nil

The Company had an outstanding Non – Performing Investment by way of Non-Convertible Debentures of Dewan Housing Finance Limited of ₹ 10,00,000 thousand as against which, the Company had carried a provision of ₹ 4,00,000 thousand. During the year ended March 31, 2022, upon implementation of the Resolution Plan under Insolvency Bankruptcy Code, the Company received a full & final settlement of ₹ 8,54,091 thousand comprising of

NOTES TO FINANCIAL STATEMENTS

₹ 3,87,974 thousand by way of credit in bank account and the balance of ₹ 4,66,117 thousand by way of Non-Convertible Debentures of Piramal Capital and Housing Finance Limited. In view of these developments, the Company had written back the provision of ₹ 4,00,000 thousand made in the earlier years as the same was no longer required and also written off ₹ 1,45,909 thousand as bad and doubtful debts which is no longer recoverable.

All investments as at March 31, 2023 are performing investments.

6. A) Employee Benefits - Gratuity:

Disclosures as required under Accounting Standard 15 "Employee Benefits - Gratuity".

a) The amounts recognized in the Balance Sheet: (₹ '000)

Particulars	March 31, 2023	March 31, 2022
Present value of obligations as at the end of the year	2,43,715	2,31,693
Fair value of plan assets as at the end of the year	2,77,816	2,62,740
Unrecognized past service cost	-	-
Funded status Asset/(Liability)	34,101	31,047
Net Asset/(Liability) recognized in the Balance Sheet	34,101	31,047

b) Expenses recognized in Revenue Accounts: (₹ '000)

Particulars	March 31, 2023	March 31, 2022
Current service cost	27,910	27,180
Past service cost	-	-
Interest cost	14,861	14,198
Expected return on plan assets	(17,563)	(15,061)
Net Actuarial loss/(gain) recognized in the year	(12,385)	(7,664)
Expenses to be recognized in Revenue Accounts	12,821	18,652

c) Reconciliation of Benefit Obligation & Plan Assets for the year: (₹ '000)

Particulars	March 31, 2023	March 31, 2022
Changes in present value of obligations		
Present value of obligations as at the beginning of the year	2,31,693	2,09,420
Interest cost	14,861	14,198
Current service cost	27,910	27,180
Past service cost	-	-
Liabilities assumed on acquisition/(Settled on divestiture)	-	4402
Benefits paid	(18,107)	(17,086)
Actuarial (gain)/loss on obligation	12,642	6,420
Present value of obligations as at the end of the year	2,43,715	2,31,693

(₹ '000)

Particulars	March 31, 2023	March 31, 2022
Changes in the fair value of plan assets – LIC Fund		
Fair value of plan assets at the beginning of the year	2,62,740	2,19,911
Expected return on plan assets	17,563	15,061
Contributions	15,876	39,208
Liabilities assumed on acquisition/(Settled on divestiture)	-	4,402
Benefits paid	(18,107)	(17,086)
Actuarial gain/(loss) on plan assets	(257)	1,244
Fair value of plan assets at the end of the year	2,77,816	2,62,740

NOTES TO FINANCIAL STATEMENTS

d) Asset information: (₹ '000)

Category of Assets (% Allocation)	Year Ended			
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	%	%	(₹'000)	(₹'000)
Government of India Securities	-	-	-	-
Corporate Bonds	-	-	-	-
Special Deposit Scheme	-	-	-	-
Equity Shares of Listed Companies	-	-	-	-
Property	-	-	-	-
Insurer Managed Funds	100%	100%	2,77,816	2,62,740
Others	-	-	-	-
Grand Total	100%	100%	2,77,816	2,62,740

e) Experience adjustments: (₹ '000)

Particulars	Year Ended				
	March 31, 2019	March 31, 2020	March 31, 2021	March 31, 2022	March 31, 2023
Defined benefit obligation	1,57,751	1,78,379	2,09,419	2,31,693	2,43,715
Plan assets	1,54,079	1,77,643	2,19,911	2,62,740	2,77,816
Surplus/(Deficit)	(3,672)	(736)	10,492	31,047	34,101
Exp. Adj. on plan liabilities	9,973	1,263	3,676	(4,771)	2,746
Exp. Adj. on plan assets	1,067	(1,913)	(1,088)	1,244	(257)

f) Assumptions:

Particulars	March 31, 2023	March 31, 2022
i) Discount rate	7.30%	6.25%
ii) Salary escalation	7.00%	7.00%
iii) Expected return on plan assets	7.00%	7.00%
iv) Mortality has been considered as per the published rates under the Indian Assured Lives Mortality (2012-14) Ult table		
v) Rates of leaving service has been assumed as under:		
Age (Years)	Rates (p.a.)	
21-30	43.61%	
31-40	29.07%	
41-50	14.57%	
51-59	6.98%	

NOTES TO FINANCIAL STATEMENTS

B) Employee Benefits – Compensated absence:

The present value of obligations towards compensated absences as at March 31, 2023 as per Actuarial Certificate is ₹ 10,637 thousand (Previous Year: ₹ 11,205 thousand) and is provided for in the books of Accounts. The basis of provision for compensated absences is as follows:

(₹ '000)		
Particulars	March 31, 2023	March 31, 2022
Changes in present value of obligations		
Present value of obligations as at the beginning of the year	11,205	15,031
Interest cost	-	-
Current service cost	(568)	(3,826)
Benefits paid	-	-
Actuarial (gain)/loss on obligation	-	-
Present value of obligations as at the end of the year	10,637	11,205
Assumptions		
Particulars	March 31, 2023	March 31, 2022
Discount rate	7.30%	6.25%
Salary escalation	7.00%	7.00%
Earned leave	As per Company rules	
Retirement age	60 Years	60 Years
Mortality rate table	IALM (2012-2014)	IALM (2012-2014)

7. Deferred tax

(₹ '000)

Particulars	March 31, 2023	March 31, 2022
Reserve for unexpired risk	3,91,161	3,85,312
Depreciation	28,301	29,660
Accumulating compensated absence	2,678	2,820
Provision for doubtful debts	9,730	5,997
Others	7,809	1,078
Net Deferred tax asset	4,39,679	4,24,867

NOTES TO FINANCIAL STATEMENTS

8. Participation in Indian Terrorism Risk Insurance Pool:

The Company has accounted for the retro cession for four quarters up to December 2022 during the year.

Particulars	(₹ '000)	
	March 31, 2023	March 31, 2022
Due from the Pool Manager, beginning of the year	12,93,811	10,95,714
Premium on reinsurance accepted	2,50,748	1,70,886
Investment income	72,235	53,789
Premium on reinsurance ceded	(6,229)	(5,422)
Claims paid on reinsurance accepted	(292)	2,466
Commission/Brokerage paid on reinsurance accepted	(33,170)	(21,922)
Operating expenses related to insurance business	(2,508)	(1,701)
Profit Commission on XL	Nil	Nil
Due from the Pool Manager, end of the year	15,74,595	12,93,811
Claims outstanding, end of the year	(30)	(75)
Reserve for Unexpired risk, end of the year	(2,44,519)	(1,65,464)
Reserve for Unexpired risk, beginning of the year	1,65,464	65,552

9. Solatium Fund: (₹ '000)

Particulars	(₹ '000)	
	March 31, 2023	March 31, 2022
Contribution to the Solatium Fund @ 0.1% of the Gross Written Premium of Motor Third Party Business	14,381	10,334

10. The Sector-wise Gross Direct Premium:

Particulars	(₹ '000)			
	March 31, 2023		March 31, 2022	
	Amount	%	Amount	%
Rural Sector	33,62,673	9.95	28,07,605	9.79
Other Sectors	3,04,34,852	90.05	2,58,58,269	90.21
Total Gross Direct Premium	3,37,97,525	100.00	2,86,65,874	100.00

Social Sector

Particulars	(₹ '000)	
	March 31, 2023	March 31, 2022
No. of Lives Covered	9,29,857	7,82,673
No. of Policies Issued	11,516	24,855

The business written under rural/social sector is higher than the stipulated target set out in the IRDAI Regulations.

11. a) Premium Recognition on Varying Risk Pattern:

Premium income recognised based on varying risk pattern is Nil (Previous Year: Nil)

b) Risk retention/reinsurance:

Particulars	(₹ '000)	
	March 31, 2023	March 31, 2022
Risk retained (%)	77	74
Risk reinsured (%)	23	26

12. During the financial year, the Company has provided/written off a sum of ₹ 5,086 thousand (Previous year: ₹ 32,731 thousand) for doubtful recoveries on premium receivable from Government & Other receivables.

NOTES TO FINANCIAL STATEMENTS

13. a) Remuneration to Managing Director (as approved by IRDAI): (₹ '000)

Particulars	March 31, 2023	March 31, 2022
Salary	8,173	7,638
Allowances and perquisites	13,934	13,040
Variable pay	*21,207	13,910
Total	43,314	34,588
Less: Transferred to Revenue Account	15,000	15,000
Balance transferred to P&L A/c	28,314	19,588

*Subject to Board approval

b) Remuneration to Non-executive Directors (₹ '000)

Particulars	March 31, 2023	March 31, 2022
Sitting fees	1,375	1,685
Commission	2,300	1,600

14. Related Party Transactions:

Nature of relationship

i. Joint Venturer

a) Sundaram Finance Limited b) Ageas Insurance International N.V.

ii. Key Management Personnel

Mr. M S Sreedhar - Managing Director

Transactions with related parties and balances: (₹ '000)

Sl. No.	Name of the Related Party	Nature of Relationship with the Company	Description of Transactions	2022-23	2021-22
1	Sundaram Finance Limited	Joint Venturer	Income		
			Insurance premium	12,973	14,948
			Interest on investment	73,442	78,541
			Expenses		
			Rent	9,140	9,241
			Payment for services	62,994	61,817
			Agency commission	1,59,812	1,58,354
			Insurance claims	5,090	3,109
			Dividend paid	1,34,700	-
			Assets		
			Investment held	13,09,481	14,68,986
			Rental deposit	4,629	4,629
			Liabilities		
Insurance deposit	32,901	38,889			
Other payable	21,686	23,031			
2	Ageas Insurance International N.V.	Joint Venturer	Income		
			Claims on re-insurance	2,29,256	1,62,774
			Commission on re-insurance ceded	1,94,915	1,23,672
			Expenses		
			Re-insurance premium	6,64,734	6,00,833
			Dividend paid	1,07,760	-
			Liabilities		
Other payable	2,23,156	64,445			
3	Mr. M S Sreedhar	Key Managerial Personnel	Income		
			Insurance premium	69	68
			Expenses		
			Remuneration	43,314	34,588
			Liabilities		
Other payable – Variable pay	*21,207	13,910			

*Subject to Board approval

NOTES TO FINANCIAL STATEMENTS

15. Penal Actions by various statutory authorities:

(For the year ended March 31, 2023)

(₹ '000)

Sl. No.	Authority	Non-Compliance/ Violation	Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced
1	Insurance Regulatory and Development Authority of India	Nil	Nil	Nil	Nil
2	Service Tax Authorities	Nil	Nil	Nil	Nil
3	Income Tax Authorities	Nil	Nil	Nil	Nil
4	Any other Tax Authorities	Nil	Nil	Nil	Nil
5	Enforcement Directorate/Adjudicating Authority/Tribunal or any Authority under FEMA	Nil	Nil	Nil	Nil
6	Registrar of Companies/NCLT/CLB/Department of Corporate Affairs or any Authority under Companies Act, 2013	Nil	Nil	Nil	Nil
7	Penalty awarded by any Court/Tribunal for any matter including claim settlement but excluding compensation	Nil	Nil	Nil	Nil
8	Securities and Exchange Board of India	Nil	Nil	Nil	Nil
9	Competition Commission of India	Nil	Nil	Nil	Nil
10	Any other Central/State/Local Government/Statutory Authority	Nil	Nil	Nil	Nil

(For the year ended March 31, 2022)

(₹ '000)

Sl. No.	Authority	Non-Compliance/ Violation	Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced
1	Insurance Regulatory and Development Authority of India	Nil	Nil	Nil	Nil
2	Service Tax Authorities	Nil	Nil	Nil	Nil
3	Income Tax Authorities	Nil	Nil	Nil	Nil
4	Any other Tax Authorities	Nil	Nil	Nil	Nil
5	Enforcement Directorate/Adjudicating Authority/Tribunal or any Authority under FEMA	Nil	Nil	Nil	Nil
6	Registrar of Companies/NCLT/CLB/Department of Corporate Affairs or any Authority under Companies Act, 2013	Nil	Nil	Nil	Nil
7	Penalty awarded by any Court/Tribunal for any matter including claim settlement but excluding compensation	Nil	Nil	Nil	Nil
8	Securities and Exchange Board of India	Nil	Nil	Nil	Nil
9	Competition Commission of India	Nil	Nil	Nil	Nil
10	Any other Central/State/Local Government/Statutory Authority	Nil	Nil	Nil	Nil

16. Segment reporting:

The Company carries on non-life insurance business in India. The Company has provided primary segmental information, in Annexure I, as required by Accounting Standard 17 – 'Segment Reporting' issued by ICAI, read with Accounting Regulations.

NOTES TO FINANCIAL STATEMENTS

17. Interest earned on investments is shown net of amortisation of premium/(discount) on securities. The details of such amortisation are as below: (₹ '000)

Particulars	March 31, 2023	March 31, 2022
Revenue Account – Policyholders' Funds		
Fire	6,159	7,394
Marine	1,374	1,464
Miscellaneous	2,58,049	2,71,302
Profit and Loss Account – Shareholders' Funds	65,434	68,825
Total	3,31,016	3,48,985

18. A summary of financial statements and Accounting Ratios:

As per the formats prescribed by the IRDAI in its master circular dated October 5, 2012 and subsequent clarifications thereon dated July 3, 2013, are provided in Annexure 2 and Annexure 3.

19. The liability of IBNR & IBNER for the year ending March 31, 2023 has been estimated by the Appointed Actuary, in compliance with the guidelines issued by the IRDAI.

20. Disclosure on expenses: (₹ '000)

Particulars	March 31, 2023	March 31, 2022
Data processing and outsourcing expenses	4,26,516	5,42,153
Marketing and related expenses	16,91,052	9,14,481
Advertising and brand building	20,25,365	10,56,840
Data centre service charges	49,746	49,297
Professional fees staff deputation	1,95,260	1,81,149
Others	15,810	12,895
Total	44,03,749	27,56,814

21. Statement showing the age-wise analysis of the unclaimed amount of the Policyholders:

(For the year ended March 31, 2023) (₹ '000)

Particulars	Total Amount	AGE-WISE ANALYSIS					
		4-12 months	13-18 months	19-24 months	25-30 months	31-36 months	Beyond 36 months
Claims settled but not paid to the policyholders	-	-	-	-	-	-	-
Excess premium & refunds (Due to the insured)	7,841	3,511	366	303	367	312	2,982
Cheque issued but not encashed by the policyholder/insured	63,433	7,287	331	889	1,836	1,479	51,611

The above given figures include the policyholders' dues for the ageing 4-6 months and hence would differ from the amount given under the head "Unclaimed Amount of Policyholders" in Schedule 13.

NOTES TO FINANCIAL STATEMENTS

(For the year ended March 31, 2022)

(₹ '000)

Particulars	Total Amount	AGE-WISE ANALYSIS					
		4-12 months	13-18 months	19-24 months	25-30 months	31-36 months	Beyond 36 months
Claims settled but not paid to the policyholders	-	-	-	-	-	-	-
Excess premium & refunds (Due to the insured)	6,020	2,359	367	312	456	423	2,103
Cheque issued but not encashed by the policyholder/insured	72,135	5,959	3,668	2,148	5,825	2,834	51,701

The above given figures include the policyholders' dues for the ageing 4-6 months and hence would differ from the amount given under the head "Unclaimed Amount of Policyholders" in Schedule 13.

Statement showing movement of Unclaimed Amount of Policyholders' due:

(₹ '000)

Particulars	March 31, 2023	March 31, 2022
Opening Balance	85,766	77,833
Add: Amount Transferred to Unclaimed amount	1,350	5,975
Add: Cheques issued out of the unclaimed amount but not encashed by the policyholders (To be included only when the cheques are stale)	-	-
Add: Investment Income	4,534	2,806
Less: Paid during the year	13,758	848
Less: Amount transferred to SCWF (net of claims paid in respect of amounts transferred earlier)	-	-
Closing Balance of Unclaimed Amount	77,892	85,766

22. In accordance with the regulatory guidelines, there is no premium deficiency to be recognized at segmental level (i.e. Fire, Marine and Miscellaneous).

23. Earnings Per Share (EPS):

(Amount in ₹)

Particulars	March 31, 2023	March 31, 2022
Profit/(Loss) after tax: A	1,21,30,70,984	1,31,08,39,000
No. of shares	44,90,00,000	44,90,00,000
Weighted average no. of shares: B	44,90,00,000	44,90,00,000
EPS - Basic & Diluted: (A/B)	2.70	2.92

24. During the year foreign exchange gain/(loss) included in the Revenue Accounts of the Company is ₹ (4,648) thousand [Previous year ₹ (1,604) thousand].

NOTES TO FINANCIAL STATEMENTS

25. Expenses not directly identifiable to business segments, apportioned to Revenue Accounts: (₹ '000)

Product Segment	March 31, 2023*		March 31, 2022*	
	Investment Expenses	Other Expenses	Investment Expenses	Other Expenses
Fire	565	68,862	477	67,239
Marine Cargo	126	35,062	94	37,035
Marine Hull	-	2	-	-
Miscellaneous	23,665	33,06,756	17,493	30,10,102
Total	24,356	34,10,682	18,064	31,14,376
*Basis of Allocation	Technical Fund	NWP - Direct	Technical Fund	NWP - Direct

26. Pursuant to Corporate Governance guidelines issued by IRDAI dated May 18, 2016, the additional works (other than statutory audit) given to the auditors are detailed below:

Name of the Audit Firm	Services Rendered	(₹ '000)	
		March 31, 2023	March 31, 2022
M/s. Brahmayya & Co.	Certification fees	575	1,175
M/s. N.C. Rajagopal & Co.	Certification fees	1,440	625

27. The provision for Free look period is ₹ 1,171 thousand (Previous year ₹ 2,391 thousand), as certified by the Appointed Actuary.

28. The Company issued Unsecured Sub-ordinate redeemable non-convertible debentures of ₹ 7,60,000 thousand on September 27, 2021 at a coupon rate of 7.85% per annum and ₹ 5,00,000 thousand on March 15, 2022 at a coupon rate of 8.05% for the tenor of 10 years with interest payment on an annual basis, listed on National Stock Exchange (NSE). These debentures carry a call option available to the Company, exercisable after completion of 5 years from the date of issue, subject to regulatory compliances.

Due date for next interest payments are September 27, 2023 and March 15, 2024, respectively.

Pursuant to IRDAI Circular No. IRDA/F&A/OF/01/2014-15/115 dated August 4, 2017 and as required by Companies (Share Capital and Debentures) Rules, 2014, read with Notification F.No. 01/04/2013-CL-V Part-III dated August 16, 2019 issued by the Ministry of Corporate Affairs, the Company is holding Debenture Redemption Reserve of ₹ 1,26,000 thousand (previous year – ₹ 1,26,000 thousand) as at March 31, 2023.

Disclosure under SEBI Circular no. SEBI/HO/DDHS/CIR/P/2021/613 to be made by Large Corporate

Initial Disclosure (₹ '000)

S.no.	Particulars	Details
1	Name of the Company	Royal Sundaram General Insurance Co. Limited
2	CIN	U67200TN2000PLC045611
3	Outstanding borrowing of Company as on March 31, 2023	12,60,000
4	Highest credit rating during the previous FY along with name of the CRA	ICRA AA+ (Stable) CARE AA+ (Stable)
5	Name of Stock Exchange in which the fine shall be paid, in case of shortfall in the required borrowing under the framework	National Stock Exchange (NSE)

We confirm that we are a Large Corporate as per the applicability criteria given under the SEBI circular SEBI/HO/DDHS/CIR/P/2021/613 updated as on April 13, 2022.

Annual Disclosure

a) Name of the Company: Royal Sundaram General Insurance Co. Limited

b) CIN: U67200TN2000PLC045611

c) Report filed for Financial Year: 2023

d) Details of the Current block: (₹ '000)

S.no.	Particulars	Details
1	3 - year block period (Specify Financial Years)	FY 2023, FY 2024, FY 2025
2	Incremental borrowing done in financial year 2023: (a)	-
3	Mandatory borrowing to be done through debt securities in financial year 2023: (b) = (25% of a)	-
4	Actual borrowing done through debt securities in financial year 2023: (c)	-
5	Shortfall in the borrowing through debt securities, if any, for financial years carried forward to financial year 2023: (d)	-
6	Quantum of (d), which has been met from (c): (e)	-
7	Shortfall, if any, in the mandatory borrowing through debt securities for financial year 2023 {after adjusting for any shortfall in borrowing for financial years which was carried forward to financial year 2023}: (f)= (b)-[(c)-(e)] {If the calculated value is zero or negative, write "nil"}	-

Details of penalty to be paid, if any, in respect to previous block: (₹ '000)

S.no.	Particulars	Details
1	3 - year Block period (Specify Financial Years)	FY 2021, FY 2022, FY 2023
2	Amount of fine to be paid for the block, if applicable Fine = 0.2% of {(d)-(e)}	-

29. a) Repo and reverse repo transactions: (₹ '000)

Particulars	March 31, 2023			
	Securities sold under repo (at cost)		Securities purchased under reverse repo (at cost)	
	Government Securities	Corporate Debt Securities	Government Securities	Corporate Debt Securities
Maximum outstanding during the year	-	-	-	-
Daily average outstanding during the year	-	-	-	-
Outstanding at the end of the year	-	-	-	-

Particulars	March 31, 2022			
	Securities sold under repo (at cost)		Securities purchased under reverse repo (at cost)	
	Government Securities	Corporate Debt Securities	Government Securities	Corporate Debt Securities
Maximum outstanding during the year	-	-	-	-
Daily average outstanding during the year	-	-	-	-
Outstanding at the end of the year	-	-	-	-

b) TREPS Lending/Borrowing transactions:

(₹ '000)

Particulars	March 31, 2023			
	Securities sold under TREPS (at cost)		Securities purchased under TREPS (at cost)	
	Government Securities	Corporate Debt Securities	Government Securities	Corporate Debt Securities
Minimum outstanding during the year	-	-	95,460	-
Maximum outstanding during the year	-	-	14,61,905	-
Daily average outstanding during the year	-	-	5,39,400	-
Outstanding at the end of the year	-	-	3,84,786	-

Particulars	March 31, 2022			
	Securities sold under TREPS (at cost)		Securities purchased under TREPS (at cost)	
	Government Securities	Corporate Debt Securities	Government Securities	Corporate Debt Securities
Minimum outstanding during the year	-	-	14,998	-
Maximum outstanding during the year	-	-	13,10,881	-
Daily average outstanding during the year	-	-	5,08,810	-
Outstanding at the end of the year	-	-	7,59,714	-

30. During the year 2022-23, as per provisions of Section 135 of the Companies Act, 2013, the Company was required to spend ₹ 28,521 thousand (previous year: ₹ 28,967 thousand) being 2% of average net profits made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy. The Company has spent ₹ 29,135 thousand (previous year: ₹ 29,000 thousand) towards Corporate Social Responsibility activities during the year.
31. The Company had paid a maiden dividend of ₹ 0.60 per equity share of face value of ₹ 10/- each for the year ended March 31, 2022. This was accounted during the year ended March 31, 2023.
- The Board of directors recommended a dividend of ₹ 0.70 per equity share of face value of ₹ 10/- each for the year ended March 31, 2023. The declaration and payment of the dividend is subject to shareholders' approval.
32. For the year ended March 31, 2023, there is no amount that needs to be transferred to the Investor Education and Protection Fund.
33. Rules under the Code on Social Security, 2020 are yet to be notified. The Company will carry out evaluation on such notification and will give appropriate impact in the financial statements in the period in which the related rules become effective.
34. The Company has set up the steering committee in compliance with the IRDAI letter, which meets regularly to deliberate on the progress towards Ind AS implementation and the Board has been updated on quarterly basis. The Steering committee in consultation with knowledge partner has begun discussions regarding "Financial impact assessment" & "Gap assessment".

35. Based on and to the extent of information received from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the relevant particulars are furnished below:

(₹ '000)

Particulars	March 31, 2023	March 31, 2022
Principal amount due to suppliers under MSMED Act	19,455	19,732
Interest accrued and due to suppliers under MSMED Act on the above amount	-	-
Payment made to suppliers (other than interest) beyond the appointed day during the year	-	-
Interest paid to suppliers under MSMED Act (Section 16)	-	-
Interest due and payable to suppliers under MSMED Act, for payments already made	-	-
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	-	-

36. In accordance with the IRDAI (Expenses of Management of Insurers transacting General or Health Insurance Business) Regulations, 2016, operating expenses in excess of segmental limits of ₹ 3,23,550 thousand in Motor (previous year: Nil) is reported as income under Revenue Account under separate sub-line item to others as "Contribution from Shareholders Funds towards excess EoM" and reported as allowable expenses under Other Expenses in Profit & Loss Account under separate sub-line item as "Contribution to Policyholders' Funds towards Excess EOM".

37. Previous Year figures have been reclassified/regrouped, wherever necessary, to conform with the current year's classification.

(₹ '000)

Sl. No.	Schedule	Particulars	Previous year figures reported in current year	Reported in previous year	Difference	Reason
1	Sch 4	1) Employees' remuneration and welfare benefits	19,90,106	19,83,466	6,640	Reclassified/ Regrouped for appropriate presentation
2	Sch 4	12-(f) Miscellaneous expenses	69,875	76,515	(6,640)	
3	Sch 11	11-2-(bb) - Others	2,500	-	2,500	
4	Sch 12	12-6 - Other advances	18,132	20,632	(2,500)	

As per our report of even date attached

For N.C. Rajagopal & Co.
Chartered Accountants
Registration No. 003398S

For Brahmayya & Co.
Chartered Accountants
Registration No. 000511S

V Chandrasekaran
Partner
Membership No. 024844

P Babu
Partner
Membership No. 203358

Place : Chennai
Date : May 5, 2023

For and on behalf of the Board of Directors

S Viji
Chairman
(DIN:00139043)

Gary Lee Crist
Director
(DIN: 00942109)

Vaibhav Kabra
Chief Financial Officer

M S Sreedhar
Managing Director
(DIN:07153983)

S Prasad
Director
(DIN:00063667)

S R Balachandher
Company Secretary

ANNEXURE TO THE FINANCIAL STATEMENTS

- The Company's business is organised on a National basis and caters to the non-life insurance business. Accordingly, the Company has provided primary segmental information, as per Accounting Standard 17 - 'Segment Reporting' issued by ICAI, read with the Accounting Regulations.
- Segment revenues are either directly attributed to or, in the case of bundled products, allocated to the individual segments. There are no inter segment revenues.
- Operating expenses are attributed to the business segments in line with accounting policy 14 in Schedule 16.
- Investments and other Assets and liabilities are identified with the respective segments in the ratio of Shareholders and Policyholder Funds as defined in Policy 9 of Schedule 16
- Since the business operations of the Company are entirely in India, the same is considered as one geographical segment.

For the year ended March 31, 2023

Particulars	Fire	Marine Cargo	Marine Hull	Motor OD	Motor TP	Motor Total	Workmen Compensation/ Employers Liability	Public/Product Liability	Engineering	Personal Accident	Health Insurance	Crop	Others	Investment of Shareholders funds	Total
Gross Direct Premium	29,49,084	5,16,398	211	1,03,28,727	1,43,80,650	2,47,09,377	63,184	81,421	5,95,060	4,55,580	43,04,209	-	1,23,001	-	3,37,97,525
Premium inward	11,08,207	1,186	-	-	-	-	-	68	1,11,053	1,54,147	-	-	237	-	13,74,898
Net Written Premium	7,74,098	2,57,805	13	78,01,181	1,37,57,836	2,15,59,017	56,816	27,318	1,07,271	3,99,426	38,16,873	-	24,333	-	2,70,22,970
Premium earned (net)	6,93,433	2,54,231	-	75,25,074	1,17,00,995	1,92,26,069	56,107	27,866	99,192	3,70,776	36,42,797	-	29,039	-	2,43,99,510
Profit/(Loss) on sale/redemption of investments	13,486	3,008	0	55,171	4,74,579	5,29,750	651	252	1,905	4,638	25,415	1,877	497	1,43,265	7,24,745
Others	8,615	260	-	3,594	-	3,594	25	1	583	14	1,252	-	334	-	14,677
Investment income-terrorism pool	57,788	-	-	-	-	-	-	-	12,641	-	-	-	1,806	-	72,235
Contribution from Shareholders Funds towards Excess EOM	-	-	-	1,59,490	1,64,060	3,23,550	-	-	-	-	-	-	-	-	3,23,550
Interest (net of amortisation)	86,778	19,353	1	3,55,022	30,53,865	34,08,887	4,186	1,622	12,259	29,847	1,63,543	12,081	3,201	9,21,896	46,63,652
Total segmental revenue	8,60,100	2,76,852	1	80,98,351	1,53,93,499	2,34,91,850	60,969	29,741	1,26,580	4,05,275	38,33,007	13,958	34,877	10,65,161	3,01,98,369
Claims incurred (net)	(2,37,101)	(1,59,994)	-	(64,16,682)	(88,27,760)	(1,52,44,442)	(22,544)	(16,828)	(57,098)	(2,43,125)	(31,02,592)	3,09,458	(11,957)	-	(1,87,86,223)
Commission received/(paid), net	3,09,868	(40,510)	(23)	(14,04,503)	(2,75,049)	(16,79,532)	(6,733)	2,785	85,129	(19,337)	(3,70,033)	1,06,139	93	-	(16,12,194)
Operating expenses related to insurance business	(3,95,062)	(59,377)	(2)	(20,42,548)	(38,40,863)	(58,83,411)	(9,711)	(4,095)	(67,630)	(1,09,059)	(11,50,459)	(79)	(4,278)	-	(76,83,163)
Total segmental expenses	(3,22,295)	(2,59,881)	(25)	(98,63,733)	(1,29,43,672)	(2,28,07,405)	(39,008)	(18,138)	(39,599)	(3,71,521)	(46,23,084)	4,15,518	(16,142)	-	(2,80,81,580)
Segmental (loss)/profit	5,37,805	16,971	(24)	(17,65,382)	24,49,827	6,84,445	21,961	11,603	86,981	33,754	(7,90,077)	4,29,476	18,735	10,65,161	21,16,789
Other income	-	-	-	-	-	-	-	-	-	-	-	-	-	1,290	1,290
Unallocated corporate expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	(4,93,237)	(4,93,237)
Provision for taxation	-	-	-	-	-	-	-	-	-	-	-	-	-	(4,11,771)	(4,11,771)
Net profit/(loss) for the year	5,37,805	16,971	(24)	(17,65,382)	24,49,827	6,84,445	21,961	11,603	86,981	33,754	(7,90,077)	4,29,476	18,735	1,61,443	12,13,071
Segment Assets	31,05,780	3,57,164	16	63,09,227	5,42,71,401	6,05,80,628	74,394	29,784	5,77,001	5,32,202	29,42,243	23,35,280	57,087	1,67,10,732	87,33,02,311
Segment Liabilities	21,90,128	3,81,151	55	72,58,075	5,47,36,797	6,19,94,871	82,460	37,668	3,21,264	5,84,526	33,09,038	44,476	99,951	17,55,531	7,08,01,119
Capital Expenditure	-	-	-	-	-	-	-	-	-	-	-	-	-	2,60,055	2,60,055
Amortisation of premium & discount	6,159	1,374	0	25,199	2,16,756	2,41,955	297	115	870	2,118	11,608	857	227	65,434	3,31,016
Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-	1,36,315	1,36,315
Non-Cash Expenditure other than depreciation and amortisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Note : Aviation Segment Business for 2022-23 - NIL

ANNEXURE TO THE FINANCIAL STATEMENTS

Particulars	Fire	Marine Cargo	Marine Hull	Motor OD	Motor TP	Motor Total	Workmen Compensation/ Employers Liability	Public/Product Liability	Engineering	Personal Accident	Health Insurance	Crop	Others	Investment of Shareholders funds	Total
Gross Direct Premium	29,04,581	4,59,652	-	99,25,782	1,03,33,827	2,02,59,609	57,905	91,167	5,49,691	4,59,203	37,98,020	-	86,046	-	2,86,65,874
Premium inward	7,63,864	(1,317)	-	-	-	-	-	10	73,492	1,59,453	-	-	2,241	-	9,97,743
Net Written Premium	6,22,268	2,50,318	-	74,01,657	97,79,940	1,71,81,597	51,649	29,871	1,05,932	4,23,518	32,18,372	(1,623)	38,760	-	2,19,20,662
Premium earned (net)	6,12,336	2,19,812	-	74,57,893	96,54,548	1,71,12,441	54,219	28,166	1,02,361	4,36,988	31,09,385	(1,623)	38,117	-	2,17,12,202
Profit/(Loss) on sale/redemption of investments	24,258	4,800	2	94,656	7,33,992	8,28,648	1,081	434	3,004	7,879	41,162	6,893	965	2,25,795	11,44,920
Others	9,380	261	-	3,375	-	3,375	16	0	504	41	286	-	7	-	13,870
Investment income-Terrorism pool	43,032	-	-	-	-	-	-	-	10,436	-	-	-	321	-	53,789
Interest (net of amortisation)	88,870	17,585	6	3,46,774	26,88,993	30,35,767	3,960	1,589	11,005	28,863	1,50,797	25,251	3,534	8,27,205	41,94,432
Total segmental revenue	7,77,875	2,42,457	8	79,02,699	1,30,77,534	2,09,80,232	59,275	30,189	1,27,310	4,73,771	33,01,629	30,521	42,945	10,53,000	2,71,19,213
Claims incurred (net)	(1,86,729)	(1,78,196)	206	(61,37,406)	(85,38,359)	(1,46,75,765)	(8,548)	388	(37,302)	(2,00,357)	(29,99,116)	1	1,472	-	(1,82,83,945)
Commission received/(paid), net	1,21,282	(33,261)	40	(12,57,495)	(1,43,389)	(14,00,884)	(6,391)	212	69,411	(15,635)	(3,15,295)	20,002	(1,135)	-	(15,61,654)
Operating expenses related to insurance business	(2,02,602)	(54,069)	-	(19,59,655)	(25,34,960)	(44,94,615)	(9,371)	(4,849)	(28,765)	(96,000)	(6,71,291)	(135)	(6,270)	-	(55,67,967)
Total segmental expenses	(2,68,049)	(2,65,526)	246	(93,54,556)	(1,12,16,708)	(2,05,71,264)	(24,310)	(4,249)	3,344	(3,11,992)	(9,85,702)	19,868	(5,933)	-	(2,54,13,566)
Segmental (loss)/profit	5,09,826	(23,068)	254	(14,51,857)	18,60,826	4,08,968	34,965	25,940	1,30,654	1,61,779	(6,84,073)	50,389	37,012	10,53,000	17,05,648
Other income	-	-	-	-	-	-	-	-	-	-	-	-	-	321	321
Unallocated corporate expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	47,181	47,181
Provision for taxation	-	-	-	-	-	-	-	-	-	-	-	-	-	(4,42,311)	(4,42,311)
Net profit (loss) for the year	5,09,826	(23,068)	254	(14,51,857)	18,60,826	4,08,968	34,965	25,940	1,30,654	1,61,779	(6,84,073)	50,389	37,012	6,58,191	13,10,839
Segment Assets	28,85,238	3,29,798	110	62,29,469	4,83,05,217	5,45,34,686	71,137	28,639	4,91,575	5,23,415	27,34,799	28,61,703	63,623	1,66,97,192	8,12,21,914
Segment Liabilities	15,13,733	3,19,376	-	56,85,529	4,77,03,965	5,33,89,494	63,158	25,558	1,88,668	4,72,743	25,49,773	3,53,979	71,821	56,53,100	6,46,01,404
Capital Expenditure	-	-	-	-	-	-	-	-	-	-	-	-	-	1,45,534	1,45,534
Amortisation of premium & discount	7,394	1,463	1	28,852	2,23,729	2,52,581	329	132	916	2,401	12,547	2,101	294	68,825	3,48,986
Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-	1,26,283	1,26,283
Non-Cash Expenditure other than depreciation and amortisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Note : Aviation Segment Business for 2021-22 - NIL

ANNEXURE TO THE FINANCIAL STATEMENTS
SUMMARY OF FINANCIAL STATEMENTS
ANNEXURE 2

(₹' Lakhs)

Sl No	Particulars	2022-23	2021-22	2020-21	2019-20	2018-19
	OPERATING RESULTS					
1	Gross premiums written-Direct	3,37,975	2,86,659	2,82,228	3,66,696	3,17,257
2	Net earned premium #	2,70,230	2,19,207	2,13,856	2,35,543	2,21,100
3	Income from investments (Net)@	43,955	43,401	38,733	33,739	30,193
4	Other income	3,382	139	93	59	39
5	Total income	3,17,567	2,62,747	2,52,682	2,69,341	2,51,332
6	Commissions (Net)	16,122	15,617	14,057	15,168	8,455
7	Operating expenses	76,832	55,680	49,644	46,230	43,060
8	Net incurred claims	1,87,862	1,82,839	1,70,064	1,93,887	1,85,485
9	Change in unexpired risk reserve	26,235	2,085	2,335	7,532	2,481
10	Operating Profit/(Loss)	10,516	6,526	16,582	6,524	11,851
	NON OPERATING RESULT					
11	Total income shareholders' account	5,732	11,005	4,538	(2,394)	6,350
12	Profit/(Loss) before tax	16,248	17,532	21,120	4,130	18,201
13	Provision for tax	(4,118)	(4,423)	(5,292)	(1,675)	(6,081)
14	Profit/(Loss) after tax	12,131	13,108	15,828	2,455	12,120
	MISCELLANEOUS					
15	Policyholders' Account:					
	Total funds	6,48,724	5,89,483	5,47,794	5,00,854	4,21,318
	Total investments	6,48,724	5,89,483	5,47,794	4,62,487	4,00,910
	Yield on investments	7.2%	7.7%	7.5%	7.5%	7.8%
16	Shareholders' Account:					
	Total funds	1,55,401	1,45,964	1,32,855	1,17,028	1,14,573
	Total investments	1,16,222	1,20,975	1,00,640	1,12,017	1,06,640
	Yield on investments	7.2%	7.7%	7.5%	7.5%	7.8%
17	Paid up equity capital	44,900	44,900	44,900	44,900	44,900
18	Net worth	1,55,401	1,45,964	1,32,855	1,17,028	1,14,573
19	Total assets	8,77,420	8,16,468	7,53,583	6,77,097	5,78,023
20	Yield on total investments	7.2%	7.7%	7.5%	7.5%	7.8%
21	Earnings per share (₹) *	2.70	2.92	3.53	0.55	2.70
22	Book value per share (₹)	34.61	32.51	29.59	26.06	25.52
23	Total dividend	2,694	-	-	-	-
24	Dividend per share (₹)	0.60	-	-	-	-
	Profit/(Loss) for the year	12,131	13,108	15,828	2,455	12,120
	Weighted average number of shares at the end of the year	44,90,00,000	44,90,00,000	44,90,00,000	44,90,00,000	44,90,00,000

Net of reinsurance

@ Net of losses & includes investment income from terrorism pool

* EPS has been calculated in accordance with AS-20 Basic & Diluted (Face Value ₹ 10/- each)

Note: The Company determine the Policyholders' Fund and the Shareholders' Fund on the basis stipulated in IRDAI Circular no. IRDA/F&A/CIR/CPM/010/01/2017 (Refer point 9 of Schedule 16 relating to Accounting Policies).

ANNEXURE TO THE FINANCIAL STATEMENTS

RATIOS FOR NON-LIFE INSURANCE COMPANIES

ANNEXURE 3

Sl. No	Performance Ratio	March 31, 2023	March 31, 2022
1	Gross premium growth rate (segment wise): (Gross premium for the current year divided by gross premium for the previous year) Refer Accounting Ratios Schedule 1	17.9%	1.6%
2	Gross premium to shareholders' fund ratio: (Gross premium for the current year divided by the paid up capital plus free reserves)	2.17	1.96
3	Growth rate of shareholders' funds: (Shareholders' funds as at the current balance sheet date divided by the shareholders' funds at the previous balance sheet date)	6.5%	9.9%
4	Net retention ratio (segment wise): (Net premium divided by gross premium) Refer Accounting Ratios Schedule 2	76.8%	73.9%
5	Net commission ratio (segment wise): (Commission net of reinsurance for a class of business divided by net premium) Refer Accounting Ratios Schedule 3	6.0%	7.1%
6	Expenses of management to gross direct premium ratio: (Expenses of management divided by the total gross direct premium)	32.5%	29.8%
7	Expenses of management to net written premium ratio: (Expenses of management divided by the net written premium)	40.6%	38.9%
8	Net incurred claims to Net earned premium	77.0%	84.2%
9	Combined ratio: (Net incurred claims divided by net earned premium plus expenses of management divided by Net written premium)	111.4%	116.7%
10	Technical reserves to net premium ratio: (Reserve for unexpired risks plus premium deficiency reserve plus reserve for outstanding claims divided by Net written premium)	2.30	2.60
11	Underwriting balance ratio (segment wise): (Underwriting profit divided by net premium for the respective class of business) Refer Accounting Ratios Schedule 4	-0.15	-0.17
12	Operating profit ratio: (Underwriting profit plus investment income divided by Net earned premium)	4.3%	3.0%
13	Liquid assets to liabilities ratio: (Liquid assets of the insurer divided by the policyholders' liabilities)	0.24	0.31
14	Net earnings ratio: (Profit after tax divided by Net written premium)	4.5%	6.0%
15	Return on networth: (Profit after tax divided by net worth)	7.8%	9.0%
16	Available Solvency Margin(ASM) to Required Solvency Margin (RSM) Ratio	2.27	2.10
17	Gross NPA ratio	-	-
18	Net NPA ratio	-	-

ANNEXURE TO THE FINANCIAL STATEMENTS

ACCOUNTING RATIOS - SCHEDULE 1

GROSS PREMIUM GROWTH RATE

Segment	Growth (%)	
	2022-23	2021-22
Fire	1.5%	6.6%
Marine	12.4%	30.3%
Motor	22.0%	2.4%
Workmen's Compensation/ Employers Liability	9.1%	-4.4%
Public/Product Liability	-10.7%	51.1%
Engineering	8.3%	-11.4%
Personal Accident	-0.8%	-11.4%
Health Insurance	13.3%	10.5%
Others	42.9%	-87.0%
Total	17.9%	1.6%

ACCOUNTING RATIOS - SCHEDULE 3

NET COMMISSION RATIO

Segment	% to NWP	
	2022-23	2021-22
Fire	-40.0%	-19.5%
Marine	15.7%	13.3%
Motor	7.8%	8.2%
Workmen's Compensation/ Employers Liability	11.9%	12.4%
Public/Product Liability	-10.2%	-0.7%
Engineering	-79.4%	-65.5%
Personal Accident	4.8%	3.7%
Health Insurance	9.7%	9.8%
Others	-436.6%	-50.8%
Total	6.0%	7.1%

ACCOUNTING RATIOS - SCHEDULE 2

NET RETENTION RATIO

Segment	% to GWP	
	2022-23	2021-22
Fire	19.1%	17.0%
Marine	49.8%	54.6%
Motor	87.3%	84.8%
Workmen's Compensation/ Employers Liability	89.9%	89.2%
Public/Product Liability	33.5%	32.8%
Engineering	15.2%	17.0%
Personal Accident	65.5%	68.5%
Health Insurance	88.7%	84.7%
Others	19.7%	42.1%
Total	76.8%	73.9%

ACCOUNTING RATIOS - SCHEDULE 4

UNDERWRITING BALANCE RATIO

Segment	to NEP	
	2022-23	2021-22
Fire	0.54	0.56
Marine	-0.02	-0.21
Motor	-0.19	-0.20
Workmen's Compensation/ Employers Liability	0.30	0.55
Public/Product Liability	0.35	0.85
Engineering	0.60	1.03
Personal Accident	0.00	0.29
Health Insurance	-0.27	-0.28
Others	14.75	1.38
Total	-0.15	-0.17

MANAGEMENT REPORT

In accordance with Part IV Schedule B of the Insurance Regulatory and Development Authority of India (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations, 2002, the following Report is submitted by the Management:

1. We confirm that the Certificate of Registration granted by the Insurance Regulatory and Development Authority of India, to transact general insurance business, continues to be valid. The fee for renewal of the Certificate of Registration has been paid for the financial year 2022-23.
2. We certify that all dues payable to the Statutory Authorities have been duly paid.
3. We confirm that the shareholding pattern during the year ended March 31, 2023 has been in accordance with the Statutory/Regulatory requirements.
4. We declare that the funds of the holders of policies issued in India have not been directly or indirectly invested outside India.
5. The Company has maintained the required solvency margins.
6. The values of all the assets have been reviewed on the date of the Balance Sheet and in our belief the assets set forth in the Balance Sheet are shown in the aggregate at amounts not exceeding their realizable or market value under the headings 'Investments', 'Interest, Dividends and Rents accruing but not due', 'Amounts due from other persons or Bodies carrying on insurance business', 'Cash' and the several items specified under 'Other Accounts', except debt securities which are shown at amortized cost and non-performing investments which are shown at amortized cost less provision.
7. The Company is exposed to a variety of risks such as quality of risks underwritten, fluctuations in the value of assets, operational risks and higher expenses.
The Company through an appropriate reinsurance programme has kept its risk exposure at a level commensurate with its capacity.
During the year under report, the Company's Management expense are within the allowable limit at overall level as prescribed in IRDAI (Expense of Management of Insurer transacting General and Health Insurance Business) Regulation, 2016.
The Company monitors these risks closely and effective remedial action is taken wherever required.
8. The Company does not have operations in other countries and hence related country/currency fluctuation risk is not applicable.

9. The trend in average claim settlement time for various Segments for the past 5 years are given hereunder: -

Ageing as on March 31, 2023

(₹ '000)

Line of Business	Up to 30 days		31 days to 6 months		6 months to 1 year		1 year to 5 years		5 years and above		Total	
	No	Amt	No	Amt	No	Amt	No	Amt	No	Amt	No	Amt
Fire	1,241	1,19,578	404	1,22,198	262	1,88,697	272	3,48,939	8	3,880	2,187	7,83,292
Marine Cargo	10,352	81,690	1,716	1,42,502	182	68,175	69	38,016	2	2,359	12,321	3,32,743
Marine Hull	-	-	-	-	-	-	-	-	-	-	-	-
Motor	2,63,280	51,33,214	23,083	35,24,823	2,435	12,44,303	5,205	38,86,739	1,122	11,14,652	2,95,125	1,49,03,731
Workmen compensation	16	466	20	4,383	10	3,910	12	3,673	-	790	58	13,221
Liability	3	0.71	13	3,770	1	2,46,935	1	36	1	739	19	2,51,481
Engineering	592	40,548	431	64,151	124	1,30,815	53	39,801	2	142	1,202	2,75,457
Personal Accident	1,628	3,10,128	36	81,061	-	-	-	-	-	-	1,664	3,91,189
Health	56,100	23,34,686	65	11,53,283	-	-	-	-	-	-	56,165	34,87,969
Crop	-	99	2	201	-	-	-	-	-	-	2	300
Others	1,391	7,371	734	13,782	69	4,259	10	4,802	1	10	2,205	30,224
Total	3,34,603	80,27,781	26,504	51,10,155	3,083	18,87,093	5,622	43,22,006	1,136	11,22,572	3,70,948	2,04,69,607

Ageing as on March 31, 2022

(₹ '000)

Line of Business	Up to 30 days		31 days to 6 months		6 months to 1 year		1 year to 5 years		5 years and above		Total	
	No	Amt	No	Amt	No	Amt	No	Amt	No	Amt	No	Amt
Fire	2,692	1,29,530	518	2,10,089	263	3,44,475	199	4,11,411	1	3,019	3,673	10,98,525
Marine Cargo	6,771	86,006	2,239	1,00,527	159	51,914	217	43,829	7	10,073	9,393	2,92,349
Marine Hull	-	-	-	-	-	-	-	-	-	-	-	-
Motor	2,25,119	46,36,440	21,175	34,51,149	2,155	7,61,049	6,093	27,43,537	666	6,91,190	2,55,208	1,22,83,365
Workmen compensation	12	1,979	18	6,399	19	2,411	11	1,843	-	-	60	12,633
Liability	8	1,881	8	1,635	1	110	1	3,701	-	-	18	7,326
Engineering	934	20,393	557	65,546	248	44,307	87	1,09,346	-	350	1,826	2,39,942
Personal Accident	358	2,24,411	922	80,414	-	-	-	-	-	-	1,280	3,04,825
Health	34,143	24,16,806	18,490	11,61,718	-	-	-	-	-	-	52,633	35,78,525
Crop	39,342	3,10,692	-	-	-	-	-	-	-	-	39,342	3,10,692
Others	1,076	9,499	694	12,790	79	6,606	25	8,192	-	-	1,874	37,087
Total	3,10,455	78,37,638	44,621	50,90,269	2,924	12,10,872	6,633	33,21,859	674	7,04,632	3,65,307	1,81,65,270

Ageing as on March 31, 2021

(₹ '000)

Line of Business	Upto 30 days		31 days to 6 months		6 months to 1 year		1 year to 5 years		5 years and above		Total	
	No	Amt	No	Amt	No	Amt	No	Amt	No	Amt	No	Amt
Fire	1,785	90,658	472	2,18,004	208	1,76,764	217	3,82,701	-	29	2,682	8,68,157
Marine Cargo	4,931	53,513	1,708	65,209	253	59,950	57	42,863	1	4	6,950	2,21,539
Marine Hull	-	-	-	-	-	-	-	-	-	-	-	-
Motor	1,90,751	37,24,474	28,224	33,84,300	1,627	5,62,475	1,876	13,41,948	473	5,59,530	2,22,951	95,72,726
Workmen compensation	7	191	17	1,615	10	1,579	6	2,085	-	-	40	5,470
Liability	12	2,789	1	262	-	154	-	-	-	-	13	3,205
Engineering	1,699	27,171	430	38,799	335	34,059	37	94,382	2	5,416	2,503	1,99,828
Personal Accident	1,108	77,156	45	79,063	-	39,954	-	21,657	-	217	1,153	2,18,046
Health	37,200	10,34,983	3,211	12,89,167	-	58,241	-	16,575	-	663	40,411	23,99,630
Crop	2,50,470	21,83,249	-	-	-	-	-	-	-	-	2,50,470	21,83,249
Others	1,563	13,714	544	13,296	113	11,302	25	8,341	-	96	2,245	46,749
Total	4,89,526	72,07,899	34,652	50,89,714	2,546	9,44,479	2,218	19,10,552	476	5,65,955	5,29,418	1,57,18,599

Ageing as on March 31, 2020

(₹ '000)

Line of Business	Upto 30 days		31 days to 6 months		6 months to 1 year		1 year to 5 years		5 years and above		Total	
	No	Amt	No	Amt	No	Amt	No	Amt	No	Amt	No	Amt
Fire	633	71,861	209	2,89,300	128	5,14,668	86	5,61,906	-	(84)	1,056	14,37,652
Marine Cargo	3,381	36,173	2,356	1,18,724	189	59,257	46	14,494	4	14,242	5,976	2,42,890
Marine Hull	-	-	-	-	-	-	-	-	-	-	-	-
Motor	2,78,201	52,06,060	31,892	40,16,572	2,529	9,56,035	2,961	21,54,834	764	7,96,733	3,16,347	1,31,30,233
Workmen compensation	5	854	21	5,541	9	2,345	2	195	-	-	37	8,934
Liability	10	1,200	14	4,484	1	291	1	59	-	-	26	6,033
Engineering	189	6,619	218	58,738	78	26,745	28	1,80,794	-	33,088	513	3,05,984
Personal Accident	1,550	63,269	52	1,02,312	-	26,191	-	17,861	-	574	1,602	2,10,207
Health	50,640	11,05,048	4,744	11,91,285	-	77,220	-	4,198	-	584	55,384	23,78,334
Crop	1,87,237	25,34,467	-	-	-	-	-	-	-	-	1,87,237	25,34,467
Others	678	15,250	249	56,906	51	4,147	10	17,934	1	150	989	94,388
Total	5,22,524	90,40,800	39,755	58,43,864	2,985	16,66,900	3,134	29,52,274	769	8,45,286	5,69,167	2,03,49,123

Ageing as on March 31, 2019

(₹ '000)

Line of Business	Upto 30 days		31 days to 6 months		6 months to 1 year		1 year to 5 years		5 years and above		Total	
	No	Amt	No	Amt	No	Amt	No	Amt	No	Amt	No	Amt
Fire	651	29,832	211	1,76,906	126	1,33,416	95	1,61,209	-	477	1,083	5,01,840
Marine Cargo	2,678	36,553	1,725	1,10,683	197	45,169	73	19,013	2	265	4,675	2,11,684
Marine Hull	-	-	-	-	-	-	-	-	-	-	-	-
Motor	2,79,052	47,28,533	32,863	36,75,361	2,881	9,48,897	3,526	20,13,513	1,171	7,69,379	3,19,493	1,21,35,683
Workmen compensation	9	0	17	2,940	18	5,831	8	1,047	-	-	52	9,818
Liability	12	1,701	9	1,827	1	88	-	120	-	3	22	3,738
Engineering	152	2,460	246	1,79,810	67	21,782	36	45,097	-	128	501	2,49,277
Personal Accident	1,681	2,00,334	61	72,581	-	-	-	-	-	-	1,742	2,72,914
Health	42,135	11,56,211	1,835	6,20,478	-	-	-	-	-	-	43,970	17,76,689
Crop	33,674	1,68,539	-	-	-	-	-	-	-	-	33,674	1,68,539
Others	489	8,380	227	8,207	29	3,029	7	2,554	-	44	752	22,213
Total	3,60,533	63,32,541	37,194	48,48,793	3,319	11,58,211	3,745	22,42,552	1,173	7,70,296	4,05,964	1,53,52,394

10. We certify that:

- The Investments in Government Securities and other Debt Securities have been considered as 'held to maturity' and have been measured at historical cost subject to amortization.
 - The market values of Debt Securities including Government Securities have been ascertained by reference to the quotations published for the last working day of the financial year by Clearing Corporation of India Limited, Corporate bond reporting platform (CBRIS) of NSE Clearing Limited/CRISIL Limited security level valuation.
 - The market values of quoted equity investments have been ascertained by reference to the last quoted closing prices available on the Balance Sheet date on the National Stock Exchange of India Limited.
 - The market value of Mutual Fund Investments has been ascertained based on the net asset value declared by the asset management companies as on Balance Sheet date. Unrealized gains or losses arising due to change in the fair value of Mutual Funds are recognized in the Balance Sheet under "Fair value change account".
 - Investments in Alternative Investment Funds (AIFs) are valued at latest available net asset values. Unrealized gains or losses arising due to change in the fair value of Alternative Investment Funds (AIFs) are recognized in the Balance Sheet under "Fair value change account".
11. The Company has adopted a prudent investment policy with emphasis on optimizing return with minimum risk. Significant weighting of the assets has been made towards low risk/liquid investments such as Government securities, Treasury bills and other good quality debt instruments. Fair value of investments is computed for quoted investments, based on the last available market price/CRISIL security level valuation.

The average yield on investments after considering the profit/loss on sale and amortization of costs of investments is 7.19%. All investments in our portfolio as at March 31, 2023 are performing investments.

12. The Management of Royal Sundaram General Insurance Co. Limited certifies that:

- In the preparation of financial statements, the applicable accounting standards, principles, and policies have been followed. To the best of our knowledge there were no material departures from such standards during the year under report.

- b) The Management has adopted 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 Company at the end of the financial year and of the net profit of the Company for the year ended March 31, 2023.
- c) 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, (4 of 1938) as amended by the Insurance Law (amendment) Act 2015/Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) The Management has prepared the financial statements on a going concern basis.
- e) The Management has ensured that an internal audit system commensurate with the size and nature of the business exists and is operating effectively.

13. Particulars of payment made to individuals, firms, companies and organizations in whom/which the directors of the Company are interested is as under.

(₹ '000)

Sl. No.	Entity in which Director is interested	Name of the Director(s)	Interested as	Nature of Payments	Amount
1	Sundaram Finance Limited	S Viji T T Srinivasaraghavan S Prasad Harsha Viji	Director Director Director Director	Dividend paid Rent Information Technology and others Agency commission Insurance claims Other services	1,34,700 9,140 59,640 1,59,812 5,090 3,354
2	Sundaram Home Finance Limited	T T Srinivasaraghavan Harsha Viji Radha Unni	Director Director Director	Insurance claims other services	742 61
3	Sundaram Asset Management Company Limited	Harsha Viji	Director	Insurance claims	481
4	Sundaram Finance Holdings Limited	T T Srinivasaraghavan S Prasad Harsha Viji	Director Director Director	Insurance Claims other services	54 12,835

Transactions with related parties in terms of Accounting Standard 18 are included in note 14 of Schedule 17.

For and on behalf of the Board of Directors

S Viji
Chairman
(DIN:00139043)

M S Sreedhar
Managing Director
(DIN:07153983)

Gary Lee Crist
Director
(DIN: 00942109)

S Prasad
Director
(DIN:00063667)

Place : Chennai
Date : May 5, 2023

Vaibhav Kabra
Chief Financial Officer

S R Balachandher
Company Secretary

RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2023

Registration No. and Date of Registration with the IRDAI : 102/23.10.2000

Particulars	(₹ '000)	
	March 31, 2023	March 31, 2022
Cash flows from operating activities		
Receipts from policyholders, including advance receipts & GST	4,22,69,687	3,46,15,940
Other receipts	15,136	14,114
Payments to re-insurers, net of commissions and claims	(25,32,661)	(23,13,580)
Payments to co-insurers, net of claims recovery	(12,199)	(16,852)
Payments of claims	(2,04,95,166)	(1,80,29,230)
Payments of commission and brokerage	(33,02,162)	(31,17,745)
Payments of other operating expenses	(73,36,632)	(56,84,388)
Preliminary and pre-operative expenses	-	-
Deposits, advances and staff loans	(8,196)	(62,385)
Income taxes paid (Net)	(3,58,303)	(2,11,647)
GST paid	(59,08,452)	(51,97,615)
Other payments	(1,644)	3,351
Cash flows before extraordinary items	-	-
Cash flow from extraordinary operations	-	-
Net cash flow from operating activities	23,29,408	(37)
Cash flows from investing activities		
Purchase of fixed assets	(2,24,640)	(78,238)
Proceeds from sale of fixed assets	1,876	494
Purchases of investments	(2,34,25,912)	(3,39,22,115)
Loans disbursed	-	-
Sales of investments	1,61,85,745	2,97,06,568
Repayments received	-	-
Rents/Interests/Dividends received	49,04,140	44,48,510
Investments in money market instruments and in liquid mutual funds (Net)	11,36,904	(5,02,332)
Expenses related to investments	(30,357)	(22,502)
Net cash flow from investing activities	(14,52,244)	(3,69,615)
Cash flows from financing activities		
Proceeds from issuance of share capital	-	-
Proceeds from borrowing	-	12,60,000
Repayments of borrowing	-	(10,00,000)
Interest/dividends paid	(3,70,480)	(1,05,615)
Net cash flow from financing activities	(3,70,480)	1,54,385
Effect of Foreign exchange rates on Cash and Cash Equivalents, net	(2,371)	(1,218)
Net increase in cash and cash equivalents	5,04,313	(2,16,485)
Cash and Cash equivalents at the beginning of the year	5,19,853	7,36,338
Cash and cash equivalents at the end of the year	10,24,166	5,19,853

As per our report of even date attached

 For N.C. Rajagopal & Co.
 Chartered Accountants
 Registration No. 003398S

 V Chandrasekaran
 Partner
 Membership No. 024844

 Place : Chennai
 Date : May 5, 2023

 For Brahmayya & Co.
 Chartered Accountants
 Registration No. 000511S

 P Babu
 Partner
 Membership No. 203358

For and on behalf of the Board of Directors

 S Viji
 Chairman
 (DIN:00139043)

 Gary Lee Crist
 Director
 (DIN: 00942109)

 Vaibhav Kabra
 Chief Financial Officer

 M S Sreedhar
 Managing Director
 (DIN:07153983)

 S Prasad
 Director
 (DIN:00063667)

 S R Balachandher
 Company Secretary

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

(Statement pursuant to Part IV of Schedule VI to the Companies Act, 1956, as amended)

1. Registration Details:

Registration No.	1	8	-	4	5	6	1	1
State Code							1	8
Balance Sheet Date	3	1	-	0	3	-	2	3

2. Capital raised during the year: (Amount in ₹000)

Public Issue							N	I	L
Rights Issue							N	I	L
Bonus Issue							N	I	L
Private Placement							N	I	L

3. Position of mobilisation and deployment of funds: (Amount in ₹000)

Total Liabilities	1	6	9	4	0	8	7	1	
Total Assets	1	6	9	4	0	8	7	1	
Source of Funds:									
Paid-up Capital		4	4	9	0	0	0	0	
Reserves and Surplus	1	1	0	5	0	0	5	5	
Fair Value Change Account			1	4	0	8	1	6	
Secured Loans							N	I	L
Unsecured Loans		1	2	6	0	0	0	0	
Application of Funds:									
Net Fixed Assets			3	5	3	0	6	1	
Investments	7	6	4	9	4	6	5	3	
Net Deferred Tax Assets			4	3	9	6	7	9	
Net Current Assets	(6	0	3	4	6	5	2	2)	
Miscellaneous Expenditure							N	I	L
Accumulated Losses							N	I	L

4. Performance of the Company: (Amount in ₹000)

Turnover	3	0	1	9	9	6	5	9
(Net Earned Premium, income from investments and other incomes)								
Total Expenditure	2	8	1	5	0	8	2	7
Profit before Tax		1	6	2	4	8	4	2
Profit after Tax		1	2	1	3	0	7	1
Earnings per share (₹)					2	.	7	0
Dividend Rate (%)					6	.	0	0

5. Generic names of 3 principal products, services of the Company

(as per monetary terms):

Item Code No.	N	.	A	.												
Product Description	G	E	N	E	R	A	L	I	N	S	U	R	A	N	C	E

S Viji
Chairman
(DIN:00139043)

M S Sreedhar
Managing Director
(DIN:07153983)

Gary Lee Crist
Director
(DIN: 00942109)

S Prasad
Director
(DIN:00063667)

Vaibhav Kabra
Chief Financial Officer

S R Balachandher
Company Secretary

Place : Chennai
Date : May 5, 2023



Royal Sundaram General Insurance Co. Limited

Corporate Office: Vishranthi Melaram Towers, No. 2 / 319, Rajiv Gandhi Salai (OMR), Karapakkam, Chennai - 600097.

Registered Office: 21, Patullos Road, Chennai - 600 002.

We Insure:

Health



Motor



Home



Accident



Travel



Marine



Establishment



Industry



Rural



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